



MEDI-CAPS LIMITED

37th

ANNUAL REPORT

2019-2020

COMPANY INFORMATION**BOARD OF DIRECTORS**

Mr. Ramesh Chandra Mittal

Mr. Alok K Garg

Mrs. Kusum Mittal

Dr. Shamsheer Singh

Mr. Pramod Fatehpuria

Mr. Ashok Omprakash Agrawal

Chairman & Non Executive Promoter Director

Managing Director

Non Executive Women Director*

Independent Director

Independent Director

Independent Director

Mrs. Kusum Mittal resigned from the post of whole time director w.e.f. 16th Oct., 2019 and continues to be Women Non Executive Director**Mrs. Manisha Garg resigned from the company w.e.f. 16th Oct., 2019*****Mr. Mahesh Kumar Patni resigned from the company w.e.f. 19th Feb., 2020.***AUDIT COMMITTEE**

Dr. Shamsheer Singh

Mr. Pramod Fatehpuria

Mr. Ashok Omprakash Agrawal

Chairman and Independent Director

Member and Independent Director

Member and Independent Director

** Mr. Mahesh Kumar Patni resigned from the company w.e.f. 19th Feb., 2020.***STAKEHOLDERS RELATIONSHIP COMMITTEE**

Dr. Shamsheer Singh

Mr. Pramod Fatehpuria

Mr. Ashok Omprakash Agrawal

Chairman and Independent Director

Member and Independent Director

Member and Independent Director

** Mr. Mahesh Kumar Patni resigned from the company w.e.f. 19th Feb., 2020.**** Mr. Ashok Pitliya resigned as member and G.M. Finance from the company w.e.f. 01.10.2019.***NOMINATION AND REMUNERATION COMMITTEE**

Dr. Shamsheer Singh

Mr. Pramod Fatehpuria

Mr. Ashok Omprakash Agrawal

Chairman and Independent Director

Member and Independent Director

Member and Independent Director

** Mr. Mahesh Kumar Patni resigned from the company w.e.f. 19th Feb., 2020.***Mr. Pramod Fatehpuria has been appointed as member w.e.f. 20th Feb., 2020***CS & COMPLIANCE OFFICER**

CS Ayushi Silot

** Mr. Manish Kumar Jain resigned from the post of CFO and KMP w.e.f. 04th Feb., 2020.**** Mr. Hemant Sethi appointed as CFO and KMP w.e.f. 05th Feb., 2020.***CHIEF FINANCIAL OFFICER**

Mr. Hemant Sethi**

AUDITORS

M/s Rawka & Associates

Chartered Accountant

M/s. Ishan Jain and Company resigned w.e.f. 04th July, 2020.** M/s L.N. Joshi & Co. appointed w.e.f. 25th July, 2020.***SECRETARIAL AUDITOR**

M/s L. N. Joshi & Co.**

Company Secretaries

INTERNAL AUDITOR

M/s Praveen Shrivastava & Co.

Chartered Accountant

BANKERS

IndusInd Bank Ltd.

IDBI Bank Ltd.

State Bank of India

REGISTERED OFFICE & PLANT

Mhow - Neemuch Road,

Sector-1 Pithampur, Dhar (M.P.) 454775

Phone: 07292-256205

Email: investors@medicaps.comWebsite: <http://www.medicaps.com>**CORPORATE OFFICE**

201, Pushpratna Paradise

9/5, New Palasia, Indore (M.P.) 452001

Phone: 0731-4046321

Email: indore@medicaps.com**SHARE TRANSFER AGENT**

Ankit Consultancy Pvt. Ltd.

Plot No. 60, Electronic Complex,

Pardeshipura, Indore (M.P.) 452010,

Phone: 0731-2551745,

Email: ankit_4321@yahoo.com**STOCK EXCHANGE**

(Where the Company's Securities Listed)

BSE Limited

NOTICE OF 37th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 37th Annual General Meeting (AGM) of the Members of Medi-Caps Limited will be held on Wednesday the 30th September, 2020 at 12.30 P.M. through Video Conferencing or Other Audio Video Means (OAVM) for which purposes the Registered office of the company shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall be deemed to be made thereat, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt:
 - (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the Reports of the Board of Directors and the Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the report of the Auditors thereon.
2. To appoint a Director in place of **Mr. Ramesh Chandra Mittal (DIN: 00035272)**, who retires by rotation and being eligible offer himself for re-appointment.

By orders of the Board

Date: **25th August, 2020**

Place: **Indore**

Medi-Caps Limited

CIN: **L70100MP1983PLC002231**

Registered Office: **Mhow - Neemuch Road**

Sector 1 Pithampur Dhar (M.P.) 454775

Ayushi Silot

Company Secretary

ACS: 54352

NOTES:-

1. In view of the COVID-19 Pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular no. 20/ 2020 dated May 5, 2020 has allowed the companies to conduct their Annual General Meeting (AGM), during the calendar year 2020, through Video Conferencing (VC) or any Other Audio Visual Means (OAVM) in a manner provided in General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 issued by MCA. Accordingly, in compliance with the requirements of the aforesaid MCA General Circulars, the Company is convening its 37th AGM through VC/OAVM, without the physical presence of the Members at a common venue. The Company has availed the facility of Central Depository Services (India) Limited (CDSL) for convening the 37th AGM through VC/OAVM, a detailed process in which the members can attend the AGM through VC/OAVM has been enumerated in Note number 30 of this Notice.
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013 (the Act).
3. The aforesaid MCA General Circular dated May 5, 2020 read with MCA General Circular dated April 13, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 have granted relaxations to the companies, with respect to printing and dispatching physical copies of the Annual Reports and Notices to members. Accordingly, the Company will only be sending soft copy of the Annual Report 2019-20 and Notice convening 37th AGM via e-mail, to the members whose e-mail ids are registered with the Company or the Registrar and Share Transfer Agent or Depository Participant/ Depository as on the cut-off date Friday, 21st August, 2020.
4. For Members who have not registered their e-mail address and those members who have become the members of the Company after Friday 21st August, 2020 being the cut-off date for sending soft copy of the Notice of 37th AGM and Annual Report for the financial year 2019-20, in Portable Document Format (PDF), will also be available on the Company's website www.medicaps.com and website of CDSL i.e. www.evotingindia.com and on website of stock exchanges viz. www.bseindia.com. The relevant documents, if any, referred to in the Notice of 37th AGM and the Annual Report will also be available for inspection electronically on request by a member of the Company up to the date of the 37th AGM of the Company. Further he may obtain the login ID and password by sending a request at rtaindore@gmail.com.
5. The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting to all those members who are present/logged in at the AGM but have not cast their votes by availing the remote e-voting facility
6. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

However, since the 37th AGM of the Company will be convened through VC/ OAVM, where there will be no physical attendance of members, the requirement of appointment of proxies pursuant to the provisions of Section 105 of the Act has been dispensed with. Accordingly, attendance slip and proxy form will not be annexed to this Notice.

7. Pursuant to the provisions of Sections 112 and 113 of the Act, body corporate member can authorize their representatives to attend the AGM through VC/OAVM and cast their votes through e-voting. Provided a scan copy (PDF) of the Board Resolution authorizing such representative to attend the AGM of the Company through VC/ OAVM on its behalf and to vote through remote e-voting shall be sent to the Scrutinizer through the registered email address of the member(s) at lnjoshics@gmail.com with a copy marked to the Company at investors@medicaps.com.
8. Pursuant to Provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Book of the Company will remain closed during the period from Saturday, 26th Day of September, 2020 to Wednesday 30th Day of September, 2020 (both days inclusive) for the purpose of 37th Annual General Meeting.
9. In terms of Section 152 of the Companies Act, 2013, Mr. Ramesh Chandra Mittal (DIN: 00035272) Chairman and Director of the Company retires by rotation at the AGM and being eligible, offers himself for re-appointment. Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standards on General Meetings (SS-2) in respect of the Director seeking re-appointment at the AGM, forms integral part of the Notice.
10. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is omitted vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 34th Annual General Meeting, held on 28th September, 2017.
11. Pursuant to the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (Rules), the Company has already been transferred the unclaimed equity shares in respect of which (Dividend year 2011-12) dividend has not been claimed encashed for 7 or more consecutive years to the Investor Education and Protection Fund Authority (IEPF) of the Central Government. The details are posted on the website of the Company at www.medicaps.com. Please note that the shares so transferred to the IEPF can be claimed from the IEPF Authority as per the procedure prescribed under the Rules. Further there are no remaining unclaimed shares due for transfer in IEPF.
12. Dividend Amount of Rs. 1,94,288/- remaining unpaid and unclaimed for the financial year ended 31st March, 2012 which was declared on 29th Sept, 2012 has been transferred to IEPF and there is no remaining unpaid and unclaimed dividends due for transfer in IEPF.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Further, as per SEBI Circular dated April 20, 2018 all securities holders holding securities in physical form should submit their PAN and Bank account details to the RTA.
14. The Members may kindly note that as per the amended Regulation 40 of the Listing Regulations w.e.f. April 1, 2019, transfer of the securities would be carried out in dematerialized form only. Accordingly, members holding shares in physical mode are advised to demat their physical share holdings at the earliest.
15. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, may fill Form SH-13 and send the same to the office of the Company and/ or its RTA. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their respective DPs.
16. Members, who hold shares in multiple Demat accounts and those who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are advised to consolidate their holdings in single Demat account/ Folio.
17. Members desirous of obtaining any information concerning to the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days before the date of the meeting so that the required information can be made available at the meeting.
18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.

19. Members are requested to contact the Registrar and Share Transfer Agent for all matter connected with Company's shares at Ankit Consultancy Private Limited, 60 Pardeshipura, Electronic Complex, Indore (M.P.).
20. **Investor Grievance Redressal:** The Company has designated an exclusive e-mail ID i.e. investors@medicaps.com to enable the investors to register their complaints / send correspondence, if any.
21. **Webcast:** Members who are entitled to participate in the AGM can view the proceedings of AGM by logging in the website of CDSL at www.evotingindia.com using the login credentials.
22. All the documents referred in the Notice are available for inspection electronically from the date of dispatch of Notice till Wednesday, September 30, 2020. Members seeking to inspect such documents are requested to write to the Company at investors@medicaps.com
23. The Company has appointed Mr. L.N. Joshi, Practicing Company Secretary (Membership No. FCS-5201; CP No.4216) to act as the scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.
24. The voting rights of Shareholders shall be in proportion of shares held by them to the total paid up equity shares of the company as on Wednesday 23rd September, 2020, being the cut-off date.
25. A person who is not a Member as on Wednesday 23rd September, 2020 should treat this Notice for information purposes only.
26. A person who has acquired the shares and has become a member of the Company after dispatch of notice of AGM and prior to the Cut-off date i.e. Wednesday 23rd September, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of AGM by following the procedure mentioned in this Notice.
27. The procedure for joining the AGM through VC/OAVM is mentioned in this Notice. Since the AGM will be held through VC/OAVM, the route map is not annexed in this Notice.
28. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings (SS -2), Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the facility for remote e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through Central Depository Services (India) Limited (CDSL). Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting and e-voting during the AGM.
- 29. THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**
 - (i) The voting period begins on Sunday 27th September, 2020 from 9.00 A.M. and ends on Tuesday, 29th September, 2020 at 5.00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday 23rd September, 2020, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iv) Click on Shareholders module.
 - (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholder holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSLs **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSLs **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
 - (vi) Next enter the Image Verification as displayed and Click on Login.
 - (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- (ix) After entering these details appropriately, click on SUBMIT tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach Password Creation menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <MEDI CAPS LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see RESOLUTION DESCRIPTION and against the same option YES/NO for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the RESOLUTIONS FILE LINK if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on SUBMIT. A confirmation box will be displayed. If you wish to confirm your vote, click on OK, else to change your vote, click on CANCEL and accordingly modify your vote.
- (xvi) Once you CONFIRM your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on Click here to print option on the Voting page.
- (xviii) If a Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app **m- Voting**. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while remote voting on your mobile.
- (xx) Note for Non Individual Shareholders and Custodians
 - Non Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@medicaps.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

30. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their

respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@medicaps.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investors@medicaps.com. These queries will be replied to by the company suitably by email.
 6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM
 7. Members are permitted to join the AGM through VC/OAVM, 15 minutes before the scheduled time of commencement of AGM and during the AGM, by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1,000 Members on a first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without any restrictions pertaining to joining the AGM on a first come first served basis. Institutional Investors who are Members of the Company, are encouraged to attend and vote at the AGM.
- 31. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**
- i. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
 - ii. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **Company/RTA email id**.
- 32. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**
1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
 4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- 33. DECLARATION OF RESULTS:**
- A. The scrutinizer shall, immediately after the conclusion of voting during the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated scrutinizers report of the total votes cast in favour or against, if any, to the Chairperson of the Company or the person authorized by him, who shall countersign the same.
 - B. Based on the scrutinizers report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the SEBI Listing Regulations.
 - C. The results declared along with the scrutinizers report, will be hosted on the website of the Company at www.medicaps.com and on the website of CDSL, immediately after the declaration of the result by the Chairperson or a person authorized by him in writing and communicated to the Stock Exchanges.
 - D. The Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 30th September, 2020 subject to receipt of the requisite number of votes in favour of the Resolutions.

34. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (FAQs) and e -voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
35. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

By orders of the Board

Date: **25th August, 2020**
 Place: **Indore**
Medi-Caps Limited
 CIN: **L70100MP1983PLC002231**
 Registered Office: **Mhow - Neemuch Road**
Sector 1 Pithampur Dhar (M.P.) 454775

Ayushi Silot
Company Secretary
ACS: 54352

Additional Information of Director seeking re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and Secretarial Standard of General Meeting:

Name of Director	Mr Ramesh Chandra Mittal(Chairman and Non Executive Promoter Director)
DIN	00035272
Date of Birth	16 th June, 1947
Date of Appointment	6 th August, 1983
Expertise / Experience in specific functional areas	Having wide experience of more than 43 years in the field of pharma industry and real estates
Qualification	B. Pharma
No. & % of Equity Shares held in the Company	10000 (0.08%)
List of outside Companies directorship or Designated Partner in LLPs held	1. Trapti Investments LLP 2. Mediacaps Finance LLP 3. Taurus Dwellers LLP 4. Saffron Realities LLP 5. Medpak India Limited 6. Crystal Devcon Private Limited. 7. North Rajasthan Holdings Private Limited. 8. Geet Dwellers Private Limited. (Formerly known as Mediacaps IT Park Pvt. Ltd.) 9. Medgel Private Limited.
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman and Non-Executive Director
Salary or Sitting fees paid	NIL
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	-
Relationship between directors inter-se	Relative of Director Mrs. Kusum Mittal (Wife), Managing Director Mr. Alok K Garg (Son in law)

By orders of the Board

Date: **25th August, 2020**
 Place: **Indore**
Medi-Caps Limited
 CIN: **L70100MP1983PLC002231**
 Registered Office: **Mhow - Neemuch Road**
Sector 1 Pithampur Dhar (M.P.) 454775

Ayushi Silot
Company Secretary
ACS: 54352

BOARDS REPORT

To,
The Members,
Medi-Caps Limited

Your Directors have pleasure in presenting their **37th Annual Report of Medi-Caps Limited** together with the **Standalone and Consolidated Audited Financial Statements for the year ended 31st March, 2020**. The Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. FINANCIAL RESULTS

The following table shows the operational results of the company for the financial year 2019-20 as compared to that of previous year:

(Amount in Lakhs)

Particulars	Standalone		Consolidated	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Total Revenue	1202.59	2275.58	4592.23	5451.44
Total Expenditure before Interest and Depreciation	1998.02	2168.44	4991.88	4717.19
Profit/Loss before Interest, Depreciation & Tax (EBIDTA)	-795.43	107.14	-399.65	734.25
Less: Interest	0.86	1.36	1.68	1.80
Less: Depreciation	35.53	35.02	183.01	182.10
Profit/Loss before Tax	-831.83	70.76	-584.35	550.35
Less:(a) Current Tax	0.00	10.00	0.00	10.00
(b) Deferred Tax	0.84	1.65	0.84	1.65
Net Profit/Net Loss for the Year	-832.67	59.11	-585.19	538.70
Other Comprehensive Income	66.41	0.00	120.30	0.00
Total Comprehensive Income/Loss	-766.26	59.11	-464.89	538.70
Add: Surplus brought forward from previous year	5161.75	5102.63	4707.83	4169.13
Total Surplus available for appropriation	4395.50	5161.75	4242.94	4707.83
Surplus carried to the Balance Sheet	4395.50	5161.75	4242.94	4707.83
Paid up Equity Share Capital	1246.99	1246.99	1246.99	1246.99
EPS (Equity Shares of Rs. 10/- each) (in Rs.) Basic & Diluted	-6.14	0.47	-3.73	4.32

STATE OF COMPANY'S AFFAIRS & REVIEW OF OPERATIONS

- On a consolidated basis, the revenue from operations and other income for the F.Y. 2019-20 is Rs. 4592.23 Lakhs which is lower by 15.76% over the previous year (Rs. 5451.44 Lakhs in the previous F.Y. 2018-19).
- On Standalone basis, the revenue from operations and other income for the F.Y. 2019-20 is Rs. 1202.59 Lakhs is declined by 47.15% over the previous F.Y. (Rs. 2275.58 Lakhs in the previous F.Y. 2018-19).
- Consolidated Profit after Tax for the year is Rs. -585.19 Lakhs, lower by 208.63% over the PAT of Rs.538.70 Lakhs in the previous F.Y. 2018-2019.
- Standalone Profit after Tax for the year is Rs. -832.67 representing a decrease of 1508.68% as compared to the previous F.Y. (Rs.59.11 Lakhs in F.Y. 2018-19).

Your Board of directors inform the members that, on 21st November, 2019 the company has permanently discontinued production/manufacturing activities in the plant situated at Mhow - Neemuch Road, Sector 1, Pithampur - 454775, Dist. Dhar due to various factors which includes continuous decrease in demand/sale of product, increase in operating expenses, competition etc. Further, company had entered into Real Estate Business for which the company has applied for various licensees and approval from various government departments but due to pandemic outbreak all the necessary approvals are pending from various Govt. departments due to which the project will be delayed.

2. CHANGE IN THE NATURE OF BUSINESS

The Company was engaged in the business activities of manufacturing of Empty Hard Gelatine Capsules, Halal gelatine Capsules; liquid fills capsules and various ranges of empty capsules. There is a change in the business activities of your company during the financial year. The Board of Directors of Company at its meeting held on 14th November, 2019 considered that the Company is having surplus land bank that can be utilize in the construction and real estate business activities for the maximization of the return to the Company. Further suitable alteration in the Main Object of the Memorandum of Association of the Company was made after seeking members approval in the annual general meeting held on 25th September, 2019. However due to pandemic outbreak all the necessary approvals are pending from various Govt. departments due to which the real estate project will be delayed.

3. DIVIDEND

In view of the losses incurred, the Board of Directors have not recommended any dividend for the year 2019-20

TRANSFER OF THE AMOUNT OF UNPAID DIVIDEND AND SHARES TO INVESTOR EDUCATION & PROTECTION FUNDS (IEPF)

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the Rules) eligible unpaid or unclaimed dividend are required to be transferred by the company to the IEPF established by the Government of India, after the completion of 7 (seven) years. Further, according to the rules, the resulting shares on which dividend has not been paid or claimed by the shareholders for 7 (seven) consecutive years or more also required to be transferred to the demat account of the IEPF Authority. Accordingly, the company has transferred the unclaimed and unpaid dividends of Rs. 1,94,288/- for the year 2011-12 and 19,607 equity shares for the F.Y. 2011-12 on which the dividend was remained unpaid/unclaimed for a continuous period of 7 years to the IEPF Authority as per the requirement of the IEPF Rules. The detail related to dividend remains unpaid-unclaimed in the Company has been given in the Corporate Governance Report attached with the Annual Report of the Company and also hosted at the website of the Company. Further there are no remaining unclaimed dividend or shares due for transfer in IEPF.

4. SHARE CAPITAL

The paid-up Share Capital as on 31st March, 2020 was Rs. 1246.99 lakhs divided into 124.69 lakhs equity shares of Rs. 10/- each. During the year under review, the Company has not issued any shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2020, none of the Directors of the Company holds instruments convertible into equity shares of the Company.

5. TRANSFER TO RESERVES

During the year under review your company has not transferred any amount to any type of reserves.

6. DEPOSITS

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, 2020. 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.

DISCLOSURE OF UNSECURED LOAN RECEIVED FROM DIRECTORS

Pursuant to Section 2(31) Read with Rule 2(1)(viii) of Companies (Acceptance of Deposits) Rules, 2014, (including any statutory modification or re-enactment thereof for the time being in force), the Company had not received any unsecured loan from directors during the financial year.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your company has not given any loan or advances to any other Body Corporate. However, your company has made investment and given guarantees pursuant to Section 186 of the Companies Act, 2013:

(Amount in Lakhs)

Name of the company	Nature of Transactions	Investment made/ Guarantee/Loans Provided	Opening Balance as on 31/03/19	Transactions made during the year	Closing Balance as on 31/03/20
Medgel Pvt. Ltd.	Wholly Owned Subsidiary	Investment Made	4282.35	-	4282.35
		Guarantee Security provided	200.00	-	200.00
Natural Capsules Ltd.	Non- Current	Investment Made*	0.01	-	0.03
Mutual Funds& SIP	Current and Non- Current	Investment Made*	595.14	200.45	795.59

*The investments this year are reported as per relevant Ind-As 113.

The above stated investment and guarantees are within the limits as specified under section 186 of the Companies Act, 2013 and the company is not required to take any further approval of its members.

In addition to the above, the Company has not given advance against salary or otherwise to its employees as per the Company's policy on which no interest was charged.

8. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In view of the net worth, profits and turnover, the Company does not fall under the provisions of the section 135 of the Companies Act, 2013 and the rules made there under. Hence the obligations under section 135 of the Companies Act, 2013 are not applicable to the Company.

9. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 (Act) and Rules made there under, your company has constituted Internal Complaints Committees (ICC). Statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under: -

Category	No. of complaints pending at the beginning of F.Y. 2019-20	No. of complaints filed during the F.Y. 2019-20	No. of complaints pending as at the end of F.Y. 2019-20
Sexual Harassment	Nil	Nil	Nil

Since, there is no complaint received during the year which is appreciable as the management of the company endeavor efforts to provide safe environment for the female employees of the company. Further Internal Complaints Committee is located at administrative unit.

10. STATEMENT FOR RISK MANAGEMENT POLICY AND INTERNAL ADEQUACY

The Company was engaged in the business of manufacturing of Hard Gelatin Capsule Shell and was associated with the normal business risk as well as the imbalance of demand-supply of products in the Domestic and in International Market. Pharmaceutical industry has always been under intense scrutiny by various regulatory authorities, both Indian and international. This trend continues resulting in regulatory standards being upgraded all the time. Further as the members have been informed that the Board of Directors at their meeting held on 14th Nov., 2019 has decided to commence the business activity related to Real Estate and the Company is now engaged in the real estate business in India and is associated with the normal business risk. The Companys management systems, organizational structures, processes, standards, and behaviors together form the system that governs how the company conducts the business of the Company and manages associated risks. The approach is based on identification, evaluation, and mitigation of operational, strategic and environmental risks, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

Other than this, the Government policy, local area authority, Taxation policy, fluctuations in foreign currency rates may adversely affect the profitability of the Company subject to various process and clearance, payment of compensations, etc as may be decided by the concerning state government.

11. ADEQUACY OF INTERNAL FINANCIAL CONTROL & ITS EFFECTIVENESS.

The Board of Directors has devised systems, policies and procedures/frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to Companys policies, safeguarding assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review. There have been no significant changes in the Companys internal financial controls during the year that have materially affected or are reasonably likely to materially affect its internal financial controls. There are inherent limitations to the effectiveness of any system of disclosure, controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures.

12. VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your company has a Vigil Mechanism in place which also includes a whistle blower policy in terms of the listing regulation for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The Vigil Mechanism/Whistle Blower Policy of the Company can be accessed on the Companys website at the www.medicaps.com and the same is being attached with this Report as **Annexure-A**.

All the employees have the right/option to report their concern/grievance to the Chairman of the Audit Committee. During the year under review no protected disclosure from any Whistle Blower was received by the designated officer under the Vigil Mechanism.

13. SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES OF THE COMPANY

The Company is continuing having Wholly Owned Subsidiary i.e. Medgel Pvt. Ltd. Further, the Company does not have any associate or joint venture company at the beginning or closing or any time during the year 2019-2020. There are no companies which become/ceased to be subsidiaries during the year of your Company. Further, Medgel Pvt. Ltd. is material subsidiary of the Company as per the thresholds laid down under the Listing Regulations.

MATERIAL SUBSIDIARY

Medgel Pvt. Ltd. is material subsidiary of the Company as per the thresholds laid down under the Listing Regulations. The Board of Directors of the Company has approved a Policy for determining material subsidiaries which is in line with the Listing Regulations as amended from time to time. The Policy has been uploaded on the Companys website at www.medicaps.com.

SECRETARIAL AUDIT OF MATERIAL UNLISTED SUBSIDIARY COMPANY

Medgel Private Limited (MPL), a material subsidiary of the Company undertakes Secretarial Audit every year under Section 204 of the Companies Act, 2013. The Secretarial Audit of MPL for the Financial Year 2019-20 was carried out pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report of MPL submitted by L.N. Joshi & Company, Practicing Company Secretaries and the report does not contain any qualification, reservation or adverse remark or disclaimer.

14. CONSOLIDATED FINANCIAL STATEMENTS

Since your company is having 1 (One) wholly owned subsidiary and as per the requirement of Ind (AS) and the Companies Act, 2013 the Consolidated Financial Statements is also prepared and annexed with the financial statements. The disclosures as required in the Form AOC-1 are attached with the Boards Report as **Annexure B**.

In accordance with third proviso of section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.medicaps.com. Further, as per fourth proviso of the said section, audited annual accounts of the subsidiary company have also been placed on the website of the Company, www.medicaps.com. The Consolidated Financial Statement of the Company is annexed as containing part of the Annual report.

15. BOARD OF DIRECTORS, KMPs & THEIR BOARD MEETINGS.
a) Constitution of the Board

The Board of directors are comprising of total **6 (Six)** Directors which includes **3 (Three) Independent and 1 (One) Woman 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 Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 and section 149(6) of the Companies Act, 2013. The Company is having following 3 (Three) Independent Directors;

1. Dr. Shamsher Singh.
2. Mr. Pramod Fatehpuria.
3. Mr. Ashok Omprakash Agrawal.

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 a change in the Constitution of the Board of your Company. Mr. Mahesh Kumar Patni resigned from the company w.e.f. 19th February, 2020 due to his personal and unavoidable circumstances.

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 and SEBI (LODR), Regulations 2015 (SEBI Listing Regulations). In the opinion of the Board, all the Independent Directors fulfill the criteria of Independency as prescribed under the Companies Act and SEBI (LODR), Regulations 2015 (SEBI Listing Regulations).

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

No independent Director is seeking reappointment at ensuing Annual General Meeting.

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

Mr. Ramesh Chandra Mittal (DIN:00035272) Non Executive Promoter Director is liable to retire by rotation at the ensuing annual general meeting and being eligible offers himself for re-appointment.

f) Change in Director

During the year, there are changes in the directors of the company. Mrs. Manisha Garg and Mr. Mahesh Kumar Patni resigned from the Directorship of the Company w.e.f. 16th October, 2019 and 19th February, 2020 respectively due to their personal reasons.

Further Mrs. Kusum Mittal resigned from the office of the Whole time Director and continuing as the Promoter Woman Non-Executive Director in the company w.e.f. 16th October, 2019.

g) Key Managerial Personnel

Mr. Alok K. Garg, Managing Director; Mr. Hemant Sethi, Chief Financial Officer and Ms. Ayushi Silot, Company Secretary and Compliance Officer; have been categorized as the Key Managerial Personnel within the meaning of section 203 of the Companies Act, 2013.

h) Change in the Key Managerial Personal

During the year Mrs. Manisha Garg, Whole-Time Director who was re-appointed in last AGM has resigned from the directorship of the company w.e.f. 16th October, 2019 and Mrs. Kusum Mittal who was

re-appointed in last AGM resigned from the office of the Whole Time Director w.e.f. 16th October, 2019 and continues as Promoter Woman Non Executive Director in the Company. Further Mr. Manish Kumar Jain, Chief Financial Officer and KMP resigned from the company w.e.f. 04th Feb., 2020 and in his place Mr. Hemant Sethi was appointed as the Chief Financial Officer and KMP of the company w.e.f. 05th Feb., 2020.

i) Disqualifications of Directors

During the year declarations were received from the Directors of the Company pursuant to Section 164 of the Companies Act, 2013. Board appraised the same and found that none of the director is disqualified for holding office as director.

j) 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 Boards 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. 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 2019-20 (7) **Seven** Board Meetings were held on 28th May, 2019, 30th July, 2019, 09th August, 2019, 16th October, 2019, 14th November, 2019, 04th February, 2020 and 09th March, 2020.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detail of Board Meetings, Committee Meetings held and number of meeting attended by each Director and members according to Secretarial Standards are given in Corporate Governance Report annexed with this Annual Report.

16. COMPANYS POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Board has, on the recommendation of the nomination and remuneration committee framed a nomination, remuneration and evaluation policy which lays down the criteria for identifying the persons who are qualified to be appointed as directors and, or senior management personnel of the company, along with the criteria for determination of remuneration of directors, KMPs and other employees and their evaluation and includes other matters, as prescribed under the provisions of section 178 of Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations 2015. Policy of the Company has been given at the website of the Company at www.medicaps.com. The details of the same are also covered in Corporate Governance Report forming part of this annual report.)

a) Formal Annual Board Evaluation and Familiarization Programme.

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy.

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Chairman. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Committees.

The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and feedback was given to Directors.

The details of program for familiarization of Independent Directors of the Company is available on your Companys website (www.medicaps.com)

17. 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(5) of the Companies Act, 2013:

- a. that in the preparation of the annual financial statements for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2020 and of the loss of the company for that 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 proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that systems to ensure compliance with the provisions of all applicable laws and that systems were in place and were adequate and operating effectively.

18. COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and other purposes the Board has the following **Five (5)** committees:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholders Relationship Committee
- d. Corporate Compliance Committee (Voluntarily constituted);
- e. Internal Complaints Committee (ICC) under the Sexual Harassment of Women at the Workplace

A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this report.

19. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the year as on 14th November, 2019. The Meeting was conducted in an informal manner without the presence of the Chairman, the Managing Director, the Non-Executive Non-Independent Directors and Key Managerial Personnel of the Company.

20. RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPT) that entered into during the Financial Year 2019-2020 were on Arms Length Basis and were in the Ordinary Course of business. No materially significant RPT made by the Company with Promoters, Directors, Key Managerial Personnel or their relatives or subsidiary or any other Group concerns which may have a potential conflict with the interest of the Company at large.

All RPT were approved by the Audit Committee and the Board. The RPT entered into by the company are audited. The Company has developed RPT policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

The policy of RPT as approved by the Board is available on the Company's website (www.medicaps.com). The company has done RPT in the ordinary course of business and which are on Arms Length Basis and which are not materials in nature and hence the requirement of attachment of the Form AOC-2 is not applicable on the company.

21. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators which would impact the going concern status of the Company and its future operations.

However, Workers/Labors of the company has filed an application in front of the Labour Court, Pithampur on dated 8th January, 2020 against the compensation received by them from the company due to closure of the business activities. Hon'ble Court has provided an opportunity to present the case before the Court but the same has not been received by the company due to which the Hon'ble Labor Court has issued an ex - parte decision vide their Order Dated 05th February, 2020. As per the Order of the court, they has given an Interim stay order to the employees of the company due to which the company could not dispose off its Plant and Machinery to any person till further order is issued by the Court. Company filed an appeal in the court and presented the case in order to provide suitable relief to the company. Further vide order dated 07th March, 2020, the Court revoked the stay granted to the Ex-Employees of the company.

22. AUDITORS, THEIR REPORT AND COMMENTS BY THE MANAGEMENT:**A. Statutory Auditors**

The Board of the company takes pleasure in stating that no such observation has been made by the Auditors in their report which needs any further explanation by the Board.

The Auditors, M/s. Rawka & Associates, Chartered Accountants, (F.R.No. 021606C) who were appointed for a term of five years at the Annual General Meeting of the Company held on 28th September, 2017 shall hold the office till the conclusion of 39th 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 2019-20 referred to in the Auditors Report are self-explanatory and do not call for any further comments. The Auditors report is also self explanatory and does not contain any qualification, reservation or adverse remark.

B. Secretarial Audit

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s L.N. Joshi &

Co., Company Secretaries to undertake the Secretarial Audit of the Company on 25th July, 2020 due to resignation of the previous secretarial auditors of the company (M/s Ishan Jain & Co.). The Secretarial Auditors in their report for the year 2019-20 has confirmed the compliances by the Company as covered in their report.

The Report of the Secretarial Auditor for the year 2019-20 is annexed herewith as **“Annexure C”**.

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

Secretarial Auditor Observations	Management comments
<i>There are 3 (Three) Charges which were satisfied long back but no evidence for the satisfaction were produced before me and these charges are showing in the Index of Charges at the portal of MCA.</i>	<i>The matter is very old and the company is in continuous follow up with the ROC for deletion of the charge ID, however, in absence of the adequate evidence for filing of the Form 17 (under the Companies Act, 1956), these charges could not be removed from MCA Portal.</i>
<i>Constitution of Stakeholder Relationship Committee was not in accordance with the provisions of Regulations 20 (2A) of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 from 1st April 2019 to 16th October, 2019. Minimum three directors required to constitute Stakeholder Relationship Committee.</i>	<i>Earlier there was no provisions that minimum three directors required to constitute stake holder relationship committee, however due to amendment in SEBI (LODR) Regulation 2015 with effect from 1st April, 19 its became mandatory to appoint minimum three directors in committee. To comply aforesaid provisions Board has appointed Mr. Ashok Kumar Agrawal, Independent Director as the member of the committee on 16th October, 2019.</i>
<i>Non disclosure of Meeting of Stakeholder Relation Committee in the Corporate Governance Report submitted to stock exchange for June 19 quarter as per the provisions of Regulation 27(2) of SEBI (LODR) Regulations, 2015.</i>	<i>Due to clerical mistake date of stakeholder relationship committee was left however same has been mentioned in detailed corporate governance report attached with Annual Report.</i>
<i>Mrs. Kusum Mittal, a Director and promoter of the company has acquired 200 Equity shares of the Company on 12th July, 2019 when the trading window of the company was closed during year without any trading plan which was in non-compliance of Para 4 of Schedule B of SEBI (PIT) regulations, 2015 and as per Regulation 5 of SEBI (PIT) Regulations</i>	<i>Mrs. Kusum Mittal, a Director and promoter of the Company has acquired 200 Equity Shares on 12th July, 2019 when the trading window of the company was closed. The Audit Committee of the company examined the records and analyzed the same and satisfied itself that there was no malafide intention of Mrs. Kusum Mittal and looking into the small amount of share quantity and no profit was earned by her, she is not convicted for any further actions and no penal actions were initiated. Further an undertaking to such affect from Mrs. Kusum Mittal was obtained and she assured to the Audit Committee and the Compliance officer that no such act will be committed by her at any point of time.</i>
<i>Pursuant to Regulation 24A of SEBI (LODR) Regulations, 2015 secretarial audit report of material subsidiary company was not submitted to exchange along with Annual report of the company for financial year 2018-19.</i>	<i>Medgel Private Limited has already taken audit report for the financial year 2018-19 from Ishan Jain & Co., Practicing Company Secretary, Indore and attached in Annual Report of Subsidiary Company. Further company has also uploaded the same on the website of the Company.</i>

C. Internal Auditor

The Company has appointed M/s. Praveen Shrivastava & Co., Chartered Accountant, as Internal Auditor of the Company and takes their suggestions and recommendations to improve and strengthen the internal control systems. Their scope of work includes review of operational efficiency, effectiveness of systems & processes, compliances and assessing the internal control strengths in all areas.

The Audit Committee reviews adequacy and effectiveness of the Companys internal control environment and monitors the implementation of audit recommendations including those relating to strengthening of the Companys risk management policies and systems.

D. Cost Auditor and Records

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, amended time to time, the provision regarding Cost Audit and Records under this act was not applicable to Company during the year 2019-20.

23. DISCLOSURE FOR FRAUDS AGAINST THE COMPANY

There were no instances for other than reportable fraud to the Central Government covered under section 134(3)(ca) of the Companies Act, 2013. Further, the auditors have not found any fraud as required to be reported by them under section 143(12) to the Central Government during the year 2019-20.

24. CORPORATE GOVERNANCE

As per Regulation 34(3) read with Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance Practices followed by the Company together with a certificate from the Statutory Auditors of the Company confirming compliance with the conditions of the Corporate Governance, forms part of the Annual Report.

25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and analysis report for the year under review, as stipulated under SEBI (LODR) Regulation, 2015 is present in a separate section forming part of the Annual Report.

26. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND 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, is annexed herewith as **Annexure-D**.

27. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRING AFTER BALANCE SHEET DATE

There have been no 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.

a) COVID-19 IMPACT AFTER BALANCE SHEET DATE

In the last month of F.Y. 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing Government to enforce lock-downs of all economic activity. For the Company, the focus immediately shifted to ensuring the health and well-being of employees and on minimizing disruption to services ongoing. Since the Company discontinued business operations on 21st Nov., 2019, the Company has not faced any major impact on standalone basis. The corporate office started operations with complete compliance of all directives related to maintaining of Social Distancing and mandatory to wear face mask and have proper sanitizations. However, on consolidated basis company's growth have been impacted adversely. Thus, impacting Companies profitability to a high extent.

28. EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in form MGT-9 for the year ended 31st March, 2020 is annexed herewith as **Annexure E**. Copy of the Form MGT-9 is also available on the website of the company www.medicaps.com.

29. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES REMUNERATION AND PARTICULARS OF EMPLOYEES

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the details of Top 10 employees given in the **Annexure F**.

During the year, none of the employees received remuneration in excess of Rs. 102.00 Lakhs or more per annum or Rs.8.50 Lakhs per month for the part of the year. In accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

Pursuant to Section 197(14) of the Companies Act, 2013, Mr. Alok K Garg Managing Director of the Company has drawn remuneration of Rs. 14.17 Lacs and Mrs Manisha Garg has drawn Rs. 5.13 Lacs from wholly owned subsidiary company in capacity of Managing Director and whole time Director of Medgel Private Limited respectively. Apart from this no Director of the Company received any remuneration or commission from the wholly owned subsidiary company.

30. CODE OF CONDUCT

Regulation 17(5) of the SEBI Listing Regulations, 2015 requires listed companies to lay down a Code of Conduct for its Directors and senior management, incorporating duties of Directors as laid down in the Companies Act, 2013. The Company has adopted Code of Conduct for all Directors and Senior Management of the Company and the same has been hosted on the website of the company (www.medicaps.com). The Code of the Conduct of the Company has been revised on 25th August 2020.

All Directors and Senior Management personnel have affirmed compliance with the Code for 2019-20 except that Mrs. Kusum Mittal, a Director and promoter of the Company has acquired 200 Equity Shares on 12th July, 2019 when the trading window of the company was closed. The Audit Committee of the company examined the records and analyzed the same and satisfied itself that there was no malafide intention of Mrs. Kusum Mittal and looking into the small amount of share quantity and no profit was earned by her, she is not convicted for any further actions and no penal actions were initiated. Further an undertaking to such affect from Mrs. Kusum Mittal was obtained and she assured to the Audit Committee and the Compliance officer that no such act will be committed by her at any point of time.

A declaration to this effect signed by the Chairman is given in this Annual Report. A certificate to that effect for the proper compliances given by the Chairman is annexed as the **Annexure G** with this Report.

31. PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

32. ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

33. INSURANCE

The Company's assets are adequately insured against the loss of fire and other risk, as considered necessary by the Management from time to time.

34. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to your Company for the financial year ending 31st March, 2020.

35. DEPOSITORY SYSTEM

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantages offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid.

36. INDUSTRIAL RELATIONS

Company's Industrial relations continued to be healthy, cordial and harmonious during the period under review. Your Directors record their appreciation for all the efforts, support and co-operation of all employees extended from time to time.

37. COMPLIANCE OF SECRETARIAL STANDARD

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings, respectively, have been duly followed by the Company.

38. ACKNOWLEDGEMENTS

Your Directors wish to place on records its sincere appreciation and acknowledge the dedication & contribution made by the employees of the Company at all levels. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, banks and other business partners for the excellent support received from them during the year. 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

Place: Indore

Date: 25th August, 2020

RAMESH CHANDRA MITTAL
CHAIRMAN

DIN: 00035272

"Annexure A"

Whistle Blower/Vigil Mechanism Policy

1. Preface

- 1.1 The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.
- 1.2 This policy is formulated to provide employee an avenue to lodge Complaints, in line with the commitment of Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication. To provide necessary safeguards for protection of employees from reprisals or victimization, for whistle-blowing in good faith.
- 1.3 Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (SEBI Listing Regulations), provides, to establish a mechanism called Whistle Blower/Vigil Mechanism Policy for directors and employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.
- 1.4 The purpose of this policy is to provide a framework to protect employees wishing to raise a concern about serious irregularities within the Company.

2. Definitions

- 2.1 Medicaps means Medi-Caps Limited.

- 2.2 Audit Committee means the Audit Committee of the Board constituted by the Board of Directors of Medi-caps in accordance with provisions of section 177(1) of Companies Act, 2013 read with SEBI (LODR) Regulations, 2015.
- 2.3 Competent Authority means the Dr. Shamsher Singh, Independent Director of Medi-Caps Limited and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this policy from time to time. In case of conflict of interest (WTD being the subject person), Competent Authority means Chairman of the Audit Committee.
- 2.4 Dedicated Confidential Section means any Section/Department of the Company which is decided by the Competent Authority from time to time for maintaining the records as per the Whistle Blower/Vigil Mechanism Policy.
- 2.5 Disciplinary Action means any action that can be taken on completion of/during the investigation proceedings by the Competent Authority as he/she deems fit considering the gravity of the matter.
- 2.6 Employees mean the entire permanent employees which are working in Medi-caps Limited.
- 2.7 Improper Activity means unethical behavior, actual or suspected fraud, embezzlement etc., violation of the Company's general guidelines on conduct, moral turpitude, unlawful conduct etc by an employee of Medi-caps Limited.
- 2.8 Investigators means those persons authorized, appointed, consulted or approached by the Competent Authority in connection with conducting investigation into a protected disclosure.
- 2.9 Protected Disclosure means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- 2.10 Subject means a person against or in relation to whom a protected disclosure is made or evidence gathered during the course of an investigation.
- 2.11 Whistle Blower means an Employee or Director making a Protected Disclosure under this policy.

3. Scope

Whistle Blower/Vigil Mechanism Policy shall be applicable for all permanent employees and to all the Directors of the Company.

4. Interpretation

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or SEBI Act and/or any other SEBI Regulation(s) as amended from time to time.

5. Guiding Principles

- 5.1 Protected disclosures shall be acted upon in a time bound manner.
- 5.2 Complete confidentiality of the Whistle Blower will be maintained.
- 5.3 The Whistle Blower and/or person(s) processing the protected Disclosure will not be subjected to victimization.
- 5.4 Evidence of the Protected Disclosure will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.
- 5.5 Subject of the Protected Disclosure i.e. Employee against or in relation to whom a protected disclosure has been made, will be provided an opportunity of being heard.
- 5.6 The Whistle Blower should bring to attention of the Competent Authority at the earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.
- 5.7 The Whistle Blower shall co-operate with investigating authorities, maintaining full confidentiality.

6. Whistle Blower - Role & Protections

Role:

- 6.1 The whistle Blowers role is that a reporting party with reliable information.
- 6.2 The Whistle Blower is not required or expected to conduct any investigations on his own.
- 6.3 The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he/she shall not have a right to participate.
- 6.4 Protected Disclosure will be appropriately dealt with by the Competent Authority.
- 6.5 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

Protections:

- 6.6 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower.
- 6.7 Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blowers right to continue to

perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

- 6.8 If the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 6.9 The identity of the Whistle Blower shall be kept confidential.
- 6.10 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

7. Procedures - Essential and Handling Procedure Disclosure

- 7.1 The Protected Disclosure/Complaint should be attached to a letter bearing the identity of the Whistle blower/complaint i.e. his/her Name, Employee Code and Location and should be inserted in an envelope which should be closed/secured/sealed. The envelope thus secured/sealed should be addressed to the Competent Authority and should be super scribed Protected Disclosure. (If the envelope is not super scribed and closed/sealed/ secured, it will not be possible to provide protection to the whistle blower as specified under this policy).
- 7.2 If the Whistle Blower believes that there is a conflict of interest between the Competent Authority and the Whistle Blower, he/she may send his/her protected disclosure directly to the Chairman of the Audit Committee, Medi-caps Limited.
- 7.3 Anonymous or pseudonymous Protected Disclosure shall not be entertained.
- 7.4 Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of employment of the Whistle blower, should provide a clear understanding of the improper activity involved or issue/concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.
- 7.5 Investigations into any improper activity which is subject matter of an inquiry or order under the Commission of Inquiry Act, 1952 will not come under the purview of this policy.
- 7.6 The contact details of the Competent Authority for addressing and sending the Protected Disclosure is as follows:

Dr. Shamsher Singh, Independent Director

Competent Authority

Whistle Blower/Vigil Mechanism

Medi-caps Limited

Mhow-Neemuch Road, Sector -1

Pithampur - 454775 Dist. Dhar (M.P.)

- 7.7 The Contact details for addressing protected disclosures to the Chairman, Audit Committee are as follows:

Chairman, Audit Committee,

Whistle Blower/Vigil Mechanism

Medi-caps Limited

Mhow-Neemuch Road, Sector -1

Pithampur - 454775, Dist. Dhar (M.P.)

In addition to above, the exact address shall be displayed prominently on the notice Board of all locations.

- 7.8 The Competent Authority shall mark the envelope containing the Protected Disclosure to a dedicated Confidential Section, which shall maintain a record thereof.
- 7.9 The Competent Authority shall weed out frivolous complaints after a preliminary enquiry by the Confidential Section. The Competent Authority based on the recommendations of the Confidential Section and depending upon the merit of the case shall forward the Complaint to the investigator(s) nominated for this purpose without disclosing the identity of the Whistle Blower.

8. Investigations and Role of Investigators

Investigation:

- 8.1 Investigation shall be launched if the Competent Authority is satisfied after preliminary review that:
- a) The alleged act constitutes an improper or unethical activity or conduct; and
 - b) The allegation is supported by information and specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter deserves investigation.
- 8.2 The decision taken by the Competent Authority to conduct an investigation is by itself not to be construed as an accusation (ilzam) and is to be treated as a neutral fact finding process.
- 8.3 The identity of the subject(s) and the Whistle Blower will be kept confidential.
- 8.4 Subject(s) will normally be informed of the allegations at the commencement of a formal investigation and will be given opportunities for providing their inputs during the investigation.

- 8.5 Subject(s) shall have a duty to co-operate with the Investigator(s) during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- 8.6 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, threatened or intimidated by the subject(s).
- 8.7 Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 8.8 The investigation shall be completed normally within 60 days of the date of receipt of the protected disclosure or such extended period as the Competent Authority may permit for reasons to be recorded.
- 8.9 Subject(s) have a right to be informed of the outcome of the investigation.

Role of Investigator(s)

- 8.10 Investigators(s) are required to conduct a process towards fact finding and analysis. Investigator(s) shall derive their authority from Competent Authority when acting within the course and scope of their investigation. The Investigator(s) shall submit his/their report to the Competent Authority.
- 8.11 All Investigators shall perform their role in an independent and unbiased manner, Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviors and observance of professional standards.
- 8.12 All Investigators are authorized to take reasonable steps including reprimand against the Whistle blower in case of repeated frivolous complaints.

9. Action

- 9.1 The competent authority shall take such other remedial action as deemed fit to remedy the improper activity mentioned in the protected disclosure and/or to prevent the re-occurrence of such improper activity.
- 9.2 If the investigation discloses that no further action on the protected disclosure is warranted, the report shall be filed in the confidential section.

10. Reporting & Review

The competent Authority shall submit a quarterly report of the protected disclosures, received and of the investigation conducted and of the action taken to the Audit Committee for review.

11. Notification

All departmental heads are required to notify & communicate the existence and contents of this policy to the employees of their department. The Whistle Blower policy shall be prominently displayed on all Notice Boards of the Company. This policy, including amendments thereof shall be made available on Companys website and Board Report of the Company.

12. Annual Affirmation

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to whistle blower from adverse personnel action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

13. Amendment

This Policy can be modified at any time by the board of directors of the Company.

“Annexure B”

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries /Associate Companies/Joint Ventures

Part A: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S. No.	Particulars	Details
1	Name of Subsidiary	Medgel Private Limited
2	The date since when subsidiary was acquired	17 th October, 2011
3	Reporting period for the subsidiary concerned, if different from the holding companys reporting period	Same as of Holding Company
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR
5	Paid up Share capital	14,68,19,530
6	Reserves & surplus	31,10,93,493
7	Total assets	48,33,80,242
8	Total Liabilities	2,54,67,219
9	Investments	12,64,14,312
10	Turnover	3,21,434,986

11	Profit/(Loss) before taxation	2,47,47,319
12	Provision for taxation	0
13	Profit after taxation	2,47,47,319
14	Proposed Dividend	0
15	% of shareholding	100%

Notes:

- Names of subsidiaries which are yet to commence operations : **N.A.**
- Names of subsidiaries which have been liquidated or sold during the year : **N.A.**

Part B: Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. N.	Name of Associate/Joint Ventures	N.A.
1	Latest Audited Balance Sheet Date	
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Associate or Joint Ventures held by the Company on the year end	
4	Number	
5	Amount of Investment in Associates/ Joint Venture	
6	Extend of Holding in %	
7	Description of how there is significant influence	
8	Reason why the Associate/ Joint Venture is not consolidated	
9	Net worth attributable to Shareholding as per latest audited Balance Sheet	
10	Profit / Loss for the year	
	(i) Considered in Consolidation	-
	(ii) Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations : **N.A.**
- Names of associates or joint ventures which have been liquidated or sold during the year: **N.A.**

As per our report of even date,

M/s Rawka & Associates
Chartered Accountants
Firm Reg. No.: -021606C

For and on behalf of the board,

Venus Rawka
Partner
M.N.429040
Place: Indore
Date: 25th August, 2020

R.C. Mittal
Chairman
DIN: 00035272

Hemant Sethi
C.F.O

Alok K Garg
Managing Director
DIN: 00274321

Ayushi Silot
Company Secretary
M.N: A54352

Annexure C

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended on 31st March, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
MEDICAPS LIMITED
CIN: L70100MP1983PLC002231

Registered Office:

Mhow - Neemuch Road Sector 1
Pithampur Dhar (M.P.) 454775

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MEDICAPS LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute 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, I hereby report that in my opinion, the company has, during the audit period covering **1st April, 2019 to 31st March, 2020**, 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: I have examined the books, papers, minute books, forms and returns filed and other records maintained by **MEDICAPS LIMITED** for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings.; **(not applicable to the company during the audit period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act): -

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(not applicable to the company during the audit period);**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(not applicable to the company during the audit period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable to the company during the audit period);**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from the time to time.

(vi) I 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 on test check basis. The laws, regulations, directions, orders applicable **specifically** to the Company are as follows:

1. The Pharmacy Act, 1948;
2. Drugs and Cosmetics Act, 1940;
3. Drugs (Pricing Control) Order, 2013
4. Standard Weight and Measurement Act, 1976

I have also examined compliance with the applicable clauses of Secretarial Standards on Meeting of Board of Directors(SS-1) and Secretarial Standards on General Meetings(SS-2) issued by The Institute of Company Secretaries of India.

I further report that I have not reviewed the applicable financial laws (direct and indirect tax laws), Accounting Standard, since the same have been subject to review and audit by the Statutory Auditors of the Company.

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

1. *There are 3 (Three) Charges which were satisfied long back but no evidence for the satisfaction were produced before me and these charges are showing in the Index of Charges at the portal of MCA.*
2. *Constitution of Stakeholder Relationship Committee was not in accordance with the provisions of Regulations 20 (2A) of SEBI (Listing Obligations and disclosure Requirements) regulations, 2015 from 1st April 2019 to 16th October, 2019. Minimum three directors required to constitute Stakeholder Relationship Committee.*
3. *Non disclosure of Meeting of Stakeholder Relation Committee in the Corporate Governance Report submitted to stock exchange for June 19 quarter as per the provisions of Regulation 27(2) of SEBI (LODR) Regulations, 2015.*
4. *Mrs. Kusum Mittal, a Director and promoter of the company has acquired 200 Equity shares of the Company on 12th July, 2019 when the trading window of the company was closed during year without any trading plan which was in non-compliance of Para 4 of Schedule B of SEBI (PIT) regulations, 2015 and as per Regulation 5 of SEBI (PIT) Regulations.*

5. Pursuant to Regulation 24A of SEBI (LODR) Regulations, 2015 secretarial audit report of material subsidiary company was not submitted to exchange along with Annual report of the company for financial year 2018-19.

I 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. The changes in the composition of Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on 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.

I 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.

I further report that during the year, shareholders of the company have passed the following Special Resolutions:

- a) for alteration in main object clause of Memorandum of Association of the company in their Annual General Meeting held on 25th September, 2019.
- b) for Authority to Board of the Directors of the Company to sell/transfer/dispose off its substantial whole or part of the undertaking relating to the manufacturing plant of the company or part of plant, machinery, vehicle and other assets situated at Mhow - Neemuch Road, Sector 1 Pithampur, Dhar in their Extra Ordinary General Meeting held on 6th March, 2020.

For L.N. Joshi & Company
Company Secretaries

Place: Indore
Dated: 25th August, 2020

L.N. Joshi
Proprietor
FCS: 5201; CP No 4216
UDIN: F005201B000611917

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

ANNEXURE to Secretarial Audit Report

To,
The Members,
MEDICAPS LIMITED
CIN: L70100MP1983PLC002231

Registered Office:
Mhow - Neemuch Road Sector 1
Pithampur Dhar MP 454775

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management Representation 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, standards is the responsibility of management. My 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.

L.N. Joshi & Company
Company Secretaries

Place: Indore
Dated: 25th August, 2020

L.N. Joshi
Proprietor
FCS: 5201; CP No 4216
UDIN: F005201B000611917

Annexure D

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

[Section 134(3) (m) of The Companies Act, 2013 read with Rule 8(3) of the (Companies Accounts) Rules, 2014]

S.No.	Particulars	Details
(A)	Conservation of energy	-
(i)	the steps taken or impact on conservation of energy;	Company was using DG sets
(ii)	the steps taken by the company for utilizing alternate sources of energy;	DG sets
(iii)	the capital investment on energy conservation equipments	Nil
(B)	Technology absorption	-
(i)	the efforts made towards technology absorption	Nil
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Company was Saving Energy, and quality improvement
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	N.A.
	(a) the details of technology imported	N.A.
	(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	N.A.
(C)	Foreign exchange earnings and Outgo	2019-20 2018-19
(i)	The Foreign Exchange earned in terms of actual inflows during the year;	29.98 Lakhs 103.67 Lakhs
(ii)	and the Foreign Exchange outgo during the year in terms of actual outflows.	110.23 Lakhs 284.07 Lakhs

Annexure E

EXTRACT OF ANNUAL RETURN-FORM MGT-9 AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020 [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	L70100MP1983PLC002231
Registration Date	06/08/1983
Name of the Company	MEDI-CAPS LIMITED
Category / Sub-Category of the Company	Listed Public Company Limited by Shares/ Indian Non-Government Company
Address of the Registered Office and contact details	Mhow - Neemuch Road, Sector-1, Pithampur, Dhar (M.P.) 454775, Phone: 07292-256205 Email: investors@medicaps.com Website: www.medicaps.com
Whether listed company (Yes/No)	Yes (BSE Limited)
Name, address and contact details of Registrar and Transfer Agent, if any	Ankit Consultancy Pvt. Ltd. (SEBI Reg. No. INR000000767) Plot No. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010, Contact No. 0731-2551745 Email Id: ankit_4321@yahoo.com , Web address: www.ankitonline.com

(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
Empty Hard Gelatin Capsules (Manufacture of allopathic pharmaceutical preparations)	24232	100

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

Name and address of the Company	CIN / GNL	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
Medgel Private Limited	U24239MP2007PTC019204	Subsidiary Company	100%	2(87)(ii)

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
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A. Promoters									
(1) Indian									
a) Individual / HUF	5944804	-	5944804	47.68	5949388	-	5949388	47.71	0.03
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate/LLP	307128	-	307128	2.46	307128	-	307128	2.46	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other.	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	6251932	-	6251932	50.14	6256516	-	6256516	50.17	0.03
(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)	6251932	-	6251932	50.14	6256516	-	6256516	50.17	0.03
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	-	900	900	0.01	-	900	900	0.01	0.00
b) Banks / FI	-	2700	2700	0.02	0	2700	2700	0.02	0.00
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	-	3600	3600	0.03	-	3600	3600	0.03	0.00
(2) Non-Institutions									
a) Bodies Corporate/LLP									

i) Indian	302207	9900	312107	2.50	133358	9900	143258	1.15	(1.35)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Share holders holding nominal share capital upto Rs. 1 lakh	2683835	406162	3089997	24.78	2540319	382762	2923081	23.44	(1.34)
ii) Individual Share holders holding nominal share capital in excess of Rs. 1lakh	2647868	52000	2699868	21.65	2983543	52000	3035543	24.34	2.69
c) Others specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	-	-	-	-	-	-	-
ii) Other Foreign Nationals	-	-	-	-	-	-	-	-	-
iii) Foreign Bodies	-	-	-	-	-	-	-	-	-
iv) NRI / OCBs	90692	19100	109792	0.88	88960	15700	104660	0.84	(0.04)
v) Clearing Members /Clearing House	2660	-	2660	0.02	3298	-	3298	0.03	0.01
vi) Trusts	-	-	-	-	-	-	-	-	-
vii) Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-
viii) Any Other	---					-	-	-	-
Sub-Total (B)(2):	5727262	487162	6214424	49.83	5749478	460362	6209840	49.80	(0.03)
Total Public Share holding (B)=(B)(1)+ (B)(2)	5727262	490762	6218024	49.86	5749478	463962	6213440	49.83	(0.03)
Grand Total (A+B)	11979194	490762	12469956	100.00	12005994	463962	12469956	100.00	0

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in sharehold ing during the year
	No. of Shares	% of total shares of the Comp any	% of Shares Pledged / encumbere d to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbere d to total shares	
Ramesh Chandra Mittal	3166320	25.39	-	3166320	25.39	-	-
Kusum Mittal	2700136	21.66	-	10000	0.08	-	(21.58)
Trapti Investments LLP	307128	2.46	-	307128	2.46	-	-
Alok K Garg	69600	0.56	-	69600	0.56	-	-
Gitika Agrawal	400	0.00	-	400	0.00	-	-
Manisha Garg	100	0.00	-	2694820	21.61	-	21.61
AnantramDaudayal Mittal	6172	0.05	-	6172	0.05	-	-
Nirmala Anantram Mittal	2076	0.02	-	2076	0.02	-	-
Total	6251932	50.14	-	6256516	50.17	-	0.03

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

	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	6251932	50.14	6251932	50.14

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):	Date wise increase/Decrease mentioned in the table given below	6256516	50.17
At the end of the year		6256516	50.17

S. N.	Name of Promoter	Shareholding		Date wise increase /decrease in Promoters Shareholding	Increase/Dec rease in Share-holding	Reason	Cumulative Shareholding during the year	
-	-	No. of Shares at the beginning /end of the year	% of total shares of the company	-	-	-	No. of Shares	% of total share of the company
01	Kusum Mittal	2700136	21.66	01-04-2019	-	-	2700136	21.66
-	-	-	-	07-06-2019	1395	Purchase	2701531	21.67
-	-	-	-	14-06-2019	2989	Purchase	2704520	21.69
-	-	-	-	12-07-2019	200	Purchase	2704720	21.69
-	-	-	-	28-02-2020	2694720	Sale	10000	0.08
-	At the end of the year (31.03.2020)	10000	0.08%	-	-	-	10000	0.08
-	-	-	-	-	-	-	-	-
02	Manisha Garg	100	0.00	01-04-2019	-	-	100	0.00
-	-	-	-	28-02-2020	2694720	Purchase	2694820	21.61
-	At the end of the year (31.03.2020)	2694820	21.61	-	-	-	2694820	21.61

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

	For each of the top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Changes during the year				Reason
		No. of Shares	% of total shares of the Co.	No. of Shares	% of total shares of the Co.	Date	No. shares before Change	No. shares After Change	Increase/ Decrease	
1	Sangeeth S	96370	0.77	96370	0.77	30/03/2019	-	96370	-	-
-	-	-	-	-	-	08/11/2019	96370	712220	615850	Acquired
-	-	-	-	-	-	22/11/2019	712220	712760	540	Acquired
-	At the end of the year (31.03.2020)	712760	5.72	712760	5.72	-	-	-	-	-
2	Babalbhai Manilal Patel	273940	2.20	273940	2.20	30/03/2019	-	273940	-	-
-	-	-	-	-	-	12/04/2019	273940	274940	1000	Acquired
-	-	-	-	-	-	19/04/2019	274940	276450	1510	Acquired
-	-	-	-	-	-	26/04/2019	276450	277715	1265	Acquired
-	-	-	-	-	-	10/05/2019	277715	283940	6225	Acquired
-	-	-	-	-	-	17/05/2019	283940	285940	2000	Acquired
-	-	-	-	-	-	24/05/2019	285940	287940	2000	Acquired
-	-	-	-	-	-	31/05/2019	287940	291407	3467	Acquired
-	-	-	-	-	-	07/06/2019	291407	293940	2533	Acquired
-	-	-	-	-	-	28/06/2019	293940	295940	2000	Acquired
-	-	-	-	-	-	02/08/2019	295940	296940	1000	Acquired
-	-	-	-	-	-	09/08/2019	296940	298581	1641	Acquired
-	-	-	-	-	-	16/08/2019	298581	300896	2315	Acquired
-	-	-	-	-	-	23/08/2019	300896	300940	44	Acquired
-	-	-	-	-	-	18/09/2019	300940	302440	1500	Acquired
-	-	-	-	-	-	20/09/2019	302440	304940	2500	Acquired
-	-	-	-	-	-	27/09/2019	304940	305940	1000	Acquired
-	-	-	-	-	-	18/10/2019	305940	309383	3443	Acquired
-	-	-	-	-	-	01/11/2019	309383	310940	1557	Acquired
-	-	-	-	-	-	22/11/2019	310940	311940	1000	Acquired
-	-	-	-	-	-	14/02/2020	311940	312940	1000	Acquired
-	-	-	-	-	-	21/02/2020	312940	313735	795	Acquired
-	-	-	-	-	-	28/02/2020	313735	316740	3005	Acquired
-	-	-	-	-	-	13/03/2020	316740	316743	3	Acquired
-	-	-	-	-	-	20/03/2020	316743	316744	1	Acquired
-	-	-	-	-	-	31/03/2020	316744	316940	196	Acquired
-	At the end of the year (31.03.2020)	316940	2.54	316940	2.54	-	-	-	-	-

3	Dipak Kanayalal Shah	160000	1.28	160000	1.28	30/03/2019	-	160000	-	-
-	-	-	-	-	-	20/12/2019	160000	166301	6301	Acquired
-	-	-	-	-	-	27/12/2019	166301	166306	5	Acquired
-	-	-	-	-	-	31/01/2020	166306	167000	694	Acquired
	At the end of the year (31.03.2020)	167000	1.33	167000	1.33	-	-	-	-	-
4	Vipin Kumar Jain	-	-	-	-	13/09/2019	-	135500	135500	Acquired
-	-	-	-	-	-	22/11/2019	135500	135600	100	Acquired
	At the end of the year (31.03.2020)	135600	1.09	135600	1.09	-	-	-	-	-
5	Amit Chander	83450	0.66	83450	0.66	30/03/2019	-	83450	-	-
-	-	-	-	-	-	07/06/2019	83450	83470	20	Acquired
-	-	-	-	-	-	04/10/2019	83470	86000	2530	Acquired
-	-	-	-	-	-	25/10/2019	86000	87000	1000	Acquired
-	-	-	-	-	-	29/11/2019	87000	87070	70	Acquired
	At the end of the year (31.03.2020)	87070	0.69	87070	0.69	-	-	-	-	-
6	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	61496	0.49	61496	0.49	30/03/2019	-	61496	-	-
-	-	-	-	-	-	09/01/2020	61496	81103	19607	Transfer of shares to IEPF Account
	At the end of the year (31.03.2020)	81103	0.65	81103	0.65	-	-	-	-	-
7	Deepak Maheshwari	79994	0.64	79994	0.64	30/03/2019	-	79994	-	-
	At the end of the year (31.03.2020)	79994	0.64	79994	0.64	-	-	-	-	-
8	Vyomesh Natvarlal Shah (HUF)	71000	0.56	71000	0.56	30/03/2019	-	71000	-	-
-	-	-	-	-	-	12/04/2019	71000	66800	-4200	Disposed
	At the end of the year (31.03.2020)	66800	0.53	66800	0.53	-	-	-	-	-
9	Nirmalkumar A. Patel.	59000	0.47	59000	0.47	30/03/2019	-	59000	-	-
	At the end of the year (31.03.2020)	59000	0.47	59000	0.47	-	-	-	-	-
10	Shekhar R Athalye	57225	0.46	57225	0.46	30/03/2019	-	57225	-	-
	At the end of the year (31.03.2020)	57225	0.46	57225	0.46	-	-	-	-	-

Note: The above information is based on the weekly beneficiary position received from Depositories. As it is not feasible to provide daily changes in shareholding, consolidated changes on weekly basis during the financial year 2019-20 has been provided.

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP		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
Mr. Ramesh Chandra Mittal, Chairman & Director					
At the beginning of the year		3166320	25.39	3166320	25.39
Date wise Increase/ Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):		-	-	3166320	25.39
At the end of the year		3166320	25.39	3166320	25.39

Mrs. Kusum Mittal, (Director)					
At the beginning of the year		2700136	21.66	2700136	21.66
Date wise Increase/ Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):		Date wise increase/decrease in shareholding details given in table below		10000	0.08
At the end of the year		10000	0.08	10000	0.08

S. No.	Name of Promoter	Shareholding	Date wise increase /decrease in Promoters Shareholding	Increase/Dec rease Share-holding in	Reason	Cumulative Shareholding during the year
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-	-	No. of Shares at the beginning/end of the year	% of total shares of the company	-	-	-	No. of Shares	% of total share of the company
01	Kusum Mittal	2700136	21.66	01-04-2019	-	-	2700136	21.66
-	-	-	-	07-06-2019	1395	Purchase	2701531	21.67
-	-	-	-	14-06-2019	2989	Purchase	2704520	21.69
-	-	-	-	12-07-2019	200	Purchase	2704720	21.69
-	-	-	-	28-02-2020	2694720	Sale	10000	0.08
-	At the end of the year (31.03.2020)	10000	0.08%	-	-	-	10000	0.08

Mr. Alok K. Garg, (Managing Director)				
At the beginning of the year	69600	0.56	69600	0.56
Date wise Increase/ Decrease in share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	-	-	69600	0.56
At the end of the year	69600	0.56	69600	0.56
Dr. Shamsher Singh, Mr. Ashok Omprakash Agrawal, Mr. Pramod Fatehpuria (Independent Director) and Mr. Hemant Sethi CFO and Ms. Ayushi Silot, Company Secretary				
At the beginning of the year	-	-	-	-
Date wise Increase/ Decrease in 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	-	-	-	-

V. INDEBTNESS

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

(Amount In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	12.15	-	-	12.15
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	12.15	-	-	12.15
Change in Indebtedness during the financial year	-	-	-	-
Addition	-	-	-	-
Reduction	5.80	-	-	5.80
Net Change	(5.80)	-	-	(5.80)
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	6.35	-	-	6.35
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	6.35	-	-	6.35

VI. REMUNERATION OF DIRECTOR AND KMP

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

S. N.	Particular of Remuneration	Mr. Alok K. Garg (Managing Director)	Mrs. Kusum Mittal (Whole Time Director)*	Mrs. Manisha Garg (Whole Time Director)**	Total
1	Gross Salary	1800000.00	900000.00	651614.00	3351614.00
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0	0	0	0
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
2	Stock Options	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- Others, specify.	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	1800000.00	900000.00	651614.00	3351614.00
	Ceiling as per the Act (As per Schedule V of the Companies Act, 2013)	84,00,000	84,00,000	84,00,000	2,52,00,000

*Mrs. Kusum Mittal resigned from the post of Whole Time Director of the Company and continues as Non Executive Director of the company w.e.f. 16th October, 2019

**Mrs. Manisha Garg resigned from the directorship of the company w.e.f. 16th October, 2019.

B. Remuneration to other Directors:

1. Independent Directors: No remuneration was paid to independent directors

S.N.	Particular of Remuneration	Dr. Shamsher Singh	Mr. Pramod Fatehpuria	Mr. Ashok Omprakash Agrawal	Total
1	-Fee for attending Board/Committee Meetings	-	-	-	
2	-Commission	-	-	-	
3	- Others, please specify	-	-	-	
	Total B.1	-	-	-	

*Mr. Mahesh Kumar Patni, Independent Director resigned from the directorship of the company w.e.f. 19th Feb., 2020.

2. Other Non Executive Directors: No remuneration was paid to non executive directors

S.N.	Particular of Remuneration	Mr. Ramesh Chandra Mittal	Mrs. Kusum Mittal*	Total
1	-Fee for attending Board/Committee Meetings	-	-	-
2	-Commission	-	-	-
3	- Others, please specify	-	-	-
	Total B.2	0	0	0
	Total (B1+B2)	0	0	0
	Total Managerial Remuneration (A+B)	0	0	3351614
	Overall Ceiling as per the Act	0	0	25200000

*Mrs. Kusum Mittal resigned from the post of Whole Time Director of the Company w.e.f. 16.10.2019 and continues a Non Executive Woman Director

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

S.N.	Particular of Remuneration	Ms. Ayushi Silot (CS)	Mr. Manish Jain (CFO)*	Mr. Hemant Sethi (CFO)*	Total
1	Gross Salary	2,91,359.00	1,79,410.00	70,000	5,40,769.00
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	0	0	0	0
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0	0
2	Stock Options	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- Others, specify.	0	0	0	0
5	Others, please specify	0	0	0	0
	Total C	2,91,359.00	1,79,410.00	70,000	5,40,769.00

*Mr. Manish Jain resigned from the post of CFO and KMP of the company w.e.f. 04th Feb., 2020 and in his place Mr. Hemant Sethi was appointed as CFO & KMP of the Company w.e.f. 05th Feb., 2020 and remuneration stated above is calculated accordingly .

VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	AUTHORITY [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTOR					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICER IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place: Indore
Date: 25th August, 2020

Ramesh Chandra Mittal
Chairman
DIN: 00035272

“Annexure F”
Particulars of Employees

[As per section 197(12) read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

A. Ratio and remuneration of Directors& KMPs

S. No	Name	Designation	Remuneration For the year 2019-20	Remuneration for the year 2018-19	Increase In Remuneration %	Ratio Between Director or KMP and Median Employee
1.	Mr. Ramesh Chandra Mittal	NED	0	0	0	N.A.
2.	Mrs. Kusum Mittal*	WTD	9,00,000	18,00,000	-	-
3.	Mr. Alok K. Garg**	MD	18,00,000	30,00,000	-40.00%	1.18
4.	Dr. Shamsheer Singh	Independent Director	0	0	0	N.A.
5.	Ashok Omprakash Agrawal	Independent Director	0	0	0	N.A.
6.	Mr. Pramod Fatehpuria	Independent Director	0	0	0	N.A.
7.	Mrs. Manisha Garg***	WTD	6,51,614	12,00,000	-	-
8.	Mr. Manish Kumar Jain ****	CFO	1,79,410	2,74,850	-	-
9.	Mr. Hemant Sethi*****	CFO	70,000	-	-	-
10.	CS Ayushi Silot	CS	2,91,359	2,35,500	23.72%	0.64

*Mrs. Kusum Mittal has resigned from the post of WTD and continues as N.E.D in the Company w.e.f. 16th Oct, 2019 hence Ratio between Director or KMP and Median Employee calculation not possible at the year end.

**Salary of Mr. Alok K Garg has been revised from Rs. 2.5 Lakh to 50k per month w.e.f. 16th Oct., 2019

***Mrs. Manisha Garg has resigned from the Company w.e.f 16th Oct., 2019 hence Ratio between Director or KMP and Median Employee calculation not possible at the year end.

****Mr. Manish Kumar Jain has resigned as CFO & KMP of the Company w.e.f. 04th Feb., 2020 hence Ratio between Director or KMP and Median Employee calculation not possible at the year end.

*****Comparison of CFO Hemant Sethi is not applicable as he was appointed for a part of the year in previous year only.

*****Mr. Mahesh Kumar Patni resigned from the Company w.e.f. 19th Feb., 2020

B. The percentage increase in the Median remuneration of employees in the financial year:

The remuneration of median employee was Rs. 42,500 p.m. during the year 2019-2020 as compared to Rs. 11,810 p.m.) in the previous year, increased by 259.86%. It may please be noted that in the previous year ended the number of employees were 181 and the number of employees this year is 4 as the company has laid off 146 employees on account of strategic step of Board to permanently close the manufacturing activities related to empty hard gelatin capsule shells in the Company w.e.f. 21st Nov., 2019 and hence there is a significant change in the percentage increase in the Median remuneration of employees of the Company.

C. The number of permanent employees on the Roll of the Company as on 31st March, 2020: 4

It may be noted that the Company has permanently discontinued the production activities in the Company w.e.f. 21st Nov., 2019 and consequentially the Company has laid off the employees of the Company after providing full and final unemployment compensation as per law.

D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Usually on the basis of Remuneration Policy of the Company, salary of the employees is increased in the range of 7%-9% but this year the Company has permanently shut down the production activities in the Company and also due to Pandemic outbreak the Company has not given any raise to its existing employees of the Company.

E. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Board affirms that remuneration is as per the remuneration policy of the Company:

F. Name of the top 10 employees in terms of remuneration drawn in the financial year 2019-20:

A statement of top-10 employees in terms of remuneration drawn as per rule 5(2) read with rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended is as follows:

S. N.	Name of Employee	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	the percentage of equity shares held by the employee
1)	Mr. Alok K. Garg	Managing Director	Rs.1800000/-	Contractual	B.A. (Honors), MBA (Marketing), Diploma in Export Documentation & Implementation from IIFT, Delhi More than 15 years experience in the Company's business and manufacturing activities	11.06.1996	51 Years	N.A.	1. Mr. R. C Mittal 2. Mrs. Kusum Mittal	Self: 25.86% (3225920 Shares) Spouse 21.60% (2694720 Shares)
2)	Dr. R.K. Sharma	Vice-President	Rs. 1400000/-	Regular	M.B.A, LL.B , PH.D, 33 Years	06.02.1987	58 Years	N.A.	-	0.00% (400 Shares)
3)	Mr. Hemant Sethi	Chief Financial Officer	Rs. 700000/-	Regular	CA, B.COM, MBA (Finance) 9 Years	05.02.2020	37 Years	B & K Associates	-	-
4)	Ms. Ayushi Silot	Company Secretary & Compliance Officer	Rs.291359/-	Regular	CS, B.COM 2.5 Years	18.01.2018	27 Years	-	-	-

**As on 31st March, 2020 there are only 4 employees in the Company as the Company has laid off 146 employees of the Company on account of strategic step taken by the Company of permanent discontinuation of production/manufacturing activities of the company w.e.f. 21st Nov., 2019.*

For and on behalf of the Board

Place: Indore
Date: 25th August, 2020

Ramesh Chandra Mittal
Chairman
DIN: 00035272

"Annexure G"

Certificate on Compliance with Code of Conducts

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Business Conduct and Ethics, The Company has formulated the code of conduct for the Board members and senior executives under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011 and the SEBI (Prohibition of Insider Trading) Regulations, 2015 (Except non-compliance of Para 4 of Schedule B of SEBI (PIT) regulations, 2015 and as per Regulation 5 of SEBI (PIT) Regulations, 2015 details of which mentioned in the Corporate Governance report).

For and on behalf of the Board

Place: Indore
Date: 25th August, 2020

Ramesh Chandra Mittal
Chairman
DIN: 00035272

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. OVERVIEW OF INDUSTRY

As your Company was one of the Company in pharmaceutical industries and was continuing to fulfill commitments to provide modern affordable product to end users, your Company was growing in the field of nature exciting products with high innovation quotient, preparing like SLS free products, SLS refer to Sodium Lauryl sulfate. Your Company was manufacturer of preservative free capsules as per the customer requirement. Indian drugs are exported to more than 200 countries in the world, with the US as the key market. The Pharma Vision 2020 by the governments Department of Pharmaceuticals aims to make India a major hub for end-to-end drug discovery. Indian pharmaceutical sector is expected to grow at a great pace in terms of CAGR (Compound Annual Growth Rate) in the near future. Although India has achieved

the distinction of being the worlds big supplier of low-cost generic medicines, in recent years, a toxic brew of misguided government policy and shortsighted business practices has crippled our efforts to become a drug discovery and innovation powerhouse, even while jeopardizing our access to foreign markets due to quality issues. The Company has entered the real estate market and has realized that there are a lot of discussions around how well real estate will perform and create value, the strong foot-hold that the sector has created over many decades will continue to ensure its niche and the goodwill it brings with it. While demand for housing and commercial properties in some markets may have been subdued, properties those are good and at prime locations are worthy and of great value to buyers Your Company is favorably positioned to benefit from regulatory changes affecting the Indian real estate industry, such as the introduction of the Real Estate (Regulation and Development) Act, 2016 (RERA), implementation of comprehensive national Goods and Service Tax (GST) regime, currency demonetization and the enactment of the Insolvency and Bankruptcy Code, 2016. These reforms will create a level playing field in the real estate industry and benefit well-organized real estate developers, such as your Company, with established compliance processes and disciplined financial management. The core sector contracted by a record 38% in April as the lockdown hit all eight infrastructure sectors. With the lockdown scenario, consumption and investments are expected to be severely impacted in the first quarter. The gross fixed capital formation is likely to decline with rising risk perception and uncertainty around the pandemic. RBI has cut the repo rate by 40 bps to 4.0% in May 2020, which is the lowest ever and rolled out a range of measures to preserve financial stability and counter the economic impact of COVID19.

2. MARKET SIZE AND DEVELOPMENT

Indias pharmaceutical exports reached US\$ 19.14 billion in FY19. Pharmaceutical exports include bulk drugs, intermediates, drug formulations, biological, Ayush & herbal products and surgical as per reports. The pharmaceutical sector valued at US\$ 33 billion in 2017. The countrys pharmaceutical industry is expected to expand at a CAGR of 22.4 per cent over 2015 - 20 to reach US\$ 55 billion. And now w.r.t. real estate sector, it is one of the most globally recognized sectors. The real estate sector comprises four sub sectors - housing, retail, hospitality and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The Indian economy decelerated sharply in the fourth quarter at 3.1%, lowest in almost 17 years, after growing at 4.1% in Q3 FY20. As per the Central Statistics Office (CSO), GDP growth for FY20 stood at an 11-year low of 4.2% lower than the government projection of 5.0% in both first and second advance estimates.

3. INVESTMENTS

The Government of India unveiled 'Pharma Vision 2020' aimed at making India a global leader in end-to-end drug manufacture. Approval time for new facilities has been reduced to boost investments. The Government of India is planning to set up an electronic platform to regulate online pharmacies under a new policy, in order to stop any misuse due to easy availability. As far as the real estate sector is concerned the government launched key policies for real estate sector, namely: Real Estate Regulatory Act, Benami Transactions Act, boost to affordable housing construction, Interest subsidy to home buyers, change in arbitration norms, service tax exemption, Goods and Services Tax etc. The regulatory reforms witnessed in Indias real -estate sector has brought drastic change in buying patterns amongst home and commercial property buyers.

4. OPPORTUNITIES AND THREATS

Pharma manufacturing becomes increasingly globalised, complex and more highly regulated, the sector must become more streamlined and cost efficient at manufacturing its products. Indias pharmaceuticals market has grown in confidence and firmly moved on to an accelerated growth path. A Paradigm Shift been witnessed in the Management of Pharmaceutical Budgets. As pricing pressures coupled with volume slowdowns affect markets globally, generics players are finding it difficult to source growth from traditional means of portfolio refreshment and market expansion. Moving further the Indian real estate sector has been in a consolidation phase from the past few years and picked up pace resulting from several reforms and disruptions in the sector. After the IL&FS default, NBFCs have been mandated by RBI to reduce their exposure to real estate sector, which has created funding issues for smaller real developers who anyway do not have access to bank funding. In such cases, these players face a double whammy issues in construction funding on one hand and existing deal cancellations due to halt in construction activity on the other hand. This opens up new avenues of growth for organized developers with healthy balance sheets and execution track record to take over the projects of smaller developers at attractive valuations. It allows them to increase their portfolio offering and improve home-buyer confidence.

5. ECONOMIC SCENARIO AND OUTLOOK

The global economies are facing a synchronized slowdown, resulting from a variety of factors affecting the world. The outbreak of corona virus 2019 (COVID19) has globally disrupted peoples lives, interrupted businesses and jeopardized decades of development progress. Growth in the global pharmaceutical market will continue to be led by the US and pharma emerging markets. Growth in global pharmaceutical spending

through 2023 will primarily be driven by developed markets and the accelerated adoption of new innovative products. Helped by the growth in domestic and export markets, India's pharma industry is set to rise. Global spending on medicines crossed US\$ 1.2 Trillion in 2018; and is projected to grow at a compound annual growth rate (CAGR) of 3-6% in the next five years, reaching over US\$ 1.5 Trillion by 2023. As the Company has decided to set foot in the real estate market it is pertinent to note that the Indian real estate sector has been trying to get back on its feet and come to terms with multiple reforms and changes brought in by demonetization, RERA, GST, IBC, NBFC crisis and the subvention scheme ban. Prior to COVID19, the real estate sector was expected to grow to USD 650 billion and contribute around 13% of Indias GDP b y 2025 (from around 6-7% in 2017), according to ANAROCK Research

6. VOLUME OF MANUFACTURING

Your company is in the manufacturing of the Hard Gelatin Capsules. During the year company has manufactured following quantity till discontinuation of manufacturing activities.

Particulars	Quantity in Nos. (in Lakhs)	
	2019-20	2018-19
Opening Finished goods available	1758.91	2218.05
Manufactured during the year	13164.91	25456.31
Capsules sold during the year	13442.88	25655.97
Capsules removed for Remelted	0	259.49
Closing Finished goods available	1480.94	1758.91

7. SELLING PRICE

Selling price for the year was Rs. 81.15 per thousand capsules as compared to Rs.82.56 per thousand capsules in the previous year.

8. SEGMENT WISE OR PRODUCT-WISE PERFORMANCE

The Company performs in one segment only; hence no information is reportable under this head.

9. OCCUPATIONAL HEALTH & SAFETY (OH&S)

This initiative involved and positively engaged all levels of personnel on the plant and the Companys business. The Facility Management initiative was implemented to ensure adequate welfare facilities for labor such as washrooms with bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management program ensured that the tools used by employees were safe. The Companys objectives to ensure Zero Harm to employees. High priority to the health and safety of employees is given. An effective way of ensuring this is building a safety culture, where safety is the responsibility of each and every employee. The company plans to have a robust health and safety management system which has comprehensive safety checks at each step of the project starting from the contractor pre-qualification stage.

10. HUMAN RESOURCES

The Companys policy is to inspire workplace with an agile and high culture to attract, develop the best talent. Being a 37 year old Group we have built on the strong values of trust, integrity and respect for others. This year since the Company took strategic step to permanently discontinue the production/manufacturing facilities of the Company, the company has laid off the employees for downsizing the organization and as there was insufficient work for employees to do and simultaneously the position being abolished. Medicaps has always focused on growth & satisfaction of all in every aspect. We look forward to make medicaps a truly inspiring workplace in times to come.

11. ENHANCING SHAREHOLDERS VALUE

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Companys operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development. The Board strongly believes that the current market scenario would offer attractive business development opportunities in the real estate sector and re-investing the capital in such opportunities would create more wealth and value for the shareholders in long term.

12. INDUSTRIAL RELATIONS

During the year under review your Company enjoyed cordial relationship with all at levels.

13. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

Though it is not possible to completely eliminate various risks associated with the business of the Company, efforts are made to minimize the impact of such risks on the operations of the Company. For this, the Company has established a well-defined process of risk management which includes identification, analysis and assessment of various risks, measurement of probable impact of such risks, formulation of the risk mitigation strategies and implementation of the same so as to minimize the impact of such risks on the operations of the Company. An enterprise wide risk evaluation and validation process

is carried out regularly and the review of the risk management policy is also carried out at regular intervals by the Risk Management Committee and the Board of Directors and Financial risk is reviewed by our Audit Committee, so as to ensure that the new risks which might have arisen or the impact of the existing risks which might have increased are identified and a proper strategy is put in place for mitigating such risks.

The Company has put in place various internal controls for different activities so as to minimize the impact of various risks. Also, as mandated by the Companies Act, 2013, the Company has implemented the Internal Financial Control (IFC) framework to ensure proper internal controls over financial reporting. Apart from this, a well-defined system of internal audit is in place so as to independently review and strengthen these internal controls. The Audit Committee of the Company regularly reviews the reports of the internal auditors and recommends actions for further improvement of the internal controls.

Details of Significant Changes in Key Financial Ratios:

Key Ratio	2019-20	2018-19	Change	Variance	Reason for more than 25% variance.
Debtors Turnover Ratio	4.09	2.22	1.87	84.40%	Trade receivables decreased
Inventory Turnover Ratio	1.45	1.07	0.38	35.15%	Average Inventory Decreased in the company
Interest Coverage Ratio	-966.23	78.29	-887.31	-1124.3%	Incurred losses due to which there is a significant decrease
Current Ratio	12.04	5.04	7.00	138.87%	Liabilities decreased
Debt Equity Ratio	0.03	0.50	-0.47	-94.29%	Company repaid part of the debt
Operating Profit Margin (%)	-0.76	0.04	-0.72	-1804.39%	Closure of operations
Net Profit Margin (%)	-0.70	0.02	-0.68	-3412.17%	Incurred significant losses due to discontinuation of Production Activities.
Return on Net worth (any change)	-12.80	0.87	-11.93	-1371.59%	Incurred losses due to discontinuation of Production Activities.

* On 21st Nov., 2019 the company has permanently discontinued the manufacturing/production activities of empty hard gelatin capsule shell in the company and has incurred losses of Rs. -831.83 as on 31st March, 2020. The ratios have been calculate accordingly and hence there is significant upward/downward increase/decrease in the ratios of the company.

REPORT ON CORPORATE GOVERNANCE REPORT

(Pursuant to Regulation 34 of the SEBI (LODR) Regulation, 2015) Forming Part of the Boards Report

I. BRIEF STATEMENT OF LISTED ENTITY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organizations wealth generating capacity. This is ensured by conducting business with a firm commitment to values, while at the same time, meeting stakeholders expectations. Corporate Governance philosophy stems from our belief that corporate governance is a key element in improving efficiency, growth enhancing investor confidence and return to the shareholders. At Mediacaps, it is imperative that business is conducted in a fair and transparent manner. The corporate governance framework ensures effective engagement with various stakeholders and helps the Company evolve with changing times. The details of compliance are as follows:

THE GOVERNANCE STRUCTURE:

Medi-Capss governance structure is based on the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.:

(i) **The Board of Directors** - The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It conducts overall strategic supervision and control by setting the goals & targets, policies, Practices, governance standards, reporting mechanism & accountability and decision making process to be followed.

(ii) **Committees of Directors** There are various committees of Directors such as Audit Committee, Nomination & Remuneration Committee, Stake Holder Relationship Committee, and Corporate Compliance Committee which are focused on financial reporting, audit & internal controls, compliance issues, appointment and remuneration of Directors, Auditors, investor grievance redress and Senior Management Employees, Risk Management framework and Corporate governance compliance.

(iii) **Executive Management** The entire business including the support services are managed with clearly demarcated responsibilities and authorities at different levels.

Managing Director - The Managing Director is responsible for achieving the Companys vision and mission, business strategies, project execution, mergers and acquisition, significant policy decisions and all the critical issues having significant business & financial implications. He is also responsible for the overall performance and growth of the Company and ensures implementation of the various rules and regulations including the SEBI (PIT) Regulations, 2015 and the decisions of the Board of Directors and its various Committees. He reports to the Board of Directors for any non compliance.

II. BOARD OF DIRECTORS

A. Composition of Board

The Company is fully compliant with the Corporate Governance norms in the terms of constitution of the Board of Directors (the Board). As on March 31, 2020 the Company had 6 (six) directors as given in the table below. The Composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013. The maximum tenure of independent directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013.

The Board of your Company comprises of 6 (Six) Directors as on 31st March, 2020. The names and categories of Directors, the number of Directorships and Committee positions held by them in the companies are given below. None of the Director is a Director in more than 10 public limited companies (as specified in section 165 of the Act) or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she serves as a Whole-time Director in any listed company (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 26 of the SEBI Listing Regulations), across all the Indian public limited companies in which he/she is a Director. The Board does not have any nominee director representing any institution.

Name	Category	No. of Directorship (Including this Company)		No. of Committee Chairmanship / Membership (including this Company)	
		Chairman	Member	Chairman	Member
Mr. Ramesh Chandra Mittal	Promoter & Non Executive Director, Chairman of the Board	1	3	0	0
Mr. Alok K. Garg	Promoter & Managing Director	0	3	0	1
Mrs. Kusum Mittal	Promoter, Woman & Non Executive Director	0	1	0	0
Dr. Shamsher Singh	Independent & NED	0	1	2	2
Mr. Pramod Fatehpuria	Independent & NED	0	2	0	3
Mr. Ashok Omprakash Agrawal	Independent & NED	0	2	1	3

- Directorship excludes Private Limited Companies (except subsidiary of Holding Company), Foreign Companies and Companies Registered under section 8 of the Companies Act, 2013.
- Committee considered as Audit Committee and Stakeholders Relationship Committee, including that of your Company and wholly owned subsidiary company. Committee membership(s) and Chairmanship(s) are counted separately.

The Names of Other Listed Entities where the Directors have Directorship and their Category of Directorship in such Listed Entities: None of the Director is holding Directorship in any other listed Company.

B. Selection and Appointment of Directors:

The Nomination & Remuneration Committee have approved a policy for the selection, appointment and remuneration of Directors. In line with the said policy, the Committee facilitates the Board in identification and selection of the Directors who shall be of high integrity with relevant expertise and experience so as to have well diverse Board. The abstract of the said Policy forms part of the Boards Report. Directors are appointed or re-appointed with the approval of the shareholders and shall remain in office in accordance with the provisions of the law laid down by the Board from time-to-time. The Managing Director and all the Non-Executive Directors (except Independent Directors) are liable to retire by rotation unless otherwise specifically provided under the Articles of Association or under any statute.

As required under Regulation 46(2)(b) of the Listing Regulations, the Company has issued formal letters of appointment to the Independent Directors. The terms & conditions of their appointment and Appointment Letter are posted on the Companys website and can be accessed at www.medicaps.com.

C. Meetings, agenda and proceedings etc. of the Board Meeting:

The names of the Directors on the Board, Date of Board Meetings, and their record of attendance at Board Meetings held during the year and at the last Annual General Meeting, as on 31st March, 2020 are:-

There were 7 (Seven) Board meetings were held during the financial year on 28th May, 2019, 30th July, 2019, 09th August, 2019, 16th October, 2019, 14th November, 2019, 4th February, 2020 and 09th March, 2020

The gap between two Board Meetings was not exceeding than 120 days according to provisions laid down in Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and Secretarial Standards.

Name of Director	No. of Board Meetings entitled to attend during the year	No. of Board Meetings Attended	Attendance at the last AGM held on 25 th September, 2019
Mr. Ramesh Chandra Mittal	7	7	No
Mr. Alok K. Garg	7	7	Yes
Mrs. Kusum Mittal	7	7	No
Mrs. Manisha Garg	4	4	No
Dr. Shamsheer Singh	7	7	Yes
Mr. Pramod Fatehpuria	7	7	No
Mr. Mahesh Kumar Patni	6	6	No
Mr. Ashok Omprakash Agrawal	7	7	Yes

*Mrs. Manisha Garg, Promoter and WTD resigned from the Company w.e.f. 16th Oct., 2019

**Mr. Mahesh Kumar Patni, Independent Director resigned from the company w.e.f. 19th Feb., 2020

D. Disclosure of Relationship between Directors inter-se:

Name	Relationship	Name of other Directors in inter-se relationship
Mr. Ramesh Chandra Mittal	Husband	Mrs. Kusum Mittal
	Father	Mrs. Manisha Garg.
	Father in Law	Mr. Alok K. Garg
Mr. Alok K. Garg	Husband	Mrs. Manisha Garg
	Son in Law	Mr. Ramesh Chandra Mittal and Mrs. Kusum Mittal
Mrs. Kusum Mittal	Wife	Mr. Ramesh Chandra Mittal
	Mother in law	Mr. Alok K. Garg
	Mother	Mrs. Manisha Garg

*Mrs. Manisha Garg, Promoter and WTD resigned from the Company w.e.f. 16th Oct., 2019

E. No. of Shares and convertible securities held by Non- Executive Director

	No. of Shares Held
Mr. Ramesh Chandra Mittal	31,66,320
Mrs. Kusum Mittal	10,000
Dr. Shamsheer Singh	0
Mr. Ashok Omprakash Agrawal	0
Mr. Pramod Fatehpuria	0

F. Induction and Familiarization Program for Directors:

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through an induction and familiarization program including the presentation and interactive session with the Managing Director, Executive Committee Members and other Functional Heads on the Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Director about their legal and regulatory responsibilities as a Director. On the matters of specialized nature, the Company engages outside experts/consultants for presentation and discussion with the Board members. The details of familiarization program can be accessed from the weblink: <http://medicaps.com/wp-content/uploads/2016/06/Familiarization-Programme-of-IDs.pdf>

G. Separate Meeting of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on **14th November, 2019** to review the performance of Non-Independent Directors (including the Chairman) and the entire Board.

The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

H. Notice and Agenda:

All the meetings are conducted as per well designed and structured Notice and agenda. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the meetings of all the Board Committees and Subsidiaries for the information of the Board. Additional agenda items in the form of Other Business are included with the permission of the Chairman. Agenda papers are circulated seven days prior to the Board Meeting. In addition, for any business exigencies, the resolutions are passed by circulation and later placed at the subsequent Board/Committee Meeting for ratification / approval.

I. Invitees & Proceedings:

Apart from the Board members, the Company Secretary, the CFO, the Heads of Manufacturing and Marketing are invited to attend the Board Meetings. Other senior management executives are called as and when necessary, to provide additional inputs for the items being discussed by the Board. The CFO makes

presentation on the quarterly and annual operating & financial performance and on annual operating & capex budget. The Managing Director and other senior executives make presentations on capex proposals & progress, operational health & safety and other business issues. The Chairman of various Board Committees brief the Board on all the important matters discussed & decided at their respective committee meetings, which are generally held prior to the Board meeting.

J. Post Meeting Action:

Post meetings, all important decisions taken at the meeting are communicated to the concerned officials and departments. Action Taken Report is prepared and reviewed periodically by the Managing Director for the action taken / pending to be taken.

K. Support and Role of Company Secretary:

She acts as interface between the Board and the Management and provides required assistance on compliance of the SEBI (LODR) Regulations, SEBI (SAST) Regulations and the Companies Act, 2013.

L. Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015 the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

M. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Business and Ethics (the Code) for all the Board members and all the employees in the management grade of the Company. The Code covers amongst other things the Companys commitment to honest & ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health & safety, transparency and compliance of laws & regulations etc. The Company believes in Zero Tolerance to bribery and corruption in any form and in line with our governance philosophy of doing business in most ethical and transparent manner, the Board has laid down an Anti Bribery and Corruption Directives, which is embedded to the Code. The Code of Conduct is posted on the website of the Company.

All the Board members and senior management personnel have confirmed compliance with the code except the details as mentioned in the Code of Conduct section which forms part of the Directors Report. Further in compliance of the Code of Conduct of the company, Audit Committee obtained undertaking from Mrs. Kusum Mittal for non compliance of Para 4 of Schedule B of SEBI (PIT) regulations, 2015 and as per Regulation 5 of SEBI (PIT) Regulations, 2015. Detail of Transactions entered by Mrs Kusum Mittal provided in board report separately.

N. Prevention of Insider Trading Code:

As per SEBI (Prohibition of Insider Trading) Regulation, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Companys securities. During the year under review there has been due compliance with the said code. An undertaking has been received by Mrs. Kusum Mittal assuring to the Audit Committee and the Compliance officer that no non compliance will be committed by her at any point of time. Detail of Transactions entered by Mrs Kusum Mittal provided in board report separately. The code of conduct is as per the latest amendment brought in by the SEBI.

O. Providing voting by Electronic Means.

Your Company is providing E-voting facility under Regulation 44 of SEBI (LODR) Regulation, 2015 and Companies Act, 2013. The details regarding e-voting facility is being given with the notice of the Meeting.

P. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

Q. Compliance with IND-AS

In the preparation of the financial statements, the Company has followed the IND-AS as notified w.e.f. 1st April, 2017. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

R. Vigil Mechanism/Whistle Blower Policy

The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open door policy where employees have access to the Head of the business/function. The company takes

cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard

As part of our corporate governance practices, the company has adopted the Whistle blower policy that covers our Directors and employees. The policy is provided pursuant to SEBI (LODR) Regulation, 2015 on our website and also annexed with the Board Report.

S. Proceeds from public issues, rights issue, preferential issues, etc.

The Company has not raised money through an issue (public issues, rights issues, preferential issues etc.) during the year under review.

T. Disclosures with respect to demat suspense account/ Unclaimed Suspense Account:

There is no equity shares lying in the demat suspense account/ Unclaimed Suspense Account.

U. Confirmation that in the opinion in of the Board, the Independent Director fulfill the condition specified in this regulation and are independent of the Management:

All Independent Directors has given disclosure as required under the Companies Act, 2013 and Listing Regulations that they are independent of the management and the Management do hereby confirm there independency.

V. Detailed Reason for resignation of Independent Director who resigns before the expiry of his tenure along with the confirmation by such director that there are no other material reason other than those provided:

The Company received resignation from one independent Director during the Financial Year under review. Mr. Mahesh Kumar Patni (DIN: 07444248) has resigned from the directorship of the company w.e.f. 19th Feb., 2020 due to his personal and unavoidable circumstances and in compliance with Regulation 30(2) of SEBI (LODR) Regulations, 2015.

W. List of core Skills/Expertise/Competencies identified by the Board of Directors as required in the context of its Business(es) and Sector(s) for it to function effectively and those actually available with the Board:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Companys business and that the said skills are already available with the Board Members:

- Knowledge on Companys businesses (Pharma Industry), policies and business culture major risks/threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- Financial and Management skills,
- Technical / Professional skills and specialized knowledge in relation to Companys business.

These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein. In the table below, the specific areas of focus or expertise of individual board members have been highlighted:-

Skills to be possessed by Directors	Mr. Ramesh Chandra Mittal	Mr. Alok K. Garg	Mrs. Kusum Mittal	Dr. Shamsher Singh	Mr. Pramod Fatehpuria	Mr. Ashok Omprakash Agrawal
Knowledge on Companys businesses, policies and business culture major risks/threats and potential opportunities and knowledge of the industry in which the Company operates	Yes	-	Yes	Yes	Yes	-
Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	Yes	Yes	-	Yes	Yes	Yes
Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making	-	Yes	Yes	Yes	-	Yes
Financial and Management skills	Yes	Yes	Yes	Yes	Yes	Yes
Technical / Professional skills and specialized knowledge in relation to Companys business	Yes	Yes	Yes	-	Yes	Yes

III. AUDIT COMMITTEE

(A) Terms of reference

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Non-Executive Directors with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Company Secretary acts as secretary to the committee.

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 149 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation, 2015 entered into with the Stock Exchanges.

The terms of reference of the Audit Committee are as per the guidelines set out in the listing regulations read with section 177 of the Companies Act, 2013. These broadly includes

Financial Reporting and Related Processes

a. The role of the audit committee shall include the following:

- (1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) matters required to be included in the directors responsibility statement to be included in the board's report in terms of Section 134(3)(c) of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (6) reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditors independence and performance, and effectiveness of audit process;
- (8) approval of Omni Bus Related Party Transaction and/or any subsequent modification of transactions of the Company with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the Company, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) Reviewing the utilization of loan &/ or advances from/ investment by the holding company in the subsidiary exceeding 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments

b. The audit committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) management letters/letters of internal control weaknesses issued by the statutory auditors;
- (4) internal audit reports relating to internal control weaknesses; and
- (5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) statement of deviations:

- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

Audit

- Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Managements response thereto.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Cost Auditors considering their independence and effectiveness and their replacement and removal.
- Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
- To recommend to the Board the remuneration of the Statutory Auditors/Cost Auditors/Secretarial Auditor.
- To discuss with the Statutory Auditors/Internal Auditors any significant difficulties encountered during the course of the Audit.

Other Duties

- To approve the appointment, removal and terms of remuneration of the Chief Internal Auditor and to approve the appointment of the Chief Financial Officer.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transactions subject to the approval of the Board.

(B) Constitution and Composition

The terms of reference of the audit committee are extensive and include all that is mandated in regulation 18 of SEBI (LODR) Regulation, 2015 and section 149 of the Companies Act, 2013 as regards composition of the Audit Committee. The Audit Committee of the Company as on 31st March, 2020 comprises of the following Directors of the Company.

Name of the Director	Designation
Dr. Shamsher Singh	Chairman/NED
Mr. Ashok Omprakash Agrawal	Member/ NED
Mr. Pramod Fatehpuria	Member/ NED

All the three members of the Audit Committee are non-executive and Independent Directors. Further it may be noted that Mr. Mahesh Kumar Patni has resigned from the directorship of the Company and w.e.f. 19th February, 2020 pursuant to the provisions of Section 177 and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), Rule 5 of Companies (Meeting of Board and its Power) rules, 2014, Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and other applicable provisions of the same, the Board of Directors of the Company reconstituted the Audit Committee of the Board by replacing the name of Mr. Mahesh Kumar Patni with Mr. Ashok Omprakash Agrawal, Independent Director of the Company.

(C) Meeting and attendance during the year

Four (4) meetings were held during the financial year 2019-20 on **28th May 2019, 30th July, 2019, 14th November, 2019 and 4th February 2020**. The attendance of each member of the committee is as under:

Name of the Director	Designation	Total no. of meeting held during the year	No. of Meeting attended
Dr. Shamsher Singh	Chairman/ NED	4	4
Mr. Mahesh Kumar Patni	Member/ NED	4	4
Mr. Pramod Fatehpuria	Member/ NED	4	4

CS acts as the Secretary to the Committee. Chairman and Member of the Audit Committee were present at the last Annual General Meeting to answer the shareholders queries.

(D) Invitees / Participants:

1. The M.D. & CFO are the permanent invitees to all Audit Committee meetings.
2. Head of Internal Audit department attends all the Audit Committee Meetings as far as possible and briefs the Committee on all the points covered in the Internal Audit Report as well as the other issues that come up during discussions.
3. The representatives of the Statutory Auditors have attended all the Audit Committee meetings held during the year.

(E) Private Meetings:

In order to get the inputs and opinions of the Statutory Auditors and the Internal Auditors, the Committee also held one separate one-to-one meeting during the year with the Statutory Auditor and Head of Internal Audit department but without the presence of the Managing Director and the management representatives.

IV. NOMINATION & REMUNERATION COMMITTEE
(A) Terms of reference

The Remuneration Committee recommends remuneration, promotions, increments and appointments etc. for the Directors, whole time directors and relative of the directors to the Board for approval. The Committee is empowered to

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to appointment and remuneration for Directors, Key Managerial Personnel and other senior employees;
2. To formulate criteria for evaluation of the members of the Board of Directors including Independent Directors, the Board of Directors and the Committees thereof;
3. To devise policy on Board Diversity;
4. To identify persons, qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and where necessary, their removal;
5. To formulate policy ensuring the following:
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully,
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - c. Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 - d. Recommendation to the board, all remuneration, in whatever form, payable to senior management.
6. To design Company's policy on specific remuneration packages for Executive/ Whole Time Directors and Key Managerial Personnel including pension rights and any other compensation payment;
7. To determine, peruse and finalize terms and conditions including remuneration payable to Executive/ Whole Time Directors and Key Managerial Personnel of the Company from time to time;
8. To review, amend or ratify the existing terms and conditions including remuneration payable to Executive/Whole-time Directors, Senior Management Personnel and Key Managerial Personnel of the Company;
9. Any other matter as may be assigned by the Board of Directors.

(B) Composition

In compliance with the provisions of section 178 of the Companies Act, 2013 and Listing Regulation. The Nomination and Remuneration Committee of the Company as on 31st March, 2020 comprises of the following Directors of the Company.

Name of the Director	Designation
Dr. Shamsher Singh	Chairman/ NED
Mr. Mahesh Kumar Patni	Member/ NED
Mr. Ashok Omprakash Agrawal	Member/ NED
Mr. Pramod Fatehpuria	Member/ NED

All the members of the remuneration committee are Independent Directors. It may be noted that w.e.f. 19th February, 2020 Mr. Mahesh Kumar Patni has resigned from the directorship of the Company and pursuant to the provisions of Section 178 and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), Rule 5 of Companies (Meeting of Board and its Power) rules, 2014, Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and other applicable provisions of the same, the Board of Directors of the Company reconstituted the Nomination and Remuneration Committee of the Board by replacing the name of Mr. Mahesh Kumar Patni with Mr. Ashok Omprakash Agrawal, Independent Director of the Company.

(C) Meeting and attendance during the year

Four (4) meeting were held during the financial year 2019-20 on **28th May, 2019, 30th July, 2019, 16th October, 2019 and 09th March, 2020**. The attendance of each member of the committee is as under:

Name of the Director	No. of Meeting held during the year	No. of Meeting attended
Dr. Shamsher Singh	4	4
Mr. Mahesh Kumar Patni	3	3
Mr. Ashok Omprakash Agrawal	1	1
Mr. Pramod Fatehpuria	4	4

As per Section 178(7) of the Companies Act, 2013 and Secretarial Standards, the Chairperson of the Committee or, in her absence, any other Member of the Committee authorized by her in this behalf shall attend the General Meeting of the Company. The Chairperson of the Committee, Mr. Shamsheer Singh was present at the 36th Annual General Meeting of the Company held on 25th September, 2019 to answer shareholders queries.

(D) Performance Evaluation for Independent Directors:

Pursuant to the provisions of the Companies Act, 2013 and as stipulated under regulation 25 of SEBI (LODR) Regulation, 2015, the Board of Directors adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors. A structured evaluation process covering various aspects of the Boards functioning such as Composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc.

(E) Remuneration Policy and Policy on selection of Directors.

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors, Managing Director, Whole-time Directors, senior management and Key Managerial Persons and also adopt policy for their remuneration. This Policy is accordingly derived from the said Charter. The said policies can be accessed from the website: www.medicaps.com and part of the Annual report.

(F) Remuneration of Directors

Pecuniary relationship or transaction of the non-executive director:- NIL

Criteria of making payment to non-executive directors:-Remuneration policy of Directors states terms & condition criteria for making payment to directors, the said policy is part of the annual report further this policy has hosted on website of your Company. The said policies can be accessed from the website: www.medicaps.com and part of the Annual report.

Details of the remuneration paid to the Executive Directors

Name	Salary	Benefits, Perquisites and allowances	Commission	ESPS	Period of appointment
Mr. Alok K. Garg*	18,00,000	0	0	0	01/04/19 to 31/03/22
Mrs. Kusum Mittal**	9,00,000	0	0	0	01/10/19 to 30/09/22
Mrs. Manisha Garg***	6,51,614	0	0	0	11/11/19 to 10/11/22

*Mr. Alok K Gargs salary has been revised from Rs 2.50 Lakhs to Rs. 0.50 Lakhs p.m.

**Mrs. Kusum Mittal has resigned from the office of the Whole Time Director of the Company and continues as Woman Non Executive Director w.e.f. 16th Oct., 2019 and draws no remuneration from company.

***Mrs. Manisha Garg has resigned from the directorship of the company w.e.f. 16th Oct., 2019

- No sitting Fees or commission was paid to any Director of the Company during the financial year.
- The company has not granted any bonuses/stock options/pension etc. to any of its directors.
- Details of fixed component and performance linked incentives along with the performance criteria- Nil.
- The Company does not have service contract with any of its directors. Notice period of minimum 30 days has been fixed for directors. Further, the Company does not pay any severance fee.

V. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Based on the revised scope, this Committee is responsible for transfer/transmission of shares, satisfactory redressal of investors complaints and recommends measures for overall improvement in the quality of investor services. The Committee also looks into shares kept in abeyance, if any.

In compliance with the provisions of section 178 of the Companies Act, 2013 and regulation 20 of SEBI (LODR) Regulation, 2015, the Board has renamed and reconstituted the existing Investors Grievance Committee as the Stakeholders Relationship Committee consists of the members as stated below.

During the year ended on 31st March, 2020 there were 3 (Three) meetings held on **28th May, 2019, 02nd November, 2019 and 11th March, 2020** required to hold.

Name of the Director/Member	Designation	No. of Meeting Held	No. of Meetings Attended
Dr. Shamsheer Singh	Chairman/ NED	3	3
Mr. Mahesh Kumar Patni	Member/ NED	3	2
Mr. Ashok R. Pitliya	Member	1	1
Mr. Ashok Omprakash Agrawal	Member/ NED	2	2
Mr. Pramod Fatehpuria	Member/ NED	1	1

*Mr. Ashok R. Pitliya resigned as the member of the Stakeholders Relationship Committee w.e.f. 1st Oct., 2019 and Mr. Ashok Omprakash Agrawal admitted as member with effect from 16th October, 2019

**Mr. Mahesh Kumar Patni resigned from the Directorship of the Company w.e.f. 19th Feb., 2020 and Mr. Pramod Fatehpuria admitted as member w.e.f. 20th Feb, 2020

As per Section 178(7) of the Companies Act, 2013 and Secretarial Standards, the Chairperson of the Committee or in his absence, any other Member of the Committee authorized by him in this behalf shall

attend the General Meeting of the Company. The Chairperson of the Committee, Mr. Shamsher Singh was present at the Annual General Meeting of the Company held on 25th September, 2019 to answer shareholders queries.

1. **Compliance Officer of the Company:** CS Ayushi Silot, Company Secretary is designated as the Compliance Officer.

2. **Share holder Complaint Status during the financial year 2019-20:**

No. of Shareholder Complaint received	No. of Complaint resolved	No. of Complaint Pending.
19	19	-

VI. CSR COMMITTEE:

As per the provisions of section 135 of the Companies Act, 2013, The Company is not required to constitute any CSR Committee during the year.

VII. INTERNAL COMMITTEE FOR (SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Board has constituted an Internal Committee and Mrs. Kusum Mittal is the Chairperson of the Committee, Manisha Garg and Ms. Ayushi Silot, CS as members of the Committee to look into the complaints of the women employees relating to the Sexual Harassment of Women at Workplace. As there was no reference to the Committee, no meeting was required to be held during the year 2019-20.

VIII. SECRETARIAL COMPLIANCE REPORT

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, directed listed entities to obtain Annual Secretarial Compliance Report from a Practicing Company Secretary for compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance Report is in addition to the Secretarial Audit by Practicing Company Secretaries under Form MR - 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

The Company has obtained the services of CS Ishan Jain (CP No. 13032), Practicing Company Secretary for providing required Compliance Report for the year ended 31st March, 2020 and filed with the BSE Ltd. as required.

IX. CERTIFICATE FROM PRACTICING COMPANY SECRETARY FOR NON DIS-QUALIFICATION OF DIRECTORS:

As required under Part C of Schedule V of the SEBI (LODR) Regulation, 2015, the Company has obtained a certificate from FCS L. N. Joshi (FCS 5201 CP No. 4216), proprietor of M/s. L N Joshi & Co., Practicing Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

A compliance certificate from M/s. L. N. Joshi & Co, Practicing Company Secretaries pursuant to the requirements of Schedule V of the SEBI (LODR) Regulation, 2015 regarding compliance of conditions is attached as **Annexure to the Corporate Governance Report**.

X. INFORMATION ON GENERAL BODY MEETINGS

The details of the location and time for last three Annual General Meetings are given hereunder: -

Year	Date of AGM	Time of AGM	Venue	Special Resolution	Postal Ballot
2016-17	28/09/2017	11.00A.M.	At the Registered Office	1	Nil
2017-18	25/09/2018	11.00A.M.	At the Registered Office	3	Nil
2018-19	25/09/2019	11.00A.M.	At the Registered Office	2	Nil

RESOLUTION(S) PASSED THROUGH POSTAL BALLOT:

- During the last three years, no resolutions were passed by postal ballot.
- None of the business proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

XI. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after these are approved by the Board. These are widely published in following newspapers. These results are simultaneously posted on the website of the Company at www.medicaps.com and also uploaded on the website of the BSE Ltd.

Quarterly Results	Newspaper Publication	Displayed in Website
30.06.2019	Choutha Sansaar & Free Press, Indore	www.medicaps.com
30.09.2019	Choutha Sansaar & Free Press, Indore	www.medicaps.com
31.12.2020	Choutha Sansaar & Free Press, Indore	www.medicaps.com
31.03.2020	Choutha Sansaar & Free Press, Indore	www.medicaps.com

However, the Company has not made any official releases and presentation to any institution.

XII. GENERAL SHAREHOLDER INFORMATION.

Date, Time and Venue of Annual General Meeting	Wednesday, 30 th September, 2020 at 12.30 P.M. (IST) through Video Conferencing or Other Audio Video Means (OAVM) for which purposes the registered office shall be deemed to be venue of the Meeting
E-voting period	From 27/09/2020 on 9:00 A.M. [IST] To 29/09/2020 on 5:00 P.M [IST]
Financial Calendar Results for the quarter ending 30 th June, 2020 for the quarter ending 30 th Sept, 2020 for the quarter ending 31 st Dec., 2020 for the quarter ending 31 st March, 2021	On or Before 14 th August, 2020 On or Before 14 th November, 2020 On or Before 14 th Feb., 2021 On or Before 30 th May, 2021
Board Meeting for consideration of Annual Accounts for the financial year 2019-20	26 th June, 2020
Dividend Payment	No Dividend was recommended by the Board of Directors for financial year ended March 31, 2020
Book Closure	26 th Sept., 2020 to 30 th Sept., 2020 (both days inclusive)
Cutoff date for E-voting	23 rd September, 2020
mailing of Annual Report	Before 6 th September, 2020
Last date for receipt of Proxy	Pursuant to the Circular No. 14/2020 dated 8 th April, 2020, issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM.
Listing on Stock Exchange	The equity shares of the company are listed at BSE Ltd. and the listing fees has been paid for 2020-2021
Registered Office and Plant Location	Mhow - Neemuch Road, Sector I, Pithampur, Distt. Dhar-454775
Compliance Officer and Company Secretary	CS Ayushi Silot
Registrars and Share Transfer Agents	Ankit Consultancy Pvt. Ltd., Plot No.60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010 Tel: 0731- 2551745/46, Fax: 0731- 4065798 Email: ankit_4321@yahoo.com Web Address:- www.ankitonline.com
Scrutinizer for E-voting	CS LN Joshi, Practicing Company Secretary
Scrip Code	523144
ISIN NO	INE442D01010
Suspension of Securities	Not applicable since security of Company is not suspended by Exchange
The financial year covered by this Annual Report	April 1, 2019 to March 31, 2020
Share Transfer System	Transfers are registered and returned by the Registrars & Share Transfer Agents within a period of 15 days from the date of receipt of the documents, provided the same are in order.
Commodity price risk or foreign exchange risk and hedging activity	Usual policy is to sell its products at prevailing market prices, and not to enter into price hedging arrangements.
List of Credit Ratings	NA
Corporate Office for correspondence	201, Pushpratana Paradise, 9/5, New Palasia, Indore (M.P.) 452001 Phone: 0731-4046321 Email: indore@medicaps.com

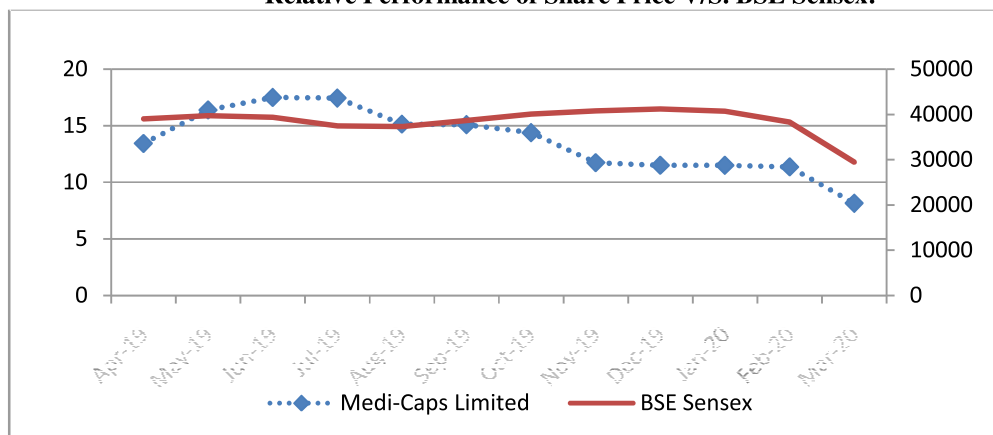
a) Market Price Data (Rs.)

The monthly high and low quotations of shares of the Company traded at the BSE Ltd., during the financial year 2019-20 are given below:

Month	Apr 19	May 19	Jun 19	Jul 19	Aug 19	Sep 19	Oct 19	Nov 19	Dec 19	Jan 20	Feb 20	Mar 20
High	16.55	17.80	20.40	19.05	17.90	16.70	17.95	14.89	13.27	13.95	12.60	12.33
Low	13.40	13.15	15.10	16.25	14.75	14.45	12.80	11.01	10.55	9.31	9.00	7.23

b) Distribution of Shareholding as on 31st March, 2020

No. of Shares	No. of Shareholders	% of Shareholders	Share Amount	% of Total
Up to 1000	791	19.96	387220	0.31%
1001-2000	446	11.25	787410	0.63%
2001-3000	454	11.46	1322120	1.06%
3001-4000	569	14.36	2243370	1.80%
4001-5000	237	5.98	1146110	0.92%
5001-10000	692	17.46	5551080	4.45%
10001-20000	382	9.64	5988370	4.80%
20001-30000	113	2.85	2850120	2.29%
30001-40000	83	2.09	3008950	2.41%
40001-50000	39	0.99	1846860	1.48%
50001-100000	74	1.87	5341500	4.28%
100000-Above	83	2.09	94226450	75.57%
TOTAL	3963	100%	124699560	100.00%

Relative Performance of Share Price V/S. BSE Sensex:

c) DEMATERIALISATION OF SHARES & LIQUIDITY

The shares of the Company are under compulsory demat segment and are listed on BSE Ltd. The Company's shares are available for trading in the depository of both NSDL & CDSL.

d) Details of Demat Shares as on 31st March, 2020

Particulars	No. of Shares	% of Capital
Shares in Demat form	12005994	96.28
Shares in physical form	463962	3.72
Grand Total	12469956	100.00%

e) Reconciliation of Share Capital Audit:

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to stock exchanges, NSDL and CDSL and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

f) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/ Warrants or any convertible instruments.

XIII. TRANSFER OF UNCLAIMED/ UNPAID AMOUNTS TO THE INVESTORS EDUCATION AND PROTECTION FUND (IEPF).

Pursuant to sections 124-125, and other applicable provisions, if any, of the Companies Act, 2013, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed /unpaid for a period of seven years from the date they became due for payment, were required to be transferred to the IEPF. Sections 124 and 125 of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), both of which were applicable with effect from 7th September, 2016, also contain similar provisions for transfer of such amounts to the IEPF. Accordingly, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, in relation to the Company, Medi-Caps Limited which have been transferred to the IEPF established by the Central Government. No claim shall be entertained against the Company for the amounts so transferred and other related information about IEPF viz, outstanding dividend accounts, due dates and other information can be accessed from companys website <http://www.medicaps.com>. The dividend amounts of Rs 1,94,288/- for the financial year 2011-12 were transferred to the IEPF in due time and since the company has not declared any dividend after that, the company need not transfer any amount or shares to IEPF any further.

XIV. OTHER DISCLOSURES

1. There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Companys interest.
2. Holding company has not given any loan to wholly owned subsidiary company, except guarantee provided by holding company in respect of loan taken by wholly owned subsidiary company.
3. There were no non-compliance by the Company and no penalty, strictures imposed by the stock exchange of the SEBI or any statutory authority on any matter related to capital market during the last three year.

4. The Company has formed and hosted the Vigil Mechanism/whistle blower Policy on the website of the Company, and the Company confirm that no personnel were denied to access to the audit committee.
5. The Company has complied with all the mandatory requirements under the SEBI(LODR) Regulations, 2015 as applicable.
6. The Company has hosted all the required policy on the website of the company including policy for determining (material) subsidiaries and for related party transactions.
7. The Company has not entered into any material related party transaction. The details of related party transactions policy can be accessed from the website at <http://medicaps.com/wp-content/uploads/2016/06/Related-party-transaction-Policy.pdf>. The Details of Policy for determining material subsidiary can be accessed from the website at <http://medicaps.com/wp-content/uploads/2016/06/Policy-for-determining-Material-Subsidiary.pdf>
8. Since the Company is not dealing in commodity hedging, therefore, it is not having any risk associated thereto.
9. Suitable disclosure as required by the IND-AS has been made in the Annual Report. The Related Party Transactions Policy as approved by the Board is uploaded on the Companys website at <http://www.medicaps.com>
10. The Company is not having any security to credit in the d-mat suspense account or unclaimed suspense account u/s 124(5) and (6) of the Companies Act, 2013.

XV. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES :-

On December 31, 2018, Securities and Exchange Board of India amended the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, prescribing various new requirements with effect from April 1, 2019. In line with the amendments, the Company has adopted an amended Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives & Connected Persons under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information which has been made available on the Companys website at www.medicaps.com.

XVI. DISCRETIONARY REQUIREMENTS UNDER SEBI (LODR) REGULATION 27

The status of compliance with discretionary recommendations of the Regulation 27 of the Listing Regulations with Stock Exchanges is provided below:

1. Non-Executive Chairmans Office: Chairmans office is separate from that of the Managing Director & CEO.
 2. Shareholders Rights: As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Companys website, the same are not being sent to the shareholders.
 3. Modified Opinion in Auditors Report: The Companys financial statement for the year 2019 -20 does not contain any modified audit opinion.
 4. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.
- During the year under review, 1(One) extra ordinary general meeting was held and One Special resolution was passed for section 180(1)(a) of the Companies Act, 2013.

XVII. MD / CFO CERTIFICATION

The Managing Director and Chief Financial Officer have provided certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Companys affairs. The said certificate is annexed and forms part of the Report.

XVIII. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF:-

Comments on non-compliance of Corporate Governance Report provisions have already been disclosed by Board of Directors in their Board Report.

XIX. WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED, IN THE RELEVANT FINANCIAL YEAR, THE SAME TO BE DISCLOSED ALONG WITH REASONS THEREOF:

There are no such events where the Board has not accepted any recommendation of any committee of the Board during the year under review.

XX. TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR.

The Company is paying Auditors Remuneration to M/s Rawka & Associates, Chartered Accountants in the following manner:

Particulars	Medi-Caps Ltd.	Medgel Pvt. Ltd.	Total
Audit Fees	30,000	250,000	2,80,000
Tax Audit Fees	0	0	0
Others	0	50,000	50,000
Total	30,000	3,00,000	3,30,000

Independent Auditors Certificate on Corporate Governance

{Requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

To,

The Members,

Medi-Caps Limited

1. This certificate is issued in accordance with the terms of our engagement.

We, **Rawka & Associates**, Chartered Accountants, the Statutory Auditors of Medi-Caps Limited (the Company), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March 2020, as stipulated in Regulations 17, 18, 19, 20, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Managements Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17, 18, 19, 20, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year ended 31st March, 2020 except delay in reconstitution of stakeholders relationship committee with minimum three directors.

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

For, M/S Rawka & Associates
Chartered Accountants
FRN: 021606C

Place: Indore

Date: 25th August, 2020

Venus Rawka
Partner
M.N. 429040
UDIN 20429040AAAACC4210

COMPLIANCE CERTIFICATE

[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]

To,
The Board of Directors
Medi-Caps Limited

- A. We have reviewed financial Statements and the Cash Flow Statements, Detailed Trial Balance and Grouping thereof for the Year ended 31st March, 2020 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the Companys affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Companys code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) Significant changes in internal control over financial reporting during the Financial year 2019-20;
 - (2) Significant changes in accounting policies during the quarter and that the same have been disclosed in the notes to the financial statements; and
 - (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Companys internal control system over financial reporting.

For and on behalf of the board

Date: 25th August, 2020
Place: Indore

ALOK K GARG
MANAGING DIRECTOR
DIN: 00274321

HEMANT SETHI
CFO

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Medi-Caps Ltd.
Mhow-Neemuch Road,
Sector 1 Pithampur,
Dhar-454775 (M.P.)

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Medi-Caps Limited** having CIN: L70100MP1983PLC002231 and having registered office at 1 Mhow - Neemuch Road, Sector 1 Pithampur, Dhar-454775 (M.P.) (hereinafter referred to as the Company), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. N.	Name of Director	DIN	Date of appointment in Company
1	Mr. Ramesh Chandra Mittal	00035272	06/08/1983
2	Mr. Alok K Garg*	00274321	01/04/1999
3	Mrs. Kusum Mittal	00035356	04/05/1991
4	Dr. Shamsher Singh	00204290	30/04/2002
5	Mr. Pramod Fatehpuria	00972389	29/05/2014

6	Mr. Ashok Omprakash Agrawal	07870578	25/07/2017
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Note: Date of Appointment Mr Alok Garg showing on MCA portal is 01/04/2007.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For L.N. Joshi & Co.,
Company Secretaries,

L.N.Joshi
Proprietor
Membership No. F 5201
Certificate of Practice No. 4216
UDIN: F005201B000611928

Dated: 25th August, 2020

Place: Indore

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial Year Ended on 31st March, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
MEDGEL PRIVATE LIMITED
CIN: U24239MP2007PTC019204

Registered Office:

201, Pushpratna Paradise
9/5 New Palasiya, Opposite Uco bank
Indore (M.P.) 452001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MEDGEL PRIVATE LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute 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, I hereby report that in my opinion, the company has, during the audit period covering **1st April, 2019 to 31st March, 2020**, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **MEDGEL PRIVATE LIMITED** for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under; **(not applicable to the company during the audit period)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(not applicable to the company during the audit period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable to the company during the audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(not applicable to the company during the audit period)**

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(not applicable to the company during the audit period)***
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(not applicable to the company during the audit period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(not applicable to the company during the audit period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period);**
- (f) The Securities and Exchange Board of India (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)**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(not applicable to the company during the audit period);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(not applicable to the company during the audit period);**
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 as amended from time to time. **(Applicable to the extent of material wholly owned subsidiary company of Medi caps Limited)**

*The Company being a material wholly owned subsidiary of Medi Caps Limited, Directors and certain employees of the Company have been categorized as Designated Persons and are covered by the Code of Conduct under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 of Medi Caps Limited.

(vi) I 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 on test check basis. The laws, regulations, directions, orders applicable specifically to the Company are as follows:

1. Drugs and Cosmetics Act, 1940
2. The Pharmacy Act , 1948
3. Drugs (Pricing Control) Order, 2013
4. Standard Weight and Measurement Act, 1976

I have also examined compliance with the applicable clauses of Secretarial Standards on Meeting of Board of Directors(SS-1) and Secretarial Standards on General Meetings(SS-2) issued by The Institute of Company Secretaries of India.

I further report that I have not reviewed the applicable financial laws (direct and indirect tax laws), Accounting standard, since the same have been subject to review and audit by the Statutory Auditors of the Company.

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

I 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. The changes in the composition of Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on 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.

I 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.

I further report that during the audit period, the company has not undertaken event/action having a major bearing in the companys affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred above.

**For L.N. Joshi & Company
Company Secretaries**

**Place: Indore
Dated: 22nd August, 2020**

**L.N. Joshi
Proprietor
FCS: 5201; CP No 4216
UDIN: F005201B000605561**

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

ANNEXURE to Secretarial Audit Report

To,

The Members,

MEDGEL PRIVATE LIMITED

CIN: U24239MP2007PTC019204

Registered Office:

201, Pushpratna Paradise

9/5 New Palasiya, Opposite Uco bank

Indore (M.P.) 452001

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation 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, standards is the responsibility of management. My 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.

**For L.N. Joshi & Company
Company Secretaries**

Place: Indore

Dated: 22nd August, 2020

L.N. Joshi

Proprietor

FCS: 5201; CP No 4216

UDIN: F005201B000605561

INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

**TO,
THE MEMBERS OF MEDICAPS LIMITED,**

Report on Audit of Ind AS Standalone Financial Statements

We have audited the accompanying Ind AS Standalone Financial Statements of **MEDICAPS LIMITED** ('the Company'), which comprise the balance sheet as at 31st March 2020, 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, 2020, the profit and loss 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.

For, Rawka & Associates
Chartered Accountants
Firm Reg. No: 021606C

Place: Indore
Date : 26/06/2020

Venus Rawka
(Partner)
M. No.: 429040
UDIN: 20429040AAAABC8803

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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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. Eligible amount has been transferred to the Investor Education and Protection Fund by the Company.

Place: Indore
Date : 26/06/2020

For, Rawka & Associates
Chartered Accountants
Firm Reg. No: 021606C

Venus Rawka
(Partner)

M. No.: 429040

UDIN: 20429040AAAABC8803

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 Medicaps Ltd. for the year ended 31st March, 2020)

- (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. The company has guaranteed Rs. 2.00 Crores for the Loan taken by Medgel Private Limited (wholly owned subsidiary) from IDBI Bank Ltd.
- (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 nil
- (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:

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved	Amount Unpaid
Income Tax Act, 1961	Income Tax	ITAT	A.Y. 2013-14	Rs. 18,01,360/-	Rs. 26,110/-
Income Tax Act, 1961	Income Tax	CIT(A)	A.Y. 2014-15	Rs. 21,23,210/-	Rs.12,23,210/-
Income Tax Act, 1961	Income Tax	CIT(A)	A.Y. 2015-16	Rs. 17,45,580/-	Rs. 2,70,830/-
Income Tax Act, 1961	Income Tax	CIT(A)	A.Y. 2016-17	Rs. 15,13,441/-	Rs. 3,02,690/-
Income Tax Act, 1961	Income Tax	CIT(A)	A.Y. 2017-18	Rs. 9,86,409/-	Rs. 7,88,128/-

- (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.

For, Rawka & Associates
Chartered Accountants
Firm Reg. No: 021606C

Place: Indore
Date : 26/06/2020

Venus Rawka
(Partner)
M. No.: 429040
UDIN: 20429040AAAABC8803

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 Medicaps Ltd. for the year ended 31st March, 2020)

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 **MEDICAPS LIMITED** ("the Company") as of 31st March, 2020 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, 2020, based on, the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Rawka & Associates

Chartered Accountants

Firm Reg. No: 021606C

Place: Indore

Date : 26/06/2020

Venus Rawka

(Partner)

M. No.: 429040

UDIN: 20429040AAAABC8803

MEDI-CAPS LTD. Standalone Balance Sheet as at 31st March, 2020 CIN: L70100MP1983PLC002231			
		Amount in Rs.	
Particulars	Note	As at 31st March 2020	As at 31st March 2019
I. Assets			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	36296642	39112862
(b) Financial Assets			
i. Investments	3	454735242	469471860
(c) Other non-current assets	4	516158	4534985
(2) Current assets			
(a) Inventories	5	5326303	69482984
(b) Financial Assets			
i. Investments	6	66809258	48014328
ii. Trade receivables	7	26647774	62543621
iii. Cash and cash equivalents	8	7452190	21292030
(c) Other current assets	9	17762086	23360592
Total		615545653	737813262
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	10	124699560	124699560
(b) Other Equity	11	473751874	550377685
LIABILITIES			
(1) Non-Current Liabilities			
(a) Borrowings	12	0	634606
(b) Provisions	13	2500000	12766779
(c) Deferred tax liabilities (Net)	14	4320200	4236107
(2) Current Liabilities			
(a) Borrowings	15	634606	580477
(a) Financial Liabilities			
(i) Trade payables Due to Micro and Small enterprises Other than Micro and Small enterprises	16	4221677	30809352
(b) Other current liabilities	17	5417736	12708696
(c) Current Tax Liabilities (Net)	18	0	1000000
Total		615545653	737813262
The Notes referred to above are integral part of Standalone Financial Statements Note on Accounts as Note '1 to 35'			
As per our report of even date, Rawka & Associates Chartered Accountants Firm Reg. No.: -021606C		For and on behalf of the board , For MEDI-CAPS LTD.	
VenusRawka Partner Membership No.429040 Place : Indore Date : 26th June, 2020 UDIN 20429040AAAABC8803		R.C.Mittal Chairman & Director DIN:00035272 Hemant Sethi C.F.O.	
		Alok K. Garg Managing Director DIN:00274321 CS.Ayushi Silot Company Secretary ACS 54352	

MEDI-CAPS LTD. Standalone Profit and Loss statement for the year ended 31st March, 2020 CIN:L70100MP1983PLC002231			
		Amount in Rs.	
Particulars	Note	As at 31st March 2020	As at 31st March 2019
I. Revenue from operations	19	109085235	216184898
II. Other Income	20	11174191	11373002
III. Total Revenue (I +II)		120259426	227557900
IV. Expenses:			
Cost of materials consumed	21	54102918	105036821
Purchase of stock in trade		0	1526250
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	45274623	-5180841
Taxes on sale of goods		0	0
Employee benefit expense	23	58821273	51893331
Finance Charges	24	86183	135743
Other expenses	25	41603382	63568538
Depreciation and amortization expense	2	3553556	3501630
Total Expenses		203441934	220481472
Profit before exceptional and extraordinary items and tax (III - IV)		-83182508	7076428
VI. Exceptional Items		0	0
VII Profit before extraordinary items and tax (V - VI)		-83182508	7076428
VIII Extraordinary Items		0	0
IX. Profit before tax (VII - VIII)		-83182508	7076428
X. Tax expense:			
(1) Current tax		0	1000000
(2) Earlier year excess provision for tax written back		0	0
(3) Deferred tax		84093	164778
XI. Profit/(Loss) for the period (IX - X)		-83266601	5911650
XII. Other Comprehensive Income			
(i) Items that will not be reclassified to Profit and Loss		6640790	0
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
(iii) Items that will be reclassified to Profit or Loss			
(iv) Income Tax relating to items that will be reclassified to Profit or Loss			
XIII. Total Comprehensive Income for the period comprising Profit(Loss) and other comprehensive income for the period (XI + XII)		-76625811	5911650
XIV. Earning per equity share:	31		
(1) Basic		-6.14	0.47
(2) Diluted		-6.14	0.47

The Notes referred to above are an integral part of Standalone Financial Statements
Note on Accounts as Note '1 to 35'

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

For and on behalf of the board ,
For MEDI-CAPS LTD.

Venus Rawka
Partner
Membership No. 429040
Place : Indore
Date : 26th June, 2020

R.C.Mittal
Chairman & Director
DIN:00035272

Alok K. Garg
Managing Director
DIN:00274321

Hemant Sethi
C.F.O.

CS.Ayushi Silot
Company Secretary
ACS 54352

STATEMENT OF CHANGES IN EQUITY MEDI CAPS LIMITED Standalone Statement of Changes in Equity for the period ended 31.03.2020 Amount in Rs.					
A. Equity Share Capital					
Balance at the beginning of the reporting period		Changes in equity share capital during the year		Balance at the end of the reporting period	
124699560		0		124699560	
B. Other Equity					
	Reserves and Surplus				Total
	Capital Reserve	General Reserves (specify nature)	Share Forfeiture account	Retained Earnings	
Balance at the beginning of the reporting period 01.04.2018	989849	30456832	2755455	510263899	544466035
Changes in accounting policy or prior period errors	0	0	0	0	0
Restated balance at the beginning of the reporting period	989849	30456832	2755455	510263899	544466035
Total Comprehensive Income for the year	0	0	0	0	0
Dividends	0	0	0	0	0
Transfer to retained earnings	0	0	0	5911650	5911650
Adjustment of Investment in shares written off	0	0	0	0	0
Balance at the end of the reporting period 31.03.2019	989849	30456832	2755455	516175549	550377685
Balance at the beginning of the reporting period 01.04.2019	989849	30456832	2755455	516175549	550377685
Changes in accounting policy or prior period errors	0	0	0	0	0
Restated balance at the beginning of the reporting period	989849	30456832	2755455	516175549	550377685
Total Comprehensive Income for the year	0	0	0	0	0
Dividends	0	0	0	0	0
Transfer to retained earnings	0	0	0	-76625811	-76625811
Any other change (to be specified)	0	0	0	0	0
Balance at the end of the reporting period 31.03.2020	989849	30456832	2755455	439549738	473751874

MEDI CAPS LIMITED Standalone Cash Flow Statement for the year ended 31st March, 2020 CIN:L70100MP1983PLC002231		
	Amount in Rs.	
PARTICULARS	31st March 2020	31st March 2019
A. Cash Flow from Operating Activities		
Net Profit before Tax & Extraordinary Items	-83182508	7076428
Adjustment For:		
Depreciation	2780418	3501630
Dividend Income	(100)	(200)
Other Comprehensive Income	6640790	
Operating Profit before Working Capital Change	-73761401	10577858
Adjustment for Working Capital		
(Increase)/ Decrease in Sundry Debtors	35895847	6863492
(Increase)/ Decrease in Inventories	64156683	(11864541)
(Increase)/ Decrease in Loans & Advances	9617333	(5358793)
Increase/ (Decrease) in Current Liabilities & Prov.	(45145413)	14076007
Cash Generated from Working Capital	64524449	3716166
Cash generated from Operation	(9236951)	14294024
Net Income Tax Paid	0	1000000
Net cash Flow from Operating Activity	(9236951)	13294024
B. Cash Flow from Investing Activities		
Sale/(Purchase) of Investments	(4058312)	(8632308)
Purchase of Fixed Assets	35802	(3273998)
Dividend Received	100	200
Net Cash used in Investing Activities	(4022410)	(11906106)
C. Cash Flow from Financial Activities		
Increase/(Decrease) in Bank Borrowings	(580477)	-530917
Net Cash Used in Financial Activities	(580477)	(530917)
Net Increase in Cash and Cash Equivalents (A+B+C)	(13839839)	857001
Cash & Cash Equivalents at the Beginning of the year	21292029	20435028
Closing of the year	7452190	21292029
Increase in Cash and Cash Equivalents	(13839839)	857001
As per our report of even date annexed For Rawka & Associates Chartered Accountants Firm Reg. No.: -021606C		
For and on behalf of Board		
Venus Rawka Partner Membership No. 429040 Place : Indore Date : 26th June, 2020	R.C.Mittal Chairman & Director DIN:00035272	Alok K. Garg Managing Director DIN: 00274321
	Hemant Sethi C.F.O.	CS Ayushi Silot Company Secretary ACS 54352

MEDICAPS LIMITED**NOTE -1- BASIC ACCOUNTING POLICIES (STANDALONE)****1. Corporate Information:**

Medi-Caps Limited ('the Company') is a Public Limited Company was incorporated in India under Companies Act 1956 in 1983 as Medi-Caps Pvt. Ltd. The Company together with its subsidiary 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 Mhow - Neemuch Road, Sector- 1, Pithampur, Dhar [MP] - 454775. The financial statements were authorised for issue in accordance with a resolution of the directors on 26th June 2020.

The Company's shares are listed for trading on the Bombay Stock Exchange Limited (BSE).

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.

(ii) Historical Cost Convention

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

3. Rounding of amounts:

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

4. Current versus non-current classification:

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

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

All other assets are classified as non-current.

A liability is Current when:

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

All other Liabilities are classified as non- current.

Deferred tax liabilities are classified under non-current Liabilities.

5. Use of Estimates and Assumptions:

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

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

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

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

6. Revenue Recognition:**Sale of Goods**

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

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

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

7. Property, Plant and Equipment:

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

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

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

Depreciation on Property, Plant & Equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II of the Companies Act, 2013, Company has assessed the estimated useful lives of its property, plant and equipment and has adopted the useful lives and residual value as prescribed in Schedule II. The estimated useful lives 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 fair market value are therefore reported as per relevant Ind-AS 113. and comprehensive income consequent to the effect has been reported in financial statement .

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.

22. The company announced to permanently discontinue Company's operations related to production/manufacturing of Hard Gelatin Capsule Shell in the plant situated at Mhow - Neemuch Road, Sector 1, Pithampur - 454775, Distt. Dhar on 21st November, 2020. The discontinuation is consistent with the Company's long-term strategy to focus its activities in the areas of Real Estate Business and to divest unrelated activities.

23. Financial Instruments and Risk Review

The Company's principal Financial Assets include investments, trade receivables, cash and cash equivalents, other bank balances, loan, and other financial assets. The Company's financial liabilities comprise of borrowings, trade payables, and other financial liabilities.

24. Fair Value Hierarchy

The Fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1- Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs are other than quoted prices included within Level-1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3- Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the instrument nor are they based on available market data. The following tables summaries carrying amounts of financial instruments by their categories and their values in fair value hierarchy for each year presented

As at 31st March, 2020

Particulars	FVTPL			FVTOCI	Amortized Cost	Total
	Level-1	Level-2	Level-3			
Financial Assets						
Investments	0	0	0	79562629	0	79562629
Trade Receivables	0	0	0	0	26647774	26647774
Cash & Cash Equivalents	0	0	0	0	1739	1739
Other Bank Balances	0	0	0	0	7450451	7450451
Loans	0	0	0	0	520839	520839
Derivative Assets	0	0	0	0	0	0
Other Financial Assets	0	0	0	0	0	0
Total	0	0	0	79562629	34620803	114183432.2
Financial Liabilities						
Borrowings	0	0	0	0	634606	634606
Trade Payables	0	0	0	0	4221677	4221677
Derivative Liabilities	0	0	0	0	0	0
Other Financial Liabilities	0	0	0	0	0	0
Total	0	0	0	0	4856283	4856283

Note-02- Property , Plant and Equipments

	GROSS CARRYING AMOUNT				DEPRECIATION			NET BLOCK				
S. No	FIXED ASSETS	As at 01.04.2019	Additions	Deductions	As at 31.03.2020	Up to 31.03.2019	For the year	Deletions	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019	Useful Life
1	Own Assets: Free Hold Land	1178000	0	0	1178000	0	0	0	0	1178000	1178000	
2	Factory Building	23904874	0	0	23904874	18919289	678060	0	19597349	4307525	4985585	30 Years
3	Office Buliding	19121350	0	0	19121350	4621645	656464	0	5278109	13843241	14499705	30 Years
4	Plant & Machinery	136557430	3938415	3974217	136521628	129844813	382967	773138	129454642	7066986	6712617	20 Years
5	Furniture & Fixtures	7059692	0	0	7059692	6288604	217672	0	6506276	553416	771088	10 Years
6	Vehicles	26429992	0	0	26429992	15464126	1618393	0	17082519	9347473	10965866	8 Years
7	Computers	2282109	0	0	2282109	2282108	0	0	2282108	1	1	3 Years
	TOTAL	216533447	3938415	3974217	216497645	177420585	3553556	773138	180201003	36296642	39112862	
	PREVIOUS YEAR	213259449	3273998	0	216533447	173918955	3501630	0	177420585	39112862	39340494	

Note :

- During the year depreciation on computer not charged, Since Computer has depreciated fully earlier but nominal value of Rs.1/- kept in books because Computers exist in physical form at the year end.

MEDI-CAPS LTD.
Notes on Financial Statement for the year ended 31st March, 2020

Amount in Rs.

Note : 03 Non-Current Investments		As at 31st March 2020	As at 31st March 2019
a) Investment in properties		10793000	10793000
b) Investment in Equity instruments			
i) Trade Investment (Unquoted)			
In Subsidiary Company			
1,46,81,953 (1,46,81,953) Equity Share of Rs. 10/- each of Medgel Private Limited	428234968	428234968	428234968
	428234968	428234968	
ii) Other Investment (Quoted)			
100 (100) Equity Shares of Natural Capsules	3285	1000	
	3285	1000	
c) Other Investments			
LIC Group Gratuity Fund Scheme	1805547	16657197	
LIC Leave Encashment Scheme	1148356	2285696	
d) Investment in Mutual Funds & Schemes			
IDFC Equity Fund (Quoted)	6516572	5500000	
Reliance Top 200 Equity Fund (Quoted)	6233514	6000000	
	15703989	30442892	
	454735242	469471860	
Note : 04 Other Non Current Assets			
(Unsecured, considered good unless otherwise stated)			
Security Deposits	516158	4534985	
	516158	4534985	
Note : 05 Inventories			
Raw Materials	0	8167728	
Finished Goods	4779706	41425017	
Stock in process and waste	0	8629312	
Stores and Spares	446267	2440779	
Colour & Chemical	0	2992811	
Packing Material	100331	4814930	
Printing Material	0	153574	
Lab Chemical & Equipments	0	311728	
Fuel	0	547104	
	5326303	69482984	
Note : 06 Current Investment			
Investment in Mutual Funds (Quoted)			
HDFC Low Duration Fund	20989299	0	
Birla Mutual Fund	3571041	3656981	
IDBI Ultra Short Term Fund- Growth	15685205	24149905	
Reliance Money Manager Fund- Growth	26563713	20207442	
	66809258	48014328	
Note : 07 Trade Receivables			
Unsecured , Considered Good as certified by the Management			
Outstanding over six months	22444456	7923031	
Others	4203318	54620590	
	26647774	62543621	
Note : 08 Cash & Bank balances			
Cash in Hand	1739	506340	
Balance with Noted Banks :			
In Current Accounts	1474019	5616934	
In Fixed Deposit Accounts	5976432	15168756	
	7452190	21292030	

Note : 09 Other Current Assets	Amount in Rs.	
	As at 31st March 2020	As at 31st March 2019
(Unsecured & Considered Good - Advance recoverable in Cash or in kind or for value to be received)		
Advance to Suppliers & Others	321178	2899941
Balances with Government Authorities	64136	64136
Advance Tax & TDS (Net of Provisions)	16750084	17283024
Prepaid Expenses	105849	1119937
Other Loans & Advances	520839	1993555
	17762086	23360592

Note : 10 Share Capital		
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)	150000000	150000000
1,24,69,956 Equity Shares of Rs. 10 each fully paid up (Previous Year 1,24,69,956 Equity Shares of Rs.10/- each)	124699560	124699560
	124699560	124699560

Reconciliation of the equity shares outstanding at the beginning and at the end of the year				
	As at March 31, 2020		As at March 31, 2019	
	Numbers	Value	Numbers	Value
Equity Shares				
At the beginning of the year	12469956	124699560	12469956	124699560
Issued during the year	-	-	-	-
Outstanding at the end the year	12469956	124699560	12469956	124699560

Details of Shareholders holding more than 5 percent shares in the company				
Name of Shareholders	No. of Shares as at			
	31.03.20	% of Holding	31.03.19	% of Holding
R.C.Mittal	3166320	25.40%	3166320	25.40%
Kusum Mittal	10000	0.08%	2700136	21.65%
Manisha Garg	2694820	21.60%	100	0.00%
Sangeetha S	712760	5.72%	96370	0.77%

Note : 11 Other Equity		
Capital Reserve		
Opening Balance	989849	989849
Less: Adjustment for Investment in Share Written Off	0	0
	989849	989849
Share Forfeiture A/c		
As per last balance sheet	2755455	2755455
General Reserve		
As per last balance sheet	30456832	30456832
Surplus		
Opening balance	516175549	510263899
Add: Net profit for the current year	-76625811	5911650
Closing Balance	439549738	516175549
	473751874	550377685

Note : 12 Borrowings		
Axis Bank Car Loan Account (Secured)	0	634606
Interest@9.04% & tenure is 36 month	0	634606

Note : 13 Long Term Provisions		
Provision for Gratuity	2500000	12247268
Leave Encashment Payable	0	519511
	2500000	12766779

Note : 14 Deferred Tax Liability		
On Depreciation (Difference as per Books & as per I.T. Act)	4320200	4236107
	4320200	4236107

Note : 15 Borrowings: current maturities of long term debt		
Axis Bank Car Loan Account (Secured)	634606	580477
Interest@9.04% & tenure is 36 month	634606	580477

Note : 16 Trade Payable	Amount in Rs.	
	As at 31st March 2020	As at 31st March 2019
Total Outstanding dues to Micro & Small Enterprises	0	0
Total Outstanding dues of Creditors other than Micro & Small Enterprises	4221677	30809352
	4221677	30809352

Note : 17 Other Current Liabilities		
Audit Fee Payable	30000	0
Advance Recd from Customers	0	827332
Bonus Payable	1428003	2882846
Commission Payable	486337	1567495
ESI Payable	0	26537
GST Payable	3046762	3084685
Outstanding Liabilities	370699	3592206
Professional Tax	583	6599
Provident Fund	9060	288425
TDS on Consultancy	14276	37691
TDS on Contractor Payment	891	28063
TDS on Salary	30000	236200
TDS on Sales Commission	1125	130617
	5417736	12708696

Note :18 Current Tax Liability		
For Taxation	0	1000000
	0	1000000

NOTES TO PROFIT & LOSS STATEMENT

Note : 19 Revenue from Operation	31st March 2020	31st March 2019
Sale of product	129114031	252831578
Less : Indirect Taxes	20028796	36646680
	109085235	216184898

Note :20 Other Incomes		
Lease Rent	254234	0
Claims Received	0	343844
Capital gain / (Loss) on Mutual Fund	3536510	2345408
Dividend income	100	200
Interest Income	1457876	2594686
Credited Balances Written off	1423610	(26353)
Miscellaneous Income	4501861	6115217
	11174191	11373002

Note : 21 Cost of Materials Consumed		
A) Raw Material Consumed		
Opening Stock (includes Raw Material, Colour & chemical, Lab chemical & Equipments)	11472267	5867131
Purchases	35791891	104467369
	47264158	110334501
Less : Closing Stock (includes Raw Material, Colour & chemical, Lab chemical & Equipments)	0	11472267
Raw Material Consumed	47264158	98862234
B) Packing Material Consumed		
Opening Stock	4814930	4299083
Purchases	2124160	6690434
	6939090	10989517
Less : Closing Stock	100331	4814930
Packing Material Consumed	6838759	6174587
Grand total of Materials Consumed (A) + (B)	54102918	105036822

Note : 22 Increase/(Decrease) in Stocks		
Closing Stock of :		
Finished Goods	4779706	41425017
Stock in Process	0	8187220
Waste	0	442092
Total (A)	4779706	50054329
Opening Stock of :		
Finished Goods	41425017	36581003
Stock in Process	8187220	7678122
Waste	442092	614363
Total (B)	50054329	44873488
Increase/(Decrease) in Stock (A-B)	(45274623)	5180841

	Amount in Rs.	
Note : 23 Employees Remuneration & benefits	for the year ended 31st March 2020	for the year ended 31st March 2019
Salary, Wages, Allowances & other Benefits	47118736	40416753
Directors Remuneration	3351768	6000000
Gratuity	5894453	1500000
P. F. Contribution	2241958	3708873
Staff Welfare Expenses	214358	267705
	58821273	51893331

Note : 24 Finance Charges		
Interest on Car Loan	86183	135743
	86183	135743

Note : 25 Other Expenses		
Advertisement & Publicity	68916	52273
Audit Fee	30000	250000
Annual Listing Fees	390000	320509
Bank Charges	0	252817
Bad Debts	1977092	0
Business Promotion Expenses	0	1136224
Charity & Donations	0	15000
Consultancy Charges	1186474	1384918
Conveyance Expenses	337774	563625
Electricity & Water	691111	1088696
Electric Duty on D.G. Set	23821	0
Freight Expenses	3936302	7446944
Factory Power & Fuel	19467106	34545730
Factory Expenses	807336	907065
Insurance Charges	934438	914423
Import / Export Expenses	411795	998098
ISO Certification Charges	18958	17110
Legal Expenses	62895	68052
Membership Fee & Subscription	111901	36449
Misc. Expenses	931998	1686886
Net gain/loss on foreign currency transaction	0	414440
Office & General Expenses	102973	107362
Packing Charges	22550	0
Postage, telegram	66424	99773
Printing Material consumed	335391	341552
Printing & Stationary	298594	563012
Profit/ Loss on sale of Fixed Assets	91079	0
Rent, Rates & Taxes	1672832	132889
Sales Tax Demand For F.Y. 2016-17	47840	0
Security Guard Expenses	113852	0
Repairs & Maintenance		
Buildings	246974	0
Machinery	1220449	2227004
Electricals	129615	384003
A.C.Plant	131250	759096
Computer	37262	54166
Other	325	7399
Sales Commission	809773	1787181
Sales promotion Expenses	513233	1638977
Stores & Spares Consumed	2995419	870871
Telephone & Telex Charges	233592	234539
Tour & Travelling Expenses	332988	1078069
Vehicle Running & Maintenance	813049	1183385
	41603382	63568538

Note 26 Segment Information
The entire operation of the company related to one segment as such there is no separate reporting required. Company's earning include Rs. 49.94 Lacs from interest Dividend and income from Investments However as per explanation given in Ind AS 108 revenue does not include Dividend income, Interest & Income from Investment hence there is no seprate reporting required.

Note 27 Deferred Tax
Information on deferred tax has been provided in accordance with Ind AS-12 Accounting for taxation on income, issued by the Institute of Chartered Accountants of India. The deferred tax assets for the year is Rs.84,093/- has been recognised in the profit & Loss Account.

Note 28 Payment to Auditors		
Audit Fees	30000	250000
In other Capacity		
Tax Audit Fee	0	20000
Other	0	30000
	30000	300000

Note 29 Related Party Disclosure

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

S.No	Related Party	Transactions	Amount in Rs.	
			As at 31st March 2020	As at 31st March 2019
1	Mr. Alok K. Garg Managing Director	Remuneration	1800000	3000000
2	Mrs. Kusum Mittal Whole time Director	Remuneration	900000	1800000
3	Mrs. Manisha Garg Whole time Director	Remuneration	651614	1200000
4	Medgel Pvt. Ltd. Subsidiary Company (on arm length basis in the ordinary course of business)	Purchase Sale	9686 820890	5337623 2047000
5	Medicaps Charitable Trust	Lease Rent (Inclusive of GST)	300000	0
6	Mr. Manish Kumar Jain (CFO Ceased to exist from 4th Feb., 2020)	Remuneration	179410	274850
7	Mr. Hemant Sethi (Chief Financial Officer, w.e.f. 5th Feb., 2020)	Remuneration	70000	0
8	Ms. Ayushi Silot (Company Secretary)	Remuneration	291359	235500

Note 30 Contingent Liabilities

The company has given Corporate Guarantees in respect of Fund based limit taken by Medgel Pvt Ltd (Subsidiary Company of Medi Caps Limited) for Rs. 2 Crores which is taken from IDBI Bank Ltd.

Note 31 Earning Per Share

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

i)	Profit after tax used as the numerator	-76625811	5911650
ii)	Basic / Weighted Average number of Equity Shares used as the denominator	12469956	12469956
iii)	Nominal Value of Equity shares	10/-	10/-
iv)	Basic & Diluted Earning per Equity Share	-6.14	0.47

Note 32 Employee Benefits

a. Defined benefits plan			
I	Change in obligation during the year		
1	Present value of Defined benefit obligation at beginning of year	12304008	11408279
2	Current Service Cost	0	1500000
3	Past Service Cost	5894453	0
4	Interest Cost	0	0
5	Actuarial (Gains) / Losses	-48089	0
6	Benefits Paid	-15650372	604271
7	Present value of Defined benefit obligation at the end of the year	2500000	12304008
II	Change in assets during the year ended March 31		
1	Plan assets at the beginning of the year	16657197	14751753
2	Settlements	0	0
3	Expected return on plan assets	894830	1149340
4	Contribution by Employer	0	1500000
5	Actual benefits paid	-15650372	604271
6	Deductions	(104759)	(139625)
7	Plan assets at the end of the year	1796896	16657196
III	Net Assets / (Liability) recognized in the Balance Sheet at March 31		
1	Present value of Defined benefits Obligation as at March 31.	2500000	12304008
2	Fair value of plan assets as at March 31	1796896	16657196
3	Fund Status (Surplus / (Deficit))	-703104	4353189
4	Net Assets / (Liability) as at end of the year	-703104	4353189
IV	Expenses recognised in the Statement of Profit & Loss for the year ended March 31		
1	Current Service Cost	0	1500000
2	Interest Cost	0	0
3	Expected return on plan assets	(894830)	(1149340)
4	Past service cost	5894453	0
5	Net Actuarial (Gains) / Losses	0	0
6	Total Expenses (Net)	4999623	350660
V	The major categories of plan assets as a percentage of total plan	N.A.	N.A.
b.	Contribution to provident fund and other funds stated under defined contribution plans is Rs. 0.00 (Previous year Rs. 37.09 Lacs).		

Note 33 The company does not have outstanding for more than 30 days as on 31st March 2020 of S.S.I units of the respective parties.

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

Note 35 Additional Information

a) Value of Imports on CIF basis		
Raw Material	98.12	249.76
Capital Goods	4.52	18.49
b) Expenditure in Foreign Currency		
Foreign Travell & Others	0	15.82

INDEPENDENT AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members,
Medicaps Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Ind AS Consolidated Financial Statements of **Medicaps Limited** (the Company) and its subsidiary **Medgel Private Limited** (the Company and its subsidiaries together referred to as the Group), which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the Ind AS Consolidated Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Consolidated 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 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 consolidated state of affairs of the Group as at March 31, 2020, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors Responsibilities for the Audit of the Ind AS Consolidated Financial Statements section of our report. We are independent of the Group 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 Consolidated Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAIs 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 Consolidated 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 Ind AS Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Information Other than the Ind AS Consolidated Financial Statements and Auditors Report Thereon

The Companys Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Boards Report including Annexures to Boards Report, Business Responsibility Report, Corporate Governance and Shareholders Information, but does not include the Ind AS Consolidated Financial Statements and our auditors report thereon .

Our opinion on the Ind AS Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Managements Responsibility for the Ind AS Consolidated Financial Statements

The Companys Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Ind AS Consolidated Financial Statements that give a true and fair

view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Consolidated 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 Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Groups 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditors Responsibilities for the Audit of the Ind AS Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors 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 Ind AS Consolidated 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 Ind AS Consolidated 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 controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, 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 managements 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors report to the related disclosures in the Ind AS Consolidated 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 auditors. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Consolidated Financial Statements, including the disclosures, and whether the Ind AS Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Ind AS Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial Statements, which have been audited by our auditors, such other auditors remains responsible for the direction, supervision and performance of the audits carried out by them. We solely responsible for our audit opinions.

Materiality is the magnitude of misstatements in the Ind AS Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably

knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 Ind AS Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors 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.

Place: Indore
Date : 26/06/2020

For, Rawka & Associates
Chartered Accountants
Firm Reg. No: 021606C

VENUS RAWKA
(Partner)
M. No.: 429040
UDIN: 20429040AAAABD9256

Report on Other Legal and Regulatory Requirements

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

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Ind AS Consolidated Financial Statements have been kept so far as it appears from our examination of those books.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Ind AS Consolidated Financial Statements.

d) In our opinion, the aforesaid Ind AS Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the **Companies (Accounts) Rules, 2014**.

e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2020 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 and the operating effectiveness of such controls, refer to our separate Report in **Annexure A** which is based on the auditors reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.

g) With respect to the other matters to be included in the Auditors Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Ind AS Consolidated Financial Statements disclose impact of pending litigations on the consolidated financial position of the Group. The group has following pending litigations which are stated in the table below.

Name of the Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount Involved	Amount Unpaid
Income Tax Act, 1961	Income Tax	ITAT	A.Y. 2013-14	Rs. 18,01,360/-	Rs. 26,110/-
Income Tax Act, 1961	Income Tax	CIT(A)	A.Y. 2014-15	Rs. 21,23,210/-	Rs.12,23,210/-
Income Tax Act, 1961	Income Tax	CIT(A)	A.Y. 2015-16	Rs. 17,45,580/-	Rs. 2,70,830/-
Income Tax Act, 1961	Income Tax	CIT(A)	A.Y. 2016-17	Rs. 15,13,441/-	Rs. 3,02,690/-
Income Tax Act, 1961	Income Tax	CIT(A)	A.Y. 2017-18	Rs. 9,86,409/-	Rs. 7,88,128/-

ii. Provision has been made in the Ind AS Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

Place: Indore
Date : 26/06/2020

For, Rawka & Associates
Chartered Accountants
Firm Reg. No: 021606C

VENUS RAWKA
(Partner)

M. No.: 429040

UDIN: 20429040AAAABD9256

Annexure A to the Independent Auditors Report

*(Referred to in paragraph 1 (f) under Report on Other Legal and Regulatory Requirements section of our report to the Members of **Medicaps Limited** of even date)*

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

In conjunction with our audit of the Ind AS Consolidated Financial Statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of **Medicaps Limited** (hereinafter referred to as Company) and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (the 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 the respective 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 Act.

Auditors Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the **Guidance Note on Audit of Internal Financial Controls Over Financial Reporting** (the Guidance Note) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls

over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, 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, 2020, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Rawka & Associates

Chartered Accountants

Firm Reg. No: 021606C

Place: Indore

Date : 26/06/2020

VENUS RAWKA

(PARTNER)

M. No.: 429040

UDIN: 20429040AAAABD9256

MEDI-CAPS LTD. Consolidated Balance Sheet as at 31st March, 2020 CIN: L70100MP1983PLC002231			
		Amount in Rs.	
Particulars	Note	As at 31st March 2020	As at 31st March 2019
Assets			
-1 Non-current assets			
(a) Property, Plant and Equipment	2	582616052	587161818
(b) Financial Assets			
i. Investments	3	34559774	51236892
(c) Other non-current assets	4	3660422	7679249
-2 Current assets			
(a) Inventories	5	54462169	109359282
(b) Financial Assets			
i. Investments	6	185164070	123014329
ii. Trade receivables	7	44059421	128530224
iii. Cash and cash equivalents	8	12528204	24822477
(c) Other current assets	9	35056254	34284177
Total		952106365	1066088448
II. EQUITY AND LIABILITIES			
-1 Equity			
(a) Equity Share Capital	10	124699560	124699560
(b) Other Equity	11	784845365	831334521
-2 Liabilities			
A Non-Current Liabilities			
(a) Borrowings	12	0	634606
(a) Provisions	13	4500000	13766779
(b) Deferred tax liabilities (Net)	14	4320200	4236107
-3 Current Liabilities			
(a) Borrowings	15	634606	580477
(b) Financial Liabilities			
(i) Trade payables Due to			
Micro and Small enterprises			
Other than Micro and Small enterprises	16	19476758	64407977
(c) Other current liabilities	17	13629875	25428421
(d) Current Tax Liabilities (Net)	18	0	1000000
Total		952106365	1066088448
The Notes referred to above are an integral part of Consolidated Financial Statements Note on Accounts as Note '1 to 34'			
As per our report of even date, Rawka & Associates Chartered Accountants Firm Reg. No.:-021606C		For and on behalf of the board , For MEDI-CAPS LTD.	
Venus rawka Partner Membership No. 429040 Date : 26th June, 2020 Place : Indore UDIN : 20429040AAAABD9256		R.C.Mittal Chairman & Director DIN:00035272 Hemant Sethi C.F.O.	
		Alok K. Garg Managing Director DIN:00274321 CS Ayushi Silot Company Secretary ACS : A54352	

MEDI-CAPS LTD. Consolidated Profit and Loss statement for the year ended 31st March, 2020 CIN: L70100MP1983PLC002231			
		Amount in Rs.	
Particulars	Note	As at 31st March 2020	As at 31st March 2019
I. Revenue from operations	19	430520221	517828838
II. Other Income	20	28702665	27315084
III. Total Revenue (I +II)		459222886	545143922
IV. Expenses:			
Cost of materials consumed	21	223280379	263247848
Purchase of stock in trade		0	1526250
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	44965048	(1332327)
Taxes on sale of goods		0	0
Employee benefit expense	23	110377183	95606231
Finance Cost	24	168603	179608
Other expenses	25	120565740	112671884
Depreciation and amortization expense	2	18301122	18209626
Total Expenses		517658075	490109122
Profit before exceptional and extraordinary items and tax (III - IV)		-58435189	55034800
VI. Exceptional Items		0	0
VII. Profit before extraordinary items and tax (V - VI)		-58435189	55034800
VIII. Extraordinary Items		0	0
IX. Profit before tax (VII - VIII)		-58435189	55034800
X. Tax expense:			
(1) Current tax		0	1000000
(2) Earlier year excess provision for tax written back		0	0
(3) Deferred tax		84093	164778
XI. Profit/(Loss) for the period (IX - X)		-58519282	53870022
XII. Other Comprehensive Income			
(i) Items that will not be reclassified to Profit and Loss		12030126	0
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss			
(iii) Items that will be reclassified to Profit or Loss			
(iv) Income Tax relating to items that will be reclassified to Profit or Loss			
XIII. Total Comprehensive Income for the period comprising Profit(Loss) and other comprehensive income for the period (XI+XII)		-46489156	53870022
XIV. Earning per equity share:	30		
(1) Basic		-3.73	4.32
(2) Diluted		-3.73	4.32
The Notes referred to above are an integral part of Consolidated Financial Statements Note on Accounts as Note '1 to 34' As per our report of even date, Rawka & Associates Chartered Accountants Firm Reg. No.:021606C			
Venus Rawka Partner Membership No. 429040 Place : Indore Date : 26th June, 2020		For and on behalf of the board , For MEDI-CAPS LTD. R.C.Mittal Chairman & Director DIN:00035272 Hemant Sethi C.F.O. Alok K. Garg Managing Director DIN:00274321 CS.Ayushi Silot Company Secretary ACS : A54352	

STATEMENT OF CHANGES IN EQUITY						
MEDICAPS LIMITED						
Consolidated Statement of Changes in Equity for the period ended 31.03.2020						
(Amount in Rs.)						
A. Equity Share Capital						
Balance at the beginning of the reporting period					Changes in equity share capital during the year	Balance at the end of the reporting period
124699560					0	124699560
B. Other Equity						
		Reserves and Surplus				Total
	Capital Reserve	Securities Premium Reserve	General Reserves (specify nature)	Share Forfeiture account	Retained Earnings	
Balance at the beginning of the reporting period 01.04.2018	989849	326349438	30456832	2755455	416912924	777464498
Changes in accounting policy or prior period errors	0	0	0	0	0	0
Restated balance at the beginning of the reporting period	989849	326349438	30456832	2755455	416912924	777464498
Total Comprehensive Income for the year	0	0	0	0	0	0
Dividends	0	0	0	0	0	0
Transfer to retained earnings	0	0	0	0	53870023	53870023
Adjustment of Investment in shares written off	0	0	0	0	0	0
Balance at the end of the reporting period 31.03.2019	989849	326349438	30456832	2755455	470782947	831334521
Balance at the beginning of the reporting period 01.04.2019	989849	326349438	30456832	2755455	470782947	831334521
Changes in accounting policy or prior period errors	0	0	0	0	0	0
Restated balance at the beginning of the reporting period	989849	326349438	30456832	2755455	470782947	831334521
Total Comprehensive Income for the year	0	0	0	0	0	0
Dividends	0	0	0	0	0	0
Transfer to retained earnings	0	0	0	0	-46489156	-46489156
Any other change (to be specified)	0	0	0	0	0	0
Balance at the end of the reporting period 31.03.2020	989849	326349438	30456832	2755455	424293791	784845365

MEDI CAPS LIMITED Consolidated Cash Flow Statement for the year ended 31st March, 2020 CIN: L70100MP1983PLC002231		
	Amount in Rs.	
PARTICULARS	31st March 2020	31st March 2019
A. Cash Flow from Operating Activities		
Net Profit before Tax & Extraordinary Items	(58435189)	55034800
Adjustment For:		
Depreciation	17091420	18209626
Dividend Income	(100)	(200)
Other comprehensive income	12030126	
Operating Profit before Working Capital Change	-29313743	73244227
Adjustment for Working Capital		
(Increase)/ Decrease in Sundry Debtors	84470803	1819095
(Increase)/ Decrease in Inventories	54897117	(7757979)
(Increase)/ Decrease in Loans & Advances	3246749	(10192751)
Increase/(Decrease) in Current Liabilities & Provisions	(66996544)	3516815
Cash Generated from Working Capital	75618125	(12614820)
Cash generated from Operation	46304382	60629407
Income Tax for the year	0	1000000
Net cash Flow from Operating Activity	46304382	59629407
B. Cash Flow from Investing Activities		
Sale/(Purchase) of Investments	(45472623)	(51640052)
Purchase of Fixed Assets	(12545653)	(5871153)
Dividend Received	100	200
Net Cash used in Investing Activities	(58018176)	(57511005)
C. Cash Flow from Financial Activities		
Increase in Short term Bank Borrowings	(580477)	(530917)
Proceeds from Long Term Borrowings	0	0
Net Cash Used in Financial Activities	(580477)	(530917)
Net Increase in Cash and Cash Equivalents (A+B+C)	(12294272)	1587485
Cash & Cash Equivalents at the		
Beginning of the year	24822475	23234990
Closing of the year	12528204	24822475
Increase in Cash and Cash Equivalents	(12294271)	1587485
As per our report of even date annexed For C.P.Rawka & Associates Chartered Accountants FRN: 021606C		
For and on behalf of Board Medi-Caps Ltd.		
Venus Rawka Partner M.No. 429040 Date : 26th June, 2020 Place: Indore	R.C.Mittal Chairman & Director DIN:00035272	Alok K. Garg Managing Director DIN: 00274321
	Hemant Sethi C.F.O.	CS Ayushi Silot Company Secretary ACS : 54352

MEDICAPS LIMITED**NOTE -1- BASIC ACCOUNTING POLICIES (CONSOLIDATED)****1. Basis of preparation:****(i) Compliance with Ind AS**

The Consolidated 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.

(ii) Historical Cost Convention

These Consolidated 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.

2. Principles of consolidation:

- The financial statements of the Company and its subsidiary have been consolidated in accordance with the Ind AS 110 - Consolidated Financial Statements, on line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances, intra group transactions and the unrealized profit /Losses.
- The financial statements of the company and its subsidiary have been consolidated using uniform accounting policies for like transaction and other events in similar circumstances.
- Minority Interest in the net assets of the consolidated subsidiary consist of:-
 1. The amount of equity attributable to minorities as at the date on which the investment in a subsidiary is made and,
 2. The minority share of movements in equity since the date the parent subsidiary relationship came into existence. The Losses applicable to the minority in excess of the minority interest in the equity of the subsidiary and further losses applicable to minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to and is able to make good the losses.
 3. Minority interest is presented separately from the liabilities or assets and the equity of the shareholders in the consolidated Balance Sheet. Minority Interest in the income or loss of the company is separately presented.

3. Rounding of amounts:

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

4. Current versus non-current classification:

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

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

All other assets are classified as non-current.

A liability is Current when:

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

All other Liabilities are classified as non- current.

Deferred tax liabilities are classified under non-current Liabilities.

5. Use of Estimates and Assumptions:

The preparation of consolidated 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 embodied 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 lives 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 whichever is lower.

Costs incurred in bringing each product to its present location and condition is 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 at bank.

11. Investments:

The investments are valued at fair market value are therefore reported as per relevant Ind-AS 113. and comprehensive income consequent to the effect has been reported in financial statement .

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

(b) Provident Fund:

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

22. Fair Value Hierarchy

The Fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1- Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level2- Inputs are other than quoted prices included within Level-1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level3- Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the instrument nor are they based on available market data. The following tables summaries carrying amounts of financial instruments by their categories and their values in fair value hierarchy for each year presented

As at 31st March, 2020

Particulars	FVTPL			FVTOCI	Amortized Cost	Total
	Level-1	Level-2	Level-3			
Financial Assets						
Investments	0	0	0	204976941	0	204976941
Trade Receivables	0	0	0	0	26647774	44059421
Cash & Cash Equivalents	0	0	0	0	15944	15944
Other Bank Balances	0	0	0	0	12512260	12512260
Loans	0	0	0	0	9766900	9766900
Derivative Assets	0	0	0	0	0	0
Other Financial Assets	0	0	0	0	0	0
Total	0	0	0	204976941	48942878	253919819
Financial Liabilities						
Borrowings	0	0	0	0	634606	634606
Trade Payables	0	0	0	0	19476758	19476758
Derivative Liabilities	0	0	0	0	0	0
Other Financial Liabilities	0	0	0	0	0	0
Total	0	0	0	0	20111364	20111364

23. Additional Information of Net assets and Share in Profit or Loss contributed as required under Schedule III of Companies Act, 2013

Name of the entity in the group	Net Asset i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Total Comprehensive Income for the period comprising Profit(Loss) and other comprehensive income for the period Share in total comprehensive income including	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent	50	457913023	-42	24747319	45	5389336	-65	30136655
Subsidiaries Indian								
1. Medgel Private Limited								
Foreign- NIL								
Non-Controlling Interest in all subsidiaries								
Associates								
(Investment as per the equity method)	0.00	0	0.00	0	0.00	0	0.00	0
Indian-NA								
Foreign NA								
Joint Venture								
(Investment as per the equity method)	0.00	0	0.00	0	0.00	0	0.00	0
Indian- NA								
Foreign- NA								
Total	50	457913023	-42	24747319	45	5389336	-65	30136655

Note-02- Property, Plant and Equipment up to 31.03.2020											
GROSS BLOCK						DEPRECIATION/AMORTIZATION				(Amount in Rs.) NET BLOCK	
S. No	FIXED ASSETS	As at 01.04.2019	Additions	Deductions	As at 31.03.2020	Up to 31.03.2019	For the year	Deletions	Upto 31.03.2020	As at 31.03.2020	As at 31.03.2019
1	Free Hold Land	1178000	0	0	1178000	0	0	0	0	1178000	1178000
2	Factory Building	174066550	0	0	174066550	53584975	5192779	0	58777754	115288796	120481575
3	Office Equipment	556045	9600	0	565645	556044	522	0	556566	9079	1
4	Office Buliding	19121350	0	0	19121350	4621645	656464	0	5278109	13843241	14499705
5	Plant & Machinery	314803955	7420230	4933717	317290468	173897317	5384534	1209702	178072149	139218319	140906638
6	Furniture & Fixtures	54703181	380778	0	55083959	38233104	5212773	0	43445877	11638082	16470077
7	Vehicles	28144517	0	0	28144517	16077671	1801312	0	17878983	10265534	12066846
8	Computers	3862837	13900	0	3876737	3719299	52737	0	3772037	104700	143538
9	WIP	0	9654862	0	9654862	0	0	0	0	9654862	0
	TOTAL - A	596436435	17479370	4933717	608982088	290690055	18301122	1209702	307781474	301200614	305746380
1	Goodwill	281415438	0	0	281415438	0	0	0	0	281415438	281415438
	G. TOTAL (A+B+C)	877851873	17479370	4933717	890397526	290690055	18301122	1209702	307781474	582616052	587161818
	PREVIOUS YEAR	872076720	5871153	96000	877851873	272576427	18209626	95999	290690055	587161818	599500293
Note: Goodwill considered in Intangible assets and it is a purchase goodwill , hence no amortization charged in the books of account.											

Note: Goodwill considered in Intangible assets and it is a purchase goodwill , hence no amortization charged in the books of account.

		Amount in Rs.	
		As at 31st March, 2020	As at 31st March 2019
Note : 3 Investments			
a)	Investment in properties	10793000	10793000
b)	Investment in Equity instruments		
i)	Other Investment (Quoted)		
	100 (100) Equity Shares of Natural Capsules	3285	1000
		3285	1000
c)	Other Investments		
	LIC Group Gratuity Fund Scheme	2805547	17657197
	LIC Leave Encashment Scheme	1148356	2285696
d)	Investment in Mutual Funds & Schemes (Quoted)		
	SIP - IDFC Equity Fund	6516572	5500000
	SIP - Reliance Top 200 Equity Fund	6233514	6000000
	Reliance Large Cap Fund -SIP	1448935	800000
	HDFC Equity Fund -SIP	1363188	700000
	SIP - ABSL Pure Value Fund	4247377	7500000
		23763489	40442892
		34559774	51236892
Note : 4 Other Non Current Assets			
(Unsecured, considered good unless otherwise stated)			
	Security Deposits	3660422	7679249
		3660422	7679249
Note : 5 Inventories			
	Raw Materials	26312952	26117546
	Finished Goods	26178181	62513917
	Stock in process and waste	0	8629312
	Stores and Spares	446267	2440779
	Colour & Chemical	0	2992811
	Packing Material	1524769	5652511
	Printing Material	0	153574
	Lab Chemical & Equipments	0	311728
	Fuel	0	547104
		54462169	109359282
Note : 6 Investment			
	Investment in Mutual Funds (Quoted)		
	HDFC Low Duration Fund	20989299	0
	Birla Sun Life Mutual Fund	25624716	18256982
	HDFC Low duration fund	39484189	13600000
	IDBI Ultra Short Term Fund- Growth	15685205	24149905
	Reliance Money Manager Fund- Growth	83380661	67007442
		185164070	123014329
Note : 7 Trade Receivables			
Unsecured , Considered Good as certified by the Management			
	Outstanding over six months	39856103	73909634
	Others	4203318	54620590
		44059421	128530224
Note : 8 Cash & Cash Equivalents			
	Cash in Hand	15944	518279
	Balance with Noted Banks :		
	In Current Accounts	3628289	5757995
	IDBI Bank C.C. A/c	1643885	2185016
	In Fixed Deposit Accounts	7240086	16361187
		12528204	24822477
Note : 9 Other Current Assets			
(Unsecured & Considered Good - Advance recoverable in Cash or in kind or for value to be received)			
	Advance to Suppliers & Others	6955045	12472062
	Balances with Government Authorities	307486	328014
	Advance Tax & TDS (Net of Provisions)	16750084	17283024
	Prepaid Expenses	1276739	2195221
	Other Loans & Advances	9766900	2005857
		35056254	34284177

Note : 10 Equity Share Capital	Amount in Rs.	
	As at 31st March, 2020	As at 31st March 2019
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)	150000000	150000000
Subscribed & Paidup Capital 1,24,69,956 Equity Shares of Rs. 10 each fully paid up (Previous Year 1,24,69,956 Equity Shares of Rs.10/- each)	124699560	124699560
	124699560	124699560

Reconciliation of the equity shares outstanding at the beginning and at the end of the year					
	As at March 31, 2020		As at March 31, 2019		
	Numbers	Value	Numbers	Value	
Equity Shares					
At the beginning of the year	12469956	124699560	12469956	124699560	
Issued during the year	-	-	-	-	
Outstanding at the end the year	12469956	124699560	12469956	124699560	
Details of Shareholders holding more than 5 percent shares in the company					
Name of Shareholders	No. of Shares as at				
	31.03.20	% of Holding	31.03.19	% of Holding	
R.C.Mittal	3166320	25.40%	3166320	25.40%	
Kusum Mittal	10000	0.08%	2700136	21.65%	
Manisha Garg	2694820	21.60%	100	0.00%	
Sangeetha S	712760	5.72%	96370	0.77%	

Note : 11 Other Equity		
Capital Reserve		
Opening Balance	989849	989849
Less: Adjustment for Investment in Share Written Off	0	0
	989849	989849
Share Forfeiture A/c		
As per last balance sheet	2755455	2755455
Securities Premium		
Opening Balance	326349438	326349438
Add: Security Premium on Share issued during the year	0	0
	326349438	326349438
General Reserve		
As per last balance sheet	30456832	30456832
Surplus		
Opening balance	470782947	416912924
Add: Net profit for the current year	-46489156	53870023
Closing Balance	424293791	470782947
	784845365	831334521

Note : 12 Borrowings		
Axis Bank Car Loan Account (Secured)	0	634606
Other Borrowings	0	0
Interest@9.04% & tenure is 36 month	0	634606

Note : 13 Provisions		
Provision for Gratuity	4500000	13247268
Leave Encashment Payable	0	519511
	4500000	13766779

Note : 14 Deferred Tax Liability (Net)		
On Depreciation (Difference of as per Books & as per Income Tax Act)	4320200	4236107
	4320200	4236107

Note : 15 Borrowings		
Axis Bank Car Loan Account (Secured)	634606	580477
Other Borrowings	0	0
Interest@9.04% & tenure is 36 month	634606	580477

Note : 16 Trade Payable		
Total Outstanding dues to Micro & Small Enterprises	0	0
Total Outstanding dues of Creditors other than Micro & Small Enterprises	19476758	64407977
	19476758	64407977

	As at 31st March, 2020	Amount in Rs. As at 31st March 2019
Note : 17 Other Current Liabilities		
Audit Fee Payable	30000	0
Advance Recd from Customers	599294	6755582
Bonus Payable	2453566	3701101
Commission Payable	486337	1567495
CST & VAT Payble	400	400
ESI Payable	8203	49191
GST Payable	3046762	3084685
Outstanding Liabilities	2669112	5802083
Professional Tax	9001	12663
Provident Fund	190523	424959
TCS on Scrap Sales	(396)	-118
Unpaid Salary & Wages (Provision)	3628176	3261668
TDS on Consultancy	55045	53619
TDS on Contractor Payment	51869	133718
TDS on Salary	400858	450758
TDS on Sales Commission	1125	130617
	13629874	25428421

Note :18 Short-Term Provisions		
For Taxation	0	1000000
	0	1000000

NOTES TO PROFIT & LOSS STATEMENT

	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Note : 19 Sales		
Sale of product	450549017	554475518
Less : Excise Duty	20028796	36646680
	430520221	517828838

Note :20 Other Incomes		
Lease Rent	254234	0
Claims Received	0	1588619
Capital gain / (Loss) on Mutual Fund	4275415	2639195
Dividend income	100	200
Interest Income on FDR	1675809	2799160
Cr. Bal No Longer Required W/off	1423610	1615144
Foreign Exchange Fluctuation	5572972	6271995
Misc. Income	15500524	12400772
	28702665	27315084

Note : 21 Cost of Materials Consumed		
A) Raw Material Consumed		
Opening Stock (includes Raw Material,Colour & chemical,Lab chemical & Equipments)	29422085	23566694
Purchases	196358003	249784111
	225780088	273350805
Less : Closing Stock (includes Raw Material,Colour & chemical,Lab chemical & Equipments)	26312952	29422085
Raw Material Consumed	199467136	243928720
B) Packing Material Consumed		
Opening Stock	5652511	5644967
Purchases	19685501	19326672
	25338012	24971639
Less : Closing Stock	1524769	5652511
Packing Material Consumed	23813243	19319128
Grand total of Materials Consumed (A) + (B)	223280379	263247848

Note : 22 Increase/(Decrease) in Stocks		
Closing Stock of :		
Finished Goods	26178181	62513917
Stock in Process	0	8187220
Waste	0	442092
Total (A)	26178181	71143229
Opening Stock of :		
Finished Goods	62513917	61518417
Stock in Process	8187220	7678122
Waste	442092	614363
Total (B)	71143229	69810902
Increase/(Decrease) in Stock (A-B)	(44965048)	1332327

	Amount in Rs.	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Note : 23 Employees Remuneration & benefits		
Salary, Wages, Allowances & other Benefits	98537168	83998282
Directors Remuneration	3351768	6000000
Gratuity	5894453	1500000
P. F. Contribution	2241958	3708873
Staff Welfare Expenses	351836	399076
	110377183	95606231

Note : 24 Finance Cost		
Interest on Car Loan	86183	135743
Interest on C.C. Limit	82420	43865
	168603	179608

Note : 25 Other Expenses		
Advertisement & Publicity	68916	52273
Audit Fee	330000	280000
Annual Listing Fees	390000	320509
Bad Debts	16313505	0
Bank Charges	1003221	1132580
Business Promotion Expenses	0	1136224
Certificate & Standard Exp.	789672	1023375
Charity & Donations	0	15000
Consultancy Charges	1216974	1427418
Conveyance Expenses	392695	613435
Development Charges to AKVN	330990	330990
Electricity & Water	1155615	1662431
Freight Expenses	22732038	23208553
Factory Power & Fuel	37475738	49712951
Factory Expenses	807336	907065
Insurance Charges	1669512	1116739
Import / Export Expenses	867321	1230180
ISO Certification Charges	18958	17110
Legal Expenses	114295	94852
Loss on Sale of Fixed Assets	91079	0
Membership Fee & Subscription	111901	36449
Misc. Expenses	5921264	4692626
Net gain/loss on foreign currency transaction	0	414440
Office & General Expenses	102973	107362
Postage, telegram	231616	416170
Printing Material consumed	335391	341552
Printing & Stationary	897391	760075
Rent, Rates & Taxes	1893492	365404
Repairs & Maintenance		
Buildings	3022838	3564183
Machinery	2135041	2649080
Electricals	355374	458047
A.C.Plant	131250	759096
Computer	37262	54166
Other	82355	95778
Sales Commission	809773	1787181
Sales promotion Expenses	3374672	2417629
Security Charges	1430789	916460
Stores & Spares Consumed	4795020	870871
Telephone & Telex Charges	370984	411836
Tour & Travelling Expenses	1236404	1522045
QC Chemicals & Items	1782338	0
Vehicle Running & Maintenance	5739747	5749749
	120565740	112671884

Note 26 Segment Information

The entire operation of the company related to one segment as such there is no separate reporting required. Company's earning include Rs. 59.51 Lacs from interest Dividend and income from Investments However as per explanation given in Ind AS 108 revenue does not include Dividend income, Interest & Income from Investment hence there is no separate reporting required.

Note 27 Deferred Tax

Information on deferred tax has been provided in accordance with Ind AS-12 Accounting for taxation on income, issued by the Institute of Chartered Accountants of India. The deferred tax assets for the year is Rs.84,093/- has been recognised in the profit & Loss Account.

	Amount in Rs.	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Note 28 Payment to Auditors		
Audit Fees	330000	280000
In other Capacity		
Tax Audit Fee	0	20000
Other	0	30000
	330000	330000

Note 29 Related Party Disclosure

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

S.No	Related Party	Transactions		
1	Mr. Alok K. Garg Managing Director	Remuneration	3216667	3000000
2	Mrs. Kusum Mittal Whole time Director	Remuneration	900000	1800000
3	Mrs. Manisha Garg Whole time Director	Remuneration	1164947	1200000
4	Medgel Pvt. Ltd. Subsidiary Company (on arm length basis in the ordinary course of business)	Purchase Sale	9686 820890	5337623 2047000
5	Akshit Garg Whole time Director	Remuneration	1371200	900000
6	Praveen Nalwaya Whole time Director	Remuneration	5040930	4718460
7	Sandhya Nalwaya (Wife of Mr. Praveen Nalwaya)	Remuneration	1730880	1730880
8	Medicaps Charitable Trust	Rent	300000	0
9	Mr. Manish Jain (CFO ceased to exist w.e.f. 4th Feb., 2020)	Remuneration	179410	274850
10	Mr. Hemant Sethi (Appointed as CFO w.e.f. 5th Feb., 2020)	Remuneration	70000	0
11	Ms. Ayushi Silot (Company Secretary)	Remuneration	291359	235500

Note 30 Earning Per Share

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

i)	Profit after tax used as the numerator	-46489156
ii)	Basic/Weighted Average number of Equity Shares used as the denominator	12469956
iii)	Nominal Value of Equity shares	10/-
iv)	Basic & Diluted Earning per Equity Share	-3.73

Note 31 Employee Benefits	Amount in Rs.	
	For the year ended 31st March, 2020	For the year ended 31st March, 2019
a. Defined benefits plan		
I Change in obligation during the year		
1 Present value of Defined benefit obligation at beginning of year	12304008	11408279
2 Current Service Cost	0	1500000
3 Past Service Cost	5894453	0
4 Interest Cost	0	0
5 Actuarial (Gains) / Losses	-48089	0
6 Benefits Paid	-15650372	604271
7 Present value of Defined benefit obligation at the end of the year	2500000	12304008
II Change in assets during the year ended March 31		
1 Plan assets at the beginning of the year	16657197	14751753
2 Settlements	0	0
3 Expected return on plan assets	894830	1149340
4 Contribution by Employer	0	1500000
5 Actual benefits paid	-15650372	604271
6 Actuarial Gains / (Losses)	(104759)	(139625)
7 Plan assets at the end of the year	1796896	16657196
III Net Assets / (Liability) recognized in the Balance Sheet at March 31,		
1 Present value of Defined benefits Obligation as at March 31.	2500000	12304008
2 Fair value of plan assets as at March 31	1796896	16657196
3 Fund Status (Surplus / (Deficit))	-703104	4353189
4 Net Assets / (Liability) as at end of the year	-703104	4353189
IV Expenses recognised in the Statement of profit & Loss for the year ended March 31		
1 Current Service Cost	0	1500000
2 Interest Cost	0	0
3 Expected return on plan assets	(894830)	(1149340)
4 Past service cost	5894453	0
5 Net Actuarial (Gains) / Losses	0	0
6 Total Expenses	4999623	350660
V The major categories of plan assets as a percentage of total plan	N.A.	N.A.

Note 32 The company does not have outstanding for more than 30 days as on 31st March 2020 of S.S.I units of the respective parties.

Note 33 The previous years figures have been regrouped/ restated wherever necessary to confirm with the current years classification.

Note 34 Contingent Liabilities

The company has given Corporate Guarantees in respect of Fund based limit taken by Medgel Pvt Ltd (Subsidiary Company of Medi Caps Limited) for Rs. 2 Crores which is taken from IDBI Bank Ltd.

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MEDGEL PVT. LTD.

Wholly Owned Subsidiary

Address

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

Website

www.medgel.net





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