

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Ramesh Chandra Mittal	Chairman & Director
Mr. Alok K Garg	Director
Mrs. Manisha Garg	Director
Mr. Praveen Nalwaya	Whole Time Director
Mr. Mahesh Kumar Patni	Independent Director
Mr. Pramod Fatehpuria	Independent Director

AUDIT COMMITTEE

Mr. Mahesh Kumar Patni	Chairman and Independent Director
Mr. Pramod Fatehpuria	Member and Independent Director
Mr. Alok K. Garg	Member and Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Mr. Mahesh Kumar Patni	Chairman and Independent Director
Mr. Pramod Fatehpuria	Member and Independent Director
Mr. Alok K. Garg	Member and Non-Executive Director

COMPANY SECRETARY

CS Abhishek Kumar	Mr. Lokesh Parmar
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CHIEF FINANCIAL OFFICER

AUDITORS

M/s Rawka & Associates Chartered Accountant	M/s Ishan Jain & Co. Company Secretaries
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SECRETARIAL AUDITOR

BANKERS

IndusInd Bank Ltd.
IDBI Bank Ltd.
State Bank of India

REGISTERED OFFICE

201, Pushpratna Paradise
9/5, New Palasia, Indore (M.P.)
452001
Phone: 0731-4046321
Email: investors@medicaps.com

PLANT

Plot No.-19-20, Special Economic Zone, Pharma Zone,
Phase-II, Sector -III,
Pithampur, Dist- Dhar (M.P.) India
Pincode - 454775
Phone: +91-07292-256205/06
Email: accounts@medgel.net
Website: <http://www.medgel.net/>

NOTICE

Notice is hereby given that the 12th Annual General Meeting of the members of **Medgel Private Limited** will be held on **Tuesday, September 24, 2019 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, 2019, Statement of changes in equity, the Statement of Profits and Loss and cash flow of the Company for the financial year ended 31st March, 2019 and the Reports of the Board's and Auditor's thereon.
2. To appoint a director in place of Mr. R. C. Mittal (DIN: 00035272) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as **Ordinary Resolution** for the Re-appointment of Mr. Praveen Nalwaya, (DIN: 06856052) as a Whole Time Director of the Company for a period of 5 years:

“RESOLVED THAT pursuant to the provisions of section 190, 196, 197, 203 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 and the Articles of Association of the company and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being enforce) and upon the recommendation of the Nomination and Remuneration Committee and approval granted by the Board of Directors, consent of the Members of the company be and is hereby accorded **for re-appointment of Mr. Praveen Nalwaya (DIN: 06856052) as the Whole-time Director**, of the Company for a period of five years w.e.f. 01/03/2019 to 28/02/2024 on the following terms, conditions and remuneration:

(a) **Salary & other allowances:** Rs. 3,93,205.00/- p.m. (Total- 47,18,460 CTC)

(b) **Gratuity:** not exceeding half a month salary for each completed year of service, subject to the provisions of the Gratuity Act as may be amended from time to time.

(c) **Earned Privilege Leave:** As per the Rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every year completed services at the end of the tenure

Facilities:

(i) **Car:** The Company shall provide a car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be as per actual on the basis of claims made by him.

(ii) **Telephone:** Free use of mobile provided that personal long distance calls on the Mobile shall be billed by the Company to the Whole-time Director.

RESOLVED FURTHER THAT the remuneration payable to Mr. Praveen Nalwaya (DIN:06856052)-, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 read with the provisions of Schedule V of the Act from time to time.

RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby severally authorized to do all such acts, deeds and to file necessary forms to the ROC and to do all the matters, deeds and things to give effect to the aforesaid resolution.”

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as **Special Resolution** for the Re-appointment of Mr. Pramod Fatehpuria, (DIN: 00972389) as a Independent Director of the Company for a period of 5 years:

“RESOLVED THAT pursuant to the provisions of sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Pramod Fatehpuria (DIN: 00972389), who was appointed as an Independent Director upto the term of 5 years ending on 26th Feb., 2020 and being eligible, and has submitted a declaration for his independence and upon recommendation of the Nomination and Remuneration Committee and the Board of directors, Mr. Pramod Fatehpuria (DIN: 00972389), the consent of the members of the company be and is hereby accorded for the re-appointment as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, w.e.f. 27th Feb., 2020 to 26th Feb., 2025.”



BY ORDERS OF THE BOARD

ABHISHEK KUMAR
COMPANY SECRETARY
ACS 36699

DATE: 27th May, 2019

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.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING

Name of Directors	Ramesh Chandra Mittal	Mr. Praveen Nalwaya	Mr. Pramod Fatehpuria
DIN	00035272	06856052	00972389
Date of Birth	16/06/1947	01.01.1964	02.11.1961
Date of Appointment	01/04/2009	01.03.2014	27.02.2015
Expertise / Experience in specific functional areas	Having wide experience of more than 40 years in the field of pharma industry and real estates	More than 25 years experience in manufacturing of Pharmaceutical Products	38 years of experience in the field of marketing, and manufacturing of power and distribution of transferor and initiated green energy since 2006and providing his guidance in improved corporate credibility and governance standards
Qualification	B. Pharma	M. Pharma	Bachelor of Commerce graduate and has done 2 years of academic Law course
No. & % of Equity Shares held	2500 Shares (0.02%)	-	-

List of outside Company's Directorship	Medi-Caps Limited Medpak India Limited Geet Dwellers Private Limited Crystal Devcon Private Limited North Rajasthan Holdings Private Limited	-	Medi-Caps Limited Fatehpuria Vidyut Udyog Private Limited
Chairman / Member of the Committees of the Board of Directors of the Company	-	-	Member of Audit Committee and Nomination and Remuneration Committee in Medi-caps Limited
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	Chairman in Risk Management Committee in Medi-caps Limited	-	NIL

**EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013
IN RESPECT OF SPECIAL BUSINESS:**

ITEM NO. 3:-

Mr. Praveen Nalwaya was appointed at the 7th Annual General Meeting held on 27th September, 2014 as the Whole-time Director. Mr. Praveen Nalwaya is eligible for re-appointment subject to the approval of the members by ordinary resolution pursuant to the proviso of section 196 of the Companies Act, 2013. The detailed profile of the Mr. Praveen Nalwaya have been given in this notice.

The Nomination and Remuneration Committee (NRC) and the Board at their meeting held on **Wednesday the 27th Feb., 2019** considered that the Company needs to re-appoint Mr. Praveen Nalwaya was a Whole-time Director for a further period of five years w.e.f. 01/03/2019 to 28/02/2024 on the terms and conditions and remuneration as set out in the **Item No. 3** of the notice and recommend to pass necessary **ordinary resolution** at the Meeting.

Mr. Praveen Nalwaya, is financially interested in the resolution to the extent of the remuneration as may be paid to him. Further, that Mr. Praveen Nalwaya has no relatives in the company and does not hold any shares in the company.

ITEM NO. 4:-

Mr. Pramod Fatehpuria (DIN: 00972389) was appointed as Independent Directors of the Company and is eligible to hold office as Independent Director up to 25th February, 2020("first term of 5 years").

The Nomination and Remuneration Committee of the Board of Directors, has recommended re-appointment of Mr. Pramod Fatehpuria as an Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board as per the recommendation of the Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by him during his tenure, the continued association of Mr. Pramod Fatehpuria would be beneficial to the Company and it is desirable to continue to avail their services as an Independent Director.


Accordingly, it is proposed to re-appoint Mr. Pramod Fatehpuria as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Pramod Fatehpuria is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has also received declaration from them that they meets the criteria of independence as prescribed under section 149(6) of the Act and. In the opinion

of the Board, he fulfills the conditions for appointment as an Independent Director as specified in the Companies Act, 2013

Further the aforesaid director may be deemed to be interested in the resolution to the extent of the fee for attending the meetings as may be payable and their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

DATE: 27th May, 2019
PLACE: Indore


BY ORDERS OF THE BOARD
ABHISHEK KUMAR
COMPANY SECRETARY
ACS 36699

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

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BOARDS' REPORT

To,
The Members of
MEDGEL PRIVATE LIMITED

The Directors of the Company take pleasure in presenting the 12th Annual Report together with the audited Financial Statements for the year ended 31st March, 2019.

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, 2019 in the prescribed form MGT-9 annexed herewith as "**Annexure A**". The company is not having any website.

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, 2019, 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 31st March, 2019 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 10th 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.

The Auditors Report and the Notes on financial statement for the year 2018-19 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:

Pursuant to Section 204 of Companies Act, 2013 read with the Companies (Appointment and Remuneration of the Managerial Personal Rules, 2014 and Regulation 24A of SEBI (LODR) Regulations, 2015 alongwith SEBI Circular dated 08th February, 2019 the company is required to undertake secretarial audit as per the latest amendment brought in by SEBI (LODR) (Amendment) Regulations, 2018. With respect to this the company appointed M/s Ishan Jain & Co. as Secretarial Auditor for the year 2018-19 and they provided their report dated 19th July, 2019. A copy of the Secretarial Audit report as obtained is annexed herewith as "Annexure-B"

There is no qualification, reservation or adverse remark or disclaimer in Secretarial Audit report except the following:-

Secretarial Auditor Observations	Management comments
Company has not filed Statement of Foreign Assets and Liabilities to RBI for the F.Y. 2017-18.	The company considers that since there is no issue of shares to the eligible persons, filing of statement of Foreign Assets and Liabilities should not be applicable. However, the RBI has also not initiated any action in this regard.
Company has not filed certain forms on the specific event	The company will file the form in the next Board Meeting and comply with the requirements of law.

Cost Records and Auditors:

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: -

S. No.	Name of Security	Nature of Security	Op. Bal as on 01/04/18	Net Transactions	Cl. Bal as on 31/03/19
1	Birla Sun Life Mutual Fund	Short Term Investment	96.20	49.8	146.00
2	Reliance Money Manager Fund	Short Term Investment	303.72	164.28	468.00
3	ABSL Pure value fund	SIP	20.00	55.00	75.00
4	HDFC Low Duration	Cash Fund	0.00	136.00	136.00
5	Reliance Large Cap	SIP	0.00	8.00	8.00
6	HDFC Equity Fund	SIP	0.00	7.00	7.00
	TOTAL		419.92	420.08	840.00

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, 2019 was Rs. 14,68,19,530 divided into 1,46,81,953 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, 2019.

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 requirement of funds in the long term and 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 Outgo		Inflow		Outflow
	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	2018-19 24549865.00	2017-18 272085041.00	2018-19 301595851	2017-18 31990089.00

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 net worth, net 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

Financial Summary or Highlights of Performance:

- Total Revenue from Operations for the year 2018-19 is Rs. 3016.43 Lakhs which is increased by Rs. 284.26 Lakhs over the last year (Rs. 2732.17 Lakhs in previous year).
- Total profit for the year 2018-19 is Rs. 479.58 Lakhs which is increased by Rs. 421.18 Lakhs over the last year (Rs. 58.40 Lakhs in previous year).

Particulars	(Rs. in Lakhs)	
	Year Ended	
	31.03.2019	31.03.2018
Total Income	3175.86	2772.08

Total expenditure before interest & depreciation	2548.76	2567.64
Profit before Depreciation, finance cost and tax	627.10	204.44
Less: Depreciation & Amortization expenses	147.08	145.37
Less: Finance Cost	0.44	0.66
Profit before tax (PBT)	479.58	58.40
Less: Tax expenses	-	-
Net Profit for the year	479.58	58.40
Add: other Comprehensive Income	0.00	0.00
Total Comprehensive Income	479.58	58.40
Add: Surplus brought from previous year	(933.51)	(991.90)
Total Surplus	(453.93)	(933.50)
Earnings per share		
Basic	3.27	0.40
Diluted	3.27	0.40

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 & Their Board Meetings.

a) Constitution of the Board

The Board of directors are comprising of total **6 (Six)** Directors out which includes **2 (Two) Independent and 1 (One) Women Director**. The Chairman of the Board is Non-Executive Promoter Director. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the Company which plays significant roles for the business policy and decision making process and provide guidance to the executive management to discharge their functions effectively.

b) Board Independence

Our definition of 'Independence' of Directors or Regulation is derived from section 149(6) of the Companies Act, 2013. The Company is having following 2 (Two) Independent Directors;

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

As per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years, not liable to retire by rotation. During the year there is no change in the Constitution of the Board of your Company.

c) Declaration by independent Directors

All Independent Directors have given their declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013. In the Opinion of the Board, all the Independent Directors fulfill the criteria of Independency as prescribed under the Companies Act.

d) Independent Directors seeking re-appointment at the ensuing Annual General Meeting:

Pursuant to the provision of section 149(10) of the Companies Act, 2013 the first term of five consecutive years on the Board hold by Mr. Pramod Fatehpuria (DIN 00972389) as Independent Directors will be completed on 26th February, 2020.

Further, they are eligible for re-appointment by passing of special resolution for second term of 5 (five) consecutive years. Therefore, the Board in their meeting held on 27th May, 2019 upon the recommendation of the Nomination and Remuneration Committee has recommended their re-appointment for a second term of 5 (five) consecutive years for Mr. Pramod Fatehpuria w.e.f. 27thFeb., 2020 to 26thFeb. 2025 subject to approval of Shareholders.

Your Board of directors recommends to pass necessary resolutions to that effect as set out in the notice of the Annual General Meeting.

e) Directors liable to retire by rotation seeking re-appointment:

Mr. R. C. Mittal (DIN: 00035272) Director are liable to retire by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment. Your directors recommend to pass necessary resolution as proposed in the Notice of the Annual General Meeting.

f) Executive Directors seeking re-appointment at the ensuing Annual General Meeting:

The tenure of Mr. Praveen Nalwaya as a Whole-time Director is already completed on 28th Feb., 2019 and the Board of Directors on the recommndation of the Nomination and Remuneration Committee has re-

appointed him as the Whole time Director for a further period of 5 (Five) years w.e.f. 1st March, 2019 to 29th Feb., 2024.

Your Board recommends to pass necessary Resolution as per the proviso of section 196(3) of the Companies Act, 2013 to that effect as set out in the notice of the Annual General Meeting.

A brief resume and other details of all the above said directors seeking appointment/re-appointment are provided in the Notice of AGM.

g) Change in Director

During the year, there is no change in the directors of the company.

h) Key Managerial Personnel

Mr. Praveen Nalwata, Whole-time Director, Mr. Lokesh Parmar, Chief Financial Officer and Mr. Abhishek Kumar, Company Secretary; have been categorized as the Key Managerial Personnel within the meaning of section 203 of the Companies Act, 2013.

There is no change in the Key Managerial Personal during the year 2018-19.

i) 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. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board Meeting.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held at the Registered Office of the Company. The Agenda of the Board/Committee meetings are circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the year 2018-19 (6) Six Board Meetings. The maximum interval between any two Board meetings did not exceed 120 days.

COMMITTEES & THEIR MEETINGS

In accordance with the Companies Act, 2013 and other purposes the Board have the following committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Independent Directors Committee

During the year 2018-19 (4) Four Audit Committee Meetings were held during the year.

There was (1) One Nomination and Remuneration Committee Meeting held during the year.

As per the requirement of the Companies Act, 2013 there should be atleast one meeting of Independent Directors during the year. Therefore, there was (1) One Meeting held of Independent Directors on 13/11/2018.

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, 2019, the Company does not have any Subsidiary, Associate or Joint Venture Company at the beginning or any time during the year 2018-19 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,-

Your Company has not accepted deposit from the public falling within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2019. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

S. No.	Particulars	Amt in Rs.
1.	Details of Deposits accepted during the year	Nil
2.	Deposits remaining unpaid or unclaimed at the end of the year	Nil
3.	Default in repayment of deposits At the beginning of the year Maximum during the year	N.A.

	At the end of the year	
4.	Deposits not in compliance with law	N.A.
5.	NCLT/ NCLAT orders w. r. t. depositors for extension of time and penalty imposed	N.A.

Further, your company has also filed form DPT-3 for One time as on 22nd January 2019 as well as as at 31st March, 2019 for the amount received by the company which is not under the purview of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) rules, 2014 as amended form time to time.

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, 2018 to 31st March, 2019:

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 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.

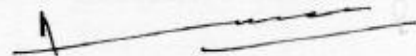
Particulars of Internal Committee and Complaints received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

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 Mrs. Manish Garg, 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
DIRECTOR AND CHAIRMAN**

**PLACE: INDORE
DATE: 27.05.2019**

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

As on the financial year ended on 31st March, 2019

[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 Medicaps Ltd.	1,46,76,953	99.97%	1,46,76,953	99.97%	-
Shri R.C. Mittal *Nominee of M/s Medicaps Ltd.	2,500	0.01%	2,500	0.01%	-
Shri Alok K. Garg *Nominee of M/s Medicaps 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.AlokK.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	Shareholding at the beginning of	Shareholding at the end of the	Changes during the year	Reason
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Shareholders	the year		year		Date	No. shares before Change	No. shares After Change	Increase	Decrease
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company					
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	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
Change in Indebtedness during the financial year				
Addition	0.00	0.00	0.00	0.00
Reduction	0.00	0.00	0.00	0.00
Net Change	0.00	0.00	0.00	0.00
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	47,18,460.00	47,18,460.00
	(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)	47,18,460.00	47,18,460.00
	Ceiling as per the Act.	N.A.	N.A.

B. Remuneration to other Directors:

S. No	Particulars of Remuneration	Name of Directors	Total
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Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015]

To,
The Members,
Medgel Private Limited
201, Pushpratna Paradise,
9/5 New Palasiya,
Opposite Uco Bank
Indore (M.P.)-452001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Medgel Private Limited** (hereinafter called "**the Company**"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the **Financial Year ended 31st March, 2019 (1st April, 2018 to 31st March, 2019)**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, according to the provisions of:

- (i) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder (Not applicable to the Company during the Audit Period);
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (Not applicable to the Company during the Audit Period);
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period);
- (iv) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during the Audit Period);
- (v) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report as the Company's securities are not listed with any stock exchange:
 - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
 - (b) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) Provisions of the following Regulations and Guidelines prescribed under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (f) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (g) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
 - (h) The SEBI (Delisting of Equity Shares) Regulations, 2009; and
 - (i) The SEBI (Buyback of Securities) Regulations, 1998

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure I**.

Further, that the Company is having business activities of "Manufacturing of Soft Gelatine Capsule Shell.



We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013
- (ii) The SEBI (LODR) Regulations, 2015 (Applicable upto certain extent as the company is a Material Wholly owned Subsidiary of Medi-Caps Limited)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- (a) Company has not filed Statement of Foreign Assets and Liabilities to RBI for the F.Y. 2017-18.
- (b) Company has not filed certain forms on the specific event.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There are no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice was given to all directors, to schedule the Board Meetings and agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

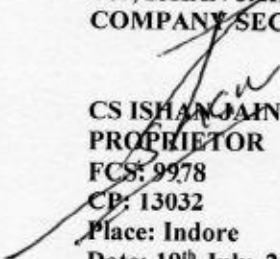
Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance for the applicable taxation Laws like Direct Taxes, Indirect Taxes and the compliance of the IND-AS, disclosure of financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith, and the Cost Record has not been reviewed, since the same have been subject to the statutory auditor or by other designated professionals. Therefore, we do not offer any comment.

This report is to be read with our letter of even date which is annexed as **Annexure II** and forms an integral part of this report.

We further report that during the audit period of the Company, there was no specific events/ action having a major bearing on the Company's affairs in pursuant of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

For, ISHAN JAIN & CO.
COMPANY SECRETARIES


CS ISHAN JAIN
PROPRIETOR
FCS: 9978
CP: 13032
Place: Indore
Date: 19th July, 2019



Annexure - I to the Secretarial Audit Report
List of specific/other laws generally applicable to the Company

1. The Pharmacy Act, 1948;
2. Drugs and Cosmetics Act, 1940;
3. Factories Act, 1948;
4. Industries (Development & Regulation) Act, 1951
5. Standard Weight and Measurement Act, 1976
6. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on it payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
7. Acts prescribed under prevention and control of Pollution;
8. Acts prescribed under Environmental protection;
9. Acts as prescribed under Direct Tax and Indirect Taxation
10. Labour Welfare laws of the Madhya Pradesh.
11. Local laws as applicable to the Registered office and plant at Madhya Pradesh.

For, **ISHAN JAIN & CO.**

COMPANY SECRETARIES

CS ISHAN JAIN
PROPRIETOR
FCS 9978, CP 13032
Place: Indore;
Date: 19th July, 2019



Annexure - II to the Secretarial Audit Report

To,
The Members,
Medgel Private Limited
201, Pushpratna Paradise,
9/5 New Palasiya,
Opposite Uco Bank
Indore (M.P.)-452001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable accounting standards, financial records and Books of Accounts of the company as the same is subject to the statutory audit being performed by the independent auditors.
4. Wherever required, we have obtained the Management representation and also relied about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines, standards etc., are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they needs to take independent advise or decision as per their own satisfaction.

For, **ISHAN JAIN & CO.**

COMPANY SECRETARIES

CS ISHAN JAIN
PROPRIETOR
FCS 9978, CP 13032
Place: Indore;
Date: 19th July, 2019



**INDEPENDENT AUDITORS' REPORT ON STANDALONE
FINANCIAL STATEMENTS**

**TO,
THE MEMBERS OF MEDGEL PRIVATE LIMITED,**
Report on Audit of Ind AS Standalone Financial Statements

We have audited the accompanying Ind AS Standalone Financial Statements of **MEDGEL PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2019, the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "The Ind AS Standalone Financial Statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Ind AS Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Responsibility of Management for Ind AS Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 Ind AS Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

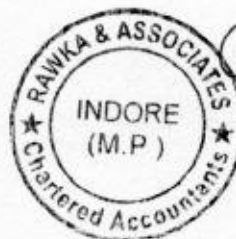
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. 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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss Including other comprehensive income, the Cash Flow Statement, and statement of change in equity dealt with by this Report are in agreement with the books of account;



- d. In our opinion, the aforesaid Ind AS Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 B".
- 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 has disclosed the impact of pending litigations in its financial position in the Ind AS Standalone Financial Statements.
 - ii. The Company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses.
 - iii. There has been no eligible amount required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Indore
Date : 28/05/2019

For RAWKA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No: 021606C



(VENUS RAWKA)
PARTNER
M. No.: 429040

Annexure 'A' to Independent Auditors' Report

(Referred to Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Medgel Pvt. Ltd. for the year ended 31st March, 2019)


- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipments.
(b) As explained to us, the Property, Plant & Equipments have been physically verified by the management of the Company in accordance with phased programme of verification, which in our opinion is reasonable, considering the size and nature of its business. No material discrepancies were noticed during such verification.
(c) According to information and explanation given to us including registered title deeds, we report that, the title deed comprising all the immovable properties of land and buildings which are freehold, are held in the name of company as at the Balance Sheet date. In respect of immovable property of land that have been taken on lease and disclosed as property, plant and equipment in the Standalone Financial Statements, the lease agreements are in the name of the company, where the company is the lessee in the agreement.
- (ii) According to the information and explanations given to us, physical verification of the inventories has been conducted by the management at reasonable interval. The Company has maintained proper records of inventory, there was no material discrepancies noticed on physical verification of the inventories as compared to the book.
- (iii) According to the information and explanations given to us, 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 Act. Therefore, the provision clause 3 (iii) (a) to (C) of the Companies (Auditors' Report) Order, 2016 are not applicable to the Company.
- (iv) According to the information and explanations given to us, the company has not entered into any eligible transactions as specified in the provisions of section 185 and 186 of the Companies Act, 2013 hence this clause is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified.
- (vi) According to the information and explanations given to us, the Company is not covered under Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Act, hence this clause is not applicable to the Company.
- (vii)(a) According to the information and explanations given to us and on the basis of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues with the appropriate authorities. As provided to us by the management, the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, are
- (b) According to the records of the Company, there are no dues outstanding of income tax / Sales Tax/ wealth tax / service tax / custom duty / excise duty / VAT / cess etc. on account of any dispute except the following:

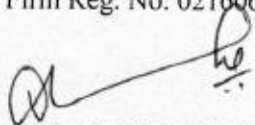


- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks. The Company has not taken any loan either from financial institutions or the government and has not issued any debentures during the year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of any public offer including debt instruments and term Loans during the year and hence the provisions of clause 3 (ix) of the Order are not applicable to the Company
- (x) On the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Ind AS Standalone Financial Statements as required by the applicable Indian accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

Place: Indore
Date : 28/05/2019

For RAWKA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No: 021606C




VENUS RAWKA
(PARTNER)
M. No.: 429040

Annexure 'B' to Independent Auditors' Report

(Referred to Para 2(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Medgel Pvt. Ltd. for the year ended 31st March, 2019)

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 31st March, 2019 in conjunction with our audit of the Ind AS 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 (ICAI). 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

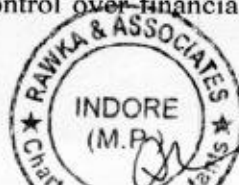
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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 over Financial Reporting, both applicable to an audit of the 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 judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone 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, 2019, 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 : 28/05/2019

For RAWKA & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg. No: 021606C



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

VENUS RAWKA
(PARTNER)
M. No.: 429040

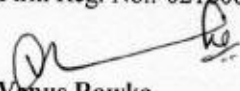
MEDGEL PRIVATE LIMITED**BALANCE SHEET**
As at 31st March, 2019

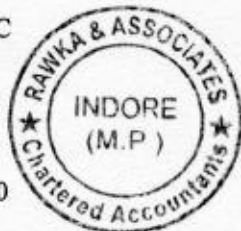
Amount in Rs.

S. No.	Particulars	Notes	Amount in Rs.	
			As at 31st Mar 2019	As at 31st Mar 2018
I.	Assets			
(1)	Non-current assets			
	(a) Property, Plant and Equipment	2	26,66,33,519	27,87,44,361
	(b) Financial Assets			
	i. Investments	3	1,00,00,000	20,00,000
	(c) Other non-current assets	4	31,44,264	31,44,264
(2)	Current assets			
	(a) Inventories	5	3,98,76,299	4,39,82,861
	(b) Financial Assets			
	i. Investments	6	7,50,00,001	3,99,92,257
	ii. Trade receivables	7	6,59,86,603	6,09,42,206
	iii. Cash and cash equivalents	8	35,30,446	27,99,962
	(c) Other current assets	9	1,09,23,585	60,89,626
	Total		47,50,94,716	43,76,95,537
II.	EQUITY AND LIABILITIES			
(1)	Equity			
	(a) Equity Share Capital	10	14,68,19,530	14,68,19,530
	(b) Other Equity	11	28,09,56,837	23,29,98,465
(2)	Liabilities			
A	Non-Current Liabilities			
	(a) Borrowings	12	-	-
	(b) Provisions	13	10,00,000	-
B	Current Liabilities			
	(a) Financial Liabilities			
	(i) Trade payables due to Micro and small enterprises Other than Micro and Small enterprises	14	3,35,98,625	4,76,06,030
	(b) Other current liabilities	15	1,27,19,725	1,02,71,512
	Total		47,50,94,716	43,76,95,537

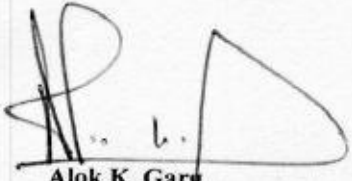
The Notes referred to above are an integral part of Financial statement
Note on Accounts as Note '1 to 27'


As per our report of even date,
For: Rawka & Associates
Chartered Accountants
Firm Reg. No.:-021606C



Venus Rawka
Partner
Membership No. 429040
Place : Indore
Date : 27th May, 2019



For and on behalf of the board ,


Alok K. Garg
Director
DIN:00274321


Praveen Nalwaya
Whole Time Director
DIN:06856052


Lokesh Parmar
CFO


Abhishek Kumar
Company Secretary
ACS:36699

MEDGEL PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS
For the year ending on 31st March, 2019

S. No.	Particulars	Note	Amount in Rs.	
			For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
I.	Revenue from operations	16	30,16,43,940	27,32,17,371
II.	Other Income	17	1,59,42,082	39,91,604
III.	Total Revenue (I +II)		31,75,86,022	27,72,08,975
IV.	Expenses:			
	Cost of materials consumed	18	15,82,11,028	15,85,67,803
	Changes in inventories of finished goods and work-in-progress	19	38,48,514	98,36,125
	Employee benefit expense	20	4,37,12,900	3,70,70,372
	Finance Cost	21	43,865	66,265
	Depreciation and amortization expense	2	1,47,07,996	1,45,37,869
	Other expenses	22	4,91,03,347	5,12,90,538
	Total Expenses		26,96,27,650	27,13,68,972
V.	Profit before Exceptional Items and tax (III - IV)		4,79,58,372	58,40,003
VI.	Exceptional Items		-	-
IX.	Profit before tax (VII - VIII)		4,79,58,372	58,40,003
X.	Tax expense		-	-
XI.	Profit for the year (IX-X)		4,79,58,372	58,40,003
	Other Comprehensive Income			
	(i) Items that will not be reclassified to Profit and Loss		-	-
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		-	-
X.	(iii) Items that will be reclassified to Profit or Loss		-	-
	(iv) Income Tax relating to items that will be reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income		-	-
XI.	Total Comprehensive Income for the period (IX+X)		4,79,58,372	58,40,003
XII.	Earning per equity share:	26		
	(1) Basic		3.27	0.40
	(2) Diluted		3.27	0.40

The Notes referred to above are an integral part of Financial statement.

Note on Accounts as Note '1 to 27'

As per our report of even date,

For: Rawka & Associates

Chartered Accountants

Firm Reg. No.: -021606C

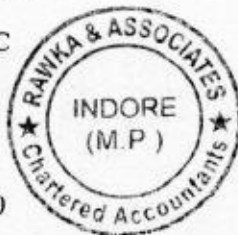

Venus Rawka

Partner

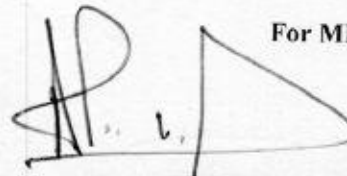
Membership No. 429040

Place : Indore

Date : 27th May, 2019



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


Alok K. Garg

Director

DIN:00274321

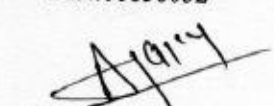

Lokesh parmar

CFO


Praveen Nalwaya

Whole Time Director

DIN:06856052


Abhishek Kumar

Company Secretary

ACS:36699

MEDGEL PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY
For the period ended 31.03.2019

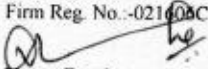
A. Equity Share Capital

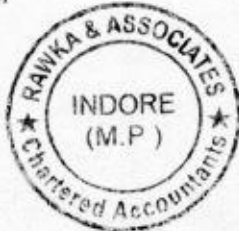
	(Amount in Rs.)	
	Changes in equity share capital during the year	Balance at the end of the reporting period
Balance at the beginning of the reporting period	14,68,19,530	14,68,19,530

B. Other Equity


Particulars	Reserves and Surplus				Total
	Securities Premium Reserve	General Reserves (specify nature)	Share Forfeiture account	Retained Earnings	
Balance at the beginning of the reporting period 01.04.2017	32,63,49,438	-	-	(9,91,90,976)	22,71,58,462
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	58,40,003	58,40,003
Adjustment of Investment in shares written off	-	-	-	-	-
Balance at the end of the reporting period 31.03.2018	32,63,49,438	-	-	(9,33,50,973)	23,29,98,465
Balance at the beginning of the reporting period 01.04.2018	32,63,49,438	-	-	(9,33,50,973)	23,29,98,465
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-
Dividends	-	-	-	-	-
Transfer to retained earnings	-	-	-	4,79,58,372	4,79,58,372
Any other change (to be specified)	-	-	-	-	-
Balance at the end of the reporting period 31.03.2019	32,63,49,438	-	-	(4,53,92,601)	28,09,56,837

The Notes referred to above are an integral part of Financial statement
Note on Accounts as Note '1 to 27'

As per our report of even date,
For: Rawka & Associates
Chartered Accountants
Firm Reg. No.:02160AC

Venus Rawka
Partner
Membership No. 429040
Place : Indore
Date : 27th May, 2019



For and on behalf of the board ,


Alok K. Garg
Director
DIN:00274321

Lokesh parmar
CFO


Praveen Nalwaya
Whole Time Director
DIN:06856052

Abhidrek Kumar
Company Secretary
ACS:36699


MEDGEL PRIVATE LIMITED**CASH FLOW STATEMENT**

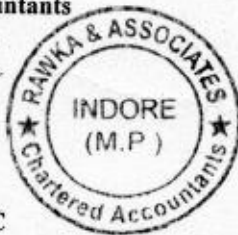
For the year ended March 31, 2019

(Amount in Rs.)


PARTICULARS	(Amount in Rs.)	
	31st March 2019	31st March 2018
A. Cash Flow from Operating Activities		
Net Profit before Tax & Extraordinary Items		
Adjustment For:		
Depreciation	4,79,58,372	58,40,003
Operating Profit before Working Capital Change	1,47,07,996	1,45,37,869
Adjustment for Working Capital	6,26,66,368	2,03,77,871
(Increase)/ Decrease in Sundry Debtors	(50,44,397)	(3,20,95,624)
(Increase)/ Decrease in Inventories	41,06,562	1,22,13,036
(Increase)/ Decrease in Loans & Advances	(48,33,958)	6,66,870
Increase/ (Decrease) in Current Liabilities & Provisions	(1,05,59,193)	3,22,67,211
Cash Generated from Working Capital	(1,63,30,986)	1,30,51,494
Cash generated from Operation	4,63,35,382	3,34,29,366
Net cash Flow from Operating Activity	4,63,35,382	3,34,29,366
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(25,97,155)	(28,99,259)
Purchase of Investment	(4,30,07,744)	(2,83,68,487)
Issue of share capital	-	-
Security Premium on Share issued	-	-
Net Cash used in Investing Activities	(4,56,04,899)	(3,12,67,746)
C. Cash Flow from Financial Activities		
Increase in Long term borrowing	-	(9,10,641)
Net Cash Used in Financial Activities	-	(9,10,641)
Net Increase in Cash and Cash Equivalents (A+B+C)	7,30,484	12,50,978
Cash & Cash Equivalents at the		
Beginning of the year	27,99,962	15,48,984
Closing of the year	35,30,446	27,99,962
Increase in Cash and Cash Equivalents	7,30,484	12,50,978


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


Venus Rawka
Partner
M.No. 429040
FRN No. 021606C
Place: Indore
Date: 27th May, 2019

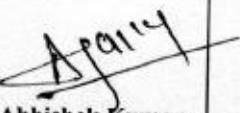


For and on behalf of Board
Medgel Private Limited


Alok K. Garg
Director
DIN:00274321


Praveen Nalwaya
Director
DIN:06856052


Lokesh Parmar
CFO


Abhishek Kumar
Company Secretary
ACS:36699

MEDGEL PRIVATE LIMITED

F.Y. 2018-19

NOTE -1- BASIC ACCOUNTING POLICIES

1. Corporate Information:

Medgel Private Limited ('the Company') is a Private Limited Company was incorporated in India under Companies Act 1956 in 2007 as Medgel Pharmaceuticals Private Limited. The Company together 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 Palasia, Opp. UCO Bank, Indore (M.P) - 452001. The financial statements were authorised for issue in accordance with a resolution of the directors on 27 May 2019.

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.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

(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.

- I. 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.
- II. All other assets are classified as non-current.
- III. 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.
- IV. All other Liabilities are classified as non-current.
- V. 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.

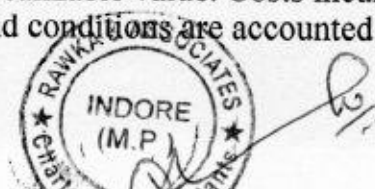
The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and changes, if any, are accounted prospectively

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. The estimated useful life of assets are as follows:

ASSETS	USEFUL LIFE OF ASSET
Factory Building	30 years
Office Building	30 years
Plant & Machinery	20 years
Furniture & Fixtures	10 years
Vehicles	8 years

8. Inventories:

Inventories are valued at Lower of cost or net realizable value. Costs incurred in bringing each product to its present location and conditions 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.

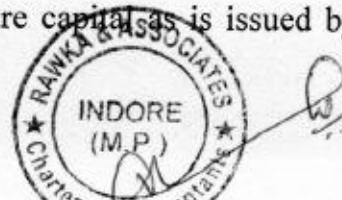
12. Cash and cash equivalents:

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 employee's 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.



MEDGEL PVT.LTD.

te- 2 Property, Plant and Equipment

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	Up to 31.03.2018	For the Year 2018-19	Deductions	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
Plant & Machinery	17,58,06,161	24,40,364	-	17,82,46,525	3,90,72,516	49,79,987	-	4,40,52,504	13,41,94,021	13,67,33,645
Land & Building	15,01,61,676	-	-	15,01,61,676	3,01,50,966	45,14,719	-	3,46,65,685	11,54,95,991	12,00,10,710
Furniture & Fixtures	4,76,43,489	-	-	4,76,43,489	2,69,73,977	49,70,523	-	3,19,44,500	1,56,98,989	2,06,69,512
Office Equipment	5,56,045	-	-	5,56,045	5,56,044	-	-	5,56,044	1	1
Computers & Software	15,19,937	1,56,791	96,000	15,80,728	15,19,936	13,254	95,999	14,37,191	1,43,537	1
Vehicle	17,14,525	-	-	17,14,525	3,84,032	2,29,513	-	6,13,545	11,00,980	13,30,493
GRAND TOTAL	37,74,01,833	25,97,155	96,000	37,99,02,988	9,86,57,472	1,47,07,996	95,999	11,32,69,469	26,66,33,519	27,87,44,362
PREVIOUS YEAR	37,45,02,574	28,99,259	-	37,74,01,833	8,41,19,603	1,45,37,869	-	9,86,57,472	27,87,44,361	29,03,82,971



MEDGEL PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2019

Amount in Rs.

Note : 3 Investments	As at 31st Mar 2019	As at 31st Mar 2018
SIP ABSL Pure Value Fund-SIP	75,00,000	20,00,000
Reliance Large Cap Fund -SIP	8,00,000	-
HDFC Equity Fund -SIP	7,00,000	-
LIC of India (Gratuity A/c)	10,00,000	-
	1,00,00,000	20,00,000

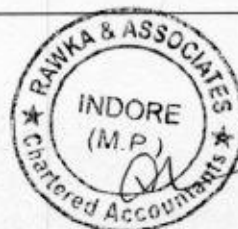
Note : 4 Other Non Current Assets	As at 31st Mar 2019	As at 31st Mar 2018
(Unsecured, considered good unless otherwise stated) Security Deposit	31,44,264	31,44,264
	31,44,264	31,44,264

Note : 5 Inventories	As at 31st Mar 2019	As at 31st Mar 2018
Raw Materials	1,79,49,818	1,76,99,563
Finished Goods	2,10,88,900	2,49,37,414
Packing Material	8,37,581	13,45,884
	3,98,76,299	4,39,82,861

Note : 6 Investments	As at 31st Mar 2019	As at 31st Mar 2018
Birla Sun Life Mutual Fund	1,46,00,001	96,20,105
HDFC Low duration Fund	1,36,00,000	-
Reliance Money Manager Fund	4,68,00,000	3,03,72,151
	7,50,00,001	3,99,92,257

Note : 7 Trade Receivables	As at 31st Mar 2019	As at 31st Mar 2018
Unsecured , Considered Good as certified by the Management Outstanding over six months Others	6,59,86,603	6,09,42,206
	6,59,86,603	6,09,42,206

Note : 8 Cash & Bank balances	As at 31st Mar 2019	As at 31st Mar 2018
Cash in Hand	11,939	33,143
Balance with Scheduled Banks :		
In Current Accounts	1,41,060	2,86,946
IDBI Bank C.C. A/c 0382655100000125	21,85,016	13,55,064
In Fixed Deposit Accounts	11,92,431	11,24,808
	35,30,446	27,99,962



Note : 9 Other Current Assets	As at	As at
	31st Mar 2019	31st Mar 2018
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)	95,72,121	53,31,621
Service Tax Receivable	2,21,889	2,21,889
TDS receivable	41,989	21,552
Prepaid Expenses	10,75,284	5,14,051
Other Loans & Advances	12,302	513
	1,09,23,585	60,89,626

Note : 10 Share Capital	As at	As at
	31st Mar 2019	31st Mar 2018
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
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
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
	14,68,19,530	14,68,19,530

a) Reconciliation of number of equity share	As at	As at
	31st Mar 2019	31st Mar 2018
No. of Share outstanding as at the beginning of the year	1,46,81,953	1,46,81,953
Add: No. Share issued during the year	-	-
	1,46,81,953	1,46,81,953
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

b) Details of Shareholders holding more than 5 percent shares in the company				
Name of Shareholders	As at 31st Mar 2019		As at 31st Mar 2018	
	No. of Shares	Percentage Holding	No. of Shares	Percentage Holding
Medicaps Limited*	1,46,81,953	100.00%	1,46,81,953	100.00%

* 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 Reserve & Surplus	As at 31st Mar 2019	As at 31st Mar 2018
Securities Premium reserve		
Opening Balance	32,63,49,438	32,63,49,438
Add: Security Premium on Share issued during the year	-	-
	32,63,49,438	32,63,49,438
Surplus/ (Loss)		
Opening Balance	(9,33,50,973)	(9,91,90,976)
Add: Loss during the year	4,79,58,372	58,40,003
	(4,53,92,601)	(9,33,50,973)
	28,09,56,837	23,29,98,465

Note : 12 Borrowings	As at 31st Mar 2019	As at 31st Mar 2018
Other Borrowings	-	-
Unsecured Loans	-	-
	-	-

Note : 13 Provisions	As at 31st Mar 2019	As at 31st Mar 2018
Provision for Gratuity	10,00,000	-
For Expenses	-	-
	10,00,000	-

Note : 14 Trade Payable	As at 31st Mar 2019	As at 31st Mar 2018
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	3,35,98,625	4,76,06,030
	3,35,98,625	4,76,06,030

Note : 15 Other Current Liabilities	As at 31st Mar 2019	As at 31st Mar 2018
TDS on Contractor Payment	1,05,655	91,800
TDS on Salary	2,14,558	3,06,908
TDS on Professional Fees	15,928	9,968
TDS on Rent	-	22,066
TCS on Scrap Sales	(118)	433
Outstanding expenses	22,09,877	41,66,708
ESI Payable	22,654	1,06,469
PF Payable	1,36,534	2,65,606
Unpaid Salary & Wages (Provision)	32,61,668	29,34,826
VAT Payable	400	10,319
Professional Tax Payable	6,064	6,188
Advance from Customers	59,28,250	13,49,244
Bonus Payable	8,18,255	10,00,978
	1,27,19,725	1,02,71,512



Note : 16 Sales	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Sale of product	30,16,43,940	27,32,17,371
	30,16,43,940	27,32,17,371

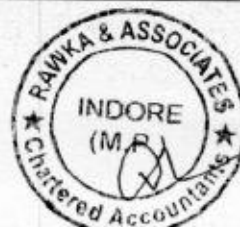
Note : 17 Other Incomes	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Interest received	2,04,474	2,16,635
Insurance Claim	12,44,775	3,60,170
Miscellaneous Receipt	54,80,527	19,940
Sales of Scrap	8,05,028	5,11,646
Foreign Exchange Fluctuation	62,71,995	16,08,670
Sundry Credit Debit balances W/o (net)	16,41,497	9,73,834
Income from Investment	2,93,786	3,00,709
	1,59,42,082	39,91,604

Note: 18 Cost of Materials Consumed	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
a) Raw Material Consumed		
Opening Stock	1,76,99,563	1,91,27,227
Purchases (net)	14,53,16,741	14,31,16,609
	16,30,16,304	16,22,43,836
Less : Closing Stock	1,79,49,818	1,76,99,563
	(a) 14,50,66,487	14,45,44,273
b) Packing Material Consumed		
Opening Stock	13,45,884	22,95,131
Purchases (net)	1,26,36,238	1,30,74,283
Less : Closing Stock	8,37,581	13,45,884
Packing Material Consumed	(b) 1,31,44,541	1,40,23,530
Total (a) + (b)	15,82,11,028	15,85,67,803

Note : 19 Increase/(Decrease) in Stocks	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Closing Stock of Finished Goods as on 31/03/2019	2,10,88,900	2,49,37,414
Less: Stock of Finished Goods as on 01/04/2018	2,49,37,414	3,47,73,539
	(38,48,514)	(98,36,125)

Note : 20 Employees Remuneration & benefits	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Salary, Wages, Allowances & other Benefits	4,35,81,529	3,69,26,308
Staff Welfare Expenses	1,31,371	1,44,064
	4,37,12,900	3,70,70,372

Note : 21 Finance Cost	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Interest on C.C. Limit	43,865	66,265
	43,865	66,265



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Note : 22 Other Expenses	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Audit Fees	30,000	30,000
Annual Maintenance Expenses	10,62,974	4,64,262
Bank charges	8,79,763	7,74,293
Books & Periodicals	10,000	9,000
Certificate & Standard Exp.	10,23,375	6,78,239
Computer Repair & Maintenance Exp.	-	74,721
Consultancy Fees	42,500	1,76,000
Conveyance Expenses	49,810	5,59,653
Development Charges to AKVN	3,30,990	5,29,584
Factory Exp.	-	4,44,684
Freight Exp.	1,57,61,609	1,60,10,658
Insurance Expenses	2,02,316	1,21,510
Lawn & Garden Development Exp.	70,995	2,01,000
Lease Rent	2,20,660	3,86,155
Import Expenses	2,32,082	2,75,393
Legal & Professional Expenses	26,800	41,800
Miscellaneous Exp	17,16,423	32,20,614
Packing & Forwarding	(31,044)	24,044
Postage Exp.	3,16,397	2,01,974
Power, Fuel and Gas	1,51,67,221	1,71,47,331
Rates & Taxes	11,855	-
Repair to Building	35,64,183	10,16,081
Repair to Electricals	74,044	81,094
Repair to Machinery	4,22,076	1,63,817
Repair & Maintenance (General)	88,379	2,98,695
Sales Promotion Exp.	7,78,652	88,031
Security Charges	9,16,460	9,26,460
Sez Online Exp.	95,800	74,400
Stationery & Printing	1,97,063	1,40,739
Stores & Spares	-	1,37,690
Telephone Exp	1,77,297	1,93,510
Testing Exp	80,592	14,41,500
Travelling & Lodging exp	4,43,976	6,67,257
Utility Expenses	-	12,000
Vehicle Running & Maint Expenses	45,66,364	40,86,496
Water Expenses	5,73,735	5,91,854
	4,91,03,347	5,12,90,538

Note 23 Segment Information

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

Note 24 Payment to Auditors	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
Audit Fees	20,000	20,000
Tax Audit & Other Fees	10,000	10,000
	30,000	30,000



Note 25 Related Party Disclosure

Information on Related party transactions as per Ind AS 24 on related party disclosure:

S. No.	Related Party	Transaction nature	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
1	Medicaps Limited	Purchase	20,47,000	1,60,395
		Sale	53,37,623	70,34,897
2	Akshit Garg	Remuneration	9,00,000	-

Note 26 Earning Per Share

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

	For the Year Ended 31.03.2019	For the Year Ended 31.03.2018
i) Profit after tax used as the numerator	4,79,58,372	58,40,003
ii) Basic / Weighted Average number of Equity Shares used as the denominator	1,46,81,953	1,46,81,953
iii) Nominal Value of Equity shares	10/-	10/-
iv) Basic & Diluted Earning per Equity Share	3.27	0.40

Note 27 The previous years figures have been regrouped/ restated wherever necessary to confirm with the current year classification.