



MEDGEL

PRIVATE LIMITED

CIN-U24239MP2007PTC019204

11TH
ANNUAL
REPORT

2017-18

MEDGEL

MEDGEL PRIVATE LIMITED

Plot No.19-20, Special Economic Zone
Pharma Zone, Phase-II, Sector-III,
Pithampur, Distt. Dhar (M.P.) 454775

CIN: U24239MP2007PTC019204

Ph. +91-7292-256205/6
Fax: +91-7292-256072
Email: accounts@medgel.net
Pawar@medgel.net

NOTICE

Notice is hereby given that the 11th Annual General Meeting of the members of MEDGEL PRIVATE LIMITED will be held on Monday, September 24, 2018 at 11:00 A.M. at the registered office of the company situated at 201, PUSHPRATNA PARADISE, 9/5 NEW PALASIA, OPPOSITE UCO BANK, INDORE to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements containing the Balance Sheet as at 31st March, 2018, the Statement of Profits and Loss and cash flow of the Company for the financial year ended 31st March, 2018 and the Reports of the Board's and Auditors thereon.
2. To appoint a director in place of Mr. Alok K Garg (DIN: 00274321) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to section 139, 141 and other applicable provisions of the Companies Act, 2013 and the Rules made there under and amended from time to time, M/s Rawka & Associates, Chartered Accountants, (FRN 021606C) be and is hereby appointed as the statutory Auditors of the Company in the place of M/s C.P. Rawka & Co., Chartered Accountants (FRN 000518C) whose term shall be concluded on the conclusion of the ensuing Annual General Meeting to hold office from the this ensuing Annual General Meeting till the conclusion of the 15th AGM of the Company to be held in year 2022, and the approval of the members be and is hereby accorded to dispense off the requirement of ratification of the auditors upto their remaining term of appointment as per the amendment made in Section 139 of the Companies Act, 2013 on such remuneration as may be fixed by the Board.”

BY ORDERS OF THE BOARD

ABHISHEK KUMAR
COMPANY SECRETARY
ACS 36699

DATE: 26th May, 2018

PLACE: Indore

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 OF THE COMPANY. PROXY FORM IN ORDER TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member.

Regd. Office: 201, Pushpratna Paradise, 9/5, New Palasia, Indore – 452001 Telefax :+91-731 – 4041435, 4046321, 4028148

Details of the directors seeking appointment/re-appointment in the ensuing Annual General Meeting

Name of Directors	Alok K. Garg
DIN	00274321
Date of Birth	27/04/1969
Date of Appointment	10/01/2007
Expertise / Experience in specific functional areas	More than 18 Years Experience in the company's business and manufacturing activities
Qualification	BBA. (Honors), MBA (Marketing), Diploma in Export Documentation & Implementation from IIFT, Delhi
No. & % of Equity Shares held	2500 Shares (0.02%)
List of outside Company's Directorship	Medi-Caps Limited Medpak India Limited
Chairman / Member of the Committees of the Board of Directors of the Company	Audit Committee. Nomination & Remuneration Committee.
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	Member in Risk Management Committee in Medi-caps Limited

MEDGEL PRIVATE LIMITED

CIN U24239MP2007PTC019204

Regd. Off: 201, Pushpratna Paradise, 9/5 New Palasiya, Opposite UCO Bank, Indore (M.P.) 452001
Contact No: 0731-4046321, Email id: pawar@medgel.net/accounts@medgel.net

BOARDS' REPORT

To,
The Members of
MEDGEL PRIVATE LIMITED

The Directors of the Company take pleasure in presenting the 11th Annual Report together with the audited Financial Statements for the year ended 31st March, 2018.

Your directors submit the following particulars/disclosures and information's as required under section 134(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and other applicable rules there under:-

Extract of the Annual Return as provided under section 92(3)

The details forming part of the extract of the Annual Return as provided under section 92(3) as on 31st March, 2018 in the prescribed form MGT-9 annexed herewith as "*Annexure A*".

Number of meetings of the Board

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. The Board met 4(Four) times in financial year 2017-18. The maximum interval between any two meetings did not exceed 120 days.

Directors' Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the period ended on 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. that such accounting policies as mentioned in Note 1 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of Company as at March, 31st 2018 and of the Profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual financial statements have been prepared on a going concern basis;
- e. that the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Details in respect of fraud reported by auditors u/s 143(12) other than those which are reportable to the Central Government.

There is no fraud which are reportable by the Auditors to the Central Government, and which needs to be disclosed in the Board report during the year under review.

Statement on declaration by independent directors under section 149(6):

The Company has received declaration pursuant to section 149(6) from the Independent Directors from Mr. Mahesh Kumar Patni (DIN 07444248) and Mr. Pramod Fatehpuria (DIN 00972389) disclosing their independence and in the opinion of the Board they fulfill the criteria and suitable persons to hold the position of the Independent Directors of the Company.

Criteria for determining qualifications, positive attributes, independence of a director and other matters under section 178(3):

The Nomination & Remuneration Committee have formulated the Policy of the company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) of section 178.

Appointment of the Auditors and explanations or comments on qualification, reservation or adverse remark or disclaimer made by the Auditors in their report:

Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board.

The Auditors, M/s. Rawka & Associates, Chartered Accountants, (F. R. No. 021606C) who were appointed for a term of five years at the Annual General Meeting of the Company held on 27th September, 2017 shall hold the office till the conclusion of 15th Annual General Meeting of the Company to be held in the year 2022 subject to the ratification of their appointment at every AGM. However, the approval of the members be and is required at the ensuing Annual General Meeting to dispense off the requirement of ratification of the auditors up to their remaining term of appointment as per the amendment made in section 139 of the Companies Act, 2013 on such remuneration as may be fixed by the Board.

The Auditors Report and the Notes on financial statement for the year 2017-18 referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's report is also self explanatory and does not contain any qualification, reservation or adverse remark.

Secretarial Auditors:

Since the Company is not in the category specified under section 204 read with the Companies (Appointment and Remuneration of the Managerial Personal Rules, 2014 it was not required to appoint and obtain the Secretarial Audit Report for the year 2017-18.

Cost Records and Audit

As per Rule 3 of Companies (Cost and Records) rules, 2014 as amended from time to time, the total turnover of the company is below the threshold limit as specified under the afore said mentioned rules due to which the company is not required to maintain the cost records and company is not required to conduct the cost audit as per the provisions of the Act.

Particulars of loans, guarantees, security or investments U/s 186:

Your Company has not provided any loans/ guarantees or securities to other body corporates during the period. However, Your company has made investments in Mutual Funds as per the details shown in below table: -

(Rs. In Lakhs)

S. No.	Name of Security	Nature of Security	Op. Bal as on 01/04/17	Net Transactions	Cl. Bal as on 31/03/18
1	Birla Sun Life Mutual Fund	Short Term Investment	13.50	82.70	96.20
2	Reliance Money Manager Fund	Short Term Investment	122.74	180.98	303.72
3	ABSL Pure value fund	SIP	0	20.00	20.00
	TOTAL		136.24	283.68	419.92

The said investment is with the limit specified under section 186 of the Companies Act, 2013. However, for more clarification on disclosures for particulars of the loans, advances given and investment made or the guarantee and security provided by the company during the financial year, pursuant to the section 186 of the Companies Act, 2013, please refer the relevant notes forming part to the financial statement provided in the annual report.

Particulars of contracts or arrangements with related parties referred to section 188(1):

All the contracts or arrangements or transactions entered by the Company during the financial year with the related parties referred in section 188(1) of the Companies Act, 2013 and the rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are on arms length basis and in the ordinary course of business and were not material and further relevant notes to the financial statements attached with the Board Report. There were no material contracts with the related parties during the year under review and hence Form AOC-2 is not attached in the Board Report.

The state of the company's affairs:

The Company is engaged in the business of manufacturing Soft Gelatin capsules, Liquid filled capsules and import, and export dealership of pharmaceutical, medical, biological products.

Share Capital of the company

The paid-up Share Capital as on 31st March, 2018 was Rs. 1468.20 Lakhs divided into 146.82 lakhs equity shares of Rs. 10/- each. During the year under review, the company has not issued any shares with differential voting rights nor granted stock options nor sweat equity Shares as on 31st March, 2018.

The amounts propose to carry to any reserves:

During the year under review your company has not transferred any amount to any amount to reserves (Previous Year Nil).

The amount, which it recommends to be paid by way of dividend:

Looking to the inadequate profit made by the company and huge accumulated losses, your board does not recommend any dividend during the year. (Previous year: Nil)

Material changes and commitments, if any, affecting the financial position of the company which has occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

There have been no material changes and commitments, affecting the financial position of the Company which had occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

The conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 are as under:

S.No.	Particulars	Comments
(A)	Conservation of energy	
(i)	the steps taken or impact on conservation of energy;	In view of business activities substantial steps have been taken by the Company.
(ii)	the steps taken by the company for utilizing alternate sources of energy;	As above
(iii)	the capital investment on energy conservation equipments	Nil
(B)	Technology absorption	
(i)	the efforts made towards technology absorption	Adequate steps have been taken by the company.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	Nil
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) the details of technology imported	Nil
	(b) the year of import	N.A.
	(c) whether the technology been fully absorbed	N.A.
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.
(iv)	the expenditure incurred on Research and Development	Nil
(C)	Foreign exchange earnings and	Inflow Outflow

Outgo	2017-18	2016-17	2017-18	2016-17
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	272085041.00	168305198.00	31990089.00	25204341.00

Statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk:

The Company is engaged in the business of manufacturing of Soft Gelatin Capsule and is associated with the normal business risk as well as the imbalance of demand- supply of products in the Domestic and in International Market. Further, Pharmaceutical Industry has always been under intense scrutiny by various regulatory authorities, both Indian and international specially US Norms. This trend continues resulting in regulatory standards being upgraded all the time

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The CSR initiatives taken during the year:

In view of the paid up capital, profits and turnover of the company, it does not fall under the provisions of the section 135 of the Companies Act, 2013 and the rules made there under, The Company is neither required to constitute the CSR Committee nor expenses there under.

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors:

Since the Company is not listed with any stock exchange and not having paid up capital as prescribed in the Act, the statement as required to be given is not applicable to the Company.

Other matters as prescribed to be included in Board's report U/s 134:

Pursuant to the Rule 8 of the Companies (Accounts) Rules, 2014 your directors submit the followings:

FINANCIAL RESULTS

(1) Financial Summary or Highlights of Performance:

- Total Revenue from Operations for the year 2017-18 is Rs. 2732.17 Lakhs which is increased by Rs. 604.07 Lakhs over the last year (Rs. 2128.10 Lakhs in previous year).
- Total profit for the year 2017-18 is Rs. 58.40 Lakhs which is increased by Rs. 37.32 Lakhs over the last year (Rs. 21.08 Lakhs in previous year.)

(Rs. in Lakhs)

Particulars	Year Ended	
	31.03.2018	31.03.2017
Total Income	2772.08	2217.43
Total expenditure before interest & depreciation	2567.64	2050.75
Profit before Depreciation, finance cost and tax	204.44	166.68
Less: Depreciation & Amortization expenses	145.37	144.25
Less: Finance Cost	0.66	1.34
Profit before tax (PBT)	58.40	21.08
Less: Tax expenses	-	-
Net Profit for the year	58.40	21.08
Add: other Comprehensive Income	0.00	0.00
Total Comprehensive Income	58.40	21.08
Add: Surplus brought from previous year	(991.90)	(1012.99)
Total Surplus	(933.50)	(991.90)
Earnings per share		
Basic	0.40	0.14
Diluted	0.40	0.14

*The company has first time adopted IND AS w.e.f. 1st April, 2017: accordingly the figures for the previous ended 31st March, 2017 have been re-arranged/re-grouped to make them comparable with

the current year 2017-18 in accordance with IND – AS, as prepared under section 133 of the companies Act, 2013

The change in the nature of business, if any;

There is no change in the nature of business activities of the Company during the year under review.

Board of Directors & KMPs;

Constitution of Board

The Board of Directors comprises total 6 (Six) Directors, which include 2 (Two) Independent Director, 1 (One) Women Director, 1 (One) Whole-time Director and 2 (Two) Non-Executive Directors. **Board of Independence;**

As per Companies Act, 2013 the company is having following Independent Director

1. Mr. Pramod Fatehpuria
2. Mr. Mahesh Kumar Patni

As per the provisions of the Companies Act, 2013, Independent Director were appointed for a term of 5 (Five) consecutive years, but shall be eligible for re-appointment on passing of a special resolution by the Company and shall not liable to retire by rotation.

Appointments and re-appointment of Directors;

In accordance with the provisions of the Companies Act, 2013 and in terms of Article of Association of the Company, Mr. Alok K Garg (DIN: 00274321) is liable to retire by rotation and being eligible offers himself for re - appointment.

Key Managerial Personnel;

Mr. Praveen Nalwaya, Whole-time Director (DIN: 06856052), Mr. Abhishek Kumar, Company Secretary and Mr. Lokesh Parmar, Chief Financial Officer have been categorized as the Key Managerial Personnel as per Companies Act, 2013.

There are no changes in the Key Managerial Personnel during the year 2017-18.

The names of companies which have become or ceased to be its Subsidiaries, joint ventures or associate companies during the year:

As on 31st March, 2018, the Company does not have any Subsidiary, Associate or Joint Venture Company at the beginning or any time during the year 2017-18 as well as it is not an associate or holding company of any other company. However, the company is 100% Wholly-owned subsidiary of Medi-Caps Limited.

The details relating to deposits, covered under Chapter V of the Act,-

- (a) Accepted during the year : Nil
- (b) Remained unpaid or unclaimed as at the end of the year: Nil
- (c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved: Nil

Details of deposits which are not in compliance with the requirements of Chapter V of the Act:

The Company has not accepted any deposit which is not in compliance of the Companies (Acceptance of Deposits) Rules, 2014 during the year.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future: Nil

Details in respect of adequacy of internal financial controls with reference to the Financial Statements:

The Financial statement of the Company is reviewed by the Board and audited by the Independent Auditors. The Company is having adequate internal financial control. The company has constituted an Audit Committee of the Board to oversee the internal financial controls of the company.

Non Applicability of Certain Provisions of The Companies Act, 2013 during the Period Starting From 1st April, 2017 to 31st March, 2018:

1. Since your company is not having any subsidiary, joint venture and associate company, therefore, the Company is not required to prepare consolidated financial statements during the period.
2. The Company is not required to conduct the Secretarial Audit, Cost Audit and Internal Audit under the provisions of the Companies Act, 2013.
3. Requirement of vigil mechanism is not applicable to the company.
4. There is no employee drawing remuneration in excess of Rs. 8.50 Lakhs p.m. or Rs. 102.00 Lakhs p.a., therefore the disclosure as required under the Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Persons) 2014, is not applicable to the Company.
5. There is no voting rights exercise by any employee of the Company pursuant to the section 67(3) read with the Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014.

Particulars of Internal Committee and Complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has constituted the Internal Committee under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 headed by the Women Director of the Company. There is no complaint received during the year and pending at the end of the financial year under provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS:

Your Directors acknowledge all stakeholders of the Company viz. customers, members, Bank and other business partners for the excellent support received from them during the period. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

FOR AND ON BEHALF OF THE BOARD


RAMESH CHANDRA MITTAL
DIN:00035272
CHAIRMAN



PLACE: INDORE
DATE: 26TH MAY, 2018

**EXTRACT OF ANNUAL RETURN
FORM MGT-9**

As on the financial year ended on 31st March, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details

CIN	U24239MP2007PTC019204
Registration Date	10/01/2007
Name of the Company	MEDGEL PRIVATE LIMITED
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	201, Pushpratna Paradise, 9/5 New Palasiya, Opposite UCO Bank, Indore (M.P.) 452001
Whether listed company	No
Name, address and contact details of Registrar and Transfer Agent, if any	No

II. Principal Business Activities of the Company :

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description of main Products / Services	NIC Code of the Product /Service	% to total turnover of the Company
Soft Gelatin Capsule Shell	24239	100%

III. Name and Address of the Holding, Subsidiary and Associate Companies:

S. No.	Name and Address of the Company	CIN	Holding/ Subsidiary /Associate	% of shares held	Applicable section
1	Medi-Caps Limited	L24232MP1983PLC002231	Holding	100%	2(46)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as % of the total Equity)

i) Category-wise Shareholding:

Category of Shareholder	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% Change during the year
	Total	% of Total Shares	Total	% of Total Shares	
A. Promoters					
(1) Indian					
a) Individual / HUF*	5000	0.03%	5000	0.03%	-
b) Central Govt.	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-
d) Bodies Corporate	1,46,76,953	99.97%	1,46,76,953	99.97%	-
e) Banks / FI	-	-	-	-	-
f) Any Other...	-	-	-	-	-
Sub-Total (A)(1):	1,46,81,953	100.00%	1,46,81,953	100.00%	0.00%
(2) Foreign					
a) NRIs – Individuals	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-
d) Banks / FI	-	-	-	-	-
e) Any Other...	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1) + (A)(2)	1,46,81,953	100.00%	1,46,81,953	100.00%	0.00%
B. Public Shareholding					
(1) Institutions					
a) Mutual Funds / UTI	-	-	-	-	-
b) Banks / FI	-	-	-	-	-
c) Central Govt.	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-

f) Insurance Companies	-	-	-	-	-
g) FIs	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-
i) Others (specify)	-	-	-	-	-
Sub-Total (B)(1):	-	-	-	-	-
(2) Non-Institutions					
a) Bodies Corporate	-	-	-	-	-
i) Indian	-	-	-	-	-
ii) Overseas	-	-	-	-	-
b) Individuals					
- Individual Share holders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-
- Individual Share holders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-
c) Others (specify)					
i) NRI / OCBs	-	-	-	-	-
Sub-Total (B) (2):	-	-	-	-	-
Total Public Share holding (B) =(B) (1)+ (B) (2)	-	-	-	-	-
Grand Total (A+B)	1,46,81,953	100.00%	1,46,81,953	100.00%	0.00%

* Beneficial ownership is held by the holding Company, M/s Medi-Caps Limited however, the name of Mr. Ramesh Chandra Mittal and Mr. Alok K.Garg has been entered in the register of member being the Nominee.

ii) Shareholding of Promoters:

Shareholders Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in shareholding during the year
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
M/s Mediacaps Ltd.	1,46,76,953	99.97%	1,46,76,953	99.97%	-
Shri R.C. Mittal *Nominee of M/s Mediacaps Ltd.	2,500	0.01%	2,500	0.01%	-
Shri Alok K. Garg *Nominee of M/s Mediacaps Ltd.	2,500	0.02%	2,500	0.02%	-
TOTAL	1,46,81,953	100.00%	1,46,81,953	100.00%	0.00%

* Beneficial ownership is held by the holding Company, M/s Medi-caps Ltd. however, the name of Mr. Ramesh Chandra Mittal and Mr.Alok K.Garg has been entered in the register of member being the Nominee.

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	1,46,81,953	100%	-	-
Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	-	-	-	-
At the end of the year	-	-	1,46,81,953	100%

iv) Share holding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		Changes during the year					Reason
	No. of Shares	% of total shares of	No. of Shares	% of total shares of the	Date	No. shares before	No. shares After	Increase	Decrease	

		the Company	Company	Change	Change			
N.A								

v) Shareholding of Directors and Key Managerial Personnel:

Particulars	No. of shares	Shareholding percentage
Mr. Ramesh Chandra Mittal, Director (DIN: 00035272)	2500*	0.01%
Mr. Alok K. Garg, Director (DIN: 00274321)	2500*	0.02%
Total	5000	0.03%

* Beneficial ownership is held by the holding Company, M/s Medi-caps Ltd. however, the name of Mr. Ramesh Chandra Mittal and Mr. Alok K. Garg has been entered in the register of member being the Nominee.

V. INDEBTNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amt. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0.00	9.11	0.00	9.11
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	9.11	0.00	9.11
Change in Indebtedness during the financial year				
Addition	0.00	0.00	0.00	0.00
Reduction	0.00	(9.11)	0.00	(9.11)
Net Change	0.00	(9.11)	0.00	(9.11)
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	0.00	0.00	0.00	0.00

VI. REMUNERATION OF DIRECTOR AND KMP:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No	Particulars of Remuneration	Name of MD/WTD/Manager	
		Praveen Nalwaya WTD	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961	42,55,041	42,55,041
	(b) Value of Perquisites u/s 17(2) Income-Tax Act, 1961	-	-
	(c) Profits in lieu of Salary under Section 17 (3) Income-Tax, Act 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	As % of Profit	-	-
	Other, Specify	-	-
5	Other, Specify	-	-
	Total (A)	42,55,041	42,55,041
	Ceiling as per the Act.	N.A.	N.A.

B. Remuneration to other Directors:

S. No	Particulars of Remuneration	Name of Directors		Total
1	Independent Director(s)	N.A.	N.A.	
	Fee for Attending Board Committees Meeting	-	-	-
	Commission	-	-	-

	Other, Specify	-	-	-
	Total (1)	-	-	-
2	Other Non- Executive Directors:	-	-	-
	Fee for Attending Board Committees Meeting	-	-	-
	Commission	-	-	-
	Other, Specify	-	-	-
	Total (2)	-	-	-
	Total (B) = (1+2)	-	-	-
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

	Particulars	CEO	CS Abhishek Kumar	CFO Lokesh Parmar	TOTAL
1	Gross Salary	-	4,12,636	4,29,508	8,42,144
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961				
	C) Profits in lieu of Salary under Section 17 (3) Income-Tax, Act 1961				
	Stock Option				
2	Sweat Equity				
3	Commission				
	As % of Profit				
4	Other, Specify				
	Total (A)		4,12,636	4,29,508	8,42,144

VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES:

No punishment, or penalty or compounding fee was demanded/ordered or paid by the Company or any of its directors or the officer during the year under review.

FOR AND ON BEHALF OF THE BOARD


RAMESH CHANDRA MITTAL
DIN: 00035272
CHAIRMAN

PLACE: INDORE
DATE: 26TH MAY, 2018

RAWKA & ASSOCIATES

CHARTERED ACCOUNTANTS

412, Arcade Silver 56, 1, New Palasia, Indore - 1

☎ Off. : 2541132, Fax : 4215397, Mobile : 9039080380

E-mail : rawkaassociates@gmail.com, cprawka@gmail.com

Independent Auditor's Report

To
The Members of
MEDGEL PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **MEDGEL PRIVATE LIMITED** which comprise of the Balance Sheet as at March 31, 2018, 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

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 financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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.

We conducted our audit 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2018, and its Profit/Loss and Cash Flow Statement for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



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;

The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

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**”.

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:

The Company does not have any pending litigations which would impact its financial position.

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

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, are applicable to the extent of “**Annexure B**”.

Place: Indore

Date: 26th May, 2018

For: Rawka & Associates

Chartered Accountants

Firm Reg. No: 021606c



A handwritten signature in blue ink, appearing to read "Venus Rawka".

Venus Rawka
(Partner)

M. No.: 429040

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

Report on the Internal Financial Controls 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, 2018 in conjunction with our audit of the 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.

Auditors’ 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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, 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, 2018, 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.

Place: Indore

Date: 26th May, 2018



For: Rawka & Associates

Chartered Accountants

Firm Reg. No: 021606c

A handwritten signature in blue ink, appearing to be "Venus Rawka".

Venus Rawka

(Partner)

M. No.: 429040

“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT

(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 company is not required to maintain cost records as been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(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, income tax, 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, 2018 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, 2018 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.

Place: Indore

Date: 26th May, 2018



For: Rawka & Associates

Chartered Accountants

Firm Reg. No: 021606c

A handwritten signature in blue ink, appearing to read "Venus Rawka".

Venus Rawka

(Partner)

M. No.: 429040

MEDGEL PRIVATE LIMITED
Balance Sheet as at 31st March, 2018

Amount in Rs.

Particulars	Notes	As at 31st Mar 2018	As at 31st Mar 2017	As at 01st Apr 2016
I. Assets				
1 Non-current assets				
(a) Property, Plant and Equipment	2	27,87,44,361	29,03,82,971	30,40,14,418
(b) Financial Assets	3			
i. Investments		20,00,000	-	
(c) Other non-current assets	4	31,44,264	36,44,264	51,20,037
2 Current assets				
(a) Inventories	5	4,39,82,861	5,61,95,897	7,22,66,921
(b) Financial Assets				
i. Investments	6	3,99,92,257	1,36,23,769	-
ii. Trade receivables	7	6,09,42,206	2,88,46,582	3,09,40,654
iii. Cash and cash equivalents	8	27,99,963	15,48,984	26,48,362
(c) Other current assets	9	60,89,626	62,56,496	97,49,927
Total		43,76,95,538	40,04,98,963	42,47,40,320
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	10	14,68,19,530	14,68,19,530	10,75,48,280
(b) Other Equity	11	23,29,98,465	22,71,58,462	16,73,21,412
2 Liabilities				
A Non-Current Liabilities				
(a) Borrowings	12	-	9,10,641	9,78,05,831
B Current Liabilities				
(b) Trade payables	13	4,76,06,030	2,10,33,227	4,05,99,673
(c) Other current liabilities	14	1,02,71,513	45,77,103	1,14,65,124
Total		43,76,95,538	40,04,98,963	42,47,40,320

The Notes referred to above are an integral part of Balance Sheet
Note on Accounts as Note '1 to 28'

As per our report of even date,
For : Rawka & Associates
Chartered Accountants

Venus Rawka
Partner
M.No. 429040
FRN No. 021606C
Date: 26th May, 2018
Place: Indore



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


Alok K. Garg
 Director
 DIN: 00274321


Praveen Nalwaya
 Whole Time Director
 DIN: 06856052


Lokesh Parmar
 CFO


Abhishek Kumar
 Company Secretary
 M.N.: A36699

MEDGEL PRIVATE LIMITED
Profit and Loss statement for the year ended 31st March, 2018

Amount in Rs.

Particulars	Note	As at 31st Mar 2018	As at 31st Mar 2017
I. Revenue from operations	15	27,32,17,371	21,28,10,641
II. Other Income	16	39,91,604	89,32,900
III. Total Revenue (I +II)		27,72,08,975	22,17,43,541
IV. Expenses:			
Cost of materials consumed	17	15,85,67,803	11,67,92,461
Changes in inventories of finished goods and work-in-progress	18	98,36,125	47,54,074
Employee benefit expense	19	3,70,70,372	3,65,32,537
Finance Cost	20	66,265	1,34,230
Depreciation and amortization expense	2	1,45,37,869	1,44,25,368
Other expenses	21	5,12,90,538	4,69,96,560
Total Expenses		27,13,68,972	21,96,35,229
Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		58,40,003	21,08,312
VI. Exceptional Items		-	-
VII. Loss before extraordinary items and tax (V - VI)		58,40,003	21,08,312
VIII. Extraordinary Items		-	-
IX. Profit / (Loss) before tax (VII - VIII)		58,40,003	21,08,312
X. Tax expense		-	-
XV. Profit for the year (XI + XIV)		58,40,003	21,08,312
XVI. Earning per equity share:			
(1) Basic		0.40	0.14
(2) Diluted		0.40	0.14

The Notes referred to above are an integral part of Balance Sheet.
 Note on Accounts as Note '1 to 28'
 As per our report of even date,

For : Rawka & Associates
 Chartered Accountants

Venus Rawka
 Partner
 M.No. 429040
 FRN No. 021606C
 Date: 26th May, 2018
 Place: Indore



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


 Alok K. Garg
 Director
 DIN: 00274321


 Praveen Nalwaya
 Whole Time Director
 DIN: 06856052


 Lokesh parmar
 CFO



 Abhishek Kumar
 Company Secretary
 M.N.:A36699

MEDGEL PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

PARTICULARS	31st March 2018	31st March 2017
A. Cash Flow from Operating Activities		
Net Profit before Tax & Extraordinary Items	5840003	2108312
Adjustment For:		
Depreciation	14537869	14425368
Operating Profit before Working Capital Change	20377871	16533680
Ajustment for Working Capital		
(Increase)/ Decrease in Sundry Debtors	(32095624)	2094072
(Increase)/ Decrease in Inventories	12213036	16071024
(Increase)/ Decrease in Loans & Advances	666870	4969204
Increase in Current Liabilities & Provisions	32267213	(26454467)
Cash Generated from Working Capital	13051495	(3320168)
Cash generated from Operation	33429366	13213512
Net cash Flow from Operating Activity	33429366	13213512
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(2899259)	(793920)
Purchase of Investment	(28368487)	(13623769)
Issue of share capital	0	39271250
Security Premium on Share issued	0	57728738
Net Cash used in Investing Activities	(31267746)	82582299
C. Cash Flow from Financial Activities		
Increase in Long term borrowing	(910641)	(96895190)
Net Cash Used in Financial Activities	(910641)	(96895190)
Net Increase in Cash and Cash Equivalents (A+B+C)	1250979	(1099379)
Cash & Cash Equivalents at the		
Beginning of the year	1548984	2648362
Closing of the year	2799963	1548984
Increase in Cash and Cash Equivalents	1250979	(1099378)

As per our report of even date annexed

For : Rawka & Associates
 Chartered Accountants



Venus Rawka
 Partner
 M.No. 429040
 FRN No. 021606C
 Date: 26th May, 2018
 Place: Indore

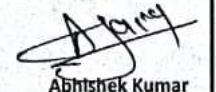



Alok K. Garg
 Director
 DIN:00274321

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

Praveen Nalwaya
 Whole Time Director
 DIN: 06856052


Lokesh Parmar
 CFO


Abhishek Kumar
 Company Secretary
 M.N.:A36699

NOTE -1- BASIC ACCOUNTING POLICIES

1. Corporate Information:

Medgel Private Limited ('the Company') is a Private Limited Company and was incorporated in India under Companies Act 1956 in 2007 as Medgel Pvt. Ltd. The Company is the subsidiary company of Medi-caps Limited. The company along with its holding company operates as a Pharmaceutical organization with business encompassing the entire value chain in the Marketing, production and distribution of Pharmaceutical products. The registered office of the Company is located at 201, PUSHPRATNA PARADISE 9/5 NEW PALASIYA, OPPOSITE UCO BANK INDORE MP 452001 IN The financial statements were authorised for issue in accordance with a resolution of the directors on 26 May 2018.

2. Basis of preparation:

(i) Compliance with Ind AS

These financial statements have been prepared to comply in all material aspects with the Indian Accounting Standards (hereinafter referred to as the ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements for the year ended 31st March, 2018 are the first financials with comparatives, that are prepared under Ind AS, for all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous AS') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

(ii) Historical Cost Convention

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014, except where otherwise stated, the accounting principles have been consistently applied.

3. Rounding of amounts:

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Rupees; except where otherwise indicated.



4. Current versus non-current classification:

The company presents its assets and liabilities in the balance sheet on current/non-current classification. An Asset is treated as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle;
- b) Held primarily for the purpose of trading;
- c) Expected to be realised within twelve months after the reporting period; or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is Current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period; or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other Liabilities are classified as non-current.

Deferred tax liabilities are classified under non-current Liabilities.

5. Use of Estimates and Assumptions:

The preparation of financial statements in accordance with Ind AS requires subjective and complex judgments to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses at the date of these financial statements.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- a) Fair value of Financial Assets and Financial liabilities,
- b) The useful lives of, or expected pattern of consumption of the future economic benefits bodied in, depreciable assets,
- c) Valuation of Inventories and Inventory obsolescence,
- d) Provisions and Bad Debts.



6. Revenue Recognition:

Sale of Goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer, usually on delivery of the goods and when all the following conditions are satisfied:

- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and allowance, trade discounts and volume rebates and does not include Value added tax (VAT), Central Sales tax (CST) and any other taxes.

7. Property, Plant and Equipment:

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises of its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management. The purchase price or construction cost is the aggregate amount, paid and the fair value of any other consideration given to acquire the asset.

When significant parts of plants and equipments are required to be replaced at intervals, the Company depreciates them separately based on their specific useful life. All other repair and maintenance costs are recognised in Statement of Profit or Loss as and when incurred.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively

Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of the Companies Act, 2013, Company has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II.



8. Inventories:

Inventories are valued at Lower of cost or net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work-in-progress

Cost includes direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

9. Trade Receivable:

Trade receivables are recognized at fair value, the outstanding balances of sundry debtors, advances etc. are verified by the management periodically and on the basis of such verification management determines whether the said outstanding balance are good, bad or doubtful and accordingly same are written off or provided for.

Receivables that are expected in one year or less, are classified as current assets, if not they are presented as non-current assets.

10. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

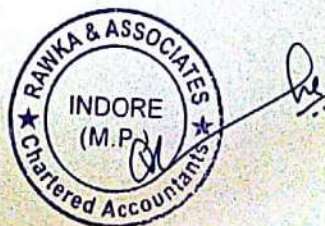
For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash in hand and Balances with Banks.

11. Investments:

The investments are valued at cost and are therefore not reported as per relevant Ind-AS 113. The Investments are treated as such because investments primarily contain Short – Term Liquid funds & cash Funds. These are subject to various market fluctuations. If valued at Fair value, the investments shall not give true and fair view to the stakeholders of the company and would result in unnecessary inclination of Net Profit by way of unrealised profits through Other Comprehensive Income.

12. Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise of cash in hand and at banks. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balances, as defined above.



13. Share Capital:

Ordinary shares are classified as equity.

During the year there is no change in the subscribed share capital as is issued by the company.

14. Earnings per Share:

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the number of shares that are outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

15. Provisions:

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

16. Deferred Tax:

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

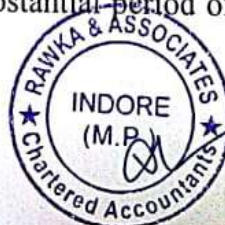
17. Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit or loss over the period of the borrowings.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

18. Borrowings Cost:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use



or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

The Company ceases capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

19. Trade payables:

These amounts represent liabilities for goods that have been acquired in the ordinary course of business from suppliers. Trade payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

20. Current Tax:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Where current tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

21. Employee Benefits:

(a) Gratuity:

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust maintained with Life Insurance Corporation of India (LIC). The liability with respect to Gratuity is made as per the method stipulated in the payment of gratuity Act, 1972.

(b) Provident Fund:

Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the employees salary (currently 12% of employees' salary). The contributions, are made to the provident fund as specified under the Employees Provident Fund & Miscellaneous provisions Act, 1952.



VEDGEL PVT.LTD.

Note- 2 - (a) Property, Plant and Equipment

S. NO.	FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.2017	Additions	Deductions	As at 31.03.2018	Up to 31.03.2017	For the Year 2017-18	Deductions	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
1	Plant & Machinery	173111265	26,94,896	0	175806161	34249403	4823114	0	39072516	136733645	138861862
2	Land & Building	149957313	204363	0	150161676	25636247	4514719	0	30150966	120010710	124321066
3	Furniture & Fixtures	47643489	0	0	47643489	22003454	4970523	0	26973977	20669512	25640035
4	Office Equipment	556045	0	0	556045	556044	0	0	556044	1	1
5	Computers & Software	1519937	0	0	1519937	1519936	0	0	1519936	1	1
6	Vehicle	1714525	0	0	1714525	154519	229513	0	384032	1330493	1560006
	GRAND TOTAL	374502574	2899259	0	377401833	84119603	14537869	0	98657472	278744361	290382971
	PREVIOUS YEAR	373708654	793920	0	374502574	69694236	14425368	0	84119603	290382971	304014418



Amount in Rs.

Note : 3 Investments	As at 31st Mar 2018	As at 31st Mar 2017	As at 01st Apr 2016
SIP ABSL Pure Value Fund	20,00,000	-	-
	20,00,000	-	-

Note : 4 Other Non Current Assets	As at 31st Mar 2018	As at 31st Mar 2017	As at 01st Apr 2016
(Unsecured, considered good unless otherwise stated)			
Security Deposit	31,44,264	36,44,264	51,20,037
	31,44,264	36,44,264	51,20,037

Note : 5 Inventories	As at 31st Mar 2018	As at 31st Mar 2017	As at 01st Apr 2016
Raw Materials	1,76,99,563	1,91,27,227	2,83,70,558
Finished Goods	2,49,37,414	3,47,73,539	3,95,27,613
Packing Material	13,45,884	22,95,131	43,68,750
	4,39,82,861	5,61,95,897	7,22,66,921

Note : 6 Investments	As at 31st Mar 2018	As at 31st Mar 2017	As at 01st Apr 2016
Birla Sun Life Mutual Fund	96,20,105	13,50,000	-
Reliance Money Manager Fund	3,03,72,151	1,22,73,769	-
	3,99,92,257	1,36,23,769	

Note : 7 Trade Receivables	As at 31st Mar 2018	As at 31st Mar 2017	As at 01st Apr 2016
Unsecured , Considered Good as certified by the Management	-	-	-
Outstanding over six months	6,09,42,206	2,88,46,582	3,09,40,654
Others	-	-	-
	6,09,42,206	2,88,46,582	3,09,40,654

Note : 8 Cash & Bank balances	As at 31st Mar 2018	As at 31st Mar 2017	As at 01st Apr 2016
Cash in Hand	33,144	3,84,483	462
Balance with Scheduled Banks :			
In Current Accounts	2,86,946	1,59,732	10,83,099
IDBI Bank C.C. A/c 0382655100000125	13,55,064	55,752	15,64,801
In Fixed Deposit Accounts	11,24,808	9,49,017	-
	27,99,963	15,48,984	26,48,362



Amount in Rs.

Note : 9 Other Current Assets	As at	As at	As at
	31st Mar 2018	31st Mar 2017	01st Apr 2016
Unsecured, considered good unless otherwise stated			
Advance for Capital Goods/ Services (Unsecured & Considered Good - Advance recoverable in Cash or in kind or for value to be received)	53,31,621	50,24,657	82,95,861
Service Tax Receivable	2,21,889	2,21,889	2,21,889
TDS receivable	21,552	53,795	95,537
Prepaid Expenses	5,14,051	5,16,457	7,31,511
Advanced at Factory	-	1,45,461	2,97,159
Other Loans & Advances	513	2,94,237	1,07,970
	60,89,626	62,56,496	97,49,927

Note : 10 Share Capital	As at	As at	As at
	31st Mar 2018	31st Mar 2017	31st Mar 2016
Authorised Share Capital : 1,50,00,000 Equity Shares of Rs.10/- each (Previous Year 1,50,00,000 Equity Shares of Rs. 10/- each)	15,00,00,000	15,00,00,000	11,00,00,000
Issued Capital 1,46,81,953 Equity Shares of Rs. 10 each fully paid up (Previous Year 1,46,81,953 Equity Shares of Rs.10/- each)	14,68,19,530	14,68,19,530	10,75,48,280
Subscribed & Paidup Capital 1,46,81,953 Equity Shares of Rs. 10 each fully paid up (Previous Year 1,46,81,953 Equity Shares of Rs.10/- each)	14,68,19,530	14,68,19,530	10,75,48,280
	14,68,19,530	14,68,19,530	10,75,48,280

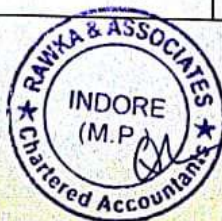
a) Reconciliation of number of equity share			
No. of Share outstanding as at the beginning of the year	1,46,81,953	1,07,54,828	1,07,54,828
Add: No. Share issued during the year	-	39,27,125	-
	1,46,81,953	1,46,81,953	1,07,54,828
Less: No. of share bought back during the year	-	-	-
No. of Share outstanding as at the end of the year	1,46,81,953	1,46,81,953	1,07,54,828

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

Name of Shareholders	No. of Shares as at					
	31.03.18	% of Holding	31.03.17	% of Holding	31.03.16	% Of Holding
Medicaps Limited*	14681953	100%	10754828	100%	10754828	100%

* 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 : 11 Other Equity	As at	As at	As at
	31st Mar 2018	31st Mar 2017	01st Apr 2016
Securities Premium Account			
Opening Balance	32,63,49,438	26,86,20,700	26,86,20,700
Add: Security Premium on Share issued during the year	-	5,77,28,738	-
	32,63,49,438	32,63,49,438	26,86,20,700
Surplus/ (Loss)			
Opening Balance	(9,91,90,976)	(10,12,99,288)	(9,81,09,374)
Add: Loss during the year	58,40,003	21,08,312	(31,89,914)
	(9,33,50,973)	(9,91,90,976)	(10,12,99,288)
	23,29,98,465	22,71,58,462	16,73,21,412



Note : 12 Borrowings	As at 31st Mar 2018	As at 31st Mar 2017	As at 01st Apr 2016
Other Borrowings	-	-	9,78,05,831
Unsecured Loans	-	9,10,641	-
	-	9,10,641	9,78,05,831

Note : 13 Trade Payable	As at 31st Mar 2018	As at 31st Mar 2017	As at 31st Mar 2016
Sundry Creditors For Expenses	4,76,06,030	21033227	40599673
	4,76,06,030	21033227	40599673

Note : 14 Other Current Liabilities	As at 31st Mar 2018	As at 31st Mar 2017	As at 31st Mar 2016
TDS on Contractor Payment	91,800	137097	26038
TDS on Commission	-	6717	
TDS on Salary	3,06,908	1,37,360	127041
TDS on Professional Fees	9,968	14455.00	
TDS on Rent	22,066	5517.00	
TCS on Scrap	433		413.00
Outstanding expenses	41,66,708	-	
ESI Payable	1,06,469	40,327	46,051
PF Payable	2,65,606	2,48,162	1,72,978
Unpaid Salary & Wages (Provision)	29,34,826	4,94,681	19,98,237
VAT Payable	10,319	10,319	3,967
Professional Tax Payable	6,188	25,978	11,570
Advance from Customers	13,49,244	23,56,490	90,78,829
Bonus Payable	10,00,978	10,00,000	-
Other Current Liabilities	-	1,00,000	-
	1,02,71,513	45,77,103	1,14,65,124



NOTES TO PROFIT & LOSS STATEMENT

Amount in Rs.

	As at 31st Mar 2018	As at 31st Mar 2017
Note : 15 Revenue From operations		
Sale of product	27,32,17,371	21,28,10,641
	27,32,17,371	21,28,10,641

	As at 31st Mar 2018	As at 31st Mar 2017
Note :16 Other Incomes		
Interest received	2,16,635	2,44,722
Insurance Claim	3,60,170	2,98,870
Miscellaneous Receipt	19,940	2,26,075
Sales of Scrap	5,11,646	3,02,416
Foreign Exchange Fluctuation	16,08,670	11,39,621
Sundry Credit Debit balances W/o (net)	9,73,834	64,39,427
Income from Investment	3,00,709	2,81,769
	39,91,604	89,32,900

	As at 31st Mar 2018	As at 31st Mar 2017
Note: 17 Cost of Materials Consumed		
a) Raw Material Consumed	1,91,27,227	2,83,70,558
Opening Stock	14,31,16,609	9,71,24,088
Purchases (net)	16,22,43,836	12,54,94,646
	1,76,99,563	1,91,27,227
Less : Closing Stock	14,45,44,273	10,63,67,419
b) Packing Material Consumed	22,95,131	43,68,750
Opening Stock	1,30,74,283	83,51,424
Purchases (net)	13,45,884	22,95,131
Less : Closing Stock	1,40,23,530	1,04,25,043
Packing Material Consumed		
Total (a) + (b)	15,85,67,803	11,67,92,461

	As at 31st Mar 2018	As at 31st Mar 2017
Note : 18 Increase/(Decrease) in Stocks		
Closing Stock of Finished Goods as on 31/03/2018	2,49,37,414	3,47,73,539
Less: Stock of Finished Goods as on 01/04/2017	3,47,73,539	3,95,27,613
	(98,36,125)	(47,54,074)
Increase/(Decrease) in Stock	(98,36,125)	(47,54,074)

	As at 31st Mar 2018	As at 31st Mar 2017
Note : 19 Employee benefit Expenses		
Salary, Wages, Allowances & other Benefits	3,69,26,308	3,63,04,408
Staff Welfare Expenses	1,44,064	2,28,129
	3,70,70,372	3,65,32,537



Note : 20 Finance Cost	As at 31st Mar 2018	As at 31st Mar 2017
Interest on C.C. Limit	66,265	1,34,230
	66,265	1,34,230

Note : 21 Other Expenses	Amount in Rs.	
	As at 31st Mar 2018	As at 31st Mar 2017
Audit Fees	30,000	20,000
Annual Maintenance Expenses	4,64,262	2,61,627
Bank charges	7,74,293	5,78,505
Books & Periodicals	9,000	35,000
Certificate & Standard Exp.	6,78,239	3,10,573
Cleaning Expenses	-	0
Computer Repair & Maintenance Exp.	74,721	85,800
Consultancy Fees	1,76,000	1,05,550
Conveyance Expenses	5,59,653	48,515
Development Charges to AKVN	5,29,584	3,64,089
Factory Exp.	4,44,684	6,43,517
Freight Exp.	1,60,10,658	1,97,30,762
Insurance Expenses	1,21,510	4,32,126
Lab Expenses	-	2,31,101
Lawn & Garden Development Exp.	2,01,000	1,32,623
Lease Rent	3,86,155	55,165
Import Expenses	2,75,393	0
Legal & Professional Expenses	41,800	0
Miscellaneous Exp	32,20,614	14,28,803
Other Repair & Maintenance	-	0
Packing & Forwarding	24,044	47,830
Postage Exp.	2,01,974	1,66,982
Power, Fuel and Gas	1,71,47,331	1,32,68,001
Rates & Taxes	-	5,93,046
Repair to Building	10,16,081	5,58,000
Repair to Electricals	81,094	16,800
Repair to Machinery	1,63,817	2,33,144
Repair & Maintenance (General)	2,98,695	74,569
Sales Promotion Exp.	88,031	1,07,667
Security Charges	9,26,460	9,26,312
Sez Online Exp.	74,400	35,000
Stationery & Printing	1,40,739	1,64,042
Stores & Spares	1,37,690	2,60,588
Telephone Exp	1,93,510	1,23,481
Testing Exp	14,41,500	4,700
Travelling & Lodging exp	6,67,257	87,078
Utility Expenses	12,000	5,51,755
Vehicle Running & Maint Expenses	40,86,496	36,33,920
Water Expenses	5,91,854	5,42,803
Bad Debts	-	10,37,086
	5,12,90,538	4,69,96,560



Note: 22 Segment Information

The entire operation of the company related to one segment as such there is no separate reporting required as per Ind AS 108.

	As at 31st Mar 2018	As at 31st Mar 2017
Note: 23 Payment to Auditors		
Audit Fees	10000	10000
In other Capacity		10000
Tax Audit & other Fee	20000	20000

Note: 24 Related Party Disclosure

Information on Related party transactions as per Indian Accounting Standard 24 on related party disclosure:

S.No	Related Party	Transaction nature	As at 31st Mar 2018	As at 31st Mar 2017
1	Medicaps Limited Holding Company)	Purchase Sale	160395 7034897	19106 0
2	Akshit Garg (C.F.O.)	Remuneration	0	300000

Note: 25 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	5840003	2108312
ii) Basic / Weighted Average number of Equity Shares used as the denominator	14681953	10754828
iii) Nominal Value of Equity shares	10/-	10/-
iv) Basic & Diluted Earning per Equity Share	0.40	0.20

Note: 26 The previous years figures have been regrouped/ restated wherever necessary to confirm with the current year classification.



27. **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES:**

The Company's principal financial liabilities comprise of trade payables. The Company has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

A. MARKET RISK

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

B. CREDIT RISK

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables.

None of the financial instruments of the Company result in material concentrations of credit risks. Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

Credit risk from balances with banks and investment of surplus funds in mutual funds is managed by the Company's finance department.

C. LIQUIDITY RISK

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit and liquid and liquid plus schemes of mutual funds, which carry no/low mark to market risks.

28. **FIRST-TIME ADOPTION OF IND AS:**

These are the Company's first financial statements prepared in accordance with Ind AS.



The Company has adopted Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. Ind AS 101-First-time Adoption of Indian Accounting Standards requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements which is for the year ended 31st March, 2018 for the company, be applied retrospectively and consistently for all financial years presented. Consequently, in preparing these Ind AS financial statements, the Company has availed certain exemptions and complied with the mandatory exceptions provided in Ind AS 101, as explained below. The resulting difference in the carrying values of the assets and liabilities as at the transition date between the Ind AS and Previous Accounting Standard (AS) have been recognized directly in equity (retained earnings or another appropriate category of equity).

Set out below are the Ind AS 101 optional exemptions availed as applicable and mandatory exceptions applied in the transition from previous AS to Ind AS.

A. Optional Exemptions availed

(a) Deemed Cost

The Company has opted paragraph D7 AA and accordingly considered the carrying value of property, plant and equipments and Intangible assets as deemed cost as at the transition date.

B. Applicable Mandatory Exceptions

(a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous AS (after adjustments to reflect any difference in accounting policies).

C. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous AS to Ind AS as required under Ind AS 101:

I. Reconciliation of Balance sheet as at April 1, 2016 (Transition Date)
Reconciliation of Balance sheet as at March 31, 2017

II. Reconciliation of Total Comprehensive Income for the year ended March 31, 2017

III. Reconciliation of Equity as at April 1, 2016 and as at March 31, 2017

The presentation requirements under Previous AS differs from Ind AS, and hence, Previous AS information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous AS information is derived from the Financial Statements of the Company prepared in accordance with Previous AS.



(Amount in Rupees)

	Note	As at March 31, 2017			As at April 01, 2016		
		Previous AS	Adjustment	AS per IND AS	Previous AS	Adjustment	AS per IND AS
1	2	3	4	5	6	7	8
ASSETS							
Non-current assets							
(a) Property, Plant and Equipment		290382971	-	290382971	304014418	-	304014418
(b) Capital Work-in-progress			-			-	
(c) Intangible assets			-			-	
(d) Intangible assets under development					-		-
(e) Financial Assets							
(i) Other Financial assets			-			-	5120037
(e) Other non-current assets		3644264	-	3644264	5120037	-	5120037
Total Non -Current Assets		294027235	-	294027235	309134455	-	309134455
Current Assets							
(a) Inventories		56195897	-	56195897	72266921	-	72266921
(b) Financial Assets		0	-	0	0	-	0
(i) Trade receivables		28846582	-	28846582	30940654	-	30940654
(ii) Cash & Cash equivalents		14008252	-	14008252	462	-	462
(iii) Bank Balances other than (ii) above		1164501	-	1164501	2647900	-	2647900
(c) Other current assets		6256496.4	-	6256496.4	9749927	-	9749927
Total Current Assets		106471728	0	106471728	115605864	-	115605864
Total assets		400498963	-	400498963	424740320	-	424740320
EQUITY AND LIABILITIES							
Equity							
(a) Equity share capital		146819530	-	146819530	107548280	-	107548280
(b) Other Equity	A	227158462		227158462	167321412		167321412
Total Equity		373977992	-	373977992	274869692	-	274869692
Liabilities							
Non-current Liabilities							
(i) Borrowings		910641		910641	97805831		97805831
(a) Provisions			-	-		-	
(b) Provisions Deferred tax liabilities (net)			-			-	
Total Non-current Liabilities		910641	-	910641	97805831	-	97805831
Current liabilities							
(i) Trade payables		21033227	-	21033227	40599673	-	40599673



(ii) Other Financial Liabilities							
(a) Other current liabilities		4577103	-	4577103	11465124	-	11465124
(b) Provisions							
Current tax liabilities (Net)	A					-	
Total Current Liabilities		25610330	-	25610330	52064797	-	52064797
Total Equity and Liabilities		400498963	-	400498963	424740320	-	424740320

Note: The previous AS figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

II. Reconciliation of Total Comprehensive Income for the year ended March, 31, 2017:

(Amount in Rupees)

Particulars	Note No.	IND AS	IND AS Adjustment	IND AS
1	2	3	4	5
Revenue from Operations (Gross)	A	212810641	-	179335954
Other Income		8932900	-	2227870
Total Income		221743541	-	181563824
EXPENSES				
Cost of material consumed		116792461	-	106811564
Purchase of Stock -in-Trade		0	-	0
Change in inventories of finished goods, Stock-in-Trade and work in progress		4754074	-	(8010721)
Taxes on sale of goods	A		-	
Employees benefits expense		36532537	-	28318949
Finance costs		134230	-	269415
Depreciation and amortization		14425368	-	14743562
Other Expenses		46996560	-	42620969
CSR Expenses		-	-	-
Total Expenses		219635229	-	184753738
Profit/(loss) before exceptional items and tax		2108312	-	(3189914)
Exceptional Items		0	-	0
Profit/(loss) before tax		2108312	-	(3189914)
Tax expense:				
(1) Current tax		-	-	-
(2) Deferred tax		-	-	-



(3) Tax adjustments related to previous year		-	-	-
Profit (loss) for the period from continuing operations		2108312	-	(3189914)
Profit (loss) for the period		2108312	-	(3189914)
Other Comprehensive Income		0	-	-
Total Comprehensive Income		2108312	-	(3189914)

Note: The previous AS figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

A. Excise Duty:


Under the previous AS, revenue from sale to goods was presented exclusive of excise duty. Under Ind AS revenue from sales of goods is presented inclusive of excise duty. Excise duty paid is presented on face of statement of profit and loss account as a part of expense. This change has resulted in increase in total revenue and total expense for the year ended March 31, 2017. There is no impact on total equity and profit.

III. Reconciliation of Equity as at April 1, 2016 and as at March 31, 2017

(Amount in Rupees)

Particulars	Notes	As at 31.03.2017	As at 01.04.2016
1	2	3	4
Other equity as per previous AS		22,71,58,462/-	16,73,21,412/-
Add/ Less : Adjustments		NIL	NIL
Net other equity as per IND AS		22,71,58,462/-	16,73,21,412/-

For: Rawka & Associates
Chartered Accountant
FRNo. 021606c



Venus Rawka
Partner
MNo.429040

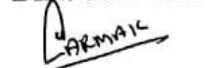
Date: 26th May, 2018
Place: Indore



For and on Behalf of the Board For Medgel Private Limited



Alok K. Garg
Director
DIN: 00274321


Lokesh Parmar
CFO



Praveen Nalwaya
Whole Time Director
DIN: 06856052


Abhishek Kumar
Company Secretary
MNo. A36699

MEDGEL PRIVATE LIMITED

(WHOLLY OWNED SUBSIDIARY OF MEDI – CAPS LIMITED)



REGISTERED OFFICE

201, PUSHPRATNA PARADISE 9/5, NEW PALASIA,
INDORE – 452001 (M.P.) INDIA
PHONE: 0731 – 4041435, 4046321 FAX: 0731 – 4028148
EMAIL: Pawar@medgel.net Web: WWW.Medgel.net

WORKS

PLOT NO. 19-20 SPECIAL ECONOMIC ZONE, PHARMA ZONE,
PHASE – II, SECTOR – III, PITHAMPUR – 454775 (M.P.) INDIA
PHONE: 07292 – 256205/6 FAX: 07292 – 256072
EMAIL: info@medgel.net Web: WWW.Medgel.net