

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

MEDGEL PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of MEDGEL PRIVATE LTD. ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order under section 143 (11) of the Act. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.

e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company doesn't have any pending litigations which can affect its financial position as on date.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

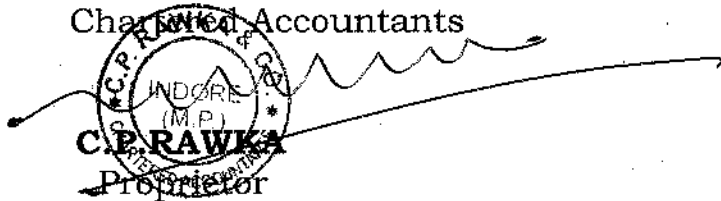


iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give "Annexure B"

For: C.P. RAWKA & CO.

Chartered Accountants



C.P. RAWKA
Proprietor

Membership No.:070060

FRN: 000518C

Place: INDORE

Date: 27/05/2016

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in Paragraph 1(f) under ‘Report on other legal and regulatory Requirements’ of the report of even date)

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

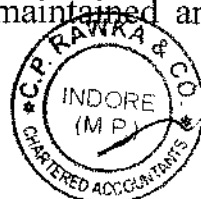
We have audited the internal financial controls over financial reporting of MEDGEL PRIVATE LIMITED (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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



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

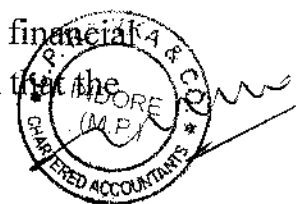
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the





internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For: C.P. RAWKA & CO.

Chartered Accountants



C.P. RAWKA
Proprietor

Membership No.:070060
FRN: 000518C

Place: INDORE
Date: 27/05/2016

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2 under 'Report on other legal and regulatory Requirements' of the report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed and other relevant records evidencing title provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees, as applicable. The Company has not granted any security in terms of Section 185 and 186 of the Companies Act, 2013.

(v) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have



broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, incometax, sales tax, service tax, customs duty, excise duty, value added tax, cess and any other material statutory dues with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.

(c) There is no such dues of income-tax, sales tax, service tax, customs duty, excise duty and value added tax which have not been deposited as on March 31, 2016 on account of disputes.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, government and dues to Banks.

(ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer or further public offer.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.



(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.


(xiv) During the year the Company has not made any preferential allotment or private placement of shares and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For: C.P. RAWKA & CO.

Chartered Accountants



C.P. RAWKA
Proprietor

Membership No.:070060

FRN: 000518C

Place: INDORE

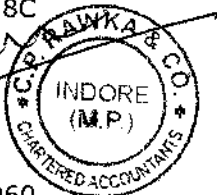
Date: 27/05/2016

MEDGEL PRIVATE LIMITED
Balance Sheet as at 31st March, 2016

| | | | Amount in Rs. | | |
|---|-------|------------------------|------------------------|------------------|--|
| Particulars | Notes | As at 31st Mar 2016 | As at 31st Mar 2015 | | |
| I. EQUITY AND LIABILITIES | | | | | |
| -1 Shareholder's Funds | | | | | |
| (a) Share Capital | 2 | 107548280 | | 107548280 | |
| (b) Reserves and Surplus | 3 | 167321412 | | 170511326 | |
| -2 Share application money pending allotment | 4 | 0 | | 0 | |
| -3 Non-Current Liabilities | | | | | |
| Long Term Borrowings | 5 | 97805831 | | 105095280 | |
| -4 Current Liabilities | | | | | |
| (a) Trade payables | 6 | 40599673 | | 21425240 | |
| (b) Other current liabilities | 7 | 11465124 | | 2777129 | |
| Total | | 424740320 | | 407357256 | |
| II. Assets | | | | | |
| -1 Non-current assets | | | | | |
| (a) Fixed assets | | | | | |
| (i) Tangible assets | 8 | 304014418 | | 317165934 | |
| (b) Long term loans and advances | 9 | 5120037 | | 3112264 | |
| -2 Current assets | | | | | |
| (a) Inventories | 10 | 72266921 | | 63978100 | |
| (b) Trade receivables | 11 | 30940654 | | 20083718 | |
| (c) Cash and cash equivalents | 12 | 2648362 | | 77701 | |
| (d) Short-term loans and advances | 13 | 9749927 | | 2939540 | |
| Total | | 424740320 | | 407357256 | |

The Notes referred to above are an integral part of Balance Sheet
Note on Accounts as Note '1 to 25'

As per our report of even date,
C.P.Rawka & Co.
Chartered Accountants
Firm Reg. No.:-000518C



C.P. Rawka
Proprietor
Membership No. 070060
Place : Indore
Date : 27th May, 2016

For and on behalf of the board,
For MEDGEL PRIVATE LIMITED

R.C.Mittal
Chairman
DIN:00035272

Akshit Garg
C.F.O.

Alok K. Garg
Director
DIN:00274321

Shreya Shrivastava
Company Secretary
ACS 41711

MEDGEL PRIVATE LIMITED
Profit and Loss statement for the year ended 31st March, 2016

Amount in Rs.

| Particulars | Note | As at | As at |
|--|------|------------------|-------------------|
| | | 31st Mar 2016 | 31st Mar 2015 |
| I. Revenue from operations | 14 | 179335954 | 87479895 |
| II. Other Income | 15 | 2227870 | 946096 |
| III. Total Revenue (I +II) | | 181563824 | 88425990 |
| IV. Expenses: | | | |
| Cost of materials consumed | 16 | 106811564 | 51291185 |
| Changes in inventories of finished goods and work-in-progress | 17 | (8010721) | 888095 |
| Employee benefit expense | 18 | 28318949 | 24081635 |
| Finance Cost | 19 | 269415 | 6071673 |
| Depreciation and amortization expense | 8 | 14743562 | 14880427 |
| Other expenses | 20 | 42620969 | 31172111 |
| Total Expenses | | 184753738 | 128385126 |
| V. Loss before exceptional and extraordinary items and tax (III - IV) | | (3189914) | (39959135) |
| VI. Exceptional Items | | 0 | 0 |
| VII. Loss before extraordinary items and tax (V - VI) | | (3189914) | (39959135) |
| VIII. Extraordinary Items | | 0 | 0 |
| IX. Loss before tax (VII - VIII) | | (3189914) | (39959135) |
| X. Tax expense | | 0 | 0 |
| XV. Loss for the period (XI + XIV) | | (3189914) | (39959135) |
| XVI. Earning per equity share: | 24 | | |
| (1) Basic | | (0.30) | (3.72) |
| (2) Diluted | | (0.30) | (3.72) |

The Notes referred to above are an integral part of Balance Sheet.

Note on Accounts as Note '1 to 25'

As per our report of even date,

C.P.Rawka & Co.

Chartered Accountants

Firm Reg. No.:-000518C

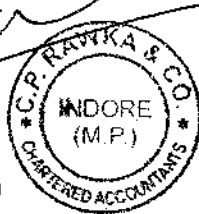
C.P. Rawka

Proprietor

Membership No. 070060

Place : Indore

Date : 27th May, 2016



For and on behalf of the board,
For MEDGEL PRIVATE LIMITED

R.C.Mittal

Chairman

DIN:00035272

Akshat Garg

C.F.O.

Alok K. Garg

Director

DIN:00274321

Shreya Shrivastava

Company Secretary

ACS 41711

MEDGEL PRIVATE LIMITED
Profit and Loss statement for the year ended 31st March, 2016

| | | Amount in Rs. | |
|--|------|------------------------|------------------------|
| Particulars | Note | As at 31st Mar 2016 | As at 31st Mar 2015 |
| I. Revenue from operations | 14 | 179335954 | 87479895 |
| II. Other Income | 15 | 2227870 | 946096 |
| III. Total Revenue (I +II) | | 181563824 | 88425990 |
| IV. Expenses: | | | |
| Cost of materials consumed | 16 | 106811564 | 51291185 |
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| Employee benefit expense | 18 | 28318949 | 24081635 |
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| Depreciation and amortization expense | 8 | 14743562 | 14880427 |
| Other expenses | 20 | 42620969 | 31172111 |
| Total Expenses | | 184753738 | 128385126 |
| V. Loss before exceptional and extraordinary items and tax (III - IV) | | (3189914) | (39959135) |
| VI. Exceptional Items | | 0 | 0 |
| VII. Loss before extraordinary items and tax (V - VI) | | (3189914) | (39959135) |
| VIII. Extraordinary Items | | 0 | 0 |
| IX. Loss before tax (VII - VIII) | | (3189914) | (39959135) |
| X. Tax expense | | 0 | 0 |
| XV. Loss for the period (XI + XIV) | | (3189914) | (39959135) |
| XVI. Earning per equity share: | 24 | | |
| (1) Basic | | (0.30) | (3.72) |
| (2) Diluted | | (0.30) | (3.72) |

The Notes referred to above are an integral part of Balance Sheet.

Note on Accounts as Note '1 to 25'

As per our report of even date,

C.P.Rawka & Co.

Chartered Accountants

Firm Reg. No.:-000518C

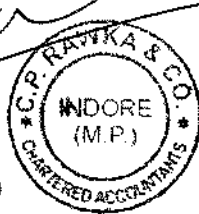
C.P. Rawka

Proprietor

Membership No. 070060

Place : Indore

Date : 27th May, 2016



For and on behalf of the board,
For MEDGEL PRIVATE LIMITED

R.C.Mittal

Chairman

DIN:00035272

Akshit Garg

C.F.O.

Alok K. Garg

Director

DIN:00274321

Shreya Shrivastava

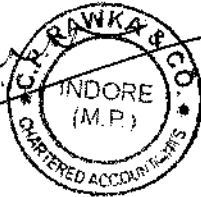
Company Secretary
 ACS 41711

MEDGEL PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

| PARTICULARS | 2015-16 | 2014-15 |
|--|------------------|-------------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit before Tax & Extraordinary Items | (3189914) | (39959135) |
| Adjustment For: | | |
| Depreciation | 14743562 | 14880427 |
| Operating Profit before Working Capital Change | 11553647 | (25078708) |
| Adjustment for Working Capital | | |
| (Increase)/ Decrease in Sundry Debtors | (10856937) | 14897676 |
| (Increase)/ Decrease in Inventories | (8288821) | (10573596) |
| (Increase)/ Decrease in Loans & Advances | (8818160) | 1470384 |
| Increase in Current Liabilities & Provisions | 27862427 | 20989503 |
| Cash Generated from Working Capital | (101491) | 26783967 |
| Cash generated from Operation | 11452156 | 1705259 |
| Net cash Flow from Operating Activity | 11452156 | 1705259 |
| B. Cash Flow from Investing Activities | | |
| Purchase of Fixed Assets | (1592046) | (2048479) |
| Adjustment for Dep on sale of Fixed Assets | 0 | 196968 |
| Net Cash used in Investing Activities | (1592046) | (1851511) |
| C. Cash Flow from Financial Activities | | |
| Increase in Long term borrowing | (7289449) | 0 |
| Net Cash Used in Financial Activities | (7289449) | 0 |
| Net Increase in Cash and Cash Equivalents (A+B+C) | 2570661 | (146252) |
| Cash & Cash Equivalents at the Beginning of the year | 77701 | 223953 |
| Closing of the year | 2648362 | 77701 |
| Increase in Cash and Cash Equivalents | 2570661 | (146252) |

As per our report of even date annexed
For C.P.Rawka & Co.
Chartered Accountants

C.P.Rawka
Proprietor
M.No. 070060
FRN No. 000518C
Date : 27th May, 2016



For and on behalf of Board
Medgel Private Limited

R.C. Mittal
Director
DIN:00035272

Alok K. Garg
Director
DIN: 00274321

Akshit Garg
C.F.O.

Shreya Shrivastava
Company Secretary
ACS 41711

MEDGEL PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

Amount in Rs.

| Note : 2 Share Capital | As at 31st Mar 2016 | As at 31st Mar 2015 |
|---|------------------------|------------------------|
| Authorised Share Capital : 1,10,00,000 Equity Shares of Rs.10/- each (Previous Year 1,10,00,000 Equity Shares of Rs. 10/- each) | 110000000 | 110000000 |
| Issued Capital 1,07,54,828 Equity Shares of Rs. 10 each fully paid up (Previous Year 1,07,54,828 Equity Shares of Rs.10/- each) | 107548280 | 107548280 |
| Subscribed & Paidup Capital 1,07,54,828 Equity Shares of Rs. 10 each fully paid up (Previous Year 1,07,54,828 Equity Shares of Rs.10/- each) | 107548280 | 107548280 |
| | 107548280 | 107548280 |

a) Reconciliation of number of equity share

| | | |
|--|-----------------|-----------------|
| No. of Share outstanding as at the beginning of the year | 10754828 | 10754828 |
| Add: No. Share issued during the year | 0 | 0 |
| | 10754828 | 10754828 |
| Less: No. of share bought back during the year | 0 | 0 |
| No. of Share outstanding as at the end of the year | 10754828 | 10754828 |

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

| Name of Shareholders | No. of Shares as at | | | |
|--------------------------|-----------------------|------|-----------------------|--------|
| | 31.03.16 % of Holding | | 31.03.15 % of Holding | |
| Medicaps Limited* | 10754828 | 100% | 8038828 | 74.75% |
| Mission Vivacare Limited | 0 | 0% | 2716000 | 25.25% |

* 5000 Shares held by Shri Alok K Garg and Shri R.C Mittal as a nominee of Medicaps Limited in which medicaps is Financial interested

Note : 3 Reserve & Surplus

| | | |
|---|------------------|------------------|
| Securities Premium Account | | |
| Opening Balance | 268620700 | 268620700 |
| Add: Security Premium on Share issued during the year | 0 | 0 |
| | 268620700 | 268620700 |
| Surplus/ (Loss) | | |
| Opening Balance | (98109374) | (58150238) |
| Add: Loss during the year | (3189914) | (39959135) |
| | (101299288) | (98109374) |
| | 167321412 | 170511326 |

Note : 4 Share application money pending for allotment

| | | |
|---|----------|----------|
| Share application money pending for allotment | 0 | 0 |
| | 0 | 0 |

Note : 5 Long Term Borrowings

| | | |
|-------------------------------------|-----------------|------------------|
| IDBI Bank C.C. A/c 0382655100000125 | 0 | 7418606 |
| Other Borrowings | 97805831 | 97676674 |
| | 97805831 | 105095280 |



| Note : 6 Trade Payable | As at 31st Mar 2016 | As at 31st Mar 2015 |
|-------------------------------|--------------------------------|--------------------------------|
| Sundry Creditors | 40599673 | 19520696 |
| For Expenses | 0 | 1904544 |
| For Capital Goods | | |
| | 40599673 | 21425240 |

Note : 7 Other Current Liabilities

| | | |
|-----------------------------------|-----------------|----------------|
| TDS on Contractor Payment | 26038 | 10419 |
| TDS on Salary | 127041 | 117173 |
| TDS on Professional Fees | 0 | 4000 |
| TCS on Scrap Sales | 413 | 287 |
| ESI Payable | 46051 | 39711 |
| PF Payable | 172978 | 124610 |
| Unpaid Salary & Wages (Provision) | 1998237 | 1331731 |
| VAT Payable | 3967 | 1368 |
| Professional Tax Payable | 11570 | 5240 |
| Advance from Customers | 9078829 | 0 |
| Outstanding Liability | 0 | 1142590 |
| | 11465124 | 2777129 |

Note : 9 Long Term Loans & Advances

| | | |
|--|----------------|----------------|
| (Unsecured, considered good unless otherwise stated) | | |
| Security Deposit | 5120037 | 3112264 |
| | 5120037 | 3112264 |

Note : 10 Inventories

| | | |
|------------------|-----------------|-----------------|
| Raw Materials | 28370558 | 28890812 |
| Finished Goods | 39527613 | 31516892 |
| Packing Material | 4368750 | 3570396 |
| | 72266921 | 63978100 |

Note : 11 Trade Receivables

| | | |
|---|-----------------|-----------------|
| Unsecured, Considered Good as certified by the Management | | |
| Outstanding over six months | 0 | 19404970 |
| Others | 30940654 | 678748 |
| | 30940654 | 20083718 |

Note : 12 Cash & Bank balances

| | | |
|-------------------------------------|----------------|--------------|
| Cash in Hand | 462 | 748 |
| Balance with Scheduled Banks : | | |
| In Current Accounts | 1083099 | 76953 |
| IDBI Bank C.C. A/c 0382655100000125 | 1564801 | 0 |
| | 2648362 | 77701 |

Note : 13 Short-term Loans & Advances

| | | |
|--|----------------|----------------|
| Unsecured, considered good unless otherwise stated | | |
| Advance for Capital Goods/ Services | 8295861 | 1801620 |
| (Unsecured & Considered Good - Advance recoverable in Cash or in kind or for value to be received) | | |
| Service Tax Receivable | 221889 | 221889 |
| TDS receivable | 95,537 | 84118 |
| Prepaid Expenses | 731511 | 723943 |
| Advanced at Factory | 297159 | 0 |
| Other Loans & Advances | 107970 | 107970 |
| | 9749927 | 2939540 |



NOTES TO PROFIT & LOSS STATEMENT

Amount in Rs.

| Note : 14 Sales | As at | As at |
|-----------------|------------------|-----------------|
| | 31st Mar 2016 | 31st Mar 2015 |
| Sale of product | 179335954 | 87479895 |
| | 179335954 | 87479895 |

Note :15 Other Incomes

| | | |
|--|----------------|---------------|
| Interest received | 205298 | 201751 |
| Insurance Claim | 0 | 178635 |
| Miscellaneous Receipt | 1037032 | 0 |
| Sales of Scrap | 641998 | 343227 |
| Foreign Exchange Fluctuation | 336281 | 189119 |
| Sundry Credit Debit balances W/o (net) | 0 | 19446 |
| Income from Investment | 7261 | 13917 |
| | 2227870 | 946096 |

Note: 16 Cost of Materials Consumed

| | | |
|-------------------------------------|------------------|-----------------|
| a) Raw Material Consumed | | |
| Opening Stock | 28890812 | 17660653 |
| Purchases (net) | 105201831 | 55808992 |
| | 134092643 | 73469645 |
| Less : Closing Stock | 28370558 | 28890812 |
| | 105722085 | 44578833 |
| b) Packing Material Consumed | | |
| Opening Stock | 3570396 | 3338864 |
| Purchases (net) | 1887834 | 6943883 |
| Less : Closing Stock | 4368750 | 3570396 |
| Packing Material Consumed | 1089480 | 6712351 |
| Total (a) + (b) | 106811564 | 51291185 |

Note : 17 Increase/(Decrease) in Stocks

| | | |
|--|----------------|-----------------|
| Closing Stock of Finished Goods as on 31/03/2016 | 39527613 | 31516892 |
| Less: Stock of Finished Goods as on 01/04/2015 | 31516892 | 32404987 |
| Increase/(Decrease) in Stock | 8010721 | (888095) |

Note : 18 Employees Remuneration & benefits

| | | |
|--|-----------------|-----------------|
| Salary, Wages, Allowances & other Benefits | 28146666 | 23063702 |
| Staff Welfare Expenses | 172283 | 1017934 |
| | 28318949 | 24081635 |

Note : 19 Finance Cost

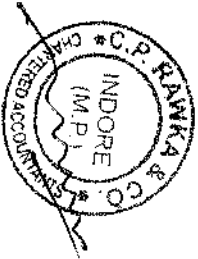
| | | |
|------------------------|---------------|----------------|
| Interest on C.C. Limit | 269415 | 5930076 |
| Interest on S.M.E. A/c | 0 | 141597 |
| | 269415 | 6071673 |



MEDGEL PVT.LTD.

Note- 8 - Fixed Assets- Tangible Assets

| S. NO. | FIXED ASSETS | RATE OF DEP. | GROSS BLOCK | | | | DEPRECIATION | | | | NET BLOCK | |
|--------|----------------------|--------------|------------------|----------------|------------|------------------|------------------|----------------------|------------|-----------------|------------------|------------------|
| | | | As at 01.04.2015 | Additions | Deductions | As at 31.03.2016 | Up to 31.03.2015 | For the Year 2015-16 | Deductions | Upto 31.03.2016 | As at 31.03.2016 | As at 31.03.2015 |
| 1 | Plant & Machinery | 5.28 | 172324045 | 27,300 | 0 | 172351345 | 24763217 | 4724095 | 0 | 29487312 | 142864033 | 147560828 |
| 2 | Land & Building | 3.34 | 149932938 | 24375 | 0 | 149957313 | 16619765 | 4508241 | 0 | 21128006 | 128829307 | 133313173 |
| 3 | Furniture & Fixtures | 6.33 | 47643489 | 0 | 0 | 47643489 | 12062408 | 4970523 | 0 | 17032931 | 30610558 | 35581081 |
| 4 | Office Equipment | 4.75 | 556045 | 0 | 0 | 556045 | 240416 | 177708 | 0 | 418124 | 137921 | 315629 |
| 5 | Computers & Software | 16.21 | 1519937 | 0 | 0 | 1519937 | 1199286 | 320651 | 0 | 1519937 | 0 | 320651 |
| 6 | Vehicle | 9.50 | 140154 | 1540371 | 0 | 1680525 | 65581 | 42344 | 0 | 107925 | 1572600 | 74573 |
| | GRAND TOTAL | | 372116608 | 1592046 | 0 | 373708654 | 54950674 | 14743562 | 0 | 69694236 | 304014418 | 317165934 |
| | PREVIOUS YEAR | | 370424652 | 2048479 | 356523 | 372116608 | 402229802 | 14880427 | 159555 | 54950674 | 317165934 | 330194850 |



| Note : 20 Other Expenses | As at 31st Mar 2016 | As at 31st Mar 2015 |
|------------------------------------|--------------------------------|--------------------------------|
| Audit Fees | 26,850 | 16854 |
| Bank charges | 207316 | 415646 |
| Certificate & Standard Exp. | 489539 | 47300 |
| Cleaning Expenses | 33869 | 55304 |
| Computer Repair & Maintenance Exp. | 103,550.00 | 67195 |
| Consultancy Fees | 461142 | 674952 |
| Conveyance Expenses | 199,749.00 | 196274 |
| Development Charges to AKVN | 66198 | 264792 |
| Factory Exp. | 600216 | 751548 |
| Freight Exp. | 16565101 | 7721368 |
| Insurance Expenses | 150977 | 364724 |
| Lab Expenses | 339023 | 293279 |
| Lawn Development Exp. | 0 | 160000 |
| Lease Rent | 55165 | 298775 |
| Loss on sale of Fixed assets | 0 | 121968 |
| Legal & Professional Expenses | 49324 | 219357 |
| Miscellaneous Exp | 604651 | 590314 |
| Other Repair & Maintenance | 373458 | 15226 |
| Office Expenses | 0 | 1256 |
| Packing & Forwarding | 12,150.00 | 109692 |
| Postage Exp. | 250038 | 50918 |
| Power, Fuel and Gas | 16,053,587 | 12018552 |
| Repair to Building | 22,000.00 | 950836 |
| Repair to Electricals | 7000 | 134020 |
| Repair to Machinery | 108,202.00 | 1857122 |
| Security Charges | 363094 | 409237 |
| Sez Online Exp. | 0 | 23927 |
| Stationery & Printing | 431192 | 331537 |
| Telephone Exp | 123,598 | 106996 |
| Testing Exp | 12153 | 142290 |
| Travelling & Lodging exp | 2690 | 122257 |
| Utility Expenses | 1,948,993 | 482281 |
| Vehicle Running & Maint Expenses | 2200884 | 1796701 |
| Water Expenses | 759262 | 324364 |
| Bad Debts | 0 | 35250 |
| | 42,620,969 | 31,172,111 |

Note 21 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.

| Note 22 Payment to Auditors | 2015-16 | 2014-15 |
|------------------------------------|----------------|----------------|
| Audit Fees | 10000 | 6391 |
| In other Capacity | | |
| Tax Audit & other Fee | 16850 | 10463 |
| | 26850 | 16854 |



Note 23 Related Party Disclosure

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

| S.No | Related Party | Transaction nature | 2015-16 | 2014-15 |
|------|------------------|--------------------|--------------------|--------------|
| 1 | Medicaps Limited | Purchase Sale | 4021000 4106250 | 1689100 0 |
| 2 | Akshit Garg | Remuneration | 200000 | 0 |

Note 24 Earning Per Share

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

| | | | |
|------|--|-----------|------------|
| i) | Profit after tax used as the numerator | (3189914) | (39959135) |
| ii) | Basic / Weighted Average number of Equity Shares used as the denominator | 10754828 | 10754828 |
| iii) | Nominal Value of Equity shares | 10/- | 10/- |
| iv) | Basic & Diluted Earning per Equity Share | (0.30) | (3.72) |

Note 25 The previous years figures have been regrouped/ restated wherever necessary to confirm with the current years classification.

