



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, 2014, 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 statement). These financial statements are the responsibility of the Managements 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, 2014, 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: 29/4/2014

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



M.NO.091309

Alchemy International Coop. U.A.
Balance Sheet as at 31st March 2014

	Schedule	As at 31st March 2014 (INR)	As at 31st March, 2014 (EURO)	As at 31st March 2013 (INR)	As at 31st March, 2013 (EURO)
Sources of Funds :					
Members contribution & result					
Contribution	I	155,914,938	2,443,778	131,502,128	2,155,545
Accumulated result	II	(2,754,377)	(40,159)	(2,161,738)	(32,855)
Foreign Translation Reserve		(370,351)		(170,577)	
		<u>152,790,210</u>	<u>2,403,619</u>	<u>129,169,812</u>	<u>2,122,690</u>
Current liabilities & Provisions					
(a) Payables	V	220,479	2,670	185,682	2,670
(b) Amount owed to Group Entity		1,723,537	20,872	1,451,518	20,872
		<u>1,944,016</u>	<u>23,542</u>	<u>1,637,200</u>	<u>23,542</u>
Total Liabilities		<u>154,734,226</u>	<u>2,427,161</u>	<u>130,807,013</u>	<u>2,146,232</u>
Application of Funds :					
Investment					
Investment in Group Entities	III	154,592,607	2,425,446	130,179,797	2,137,213
		<u>154,592,607</u>	<u>2,425,446</u>	<u>130,179,797</u>	<u>2,137,213</u>
Current Assets and Loans & Advances					
Cash and cash equivalents	IV	141,619	1,715	627,216	9,019
		<u>141,619</u>	<u>1,715</u>	<u>627,216</u>	<u>9,019</u>
Miscellaneous Expenditure (To the extent not written off or adjusted)		-	-	-	-
Total Assets		<u>154,734,226</u>	<u>2,427,161</u>	<u>130,807,013</u>	<u>2,146,232</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 VARSHNEY
PARTNER
MEMBERSHIP NO 091309

NEW DELHI
DATED:- 29/4/2014

Alchemy International Cooperatief. U.A.
Profit and Loss for the year ending as on 31st, March 2014

Schedule	As at 31st March, 2014 (INR)	As at 31st March, 2014 (EURO)	As at 31st March, 2013 (INR)	As at 31st March, 2013 (EURO)
Holding Activities				
Result from Interests in group entities	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditure				
Currency Exchange Result	28,642	353	26,065	372
General and Administrative Expenses	563,997	6951	693,592	9,899
	<u>592,639</u>	<u>7,304</u>	<u>719,657</u>	<u>10,271</u>
Net Results before Taxation	(592,639)	(7,304)	(719,657)	(10,271)
Balance carried forward to Balance Sheet	(592,639)	(7,304)	(719,657)	(10,271)

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

SANDESH
PARTNER
MEMBERSHIP NO 091309

NEW DELHI

DATED:- 29/4/2014

ALCHEMY INTERNATIONAL COOP. U.A.
Cash Flow Statement for the year ended 31 March 2014

	Year ended 31 March 2014	(Amount in Rs.) Year ended 31 March 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(592,639)	(719,657)
Adjustments for:		
Foreign Translation Reserve	(199,773)	(7,265)
Operating Profit before working capital changes	<u>-792,413</u>	<u>-726,922</u>
Adjustments for :		
Trade/other receivable	-	233,314
Trade / other payables	306,816	210,801
Cash generated from operations	<u>(485,597)</u>	<u>(282,807)</u>
Direct taxes paid	-	-
Net cash from operating activities	<u>(485,597)</u>	<u>-282,807</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments (including investment in subsidiary Rs. 154.6 millions (previous year Rs. 130.2 millions))	(24,412,810)	(28,523,690)
Net cash used in investing activities	<u>(24,412,810)</u>	<u>-28,523,690</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Members Contribution	24,412,810	29,092,490
Net cash used in financing activities	<u>24,412,810</u>	<u>29,092,490</u>
Net increase in cash and cash equivalent	(485,597)	285,993
Cash and cash equivalents in the beginning	627,216	341,223
Cash and cash equivalents at the close	141,619	627,216

Cash Flow Statement for the year ended 31 March 2014 (Continued)

	Year ended 31 March 2014	Year ended 31 March 2013
Note:		
Cash and cash equivalent include:		
Cash and cheques in hand and remittances in transit		
Balances with bank	141,619	627,216
Cash and cash equivalents	<u>141,619</u>	<u>627,216</u>
Balances in fixed deposit accounts - pledged	-	-
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>141,619</u>	<u>627,216</u>



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

	As at 31st March, 2014 (INR)	As at 31st March, 2014 (EURO)	As at 31st March, 2013 (INR)	As at 31st March, 2013 (EURO)
Schedule :I:				
Members Contribution				
HSIL Limited	12,222	180	12,222	180
Halis International Ltd.	155,902,716	2,443,598	131,489,906	2,155,365
	<u>155,914,938</u>	<u>2,443,778</u>	<u>131,502,128</u>	<u>2,155,545</u>
Schedule :II:				
Accumulated result				
Opening Balance	(2,161,738)	(32,855)	(1,442,081)	(22,584)
<u>Add:</u> Profit & Loss for the year	(592,639)	(7,304)	(719,657)	(10,271)
	<u>(2,754,377)</u>	<u>(40,159)</u>	<u>(2,161,738)</u>	<u>(32,855)</u>
Schedule :III:				
Investment				
Investment in Group Entities				
HAAS International B.V.	154,592,607	2,425,446	130,179,797	2,137,213
	<u>154,592,607</u>	<u>2,425,446</u>	<u>130,179,797</u>	<u>2,137,213</u>
Schedule :IV:				
Current Assets & Loans and Advances				
Cash at Bank Balance				
Balance in current accounts	141,619	1715	627,216	9,019
	<u>141,619</u>	<u>1,715</u>	<u>627,216</u>	<u>9,019</u>
Schedule :V:				
Current liabilities & Provisions				
(a) Payables				
Management Fees	95,541	1157	80,462	1,157
Tax Advisory Fees	124,938	1513	105,220	1,513
	<u>220,479</u>	<u>2,670</u>	<u>185,682</u>	<u>2,670</u>
(b) Amount owned by Group Entity				
HAAS International B.V.	1,723,537	20,872	1,451,518	20,872
	<u>1,723,537</u>	<u>20,872</u>	<u>1,451,518</u>	<u>20,872</u>



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

	As at 31st March, 2014 (INR)	As at 31st March, 2014 (EURO)	As at 31st March, 2013 (INR)	As at 31st March, 2013 (EURO)
Schedule :VI:				
General & Administrative Expenses				
Management Fees	310,357	3825	268,006	3,825
Tax Advisory Fees	101,424	1250	264,503	3,775
Bank Charges	65,723	810	56,824	811
Other General Expenses	86,494	1066	104,260	1,488
	<u>563,997</u>	<u>6,951</u>	<u>693,592</u>	<u>9,899</u>



Alchemy International Cooperatief U.A.

SCHEDULE – A

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH, 2014

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.

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: 29/4/2014
PLACE: New Delhi