

31st

ANNUAL REPORT



ALCHEMIST LIMITED

CONTENTS

	PAGE NO.
Corporate Information	3
Notice	4-9
Director's Report	10-28
Management Discussion and Analysis Report	29-32
Report on Corporate Governance	33-46
Independent Auditor's Report	47-54
Balance Sheet	55
Statement of Profit and Loss	56
Cash Flow Statement	57
Notes to Financial Statements	58-89
CONSOLIDATED FINANCIAL STATEMENTS	
Independent Auditor's Report	90-96
Balance Sheet	97
Statement of Profit and Loss	98
Cash Flow Statement	99
Notes to Financial Statements	100-133

CORPORATE INFORMATION

Board of Directors:

Mr. Bikram Bhattacharya	Whole Time Director
Mr. Charandeep Singh Jolly	Director (Non-Executive)
Prof. Maria Fernandes	Director (Independent Director)
Ms. Ambika Chowdhary	Director (Independent Director)

Chief Financial officer:

Mr. Anop Singh Negi

Company Secretary & Compliance officer

Ms. Divya Bajaj

Statutory Auditor

M/s Anu & Associates,
Chartered Accountants
Office No. 1081, Sector-27B, Chandigarh-160019
Phone: 0172- 5088800

Secretarial Auditor

M/s Vishal Gambhir & Associates
Company Secretary
Office No. 306, Vardhman City Center 1, Gulabhi Bagh,
New Delhi- 110052

Bankers

Punjab National Bank
Bank Of india
HDFC Bank

Registrar & Share Transfers Agent

Link Intime India Private Limited
Noble Heights, 1st Floor, Plot No. NH-2, C-1 Block,
LSC, Near Savitri Market, Jankpuri, New Delhi- 110058

Registered Office

Building No. 23, Nehru Place,
New Delhi- 110019
Phone: 011-40600800, Fax: 011-40600888
E- Mail: Investors@alchemist.co.in
Website: www.alchemist.co.in

Chandigarh Office

Plot No. F5, Rajiv Gandhi IT Park, Chandigarh-160101

Works Pharma Unit

Electric Complex, Chambaghat, Solan, Himachal Pradesh
Phone: 0179-2230500-2230800

Steel Unit

C-29, Village Chanalon, Near Kurali, District Mohali , Punjab
Phone: 0160-2641170

Floriculture Unit

Dappar, Ambala Chandigarh Highway, District Mohali, Punjab
Village Kanogata, Rajgarh, District Sirmour, Himachal Pradesh,
Phone: 0176-2248666/68

NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the members of Alchemist Limited will be held on Wednesday the 30th September, 2020 at 10.00 A.M. through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility at <https://meet.google.com/zey-xbqu-bmf> to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (Including Standalone and Consolidated Financial Statements) for the Financial Year ended 31st March 2020, together with the Report of the Directors and Auditors thereon.

“RESOLVED THAT the Audited Financial Statements of the Company (Standalone and Consolidated) for the Financial Year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby received, considered and adopted.”

2. To appoint a Director in place of Mr. Charandeep Singh Jolly (DIN: 05151343) who retires by rotation and being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Charandeep Singh Jolly (DIN: 05151343) who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re- appointed as a Non- Executive Director of the Company”.

SPECIAL BUSINESS:

3. To Re- appoint Ms. Maria Fernandes as Independent Director of the Company

To consider and if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), on the recommendation of the Board of Directors and Nomination and Remuneration Committee of the Company, the Shareholders of the Company be and are hereby to re-appoint Ms. Maria Fernandes as an Independent Director on the Board of the Company w.e.f. 23.03.2020 to hold office period of upto 5 consecutive years i.e, 22.03.2025.

RESOLVED FURTHER THAT any Director(s) of the company be and is hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may considered expedient and necessary in this regard.

RESOLVED FURTHER THAT any Director(s) of the Company for the time being be and is hereby severally authorised to sign the certified true copy of the resolution to be given as and when required.”

Date: 04.09.2020

Place: New Delhi

By the Order of the Board
FOR ALCHEMIST LIMITED

Sd/-
Bikram Bhattacharya
Whole Time Director

DIN: 03595530

Registered Office:

Building No.23 Nehru Place-110019

CIN: L72200DL1988PLC192643

Tel: +91-011-40600800

Website: www.alchemist.co.in

E mail: investors@alchemist.co.in

NOTES:-

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
2. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, physical attendance of the Members to the AGM venue is not required. Hence, Members have to attend and participate in the ensuing AGM through VC/OAVM.
3. Those Shareholders whose email IDs are not registered, are requested to register their email ID with Registrar & Share Transfer Agent (R&STA) at Link Intime India Pvt. Ltd, at Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 by providing their Name as registered with the R&STA, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for the members. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee, Auditors, who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at registered office of the Company at Building No. 23, Nehru Place, New Delhi- 110019.
7. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, setting out material facts in respect of the item no. 2 (Special Business) is annexed hereto.
8. All documents referred to in the Notice calling the AGM and the Explanatory Statement are available on the website of the Company for inspection by the Members.
9. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.alchemist.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of Link Intime Pvt Ltd (LIPL) i.e. www.linkintime.co.in (agency for providing the Remote Voting facility).
*Enter the <https://meet.google.com/> in your phone or laptop and enter the meeting code (Link : zey-xbqu-bmf) and join the meeting.
10. The AGM is being convened in due compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), the Rules made thereunder read with the MCA's General Circulars numbered 14/2020, 17/2020, 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020 respectively and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with the SEBI Circular numbered SEBI/HO/CFD/ CM01/CIR/P/2020/79 dated May 12, 2020.

VOTING THROUGH ELECTRONIC MEANS:-

11. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Ltd (LIPL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system will be provided by Link Intime India Private Limited (LIPL).

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

12. The remote E- Voting period begins on Sunday 27th September, 2020 (9:00 A.M.) and ends on Tuesday 29th September, 2020 (5:00 P.M.). During this period Shareholders of the Company holding shares either in physical form or in dematerialized form as on Wednesday 23rd September, 2020 (the cut-off date) may cast their vote electronically. The e-voting module shall be disabled by LIPL for voting thereafter. Members may note that once the vote on a resolution is cast, it cannot be changed subsequently.
13. Shareholders who have already voted prior to the meeting date would be entitled to attend the 31st AGM however they are not entitled to vote at the meeting venue.

ALCHEMIST LIMITED

14. The shareholders should log on to the e-voting website of Link Intime India Private Ltd (LIPL). Visit the e-voting system of LIPL. Open web browser by typing the following: URL: <https://instavote.linkintime.co.in>
15. Click on "LOGIN" tab, available under "Shareholders" section.
16. Now enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT."
17. **For members holding shares in Demat account with:**
 - a) **For CDSL:** 16 digits beneficiary ID,
 - b) **For NSDL:** 8 Character DP ID followed by 8 Digits Client ID,
 - c) **Shareholders holding shares in Physical Form**(i.e, Share Certificate) should enter Folio Number registered with the Company.
18. Your password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Bank Details OR Date of Birth (DOB)	<p>Enter the Bank Details or Date of Birth (in DD/MM/YYYY format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Bank details field as mentioned in instruction (V-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL : <https://instavote.linkintime.co.in> and/or voted on an earlier voting of any Company then you can use your existing password to login.

IF SHAREHOLDERS HOLDING SHARES IN DEMAT FORM OR PHYSICAL FORM HAVE FORGOTTEN PASSWORD:

19. Enter User ID, select mode and Enter image Verification code (CAPTCHA), Click on "SUBMIT"

In case shareholder is having valid email address, Password will be sent to the shareholder's registered email address. Else, shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/DOI, Bank details etc. And confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

NOTE:- The password is to be used by demat shareholders for voting on the resolution placed by the Company in which they are a shareholder and eligible to vote, provided that the Company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

CAST YOUR VOTE ELECTRONICALLY

20. After successful login, you will be able to see the notification for e- voting on the home page of INSTA Vote. Select/ View "EVENT No" of the Company, you choose to vote.
21. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
Cast your vote by selecting appropriate option i.e. Favour/ Against as desired.
Enter the number of shares (which represents no. Of votes) as on the cut off date under "Favour/ Against". You may also choose the option "Abstain" and the shares held will not be counted under "favour/ Against".
22. If you wish to view the entire Resolution details, click on the 'view Resolutions' File link.

23. After selecting the appropriate option i.e. favour/ against as desired and you have decided to vote, click on “SUBMIT.” A confirmation box will be displayed. If you wish to confirm your vote, click “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
24. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
25. You can also take the printout of the votes cast by you by clicking “PRINT” option and Voting page.

General Guidelines for Shareholders:

26. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’.
They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.
27. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
28. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
 - (i) In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

Other Instructions:

- (a) The notice of AGM and Annual Report is being sent to those members/beneficial owners whose name will appear in the register of members/list of beneficiaries received from the depositories as on Sunday, August 30, 2020.
 - (b) Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting and that the members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not cast their vote again.
 - (c) Persons who have acquired shares and become members of the Company after dispatch of Notice of AGM but before cut-off date of 23rd September, 2020 may obtain their user ID and password for remote e-voting from RTA of the Company i.e., M/s. Link Intime India Pvt. Ltd (LIPL).
 - (d) The voting rights of the Shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. 23rd September, 2020.
 - (e) M/s. Mayuri Sinha & Company, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - (f) The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within a period not exceeding three days from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman or any other Key Managerial Personnel who shall countersign the same and declare the results of the voting forthwith.
 - (g) The results declared along with the report of Scrutinizer shall be placed on the website of the Company www.alchemist.co.in and on the website of LIPL immediately after the declaration of results by the Chairman or any other Key Managerial Personnel. The results shall also be immediately forwarded to the Stock Exchange(s).
29. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 24th September, 2020 to Wednesday 30th September, 2020 (both days inclusive).
 30. Details of Directors seeking appointment/reappointment are incorporated in the Corporate Governance Report forming part of Annual Report.
 31. 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 Notice/Annual Report and other Communiqués to shareholders in electronic mode, in future.
 32. 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 registrar full particulars of e-mail ids in case they wish to opt for receipt of documents by electronic mode.

ALCHEMIST LIMITED

33. The Annual Report 2019-20, the notice of 31st AGM and instructions for e- voting are being sent by electronic mode to members whose email id's are registered with the Company/DP's. and those Shareholders whose email IDs are not registered, are requested to register their email ID with Registrar & Share Transfer Agent (R&STA) at Link Intime India Pvt. Ltd, at Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 by providing their Name as registered with the R&STA, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them. As per MCA General Circular No. 20/2020, Dated May 5, 2020, Company will sent Notice & Annual Report to shareholders in soft copy by electronic means only.

Date: 04.09.2020

Place: New Delhi

By the Order of the Board
FOR ALCHEMIST LIMITED

Sd/-

Bikram Bhattacharya

Whole Time Director

DIN: 03595530

Registered Office:

Building No.23 Nehru Place-110019

CIN: L72200DL1988PLC192643

Tel: +91-011-40600800

Website: www.alchemist.co.in

E mail: investors@alchemist.co.in

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3

The Board of Directors of the meeting held on June 11, 2020, Re- appointment of Ms. Maria Fernandes as Independent Director for a term of 5 years w.e.f 23.03.2020, subject to the approval of Shareholders of the Company.

The Company has received a declaration from Ms. Maria Fernandes confirming that she meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received the consent to act as a Director in terms of section 152 of the Companies Act, 2013 and a declaration that she is not disqualified from being appointed as Independent Director in terms of Section 149 of the Companies Act, 2013. In the opinion of the Board, Ms. Maria Fernandes fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for her appointment as an Independent Director of the Company and she is independent of the management.

Except Ms. Maria Fernandes, being the appointee, or her relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution set out at Item No. 3.

The Board of Directors recommends the resolution in relation to appointment of Ms. Maria Fernandes as an Independent Director of the Company, as set out in Item No. 3 for approval of the members by way of a Special Resolution.

Date: 04.09.2020

Place: New Delhi

By the Order of the Board
FOR ALCHEMIST LIMITED

Sd/-

Bikram Bhattacharya

Whole Time Director

DIN: 03595530

Registered Office:

Building No.23 Nehru Place-110019

CIN: L72200DL1988PLC192643

Tel: +91-011-40600800

Website: www.alchemist.co.in

E mail: investors@alchemist.co.in

ALCHEMIST LIMITED

Information of Directors to be appointed/re-appointment and the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in accordance with provisions of Companies Act, 2013 and Secretarial Standards, as on the date of Notice.

Particulars	Ms. Maria Fernandes
DIN	07134540
Age (in years)	47
Nationality	Indian
Date of Appointment	24/03/2015
Shares held in Company	Nil
Qualification	BA, MA (History), M Phil (History) PGBS Youth Leadership Training Nagpur
Experience and Expert Functional area	Ms. Fernandes has rich experiences in the field of management. She has served as Principal of Holy Cross Mission College; Coordinator, Regional Study Centre Kakatiya University; Director, St. Francis College, Mumbai; Program Officer, Calicut University Centre Mumbai and Gen. Secretary, TFM Educational Society. Presently serving as Vice-Chairperson West Bengal Minorities Commission.
Directorship held in other Companies	<ol style="list-style-type: none"> 1. Alchemist Realty Limited 2. Alchemist Touchnology Limited 3. Alchemist F&B limited 4. Alchemist Hotels & Resorts Limited 5. Pinkcassia Hotels and Resorts Limited 6. Optimum Constructors and Developers Private Limited 7. Royal Building and Infrastructure Private Limited 8. Alchemist Airways Private Limited 9. Alchemist Healthcare Limited 10. Alchemist Universe of Education Limited 11. Alchemist Hospitals Limited
Membership/ Chairmanship of Committee in other Companies	1. Alchemist Realty Limited (Member & Chairmanship)
Relationship with other Directors/KMPs	None

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 31st 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, 2020. The financial highlights for the year under review are given below:

1. FINANCIAL HIGHLIGHTS

Financial Results are presented in the table below:

(Rs. In Lakhs)

Particulars	Standalone Financials Highlights		Consolidate Financials Highlights	
	2019-20	2018-19	2019-20	2018-19
Total Revenue	1,470.47	2,765.78	1,470.47	2,765.78
Total Expenditure	7,268.70	8,825.75	7,268.88	8,825.84
Profit & Loss Before Exceptional item	(5,798.23)	(6,059.97)	(5,798.41)	(6,060.55)
Exceptional Item	0.00	0.00	0.00	0.00
Profit & Loss Before Tax	(5,798.23)	(6,059.97)	(5,798.41)	(6,060.55)
Tax Expenses	(1,125.45)	(1,096.21)	(1,125.45)	(1,096.21)
Profit & Loss After Tax	(4,672.78)	(4,963.76)	(4,672.96)	(4964.34)

The volatility and uncertainty in the economy continued during the year. The net revenue of the Company decreases from Rs. 2,765.78 Lakhs to Rs. 1,470.47 Lakhs during the year.

2. COMPANY'S OPERATING PERFORMANCE AND STATE AFFAIRS

The Company's state of affairs, operations review and future outlook have been discussed and analyzed more in depth in the Management Discussion & Analysis report (Annexure VII) forming part of this Board's report. The company's main business segments are Agri Business comprising largely floriculture, Steel, and Chemicals, pharma division comprising the manufacturing and trading. The company's subsidiary is in the business of Pharma.

PHARMA DIVISION

Alchemist Pharma division is a strong vertical of Alchemist Group with around 400 SKU's and promoted through a very strong committed field force. Pharma division enjoys tremendous respect with the medical fraternity and covering a universe of around 2,000 Doctors and 30,000 retailers across the country. Alchemist's Molecules have been acknowledged with tremendous response at the market place. A detailed write up on the pharma divisions is contained in the section on Management Discussion and Analysis elsewhere in this report.

AGRI DIVISION

The company continued to mark its presence in business of Global Agri Trade.

STEEL DIVISION

Steel business segment is consistently making achievement and the production efforts are now supplemented by trading activity as well.

3. SHARE CAPITAL

The paid up Equity Share Capital is Rs.1355.98 Lakhs and paid up Preference Share capital is 31.38 Lakhs as on March 31, 2020. During the year, there is no change in the share capital of the Company.

4. DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT

Significant material changes and commitments have occurred after the closure of the Financial Year 2019-20 till the date of this Report, which would affect the financial position of your Company.

The rampant spread of COVID-19 outbreak, across borders and geographies, has severely impacted almost the whole world and triggered significant downside risks to the overall global economic outlook and India is no exception. Due to the lockdown announced by the Government of India from 25th March, 2020, entire operations of the Company came to a halt. The lockdowns and restrictions imposed on various activities due to the pandemic have posed challenges to the businesses of your Company.

The moratorium on debts and interest payments have been a source of support in otherwise severely impacted liquidity and operating cash flows. The Board believes that it is difficult to predict any industry wide scenario for the immediate short term and the Company expects to resume normal operations soon after lifting of lockdown. Although there are uncertainties due to the pandemic, the Company is taking several measures to mitigate the adverse impact by optimizing costs and continuously realigning the cost and operating structures so as to sustain viable level.

5. **DIVIDEND**

Your Company has incurred loss during the year and hence Board of Directors has not recommended any dividend during the year.

6. **DEPOSITS**

The Company has not accepted any deposits from the public during the year under review.

7. **DEPOSITORY SYSTEM**

There are 630538 (4.65%) shares still in physical form and 12929262 (95.35%) are in dematerialized form of the Company's total paid-up equity capital representing 1,35,59,800 shares as on March 31, 2020.

In view of the numerous advantages offered by the Depository system, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories.

With effect from 01st April, 2019, the request for transfer of Equity shares of the company shall not be processed unless the securities are held in dematerialised form with a Depository as per the amended regulation 40 of SEBI (LODR) Regulations, 2015.

8. **LISTING FEES AND ANNUAL CUSTODIAN CHARGES**

The Shares of your Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange India Limited (NSE). The Listing fee for the financial year 2019-20, has been paid to the Stock Exchanges.

9. **SUBSIDIARY COMPANY & CONSOLIDATED FINANCIAL STATEMENTS**

Your Company has one subsidiary company namely Alchemist Healthcare Limited and one Associate i.e., Alchemist Medisphere Limited. Financial statements of the above mentioned subsidiary and associate company are consolidated as per the requirements of the Companies Act, 2013 accounting standards and accounting policies applicable to the company.

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

The financial statements of one Associate i.e., ROC Foods Limited (formerly known as Alchemist Foods Limited) is still under compilation process till the date of balance sheet and one subsidiary viz. Alchemist Hospitality Group Limited is under strike off. Accordingly, the same are not forming part of the consolidated financial Statements.

10. **DETAILS OF DIRECTORS AND KMP**

DIRECTORS

- Mr. Charandeep Singh Jolly (DIN: 05151343) who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re- appointed as a Non- Executive Director of the Company.
- In first term of office of Ms. Maria Fernandes as Independent Director of the Company in terms of the Companies Act, 2013 expired on March 23, 2020. Pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company in their meeting which was held on June 11, 2020, Re- appoint Ms. Maria Fernandes as Independent Director of the Company w.e.f March 23, 2020 and the Board of Directors recommended to the shareholders for re-appointment of Ms. Maria Fernandes as Independent Director of the Company for a period of 5 years at the Annual General Meeting held on September 30, 2020.

KEY MANAGERIAL PERSONNEL

- Mr. Dinesh Kumar, Chief Financial Officer of the company had resigned on July 02, 2019.
- The Board has appointed Mr. Anop Singh Negi as Chief Financial officer of the Company with effect from July 11, 2019 in place of Mr. Dinesh Kumar.
- The Board has appointed Mr. Sunil Jain as Company Secretary & Compliance Officer he had resigned on November 15, 2019.
- The Board has appointed Ms. Divya Bajaj as company Secretary and Compliance officer of the Company with effect from February 01, 2020 in place of Mr. Sunil Jain.

11. DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Also, your Company has received annual declarations from all the Independent Directors of the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate Affairs [“IICA”] as prescribed by the Ministry of Corporate Affairs under the relevant rules. The Board is of the opinion that all independent directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

12. SEPARATE MEETING OF INDEPENDENT DIRECTORS

In terms of requirements under Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on February 12, 2020.

The Independent Directors at the meeting, inter alia, reviewed the following:-

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors.
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

13. BOARD MEETINGS AND COMMITTEES MEETINGS

During the year, 07 Board meetings were convened and held.

During the Year, 05, Audit Committee meetings, 01 Stakeholders Relationship Committee (SRC) meetings and 03 Nomination and Remuneration Committee meetings were convened and held.

The details of these meetings are given in the Corporate Governance Report. The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

14. ANNUAL EVALUATION OF BOARD

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and having due regard to the SEBI's Guidance Note on Board Evaluation dated January 05, 2017, the Board has carried out an annual evaluation of its own performance, individual separately as well as the evaluation of the working of its Audit Committee, Committee of Directors Stakeholders Relationship Committee and Nomination and Remuneration Committee. A comprehensive evaluation process formulated by the Nomination and Remuneration Committee covering various aspects of the functioning of the Board was circulated to all the Directors to evaluate the performance of the Board.

The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairperson of the Company was also carried out by the independent directors, taking into account the views of the executive and non-executive directors. The Directors expressed their satisfaction with the evaluation process.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Particulars of loans/ guarantee given and investments made are given in the financial statements.

16. RELATED PARTY TRANSACTION

All the related party transactions are entered on arm's length basis and are in compliance with applicable provisions of the Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

All related party transactions are presented to the Audit Committee and the Board. Approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee periodically, specifying the nature, value and terms and conditions of the transactions.

Related Party Transaction Policy as approved by the Board is uploaded on Company's Website at the web link i.e., <http://www.alchemist.co.in/investors.html>.

The details of the transactions with the Related Parties are provided in the accompanying Financial Statements. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

All possible measures have been undertaken successfully by your Company to achieve the desired objective of energy conservation and technology absorption. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014 is annexed as **Annexure-II**.

18. CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, your Company does not fall under the criteria prescribed under Section 135 (1) of the Companies Act, 2013 and other relevant rules framed thereunder, hence the company is not required to constitute Corporate Social Responsibility Committee (CSR Committee).

19. MANAGERIAL REMUNERATION AND PARTICULARS OF EMPLOYEES

Details of Managerial remuneration required pursuant to Section 134 (3) (q) and section 197(12) and Rule 5(1) & (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure-III**.

20. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of Unpublished Price Sensitive Information (UPPSI) in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

21. VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

22. BUSINESS RISK MANAGEMENT

Business risk evaluation and management is an ongoing process within the Company. During the year under review, a detailed exercise on 'Risk Assessment and Management' was carried out covering the entire gamut of business operations and the Board was informed of the same. The company has followed the principal of assessing the risk and accordingly managing the business.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. These risks are assessed and steps as appropriate are taken to mitigate the same.

23. INTERNAL CONTROL SYSTEM

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

24. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2019-2020, no complaints were received by the Company related to sexual harassment.

25. STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and relevant rules framed thereunder, M/s. Anu & Associates, Chartered Accountants (firm Registration No.019624N) were appointed as Statutory Auditors of the Company for a term of five consecutive years, at 28th Annual General Meeting held in the year 2017, on such remuneration as may be recommended by the Audit Committee of the Board and decided by the Board of Directors of the Company.

However, the requirement of ratification of appointment of Auditors has been relinquished by the Ministry of Corporate Affairs.

26. EXPLANATION TO AUDITOR'S REMARKS

The Board has taken note of the Observations made by the Auditors in their Report.

Reply to Auditors qualifications/observations-

- (i) **Regarding outstanding export receivable-** the Company extends credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46,442.79 Lakhs, credit were extended for export sales in the normal course of the business, however it apparently got stuck. Though the Company is regularly following up on the same, has initiated legal recourse and is hopeful of recovering such amount, still considering the principal of conservatism, the Company had made a provision for expected credit loss @ 10% of the outstanding export receivables amounting to ₹ 4,644.28 Lakhs and has not recognized unrealised foreign exchange gain/loss on such export receivable and related trade payable during the financial year 2019-20. Hence forth, the

Company shall not be accounting for the unrealised foreign exchange loss on such export receivable and related trade payables and the same will only be accounted for on actual realisation/payment". Cumulatively, the provision for expected credit loss on such export receivables stands at ₹ 9,288.56 Lakhs.

Such export receivables are outstanding for more than three years as at the year-end date, provision @ 20% is made against such doubtful trade receivables. Since the actual realisation of such doubtful export receivable cannot be ascertained, we are unable to comment on the adequacy of the provision of expected credit loss made by the Company.

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

Though, the Company admits that the export receivable is doubtful of recovery and has made partial provision on such export receivable, still such export receivable and related trade payable stand in the books, hence require recognition of unrealised foreign exchange gain/loss as per the provisions of Ind AS 21, The Effects of Changes in Foreign Exchange Rates. Accordingly, the loss is overstated by ₹ 3,178.87 Lakhs for the year ended 31st March, 2020 and accordingly the trade receivables and trade payable are understated by ₹ 4,329.75 Lakhs and ₹ 1150.88 Lakhs respectively, as at the year ended 31st March, 2020.

- (ii) **Regarding Working Capital Limits-** The working capital limits of ₹ 350.00 Lakhs availed from Bank of India for the working capital requirements of the pharmaceutical division has been classified as non-performing asset (herein referred to as 'NPA') on 30th November, 2018. The outstanding as on the date of classification by the bank as NPA was ₹ 363.88 Lakhs. The Company has not recognised interest liability on such loan from the day it has become NPA, in line with the practice followed by the respective bank".

The Company has not made provision of interest due on the borrowings from Bank of India, post the date the account was classified as non-performing assets by the bank.

In the absence of the information on record, the consequential impact, if any, on the standalone financial statements is not ascertainable.

- (iii) **Regarding Capital Advances-** Capital advances of Rs. 769.70 lakhs is considered as good and recoverable and also states that out of the same, the Parent is pursuing legal action in Honorable Kolkata High Court against Medisphere Marketing Limited for recovery of the amount of Rs.459.80 Lakhs outstanding in its books. Further, the company is hopeful of recovering the above amounts and hence no provision is considered necessary.
- (iv) **Balances in FDRs, current account and cash credit limit-** FDR's, current accounts and cash credit limit with a cumulative debit balance of ₹ 106.39 Lakhs and cumulative credit balance of ₹ 375.07 Lakhs could not be verified from statement or even balance confirmation.

In the absence of the information on record, the consequential impact, if any, on the standalone financial statements is not ascertainable.

- (v) **Consolidation of Financial Statements of Associate Company (ROC Foods Limited), one subsidiary viz. Alchemist Hospitality Group Limited**

It has been explained to us that the financial statements of one associate, ROC Foods Limited is still under compilation and one subsidiary viz. Alchemist Hospitality Group Limited is under strike off. Accordingly, the same are not forming part of the consolidated financial results.

- (vi) **Impact of COVID-19-** The financial impact arising out of the COVID -19 outbreak are not accounted or reported or disclosed as per the prescribed Indian Accounting Standards, in the financial statements.

In the absence of the information on record, the consequential impact, if any, on the standalone financial statements is not ascertainable.

27. COST AUDITORS

Pursuant to the Section 148 of the Companies Act, 2013 and the rules made thereunder, states that cost records are mandatory in the case following conditions are satisfied –

- The company is engaged in manufacturing goods or provision of services which are listed in Table A or Table B; and
- Total aggregate turnover of the company from all its production or service is more than INR 35 Crore in the preceding financial year.

Your Company's turnover is less than 35 crores in the preceding financial year. Hence, Section 148 of the Companies Act, 2013 is not applicable to your Company.

28. SECRETARIAL STANDARDS SECRETARIAL AUDITORS

The Board of Directors confirms that your Company has complied with the applicable Secretarial Standards during the year 2019-20.

The Board has appointed M/s Vishal Gambhir & Associates, Practicing Company Secretaries to conduct Secretarial Audit for the Financial Year 2019-20. The Secretarial Audit Report for the Financial Year ended 31st March, 2020 is annexed herewith marked as **Annexure- IV** to this Report.

29. INTERNAL AUDITORS

The Company has appointed Mr. Amardeep Singh, as internal auditor undertake the audit exercise. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. This includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

30. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

During the Financial Year, no order has been passed by the authorities which impacts the going concern status and company's operations in future.

31. HUMAN RESOURCES

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

32. INDUSTRIAL RELATIONS

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

33. INSURANCE

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

34. INFORMATION TECHNOLOGY

The Company continues to derive its business and service functions through deployment of a strong Information Technology network across its offices, verticals, outlets etc. to inculcate efficiency and discipline at all levels. The employee's information like personal data (personal information, qualification and remuneration details etc.), employee data (current & past employment and training details), self-task (attendance, leave and training request, IT declarations etc.) and MIS continue to be coordinated through this System. The Management of the Company interacts with the employees with regular thoughts and mails.

35. RESEARCH AND DEVELOPMENT

The Company continues to give significant attention to Research & Development which has been providing significant support to the manufacturing capabilities of the Company and has helped the company in expanding its product basket significantly. This has also enabled the Company to become the most preferred source for its customers.

36. EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE-V**.

37. MANAGEMENT DISCUSSION & ANALYSIS

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report and marked as **Annexure-VI**.

38. CORPORATE GOVERNANCE REPORT

As required by regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report of Corporate Governance as well as Corporate Governance Compliance Certificate is included in the Annual Report and marked as **Annexure-VII**.

39. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

- accounting policies have been selected 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 at the end of the financial year and of the profit and loss of the company for that period.
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- the annual accounts have been prepared on a going concern basis; and;
- Internal financial controls followed by the company and those internal financial controls are adequate and were operating effectively.
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

40. ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors
ALCHEMIST LIMITED

Date: 04.09.2020
Place: New Delhi

Sd/-
Bikram Bhattacharya
(Chairperson & WTD)
DIN-03595530

Form-AOC-1
Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures
Part "A": Subsidiaries
(Rs. in Lakhs)

S. No.	Name of the Subsidiary	Alchemist Healthcare Limited
1	Financial Year Ending	31 st March 2020
2	Currency & Exchange rate on the last day of financial year	INR
3	Share Capital	5.00
4	Reserves & Surplus	(0.83)
5	Total Assets	36.45
6	Total Liabilities	36.45
7	Investments	Nil
8	Turnover	Nil
9	Profit before Taxation	(0.18)
10	Provision for Taxation	Nil
11	Profit after Taxation	(0.18)
12	Proposed Dividend	Nil
13	% of Shareholding	51%
14	Date since when subsidiary was Acquired	29/01/2016

Part "B": Associate
(Rs in Lakhs)

S. No.	Name of the Associate	Alchemist Medisphere Limited
1	Financial Year Ending	31 st March 2020
2	Currency & Exchange rate on the last day of financial year	INR
3	Share Capital	5.00
4	Reserves & Surplus	(25.26)
5	Total Assets	29.79
6	Total Liabilities	29.79
7	Investments	Nil
8	Turnover	Nil
9	Profit before Taxation	(0.11)
10	Provision for Taxation	Nil
11	Profit after Taxation	(0.11)
12	Proposed Dividend	Nil
13	% of Shareholding	45%
14	Date since when Associate was Acquired	14/02/2008

Notes: -The financial statements of one Associate, ROC Foods Limited (formerly Known as Alchemist Foods Limited) is still under compilation. Accordingly, the same is not forming part of the consolidated financial results.

For and on behalf of Boards of Directors
Alchemist Limited
Sd/-
**Bikram Bhattacharya
(Whole-Time Director)**
DIN-03595530
**Date: 04.09.2020
Place: New Delhi**

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Particulars of Conservation of energy, Technology absorption and Foreign exchange earnings and outgo in terms of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, forming part of the Directors' Report for the year ended 31st March, 2020.

A. CONSERVATION OF ENERGY**(i) The Steps taken or impact on Conservation of Energy and the steps taken by the Company for utilizing alternate sources of Energy**

The Company generally uses more Energy efficient equipment's, better use of natural/artificial lights, timely maintenance of electrical equipment etc. It has helped the Company in improving efficiency, reduction in cost of production.

(ii) The Capital Investment (if any) on energy conservation equipment

The Company has not made capital investment in respect of energy conservation. However it has taken adequate steps for effective utilization of power for cost reduction.

B. TECHNOLOGY ABSORPTION

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

C. Research and Development (R&D)

During the financial year under review, the company has not spent any amount on research and development activities.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of the Foreign Exchange Earned and Outgo during the year under review: -

Total Foreign Exchange Earned Nil

Total Foreign Exchange Outgo Nil

For and on behalf of Boards of Directors

Alchemist Limited

Sd/-

**Bikram Bhattacharya
(Whole-Time Director)**

DIN-03595530

Date: 04.09.2020

Place: New Delhi

PART-A

PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) AND SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S. No.	Requirements of Rule 5(1)	Details	
(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Name of Directors	Ratio to Median Remuneration
		Mr. Bikram Bhattacharya	14.45
		Mr. Charandeep singh jolly*	Nil
		Ms. Ambika Chowdhary**	Nil
		Ms. Maria Fernandes**	Nil
		The remuneration has been considered till that date during the financial year 2019-20. *Mr. Charandeep Singh Jolly, Non-Executive Director **Ms. Maria Fernandes and Ms. Ambika Chowdhary are Independent Directors and are liable for sitting fees only.	
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name of Directors / KMP	Percentage increase/decrease in Remuneration
		Mr. Bikram Bhattacharya (WTD) ¹	Nil
		Prof. Maria Fernandes ²	Nil
		Ms. Ambika Chowdhary ²	Nil
		Mr. Charandeep singh Jolly	Nil
		Mr. Dinesh Kumar ⁴	Nil
		Mr. Anop Singh Negi	
		Mr. Sunil Jain	Nil
		Ms. Divya Bajaj	NIL
		1. No change in the Remuneration of Mr. Bikram Bhattacharya. 2. Ms. Maria Fernandes and Ms. Ambika Chowdhary are Independent Directors and are liable for sitting fees only. 3. Mr. Charandeep Singh Jolly Non-Executive Director. 4. No increment in the salary of Mr. Dinesh Kumar and he was resigned on 02-07-2019. 5. Mr. Anop singh Negi was appointed on July 11, 2019. 6. No increment in the salary of Mr. Sunil Jain and he was resigned on 15 th November, 2019. 7. No increment in the salary of Ms. Divya Bajaj and she was appointed on 01 st February, 2020.	
(iii)	the percentage increase in the median remuneration of employees in the financial year		9.93%
(iv)	the number of permanent employees on the rolls of company		189

ALCHEMIST LIMITED

(viii)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Nil (There is no increase in the Managerial Remuneration)
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, the remuneration is as per remuneration policy of the company.
(xiii)	List of employees who are in receipt of remuneration aggregating not less than Rs. 1 Crores 2 Lakhs per annum and employed throughout the financial year or 8 Lakhs 50 Thousand only per month (if any)	There were no such employees.

PART-B

Details of Top 10 ten Employees in terms of Remuneration drawn for the financial year ended on 31st March, 2020

Name	Age (In Years)	Designation	Remuneration (per month) (₹ in lakhs)	Qualification	Exp. (In Year)	Date of Commencement of Employment	Previous Employment	
							Name of Employer	Post Held
Mr. Charandeep Singh Jolly	60	Director	3.00	Post-Graduation in Public Relation	36	01-Jan-2016	N/A	N/A
Mr. Bikram Bhattacharya	66	Whole-Time Director	2.31	CA	37	10-Aug-2017	N/A	N/A
Mr. Gaurav Arora	41	Vice President-Marketing & Sales	1.28	MBA	20	09-Oct-2012	Life Medicare and Biotech	Head Marketing
Mr. Paramjeet Singh	42	Deputy General Manager-Finance	1.08	B.Com	22	02-Mar-1998	Bull Forest Limited	Account Assistant
Mr. Ajay Arora	67	Vice President-Steel & Floriculture	1.04	Graduate	46	02-Sep-2003	Punjab Anand Batteries	Sales Representative
Mr. Sarabjit Singh	56	Assistant Vice President-Solan Plant	0.86	M. Sc (Maths)	29	01-Apr-2006	Essjee Pharmaceuticals	Production Manager
Mr. Harmeet Singh	35	Transport Manager	0.83	Graduate	17	15-Sep-2011	M/s Exclusive Pvt. Ltd.	Senior Technician
Mr. Anop Singh Negi	46	Chief Financial Officer	0.76	M.Com	21	10-May-2013	Focus Imaging & Research Center Pvt. Ltd.	Sr. Manager-Accounts
Mr. Dinesh Kumar	55	Chief Financial Officer	0.67	LLB and MBA	23	09/11/2017	N/A	N/A
Mr. Sunil Jain	28	Company Secretary	0.35	Company Secretary	04	15/03/2019	N/A	N/A
Ms. Divya Bajaj	26	Company Secretary	0.30	Company Secretary,M.com	02	01/02/2020	N/A	N/A

For and on behalf of Boards of Directors

Alchemist Limited

Sd/-

Bikram Bhattacharya
(Whole-Time Director)

DIN-03595530

Date: 04.09.2020
Place: New Delhi

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9
of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

ALCHEMIST LIMITED

CIN: L72200DL1988PLC192643

Regd office: Alchemist House , 23,

Nehru Place, New Delhi-110019

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ALCHEMIST LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **ALCHEMIST LIMITED** papers, forms and returns filed and other records maintained and provided by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, forms and returns filed and other records **(As per management , minutes book, registers and other Statutory records of the company were in custody of SFIO so it could not be examined by us)** maintained by **Alchemist Limited** for the financial year ended on **31st March, 2020** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under:-
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:-
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(No event took place during the audit period);**
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') Viz:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011:-
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992:-
 - c) The Securities and Exchange Board of India (Issue of Capital And Disclosure Requirements) Regulations, 2018:- **(No event took place during the audit period);**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999:- **(No event took place during the audit period);**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008:- **(No event took place during the audit period);**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and Dealing with Client:-
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:- **(No event took place during the audit period);** and;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998:- **(No event took place during the audit period);**

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes except the company has not updated its minute books till the date of signing of this report.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with my letter of even date which is annexed as Annexure 1 and forms an integral part of this Report.

**For Vishal Gambhir & Associates
Company Secretaries**

**Sd/-
CS Vishal Gambhir
Prop.**

**M. No. A40037
C.P. No. 14881**

UDIN : A040037B000628075

Place: Delhi

Date: 28th August, 2020

Note: This report is to be read with 'Annexure I' attached herewith and forms an integral part of this report.

Annexure - 1

To, The Members Alchemist Limited Our Secretarial Audit Report for the financial year ended 31st March, 2020 of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, we followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test check basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have tried to verify the physical records maintained by the Company to the extent possible in order to verify the compliances, however, reliance was also placed on electronic records for verification due to lockdown announced by Government of India on account of Covid-19 pandemic.

**For Vishal Gambhir & Associates
Company Secretaries**

**Sd/-
CS Vishal Gambhir
Prop.**

**M. No. A40037
C.P. No. 14881**

UDIN : A040037B000628075

Place: Delhi

Date: 28th August, 2020

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014
I. REGISTRATION & OTHER DETAILS

CIN	L72200DL1988PLC192643
Registration Date	05/07/1988
Name of the Company	Alchemist Limited
Category/Sub-category of the Company	Public Company limited by shares
Address of the Registered office & contact details	Alchemist Limited 23, Nehru Place, New Delhi-110019 Phone:011-40600800 Email: investors@alchemist.co.in
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, (if any).	Link Intime India Pvt. Ltd. Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058. Contact No. - 011-41410592-94, Email: delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the product/service (NIC-2008)	% to total turnover of the company
1.	Pharma, Chemical and Minerals	21002	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate of the Company	% of Shares held	Applicable Section
1.	Alchemist Healthcare Limited, Add: 23, Nehru Place, New Delhi- 110019	U74999DL2016PLC290389	Subsidiary Company	51%	Section 2(87) (ii)
2.	Alchemist Medisphere Limited Add: 23, Nehru Place, New Delhi-110019	U51909DL2004PLC129294	Associate Company	45%	Section 2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 1 st April, 2019				No. of Shares held at the end of the year 31 st March, 2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1379220	220780	1600000	11.80	1379220	220780	1600000	11.80	0
b) Central Govt	0	0	0	0	0	0	0	0	0

ALCHEMIST LIMITED

c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	3118341	0	3118341	23.00	3118341	0	3118341	23.00	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)-(1)	4497561	220780	4718341	34.80	4497561	220780	4718341	34.80	0
(2) Foreign									
a) NRI Individuals/ HUF	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp. (Cam Finance and General Trade)	0	20000	20000	0.15	0	20000	20000	0.15	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)-(2)	0	20000	20000	0.15	0	20000	20000	0.15	0
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	4497561	240780	4738341	34.95	4497561	240780	4738341	34.95	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	5000	0	5000	0.03	5000	0	5000	0.03	0
b) Banks / FI	200000	0	200000	1.47	0	0	0	0	(1.475)
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	131875	0	131875	0.97	331875	0	331875	2.4475	1.475
g) FIIs	474827	0	474827	3.50	0	0	0	0.00	(3.50)
h) Foreign Venture Capital Funds		0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	811702	0	811702	5.99	336875	0	336875	2.49	(3.50)
2. Non-Institutions									
a) Bodies Corp.	1332453	7200	1339653	9.87	1137871	7200	1145071	8.44	(1.42)
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	3245448	218758	3464206	25.54	3502116	201358	3703474	27.31	1.77
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2557596	0	2557596	18.86	2996061	0	2996061	22.09	3.23

ALCHEMIST LIMITED

c)Others -(i) Clearing Members	92523	0	92523	0.68	23322	0	23322	0.17	(0.51)
(ii) HUF	124150	0	124150	0.91	156314	0	156314	1.15	0.24
(iii) Non Resident Indians	128025	183200	311225	2.29	137202	183200	318402	2.34	0.05
(iv)OCBs	2200	0	2200	0.01	0	0	0	0	(0.01)
(v)Foreign Nationals	2000	0	2000	0.01	2000	0	2000	0.01	0
(vi)Trusts	0	0	0	0	0	0	0	0	0
(vii)Foreign Bodies –D R	0	0	0	0	0	0	0	0	0
(viii) NBFC's reg. with RBI	420	0	420	0.0031	0	0	0	0	(0.0031)
(ix) IEPF	115784	0	115784	0.85	139940	0	139940	1.03	0.18
Sub-total (B)(2):-	7600599	409158	8009757	59.07	8094826	389758	8484584	62.5716	3.5017
Total Public Shareholding (B)=(B) (1)+ (B)(2)	8412301	409158	8821459	65.05	8431701	389758	8821459	65.0560	0.0000
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	12909862	649938	13559800	100	12929262	630538	13559800	100.0000	0

(ii) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in sharehold- ing during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encum-bered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encum-bered to total shares	
1	KDS Corporation Pvt. Ltd	3059000	22.56	0	3059000	22.56	0	0
2	Kanwar Deep Singh	1257020	9.27	0	1257020	9.27	0	0
3	Ravinder Singh	220780	1.63	0	220780	1.63	0	0
4	Karan Deep Singh	117400	0.86	0	117400	0.86	0	0
5	Optimum Constructors and De-velopers Ltd (formally known as Toubro Investments Ltd)	59341	0.45	0	59341	0.45	0	0
6	Cam Finance &Gen.Trade	20000	0.15	0	20000	0.15	0	0
7	Vijay Anand	4200	0.03	0	4200	0.03	0	0
8	Harpreet Kaur	400	0.00	0	400	0.00	0	0
9	Isher kaur	200	0.00	0	200	0.00	0	0
	Total	4738341	34.95	0	4738341	34.95	0	0

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

S.No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	0	0	0	0

ALCHEMIST LIMITED

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

S. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Torus Infra Development Pvt. Ltd.	600000	4.42	600000	4.42
2	Davos International Fund	746000	5.50	474827	3.50
3	Sunil Talwar	373838	2.75	373838	2.75
4	Basics Softsolutions Private Limited	334085	2.46	334085	2.46
5	The New India Assurance Company Limited	200000	1.47	200000	1.47
6	Mahendra Ramachandrapa	6889	0.05	200000	1.47
7	Sanjay Kumar	169908	1.25	169908	1.25
8	General Insurance Corporation of India	131875	0.97	131875	0.97
9	Rajeev Aggarwal	42987	0.32	111750	0.82
10	Globe Capital Market Limited	126963	0.94	29465	0.22
11	Passage to India Master Fund Limited	576165	4.25	0	0
12	Terence Joseph Fernandes	171522	1.26	0	0

(v) Shareholding of Directors and Key Managerial Personnel:

S. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
	Name of the Director/KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
NIL					

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (FY-2018-19)				
i) Principal Amount	349.32	75468.52	0	75817.84
ii) Interest due but not paid	9.70	0	0	9.05
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	359.02	75468.52	0	75827.54
Change in Indebtedness during the financial year				
* Addition	0	777.45	0	777.45
* Reduction	427.06	0	0	427.06
Net Change	427.06	777.45	0	1204.51
Indebtedness at the end of the financial year (FY-2019-20)				
i) Principal Amount	77.74	76289.76	0	76367.50
ii) Interest due but not paid	1.04	0	0	1.04
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	78.78	76289.76	0	76368.54

ALCHEMIST LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs in Lakhs)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Mr. Bikram Bhattacharya (WTD)		
1	Gross salary		
	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	27.79	27.79
	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission as % of profit	-	-
5	Others, please specify	-	-
	Total (A)	27.79	27.99
Ceiling as per the Act		@5% or 10% of profits calculated under Section 198 or within the limit as permissible under schedule V of the Companies Act, 2013. The above remuneration was paid within the limit as prescribed under the Act.	

B. Remuneration to Other Directors:

(Rs. in Lakhs)

S No	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Mr. Vinay Kumar Mittal	Ms. Maria Fernandes	Ms. Ambika Chowdhary	
	Sitting Fees for Board/ Committee Meetings	NA	0.60	0.65	1.25
	Commission	NA	-	-	-
	Others, please specify	NA	-	-	-
	Total (1)	NA	0.60	0.65	1.25
2. Other Non-Executive Directors					
	Sitting Fees for Board/ Committee Meetings	Nil	NA	NA	0
	Commission	Nil	NA	NA	0
	Others, please specify	Nil	NA	NA	0
	Total (2)	Nil	NA	NA	0
	Total (B)=(1+2)	Nil	0.60	0.65	1.25
	Total Managerial Remuneration (A+B)	NA	NA	NA	1.25
Overall Ceiling as per the Act @ 1% of profits calculated under section 198 of the Companies Act,2013					
Note: - Excluding reimbursement of travel and other expenses incurred for the Company's business/meetings.					

C. Remuneration to Key Managerial Personnel Other Than Managing Director/ Manager/Whole-Time Director

(Rs. in Lakhs)

S No	Particulars of Remuneration	Key Managerial Personnel				Total
		Mr. Dinesh Kumar (CFO) (Resigned on July 02, 2019)	Mr. Sunil Jain (Company Secretary) (Resigned on November 15, 2019).	Ms. Divya Bajaj (Company Secretary) (appointed on February 01, 2020).	Mr. Anop Singh Negi (CFO) (Appointed on July 11, 2019)	
1	Gross salary					
	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2.02	2.63	0.58	3.56	8.79
	Value of perquisites u/s 17(2) Income-tax Act, 1961					
	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-

ALCHEMIST LIMITED

2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission as % of profit	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total	2.02	2.63	0.58	3.56	8.79

Notes:

- Mr. Dinesh Kumar, Chief Financial Officer of the company had resigned on July 02, 2019.
- The Board has appointed Mr. Anop Singh Negi as Chief Financial officer of the Company with effect from July 11, 2019 in place of Mr. Dinesh Kumar.
- The Board has appointed Mr. Sunil Jain as Company Secretary & Compliance Officer of the Company with effective from March 15, 2019 and he was resigned on November 15, 2019.
- The Board has appointed Ms. Divya Bajaj as company Secretary and Compliance officer of the Company with effect from February 01, 2020 in place of Mr. Sunil Jain.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority[RD/ NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY ----- NIL -----					
Penalty					
Punishment					
Compounding					
B. DIRECTORS ----- NIL -----					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT ----- NIL -----					
Penalty					
Punishment					
Compounding					

For and on behalf of Boards of Directors

Alchemist Limited

Date: 04.09.2020
Place: New Delhi

Sd/-
Bikram Bhattacharya
Whole-Time Director
DIN-03595530

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

VISION

- Occupy a Leadership position in the Industry.
- Empower our executives to achieve excellence in new territories and markets.
- To set an example for future Indian entrepreneurs and ambitious individuals.

MISSION

To continuously thrive for improvement and better utilization of resources.

INDUSTRY OVERVIEW

PHARMA & CHEMICALS

Indian Pharmaceutical Industry: An overview

Current Market Trends and Scope

The Indian pharma industry has been growing at a Compounded Annual Growth rate (CAGR) of more than 15% over the last five years and has significant growth opportunities. The growth driven factors in the domestic market are high burden of disease, good economic growth leading to higher disposable incomes, improvements in healthcare infrastructure and improved healthcare financing, the report of PwC – CII titled "India Pharma Inc.: Gearing up for the next level of growth".

THE ROAD AHEAD: INDIAN PHARMA

Spending on healthcare is expected to increase in India at 9-12 per cent CAGR between 2018-22 to US\$ 26-30 billion, driven by increasing consumer spending, rapid urbanization, and raising healthcare insurance among others. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies.

BUILDING BLOCKS OF ALCHEMIST LIMITED'S PHARMACEUTICAL BUSINESS:

As we said that "A Journey of Thousand Miles begins with a Single Step", we have certainly taken many steps toward and envision participating and completing the Clean India theme of Government of India with Healthy India.

Marketing Strategy: A Strategy has been put forward to serve the bottom of the pyramid...the masses. The Marketing strategy of Alchemist is aimed at striking at the Mass of society while corporate strategies aim at striking the class, Alchemist has ventured to address the healthcare problems of the mass of society. All the programs like "Quit India" are aimed at creating awareness and solutions to the widespread diseases in society like Anemia, Calcium Deficiency and Weak Immunity. The programs are mass based and societal in approach. Hence, Alchemist Marketing Strategy is based on impacting the masses of India.

Geography and Customer Class: Pharmaceutical division of Alchemist Limited has presence in Metro/Class I/II and Select class III towns across India. We are continuously striving for healthcare needs at the bottom of pyramid.

People: We consider our people as the most valuable assets of our business and they continue to define the Alchemist Pharmaceutical division. We have a strong team of 250 people. Out of this, 180 are deployed in customer facing activities and rests are engaged in plant and administrative functions.

Product Portfolio: We have carved a niche of innovative products which virtually stand out in the competition and occupy mind space of medical fraternity. Our product portfolio is considered to be one of the best in the industry and it includes therapy areas like Immune enhancer, Nutraceutical, Antibacterial, Gastrointestinal, Pain reliever, Anti-allergic, Anti-cold, Steroids, Enzymes, Supplements, CNS etc.

We have almost PAN India presence and the current product portfolio of 400 SKUs in Ethical and Generics is the back bone of our business which reaches to the deepest corners of the country.

Pharma division broad outlook: The Alchemist Pharma wing is known for its brands and possible outcomes in the most dreaded diseases like Dengue, Chikungunya, Cancer, AIDS, Hepatitis, Acid Peptic Disorders, and Gastric Ulcers etc. we believe we exist for society and hence we continue to serve our society through social programmes like Quit India to ensure Healthy India. The programmes involve the joint efforts of medical fraternity, Alchemist and Patients to ensure India is free of Anemia, Calcium Deficiency and Weak Immunity. Alchemist supports 50% free therapy to all poor patients. The division has been able to create a strong space in the minds of doctors through niche brands.

The rampant spread of COVID-19 outbreak, across borders and geographies, has severely impacted almost the whole world and triggered significant downside risks to the overall global economic outlook and India is no exception. Due to the lockdown announced by the

ALCHEMIST LIMITED

Government of India from 25th March, 2020, entire operations of the Company came to a halt. The lockdowns and restrictions imposed on various activities due to the pandemic have posed challenges to the businesses of your Company.

The moratorium on debts and interest payments have been a source of support in otherwise severely impacted liquidity and operating cash flows. The Board believes that it is difficult to predict any industry wide scenario for the immediate short term and the Company expects to resume normal operations soon after lifting of lockdown. Although there are uncertainties due to the pandemic, the Company is taking several measures to mitigate the adverse impact by optimizing costs and continuously realigning the cost and operating structures so as to sustain viable level.

Quit Anemia, Quit Calcium Deficiency and Quit Weak Immunity: Alchemist Pharma Initiative

After Independence, India has traversed many miles of success in diverse fields but healthcare continues to be a struggling point for Independent India and is a stigma on one of the fastest growing economies of world. Government measures have been done but have not been able to reach the masses. The only healthcare camp established by the Govt. of India was “PULSE POLIO” which took almost 4 decades to make India a polio free country. As a result of the absence of such measures, India and Indian Population continues to suffer from iron deficiency, calcium deficiency and weaken immunity. Moreover, weak immune system leads to Swine flu, Dengue, RTI, Cough and Cold that are taking its toll on Indian masses. Alchemist as a socially responsible corporate has decided to work till we make India free of these three cardinal elements afflicting Indian Society. Alchemist too believes that a journey of a thousand miles begins with a single step and initiated its most popular programme Quit India movement for ANEMIA, CALCIUM DEFICIENCY and WEAK IMMUNITY through a nationwide campaign from July which will continue till we give India freedom from these ailments. This nationwide programme is of importance as Alchemist has pledged to support 50% therapy free of cost to selectively poor patients on first purchase and this medicine will directly go to the doctors from where it will be distributed to patients.

Alchemist is represented through brands Anemi-XT for Iron Deficiency, Valcal-M for Calcium Deficiency and IGTG FORTE for Weak Immunity. The scope of this campaign is huge as alone Govt. efforts will not be sufficient to see that India is free of these diseases. This campaign would endeavour Alchemist to achieve the wider aim in addition to Clean India campaign of Govt. of India by making Healthy India. So its objectives are not only Clean India but ensuring a Healthy India. Alchemist effort is a NATION WIDE MOVEMENT OF IMPORTANCE.

ALCHEMIST FLAGSHIP BRANDS:

IGTG FORTE: Alchemist Pharma Flagship brand, “IGTG FORTE” is a possible treatment for 108 Diseases including the most dreaded viral diseases including Dengue, Chikungunya, Hepatitis, AIDS. Today when the world struggles to combat these diseases, Alchemist is the one which has defined a global strategy to fight them with the brand IGTG FORTE which is acknowledged as world’s most potent Anti-Viral. Alchemist is proud to make in India IGTG FORTE, the world’s most potent Anti-Viral.

IGTG FORTE: A new revolution in treatment of Diabetes

Alchemist Pharma brand IGTG FORTE has now been used by doctors for treatment of Type II Diabetes which is affecting 371 million people globally. Doctors have acknowledged the brand in treatment of Diabetes and Diabetic foot ulcers. We are proud to say that with use of IGTG FORTE we have been able to bring a new revolution which has now made doctors re-think the treatment of Diabetes from a Chronic Reversible disease to a disease which may be reversed. This change of approach for management of diabetes has happened for the first time in the world.

IGTG FORTE: INDIA’S 1st Wonder Pill

Alchemist Pharma Flagship brand IGTG FORTE has been acknowledged as India’s 1st Wonder Pill due to its use in Difficult to treat indications. The molecule “Bovine Colostrum” has been approved by USFDA as an Orphan Drug. Alchemist brand IGTG FORTE has been used for treatment of difficult to treat diseases like Dengue Fever as all the recipients of this drug have clinically registered 5 Fold platelet rise in just 7 days which hence may reduce the chances of platelet infusion which is the only option in case platelets fall to abnormally low levels. IGTG FORTE is being used to treat Idiopathic Infertility, not only the treatment with the brand is economical but the success rates are been compared to presently used IVF therapy. The difference in cost is few thousands with IGTG FORTE vs Many Lacs with IVF. IGTG FORTE is being used as a support treatment to treat Arthritis, Cancer and even the most deadliest **AIDS**. In other words IGTG FORTE is a solution to all Immuno-Compromised conditions and the confidence of doctors that it has gained through regular use in **patients and in clinic results have made them certify IGTG FORTE as India’s First Wonder Pill. Seeing the scope of the indications and confidence of Doctors IGTG FORTE is expected to reach a market capitalization of over of 30 Crores in the next 2 years i.e. by 2020.**

Gasease: If any organization has to become a house-hold name, it must have something in portfolio to treat Gas because that’s where every third individual in a family is suffering. Alchemist is proud to have such a product called as Gasease. Alchemist endeavor is to see Gasease reaches to every Indian house hold as “Gas” is the most common problem of every Indian. We are looking for multiplication of product through word of mouth from every Indian to his neighbor, relatives and finally reaching in every Indian House-Hold.

VALCAL-M: Calcium deficiency is the most common deficiency found in Indians right from growing children to women, and to pregnant mothers. Alchemist brand Valcal-M is another unique product which is marketed by and is the best calcium available out of thousand brands available in India. Milk is been always considered as very important source of Calcium. So at Alchemist we have extracted the Best Calcium available i.e. from Milk. This is the calcium that is vegetarian source unlike other supplements. Also Valcal-M is a milk mineral complex which means Valcal-M is more than just Calcium; it also additionally provides Copper, Iron, Manganese, Iron, Zinc, and Phosphorus and Vitamin D3 which is also required by body for overall growth and other health benefits. Alchemist Valcal-M is also called as “**Milk Pill of India**”. Valcal-M is chosen by all leading Gynecologists, Orthopedicians and Physicians for replenishing Calcium levels of India. It is also a part of QUIT INDIA revolution started by Alchemist.

ALCHEMIST LIMITED

Alchemist Brands Reach In Institutions

Alchemist Pharma has emerged popular with the institutions where products are registered with the premier institutes of the country like AFMSD, DGAFMS, Alchemist pharma has product queries from reputed hospitals like Post Graduate Institute Chandigarh. We are also registered with Municipal Corporations of Delhi, State run govt. hospitals and also govt. dispensaries for the class of brands we market.

PHARMA DIVISION

Alchemist Pharma division has around 400 SKU's and promoted through a very strong committed field force. Pharma division enjoys tremendous respect with the medical fraternity and covering a universe of around 20,000 Doctors and 30,000 retailers across the country. Alchemist's Molecules have been acknowledged with tremendous response at the market place.

AGRI BUSINESS

Domestic Market

Floriculture in India is being viewed as a high growth Industry. Indian Floriculture Market is growing at a Compounded Annual Growth Rate (CAGR) of about 25%. A strong increase in the demand for cut and loose flowers has made floriculture as one of the important commercial trades in Indian agriculture. According to report, "Indian Agriculture Market Report & Forecast: (2018-2025)", the demand for flowers is increasing robustly in India. While exports remain a key motivator for cultivators, the domestic demand for flowers is also increasing exponentially, especially in the metros and larger cities. Modernization and growing western cultural influences has driven consumers to buy flowers on a number of occasions like valentine's day, marriages, anniversaries, birthdays, friendship day, mother's day, etc. Not only occasion's flowers/bouquets keep in demand throughout the year.

International Market

India is the second largest producer of flowers after China. Commercial floriculture is becoming important from the export angle. The liberalization of industrial and trade policies have further paved the way for development of export-oriented production of cut flowers. It has been found that commercial floriculture has higher potential per unit area than most of the field crops and is therefore a lucrative business. The liberalized economy has given an impetus to the Indian entrepreneurs for establishing export oriented floriculture units under controlled climatic conditions.

STEEL BUSINESS

Size of the Steel Wire Industry in India is 2.6 million tonne approximately in terms of volume & USD 1.7 billion in terms of value, combining both organized and unorganized sectors. Approximately, 70% of total production comes from organized producers and the rest from the unorganized counterpart. Wire Industry is accountable for approximately 5% of total demand of steel in India. India constitutes approximately 1% of the global wire exports and approximately 3% of Indian production caters a portion of the global markets.

Steel wire is used to make barbed wire, razor wire, wire mesh, chain link fencing for Poultry and other wire fencing for nonresidential and residential building applications. The value is projected to increase at an annualized rate of 8.2%, fueling higher demand for wire fencing.

According to a market reports published by Transparency Market Research, "Fencing Market - Global Industry Analysis, Size, Share, Growth, Trends and Forecast, 2018-2022," due to the slowdown in world economic growth, the Fencing industry has suffered a certain impact, but still maintained a relatively optimistic growth. The metal fencing market is in a commanding position owing to a wide range of products available under this category. The market is expected to grow at a CAGR of 4.5% between 2017 and 2025.

The global fencing market is largely driven by factors such as the rising consumer interest in home improvement and home décor and the need for security and safety. Expanding residential construction and growing economies across the globe are also supporting the growth of the fencing market. The increasing demand for residential fences and the growing acceptance and popularity of synthetic alternatives will serve as an opportunity for the fencing industry. The global fencing market is affected by the fluctuating raw material prices and the rising energy cost.

The fencing market is segmented into two major categories based on product type into agricultural wire fence and commercial wire fence. Based on material type, the market is divided into four segments, namely metal, wood, plastic & composite and concrete fencing. The end use segments covered in this report are residential, agricultural and the industrial sector. The market is further segmented by geography into North America, Europe, Asia Pacific and Rest of the World regions.

STRENGTHS

1. Direct guidance by top Management in routine operations and functions.
2. Intervention by top Management in resolving crisis faced by the Company.
3. Team of professional executives with strong background.
4. On technical and operation side the company is managed by team of professionals.
5. Cordial industrial relations.

THREATS

1. Various business risk faced by the Pharma division.
2. Time taken by executives to overcome from various new rules and regulations.

3. Extended credit allowed international and overseas trading causing fund blockage.
4. Reduction in overall business output and gross turnover.

STRATEGIES

1. Strategies development and deployment aligned to its vision.
2. Substantial investment in past creating manufacturing and other business infrastructure.
3. Developing and maintaining production as per market demand.
4. Achieving process improvement, cost efficiency, optimizing raw material sourcing and innovate new business ideas.

INTERNAL CONTROL SYSTEMS

ALCHEMIST is continuously working to strengthen internal control systems commensurate with the size and scale of business. Clearly defined policies and procedures supplement the Internal Control procedures. A well established and empowered system of internal audit and control procedures independently review the financial and operational controls and reports deviations, if any, across all verticals and further enables rectification, as and when required. The Company is constantly engaged in practicing the best financial and operational control systems, as per international practices and standards. The Company's internal audit team carried out extensive audits throughout the year, across all verticals and reported to the Audit Committee of the Board of Directors. The Audit Committee continues to address all important issues and recommendations made by the Internal and Statutory Auditors which are consequently implemented to strengthen various functional areas.

HEALTH, SAFETY & ENVIRONMENT (HSE) POLICY

ALCHEMIST has recognized health management, occupational safety and environment protection (HSE) as one of the most important elements in the organization's sustainable growth and has closely linked it to Alchemists' cultural values. The Company continually strives to create a safe working environment by being responsive, caring and committed to the various needs governing the security and well-being of employees.

In order to honour the aforesaid commitments, the Company has implemented systems in its operations that accord with the requirements of health, safety and environmental standards and strive to:

- Assume its business and ethical responsibilities to exemplify its endeavour towards good corporate citizenship.
- Continue to inspire innovations in methods & practices and to ensure highest standards of health, safety and environment.
- Comply with all applicable laws and regulations with regards to HSE and continually aspire to the highest standards in the same.
- Commit to the continual reduction of waste and implement processes to ensure the reusability of natural resources.
- Continually invest in the up-gradation of facilities, maintenance of machinery and welfare of our employees.
- Constantly train and educate employees on contemporary best practices to ensure the highest levels of safety and sustainability in our operations.

INDUSTRIAL RELATIONS & HUMAN RESOURCE DEVELOPMENT

The Company continues to be committed and focused on its most valuable resource viz. its employees. The Company believes that employee plays a pivotal role in driving performance and has effectively empowered them. As a means of equipping employees with a range of skills including their up-gradation and to enable them to perform their responsibilities, training and human resource development (HRD) continued to receive priority during the year. Training and HRD efforts of the Company are aimed at sharpening business skills and competence needed for better employee performance and provides all possible opportunities and support to the employees to improve their performance and productivity. In pursuance of the Company's commitment to retain and develop best available talents, several programmes are conducted at various levels on a regular basis. Employee relations continued to be cordial and harmonious at all levels and in all units of the Company.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be 'forward looking' within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed herein. Important factors that could influence the Company's operations include global and domestic economic conditions affecting demand, supply, price conditions, change in Government's regulations, tax regimes, the laws and other factors such as litigation and industrial relations.

For and on behalf of Boards of Directors

Alchemist Limited

Sd/-

Bikram Bhattacharya
(Whole-Time Director)

DIN-03595530

Date: 04.09.2020
Place: New Delhi

REPORT ON CORPORATE GOVERNANCE
1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

2. BOARD OF DIRECTORS
(a) Composition of Board

The Board of Directors of the Company comprises of 4 (Four) Directors as on 31-03-2020.

During the Financial Year 2019-2020, 7 (Seven) Board Meetings were held viz.

- | | |
|--|---|
| (i) 27 th May, 2019 | (ii) 11 th July, 2019 |
| (iii) 12 th August, 2019 | (iv) 30 th August, 2019 |
| (v) 30 th September, 2019 | (vi) 11 th November, 2019, and |
| (vii) 12 th February, 2020. | |

The Composition of the Board of Directors as on March 31, 2020 with their attendance at the Board Meetings held during the year 2019-20 and at the last Annual General Meeting is given below:

Name of the Director	Office/ Designation	Executive/ Non-Executive	Independent/ Non-Independent	No. of Board Meetings attended	Attendance at the Last AGM	No. of Other Director-ships
Mr. Bikram Bhattacharya	Whole Time Director	Executive	Non Independent Director	6 meetings attended out of 7	Yes	05
Ms. Maria Fernandes	Director	Non-Executive	Independent Director	6 meetings attended out of 7	Yes	12
Ms. Ambika Chowdhary	Director	Non-Executive	Independent Director	7	Yes	12
Mr. Charandeep Singh Jolly**	Director	Non-Executive	Non Independent Director	4 meetings attended out of 7	NA	01

Notes:

**Mr. Charandeep Singh Jolly has been appointed w.e.f. July 11, 2019.

(b) Details of Director Seeking Appointment/Re-appointment in the ensuing Annual General Meeting

The brief background and functional experience of the Directors proposed for appointment/re-appointment or Director retire by rotation and offer himself for re-appointment are given below along with the details of the Companies in which they are directors and committees of which they are members.

- (I) Ms. Maria Fernandes has rich experiences in the field of management. She has served as Principal of Holy Cross Mission College; Coordinator, Regional Study Centre Kakatiya University; Director, St. Francis College, Mumbai; Program Officer, Calicut University Centre Mumbai and Gen. Secretary, TFM Educational Society. Presently serving as Vice-Chairperson West Bengal Minorities Commission.

Ms. Maria Fernandes is also a Chairperson and Member of the committees of other Companies (including this listed entity).

- (II) Mr. Charandeep Singh Jolly is having about 39 years of technical experience in the field of Sales, Marketing and Distribution of Pharmaceutical products in Companies including MNC's.

He is graduate in B.Sc. and diploma holder in Public Relations & Advertising.

Mr. Charandeep Singh jolly is not a Chairman but he is a Member of the Nomination and Remuneration Committee of the Company w.e.f July 11,2020.

(c) Separate Meeting of Independent Directors

- (i) As stipulated by the Code of Independent Directors under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on February 12, 2020, to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

(d) Remuneration of Directors

(Rs. in Lakhs)

Name of the director	Salary inclusive of Perquisites and allowances	Sitting fees	Total
Executive Directors			
Mr. Bikram Bhattacharya	27.79	Nil	27.79
Non-Executive Directors			
Ms. Maria Fernandes	Nil	0.60	0.60
Ms. Ambika Chowdhary	Nil	0.65	0.65
Mr. Vinay Kumar Mittal	Nil	Nil	Nil
Total	27.79	1.25	29.04

3. CODE OF CONDUCT

As required by Regulations 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct for its Directors and Senior Executives. The CEO and Whole Time Director have 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. Charandeep Singh Jolly, Director and Mr. Anop Singh Negi, Chief Financial Officer of the Company is annexed as **Annexure A** to this report.

4. AUDIT COMMITTEE

MEETING AND ATTENDANCE

During the year 2019-20 the Audit Committee of the Company was duly constituted and there are no changes in the composition of the Committee having the following member's viz Ms. Maria Fernandes, Ms. Ambika Chowdhary and Mr. Bikram Bhattacharya.

The Audit Committee met 5 (Five) times during the year on 27th May 2019, 11th July 2019, 12th August, 2019, 11th November, 2019 and 12th February, 2020 was attended by members as under:

Name of members	Designation in the Committee	No. of meetings held	No. of meetings attended
Ms. Maria Fernandes	Chairperson	5	5
Ms. Ambika Chowdhary	Member	5	5
Mr. Bikram Bhattacharya	Member	5	4

The Committee reviewed the Financial Results of the Company and recommended the same to the Board of Directors for their approval. The Company Secretary acts as Secretary of the Audit Committee.

The role and terms of reference of the Audit Committee covers the area as mentioned in the Listing Agreement and the Companies Act, 2013 are as under:-

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

- Reviewing, with the management, the annual Financial Statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the Financial Statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to Financial Statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
 - Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussion with internal auditors of any significant findings and follow up there on;
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - To review the functioning of the Whistle Blower mechanism;
 - Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

5. **NOMINATION & REMUNERATION COMMITTEE**

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

During the year 2019-20 there was a change in the composition of Nomination and Remuneration Committee of the Company due to appointment of Mr. Charandeep Singh Jolly as Non-Executive Director of the Company w.e.f. 11th July, 2019 and the Company re-constitute the Committee and appoint as a member of the Nomination and Remuneration Committee in its meeting held on 11th July, 2019.

MEETING AND ATTENDANCE

The Committee met 3 (Three) times during the year on 27th May 2019, 11th July 2019, and 12th February, 2020 and was attended by members as under:

Name of members	Designation in the Committee	No. of Meetings held	No. of Meetings attended
Ms. Maria Fernandes	Chairperson	3	3
Ms. Ambika Chowdhary	Member	3	3
Mr. Bikram Bhattacharya*	Member	3	2
Mr. Charandeep Singh Jolly**	Member	3	1

Notes:

*Mr. Bikram Bhattacharya has been designated as Member of the Nomination & Remuneration Committee by the Board of Directors in its meeting held on 27th May, 2019.

** Mr. Charandeep Singh Jolly has appointed on 11th July, 2019 and the Company re-constitutes the Nomination and Remuneration Committee on 11th July, 2019 and appointed as a member of the Committee w.e.f 11th July, 2019.

The Nomination and Remuneration Committee is empower Ms. Fernandes has rich experiences in the field of management. She has served as Principal of Holy Cross Mission College; Coordinator, Regional Study Centre Kakatiya University; Director, St. Francis College, Mumbai; Program Officer, Calicut University Centre Mumbai and Gen. Secretary, TFM Educational Society. Presently serving as Vice-Chairperson West Bengal Minorities Commission.

- To oversee the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria.
- To identify persons qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal.
- To carry out evaluation of every Director's performance.

REMUNERATION POLICY

The remuneration of the Board members is based on the Company's size & its economic & financial position, industrial trends, compensation paid by the peer companies, etc. Compensation reflects each Board member's responsibility and performance. The level of compensation to Executive Directors is designed to be competitive in the market for highly qualified executives. The committee recommends the appointment and the remuneration for Executive Directors, and sitting fee for Non-executive Independent Directors is fixed within the limits prescribed under Companies Act, 2013.

The details of remuneration paid to Executive Directors and sitting fees paid to Non-Executive Independent Directors for attending the meetings of the Board and Committees thereof during the year are given herein above.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was reconstituted by the Board of Directors consists of three Directors viz. Ms. Ambika Chowdhary (Chairperson), Ms. Maria Fernandes (Member) and Mr. Bikram Bhattacharya (Member). This Committee oversees and reviews all matters connected with redressal of Investor Grievances and complaints. The transfer of shares is undertaken by Link Intime India Pvt. Ltd., New Delhi and they are fully equipped to deal with transfers and all related complaints of Investors.

MEETING AND ATTENDANCE

The committee met 1 (one) time during the year viz. 27th May, 2019, was attended by the members as under:

Name of Members	Designation in the Committee	No. of meetings held	No. of meetings attended
Ms. Ambika Chowdhary	Chairperson	1	1
Mr. Bikram Bhattacharya	Member	1	1
Ms. Maria Fernandes	Member	1	1

COMPLIANCE OFFICER

Company Secretary of the Company has been designated as Compliance Officer as per the provisions of the SEBI (Listing and Obligations and Disclosure Requirements) Regulations, 2015 executed with the Stock Exchanges.

Detail of Shareholders Complaints for the Period 2019-20:

Nature of Complaint	Opening Balance	No. of Complaints received	No. of Complaints resolved	No. of Complaint Pending
Non Receipt of De-mat Credit	Nil	Nil	Nil	Nil
Non Receipt of Dividend	Nil	Nil	Nil	Nil
Non Receipt of Annual Report	Nil	Nil	Nil	Nil
Non Receipt of Share Certificate	Nil	Nil	Nil	Nil
SEBI	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

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

7. SUBSIDIARY COMPANY

As on 31st March, 2020, the Company have 1 (One) Subsidiary Company i.e. 'Alchemist Healthcare Limited'.

During the year 2019-20, the financial statements of one associate, ROC Foods Limited is still under compilation and one subsidiary viz. Alchemist Hospitality Group Limited is under strike off. Accordingly, the same are not forming part of the consolidated financial results.

Mr. Charandeep Singh Jolly is on the board of 'Alchemist Healthcare Limited'.

8. GENERAL BODY MEETINGS

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

Financial Year	Location of the Meeting	Type of Meeting	Date	Time
2016-17	Paharpur Business Centre, Nehru Place Greens, New Delhi- 110019	Annual General Meeting	14-09-2017	10:00 A.M.
2017-18	Paharpur Business Centre, Nehru Place Greens, New Delhi- 110019	Annual General Meeting	25-09-2018	10:00 A.M.
2018-19	Paharpur Business Centre, Nehru Place Greens, New Delhi- 110019	Annual General Meeting	30-09-2019	10:00 A.M.

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

No Special Resolutions has been passed by the Shareholders in the last three Annual General Meetings.

- Resolution passed through Postal Ballot:**

One Special Resolution was passed through Postal Ballot.

The Postal Ballot Notice dated 25.02.2020 and the date of announcement of result is on or before 27th March, 2020. Further, as we are all aware, the Novel Corona Virus (CoVID 19) has hit populations around the world and has resulted in many restrictions, including free movement of people, thereby hampering businesses and day to day functioning of Companies.

Further, the Government of India issued the order and imposed total lockdown until 14th April, 2020. Keeping in view of the Government Order issued and considering the safety of our

Employees, our Company's operations in all the offices or plants are closed.

After that, the Company declares the Result of Postal Ballot as per Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on letter dated 06.06.2020 and the Scrutinizer give the consolidated scrutinizer report on 28.05.2020.

After that, the Company passed the following Special Resolution through Postal Ballot / e-voting on:

SLUMP SALE OF PHARMA DIVISION OF THE COMPANY

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to the approval of relevant statutory/ regulatory authorities or other consents and clearances as may be required, the approval of shareholders be and is hereby accorded for transfer/ sale/ disposal of the Pharma Division of the company, as a going concern, together with assets and liabilities pertaining to the said business as may be identified, on slump sale basis, to Pombe Biosciences LLP for a consideration of Rs. 1,00,00,000/- (Rupees One crore only) subject to certain adjustments as may be agreed between the parties in terms of Business Transfer Agreement (BTA).

FURTHER RESOLVED THAT Board of Directors hereby authorised to undertake such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be deemed necessary, desirable and expedient in its absolute discretion, for the purpose of giving effect to this resolution.

FURTHER RESOLVED THAT the Board of directors is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any committee of directors, or any director or officer of the company to give effect to this resolution.”

Procedure for Postal Ballot:

After receiving the approval of the Board of Directors, Notice of the Postal Ballot, text of the Resolution and Explanatory Statement, relevant documents, Postal Ballot Form and self-addressed postage envelopes are sent to the shareholders to enable them to consider and vote for and against the proposal within a period of 30 days from the date of dispatch.

Thereafter, the Board in its meeting held on declared the result of the Postal Ballot. The same is displayed on the Company Website and Notice Board and submitted to Stock Exchanges.

9. DISCLOSURES

- (i) During the year under review, besides the transactions reported in the Annual Report, there were no other related party transactions with its Promoters, Directors and Management which are in a potential conflict with the interest of the Company at large.
- (ii) The Company has complied with various rules and regulations prescribed by Stock Exchanges, Securities and Exchange Board of India and other statutory authorities relating to the capital markets during the last three years.
- (iii) The Company has established a Whistle Blower Policy/Whistle Blower Mechanism and formulated a policy for the same and no personnel have been denied access to the Audit Committee.
- (iv) The Board of Directors of the Company has adopted the Code of Conduct for Directors and Senior Management and the same is posted on the website of the Company.
- (v) The financial statements have been made in accordance with the Indian Accounting Standards (IND-AS) issued by the Institute of Chartered Accountants of India (ICAI) so as to represent a true and fair view of the state of affairs of the Company.
- (vi) All mandatory requirements as per SEBI (Listing Obligations and Disclosure Requirements Regulations 2015 have been complied with by the Company.

10. CEO/CFO CERTIFICATION

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the CEO and CFO was placed before the Board. The same is provided as **Annexure B** to this report.

11. CERTIFICATE ON CORPORATE GOVERNANCE

As required under Regulation 27 of SEBI (ICDR) Regulations, 2015, certificate on Corporate Governance by the Practicing Company Secretary is annexed as **Annexure C** to this report.

12. MEANS OF COMMUNICATIONS

(i)	Half yearly report sent to each house hold of shareholders	N.A
(ii)	Quarterly Results	The quarterly results are taken on record by Board of Directors and notified to Stock Exchanges and published in newspapers in compliance with Regulation 33 & 47 of SEBI (LODR) Regulations, 2015.
(iii)	Publications in Newspapers	English- The Financial Express Vernacular- Hari Bhoomi

(iv)	Website where displayed?	Website of BSE & NSE as well as website of the Company
(v)	Whether it also displays official news releases?	No
(vi)	Whether presentation made to Institutional Investors or to Analysts?	No
(vii)	Whether Management Discussion & Analysis is part of Annual Report?	Yes

13. GENERAL SHAREHOLDER INFORMATION

i)	Annual General Meeting (proposed): Date & Time: Link	September 30, 2020 at 10:00 A.M. through Video Conferencing. LINK: https://meet.google.com/zey-xbqu-bmf
ii)	Financial Calendar(1 st April, 2020 to 31 st March, 2021) (Tentative): Quarterly Results: Quarter ended 30 th June, 2020 Quarter ended 30 th September, 2020 Quarter ended 31 st December, 2020 Quarter/Year ended 31 st March,2021	On or before 14 th September, 2020 (extension for filing of Financial Results granted by the stock exchange due to COVID-19. On or before 14 th November, 2020 On or before 14 th February, 2021 On or before 30 th May, 2021
iii)	Date of Book Closure	24 th September, 2020 to 30 th September,2020
iv)	Dividend payment date	N.A
v)	Listing of Equity Shares on Stock	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) The Annual Listing Fees in respect of both the Stock Exchanges for the financial year 2019-20 has already been paid.
	Exchanges	

vi)	Scrip Code BSE Ltd. National Stock Exchange of India Limited ISIN Number (For Demat Trading)	"526707" "ALCHEM" INE 964B01033
vii)	Market Price Data	As per Table-A below (Chart-I to Chart-IV)
viii)	Performance in comparison to Broad-based BSE Sensex or Nifty	As per Table-B below(Chart-V to Chart-VI)
ix)	Registrar and Transfer Agents	M/s LINK INTIME INDIA PVT. LTD. Noble Heights, 1st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi-110058 Contact No. - 011-41410592 Telefax: 011-41410591 Email: delhi@linkintime.co.in
x)	Share Transfer System	There are certain shares still in physical form. All the share transfers in respect of physical shares are handled by the Registrar & Share Transfer Agents. With effect from 01 st April, 2019, the request for transfer of Equity shares of the company shall not be processed unless the securities are held in dematerialised form with a Depository as per the amended regulation 40 of SEBI (LODR) Regulations, 2015.
xi)	Distribution of Shareholding	As per Table-C (Chart-VII to X)
xii)	Category of Shareholding	Table-D (Chart-XI to XIV)

xiii)	Dematerialization of Shares and Liquidity	As on 31.03.2020, 129,29,262 Equity Shares of the Company (95.35% of the total issued capital) were held in Dematerialized Form and 630538 Equity Shares (4.65% of total issued capital) were held in physical form.
xiv)	Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	Nil
xv)	Plant Locations	Pharma Unit: Electronic Complex, Chambaghat, Solan, Himachal Pradesh Steel Unit C-29, Village Chanalon, Near Kurali, District: Mohali, Punjab Floriculture Unit Dappar, Ambala Chandigarh Highway, District Mohali, Punjab Village Kanogata, Rajgarh, District Sirmour, (Himachal Pradesh)
xvi)	Company Secretary & Compliance Officer	Ms. Divya Bajaj Alchemist Limited 23, Nehru Place, New Delhi - 110019
xvii)	Address for Correspondence	Registered Office & Head Office: 23, Nehru Place, New Delhi - 110019 Tel. No. - 011-40600800 Email: investors@alchemist.co.in Website : www.alchemist.co.in

TABLE-A
Market Price Data:

Monthly high and low quotations of shares and volume of Equity Shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2020 are as follows:-

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Monthly Vol. (Qty.)	High (Rs.)	Low (Rs.)	Monthly Vol. (Qty.)
April, 2019	2.01	2.0	281909	2.00	1.9	71942
May, 2019	1.8	1.8	393565	1.8	1.8	193190
June, 2019	1.8	1.70	483077	1.8	1.75	132872
July, 2019	1.0	1.0	246642	1.2	1.1	85260
August, 2019	1.1	0.9	546188	1.1	1.0	256781
September, 2019	1.0	1.0	254654	1.0	1.0	110145
October, 2019	1.0	1.0	99760	1.0	1.0	163761
November, 2019	0.95	0.76	181792	0.8	0.75	888643
December, 2019	0.95	0.85	83801	0.95	0.85	381206
January, 2020	0.9	0.8	404687	0.9	0.8	644184
February, 2020	1.84	1.74	45967	1.85	1.75	199993
March, 2020	0.86	0.76	44496	0.85	0.75	196075

CHART-I

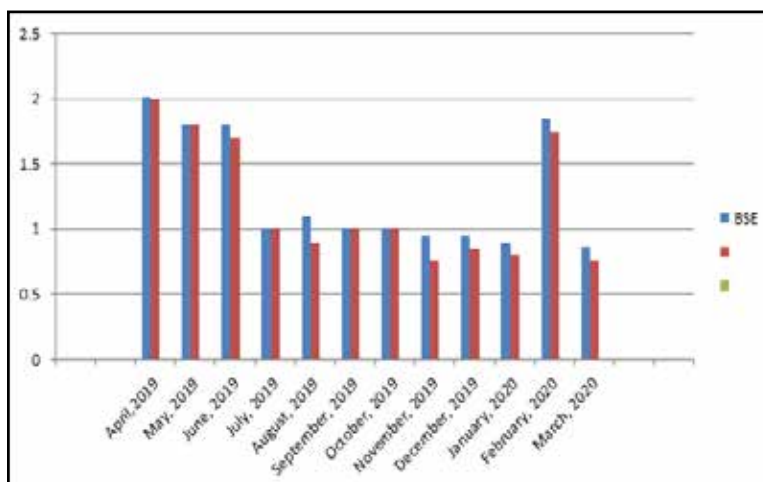


CHART-II

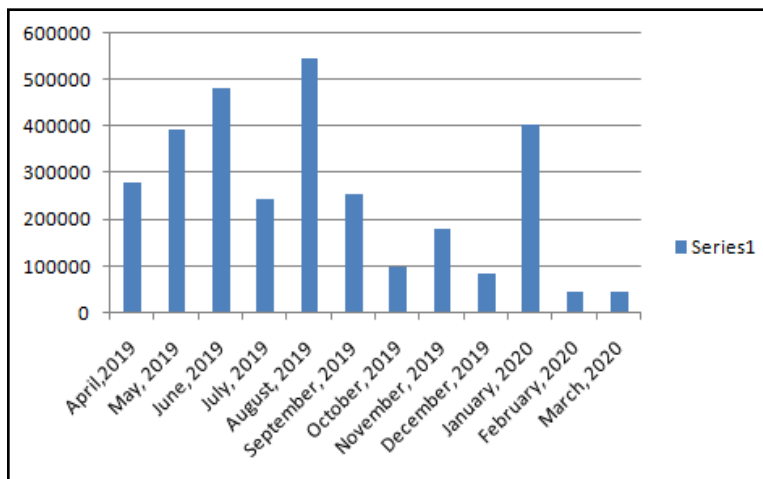


CHART-III

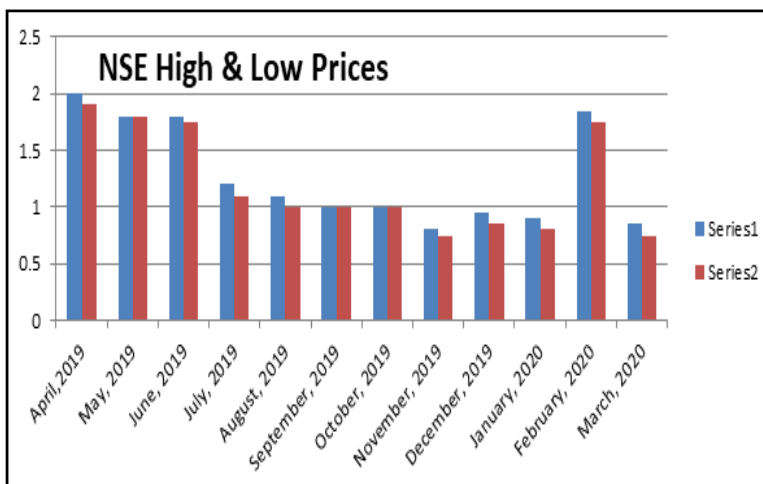
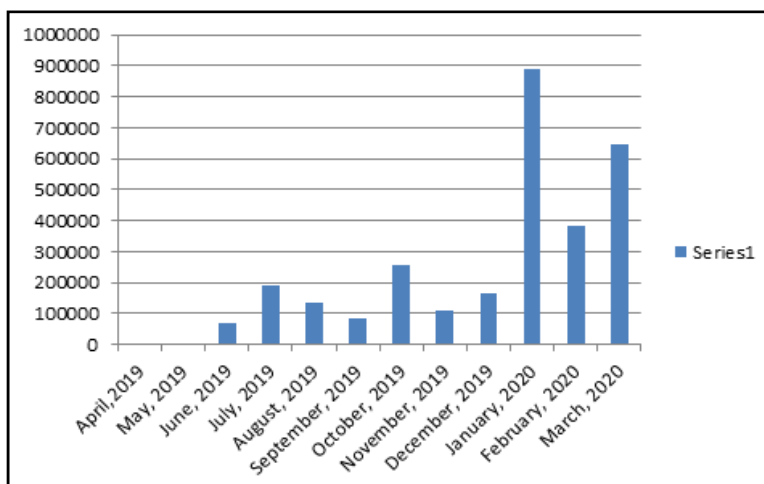


CHART-IV

TABLE-B

Distribution of Shareholding as on 31st March, 2020:

No. of Equity Shares	Number of shareholders	% of shareholders	No. of Shares held	% of shareholding
1-500	7083	80.0249	980723	7.2326
501-1000	745	8.4171	630228	4.6478
1001-2000	470	5.3101	747401	5.5119
2001-3000	179	2.0224	460000	3.3924
3001-4000	101	1.1411	367460	2.7099
4001-5000	76	0.8587	359211	2.26491
5001-10000	86	0.9716	658259	4.8545
10001 & above	111	1.2541	9356518	69.0019
Grand Total	8851	100.00	13559800	100.00

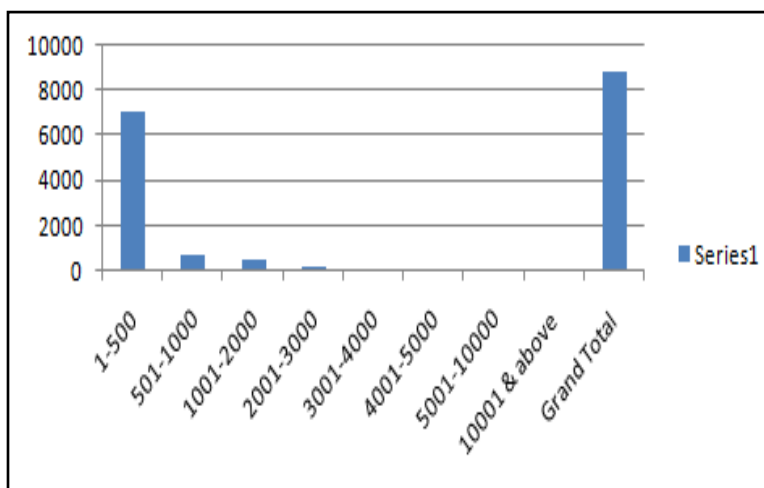
CHART-V


CHART-VI

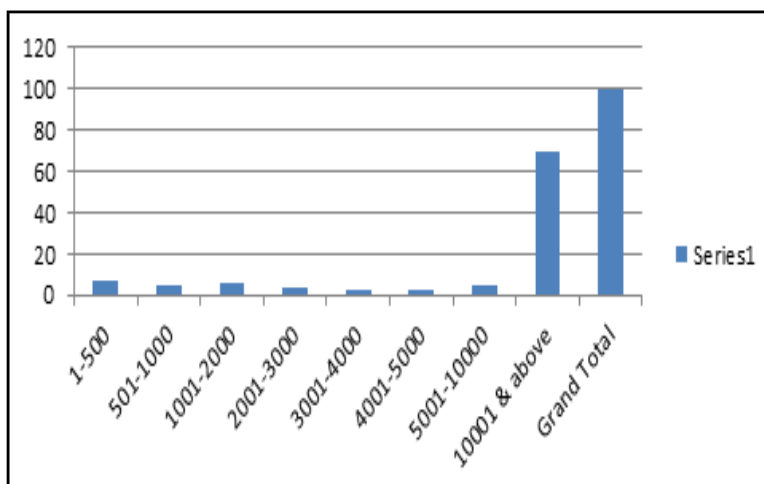


CHART- VII

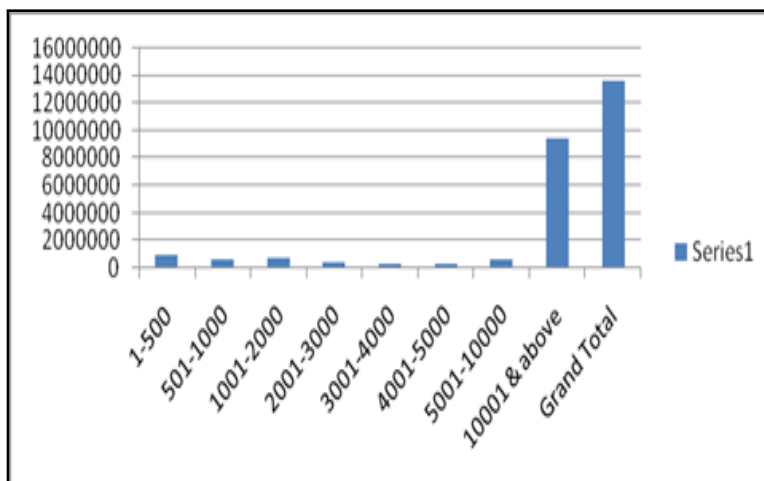


CHART-VIII

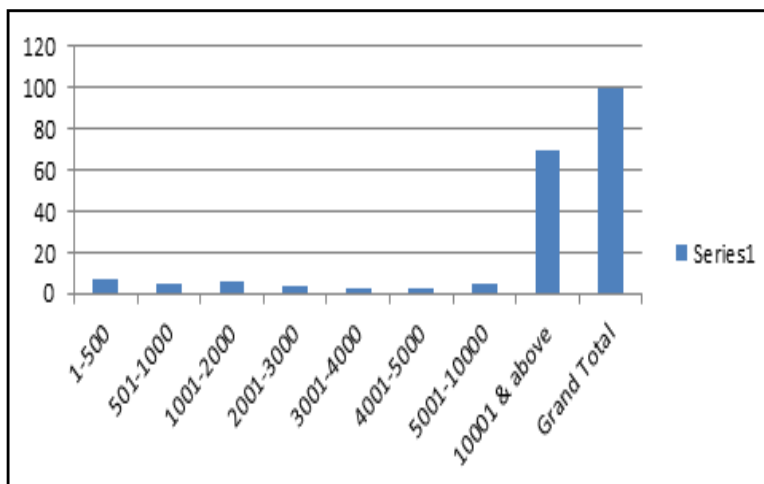


TABLE-C
Category of Shareholders as on 31st March, 2020:

Category	No. of Shareholders	Percentage to total shareholders	No. of Shares held	% to Total shareholding
Promoter(s) and Persons acting in concert	9	0.10	4738341	34.95
Bodies Corporate	89	1.03	1147985	8.45
Indian Public	8137	94.17	6582114	48.54
NRI / OCBs / FPIs	188	2.17	29857	2.20
Nationalized Bank	1	0.01	200000	1.47
Insurance Companies	1	0.01	200000	1.47
Mutual Funds	1	0.01	5000	0.0
HUF	151	1.75	209526	1.55
IEPF	1	0.01	139940	1.03
NBFC's Registered with RBI	0	0	0	0
Others-Clearing Member	62	0.71	307037	2.26
Total	8640	100.00	13559800	100

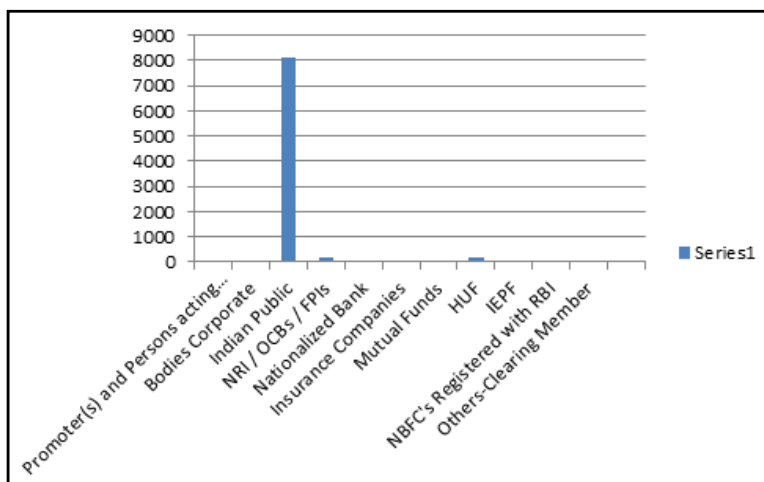
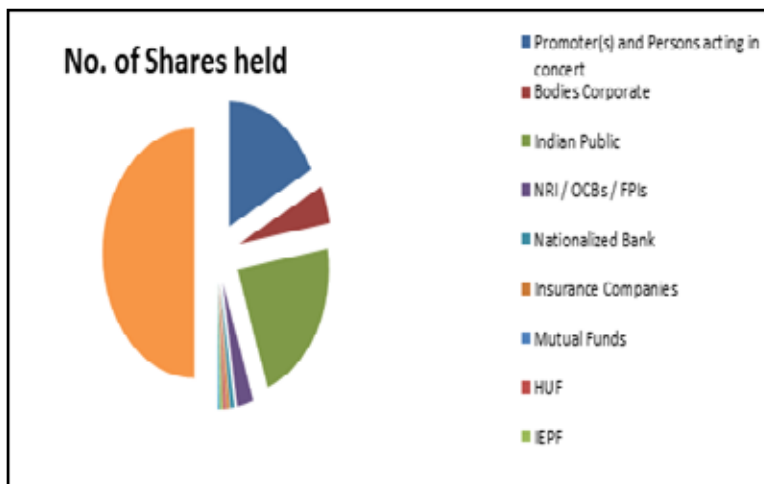
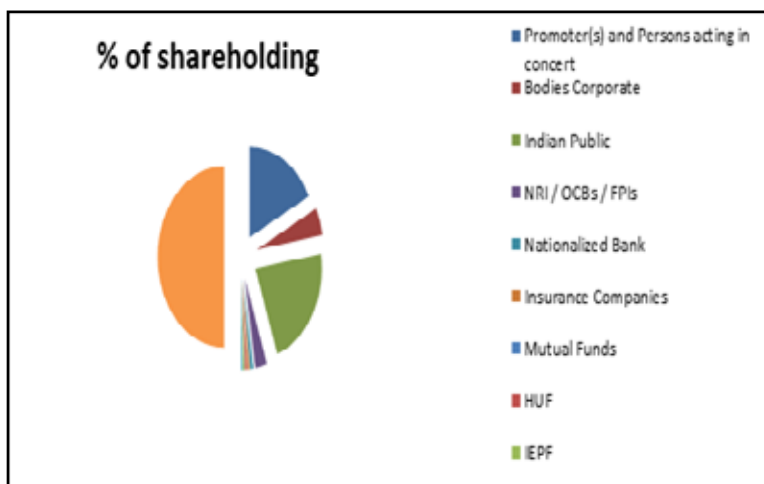
CHART-X

CHART-XI


CHART- XII



Annexure A

Certificate on code of conduct

As provided under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the Board Members and the senior management personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31, 2020.

Date: 04.09.2020
Place: New Delhi

For ALCHEMIST LIMITED
Sd/-
Bikram Bhattacharya
(Whole Time Director)
DIN:03595530

Annexure B

Chief Executive Officer (CEO)/Chief Financial Officer (CFO) Certification

We, Bikram Bhattacharya, Whole Time Director of the Company and Dinesh Kumar, Chief Financial Officer of the Company “**Alchemist Limited**”, do hereby certify, that , We have reviewed financial statements and the cash flow statements for the year ended on 31st March, 2020, and to the best of our knowledge and belief do hereby certify, that

- (i) These statements do not contain any materially untrue statement or omit any material fact nor do they contain results that might be misleading.
- (ii) These statements together present a true and fair view of the company’s affairs and are in compliance with the existing accounting standards and/or applicable laws/regulations.
- (iii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company’s Code of Conduct.
- (iv) We accept responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining of financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (v) We have indicated to the auditors and the Audit Committee

ALCHEMIST LIMITED

- Significant changes in internal control over financial reporting during the year;
- Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- Instances of significant fraud of which we have become aware and the involvement there, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

The above certificate was placed before the board meeting on 30th June, 2020.

Date: 04.09.2020.
Place: New Delhi

Sd/-
Anup Singh Negi
(Chief Financial Officer)

For ALCHEMIST LIMITED
Sd/-
Bikram Bhattacharya
(Whole Time Director)
DIN:03595530
Annexure C

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
ALCHEMIST LIMITED
23, Nehru Place,
New Delhi – 110019

We have examined the compliance of conditions of Corporate Governance by M/s Alchemist Limited, for the year ended on 31st March 2020, as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Place: Delhi
Date: 28th August, 2020

For Vishal Gambhir & Associates
Company Secretaries
Sd/-
CS Vishal Gambhir
Prop.
M. No. A40037
C.P. No. 14881
UDIN : A040037B000628878

If undelivered please return to:
ALCHEMIST LIMITED
(CIN-L72200DL1988PLC192643)
Regd. Office: Alchemist House, 23, Nehru Place,
New Delhi-110019

INDEPENDENT AUDITORS' REPORT

To the Members of Alchemist Limited

Report on the Audit of Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Alchemist Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matter described in the Basis for Qualified Opinion section of our report**, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31st March 2020, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

- a. Attention is invited to note no. 43 to the standalone financial statements which states that "The Company extends credit from time to time as per market practices. In respect of export receivables' amounting to ₹ 46,442.79 Lakhs, credit was extended for export sales in the normal course of the business, however it apparently got stuck. Though the Company is regularly following up on the same, has initiated legal recourse and is hopeful of recovering such amount, still considering the principal of conservatism, the Company has made a provision for expected credit loss allowance @ 10% of the outstanding export receivables amounting to ₹ 4,644.28 Lakhs and has not recognised unrealised foreign exchange gain/loss on such export receivable and related trade payable during the financial year 2019-20. Hence forth, the Company shall not be accounting for the unrealised foreign exchange loss on such export receivable and related trade payables and the same will only be accounted for on actual realisation/payment"

Further, the Company has stated that the total provision on such doubtful export receivables stands at 20% amounting to ₹ 9,288.56 Lakhs as at 31st March, 2020.

Such export receivables are outstanding for more than three years as at the yearend date; provision @ 20% is made against such doubtful trade receivables. Since the actual realisation of such doubtful export receivable cannot be ascertained, we are unable to comment on the adequacy of the provision of expected credit loss made by the Company.

In the absence of the information on record, the consequential impact, if any, on the standalone financial statements is not ascertainable.

Though, the Company admits that the export receivable is doubtful of recovery and has made partial provision on such export receivable, still such export receivable and related trade payable stand in the books, hence require recognition of unrealised foreign exchange gain/loss as per the provisions of Ind AS 21, The Effects of Changes in Foreign Exchange Rates. Accordingly, the loss is overstated by ₹ 3,178.87 Lakhs for the year ended 31st March, 2020 and accordingly the trade receivables and trade payable are understated by ₹ 4,329.75 Lakhs and ₹ 1150.88 Lakhs respectively, as at the year ended 31st March, 2020.

- b. Attention is invited to note no. 60 to the standalone financial statements which states that "The working capital limits of ₹ 350.00 Lakhs availed from Bank of India for the working capital requirements of the pharmaceutical division has been classified as non-performing asset (herein referred to as 'NPA') on 30th November, 2018. The outstanding as on the date of classification by the bank as NPA was ₹ 363.88 Lakhs. The Company has not recognised interest liability on such loan from the day it has become NPA, in line with the practice followed by the respective bank".

The Company has not made provision of interest due on the borrowings from Bank of India, post the date the account was classified as non-performing assets by the bank.

In the absence of the information on record, the consequential impact, if any, on the standalone financial statements is not ascertainable.

- c. Attention is invited to note no. 10 and note no. 49 to the standalone financial statements which considers capital advances of ₹ 769.70 lakhs as good and recoverable and also states that out of the same, the Company is pursuing legal action in Honourable Kolkata High Court against Medisphere Marketing Limited for recovery of the amount of ₹ 459.80 Lakhs outstanding in its books. Further, The Company is hopeful of recovering the above amounts and hence no provision is considered necessary.

The entire capital advances of ₹ 769.70 Lakhs are outstanding for more than three years as at the yearend date and seems doubtful of recovery or adjustment, however, no provision is made against such doubtful capital advances.

In the absence of the information on record, the consequential impact, if any, on the standalone financial statements is not ascertainable.

- d. Attention is invited to note no. 8, 13 and 25 to the financial statements state that FDR's, current accounts and cash credit limit with a cumulative debit balance of ₹ 106.39 Lakhs and cumulative credit balance of ₹ 375.07 Lakhs do not have statements or even confirmation.

In the absence of the information on record, the consequential impact, if any, on the standalone financial statements is not ascertainable.

- e. *The financial impact arising out of the COVID -19 outbreak are not accounted or reported or disclosed as per the prescribed Accounting Standards, in the financial statements.*

In the absence of the information on record, the consequential impact, if any, on the standalone financial statements is not ascertainable.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

- a. Attention is invited to note no. 61 to the standalone financial statements which states that "The income tax department has through its order dated 7th February, 2019 has demanded an amount of ₹ 29,129.34 Lakhs in lieu of the assessment carried out by the income tax departments for the assessments years 2009-10 to 2015-16. The Company has not provided for such liability in its books as it has appealed against such demand raised by the income tax department. The liability however, has been reflected as a contingent liability".
- b. Attention is invited to note no. 50 to the standalone financial statements which states that "The pharma division of the Company has adjusted trade payables amounting to ₹ 380.32 Lakhs (Previous Year ₹ 1,021.40 Lakhs) by way of a book entry on account of direct payment to them by some trade receivables or by making direct payment to the suppliers of the supplier from whom the Company is getting the products manufactured as per the Company's specification. Such adjustments is only in the case of the franchise arrangement and in case of a third party manufacturer".
- c. Attention is invited to note no. 57 to the standalone financial statements which states that "Cash in hand includes cash amounting to ₹ 180.54 Lakhs which was seized by the Income tax authorities during the search and seizure operation u/s 132 of the Income Tax Act, 1961 during the month of June, 2014".
- d. Attention is invited to note no. 53 to the standalone financial statements which states that "The balances of majority of the Trade Receivables, Trade Payables and Loan made and received, are subject to confirmation and as such their balances are reflected in the Balance Sheet as appearing in the books, pending reconciliation, the net effect is unascertainable".
- e. Attention is invited to note no. 62 to the standalone financial statements which states that "The subsidiary company, Alchemist Hospitality Group Limited is in the process of voluntary strike off. The forms required to be filed with the Registrar of Companies have been filed and approval is awaited".

Our opinion is not qualified in respect of the matters as stated in the Emphasis of Matters paragraph.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the **Basis for Qualified Opinion** section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Going concern assessment</p> <p>Attention is invited to note no. 58 to the standalone financial statements which states that “The accumulated losses of the Company had exceeded its net worth. The company’s operations were adversely affected in earlier financial years due to sluggish market demand, working capital getting stuck in trade receivables and loss making manufacturing activity of the pharmaceutical unit. The Company has initiated legal recourse against the defaulting customers and is regularly following up on the same and the Company has recently even closed down its loss making pharmaceutical manufacturing. The units of the company now continue to operate at satisfactory capacity utilization levels and are generating positive Earnings before Interest Depreciation Tax and Amortization (EBIDTA). With strong management focus on strategic initiatives for cost rationalization, optimum product mix and efficient plant operations, the management believes that accumulated losses would reasonably be paired, in due course. The Company can even liquidate its non-core strong fixed assets cover to support the operations in times of any need. Further, the Company has the backing of the strong group because of which the Company has been able to pay off its borrowings from Punjab National Bank and support the operations of the Company even though the Company has incurred losses in the recent past. The financial statements, as such have been prepared on a going concern basis”.</p> <p>The availability of sufficient funding and the testing of whether the company will be able to continue meeting its obligations under the financing covenants are important for the going concern assumption and, as such, are significant aspects of our audit. This test or assessment is largely based on the expectations of and the estimates made by management. The expectations and estimates can be influenced by subjective elements such as estimated future cash flows, forecasted results and margins from operations. Estimates are based on assumptions, including expectations regarding future developments in the economy and the market.</p>	<p>Our audit procedures were focused on obtaining sufficient appropriate audit evidence that the going concern assessment made by the Company is not materially misstated. These procedures included, but were not limited to, the following:</p> <p>We analysed management’s report to gain an understanding of the inputs and process underpinning the cash flow model prepared for the purpose of the going concern assessment.</p> <p>We reviewed the operating performances of the various units of the Company to evaluate whether or not they are actually generating positive EBIDTA.</p> <p>We assessed the possible mitigating actions identified by management in the event that actual cash flows are below forecast.</p>

Information other than the Financial Statements and Auditor’s Report thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor’s report thereon.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of

adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

3. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and ***except for the matters described in the Basis for Qualified Opinion section and Emphasis of Matters section above***, have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) ***Except for the matter described in the Basis for Qualified Opinion paragraph***, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) ***Except for the matter described in the Basis for Qualified Opinion section***, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) ***The matters described in the Basis for Qualified Opinion section and Emphasis of Matters section above, in our opinion, may have an adverse effect on the functioning of the Company.***
- (f) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) ***The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above.***
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- (i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note no. 45 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. ***Amount of ₹ 12.61 Lakhs was required to be transferred during the previous year to the Investor Education and Protection Fund by the Company but the same has not been transferred till date.***

for Anu and Associates

Chartered Accountants

Firm’s Registration Number: 019624N

Sd/-

CA. Parveen Kumar

Partner

Membership Number: 531655

Place of Signature: New Delhi

Date: 30th July, 2020

UDIN: 20531655AAAADL4334

Annexure – A to the Independent Auditors’ Report

Referred to in paragraph 2 under ‘Report on other Legal and Regulatory Requirements’ section of our report of even date. We report that:

- (i) (a) In our opinion and according to the information and explanations given to us, the Company has maintained fixed asset register **however the same does not specify the quantity and exact location of the fixed assets.**
- (b) In our opinion and according to the information and explanations given to us, **the Company has not physically verified the fixed assets during the year. In our opinion the periodicity of the physical verification is not reasonable having regard to the size of the Company and nature of its assets.**
- (c) In our opinion and according to the information and explanation given to us, the Company holds valid title for all the immovable properties in the books of the Company **except for one land valuing ₹ 55.59 Lakhs, the title deed of which has not been produced before us for our verification of the same.**
- (ii) In our opinion and according to the information and explanations given to us, inventories have been physically verified during the year by the management at reasonable intervals. The material discrepancies, if any, noticed have been properly dealt with in the books of accounts.
- (iii) According to the information & explanations given to us, the Company has granted loans, secured or unsecured outstanding at year end at ₹ 62.43 Lakhs to 7 parties covered in the register maintained under section 189 of the Act.
- (a) **It has been informed to us that the terms of repayment have not been defined, however, they are repayable on the mutual agreement of both the parties involved. Moreover the loans granted are unsecured and interest free, thus the terms of such loans are prejudicial to the interests of the Company.**
- (b) **All the loans made are interest free and schedule of repayment are not defined, hence the timeliness of repayment cannot be commented upon.**
- (c) **As mentioned in the above paragraphs, since terms of repayment of loans are not defined, we are unable to comment on the overdue amount.**
- (iv) **The Company has given loans/amount recoverable to/from two parties whose yearend outstanding balance is ₹ 19.07 Lakhs, in contravention of provisions of Section 185 of the Companies Act, 2013.**
- Further, the Company has given interest free loans/amount recoverable to/from 11 parties whose yearend outstanding balance is ₹ 876.64 Lakhs which is in contravention of sub section 7 of section 186 of the Companies Act, 2013 which requires that “No loan shall be given under this section at a rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan”.**
- (v) The Company has not accepted deposits. Hence the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company.
- (vi) The central government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of the activities of the company.
- (vii) (a) Based on our audit procedures and on the information and explanations given by the management, **we report that there has been delays in deposit of undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-tax, Goods and Service Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues, to the extent applicable, during the financial year.** According to the information and explanations given to us, **statutory dues amounting to ₹ 153.04 Lakhs were outstanding as on 31st March, 2020, for a period of more than six months from the date it became payable.**
- (b) **Details of statutory dues which have not been deposited as on 31st March, 2020 by the Company on account of dispute is given below:**

Nature of Tax	Name of the Statute	Period to which amount relates	Amount demanded (In Lakhs)	Amount deposited (In Lakhs)	Pending deposit	Forum
Income Tax	Income Tax Act, 1961	2007-08	5.11	0.00	5.11	Assessing Officer
Income Tax	Income Tax Act, 1961	2008-09 to 2014-15	29129.34	0.00	29129.34	CIT(Appeals), New Delhi
Excise Duty	Central Excise Act, 1944	December, 2007 to September, 2012	173.55	63.13	110.42	Supreme Court
Total			29308.00	63.13	29244.81	

- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, ***during the year there have been delays in repayment of dues by the Company to financial institutions, banks or debenture holders. The details of the continuing default as on 31st March, 2020 in repayment of principle and interest is as follows:***

Details of continuing default as on 31 march 2020

Name and Bank-Type of loan	Sanction Amount	Default Amount as on 31st March 2020
Punjab National Bank-Term Loan	2,100.00	52.74
Bank Of India-Working Capital Loan	350.00	363.88
Total	2,450.00	416.62

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, therefore, the provisions of para 3(ix) of the Order is not applicable to the Company.
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) Based on the audit procedures performed and the information and explanations given to us, we report that the managerial remuneration has been paid or provided in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company, therefore, the provisions of para 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him, therefore, the provisions of para 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for Anu and Associates

Chartered Accountants

Firm's Registration Number: 019624N

Sd/-

CA. Parveen Kumar

Partner

Membership Number: 531655

Place of Signature: New Delhi

Date: 30th July, 2020

UDIN: 20531655AAAADL4334

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Alchemist Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

for Anu and Associates

Chartered Accountants

Firm's Registration Number: 019624N

Sd/-

CA. Parveen Kumar

Partner

Membership Number: 531655

Place of Signature: New Delhi

Date: 30th July, 2020

UDIN: 20531655AAAADL4334

BALANCE SHEET AS AT 31ST MARCH, 2020

₹ In Lakhs

Particulars	Note	As at 31 st March, 2020	As at 31 st March, 2019
Assets			
Non - Current Assets			
Property, Plant and Equipment	4	13,340.96	13,768.85
Capital Work-in-progress		-	-
Other Intangible Assets	5	687.16	906.43
Financial Assets			
Investments	6	16,860.84	16,860.84
Loans	7	712.04	712.55
Others	8	211.89	210.08
Deferred tax assets (net)	9	1,534.79	412.07
Other Non-current Assets	10	769.70	769.70
Total Non - Current Assets		34,117.37	33,640.51
Current Assets			
Inventories	11	53.81	103.15
Financial Assets			
Trade Receivables	12	37,889.60	42,544.38
Cash and Cash Equivalents	13	223.55	212.14
Bank Balances	14	12.61	12.61
Loans	15	164.27	164.05
Others	16	33.49	37.19
Current Tax Assets (Net)	17	1.87	0.25
Other Current Assets	18	762.34	704.96
Total Current Assets		39,141.54	43,778.74
Total Assets		73,258.91	77,419.25
Equity and Liabilities			
Equity			
Equity Share Capital	19	1,355.98	1,355.98
Other Equity	20	(20,971.63)	(16,306.63)
Total Equity		(19,615.65)	(14,950.65)
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	21	76,289.76	75,499.89
Other Financial Liabilities	22	411.39	371.34
Provisions	23	55.30	65.48
Deferred Tax Liabilities (Net)	24	-	-
Total Non - Current Liabilities		76,756.45	75,936.71
Current liabilities			
Financial Liabilities			
Borrowings	25	375.07	407.68
Trade payables			
Total outstanding dues of micro enter- prises and small enterprises	26	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	26	13,180.62	13,187.62
Other financial liabilities	27	2,310.53	2,629.65
Other current liabilities	28	249.08	203.91
Provisions	29	2.83	4.32
Total Current Liabilities		16,118.11	16,433.19
Total Equity and Liabilities		73,258.91	77,419.25

Significant Accounting Policies and Notes to the Financial Statements

1 to 63

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

for Anu and Associates

Chartered Accountants

ICAI Firm Registration Number 0019624N

Sd/-

CA. Parveen Kumar

Partner

Membership Number 531655

UDIN: 20531655AAAADL4334

Sd/-

Divya Bajaj

Company Secretary

Sd/-

Anop Singh Negi

Chief Financial Officer

Sd/-

Bikram Bhattacharya

Whole Time Director

DIN 03595530

Sd/-

Charandeep Singh Jolly

Director

DIN 05151343

for and on behalf of the Board of Directors

Place: New Delhi

 Date: 30th July, 2020

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2020

		₹ In Lakhs	
		For the year ending 31 st March, 2020	For the year ending 31 st March, 2019
Particular	Note		
INCOME			
Revenue from Operations	30	1,441.17	2,673.60
Other Income	31	29.30	92.18
Total Income		1,470.47	2,765.78
EXPENSES			
Cost of Material Consumed	32	469.07	847.60
Purchase of Stock-in-Trade	33	481.28	1,109.44
Change in Inventories of Finished Goods, Stock-in-trade, Work-in-Progress and Scrap	34	32.95	24.24
Employees Benefit Expenses	35	540.78	738.35
Finance Cost	36	55.26	136.91
Depreciation and Amortization Expenses	37	664.67	690.01
Other Expenses	38	5,024.70	5,279.20
Total Expenses		7,268.70	8,825.75
Loss Before Exceptional Items and Taxes		(5,798.23)	(6,059.97)
Exceptional Items		-	-
Loss Before Tax		(5,798.23)	(6,059.97)
Tax Expenses	39		
Current Tax		-	-
Deferred Tax Charge/ (Benefit)		(1,125.45)	(1,096.21)
Tax Relating to Previous Years		-	-
Total Tax Expenses		(1,125.45)	(1,096.21)
Loss for the year		(4,672.78)	(4,963.76)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		10.51	(14.84)
Income Tax relating to items that will not be reclassified to profit or loss		(2.73)	3.86
Total Other Comprehensive Income		7.78	(10.98)
Total Comprehensive Income for the Year		(4,665.00)	(4,974.74)
Earning Per Shares (EPS) (Equity shares, Par value ₹ 10/- each)			
Basic and Diluted			
Basic EPS	40	(34.46)	(36.61)
Diluted EPS	40	(34.46)	(36.61)

Significant Accounting Policies and Notes to the Financial Statements 1 to 63

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

for Anu and Associates

Chartered Accountants

ICAI Firm Registration Number 0019624N

Sd/-

CA. Parveen Kumar
Partner

Membership Number 531655

UDIN: 20531655AAAADL4334

Sd/-

Divya Bajaj
Company Secretary

Sd/-

Anop Singh Negi
Chief Financial Officer

Sd/-

Bikram Bhattacharya
Whole Time Director
DIN 03595530

Sd/-

Charandeep Singh Jolly
Director
DIN 05151343

for and on behalf of the Board of Directors

Place: New Delhi

Date: 30th July, 2020

STATEMENT OF CASH FLOW FOR THE YEAR ENDING 31ST MARCH, 2020

	₹ in Lakhs	
	For the year ending 31 st March, 2020	For the year ending 31 st March, 2019
Particular		
A. Cash Flow from Operating Activities		
Loss for the year	(4,672.78)	(4,963.76)
Adjustments for		
Depreciation and Amortisation	664.67	690.01
Allowance for Doubtful Trade Receivables	4,644.28	4,644.28
Loss/ (Profit) on Property, Plant and Equipment Sold/Discarded	-	-
Loss/(Profit) on Sale of Financial Assets Measured at Cost	-	-
Loss/(Profit) on Sale of Financial Assets Measured at FVTPL	-	-
Finance Cost	55.26	136.91
Interest Income	(4.05)	(3.82)
Dividend	-	-
Tax Expenses	(1,125.45)	(1,096.21)
Operating Profit Before Working Changes in Working Capital	(438.07)	(592.59)
Adjustments for changes in working capital		
Trade Receivable	10.50	(34.11)
Trade Payable	(7.01)	(144.73)
Inventories	49.34	82.67
Provisions	(1.15)	(0.84)
Other Financial and Non-Financial Assets	(55.46)	103.05
Other Financial and Non-Financial Liabilities	46.31	(83.11)
Cash Generated from operations	(395.54)	(669.66)
Income Tax Paid	(1.87)	(0.25)
Net Cash Flow from/ (used in) Operating Activities (A)	(397.41)	(669.91)
B. Cash Flow from Investing Activities		
Capital Expenditure on Property, Plant & Equipment and Intangible Assets including Capital Advances	(17.51)	8.41
Proceeds from Sale of Property, Plant & Equipment	-	2.37
Proceeds from Sale of Investment in Equity Instruments Carried at Cost	-	-
Proceeds from Sale of Investment Carried at Fair Value through Profit and Loss (FVTPL)	-	-
Proceeds/ (Payment) from Loan to Subsidiaries and Associates	0.51	(307.22)
Interest Received	4.05	4.18
Dividend Received	-	-
Net Cash Flow from/ (used in) Investing Activities (B)	(12.95)	(292.26)
C. Cash Flow from Financing Activities		
Redemption of Preference Shares including Premium	-	(2.50)
Proceeds/ (Repayment) of Borrowings	518.29	1,023.03
Interest Paid	(63.91)	(136.27)
Net Cash Generated from Financing Activities (C)	454.38	884.26
Net Increase / (Decrease) in Cash and Cash Equivalents During the Year (A+B+C)	44.02	(77.91)
Add: Cash and Cash Equivalents as at the Beginning of the Year	(195.54)	(117.63)
Cash and Cash Equivalents as at the end of the Year (refer Note 13)	(151.52)	(195.54)

Significant Accounting Policies and Notes to the Financial Statements

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

for Anu and Associates

Chartered Accountants
ICAI Firm Registration Number 0019624N

Sd/-
CA. Parveen Kumar
Partner
Membership Number 531655
UDIN: 20531655AAAA4334

Sd/-
Divya Bajaj
Company Secretary

Sd/-
Anop Singh Negi
Chief Financial Officer

Sd/-
Bikram Bhattacharya
Whole Time Director
DIN 03595530

Sd/-
Charandeep Singh Jolly
Director
DIN 05151343

for and on behalf of the Board of Directors

Place: New Delhi
Date: 30th July, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 31ST MARCH, 2020
₹ in Lakhs

Particular	Number of Shares	Amount
A. EQUITY SHARE CAPITAL		
Balance as on 1 st April, 2018	13559800	1,355.98
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
Balance at on 31st March, 2019	13559800	1,355.98
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
Balance at on 31st March, 2020	13559800	1,355.98

B. OTHER EQUITY

Particular	Other equity - Reserves and Surplus			
	Preference Shares Redemption Reserve	Capital Redemption Reserve	Retained earnings	Total
Balance as on 1 st April, 2018	18.30	5,184.19	(16,532.22)	(11,329.73)
Loss for the year	-	-	(4,963.76)	(4,963.76)
Other comprehensive income/(expense) for the year	-	-	(10.98)	(10.98)
Transfer to Capital Redemption Reserve	-	0.34	(0.34)	-
Transfer to Preference Share Redemption Reserve	1.96	-	(1.96)	-
Utilized for the Redemption of Preference Shares	(2.16)	-	-	(2.16)
Balance at on 31st March, 2019	18.11	5,184.53	(21,509.26)	(16,306.63)
Loss for the year	-	-	(4,672.78)	(4,672.78)
Other comprehensive income/(expense) for the year	-	-	7.78	7.78
Balance at on 31st March, 2020	18.11	5,184.53	(26,174.26)	(20,971.63)

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

for Anu and Associates

Chartered Accountants

ICAI Firm Registration Number 0019624N

Sd/-

CA. Parveen Kumar

Partner

Membership Number 531655

UDIN: 20531655AAAADL4334

Sd/-

Divya Bajaj

Company Secretary

Sd/-

Anop Singh Negi

Chief Financial Officer

Sd/-

Bikram Bhattacharya

Whole Time Director

DIN 03595530

Sd/-

Charandeep Singh Jolly

Director

DIN 05151343

for and on behalf of the Board of Directors

Place: New Delhi

Date: 30th July, 2020

Note 1 Corporate Information

M/s Alchemist Limited (the 'Company' or 'Alchemist') is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act on 05-07-1988. The Company's equity shares are listed on the bourses of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is engaged in the business of Agriculture and allied activities comprising of floriculture and manufacturing of wire mesh for poultry industry and trading of chemicals and pharmaceutical formulations.

The standalone financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on 30th July, 2020.

Note 2 Basis of Preparation and Presentation

a) Statement of compliance

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, under Section 133 of the Companies Act, 2013 (the "Act"). The following note provides list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

b) Investments in subsidiaries and associates

Investments in subsidiary companies and associate company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies and associate company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

c) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be 'Indian Rupees' [INR (₹)]. The financial statements are presented in INR (₹) which is Company's functional and presentational currency.

d) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

e) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Note 3 (n) - whether the Company acts as a principal rather than as an agent in a transaction;

Note 3 (p) - leases: whether an arrangement contains a lease;

Note 3 (p) - lease classification; and

Note 3 (d) and 43 - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March, 2020 is included in the following notes:

Note 3 (k) - measurement of defined benefit obligations and plan assets: key actuarial assumptions;

Note 3 (g) - measurement of useful lives and residual values to property, plant and equipment;

Note 3 (h) - measurement of useful lives of intangible assets;

Note 3 (l), and 3 (m) - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and

Note 3 (r) - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used and MAT credit entitlement.

Note 3 Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Company has elected to utilise the option under Ind AS 101 by not applying the provisions of Ind AS 16 and Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e. 1st April 2016. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1st April 2016, i.e. the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

a) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of financial liabilities some part of which may be noncurrent. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

b) Foreign currency transactions and translations

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the statement of profit and loss.

c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to/ by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Recognition and initial measurement

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Classification

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortised cost;
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Impairment

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, is recognised as an impairment gain or loss in the statement of profit and loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Financial liabilities**Recognition and initial measurement**

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

e) Equity share capital

Proceeds from issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Company's cash management, are also included as a component of cash and cash equivalents.

g) Property, plant and equipment**Recognition and measurement**

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognized at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. In case of multiple element contracts whereby the vendor supplies PPE as well as other components, PPE is recorded on the basis of relative fair values.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method (SLM). The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act other than sapling which are depreciated over a period of 7 years with nil residual value.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains/ (losses).

Capital work-in-progress includes assets under construction and cost attributable to construction of assets not ready for use before the year end.

h) Intangible assets

Recognition and measurement

Intangible assets are recognised if it is probable that the future economic benefits attributable to the assets will flow to the enterprise and cost of the asset can be measured reliably in accordance with the notified Indian Accounting Standard – 38 on 'Intangible Assets'.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

- a. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired;
- b. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period;
- c. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.
 1. Computer Software
Softwares are amortised over the period of license, generally not exceeding ten years.
 2. Research & Development
Research & Development are amortised over the period of ten years.
 3. Pan India Distribution Network
Pan India Distribution Network are amortised over the period of ten years.

i) Inventories

Raw materials and packing materials are valued at lower of cost and net realisable value after providing for obsolescence, if any. Cost is determined on the first-in-first-out (FIFO) method. Obsolete/ non-moving inventories are valued at net realisable value.

Inventory costs include purchase price, freight inward, transit insurance charges and non-refundable taxes. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Work-in-process, stores, spares and consumables, stock-in-trade and finished goods are valued at lower of cost and net realisable value.

j) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, if any, are recognised in statement of profit and loss.

Reversal of impairment losses

Impairment losses are reversed and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset in previous years.

k) Employee benefits

The Company's employee benefits mainly include wages, salaries, bonuses, defined contribution to plans, defined benefit plans, compensated absences, deferred compensation and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Company employees.

i. Short-term obligations

All employee benefits payable/ available within twelve months of rendering the service such as salaries, wages and bonus etc., are classified as short-term employee benefits and are recognised in the statement of profit and loss in the period in which the employee renders the related service.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees. The Company makes specified contributions towards the following schemes:

Employee Provident Fund

The Company makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Employee State Insurance

The Company makes contribution to Employee State Insurance scheme in accordance with Employees' State Insurance Act, 1948. The scheme is a self-financing social security and health insurance scheme for workers and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all directly recruited eligible employees. In accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment.

The calculation of defined benefit obligation is performed annually by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit, are recognised immediately in the balance sheet a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

l) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If, the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

m) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

n) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Company, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax which are collected by the Company on behalf of the Government and deposited to the credit of respective Governments.

Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is received.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

o) Government grants

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit and loss accounts over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by the government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant.

p) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company as a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

q) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs (for general and specific borrowings) directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time (qualifying assets) to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

r) Income tax

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax ('MAT') expense under the provisions of the Income Tax Act, 1961 is recognised as an asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT Credit Entitlement has been presented as Deferred Tax in Balance Sheet.

s) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

t) Segment reporting

Information reported to the Board of Directors who is chief operating decision maker (CODM) for the purposes of resources allocation and assessment of segment performance focuses on the types of services provided. The Board of Directors of the Company have chosen to organise the Company around the different services being provided. Operating segments have been aggregated based on similar risk and reward and on fulfilment of other aggregation criteria.

CODM has identified primary segment which consists of 'Agri Business', and 'Pharma, Chemical and Minerals'.

The following specific accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with the segment including intersegment revenue;
- ii. Expenses that are directly identifiable with the segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure;
- iii. Income which relates to the Group as a whole and not allocable to segments is included in unallocable income; and
- iv. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

u) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

v) Policies not specifically mentioned are consistent with generally accepted accounting principles.

ALCHEMIST LIMITED

Notes forming part of the financial statements for the year ended March 31, 2020, Contd.

Note									₹ Lakhs
Property, Plant and Equipment									
4									
Particulars	Gross Block				Depreciation				Net Block
	As At 1 April, 2018	Sale / Adjust- ments	Additions/ Capitalised	As At 31 March, 2019	As At 1 April, 2018	On Sale / Adjust- ments	For the Year	As At 31 March, 2019	As At 31 March, 2019
Land	1,555.04	-	-	1,555.04	-	-	-	-	1,555.04
Building	415.82	-	-	415.82	249.02	-	6.62	255.64	160.18
Building other than Factory Building	10,783.27	-	-	10,783.27	554.32	-	170.62	724.94	10,058.33
Plant and Machinery	1,631.02	-	3.15	1,634.17	644.62	-	83.24	727.85	906.32
Electric Installation	600.60	-	-	600.60	185.02	-	57.01	242.03	358.57
Bearer Plants	1,255.26	-	-	1,255.26	1,225.70	-	1.28	1,226.98	28.28
Furniture & Fixtures	1,084.50	-	-	1,084.50	408.88	-	96.57	505.45	579.05
Vehicles	1,074.19	2.02	-	1,072.17	962.40	-	36.42	998.82	73.35
Office Equipment's	240.76	0.35	-	240.41	208.28	-	12.21	220.49	19.92
Servers and Networks	46.32	-	-	46.32	35.25	-	6.57	41.82	4.49
Computer & Peripherals	497.24	-	0.32	497.56	471.51	-	0.74	472.25	25.31
Total	19,184.02	2.37	3.47	19,185.12	4,945.00	-	471.27	5,416.27	13,768.85

Particulars	Gross Block				Depreciation				Net Block
	As At 1 April, 2019	Sale / Adjust- ments	Additions/ Capitalised	As At 31 March, 2020	As At 1 April, 2019	On Sale / Adjust- ments	For the Year	As At 31 March, 2020	As At 31 March, 2020
Land	1,555.04	-	-	1,555.04	-	-	-	-	1,555.04
Building	415.82	-	-	415.82	255.64	-	6.63	262.27	153.55
Building other than Factory Building	10,783.27	-	-	10,783.27	724.94	-	171.09	896.03	9,887.25
Plant and Machinery	1,634.17	-	17.51	1,651.68	727.85	-	84.53	812.38	839.30
Electric Installation	600.60	-	-	600.60	242.03	-	57.17	299.19	301.40
Bearer Plants	1,255.26	-	-	1,255.26	1,226.98	-	0.38	1,227.36	27.90
Furniture & Fixtures	1,084.50	-	-	1,084.50	505.45	-	96.81	602.26	482.24
Vehicles	1,072.17	-	-	1,072.17	998.82	-	18.81	1,017.63	54.54
Office Equipment's	240.41	-	-	240.41	220.49	-	7.54	228.03	12.38
Servers and Networks	46.32	-	-	46.32	41.82	-	2.18	44.00	2.32
Computer & Peripherals	497.56	-	-	497.56	472.25	-	0.27	472.52	25.04
Total	19,185.12	-	17.51	19,202.63	5,416.27	-	445.40	5,861.67	13,340.96

Note									₹ Lakhs
Other Intangible Assets									
5									
Particulars	Gross Block				Depreciation				Net Block
	As At 1 April, 2018	Sale / Adjust- ments	Additions/ Capitalised	As At 31 March, 2019	As At 1 April, 2018	On Sale / Adjust- ments	For the Year	As At 31 March, 2019	As At 31 March, 2019
Computer Software	192.27	-	-	192.27	94.08	-	19.22	113.30	78.97
Research & Developments	992.64	-	-	992.64	644.91	-	86.36	731.27	261.36
Pan India Distribution Network	1,132.50	-	-	1,132.50	453.25	-	113.16	566.40	566.09
Total	2,317.41	-	-	2,317.41	1,192.24	-	218.74	1,410.97	906.43

Particulars	Gross Block				Depreciation				Net Block
	As At 1 April, 2019	Sale / Adjust- ments	Additions/ Capitalised	As At 31 March, 2020	As At 1 April, 2019	On Sale / Adjust- ments	For the Year	As At 31 March, 2020	As At 31 March, 2020
Computer Software	192.27	-	-	192.27	113.30	-	19.27	132.57	59.70
Research & Developments	992.64	-	-	992.64	731.27	-	86.54	817.81	174.83
Pan India Distribution Network	1,132.50	-	-	1,132.50	566.40	-	113.47	679.87	452.63
Total	2,317.41	-	-	2,317.41	1,410.97	-	219.27	1,630.25	687.16

ALCHEMIST LIMITED

		₹ in Lakhs	
	Note	As at 31 st March, 2020	As at 31 st March, 2019
Non Current Investment	6		
Category-wise investments			
Investment in equity instruments		2,960.62	2,960.62
Investment in preference share		13,900.21	13,900.21
Investment in equity instruments carried at cost			
Unquoted			
Investment in Subsidiary			
Alchemist Healthcare Limited		2.55	2.55
Current year equity shares 255000, (Previous Year 255000 shares) of ₹ 10/- Each			
		2.55	2.55
Investment in equity instruments carried at cost			
Unquoted			
Investment in Associates			
ROC Foods Limited		2,955.57	2,955.57
(Formerly Known as ‘Alchemist Foods Limited’)			
Current year equity shares 2955573, (Previous Year 2955573 shares) of ₹ 10/- Each			
Alchemist Medisphere Limited		2.25	2.25
Current year equity shares 22500, (Previous Year 22500 shares) ₹ 10/- Each			
		2,957.82	2,957.82
Other Investment (Equity) carried at fair value through Profit and Loss (FVTPL)			
Unquoted			
Shivalik Solid Waste Management Limited		0.25	0.25
Current year equity shares 2500, (Previous Year 2500 shares) of ₹ 10/- Each			
		0.25	0.25
Other Investment in Associates (Preference shares) carried at cost			
Unquoted			
ROC Foods Limited*		13,900.21	13,900.21
(Formerly Known as ‘Alchemist Foods Limited’)			
Current year preference shares 28350424, (Previous Year 28350424 shares) of ₹ 10/- Each			
		13,900.21	13,900.21
Total		16,860.84	16,860.84
Aggregate value of unquoted investments		16,860.84	16,860.84
Total		16,860.84	16,860.84
*Alchemist Limited’s loan to ROC Foods Limited (Formerly known as ‘Alchemist Foods Limited’) amounting to ₹ 13,900.21 Lakhs was converted into 28350424 preference shares of face value of ₹ 10/- each issued at a premium of ₹ 39.03 during the financial year 2015-16.			
Non Current Financial Assets - Loans	7		
Loan to Associates (Unsecured, considered good)			
ROC Foods Limited		712.04	712.55
(Formerly Known as ‘Alchemist Foods Limited’)			
Total		712.04	712.55
Other Non Current Financial Assets	8		
Unsecure, considered good			
Security Deposit		124.26	125.94
Fixed Deposits maturing after 12 months*		87.63	84.14
Total		211.89	210.08

ALCHEMIST LIMITED

*Including deposit of ₹ 87.63 Lakhs (Previous Year ₹ 84.14 Lakhs) under lien for guarantee given by banks to various Government Authorities. Balance confirmation of such FDRs are not available on record.

	Note	As at 31st March, 2020	As at 31st March, 2019
₹ in Lakhs			
Deferred Tax Asset (Net)	9		
Deferred Tax Liability Arising on Difference Between Book and Tax Depreciation		918.33	835.44
Deferred Tax Assets Arising on Provision of Gratuity and Bonus		40.83	36.14
Actuarial Net Loss/(Gain) on Remeasurement of Defined Benefit Plans		(2.73)	3.86
Allowance for doubtful trade receivables		2,415.03	1,207.51
Total		1,534.79	412.07
Other Non Current Assets	10		
Unsecure, considered good Capital Advances		769.70	769.70
Total		769.70	769.70
Inventories	11		
Raw Materials and Packing Materials		26.73	43.12
Finished Goods		22.32	43.38
Stock-in-trade		4.60	16.59
Store, Spares and Scrap		0.16	0.06
Total		53.81	103.15
The mode of valuation of inventories has been stated in note no. 3 (i)			
Trade Receivables	12		
Unsecured, considered good		735.37	745.86
Unsecured, considered doubtful		46,442.79	46,442.79
		47,178.16	47,188.66
Less: Allowance for doubtful trade receivable		(9,288.56)	(4,644.28)
Total		37,889.60	42,544.38
Cash and Cash Equivalent	13		
Balance with Banks - Current Accounts*		35.66	27.54
Cash in hand		187.88	184.60
Total		223.55	212.14
For the purpose of statement of cash flows, Cash & Cash Equivalent comprise of following Cash and Cash Equivalent as per balance sheet		223.55	212.14
Bank Overdraft and Overdraft in Current Account (refer Note 25)		(375.07)	(407.68)
		(151.52)	(195.54)
* Out of the above balance in various current accounts, statement of many current accounts having cumulative balance of ₹ 18.76 lakhs is not available on record.			
Bank Balances other than Cash and Cash Equivalent	14		
Unpaid dividend account		12.61	12.61
Total		12.61	12.61

ALCHEMIST LIMITED

Current Loans	15		
Unsecured, considered good			
Amount recoverable in cash or in kind or for value to be received			
To Related Party		62.09	61.87
To Others		102.18	102.18
Total		164.27	164.05
Other Current Financial Assets	16		
Advance to employees (Unsecured)		33.49	37.19
Total		33.49	37.19
Current Tax (Net)	17		
Tax deducted at Source		1.87	0.25
Total		1.87	0.25
Other Current Assets	18		
Unsecured, Considered good			
Prepaid Expenses		2.62	3.44
Balance with Govt. Authorities		285.73	292.65
Advances Paid to Suppliers for Goods/Services		393.65	343.93
Others		80.34	64.94
Total		762.34	704.96
Equity Share Capital	19		
Authorised			
Equity Shares 30000000 of ₹ 10/- each		3,000.00	3,000.00
(Previous year 30000000 of ₹ 10/- each)			
Issued, Subscribed and Paid-Up			
Equity Shares 13559800 of ₹ 10/- each		1,355.98	1,355.98
(Previous year 13559800 of ₹ 10/- each)			
Total		1,355.98	1,355.98

Terms/right attached to shares:

Equity Shares: The Company has only one class of equity shares having a par value of ₹ 10/- per shares. Each holder of equity Shares is entitled to one vote per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

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

Equity Shares	As at 31 st March 2020		As at 31 st March 2019	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	13559800	1,355.98	13559800	1,355.98
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13559800	135,598,000.00	13559800	1,355.98

ALCHEMIST LIMITED

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

Name of Shareholder	As at 31 st March 2020		As at 31 st March 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kanwar Deep Singh	1257020	9.27%	1257020	9.27%
KDS Corporation Pvt Ltd	3059000	22.56%	3059000	22.56%
HS FII Investments Ltd	-	0.00%	-	0.00%
Davos International Fund	746000	5.50%	746000	5.50%

Other Equity	20	As at 31st March, 2020	As at 31st March, 2019
Capital Redemption Reserve			
Balance Brought Forward		5,184.53	5,184.19
Add: Transfer from Statement of Retained Earnings		-	0.34
		5,184.53	5,184.53
Preference Shares Redemption Reserve			
Balance Brought Forward		18.10	18.30
Add: Transfer from Statement of Retained Earnings		-	1.96
Less: Utilized for the Redemption of Preference Shares		-	(2.16)
		18.10	18.10
Retained Earnings			
Balance Brought Forward		(21,509.26)	(16,532.22)
Add: Profit/(Loss) for the Year		(4,665.00)	(4,974.74)
Less: Transfer to Capital Redemption Reserve		-	(0.34)
Less: Transfer to Preference Share Redemption Reserve		-	(1.96)
		(26,174.26)	(21,509.26)
Total		(20,971.63)	(16,306.63)
Non- Current Borrowings	21		

Secured

Term Loans From Bank

Punjab National Bank	77.74	349.32
Less : Current Maturities	(77.74)	(349.32)
	-	-

Unsecured

Inter Corporate Deposits

From Subsidiary	36.35	46.45
From Others	76,222.03	75,422.07
	76,258.38	75,468.52

Redeemable preference shares (Unsecured)

Redeemable Preference Shares 31378 of ₹ 100/- Each	31.38	31.38
(Previous year 31718 of ₹ 100/-Each)	31.38	31.38
Total	76,289.76	75,499.89

Details of continuing default as on 31st March, 2020 in repayment of loans and interest:

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31-03-2020	Default cleared Amount	Default cleared date	Default outstanding as on 28-07-2019
Punjab National Bank - Term Loan	2,100.00	52.74	-	-	52.74

ALCHEMIST LIMITED

Note

Term Loans From Bank

Punjab National Bank

Punjab National Bank: Secured Loan of ₹ 77.74 Lakhs (Previous Year ₹ 349.32 Lakhs secured through exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh.

The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the director till 31st August, 2012 and thereafter being the promoter of the company. Term Loan carries interest at base rate + 4% and is repayable in 84 monthly installment of ₹ 25 Lakhs each, commencing from 30th April, 2013.

Within One Year	77.74	349.32
Total	77.74	349.32

Inter Corporate Loan

Inter Corporate loan has been received from Alchemist Healthcare Limited (Subsidiary of Alchemist Limited), KDS Corporation Pvt Limited (a promoter group Company), Technology Park Limited and Alchemist Realty Limited (parties covered under section 189 of the Companies Act. 2013) amounting to ₹ 36.34 Lakhs (Previous Year ₹46.45 Lakhs), ₹ 6,988.04 Lakhs (Previous Year ₹ 6,344.22 Lakhs), ₹ 68,607.40 Lakhs (Previous year ₹ 68,605.79 Lakhs) and ₹ 571.10 Lakhs (Previous Year ₹ 472.06) respectively. The terms of repayment with respect to loan from Alchemist Healthcare Limited, KDS Corporation Private Limited and Alchemist Realty Limited have not been defined and are repayable on the mutual agreement of both the parties involved, hence terms are not prejudicial to the interest of the company. Loan from Technology Park Limited is repayable on service of a minimum notice of 12 months by the lender for a repayment in excess of ₹ 5,000.00 Lakhs, however upon the concurrence of the Company, hence terms are not prejudicial to the interest of the Company. The Inter Corporate Loans obtained by the Company are non interest bearing.

Redeemable Preference Shares

The Preference Shares are in the nature of redeemable preference shares having a par value of ₹ 100/- per share.

Other Non Current Financial Liabilities	22	
Security Deposits Received	411.39	371.34
Total	411.39	371.34
Long-term Provisions	23	
Provision for Employees Benefits		
Gratuity	55.30	65.48
Total	55.30	65.48
Current Borrowings	25	
Secured		
Bank of India (Cash Credit Limit)*	363.88	363.88
Unsecured		
Overdraft in Current Account**	11.18	43.79
Total	375.07	407.68

Loan Repayable on demand, from

Banks

Bank of India:

Working Capital facility of ₹ 350 Lakhs (Previous Year ₹ 350 Lakhs) secured against hypothecation of stocks and book debt of the company's unit located at Chambaghat, Solan (Himachal Pradesh). It is further collaterally secured by Land and Building, other structures (erected or to be erected) and other immovable properties of the Unit situated at Chambaghat, Solan.

The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the director till 31st August, 2012 and thereafter being the promoter of the company.

ALCHEMIST LIMITED

Details of continuing default as on 31st March, 2020 in repayment of loans and interest:

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31-03-2020	Default cleared Amount	Default cleared date	Default outstanding as on 28-07-2020
Bank of India - Working Capital Limit	350.00	363.88	-	-	363.88

*The loan from Bank of India was classified as NPA on 31-10-2018.

The statement is not on record.

Out of the three current accounts having an overdraft balance, statement of one account having an overdraft balance of ₹ 0.89 Lakhs is not available on record.

26

Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	13,180.62	13,187.62

Total	13,180.62	13,187.62
-------	-----------	-----------

₹ in Lakhs

	Note	As at 31 st March, 2020	As at 31 st March, 2019
--	------	------------------------------------	------------------------------------

Other Current Financial Liabilities	27
-------------------------------------	----

Current maturities of long-term borrowings

Term Loan	77.74	349.32
Interest Accrued and Due on Borrowings	1.04	9.70
Liabilities for Capital Goods	155.63	110.63
Advance Received *	966.69	1,077.51
Unclaimed Dividend **	12.61	12.61
Other Liabilities	1,096.82	1,069.90

Total	2.310,53	2.629,65
-------	----------	----------

*Refer Note No. 56

**A sum of ₹ 12.61 Lakhs (Previous year ₹ 12.61 Lakhs) is lying as unclaimed dividend in separate accounts with HDFC Bank and Yes Bank, Chandigarh.

Other Current Liabilities	28
---------------------------	----

Statutory Dues Payable	69.53	50.39
Revenue Received in Advance	122.52	96.50
Others	57.03	57.03

Total	249.08	203.91
-------	--------	--------

Short-term Provisions

29

Provision for Employee Benefits

Provision for Employee Benefits	2.83	4.32
Gratuity		
Total	2.83	4.32

Revenue From Operation	30
------------------------	----

Sale of Products	1.441.17	2.673.60
------------------	----------	----------

Total	1.441.17	2.673.60
-------	----------	----------

Other Income	31
--------------	----

ALCHEMIST LIMITED

Interest	4.05	3.82
Other Income	25.25	88.36
Total	29.30	92.18
Cost of Material Consumed	32	
Opening Stock	43.12	101.56
Add : Purchases	452.67	789.16
	495.79	890.72
Less : Closing Stock	(26.73)	(43.12)
Cost of Material Consumed	469.07	847.60
Purchase of Stock-in-Trade	33	
Purchase of Stock-in-trade	481.28	1,109.44
Total	481.28	1,109.44
Change in Inventories of Finished Goods, Stock-in-trade and Scrap	34	
Opening Stock		
Finished goods	43.38	22.54
Stock-in-trade	16.59	61.13
Scrap	0.06	0.61
	60.03	84.27
Closing Stock		
Finished goods	22.32	43.38
Stock-in-trade	4.60	16.59
Scrap	0.16	0.06
	27.09	60.03
(Increase) / Decrease in Change in Inventories of Finished Goods, Stock-in-trade and Scrap	32.95	24.24
Employees Benefit Expenses	35	
Salaries and Wages including Bonus, Gratuity ,Welfare Expenses	493.27	674.70
Employer's Contribution towards Provident and other Funds	40.61	52.28
Staff Welfare	6.90	11.37
Total	540.78	738.35
Finance Cost	36	
Interest Expenses	55.26	136.91
Total	55.26	136.91
Depreciation and Amortisation Expenses	37	
Depreciation on Property, Plant and Equipment	445.40	471.27
Amortization on Intangible Assets	219.27	218.74
Total	664.67	690.01
Other Expenses	38	

ALCHEMIST LIMITED

Consumable, Stores and Other Direct Expenses	24.29	34.58
Power and Fuel Expenses	50.39	58.17
Rent	24.89	46.51
Postage and Courier	0.85	4.03
Repair and Maintenance	4.81	14.57
Travelling Expenses	14.67	13.79
Fee and Taxes	7.79	12.67
Insurance Charges	3.09	6.81
Telephone, Internet and Communication Charges	6.18	14.80
Vehicle Running and Maintenance	24.22	40.68
Director Sitting Fees	1.25	0.80
Allowance for Doubtful Trade Receivables	4,644.28	4,644.28
Misc. and General Expenses	25.42	138.49
Selling and Marketing Expenses	102.75	150.20
Advertisement and Publicity	1.51	7.94
Printing and Stationery	7.50	9.93
Auditor's Remuneration:		
Statutory Audit Fee	6.25	6.25
Cost Auditor's Remuneration:		
Audit Fee	-	0.59
Legal and Professional Charges	46.30	40.16
Business Promotion / Entertainment Expenses	28.24	33.94
Total	5,024.70	5,279.20

39. Income Tax Expenses
(a) Income tax expense recognised in Statement of profit and loss
₹ Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Current Tax		
In respect of the current year	-	-
Deferred Tax		
In respect of the current year	(1,125.45)	(1,096.21)
Total income tax expense/ (income) recognised in statement of profit and loss	(1,125.45)	(1,096.21)

(b) Income Tax on Other Comprehensive Income
₹ Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Deferred Tax		
Re-measurement of Defined Benefit Obligations	(2.73)	3.86
Total income tax expense recognised in other comprehensive income	(2.73)	3.86

40. Earnings Per Share (EPS)

Basic and diluted earnings/ (loss) per share

Basic and diluted earnings/ (loss) per share is calculated by dividing the profit/ (loss) during the year attributable to equity shareholders of the Company by the weighted number of equity shares outstanding during the year.

Particulars	Units	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Profit/ (loss) after tax attributable to equity Shareholders	₹ Lakhs	(4,672.78)	(4,963.76)
Weighted average number of equity shares outstanding during the year (Basic)	Number	13559800	13559800
Weighted average number of equity shares outstanding during the year (Diluted)	Number	13559800	13559800
Nominal value of Equity Shares		10/-	10/-
Earnings Per Share			
Basic EPS	₹	(34.46)	(36.61)
Diluted EPS	₹	(34.46)	(36.61)

41. Employee Benefits:

The details of various employee benefits provided to employees are as under:

A. Defined Contribution plans:

Contribution to defined contribution plans charged off for the year is as under:

₹ In Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Company's Contribution to Provident Fund (Including admin. exp.)	32.44	38.46
Company's Contribution to Employees State Insurance	8.00	13.59
Company's Contribution to Employees Welfare Fund	0.17	0.23

B. Defined Benefit Plans:

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. Gratuity is an unfunded scheme, the present value of obligation is determined based on actuarial valuation, the disclosure of which is given as under:

₹ In Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Change in present value of defined benefit obligation during the year		
Present value of obligation as at the beginning of the period	69.80	55.80
Interest Cost	4.41	3.87
Current Service Cost	4.81	6.68
Benefits Paid	(10.37)	(11.40)
Total Actuarial (Gain)/Loss on obligation	(10.51)	14.84
Present value of obligation as at the end of the period	58.13	69.80
Current portion	2.83	4.32
Non-current portion	55.30	65.78
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the period	-	-
Expected interest income	-	-
Employer contribution	10.37	11.40
Benefits Paid	(10.37)	(11.40)
Actuarial (Gain)/Loss for the year on asset	-	-
Fair value of plan assets at the end of the period	-	-
Net asset/(liability) recognised in the balance sheet		
Present value of obligation at the end	58.13	69.80
Fair value of plan asset	-	-
Unfunded Liability/provision in the balance sheet	58.13	69.80
Expenses Recognised in the statement of profit or loss during the year		
Service cost	4.81	6.68
Net interest cost	4.41	3.87
Total expenses recognised in employee benefit expenses	9.22	10.55
Recognised in other comprehensive income for the year		
Net cumulative unrecognised actuarial (gain)/loss opening	(64.81)	(79.65)
Actuarial (gain)/loss for the year of PBO	(10.51)	14.83
Actuarial (gain)/loss for the year on asset	-	-
Unrecognised actuarial (gain)/loss at the end of the year	(75.32)	(64.82)

Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	2.97	4.54
Year II	2.68	4.08
Year III	2.64	4.11
Year IV	3.32	3.72
Year V	2.38	4.22
Next 5 Year Payouts (6-10 years)	20.39	26.76
Payouts above 10 Years	92.46	124.75
Quantitative sensitivity analysis for significant assumptions is as below		
(a) Impact of changes in discount rate		
Present value of obligation at the end of the period	58.13	69.80
Impact due to increase of 1%	(5.20)	(6.23)
Impact due to Decrease of 1%	6.01	7.21
(b) Impact of changes in salary increase		
Present value of obligation at the end of the period	58.13	69.80
Impact due to increase of 1%	5.99	7.20
Impact due to Decrease of 1%	(5.25)	(6.30)
Sensitivities due to morality & withdrawal are not material & hence the impact of changes not calculated.		
Senilities as to rate inflation, rate of increase of pension in payment, rate of increase of pension before retirement & life expectancy are not applicable being a lumpsum benefit on retirement.		
Actuarial assumptions		
Discount rate	6.83%	7.73%
Future salary in increase	5.00%	5.00%
Retirement age (years)	60 Years	60 Years
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	100% of IALM (2006-08)

Note

- The actuarial valuation of the present valuation of defined benefit obligation were carried out as at 31st March, 2020. The present value of defined benefit obligation and the related current service cost, were measured using the projected unit credit method.
- Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of obligation.
- The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such, as, demand and supply in employment market.

42. Segment Reporting
Operating Segments

- Agri Business; and
- Pharma, Chemical & Minerals

Identification of Segments

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products.

Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and liabilities

Assets used by the operating segment and mainly consist of property plant and equipment, trade receivable, cash and cash equivalents and inventories. Segment Liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

₹ in Lakhs

Particulars	Agri Business	Pharma, Chemical & Minerals	Unallocated	Total
Revenue from external customers	699.01	742.16	-	1441.17
Inter-segment revenue	-	-	-	-
Total Revenue	699.01	742.16	0.00	1441.17
Segment result				
Operating Profit/(Loss)	(209.86)	(5562.41)	-	(5772.27)
Finance costs	-	-	55.26	55.26
Other income	-	-	29.30	29.30
Non-operating expense	-	-	-	-
Exceptional items	-	-	-	-
Loss Before Tax	(209.86)	(5562.41)	25.96	(5798.23)
Provision for Deferred Tax			(1125.45)	(1125.45)
Previous year Taxes	-	-	-	-
Loss After Tax	(209.86)	(5562.41)	(1099.49)	(4672.78)
Other Information				
Segment Assets	929.76	38834.27	33494.88	73258.91
Segment Liabilities	142.49	14706.76	78025.31	92874.56
Fixed Assets				
(Including Capital Work in Progress)	563.75	862.81	12601.56	14028.12

43. Financial instruments – Fair values and risk management
A. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

₹ in Lakhs

Categories of financial instruments	As at 31 st March, 2020	As at 31 st March, 2019
Financial assets		
• Financial assets at fair value through profit or loss		
• Non-Current		
Investments	0.25	0.25
• Financial assets at cost		
• Non-Current		
Investments	16,860.59	16,860.59
Loans	712.04	712.55
Others	211.89	210.08
• Current		
Trade receivables	37,889.60	42,544.38

ALCHEMIST LIMITED

Cash and bank balances	236.16	224.75
Loans	164.27	164.05
Other financial assets	33.49	37.19
Total	56,108.28	60,753.84
• Financial liabilities at cost		
• Non-Current		
Borrowings	76,289.76	75,499.89
Other financial liabilities	411.39	371.34
• Current		
Borrowings	452.81	756.99
Trade payables	13,180.62	13,187.62
Other financial liabilities	2,232.79	2,280.34
Total	92,567.36	92,096.18

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

₹ in Lakhs

Particulars	Carrying Amount As at 31-03-2019	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at fair value through profit or loss				
• Non-Current				
• Investments in equity instruments	0.25	-	-	0.25
• Investments in mutual funds	-	-	-	-

₹ in Lakhs

Particulars	Carrying Amount As at 31-03-2020	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at fair value through profit or loss				
• Non-Current				
• Investments in equity instruments	0.25	-	-	0.25
• Investments in mutual funds	-	-	-	-

B. Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and

ALCHEMIST LIMITED

spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and is as reflected below.

₹ In Lakhs

Particulars	As on 31 st March, 2020	As on 31 st March, 2019
0-180 days past due	123.52	400.36
More than 180 days	37,766.08	42,144.01
Total	37,889.60	42,544.37

The Company extends credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46,442.79 Lakhs, credit was extended for export sales in the normal course of the business, however it apparently got stuck. Though the Company is regularly following up on the same, has initiated legal recourse and is hopeful of recovering such amount, still considering the principal of conservatism, the Company has made a provision for expected credit loss allowance @ 10% of the outstanding export receivables amounting to ₹ 4,644.28 Lakhs and has not recognised unrealised foreign exchange gain/loss on such export receivable and related trade payable during the financial year 2019-20. Hence forth, the Company shall not be accounting for the unrealised foreign exchange loss on such export receivable and related trade payables and the same will only be accounted for on actual realisation/ payment.

Movement in expected credit loss allowance on trade receivables

₹ in Lakhs

Particulars	As on 31 st March, 2020	As on 31 st March, 2019
Balance at the beginning of the year	4,644.28	-
Loss allowance measured at lifetime expected credit losses	4,644.28	4,644.28
Balance at the end of the year	9,288.56	4,644.28

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of ₹ 236.16 Lakhs as at 31st March 2020 (31st March 2019 ₹ 224.75 Lakhs), and anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

Maturity profile of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31st March, 2020:

₹ In Lakhs

Particulars	Carrying Amount	On Demand	Less than 1 year	Above 1 years
Interest bearing borrowings	441.63	363.88	77.74	-
Non-interest bearing borrowings	76,300.94	76,300.94	-	-
Security Deposits Received	411.39	-	220.00	191.39
Trade Payable	13,180.62	-	13,180.62	-
Other Financial Liabilities	2,232.79	-	2,232.79	-

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31st March, 2019:

₹ In Lakhs

Particulars	Carrying Amount	On Demand	Less than 1 year	1-5 years
Interest bearing borrowings	713.20	363.88	349.32	-
Non-interest bearing borrowings	75,543.69	75,543.69	-	-
Security Deposits Received	371.34	-	220.00	151.34
Trade Payable	13,187.62	-	13,187.62	-
Other Financial Liabilities	2,280.34	-	2,280.34	-

Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/ mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the Risk management policy on a quarterly basis.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk management.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

b) Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

USD \$ Millions

Foreign currency exposure	As At 31 st March, 2020	As at 31 st March, 2019
Trade Receivables	71.40	71.40
Trade Payable	18.98	18.98

In respect of above mentioned export receivables, credit was extended for export sales in the normal course of the business, however it apparently got stuck. Though the Company is regularly following up on the same, has initiated legal recourse and is hopeful of recovering such amount, still considering the principal of conservatism, the Company has made a provision for expected credit loss @ 10% of the outstanding export receivables and has not recognised unrealised foreign exchange gain/loss on such export receivable and related trade payable during the financial year 2019-20. Hence forth, the Company shall not be accounting for the unrealised foreign exchange loss on such export receivable and related trade payables and the same will only be accounted for on actual realisation/payment.

c) Foreign currency sensitivity

Since the Company is not recognizing unrealised foreign exchange gain/loss on outstanding monetary assets and liabilities, hence, there is no need to disclose the foreign currency sensitivity.

ALCHEMIST LIMITED

44. Related Party Disclosures:

In accordance with the Indian Accounting Standard 24 (Ind AS 24) on related party disclosure, the related party including key management personnel, where control exists or where significant influence exists and with whom transactions have taken place, are mentioned below:

Key Managerial Personnel

1	Ms. Maria Fernandes (ID)	Throughout the year
2	Ms. Ambika Chowdhary (ID)	Throughout the year
3	Mr. Bikram Bhattacharya (WTD)	Throughout the year
4	Mr. Dinesh Goyal (CFO)	till 30 th June, 2019
5	Mr. Hemant Kumar Mangal (CS)	till 15 th March, 2019
6	Mr. Sunil Jain (CS)	till 15 th November, 2019
7	Mr. Anop Singh Negi (CFO)	From 11 th November, 2019
8	Ms. Divya Bajaj (CS)	From 3 rd February, 2020
9	Mr. Charandeep Singh Jolly (Director)	From 11 th July, 2019

Subsidiary

1	Alchemist Healthcare Limited
---	------------------------------

Associates

1	ROC Foods Limited (Formerly known as 'Alchemist Foods Limited')
2	Alchemist Medisphere Limited

Joint Venture

1	Alchemist Township India Limited
---	----------------------------------

Other related parties

1	A 1 News Network Private Limited
2	Alchemist Airways Private Limited
3	Alchemist F & B Limited
4	Alchemist Hospitals Limited
5	Alchemist Life Sciences Limited
6	Alchemist Media Limited
7	Alchemist Realty Limited
8	Alchemist Touchnology Limited
9	Alchemist Universe of Education Limited
10	Black Cats Protections Private Limited
11	Eco Breaking Technologies India Private Limited
12	Jass Developers Private Limited
13	KDS Corporation Private Limited
14	Optimum Constructors And Developers Limited
15	Pinkcassia Hotels & Resorts Private Limited
16	Royal Building and Infrastructures Private Limited
17	Technology Parks Limited
18	Alchemist Hotels & Resorts Limited

Detail of related parties transactions

₹ Lakhs

Sr. No.	Transaction's	Subsidiary		Key Management Personnel (KMP) & their relatives		Associates		Joint Venture		Others	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
1	Remuneration										
	Mr. Bikram Bhattacharya (WTD)	-	-	27.79	28.88	-	-	-	-	-	-
	Mr. Hemant Kumar Mangal (CS)	-	-	-	2.31	-	-	-	-	-	-
	Mr. Dinesh Goyal (CFO)	-	-	2.02	8.08	-	-	-	-	-	-
	Mr. Sunil Jain (CS)	-	-	2.63	0.40	-	-	-	-	-	-

ALCHEMIST LIMITED

	Mr. Anop Singh Negi (CFO)	-		3.56	-						
	Ms. Divya Bajaj (CS)	-		0.58	-						
		-									
2	Sitting fees to Directors	-									
	Ms. Maria Fernandes	-	-	0.60	0.40	-	-	-	-	-	-
	Ms. Ambika Chowdhary	-	-	0.65	0.40	-	-	-	-	-	-
3	Inter Corporate Loans Given- Paid/ (Repaid)										
	ROC Foods Limited	-	-	-	-	(0.51)	309.16	-	-	-	-
	Alchemist Realty Limited	-	-	-	-	-	-	-	-	-	(190.35)
	Alchemist Touchnology Limited	-	-	-	-	-	-	-	-	0.22	0.44
	Alchemist F&B Limited	-	-	-	-	-	-	-	-	-	3.90
	Eco Breaking Technologies India Private Limited	-	-	-	-	-	-	-	-	-	0.31
4	Inter Corporate Loan Taken- Received/(Repaid)										
	Alchemist Healthcare Limited	(10.10)	(0.35)	-	-	-	-	-	-	-	-
	KDS Corporation Private Limited	-	-	-	-	-	-	-	-	643.82	764.06
	Technology Parks Limited	-	-	-	-	-	-	-	-	1.61	23.81
	Alchemist Hospitals Limited	-	-	-	-	-	-	-	-	-	(2.74)
	Alchemist Realty Limited	-	-	-	-	-	-	-	-	99.04	472.06
5	Expenses incurred on their behalf										
	Alchemist Lifesciences Limited	-	-	-	-	-	-	-	-	0.18	0.79
	Optimum Constructors & Developers Limited	-	-	-	-	-	-	-	-	-	0.01
	Jass Developers Private Limited	-	-	-	-	-	-	-	-	6.50	-
6	Rent Received										
	Alchemist Hospitals Limited	-	-	-	-	-	-	-	-	10.5	-
7	Investments Sold/Impaired										
	Alchemist Infrastructures Private Limited	-	1.00	-	-	-	-	-	-	-	-
	Alchemist Hospitality Group Limited	-	3.74	-	-	-	-	-	-	-	-
8	Services Received										
	Black Cats Protection Private Limited	-	-	-	-	-	-	-	-	1.43	16.58
9	Rent Paid										
	Jass Developers Private Limited	-	-	-	-	-	-	-	-	4.54	17.55
10	Advance from Joint Venture Taken- Received/(Repaid)										
	Alchemist Township India Limited	-	-	-	-	-	(110.82)	(90.74)	-	-	-

ALCHEMIST LIMITED

Balance outstanding at the year end

₹ Lakhs

Sr. No.	Transaction's	Subsidiary		Associates		Joint Venture		Others	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
1	Inter Corporate Loans - Given								
	ROC Foods Limited	-	-	712.04	712.55	-	-	-	-
	Alchemist F&B Limited	-	-	-	-	-	-	5.64	5.64
	Alchemist Touchnolgy Limited	-	-	-	-	-	-	14.64	14.41
	Eco Breaking Technolgies India Private Limited	-	-	-	-	-	-	17.33	17.33
2	Inter Corporate Loan- Received								
	Alchemist Healthcare Limited	36.35	46.45	-	-	-	-	-	-
	KDS Corporation Private Limited	-	-	-	-	-	-	6988.04	6,344.22
	Technology Parks Limited	-	-	-	-	-	-	68607.40	68,605.79
	Alchemist Realty Limited	-	-	-	-	-	-	571.10	472.06
3	Investments								
	Alchemist Healthcare Limited	2.55	2.55	-	-	-	-	-	-
	ROC Foods Limited	-	-	16855.79	16,855.79	-	-	-	-
	Alchemist Medisphere Limited	-	-	2.25	2.25	-	-	-	-
4	Trade Receivables								
	ROC Foods Limited	-	-	7.69	7.69	-	-	-	-
	Pinkassia Hotels & Resorts Limited	-	-	-	-	-	-	0.50	0.50
	Alchemist Lifesciences Limited	-	-	-	-	-	-	122.69	122.51
	A1 News Network Private Limited	-	-	-	-	-	-	0.12	0.12
	Royal Building and Infrastructure Private Limited	-	-	-	-	-	-	0.10	0.10
5	Trade Payables								
	Alchemist Hospitals Limited	-	-	-	-	-	-	5.63	0.65
	Jass Developers Private Limited	-	-	-	-	-	-	34.05	36.01
	Black Cats Protections Private Limited	-	-	-	-	-	-	13.33	17.32
6	Security received								
	A1 News Network Private Limited	-	-	-	-	-	-	3.00	3.00
	Alchemist Hospitals Limited	-	-	-	-	-	-	5.00	-
7	Amount recoverable/(payable)								
	Alchemist Universe of Education Limited	-	-	-	-	-	-	22.92	22.92
	Alchemist Airways Private Limited	-	-	-	-	-	-	1.75	1.75
	Alchemist Lifesciences Limited	-	-	-	-	-	-	(0.33)	(0.33)
	Alchemist Media Limited	-	-	-	-	-	-	0.08	0.08
	Optimum constructors & Developers limited	-	-	-	-	-	-	0.08	0.08
8	Advance from joint venture								
	Alchemist Township India Limited	-	-	-	-	966.69	1,077.51	-	-

₹0.00 represents amount less than ₹50,000

45. Contingent Liabilities and Commitments

₹ Lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
a. Contingent liabilities		
Corporate Guarantees	2,230.83	2,230.83

ALCHEMIST LIMITED

Disputed demand with statutory authorities (Net of amounts deposited under protest)	29,244.87	29,245.98
Claims Against the company not acknowledged as debts	21.44	21.87
b. Commitments		
Estimated amount of Contract remaining to be executed on capital account and not provide for (Net of Advances)	Nil	Nil

46. Detail of raw material and components consumed

₹ Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Raw Material Consumed	469.07	847.60
Consumables, Store and Spares Consumed	24.29	34.58
	493.36	882.18

47. Imported and Indigenous consumed

Particulars	For the year ended 31 st March, 2020		For the year ended 31 st March, 2019	
	₹ Lakhs	Percentage	₹ Lakhs	Percentage
Imported raw materials consumed	Nil	Nil	Nil	Nil
Indigenous raw materials consumed	469.07	100%	847.60	100%
Imported Consumables, Store and Spares Consumed	Nil	Nil	Nil	Nil
Indigenous Consumables, Store and Spares Consumed	24.29	100%	34.58	100%

48. Revenue from contracts with customers Disaggregation revenue information

₹ Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Revenue from contracts with customers disaggregated based on nature of product or services@		
Sale of Products		
Agri Business	699.01	1,122.03
Pharma, Chemical & Minerals	742.16	1,551.57
Total	1,441.17	2,673.60
Revenue from contracts with customers disaggregated based on geography		
Home Market	1,441.17	2,673.30
Export	-	-
Total	1,441.17	2,673.30

@ The Company has disaggregated the revenue from contracts with customers on the basis of nature of products into agribusiness, and pharma, chemical & minerals (refer note 42). The Company believes that the disaggregation of revenue on the basis of nature of products have no impact on the nature, amount, timing and uncertainty of revenue and cash flows.

Contract balances

₹ Lakhs

Particulars	For the year ended 31 st March, 2020
Trade receivables (note 12)	37,889.60

Contract assets - unbilled revenue	-
Contract liabilities - advances from customers (note 28)	122.52

Revenue recognised in relation to contract liabilities
₹ Lakhs

Particulars	For the year ended 31st March, 2020
At the beginning of the reporting period	96.50
Amount received against contract liability/ performance obligation satisfied in current year	26.02
At the end of the reporting period	122.52

49. In the opinion of the management, the assets are of the value stated, if realized in the ordinary course of business. Out of the Other Non-Current Assets as shown in Note 10, the Company is pursuing legal action in Honorable Kolkata High Court against Medisphere Marketing Limited for recovery of the amount of ₹ 459.80 Lakhs outstanding in its books.

Further, in Trade Receivables as shown in Note 12, the company is pursuing legal action on account of Cheque being dishonored, against 61 parties for an amount of ₹ 81.81 Lakhs. The Company is hopeful of recovering the above amounts and hence no provision is considered necessary.

50. The pharma division of the Company has adjusted trade payables amounting to ₹ 380.32 Lakhs (Previous Year ₹ 1,021.40 Lakhs) by way of a book entry on account of direct payment to them by some trade receivables or by making direct payment to the suppliers of the supplier from whom the Company is getting the products manufactured as per the Company's specification. Such adjustments is only in the case of the franchise arrangement and in case of a third party manufacturer.
51. Common Expenses relating to Head Office and other administrative office have been allocated to various divisions on the following basis.

(i) Financial Cost	Capital Employed
(ii) Other Expenses	Sales/Reasonable Estimations

52. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The company is in the process of compiling information from the suppliers regarding their status as Micro/ Small Scale Enterprises, so as to disclose the information as required by MSMED Act relating to Micro, Small and Medium Enterprises. The Company has not received full information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (Act) and hence disclosure required under Section 22 of the Act has not been given.

53. The balances of majority of the Trade Receivables, Trade Payables, and Loan made and received, are subject to confirmation and as such there balances are reflected in the Balance Sheet as appearing in the books, pending reconciliation, the net effect is unascertainable.

54. Disclosure as per Indian Accounting Standard - 116 (Ind As 116) on 'Leases'

The Ministry of Corporate affairs on 30th March, 2019 has notified Companies (Indian Accounting Standards) Rule, 2019, which are effective from 1st April, 2019. These amendments replaced the existing Ind As 17 'Leases' by introducing Ind AS 116 'Leases' from its proposed effective date 1st April, 2019. The effect of this adoption has no effect on the loss and earnings per share for the year ended 31st March, 2020.

55. With respect to the steel division of the Company, the Commissioner, Central Excise, Chandigarh, has proposed the classification of Poultry Keeping Machinery under Chapter 73 of the Central Excise Tariff Act, 1985 and had demanded the duty of Rs. 173.55 lakhs plus interest and penalty by invoking the extended period of limitation for 5 years. However, the company had cleared the goods as Poultry Keeping Machinery classifying the goods at –Nil- rate of duty under Chapter 84 of the CET Act, 1985.

This matter was pending with CESTAT and during the year 2017-18, the CESTAT had given a decision in the favor of the Company. The revenue authorities have gone into an appeal against this order, during the year 2018-19. The company has already paid the duty of Rs. 63.13 lakhs against the above demand as 'Duty Paid Under Protest', hence, the balance un-deposited amount of Rs. 110.42 lakh has been shown as a contingent liability.

Also the additional amount paid subsequent to the demand and till 31st March, 2013 was deposited under protest, thereby cumulating to Rs. 92.29 lakhs. Further, the department issued a shown cause notice demanding a duty of Rs. 18.12 lakhs for the duty short paid during the period from 1st September, 2016 to 30th June, 2017, which is also been paid under protest during the year 2018-19.

Therefore, the total duty of Rs. 110.41 lakhs already paid under protest has been shown as 'Amount recoverable in cash or in kind' in the standalone financial statements under the head Current Loan. With regard to the duty paid under protest to the tune of Rs. 92.29 lakhs, the Company had approached the revenue authorities for refund of the said amount, however, the same has been denied, against which the Company has gone into an appeal with CESTAT. The Company as of now has not demanded the refund of balance amount of Rs. 18.12 lakhs paid under protest, pending the outcome of the decision of the Supreme Court.

56. Financial reporting of interest in Joint Venture – Indian Accounting Standard 111 (Ind AS 111)

Advance received include ₹ 966.69 Lakhs (previous year ₹ 1,077.51 Lakhs) as advance received against joint development agreement entered into by the Company on 13th June, 2013 and addendum dated 12th July, 2013 with Alchemist Township India Limited for joint development of 7.2 acres of land of the Company situated at Village Dappar and Samlehri.

- 57.** Cash in hand includes cash amounting to ₹ 180.54 Lakhs which was seized by the Income tax authorities during the search and seizure operation u/s 132 of the Income Tax Act, 1961 during the month of June, 2014.
- 58.** The accumulated losses of the Company had exceeded its net worth. The company's operations were adversely affected in earlier financial years due to sluggish market demand, working capital getting stuck in trade receivables and loss making manufacturing activity of the pharmaceutical unit. The Company has initiated legal recourse against the defaulting customers and is regularly following up on the same and the Company has recently even closed down its loss making pharmaceutical manufacturing. The units of the company now continue to operate at satisfactory capacity utilization levels and are generating positive Earnings before Interest Depreciation Tax and Amortization (EBIDTA). With strong management focus on strategic initiatives for cost rationalization, optimum product mix and efficient plant operations, the management believes that accumulated losses would reasonably be paired, in due course. The Company can even liquidate its non-core strong fixed assets cover to support the operations in times of any need. Further, the Company has the backing of the strong group because of which the Company has been able to pay off its borrowings from Punjab National Bank and support the operations of the Company even though the Company has incurred losses in the recent past. The financial statements, as such have been prepared on a going concern basis.
- 59.** An unclaimed dividend pertaining to dividend declared for the year 2011-12 amounting to ₹ 12.61 Lakhs, due to be transferred to investor education and protection fund during the year 2019-20 was not transferred. However, unclaimed dividend pertaining to dividend declared for the year 2010-11 amounting to ₹ 8.77 Lakhs, due to be transferred to investor education and protection fund was duly transferred during the year 2018-19.
- 60.** The working capital limits of ₹ 350.00 Lakhs availed from Bank of India for the working capital requirements of the pharmaceutical division has been classified as non-performing asset (herein referred to as 'NPA') on 30th November, 2018. The outstanding as on the date of classification by the bank as NPA was ₹ 363.88 Lakhs. The Company has not recognised interest liability on such loan from the day it has become NPA, in line with the practice followed by the respective bank.
- 61.** The income tax department has through its order dated 7th February, 2019 has demanded an amount of ₹ 29,129.34 Lakhs in lieu of the assessment carried out by the income tax departments for the assessments years 2009-10 to 2015-16. The Company has not provided for such liability in its books as it has appealed against such demand raised by the income tax department. The liability however, has been reflected as a contingent liability.
- 62.** One subsidiary company viz. Alchemist Hospitality Group Limited is in the process of voluntary strike off. The forms required to be filed with the Registrar of Companies have been filed and approval is awaited.
- 63.** Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever deemed necessary, to make them comparable.

for Anu and Associates

Chartered Accountants

ICAI Firm Registration Number 0019624N

for and on behalf of the Board of Directors

CA. Parveen Kumar
Partner
Membership Number 531655
UDIN: 20531655AAAADL4334

Divya Bajaj
Company Secretary

Anop Singh Negi
Chief Financial Officer

Bikram Bhattacharya
Whole Time Director
DIN 03595530

Charandeep Singh Jolly
Director
DIN 05151343

Place: New Delhi

Date: 30th July, 2020

INDEPENDENT AUDITORS' REPORT

To the Members of Alchemist Limited

Report on the Audit of Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Alchemist Limited ("the Parent") and its subsidiaries and associates (the Parent, its subsidiaries and associates together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, **except for the effects of the matter described in the Basis for Qualified Opinion section of our report**, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Group as at 31st March 2020, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

- a. ***It has been explained to us that the financial statements of one associate, ROC Foods Limited is still under compilation and one subsidiary, Alchemist Hospitality Group Limited is under strike off. Accordingly, the same are not forming part of the consolidated financial results.***
- b. Attention is invited to note no. 43 to the consolidated financial statements which states that "The Group extends credit from time to time as per market practices. In respect of export receivables' amounting to ₹ 46,442.79 Lakhs, credit was extended for export sales in the normal course of the business, however it apparently got stuck. Though the Group is regularly following up on the same, has initiated legal recourse and is hopeful of recovering such amount, still considering the principal of conservatism, the Group has made a provision for expected credit loss allowance @ 10% of the outstanding export receivables amounting to ₹ 4,644.28 Lakhs and has not recognised unrealised foreign exchange gain/loss on such export receivable and related trade payable during the financial year 2019-20. Hence forth, the Group shall not be accounting for the unrealised foreign exchange loss on such export receivable and related trade payables and the same will only be accounted for on actual realisation/payment".

Further, the Group has stated that the total provision on such doubtful export receivables stands at 20% amounting to ₹ 9,288.86 Lakhs as at 31st March, 2020.

Such export receivables are outstanding for more than three years as at the yearend date; provision @ 20% is made against such doubtful trade receivables. Since the actual realisation of such doubtful export receivable cannot be ascertained, we are unable to comment on the adequacy of the provision of expected credit loss made by the Group.

In the absence of the information on record, the consequential impact, if any, on the consolidated financial statements is not ascertainable.

Though, the Group admits that the export receivable is doubtful of recovery and has made partial provision on such export receivable, still such export receivable and related trade payable stand in the books, hence require recognition of unrealised foreign exchange gain/loss as per the provisions of Ind AS 21, The Effects of Changes in Foreign Exchange Rates. Accordingly, the loss is overstated by ₹ 3,178.87 Lakhs for the year ended 31st March, 2020 and accordingly the trade receivables and trade payable are understated by ₹ 4,329.75 Lakhs and ₹ 1150.88 Lakhs respectively, as at the year ended 31st March, 2020.

- c. Attention is invited to note no. 60 to the consolidated financial statements in respect of the Parent, which states that "The working capital limits of ₹ 350.00 Lakhs availed from Bank of India for the working capital requirements of the pharmaceutical division has been classified as non-performing asset (herein referred to as 'NPA') on 30th November, 2018. The outstanding as on the date of classification by the bank as NPA was ₹ 363.88 Lakhs. The Parent has not recognised interest liability on such loan from the day it has become NPA, in line with the practice followed by the respective bank".

The parent has not made provision of interest due on the borrowings from Bank of India, post the date the account was classified as non-performing assets by the bank.

In the absence of the information on record, the consequential impact, if any, on the consolidated financial statements is not ascertainable.

- d. Attention is invited to note no. 10 and note no. 49 to the consolidated financial statements which considers capital advances of ₹ 769.70 lakhs as good and recoverable and also states that out of the same, the Parent is pursuing legal action in Honorable Kolkata High Court against Medisphere Marketing Limited for recovery of the amount of ₹ 459.80 Lakhs outstanding in its books. Further, the Parent is hopeful of recovering the above amounts and hence no provision is considered necessary.

The entire capital advances, capital advances of ₹ 769.70 Lakhs are outstanding for more than three years as at the yearend date and seems doubtful of recovery or adjustment, however, no provision is made against such doubtful capital advances.

In the absence of the information on record, the consequential impact, if any, on the consolidated financial statements is not ascertainable.

- a. Attention is invited to note no. 8, 13 and 25 to the consolidated financial statements state that FDR's, current accounts and cash credit limit with a cumulative debit balance of ₹ 106.39 Lakhs and cumulative credit balance of ₹ 375.07 Lakhs do not have statements or even confirmation.

In the absence of the information on record, the consequential impact, if any, on the consolidated financial statements is not ascertainable.

- b. ***The financial impact arising out of the COVID-19 outbreak are not accounted or reported or disclosed as per the prescribed Accounting Standards, in the consolidated financial statements.***

In the absence of the information on record, the consequential impact, if any, on the consolidated financial statements is not ascertainable.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matters

- a. Attention is invited to note no. 61 to the consolidated financial which states that "The income tax department has through its order dated 7th February, 2019 has demanded an amount of ₹ 29,129.34 Lakhs in lieu of the assessment carried out by the income tax departments for the assessments years 2009-10 to 2015-16. The Group has not provided for such liability in its books as it has appealed against such demand raised by the income tax department. The liability however, has been reflected as a contingent liability".
- b. Attention is invited to note no. 50 to the standalone financial statements which states that "The pharma division of the Parent has adjusted trade payables amounting to ₹ 380.33 Lakhs (Previous Year ₹ 1,021.40 Lakhs) by way of a book entry on account of direct payment to them by some trade receivables or by making direct payment to the suppliers of the supplier from whom the Parent is getting the products manufactured as per the Parent's specification. Such adjustments is only in the case of the franchise arrangement and in case of a third party manufacturer".
- c. Attention is invited to note no. 57 to the consolidated financial statements in respect of the Parent, which states that "Cash in hand includes cash amounting to ₹ 180.54 Lakhs which was seized by the Income tax authorities during the search and seizure operation u/s 132 of the Income Tax Act, 1961 during the month of June, 2014".
- d. Attention is invited to note no. 53 to the consolidated financial statements which states that "The balances of majority of the Trade Receivables, Trade Payables and Loan made and received, are subject to confirmation and as such their balances are reflected in the Balance Sheet as appearing in the books, pending reconciliation, the net effect is unascertainable".

Our opinion is not qualified in respect of the matters as stated in the Emphasis of Matters paragraph.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the **Basis for Qualified Opinion** section we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Going concern assessment</p> <p>Attention is invited to note no. 58 to the consolidated financial statements which states that “The accumulated losses of the group had exceeded its net worth. The Parent’s operations were adversely affected in earlier financial years due to sluggish market demand, working capital getting stuck in trade receivables and loss making manufacturing activity of the pharmaceutical unit. The Parent has initiated legal recourse against the defaulting customers and is regularly following up on the same and the Parent during the last year has even closed down its loss making pharmaceutical manufacturing. The units of the Parent now continue to operate at satisfactory capacity utilization levels and are generating positive Earnings before Interest Depreciation Tax and Amortization (EBIDTA). With strong management focus on strategic initiatives for cost rationalization, optimum product mix and efficient plant operations, the management believes that accumulated losses would reasonably be paired, in due course. The Group can even liquidate its non-core strong fixed assets cover to support the operations in times of any need. Further, the Group has the backing of the strong conglomerate because of which the Group has been able to pay off its borrowings from Punjab National Bank and support the operations of the Group even though the Group has incurred losses in the recent past. The financial statements, as such have been prepared on a going concern basis”.</p> <p>The availability of sufficient funding and the testing of whether the Group will be able to continue meeting its obligations under the financing covenants are important for the going concern assumption and, as such, are significant aspects of our audit. This test or assessment is largely based on the expectations of and the estimates made by management. The expectations and estimates can be influenced by subjective elements such as estimated future cash flows, forecasted results and margins from operations. Estimates are based on assumptions, including expectations regarding future developments in the economy and the market.</p>	<p>Our audit procedures were focused on obtaining sufficient appropriate audit evidence that the going concern assessment made by the Group is not materially misstated. These procedures included, but were not limited to, the following:</p> <p>We analysed management’s report to gain an understanding of the inputs and process underpinning the cash flow model prepared for the purpose of the going concern assessment.</p> <p>We reviewed the operating performances of the various units of the Group to evaluate whether or not they are actually generating positive EBIDTA.</p> <p>We assessed the possible mitigating actions identified by management in the event that actual cash flows are below forecast.</p>

Information other than the Consolidated Financial Statements and Auditor’s Report thereon

The Parent’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility for the Consolidated Financial Statements

The Parent’s Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. The Parent’s Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments

and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the financial reporting process of the Companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

Financial Statements of Alchemist Healthcare Limited, subsidiary and Alchemist Medisphere Limited, associate, have not been audited by us. They have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and associate and our report in terms of subsections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter as stated in the Other Matter paragraph.

Report on Other Legal and Regulatory Requirements

1. As required by section 197(16) of the Act, we report that the Group has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and ***except for the matters/ effects/ possible effects of matters described in the Basis of Qualified Opinion paragraph and Emphasis of Matters section above***, have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) ***Except for the effects/ possible effects of the matter described in the Basis for Qualified Opinion paragraph***, in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and the report of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) ***Except for the effects/ possible effects of the matter described in the Basis for Qualified Opinion section***, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) ***The matters described in the Basis for Qualified Opinion section and Emphasis of Matters section above, in our opinion, may have an adverse effect on the functioning of the Group.***
 - (f) On the basis of the written representations received from the directors of the Parent Parent as on 31st March, 2020 taken on record by the Board of Directors of the Parent, none of the directors of Parent are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) ***The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section above.***
 - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer note no. 45 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. ***Amount of ₹ 12.61 Lakhs was required to be transferred during the previous year to the Investor Education and Protection Fund by the Group but the same has not been transferred till date.***

for Anu and Associates
Chartered Accountants
ICAI Firm's Registration Number: 001924N

Place of Signature: New Delhi
Date: 30th July, 2020

Sd/-
CA. Parveen Kumar
FCA, Partner
Membership Number: 531655
UDIN: 20531655AAAADM7293

Annexure – A to the Independent Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Alchemist Limited ("the Parent"), its subsidiaries and its associates (together referred to as "the Group") as of and for the year ended 31st March 2020, we have audited the internal financial controls over financial reporting of the Parent, its subsidiary companies and associate, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary companies and associates, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Parent Company, its subsidiary companies and associates, incorporated in India, considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Parent's, its subsidiary companies and associate, incorporated in India, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Parent, its subsidiary companies and associate, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to subsidiary companies and associate company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

for Anu and Associates
Chartered Accountants
ICAI Firm's Registration Number: 001924N

Place of Signature: New Delhi
Date: 30th July, 2020

Sd/-
CA. Parveen Kumar
FCA, Partner
Membership Number: 531655
UDIN: 20531655AAAADM7293

ALCHEMIST LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2020

₹ In Lakhs

		As at 31 st March, 2020	As at 31 st March, 2019
Particulars	Note		
Assets			
Non - Current Assets			
Property, Plant and Equipment	4	13,340.96	13,768.85
Other Intangible Assets	5	687.16	906.43
Financial Assets			
Investments	6	16,856.62	16,856.62
Loans	7	712.04	712.55
Others	8	211.89	210.08
Deferred tax assets (net)	9	1,534.79	412.07
Other Non-current Assets	10	769.70	769.70
Total Non - Current Assets		34,113.15	33,636.29
Current Assets			
Inventories	11	53.81	103.15
Financial Assets			
Trade Receivables	12	37,889.60	42,544.38
Cash and Cash Equivalents	13	223.65	212.56
Bank Balances	14	12.61	12.61
Loans	15	164.27	164.05
Others	16	33.49	37.19
Current Tax Assets (Net)	17	1.87	0.25
Other Current Assets	18	762.34	704.96
Total Current Assets		39,141.65	43,779.16
Total Assets		73,254.80	77,415.45
Equity and Liabilities			
Equity			
Equity Share Capital	19	1,355.98	1,355.98
Other Equity	20	(20,973.72)	(16,308.57)
Total Equity		(19,617.74)	(14,952.59)
Non - Controlling Interest		2.04	2.19
Liabilities			
Non - Current Liabilities			
Financial Liabilities			
Borrowings	21	76,285.41	75,495.45
Other Financial Liabilities	22	411.39	371.34
Provisions	23	55.30	65.48
Deferred Tax Liabilities (Net)	24	-	-
Total Non - Current Liabilities		76,752.10	75,932.27
Current liabilities			
Financial Liabilities			
Borrowings	25	375.07	407.68
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	26	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	26	13,180.90	13,187.62
Other financial liabilities	27	2,310.53	2,630.06
Other current liabilities	28	249.08	203.91
Provisions	29	2.83	4.32
Total Current Liabilities		16,118.40	16,433.59
Total Equity and Liabilities		73,254.80	77,415.45

Significant Accounting Policies and Notes to the Financial Statements
This is the Consolidated Balance Sheet referred to in our report of even date.

1 to 63

for Anu and Associates

Chartered Accountants

ICAI Firm Registration Number 0019624N

Sd/-

CA. Parveen Kumar

Partner

Membership Number 531655

UDIN: 20531655AAAADM7293

Sd/-

Divya Bajaj

Company Secretary

Sd/-

Anop Singh Negi

Chief Financial Officer

Sd/-

Bikram Bhattacharya

Whole Time Director

DIN 03595530

Sd/-

Charandeep Singh Jolly

Director

DIN 05151343

for and on behalf of the Board of Directors

Place: New Delhi

Date: 30th July, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2020

₹ In Lakhs

Particular	Note	For the year ending 31 st March, 2020	For the year ending 31 st March, 2019
INCOME			
Revenue from Operations	30	1,441.17	2,673.60
Other Income	31	29.30	92.18
Total Income		1,470.47	2,765.78
EXPENSES			
Cost of Material Consumed	32	469.07	847.60
Purchase of Stock in Trade	33	481.28	1,109.44
Change in Inventories of Finished Goods, Stock-in-trade, Work-in-Progress and Scrap	34	32.95	24.24
Employees Benefit Expenses	35	540.78	738.35
Finance Cost	36	55.26	136.91
Depreciation and Amortization Expenses	37	664.67	690.01
Other Expenses	38	5,024.88	5,279.29
Total Expenses		7,268.88	8,825.84
Loss Before Exceptional Items and Taxes		(5,798.41)	(6,060.06)
Exceptional Items		-	-
Share in Loss of Associates		-	(0.50)
Loss Before Tax		(5,798.41)	(6,060.55)
Tax Expenses	39		
Current Tax		-	-
Deferred Tax Charge/ (Benefit)		(1,125.45)	(1,096.21)
Total Tax Expenses		(1,125.45)	(1,096.21)
Loss for the year		(4,672.96)	(4,964.34)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		10.51	(14.84)
Income Tax relating to items that will not be reclassified to profit or loss		(2.73)	3.86
Total Other Comprehensive Income		7.78	(10.98)
Total Comprehensive Income for the Year		(4,665.18)	(4,975.33)
Loss for the Year Attributed to			
Owners of The Parent		(4,672.87)	(4,964.30)
Non-Controlling Interests		(0.09)	(0.04)
Other Comprehensive Income for the Year Attributable to			
Owners of the Parent		7.78	(10.98)
Non-Controlling Interests		-	-
Earning Per Shares (EPS)			
(Equity shares, Par value ₹ 10/- each)			
Basic and Diluted			
Basic EPS	40	(34.46)	(36.61)
Diluted EPS	40	(34.46)	(36.61)
Significant Accounting Policies and Notes to the Financial Statements	1 to 63		

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

for Anu and Associates

Chartered Accountants

ICAI Firm Registration Number 0019624N

Sd/-

 CA. Parveen Kumar
Partner

 Membership Number 531655
UDIN: 20531655AAAADL4334

Sd/-

 Divya Bajaj
Company Secretary

Sd/-

 Anop Singh Negi
Chief Financial Officer

Sd/-

 Bikram Bhattacharya
Whole Time Director
DIN 03595530

Sd/-

 Charandeep Singh Jolly
Director
DIN 05151343

for and on behalf of the Board of Directors

Place: New Delhi

 Date: 30th July, 2020

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDING 31ST MARCH, 2020

	₹ In Lakhs	
	For the year ending 31 st March, 2020	For the year ending 31 st March, 2019
Particular		
A. Cash Flow from Operating Activities		
Loss for the year	(4,672.96)	(4,964.34)
Adjustments for		
Change in opening Loss of Subsidiary	(0.12)	
Share in Loss of Associate	-	0.50
Depreciation and Amortisation	664.67	690.01
Allowance for Doubtful Trade Receivables	4,644.28	4,644.28
Finance Cost	55.26	136.91
Interest Income	(4.05)	(3.82)
Tax Expenses	(1,125.45)	(1,096.21)
Operating Profit Before Working Changes in Working Capital	(438.37)	(592.68)
Adjustments for changes in working capital		
Trade Receivable	10.50	(34.11)
Trade Payable	(6.72)	(144.83)
Inventories	49.34	82.67
Provisions	(1.15)	(0.84)
Other Financial and Non-Financial Assets	(55.46)	103.06
Other Financial and Non-Financial Liabilities	45.91	(83.06)
Cash Generated from operations	(395.95)	(669.80)
Income Tax Paid	(1.87)	(0.25)
Net Cash Flow from/ (used in) Operating Activities (A)	(397.82)	(670.05)
B. Cash Flow from Investing Activities		
Capital Expenditure on Property, Plant & Equipment and Intangible Assets including Capital Advances	(17.51)	8.41
Proceeds from Sale of Property, Plant & Equipment	-	2.37
Proceeds/ (Payment) from Loan to Subsidiaries and associated	0.51	(307.22)
Interest Received	4.05	4.18
Net Cash Flow from/ (used in) Investing Activities (B)	(12.95)	(292.26)
C. Cash Flow from Financing Activities		
Redemption of Preference Shares including Premium	-	(2.50)
Proceeds/ (Repayment) of Borrowings	518.39	1,023.48
Interest Paid	(63.91)	(136.27)
Net Cash Generated from Financing Activities (C)	454.48	884.72
Net Increase / (Decrease) in Cash and Cash Equivalents During the Year (A+B+C)	43.70	(77.59)
Add: Cash and Cash Equivalents as at the Beginning of the Year	(195.12)	(117.52)
Cash and Cash Equivalents as at the end of the Year (refer Note 13)	(151.41)	(195.12)

Significant Accounting Policies and Notes to the Financial Statements

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

for Anu and Associates

Chartered Accountants

ICAI Firm Registration Number 0019624N

Sd/- CA. Parveen Kumar Partner Membership Number 531655 UDIN: 20531655AAAADL4334	Sd/- Divya Bajaj Company Secretary	Sd/- Anop Singh Negi Chief Financial Officer	Sd/- Bikram Bhattacharya Whole Time Director DIN 03595530	Sd/- Charandeep Singh Jolly Director DIN 05151343
---	---	---	---	---

for and on behalf of the Board of Directors

Place: New Delhi
Date: 30th July, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 31ST MARCH, 2020

Particular	Number of Shares	₹ In Lakhs
		Amount
A. EQUITY SHARE CAPITAL		
Balance as on 1 st April, 2018	13559800	1,355.98
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
Balance at on 31st March, 2019	13559800	1,355.98
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
Balance at on 31st March, 2020	13559800	1,355.98

B. OTHER EQUITY

Particular	Other equity - Reserves and Surplus			
	Preference Shares Redemption Reserve	Capital Redemption Reserve	Retained earnings	Total
Balance as on 1 st April, 2018	18.30	5,184.19	(16,533.62)	(11,331.13)
Loss for the year	-	-	(4,964.30)	(4,964.30)
Other comprehensive income/(expense) for the year	-	-	(10.98)	(10.98)
Transfer to Capital Redemption Reserve	-	0.34	(0.34)	-
Transfer to Preference Share Redemption Reserve	1.96	-	(1.96)	-
Utilized for the Redemption of Preference Shares	(2.16)	-	-	(2.16)
Balance at on 31st March, 2019	18.11	5,184.53	(21,511.21)	(16,308.57)
Loss for the year	-	-	(4,672.87)	(4,672.87)
Other comprehensive income/(expense) for the year	-	-	7.78	7.78
Adjustment Related to Opening Profit/(Loss) of Subsidiary	-	-	(0.06)	(0.06)
Balance at on 31st March, 2020	18.11	5,184.53	(26,176.36)	(20,973.72)

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

for Anu and Associates

Chartered Accountants

ICAI Firm Registration Number 0019624N

Sd/-

CA. Parveen Kumar

Partner

Membership Number 531655

UDIN: 20531655AAAADL4334

Sd/-

Divya Bajaj

Company Secretary

Sd/-

Anop Singh Negi

Chief Financial Officer

Sd/-

Bikram Bhattacharya

Whole Time Director

DIN 03595530

Sd/-

Charandeep Singh Jolly

Director

DIN 05151343

for and on behalf of the Board of Directors

Place: New Delhi

Date: 30th July, 2020

Note 1 Corporate Information

M/s Alchemist Limited (the 'Company' or 'Parent') is a public limited Company domiciled in India and incorporated under the provisions of the Companies Act on 05-07-1988. The Company's equity shares are listed on the bourses of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The Company together with its subsidiary (hereinafter referred to as 'the Group') has presence in India. The principal activities of the Group and associates are engaged in the business of Agri comprising largely floriculture Steel and Chemicals pharma division comprising the manufacturing and trading.

The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors of the Company on 30th July, 2020.

Note 2 Summary of Significant Accounting Policies

1.1. Basis of Preparation and Presentations

a) Statement of compliance

These consolidated financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, under Section 133 of the Companies Act, 2013 (the "Act"). The following note provides list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

b) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Group and associates operates i.e., functional currency, to be 'Indian Rupees' [INR (₹)]. The financial statements are presented in INR (₹) which is Group's and associates' functional and presentational currency.

c) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

d) Critical accounting estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 3 (n) - whether the Group and associates acts as a principal rather than as an agent in a transaction;

Note 3 (p) - leases: whether an arrangement contains a lease;

Note 3 (p) - lease classification; and

Note 3 (d) and 42 - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31st March, 2020 is included in the following notes:

Note 3 (k) - measurement of defined benefit obligations and plan assets: key actuarial assumptions;

Note 3 (g) - measurement of useful lives and residual values to property, plant and equipment;

Note 3 (h) - measurement of useful lives of intangible assets;

Note 3 (l) - measurement of fair value of freehold land as at transition date;

Note 3 (r) - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used

and MAT credit entitlement.

e) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Name of entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power with directly or indirectly through subsidiary as at	
				31 st March, 2020	31 st March, 2019
Alchemist Healthcare Limited	Subsidiary	India	Company	51%	51%

f) Investments in associates

An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or, a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS105. Under the equity method, an investment in an associates initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the statement of profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value

of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Following associate Companies have been considered in the preparation of the consolidated Financial Statements:

Name of entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power with directly or indirectly through subsidiary as at	
				31 st March, 2020	31 st March, 2019
Alchemist Medisphre Limited	Associate	India	Company	44.99%	44.99%

Note 3 Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The Group has elected to utilise the option under Ind AS 101 by not applying the provisions of Ind AS 16 and Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e. 1st April 2016. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1st April 2016, i.e. the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

a) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Group's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of financial liabilities some part of which may be noncurrent. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

b) Foreign currency transactions and translations

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the statement of profit and loss.

c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to/ by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Recognition and initial measurement

All financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classification and subsequent measurement

Classification

For the purpose of subsequent measurement, the Group classifies financial assets in following categories:

- Financial assets at amortised cost;
- Financial assets at fair value through profit or loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal

and interest (SPPI) on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Impairment

The Group recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, is recognised as an impairment gain or loss in the statement of profit and loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

e) Equity share capital

Proceeds from issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

f) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Group's cash management, are also included as a component of cash and cash equivalents.

g) Property, plant and equipment

Recognition and measurement

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. PPE are initially recognized at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. In case of multiple element contracts whereby the vendor supplies PPE as well as other components, PPE is recorded on the basis of relative fair values.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Group recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method (SLM). The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act other than sapling which are depreciated over a period of 7 years with nil residual value.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains/ (losses).

Capital work-in-progress includes assets under construction and cost attributable to construction of assets not ready for use before the year end.

h) Intangible assets

Recognition and measurement

Intangible assets are recognised if it is probable that the future economic benefits attributable to the assets will flow to the

enterprise and cost of the asset can be measured reliably in accordance with the notified Indian Accounting Standard – 38 on 'Intangible Assets'.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

- a. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired;
- b. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period;
- c. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

1. Computer Software

Softwares are amortised over the period of license, generally not exceeding ten years.

2. Research & Development

Research & Development are amortised over the period of ten years.

3. Pan India Distribution Network

Pan India Distribution Network are amortised over the period of ten years.

i) Inventories

Raw materials and packing materials are valued at lower of cost and net realisable value after providing for obsolescence, if any. Cost is determined on the first-in-first-out (FIFO) method. Obsolete/ non-moving inventories are valued at net realisable value.

Inventory costs include purchase price, freight inward, transit insurance charges and non-refundable taxes. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Work-in-process, stores, spares and consumables, stock-in-trade and finished goods are valued at lower of cost and net realisable value.

j) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, if any, are recognised in statement of profit and loss.

Reversal of impairment losses

Impairment losses are reversed and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset in previous years.

k) Impairment of goodwill

During the year, the Group assessed the goodwill on investment in equity instrument of an associate company for impairment testing.

l) Employee benefits

The Group's employee benefits mainly include wages, salaries, bonuses, defined contribution to plans, defined benefit plans, compensated absences, deferred compensation and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Group employees.

i. Short-term obligations

All employee benefits payable/ available within twelve months of rendering the service such as salaries, wages and bonus etc., are classified as short-term employee benefits and are recognised in the statement of profit and loss in the period in which the employee renders the related service.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees. The Group makes specified contributions towards the following schemes:

Employee Provident Fund

The Group makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Employee State Insurance

The Group makes contribution to Employee State Insurance scheme in accordance with Employees' State Insurance Act, 1948. The scheme is a self-financing social security and health insurance scheme for workers and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity

The Group provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all directly recruited eligible employees. In accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment.

The calculation of defined benefit obligation is performed annually by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit, are recognised immediately in the balance sheet a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

m) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If, the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

n) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is

not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

o) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group, and the revenue can be reliably measured regardless of when the payment is being made. Revenue excludes goods and service tax which are collected by the Group on behalf of the Government and deposited to the credit of respective Governments

Ind AS 115, is effective for periods beginning on or after April 01, 2018. Ind AS 115 sets out the requirements for recognising revenue that apply to all contracts with customers (except for contracts that are within the scope of the Standards on leases, insurance contracts and financial instruments). Ind AS 115 replaces the previous revenue Standards: Ind AS 18 Revenue and Ind AS 11 Construction Contracts, and the related appendices.

The standard establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise. Under Ind AS 115, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. The core principle in that framework is that a group should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the fair value of consideration to which the Group expects to be entitled in exchange for those services.

Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer;

Step 2: Identify the performance obligation in contract;

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations in the contract; and

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is received.

Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

p) Government grants

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit and loss accounts over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by the government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant.

q) Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

The Group as a lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

r) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs (for general and specific borrowings) directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time (qualifying assets) to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

s) Income tax

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates

(and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax ('MAT') expense under the provisions of the Income Tax Act, 1961 is recognised as an asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT Credit Entitlement has been presented as Deferred Tax in Balance Sheet.

t) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

u) Segment reporting

Information reported to the Board of Directors who is chief operating decision maker (CODM) for the purposes of resources allocation and assessment of segment performance focuses on the types of services provided. The Board of Directors of the Group have chosen to organise the Group around the different services being provided. Operating segments have been aggregated based on similar risk and reward and on fulfilment of other aggregation criteria.

CODM has identified primary segment which consists of 'Agri Business', and 'Pharma, Chemical and Minerals'.

The following specific accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with the segment including intersegment revenue;
- ii. Expenses that are directly identifiable with the segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure;
- iii. Income which relates to the Group as a whole and not allocable to segments is included in unallocable income; and
- iv. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

v) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

w) Policies not specifically mentioned are consistent with generally accepted accounting principles.

ALCHEMIST LIMITED

Notes forming part of the consolidated financial statements for the year ended March 31, 2020, Contd.

Note										₹ Lakhs
Property, Plant and Equipment										
Particulars	Gross Block				Depreciation				Net Block	
	As At 1 April, 2018	Sale / Adjustments	Additions/ Capitalised	As At 31 March, 2019	As At 1 April, 2018	On Sale / Adjustments	For the Year	As At 31 March, 2019	As At 31 March, 2019	
Land	1,555.04	-	-	1,555.04	-	-	-	-	-	1,555.04
Building	415.82	-	-	415.82	249.02	-	6.62	255.64	-	160.18
Building other than Factory Building	10,783.27	-	-	10,783.27	554.32	-	170.62	724.94	-	10,058.33
Plant and Machinery	1,631.02	-	3.15	1,634.17	644.62	-	83.24	727.85	-	906.32
Electric Installation	600.60	-	-	600.60	185.02	-	57.01	242.03	-	358.57
Bearer Plants	1,255.26	-	-	1,255.26	1,225.70	-	1.28	1,226.98	-	28.28
Furniture & Fixtures	1,084.50	-	-	1,084.50	408.88	-	96.57	505.45	-	579.05
Vehicles	1,074.19	2.02	-	1,072.17	962.40	-	36.42	998.82	-	73.35
Office Equipment's	240.76	0.35	-	240.41	208.28	-	12.21	220.49	-	19.92
Servers and Networks	46.32	-	-	46.32	35.25	-	6.57	41.82	-	4.49
Computer & Peripherals	497.24	-	0.32	497.56	471.51	-	0.74	472.25	-	25.31
Total	19,184.02	2.37	3.47	19,185.12	4,945.00	-	471.27	5,416.27	-	13,768.85

Particulars	Gross Block				Depreciation				Net Block	
	As At 1 April, 2019	Sale / Adjustments	Additions/ Capitalised	As At 31 March, 2020	As At 1 April, 2018	On Sale / Adjustments	For the Year	As At 31 March, 2020	As At 31 March, 2020	
Land	1,555.04	-	-	1,555.04	-	-	-	-	-	1,555.04
Building	415.82	-	-	415.82	255.64	-	6.63	262.27	-	153.55
Building other than Factory Building	10,783.27	-	-	10,783.27	724.94	-	171.09	896.03	-	9,887.25
Plant and Machinery	1,634.17	-	17.51	1,651.68	727.85	-	84.53	812.38	-	839.30
Electric Installation	600.60	-	-	600.60	242.03	-	57.17	299.19	-	301.40
Bearer Plants	1,255.26	-	-	1,255.26	1,226.98	-	0.38	1,227.36	-	27.90
Furniture & Fixtures	1,084.50	-	-	1,084.50	505.45	-	96.81	602.26	-	482.24
Vehicles	1,072.17	-	-	1,072.17	998.82	-	18.81	1,017.63	-	54.54
Office Equipment's	240.41	-	-	240.41	220.49	-	7.54	228.03	-	12.38
Servers and Networks	46.32	-	-	46.32	41.82	-	2.18	44.00	-	2.32
Computer & Peripherals	497.56	-	-	497.56	472.25	-	0.27	472.52	-	25.04
Total	19,185.12	-	17.51	19,202.63	5,416.27	-	445.40	5,861.67	-	13,340.96

Notes forming part of the consolidated financial statements for the year ended March 31, 2019, Contd.

Note										₹ Lakhs
Other Intangible Assets										
Particulars	Gross Block				Depreciation				Net Block	
	As At 1 April, 2018	Sale / Adjustments	Additions/ Capitalised	As At 31 March, 2019	As At 1 April, 2018	On Sale / Adjustments	For the Year	As At 31 March, 2019	As At 31 March, 2019	
Computer Software	192.27	-	-	192.27	94.08	-	19.22	113.30	-	78.97
Research & Developments	992.64	-	-	992.64	644.91	-	86.36	731.27	-	261.36
Pan India Distribution Network	1,132.50	-	-	1,132.50	453.25	-	113.16	566.40	-	566.09
Total	2,317.41	-	-	2,317.41	1,192.24	-	218.74	1,410.97	-	906.43

Particulars	Gross Block				Depreciation				Net Block	
	As At 1 April, 2019	Sale / Adjustments	Additions/ Capitalised	As At 31 March, 2020	As At 1 April, 2019	On Sale / Adjustments	For the Year	As At 31 March, 2020	As At 31 March, 2020	
Computer Software	192.27	-	-	192.27	113.30	-	19.27	132.57	-	59.70
Research & Developments	992.64	-	-	992.64	731.27	-	86.54	817.81	-	174.83
Pan India Distribution Network	1,132.50	-	-	1,132.50	566.40	-	113.47	679.87	-	452.63
Total	2,317.41	-	-	2,317.41	1,410.97	-	219.27	1,630.25	-	687.16

ALCHEMIST LIMITED

	Note	As at 31 st March, 2020	As at 31 st March, 2019
Non Current Investment			
6			
Category-wise investments			
Investment in equity instruments		2,956.40	2,956.40
Investment in preference share		13,900.21	13,900.21
Investment in equity instruments carried at cost			
Unquoted			
Investment in Associates			
ROC Foods Limited			
(Formerly Known as 'Alchemist Foods Limited')		2,955.57	2,955.57
Current year equity shares 2955573, (Previous Year 2955573 shares)			
of ₹ 10/- Each			
Alchemist Medisphere Limited			
Current year equity shares 22500, (Previous Year 22500 shares) ₹		2.25	2.25
10/- Each			
Add: Goodwill		0.58	0.58
Add: Groups' share of loss		(2.25)	(2.25)
		2,956.15	2,956.15
Other Investment (Equity) carried at fair value through Profit and Loss (FVTPL)			
Unquoted			
Shivalik Solid Waste Management Limited			
Current year equity shares 2500, (Previous Year 2500 shares) of ₹		0.25	0.25
10/- Each			
		0.25	0.25
Other Investment in Associates (Preference shares) carried at cost			
Unquoted			
ROC Foods Limited*			
(Formerly Known as 'Alchemist Foods Limited')		13,900.21	13,900.21
Current year preference shares 28350424, (Previous Year 28350424			
shares) of ₹ 10/- Each			
		13,900.21	13,900.21
Total		16,856.62	16,856.62
Aggregate value of unquoted investments		16,856.62	16,856.62
Total		16,856.62	16,856.62
Alchemist Limited's loan to ROC Foods Limited (Formerly known as 'Alchemist Foods Limited') amounting to ₹ 13,900.21 Lakhs was converted into 28350424 preference shares of face value of ₹ 10/- each issued at a premium of ₹ 39.03 during the financial year 2015-16.			
Non Current Financial Assets - Loans			
7			
Loan to Associates (Unsecured, considered good)			
ROC Foods Limited		712.04	712.55
(Formerly Known as 'Alchemist Foods Limited')			
Total		712.04	712.55
Other Non Current Financial Assets			
8			
Unsecure, considered good			
Security Deposit		124.26	125.94
Fixed Deposits maturing after 12 months*		87.63	84.14
Total		211.89	210.08

Including deposit of ₹ 87.63 Lakhs (Previous Year ₹ 84.14 Lakhs) under lien for guarantee given by banks to various Government Authorities. Balance confirmation of such FDRs are not available on record.

ALCHEMIST LIMITED

	Note	As at 31st March, 2020	As at 31st March, 2019
₹ In Lakhs			
Deferred Tax Asset (Net)	9		
Deferred Tax Liability Arising on			
Difference Between Book and Tax Depreciation		918.33	835.44
Deferred Tax Assets Arising on			
Provision of Gratuity and Bonus		40.83	36.14
Actuarial Net Loss/(Gain) on Remeasurement of Defined Benefit Plans		(2.73)	3.86
Allowance for doubtful trade receivables		2,415.03	1,207.51
Total		1,534.79	412.07
Other Non Current Assets	10		
Unsecure, considered good			
Capital Advances		769.70	769.70
Total		769.70	769.70
Inventories	11		
Raw Materials and Packing Materials		26.73	43.12
Finished Goods		22.32	43.38
Stock-in-trade		4.60	16.59
Store, Spares and Scrap		0.16	0.06
Total		53.81	103.15
The mode of valuation of inventories has been stated in note no. 3 (i)			
Trade Receivables	12		
Unsecured, considered good		735.37	745.86
Unsecured, considered doubtful		41,798.51	46,442.79
		42,533.88	47,188.66
Less: Allowance for doubtful trade receivable		(4,644.28)	(4,644.28)
Total		37,889.60	42,544.38
Cash and Cash Equivalent	13		
Balance with Banks - Current Accounts *		35.77	27.95
Cash in hand		187.89	184.61
Total		223.65	212.56
For the purpose of statement of cash flows, Cash & Cash Equivalent comprise of following			
Cash and Cash Equivalent as per balance sheet		223.65	212.56
Bank Overdraft and Overdraft in Current Account (refer Note 25)		(375.07)	(407.68)
		(151.41)	(195.12)
* Out of the above balance in various current accounts, statement of many current accounts having cumulative balance of ₹ 18.76 Lakhs is not available on record.			
Bank Balances other than Cash and Cash Equivalent	14		
Unpaid dividend account		12.61	12.61
Total		12.61	12.61

ALCHEMIST LIMITED

Current Loans	15		
Unsecured, considered good			
Amount recoverable in cash or in kind or for value to be received			
To Related Party		62.09	61.87
To Others		102.18	102.18
Total		164.27	164.05
Other Current Financial Assets	16		
Advance to employees (Unsecured)		33.49	37.19
Total		33.49	37.19
Current Tax (Net)	17		
Tax deducted at Source		1.87	0.25
Total		1.87	0.25
Other Current Assets	18		
Unsecured, Considered good			
Prepaid Expenses		2.62	3.44
Balance with Govt. Authorities		285.73	292.65
Advances Paid to Suppliers for Goods/Services		393.65	343.93
Others		80.34	64.94
Total		762.34	704.96
Equity Share Capital	19		
Authorised			
Equity Shares 30000000 of ₹ 10/- each		3,000.00	3,000.00
(Previous year 30000000 of ₹ 10/- each)			
Issued, Subscribed and Paid-Up			
Equity Shares 13559800 of ₹ 10/- each		1,355.98	1,355.98
(Previous year 13559800 of ₹ 10/- each)			
Total		1,355.98	1,355.98

Terms/right attached to shares:

Equity Shares: The Company has only one class of equity shares having a par value of ₹ 10/- per shares. Each holder of equity Shares is entitled to one vote per share. Each holder of equity shares is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

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

Equity Shares	As at 31 st March 2020		As at 31 st March 2019	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	13559800	1,355.98	13559800	1,355.98
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13559800	135,598,000.00	13559800	1,355.98

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

Name of Shareholder	As at 31 st March 2020		As at 31 st March 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kanwar Deep Singh	1257020	9.27%	1257020	9.27%
KDS Corporation Pvt Ltd	3059000	22.56%	3059000	22.56%
Davos International Fund	746000	5.50%	746000	5.50%

ALCHEMIST LIMITED

Other Equity	20	As at 31st March, 2020	As at 31st March, 2019
Capital Redemption Reserve			
Balance Brought Forward		5,184.53	5,184.19
Add: Transfer from Statement of Retained Earnings		-	0.34
		<u>5,184.53</u>	<u>5,184.53</u>
Preference Shares Redemption Reserve			
Balance Brought Forward		18.11	18.30
Add: Transfer from Statement of Retained Earnings		-	1.96
Less: Utilized for the Redemption of Preference Shares		-	(2.16)
		<u>18.11</u>	<u>18.11</u>
Retained Earnings			
Balance Brought Forward		(21,511.21)	(16,533.62)
Add: Profit/(Loss) for the Year		(4,665.09)	(4,975.29)
Less: Transfer to Capital Redemption Reserve		-	(0.34)
Less: Transfer to Preference Share Redemption Reserve		-	(1.96)
Less: Adjustment Related to Op. Profit/(Loss) of Subsidiary		(0.06)	-
		<u>(26,176.36)</u>	<u>(21,511.21)</u>
Total		<u>(20,973.72)</u>	<u>(16,308.57)</u>
Non- Current Borrowings	21		
Secured			
Term Loans From Bank			
Punjab National Bank		77.74	349.32
Less : Current Maturities		<u>(77.74)</u>	<u>(349.32)</u>
		-	-
Unsecured			
From Director (terms not defined)		32.00	42.00
Inter Corporate Deposits			
From Others		<u>76,222.03</u>	<u>75,422.07</u>
		<u>76,254.03</u>	<u>75,464.07</u>
Redeemable preference shares (Unsecured)			
Redeemable Preference Shares 31378 of ₹ 100/- Each			
(Previous year 31718 of ₹ 100/-Each)		<u>31.38</u>	<u>31.38</u>
		<u>31.38</u>	<u>31.38</u>
Total		<u>76,285.41</u>	<u>75,495.45</u>

Details of continuing default as on 31st March, 2020 in repayment of loans and interest:

Name of Bank - Type of Loan	Default amount as on 31-03-2020	Default cleared Amount	Default cleared date	Default outstanding as on 28-07-2020
Punjab National Bank - Term Loan	52.74	-	-	52.74

Note

Term Loans From Bank

Punjab National Bank

Punjab National Bank: Secured Loan of ₹ 77.74 Lakhs (Previous Year ₹ 349.32 Lakhs secured through exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh.

The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the director till 31st August, 2012 and thereafter being the promoter of the company. Term Loan carries interest at base rate + 4% and is repayable in 84 monthly installment of ₹ 25 Lakhs each, commencing from 30th April, 2013.

ALCHEMIST LIMITED

Within One Year	77.74	349.32
Total	77.74	349.32

Inter Corporate Loan

Inter Corporate loan has been received from Alchemist Healthcare Limited (Subsidiary of Alchemist Limited), KDS Corporation Pvt Limited (a promoter group Company), Technology Park Limited and Alchemist Realty Limited (parties covered under section 189 of the Companies Act. 2013) amounting to ₹ 36.34 Lakhs (Previous Year ₹46.45 Lakhs), ₹ 6,988.04 Lakhs (Previous Year ₹ 6,344.22 Lakhs), ₹ 68,607.40 Lakhs (Previous year ₹ 68,605.79 Lakhs) and ₹ 571.10 Lakhs (Previous Year ₹ 472.06) respectively. The terms of repayment with respect to loan from Alchemist Healthcare Limited, KDS Corporation Private Limited and Alchemist Realty Limited have not been defined and are repayable on the mutual agreement of both the parties involved, hence terms are not prejudicial to the interest of the company. Loan from Technology Park Limited is repayable on service of a minimum notice of 12 months by the lender for a repayment in excess of ₹ 5,000.00 Lakhs, however upon the concurrence of the Company, hence terms are not prejudicial to the interest of the Company. The Inter Corporate Loans obtained by the Company are non interest bearing.

Redeemable Preference Shares

The Preference Shares are in the nature of redeemable preference shares having a par value of ₹ 100/- per share.

Other Non Current Financial Liabilities	22		
Security Deposits Received	411.39		371.34
Total	411.39		371.34
Long-term Provisions	23		
Provision for Employees Benefits			
Gratuity	55.30		65.48
Total	55.30		65.48
Deferred Tax Liability (Net)	24		
Deferred Tax Liability Arising on			
Difference Between Book and Tax Depreciation	-		-
Deferred Tax Assets Arising on			
Provision of Gratuity and Bonus	-		-
Actuarial Net Loss/(Gain) on Remeasurement of Defined Benefit Plans	-		-
Total	-		-
Current Borrowings	25		
Secured			
Bank of India (Cash Credit Limit)*	363.88		363.88
Unsecured			
Overdraft in Current Account **	11.18		43.79
Total	375.07		407.68

Loan Repayable on demand, from Banks

Bank of India:

Working Capital facility of ₹ 350 Lakhs (Previous Year ₹ 350 Lakhs) secured against hypothecation of stocks and book debt of the company's unit located at Chambaghat, Solan (Himachal Pradesh). It is further collaterally secured by Land and Building, other structures (erected or to be erected) and other immovable properties of the Unit situated at Chambaghat, Solan.

The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the director till 31st August, 2012 and thereafter being the promoter of the company.

ALCHEMIST LIMITED

Details of continuing default as on 31st March, 2020 in repayment of loans and interest:

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31-03-2020	Default cleared Amount	Default cleared date	Default outstanding as on 28-07-2020
Bank of India - Working Capital Limit	350.00	363.88	-	-	363.88

* The loan from Bank of India was classified as NPA on 31-10-2018. The statement is not on record.

** Out of the three current accounts having an overdraft balance, statement of one account having an overdraft balance of ₹ 0.89 lakhs is not available on record.

26

Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	13,180.90	13,187.62
Total	13,180.90	13,187.62

Other Current Financial Liabilities

27

Current maturities of long-term borrowings

Term Loan	77.74	349.32
Interest Accrued and Due on Borrowings	1.04	9.70
Liabilities for Capital Goods	155.63	110.63
Advance Received *	966.69	1,077.51
Unclaimed Dividend **	12.61	12.61
Other Liabilities	1,096.82	1,070.30

Total **2,310.53** **2,630.06**

* Refer Note No. 56

** A sum of ₹ 12.61 Lakhs (Previous year ₹ 12.61 Lakhs) is lying as unclaimed dividend in separate accounts with HDFC Bank and Yes Bank, Chandigarh.

Other Current Liabilities

28

Statutory Dues Payable	69.53	50.39
Revenue Received in Advance	122.52	96.50
Others	57.03	57.03
Total	249.08	203.91

Short-term Provisions

29

Provision for Employee Benefits

Gratuity	2.83	4.32
Total	2.83	4.32

Revenue From Operation

30

Sale of Products	1,441.17	2,673.60
Total	1,441.17	2,673.60

Other Income

31

Interest	4.05	3.82
Other Income	25.25	88.36
Total	29.30	92.18

ALCHEMIST LIMITED

		₹ In Lakhs	
	Note	As at 31 st March, 2020	As at 31 st March, 2019
Employees Benefit Expenses	35		
Salaries and Wages including Bonus, Gratuity ,Welfare Expenses		493.27	674.70
Employer's Contribution towards Provident and other Funds		40.61	52.28
Staff Welfare		6.90	11.37
	Total	540.78	738.35
Finance Cost	36		
Interest Expenses		55.26	136.91
	Total	55.26	136.91
Depreciation and Amortisation Expenses	37		
Depreciation on Property, Plant and Equipment		445.40	471.27
Amortization on Intangible Assets		219.27	218.74
	Total	664.67	690.01

ALCHEMIST LIMITED

Other Expenses			38
Consumable, Stores and Other Direct Expenses	24.29		34.58
Power and Fuel Expenses	50.39		58.17
Rent	24.89		46.51
Postage and Courier	0.85		4.03
Repair and Maintenance	4.81		14.57
Travelling Expenses	14.67		13.79
Fee and Taxes	7.79		12.67
Insurance Charges	3.09		6.81
Telephone, Internet and Communication Charges	6.18		14.80
Vehicle Running and Maintenance	24.22		40.68
Director Sitting Fees	1.25		0.80
Allowance for Doubtful Trade Receivables	4,644.28		4,644.28
Misc. and General Expenses	25.48		138.52
Selling and Marketing Expenses	102.75		150.20
Advertisement and Publicity	1.51		7.94
Printing and Stationery	7.50		9.93
Auditor's Remuneration:			
Statutory Audit Fee	6.37		6.25
Cost Auditor's Remuneration:			
Audit Fee	-		0.59
Legal and Professional Charges	46.30		40.22
Business Promotion / Entertainment Expenses	28.24		33.94
Total	5,024.88		5,279.29

39. Income Tax Expenses
(a) Income tax expense recognised in Statement of profit and loss
₹ Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Current Tax		
In respect of the current year	-	-
Deferred Tax		
In respect of the current year	(1,125.45)	(1,096.21)
Total income tax expense/ (income) recognised in statement of profit and loss	(1,125.45)	(1,096.21)

(b) Income Tax on Other Comprehensive Income
₹ Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Deferred Tax Benefit		
Arising on income and expenses recognised in other comprehensive income		
Re-measurement of Defined Benefit Obligations	(2.73)	3.86
Total income tax expense recognised in other comprehensive income	(2.73)	3.86

40. Earnings Per Share (EPS)

Basic and diluted earnings/ (loss) per share

Basic and diluted earnings/ (loss) per share is calculated by dividing the profit/ (loss) during the year attributable to equity shareholders of the Parent by the weighted number of equity shares outstanding during the year.

Particulars	Units	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Profit/ (loss) after tax attributable to equity Shareholders	₹ Lakhs	(4,672.96)	(4,964.34)
Weighted average number of equity shares outstanding during the year (Basic)	Number	13559800	13559800
Weighted average number of equity shares outstanding during the year (Diluted)	Number	13559800	13559800
Nominal value of Equity Shares	₹	10/-	10/-
Earning Per Share	₹		
Basic EPS		(34.46)	(36.61)
Diluted EPS		(34.46)	(36.61)

41. Employee Benefits:

The details of various employee benefits provided to employees are as under:

A. Defined Contribution plans:

Contribution to defined contribution plans charged off for the year is as under:

₹ In Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Parent's Contribution to Provident Fund (Including admin. exp.)	32.44	38.46
Parent's Contribution to Employees State Insurance	8.00	13.59
Parent's Contribution to Employees Welfare Fund	0.17	0.23

B. Defined Benefit Plans:

In accordance with the Payment of Gratuity Act, 1972, the Parent provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. Gratuity is an unfunded scheme, the present value of obligation is determined based on actuarial valuation, the disclosure of which is given as under:

₹ In Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Change in present value of defined benefit obligation during the year		
Present value of obligation as at the beginning of the period	69.80	55.80
Interest Cost	4.41	3.87
Current Service Cost	4.81	6.68
Benefits Paid	(10.37)	(11.40)
Total Actuarial (Gain)/Loss on obligation	(10.51)	14.84
Present value of obligation as at the end of the period	58.13	69.80
Current portion	2.83	4.32
Non-current portion	55.30	65.78
Change in fair value of plan assets during the year		
Fair value of plan assets at the beginning of the period	-	-
Expected interest income	-	-
Employer contribution	10.37	11.40
Benefits Paid	(10.37)	(11.40)
Actuarial (Gain)/Loss for the year on asset	-	-
Fair value of plan assets at the end of the period	-	-
Net asset/(liability) recognised in the balance sheet		
Present value of obligation at the end	58.13	69.80
Fair value of plan asset	-	-
Unfunded Liability/provision in the balance sheet	58.13	69.80
Expenses Recongnised in the statement of profit or loss during the year		

Service cost	4.81	6.68
Net interest cost	4.41	3.87
Total expenses recognised in employee benefit expenses	9.22	10.55
Recognised in other comprehensive income for the year		
Net cumulative unrecognised actuarial (gain)/loss opening	(64.81)	(79.65)
Actuarial (gain)/loss for the year of PBO	(10.51)	14.83
Actuarial (gain)/loss for the year on asset	-	-
Unrecognised actuarial (gain)/loss at the end of the year	(75.32)	(64.82)
Maturity profile of defined benefit obligation		
Within the next 12 months (next annual reporting period)	2.97	4.54
Year II	2.68	4.08
Year III	2.64	4.11
Year IV	3.32	3.72
Year V	2.38	4.22
Next 5 Year Payouts (6-10 years)	20.39	26.76
Payouts above 10 Years	92.46	124.75
Quantitative sensitivity analysis for significant assumptions is as below		
(a) Impact of changes in discount rate		
Present value of obligation at the end of the period	58.13	69.80
Impact due to increase of 1%	(5.20)	(6.23)
Impact due to Decrease of 1%	6.01	7.21
(b) Impact of changes in salary increase		
Present value of obligation at the end of the period	58.13	69.80
Impact due to increase of 1%	5.99	7.20
Impact due to Decrease of 1%	(5.25)	(6.30)
Sensitivities due to morality & withdrawal are not material & hence the impact of changes not calculated.		
Senilities as to rate inflation, rate of increase of pension in payment, rate of increase of pension before retirement & life expectancy are not applicable being a lumpsum benefit on retirement.		
Actuarial assumptions		
Discount rate	6.83%	7.73%
Future salary in increase	5.00%	5.00%
Retirement age (years)	60 Years	60 Years
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	100% of IALM (2006-08)

Note

- (i) The actuarial valuation of the present valuation of defined benefit obligation were carried out as at 31st March, 2020.

The present value of defined benefit obligation and the related current service cost, were measured using the projected unit credit method.

- (ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of obligation.
- (iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

42. Segment Reporting

Operating Segments

- Agri Business; and
- Pharma, Chemical & Minerals

Identification of Segments

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products.

Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

Segment assets and liabilities

Assets used by the operating segment and mainly consist of property plant and equipment, trade receivable, cash and cash equivalents and inventories. Segment Liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

₹ in Lakhs

Particulars	Agri Business	Pharma, Chemical & Minerals	Unallocated	Total
Revenue from external customers	699.01	742.16	-	1441.17
Inter-segment revenue	-	-	-	-
Total Revenue	699.01	742.16	0.00	1441.17
Segment result				
Operating Profit/(Loss)	(209.86)	(5562.41)	-	(5772.27)
Finance costs	-	-	55.26	55.26
Other income	-	-	29.30	29.30
Non-operating expense	-	-	-	-
Exceptional items	-	-	-	-
Unallocated expense of subsidiary			0.18	0.18
Share of loss in Associates				
Loss Before Tax	(209.86)	(5562.41)	26.14	(5798.41)
Provision for Deferred Tax			(1125.45)	(1125.45)
Previous year Taxes	-	-	-	-
Loss After Tax	(209.86)	(5562.41)	(1099.31)	(4672.96)
Other Information:				
Segment Assets	929.76	38834.27	33490.77	73254.80
Segment Liabilities	142.49	14706.76	78021.25	92870.51
Fixed Assets				
(Including Capital Work in Progress)	563.75	862.81	12601.56	14028.12

43. Financial instruments – Fair values and risk management
A. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

₹ in Lakhs

Categories of financial instruments	As at 31 st March, 2020	As at 31 st March, 2019
Financial assets		
• Financial assets at fair value through profit or loss		
➤ Non-Current		
Investments	0.25	0.25
• Financial assets at cost		
➤ Non-Current		
Investments	16,856.37	16,856.37
Loans	712.04	712.55
Others	211.89	210.08
➤ Current		
Trade receivables	37,889.60	42,544.38
Cash and bank balances	236.26	225.17
Loans	164.27	164.05
Other financial assets	33.49	37.19
Total	56,104.17	60,750.04
• Financial liabilities at cost		
➤ Non-Current		
Borrowings	76,285.41	75,495.45
Other financial liabilities	411.39	371.34
➤ Current		
Borrowings	452.81	756.99
Trade payables	13,180.90	13,187.62
Other financial liabilities	2,232.79	2,280.75
Total	92,563.30	92,092.15

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

₹ in Lakhs

Particulars	Carrying Amount As at 1 st April, 2019	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at fair value through profit or loss				
• Non-Current				
➤ Investments in equity instruments	0.25	-	-	0.25
➤ Investments in mutual funds	-	-	-	-

₹ in Lakhs

Particulars	Carrying Amount	Fair Value		
	As at 31-03-2020	Level 1	Level 2	Level 3
Financial Assets at fair value through profit or loss				
• Non-Current				
➤ Investments in equity instruments	0.25	-	-	0.25
➤ Investments in mutual funds	-	-	-	-

B. Financial Risk Management

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Group. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Group result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and is as reflected below.

₹ In Lakhs

Particulars	As on 31 st March, 2020	As on 31 st March, 2019
0-180 days past due	123.52	400.36
More than 180 days	37,766.08	42,144.01
Total	37,889.60	42,544.37

The Group extends credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46,442.79 Lakhs, credit was extended for export sales in the normal course of the business, however it apparently got stuck. Though the Group is regularly following up on the same, has initiated legal recourse and is hopeful of recovering such amount, still considering the principal of conservatism, the Group has made a provision for expected credit loss allowance @ 10% of the outstanding export receivables amounting to ₹ 4,644.28 Lakhs and has not recognised unrealised foreign exchange gain/loss on such export receivable and related trade payable during the financial year 2019-20. Hence forth, the Group shall not be accounting for the unrealised foreign exchange loss on such export receivable and related trade payables and the same will only be accounted for on actual realisation/ payment.

Movement in expected credit loss allowance on trade receivables
₹ in Lakhs

Particulars	As on 31 st March, 2020	As on 31 st March, 2019
Balance at the beginning of the year	4,644.28	-
Loss allowance measured at lifetime expected credit losses	4,644.28	4,644.28
Balance at the end of the year	9,288.56	4,644.28

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of ₹ 236.26 Lakhs as at 31st March 2020 (31st March 2019 ₹ 225.17 Lakhs), anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Group believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

Maturity profile of financial liabilities

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31st March, 2020:

₹ In Lakhs

Particulars	Carrying Amount	On Demand	Less than 1 year	Above 1 years
Interest bearing borrowings	441.63	363.88	77.74	-
Non-interest bearing borrowings	76,296.59	76,296.59	-	-
Security Deposits Received	411.39	-	220	191.39
Trade Payable	13,180.90	-	13,180.90	-
Other Financial Liabilities	2,232.79	-	2,232.79	-

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31st March, 2019:

₹ In Lakhs

Particulars	Carrying Amount	On Demand	Less than 1 year	1-5 years
Interest bearing borrowings	713.20	363.88	349.32	-
Non-interest bearing borrowings	75,539.24	75,539.24	-	-
Security Deposits Received	371.34	-	220.00	151.34
Trade Payable	13,187.62	-	13,187.62	-
Other Financial Liabilities	2,280.74	-	2,280.74	-

Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Group manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/ mitigating them according to Group's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the Risk management policy on a quarterly basis.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Group's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk management.

The Group is not exposed to significant interest rate risk as at the respective reporting dates.

b) Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

USD \$ Millions

Foreign currency exposure	As At 31 st March, 2020	As at 31 st March, 2019
Trade Receivables	71.40	71.40
Trade Payable	18.98	18.98

In respect of above mentioned export receivables, credit was extended for export sales in the normal course of the business, however it apparently got stuck. Though the Group is regularly following up on the same, has initiated legal recourse and is hopeful of recovering such amount, still considering the principal of conservatism, the Group has made a provision for expected credit loss @ 10% of the outstanding export receivables and has not recognised unrealised foreign exchange gain/loss on such export receivable and related trade payable during the financial year 2019-20. Hence forth, the Group shall not be accounting for the unrealised foreign exchange loss on such export receivable and related trade payables and the same will only be accounted for on actual realisation/payment.

c) Foreign currency sensitivity

Since the Group is not recognizing unrealised foreign exchange gain/loss on outstanding monetary assets and liabilities, hence, there is no need to disclose the foreign currency sensitivity.

44. Related Party Disclosures:

In accordance with the Indian Accounting Standard 24 (Ind AS 24) on related party disclosure, the related party where control exists or where significant influence exists and with whom transactions have taken place are as below:

Key Managerial Personnel

1 Ms. Maria Fernandes (ID)	Throughout the year
2 Ms. Ambika Chowdhary (ID)	Throughout the year
3 Mr. Bikram Bhattacharya (WTD)	Throughout the year
4 Mr. Dinesh Goyal (CFO)	till 30 th June, 2019
5 Mr. Hemant Kumar Mangal (CS)	till 15 th March, 2019
6 Mr. Sunil Jain (CS)	till 15 th November, 2019
7 Mr. Anop Singh Negi (CFO)	From 11 th November, 2019
8 Ms. Divya Bajaj (CS))	From 3 rd February, 2020
9 Mr. Charandeep Singh Jolly (ID)	From 11 th July, 2019

Associates (Not Consolidated):

- 1 ROC Foods Limited
(Formerly known as 'Alchemist Foods Limited')

Joint Venture

- 1 Alchemist Township India Limited

Other related parties

- 1 A 1 News Network Private Limited
- 2 Alchemist Airways Private Limited
- 3 Alchemist F & B Limited
- 4 Alchemist Hospitals Limited
- 5 Alchemist Life Sciences Limited
- 6 Alchemist Media Limited
- 7 Alchemist Realty Limited
- 8 Alchemist Touchnology Limited
- 9 Alchemist Universe of Education Limited
- 10 Black Cats Protections Private Limited
- 11 Eco Breaking Technologies India Private Limited
- 12 Jass Developers Private Limited
- 13 KDS Corporation Private Limited

- 14 Optimum Constructors And Developers Limited
 15 Pinkcassia Hotels & Resorts Private Limited
 16 Royal Building and Infrastructures Private Limited
 17 Technology Parks Limited
 18 Alchemist Hotels & Resorts Limited

Detail of related parties transactions

₹ Lakhs

Sr. No.	Transaction's	Key Management Personnel (KMP) & their relatives		Associates (Not Consolidated)		Joint Venture		Others	
		2019-20	2018-19			2019-20	2018-19	2019-20	2018-19
1	Remuneration								
	Mr. Bikram Bhattacharya(WTD)	27.79	28.88	-	-	-	-	-	-
	Mr. Hemant Kumar Mangal(CS)	-	2.31	-	-	-	-	-	-
	Mr. Dinesh Goyal (CFO)	2.02	8.08	-	-	-	-	-	-
	Mr. Sunil Jain (CS)	2.63	0.40	-	-	-	-	-	-
	Mr. Anop Singh Negi (CFO)	3.56	-	-	-	-	-	-	-
	Ms. Divya Bajaj (CS)	0.58	-	-	-	-	-	-	-
2	Sitting fees to Directors								
	Ms. Maria Fernandes	0.60	0.40	-	-	-	-	-	-
	Ms. Ambika Chowdhary	0.65	0.40	-	-	-	-	-	-
3	Inter Corporate Loans Given- Paid/ (Repaid)								
	ROC Foods Limited	-	-	(0.51)	309.16	-	-	-	-
	Alchemist Realty Limited	-	-	-	-	-	-	-	(190.35)
	Alchemist Touchnology Limited	-	-	-	-	-	-	0.22	0.44
	Alchemist F&B Limited	-	-	-	-	-	-	-	3.90
	Eco Breaking Technologies India Private Limited	-	-	-	-	-	-	-	0.31
4	Inter Corporate Loan Taken- Received/(Repaid)								
	KDS Corporation Private Limited	-	-	-	-	-	-	648.82	764.06
	Technology Parks Limited	-	-	-	-	-	-	1.61	23.81
	Alchemist Hospitals Limited	-	-	-	-	-	-	-	(2.74)
	Alchemist Realty Limited	-	-	-	-	-	-	99.04	472.06
5	Expenses incurred on their behalf								
	Alchemist Lifesciences Limited	-	-	-	-	-	-	0.18	0.79
	Optimum Constructors & Developers Limited	-	-	-	-	-	-	-	0.01
	Jass Developers Private Limited	-	-	-	-	-	-	6.50	-
6	Rent Received								
	Alchemist Hospitals Limited	-	-	-	-	-	-	10.5	-
7	Services Received								
	Black Cats Protection Private Limited	-	-	-	-	-	-	1.43	16.58
8	Rent Paid								
	Jass Developers Private Limited	-	-	-	-	-	-	4.54	17.55
9	Advance from Joint Venture Taken- Received/(Repaid)								
	Alchemist Township India Limited	-	-	-	-	(110.82)	(90.74)	-	-

ALCHEMIST LIMITED

Balance outstanding at the year end

₹ Lakhs

Sr. No.	Transaction's	Associates (Not Consolidated)		Joint Venture		Others	
		2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
1	Inter Corporate Loans - Given						
	ROC Foods Limited	712.04	712.55		-		-
	Alchemist F&B Limited		-		-	5.64	5.64
	Alchemist Touchnolgy Limited		-		-	14.64	14.41
	Eco Breaking Technolgies India Private Limited		-		-	17.33	17.33
2	Inter Corporate Loan- Received						
	KDS Corporation Private Limited		-		-	6988.04	6,344.22
	Technology Parks Limited		-		-	68607.40	68,605.79
	Alchemist Realty Limited					571.10	472.06
3	Investments						
	ROC Foods Limited	16855.79	16,855.79		-		-
4	Trade Receivables						
	ROC Foods Limited	7.69	7.69		-		-
	Pinkassia Hotels & Resorts Limited		-		-	0.50	0.50
	Alchemist Lifesciences Limited		-		-	122.69	122.51
	A1 News Network Private Limited		-		-	0.12	0.12
	Royal Building and Infrastructure Private Limited					0.10	0.10
5	Trade Payables						
	Alchemist Hospitals Limited		-		-	5.63	0.65
	Jass Developers Private Limited				-	34.05	36.01
	Black Cats Protections Private Limited		-		-	13.33	17.32
6	Security received						
	A1 News Network Private Limited		-		-	3.00	3.00
	Alchemist Hospitals Limited					5.00	-
7	Amount recoverable/(payable)						
	Alchemist Universe of Education Limited		-		-	22.92	22.92
	Alchemist Airways Private Limited		-		-	1.75	1.75
	Alchemist Lifesciences Limited		-		-	(0.33)	(0.33)
	Alchemist Media Limited		-		-	0.08	0.08
	Optimum constructors & Developers limited		-		-	0.08	0.08
8	Advance from joint venture						
	Alchemist Township India Limited		-	966.69	1,077.51		-

₹0.00 represents amount less than ₹50,000

45. Contingent Liabilities and Commitments

₹ Lakhs

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
a. Contingent liabilities		
Corporate Guarantees	2,230.83	2,230.83
Disputed demand with statutory authorities (Net of amounts deposited under pro-test)	29,244.87	29,245.98
Claims Against the company not acknowledged as debts	21.44	21.87
b. Commitments		
Estimated amount of Contract remaining to be executed on capital account and not provide for (Net of Advances)	Nil	Nil

46. Detail of raw material and components consumed
₹ Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Raw Material Consumed	469.07	847.60
Consumables, Store and Spares Consumed	24.29	34.58
	493.36	882.18

47. Imported and Indigenous consumed

Particulars	For the year ended 31 st March, 2020		For the year ended 31 st March, 2019	
	₹ Lakhs	Percentage	₹ Lakhs	Percentage
Imported raw materials consumed	Nil	Nil	Nil	Nil
Indigenous raw materials consumed	469.07	100%	847.60	100%
Imported Consumables, Store and Spares Consumed	Nil	Nil	Nil	Nil
Indigenous Consumables, Store and Spares Consumed	24.29	100%	34.58	100%

48. Revenue from contracts with customers
Disaggregation revenue information
₹ Lakhs

Particulars	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
Revenue from contracts with customers disaggregated based on nature of product or services@		
Sale of Products		
Agri Business	699.01	1,122.03
Pharma, Chemical & Minerals	742.16	1,551.57
Total	1,441.17	2,673.60
Revenue from contracts with customers disaggregated based on geography		
Home Market	1,441.17	2,673.30
Export		-
Total	1,441.17	2,673.30

@ The Group has disaggregated the revenue from contracts with customers on the basis of nature of products into agribusiness, and pharma, chemical & minerals (refer note 42). The Group believes that the disaggregation of revenue on the basis of nature of products have no impact on the nature, amount, timing and uncertainty of **revenue and cash flows**.

Contract balances
₹ Lakhs

Particulars	For the year ended 31 st March, 2020
Trade receivables (note 12)	37,889.60
Contract assets - unbilled revenue	-
Contract liabilities - advances from customers (note 28)	122.52

Revenue recognised in relation to contract liabilities
₹ Lakhs

Particulars	For the year ended 31st March, 2020
At the beginning of the reporting period	96.50
Amount received against contract liability/ performance obligation satisfied in current year	26.02
At the end of the reporting period	122.52

The Group has applied Ind AS 115 from 1st April, 2018 and the adoption of this standard did not have a material impact on the standalone financial statements of the Group.

49. In the opinion of the management, the assets are of the value stated, if realized in the ordinary course of business. Out of the Other Non-Current Assets as shown in Note No. 10, Company is pursuing legal action in Honorable Kolkata High Court against Medisphere Marketing Limited for recovery of the amount of ₹ 459.80 Lakhs outstanding in its books.

Further, in Trade Receivables as shown in Note 12, the company is pursuing legal action on account of cheque being dishonored, against 61 parties for an amount of ₹ 81.81 Lakhs.

The Parent is hopeful of recovering the above amounts and hence no provision is considered necessary.

50. The pharma division of the Parent has adjusted trade payables amounting to ₹ 380.32 Lakhs (Previous Year ₹ 1,021.40 Lakhs) by way of a book entry on account of direct payment to them by some trade receivables or by making direct payment to the suppliers of the supplier from whom the Parent is getting the products manufactured as per the Parent's specification. Such adjustments is only in the case of the franchise arrangement and in case of a third party manufacturer.
51. Common Expenses relating to Head Office and other administrative office have been allocated to various divisions on the following basis.

(i) Financial Cost	Capital Employed
(ii) Other Expenses	Sales/Reasonable Estimations

52. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Group is in the process of compiling information from the suppliers regarding their status as Micro/ Small Scale Enterprises, so as to disclose the information as required by MSMED Act relating to Micro, Small and Medium Enterprises. The Group has not received full information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (Act) and hence disclosure required under Section 22 of the Act has not been given.

53. The balances of majority of the Trade Receivables, Trade Payables, and Loan made and received, are subject to confirmation and as such there balances are reflected in the Balance Sheet as appearing in the books, pending reconciliation, the net effect is unascertainable.

54. Disclosure as per Indian Accounting Standard - 17 (Ind As 17) on 'Leases'

The Ministry of Corporate affairs on 30th March, 2019 has notified Companies (Indian Accounting Standards) Rule, 2019, which are effective from 1st April, 2019. These amendments replaced the existing Ind As 17 'Leases' by introducing Ind AS 116 'Leases' from its proposed effective date 1st April, 2019. The effect of this adoption has no effect on the loss and earnings per share for the year ended 31st March, 2020.

55. With respect to the steel division of the Parent, the Commissioner, Central Excise, Chandigarh, had proposed the classification of Poultry Keeping Machinery under Chapter 73 of the Central Excise Tariff Act, 1985 and had demanded the duty of ₹ 173.55 Lakhs plus interest and penalty by invoking the extended period of limitation for 5 years. However, the parent had cleared the goods as Poultry Keeping Machinery classifying the goods at –Nil- rate of duty under Chapter 84 of the CET Act, 1985.

This matter was pending with CESTAT and during the year 2017-18, the CESTAT had given a decision in the favor of the Parent. The revenue authorities have gone into an appeal against this order, during the year 2018-19. The Parent has already paid the duty of ₹ 63.13 Lakhs against the above demand as 'Duty Paid Under Protest', hence, the balance un-deposited amount of ₹ 110.42 Lakhs has been shown as a contingent liability.

Also the additional amount paid subsequent to the demand and till 31st March, 2013 was deposited under protest, thereby cumulating to ₹ 92.29 Lakhs. Further, the department issued a shown cause notice demanding a duty of ₹ 18.12 lakhs for the duty short paid during the period from 1st September, 2016 to 30th June, 2017, which is also been paid under protest during the year 2018-19. Therefore, the total duty of ₹ 110.41 Lakhs already paid under protest has been shown as 'Amount recoverable in cash or in kind' in the standalone financial statements under the head Current Loan.

With regard to the duty paid under protest to the tune of ₹ 92.29 Lakhs, the Parent had approached the revenue authorities for refund of the said amount, however, the same has been denied, against which the Parent has gone into an appeal with CESTAT. The Parent as of now has not demanded the refund of balance amount of ₹ 18.12 Lakhs paid under protest, pending the outcome of the decision of the Supreme Court.

56. Financial reporting of interest in Joint Venture – Indian Accounting Standard 111 (Ind AS 111)

Advance received include 966.69 Lakhs (previous year ₹ 1,077.51 Lakhs) as advance received against joint development agreement entered into by the Parent on 13th June, 2013 and addendum dated 12th July, 2013 with Alchemist Township India Limited for joint development of 7.2 acres of land of the Parent situated at Village Dappar and Samlehri.

57. Cash in hand includes cash amounting to ₹ 180.54 Lakhs which was seized by the Income tax authorities during the search and seizure operation u/s 132 of the Income Tax Act, 1961 during the month of June, 2014.

58. The accumulated losses of the group had exceeded its net worth. The Parent's operations were adversely affected in earlier financial years due to sluggish market demand, working capital getting stuck in trade receivables and loss making manufacturing activity of the pharmaceutical unit. The Parent has initiated legal recourse against the defaulting customers and is regularly following up on the same and the Parent during the last year has even closed down its loss making pharmaceutical manufacturing. The units of the Parent now continue to operate at satisfactory capacity utilization levels and are generating positive Earnings before Interest Depreciation Tax and Amortization (EBIDTA). With strong management focus on strategic initiatives for cost rationalization, optimum product mix and efficient plant operations, the management believes that accumulated losses would reasonably be paired, in due course. The Group can even liquidate its non-core strong fixed assets cover to support the operations in times of any need. Further, the Group has the backing of the strong conglomerate because of which the Group has been able to pay off its borrowings from Punjab National Bank and support the operations of the Group even though the Group has incurred losses in the recent past. The financial statements, as such have been prepared on a going concern basis.

59. An unclaimed dividend pertaining to dividend declared for the year 2011-12 amounting to ₹ 12.61 Lakhs, due to be transferred to investor education and protection fund during the year 2019-20 was not transferred. However, unclaimed dividend pertaining to dividend declared for the year 2010-11 amounting to ₹ 8.77 Lakhs, due to be transferred to investor education and protection fund was duly transferred during the year 2018-19.

60. The working capital limits of ₹ 350.00 Lakhs availed from Bank of India for the working capital requirements of the pharmaceutical division has been classified as non-performing asset (herein referred to as 'NPA') on 30th November, 2018. The outstanding as on the date of classification by the bank as NPA was ₹ 363.88 Lakhs. The Company has not recognised interest liability on such loan from the day it has become NPA, in line with the practice followed by the respective bank.

61. The income tax department has through its order dated 7th February, 2019 has demanded an amount of ₹ 29,129.34 Lakhs in lieu of the assessment carried out by the income tax departments for the assessments years 2009-10 to 2015-16. The Group has not provided for such liability in its books as it has appealed against such demand raised by the income tax department. The liability however, has been reflected as a contingent liability.

62. Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to schedule III to the Companies Act, 2013:

	Name of Entity	Net Assets i.e. total asset less total liabilities		Share in Profit/ (Loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated Profit or (Loss)	Amount (₹ in Lakhs)	As % of other comprehensive income	Amount (₹ in Lakhs)	As % of total comprehensive income	Amount (₹ in Lakhs)
Parent	Alchemist Limited	100.00%	(19,612.00)	100.00%	(4,672.78)	100.00%	7.78	100.00%	(4,665.00)
Subsidiaries	Alchemist Healthcare Limited	0.01%	1.66	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
	Minority Interests in all Subsidiaries	0.01%	(2.04)	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Associates*	Alchemist Medisphere Limited	-	-	0.00%	-	0.00%	-	0.00%	-
	Total	100.00%	(19,612.38)	100.00%	(4,672.96)	108.00%	7.78	108.00%	(4,665.18)

*Investments as per Equity method

63. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever deemed necessary, to make them comparable.

for Anu and Associates

Chartered Accountants

ICAI Firm Registration Number 0019624N

for and on behalf of the Board of Directors

Sd/-
CA. Parveen Kumar
Partner
Membership Number 531655
UDIN: 20531655AAAADM7293

Sd/-
Divya Bajaj
Company Secretary

Sd/-
Anop Singh Negi
Chief Financial Officer

Sd/-
Bikram Bhattacharya
Whole Time Director
DIN 03595530

Sd/-
Charandeep Singh Jolly
Director
DIN 05151343

Place: New Delhi
Date: 30th July, 2020

Alchemist Limited
Regd Office: 23, Nehru Place,
New Delhi- 110019