



MEDI-CAPS LIMITED

30th

Annual Report 2012-13

BOARD OF DIRECTORS

- | | |
|---------------------------|------------------------------|
| ● MR. R.C.MITTAL | CHAIRMAN & MANAGING DIRECTOR |
| ● MR. ALOK K.GARG | EXECUTIVE DIRECTOR |
| ● MRS.KUSUM MITTAL | WHOLE TIME DIRECTOR |
| ● MRS. TRAPTI GUPTA | DIRECTOR |
| ● DR. S.K.SHARMA | DIRECTOR |
| ● DR. K.S.VERMA | DIRECTOR |
| ● DR. SHAMSHER SINGH | DIRECTOR |
| ● DR. VISHWANATH B.MALKAR | DIRECTOR |

AUDITORS

- C.PRAWKA & CO.
Chartered Accountants,
403, Arcade Silver 56,
1, New Palasia, INDORE- 452 001 (M.P.)

BANKERS

- | | |
|------------------------|----------------------|
| ● IDBI Bank Ltd. | ● Indusind Bank Ltd. |
| ● State Bank of Indore | ● Citibank N.A. |

REGISTRAR AND SHARE TRANSFER AGENT

- Ankit Consultancy Pvt.Ltd.
Plot No.60, Electronic Complex,
Pardeshipura, Indore (M.P.)

REGISTERED OFFICE & WORKS

- Mhow-Neemuch Road, Sector-I,
PITHAMPUR- 454 775, Distt.-Dhar (M.P.)
E-mail : info@medicaps.com
Website: www.medicaps.com

HEAD OFFICE

- 201, Pushpratna Paradise,
9/5, New Palasia, Indore - 452 001
-

NOTICE

NOTICE is hereby given that 30th 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 28th day of September, 2013 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, 2013, the Statement of Profit and Loss and Cash Flow Statement of the Company for the year ended 31st March, 2013 together with the report of the Directors' & Auditor's thereon on that date.
2. To appoint a Director in place of Smt. Trapti Vikas Gupta, who is liable to retire by rotation and being eligible, offers her-self for re-appointment.
3. To appoint a Director in place of Shri Alok K. Garg, 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. Keshav Singh Verma, who is liable to retire by rotation and being eligible, offers him-self for re-appointment.
5. 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:

6. To consider and if thought fit, pass with or without modification(s) if any, the following SPECIAL RESOLUTION:
RESOLVED THAT pursuant to the provision of Section 269 of the companies Act, 1956 read with the provisions of Schedule XIII and other applicable provision if any the approval of member of the Company be and is hereby accorded for increase in the remuneration payable to Mrs. Kusum Mittal, the Whole time Director of the Company w.e.f. 1st April, 2013 for the remaining part of her tenure till 30th Sept., 2013 as under.
Salary & other allowances: Rs. 2,50,000/- Per month

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 her.
- (ii) Telephone: Free use of mobile and a telephone at her 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 her 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.

7. To consider and if thought fit, to 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 Schedule XIII and other applicable provisions of the Companies Act, 1956 if any, Smt. Kusum Mittal be and is hereby re-appointed as the Whole-time Director of the Company for a further period of three years w.e.f. 1st October, 2013 on the following terms, conditions and remuneration:
Salary & other allowances: Rs. 2,50,000/- Per month.

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 her.
- (j) Telephone: Free use of mobile and a telephone at her 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 her 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 her 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

PLACE: PITHAMPUR
DATE: 28th May, 2013

RAMESH CHANDRA MITTAL
CHAIRMAN CUM MANAGING DIRECTOR

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 23rd Sept., 2013 to 28th Sept., 2013 (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 01.00 P.M.
6. 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.
7. Members desires 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.
8. 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.
9. 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 download from the website of the Ministry of Company affairs.
10. 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 2005-06 to 2012-13, 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.
11. 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.
12. 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.
13. 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 made 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 Alok K. Garg, Executive Director of the Company aged about 44 years B.A. (Honors), M.B.A (Marketing), Diploma in Export Documentation & Implementation from IIFT, Delhi is having wide experience in the field of marketing and he has contributed significantly to improve turnover of the company. He is Member of Governing Body of Medi-Caps Institute of Technology and Management, Secretary of International Institute of Foreign Trade and Research. He is also director of Medgel Pvt. Ltd., Medpak India Limited, Arcadia Devcon Pvt. Ltd. Medicaps Finance Ltd. Shivalika Realities Pvt. Ltd. Medicaps IT Park Pvt. Ltd. and Crystal Devcon Pvt. Ltd. He is holding 69,700 equity shares consisting of 0.55% of the paid up capital of the Company.
2. Mrs. Trapti Gupta, Director of the Company aged about 36 years. She is commerce graduate having wide experience in the field of export. She is also director of Janani Industries Pvt. Ltd. She is not holding any equity shares in the company
3. Dr. Keshav Singh Varma, the Non- Executive/Independent Director of the Company aged about 66 years, M. Tech., PHD (Mechanical Engineering) having over 41 years experience in the field of engineering and he is also Fellow member of Institute of Engineering (India), Kolkata and Life Member of India Society for Technical Education, New Delhi.
4. Smt. Kusum Mittal, Aged about 62 years a Director of the Company since 04th May, 1991 and having experience in the Investment and Finance business activities. She also holds Directorship in other Companies viz. Trapti Investments Pvt. Ltd., Medi-Caps Finance Limited, Medicaps IT Park Pvt. Ltd., Arcadia Devcon Pvt. Ltd., MGT Developers Pvt. Ltd., Saffron Realities Pvt. Ltd. She is also acts as Member of Trustee/Executive Committee 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 26,80,836 Equity Shares consisting 21.50% of the total paid up share capital of the Company.

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

ITEM NO: 6 & 7

Mrs. Kusum Mittal, is a core promoter and whole-time Director of the Company, the Board upon the recommendation of the remuneration committee has increased her remuneration from Rs. 1,50,000 P.M. to Rs. 2,50,000 p.m. w.e.f. 1st April, 2013 to 30th Sept., 2013 for the remaining part of her tenure.

As the tenure of Kusum Mittal, being the whole-time Director shall expire on 30th September, 2013, the Remuneration Committee of the Board of has approved her re-appointment on the remuneration as contained in the resolution for a further period of three years w.e.f. 1st October, 2013.

Mrs. Kusum Mittal is having experience in the investment and finance business activities.

Therefore her re-appointment shall be in the interest of the Company. The Board recommends to pass necessary resolutions as set out in item No. 6 & 7 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.

Information as required in terms of Schedule XIII of the Companies Act, 1956

(I) GENERAL INFORMATION		
1.	Nature of Industry:	Pharmaceutical Industry/ Nutraceutical Industry
2.	Date or expected date of commencement of commercial production :	Not applicable-the Company is an existing Company
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not applicable
4.	Financial performance of the Company:	Financial Performance of the Company for the year ended 31 st March, 2013 Total Income- Rs.2469.26 Lakhs Total Expenditure- Rs.2287.52 Lakhs Net Profit Before Tax- Rs 181.75 Lakhs Profit after Tax- Rs 66.57 Lakhs
5.	Export performance and net foreign exchanges collaborations, if any	Foreign Exchange earnings on FOB basis amounted to Rs. 62.11 Lakhs as against foreign Exchange outgo for Rs. 163.95 Lakhs for the financial year ending 31 st March, 2013.
6.	Foreign Investments or collaborators, if any	Not Applicable
(II) INFORMATION ABOUT APPOINTEE		
1.	Background details	Smt Kusum Mittal, is the core promoter of the Company and continuing in the Board w.e.f. 4th May 1991. She is having experience in the real estate, 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. North Rajasthan Holdings 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.
2.	Past Remuneration	Upto Rs 1,50,000 p.m.
3.	Recognitions or awards	N.A.
4.	Job Profile and his suitability	As above, She is the key asset for the company and her contributions and directions are compulsorily required for the growth and success of the Company.
5.	Remuneration Proposed	Upto Rs 2,50,000 p.m.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration payable is as per general industry norms and commensurate with the operation of the Company and job responsibilities.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person. If any	Smt Kusum Mittal is a core Promoter and director and holding 26,80,836 Equity shares 21.50% of the paid up capital of the Company and has been instrumental in bringing significant growth in the volume of business since inception. She is having pecuniary relationship with the Company in her capacity as the Whole-time Director and Promoter. Smt Kusum Mittal is wife of Shri R.C.Mittal, the Chairman Cum Managing Director, Mr. Alok K.Garg, Executive Director and Mrs. Trapti Vikas Gupta, Director of the Company.
(III) OTHER INFORMATION		
1.	Reasons for loss or inadequate profits	The turnover and profits are lower due to over all market conditions. Further that the Company has made huge investment in the subsidiary company M/s Medgal Pvt. Ltd. And the same needs some time to establish its business activities.
2.	Steps taken for improvement	The Company is taking efforts on implementing other marketing strategies to help increase the sales and thereby increasing profits of the Company.
3.	Expected increase in productivity and profits in measurable terms	The productivity and profits are expected to increase by 15-20%

(IV) DISCLOSURES		
1.	The Shareholders of the Company shall be informed of the remuneration package of the managerial person.	The remuneration paid to Smt. Kusum Mittal was as stated in the Corporate Governance Report for the year 2012-13.

Except, Smt. Kusum Mittal, being the appointee and Shri R.C.Mittal, Shri Alok K.Garg and Mrs. Trapti Vikas Gupta, being her relative none of the other Directors are concerned or interested in this Resolution.

BY ORDERS OF THE BOARD

PLACE: PITHAMPUR
DATE: 28th May, 2013

RAMESH CHANDRAMITTAL
CHAIRMAN CUM MANAGING DIRECTOR

DIRECTORS' REPORT
AND
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

To,
The Members,
MEDICAPS LIMITED

Your Directors are pleased to present their 30th Annual Report on the business and operations of the company together with the Audited Balance Sheet & Statement of Profit and Loss Accounts and cash flow statements for the year ended 31st March 2013.

1. FINANCIAL RESULTS:

(Rupees in Lacs)

	Year ended 31.03.2013	Year ended 31.03.2012
Net Sales/income from operations	2602.51	2582.11
Other Income	(133.24)	8.47
Total Income	2469.27	2590.58
Operating Profit (PBIDT)	244.61	514.99
Less : Depreciation	62.86	95.97
Interest and Financial Charges	0.00	0.00
Profit before Tax	181.75	419.02
Less : Provision for current year income tax	120.00	161.00
Add : Deferred Tax	4.82	14.67
Net Profit after tax & adjustments	66.57	272.69
Add : balance carried from Profit & Loss A/c	4537.85	4333.60
Total profit available for appropriation	4604.42	4606.29
Less : Transfer to General Reserves	0.00	14.09
Less : Proposed Dividend	0.00	46.76
Less : Corporate Tax Dividend	0.00	7.59
Surplus Carried to the balance Sheet	4604.42	4537.85
EPS in Rs. (Shares on Rs.10/- each)	0.53	8.75

2. DIVIDEND:

Your Directors considered the feasibility of dividend for the year 2012-13 and considered the requirement of the liquid financial resources for the smooth running of the company and in view of the present financial status, the company needs to provide financial support to its subsidiary Medgel Pvt. Ltd. therefore these year the directors proposes to escape the dividend and the profits earned by the Company be utilized for the further business plans to maximize the worth of the company and its shareholders. (Previous Year Rs.1.50 (15%) per share of Rs.10/- each).

3. ISSUE OF BONUS

Your Director pleased to Inform you that your company has issued 93,52,467 equity shares of Rs.10/- each on 22nd March, 2013 in the proportion of issuance of 3 (three) new fully paid up bonus shares for every 1 (One) as a bonus by capitalizing its accumulated profit and Security Premium Account of the company. The company's bonus shares were also listed at the BSE Ltd.

4. REVIEW OF OPERATIONS:

In spite of the slack in the market conditions during the year under review, it could earn the gross income of Rs. 2469.27 Lacs as compared to 2590.58 Lacs in previous year. Due to sharp increase in the cost of raw material and employee cost, the profitability of the Company has been decreased from Rs.419.02 Lacs to Rs.181.75 Lacs. The Company's investment in the Mutual Funds, etc as well as in subsidiary company could not generate adequate profits even the Company has to incur losses on the investments activities due to depressed capital market and mutual funds in the country.

However, your directors are making continuous efforts to maximize the return on the investment and foresee better improved results in the coming years.

5. 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, 2013 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.

6. 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 Mrs. Trapti Vikas Gupta, Shri Alok K. Garg and Dr. Keshav Singh Varma are liable to retire by rotation at the forthcoming Annual General Meeting, they being eligible, offers themselves for re-appointment.

The tenure of the Smt. Kusum Mittal, the Whole-time Director is ending on 30th September, 2013 and therefore, your directors proposes for her re-appointment for a further period of three years respectively w.e.f. 01st October, 2013 and recommends to pass necessary resolutions to that effect as set out in the notice of the annual general meeting.

7. 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 BSE Ltd. And MPSE and being regularly traded.

8. FINANCE & ACCOUNTS:

8.1 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'.

8.2. 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.

8.3 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.

8.4 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.

8.5 Subsidiary Company:

Your Director pleased to inform you that the company's joint venture company Medgel Pvt. Ltd. and the company still holds 66.34% share capital in Medgel Pvt Ltd.

8.6 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, 2013.

9. 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.

10. 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.

11. COST RECORDS COMPLIANCE CERTIFICATE:

M/s Satish Kumar Gupta, Cost Accountants (Membership No. 33541) has been appointed for the purpose of issuance of the Cost Records Compliance Certificate of the Company. The Company has filed the Cost record compliance to the Central Government for the year 2011-12 and the same for the year 2012-13 will be filed in due course.

12. 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.

13. 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.

14. 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. Further that the Company needs to provide financial support to the subsidiary Company, M/s Medgel Pvt. Ltd.

15. 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.

16. 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 B.

17. MANAGEMENT DISCUSSION AND ANALYSIS:**17.1 Industry structure and developments:**

The global pharmaceutical industry is facing a major structural change. Even though global sales have risen in recent years, profit margins have dropped considerably. This means realigning business models to fit the various product/market constellations and their requirements is imperative for ensuring business success."

Increasing price and cost pressure, regulatory changes and expiring patents are leading to shrinking margins in the pharmaceutical industry. Almost three in four companies believe their industry is in a strategic crisis, 78% of the study participants are of the opinion that pharmaceutical companies must adjust their business models to fit the new market requirements. This includes focusing investments on the high-growth emerging markets, which will make up almost 40% of the global pharmaceutical market by 2016. This view is shared by many pharmaceutical companies: Almost half of those surveyed are willing to relocate their administration, R&D and sales departments to emerging markets. Although the top 10 pharmaceutical companies were able to increase sales by about 13% between 2009 and 2010, their EBIT margins dropped during the same period by almost 4%. This equals a profit loss of EUR 34 billion. This is being driven by developments in the mature markets: "Pharmaceutical markets such as Europe and the US are stagnating due to rising price pressure, regulatory changes in the healthcare system and more stringent admission requirements for new drugs," "But in emerging markets we are seeing strong growth. Nevertheless, there margins here are lower and driven heavily by non-patent protected products."

R&D costs have risen by more than 80% worldwide over the past 10 years. On the other hand, the number of new product launches has dropped by 43%. Therefore, almost half of the companies surveyed believe that the Return on Investment (ROI) in the area of R&D is more or less negative. Greater efficiency in research and more collaboration with third-party providers will become increasingly important.

Focusing on high-growth emerging markets could provide a way out of this tough situation. These markets will play a major role in driving the growth of the global pharmaceuticals market in the coming years. While the market for pharmaceutical products will grow on average by 4.5% annually through 2016, growth in emerging market will increase by almost 12%. Especially China, Brazil, India and Russia are experiencing above-average growth. Overall, emerging markets will account for nearly 40% of the global market for pharma solutions by 2016.

"The rising purchasing power in these regions, the growing middle class and better healthcare systems are driving the demand for medication." Therefore, it comes as no surprise that many pharmaceutical companies are increasingly focusing on emerging markets to better leverage the considerable growth potential in these regions. However, pharmaceutical companies must rethink their strategies in order to succeed in this tough market

17.2 SWOT ANALYSIS FOR THE COMPANY:

17.2.1 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.

17.2.2 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.

17.2.3 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.

17.2.4 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.

17.3 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.

17.4 Marketing and Export:

In domestic market your company had some more well reputed companies. In the export front the turnover of the Company is decreased to Rs 62.11 Lacs as compared to previous year Rs 93.98 Lacs due to difficult situation on international front, however your company is making all the efforts to increase its export turnover in the coming years.

18. 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

PLACE: PITHAMPUR
DATE: 28th May, 2013

RAMESH CHANDRA MITTAL
CHAIRMAN CUM MANAGING DIRECTOR

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	5075361	5592312
Total Amount (Rs.)	29646651	27978603
Rate per Unit (Rs.)	5.84	5.00
2. Electricity (Generated) units	95046	60480
Diesel/LDO/SKO consumed in Liters	32405	18484
Total Amount (Rs.)	1681658	827399
Rate per Unit (Rs.)	17.69	13.68
3. Total Units consumed	5170407	5652792
Units consumed in lac per capsule	142.58	138.39

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 :	62.11 Lacs	Rs.93.98 Lacs
Outgoing :	163.96 Lacs	Rs.578.43 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

RAMESH CHANDRA MITTAL
CHAIRMAN CUM MANAGING DIRECTOR

PLACE : PITHAMPUR
DATE : 28th May, 2013

Annexure B

REPORT ON CORPORATE GOVERNANCE
Under Clause 49 of the Listing Agreement**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the law coupled with total adherence to highest norms of business ethics.

Therefore, 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 COMMITTEES

Currently, the Board has three Committees, viz.

- a. Audit Committee;
- b. Shareholders'/Investors' Grievances Committee
- c. Remuneration Committee and

The Audit and the Shareholders'/Investors' Grievances Committee consists of a majority of Independent Directors. The quorum for the Meetings is either two Directors or one third of the Members of the Committee, whichever is higher.

3. BOARD OF DIRECTORS AND THEIR MEETINGS:

The Board consists of executive and non-executive directors including 04 (four) 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 are 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 2012-13 the Board of Directors met 07 (Seven) times respectively on 14th May, 2012; 13th August, 2012; 28th August, 2012; 12th November, 2012; 7th February, 2013; 13th February 2013 and 22nd March 2013.

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 position held	
				Member	Member
Shri Ramesh C.Mittal	Promoter/ Managing director	7	2	Nil	Nil
Shri Alok K. Garg	Promoter/ Executive Director	7	2	Nil	Nil
Mrs. Kusum Mittal	Promoter/ Executive Director	7	1	Nil	Nil
Mrs. Trapti Gupta	Promoter/NED	0	-	Nil	Nil
Dr. S.K.Sharma	Independent	7	-	Nil	Nil
Dr. Shamsheer Singh	Independent	7	-	Nil	Nil
Dr. K .S Verma	Independent	7	-	Nil	Nil
Dr. Vishwanath B. Malher	Independent	0	-	Nil	Nil

4. 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.
- Appointment of the Cost Accountants for the Compliance Report of Cost records.
- 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.

5. 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, 2013.

6. 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 & Statement of Profit and Loss and cash flow statement to be placed before the Board.
6. To review the Cost Record Compliance Certificate.
7. To consider and review the financial and risk management policy of the Company.
8. To consider and review the defaults, if any in payment to the creditors, financial institutions and reasons thereof.
9. To consider the directors responsibility statement to be given by the Board in the Directors Report.
10. 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 2012-13 the Audit Committee met 05 (Five) times respectively on 14th May, 2012; 13th August, 2012; 28th August, 2012; 12th November, 2012 and 13th February, 2013 under the Chairmanship of Shri S.K. Sharma, in which proper quorum was present.

The Committee considered the draft Annual Accounts for the year 2012-13. 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.

7. 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.

8. 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 2012-2013 the Remuneration Committee met 01(One) time as on 20th March, 2013 under the Chairmanship of Dr. S. K. Sharma, in which the proper quorum was present. The Committee considered and approved the increase in the remuneration for the period of 1st April, 2013 to 30th Sept., 2013 as well as re-appointment of Smt. Kusum Mittal as the whole time director of the company w.e.f 1st October, 2013.

(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	30,00,000
2	Shri Alok K. Garg	Promoter/Executive	Nil	24,00,000
3	Mrs. Kusum Mittal	Promoter/ Executive	Nil	18,00,000
4	Mrs. Trapti Gupta	Promoter/NED	Nil	Nil
5	Dr. S.K.Sharma	Independent	Nil	Nil
6	Dr. Shamsher Singh	Independent	Nil	Nil
7	Dr. K .S Verma	Independent	Nil	Nil
8	Dr. Vishwanath B. Malker	Independent	Nil	Nil

9. 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.

10. 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
27-09-2010	Pithampur, Dhar	11.00 A.M.	Two	Nil
28-09-2011	---do---	---do---	One	Nil
29-09-2012	---do---	---do---	Three	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.

One extra ordinary general meeting was held on 7th March, 2013 for the purpose of increase in the authorized share capital alteration in the Memorandum and Articles and authority to the Board for issuance of Bonus shares.

11. DISCLOSURES ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

The Company has complied with all the mandatory requirements. The Company's status of compliance with the non-mandatory requirements is given below:

11.1 The Board

As our Chairman is Promoter and Executive Director, the Company maintains an office for him at the Corporate Office and provides a car for his official duties.

11.2 Remuneration Committee

The Company has a Remuneration Committee.

11.3 Shareholder Rights

The quarterly, half yearly and annual declarations of the financial performance are posted on the website of the Company and are also sent to the Stock Exchanges, where the shares of the Company are listed.

11.4 Whistle Blower Policy

The Company has laid down a Whistle Blower Policy

11.5 Disclosure of Related Part Transaction

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.30 of Notes on Annual Accounts.

11.6 Penalty or strictures imposed

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

12. 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.

13. GENERAL SHAREHOLDERS' INFORMATION:

- (i) Date, Time and Venue of Annual General Meeting : 28th September, 2013 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 : 01st April, 2013 to 31st March, 2014.
 First Quarter Results : 13th August, 2013
 Second Quarter Results : On or before 14th Nov., 2013
 Third Quarter Results : On or before 13th Feb., 2014
 Last Quarter Results : On or before 30th May, 2014

(iii)	Dates of Book Closure	:	From 23.09.2013 to 28.09.2013.
(iv)	Board meeting for consideration of Annual Accounts	:	28th May,2013
(v)	Posting of Annual Report	:	Before 4th Sept.,2013
(vi)	Last date for receipt of Proxy	:	26th Sept.,2013
(vii)	No. of Shares holders as on 31.03.2013	:	3875
(viii)	Listing on Stock Exchanges	:	M.P. Stock Exchange, The Bombay Stock Exchange Ltd
(ix)	Scrip Code		
	The Stock Exchange, Madhya Pradesh	:	N.A.
	The Stock Exchange, Mumbai	:	523144
(x)	Demat ISIN No. for CDSL & NSDL	:	INE442D01010
(xi)	Stock Market Data	:	Bombay Stock Exchange, Mumbai:
	High and low during each month in the financial year 2012-13		

Month	Highest (Rs.)	Lowest (Rs.)	No. of Trades Trades	No of shares traded	Total volume (Rs.)
April, 2012	58.90	51.00	110	10,816	5,89,886
May, 2012	55.90	46.70	109	6,928	3,54,104
June, 2012	51.45	44.55	99	6396	305189
July, 2012	49.00	44.05	93	9,321	4,32,194
August, 2012	49.85	42.85	146	12,659	5,85,103
Sept., 2012	52.50	43.00	151	50,317	25,24,383
October 2012	53.55	48.00	89	5,859	2,94,798
Nov., 2012	52.45	45.65	111	8,968	4,41,870
Dec., 2012	51.90	46.45	157	13,162	6,34,420
January, 2013	50.45	44.35	197	16,794	7,93,524
Feb., 2013	64.95	44.75	842	1,11,055	66,46,032
March, 2013	72.90	13.95*	780	1,18,267	622,75,18

* It include the impact of the bonus shares issued on 22nd March, 2013.

(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 15 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	:	50
(ii) Number of complaints solved during the year	:	50
(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, 2013, the Company's 12,469,956 shares are held by shareowners in dematerialised form, aggregating 94.60% of the Equity Share Capital.

No. of shares in physical, NSDL and CDSL as on 31st March, 2013:

(a) In physical Form	:	6,57,956	(5.28%)
(b) In CDSL	:	20,01,268	(16.05%)
(c) in NSDL	:	98,10,732	(78.67%)

(xv) Distribution of Share owning as on 31st March, 2013

Shareholding of Nominal Value of Rs.	No. of Owners Owners	% of Share holders	Share Amount (Rs.)	% to Total
Upto 1000	440	11.35	200110	0.16
1001 -2000	444	11.46	821650	0.66
2001 -3000	91	2.35	241580	0.19
3001 -4000	1215	31.35	4828780	3.87
4001 -5000	69	1.78	316900	0.25
5001 -10000	715	18.45	5527310	4.43
10001-20000	499	12.88	7901050	6.34
20001-30000	96	2.48	2449620	1.96
30001-40000	114	2.94	4248330	3.41
40001-50000	23	0.59	1044330	0.84
50001-100000	94	2.43	6588230	5.28
100001- Above	75	1.94	90531670	72.60
Total	3875	100.00	124699560	100.00

(xvi) Shareholders pattern as on 31st March, 2013

S.No	Category	No. of Shares Held	Holding % of share
A	Promoter Holding		
1.	Promoters		
	Indian Promoters	62,26,584	49.93
	Foreign Promoters	---	-
2.	Persons Acting in Concert	---	-
	Sub Total	62,26,584	49.93
B	Non Promoters Holding		
3.	Institutional investors		
(a)	Mutual Funds and UTI	4,800	0.04
(b)	Bank, financial Institutions, companies (Central/State Govt./Non- Govt. Institutions)	29,200	0.23
(c)	FIs	---	---
	Holding	34,000	0.27
4.	Others		
(a)	Private corporate Bodies	7,23,721	5.80
(b)	Indian Public	51,11,835	41
(c)	NRI/OCBs	3,25,764	2.61
(d)	Clearing Members	48,052	0.39
	Sub Total	62,09,372	49.79
	GRAND TOTAL	1,24,69,956	100.00

- (xvii) Details of the promoter's shares Under pledge. : 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 424242
Fax : 0091 7292 407387

FOR & ON BEHALF OF THE BOARD

Date: 28th May, 2013
Place: PithampurRAMESH CHANDRA MITTAL
CHAIRMAN CUM MANAGING DIRECTOR**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 C. P. Rawka & Co., Chartered Accountants, the Statutory Auditors of the Company.

PLACE: PITHAMPUR
DATE: 28th May, 2013RAMESH CHANDRA MITTAL
CHAIRMAN CUM MANAGING DIRECTORASHOK 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 2013.

For MEDI-CAPS LIMITED

PLACE: PITHAMPUR
Dated: 28th May, 2013RAMESH CHANDRA MITTAL
CHAIRMAN CUM MANAGING DIRECTOR**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 01st April, 2012 and ending on 31st March, 2013.

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 2012-13 and that no investors grievances is pending for a period exceeding 15 days 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.

For C.P. RAWKA & CO.
Chartered Accountants
FRN 000518CPLACE: INDORE
Dated: 28th May, 2013C.P. RAWKA
PROPRIETOR
M. No. 070060

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
M/S MEDI-CAPS LIMITED,
Indore, Madhya Pradesh

Report on the Financial Statements

We have audited the accompanying financial statements of M/S MEDI-CAPS LIMITED, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required 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, 2013;
- b) In the case of the Statement of Profit and Loss of the profit/ loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: Indore (M.P.)
Date: 28th May, 2013

For: C.P. RAWKA & CO.
Chartered Accountants

C.P. RAWKA
(Proprietor)
M.No. 070060
FRN: 000518C

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Medicaps Limited, on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loan of Rs. 5 Cr to Mission Viva Care Limited, Mumbai, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2013 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has given corporate guarantee of Rs. 15 Cr for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. 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.

Place: Indore (M.P.)
Date: 28th May, 2013

For: C.P.RAWKA & CO.
Chartered Accountants

C.P.RAWKA
(Proprietor)
M.No.070060
FRN:000518C

Balance Sheet as at 31st March, 2013

(Amount in `)

Particulars	Note	Asat 31st Mar 2013	Asat 31st Mar 2012
I. EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	2	124699560	31174890
(b) Reserves and Surplus	3	498075443	584942891
2 Non-Current Liabilities			
(a) Deferred tax liabilities (Net)	4	2048182	2530362
(b) Other Long term liabilities	5	763038	763038
(c) Long term provisions	6	5537614	4833719
3 Current Liabilities			
(a) Trade payables	7	5336829	6083156
(b) Other current liabilities	8	15475203	18827000
(c) Short-term provisions	9	12000000	21534836
	Total	663935869	670689892
II. Assets			
1 Non-current assets			
(a) Fixed assets	10		
(i) Tangible assets		42762128	40807052
(b) Non-current investments	11	323204186	364362922
(c) Long term loans and advances	12	54202785	3778864
2 Current assets			
(a) Current investments	13	14315718	59030135
(b) Inventories	14	41294906	26751958
(c) Trade receivables	15	67455432	51182560
(d) Cash and cash equivalents	16	7504661	14768417
(e) Short-term loans and advances	17	113196053	110007984
	Total	663935869	670689892

The Notes referred to above are an integral part of Balance Sheet.
Note on Accounts as Note '1 to 32'

As per our report of even date
C. P. RAWKA & CO.
Chartered Accountants
Firm Reg. No. 000518C

FOR AND ON BEHALF OF THE BOARD
For MEDI-CAPS LTD.

C.P. RAWKA
Proprietor
Membership No. 070060
Place : Indore
Date : 28th May, 2013

R.C. Mittal
Chairman & Managing Director

Alok K. Garg
Executive Director

Profit and Loss Statement for the year ended 31st March, 2013

(Amount in `)

Particulars	Note	As at 31st Mar 2013	As at 31st Mar 2012
I. Revenue from operations	18	260251235	258210923
II. Other Income	19	(13324621)	847450
III. Total Revenue (I + II)		<u>246926614</u>	<u>259058373</u>
IV. Expenses:			
Cost of materials consumed	20	112457620	84368330
Changes in inventories of finished goods, work-in-progress	21	(16238684)	(4289326)
Employee benefit expense	22	44674591	41426683
Other expenses	23	81572070	86053204
Depreciation and amortization expense	10	6285974	9597234
Total Expenses		<u>228751571</u>	<u>217156125</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		18175042	41902248
VI. Exceptional Items		0	0
VII Profit before extraordinary items and tax (V - VI)		18175042	41902248
VIII Extraordinary Items		0	0
IX. Profit before tax (VII - VIII)		<u>18175042</u>	<u>41902248</u>
X. Tax expense:			
(1) Current tax		12000000	16100000
(2) Deferred tax		(482180)	(1466591)
XI. Profit/(Loss) for the period (IX + X)		<u>6657222</u>	<u>27268839</u>
XII. Earning per equity share:	31		
(1) Basic		0.53	2.19
(2) Diluted		0.53	2.19

The Notes referred to above are an integral part of Balance Sheet.
Note on Accounts as Note '1 to 32'

As per our report of even date
C. P. RAWKA & CO.
Chartered Accountants
Firm Reg. No. 000518C

FOR AND ON BEHALF OF THE BOARD
For MEDI-CAPS LTD.

C.P. RAWKA
Proprietor
Membership No. 070060
Place : Indore
Date : 28th May, 2013

R.C. Mittal
Chairman & Managing Director

Alok K. Garg
Executive Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31st, 2013

(Amount in `)

PARTICULARS	2012-13	2011-12
A. Cash Flow from Operating Activities		
Net Profit before Tax & Extraordinary Items	18175042	41902249
Adjustment For:		
Depreciation	6285974	9597234
Dividend Income	(2941265)	(3997362)
Operating Profit before Working Capital Change	<u>21519751</u>	<u>47502121</u>
Adjustment for Working Capital		
(Increase)/ Decrease in Sundry Debtors	(16272873)	2544236
(Increase)/ Decrease in Inventories	(14542948)	(9661868)
(Increase)/ Decrease in Loans & Advances	(45722990)	14111741
Increase in Current Liabilities & Provisions	(12929064)	(12968991)
Cash Generated from Working Capital	<u>(89467875)</u>	<u>(5974882)</u>
Cash generated from Operation	(67948124)	41527239
Income Tax for the year	12000000	16100000
Net cash Flow from Operating Activity	<u>(79948124)</u>	<u>25427239</u>
B. Cash Flow from Investing Activities		
Sale / (Purchase) of Investments	77984153	(8924906)
Purchase of Fixed Assets	(8414019)	(8603170)
Dividend Received	2941265	3997362
Adjustment for Dep on sale of Fixed Assets	172969	0
Net Cash used in Investing Activities	<u>72684368</u>	<u>(13530714)</u>
C. Cash Flow from Financial Activities		
Proposed Dividend	0	(4676234)
Dividend Tax on Proposed Dividend	0	(758602)
Net Cash Used in Financial Activities	<u>0</u>	<u>(5434836)</u>
Net Increase in Cash and Cash Equivalents (A+B+C)	<u>(7263756)</u>	<u>6461688</u>
Cash & Cash Equivalents at the		
Beginning of the year	14768417	8306729
Closing of the year	7504661	14768417
Increase in Cash and Cash Equivalents	<u>(7263756)</u>	<u>6461688</u>

As per our report of even date
C. P. RAWKA & CO.
Chartered Accountants
Firm Reg. No. 000518C

FOR AND ON BEHALF OF THE BOARD
For MEDI-CAPS LTD.

C. P. RAWKA
Proprietor
Membership No. 070060

R.C. Mittal
Chairman & Managing Director

Alok K. Garg
Executive Director

Place : Indore
Date : 28th May, 2013

NOTE 1 –NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- A. SIGNIFICANT ACCOUNTING POLICIES:-
- a. Basis of preparation of financial statements:-
The accompanying statements have been prepared under the historical cost inventions, in accordance with Indian Generally Accepted Accounting Principles and as per the provisions of the Companies Act, 1956. During the financial year ended 31st March 2013 the revised Schedule VI under the Companies Act, 1956 has become applicable to the Company, for preparation and presentation of its financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.
- b. Fixed Assets and Depreciation :-
Fixed assets are stated at cost net of cenvat or revalued figures less depreciation provided on straight line basis at the rates specified on Schedule XIV to the Companies Act, 1956 (as amended) and on prorata basis.
- c. Investments:
The Company has policy to make investments on strategic and long term basis and the investments have been shown as the cost of investments of acquisition, no adjustments for change in the valuations as on the date of the balance sheet being made, as it has temporary in the nature.
- d. Valuation of Inventories :-
Inventories are valued at lower of cost or net realisable value.
- e. Foreign Exchange Transactions :-
Transaction in foreign currency are recorded by applying rate applicable on the date of transaction. The difference if any on actual payments / realisation is charged off to revenue.
- f. Sundry Debtors and Advances :-
Company's management periodically verify the outstanding balance of sundry debtors, advances etc and on the basis of such verification management determines whether the said outstanding are good, bad or doubtful accordingly same are written off or provided for.
- g. Research & Developments :-
Capital Expenditure is treated in same line as any other Capital expenditure and Revenue expenditure is charged to the respective heads of Profit & Loss Accounts.
- h. Terminal Benefits :-
Gratuity Liability is accounted for an accrual basis & the company has constituted trust with Life Insurance Corporation of India, Separate accounts for fund deposited with LIC and Provision for Gratuity Payable maintained by Company Leave Encashment is accounted on Cash basis i.e. It is accounted for as and when paid. However the company entered into Group leave Encashment Scheme with LIC of India during the year with an initial contribution Rs.1,37,369/- based on actuarial valuation
- i. Taxations:-
Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax recognised, subject to the consideration of prudence in respect of deferred tax assets as timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.
- j. Earning Per Share:-
Basic and Diluted earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- k. Revenue Recognition
Revenue from sale of goods is recognized includes excise duty. Revenue (including in respect of insurance or other claims etc.) is recognized when it is reasonable to expect except that the collection will be made. Interest income is accounted on accrual basis. Dividend from investment is recognized as revenue when right to receive the payments is established.
- l. Employee Benefits:
Defined Benefit Plan
The Employee Gratuity Fund and Leave Encashment Scheme managed by Life Insurance Corporation of India is a Defined Benefit Plan.
Defined Contribution Plans
The company's contribution paid/ payable for Provident Fund, ESIC and Pension Fund for the year is recognized in the Statement of Profit and Loss.
Short Term Employee benefits
Short term benefits are recognized as an expenses in the Statement of profit & loss of the year in which the related services are rendered.

Notes on Financial Statement for the year ended 31st March, 2013

(Amount in `)

Note : 2 Share Capital	As at 31st Mar 2013	As at 31st Mar 2012
Authorised Share Capital : 1,50,00,000 Equity Shares of Rs. 10/- each (Previous Year 40,00,000 Equity Shares of Rs. 10/- each)	150000000	40000000
Issued Capital 13,021,047 Equity Shares of Rs. 10 each fully paid up (Previous Year 36,68,580 Equity Shares of Rs. 10/- each)	130210470	36685800
Subscribed & Paidup Capital 1,24,69,956 Equity Shares of Rs. 10 each fully paid up (Previous Year 31,17,489 Equity Shares of Rs. 10/- each)	124699560	31174890
	<u>124699560</u>	<u>31174890</u>

Reconciliation of the equity shares outstanding at the beginning and at the end of the year				
	As at March 31, 2013		As at March 31, 2012	
	Numbers	Value	Numbers	Value
Equity Shares				
At the beginning of the year	3117489	31174890	3117489	31174890
Issued during the year under Bonus Issue	9352467	93524670	-	-
Outstanding at the end of the year	12469956	124699560	3117489	31174890

Note : During the year company has issued 93,52,467 equity shares of Rs. 10/- each on 22nd March, 2013 in the proportion of issuance of 3 (three) new fully paid up bonus shares for every 1 (One) as a bonus by capitalizing its accumulated profit and Security Premium Account of the company. The company's bonus shares were also listed at the BSE Ltd.

Details of Shareholders holding more than 5 percent shares in the company				
Name of Shareholders	No. of Shares as at			
	31.03.13	% of Holding	31.03.12	% of Holding
R.C.Mittal	3166320	25.40%	791480	25.39%
Kusum Mittal	2680836	21.50%	668319	21.44%

Note : 3 Reserve & Surplus		
Capital Reserve		
As per last balance sheet	4421000	4421000
Share Forfeiture A/c		
As per last balance sheet	2755455	2755455
Securities Premium Account		
As per Commencement of the year	38981502	38981502
Less : Utilize for Bonus Issue during the year	38981502	0
Closing Balance	<u>0</u>	<u>38981502</u>
General Reserve		
As at Commencement of the year	85000000	83590810
Add : Transferred from Profit and Loss Account	0	1409190
	<u>85000000</u>	<u>85000000</u>
Less : Utilize for Bonus Issue during the year	54543168	0
Closing Balance	<u>30456832</u>	<u>85000000</u>
Surplus		
Opening balance	453784934	433360121
Add: Net profit for the current year	6657222	27268839
Less: Proposed Dividend	0	4676234
Tax on Proposed Dividend	0	758602
Transfer to General Reserve	0	1409190
Closing Balance	<u>460442156</u>	<u>453784934</u>
	<u>498075443</u>	<u>584942891</u>

(Amount in `)

Note : 4 Deferred Tax Liability	As at 31st Mar 2013	As at 31st Mar 2012
On depreciation (Difference of as per Books & as per Income Tax Act)	2048182	2530362
	2048182	2530362

Note : 5 Other Long Term Liabilities		
Others		
Security Deposit	763038	763038
	763038	763038

Note : 6. Long Term Provisions		
Provision for Gratuity	5537614	4833719
	5537614	4833719

Note : 7 Trade Payable		
Sundry Creditors	5336829	6083156
	5336829	6083156

Note : 8 Other Current Liabilities		
Advance Recd from Customers	1015004	2150564
Bonus Payable	4615659	4325221
Commission Payable	2440341	3732448
VAT Payble	663121	148515
Entry Tax Payable	14333	75488
ESI Payable	22947	22951
Outstanding Liabilities	5538631	7047448
Professional Tax	5827	4702
Provident Fund	240987	227211
TDS on Consultancy	43528	25235
TDS on Contractor Payment	931	5696
TDS on Rent	5000	5000
TDS on Salary	273840	199710
TDS on Sales Commission	542856	804612
Unpaid Salary & Wages	52198	52198
	15475203	18827000

Note : 9 Short-Term Provisions		
For Taxation	12000000	16100000
For Dividend & Tax on proposed dividend	0	5434836
	12000000	21534836

SCHEDULE 10: FIXED ASSETS - Tangible Assets

(Amount in `)

S. NO.	FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 01.04.2012	ADDITION	DEDUCTIONS	TOTAL AS AT 31.03.2013	UP TO 31.03.2012	FOR THE YEAR	TOTAL ADJ./ DEDUCT.	AS AT 31.03.2013	AS AT 31.03.2012	
1	Free Hold Land	1178000	0	0	1178000	0	0	0	1178000	1178000	
2	Factory Building	23904874	0	0	23904874	14101660	0	798423	9004791	9803214	
3	Office Building	19121350	0	0	19121350	880086	0	311678	17929586	18241264	
4	Plant & Machinery	129999590	63959	0	130063549	126566453	0	3497095	1	3433137	
5	Furniture & Fixtures	6734178	299464	0	7033642	4366424	0	441654	2225564	2367754	
6	Vehicles	11850326	8050596	746255	19154667	6066644	573286	1237124	12424185	5783682	
7	Computers	2254359	0	0	2254359	2254358	0	0	1	1	
	GRAND TOTAL	195042677	8414019	746255	202710441	154235625	573286	6285974	159948313	40807052	
	PREVIOUS YEAR	186439507	8603170	0	195042677	144638391	0	9597234	40807052	41801116	

Note :

- 1 Factory Building includes staff quarters for which separates cost is not ascertainable
- 2 During the year depreciation on computer not charged, Since Computer was fully depreciated last year after charging depreciation but nominal value of Rs.1/- kept in books because Computers are exist in physical form at the year end.
- 3 As Plant & Machinery fully depreciated during the year after charging current year depreciation but nominal value of Rs.1/- kept in books because Plant & Machinery are exist in physical form at the year end.

(Amount in `)

Note : 11 Non-Current Investments	As at 31st Mar 2013	As at 31st Mar 2012
(a) Investment properties	10793000	10793000
b) Investment in Equity instruments		
i) Trade Investment (Unquoted)		
In Subsidiary Company		
53,53,000 (53,53,000) Equity Share of Rs. 10/- each of Medgel Private Limited	187230000	187230000
In other company		
21800 (21800) Equity Shares of Rs. 10/- each of Medicaps Fin.Ltd.	218000	218000
107000 (107000) Equity Shares of Rs. 10/- each of Endolabs Ltd.	1070000	1070000
	<u>188518000</u>	<u>188518000</u>
ii) Other Investment (Quoted)		
100 (100) Equity Shares of Natural Capsules	1000	1000
43600 (43600) Equity Shares of Jord Engineers India Ltd.	2141139	2141139
100 (100) Shares of Bharati Healthcare Ltd	2012	2012
	<u>2144151</u>	<u>2144151</u>
c) Investment in Mutual Funds		
NIL (2130473.674) units of Birla Sunlife Mutual Fund	0	35000000
NIL (216262.976) units of SBI Magnum Mutual Fund	0	10000000
193565.050 (354933.454) units of Reliance Mutual Fund	15000000	25000000
NIL (209796.225) units of Frankline India Mutual Fund	0	10000000
246773.437 (542351.588) units of DSP Merrill Mutual Fund	10000000	20000000
NIL (250000) IDBI Nifty Index Mutual Fund	0	2500000
296269.083 (851253.485) units of TATA Mutual Fund	10000000	25000000
516262.261 (516262.261) units of ICICI Prudential Mutual Fund	10000000	10000000
326594.598 (326594.598) units of Kotak Mutual Fund	10000000	10000000
NIL (723118.085) units of JP Morgan India Mutual Fund	0	10000000
	<u>55000000</u>	<u>157500000</u>
d) Investment in Monthly Income Plan		
939178.554 (NIL) HDFC Monthly Income Plan	25000000	0
1410971.427 (NIL) Reliance Monthly Income Plan	35500000	0
	<u>60500000</u>	<u>0</u>
e) Other Investment		
LIC Group Gratuity Fund Scheme	6111666	5407771
LIC Leave Encashment Scheme	137369	0
	<u>6249035</u>	<u>5407771</u>
	<u>323204186</u>	<u>364362922</u>

Note : 12 Long-Term Loans & Advances

(Unsecured, considered good unless otherwise stated)

Security Deposits	4202785	3778864
Mission Viva Care Limited	50000000	0
	<u>54202785</u>	<u>3778864</u>

Note : 13 Current Investment
Investment in Mutual Funds

NIL (750.48) units of Principal Conservative Growth Plan	0	1262747
NIL (1589144.128)HDFC Cash Management Fund-Growth	0	36422707
527.925 (NIL) IDBI Ultra Short Term Fund - Monthly Dividend	532407	0
13742.691 (NIL) IDBI Ultra Short Term Fund - Weekly Dividend	13783311	0
NIL (18790.504) IDBI Ultra Short Term Fund - Growth	0	21344681
	<u>14315718</u>	<u>59030135</u>

(Amount in `)

Note : 14 Inventories	As at 31st Mar 2013	As at 31st Mar 2012
Raw Materials	7258678	8709659
Finished Goods	30529402	14427598
Stock in Process and Waste	628793	491913
Stores and Spares	925729	941916
Colour & Chemical	914650	674396
Packing Material	589542	559846
Printing Material	60070	55788
Lab Chemical & Equipments	96551	40211
Fuel	291491	850631
	<u>41294906</u>	<u>26751958</u>

Note : 15 Trade Receivables		
Unsecured, Considered Good as certified by the Management		
Outstanding over six month	6840178	2829335
Others	60615254	48353225
	<u>67455432</u>	<u>51182560</u>

Note : 16 Cash & Bank Balance		
Cash in Hand	94974	1017053
Balance with Noted Banks:		
In Current Accounts	3346628	9533282
In Fixed Deposit Accounts	4063059	4218082
	<u>7504661</u>	<u>14768417</u>

Note : 17 Short-Term Loans & Advances		
(Unsecured & Considered Good - Advance recoverable in Cash or in kind or for value to be received)		
Advance to Suppliers & Others	3141143	2294045
Balances with Government Authorities	1229093	2565642
Advance Tax & TDS (Net of Provisions)	13478877	18007827
Share application money - Pending Allotment In Medgel Pvt. Ltd.	94236000	86347000
Prepaid Expenses	854128	577104
Other Loans & Advances	256812	216366
	<u>113196053</u>	<u>110007984</u>

Note : 18 Sales		
Sale of Product	287593876	275651300
Less: Excise Duty	27342641	17440377
	<u>260251235</u>	<u>258210923</u>

(Amount in `)

Note : 19 Other Incomes	Asat 31st Mar 2013	Asat 31st Mar 2012
Claims Received	0	361427
Capital gain/ (Loss) on Mutual Fund	(20009453)	(7172484)
DEPB Received	0	569918
Dividend income	2941265	3997360
Interest Income on FDR	1208086	921662
Income Tax Refund	2047440	0
Misc. Income	161360	1036797
Net gain on foreign currency transaction and translation	326681	569273
Rent received for vehicle	0	563498
	<u>(13324621)</u>	<u>847450</u>

Note : 20. Cost of Materials Consumed		
A) Raw Material Consumed		
Opening Stock	9424266	4887714
Purchases	105323952	83284975
	<u>114748218</u>	<u>88172689</u>
Less : Closing Stock	8269879	9424266
Raw Material Consumed	<u>106478339</u>	<u>78748423</u>
B) Packing Material Consumed		
Opening Stock	559846	326195
Purchases	6008977	5853558
	<u>6568823</u>	<u>6179753</u>
Less : Closing Stock	589542	559846
Packing Material Consumption	<u>5979281</u>	<u>5619907</u>
Grand total of Materials Consumed (A) + (B)	112457620	84368330

Note : 21. Increase/ (Decrease) in Stocks		
Closing Stock of :		
Finished Goods	30529402	14324384
Stock in Process	576054	446910
Waste	52739	45003
	<u>31158195</u>	<u>14816297</u>
Total (A)		
Opening Stock of :		
Finished Goods	14427598	8934989
Stock in Process	446910	1485205
Waste	45003	106777
	<u>14919511</u>	<u>10526971</u>
Total (B)		
Increase/(Decrease) in Stock (A-B)	16238684	4289326

Note : 22 Employees Remuneration & Benefits		
Salary, Wages, Allowances & other Benefits	32710885	29937612
Directors Remuneration	7200000	7200000
Gratuity	1114309	1065139
P. F. Contribution	3141187	2937153
Staff Welfare Expenses	508210	286779
	<u>44674591</u>	<u>41426683</u>

(Amount in `)

Note : 23 Other Expenses	Asat 31st Mar 2013	Asat 31st Mar 2012
Advertisement & Publicity	181833	109319
Audit Fee	100000	100000
Annual Listing Fees	95288	15000
Bank Charges	140241	300896
Bonus Issue Expenses	1034896	0
Business Promotion Expenses	1250806	0
Charity & Donations	185000	111200
Consultancy Charges	798450	977399
Conveyance Expenses	359815	318920
Entry Tax	1442692	1236964
Electricity & Water	565134	493777
Freight Expenses	5429302	5534980
Factory Power & Fuel	33884182	31881254
Factory Expenses	1459678	873004
Insurance Charges	460833	401713
Import / Export Expenses	177023	1282899
ISO Certification Charges	15000	10000
Legal Expenses	29000	5034
Loss on Sale of Fixed Assets	2969	0
Membership Fee & Subscription	55572	65892
Misc. Expenses	598115	909518
Net gain on foreign currency transaction	45779	104994
Office & General Expenses	158801	185594
Postage, telegram	67505	82950
Printing Material consumed	297323	372142
Printing & Stationary	464121	487457
Rent, Rates & Taxes	782599	832998
Repairs & Maintenance		
Buildings	268001	255053
Machinery	7215409	10460480
Electricals	2502066	2650053
A.C.Plant	1293878	1204366
Computer	53794	57677
Other	29098	131610
Sales Commission	9952526	12476309
Sales promotion Expenses	996824	1560616
Stores & Spares Consumed	6771793	7876626
Telephone & Telex Charges	511995	508481
Tour & Travelling Expenses(including Director Travelling of Rs. 8.10 Lacs(Previous year Rs. 11.14 Lacs)	1092236	1276810
Vehicle Running & Maintenance	802494	901221
	<u>81572070</u>	<u>86053204</u>

Note 24 Segment Information

Information on segment reporting as per Accounting standard-17, the entire operation of the company related to one segment as such there is no separate reporting required. Company's earning include Rs.(158.60) Lacs from interest, Dividend and income from Investments, However as per explanation given in AS-17 Segemnt revenue does not include Dividend income, Interest & Income from Investment hence there is no seprate reporting required.

Note 25 Deffered Tax

Information on deferred tax has been provided in acordance with AS-22 Accounting for taxation on Income, issued by the Institute of Chartered Accountants of India with effect from 1st April 2001.

The accumulated net deferred tax liability amounting to Rs.12866070/- has been adjusted against the general reserve. Further, the deferred tax assets for the year is Rs.482180/- has been recognised in the Statement of Profit & Loss.

(Amount in `)

Note : 26 Payment to Auditors	Asat 31st Mar 2013	Asat 31st Mar 2012
Audit Fees	100000	100000
In other Capacity		
Tax Audit Fee	20000	20000
Other	30000	30000
	150000	150000

Note 27 Additional Information

Additional information pursuant to the provisions of para 3 & 4 of part II of Scheduled VI to the Companies Act, 1956 are as follows:

(a) Capacity and Production

Class of Goods Produced	Hard Geletin Capsules	Hard Geletin Capsules
(Qty.- Nos.in Lacs)		
i. Licenced Capacity	NA	NA
ii. Installed Capacity	42000	42000
iii. Actual Production*	34284	39034

*Rounded off to nearest Lacs and after deduction quantities removed as such.

	31st Mar 2013		31st Mar 2012	
	Qty. (In Lacs)	Value (Rs. in Lacs)	Qty. (In Lacs)	Value (Rs. in Lacs)
b) Finished Goods (Hard Geletin Capsule-Gross)				
i) Opening Stock	3344.09	149.19	2708.19	105.90
ii) Closing Stock	4593.42	311.58	3344.09	149.19
c) Turnover Hard Geletin Capsules (Net)	32762.42	2875.94	38252.65	2756.51
d) Raw Material Consumed Geletin	263900 Kgs.	1016.70	270950 Kgs.	736.60
e) Value of Imports on C.I.F. Basis				
Raw Material		168.08		540.42
Capital Goods		2.08		29.39
f) Expenditure in Foreign Currency Foreign Travel & Others		21.35		8.62

(Amount in `)

Note : 28 Employee Benefits	Asat 31st Mar 2013	Asat 31st Mar 2012
a. Defined benefits plan		
I Change in obligation during the year		
1 Present value of Defined benefit obligation at beginning of year	4833719	4084752
2 Current Service Cost	642177	648497
3 Past Service Cost		
4 Interest Cost	472132	416642
5 Actuarial (Gains) / Losses		
6 Benefits Paid	410414	316172
7 Present value of Defined benefit obligation at the end of the year	5537614	4833719
II Change in assets during the year ended March 31, 2013		
1 Plan assets at the beginning of the year	5407771	4658804
2 Settlements		
3 Expected return on plan assets	472132	416642
4 Contribution by Employer	642177	648497
5 Actual benefits paid	410414	316172
6 Actuarial Gains / (Losses)		
7 Plan assets at the end of the year	6111666	5407771
III Net Assets / (Liability) recognized in the Balance Sheet at March 31, 2013.		
1 Present value of Defined enefits Obligation as at March 31.	5537614	4833719
2 Fair value of plan assets as at March 31, 2013	6111666	5407771
3 Fund Status (Surplus / (Deficit))	574052	574052
4 Net Assets / (Liabilty) as at end of the year	574052	574052
IV Expenses recognised in the Statement of profit & Loss for the year ended March 31, 2013		
1 Current Service Cost	642177	648497
2 Interest Cost	472132	416642
3 Expected return on plan assests		
4 Past service cost		
5 Net Actuarial (Gains) / Losses		
6 Total Expenses	1114309	1065139
V The major categories of plan assets as a percentage of total plan	N.A.	N.A.
b. Contribution to provident fund and other funds stated under defined contribution plans is Rs. 31.41 Lacs (previous year Rs. 29.37 Lacs).		
c. Company has contribute Rs. 1.37 Lacs to newly taken Leave Encashment Scheme of LIC during the year.		

Note 29 The company does not have outstanding for more than 30 days as on 31st March 2013 of S.S.I Units the respectives parties.

Note 30 Related Party Disclosure

Information on Related party transactions as per Accounting Standard 18 on related party disclosure :

S.No	Related Party	Transaction nature	2012-13	2011-12
1	Mr. R.C.Mittal Chairman & Managing Diretor	Remuneration	3000000	3000000
2	Mr. Alok K. Garg Executive Director	Remuneration	2400000	2400000
3	Mrs. Kusum Mittal Whole time Director	Remuneration	1800000	1800000
4	Mrs. Manisha Garg G.M.- Corporate Affairs	Remuneration	600000	NIL

Note 31 Earning Per Share

Earning per share, the numerator and denominator used to calculate Basic and Diluted Earning per shares:

	2012-13	2011-12
i) Profit after tax used as the numerator	6657221	27268840
ii) Basic / Weighted Average number of Equity Shares used as the denominator	12469956	3117489
iii) Nominal Value of Equity shares		
iv) Basic & Diluted Earning per Equity Share	10/ 0.53	10/ 8.75

Note 32 The previous years figures have been regrouped/ restated wherever necessary to confirm with the current years classification.

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Medi-Caps limited
Indore

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MEDI-CAPS LIMITED and its subsidiary MEDGEL PVT LTD, which comprise the consolidated Balance Sheet as at 31st March 2013, the consolidated Statement of Profit & Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Opinion:

In our opinion and to the best of our information and according to the explanations given to us and based on our report on audited financial statements of Medi-Caps Ltd. and its subsidiary Medgel Pvt Limited, as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2013;

- a) In the case of Consolidated Balance Sheet, of the state of affairs of Medi-Caps Ltd. and its subsidiary as at 31st March 2013;
- b) In the case of Consolidated Statement of Profit and Loss, of the profit of Medi-Caps Ltd. and its subsidiary for the year ended on that date; and
- c) In the case of Consolidated Cash Flow Statement, of the cash flows of Medi-Caps Ltd. and its subsidiary for the year ended on that date.

Place: Indore (M.P.)
Date: 28th May, 2013

For : C.P.RAWKA & CO.
Chartered Accountants

C.P.RAWKA
(Proprietor)
M.No.070060
FRN:000518C

Consolidated Balance Sheet as at 31st March, 2013

(Amount in `)

Particulars	Note	As at 31st Mar 2013	As at 31st Mar 2012
I. EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	2	124699560	31174890
(b) Reserves and Surplus	3	660655936	768309435
2 Share application money pending allotment		94019000	86130000
3 Minority Interest		27160000	27160000
4 Non-Current Liabilities			
(a) Long Term Borrowings	4	62711770	3129991
(b) Deferred tax liabilities (Net)	5	2048182	2530362
(c) Other Long term liabilities	6	763038	763038
(d) Long term provisions	7	5537614	4833719
5 Current Liabilities			
(a) Trade payables	8	14560936	14138418
(b) Other current liabilities	9	20152695	20032903
(c) Short-term provisions	10	12000000	21534836
	Total	<u>1024308731</u>	<u>979737592</u>
II. Assets			
1 Non-current assets			
(a) Fixed assets	11		
(i) Tangible assets		389581210	394027667
(b) Non-current investments	12	269674186	310832922
(c) Long term loans and advances	13	57715049	6440228
2 Current assets			
(a) Current investments	14	14315718	59030135
(b) Inventories	15	84263096	30027986
(c) Trade receivables	16	84987948	52731414
(d) Cash and cash equivalents	17	7743388	15348578
(e) Short-term loans and advances	18	116028136	111298661
	Total	<u>1024308731</u>	<u>979737592</u>

The Notes referred to above are an integral part of Balance Sheet.
Note on Accounts as Note '1 to 34'

As per our report of even date
C. P. RAWKA & CO.
Chartered Accountants
Firm Reg. No. 000518C

C.P. RAWKA
Proprietor
Membership No. 070060

R.C. Mittal
Chairman & Managing Director

FOR AND ON BEHALF OF THE BOARD
For MEDI-CAPS LTD.

Alok K. Garg
Executive Director

Place : Indore
Date : 28th May, 2013

Consolidated Profit and Loss statement for the year ended 31st March, 2013

(Amount in `)

Particulars	Note	As at 31st Mar 2013	As at 31st Mar 2012
I. Revenue from operations	19	300174954	259759778
II. Other Income	20	(12591435)	1204614
III. Total Revenue (I + II)		<u>287583519</u>	<u>260964392</u>
IV. Expenses:			
Cost of materials consumed	21	133761237	86099505
Changes in inventories of finished goods, work-in-progress	22	(34513660)	(5975536)
Employee benefits expense	23	58222066	45475369
Finance Cost	24	4506379	86929
Other expenses	25	107048445	93984828
Depreciation and amortization expense	11	21170059	17499505
Total Expenses		<u>290194526</u>	<u>237170601</u>
V. Profit before exceptional and extraordinary items and tax (III - IV)		(2611008)	23793791
VI. Exceptional Items		0	0
VII Profit before extraordinary items and tax (V - VI)		(2611008)	23793791
VIII Extraordinary Items		0	0
IX. Profit before tax (VII - VIII)		<u>2611008</u>	<u>23793791</u>
X. Tax expense:			
(1) Current tax		12000000	16100000
(2) Deferred tax		(482180)	(1466591)
XI. Profit after Tax before Minority Interest	(IX-X)	(14128828)	9160382
XII. Less: Minority Interest		(6996584)	(6095306)
XIII. Profit for the year (XI - XII)		<u>(7132243)</u>	<u>15255689</u>
XVI. Earning per share of face value of Rs.10 each	31		
(1) Basic		(2.29)	4.89
(2) Diluted		(2.29)	4.89

The Notes referred to above are an integral part of Balance Sheet.
Note on Accounts as Note '1 to 34'

As per our report of even date
C. P. RAWKA & CO.
Chartered Accountants
Firm Reg. No. 000518C

C.P. RAWKA
Proprietor
Membership No. 070060

R.C. Mittal
Chairman & Managing Director

FOR AND ON BEHALF OF THE BOARD
For MEDI-CAPS LTD.

Alok K. Garg
Executive Director

Place : Indore
Date : 28th May, 2013

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013

(Amount in `)

PARTICULARS	2012-13	2011-12
A. Cash Flow from Operating Activities		
Net Profit before Tax & Extraordinary Items	(2611008)	23793792
Adjustment For:		
Depreciation	21170059	17499505
Dividend Income	(2941265)	(3997362)
Operating Profit before Working Capital Change	<u>15617787</u>	<u>37295935</u>
Adjustment for Working Capital		
(Increase)/ Decrease in Sundry Debtors	(32256534)	995381
(Increase)/ Decrease in Inventories	(54235110)	(12937896)
(Increase)/ Decrease in Loans & Advances	(48115296)	61660233
Increase in Current Liabilities & Provisions	(8288632)	931832
Cash Generated from Working Capital	<u>(142895572)</u>	<u>50649550</u>
Cash generated from Operation	(127277785)	87945486
Income Tax for the year	12000000	16100000
Net cash Flow from Operating Activity	<u>(139277785)</u>	<u>71845486</u>
B. Cash Flow from Investing Activities		
Sale / (Purchase) of Investments	77984153	(8924906)
Purchase of Fixed Assets	(16896571)	(65965254)
Dividend Received	2941265	3997362
Adjustment for Dep on sale of Fixed Assets	172969	0
Net Cash used in Investing Activities	<u>(64201816)</u>	<u>(70892799)</u>
C. Cash Flow from Financial Activities		
Security premium received	7889000	6314500
Proceeds from Long Term Borrowings	59581779	3129991
Proposed Dividend	0	(4676234)
Dividend Tax on Proposed Dividend	0	(758602)
Net Cash Used in Financial Activities	<u>67470779</u>	<u>4009655</u>
Net Increase in Cash and Cash Equivalents (A+B+C)	<u>(7605190)</u>	<u>4962342</u>
Cash & Cash Equivalents at the		
Beginning of the year	15348578	10386236
Closing of the year	7743388	15348578
Increase in Cash and Cash Equivalents	<u>(7605190)</u>	<u>4962342</u>

 As per our report of even date annexed
 C. P. RAWKA & CO.
 Chartered Accountants
 Firm Reg. No. 000518C

 FOR AND ON BEHALF OF THE BOARD
 For MEDI-CAPS LTD.

 C.P. RAWKA
 Proprietor
 Membership No. 070060

 R.C. Mittal
 Chairman & Managing Director

 Alok K. Garg
 Executive Director

 Place : Indore
 Date : 28th May, 2013

Note 1- NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

A. SIGNIFICANT ACCOUNTING POLICIES:-

a) Basis of preparation of financial statements :-

The accompanying statements have been prepared under the historical cost conventions, in accordance with Indian Generally Accepted Accounting Principles and as per the provisions of the Companies Act, 1956. During the financial year ended 31st March 2013 the revised Schedule VI under the Companies Act, 1956 has become applicable to the Company, for preparation and presentation of its financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

Principles of Consolidation:-

- i) The financial statements of the Company and its subsidiary have been consolidated in accordance with the Accounting Standard 21 (AS-21) "Consolidated Financial Statements" on line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances, intra group transactions and the unrealized profit/Losses.
- ii) The financial statements of the company and its subsidiary have been consolidated using uniform accounting policies for like transaction and other events in similar circumstances.
- iii) Minority Interest in the net assets of the consolidated subsidiary consist of
 - a) The amount of equity attributable to minorities as at the date on which the investment in a subsidiary is made and,
 - b) The minority share of movements in equity since the date the parent subsidiary relationship came into existence. The losses applicable to the minority in excess of the minority interest in the equity of the subsidiary and further losses applicable to minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to and is able to make good the losses.
 - c) Minority interest is presented separately from the liabilities or assets and the equity of the shareholders in the consolidated Balance Sheet. Minority Interest in the income or loss of the company is separately presented.
- b) Fixed Assets and Depreciation :-
Fixed assets are stated at cost net of depreciation or revalued figures less depreciation provided on straight line
- c) Investments:
The Company has policy to make investments on strategic and long term basis and the investment have been shown as the cost of investments of acquisition, no adjustments for change in the valuation as on the date of the balance sheet being made, as it has temporary in the nature.
- d) Valuation of Inventories :-
Inventories are valued at lower of cost or net realisable value.
- e) Foreign Exchange Transactions :-
Transactions in foreign currency are recorded by applying rate applicable on the date of transaction. The difference if any on actual payments / realisation is charged off to revenue.
- f) Sundry Debtors and Advances :-
Company's management periodically verify the outstanding balance of sundry debtors, advances etc and on the basis of such verification management determines whether the said out standings are good, bad or doubtful and accordingly same are written off or provided for.
- g) Research & Developments :-
Capital Expenditure is treated in same line as any other Capital expenditure and Revenue expenditure is charged to the respective heads of Statement of Profit & Loss.
- h) Terminal Benefits :-
Gratuity Liability is accounted for an accrual basis & the company has constituted trust with Life Insurance Corporation of India, Separate accounts for fund deposited with LIC and Provision for Gratuity Payable maintained by Company Leave Encashment is accounted on Cash basis i.e. It is accounted for as and when paid. However the company has entered into Group leave Encashment Scheme with LIC of India during the year with an initial contribution of Rs. 1,37,369/- based on actuarial valuation
- i) Taxations:-
Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax recognized, subject to the consideration of prudence in respect of deferred tax assets as timing difference, being The difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.
- j) Earning Per Share:-
Basic & Diluted earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- k) Revenue Recognition
Revenue from sale of goods is recognized includes excise duty. Revenue (including in respect of insurance or other claims etc.) is recognized when it is reasonable to expect that the ultimate collection will be made Interest income is accounted on accrual basis. Dividend from investment is recognized as revenue when right to receive the payments is established.
- l) Employee Benefits:
Defined Benefit Plan
The Employee Gratuity and Leave Encashment managed by Life Insurance Corporation of India is a Defined Benefit Plan.
Defined Contribution Plans
The company's contribution paid/ payable for Provident Fund, ESIC and Pension Fund for the year is recognized in the statement of Profit and Loss.
Short Term Employee benefits
Short term benefits are recognized as an expenses in the statement of profit & loss of the year in which Short term benefits are recognized as an expenses in the statement of profit & loss of the year in which the related services are rendered.

Notes forming Part of the Consolidated Financial Statement

(Amount in `)

Note : 2 Share Capital	As at 31st Mar 2013	As at 31st Mar 2012
Authorised Share Capital : 1,50,00,000 Equity Shares of Rs. 10/- each (Previous Year 40,00,000 Equity Shares of Rs. 10/- each)	<u>150000000</u>	<u>40000000</u>
Issued Capital 13,021,047 Equity Shares of Rs. 10 each fully paid up (Previous Year 36,68,580 Equity Shares of Rs. 10/- each)	<u>130210470</u>	<u>36685800</u>
Subscribed & Paidup Capital 12,46,99,560 Equity Shares of Rs. 10 each fully paid up (Previous Year 31,17,489 Equity Shares of Rs. 10/- each)	<u>124699560</u>	<u>31174890</u>
	<u>124699560</u>	<u>31174890</u>

Reconciliation of the equity shares outstanding at the beginning and at the end of the year				
	As at March 31, 2013		As at March 31, 2012	
	Numbers	Value	Numbers	Value
Equity Shares				
At the beginning of the year	3117489	31174890	3117489	31174890
Issued during the year under Bonus Issue	9352467	93524670	-	-
Outstanding at the end of the year	12469956	124699560	3117489	31174890

Note : During the year company has issued 93,52,467 equity shares of Rs.10/- each on 22nd March, 2013 in the proportion of issuance of 3 (three) new fully paid up bonus shares for every 1 (One) as a bonus by capitalizing its accumulated profit and Security Premium Account of the company. The company's bonus shares were also listed at the BSE Ltd.

Details of Shareholders holding more than 5 percent shares in the company

Name of Shareholders	No. of Shares as at			
	31.03.13	% of Holding	31.03.12	% of Holding
R.C.Mittal	3166320	25.40%	791480	25.39%
Kusum Mittal	2680836	21.50%	668319	21.44%

Note : 3 Reserve & Surplus		
Capital Reserve		
As per last balance sheet	4421000	4421000
Share Forfeiture A/c		
As per last balance sheet	2755455	2755455
Securities Premium Account		
As at Commencement of the Year	240456502	77831502
Add: Addition during the year	<u>0</u>	<u>162625000</u>
	240456502	240456502
Less: Utilize for Bonus Issue during the year	<u>38981502</u>	<u>0</u>
Closing Balance	201475000	240456502
General Reserve		
As at Commencement of the Year	85000000	83590810
Add : Transferred from Profit & Loss Account	<u>0</u>	<u>1409190</u>
	85000000	85000000
Less: Utilize for Bonus Issue during the year	<u>54543168</u>	<u>0</u>
Closing Balance	30456832	85000000
Surplus		
Opening balance	435676477	433360121
Add: Net profit for the current year	(14128828)	9160382
Less: Proposed Dividend	0	4676234
Tax on Proposed Dividend	0	758602
Transfer to General Reserve	<u>0</u>	<u>1409190</u>
Closing Balance	<u>421547649</u>	<u>435676477</u>
	<u>660655936</u>	<u>768309435</u>

(Amount in `)

Note : 4 Long Term Borrowings	As at 31st Mar 2013	As at 31st Mar 2012
IDBI Bank C.C.A/c 0382655100000125	62711770	3129991
	<u>62711770</u>	<u>3129991</u>

Note : 5 Deferred Tax Liability		
On Depreciation (Difference of as per Books & as Per Income Tax Act)	2048182	2530362
	<u>2048182</u>	<u>2530362</u>

Note : 6 Other Long Term Liabilities		
Others Security Deposit	763038	763038
	<u>763038</u>	<u>763038</u>

Note : 7 Long Term Provisions		
Provision for Gratuity	5537614	4833719
	<u>5537614</u>	<u>4833719</u>

Note : 8 Trade Payable		
Sundry Creditors	14560936	14138418
	<u>14560936</u>	<u>14138418</u>

Note : 9 Other Current Liabilities		
Advance Recd from Customers	1015004	2150564
Bonus Payable	4615659	4325221
Commission Payable	2440341	3732448
CST Payble & VAT Payable	666141	148515
Entry Tax Payable	14333	75488
ESI Payable	31079	39471
Leave Expenses Payable	0	14670
Outstanding Liabilities	10423795	8144347
Professional Tax	8502	6805
Provident Fund	7192	235224
TDS on Consultancy	43528	53235
TDS on Contractor Payment	13227	20169
TDS on Rent	5000	27066
TDS on Salary	273840	202870
TDS on Sales Commission	542856	804612
Unpaid Salary & Wages	52198	52198
	<u>20152695</u>	<u>20032903</u>

Note : 10 Short-Term Provisions		
For Taxation	12000000	16100000
For Dividend & Tax on proposed dividend	0	5434836
	<u>12000000</u>	<u>21534836</u>

SCHEDULE 11 : FIXED ASSETS - Tangible Assets

S. NO.	FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		ASAT 01.04.2012	ADDITION	DEDUCTIONS	TOTAL ASAT 31.03.2013	UPTO 31.03.2012	FOR THE YEAR 2012-13	DELETIONS	AS AT 31.03.2013	AS AT 31.03.2012
1	Free Hold Land	1178000	0	0	1178000	0	0	0	1178000	1178000
2	Factory Building	167768812	6069000	0	173837812	16399404	5604442	0	151833966	151369408
3	Office Building	19121350	0	0	19121350	880086	311678	0	17929586	18241264
4	Plant & Machinery	297515685	2132670	0	299648355	130862706	10255048	0	158530601	166652979
5	Furniture & Fixtures	54057826	619305	0	54677131	5437357	3446773	0	45793001	48620469
6	Vehicles	12347003	8050596	746255	19651344	6175615	1284308	573286	12764707	6171388
7	Computers	3742146	25000	0	3767146	2486330	241736	0	1039080	1255816
8	Office Equipment	548905	0	0	548905	10562	26073	0	512270	538343
	GRAND TOTAL	556279727	16896571	746255	572430043	162252060	21170059	573286	389581210	394027667
	PREVIOUS YEAR	187301083	368978644	0	556279727	144752555	17499505	0	394027667	42548528

Notes :

- 1 Factory Building includes staff quarters for which separates cost is not ascertainable

(Amount in `)

Note : 12 Non-Current Investments	As at 31st Mar 2013	As at 31st Mar 2012
Trade Investments		
a) Investment in properties	10793000	10793000
b) Investment in Equity instruments		
i) Trade Investment (Unquoted)		
In Subsidiary Company		
53,53,000 (53,53,000) Equity Share of Rs. 10/- each of Medgel Private Limited	133700000	133700000
In Other Company		
21800(21800) Equity Shares of Rs. 10/-each of Medicaps Fin.Ltd.	218000	218000
107000(107000) Equity Shares of Rs. 10/-each of Endolabs Ltd.	1070000	1070000
	<u>134988000</u>	<u>134988000</u>
ii) Other Investment (Quoted)		
100 (100) Equity Shares of Natural Capsules	1000	1000
43600 (43600) Equity Shares of Jord Engineers India Ltd.	2141139	2141139
100 (100) Shares of Bharati Healthcare Ltd	2012	2012
	<u>2144151</u>	<u>2144151</u>
c) Investment in Mutual Funds		
NIL (2130473.674) units of Birla Sunlife Mutual Fund	0	35000000
NIL (216262.976) units of SBI Magnum Mutual Fund	0	10000000
193565.050 (354933.454) units of Reliance Mutual Fund	15000000	25000000
NIL (209796.225) units of Franklin India Mutual Fund	0	10000000
246773.437 (542351.588) units of DSP Merrill Mutual Fund	10000000	20000000
NIL (250000) IDBI Nifty Index Mutual Fund	0	2500000
296269.083 (851253.485) units of TATA Mutual Fund	10000000	25000000
516262.261 (516262.261) units of ICICI Prudential Mutual Fund	10000000	10000000
326594.598 (326594.598) units of Kotak Mutual Fund	10000000	10000000
NIL (723118.085) units of JP Morgan India Mutual Fund	0	10000000
	<u>55000000</u>	<u>157500000</u>
d) Investment in Monthly Income Plan		
939178.554 (NIL) HDFC Monthly Income Plan	25000000	0
1410971.427 (NIL) Reliance Monthly Income Plan	35500000	0
	<u>60500000</u>	<u>0</u>
e) Other Investment		
LIC Group Gratuity Fund Scheme	6111666	5407771
LIC Leave Encashment Scheme	137369	0
	<u>6249035</u>	<u>5407771</u>
	<u>269674186</u>	<u>310832922</u>

Note : 13 Long-Term Loans & Advances

(Unsecured, considered good unless otherwise stated)

Security Deposits	7715049	6440228
Mission Viva Care Limited	50000000	0
	<u>57715049</u>	<u>6440228</u>

Note : 14 Current Investment

Investment in Mutual Funds		
NIL (750.48) units of Principal Conservative Growth Plan	0	1262747
NIL (1589144.128)HDFC Cash Management Fund-Growth	0	36422707
527.925 (NIL) IDBI Ultra Short Term Fund - Monthly Dividend	532407	0
13742.691 (NIL) IDBI Ultra Short Term Fund - Weekly Dividend	13783311	0
NIL (18790.504) IDBI Ultra Short Term Fund - Growth	0	21344681
	<u>14315718</u>	<u>59030135</u>

(Amount in `)

Note : 15 Inventories	As at 31st Mar 2013	As at 31st Mar 2012
Raw Materials	28796776	10267430
Finished Goods	50490588	16113808
Stock in process and waste	628793	491913
Stores and Spares	925729	941916
Colour & Chemical	914650	674396
Packing Material	2058448	591894
Printing Material	60070	55788
Lab Chemical & Equipments	96551	40211
Fuel	291491	850631
	<u>84263096</u>	<u>30027986</u>

Note : 16 Trade Receivables		
Unsecured, Considered Good as certified by Management		
Outstanding over six months	6881353	2870510
Others	78106595	49860905
	<u>84987948</u>	<u>52731414</u>

Note : 17 Cash & Bank Balances		
Cash in Hand	111340	1017306
Balance with Noted Banks :		
In Current Accounts	3362739	9663190
In Fixed Deposit Accounts	4269309	4668082
	<u>7743388</u>	<u>15348578</u>

Note : 18 Short-Term Loans & Advances		
(Unsecured & Considered Good - Advance recoverable in Cash or in kind or for value to be received)		
Advance to Suppliers & Others	4613510	2950178
Balances with Government Authorities	1229093	2565642
Advance Tax & TDS (Net of Provisions)	13478877	18007827
TDS Receivable	38067	10976
Service Tax	314382	258529
Share application money - Pending Allotment in Medgel Pvt. Ltd.	94236000	86347000
Prepaid Expenses	1610684	941193
Other Loans & Advances	507523	217316
	<u>116028136</u>	<u>111298661</u>

Note : 19 Sales		
Sale of product	327517595	277200155
Less : Excise Duty	27342641	17440377
	<u>300174954</u>	<u>259759778</u>

(Amount in `)

Note : 20 Other Income	Asat 31st Mar 2013	Asat 31st Mar 2012
Claims Received	0	361427
Capital gain/ (Loss) on Mutual Fund	(20009453)	(7172484)
DEPB Received	0	569918
Dividend income	2941265	3997362
Interest Income	1485393	929627
Income Tax Refund	2047440	0
Misc. Income	301235	1087822
Net gain on foreign currency transaction and translation	558446	569273
Rent received for vehicle	0	563498
Sundry Cr. Balances no longer required, written back	84239	298172
	<u>(12591435)</u>	<u>1204614</u>

Note : 21 Cost of Materials Consumed		
A) Raw Material Consumed		
Opening Stock	10982036	4887714
Purchases (Net)	145607848	86529956
	<u>156589884</u>	<u>91417670</u>
Less : Closing Stock	29807977	10982036
Raw Material Consumed	<u>126781907</u>	<u>80435634</u>
B) Packing Material Consumed		
Opening Stock	591894	326195
Purchases	8445884	5929570
	<u>9037778</u>	<u>6255765</u>
Less : Closing Stock	2058448	591894
Packing Material Consumed	<u>6979330</u>	<u>5663871</u>
Grand total of Materials Consumed (A) + (B)	<u>133761237</u>	<u>86099505</u>

Note : 22 Increase / (Decrease) in Stocks		
Closing Stock of:		
Finished Goods	50490588	16010594
Stock in Process	576054	446910
Waste	52739	45003
	<u>51119381</u>	<u>16502507</u>
Total (A)		
Opening Stock of :		
Finished Goods	16113808	8934989
Stock in Process	446910	1485205
Waste	45003	106777
	<u>16605721</u>	<u>10526971</u>
Total (B)		
Increase/(Decrease) in Stock (A-B)	<u>34513660</u>	<u>5975536</u>

Note : 23 Employees Remuneration & Benefits		
Salary, Wages, Allowances & other Benefits	46162539	33940796
Directors Remuneration	7200000	7200000
Gratuity	1114309	1065139
P. F. Contribution	3141187	2937153
Staff Welfare Expenses	604031	332281
	<u>58222066</u>	<u>45475369</u>

(Amount in `)

Note : 24 Finance Cost	Asat 31st Mar 2013	Asat 31st Mar 2012
Interest on C.C.Limit	4506379	86929
	4506379	86929

Note : 25 Other Expenses		
Advertisement & Publicity	181833	109319
Audit Fee	103750	103750
Annual Listing Fees	95288	15000
Bank Charges	554279	1426678
Bonus Issue Expenses	1034896	0
Business Promotion Expenses	1250806	0
Charity & Donations	185000	111200
Consultancy Charges	937210	1022099
Conveyance Expenses	402569	335840
Certificate & License Fees	804734	395781
Development Charges to AKVN	275108	66198
Entry Tax	1442692	1236964
Electricity & Water	841645	596577
Export / Import Expenses	177023	1282899
Freight Expenses	11324794	5649017
Factory Power & Fuel	43556357	35651501
Factory Expenses	1856745	1100312
Goods Destroy expenses	2737240	0
Insurance Charges	720285	406900
ISO Certification Charges	15000	10000
Legal Expenses & R.O.C. Expenses	45452	403704
Loss on Sale of Fixed Assets	2969	0
Membership Fee & Subscription	55572	65892
Misc. Expenses	1659204	1551123
Net gain on foreign currency transaction	45779	104994
Office & General Expenses	158801	197142
Postage, telegram	81433	82950
Printing Material consumed	297323	372142
Printing & Stationary	639063	558916
Preliminary Expenses W/off	0	21490
Rent, Rates & Taxes	782599	832998
Repairs & Maintenance		
Buildings	407654	255053
Machinery	7779595	10495823
Electricals	2756732	2705331
A.C.Plant	1293878	1204366
Computer	58399	58327
Other	206290	131610
Sales Commission	9952526	12476309
Sales promotion Expenses	1300936	1560616
Security Expenses	378310	200504
Stores & Spares Consumed	6805707	7876626
Telephone & Telex Charges	608537	575556
Tour & Travelling Expenses (including Director Travelling of Rs. 8.10 Lacs (Previous year Rs. 11.14 Lacs)	1092236	1345693
Utility Expenses	254474	126570
Vehicle Running & Maintenance	1887723	1261059
	107048445	93984828

Note 26 Segment Information

Information on segment reporting as per Accounting standard-17, the entire operation of the company related to one segment as such there is no separate reporting required. Company's earning include Rs.(155.83) Lacs from interest, Dividend and income from Investments, However as per explanation given in AS-17 Segemnt revenue does not include Dividend income, Interest & Income from Investment hence there is no seprate reporting required.

Note 27 Deferred Tax

Information on deferred tax has been provided in accordance with AS-22 Accounting for taxation on Income, issued by the Institute of Chartered Accountants of India with effect from 1st April 2001.

The accumulated net deferred tax liability amounting to Rs.12866070/- has been adjusted against the general reserve. Further, the deferred tax assets for the year is Rs.482180/- has been recognised in the Profit & Loss Account.

(Amount in `)

Note : 28 Payment to Auditors	As at 31st Mar 2013	As at 31st Mar 2012
Audit Fees	103750	103750
In other Capacity		
Tax Audit Fee	20000	20000
Other	31000	31000
	154750	154750

Note 29 Related Party Disclosure

Information on Related party transactions as per Accounting Standard 18 on related party disclosure:

S.No	Related Party	Transaction nature	2012-13	2011-12
1	Mr. R.C.Mittal Chairman & Managing Director	Remuneration	3000000	3000000
2	Mr. Alok K. Garg Executive Director	Remuneration	2400000	2400000
3	Mrs. Kusum Mittal Whole time Director	Remuneration	1800000	1800000
4	Mrs. Manisha Garg G.M.- Corporate Affairs	Remuneration	600000	0

Note 30 Earning Per Share

Earning per share, the numerator and denominator used to calculate Basic and Diluted Earning per shares:

	2012-13	2011-12
i) Profit after tax used as the numerator	(7132243)	15255689
ii) Basic / Weighted Average number of Equity Shares used as the denominator	3117489	3117489
iii) Nominal Value of Equity shares		
iv) Basic & Diluted Earning per Equity Share	10/- (2.29)	10/- 4.89

Note 31 The company does not have outstanding for more than 30 days as on 31st March 2013 of S.S.I Units the respective parties.

Note 32 Disclosure of information relating to subsidiaries as required by the Central Government under Section 212 (8) of the Companies Act, 1956

(Amount in Lacs)

Name of the Subsidiary Company	:	Medgel Pvt.Ltd.
Reporting Currency	:	INR
Exchange Rate as on 31.03.2013	:	1.00
Capital	:	806.90
Reserves	:	1625.8
Total Assets	:	4139.03
Total Liabilities	:	766.13
Turnover	:	399.23
Profit before Tax	:	(207.86)
Profit after Tax	:	(207.86)
Proposed Dividend	:	NIL
Country	:	India

(Amount in `)

Note : 33 Employee Benefits		As at 31st Mar 2013	As at 31st Mar 2012
a.	Defined benefits plan		
I	Change in obligation during the year		
1	Present value of Defined benefit obligation at beginning of year	4833719	4084752
2	Current Service Cost	642177	648497
3	Past Service Cost		
4	Interest Cost	472132	416642
5	Actuarial (Gains) / Losses		
6	Benefits Paid	410414	316172
7	Present value of Defined benefit obligation at the end of the year	5537614	4833719
II	Change in assets during the year ended March 31, 2013		
1	Plan assets at the beginning of the year	5407771	4658804
2	Settlements		
3	Expected return on plan assets	472132	416642
4	Contribution by Employer	642177	648497
5	Actual benefits paid	410414	316172
6	Actuarial Gains / (Losses)		
7	Plan assets at the end of the year	6111666	5407771
III	Net Assets / (Liability) recognized in the Balance Sheet at March 31, 2013.		
1	Present value of Defined enefits Obligation as at March 31.	5537614	4833719
2	Fair value of plan assets as at March 31, 2013	6111666	5407771
3	Fund Status (Surplus / (Deficit))	574052	574052
4	Net Assets / (Liabilty) as at end of the year	574052	574052
IV	Expenses recognised in the Statement of profit & Loss for the year ended March 31, 2013		
1	Current Service Cost	642177	648497
2	Interest Cost	472132	416642
3	Expected return on plan assests		
4	Past service cost		
5	Net Actuarial (Gains) / Losses		
6	Total Expenses	1114309	1065139
V	The major categories of plan assets as a percentage of total plan	N.A.	N.A.
b.	Contribution to provident fund and other funds stated under defined contribution plans is Rs. 31.41 Lacs (previous year Rs. 29.37 Lacs).		
c.	Company has contribute Rs. 1.37 Lacs to newly taken Leave Encashment Scheme of LIC during the year.		

Note 34 The previous years figures have been regrouped/ restated wherever necessary to confirm with the current years classification.

MEDI-CAPS LIMITED
Registered Office : Mhow-Neemuch Road, Sector - 1, Pithampur - 454775

ATTENDANCE SLIP

PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF MEETING HALL Joint shareholders may obtain additional attendance slip on request.

Name and addresses of the Shareholders	No. of Share held	<input type="text"/>
.....	Client & DPID / Folio No.	<input type="text"/>
.....		

I hereby record my presence at the 30th Annual General Meeting of the members of the Company held on 28th September 2013 at 11.00 AM at the above mentioned Registered Office of the Company.

.....
Signature of the Shareholders or Proxy

MEDI-CAPS LIMITED
Registered Office : Mhow-Neemuch Road, Sector - 1, Pithampur - 454775

PROXY FORM

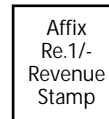
Client & DPID / Folio No.

I/we _____ of _____
being a member/ member(s) of Medi-Caps Limited hereby appoint _____
_____ of _____
_____ or
failing him/ her _____ of _____ as

my/ our proxy in my/ us and on my/ our behalf at the 30th Annual Meeting of the Company to be held on 28th September, 2013 at 11.00 AM or at any adjournment thereof.

Signed this _____ day of _____ 2013.

Signed by the said _____



Signature

Note:
The proxy must returned so as to reach Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company.

BOOK-POST

If Undelivered please return to :
Medi-Caps Limited
Mhow-Neemuch Road, Sector-I,
PITHAMPUR- 454 775, Distt.-Dhar (M.P)
E-mail : info@medicaps.com
Website : www.medicaps.com
