



SAPRA & KALRA
CHARTERED ACCOUNTANTS

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AUDITOR'S REPORT

We have audited the attached Balance Sheet of M/s. Alchemy International Cooperatief U.A. Kabelweg 37, 1014 BA Amsterdam as on March 31, 2016, the Profit and Loss Account & Cash flow Statement of the Cooperation for the year ended on that date annexed thereto (collectively referred to as financial statements). These financial statements are the responsibility of the Management of the Cooperation. Our responsibility is to express an opinion on these financial statements based on our audit.

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

Further we report that,

1. We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of account to the extent required by the Indian laws have been maintained by the Cooperation so far as appears from our examination of those books.
3. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
4. In our opinion and to the best information an according to the explanations given to us, the financial statements comply with the applicable accounting standards and give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - a). In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016, and
 - b). In the case of Profit and Loss account of the loss for the year ended on that date.
 - c). In the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

NEW DELHI.

DATED: 19/05/2016

For SAPRA & KALRA
[FIRM REGISTRATION NO 012421N]
CHARTERED ACCOUNTANTS

(CA: SAMIR VAID)
PARTNER
M.NO.091309



Alchemy International Coop. U.A.
Balance Sheet as at 31st March 2016

Schedule	As at 31st March 2016 (INR)	As at 31st March, 2016 (EURO)	As at 31st March 2015 (INR)	As at 31st March, 2015 (EURO)
Sources of Funds :				
Members contribution & result				
Contribution	180,225,528	2,760,731	173,248,838	2,663,166
Accumulated result	(163,351,808)	(2,500,156)	(3,266,683)	(46,772)
Foreign Translation Reserve	<u>(143,433)</u>	<u></u>	<u>24,357</u>	<u></u>
	<u>16,730,288</u>	<u>260,575</u>	<u>170,006,511</u>	<u>2,616,394</u>
Current liabilities & Provisions				
(a) Payables	696,886	9,280	180,253	2,670
(b) Amount owed to Group Entity	1,951,056	25,981	1,753,988	25,981
	<u>2,647,942</u>	<u>35,261</u>	<u>1,934,240</u>	<u>28,651</u>
Total Liabilities	<u>19,378,230</u>	<u>295,836</u>	<u>171,940,752</u>	<u>2,645,045</u>
Application of Funds :				
Investment				
Investment in Group Entities	178,133,397	2,731,151	171,926,507	2,644,834
Less: Provision for impairment	(159,386,269)	(2,443,719)	-	-
	<u>18,747,128</u>	<u>287,432</u>	<u>171,926,507</u>	<u>2,644,834</u>
Current Assets and Loans & Advances				
Prepaid Expenses	260,656	3,471	-	-
Cash and cash equivalents	370,446	4,933	14,245	211
	<u>631,103</u>	<u>8,404</u>	<u>14,245</u>	<u>211</u>
Total Assets	<u>19,378,230</u>	<u>295,836</u>	<u>171,940,752</u>	<u>2,645,045</u>

Notes To Accounts

Schedule- A

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

The Schedules referred to above form
an integral part of this Balance sheet

For and on behalf of
SAPRA & KALRA
CHARTERED ACCOUNTANTS



SAMIR VAID
PARTNER
MEMBERSHIP NO 091309

NEW DELHI
DATED:-

19/05/2016

Alchemy International Cooperatief. U.A.
Profit and Loss for the year ending as on 31st, March 2016

Schedule	As at 31st March, 2016 (INR)	As at 31st March, 2016 (EURO)	As at 31st March, 2015 (INR)	As at 31st March, 2015 (EURO)
Holding Activities				
Result from Interests in group entities	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditure				
Currency Exchange Result	-	-	-	-
General and Administrative Expenses	VI 698,855	9665	(10,923) 523,230	-141 6,754
	<u>698,855</u>	<u>9,665</u>	<u>512,306</u>	<u>6,613</u>
Result Subsidiaries	159,386,269	2,443,719	-	-
Net Results before Taxation	(160,085,124)	(2,453,384)	(512,306)	(6,613)
Balance carried forward to Balance Sheet	<u>(160,085,124)</u>	<u>(2,453,384)</u>	<u>(512,306)</u>	<u>(6,613)</u>

Notes To Accounts

Schedule- A

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

The Schedules referred to above form an integral part of this Balance sheet

For and on behalf of
SAPRA & KALRA
CHARTERED ACCOUNTANTS



SAMIR VAID
PARTNER
MEMBERSHIP NO 091309

NEW DELHI
DATED:- 19/05/2016

Alchemy International Coop. U.A.
Schedules forming part of the Balance Sheet

	As at 31st March, 2016 (INR)	As at 31st March, 2016 (EURO)	As at 31st March, 2015 (INR)	As at 31st March, 2015 (EURO)
Schedule :I:				
Members Contribution				
HSIL Limited	12,222	180	12,222	180
Halis International Ltd.	180,213,306	2,760,551	173,236,616	2,662,986
	<u>180,225,528</u>	<u>2,760,731</u>	<u>173,248,838</u>	<u>2,663,166</u>
Schedule :II:				
Accumulated result				
Opening Balance	(3,266,683)	(46,772)	(2,754,377)	(40,159)
<u>Add: Profit & Loss for the year</u>	<u>(160,085,124)</u>	<u>(2,453,384)</u>	<u>(512,306)</u>	<u>(6,613)</u>
	<u>(163,351,808)</u>	<u>(2,500,156)</u>	<u>(3,266,683)</u>	<u>(46,772)</u>
Schedule :III:				
Investment				
Investment in Group Entities HAAS International B.V.	18,747,189	287,432	171,926,507	2,644,834
	<u>18,747,189</u>	<u>287,432</u>	<u>171,926,507</u>	<u>2,644,834</u>
Schedule :IV:				
Current Assets & Loans and Advances				
Prepaid Expenses	260,656	3471	-	-
Cash at Bank Balance				
Balance in current accounts	370,446	4933	14,245	211
	<u>631,103</u>	<u>8,404</u>	<u>14,245</u>	<u>211</u>
Schedule :V:				
Current liabilities & Provisions				
(a) Payables				
Creditors	583,267	7767	-	-
Management Fees	-	0	78,110	1,157
Tax Advisory Fees	113,619	1513	102,143	1,513
	<u>696,886</u>	<u>9,280</u>	<u>180,253</u>	<u>2,670</u>
(b) Amount owned by Group Entity				
HAAS International B.V.	1,951,056	25,981	1,753,988	25,981
	<u>1,951,056</u>	<u>25,981</u>	<u>1,753,988</u>	<u>25,981</u>



Alchemy International Coop. U.A.
Schedules forming part of the Profit & Loss Account

	As at 31st March, 2016 (INR)	As at 31st March, 2016 (EURO)	As at 31st March, 2015 (INR)	As at 31st March, 2015 (EURO)
Schedule :VI:				
General & Administrative Expenses				
Management Fees	334,640	4628	296,321	3,825
Tax Advisory Fees	109,402	1513	96,837	1,250
Administrative and Accounting Fees	117,717	1628	-	-
Bank Charges	89,734	1241	47,489	613
Foreign Exchange Losses	47,362	655	-	-
Other General Expenses	-	0	82,583	1,066
	<u>698,855</u>	<u>9,665</u>	<u>523,230</u>	<u>6,754</u>



ALCHEMY INTERNATIONAL COOP. U.A.
Cash Flow Statement for the year ended 31 March 2016

	Year ended 31 March 2016	(Amount in Rs.) Year ended 31 March 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(160,085,124)	(512,306)
Adjustments for:		
Impairment of value of investments	159,386,269	-
Foreign Translation Reserve (excluding Rs. 17313736 on Impairment in the value of Investments)	(167,790)	394,708
Operating Profit before working capital changes	<u>(866,644)</u>	<u>(117,599)</u>
Adjustments for :		
Trade/other receivable	(260,656)	-
Trade / other payables	713,702	(9,775)
Cash generated from operations	<u>(413,599)</u>	<u>(127,374)</u>
Direct taxes paid	-	-
Net cash from operating activities	<u>(413,599)</u>	<u>(127,374)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments (including investment in subsidiary Rs. 6.20 millions (previous year Rs. 171.90 millions))	(6,206,890)	(17,333,900)
Net cash used in investing activities	<u>(6,206,890)</u>	<u>(17,333,900)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Members Contribution	6,976,690	17,333,900
Net cash used in financing activities	<u>6,976,690</u>	<u>17,333,900</u>
Net increase in cash and cash equivalent	356,201	(127,374)
Cash and cash equivalents in the beginning	14,245	141,619
Cash and cash equivalents at the close	370,446	14,245

Cash Flow Statement for the year ended 31 March 2016 (Continued)

	Year ended 31 March 2016	Year ended 31 March 2015
Note:		
Cash and cash equivalent include:		
Cash and cheques in hand and remittances in transit		
Balances with bank		
Cash and cash equivalents	<u>370,446</u>	<u>14,245</u>
Balances in fixed deposit accounts - pledged	<u>370,446</u>	<u>14,245</u>
Balances in unpaid dividend accounts	-	-
Bonus fraction 2005 account	-	-
Share split fraction 2006 account	-	-
Balance in post office savings account (pledged)	-	-
Balance with bank not considered as cash equivalents	-	-
Cash and bank balances as per Balance Sheet	<u>370,446</u>	<u>14,245</u>



Alchemy International Cooperatief U.A.

SCHEDULE – A NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH, 2016

1. SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Method:

- i). The Financial Statements are prepared on historical basis.
- ii). The Organization follows the accrual method of accounting.

B. Investments:

Investments are stated at cost less impairment in value, if any.

2. Foreign Exchange Transactions:

For the purpose of translation of foreign exchange transactions, the operations have been treated as non-integral foreign operations. The translation was done on the following basis:

- i) Assets & Liabilities, monetary items at closing rate,
- ii) Non monetary items at rates prevailing on the date of transaction,
- iii) Income and expense items at average exchange rates prevailing during the year, And all resulting exchange differences are accumulated in foreign currency translation reserve and shown in the balance sheet.

3. IN THE OPINION OF THE BOARD OF DIRECTORS OF THE COOPERATION:

- i) All the assets of the Cooperation as appearing in the Balance Sheet are realizable in the ordinary course of business.
- ii) No personal expenses have been debited to the revenue account.

As per our report on even date

For SAPRA & KALRA
CHARTERED ACCOUNTANTS



CA: SAMIR VAID
PARTNER
M.NO.091309

DATE: 19/05/2016
PLACE: New Delhi