



MEDI-CAPS LIMITED

Regd. Office & Works :
Mhow-Neemuch Road, Sector-1,
Pithampur - 454 775, Distt. Dhar,
Madhya Pradesh, INDIA

Phone : + 91-7292-424242
Fax. : + 91-7292-407387
E-mail : info@medicaps.com
Website : www.medicaps.com

NOTICE is hereby given that 28th Annual General Meeting of the members of **MEDI-CAPS LIMITED** will be held at the Registered Office of the Company at Mhow -Neemuch Road, Sector-1, Pithampur, District.Dhar (M.P.) on Wednesday the **28th Sept., 2011** at 11.00 A.M. to transact the following businesses:

I. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account of the Company for the year ended 31st March, 2011 together with the report of the Directors' & Auditor's thereon on that date.
2. To declare dividend on the equity share capital of the Company.
3. To appoint a director in place of Shri Ramesh Chand Mittal, who is liable to retire by rotation and being eligible, offers him-self for re-appointment.
4. To appoint a director in place of Dr. Shamsheer Singh, who is liable to retire by rotation and being eligible, offers him-self for re-appointment.
5. To appoint a director in place of Dr. Vishwanata Balkrishna Malkar who is liable to retire by rotation and being eligible, offers him-self for re-appointment.
6. To appoint M/s C.P.Rawka & Co., Chartered Accountants, (M.No.070060) as the Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and authorize the Board to fix their remuneration.

II. SPECIAL BUSINESS BY SPECIAL RESOLUTION:

7. To consider and if though fit, pass with or without modification(s) if any, the following **SPECIAL RESOLUTION:**

RESOLVED THAT pursuant to the provisions of Section 198, 269, 302, 309 & 310 read with the provisions of Schedule XIII of the Companies Act, 1956 and other applicable provisions if any of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being enforce) approvals of members by way of special resolution be and is hereby granted for re-appointment of Mrs. Kusum Mittal as Whole-time Director and be designated as the Executive Director of the Company for a period of three years w.e.f. 1st Oct., 2010 on the following terms and conditions:

- (a) Salary & other allowances: Rs.1,50,000/- (upto Rs.18,00,000 p.a.; and
- (b) Contributions: to the Provident Fund, Family Benefit Fund Superannuation Fund as may be admissible under the PF/Income Tax Rules.
- (c) Gratuity: not exceeding half a month salary for each completed year of service, subject to the provisions of the Gratuity Act as may be amended from time to time.
- (d) Earned Privilege Leave: As per the Rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every year completed services at the end of the tenure.

Indore Office :

201, Pushpratna Paradise, 9/5, New Palasia, Indore 452 001 (INDIA)
Telefax No. : +91-731-4046321, 4041435, 4028148

FACILITIES:

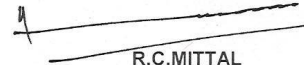
- (i) Car: The Company shall provide a car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be as per actual on the basis of claims made by him.
- (ii) Telephone: Free use of mobile and a telephone at his residence provided that personal long distance calls on the telephone shall be billed by the Company to the Whole-time Director.

FURTHER RESOLVED THAT in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Mrs. Kusum Mittal shall be the minimum remuneration payable to him in terms of the provisions of Schedule XIII to the Companies Act, 1956.

RESOLVED FURTHER THAT Mrs. Kusum Mittal, shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/amenities and other privileges, as any from time to time, be available to other Senior Executives of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to decide break up of the remuneration within the above said maximum permissible limit.

BY ORDERS OF THE BOARD



R.C. MITTAL
CHAIRMAN & MANAGING DIRECTOR

Place: Pithampur
Date : 31st August, 2011

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Company has already notified closure of Register of Members and Share Transfer Books from 24th Sept., 2011 to 28th Sept., 2011 (both days inclusive) for the determining the names of members eligible for dividend on equity shares, if declared at the meeting.
3. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, the Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates, such changes are to be advised only to the depository participant of the members.
4. (a) Members are requested to notify immediately any change of address;
 - i) To their Depository Participants (DPs) in respect of their electronic share accounts; and
 - ii) To the Company to its Share Transfer Agents in respect of their physical share folios, if any.(b) In case the mailing address on this Annual Report is without the PINCODE, members are requested to kindly inform their PINCODE immediately.

- (c) Non-resident Indian Shareholders are requested to inform Share Transfer Agents immediately:
- i) Change in the residential status on return to India for permanent settlement.
 - ii) The particulars of NRE Account with Bank in India, if not furnished earlier.
5. All documents referred to in the accompanying notice are open for inspection at the Registered office of the Company on all working days, except Saturdays between 11.00 A.M. to 1.00 P.M.
 7. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the share certificates for consolidating their holdings in one folio. The share certificates will be returned to the members after making requisite changes thereon.
 8. Members desiring of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7 days before the date of the Meeting so that the information required may be made available at the Meeting.
 9. The Company has connectivity from the CDSL & NSDL and equity shares of the Company may also be held in the Electronic form with any Depository Participant (DP) with whom the members/ investors having their depository account. The ISIN for the Equity Shares of the Company is **INE442D01010**. In case of any query/difficulty in any matter relating thereto may be addressed to the Share Transfer Agents Ankit Consultancy Pvt. Ltd., 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010.
 10. As per the provisions of the Companies Act, 1956, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. The Nomination Form-2B prescribed by the Government can be obtained from the Share Transfer Agent or may be down load from the website of the Ministry of Company affairs.
 11. Pursuant to the provisions of section 205A(5) and 205C of the Companies Act, 1956, the Company is having unpaid/unclaimed dividend for the year 2003-04 upto the financial year 2009-10, any member who have not encashed their dividend warrants may approach to the Company for obtaining duplicate warrants or validation of the same. The Company shall transfer the unpaid dividend to the Central Government's IEPF as per provisions of the Act and rules made there under.
 12. There is no instances which require to transfer of undelivered shares to the separate escrow account as required under the Listing Agreement.
 13. The SEBI has mandated the submission of PAN by every participant in securities market, members holding shares in electronic form are therefore, requested to submit the PAN to their depository participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the Company's Share Transfer Agent, M/s Ankit Consultancy Pvt. Ltd.
 14. Pursuant to the Clause No.49 of the Listing Agreement, profile of the Directors proposed for appointment/re-appointment being given in a statement containing details of the concerned Directors is attached hereto.
 15. The Ministry of Corporate Affairs ("MCA") Govt. of India by its Circular Nos. 17/2011 dt. 21.04.2011 & 18/2011 dt. 29.04.2011, has allowed companies to send annual report and other communication through electronic mode at the Registered email address of the members/beneficiaries, keeping in view of the underline them and the circulars issued by MCA, we propose to send future communications in electronic mode. Members who hold shares in physical form and desired to receive the documents in electronic mode are requested to please promptly provide their details (name, LF No., email ID to the Registrar and Share Transfer agent of the Company).

Accordingly, your Company proposes to henceforth effect electronic delivery of communication/ documents including the Annual Reports and such other necessary communication/documents from time to time to the Members, who have provided their e-mail address to their Depository Participant (DP).

E-mail addresses as registered in your respective DP accounts in the records of the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) which will be periodically downloaded, will be deemed to be your registered e-mail address for serving the necessary communication/documents. Thus, the necessary communication would be sent in electronic form to the registered email address. Members who wish to inform any updations/changes of their e-mail address, are requested to promptly update the same with their DP.

The annual report and other communications/documents sent electronically would also be displayed on the Company's website: www.medicaps.com As a Member of the Company, you will be furnished, free of cost, a printed copy of the Annual Report of the Company, upon receipt of a requisition from you.

We request you to support this initiative and opt for the electronic mode of communication by submitting your e-mail address to your DP or to the Company's Registrar, as the case may be, in the interest of the environment.

STATEMENT REGARDING THE DIRECTORS PROPOSED FOR RE-APPOINTMENT

- 1. Shri R.C. Mittal, Chairman & Managing Director**, aged about 64 years is the core promoter director of the Company since 6th August, 1983. Shri Mittal is a qualified as B. Pharma, having wide experience of 33 years in the field of pharma industry and real estates. He is also Director of Medi-Caps Finance Limited, Medicaps IT Park Pvt. Ltd., Medgel Pvt. Ltd., Medpak India Pvt. Ltd. Crystal Devcon Pvt. Ltd. Trapti Investments Pvt. Ltd. Medi-Caps Education Society, International Institute of Foreign Trade & Research a prominent educational institute of technology & management- an engineering college with high level degree courses and following achievements: Udyog excellence awards 1992, glory of India International award 1993. Shri R.C.Mittal is holding 7,44,460 equity shares in the Company, consisting 23.88% of the total shareholding of the Company.
- 2. Dr. Shamsher Singh**, aged about 69 years is an Independent Director of the company since 30.04.2002. Dr. Singh is having qualification of B.E, M.E and Ph.D (IIT, Mumbai). He was Professor and Head of Dept. of Computer Science and Engineering, Electronic Communication and of J. N. Vyas University, Jodhpur (Raj.) and presently working as the Director of Medicaps Institute of Technology and Management. Dr. Singh is not holding any share in the Company.
- 3. Dr. Vishwanath B. Malher**, aged about 54 years is an Independent Director of the company since 29.07.2005. Dr. Malher is M.Sc. (physical chemistry) and Ph.D. (analytical chemistry). He was Lecturer in Bombay University from 1979-1985 and worked as Deputy Corporate Q.A. Manager in Cipla Ltd. from 1985-1995 and G.M. Corporate Q.A. in Wookhord Ltd. from 1998-2004 and presently working as Scientific Director in Taro Pharmaceuticals since 2004. Dr. Malher is not holding any share in the Company.
- 4. Mrs. Kusum Mittal**, Aged about 62 years s a director of the Company since 4th May, 1991 and having experience in the investment and finance business activities. She is also Director of Medi-Caps Finance Limited, Medicaps IT Park Pvt. Ltd., Arcadia Devcon Pvt. Ltd. MGT Developers Pvt. Ltd. Saffron Realities Pvt. Ltd. Trapti Investments Pvt. Ltd. Trustee/Executive Committee Member of Medi-Caps Education Society, International Institute of Foreign Trade & Research a prominent educational institute of technology & management- an engineering college with high level degree courses. Mrs. Kusum Mittal is holding 609139 shares consisting 19.54% of the total paid up share capital of the Company.

STATEMENT IN PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT TO THE SPECIAL BUSINESS:

ITEM NO: 7

Smt Kusum Mittal, is the core promoter of the Company and continuing in the Board w.e.f. 4th May 1991. Looking into her contribution and experience the Board has appointed her as the Whole-time Director of the Company w.e.f. 1st October 2010 for a period of three years. She is having experience in the real estate, investment and finance business activities. Mrs. Kusum Mittal is holding 609139 shares consisting 19.54% of the total paid up share capital of the Company.

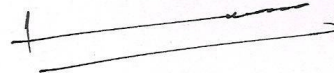
The Company is carrying commercial activities since more than 24 years and as per the financial statements upto 31st March, 2011 it has also earned adequate net profits and having sound business track records and it is having potentials to increase productivity and profitability.

Therefore her appointment shall be in the interest of the Company. The Board recommends to pass necessary resolution as set out in item No. 6 of the Notice as Special Resolution.

This may also be considered as abstracts for the terms and conditions for appointment of the whole-time director as required u/s 302 of the Companies Act, 1956. Necessary relevant documents are available at the Registered Office of the Company for inspection during the normal business hours till the conclusion of the Annual General Meeting.

Except, Shri R.C.Mittal, Shri Alok K.Garg, and Smt.Trapti Vikas Gupta being relatives and Smt.Kusum Mittal being appointed none other directors are interested or concerned in the resolution.

BY ORDERS OF THE BOARD



**R.C.MITTAL
CHAIRMAN & MANAGING DIRECTOR**

Place: Pithampur
Date : 31st August, 2011

**DIRECTORS' REPORT
AND
MANAGEMENT DISCUSSION AND ANALYSIS**

To
The Members,
Medi-Caps Limited

Your Directors are pleased to present their 28th Annual Report on the business and operations of the company together with the Audited Balance Sheet & Profit and Loss Accounts for the year ended 31st March 2011.

1. FINANCIAL RESULTS:

	(Rupees in Lacs)	
	Year ended 31.03.2011	Year ended 31.03.2010
Net Sales/Income from operations	2791.89	2176.98
Other Income	(1.15)	182.97
Total Income	2790.74	2359.95
Operating Profit (PBITD)	504.04	545.57
Less : Depreciation	88.31	83.30
Interest and Financial Charges	0.00	0.00
Profit before Tax	415.73	462.27
Less: Provision for current year income tax	160.00	113.50
Add : Deferred Tax	14.85	13.70
Net Profit after tax & adjustments	270.58	362.47
Add : balance carried from Profit & Loss A/c	4131.55	3842.28
Total profit available for appropriation	4402.13	4204.75
Less : Transfer to General Reserves	14.00	18.50
Less : Proposed Dividend	46.76	46.76
Less : Corporate Tax Dividend	7.77	7.95
Surplus Carried to the balance Sheet	4333.60	4131.54
EPS in Rs. (Shares on Rs.10/- each)	8.68	11.63

2. DIVIDEND:

In order to strengthen the capital base and looking to the future prospects of the company, your directors recommend Rs.1.50 (15%) for the year 2010-11 and propose utilized the remaining surplus funds for Company's business activities of the company. (Previous Year Rs.1.50 (15%) per share of Rs.10/- each).

3. REVIEW OF OPERATIONS:

During the year under review due to sound fundamental and well planning of the Management of the company, it could earn the gross income of Rs.2791.89 Lacs as compared to Rs. 2176.98 Lacs in previous year.

In spite of increase in the manufacturing turnover the profits of the Company has been decreased from Rs.462.27 Lacs to Rs. 415.73 Lacs due to non adequate returns on the investment activities and increased cost of the raw material, power and administrative expenses. **Your company is in continuous process of modernization of the existing manufacturing facilities to get better output and quality.**

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Telefax No. : +91-731-4046321, 4041435, 4028148

4. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of section of 217(2AA) of the Companies Act, 1956, your directors state that:

- In the preparation of accounts, the applicable accounting standards have been followed.
- Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company as at the end of March 31, 2011 and the profit of the company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
- The annual accounts of the company have been prepared on a going concern basis.

5. DIRECTORS:

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning.

In view of impending retirement from the directorship of Shri R.C.Mittal, Dr. Shamsher Singh and Shri Vishwanath Balkrishna Malkar are liable to retire by rotation at the forthcoming Annual General Meeting, they being eligible, offers themselves for re-appointment.

Smt. Kusum Mittal was appointed by the Board of Directors as the Whole-time Director for a period of three year w.e.f. 1st October 2010 upon the recommendation of the Remuneration Committee.

Your directors recommend passing appropriate resolutions for the above said purposes as set out in the notice of the Annual General Meeting.

6. DEPOSITORY SYSTEMS AND LISTING:

The equity shares of the Company may also be kept in electronic form with the Central Depository Services Ltd. (CDSL) and National Depository Services Ltd. (NSDL) therefore all members and investors may hold their shares in the Company's shares in dematerialized form. Company's equity shares are listed at the Bombay Stock Exchange Ltd., Mumbai, and being regularly traded.

The Company has complied with the requirement for delisting of share from the M.P. Stock Exchange. However, a necessary order to that effect is still awaited from the M.P. Stock Exchange. The Company is regular in payment of annual listing fee to the BSE.

7. FINANCE & ACCOUNTS:

7.1 Cash generation:

Your company continued its strong cash generation driven by overall business performance. Your company optimized the return on investment by deployment of cash surplus in a balanced portfolio of sale and liquid securities and may be considered as 'Zero Debts Company'.

7.2. Internal Control Systems and its adequacy:

The Company's internal control procedures are tailored to match the organization pace of growth and increasing complexity of operations, these ensure compliance with various policies, practices and statutes. The Company's internal audit carries out extensive audit through out the year, across all functional area and submits its report to the Audit Committee of the Board of directors.

7.3 Adequate coverage of risk:

The Company's assets are adequately insured against various risks, which were considered necessary by the management from time to time.

Your company is a foreign exchange earner and the transactions are suitably covered for exchange risk and there is no materially significant exchange rate risk associated with the company.

7.4 Segment-wise results:

Your company is dealing only in a single segment, i.e. manufacturing of the gelatin capsules; therefore AS-17 for Segment-Wise reporting is not applicable to the Company.

7.5 Subsidiary Company:

Your Company is not having any subsidiary company and is also not a subsidiary of any other company.

7.6 Joint Venture Company:

The Company is also Joint Venture company with Viva Mission Care Ltd. in M/s Medgel Pvt. Ltd. in which the Company hold 50% share capital. The Medgel is in process to start the manufacturing unit of soft gelatin at SEZ, Pithampur, District Dhar with the total investments of Rs.38.00 crores approximately. The Project is in the advance stage of its implementation and it proposes to commence productions by Oct.,2011

7.7 Disclosures:

The Company has made adequate disclosures regarding related party transactions, contingent liabilities, remuneration of directors, and significant accounting policy in the notes to the accounts as an integral part of the Balance Sheet and Profit & Loss Accounts for the year ended 31st March, 2011.

8. ISO: 9001:2000 CERTIFICATION:

As you are aware that your Company is ISO: 9001:2000 complied company which is the latest version of ISO series and this will give further strength to the quality as well as international recognition.

9. AUDITORS AND THEIR REPORT:

Comments of the Auditors in their report and the notes forming part of the Accounts are self-explanatory and need no comments. M/s C.P.Rawka & Co., Chartered Accountants, (M.No. 070060) the Statutory Auditors has expressed their willingness for re-appointment at the forthcoming annual general meeting. A certificate to that effect that their appointment, if made, would be in accordance with the provisions of section 224(1) of the Companies Act, 1956 has been received by the Company.

10. COMPLIANCE CERTIFICATE:

Compliance Certificate has been obtained from M/s D. K. Jain & Co. in terms of the provisions of section 383A(1) of the Companies Act, 1956 which is being annexed to the Directors' Report, which is self-explanatory and needs no comments. Annexure B

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, PARTICULAR OF EMPLOYEES AND FOREIGN EXCHANGE:

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules 1988 have been annexed herewith as annexure A.

12. DEPOSITS:

Your Company has not accepted any public deposit within the meaning of provisions of section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 and there is no outstanding deposit due for re-payment.

13. INVESTMENTS:

As a matter of long term policy the Company utilizes its surplus funds in the long term investment in the various mutual funds and other securities from time to time to maximize the worth of the stakeholders of the Company and has earned very handsome profits from the investment activities. Further that the Company needs to provide financial support to the Joint Venture Company, M/s Medgel Pvt. Ltd. by way of providing financial guarantee to the Bank and financial institutions.

14. PERSONNEL:

The Company continued to have cordial and harmonious, rooted in the philosophy of bilaterism. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market conditions.

15. CORPORATE GOVERNANCE:

Your Company is committed to good Corporate Governance Practices. Being a value driven organisation, the company's good corporate governance practices and the disclosures are need based, duly complied with the statutory and the regulatory requirements of the Companies Act, 1956, together with all the relevant Clauses of the Listing Agreement and all the others applicable laws. The Company's Corporate Governance Policies and the Practices are also in accordance with the Clause 49 of the Listing Agreement. A report of the Board of directors

on the Corporate Governance along with the Auditors Certificate forming part of the Director's Report, being annexed herewith as Annexure C.

16. MANAGEMENT DISCUSSION AND ANALYSIS:

16.1 Industry structure and developments:

The Indian pharmaceutical industry currently tops the chart amongst India's science-based industries with wide ranging capabilities in the complex field of drug manufacture and technology. A highly organized sector, the Indian pharmaceutical industry is estimated to be worth \$ 4.5 billion, growing at about 8 to 9% annually. It ranks very high amongst all the third world countries. In terms of technology, quality and the vast range of medicines that are manufactured. It ranges from simple headache pills to sophisticated antibiotics and complex cardiac compounds, almost every type of medicines is now made in the Indian pharmaceuticals industry.

The Indian pharmaceuticals sector is highly fragmented with more than 20,000 registered units. It has expanded drastically in the last two decades. The pharmaceuticals and chemical industry in India is extremely fragmented market with severe price competition and government price control. The pharmaceuticals industry in India meets around 70% of the countries demand for bulk drugs, drug intermediates, pharmaceuticals formulation, chemicals tablets, capsules, orals and injectibles. There are approximately 250 large units and about 8000 small scale units which form the core of the pharmaceutical industry in India (including 5 Central Public Sector Units).

India's pharmaceuticals industry is now the third largest in the world in terms of volume and stands 14th in terms of value. Accordingly to data published by the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, the total turnover of India's pharmaceuticals industry between September 2008 and September 2009 was US\$ 21.04 billions. Of this domestic market, was worth US\$ 12.26 billion.

The Indian pharmaceuticals market is expected to reach US\$ 55 billions in 2020 from US\$ 12.06 billions in 2009. The market has the further potential to reach US\$ 70 billions by 2020 in an aggressive growth scenario.

Moreover, the increase in population of higher income growth in the country, will open a potential US\$ 8 billion market for multinational companies selling costly drugs by 2015. Besides, the domestic pharma market is estimated to touch US\$ 20 billion by 2015, marketing India a lucrative destination for clinical trials for global giants.

Further estimates the health care market to reach US\$ 31.59 billion by 2020. The Indian Diagnostic services are projected to grow at a CAGR of more than 20 per cent during 2010-2012. India tops the world in exporting Generic medicines worth US\$ 11 billions and currently, the Indian Pharmaceutical industry is one of the world's largest and most developed. Moreover, the Indian Generic drug market to grow at a CAGR of around 17% between 2010-11 and 2012-13. Union Ministry of commerce and Industry and Minister for trade and Industry, Singapore, have signed a "Special Scheme for Registration of Generic Medicinal Products from India in May 2010 which seeks to fast-track the registration process for Indian Generic medicines in Singapore.

The Indian Pharmaceutical Industry, particularly, has been the front runner in a wide range of specialties involving complex Drugs' manufacture, development and technology. With the advantage of been highly organized sector, the Pharmaceutical Industry in India are growing at a rate of \$4.5 billion, registering further growth of 8-9% annually. The Pharmaceutical Industry in India will grow by over 100% over the next 2 years. The Pharmaceutical Industry is currently growing at a rate of 12%, but this will accelerate soon. The sale of all types of medicines in the country stands at US\$ 9.61 billions, which is expected to reach around US\$ 19.22 billions by 2012. India's domestic Pharmaceutical market is valued approximately at US\$ 12 billions in 2010, and has shown a strong growth of 21.3% for the 12 months ending September 2010. It estimates that over the next 10 years the domestic market will grow to US\$ 49 billions, at a compounded annual growth rate (CAGR) of 15%.

The Company's product is supporting to the capsule therefore with the growth of the Pharma Industry, the Company is expected to have very good future also.

16.2 SWOT ANALYSIS FOR THE COMPANY:

16.2.1 Strengths:

- Strong in-house Research & Development.
- Integrated supply chain.
- Ability to deliver cost saving.

- High quality manpower resources.
- Centralized manufacturing activities at Pithampur Plant.
- Zero Debt Company.
- Strong financial planning.

16.2.2 Weaknesses:

- Scarcity of Technical Expertise.
- Controlling of process parameters is very critical.
- Dependency on drug formulation companies.
- Frequent fluctuation in market demand.
- Very sensitive process of manufacturing.

16.2.3 Opportunities:

- There is very good demand of gelatin capsules in overseas and Indian market having good quantum in that and quality of Indian capsule recognized in world.
- As your Company has made huge investment in the Mutual Funds and other securities, the financial results for the coming year may improve the profitability in view of improved financial conditions of the Country and globally.

16.2.4 Threats:

- India has one of the lower per capita health care expenditure in the world.
- Aggressive price competition from local and multinational players.
- Fast technology change in the manufacturing line of the Company.
- Frequent change in Govt. policy for pharmaceutical industries.
- Registration of patent by the users of the products of the company.
- Developed countries are very rigid in procuring capsules from out of countries.
- Higher inflation rate.
- Uncertainty in the capital market.

16.3 Outlook:

While we cannot predict a further performance, we believe considerable opportunities will exist for sustained and profitable growth, not only in the developing countries but also in the developed western countries. The Company is in continuous process to launch new variety of empty capsules and variants to meet out the demands in the coming year and also to expand its marketing reach in other country for growth in the export as well as domestic turnover. The company with its continued focus on exports stands to gain a lot from the emerging scenario. However, return from the investment activities may largely effect the profitability of the Company.


16.4 Marketing and Export:

In domestic market your company had some more well reputed companies. In the export front the Company has done well, the export turnover of the company is increased to Rs.267.26 Lacs as compared to previous year Rs.143.34 Lacs and your company is making all the efforts to increase its export turnover in the coming years.

17 ACKNOWLEDGEMENTS:

Your directors acknowledge the vital role played by conscientious and hardworking employees of the company at all levels towards its overall success. Your directors also acknowledge the support provided by suppliers, vendors and valued customers in its efforts to provide high quality products. Your Board takes this opportunity to record their appreciation in this regard including valued investors and shareholders of the Company.

FOR & ON BEHALF OF THE BOARD



R.C. MITTAL
CHAIRMAN & MANAGING DIRECTOR

Place: PITHAMPUR
Dated: 31st August, 2011

Annexure A to the Directors' Report:

[Information as per the Companies (Disclosure of particular in Report of Board of Directors) Rules, 1988]

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND PARTICULAR OF EMPLOYEES AND FOREIGN EXCHANGE:

Information as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of directors) Rules, 1988 is given hereunder.

A. CONSERVATION OF ENERGY:

The Company has taken many steps for the Conservation of Energy.

	Current Year	Previous Year
POWER & FUEL CONSUMPTION		
1. Electricity (Purchased) Units	5872752	5095584
Total Amount (Rs.)	2,57,24,445	2,04,41,208
Rate per Unit (Rs.)	4.38	
4.01		
2. Electricity (Generated) units	56500	81750
Diesel/LDO/SKO consumed in Liters	17392	24926
Total Amount (Rs.)	713101	8,88,612
Rate per Unit (Rs.)	12.62	10.87
3. Total Units consumed	5929252	5177334
Units consumed in lac per capsule	137.63	142.05

B. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT:

Research and Development is in process for followings:

- To increase production capacity of capsule manufacturing machine.
- To increase automization of manufacturing process.
- To reduce critical defects.

C. FOREIGN EXCHANGE EARNING AND OUTGO:

- Activities relating to exports initiatives taken to increase exports, development of new export markets for products.
- Information in respect of Foreign Exchange Earning & Outgo are as under:

	Current Year	Previous Year
Earning	Rs.236.30 Lacs	Rs.135.06 Lacs
Outgoing	Rs.221.19 Lacs	Rs.0.17 Lacs

D. PARTICULARS OF THE EMPLOYEES:

Particulars of the employees as required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules 1975, are not applicable since, none of the employee of the company is drawing more than Rs. 60,00,000/- P.A. or Rs.5, 00,000/- P.M. for the part of the year, during the year under review.

FOR & ON BEHALF OF THE BOARD



R.C. MITTAL
CHIRMAN & MANAGING DIRECTOR

Place: PITHAMPUR
Dated: 31st August, 2011

D.K.JAIN&CO.
COMPANY SECRETARIES

Annexure B

4th Floor, Silver Ark Plaza,
20/1, New Palasia,
INDORE-452001
Phone 0731-2532813

COMPLIANCE CERTIFICATE

CIN: L24232MP1983PLC002231

Nominal Capital: Rs.4,00,00,000

To,
The Members
MEDI-CAPS LIMITED
Mhow-Neemuch Road,
Sector 1, Pithampur
Dhar (M.P.)

We have examined the registers, records, books and papers of **Medi-Caps Ltd.** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended **31st March 2011** (from 01.04.2010 to 31.03.2011). In our opinion and to the best of our information and according to the examinations carried out and explanations furnished to us by the Company and its management, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been recorded.
2. The Company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies or other authorities within the time prescribed under the Act and the Rules made there under, except Form 23 and 32 which were filed after some delay with the adequate late filing fee.
3. The company, being a public limited company, comments are not required.
4. The Board of directors met **Six (06) times** on **29th April, 2010; 29th July, 2010; 26th August, 2010; 12th November, 2010; 21st December, 2010 and 10th February, 2011** and in respect of which meetings, notices were given and the proceedings were recorded in the Minutes book maintained for the purpose.
5. The Company has closed its Register of Member from 24/09/2010 to 27/09/2010 and necessary compliance of section 154 of the Act has been made.
6. The Annual General Meeting for the financial year ended on **31st March, 2010** was held on **27th Sept., 2011** and after given due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes book maintained for the purpose.
7. No Extra ordinary General Meeting was held during the financial year.
8. The Company has not advances any loan or guarantee to the directors as covered u/s 295 of the Act during the year under scrutiny.
9. The Company has complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.

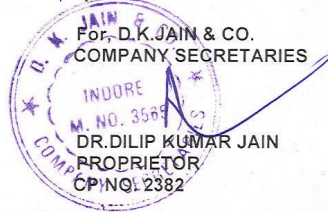


11. As there were no instances falling within the preview of section 314 of the Companies Act, 1956 the company was not required to obtain any approval of the Board, members or Central Government.
12. The Board of directors or duly constituted committee of directors has approved the issue of duplicate share certificates.
13. The Company:
 - I. has delivered all certificates for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - II. has deposited the amount of dividend declared in a separate Bank Account on 29th September, 2010 which is within 5 days from the date of declaration of such dividend.
 - III. has Paid/posted warrants for dividend to all the members within a period 30 days from the date of declaration and all unclaimed/unpaid dividend has been transferred to Unpaid dividend account of the company within the stipulated time by way of change of name of the said dividend account.
 - IV. was not required to transfer any amount in unpaid dividend account, application money due for refund, matured deposit, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of 7 years to Investors Education and Protection Fund.
 - V. has complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and appointment of directors, were duly made however, there were no appointment of additional directors, alternate directors and directors to fill casual vacancies during the year under scrutiny.
15. The appointment of Managing Director and Whole-time Director has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares and other securities during the year under the review.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares/debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the Company during the financial year ended 31st March, 2011 is are within the borrowing limit of the Company and that necessary resolution as per section 293(1)(d) of the Act have been passed earlier in the AGM/EGM.
25. The company has made loans and investments and given guarantee or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.



27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its articles of association during financial year,
31. There was no prosecution initiated or show cause notice received by the Company and no fines or penalty or any other punishment was imposed on the Company during the financial year for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not established any separate trust for its employees u/s 418 of the Act.

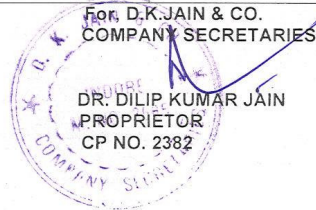
Date: 19th August, 2011
Place: Indore



COMPLIANCE CERTIFICATE
Annexure-A
Registers as maintained by the Company

S.NO.	PARTICULARS	SECTIONS/RULES
1	Register of Deposits	Section 58A
2	Register of Charges	Section 143
3	Copies of instruments creating charge	Section 136
4	Register of Members	Section 150
5	Registers and returns kept at the Registered Office, viz Annual Returns together with copies of certificate, etc.	Section 163
6	Minute Book containing minutes of - Board Meeting - General Meeting - Audit Committee - Remuneration Committee	Section 193
7	Register of particulars of contracts in which Directors are interested and Register for disclosure of interest by the directors	Section 301
8	Register of Directors, MD/M/Secretary	Section 303
9	Register of Director's shareholdings	Section 307
10	Register of Investments	Section 372A
11	Register for Transfer/Transmission of Shares	
12	Register for issuance of duplicate share certificates	
13	Register for Demat/remat of Shares	

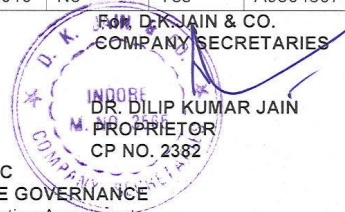
Date: 19th Aug. 2011
Place: Indore



Annexure-B
Forms and Returns as filed by the Company with Registrar of Companies, during the financial year ending 31st March, 2011

S.No.	Form No.	Section/ Rules	For dated	Filed on dated	Whether Within Time	Whether late filing fee paid	Remarks/ RoC Receipt No./ Dated
1.	23AC, 23ACA	220	31/03/2010	27/09/2010	Yes	No	P53012944
2.	20B	159/161	27/09/2010	01/11/2010	Yes	No	P58769712
3.	66	383(1A)	31/03/2010	27/09/2010	Yes	No	P53012282
4.	32	303	01/10/2010	12/11/2010	No	Yes	A98045792
5.	25C	169(2)	01/04/2010	10/06/2010	Yes	No	A86811247
6.	25C	169(2)	01/07/2010	02/07/2010	Yes	No	A88262092
7.	25C	169(2)	01/10/2010	12/11/2010	Yes	No	A98045396
8.	23	192	27/09/2010	27/09/2010	Yes	No	A94889250
9.	23	192	01/10/2010	12/11/2010	No	Yes	A98046071

Date: 19th Aug. 2011
Place: Indore



Annexure C
REPORT ON CORPORATE GOVERNANCE
Under Clause 49 of the Listing Agreement

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

We have taken various steps including the setting up of sub-committees of the Board to oversee the functions of Executive Management. These sub-committees of the Board, which mainly consists of Non-Executive Directors, meet regularly to discharge their objectives.

2. BOARD OF DIRECTORS AND THEIR MEETINGS:

The Board consists of executive and non-executive directors including independent directors who have wide and varied experience in different disciplines of corporate functioning. Shri R.C.Mittal, Chairman & Managing Director, supported by Shri Alok K. Garg, Executive Director and Mrs. Kusum Mittal, Whole-time Director is overall in charge for the affairs of the Company who exercise his powers and discharge duties under the superintendence and control of the Board of directors of the Company from time to time. The Board is having optimum composition, represented by five independent directors in the Board.

Details of Directors and meetings of the Board attended:

During the financial year 2010-11 the Board of directors met 6 (Six) times on 29th April 2010; 29th July, 2010, 26th August 2010; 12th November 2010; 21st December and 10th February 2011

The composition of the Board of directors and their attendance at the meetings during the year were as follows:

Directors	Executive/ Non Executive/ Independent	No. of Meeting Attended	No of directorship in other public companies	No. of outside Committee positions held	
				Member	Chairman
Shri Ramesh C.Mittal	Promoter/ Managing director	5	2	Nil	Nil
Shri Alok K. Garg	Promoter/ Executive Director	6	2	Nil	Nil

Mrs. Kusum Mittal	Promoter/ Executive Director	5	1	Nil	Nil
Mrs. Trapti Gupta	Promoter/NED	1	-	Nil	Nil
Dr. S.K.Sharma	Independent	6	-	Nil	Nil
Dr. Shamsheer Singh	Independent	6	-	Nil	Nil
Dr. K .S Verma	Independent	6	-	Nil	Nil
Dr. Vishwanath B. Malher	Independent	1	-	Nil	Nil

3. INFORMATION AVAILABLE TO THE BOARD

The Board has unfettered and complete access to any information within the Company and from any of our employees. At meetings of the Board, it welcomes the presence of concerned employees who can provide additional insights into the items being discussed.

The information regularly supplied to the Board includes:

- Annual operating plans and updates.
- Periodical Financial Statements.
- Minutes of meetings of audit, compensation and investor grievance committee of the Company along with board minutes of the subsidiary companies.
- General notices of interest.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary.
- Materially important litigations show cause, demand, and prosecution and penalty notices, if any.
- Fatal or serious accidents or dangerous occurrences, any material effluent or pollution problems, if any.
- Any materially relevant default in financial obligations to and by us.
- Significant development on the human resources front.
- Sale of material, which are not in the normal course of business.
- Details of foreign exchange exposure and the steps taken by the management to limit risks of adverse exchange rate movement.
- Non-compliance of any regulatory, statutory or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.

The Board also periodically reviews compliance reports of all laws applicable to the Company, prepared by the designated employees as well as steps taken to rectify instances of non-compliance.

4. CODE OF CONDUCT

The Board of directors of the Company has laid down a Code of Conduct for all Board members and members of senior management of the company. The Board Members and Senior Management have affirmed compliance with the "Code of Conduct" for the year ended March 31, 2011.

5. AUDIT COMMITTEE:

As a measure of good Corporate Governance and to provide assistance to the Board of directors and to meet the requirement of section 292A of the Companies Act, 1956 and the Clause 49 of the Listing Agreement and in fulfilling the Board's overall responsibilities, an Audit Committee is functioning consisting of only independent directors. The Audit Committee inter-alia has the following mandate in terms of the Clause 49 of the Listing Agreement:

1. Overview of company's financial reporting process and the disclosure of the financial information in the annual accounts.
2. To review and discuss with management, internal audit team and external auditors regarding any significant finding of material nature.
3. To consider and review the adequacy of management control system and internal audit function and frequency of internal audit process.
4. To review with Management the quarterly and annual financial statements before submission to the Board focusing primarily on any change in accounting policies and compliance with accounting standards, requirements of stock exchanges and other legal compliance.
5. To review Balance Sheet & Profit and Loss Accounts to be placed before the Board.
6. To consider and review the financial and risk management policy of the Company.

7. To consider and review the defaults, if any in payment to the creditors, financial institutions and reasons thereof.
8. To consider the directors responsibility statement to be given by the Board in the Directors Report.
9. To consider the matter relating to the recommendation for appointment of the external auditors and fixation of their audit fee and also approval for payment of any other services.

a) Composition of the Audit Committee:

S.No.	Name of the members of the Committee	Designation	Position in Committee	No. of meetings attended
1.	Dr.S.K.Sharma	Director	Chairman	5
2.	Dr.Shamsher Singh	Director	Member	5
3.	Dr. K.S Verma	Director	Member	5

b) Meetings of the Audit Committee:

During the financial year 2010-11 the Audit Committee met 5 (Five) times on the 29th April, 2010, 29th July, 2010, 26th August, 2010; 12th November, 2010 and 10th February 2011 under the Chairmanship of Shri S.K. Sharma, in which proper quorum was present.

The Committee considered the draft Annual Accounts for the year 2010-11. The Committee also reviewed financial and risk management policy of the Company and defaults, if any in payment to the creditors, financial institutions and reasons thereof.

The Whole-time Director Shri Alok.K. Garg, in charge of the Finance and Accounts and the statutory auditors of the Company were the permanent invitee for the meetings of the Audit Committee.

6. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:

(A) Brief description of terms of reference:

The Company has a 'Shareholders Grievance & Transfer Committee' at the Board level to look into the redressing of shareholders and investor's complaints like:

- (i) Transfer of Shares, transmissions and delay in confirmation in D-mat of shares;
- (ii) Non-receipt of Annual Report, etc;
- (iii) Non-receipt of dividend; and
- (iv) Any other complaints as may be received by the shareholders of the Company.

(B) Composition of Committee:

S.No.	Name	Designation	Position in Committee
1.	Dr. S.K. Sharma	Director	Chairman
2.	Dr. Shamsher Singh	Director	Member
3.	Shri Ashok Pitliya	General Manager (Fin)	Member

As no reference were made to the committee during the year under review, no meetings were held during the year under review.

7. REMUNERATION COMMITTEE:

(A) Brief description of terms of reference:

The Company has constituted a remuneration committee of independent directors at the Board level to look into the matters relating to the re-appointment and determination of terms, conditions and remuneration of the Managing and Whole-time Director of the Company.

(B) Composition of Committee:

S.No.	Name	Designation	Position in Committee
1.	Dr. S.K. Sharma	Director	Chairman
2.	Dr. Shamsher Singh	Director	Member
3.	Dr.K.S Verma	Director	Member

(C) Meeting and recommendation of the remuneration committee during the year:

During the financial year 2010-2011 the Remuneration Committee met 2(Two) times as on 29th April 2010 and 26th August 2010 respectively under the Chairmanship of Dr. S. K. Sharma, in which the proper quorum was present. The Committee considered and approved the re-appointment of Shri Ramesh Chand Mittal as

the Chairman cum Managing Director of the Company w.e.f. 1st July 2010 for a period of three years (3 years). Further the Committee considered and approved the appointment of Smt. Kusum Mittal as the Whole time- Director of the Company w.e.f. 1st October 2010 for a period of three years (3 years).

(D) Payment of non-executive directors and composition of the Committee:

The Company is not paying any remuneration and sitting fee to the non-executive/independent Directors for attending of the Board or the committee meetings.

(E) Remuneration paid to directors during the year:

S.No.	Name of Directors	Status	Sitting fee (Rs.)	Salary/ remuneration (Rs.) p.a.
1	Shri Ramesh C. Mittal	Promoter/CMD	Nil	3360000/-
2	Shri Alok K. Garg	Promoter/Executive	Nil	2936769/-
3	Mrs. Kusum Mittal	Promoter/ Executive	Nil	990000/-
4	Mrs. Trapti Gupta	Promoter/NED	Nil	Nil
5	Dr. S.K.Sharma	Independent	Nil	Nil
6	Dr. Shamsheer Singh	Independent	Nil	Nil
7	Dr. K .S Verma	Independent	Nil	Nil
8	Dr. Vishwanath B. Malher	Independent	Nil	Nil

8. WHISTLE BLOWER POLICY:

Though there is no formal Whistle Blower Policy, the Company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the Company has been denied access to the Audit Committee of the Board of Directors of the Company.

9. VENUE AND TIME OF THE LAST THREE ANNUAL GENERAL MEETINGS:

Date of AGM	Venue	Time	No. of Resolutions passed other than ordinary Businesses	No. of resolution passed by Postal Ballot.
29.09.2008	Pithampur, Dhar	11.00 a.m.	Nil	Nil
30.09.2009	---do---	---do---	Nil	Nil
27-09-2010	l	---do---	Two	Nil

The Resolutions were passed by show of hands with requisite majority. The venue of the AGM of the company has been chosen for its central location, prominence and capacity. Chairman of the Audit Committee and Remuneration Committee, Dr. S. K. Sharma has also attended the Annual General Meetings. No extra ordinary general meetings were held during the year 2010-11.

10. DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

Full disclosure of related party transactions as per Accounting Standard – 18 issued by the Institute of Chartered Accountants of India are given under Note No. 6 of Notes on Annual Accounts.

There has not been any non-compliance by the company and no penalties or strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

11. MEANS OF COMMUNICATION:

The company has a web site viz. www.medicaps.com. The quarterly and annual financial statements are posted on the website of the stock exchange for information of its shareholders.

Quarterly results of the company are published in leading newspapers such as The Economic Times, Free Press Journal, Choutha Sansar, etc. The results are promptly submitted to the Stock Exchanges, where the equity shares of the company are listed.

12. GENERAL SHAREHOLDERS' INFORMATION

- (i) **Date, Time and Venue of Annual General Meeting** : 28, Sept., 2011
at 11.00 A.M. at
the Registered office of the
Company at Mhow-Neemuch Road
Sector-I, Pithampur, Dist. Dhar (M.P.)
- (ii) **Financial Calendar** : April to March
First Quarter Results : 10th August, 2011
Second Quarter Results : On or before 14th Nov., 2011
Third Quarter Results : On or before 14th Feb., 2012
Last Quarter Results : On or before 14th May, 2012
- (iii) **Dates of Book Closure** : From 24th 09.2011 to 28th 09.2011
- (iv) **Board meeting for consideration of Annual Accounts** : 31st August, 2011
- (v) **Posting of Annual Report** : before 3rd Sept., 2011
- (vi) **Last date for receipt of Proxy** : 26th Sept., 2011
- (vii) **No. of Shares holders as on 31.03.2011:** 4099
- (viii) **Listing on Stock Exchanges** : M.P. Stock Exchange,
The Bombay Stock Exchange Ltd
- (ix) **Scrip Code** : N.A.
The Stock Exchange, Madhya Pradesh : 523144
The Stock Exchange, Mumbai
- (x) **Demat ISIN No. for CDSL & NSDL** : INE442D01010
- (xi) **Stock Market Data** : Stock Exchange, Mumbai:
High and low during each month in the financial year 2010-11

Month	Highest (Rs.)	Lowest (Rs.)	No. of Trades	No of shares traded	Total volume (Rs.)
April, 2010	83.90	68.00	993	93,085	68,76,892
May, 2010	69.80	55.00	646	62,219	39,49,541
June, 2010	61.00	56.00	325	24,058	14,03,706
July, 2010	80.50	58.05	2,228	3,08,118	2,25,50,378
August, 2010	91.95	72.90	3,923	4,20,147	3,52,59,860
Sept., 2010	89.00	79.00	1,084	1,24,740	1,04,65,634
October, 2010	95.00	79.20	837	1,03,190	89,10,740
Nov., 2010	97.00	71.00	704	85,061	73,66,596
Dec., 2010	81.35	67.80	364	31,364	22,55,068
January, 2011	72.40	58.10	262	22,130	14,40,372
Feb., 2011	67.00	49.00	253	25,016	14,78,700
March, 2011	60.70	53.05	313	34,039	19,27,021

(xii) Share Transfer System:

Shareholders/Investors' Grievance Committee also approves share transfers and meets at frequent intervals. The Company's Share Transfers Agent, Ankit Consultancy Pvt. Ltd. process these transfers. Share transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. In cases where, shares are transferred after sending notice to the transferors, in compliance of applicable provisions, the period of transfer is reckoned from the date of expiry of the notice.

(xiii) **Status of the investors/shareholders complaints:**

- (i) Number of complaints received during the year :56
(ii) Number of complaints solved during the year :56
(iii) Number of complaints pending at the end of the year : NIL

(xiv) **Dematerialisation/Rematerialisation:**

The shares of the company are traded in dematerialised form. As on 31st March, 2011, the Company's 16,62,965 shares are held by shareowners in dematerialised form, aggregating 53.34% of the Equity Share Capital.

No. of shares in physical, NSDL and CDSL as on 31st March, 2011:

- (a) In physical Form : 14,54,524
(b) In CDSL : 4,66,074
(c) in NSDL : 11,96,891

(xv) **Distribution of Share owning as on 31st March, 2011**

Shareholding of Nominal Value of Rs	No. of Owners	% of Share holders	Share Amount (Rs)	% to Total
Upto 1000	2,289	55.84	1627100	5.22
1001 -2000	758	18.49	1375290	4.41
2001 -3000	296	7.22	833710	2.67
3001 -4000	116	2.83	445390	1.43
4001 -5000	224	5.46	1104050	3.54
5001 -10000	220	5.37	1774820	5.69
10001-20000	100	2.44	1481100	4.75
20001-30000	31	0.76	778320	2.50
30001-40000	13	0.32	481260	1.54
40001-50000	10	0.24	454200	1.46
50001-100000	15	0.37	1192760	3.83
100001- Above	27	0.66	19626890	62.96
Total	4099	100.00	31174890	100.00

(xvi) **Shareholders pattern as on 31st March, 2011**

S.No	Category	No. of Shares Held	holding % of share
A	Promoter Holding		
1	Promoters		
	Indian Promoters	15,50,648	49.74
	Foreign Promoters	-	-
	Persons Acting in Concert	-	-
	Sub Total	15,50,648	49.74
B	Non Promoters Holding		
3.	Institutional investors		
(a)	Mutual Funds and UTI	1,200	0.04
(b)	Bank, financial Institutions, companies (Central/State Govt./Non- Govt. Institutions)	7,300	0.23
(c)	FII's	-	-
	Sub Total	8,500	0.27
4	Others		
(a)	Private corporate Bodies	1,47,783	4.74
(b)	Indian Public	13,15,689	42.2
(c)n	NRI/OCBs	94,304	3.03
(d)	Clearing Members	562	.02
	Sub Total	15,58,341	49.99
	GRAND TOTAL	31,17,489	100.00

- (xvii) Details of the promoter's shares : No Equity Shares of the promoters and group of promoters are under Pledge or otherwise encumbered.

- (xviii) Details of shares credited in the suspense account : There were no instance for returning the undelivered shares therefore, no shares were credited in the escrow account as per Clause 5(a) of the Listing Agreement.
- (xix) Address for Communication : Shareholders should address their correspondence to the Company's Share Transfer Agent, Ankit Consultancy Pvt. Ltd, Plot no. 60, Electronic Complex Pardeshipura Indore (M.P.) and may also contact at the registered office of the Company.
- (xx) Name and Designation of the Compliance Officer : Shri Ashok R.Pitliya
General Manager (Finance)
- (xxi) Plant Location, Head Office & Address for correspondence : Mhow Neemuch Road, Sector -1
Dist. Dhar (M.P.)Pithampur- 454775
Email: investors@ medicaps.com
Website:www.medicaps.com
Phone:0091 7292 407445,407446
Fax :0091 7292 407387

FOR AND ON BEHALF OF THE BOARD



R.C.MITTAL
CHAIRMAN CUM MANAGING DIRECTOR

Place : Pithampur
Dated : 31st August, 2011

MANAGEMENT RESPONSIBILITY STATEMENT

The Management of Company accepts responsibility for the integrity and objectivity of these financial statements, as well as, for estimates and judgments relating to matters not concluded by the year-end. The management believes that the financial statements reflect fairly the form and substance of transactions and reasonably presents the company's financial condition, and results of operations. To ensure this, the company has installed a system of internal controls, which is reviewed, evaluated and updated on an ongoing basis. Internal auditors have conducted periodic audits to provide reasonable assurance those company's established policies and procedures have been followed. However, there are inherent limitations that should be recognised in weighing the assurances provided by any system of internal controls.

These financial statements have been audited by M/s Rawka Agrawal & Co., Chartered Accountants, the Statutory Auditors of the Company.



Place: PITHAMPUR
Dated: 31st August, 2011

R.C.Mittal
CHAIRMAN & MANAGING DIRECTOR



ASHOK R.PITALIYA
GENERAL MANAGER (FINANCE)

DECLARATION

This is to confirm that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of clause 49(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31st 2011.

For Medi-caps Limited



R.C.MITTAL
CHAIRMAN CUM MANAGING DIRECTOR

Place : Pithampur
Dated : 31st August, 2011

**CERTIFICATE OF STATUTORY AUDITORS
ON CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES**

**To -
The Members
Medi-caps Limited**

We have examined the compliance of conditions of Corporate Governance procedures as stipulated in Clause 49 of Listing Agreement entered into by the company with the Stock Exchanges, for the financial year beginning 1st April, 2010 and ending on 31st March, 2011.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of, the relevant records and documents maintained by the company and furnished to us for review and the information and explanations given to us by the company. Based on such review, in our opinion, the Corporate Governance Report of the company, referred to above, reflects on a fair basis the status of compliance by the company with the Clause 49 of the Listing Agreement of the Stock Exchanges, relating to Corporate Governance, for the Financial Year 2010-11 and that no investors grievances is pending for a period exceeding one months against the Company as per the records mentioned by the Share Department/Share Transfer Agent of the Company.

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

**Place: INDORE
Dated: 31st August, 2011**



**For C P RAWKA & Co.
Chartered Accountants
Firm Registration No. 000518C**

**C.P. RAWKA
(Proprietor)
M.No. 070060**

