

Ind-Swift Limited has emerged as a trusted friend for patients in the pediatric, gynecology, cardiovascular and steroidal segments. The company has been ranked above all others among the fastest growing formulation companies in the area of **branded generic** in the Indian pharmaceutical industry and **achieved 2nd position.**

At Ind-Swift Limited, we provide relief not just by making effective products but by enhancing productivity that makes our business of providing relief sustainable.

- **Intelligent Planning**

Scientific production planning and allocation shrank the production cycle by an average 15%.

- **Efficient raw material management**

A multi vendor policy for every raw material ensured seamless production

- **In-house manufacturing**

A progressive captive manufacture of an increasing number of intermediate products following the commissioning of new facilities

- **Enhanced automation**

The installation of sophisticated packing equipment compatible with increasing volumes capable of strip packing three times than before and having an ointment - filling speed that is 6-7 times higher than before.

- **Minimized change over time**

Prudent shifting of the cleaning, maintenance and product change functions to the night shift, shrinking in a 30% reduction in product change over time.



FORWARD-LOOKING STATEMENT

In this annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligations to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. S. R. Mehta
Chairman

Mr. N. R. Munjal
Vice Chairman

Dr. G. Munjal
Managing Director & CEO

Dr. V. R. Mehta
Joint Managing Director

Mr. Himanshu Jain
Executive Director

Mr. V. K. Mehta
Director

Mrs. Nirmal Aggarwal
Director

Mr. K. M. S. Nambiar
Director

Dr. N. D. Aggarwal
Director

Dr. R. S. Bedi
Director

Dr. H. P. S. Chawla
Director

Dr. S. K. Mathur
Director

GROUP HEAD (FINANCE)
Mr. N. K. Bansal

VICE PRESIDENT (FINANCE)
Mr. Amit Tarafder

COMPANY SECRETARY
Mr. R.K. Sood

AUDITORS
J. K. Jain & Associates
Chartered Accountants
S.C.O. 1132-33, Sector 22-B
Chandigarh 160 022

LEGAL ADVISORS
P. K. Goklaney & Company
Advocates
38, Sector 16-A, Chandigarh

BANKERS

Punjab National Bank
Sector 28, Chandigarh.

State Bank of India
Industrial Estate Branch
Industrial Area-I, Chandigarh.

Canara Bank
SCO 311-314, Sector 35-B,
Chandigarh.

State Bank of Patiala
(Commercial Branch)
SCO 103-107, Sector 8-C, Chandigarh.

REGISTRAR AND SHARE TRANSFER AGENTS

M/s Alankit Assignments Ltd.
2E/21, Jhandewalan Extension,
New Delhi 110 055

REGISTERED OFFICE

781, Industrial Area II,
Chandigarh 160 002

HEAD OFFICE & ETHICAL DIVISION

SCO 493-494, Sector 35-C,
Chandigarh 160 022

GENERIC DIVISION

SCO 43, NAC Manimajra,
Chandigarh.

SUPER SPECIALITY

SCO 813, NAC, Manimajra
Chandigarh.

WORKS

123, Industrial Area 1,
Panchkula 134 109
(Haryana).

Plot. No. 23, Sector 2, (Unit I),
Parwanoo (H.P.)

Plot No. 17 B, Sector 2, (Unit II)
Parwanoo (H.P.)

Village Malku Majra, (Unit III & IV)
Baddi, (H. P.)

Village Jawaharpur, Teh. Dera Bassi
(Punjab).

Industrial Growth Centre, Sambha,
Jammu (J&K)

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DIRECTOR'S PROFILE



Mr. S.R. Mehta
(Chairman)

He is a science Graduate, had worked with leading pharmaceutical companies as team leaders and was elevated to senior most marketing position. In 1986 promoted Ind-Swift Limited. He is involved in the formulation and implementation of marketing strategy for business growth. He is also a Chairman of Ind-Swift Laboratories Limited.



Mr. N.R. Munjal
(Vice-Chairman)

He takes care of all long term strategy formulation and exploring new and innovative avenues for business growth. He is also Vice-Chairman of the Ind-Swift Laboratories Ltd. Actively involved in all the functional areas of the Management. Looking after the IPR cell and strategy formulation in relation to IPRs. He is also Vice President of North Zone of Bulk Drug Manufacturers Association of India and Vice President of IDMA (Indian Drug Manufacturers Association) and a member of the Pharmaceutical committee, FICCI.



Dr. Gopal Munjal
(Managing Director & CEO)

He is a Medical Graduate, associated with Pharmaceutical Industry for the last 24 years. In 1986 promoted Ind-Swift Ltd., and since then headed marketing and product development positions. Actively involved in the Company's R&D to introduce dosage form under NDDS. He is also member of Board of Director of Ind-Swift Laboratories Limited. He is co-chairman of PHD. Chamber of commerce (H.P.) and managing committee member of PHDCCI & ASSOCHAM.



Dr. V.R. Mehta
(Joint Managing Director)

He is a post Graduate having an experience of twenty-nine (29) years in the Pharmaceutical Industry. Worked with Multinational pharmaceutical Companies at various levels. He has been the Whole Time Director in Ind-Swift Limited for the last sixteen (16) years. He is also a Director in Ind-Swift Laboratories Limited. Involved in the production control and planning and product development in the market.



Mr. Himanshu Jain
(Executive Director)

He is a commerce graduate the youngest member of the Board, son of the past Chairman of the group Late. Sh. A.K. Jain. Looking after the project implementation. He is also member of Board of Director of Ind-Swift Laboratories Limited.



Mr. V.K. Mehta
(Director - Promoter)

He is a Commerce Graduate, Instrumental in promotion of Ind-Swift Limited and Ind-Swift Laboratories Limited. Primarily involved in charting out the long term strategy in finance & Accounts and planning for the Group. Vast experience for promoting manufacturing facilities to meet regulatory standards and strategizing product launches of the Group. Actively involved in planning future growth strategy of the Group. He is Managing Director of Ind-Swift Laboratories Limited.



Mr. K.M.S. Nambiar
(Director)

He is a fellow member of the Institute of Company Secretaries of Indian and also holds M.A. Degree in English Literature. Presently working as Secretary and General Manager (HRD) with Fujitsu India Telecom Ltd., a Japanese multinational. He had a vast experience in the areas of Management such as Company Secretarial, Finance, Personnel, Administration and General Management in various companies and autonomous bodies.



Dr. S.K. Mathur
(Director)

He is M.B.B.S., M.D. (Paediatrics) and D.M. (Endocrinology). He has carried out several research work/publications. Presently, he is working as a consultant Diabetologist and Endocrinologist in a leading hospital at Panchkula.



Mrs. Nirmal Aggarwal
(Director)

She is a M.Sc. Chemistry (Hon.). A Pharmaceutical research scientist/ Chemist by profession, she has worked in Boehringer Ingelheim Pharmaceuticals Inc., Denbury, CT.



Dr. R.S. Bedi,
(Director)

He is a M.B.B.S., M.D., D.C.H., a medical practitioner and an independent Director of the company. He is a renowned Paediatrician, with more than two decades of rich experience in the medical profession.



Dr. N.D. Aggarwal
(Director)

He is Ph.D. & M.S. He carries a rich experience of Pharmaceutical sciences in the Research and analytical department as a research scientist. He has worked in Bayer Pharmaceuticals, USA.



Dr. H.P.S. Chawla
(Director)

He is Msc (Hons.) M. Tech (Synthetic drug & Fine Chemicals) & Ph.D. He is former Dean of National Institute of Pharmaceutical Education and Research (NIPER) and possesses experience of over 44 years.

At Ind-Swift Limited,
we **Strengthened**
our business during the year, making
it possible to enhance our relevance
in viable and sustainable ways

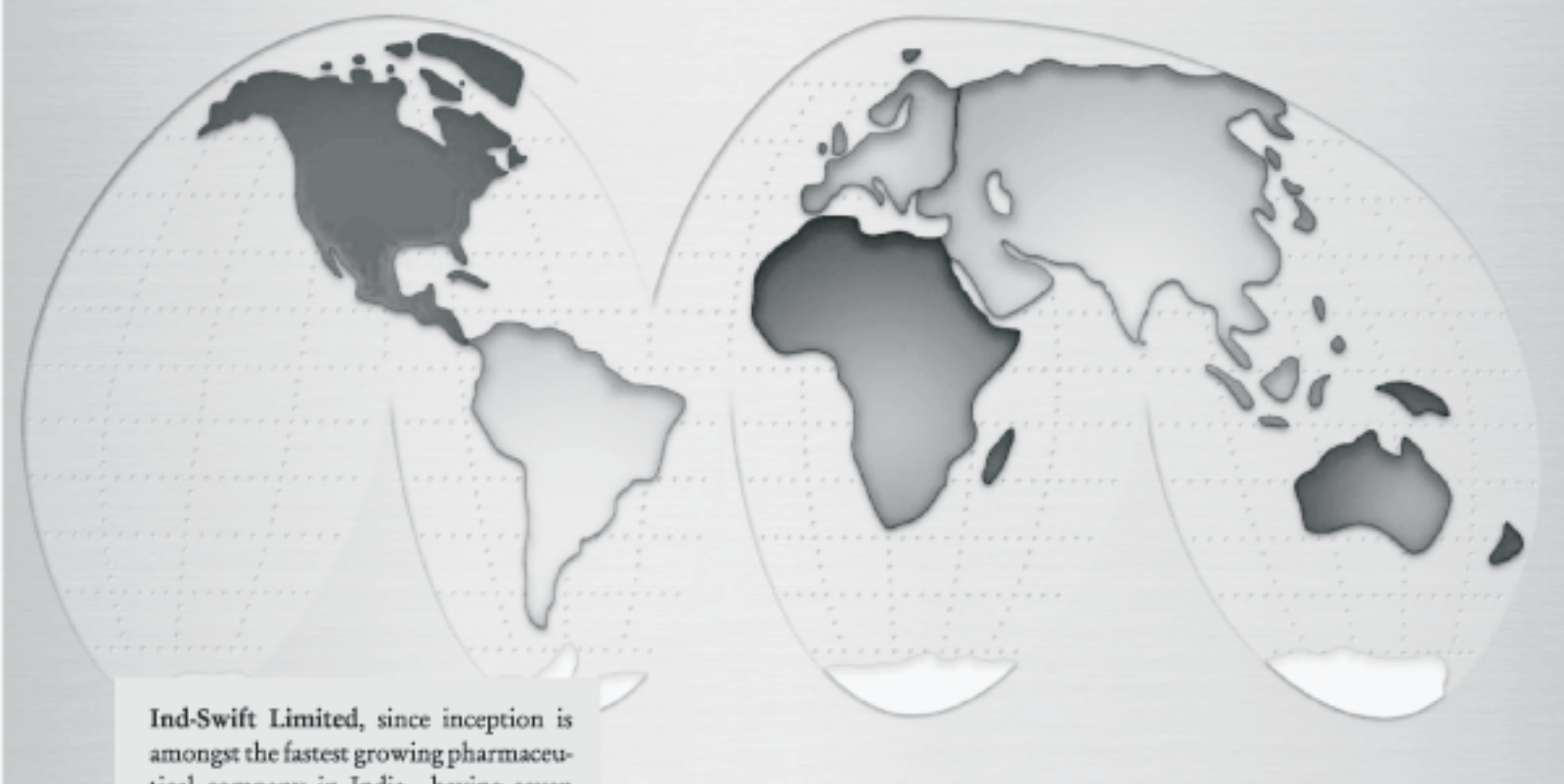


At Ind-Swift Limited product manufacturing goes well beyond the address of ailments with temporary relief... it involves complex product development directed towards the comprehensive management of lifestyle diseases.



Annual Report 2007-08

Ind-Swift Limited selected to penetrate deeper into the hitherto under-penetrated regions of India even as a number of its competitors concentrated around urban destinations.



Ind-Swift Limited, since inception is amongst the fastest growing pharmaceutical company in India having seven state-of-the-art manufacturing facilities ensure to give the highest Quality Pharmaceutical Products for the vast Indian market. Ind-Swift Limited is dedicated to serve the ailing humanity.

Ind-Swift Limited's strategy went counter to the general industry's practice of maximizing sales through higher dosage consumption and in doing so, resulted in a greater consumer acceptance.

Ind-Swift Limited reinforced this approach through a non-infringing novel-drug delivery systems across a number of products.

Mission

Winning Global Customers through innovative Quality Pharmaceutical products.

Profile

- An ISO 9001:2000 Compliant Organization
- Amongst the Top 40 Pharmaceutical Companies
- All manufacturing facility comply GMP standards
- Strong R & D facilities for developing new products

Product Range

Cephalosporins, Quinolones, Aminoglycosides, Macrolides, Chloramphenicol, Tetracyclines, Sulphonamides, Antianaerobics, Anti-fungals/ Anti-protozoals/ Anti-helminthics/ Anti-histamines / Anti-ulcerants/ Anti-diarrhoeals/ Anti-tussives/ Expectorants/ NSAIDs/ Nutraceutical products/ Topical Steroids/ Anti-Diabetics/ Cardiologics/ Neuro-psychiatric Products

Ind-Swift Limited has consistently focused on the development of value-added remedies addressing unmet medical needs in chronic disease areas.

It has demonstrated its competence through the following initiatives:

- Established State-of-the art R&D facility and launched an average 25-30 products over the last five years, making the research of all growth.
- Focused on critical but relatively under crowded therapeutic segments like pediatrics, cardiology, gynecology and diabetes.
- Extended its dosage forms from the tablets, ampoules and tubes to soft-gels to liquids, resulting in wider convenience for consumers.
- Ind-Swift Limited's revenue grew at annual compounded rate of 35% to 40% respectively over the last five years.
- Ind-swift Limited is supplying large quantities of products to reputed Indian Pharmaceutical manufacturers like Ranbaxy, Cipla, Glenmark, Lupin, among others; it is engaged into contractual manufacturing alliances with European companies.



Ind-Swift Limited has emerged as a trusted friend for patients in the pediatric, gynecology, cardiovascular and steroidal segments. The company has been ranked above all others among the fastest growing formulation companies in the area of **branded generic** in the Indian pharmaceutical industry and **achieved 2nd position.**

At Ind-Swift Limited, we provide relief not just by making effective products but by enhancing productivity that makes our business of providing relief sustainable.

- **Intelligent Planning**

Scientific production planning and allocation shrank the production cycle by an average 15%.

- **Efficient raw material management**

A multi vendor policy for every raw material ensured seamless production

- **In-house manufacturing**

A progressive captive manufacture of an increasing number of intermediate products following the commissioning of new facilities

- **Enhanced automation**

The installation of sophisticated packing equipment compatible with increasing volumes capable of strip packing three times than before and having an ointment - filling speed that is 6-7 times higher than before.

- **Minimized change over time**

Prudent shifting of the cleaning, maintenance and product change functions to the night shift, shrinking in a 30% reduction in product change over time.



FORWARD-LOOKING STATEMENT

In this annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligations to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

NOTICE

NOTICE is hereby given that the 22nd Annual General Meeting of the members of Ind-Swift Limited will be held on Friday, 26th September 2008 at 10.30 A.M. at B.M.S. Lobana Bhawan, Sector 30-A, Chandigarh to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt audited Accounts for the financial year ended 31st March, 2008 together with the Reports of Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr. N.R. Munjal who retires by rotation and being eligible, offers himself for being re-appointed.
4. To appoint a Director in place of Dr. S.K. Mathur who retires by rotation and being eligible, offers himself for being re-appointed.
5. To appoint a Director in place of Mrs. Nirmal Aggarwal who retires by rotation and being eligible, offers herself for being re-appointed.
6. To appoint auditors and to fix their remuneration.

SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special resolution:

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded to the re-appointment of Mr. S.R. Mehta as Whole Time Director, designated as Chairman of the company for a period of 5 (five) years with effect from 1st April 2008 and an increase in remuneration including perquisites and benefits w.e.f. 1st July 2007 as set out in the explanatory statement attached to the notice upto the remaining terms of his appointment and terms and conditions contained therein."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded to the re-appointment of Dr. Gopal Munjal as Whole Time Director, designated as Managing Director & CEO of the company for a period of 5 (five) years with effect from 1st April 2008 and an increase in remuneration including perquisites and benefits w.e.f. 1st July 2007 as set out in the explanatory statement attached to the notice upto the remaining terms of his appointment and terms and conditions contained therein."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded to the re-appointment of Dr. V.R. Mehta as Whole Time Director, designated as Joint Managing Director of the company for a period of 5 (five) years with effect from 1st April 2008 and an increase in remuneration including perquisites and benefits w.e.f. 1st July 2007 as set out in the explanatory statement attached to the notice upto the remaining terms of his appointment and terms and conditions contained therein."

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded to the re-appointment of Mr. Himanshu Jain as Whole Time Director, designated as Executive Director of the company for a period of 5 (five) years with effect from 1st April 2008 and an increase in remuneration including perquisites and benefits w.e.f. 1st July 2007 as set out in the explanatory statement attached to the notice upto the remaining terms of his appointment and terms and conditions contained therein."

By the order of the Board
For Ind-Swift Limited

Place: Chandigarh
Dated: 23-08-2008

R.K. Sood
Company Secretary

NOTES:

1. The relevant explanatory statement pursuant to section 173 of The companies Act, 1956 is annexed hereto and forms part of the notice.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf and the proxy need not be a member of the company. The instrument appointing proxy should, however, be deposited at the Registered Office of the company not less than forty-eight hours before the commencement of the meeting.
3. Members who hold shares in de-materialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
4. The register of members and the share transfer books of the company will remain closed from 23rd September 2008 to 26th September 2008 (Both days inclusive) for payment of dividend on equity shares. The dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
5. Dividend for the year ended 31st March 2008, if declared, will be paid to those members whose names stand registered in the register of members on date of book closure and the dividend warrants will be dispatched before 25th October 2008.
6. Members holding shares in dematerialised form are requested to ensure that the bank details and addresses furnished by them to their respective Depository Participants are correct and up-to-date, because the same will be printed on their Dividend Warrants and sent to them at those addresses only.
7. In compliance with Sections 205A and 205C of the Companies Act, 1956, unclaimed dividend for the year 1999-2000 has been transferred to the "Investor Education and Protection Fund" established by the Central Government. Unclaimed dividend for all the subsequent years will be transferred to the "Investor Education and Protection Fund" according to the statutory stipulations.
8. Members desirous of having any information regarding to accounts are requested to write to the company at least ten days in advance so as to enable the Management to keep the information ready.
9. The members are requested to get the Admission slips from the attendance counter by 10.00 A.M.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF COMPANIES ACT, 1956

For Item No. 7

Mr. S.R. Mehta was appointed as Whole Time Director designated as Managing Director of the Company by the shareholders in their Meeting held on 16th November, 2004 for a period of five years w.e.f. 1st September, 2004. However, the Board of Directors in its meeting held on 30th January, 2008 had redesignated and re-appointed Mr. S.R. Mehta as Chairman of the Company w.e.f. 1st April, 2008.

In recognition of excellent services rendered by Mr. S.R. Mehta, the Board of Directors of the company in its meeting held on 29th October, 2007 approved and revised the terms & conditions including remuneration payable to Mr. S.R. Mehta for remainder of his terms w.e.f. 1st July, 2007. The said terms & conditions, including remuneration have been also approved by the remuneration committee of the company. The abstract of revised terms & conditions including remuneration was communicated to members as per Section 302 of the Act.

A. REMUNERATION :

i) **SALARY:** The aggregate of the salary payable to him shall be subject to a minimum of Rs. 5,50,000/- (Rupees Five Lakh Fifty Thousand only) per month, subject to maximum of Rs. 10,00,000 per month with liberty to the Board to review and set the levels from time to time.

ii) PERQUISITES AND ALLOWANCES

In addition to the salary payable Mr. S.R. Mehta shall also be entitled to perquisites and allowances like:-

- Fully furnished Rent Free Accommodation/ House.
- Medical Reimbursement of actual medical expenses incurred in India and /or abroad including hospitalization, nursing home and surgical charges for self and family.
- Leave Travel Assistance Once a year for self & family as per Rules of the Company.

- Insurance payment of Insurance Premium for Life Insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.
- Club fees Membership fee of such clubs as may be considered appropriate including admission and life membership fee.
- Contribution to Provident Fund, Superannuation fund or Annuity Fund as per rules of the Company.
- Gratuity Up to half a month's salary for each completed year of service.
- Leave encashment As per rules of the Company but not exceeding one month's leave for every 11 month of service.
- Conveyance The Company shall provide one fully insured car with driver and reimbursement of the operational expenses.
- Telephone, Telefax and other communication facilities.
- Security The company shall provide for round the clock security at the Director's residence.

B. OTHER TERMS

- He shall not be paid any sitting fee for attending the meetings of the Board of Directors or Committees thereof.
- He shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.
- The remuneration payable to all the Directors on the Board (including the above said Director) during any year, shall not exceed the amount as may be payable as per the limits prescribed under Section 198 and 309 of the Act and in case the aggregate of the total remuneration payable to all the Directors exceeds the above limits, the amount payable to all the Managing / Joint Managing Director / Whole time Directors (including the above said Director) shall be reduced to the amount permissible as per the said limits and in

such even the remuneration payable to such Directors shall be reduced proportionately unless otherwise decided by the Board of Directors.

- Minimum Remuneration in the event of loss or inadequacy of profits, the total remuneration by way of salary and perquisites as specified above subject to Section II of Part II of Schedule XIII to the Act, or such other limits as may be specified therein from time to time by any amendments thereto.
- Unless otherwise a shorter period is decided mutually between the Director and the Board of Directors, the office as Whole time director may be terminated by either party by giving six months notice in writing of such termination.
- If, at any time, Mr. S.R. Mehta ceases to be the director of the company for any causes whatsoever, his office as Chairman shall forthwith be terminated.

In view of the said changes in the designation / remuneration of Mr. S.R. Mehta, it is proposed to the members to approve the re-appointment of Mr. S.R. Mehta as Chairman of the company w.e.f. 1st April 2008 and the increase in remuneration w.e.f. 1st July 2007 on the terms and conditions, as stated above.

None of the directors other than Mr. V.K. Mehta, Mr. V.R. Mehta and the appointee, is either concerned or interested in the proposed resolution.

The notice and explanatory statement may be treated as an abstract of the terms of appointment and payment of remuneration to Mr. S.R. Mehta as required under section 302 of the Companies Act 1956

FOR ITEM NO. 8

Dr. Gopal Munjal was appointed as Whole Time Director designated as Chairman of the Company by the shareholders in their Meeting held on 29th September, 2003 for a period of five years w.e.f. 31st July, 2003. However, the Board of Directors in its meeting held on 30th January, 2008 had re-designated and re-appointed Dr. Gopal Munjal as Managing Director & CEO of the Company w.e.f. 1st April, 2008.

In recognition of excellent services rendered by Dr. Gopal Munjal, the Board of Directors of the company in its meeting held on 29th October, 2007 approved and revised the terms & conditions including remuneration payable to Dr. Gopal Munjal for remainder of his terms w.e.f. 1st July, 2007. The said terms & conditions, including remuneration have been also approved by the remuneration committee of the company. The abstract of revised terms & conditions including remuneration was communicated to members as per Section 302 of the Act.

A. REMUNERATION

i) **SALARY:** The aggregate of the salary payable to him shall be subject to a minimum of Rs. 5,50,000/- (Rupees Five Lakh Fifty Thousand only) per month, subject to maximum of Rs. 10,00,000 per month with liberty to the Board to review and set the levels from time to time.

ii) PERQUISITES AND ALLOWANCES

In addition to the salary payable Dr. Gopal Munjal shall also be entitled to perquisites and allowances like:-

- Fully furnished Rent Free Accommodation/ House.
- Medical Reimbursement of actual medical expenses incurred in India and /or abroad including hospitalization, nursing home and surgical charges for self and family.
- Leave Travel Assistance Once a year for self & family as per Rules of the Company.
- Insurance payment of Insurance Premium for Life Insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.
- Club fees Membership fee of such clubs as may be considered appropriate including admission and life membership fee.
- Contribution to Provident Fund, Superannuation fund or Annuity Fund as per rules of the Company.
- Gratuity Up to half a month's salary for each completed year of service.
- Leave encashment As per rules of the Company but not exceeding one month's

- leave for every 11 month of service.
- i. Conveyance The Company shall provide one fully insured car with driver and reimbursement of the operational expenses.
- j. Telephone, Telefax and other communication facilities.
- k. Security The company shall provide for round the clock security at the Director's residence.

B. OTHER TERMS

1. He shall not be paid any sitting fee for attending the meetings of the Board of Directors or Committees thereof.
2. He shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.
3. The remuneration payable to all the Directors on the Board (including the above said Director) during any year, shall not exceed the amount as may be payable as per the limits prescribed under Section 198 and 309 of the Act and in case the aggregate of the total remuneration payable to all the Directors exceeds the above limits, the amount payable to all the Managing / Joint Managing Director / Whole time Directors (including the above said Director) shall be reduced to the amount permissible as per the said limits and in such even the remuneration payable to such Directors shall be reduced proportionately unless otherwise decided by the Board of Directors.
4. Minimum Remuneration in the event of loss or inadequacy of profits, the total remuneration by way of salary and perquisites as specified above subject to Section II of Part II of Schedule XIII to the Act, or such other limits as may be specified therein from time to time by any amendments thereto.
5. Unless otherwise a shorter period is decided mutually between the Director and the Board of Directors, the office as Whole time director may be terminated by either party by giving six months notice in writing of such termination.

6. If, at any time, Dr. Gopal Munjal ceases to be the director of the company for any causes whatsoever, his office as Managing Director & CEO shall forthwith be terminated.

In view of the said changes in the designation / remuneration of Dr. Gopal Munjal, it is proposed to the members to approve the re-appointment of Dr. Gopal Munjal as Managing Director/CEO of the company w.e.f. 1st April 2008 and the increase in remuneration w.e.f. 1st July 2007 on the terms and conditions, as stated above.

None of the directors other than Mr. N.R.Munjal and the appointee, is either concerned or interested in the proposed resolution.

The notice and explanatory statement may be treated as an abstract of the terms of appointment and payment of remuneration to Dr. Gopal Munjal as required under section 302 of the Companies Act 1956

FOR ITEM NO. 9

Dr. V.R. Mehta was appointed as Whole Time Director designated as Joint Managing Director of the Company by the shareholders in their Meeting held on 29th September, 2003 for a period of five years w.e.f. 31st July, 2003. However, the Board of Directors in its meeting held on 30th January, 2008 had re-appointed Dr. V.R. Mehta as Joint Managing Director of the Company w.e.f. 1st April, 2008.

In recognition of excellent services rendered by Dr. V.R. Mehta, the Board of Directors of the company in its meeting held on 29th October, 2007 approved and revised the terms & conditions including remuneration payable to Dr. V.R. Mehta for remainder of his terms w.e.f. 1st July, 2007. The said terms & conditions, including remuneration have been also approved by the remuneration committee of the company. The abstract of revised terms & conditions was communicated to members as per Section 302 of the Act.

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- i) **SALARY:** The aggregate of the salary payable to him shall be subject to a minimum of Rs. 5,50,000/- (Rupees Five

Lakh Fifty Thousand only) per month, subject to maximum of Rs. 10,00,000 per month with liberty to the Board to review and set the levels from time to time.

ii) PERQUISITES AND ALLOWANCES

In addition to the salary payable Dr. V.R. Mehta shall also be entitled to perquisites and allowances like:-

- a. Fully furnished Rent Free Accommodation/ House.
- b. Medical Reimbursement of actual medical expenses incurred in India and /or abroad including hospitalization, nursing home and surgical charges for self and family.
- c. Leave Travel Assistance Once a year for self & family as per Rules of the Company.
- d. Insurance payment of Insurance Premium for Life Insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.
- e. Club fees Membership fee of such clubs as may be considered appropriate including admission and life membership fee.
- f. Contribution to Provident Fund, Superannuation fund or Annuity Fund as per rules of the Company.
- g. Gratuity Up to half a month's salary for each completed year of service.
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B. OTHER TERMS

1. He shall not be paid any sitting fee for attending the meetings of the Board of Directors or Committees thereof.
2. He shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the

company without the prior approval of the Central Government.

3. The remuneration payable to all the Directors on the Board (including the above said Director) during any year, shall not exceed the amount as may be payable as per the limits prescribed under Section 198 and 309 of the Act and in case the aggregate of the total remuneration payable to all the Directors exceeds the above limits, the amount payable to all the Managing / Joint Managing Director / Whole time Directors (including the above said Director) shall be reduced to the amount permissible as per the said limits and in such even the remuneration payable to such Directors shall be reduced proportionately unless otherwise decided by the Board of Directors.
4. Minimum Remuneration in the event of loss or inadequacy of profits, the total remuneration by way of salary and perquisites as specified above subject to Section II of Part II of Schedule XIII to the Act, or such other limits as may be specified therein from time to time by any amendments thereto.
5. Unless otherwise a shorter period is decided mutually between the Director and the Board of Directors, the office as Whole time director may be terminated by either party by giving six months notice in writing of such termination.
6. If, at any time, Dr. V.R.Mehta ceases to be the director of the company for any causes whatsoever, his office as Joint Managing Director shall forthwith be terminated.

In view of the said changes in the designation / remuneration of Dr. V.R. Mehta, it is proposed to the members to approve the re-appointment of Dr. V.R. Mehta as Joint Managing Director of the company w.e.f. 1st April 2008 and the increase in remuneration w.e.f. 1st July 2007 on the terms and conditions, as stated above.

None of the directors other than Mr. S.R.Mehta, Mr. V.K.Mehta and the appointee, is either concerned or interested in the proposed resolution.

The notice and explanatory statement may be treated as an abstract of the terms of appointment and payment of remuneration to Dr. V.R.Mehta as required to be circulated under section 302 of the Companies Act 1956.

FOR ITEM NO. 10.

Mr. Himanshu Jain was appointed as Whole Time Director designated as Executive Director of the Company by the shareholders in their Meeting held on 29th September, 2003 for a period of five years w.e.f. 31st July, 2003, However, the Board of Directors in its meeting held on 30th January, 2008 had re-appointed Mr. Himanshu Jain as Executive Director of the Company w.e.f. 1st April, 2008.

In recognition of excellent services rendered by Mr. Himanshu Jain, the Board of Directors of the company in its meeting held on 29th October, 2007 approved and revised the terms & conditions including remuneration payable to Mr. Himanshu Jain for remainder of his terms w.e.f. 1st July, 2007. The said terms & conditions, including remuneration have been also approved by the remuneration committee of the company. The abstract of revised terms & conditions was communicated to members as per Section 302 of the Act.

A. REMUNERATION

i) **SALARY:** The aggregate of the salary payable to him shall be subject to a minimum of Rs. 5,50,000/- (Rupees Five Lakh Fifty Thousand only) per month, subject to maximum of Rs. 10,00,000 per month with liberty to the Board to review and set the levels from time to time.

ii) PERQUISITES AND ALLOWANCES

In addition to the salary payable Mr. Himanshu Jain shall also be entitled to perquisites and allowances like:-

- Fully furnished Rent Free Accommodation / House.
- Medical Reimbursement of actual medical expenses incurred in India and /or abroad including hospitalization, nursing home and surgical charges for self and family.

- Leave Travel Assistance Once a year for self & family as per Rules of the Company.
- Insurance payment of Insurance Premium for Life Insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.
- Club fees Membership fee of such clubs as may be considered appropriate including admission and life membership fee.
- Contribution to Provident Fund, Superannuation fund or Annuity Fund as per rules of the Company.
- Gratuity Up to half a month's salary for each completed year of service.
- Leave encashment As per rules of the Company but not exceeding one month's leave for every 11 month of service.
- Conveyance The Company shall provide one fully insured car with driver and reimbursement of the operational expenses.
- Telephone, Telefax and other communication facilities.
- Security The company shall provide for round the clock security at the Director's residence.

B. OTHER TERMS

- He shall not be paid any sitting fee for attending the meetings of the Board of Directors or Committees thereof.
- He shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.
- The remuneration payable to all the Directors on the Board (including the above said Director) during any year, shall not exceed the amount as may be payable as per the limits prescribed under Section 198 and 309 of the Act and in case the aggregate of the total remuneration payable to all the Directors exceeds the above limits, the amount payable to all the Managing / Joint Managing Director / Whole time

Directors (including the above said Director) shall be reduced to the amount permissible as per the said limits and in such even the remuneration payable to such Directors shall be reduced proportionately unless otherwise decided by the Board of Directors.

- Minimum Remuneration in the event of loss or inadequacy of profits, the total remuneration by way of salary and perquisites as specified above subject to Section II of Part II of Schedule XIII to the Act, or such other limits as may be specified therein from time to time by any amendments thereto.
- Unless otherwise a shorter period is decided mutually between the Director and the Board of Directors, the office as Whole time director may be terminated by either party by giving six months notice in writing of such termination.
- If, at any time, Mr. Himanshu Jain ceases to be the director of the company for any causes whatsoever, his office as Executive Director shall forthwith be terminated.

In view of the said changes in the designation / remuneration of Mr. Himanshu Jain, it is proposed to the members to approve the re-appointment of Mr. Himanshu Jain as Executive Director of the company w.e.f. 1st April 2008 and the increase in remuneration w.e.f. 1st July 2007 on the terms and conditions, as stated above.

None of the directors other than Mr. Himanshu and the appointee, is either concern or interested in the proposed resolution.

The notice and explanatory statement may be treated as an abstract of the terms of appointment and payment of remuneration to Mr. Himanshu Jain as required to be circulated under section 302 of the Companies Act 1956.

By the order of the Board
For Ind-Swift Limited

Place: Chandigarh
Dated: 23-08-2008

R.K. Sood
Company Secretary

INFORMATION REGARDING DIRECTORS SEEKING RE-APPOINTMENT

Mr. N.R. Munjal

Mr. N.R. Munjal, Born in 1952, is promoter/ Director of the company and has been associated with the company since 11-12-1986. He is actively involved in all functional areas of management of the company for the last 22 years. He is vice-president of North Zone Bulk Drug Manufacturer Association of India and vice-president (North) of IDMA and member of the Pharmaceutical Committee of CII.

List of Other Directorship held:

Ind-Swift Laboratories Ltd. : Vice Chairman

Essix Bio Science Ltd. : Director

Chairman/ Member of the committee of directors of the Companies:-

Ind-Swift Ltd : Member of Remuneration Committee

Ind-Swift Laboratories Ltd. : Member of Share Transfer Committee

Dr. S.K. Mathur

Dr. S.K. Mathur, Born in 1957 is M.B.B.S, M.D(Pediatrics) and D.M. (Endocrinology). He has carried out several research work / Publications. Presently, he is working as a consultant Diabetologist and Endocrinologist in a leading hospital at panchkula. He is Chairman of the Shareholder / Investor's grievance Committee of the company. He is not a director in any other company.

Mrs. Nirmal Aggarwal

Mrs. Nirmal Aggarwal, Born in 1947, is a M.sc. Chemistry (Hon.). A Pharmaceutical research scientist / chemist by profession, she has worked in Boehringer Ingelheim Pharmaceuticals Inc., Denbury, CT. She is not member of Board/ Committee in any other company.

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DIRECTOR'S REPORT

Dear Shareholders

The Board of Directors of your Company has pleasure in presenting the 22nd Annual Report of the Company for the financial Year 2007-08.

Financial Results

The Financial performance of the Company for the year ended 31st March 2008 is summarised as below:

Rs.(In Lakhs)

Particulars	Year ending 31st March 2008	Year ending 31st March 2007
Sales and other income	51921.45	37972.54
Profit before interest and depreciation	7554.77	5081.15
Interest	3119.88	1883.02
Depreciation	585.06	334.24
Profit before tax	3849.83	2863.89
Provision for tax	436.19	321.33
Provision for deferred tax	291.34	411.99
Provision for FBT	57.20	45.40
Profit after tax available for appropriation	3124.55	2085.17

Performance

The sales revenue and other income for the year under review at Rs.519.21 Crores is up from Rs. 379.72 Crores in the previous year. Profit Before tax improved to Rs. 38.49 Crores (previous year Rs.28.63 Crores), profit after tax is up at Rs. 31.24 Crores from Rs. 20.85 Crores in the previous year.

During the year, sales and other income has increased impressively by 37% and net profit has shown an increase of about 50%. A detailed review of Company's performance and future prospects is included in Management Discussion & Analysis in this report.

Dividend

The Board has recommended a dividend of 20 % (i.e. Rs. 0.40 per share) for the year under consideration. The dividend, if approved by the shareholders at the ensuing annual general meeting, will be paid to those shareholders whose names appear on the register of members of the company as on the date of book closure.

The Company has deposited the unclaimed/ unpaid dividend for the year 1999-2000 into Investor Education and Protection fund u/s 205-C of the Companies Act, 1956.

Operations

The extent of that sky-scraping growth, which your company has attained, shall be justifiably perceptible if we glimpse at the ORG/IMS statistics for the year 2004-05 when your company was ranked out to be at the 119th position. But keenly walking the tightrope between past & present, your Company has achieved the 35th rank among top 300 pharma industries in 2007-08 as stated by their report. This amazing growth reflection could be observed by means of advanced international operations, Marketing, Research & Development and state-of-the-art manufacturing facilities.

i) International Operations

Your company is poised enough to bring about healthier and amplified tomorrow by virtue of its aggrandized international operations viz. its state-of-the-art manufacturing plant at Jawaharpur, (Punjab) commissioned in 2007 which caters to manufacturing of oral solid dosage forms and has already been inspected and got international approvals viz. MHRA (UK), TGA (Australia), WHO (Geneva) and other such regulatory bodies. Apart from these key approvals, we achieved MoH (UAE), TFDA (Tanzania), NDA (Uganda) and DACA (Ethiopia). All these were achieved with a well balanced plan to address the resource requirements and asset creation in terms of manpower and products. The year witnessed expansion of sales, marketing

and business development team to ensure maximum geographical reach for the company. Regulatory department was strengthened in line with the requirement of higher number of dossier filings. New product development has been another focus area and the company intends to launch an array of OTC profile products both in tablet form and sachets. Sachets will be a new product line that will help enhance product portfolio offering for the customers.

ii) Formulations Business

The operations have been strengthened further with commercial launch of the company in Tanzania and Nigeria in Africa; Cambodia, Myanmar, Vietnam and Sri Lanka in Asia and by Achieving tie ups with leading distributors for the France Phone countries, Ethiopia and Zambia in Africa; Yemen and UAE in ME; Moldova, Azerbaijan and Kazakhstan in CIS. Successful award of tenders in Sri Lanka was another highlight for the GBU. Focus was increased on the Latin American operations in order to expedite start of commercial operations and to increase the potential of business.

CRAMs and out Licensing

The company witnessed high growth in this segment as well. We have been able to successfully tie up with some of the leading generics players in Europe and Australia for Contract Manufacturing services. With the current trend the company is looking at further enhancing the capacities in near future. Licensing of dossiers (tied up with long term supply agreements) to partners across Europe is projected to bring in decent amount of revenue in terms of licensing fee on an immediate basis and considerably increase the product sale for these products in the long term period. The company is expanding the number of CTD dossiers on offer on a continuous basis.

Domestic Marketing

The company's new division "Diagnosis" dealing in medical equipments & devices thereby focusing personal health care was launched in December 2007 and has reflected

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promising performance & is growing leaps & bounds from the first month of its launch which has given utmost confidence to the company to get aggrandized sales and contribution not in the current year but in the forthcoming years as well. Not only this, the division projects to achieve a business objective of 10 crores with impressive contribution to ISL and possesses a strategy of adding up few other speciality products in the existing range of personal healthcare & Academic Body model series.

Another division launched by your company is "**Animal Health Care**" which is an absolutely new concept with outsourced marketing and has proved out to be an individual profit centre.

The Ethical marketing Division of the company has introduced those products during the year which are unique in its kind viz. Cirrholiv which has proved out to be extremely useful in curing Hepatitis and other liver disorders. Other brands introduced by your company during the year are Topclav 625, Emtee 25 and Timcol Eye Drops.

In Generics, your company emerged as the 2nd rank Pharma Generic Company and has attained the fame of featuring its few brands (Amyclox, Swimox, Oxo, Swiflox and Calzone already achieving the sales growth over 25 crore) as the top brands in Generics. Company's brand Swimox has been enlisted among leading brands in ORG IMS and Amyclox leads the queue among top 300 brands of the industry.

Research & Development

Looking at the current scenario where the pharmaceutical majors are engaged in the advancement of R & D, we have been competent enough to work out on non infringing processes, Novel Drug delivery Systems, dossiers, stability data profiling, conceptualization of new molecules (and therefore a number of product combinations have been developed and are ready to be launched by our marketing divisions). Your company's R & D is involved in creating international opportunities and

alliances for CRAMS (specially Contract Research) to make it contribute 30% of profits. Till date two major contracts were signed and have been delivered. we are hopeful to attain more contracts on product development and stability data profiling. Apart from this, we are applying invincible efforts to get approvals for a Bioequivalence centre which will further strengthen the basket of R & D. To strengthen the CRAMS business to the exquisite level, your company is tying up with various academic institutes.

By virtue of the hard endeavors of R & D all through the year, unique combinations/ NDDS of single molecule are around the corner and awaiting launch by this year. Apart from this, R & D is emphasizing on a major area which is cost Reduction. More than 5% of total revenues have been planned to spend on the company's R & D and the same will be continued in the forthcoming years as well.

New manufacturing Facilities

You company has successfully commissioned another Manufacturing facility at the same tax exempted zone and green plains of baddi during the year. This new manufacturing facility inaugurated in August 2007, is for soft Gelatin Encapsulation with an annual capacity of 36 Crore and will not only make us almost self sufficient in soft gelatin manufacturing but will unquestionably dedicate a bit of spare capacities for contract manufacturing as well.

Company's manufacturing unit at Parwanoo has also been upgraded as per WHO standards. Company's Global Business unit (GBU) at Derabassi has got MHRA & TGA approval. Also, our manufacturing unit at Baddi (H.P.) received WHO GMP certification for tablet/ SVP/ Liquid manufacturing.

These new facilities will augment the company's efforts to tap the regulated markets and strengthen the Company's growing CRAMS business which is expected to account for 30-40% of its bottom line over the next four years. Your company has been certified for ISO 9000:2001 also during the year.

Directors

There was minor re-shuffle in the Board positions with Mr. S.R. Mehta taking over as the Chairman of the company, Mr. N.R. Munjal was designated as Vice-Chairman and Dr. Gopal Munjal was designated as Managing Director & CEO of the company. All these changes came into effect from 1st April 2008. There was no other change in the Board positions. Also, there was no change in the composition of Board of Directors during the year under review.

Mr. N.R.Munjal, Dr. S.K. Mathur and Mrs. Nirmal Aggarwal, directors of the company retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

Director's Responsibility Statement

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to director's responsibility statement, your directors confirm:

- That in the preparation of the accounts for the financial year ended 31st March, 2008, the applicable accounting standards have been followed along with proper explanation to material departure, if any;
- That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the net profit or loss of the company for the year under review;
- That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

- That the directors have prepared the accounts for the financial year ended 31st March, 2008 on going concern basis.

Auditors

M/s J.K.Jain & Associates, Chartered Accountants, Chandigarh, statutory auditors of the Company retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

The Auditor's Report is self-explanatory and does not require any explanation by the Board.

Energy, technology and Foreign Exchange

Information required under section 217(1)(e) of the companies Act 1956, read with Companies (Disclosure of Particulars in the report of Directors) Rules, 1988 with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo is annexed and form part of this report.

Personnel

The information under section 217(2A) of the Companies Act, 1956 is enclosed as per Annexure 'B'.

Furthermore employer employees' relations remained cordial throughout the year at all locations.

Fixed Deposits

The Company's fixed deposit scheme has drawn good response and confidence from the public. The aggregate amount of fixed deposits as on 31st March 2008 was Rs.1431.33 Lakhs (previous year Rs. 1271.77 Lakhs). There was no default in repayment of principal as well as interest in relation to deposits. Further, there is no unclaimed or unpaid amount in relation to deposits.

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ANNEXURES TO THE DIRECTOR'S REPORT

ANNEXURE A

Statement of particulars under the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988

A. Conservation of Energy

The Company's operation involves low energy consumption and there are no major areas where energy conservation measures could be considered. However efforts to conserve and optimise the use of energy and improved operational method will continue. Training programs are conducted to increase awareness of conservation of energy among the workforce.

Form A

Disclosure of particulars with respect to energy conservation

A. Power and fuel Consumption	2007-2008	2006-2007
1. Electricity		
a) Purchased		
Units	5086067	3046997
Total Amount	21361470	12793292
Rate/Unit (Rs)	4.20	4.20
b) Own generation		
i) Units (through diesel generator)	1821673	405257
Unit per liters of diesel oil	5.71	5.71
Cost per unit (Rs)	6.50	5.44
ii) Through steam turbine/ generator	N.A.	N.A.
2. Coal	N.A.	N.A.
3. Furnace oil consumption per unit of Production	10 units/ per liter.	N.A.
4. Others/internal generation	N.A.	N.A.
B Consumption per unit of production		
Injection eye and ear Drops	0.006 unit/ml	0.006 unit/ml
Tablets and capsules	0.06 unit/100 tab & caps	0.06 unit/100 tab & caps
Ointments	0.02 unit/per tube	0.02 unit/per tube

B. Technology Absorption

Form B

1) Research and Development (R&D)

1. Specific areas in which R&D carried out by the company & its achievement.

- Taste masking technology of macrolides for the first time in India.
- Development of NDDS for old and new molecules.
- Developing non infringing process of four products.
- Unique tablet in tablet technology.
- Development of sustained release process of Isoxsuprine HCL tablets first time in India.
- Researching such ayurvedic medicinal plants those show a promise in treating chronic ailments, conditions and life style disorders.
- Working on finished dosage of all latest molecules being launched by the group company Ind Swift Laboratories Limited.
- Development of mouth dissolving tablet technique.
- Development of Nitroloxanide based formulations single & in combination with ofloxacin, first in the country.

Listing

The shares of the Company are listed at following Stock Exchanges:

1. Bombay Stock Exchange Limited
2. National Stock Exchange of India Limited

The listing fee for the concerned year has been paid to the respective Stock Exchanges.

Depository System

The shares of the Company are being traded in compulsory dematerialised form. The Company has ensured connectivity with both the depositories i.e. NSDL and CDSL.

Corporate Governance

A detailed report on Corporate Governance is annexed herewith and forms part of this Report.

Acknowledgment

Yours directors would like to express their grateful appreciation for the assistance and co-operation received from the Bankers and government authorities and also thanks the shareholders for the confidence reposed by them in the Company and look forward to their valuable support for the future plans of the Company.

Directors also thank its distributors, agents, stockiest, retail traders, medical professionals, employees and customers for their continued patronage of the company products.

For and On behalf of the Board

Place: Chandigarh
Dated: 23-08-2008

(S.R. Mehta)
Chairman

Report on Corporate Governance

Ind-swift Philosophy - on Code of Corporate Governance

The Company is committed to maximise the wealth of its stakeholders on the one hand and to protect the interest of customers, employees and associates on the other. In furtherance of this objective, the company has internalised sound principles of corporate governance incorporating the higher standard of professionalism, integrity, accountability and fairness. These are aligned to corporate values of transparency at all levels, social responsiveness, and high business ethics while accomplishing the company's business objectives. The Company strongly believes that a system of good corporate governance protects the interest of all stakeholders by inculcating a strong sense of accountability within the management. Through appropriate organisation structures, the company has put in place various system and internal control measures for corporate governance. Transparency, openness, accountability and truth are the cornerstones of effective corporate governance within the company.

Board of Directors

The Board of Directors of your company consists of twelve directors who have a rich experience in their respective fields. Out of these twelve directors, four are Promoter/ Executive Directors, two are Promoter/ Non-Executive Directors and remaining six are independent directors. There is no nominee director. The Chairman of Board is an executive director

2. Benefits derived as a result of the above R & D.

- Received US patent for Clarie-OD having a market size of US\$ 300 mn
- Received two process patents- in India for Innovative processes; i.e. Clarie-OD and Fexo ODT.
- Launched Anti-Diarrhoeal Drug, Nitazoxanide for the first time in Asia.Registration of dossier different countries.
- Filed another US Patent for Fexofenadine ODT having market size of US\$ 2.5 bn.
- Developed expertise in NDDS, which has found acceptability in India and rest of the world.
- Successfully developed and marketed 15 products based on NDDS.
- Entered into Co-marketing arrangements with leading pharma companies.

3. Future plan of Action

- New products process development in collaboration with leading Global Pharma Companies.
- Greater thrust in the area of novel drug delivery system and value added dosage forms.
- More focus on patent non-infringing process and patent filing.
- Regulatory filing, networking and compliances.
- Upgradation of existing R&D facilities.

4. Expenditure on R&D.

(a) Capital	3368848
(b) Recurring	112912529
(c) Total	116281377
(d) Total R&D expenditure as a percentage of total turnover.	2.26

II) Technology Absorption, Adaptation and Innovation.

The company is using indigenous technology. All operating staff are well-conversant and trained in the process.

A. Foreign Exchange Earning And Outgo

FOB value of exports	US\$ 80955	Rs. 3024447
Expenditure in foreign exchange- On tour and travels	US\$ 62908	Rs. 2673468
Technology Transfer Fees	US\$ 2750519	Rs. 111946114

The company focus on increasing its Export Turnover in the coming years. It has already filed more than 52 dossiers in unregulated and semi-regulated countries. The company is also making efforts to enter into tie-up in these markets for marketing of its products.

For and On behalf of the Board

Place: Chandigarh
Date: 23.08.2008

(S.R. Mehta)
Chairman

Annexure 'B'

The statement pursuant to section 217 (2A) of The Companies Act 1956 and the companies (Particulars of Employees) Rules, 1975 and forming part of the Director's report:

Name	Designation/ Nature of Duties	Age	Qualification	Total Experience	Date of Commencement of Appointment	Gross Remuneration (Rs. in Lacs)	Previous Employment held
Mr. S. R. Mehta	Chairman	52	B.Sc	29 yrs.	06.06.1986	63	Synthelabo formulation Pvt. Ltd. (Area Manager)
Dr. Gopal Munjal	M.D. & CEO	49	D.H.M.S	24 yrs.	11.12.1986	63	NIL
Dr. V. R. Mehta	J.Mg. Director	51	M.Sc	29 yrs.	30.09.1993	63	Rallis India Ltd. (Sales Officer)
Mr. H. Jain	Exe. Director	26	B.Com	5 yrs.	31.07.2003	63	NIL

- Gross remuneration comprises basic salary, allowances, monetary value of perquisites as per rules under Income Tax Act, 1961 and contribution to Provident Fund.
- The nature of employment is contractual.

For and On behalf of the Board

Place: Chandigarh
Date: 23.08.2008

(S.R. Mehta)
Chairman

The details of composition of Board of directors is given below:

Sl. No.	Name	Designation	Promoter/ Non-Promoter/ Independent/ Executive/ Non-Executive	No. of Other Directorships	No. of Committee Memberships
1.	Mr. S. R. Mehta *	Chairman	Promoter/Executive	02	02
2.	Mr. N. R. Munjal	Vice Chairman	Promoter/ Non-Executive	02	01
3.	Dr. G. Munjal **	Managing Director & CEO	Promoter/Executive	03	01
4.	Dr. V. R. Mehta	Jt. Managing Director	Promoter/Executive	02	01
5.	Mr. Himanshu Jain	Executive Director	Promoter/Executive	02	01
6.	Mr. V.K.Mehta	Director	Promoter/ Non-Executive	04	NIL
7.	Mr. K. M. S. Nambiar	Director	Non-Executive/ Non promoter/ Independent	01	06
8.	Dr. R. S. Bedi	Director	Non-Executive/ Non promoter/ Independent	NIL	01
9.	Dr. N. D. Aggarwal	Director	Non-Executive/ Non promoter/ Independent	NIL	02
10.	Mrs. Nirmal Aggarwal	Director	Non-Executive/ Non promoter/ Independent	NIL	NIL
11.	Dr. H. P S Chawla	Director	Non-Executive/ Non promoter/ Independent	01	NIL
12.	Dr. S. K. Mathur	Director	Non-Executive/ Non promoter/ Independent	NIL	01

The Directorship mentioned above excludes Private limited Companies, Foreign Companies and Section 25 Companies.

* Chairman w.e.f. 1st April, 2008

** Chairman upto 31st March, 2008

Non-Executive Directors' Compensation and Disclosures

Apart from receiving sitting fees for attending the meetings of the Board/Committees, there are no pecuniary relationships or transactions between the company and independent directors.

None of the directors holds the office of directorship in more than fifteen Companies and membership in more than ten committees of the board and chairmanship of more than five committees.

The details of Board Meetings held during 2007-08 are as follows:

Date of Meeting	Place	No. of Directors present
30-04-2007	Baddi (H.P.)	11
30-07-2007	Chandigarh	10
03-09-2007	Chandigarh	10
29-10-2007	Chandigarh	10
30-01-2008	Chandigarh	10

The attendance of Directors at Board meetings and the last annual general meeting is as under:

S. No.	Name	Nos. of Board meeting attended	Whether Last Annual general meeting attended	Membership of Committees		
				Audit	STC*	RC**
1.	Dr. G. Munjal	04	Yes	---	---	---
2.	Mr. S.R. Mehta	04	Yes	---	---	---
3.	Dr. V.R. Mehta	05	Yes	---	Yes	---
4.	Mr. Himanshu Jain	05	Yes	---	Yes	---
5.	Mr. N.R. Munjal	05	Yes	---	---	Yes
6.	Mr. V.K. Mehta	04	Yes	---	---	---
7.	Mr. K.M.S. Nambiar	03	Yes	Yes	---	Yes
8.	Dr. R.S. Bedi	04	Yes	Yes	---	---
9.	Dr. N. D. Aggarwal	05	Yes	Yes	---	Yes
10.	Mrs. N. Aggarwal	05	Yes	---	---	---
11.	Dr. H.P.S. Chawla	04	Yes	---	---	---
12.	Dr. S.K. Mathur	03	Yes	---	Yes	---

*STC Share Transfer cum Shareholder Grievance Committee

**RC Remuneration Committee

Re-appointment of Directors

Mr. N.R.Munjal, Dr. S.K.Mathur and Mrs. Nirmal Aggarwal are retiring by rotation in the forthcoming AGM. The required information regarding these directors is given with the notice of the Annual General Meeting:

Code of Conduct

The Board of Directors have approved and adopted Code of Conduct for Board members and senior management. The Managing Director has affirmed that each Board Member and Senior Management acknowledged the receipt of the code of conduct and has affirmed compliance with this code.

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Board Committees

Audit Committee

The Audit committee of the company consists of three directors and all of them are independent and non-executive directors. The Chairman of Audit Committee, Mr. K.M.S.Nambiar is a Fellow member of the Institute of Company Secretaries of India and has rich experience of financial matters and management. Five meetings of Audit Committee were held during the financial year 2007-08. The constitution of audit committee and attendance of each member are as under:

Name of Directors	Category	Designation	Nos. of meetings attended
Mr. K.M. S. Nambiar	Non-Executive and Non Promoter	Chairman	03
Dr. N. D. Aggarwal	Non-Executive and Non Promoter	Member	05
Dr. R. S. Bedi	Non-Executive and Non Promoter	Member	04

The Company Secretary of the Company acts as secretary to the Committee.

The terms of reference of the audit committee are in accordance to clause 49 of the listing agreement. These have been approved by the Board and include the following:

1. To review the quarterly and yearly financial statements before being submitted to the Board.
2. To oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible.
3. To review, act and report to the Board of directors with respect to various auditing and accounting matters, including recommendations for appointment of independent auditors, the scope of annual audits.

4. To hold periodical discussions with statutory auditors on the scope and content of audit
5. To discuss with the auditors any significant findings and follow up thereon.
6. To review the company's financial and risk management policies.
7. To ensure compliance of internal control system.
8. To consider such other matter as may be required by the Board; and
9. To do and to ensure compliance of all other matters specified under clause 49 of the listing agreement.

Share transfer/Shareholder's Grievance committee

The Share Transfer/Shareholder Grievance committee meetings are being held on fortnightly basis to consider share transfer and Investor grievances matters. The members of the committee are as follows:

Name	Category	Designation
Dr. S.K. Mathur	Non-Promoter and Non Executive	Chairman
Dr. V. R. Mehta	Promoter and Executive	Member
Mr. Himanshu Jain	Promoter and Executive	Member

The Company Secretary of the Company acts as Secretary to the Committee

Remuneration of Directors

There is no pecuniary relationship or transaction of the company with its independent directors other than payment of sitting fee for attending Board and Committee meetings. All the four Executive Directors are paid by way of monthly remuneration and no commission on profits is paid to any of the Directors. The details of remuneration paid to executive directors is given as per Annexure 'B' to the Directors' Report.

Remuneration Committee

Though the Company is not mandatory required to form remuneration Committee, however as a gesture of good Corporate Governance, a remuneration committee has been constituted. The members of the committee are as under:

Name	Category	Designation
Mr. K.M.S. Nambiar	Non-Promoter and Non-Executive	Chairman
Dr. N.D. Aggarwal	Non-Promoter and Non-Executive	Member
Mr. N.R.Munjal	Promoter and Non-Executive	Member

The terms of appointment of whole time directors are governed by resolution of board of directors and shareholders and rules applicable to the company. There was one meeting of remuneration committee held during the year.

General body meetings

Details of last three Annual General Meetings are as follows:

Financial Year	Annual General Meeting	Date	Time	Venue	No. of Special Resolutions
2006-07	21st AGM	29 th September, 2007	10:00 A.M.	B.M.S. Lobana Bhavan, Sector 30-A, Chandigarh	01
2005-06	20th AGM	30 th September, 2006	11:00 A.M.	Tagore Theatre, Sec. 18, Chandigarh.	01
2004-05	19th AGM	28 th September, 2005	11:00 A.M.	- do -	08

- In the AGM held on 28-9-2005, following special resolutions were passed:-
 - a) To revise remuneration of Dr. Gopal Munjal, Chairman
 - b) To revise remuneration of Mr. S.R.Mehta, Managing Director;
 - c) To revise remuneration of Dr.V.R.Mehta, Jt. Managing Director;
 - d) To revise remuneration of Mr. Himanshu Jain, Executive Director;
 - e) To de-list shares of the company from The Ludhiana Stock Exchange;
 - f) To authorize investment by FIIs in Share Capital of the company
 - g) To authorize borrowings and to provide security under section 293(1)(a) and (d) of The Companies Act, 1956;
 - h) To authorize payment of sitting fees to Directors.
- In the AGM held on 30-9-2006, only one special resolution authorizing issue of shares as per SEBI (Employees stock option scheme and employees stock option purchase) guidelines, 1999, was passed.
- In the AGM held on 29-09-2007, only one special resolution regarding appointment of Mr. Annie Mehta was passed.

Disclosures

- There were no transactions of material nature with the promoters, directors, management or their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company.
- Transactions with the related parties are disclosed in Note No. 26 of Notes on Accounts in the attached balance Sheet.
- There has been no instance of non-compliance by the company on any matter related to capital markets. The Company has complied with all the applicable laws whichever applies to the company.

Means of communication

The Company has adopted following means of communication:

- Quarterly and annual financial results published in
 - The Economic Times
 - Business Standard
 - Navbharat Times
 - Dainik Jagran
- Uploading of financial results on official website of company www.indswiftltd.com.
- Uploading of financial statements and shareholding pattern on EDIFAR system of SEBI on its website www.sebiedifar.nic.in.
- All the press releases of relevance to the investors are also made available on website for a reasonable period of time
- Annual Report to all Shareholders.

Management Discussion and Analysis Report

A detailed report on Management Discussion and Analysis report forms part of this report.

General Shareholder information

22nd Annual General Meeting

Date: 26th September, 2008

Time: 10:30 A.M.

Venue: B.M.S. Lobana Bhawan,
Sector 30-A, Chandigarh

Financial Calendar :

Financial reporting for the financial year 2008-09 for

- | | |
|---|---|
| - Quarter ending 30th June 2008 | Adopted on 30th July, 2008 |
| - Quarter ending 30th September 2008 | By 31st October 2008 |
| - Quarter ending 31st December 2008 | By 31st January 2009 |
| - Quarter ending 31st March 2009 | By 30th April 2009 |
| - Annual General Meeting
for the year ending 31st March 2009 | in September 2009 |
| Date of book closure: | 23 rd September 2008 to 26 th September 2008
(both days inclusive) |
| c. Dividend payment date: | 25 th October, 2008 |
| d. Equity Shares Details | |
| Stock Code | BSE: 524652 |
| | NSE: INDSWFTLTD |
| Company's ISIN No. | INE788B01028 |

Market Price Data :

The high and low prices of the company's share (of Rs. 2/-each) at BSE on monthly basis from April 2007 to March 2008 are as under:

Month	High (Rs.)	Low (Rs.)	Volume
April, 2007	33.25	27.00	700155
May, 2007	32.95	27.90	448120
June, 2007	29.60	25.95	1863777
July, 2007	36.90	27.60	2921863
August, 2007	30.40	25.50	1095855
September, 2007	31.95	27.90	1231642
October, 2007	29.90	26.00	839231
November, 2007	34.60	25.10	1922520
December, 2007	49.90	30.60	13908993
January, 2008	50.60	24.00	4866673
February, 2008	34.30	24.75	1480131
March, 2008	29.25	19.65	1354811

Source: BSE website

Registrar and Share Transfer Agent (for Physical and demat)

Alankit Assignments Limited

(Unit: Ind-Swift Limited)
2-E/21, Jhandewalan Extension
New Delhi - 110055
Tel: - +91-11-51540060-63
Fax: - +91-11-51540064
E-mail: alankit@alankit.com

Share Transfer System

- The Share Transfer/shareholders Grievance Committee approves the transfer and transmission of shares, issue of duplicate share certificates and related matters. The transfers are processed within 15 days of the receipt of the same subject to the transfer document being complete and valid in all respects. The Committee also monitors the redressal of Investor's grievances. As on 31st March, 2008, there were no shares pending for transfer.
- The practising Company Secretary appointed by the Board is conducting

secretarial Audit of the company on quarterly basis and report is being filed with the stock exchanges.

- M/s Alankit Assignments Ltd., Registrar and Transfer Agent appointed by the Company have adequate infrastructure to carry out the share transfer, transmission and other related assignments.
- The Company has during the year under review received 25 complaints from shareholders and all the complaints have been duly settled. There was no pending complaint as on 31st March, 2008.

Distribution of shareholding as on 31st march 2008 is as follows :

Shareholding of Nominal Value of (Rs.)	Nos. of share-holders	% to total	Amount (In Rs.)	% to total
upto 5000	17175	94.68	15298700	20.57
5001 to 10000	504	2.78	3850396	5.18
10001 to 20000	233	1.20	3514208	4.73
20001 to 30000	60	0.33	1483422	1.99
30001 to 40000	36	0.20	1293614	1.74
40001 to 50000	17	0.09	757130	1.02
50001 to 100000	57	0.31	4073358	5.48
100001 and above	58	0.32	44085912	59.29
TOTAL	18140	100.00	74356740	100.00

Shareholding patterns as on 31st March 2008 is as follows :-

Category	Nos. of shares	Percentage
General Public	13063910	35.14
Mutual Funds & FIs	1005400	2.70
Directors and relatives	13544853	36.43
Bodies Corporate	9338240	35.12
NRI's/OCB's/FII	225467	0.61
Total	37178370	100.00

Dematerialisation of Shares

The shares of the Company are being traded in compulsory dematerialised form. The Company has ensured connectivity with both the depositories i.e National Securities Depository Limited and the Central Depository Services (India) Limited. As on 31st March 2008, 34227065 equity shares of the company, forming 92.06% of the share capital of the company stand dematerialized.

Address of registered office

Ind-Swift Limited
781, Industrial Area-II,
Chandigarh 160002
Ph.: 0172-2638781, 2638782, 2638786
Fax: 0172-2652242
Website: www.indswiftltd.com

Company Secretary & Compliance officer

Mr. R.K.Sood
781, Industrial Area-II,
Chandigarh 160002
e-mail: companysec@indswift.com
Ph.: 0172-2638784

Plant Locations:

- 123, Industrial Area, Phase-I, Panchkula 134109 (Haryana)
- Plot No. 23, Sector 2, Parwanoo (H.P.)
- Plot No. 17-B, Sector-2, Parwanoo (H.P.)
- Village Malku Majra, Baddi(H.P.)
- Village Jawaharpur, Teh. Derabassi, (Punjab)
- Industrial Growth Centre, Sambha, Jammu(J&K)

AUDITOR'S REPORT ON CORPORATE GOVERNANCE

The Members
Ind-Swift Limited
Chandigarh.

We have examined the compliance of conditions of Corporate Governance by M/s Ind Swift Ltd. for the year ended 31st March 2008 as stipulated in Clause 49 of the Listing Agreement of the said company, with Stock Exchange (s).

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination is limited to a review of producers and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to explanation given to us by the Directors and the management, we certify that the company has complied with the conditions of corporate governance a stipulated in the above mentioned Listing Agreement.

Based on the records maintained & certified by the secretary of the company there are no investor grievances pending against the company for a period exceeding on month as on 31st March, 2008.

We further state that such compliance 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 J.K. Jain & Associates
Chartered Accountants

(J.K. Jain)

Partner

Membership No. : 83140

Place: Chandigarh

Date : 23-08-2008

Management Discussion & Analysis Report

1. Industry Perception & Growth Trend

The Indian pharmaceutical industry has shown tremendous progress in terms of infrastructure development, technology base creation and a wide range of products. It has established its presence and determination to flourish in the changing environment. The industry now produces bulk drugs belonging to all major therapeutic groups requiring complicated manufacturing technologies. Strong scientific and technical manpower and pioneering work done in process development have made these possible. India is today renowned as one of the leading global troupe in the manufacture of pharmaceuticals- ranks 4th worldwide accounting for 8% of world's production by volume and 1.5% by value. This astounding escalation in the industry has been marked by virtue of the 4 million scientific talent pool of this knowledge led industry.

According to an estimate, 3900 new generic products have been launched specially in domestic market till 2005 and that contributed 70% of new launches to the domestic market but the things reversed in the last two years after the patent ordinance 2006-07 & 2007-08 as the industry has seen majority of new launches by MNC which holds patent rights. Domestic sector companies have launched new products only in permutations & combinations. These changes clearly indicate the future which will be in the hands of MNC's if the Indian companies have not geared up in their R&D capabilities.

Contract Research and pharmaceutical outsourcing are the new avenues in the pharmaceutical market. Contract manufacturing is growing at a very fast pace and is estimated to grow to US\$30 billion, whereas contract research is estimated to reach US\$6-10 billion.

Since, Indian Pharmaceuticals industry has shown tremendous progress in infrastructure development, technology base and wide range of products, many companies are technologically advanced and have observed stringent GMP requirements and have been able to get approvals from international regulatory agencies like US FDA, MCA UK, TGA Australia, MCC South Africa.

2. Exports

India ranks 17th in terms of export value of bulk actives and dosage forms. Indian exports are destined to more than 200 countries across the

globe including highly regulated markets of US, Europe, Japan and Australia. The country is also showing excellent performance on the Pharma export front. The Exports constitute almost 40% of the total pharmaceutical production in India which is a total 30% (per annum) growth in exports over the past 5 years. India's pharmaceutical exports were to the tune of Rs. 140 bn in 2003, of which formulations contribute nearly 55% and the rest 45% comes from the bulk drugs. The formulations exports are largely to developing nations in CIS, South East Asia, Africa and Latin America. In the last 3 years generic exports to developed countries have picked up. In the coming years, opening up of US generics market and Anti AIDS market in Africa will boost exports. India also offers excellent exports opportunities for clinical trials, R&D custom synthesis and technical services like Bioinformatics.

3. Patent Era & its Impact

Since 1st January 2005, the Government of India issued patent ordinance according to which the Indian Pharma companies can no longer produce patented drugs, the companies have started exploring new business opportunities.

Before 2005, the companies were apprehensive of duplication of their patented products and hence were not entering into the market. As an impact of this ordinance, all those companies fearlessly penetrated into the market and lot many companies entered into India through marketing tie-ins, manufacturing facilities, joint ventures which triggered robust growth perceived over the last year as was predicted by Pharma Pundits. Some Indian sources predict that because of this transition, MNCs will make up 60 percent of the Indian market by 2015.

4. Future of the Indian Pharmaceutical Industry

The Indian Pharma industry, with its reverse engineering skills and relatively low cost structure, is ideally placed to tap the generics market. Indian companies are climbing the value chain by moving to developed markets and from bulk drugs to formulation exports. As a result, Indian companies are expected to produce mix of the top 10 drugs that are scheduled to lose patent protection over the next five years. Indian companies are targeting opportunities rising in the regulated and unregulated markets.

The R&D activities of Indian companies are targeted both at New Drug Discovery Research as well as Novel Drug Delivery Systems.

The big players will speed up the launch of new products and will look at brand acquisition from other relatively smaller players. The latter will either close down or be taken over by larger players. Hence the currently fragmented industry may consolidate further.

The Indian Pharma sector is growing exponentially and expected to increase by US\$ 100 billion in the next few years. The Indian companies are using the revenue generated from generic drug sales to promote drug discovery projects on new delivery technologies.

5. Opportunities & Threats

The major Strengths, weaknesses, opportunities & threats of the Indian Pharmaceutical Market is as under:

Strengths

- Excellent Chemistry and process re-engineering skills
- Massive Pharmaceutical market Growth potential
- Strong local manufacturing sector with leading domestic players establishing a notable international presence
- Long established International trading patterns mainly with western Europe and US
- Growing number of market approval and accreditations

Weaknesses

- Among the least-developed pharmaceutical markets in Asia, with extremely low per-capita consumption
- Government drug pricing control and reimbursement policy.
- Underdeveloped healthcare infrastructure
- Vast regional disparities in healthcare coverage.

Opportunities

- Drugs with sales in excess of \$18 billion lose their patents protection in seven key markets- including the US which is represent more than \$14 billion of these sales.
- Robust generic and OTC drug market growth, with the letter benefitting from expected liberalization of sales channels.
- Large and growing pollution boosting pharmaceuticals and medical demand.

- Underdeveloped market for chronic illnesses.
- The recognition of pharmaceutical patents from January 2005.
- Rising demand for Generic drugs globally.
- Global outsourcing hubs for pharmaceuticals products.
- Increasing R&D activity by domestic firms.

Threats

- Threat from other low cost countries like China.
- Failure to enforce World Trade organization (WTO) - compliant patent legislation for drugs property.
- Considerable counterfeit drug industry.
- Further price controls on essential medicines.

6. Internal Control Systems

The company maintains a system of internal control, including suitable monitoring procedures. The Internal Audit Department regularly conducts a review to assess the financial and operating controls at various locations of the company and submits its reports to the Audit Committee of the Board of Directors.

7. Human Resources

Human resource management is a key focus area for the company and the company has been making constant to attract and retain the best talent. The company invests in the training and development needs of its employees through tailor made programs and extensive workshops. Focused initiatives were undertaken to improve HR process tools and techniques.

The numbers of employee as on 31st march 2008 were 1670.

8. Outlook

The Company is well positioned in the emerging business scenario with a clear objective to enhance market share in the domestic and select International markets, which has been highlighted in the Director's Report.

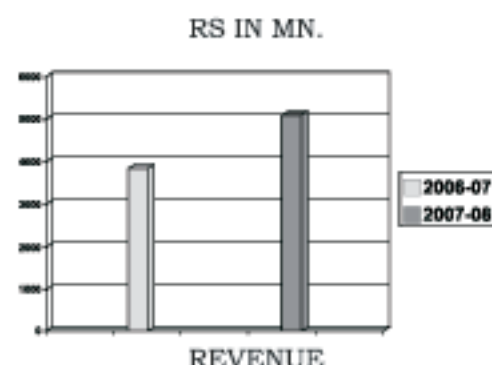
9. Cautionary Note

Certain statements in this section may be forward looking and are stated as required by applicable laws. These statements are subjects to certain risks and uncertainties. Actual results may differ materially from those expressed in the statement as many factors may influence company's operation.

Financial Performance with Respect to Operational Performance

Revenue

Gross revenue has increased from Rs. 3797.25 million in 2006-07 to Rs. 5192.15 million in 2007-08 recording a growth of 36.73% over the previous financial year. Gross revenue includes income from contract research for Rs. 100.00 millions (previous year Rs. 70.67 million)



Expenditure

The company's total expenditure increased by 36.92% i.e. Rs. 4807.16 million during 2007-08 compared to Rs. 3510.86 million during 2006-07. The increase is due to increased level of operations and normal rate of inflation.

Break up of expenses as %age to revenue from operations:-

	2007-08	% age	2006-07	%age
Revenue from operations	5192.15	100	3797.25	100
Cost of Material consumed	3739.78	72.03	2747.96	72.37
Manufacturing expenses	141.82	2.73	91.44	2.41
Administrative expenses	174.99	3.37	133.68	3.53
Selling & Dist. Expenses	316.36	6.09	268.61	7.07
Financial Expenses	311.99	6.01	188.30	4.96
Other Expenses	122.23	2.35	80.88	2.12
Operating Profits	384.98	7.42	286.39	7.54

Material Consumed :

Cost of material consumed decreased from Rs. 72.37% (Rs. 2747.96 mns) of revenues to 72.03% (Rs. 3739.78 mns) of revenue mainly on account of increased in-house production and better product mix.

Manufacturing Expenses

Increase in manufacturing expenses from 2.41% (Rs. 91.44 mns) of the Revenues to 2.73% (Rs. 141.82 mns) of the revenues is attributable to the increase in production, commissioning of the new unit at Baddi and normal inflation.

Administrative Expenses

Administrative expenses have increased by 30.90% as compared to last year mainly due to:-

- Increase in staff cost due to new recruitments of professionals for new projects.
- Annual Increments
- Increase in Travelling & Conveyance
- Balance administrative expenses have increased in normal course and due to inflation

Selling & Distribution Expenses

Decrease in Selling & Distribution cost from 7.07% of the revenues to 6.09% of the revenues is mainly due to better budgetary control and management.

Financial Expenses

Financial expenses consists of Interest on Term Loan, Interest on working capital, exchange rate fluctuations and Bank Charges.

- Increase in Interest on term loan is due to increased term loan and interest thereon.
- Increase in interest on working capital loan is due to following reasons
 - Increase in working capital availment / utilization due to increase in operational level of the company
 - Due to increase in rate of interest

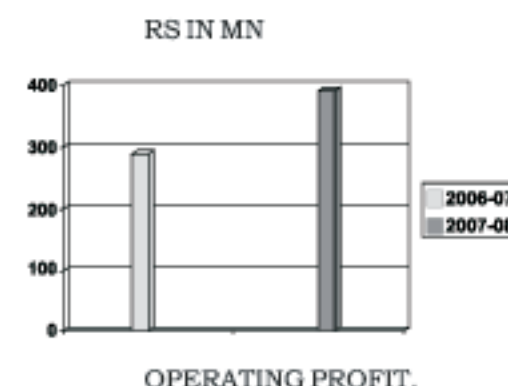
Other Expenses

Other Expenses consist of depreciation and amortized expenses.

Depreciation increased because of increase in gross block of fixed assets for new plant at Baddi and other additions in Parwanoo-I, Parwanoo-II and Jammu Unit.

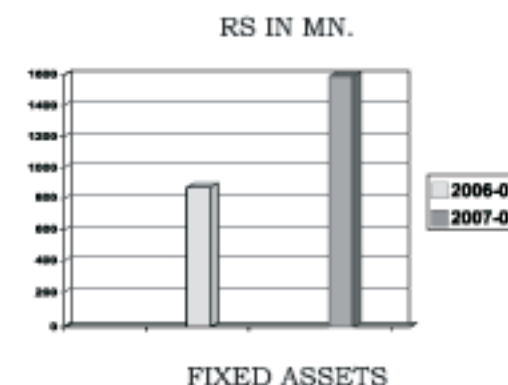
Operating Profit

Operating Profit has increased from Rs. 286.39 million during the previous year 2006-07 to Rs. 384.98 million in the current year 2007-08 marking an increase of 34.43% from the previous year.



Fixed Assets

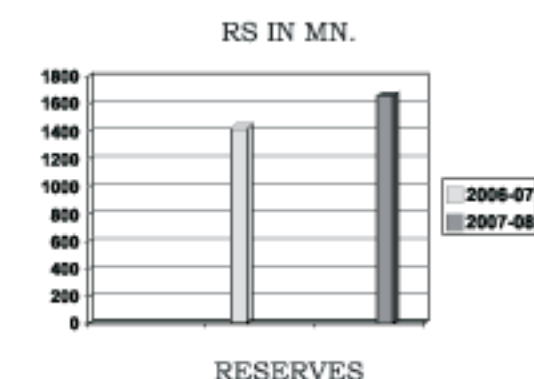
Investment in the fixed assets of the company has increased by 64.28% over the previous financial year 2006-07. It has increased to Rs. 1593.35 million in 2007-08 from Rs. 969.92 million in 2006-07. This was mainly due to the commissioning of the new facility at Baddi.



Reserves

Reserves represent the shareholders wealth and as it are ploughed back in the business, is the most cost effective fund for the company.

In 2007-08, the company's reserves has increased by 20.87% i.e. Rs. 1706.20 million in 2007-08 from Rs. 1411.67 million in previous year 2006-07.



Capital Employed

Capital employed of the company has increased from Rs. 4671.96 millions in 2006-07 to Rs. 5891.65 million during the current year 2007-08. The capital employed by the company increased due to new manufacturing facilities and expansion in the existing facilities.



Working Capital

In a pharmaceutical company, working capital is critical for a number of reasons, mainly due to

- Investment in large number of raw materials due to large number of products in Product profile
- Disbursement of credit to the agents and dealers for a comparatively longer Period than any other business.

Debtors

The debtor cycle have been brought down to 111 days from 115 days (an improvement by 4 days) during the current financial year.

Creditors

The company has been able to increase the creditors cycle from 85 days to 97 days in the financial year 2007-08

Inventory

The inventory holding has gone down by 11 days during the year 2007-08.

RISK MANAGEMENT

The Ind-Swift Limited has developed a risk management framework driven by a comprehensive organization wide culture of risk governance, supported by effective processes and facilitated by qualified professionals.

Industry Risk

The industry may not perform well, which could hamper corporate fortunes.

Risk Mitigation

The formulation industry will continue to grow so long as ailments plague mankind. With improved lifestyles and increased purchasing power in the hands of the consumer, chronic or life-style diseases are more prevalent. They include diabetes, cardiology, hyperlipidemia, CNS and respiratory ailments, among others. These therapeutic segments have outperformed the pharma industry growth of 8-9 per cent.

Competition risk

The formulation industry is marked by a number of players, which could impact margins and profitability. For instance, nearly 24,000 units were engaged in the production of pharmaceuticals in India around the turn of the century, of which 300 belonged to the organized sector. This overcrowding created intense competition and undercutting.

Risk mitigation

The company positioned itself in a high growth niche market. It did not restrict its dosage forms to just one category like tablets or syrups but covered the entire category of dosage forms (syrups, dry syrups, injectables, tablets and capsules), catering to each consumer category and emerging as a one-stop solution. For instance, in the Clarie range, even as the innovator launched the syrup dosage,

Ind-Swift responded with formulations in syrup, once-a-day NDDS tablets, injectables and film-coated tablets. The same is applicable to the Fexidine range where the company has come out with dispersible tablets (especially for children and elderly people) as against capsules available in the market. Besides, Ind Swift Laboratories (the group company in the API business) ensures the timely supply of quality APIs, allowing the company to launch its products ahead of competition. Moreover, the synthesis of novel drugs (Nitazoxanide) has allowed Ind-Swift to market pioneering formulations, increasing the company's visibility and brand.

Strategy risk

Post-2005, when the Indian pharmaceutical industry starts respecting the patents regime, reverse engineering will be banned and Indian companies will need to create proprietary drugs, an

expensive proposition that will be feasible by only a handful of domestic participants. This will force the Indian companies to endorse alliances with international pharmaceutical giants for outsourcing in research and manufacturing (CRAMS). In this environment, a strategic error could affect survival.

Risk mitigation

India presents an attractive opportunity for the international pharmaceutical fraternity to market its products for some good reasons: a low per capita expenditure which will correct itself over time, an increasing disposable income in the hands of the individual and a deepening insurance business which is expected to increase the healthcare expenditure. International majors will need to work with business partners with a strong marketing network and a deep understanding of the Indian market. Ind-Swift is attractively positioned among them for a number of reasons:

A rich, two-decade experience in the pharmaceutical industry.

A medium size, a fair critical mass for the absorption of technologies.

A strong marketing and distribution network.

Moreover, for the CRAMS business, the company has further strengthened its position with setting up of three new finished dosages facilities in Jammu(J&K), Baddi (H.P.) and Jawaharpur (Pb) all meeting FDA & GMP Standards.

Country risk

In an intensely competitive environment, an excessive dependence on any one market could be a risky proposition.

Risk mitigation

Over the years, the company marketed its products primarily to Indian markets. In the recent past, the company made a dedicated effort to venture internationally. Moreover, The Company has set up a 100% EOU in Jawaharpur, Derabassi Punjab to market its products International.

The unit conforms to the stringent requirements of TGA-Australia, MHRA-UK, MCC-South Africa, ANVISA-Brazil etc and is ready for an audit and accreditation by these bodies including WHO-Geneva. We have already filed over 100 dossiers in various Countries besides the product registrations in different countries.

Its group company, Ind-Swift Laboratories, has positioned itself in the international fraternity. Its products are being exported to more than 45 countries across the globe. In addition, it has set up a wholly owned subsidiary in the US, the largest pharmaceutical market worldwide.

Ind-Swift expects to leverage this experience to market its products in these countries. Besides, The company has taken a number of initiatives to enhance its global presence:

It filed patents for two NDDS in the US, of which it has already received approval for one.

It upgraded manufacturing facilities to meet international benchmarks and modernized its R&D facilities to make improved products.

The company expects that this will raise exports to 25 per cent of total revenues in the next four years.

Location risk

The sales of the company may be concentrated in a few pockets of India, which could seriously affect revenues in the event of a selective downturn.

Risk mitigation

The company prudently dispersed its distribution network across the entire country, each region contributing significantly to revenues. Moreover with beginning of the 100% EOU unit, the Company will start exporting its products to International markets. This will help the Company from an excessive dependence on any particular zone.

Brand risk

An excessive dependence on a few brands could be detrimental to the company.

Risk mitigation

Over the years, the company has developed a basket of brands, which feature among the top five in their respective therapeutic segments like Anin, Voranin and the Clarie range of products.

In addition, the company consistently worked towards developing new pioneering products, increasing its visibility. In doing so, it created a niche in the development of NDDS for existing generics. The company recently launched Netazox (Nitazoxanide molecule), emerging as the first company to launch such a product in Asia and second to its originator. It has also developed a combination of Nitazoxanide and ofloxacin for the first time in World. The company has also been awarded the patent for Clarie-OD, a sustained release dosage form, which enabled it to strengthen revenues.

Quality risk

As the domestic industry is fast integrating with global operations, it is becoming increasingly necessary to meet international quality specifications for survival and success.

Risk mitigation

Quality at Ind-Swift means delivering more than what has been promised - across every batch. The company not only matches critical specifications but all secondary parameters to ensure complete quality satisfaction. To enhance its quality standards, the company has taken the following initiatives:

The institution of quality assurance and quality control units for constant in-process monitoring. The analysis of all material by the quality department for meeting requisite specifications. The audit of every batch for quality before despatch; the audit of operational facilities by internal and external auditors at periodic intervals to ensure that the standard operating practices are rigorously followed.

People risk

People attrition, especially to competition, could impact the Company adversely.

Risk mitigation

The Company embarked on a number of initiatives to make the working environment congenial and yet to make the working environment congenial and yet challenging. It institutionalised a performance appraisal system, incentivised performance through a number of awards and strengthened internal and external training to increase employee knowledge.

Mitigation measurement

People attrition at 2% was below the industry average of 5%. People productivity improved significantly turnover per employee increased from Rs. 20.80 lakh in 2006-07 to Rs. 22.09 lakh in 2007-08.

Marketing risk

The company may not have a clear strategy for marketing, resulting in declining revenues.

Risk mitigation

Over the years, the company has focused on marketing as a primary business driver. It has divided its marketing function into nine divisions, each addressing Specific therapeutic segments. This ensures that every product in each category is given adequate thrust, commensurate with its potential. These divisions provided a comprehensive feedback on each therapeutic segment, which translated into planned R&D and production activities.

Product segment risk

The company's products may belong to segments witnessing slow or negative growth.

Risk mitigation

The company has prudently selected to focus on high growth lifestyle therapeutic groups, namely Diabetology, cardiology, diabetology and anti-depressant segments. These segments have reported double-digit growth over the past few years.

For and On behalf of the Board

S. R. Mehta
Chairman

Place: Chandigarh
Date: 23.08.2008

AUDITOR'S REPORT

The Members
Ind-Swift Limited
Chandigarh.

1. We have audited the attached Balance Sheet of M/s Ind-Swift Limited as at 31st March 2008 and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on the same date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by Companies (Auditor's Report) Order, 2003, and as amended by Companies (Auditors Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the annexure referred to in Paragraph (3) above:-
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of such books.
 - c. The Balance Sheet and Profit and Loss Account and Cash Flow Statement referred

to in this Report are in agreement with the books of accounts.

- d. In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow statement comply with the requirements of the accounting standards referred to in Sub Section (3C) of Section 211 of the Companies Act 1956.
- e. During the course of our Audit, we have not come across with any such observation which has any adverse effect on the functioning of the company.
- f. Pursuant to the provisions of sub section (1)(g) of section 274 of the Companies Act 1956, we report as under :
On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2008 from being appointed as a Director of the company in terms of Clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- g. In our opinion and to the best of our information and according to the explanations given to us, the said statement of accounts read with notes thereon, give the information required by Companies Act, 1956 in the manner as required and give a true and fair view:-
 - a) In case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2008,
 - b) In the case of the Profit and Loss Account, of the profit for the year ended on 31.3.2008 and
 - c) In the case of Cash flow Statement, of the Cash Flow of the Company for the year ended on that date.

For J.K. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

Place: Chandigarh
Date: 23.08.2008

(J.K. JAIN)
Partner
Membership No. 83140

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in Para (3) of our Report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to information and explanations given to us, the Company has a system of physical verification of all its fixed assets once in a year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No serious discrepancies were noticed on such verification.
- (c) During the year, company has not disposed off any substantial/major part of fixed assets.
- (ii) (a) As explained to us, the stocks of stores, spare parts, raw materials and finished goods have been physically verified by the management at regular intervals during the year.
- (b) In our opinion and according to information & explanations given to us, the Procedure of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion & according to the information & explanations given to us and on the basis of our examination of the records of inventory, the company is maintaining proper records of its inventory. The discrepancies noticed on physical verification of stocks of stores, spare parts, raw material and finished goods were not significant in relation to the operations of the Company and the same have been properly dealt with in the books of accounts.
- (iii) (a) According to the information and explanation given to us, the Company has taken/granted loans, secured or unsecured from/to Companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956. Company has taken loan from two parties and balance outstanding as on 31st March, 2008 is Rs. 4037.15 Lacs.

As regards the loans given, Company has granted loans to two parties and the balance outstanding as on 31st March, 2008 is Rs. 651.54 Lacs.

- (b) According to the information & explanations given to us, the loans taken/granted are unsecured and in our opinion, the terms & conditions of such loans are not prima facie prejudicial to the interests of the Company.
- (c) According to the information & explanations given to us, the Company as well as the parties to whom loans have been given are regular in repayment of principal amount and payment of interest as stipulated.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for the sale of goods.
- (v) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies Act, 1956.
 - (a) To the best of our knowledge and belief and according to the information and explanations given to us, the transactions that needed to be entered into the register have been so entered.
 - (b) According to the information and explanations given to us, the transactions exceeding Rs.5,00,000/- (Rupees five lacs only) have been made at prices, which are prima facie, reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has complied with the directions issued by the Reserve Bank of India and provisions of Section 58A & 58AA of the Companies Act, 1956 and the rules framed thereunder with regard to the deposits accepted from the public.
- (vii) In our opinion, Internal Audit System followed by the management is commensurate with the size of the company and nature of its business.

(viii) The Company is required to maintain cost records under section 209 (1)(d) of the Companies Act, 1956 for the products of the company and according to the information & explanations given to us, the company has maintained proper records as prescribed by the Central Government but we have not carried out the examination of these records.

(ix) (a) According to the information and explanations given to us and the records of the company examined by us, the company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, VAT, Wealth Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to it. We are informed that there are no undisputed statutory dues as at the year end outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the company examined by us, there are no undisputed dues of Income Tax, FBT Wealth Tax, Sales Tax, Custom Duty, Excise Duty and cess matters.

(x) The company does not have accumulated losses as at the end of the financial year March 31, 2008. Further the company has not incurred any cash losses during the financial year ended March 31, 2008 and in the preceding financial year ended March 31, 2007.

(xi) According to the records of the company examined by us and the information and explanations given to us, the company during the year has not defaulted in repayment of dues to financial institutions or banks.

(xii) According to the information & explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) The provisions of any special statute as specified under paragraph 4 (xiii) of the Order are not applicable to the Company.

(xiv) In our opinion and according to the information & explanations given to us, the

company has maintained proper records of the transactions relating to dealing in shares, securities & other investments & also entries have been made therein timely. Also all the shares, securities etc. have been held by the company in its own name.

(xv) In our opinion and according to the information & explanations given to us, the terms and conditions on which the company has given guarantees during the year for loans taken by others from banks or financial institutions are prima facie not prejudicial to the interest of the company.

(xvi) In our opinion and according to the explanations given to us, the term loans taken during the year have been applied for the purpose for which they were obtained.

(xvii) According to the information & explanations given to us and on overall examination of the balance sheet of the company, we report that short term funds have not been used to finance long term investments and vice versa.

(xviii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) During the year, since the company has not issued any debentures, paragraph 4 (xix) of the Order is not applicable.

(xx) During the year, since the company has not raised any money by way of public issue, paragraph 4 (xx) of the Order is not applicable.

(xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit for the year ended March 31, 2008.

For J.K. JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

J.K. JAIN

Partner

Place: Chandigarh

Date: 23.08. 2008

Membership No. 83140

BALANCE SHEET

Amount in Rupees

As at 31st March	SCHEDULE	As at 31-03-08	As at 31-03-07
SOURCES OF FUNDS			
Shareholder's Fund			
Share Capital	I	74,356,740	74,356,740
Advance against Share Capital		1,620,000	1,620,000
Reserves and Surplus	II	1,706,196,292	1,411,669,448
		1,782,173,032	1,487,646,188
Loan Funds			
Secured Loans	III	3,089,077,927	2,275,018,507
Unsecured Loans	IV	829,968,117	747,998,595
		3,919,046,044	3,023,017,102
Deferred Tax Liability		190,426,165	161,292,165
		5,891,645,241	4,671,955,455
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	V	1,593,353,257	969,917,715
Less: Depreciation		181,194,028	120,728,295
Net Block		1,412,159,229	849,189,420
Add: Capital Work in Progress		974,933,481	987,522,629
		2,387,092,710	1,836,712,049
Investments	VI	283,037,785	187,587,785
Current Assets, Loans & Advances			
Inventories	VII	2,217,984,058	1,715,651,305
Sundry Debtors	VIII	1,570,653,932	1,198,532,915
Cash & Bank Balances	IX	230,221,659	206,712,671
Loans & Advances	X	231,530,574	184,944,277
		4,250,390,223	3,305,841,168
Less : Current Liabilities & Provisions	XI		
Current Liabilities		1,218,765,715	857,684,428
Provisions		62,625,691	50,373,881
Net Current Assets		2,968,998,817	2,397,782,859
Miscellaneous Expenditure (to the extent not w/off or adjusted) (Capital issue/Prem. exp/Seed Mkt. exp./ Market Survey)	XII	252,515,929	249,872,762
Total		5,891,645,241	4,671,955,455
SIGNIFICANT ACCOUNTING POLICIES	XX		
NOTES ON ACCOUNTS	XXI		

Auditor's Report
As per our separate report of even date

for J.K. Jain & Associates
Chartered Accountant

J.K. Jain
Partner

S.R. Mehta
Chairman

Himanshu Jain
Whole Time Director

Nirmal Aggarwal
Director

Place : Chandigarh
Date : 23-08-2008

for and on behalf of the Board
for **Ind-Swift Limited**

Dr. G. Munjal
Managing Director & CEO

N.R. Munjal
Vice Chairman

N.D. Aggarwal
Director

H.P.S. Chawla
Director

A.K. Tarafdar
Vice President (Finance)

Dr. V.R. Mehta
Joint Managing Director

V.K. Mehta
Director

R.S. Bedi
Director

S.K. Mathur
Director

R.K. Sood
Company Secretary

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PROFIT & LOSS ACCOUNT

Amount in Rupees

For the year ended 31st March,	SCHEDULE	As on 31-03-08	As on 31-03-07
INCOME			
Sale & Other Income	XIII	5,192,145,159	3,797,253,505
Total(A)		5,192,145,159	3,797,253,505
EXPENDITURE			
Cost of Material Consumed	XIV	3,739,779,039	2,747,959,513
Manufacturing Expenses	XV	141,824,071	91,440,052
Administrative Expenses	XVI	174,989,216	133,677,871
Selling & Distribution Expenses	XVII	316,359,010	268,608,470
Financial Charges	XVIII	311,988,065	188,301,834
Depreciation/Amortisation	V	58,506,225	33,835,135
Misc. Expenditure W/off.	XIX	63,716,848	47,040,997
Total (B)		4,807,162,474	3,510,863,872
Profit Before Tax (A-B)		384,982,685	286,389,633
Provision for Tax		43,619,000	32,133,000
Provision for Deferred Tax		29,134,000	41,199,000
Fringe Benefit Tax		5,495,170	4,540,108
Add Income Tax for previous year Adjusted		5,720,496	0
Net Profit after Tax		312,455,011	208,517,525
Less Income Tax for the earlier years		529,434	718,266
Profit b/f from previous year		694,062,623	603,662,097
Proposed Dividend		14,871,348	14,871,348
Tax on Dividend		2,527,385	2,527,385
Profit Trfd. to General Reserve		150,000,000	100,000,000
(Profit c/f to Balance Sheet)		838,589,467	694,062,623
Basic Earning per Share		8.43	5.63
Diluted Earning per Share		8.43	5.63
Nominal Value per Share		2.00	2.00

for and on behalf of the Board
for **Ind-Swift Limited**

Auditor's Report

As per our separate report of even date

for J.K. Jain & Associates Chartered Accountant	S.R. Mehta Chairman	Dr. G. Munjal Managing Director & CEO	Dr. V.R. Mehta Joint Managing Director
J.K. Jain Partner	Himanshu Jain Whole Time Director	N.R. Munjal Vice Chairman	V.K. Mehta Director
	Nirmal Aggarwal Director	N.D. Aggarwal Director	R.S. Bedi Director
		H.P.S. Chawla Director	S.K. Mathur Director
		A.K. Tarafder Vice President (Finance)	R.K. Sood Company Secretary

Place : Chandigarh
Date : 23-08-2008

SCHEDULES FORMING PART OF ACCOUNTS

Amount in Rupees

For the year ended 31st March,	SCHEDULE	As on 31-03-08	As on 31-03-07
SHARE CAPITAL	I		
Authorised 7,50,00,000 (P/Y- 7,50,00,000) Equity Shares of Rs. 2/- Each		150,000,000	150,000,000
Issued, Subscribed & Paid Up 3,71,78,370 Equity Shares (P/Y 3,71,78,370) of Rs. 2/- Each Fully Paid up in Cash		74,356,740	74,356,740
		74,356,740	74,356,740
RESERVES & SURPLUS	II		
General Reserve			
Opening Balance		408,025,488	408,025,488
Addition During the Year		150,000,000	558,025,488
Capital Reserve		4,503,481	4,503,481
Subsidy		67,856	67,856
Securities Premium		305,010,000	305,010,000
Surplus in Profit & Loss A/c		838,589,467	694,062,623
		1,706,196,292	1,411,669,448
SECURED LOANS	III		
Term Loans from Banks & Financial Institutions against Equitable Mortgage of Immovable Properties Hypothecation of Plant & Machinery, Vehicles, second charge on Equipments, Utilities, Other Fixed Assets, Current Assets and personal guarantee of Directors.		1,456,570,407	1,070,731,432
Bank borrowings for working capital from Banks secured by way of Hypothecation of Stocks, Debtors, Bills Receivables, fixed deposits and all other current assets and Equitable mortgage of immovable properties including Land, Building, Plant & Machinery with other Fixed Assets in the name of the Company Situated at Plot No. 123, Ind. Area, Panchkula, Plot No. 23, Sector 2, Parwanoo, Plot No. 17-B, Sector 2, Parwanoo & Land & Building situated at Village Pabhat, Distt. Ropar, Village Malkumajra, Teh. Nalagarh, Distt. Solan, Ind. Growth Centre Ph.I, Samba, Jammu and Personal Guarantee of all the Directors.		1,632,507,520	1,204,287,075
		3,089,077,927	2,275,018,507
UNSECURED LOANS	IV		
Fixed deposits from Public		143,133,896	127,176,911
From Banks / Institutions		231,501,334	212,988,758
From Others		455,332,887	407,832,926
		829,968,117	747,998,595

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PROFIT & LOSS ACCOUNT

Amount in Rupees

For the year ended 31st March,	SCHEDULE	As on 31-03-08	As on 31-03-07
INCOME			
Sale & Other Income	XIII	5,192,145,159	3,797,253,505
Total(A)		5,192,145,159	3,797,253,505
EXPENDITURE			
Cost of Material Consumed	XIV	3,739,779,039	2,747,959,513
Manufacturing Expenses	XV	141,824,071	91,440,052
Administrative Expenses	XVI	174,989,216	133,677,871
Selling & Distribution Expenses	XVII	316,359,010	268,608,470
Financial Charges	XVIII	311,988,065	188,301,834
Depreciation/Amortisation	V	58,506,225	33,835,135
Misc. Expenditure W/off.	XIX	63,716,848	47,040,997
Total (B)		4,807,162,474	3,510,863,872
Profit Before Tax (A-B)		384,982,685	286,389,633
Provision for Tax		43,619,000	32,133,000
Provision for Deferred Tax		29,134,000	41,199,000
Fringe Benefit Tax		5,495,170	4,540,108
Add Income Tax for previous year Adjusted		5,720,496	0
Net Profit after Tax		312,455,011	208,517,525
Less Income Tax for the earlier years		529,434	718,266
Profit b/f from previous year		694,062,623	603,662,097
Proposed Dividend		14,871,348	14,871,348
Tax on Dividend		2,527,385	2,527,385
Profit Trfd. to General Reserve		150,000,000	100,000,000
(Profit c/f to Balance Sheet)		838,589,467	694,062,623
Basic Earning per Share		8.43	5.63
Diluted Earning per Share		8.43	5.63
Nominal Value per Share		2.00	2.00

for and on behalf of the Board
for **Ind-Swift Limited**

Auditor's Report

As per our separate report of even date

for J.K. Jain & Associates Chartered Accountant	S.R. Mehta Chairman	Dr. G. Munjal Managing Director & CEO	Dr. V.R. Mehta Joint Managing Director
J.K. Jain Partner	Himanshu Jain Whole Time Director	N.R. Munjal Vice Chairman	V.K. Mehta Director
	Nirmal Aggarwal Director	N.D. Aggarwal Director	R.S. Bedi Director
		H.P.S. Chawla Director	S.K. Mathur Director
		A.K. Tarafder Vice President (Finance)	R.K. Sood Company Secretary

Place : Chandigarh
Date : 23-08-2008

SCHEDULES FORMING PART OF ACCOUNTS

Amount in Rupees

For the year ended 31st March,	SCHEDULE	As on 31-03-08	As on 31-03-07
SHARE CAPITAL	I		
Authorised 7,50,00,000 (P/Y- 7,50,00,000) Equity Shares of Rs. 2/- Each		150,000,000	150000000
Issued, Subscribed & Paid Up 3,71,78,370 Equity Shares (P/Y 3,71,78,370) of Rs. 2/- Each Fully Paid up in Cash		74,356,740	74356740
		74,356,740	74356740
RESERVES & SURPLUS	II		
General Reserve			
Opening Balance		408,025,488	
Addition During the Year		150,000,000	
Capital Reserve		558,025,488	408,025,488
Subsidy		4,503,481	4,503,481
Securities Premium		67,856	67,856
Surplus in Profit & Loss A/c		305,010,000	305,010,000
		838,589,467	694,062,623
		1,706,196,292	1,411,669,448
SECURED LOANS	III		
Term Loans from Banks & Financial Institutions against Equitable Mortgage of Immovable Properties Hypothecation of Plant & Machinery, Vehicles, second charge on Equipments, Utilities, Other Fixed Assets, Current Assets and personal guarantee of Directors.		1,456,570,407	1,070,731,432
Bank borrowings for working capital from Banks secured by way of Hypothecation of Stocks, Debtors, Bills Receivables, fixed deposits and all other current assets and Equitable mortgage of immovable properties including Land, Building, Plant & Machinery with other Fixed Assets in the name of the Company Situated at Plot No. 123, Ind. Area, Panchkula, Plot No. 23, Sector 2, Parwanoo, Plot No. 17-B, Sector 2, Parwanoo & Land & Building situated at Village Pabhat, Distt. Ropar, Village Malkumajra, Teh. Nalagarh, Distt. Solan, Ind. Growth Centre Ph.I, Samba, Jammu and Personal Guarantee of all the Directors.		1,632,507,520	1,204,287,075
		3,089,077,927	2,275,018,507
UNSECURED LOANS	IV		
Fixed deposits from Public		143,133,896	127,176,911
From Banks / Institutions		231,501,334	212,988,758
From Others		455,332,887	407,832,926
		829,968,117	747,998,595

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SCHEDULES FORMING PART OF ACCOUNTS

Amount in Rupees

As at 31st March	SCHEDULE	2008	2007
CURRENT LIABILITIES & PROVISIONS	XI		
(A) CURRENT LIABILITIES			
Sundry Creditors		1,111,806,829	792,863,653
Other Liabilities		34,911,678	20,662,449
Expenses Payable		42,448,206	30,608,416
Statutory Liabilities		29,599,002	13,549,910
(B) PROVISIONS			
Dividend		14,871,348	14,871,348
Fringe Benefit Tax		1,095,645	758,348
Tax on Dividend		2,527,385	2,527,385
Income Tax		43,619,000	32,133,000
Central Excise Duty		512,313	83,800
		1,281,391,406	908,058,309
MISCELLANEOUS EXPENDITURE	XII		
(To the extent not written off/adjusted)			
Seed Marketing & Mkt. Research Expenses		189,560,768	167,439,945
Public/Capital Issue Expenses		682,200	795,900
Preliminary Expenses		125,000	150,000
Product Development Expenses (R&D)		58,651,929	77,195,769
Software Development Expenses		3,496,032	4,291,148
		252,515,929	249,872,762
SALES & OTHER INCOME	XIII		
Sale of Finished Products		5,056,036,356	3,706,216,362
Contract research(R&D)		100,000,000	70,667,380
Previous Year Income		1,822,018	3,498,293
Interest on FDR		6,541,022	4,916,497
Other Income		27,745,763	11,954,973
		5,192,145,159	3,797,253,505

SCHEDULES FORMING PART OF ACCOUNTS

Amount in Rupees

As at 31st March	SCHEDULE	2008	2007
COST OF MATERIAL CONSUMED/SOLD	XIV		
Opening Stock		626,307,800	480,999,747
Purchase		4,235,589,122	3,528,288,954
		4,861,896,922	4,009,288,701
Less :Closing Stock		651,574,253	626,307,800
TOTAL	(A)	4,210,322,669	3,382,980,901
INCREASE/(DECREASE) IN INVENTORY			
OPENING STOCK			
Work-in-Progress		208,276,486	77,630,276
Finished Goods		841,209,010	336,833,832
		1,049,485,496	414,464,108
CLOSING STOCK			
Work-in-Progress		295,038,476	208,276,486
Finished Goods		1,224,990,650	841,209,010
		1,520,029,126	1,049,485,496
TOTAL	(B)	470,543,630	635,021,388
TOTAL	(A-B)	3,739,779,039	2,747,959,513
MANUFACTURING EXPENSES	XV		
Wages & Benefits		58,174,859	45,134,950
Power, Fuel & Water Charges		37,645,005	23,260,343
Other Manufacturing Expenses		46,004,207	23,044,759
		141,824,071	91,440,052
ADMINISTRATIVE EXPENSES	XVI		
Director's Remuneration		21,126,000	16,200,000
Salary & Benefits		50,778,333	38,716,912
Travelling & Conveyance		33,702,802	24,343,371
Auditor's Remuneration		807,300	702,000
Rent, Rates & Taxes		6,535,540	5,574,139
Telephone & Postage		8,320,881	7,830,582
Corporate & Other Administrative Expenses		53,718,360	40,310,867
		174,989,216	133,677,871

SCHEDULES FORMING PART OF ACCOUNTS

Amount in Rupees

As at 31st March	SCHEDULE	2008	2007
SELLING & DISTRIBUTION EXPENSES	XVII		
Excise Duty		25,155,584	6,599,483
Salary & Benefits		57,040,281	61,276,262
Commission to C & F Agents		54,759,933	37,006,471
Discount Allowed		9,567,229	4,200,473
Travelling Expenses		66,581,480	64,970,784
Bad Debts Written off		2,032,957	1,543,549
Other Selling Expenses		101,221,546	93,011,448
		316,359,010	268,608,470
INTEREST & FINANCIAL CHARGES	XVIII		
Interest on Term Loans		103,262,006	48,769,815
Interest on Working Capital Loans		149,681,118	87,086,228
Bank Charges/Processing/Exchange Rate		16,531,516	11,781,541
Interest Others		42,513,425	40,664,250
		311,988,065	188,301,834
MISC. EXPENDITURE WRITTEN OFF	XIX		
Seed Marketing Expenditure		43,989,516	32,672,456
Product Development Expenses		18,543,840	13,297,033
Public Issue Expenses		113,700	113,700
Preliminary Expenses		25,000	25,000
Software Development Expenses		1,044,792	932,808
		63,716,848	47,040,997

SCHEDULE-'XX'

SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention

The Financial statements are prepared in accordance with applicable Accounting Standards in India. A summary of important Accounting Policies, which have been applied consistently, is set out below. The Financial Statement have also been prepared in accordance with relevant presentational requirements of the Companies Act 1956.

2. Basis of Accountings

The accounts are prepared under the historical cost convention and on the basis of going concern. All Expenses and incomes to the extent ascertained as payable and receivable respectively are accounted for on mercantile basis unless otherwise stated.

3. Use of Estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

SCHEDULES FORMING PART OF ACCOUNTS

4. Fixed Assets and Depreciation

a.) All fixed assets are stated at cost less accumulated depreciation. Cost of acquisition or construction is inclusive of freight, duties, fees and incidental expenses and interest on loans attributable to the acquisition of assets upto the date of commissioning of assets.

b.) The company is following the straight line method of depreciation at the rates as specified in schedule XIV of the Companies Act, 1956.

Depreciation is calculated on a pro-rata basis from the date of additions, except in the case of assets costing upto Rs.5000/- each, where each such asset is fully depreciated in the year of purchase.

On assets sold, discarded etc, during the year depreciation is provided upto the date of sale/discard.

c.) Premium on Lease hold land is amortized over the period of Lease.

5. Inventories are valued as under:-

a.) Stock of Raw Material and Packing Material :- At cost ascertained on FIFO basis, excluding recoverable rates and taxes.

b.) Stock of work in process: - At material cost plus apportioned manufacturing overheads or net realizable value whichever is lower.

c.) Stock of Finished Goods: - At Cost or Net Realizable Value, whichever is lower. Cost includes material cost plus apportioned manufacturing overheads and expenditure incurred in the normal course of business in bringing such inventories to its present location. It also includes excise duty paid or payable in accordance with Accounting Standard - 2 "Valuation of Inventories" issued by ICAI.

d.) Stock in Transit: At Cost

6. Investments

Investments are classified into current and long term Investments.

a.) Long term investments are stated at cost of acquisition. Provision for diminution is made only to recognize a decline other than temporary, if any, in the value of investments.

b.) Current investments are carried at lower of cost and fair market value.

7. Revenue Recognition

Revenue is recognized upon the transfer of title of goods and when all significant risks and rewards of ownership have been transferred to the buyer. Transfer of the title generally coincides with the delivery of the goods. Revenue is recognized when there is reasonable certainty of its ultimate realization.

Sales are net of VAT, breakage, leakage and trade discount but include Excise Duty.

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SCHEDULES FORMING PART OF ACCOUNTS

Amount in Rupees

As at 31st March	SCHEDULE	2008	2007
SELLING & DISTRIBUTION EXPENSES	XVII		
Excise Duty		25,155,584	6,599,483
Salary & Benefits		57,040,281	61,276,262
Commission to C & F Agents		54,759,933	37,006,471
Discount Allowed		9,567,229	4,200,473
Travelling Expenses		66,581,480	64,970,784
Bad Debts Written off		2,032,957	1,543,549
Other Selling Expenses		101,221,546	93,011,448
		316,359,010	268,608,470
INTEREST & FINANCIAL CHARGES	XVIII		
Interest on Term Loans		103,262,006	48,769,815
Interest on Working Capital Loans		149,681,118	87,086,228
Bank Charges/Processing/Exchange Rate		16,531,516	11,781,541
Interest Others		42,513,425	40,664,250
		311,988,065	188,301,834
MISC. EXPENDITURE WRITTEN OFF	XIX		
Seed Marketing Expenditure		43,989,516	32,672,456
Product Development Expenses		18,543,840	13,297,033
Public Issue Expenses		113,700	113,700
Preliminary Expenses		25,000	25,000
Software Development Expenses		1,044,792	932,808
		63,716,848	47,040,997

SCHEDULE-'XX'

SIGNIFICANT ACCOUNTING POLICIES

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SCHEDULES FORMING PART OF ACCOUNTS

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On assets sold, discarded etc, during the year depreciation is provided upto the date of sale/discard.

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- Stock of Raw Material and Packing Material :- At cost ascertained on FIFO basis, excluding recoverable rates and taxes.
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Sales are net of VAT, breakage, leakage and trade discount but include Excise Duty.

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SCHEDULES FORMING PART OF ACCOUNTS

3. Land Amounting to Rs. 4.43Lacs Continues to be in the name of Mukur Pharmaceutical Company Pvt. Ltd. as on the date of Balance Sheet Pending transfer.

4. The Company is a manufacturing company, so the information pursuant to the provisions of paragraph 3 & 4 of part II of schedule VI to the Companies Act, 1956 is as under: -

- a.) (i) Licensed Capacity - N.A.
 ii) Installed Capacity - (As on 31.03.2008)
 (As certified by the Management)

Particulars	Unit	2007-08	2006-07 (Rs. in Lacs)
Ampoules/Vials	No's	1170.40	1170.40
Tablets/Capsules	No's	25790.00	16850.00
Ointment	No's	550.00	550.00
Liquid/Dry Syrup	No's	360.00	360.00

b) Particulars of actual production, sales & closing stock of finished goods
 - As per annexure - I

c) Particulars of consumption of Material- As per annexure - II

d) Earnings in Foreign Currency

Particulars	2007-08	2006-07 (Rs. in Lacs)
FOB Value of Export	30.24	12.99
Technology Transfer Fees	1119.46	706.67

e) Expenditure in Foreign Currency

Particulars	2007-08	2006-07 (Rs. in Lacs)
Tours & Travels	26.73	25.65
Product Inspection Fees	NIL	1.83

(f) Value of imports calculated on CIF Basis:

Particulars	2007-08	2006-07 (Rs. in Lacs)
Raw Material	1009.07	3252.73
Equipment	109.90	22.24

SCHEDULES FORMING PART OF ACCOUNTS

(g) Value of Imported/indigenous Raw Materials consumed

Raw Material	Current Year Value	%age	Previous Year value	%age
Imported	Rs. 1009.07 lacs.	2.70%	Rs. 3252.73 lacs	11.84%
Indigenous	Rs. 36388.72 lacs	97.30%	Rs. 24226.87 lacs	88.16%

(h) Remittance in foreign currency on account of Dividend **NIL** (P/Y NIL)

(i) **Managerial Remuneration:** Only fixed monthly remuneration has been paid to the Managing/Whole Time Directors as per Schedule XIII of the Companies Act 1956. Detail is as below:

Particulars	2007-08	2006-07 (Rs. in Lacs)
i) Salary	252.00	216.00
ii) Contribution to Provident Fund/ESI	0.37	0.37
iii) Perquisites & Other Allowances	NIL	NIL

(j) **Auditor's Remuneration:**

Particulars	2007-08	2006-07
Audit Fee	Rs. 674475/-	Rs. 586500/-
Tax Audit Fee	Rs. 69575/-	Rs. 60500/-
Income Tax Consultancy	Rs. 63250/-	Rs. 55000/-
Total	Rs. 807300/-	Rs. 702000/-

5. Fixed deposits with banks are **Rs. 69681708/-** (P/Y Rs. 108203272/-) out of which **Rs. 54470112/-** (P/Y- Rs. 96166358/-) are pledged as margin money with banks.

6. Expenses includes **Rs. 3608384/-** (P/Y Rs. 2093101/-) as expenses relating to previous years.

7. Income includes **Rs. 1822018/-** (P/Y Rs. 3498293/-) as income relating to previous years.

8. Depreciation on assets has been provided for the entire accounting year on straight line method at the rates prescribed by Schedule XIV of the Companies Act, 1956. Depreciation in respect of additions to assets has been charged on prorata basis with reference to the period of use of such assets.

9. Contingent liabilities outstanding as on 31.03.2008 are as under:

a.) Foreign Letter of Credit/Inland Letter of Credit/Bank Guarantee issued by Bankers:

Particulars	2007-08	2006-07 (Rs. in Lacs)
FLC	1083.58	1310.39
ILC	2588.59	1899.24
BG	32.75	81.98
LADT	35.96	35.96

SCHEDULES FORMING PART OF ACCOUNTS

(b) Corporate Guarantee on behalf of Ind Swift Laboratories Ltd of which the company is shareholder amounting to **Rs. 1937.67 Lacs** (Previous Year Rs. 2837.85 Lacs) based on outstanding balances at the year end.

10. Company has invested Rs.85855000 in M/s Ind Swift Labs Ltd for which Rs. 83720000/- (1196000 Equity Shares @ Rs.70/- each) were allotted by the company. Balance will be allotted in the forthcoming year.
11. The Investment in M/s Mansa Print & Publishers Ltd as on 31.03.2008 is Rs.1269500/-.
12. The company has introduced new product ranges like Topclav, Swiglobin-300, Bupacet, Timcol eye drop, Indmox-250, Nelsip, Gutts, Neotop etc. during the year 2007-2008. The company has launched new divisions named as Agile, Mega Care and Diagnosis. The company has also substantially increased the number of head quarters in the states where it was working on a smaller scale. Expenses relating to the introduction & establishment of new Products/Depots and Head Quarters have enduring beneficial effect beyond the year in which these are incurred. Such expenses are clubbed under the head Seed Marketing Expenses to be amortized in subsequent five equal annual installments.
13. R & D: Company is consistently undertaking Research & Development in new areas of Medicine. The R & D facility of the company is duly recognized by Deptt. of Science & Technology, Govt. of India. Company's team consisting of highly qualified scientists has proven their expertise in various areas of technology development. Expenditure on R&D incurred by the Company during the Year is:

	(Rs.in Lacs)	
Tangible Assets		
R&D Furniture	6.10	
R&D Equipment	27.58	33.69
Intangible Assets		
Product Technology	425.00	425.00
Capital Work in Progress-Intangible Assets		
Salary & Wages	107.13	
Consumables	71.89	
Technical Studies & Support	471.85	
Rep. & Maint. (Machinery)	2.60	
Administrative Expenses	50.66	704.13
Total		1162.82

14. Total amount of term loans/installments of term loans repayable during twelve months following 31.03.2008 is **Rs 4815.04 Lacs** (Previous year Rs.2483.38 Lacs) and public deposits amounting to **Rs.845.21 Lacs** (P/Y Rs.718.20 Lacs).
15. Loans and Advances due from officers of the company is **Rs. 4.14 Lacs** (Previous Year Rs.1.25Lacs) Maximum amount outstanding during the year was **Rs.4.86 Lacs** (Previous Year Rs.2.67 Lacs).
16. In the opinion of the Board, the current assets, loans & advances shown in the Balance Sheet have a value of realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known and determined liabilities is adequate.
17. Some of the suppliers of materials have been identified as Small Scale Industrial Undertakings on the basis of the information available with the company. However some of these parties has an outstanding credit balance for more than 30days as on 31.03.2008.
18. There were no lease obligations outstanding during the year and consequently no lease rentals were payable. There are no unexpired lease obligations as at the year end.
19. In the opinion of the management, the company is mainly engaged in the business of Pharmaceuticals. All activities of the company revolve around the main business and as such there are no separate reportable segments. The company caters mainly to the needs of the domestic market. The export turnover being less than 10% of the total turnover, there are no reportable geographical segments.
20. Company has taken a Defined Contribution Plan from Life Insurance Corporation of India which takes care its liability towards Gratuity entirely. As per Accounting Standard 15 on "Employee Benefits" the disclosure is given below.
- i) Employer's Contribution to PF **Rs. 9330976/-**
- ii) Contribution to Gratuity **Rs. 3131779/-**

SCHEDULES FORMING PART OF ACCOUNTS

21. Manufacturing Unit of the company situated at Baddi in Himachal Pradesh was commissioned during the year and was capitalised.
22. Part of the Global business Unit of the company situated at Derabassi, Punjab went into commercial production and was capitalised during the year.
23. **Intangible Assets :**
- a) Technical know how acquired by the company is recognized as an intangible asset and is amortised over its useful life of 5 years.
- b) Expenses on Research phase are charged to Profit and Loss account.
- c) Expenditure on development phase is recognised as intangible asset in accordance with AS 26.
24. Earning Per Share (EPS)

a.) Basic EPS

S.No	Particulars	2007-08 (Rs. in Lacs)	2006-07 (Rs. in Lacs)
i)	Profit after tax (Attributable to ordinary shareholders)	3124.55	2085.18
ii)	Weighted Average number of ordinary Shares	37045037 Nos.	37045037 Nos.
iii)	Basic EPS/Share of Rs. 2/-	Rs. 8.43	Rs. 5.63
iv)	Diluted EPS/share of Rs. 2/-	Rs. 8.43	Rs. 5.63

25. Investments of **Rs.2830.38** Lacs are stated at Cost and includes quoted investments of **Rs. 2291.33** Lacs. The Market value of quoted investment are as under:-

S.No.	Name of the company	Nos. of Shares	Cost price (Rs. in Lacs)	Market value (Rs. in Lacs)
1.	Ind. Swift Laboratories Ltd.	6230720	Rs. 2282.72	Rs. 2769.56
2.	Punjab National Bank	2,207	Rs. 8.61	Rs. 11.21

26. Related Party Disclosure

- (a) List of related parties & their relationship - **As per annexure- 'A'**
- (b) Related party transactions. - **As per annexure- 'B'**

27. During the year, the Company has undertaken a review of all fixed assets in line with the requirement of AS-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India. Based on such review, no provision for impairment is required to be recognized for the year.

28. The figures have been rounded to the nearest rupee.

for and on behalf of the Board
for **Ind-Swift Limited**

Auditor's Report

As per our separate report of even date

for **J.K. Jain & Associates**
Chartered Accountant

J.K. Jain
Partner

S.R. Mehta
Chairman

Himanshu Jain
Whole Time Director

Nirmal Aggarwal
Director

Dr. G. Munjal
Managing Director & CEO

N.R. Munjal
Vice Chairman

N.D. Aggarwal
Director

H.P.S. Chawla
Director

A.K. Tarafder
Vice President (Finance)

Dr. V.R. Mehta
Joint Managing Director

V.K. Mehta
Director

R.S. Bedi
Director

S.K. Mathur
Director

R.K. Sood
Company Secretary

Place : Chandigarh
Date : 23-08-2008

Annual Report 2007-08

ANNEXURE TO THE NOTES ON ACCOUNTS

Annexure - 'A'

List of related parties and their relationships

S.NO.	RELATIONSHIP	NAME OF PARTY
(A)	ASSOCIATES	1. ESSIX BIOSCIENCES LTD.
		2. IND SWIFT LABORATORIES LIMITED
		3. MANSA PRINT & PUBLISHERS LTD.
		4. IND SWIFT COMMUNICATION (P) LTD.
		5. SWIFT FUNDAMENTAL & EDU. SOCIETY
(B)	KEY MANAGEMENT PERSONNEL Directors	1. MR. S.R. MEHTA
		2. DR. G. MUNJAL
		3. DR. V.R. MEHTA
		4. MR. HIMANSHU JAIN

(b) Related party transactions.

As per annexure- 'B'

Annexure - 'B' Related Party Transaction (2007-2008)							Rupees in Lacs
Name of the Related Party	Essix Bio-Sciences Limited	Ind-Swift Laboratories Limited	Ind-Swift Comm. Pvt. Ltd.	Mansa Print And Publishers Limited	Key Management Personnel	Swift Fundamental & Education Society	Total
Nature of Transactions							
Purchase of Goods/Services	7.00	2883.16	28.53	878.65	-	-	3797.34
Sale of Goods	-	2327.91	-	-	-	-	2327.91
Loan Taken	-	4003.39	-	155.63	-	-	4159.02
Loans Given	159.72	-	-	-	-	335.57	495.29
Repayment of Loan	-	3754.73	-	24.89	-	-	3779.62
Investment in Shares	-	837.20	-	0.90	-	-	838.10
Interest Received	20.78	-	-	-	-	23.03	43.81
Interest Paid	-	450.95	-	2.96	-	-	453.91
Sale of Shares	-	-	-	2.40	-	-	2.40
Remuneration Paid	-	-	-	-	252.00	-	252.00
Dividend Paid	14.86	-	-	-	14.70	-	29.56
Corporate Guarantees Given	-	1937.67	-	-	-	-	1937.67
Expenses	-	2.85	-	-	-	-	2.85
Dividend Received	-	50.35	-	0.90	-	-	51.25
Debit Balance Outstanding as on 31.03.08							-
Debtors	-	548.09	-	-	-	-	548.09
Loans Given	175.80	-	-	-	-	475.74	651.54
Investments	-	2304.08	-	12.70	-	-	2316.78
Credit Balance Outstanding as on 31.03.08							
Creditors	2.40	307.97	7.08	475.31	-	-	792.76
Loan Taken	-	3906.41	-	130.74	-	-	4037.15

ANNEXURE TO THE NOTES ON ACCOUNTS

ANNEXURE -I

Particulars Of Actual Production, Sales & Closing Stock Of Finished Goods

Sr. No.	Group	Unit	Year	Prod./Purchase Qty.	Opening Stock		Closing Stock		Sale	
					Qty.	Value	Qty.	Value	Qty.	Value
1.	Injections, Eye/Ear Drops	Ltrs.	2007-2008 2006-2007	1136757.45 290715.47	58564.05 44447.29	675.05 535.02	835327.83 58564.05	2008.10 675.05	359993.67 276598.71	3063.35 3458.09
2.	Tablets	No./Lacs	2007-2008 2006-2007	18085.75 18918.25	4452.99 3463.61	2007.04 1226.06	7984.78 4452.99	3085.16 2007.04	14553.96 17928.87	9663.89 12150.52
3.	Capsules	No./Lacs	2007-2008 2006-2007	5671.06 5394.65	1213.68 1045.51	603.80 443.61	1989.15 1213.68	1505.23 603.80	4895.59 5226.48	5272.27 4162.78
4.	Liquids	Ltrs.	2007-2008 2006-2007	2661944.67 2330509.09	582739.06 433715.94	899.29 637.02	1102692.76 582739.06	1327.79 899.29	2141990.97 2181485.97	3763.10 3696.36
5.	Ointments	Kgs.	2007-2008 2006-2007	653204.54 512699.13	248874.30 149269.57	4226.91 526.63	313178.42 248874.30	4241.82 4226.91	588900.42 413094.40	6934.56 1867.63
6.	Medical Equipments (Diagnosis)	No.	2007-2008 2006-2007	12745.00 0.00	0.00 0.00	0.00 0.00	9358.00 0.00	81.81 0.00	3387.00 0.00	38.22 0.00
7.	Others		2007-2008 2006-2007	0.00 0.00	0.00 0.00	0.00 0.00		0.00 0.00		21824.97 11726.78
Total			2007-2008 2006-2007			8412.09 3368.34		12249.91 8412.09		50560.36 37062.16

ANNEXURE -II

PARTICULARS OF CONSUMPTION OF RAW MATERIAL

S.NO.	PARTICULARS	2007-08	VALUE (RS. IN LACS)	2006-07	VALUE (RS. IN LACS)
		QTY IN KGS		QTY IN KGS	
1	ANTIBIOTICS	277800.28	7417.26	284427.28	8377.00
2	STEROIDS	92261.33	1298.30	4136.91	1178.77
3	HARMONES	3334.98	1601.85	466.47	227.95
4	CARDIO VASCULAR	4085.58	248.41	1077.32	45.48
5	OTHERS		5993.39		5705.51
6	FORMULATION		18141.79		10333.84
7	PACKING MATERIAL		2696.79		1611.05
TOTAL			37397.79		27479.60

CASH FLOW STATEMENT

For the year ended on 31st March,	2008	2007
(Rs. in Lacs)		
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	3849.82	2863.90
Adjustment For Non Cash & Non Operating Items:		
i) Misc. Expenditure Written off	637.17	470.41
ii) Depreciation/Amortisation	585.06	338.35
iii) Interest Income	(65.41)	(49.16)
iv) Bad Debts Written off	20.32	15.43
v) Previous Year Income	(18.22)	(34.98)
vi) Dividend Income	(51.38)	(71.41)
vii) Financing Charges	3065.87	1863.10
Operating Profit before Working Capital Changes	8023.23	5395.64
Adjustments For Current Items:		
i) Increase in current liabilities	3610.81	4115.78
ii) Increase in current Loan & Advances	(457.19)	(418.91)
iii) Increase in Debtors	(3741.55)	(1591.38)
iv) Increase in Inventory	(5023.33)	(7997.88)
Cash flow from Operating Activities before Taxes	2411.97	(496.75)
Taxes Paid:		
i) Income Tax Paid	(222.74)	(274.01)
ii) Fringe Benefit Tax	(54.95)	(52.00)
Net cash Flow from Operating Activities (A)	2134.28	(822.76)
B. CASH FLOW FROM INVESTING ACTIVITIES		
i) Dividend Received	51.38	71.41
ii) Interest Received	65.41	49.16
iii) Net Increase in Investments	(954.50)	(337.05)
iv) Net purchase of Fixed Assets (Including Capital WIP)	(6120.69)	(5612.85)
v) Increase in Misc. Expenditure	(663.61)	(1040.82)
vi) Sale of Investments	2.40	0.00
Net Cash used in Investing activities (B)	(7619.61)	(6870.15)

CASH FLOW STATEMENT

For the year ended on 31st March,	2008	2007
(Rs. in Lacs)		
C. CASH FLOW FROM FINANCING ACTIVITIES		
i) Financing Charges	(3065.87)	(1863.10)
ii) Dividend paid	(173.99)	(168.46)
iii) Increase in Unsecured Loans	819.69	3422.47
iv) Increase in Secured Loans	8140.59	7440.85
Net Cash Flow from Financing Activities (C)	5720.42	8831.76
Net increase in Cash or Cash Equivalents (A+B+C)	235.09	1138.85
Add: Opening Balance of cash & Equivalents	2067.13	928.28
Closing balance of cash & Cash Equivalents	2302.22	2067.13

for and on behalf of the Board
for **Ind-Swift Limited**

Auditor's Report

As per our separate report of even date

for **J.K. Jain & Associates**
Chartered Accountant

S.R. Mehta
Chairman

Dr. G. Munjal
Managing Director & CEO

Dr. V.R. Mehta
Joint Managing Director

J.K. Jain
Partner

Himanshu Jain
Whole Time Director

N.R. Munjal
Vice Chairman

V.K. Mehta
Director

Nirmal Aggarwal
Director

N.D. Aggarwal
Director

R.S. Bedi
Director

H.P.S. Chawla
Director

S.K. Mathur
Director

A.K. Tarafder
Vice President (Finance)

R.K. Sood
Company Secretary

Place : Chandigarh
Date : 23-08-2008

BALANCE SHEET ABSTRACT

and Companies General Business Profile

I. Registration Details

Registration No. 6 8 9 7 - 8 6 State Code 5 3
 Balance Sheet Date 3 1 0 3 2 0 0 8
Date Month Year

II. Capital Raised during the year (Amount in Rs. 'Thousands)

Public Issue N I L Right Issue N I L
 Bonus Issue N I L Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. 'Thousands)

Total Liabilities 0 7 1 7 3 0 3 7 Total Assets 0 7 1 7 3 0 3 7
Sources of Funds
 Paid-up Capital 0 0 0 7 5 9 7 7 ** Reserve & Surplus 0 1 8 9 6 6 2 2 *
** Includes Advance against Share Capital * Includes Deferred Tax Liabilities
 Secured Loans 0 3 0 8 9 0 7 8 Unsecured Loans 0 0 8 2 9 9 6 8
Application of Funds
 Net Fixed Assets 0 2 3 8 7 0 9 3 Investments 0 0 2 8 3 0 3 8
 Net Current Assets 0 2 9 6 8 9 9 8 Misc. Expenditure 0 0 2 5 2 5 1 6
 Accumulated Losses 0 0 0 0 0 0 0 0

IV. Performance of Company (Amount in Rs. 'Thousands)

Turnover & other income 0 5 1 9 2 1 4 5 Total Expenditure 0 4 8 0 7 1 6 2
 Profit/loss before Tax 0 0 3 8 4 9 8 3 Profit/loss after Tax 0 0 3 1 2 4 5 5
 Earning per share in (Rs.) 0 0 0 0 8 . 4 3 Dividend Rate (%) 2 0

V. Generic Names of Principal Products of Company

Item Code No. N A
 Product Description P H A R M A C E U T I C A L F O R M U L A T I O N S

for and on behalf of the Board
 for Ind-Swift Limited

Auditor's Report

As per our separate report of even date

for J.K. Jain & Associates
 Chartered Accountant

S.R. Mehta
 Chairman

Dr. G. Munjal
 Managing Director & CEO

Dr. V.R. Mehta
 Joint Managing Director

J.K. Jain
 Partner

Himanshu Jain
 Whole Time Director

N.R. Munjal
 Vice Chairman

V.K. Mehta
 Director

Nirmal Aggarwal
 Director

N.D. Aggarwal
 Director

R.S. Bedi
 Director

H.P.S. Chawla
 Director

S.K. Mathur
 Director

A.K. Tarafder
 Vice President (Finance)

R.K. Sood
 Company Secretary

Place : Chandigarh
 Date : 23-08-2008

Annual Report 2007-08



Ind-Swift Limited

Registered Office : 781, Industrial Area-II, Chandigarh 160 002

ATTENDANCE SLIP

Please complete the attendance slip and hand over at the entrance of meeting hall.

DATE 26-9-2008 VENUE B.M.S. Lobana Bhawan, Sector 30-A, Chandigarh TIME 10.30 A.M.

DP ID No. _____
 Folio No./ Client ID No. _____ No. of Shares _____

Name _____
 Address _____

I certify that I am a registered Shareholder of the Company and hold _____ Shares.

☐ Member ☐ Proxy

Member's Signature

Name of the Proxy in BLOCK LETTERS

Proxy's Signature

Ind-Swift Limited

Registered Office : 781, Industrial Area-II, Chandigarh 160 002

PROXY FORM

I/We _____
 of _____ being a Member/Members of Ind-Swift Limited,
 hereby appoint _____ of _____ or
 failing him _____ of _____ or failing
 him _____ of _____ as my/our
 proxy to attend and vote for me/us on my/our behalf at the 22nd Annual General Meeting of the
 Company to be held on 26th September, 2008 and at any adjournment thereof.
 As witness my/our hand(s) this _____ day of _____ 2008.

DP ID No. _____
 Folio No./ Client ID No. _____
 No. of Shares _____
 signed by the said _____
 Proxy No. _____ (For official use only)

Affix
 Revenue
 Stamp

- NOTE: (i) The proxy must be returned so as to reach the Regd. Office, 781, Ind-Swift Ltd., Industrial Area-II, Chandigarh 160 002 not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.
 (ii) Please mark the envelop 'IND-SWIFT PROXY'.