

Board of Directors



Ind-Swift Limited

....Because Life is Precious

Mr. S. R. Mehta
Chairman

Mr. N. R. Munjal
Vice Chairman

Dr. Gopal Munjal
Managing Director & CEO

Dr. V. R. Mehta
Joint Managing Director

Mr. Himanshu Jain
Director

Mr. Rishav Mehta
Director

Mr. K.M.S. Nambiar
Director

Dr. R. S. Bedi
Director

Dr. H. P. S. Chawla
Director

Mr. R.K. Ummat
Additional Director

Mr. S. P. Sharma
Director

Mr. J.K. Gupta
Nominee (PNB)

Vice President (Finance)
Mr. Amit Tarafder

**Company Secretary &
Compliance Officer**
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
SCO 103-106, Sector-17,
Chandigarh.

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

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

IDBI Bank
Sector-17, Chandigarh.

Registered Office :-

781, Industrial Area, Phase II
Chandigarh-160002
Tel :- +91-172-2638781-786
Fax:- +91-172-2652242

Registrar & Share Transfer
Agents
M/S Alankit Assignments Ltd.
2E/21, Jhandewalan
Extension,
New Delhi-110 055

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)

Managing Director & CEO's Message

“The Company is constantly focusing to expand its business activities by way of concentrating on exports and increasing product portfolios”

”



Dr. Gopal Munjal
Managing Director & CEO

Dear Members,

We are facing a continuous global uncertainty. From a regional outlook, US experienced a modern growth, while the Euro zone continued to be in a vulnerable position with high risk of banking system meltdown & unresolved debt crisis issues. The emerging economies, such as BRIC countries didn't pace up to last fiscal year growth.

The Indian GDP growth rate at a decade's lowest of 5% for the fiscal year 2012-13 on account of weakness in investment, significant deceleration in household consumption & sluggish export. The declining growth warranted the govt. to take immediate step to curtail inflation and restore fiscal health. The Indian economy is expected to recover with a projected 6.4% growth for 2013-14. However, the financial climate will continue to face various challenges in the coming year.

Despite the fragile economic environment, the Indian Pharma grew at 10%. Factors that help this growth include strong export to US and other countries and depreciation of Rupee against dollar.

During May-2013, department of Pharma notified DPCO (Drug Price Control Order) under which price of 348 medicines has been brought under price control. There is a Shift from cost based to market based pricing methodology under this new drug policy. But there are few issues in DPCO 2013, which are impractical and could lead to potential litigation. The Govt. must address these issues by taking a balanced approach. Apart from this final price of drug under DPCO, there should be a mechanism to control the basic price so that input cost is not increased to make the medicines unviable to produce.

Owing to all market conditions and some internal factors, your company was compelled to approach to its lender to restructure the debt liabilities, which ultimately was done

and your company's debt was restructured by its lenders

Now the challenge in front of us is to bounce back and come back on success track within short time. Our long term efforts to work more aggressively on export front wherein so far we have filed more than 1000 dossiers in more than 50 countries across the globe. All this work has started giving wonderful results and we are confident that during the next few years, more than 30% of our projected targets will be from export only, which definitely will strengthen our financials further. Apart from this our action of shifting our marketing operations to the commercial hub has now more or less established and domestic front from this year will also add to EBIDTA to give it more healthier look.

We remain constantly focused on re-assessing our strategies and will not hesitate to bring in new dimensions to the growth story.

This is not the end of the journey but the beginning of a new path. Let me take this moment to appreciate and thank for your trust, spirit and optimism and ensure that your company will continue to march ahead towards growth and good corporate governance.

With regards,

Dr. Gopal Munjal
Managing Director & CEO

Corporate Social Responsibility

“ *The best way to find yourself is to lose yourself in the service of others* ” --Mahatma Gandhi ”

Corporate Social Responsibility (CSR) is not just philanthropic giving, but also about values of empathy and honoring commitments. It is also about setting standards where quality of service and benefit goes directly to the beneficiary especially the one that is most marginalized.

At Ind-Swift, we strongly believe that our society plays a vital role in our overall development, and it's our ethical and moral duty to give back to the society what we have got from it. We believe that progressive development of society is possible only when every member of the society contributes. We firmly believe that CSR is not merely the charity, it is a belief of doing business by adding value to the community and society on a sustainable basis through dedicated policies, institutional setup and engagement process. Following this ideology, Ind-Swift takes every single effort to bring positive and affirmative changes in the society.

Vision:

To make honest and sincere efforts to help the weaker section of society, and make them self dependent and educated, thus making this World a healthier and happier place. CSR at Ind Swift strives to build bridges between:

- The company and the communities we live in
- Our employees and social issues
- Our skills and society's needs

Here is the glimpse of some of the steps put forward by the company towards CSR:-

Save the environment

Ind-Swift, strongly believes in environmentalism i.e. concern for the preservation, restoration or improvement of the natural environment such as the conservation of natural resources, prevention of pollution etc.



Green and clean environment is what we all need. Being a Socially responsible community, Ind-Swift with this aim of spreading awareness amongst all about the environment preservation, organized a tree plantation drive at Rajpura. Plantation of more than 1000 trees was done and employees vowed to preserve the environment and keep it clean and green.

Community Services:

We also regularly organize blood donation camps, mass marriages for BPL (Below poverty line) families. Ind-Swift has also proposed financial support for education of visually impaired and further absorption of them in Ind-Swift Group. One of such initiative that Ind-Swift took was the distribution of 'Braille newspaper' to the visually impaired students of Institute for the Blind people. The real motive behind this initiative is to connect visually impaired and make them a part of the main society.



Cancer Awareness Walk on World Cancer Day



With the aim of creating awareness among the masses about cancer, Ind-Swift in association with Swift Group of Colleges organized a Cancer Awareness Walk "Swift Walk towards Cancer Awareness" to commemorate the World Cancer Day on February 4, 2013 at Chandigarh.

Respect the Women



Ind-Swift has always believed that women empowerment is the per-condition for the development of any society. And with this purpose of supporting and encouraging women to come forward as a dynamic personalities Ind-Swift organized Women's Equality Day on August 26, 2013 at Chandigarh. On this occasion, Ind-Swift honored three eminent personalities –Dr.Renu Charkravarty, a renowned Gynecologist, Ms. Vibhu Raj, IPS and Ms. Savita Bhatti for their valuable contribution towards the upliftment and betterment of the women.

Free Distribution of Medicines:

We regularly donate free medicines and health care products to weaker sections of society as we strongly believe that health and education to all is the most important right for any individual. We have been regularly giving free medicines to various government hospitals, in rural areas and various medical camps.

Dr. Gopal Munjal conferred upon Edupreneurs Jury Choice award



In recognition of the yeoman services being rendered by Dr. Gopal Munjal, Managing Director & CEO of the company, he was bestowed with the prestigious "Edupreneurs Jury Choice Awards" for the year 2013 by "Engineering Watch" one of the most prestigious Indian magazine. This award has come up as recognition to the efforts and sincere dedication towards education. The Gala Award ceremony took place in presence of various high profile dignitaries in New Delhi. The Award was presented by Dr Shashi Tharoor (Minister of State for Human Resource Development, GOI) who was the chief guest for the occasion. Other Dignitaries included Shri Sushil Kumar Singh (MOP), Sh. R.O. Sisodia (Joint Secretary , Minster of Human Resource Development, GOI) , Sh.S.M Khan (Director General – Doordarshan News). Mr. Rajat Avasthi received the award on the behalf of Dr.Munjal

Chairman Message

“ *The aim was simple and straight forward - to become a global specialty pharmaceutical company offering a wide portfolio of generic and proprietary products.* ”



Sh. S.R.Mehta
Chairman

My Dear Shareowners

Since its incorporation in 1986, your company has covered a long way to carve a place for itself in this highly competitive Indian Pharma market. The aim was simple and straight forward - *to become a global specialty pharmaceutical company offering a wide portfolio of generic and proprietary products.* Today, the road ahead is marked with lot more challenges as we have to face the internal factors like pressures on EBIDTA , piling stocks and rising interest costs in addition to the external pressures like depreciating rupee, increasing import costs, depressed economic condition, and cut-throat competition among generic manufacturers, . All these factors have forced your Company to go for financial restructuring with the support of its bankers.

However, to keep our journey going ahead, we shall continue to invest in new therapy areas, reach out to new territories and dive deeper into our existing markets. I am hopeful that with the support of our work force we will effectively face the present challenges. I am pretty confident that very soon the company will be counted amongst the leading pharmaceutical companies.

With Warm Regards

S.R.Mehta
Chairman

Management Discussion & Analysis Report

Overall Scenario

The Indian pharma industry has been growing at a compounded annual growth rate (CAGR) of more than 15 per cent over the last five years and has significant growth opportunities. India is now among the top five pharmaceutical emerging markets in the world. According to a report of McKinsey & Company's, the Indian pharmaceuticals market will grow to US\$55 billion in 2020; and if aggressive growth strategies are implemented, it has further potential to reach US\$70 billion by 2020. The industry, particularly, has been the front runner in a wide range of specialties involving complex drugs' manufacture, development, and technology. With the advantage of being a highly organized sector, the number of pharmaceutical companies are increasing their operations in India. The pharmaceutical industry in India is an extremely fragmented market with severe price competition and government price control. The industry meets around 70 per cent of the country's demand for bulk drugs, drug intermediates, pharmaceutical formulations, chemicals, tablets, capsules, orals, and injectables. The domestic pharmaceutical market is expected to register a strong double-digit growth of 13-14 per cent in 2013 on back of increasing sales of generic medicines, continued growth in chronic therapies and a greater penetration in rural markets. Generics will continue to dominate the market while patent-protected products are likely to constitute 10 per cent of the pie till 2015, according to McKinsey report.

Opportunities & Threats

The major strengths, weaknesses, opportunities & Threats of 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 the US.

- Growing number of market approval and accreditations.

Weaknesses

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

Opportunities

- Robust generic and OTC drug market growth, with the latter benefiting 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 pharmaceutical 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.

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.

Internal Control systems

The Company maintains a system of well established policies and procedures for internal control of operations and activities, and these are continually reviewed for effectiveness. The internal control system is supported by qualified personnel and a continuous program of internal audit. The prime objective of such audits is to test the adequacy and effectiveness of all internal control systems laid down by the management and to suggest improvements. We believe that the company's overall system of internal control is adequate given the size and nature of operations and effective implementation of internal control self assessment procedures. The Company encourages and recognizes improvements in work practices. The internal control system of the company is also reviewed by the Audit Committee periodically.

Human Resources

Human resource management is a key focus area for the company and the company has been making constant endeavor 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.

Outlook on Threats, Risks and Concerns

The global generic business is becoming more competitive with the entry of newer players from emerging economies. As stated earlier, the rising trend of consolidation and amalgamations among Pharma companies is bringing in stiff challenge in the marketplace. There is a need to safeguard against any attempt by vested interests to extend the monopoly of certain big companies and to delay launch of generic version even after expiry of related patent. Several issues like ever greening of patents and compulsory licensing still remains to be solved at Governments' end and unless the Government takes some decisive steps, these can have serious adverse effects on the functioning and future of Indian

Pharmaceutical Industry, Also, the Drug pricing policy of the Government has a direct bearing on the prices of products and product margins.

Overview

The financial statements have been prepared in compliance with the requirements of The Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. The management accepts responsibility for the integrity and objectivity of these financial statements as well as for various estimates and judgments used therein. These estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the statements reflect, in a true and fair manner, the state of affairs and profits for the year. This report may also contain certain statements that the company believes are or may be considered to be 'forward looking statements' which are subject to certain risks and uncertainties.



Director's Report

Dear shareholders,

The Board of Directors of the Company presents the 27th Annual Report of the Company for the period of nine months ended on 31st March 2013

Financial Results

The Financial performance of the Company for the period ended on 31st March, 2013 is summarized as below:

(Rs. in lacs)		
Particulars	From 1 st July 2012 to 31 st March 2013 (9 Months)	From 1 st April 2011 to 30 th June 2012 (15 Months)
Sales and other income	39946.60	161978.84
Profit before interest and depreciation	-1604.91	12036.57
Interest	8641.10	12096.70
Depreciation	1848.21	2324.93
Profit before tax	-12094.22	-2385.06
Provision for deferred tax	-965.43	-283.54
Profit after tax available for appropriation	-11128.79	-2101.52
Appropriations		
Balance Transfer. to balance sheet	-11128.79	-2101.52
Balance b/f from earlier years	13044.57	15146.09
Profit c/f to balance sheet	1915.78	13044.57

Performance Review

As informed in the previous report, the company had extended its previous Financial year to 15 months i.e. from 1st April 2011 to 30th June 2012 in order to reflect the consolidated financial statements of merged entities in view of proposed merger of Essix Biosciences Ltd and Dashmesh Medicare Pvt. Ltd. with the company. However, the Board of Directors have decided to conclude the current financial year on 31st March 2013 .Hence the present financial statements are for the period of nine months i.e. from 1st July 2012 to 31st March 2013.

Corporate Debt-Restructuring

The year under review was the toughest in the history of the company. The proposal for restructuring of debts under Corporate Debt Restructuring [CDR] mechanism was approved by the CDR Empowered Group on December 27, 2012. The Master Restructuring Agreement (MRA) was signed with the lenders participating in the CDR package on March 28, 2013. The CDR package envisages restructuring of existing outstanding Term Loan and Working Capital facilities (excluding ECB/FCTL Loans), repayment moratorium and revision in rate of interests. In terms of package, the promoters have infused an amount of Rs. 7.29 Crores towards the equity share capital of the company in first tranche. Entire shareholding of Promoters Group has been pledged in favour of the security trustees to secure the credit facilities and Joint Charge has been created in favour of lenders covered under CDR package.

Dividend

The Board of Directors of the company has decided not to declare any dividend on Equity or Preference shares.

Unclaimed Dividend

The Company has deposited the unclaimed/unpaid dividend for the year 2004-2005 into Investor Education and Protection fund U/s 205-C of the Companies Act, 1956.

Global Business Unit (GBU)

The Global Business Unit (GBU) was created in the year 2005 with an aim to globalize the Ind Swift brand for finished dosage forms. The manufacturing site catering to the demand of the developed international markets was commissioned in 2006. GBU achieved

a major milestone by receiving two major regulatory approvals, one from MHRA, UK and the other from TGA, Australia within a record time. The approvals opened the gates for GBU to become a key supplier of products to the countries of EU, Australia, Canada, Singapore etc. GBU today partners with the leading generic players in all the countries. The focus of GBU for the prospective years is clear and the ground has already been laid. Leading generic companies have initiated Co-Development activities with GBU for regulated markets like EU and Canada. GBU has also started active marketing of our product range in various countries like Kenya, Uganda, Tanzania, Myanmar and Sri Lanka. With brands of GBU now in active promotion, the medical fraternity in these countries have now started recognizing Ind Swift as a brand from India known for its Quality and Efficacy wherever it operates. GBU's manufacturing facility has received further GMP approvals in this year from Malawi, Zimbabwe and Kenya and the GMP application has been filed for accreditation from Ukraine and MCC, South Africa. New countries where commercial supplies started are Algeria, Uzbekistan, Mauritius and Nepal. The markets lined up for future growth activities are GCC, MENA, Russia, Brazil, Africa and CIS countries

Domestic Business

The company started its operations in the year 1986 with a mission of winning both domestic & global markets. The company, both structurally and functionally could reaffirm its presence in the domestic markets all over the country. It has a presence of around 1000 committed marketing field force, 5 Lakh retailers, 3200 stockists and more than 50 C&F catering to customers throughout the length and breadth of country. The Company is marketing its products through various divisions like Mega, Cardio, Q-Den, Gyno, Generic, Oncrit, Q-Cos, Institutions etc., has a portfolio of more than 750 pharma products with strong presence in high growth therapeutic segments like Cardiology, Anti-depressant, Anti-allergic, Anti-infective, Neurology, Oncology etc. The Company believes, in line with global health-care requirement, that constant quality healthcare services are need of the hour and as such focuses on Herbal, Nutraceutical & OTC Division, besides Dermatology, Cosmetology & ICU / Cancer. We have already established firm roots in the domestic markets and also stabilized its marketing activities locating in & operating from Mumbai. Although at present, the company is facing toughest time in its history and the current market situation is little volatile due to various reasons, but we are confident of having excellent branding value as returns & dividends for its efforts and as such to have a bright future in the years ahead.

Research and Development

The Company has a spawning Research & Development facilities offered by its state-of-art drug formulations, chemical research & analytical development centre, equipped with the latest equipments needed for combinational synthesis, ultramodern HPLC and GC systems.

Directors

The IFCI has withdrawn the nomination of Sh. Atul Saxena, from the Board of Directors of the company w.e.f. 19th February, 2013. Dr. Surya Kant Mathur Resigned from the Board w.e.f. 11th June, 2013. The Board places on record its appreciation to the contributions made by them during their tenure as Director.

Sh. R.K. Ummat has been appointed as Additional Director by the Board of Directors of the company w.e.f. 31st March, 2013 and he holds the office till conclusion of forthcoming Annual General Meeting. The Punjab National Bank has nominated Sh. J.K. Gupta as its nominee on the Board of Directors of the Company w.e.f. 4th June, 2013.

Mr. N.R. Munjal, Mr. Himanshu Jain, and Mr. Rishav Mehta, Directors are retiring by rotation at the 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

1. That in the preparation of the accounts for the period ended 31st March 2013, the applicable accounting standards have been followed along with proper explanation to material departure, if any;
2. 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;
3. 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
4. That the directors have prepared the accounts for the period ended 31st march 2013, 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.

Cost Audit

Pursuant to the provisions of section 233B of the Companies Act, 1956 M/s V. Kumar & Associates, Cost Accountants has been re-appointed as Cost Auditors to conduct Cost Audit of the company for the year 2013-14. The Cost Audit Report for year 2011-12 has been filed with the Central Government.

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 forms a part of this report.

Personnel

The information under section 217(2A) of The Companies Act, 1956 is enclosed as per Annexure 'B'. The employer – employee's relations remained cordial throughout the year at all locations

Fixed Deposits

The aggregate amount of fixed deposits as on 31st March, 2013 was Rs.57.62 Crores (Previous Year Rs. 99.90 Crores). Company continued to pay the interest & principal sum to the fixed deposit holders during the year 2012-13. However, due to tight liquidity position and consequent default in payment of fixed deposit holders in the month of April-June, 2013 the Company opted to approach Honable Company Law Board for seeking extension in repayment of deposits and exemption from other provisions of the Companies Act, 1956.

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 de-materialized 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 a part of this Report.

Acknowledgment

Your 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, stockists, retail traders, medical professionals, employees and customers for their continued patronage of the company products.

Place : Chandigarh

Date : 9th August, 2013

On behalf of the Board of Directors

Chairman



Annexures to the Directors Report

ANNEXURE A

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

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 optimized 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 & Fuel Consumption	2012-13 (9 months)	2011-12 (15 months)
1. Electricity		
a) Purchased		
Units	8542650	16075199
Total Amount	53175219	69281446
Rate/ Unit (Rs.)	6.22	4.31
b) Own generation		
i) Units through diesel generator	1675424	2721959
Units per litre of diesel oil	3.65	3.63
Cost per unit(Rs.)	10.58	7.48
ii) Through steam turbine/ generator		
2. Coal	NA	NA
3. Furnace Oil consumption per unit of production	NA	NA
4. Others/ Internal Generation	NA	NA
B. Consumption per unit of production		
Injection eye and ear drops	0.08 unit/ml	0.049 unit/ ml
Tablets and Capsules	0.09/100 tab & cap	0.07 unit/ 100 tab & Cap
Ointments	0.05 unit/per tube	0.03 unit/ per tube

FORM B

B. Technology Absorption

I) Research and development (R&D)

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

- Taste masking technology of macro ides 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.

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-Diarroheal 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.

1. Expenditure on R&D.

(a) Capital	629706
(b) Recurring	41774251
(c) Total	42403957
(d) Total R&D expenditure as a percentage of total turnover	1.09%

II) Technology absorption, adaptation and innovation.

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

Foreign Exchange Earning and Outgo

FOB Value of Exports	US\$ 11411705.68	636181304	
	EURO 6457360.08	448521429	
	GBP 3072269.52	263045616	
	AUD 3150497.61	175173610	1522921959
Technology Transfer Fees	US\$ 50000.00	2732500	
	EURO 513791.50	34463351	
	GBP 22500.00	1941507	
			39137358
Other Income	EURO 6044	413558	
	GBP 4645	395669	809227
Expenditure in foreign exchange			
on tour and travels	US\$ 49068.45	2729838	
	EURO 22950.23	1637793	
	GBP 420.00	36960	4404591
Import Material	US \$ 3103892.33	176811703	
	EURO 746603.38	53382473	
	GBP 4006.61	345647	230539823
Import Equipment	US \$ 1007940.00	55232205	
	EURO 11663.20	896731	
			56128936
Software	US \$ 1400000	69260520	
			69260520

Place : Chandigarh

Date : 9th August, 2013

On behalf of the Board of Directors

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 Director's Report:

Name	Designation/ nature of Duties	Age	Qualifications	Total Experience	Date of commencement of appointment	Gross Remuneration Rs. in lacs	Previous Employment held
Mr. S.R. Mehta	Chairman	57	B.Sc	34yrs	06.06.1986	90 lacs	Synthico Formulation Pvt. Ltd (Area Manager)
Dr. Gopal Munjhal	Mg. Director & CEO	54	Medical Graduate	29 Yrs.	11.12.1986	90 lacs	Nil
Dr. V.R.Mehta	Jt. Mg. Director	56	M.Sc	34 yrs	30.9.1993	90 lacs	Rallis India (Sales Officer)

Place : Chandigarh

Date : 9th August, 2013

On behalf of the Board of Directors

Chairman

Report on Corporate Governance

IND-SWIFT PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to maximize 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 internalized 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, three are Promoter/ Executive Directors, three are Promoter/ Non-Executive Directors and remaining six, including Nominee Director are Independent Directors. The Chairman of Board is an Executive Director. The detail of composition of Board of Directors is given below:

Sr. No	Name	Designation	Promoter/Non-Promoter/Independent/Executive/Non Executive	No. of Other Directorships	No. of Committee Memberships	Shareholding (No. of Shares)
1.	Sh. S.R. Mehta	Chairman	Promoter/ Executive Director	04	03	607300
2.	Dr. G. Munjal	Managing Director & CEO	Promoter /Executive Director	04	Nil	645770
3.	Dr. V.R Mehta	Joint Managing Director	Promoter /Executive Director	02	01	492790
4.	Sh. Himanshu Jain	Director	Promoter/Non-Executive Director	04	02	495300
5.	Sh. N.R Munjal	Director	Promoter/Non-Executive Director	03	03	611700
6.	Sh. Rishav Mehta	Director	Promoter/Non-Executive Director	02	Nil	111700
7.	Sh. K.M.S Nambiar	Director	Non Executive/ Non Promoter/Independent	01	07	Nil
8.	Dr. R.S Bedi	Director	Non Executive/ Non Promoter /Independent	01	01	Nil
9.	Dr. H.P.S Chawla	Director	Non Executive/ Non Promoter/Independent	02	Nil	Nil
10.	Dr. S.K Mathur	Director	Non Executive/ Non Promoter/Independent	Nil	01	Nil
11.	SH. S.P Sharma	Director	Non Executive/ Non Promoter/Independent	Nil	Nil	Nil
12.	Sh. Atul Saxena	Director	Nominee (IFCI)	Nil	Nil	Nil
13.	Sh. R.K. Ummat	Additional Director	Non Executive/ Non Promoter/Independent	01	Nil	Nil
14.	Sh. Joginder Kumar Gupta	Director	Nominee (Punjab National Bank)	Nil	Nil	Nil

Notes:-

- The Directorship mentioned above excludes Private Limited Companies, Foreign Companies and section 25 Companies.
- Sh. K.M.S Nambiar holds position as chairman in five committees.
- The nomination of Mr. Atul Sexena was withdrawn by IFCI w.e.f. 19th Feb 2013, Dr. S.K. Mathur has resigned from the Directorship w.e.f. 11th June 2013.
- Sh. Joginder Kumar Gupta was nominated by the Punjab National Bank as its nominee on the Board of Directors w.e.f. 4th June 2013.
- Sh. R.K. Ummat was appointed as Additional Director w.e.f. 31st March, 2013.

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 1st July 2012 to 31st March 2013 are as follows:-

Date of Board Meeting	Place	No. of Directors Present
14th July 2012	Chandigarh	08
21st August 2012	Chandigarh	08
28th August 2012	Chandigarh	09
7th November 2012	Chandigarh	09
13th February 2013	Chandigarh	11

The attendance of Directors at Board Meetings and the last Annual General Meeting is as under:-

Sr. no name	Name	Nos. of Board Meeting attended	Whether last Annual General meeting held on 24, December, 2012	Membership of committees		
				AUDIT	STC	RC
1.	Dr. Gopal Munjal	04	Yes	Nil	Nil	Nil
2.	Sh. Sanjeev Rai Mehta	05	Yes	Nil	Nil	Nil
3.	Dr. Vikrant Rai Mehta	05	Yes	Nil	01	Nil
4.	Sh. Himanshu Jain	04	Yes	Nil	01	Nil
5.	Sh. Nav Rattan Munjal	05	Yes	Nil	Nil	01
6.	Sh. Rishav Mehta	04	Yes	Nil	Nil	Nil
7.	Sh. K.M.S Nambiar	05	Yes	01	01	01
8.	Dr.R.S Bedi	02	No	01	Nil	Nil
9.	Dr. H.P.S Chawla	04	Yes	Nil	Nil	Nil
10.	Dr. S.K Mathur	00	No	Nil	Nil	Nil
11.	Sh. S.P Sharma	05	No	01	01	01
12.	Sh. Atul Saxena	2	No	0	0	0

Re-appointment of Directors

Mr. N.R Munjal, Mr. Himanshu Jain and Mr. Rishav Mehta directors 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. The company has also adopted a code of conduct for prevention of insider trading. All the directors, senior management and other employees who have access to the unpublished price sensitive information of the company are governed by this code. During the period under review, there has been adequate compliance with said code.

Audit Committee:

The Audit committee of the Company consists of three Directors and all of them are independent and non-executive Directors. Dr. Gopal Munjal, MD & CEO is permanent special invitee to the committee. The chairman of Audit Committee, Sh 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. Three meetings of audit committee were held during the period 1st July 2012 to 31st March 2013. The constitution of audit committee and attendance of each member are as under:-

Name of Directors	Category	Designation	No. of Meeting Attended
Sh. K.M.S Nambiar	Non-Executive/Non Promoter	Chairman	3
Dr. R.S Bedi	Non-Executive/Non Promoter	Member	2
Sh. S.P Sharma	Non-Executive/ Non Promoter	Member	3

The company secretary of the company acts as secretary to the committee. The terms of reference of the audit committee have been approved by the board and include the following:

1. to review the quarterly and yearly financial statements before being submitted to board.
2. to oversee the company's financial reporting process and the disclosure of financial information to ensure that the financials 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 Redressal Committee:

During period 1st July 2012 to 31st March 2013, Share Transfer/Shareholder Grievance Redressal Committee meetings were held on fortnightly basis to consider share transfer and Investor grievances matters. The members of the committee are as follows:-

Name of Director	Category	Designation
Dr. S. K. Mathur	Non Promoter and Non Executive	Chairman
Dr. V.R. Mehta	Promoter and Executive	Member
SH. Himanshu Jain	Promoter and Non Executive	Member

The Company Secretary of the Company Acts as secretary to the committee.

Remuneration of Directors: -

The remuneration of directors is recommended by the remuneration committee. The Company pays remuneration by way of Salary, Perquisites and Allowances to its executive directors as approved by the shareholders. The details of remuneration paid to executive directors during 1st July 2012 to 31st March 2013 are as under

(Amount in Rs.)

Name of Directors	Designation	Salary	Bonus	Commissions	Total
Sh. S.R Mehta	Chairman	90,00,000	Nil	Nil	90,00,000
Dr. Gopal Munjal	Managing Director & CEO	90,00,000	Nil	Nil	90,00,000
Dr. V.R Mehta	Joint Managing Director	90,00,000	Nil	Nil	90,00,000

Note: The contribution to the Group Gratuity Policy of LIC of India towards gratuity of Executive Directors has not been shown in the above table.

*The salary consist of the fixed component only. There is no variable component or performance linked incentives.

The Executive Directors were paid remuneration as approved by the shareholders in the Annual General Meeting held on 24th December, 2012. No options under the ESOP were granted to the Executive Directors.

The terms of appointment of Whole Time Directors are governed by resolution of Board of Directors/ Shareholders and applicable rules of the company. None of the directors are entitled for the severance fees.

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. The details of sitting fees paid to the Independent Directors during period under review is given below:-

Name	Designation	Business Relationship with Company	Sitting fees	Other expenses	Total
Sh. K.M.S. Nambiar	Independent Director	Nil	8000	Nil	8000
Dr. R.S Bedi	Independent Director	Nil	4000	Nil	4000
Dr. H.P.S Chawla	Independent Director	Nil	4000	Nil	4000
Sh. S.P Sharma	Independent Director	Nil	8000	Nil	8000
Sh. Atul Saxena	Nominee IFCI	Nil	2000	Nil	2000

Remuneration Committee

Though 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
Sh. K.M.S Nambiar	Non-Promoter and Non Executive	Chairman
Sh. N.R Munjal	Promoter and Non Executive	Member
Sh. S.P Sharma	Non-promoter and Non Executive	Member
Sh. Atul Saxena	Nominee-IFCI	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 held during the period under review.

GENERAL BODY MEETINGS:

Details of last three Annual General Meetings:

Financial year	Annual General Meeting	Date	Time	Venue	No. of special Resolution
2011-12	26th AGM	24th December , 2012	10.00 a.m	Bal Bhawan, Sector-23, Chandigarh	7
2010-11	25th AGM	26th September, 2011	11.00 a.m	PHD Chamber, Sector 31, Chandigarh.	3
2009-10	24th AGM	30th September, 2010	10.00 a.m	PHD Chamber, Sector 31, Chandigarh.	3

- In the AGM held on 30th September, 2010, three special resolutions viz. appointment of Sh. Rishav Mehta as Director, Increase of Authorised Capital, and preferential allotment of 80,00,000 Zero Coupon Convertible warrants were passed.
- In the AGM held on 26th September, 2011, three special resolutions viz revision in terms of appointments of Sh. S.R.Mehta, Dr. Gopal Munjal and Dr. V.R.Mehta were passed.
- In the AGM held on 24th December 2012, Special Resolutions regarding appointment of Sh. S.P. Sharma as Director and re-appointments of Dr. Gopal Munjal, Dr. V.R Mehta and Sh. S.R Mehta as whole time Executive Directors and payment of remunerations to Dr. Gopal Munjal, Dr. V.R Mehta and Sh. S.R Mehta were passed.

Declaration as required under Clause 49 of the Listing Agreement

As provided under Clause 49 of the Listing Agreement with the stock exchanges, The Board of Directors and the senior management personnel have affirmed with the code of conduct and ethics for the period ended 31st March, 2013.

Sd/-
Dr. Gopal Munjal
Managing Director & CEO

CEO/CFO Certification under clause 49 of the Listing Agreement :

The Managing Director & CEO and the Vice President (Finance) of the Company give annual certification on Financial reporting and internal controls to the Board in terms of Clause 49. The Managing Director & CEO and the Vice President (Finance) also give quarterly certification on financial results while placing them before the Board/ Audit Committee in terms of Clause 41.

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. 35 to Notes on Financial Statements (Annexure A & B) in the attached balance Sheet.
- The company has a procedure to inform the Board about the risk assessment and minimization procedures. The Board of Directors periodically revise the risk management framework of the company
- The company has complied with all mandatory requirements as laid down by the clause 49 of the listing agreement. The non-mandatory requirements complied with have been disclosed at relevant places.
- During the last three years, no penalties or strictures have been imposed on the company by the Stock Exchanges or SEBI or any other statutory authority on matters related to capital markets. 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.
- There has not been any significant change in the accounting policies during the Period under review.

Means of communication

The Company has adopted following means of communication:

- Quarterly and annual financial results published in
 - Financial Express (English)
 - Business Standard (English & Hindi)
 - Jansatta (Hindi)
- Uploading of Annual Reports, Shareholding Pattern, financial results etc at the official website of company www.indswift.com.
- The press releases of relevance to the investors are also made available on website at reasonable period of time
- Annual Report being sent 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

A. 27th Annual General Meeting	30th September, 2013
B. Financial Calendar: Financial reporting for the financial year 2013-14 for <ul style="list-style-type: none">- Quarter ending 30th June 2013- Quarter ending 30th September 2013- Quarter ending 31st December 2013- Quarter ending 31st March 2014- Annual General Meeting for the Year ending 31-3-2014 <ul style="list-style-type: none">- Date of Book Closure	Adopted on 9 th August 2013 By 15 th November 2013 by 15 th February 2013 by 30 th May 2014 By September 2014 27 th September, 2013 to 30 th September, 2013 (both days Inclusive) NIL
C. Dividend payment date:	
D. Equity Shares Details	
Stock Code	BSE: 524652 NSE: INDSWFTLTD Company's ISIN No. : INE788B01028

Monthly Share Price movement:

The high and low prices of the company's share (of Rs. 2/-each) at BSE on Monthly Basis from 1st July 2012 to 31st March 2013 are as under *

Month	High (Rs)	Low (Rs.)	Volume of shares
July 2012	22.09	17.2	716234
August 2012	20.08	16.45	602760
September 2012	21.70	17.0	1367192
October 2012	18.90	16.75	533096
November 2012	17.95	12.20	704531
December 2012	14.25	12.50	270360
January 2013	17.55	11.40	1056923
Feburary 2013	13.29	9.20	285931
March 2013	10.00	7.09	296107

* Source: BSE website

- e. 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

f. Share Transfer System (Physical Shares):

- The Share Transfer/shareholders Grievance Committee approves the transfer and transmission of shares, issue of duplicate share certificates and related matters. The transfers received 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, 2013, there were no shares pending for transfer.
- The practicing Company Secretary appointed by the Board is conducting Share Capital 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 07 complaints from shareholders and all the complaints have been duly settled. There was no unsettled complaint as on 31st March, 2013.

G. Distribution of Shareholding: as on 31st March 2013

Shareholding of Nominal Value of (Rs.)	Nos. of shareholders	Percentage	Share Amount	Percentage
Up to 5000	15172	93.32	13563802	14.69
5001 to 10000	565	3.48	4280746	4.64
10001 to 20000	285	1.75	4193714	4.54
20001 to 30000	72	0.44	1796092	1.94
30001 to 40000	46	0.28	1667660	1.81
40001 to 50000	26	0.16	1177578	1.27
50001 to 100000	37	0.23	2617890	2.83
100001 and above	56	0.34	63059258	68.28
TOTAL	16259	100.00	92356740	100.00

H. Shareholding Pattern as on 31st March, 2013.

Category	No. of shares	Percentage
Promoters/Promoters Group	22104121	47.87
Mutual Funds & FIs	1007779	2.18
Bodies Corporate	11616936	25.15
NRI'S/OCB'S/FII	1023125	2.22
Public	10426409	22.58
Total	46178370	100.00

Dematerialization of shares

The shares of the Company are being traded in compulsory De-materialized 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 2013,

45087415 equity shares of the company, forming 97.64% of the share capital of the company, stand De-Materialized

Modes of shares	Number of shares	%age
NSDL	38979054	84.41
CDSL	6108361	13.23
PHYSICAL	1090955	2.36
TOTAL	46178370	100.00

j. Registered office

Ind-Swift Limited
781, Industrial Area-II, Chandigarh – 160002
Ph.: 0172-2638781-86, 4680800
Fax: 0172-2652242
Website: www.indswift.com

**k. Company Secretary &
Compliance officer**

R.K. SOOD
781, Industrial Area-II, Chandigarh – 160002
e-mail: companysec@indswift.com

l. Plant Locations:-

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

Auditor's Report on Corporate Governance

The Members

M/s Ind - Swift Ltd.
Chandigarh.

We have examined the compliance of conditions of Corporate Governance by **M/s Ind Swift Ltd.** for the period 1st July 2012 to 31st March 2013 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 procedures 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 as stipulated in the above mentioned Listing Agreement.

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

Place: Chandigarh
Date : 09th August, 2013

Sd/-
(J. K. Jain)
Partner
Membership No. 083140

Auditor's Report

To the Members of Ind-Swift Limited. Chandigarh

We have audited the accompanying financial statements of Ind-Swift Limited, which comprise the Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the nine months Period ended on 31st March, 2013, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
 - b) in the case of the Profit and Loss Account, of the loss for the period ended on that date; and
 - c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
 2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on 31st March, 2013, and taken on record by the

Board of Directors, none of the directors is disqualified as on 31st March, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.
- g)

For **J. K. Jain & Associates,**
Chartered Accountants

J. K. Jain
(Partner)

Membership No. : 083140

Place: Chandigarh
Date: 28.05.2013

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Ind Swift Limited on the accounts of the company for the nine months Period ending on 31st March, 2013.

- (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 period, 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 period.
- (b) In our opinion and according to information & explanations given to us, the Procedure of physical verification of tocks 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 granted loans, secured or unsecured to Companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956. As regards the loan given, Company has granted loan to parties and the balance outstanding as on 31st March, 2013 of Balance Sheet is Rs 5623.65 Lacs.
- (b) According to the information & explanations given to us, the loans granted are unsecured and in our opinion, the terms & conditions of loans granted, 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 loan 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, Sales Tax, 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 disputed dues of Income Tax, FBT, Wealth Tax, Sales Tax, Custom Duty and Excise Duty and cess matters.
- (x) The company does not have accumulated losses as at the end of the financial year 31st March, 2013. But the company has incurred cash losses of Rs 92.11 crores during the nine months period ending on 31st March, 2013.
- (xi) According to the records of the company examined by us and the information and explanations given to us, the company during the period 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 in respect of nidhi/mutual benefit fund/societies 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 during the period.
- (xix) During the period, since the company has not issued any debentures, paragraph 4 (xix) of the Order is not applicable.
- (xx) During the period, 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 period ended 31st March, 2013.

For **J.K. JAIN & ASSOCIATES**
CHARTERED ACCOUNTANTS

Place: Chandigarh
Date: 28.05.2013

(J. K. JAIN)
Partner
Membership No. 083140

Balance Sheet

AS AT 31-03-2013

				(Rs. in Lacs.)
	PARTICULARS	NOTE NO	AS AT 31-03-2013	AS AT 30-06-2012
I.	<u>EQUITY AND LIABILITIES</u>			
	Shareholder's Funds			
a)	Share Capital	1	2,343.57	2,343.57
b)	Reserves and Surplus	2	18,657.40	29,464.34
c)	Money received against share warrants		-	300.00
	Total (A)		21,000.97	32,107.91
	Share Application Money Pending Allotment (B)		729.50	-
	<u>Non-Current Liabilities</u>			
a)	Long -term borrowings	3	59,062.44	27,259.40
b)	Deferred Tax Liability (Net)	4	1,164.17	2,129.60
c)	Other Long term Liabilities	5	625.44	678.25
d)	Long term provisions	6	96.37	61.18
	Total (C)		60,948.42	30,128.43
	<u>Current Liabilities</u>			
a)	Short-term borrowings	7	35,219.36	44,613.25
b)	Trade Payables	8	14,095.95	33,442.60
c)	Other Current Liabilities	9	8,741.07	16,523.96
	Total (D)		58,056.38	94,579.81
	GRAND TOTAL (A+B+C+D)		140,735.27	156,816.15
II	<u>ASSETS</u>			
	Non-current assets			
a)	<u>Fixed Assets</u>	10		
(i)	Tangible Assets		38,718.16	37,171.79
(ii)	Intangible assets		3,347.97	2,450.54
(iii)	Capital Work in Progress		3,488.82	4,626.13
(iv)	Intangible assets under Development		196.11	306.35
	Total (E)		45,751.06	44,554.81
b)	Non-current Investments	11	4,518.88	4,557.48
c)	Long-term Loans and advances	12	1,670.65	3,550.38
d)	Other non-current assets	13	4,511.52	5,535.23
	Total (F)		10,701.05	13,643.09

Balance Sheet

AS AT 31-03-2013

		(Rs. in Lacs.)	
PARTICULARS	NOTE NO	AS AT 31-03-2013	AS AT 30-06-2012
CURRENT ASSETS			
Inventories	14	32,945.90	36,553.35
Trade Receivale	15	36,398.34	45,027.48
Cash and Cash equivalents	16	1,779.08	4,559.86
Short-term loans and advances	17	9,269.52	8,483.10
Other Current Assets	18	3,890.32	3,994.46
Total (G)		84,283.16	98,618.25
GRAND TOTAL (E+F+G)		140,735.27	156,816.15
SIGNIFICANT ACCOUNTING POLICIES			
NOTES ON FINANCIAL STATEMENTS	1-36		

for and on behalf of the Board

A.K. TARAFDER
Vice President (Finance)

RAMAN K. SOOD
Company Secretary

G.MUNJAL
Managing Director & CEO

V.R. MEHTA
Jt.Managing Director

AUDITOR'S REPORT
As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

J.K. JAIN
Partner
Membership No. 083140

Place: Chandigarh
Date : 28.05.2013

Statement of Profit & Loss Account for the period from 1st July, 2012 to 31st March, 2013

		(Rs. in Lacs.)	
PARTICULARS	NOTE NO	PERIOD ENDED 31-03-2013	PERIOD ENDED 30-06-2012
INCOME			
Revenue from operations	19	39,312.23	159,046.56
Other Income	20	634.37	2,932.28
TOTAL REVENUE (A)		39,946.60	161,978.84
EXPENDITURE			
Cost of Material Consumed	21	28,762.65	121,257.34
Changes in inventories of Finished Goods/WIP	22	22.24	14,476.39
Employee Benefits Expenses	23	4,081.51	3,948.08
Financial Cost	24	8,641.10	12,096.70
Depreciation/Amortisation	10	1,848.21	2,324.93
Other Expenses	25	8,685.11	10,260.46
TOTAL EXPENSES (B)		52,040.82	164,363.90
Profit/Loss Before Tax (A-B)		(12,094.22)	(2,385.06)
Tax Expenses			
Provision for Tax		-	-
Mat Credit Entitelment		-	-
Provision for Defferred Tax (Net)		(965.43)	(283.54)
Profit (Loss) for the period		(11,128.79)	(2,101.52)
Basic Earning per Share		-24.10	-4.84
Diluted Earning per Share		-24.10	-4.27
Nominal Value per Share		2.00	2.00

for and on behalf of the Board

A.K. TARAFDER
Vice President (Finance)

RAMAN K. SOOD
Company Secretary

G.MUNJAL
Managing Director & CEO

V.R. MEHTA
Jt.Managing Director

AUDITOR'S REPORT
As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

J.K. JAIN
Partner
Membership No. 083140

Place: Chandigarh
Date : 28.05.2013

Cash Flow Statement

	For the period ended on	
	(Rs. in lacs) 31.03.2013	(Rs. in lacs) 30.06.2012
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	-12094.22	-2385.06
Adjustment for Non Cash & Non Operating Items		
i) Misc. Expenditure Written off	1026.03	940.24
ii) Depreciation/Amortisation	1638.21	2152.54
iii) Interest Income	(502.86)	(1056.02)
iv) Loss on Sale of Assets	476.59	563.95
v) Dividend Income	(0.49)	(97.35)
vi) Interest Paid	8516.70	12070.87
vii) Profit on Sale of Assets	(16.37)	(2.47)
viii) Impairment of Assets	0.00	286.31
ix) Exchange Loss	124.40	25.83
Operating Profit before Working Capital Changes	-832.01	12498.84
Adjustment for Current Items		
i) Increase/ (Decrease) in current Liabilities	(27147.17)	13465.53
ii) (Increase)/Decrease in current Loan & Advances	1112.85	(4578.02)
iii) (Increase)/Decrease in Trade Receivable	8504.73	(21890.91)
iv) (Increase)/Decrease in Inventory	3607.45	10621.14
v) (Increase)/Decrease in other current Assets	104.15	(359.30)
Cash Flow from Operating Activities before Taxes	(14650.00)	9757.28
Taxes Paid		
i) Income Tax Paid	19.55	348.26
Net Operating Activities (A)	(14630.45)	9409.02
B. Cash Flow from Investing Activities		
i) Dividend Received	0.49	97.35
ii) Subsidy Received	24.69	28.58
iii) Interest Received	502.86	1056.02
iv) Net Increase/Decrease in Investments	38.61	-
v) Net Purchase of Fixed Assets (Including Capital WIP)	(3336.63)	(14700.09)
vi) Increase in Misc. Expenditure	(2.31)	(4926.33)
Net Cash used in Investing activities (B)	-2772.29	-18444.47

	For the period ended on	
	(Rs. in lacs) 31.03.2013	(Rs. in lacs) 30.06.2012
C. Cash Flow from Financing Activities		
i) Intrest Paid	(8516.70)	(12070.87)
ii) Dividend Paid	0.00	(182.32)
iii) Increase in Unsecured Loans	(6163.33)	3374.85
iv) Increase in Secured Loans	28572.49	17595.58
v) Proceed from Share Warrents	-	1200.00
vi) Proceed from Advance against Share Capital	729.50	-
Net Cash Flow from Financing Activities (C)	14621.96	9917.24
Net increase in Cash or Cash Equivalents (A+B+C)	-2780.78	881.79
Add : Opening Balance of Cash & Equivalents	4559.86	3678.07
Closing Balance of Cash & Cash Equivalents	1779.08	4559.86

for and on behalf of the Board

A.K. TARAFDER
Vice President (Finance)

RAMAN K. SOOD
Company Secretary

G.MUNJAL
Managing Director & CEO

V.R. MEHTA
Jt.Managing Director

AUDITOR'S REPORT
As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

J.K. JAIN
Partner
Membership No. 083140

Place: Chandigarh
Date : 28.05.2013

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. Accounting Policies comprises Accounting Standards specified by the Central Government u/s 211 (3C) of the Companies Act 1956, other pronouncements of The Institute of Chartered Accountant of India and Guidelines issued by SEBI. The Financial Statement have also been prepared in accordance with relevant presentational requirements of the Companies Act 1956. The Financial Statements are rounded off to the nearest in Lacs.

2. Basis of Accounting:

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.

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 to bring the assets to its present condition and location and interest on loans attributable to the acquisition of assets up to 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 up to 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 up to the date of sale/discard.

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

5. Inventories are valued as under:-

(a) Stock of Raw Material and Packing Material :- At Cost or Net Realizable Value, whichever is lower (As per AS-2 "Valuation of Inventories"). 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.

Net Sales are exclusive of Excise Duty and net of VAT, breakage, leakage and trade discount.

8. Foreign Exchange Transactions

- (a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction and variation, if any, is accounted for on the date of payment, if squared the same accounting year.
- (b) Monetary items denominated in foreign currencies remaining unsettled at the year end if not covered by forward exchange contracts are translated at year end rates.
- (c) Any income/expense arising from foreign currency transactions is dealt in the profit and loss account for the year except in cases where they relate to acquisition of fixed assets in which case they are adjusted in the carrying cost of such assets.
- (d) Where company enters into a forward exchange contract, the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expense over the life of the contract except in the case of fixed assets, in which case, such difference is adjusted in the carrying amount of respective fixed assets.

9. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction or production of qualifying assets are capitalised as part of cost of such assets. Qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which incurred.

10. Employee Benefits:

a) Short term Employee Benefits:

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per company's schemes based on expected obligation on an undiscounted basis.

b) Defined Contribution Plans:

Contributions paid/payable to defined contribution plans comprising of Gratuity and Provident Funds for employees covered under the respective schemes are recognised in the Profit & Loss Account each year.

11. Income Tax:

- a) Current tax: Provision is made for income tax, based on the liability as computed after taking credit for allowances and exemptions. Adjustments in books are made only after the completion of the assessment.
- b) Deferred Tax: Consequent to the Accounting Standard –22 " Accounting for taxes on income " becoming mandatory the differences that result between the profit offered for income tax and the profit as per the financial statement are identified and thereafter a deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another.

The tax effect is calculated on the accumulated timing difference at the end of an accounting period based on prevailing enacted regulations.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

- c) MAT: Minimum alternative tax payable under the provisions of the Income Tax Act, 1961 is recognized as an asset in the year in which credit becomes eligible and is set off in the year in which the Company becomes liable to pay income taxes at the enacted tax rates and shall be reversed in the year in which it lapses.

12. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

13. Government Grant

Government Grants are recognized in Profit & Loss account in accordance with the related schemes and in the period in which these are accrued.

Grants toward the specific assets are treated as deferred income in Profit & Loss Account are recognized on rational basis over the useful life of the depreciable asset.

14. Intangible Assets

- (a) Intangible Assets are recognised only if they meet the recognition criteria as laid by Accounting Standard (AS) 26 on "Intangible assets".
- (b) Intangible assets are measured at cost and amortised over their useful life.
- (c) Expenditure on Research phase is recognised as an expense when it is incurred.
- (d) Expenditure on development phase is recognised as an Intangible Asset only if it meets the recognition criteria as laid by AS 26 issued by institute of Chartered Accountant of India on Intangible Assets. These assets are amortised over the useful period of life starting from the year when the asset first meets the recognition criteria.

15. Impairment of Assets

An Asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which as asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

16. Leases:

Finance lease, which effectively transfer to the company all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged as expenses in the profit and loss account.

17. Accounting policies not specifically referred to are consistent with generally accepted accounting principles.

Notes on Financial Statements for the period from 1st July, 2012 to 31st March, 2013

		(Rs. in Lacs.)
PARTICULARS	AS AT 31-03-2013	AS AT 30-06-2012
NO-'1'		
SHARE HOLDER'S FUNDS		
SHARE CAPITAL		
AUTHORISED		
7,50,00,000 (P/Y- 7,50,00,000)	1,500.00	1500.00
Equity Shares of Rs. 2/- Each		
25,00,000 (P/Y-25,00,000) Cumulative Preference Share	2,500.00	2500.00
of Rs. 100/- Each		
	4,000.00	4000.00
ISSUED, SUBSCRIBED & PAID UP		
4,61,78,370 Equity Shares (P/Y 4,61,78,370)		
of Rs.2/- Each Fully Paid up in Cash	923.57	923.57
14,20,000 Cumulative Redeemable Preference Shares		
(P/Y 14,20,000) of Rs.100/- each Fully Paid	1,420.00	1420.00
	2,343.57	2343.57

1.1 Reconciliation of Equity & Pref. Shares as on 31.03.13				
	2012-13		2011-12	
Particulars	No of Shares		No of Shares	
	Equity	Prefrence	Equity	Preference
Opening Balance	46178370	1420000	42178370	1420000
Add: No of Shares Issued	Nil	Nil	4000000	Nil
Closing Balance	46178370	1420000	46178370	1420000

1.2. No. of shareholders holding 5% or more of share capital				
Name Of Shareholder	As on 31-03-2013		As on 30-06-2012	
	No. of Shares	%	No. of Shares	%
Essix Biosciences Limited	9215721	19.96%	9064721	19.63

1.3 The Prefrence Shares shall rank for dividends in priority to equity Shares for time being. These shares shall be entitled to rank in priority to equity shares as regards repayment of Capital and arrears of dividend declared, but shall not be entitled to any further participation in profit or assets of the Company.

Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

				(Rs. in Lacs.)
PARTICULARS		AS AT 31-03-2013		AS AT 30-06-2012
NO-'2'				
RESERVES & SURPLUS				
General Reserve		10,453.18		10,453.19
Capital Reserve				
Opening Balance:	96.48			
Less:Amortised during the year:	3.14			
Addition during the year :				
Capital Subsidy	25.00			
Share Warrants Forfeited	300.00	418.34		96.48
Securities Premium		5,870.10		5,870.10
Surplus in Profit & Loss Account				
Profit b/f from previous year	13,044.57		15146.09	
Add: Current Year Profit/Loss	(11,128.79)	1,915.78	(2101.52)	13,044.57
		18,657.40		29,464.34
NO -'3'				
LONG TERM BORROWINGS				
a) SECURED LOANS				
i) From Banks		52,012.82		21,776.93
ii) From Financial Institutions		3,530.00		1,278.11
iii) Vehicle Loan		83.04		147.86
		55,625.86		23,202.90

3.1 Term Loan from Banks & Financial Institutions are secured by way of first pari-passu charge over entire fixed assets of the company,second pari-passu charge over the entire current assets of the company,personal guarantee of Directors and by way of pledge of shares of promoters. Restructured Bill Discounting/Factoring facilities aresecured by way of subservient charge over entire current assets of the company. Vehicles loans are secured byway of hypothecation of vehicles financed.

3.2 Maturity Profile of Term Loans/Vehcile Loan :

Period	1-2 year	2-3 year	3-4 year	4year & above
Term Loans	4936.99 Lacs	4936.99 Lacs	9421.77 Lacs	36247.07 Lacs
Vehicle Loans	70.84 Lacs	10.32 Lacs	1.88 Lacs	



Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

			(Rs. in Lacs.)
	PARTICULARS	AS AT 31-03-2013	AS AT 30-06-2012
b)	UNSECURED LOANS		
	Fixed Deposit from Public	3,429.90	4,030.59
	Long Term Maturities of Finance Lease Obligation	6.68	25.91
		3,436.58	4,056.50
3.3	Minimum Lease payments outstanding as on 31st March 2013 in respect of assets taken on Finance Lease are as follows:		
	Due	March 31, 2013 Total Minimum Lease Payments Outstanding as on 31st March 2013	June 30, 2012 Total Minimum Lease Payments Outstanding as on 30th June 2012
	Within One Year Later than one year but less than five Years	6.68 Lacs -	25.91 Lacs -
	NO - '4'	Amount	Amount
	Deferred Tax Liability (Net)	(Rs.in Lacs)	(Rs.in Lacs)
		2012-13	2011-12
	Deferred Tax Liability	3,527.84	4,511.22
	Deferred Tax Asset(Loss)	2,363.67	2,381.62
		1,164.17	2,129.60
	NO - '5'		
	OTHER LONG TERM LIABILITIES		
	Security Deposit Customers/Stockists	625.44	678.25
	NOTE NO - '6'		
	LONG TERM PROVISIONS		
	Provision for Employee Benefits	96.37	61.18
6.1	Provision for Leave Encashment has been made as per rules of the Company without actuarial Valuation.		
	NO - '7'		
	SHORT TERM BORROWINGS		
(i)	SECURED LOAN		
	Bank borrowings for working capital are secured by a Pari-Passu, first charge by way of Hypothication of the company's current assets, namely, Stocks of Raw Materials, Semi Finished, Finished Goods, Stores & Spares not relating to Plant and Machinery (Consumable Stores & Spares), Bills Receivable & Book Debts and all other movables of the Company both present and future excluding such movables as may be permitted by the said Banks from time to time. The said facility is further secured by way of pari passu second charge on the company's immovable and movable properties (other than current assets) and personal guarantees of Directors and by way of pledge of shares of promoters.		
		31,690.98	35,541.46
		31,690.98	35,541.46
(ii)	UNSECURED LOAN		
	SHORT TERM BORROWINGS		
	From Banks	192.23	1,465.16
	From Financial Institution	802.72	1,135.15
	From Others	207.94	538.24
	Fixed Deposit from Public	2,325.49	5,933.24
		3,528.38	9,071.79

Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

	NO -'8'			
	TRADE PAYABLES			
	Trader Payables		8,532.28	32,924.83
	Trade Payables (Related Party)		5,563.67	517.77
			14,095.95	33,442.60
8.1	The Company has not received any information from its suppliers regarding regd. under The Micro Small and Medium Enterprises Development act 2006. Hence, the information required to be given in accordance with Section 22 of the said act is not ascertainable and not disclosed.			

	NO -'9'			
	OTHER CURRENT LIABILITIES			
	Intt. Accrued But not Due		527.98	670.11
	Intt. Accrued and Due		-	264.30
	Advance from Customers		1,200.28	1,944.67
	Other Payable		4,195.39	3,520.08
	Current Maturties of Long Term Debts } refer to note		2,700.05	9,982.81
	Current Maturties of Vehicle Loan } no 3(a)		96.55	117.83
	UnClaimed Dividend		20.82	24.16
			8,741.07	16,523.96

9.1 The Unclaimed Dividend Payable does not include any amount to be credited to investor education and protection Fund

	NO -'11'			
	NON-CURRENT INVESTMENTS (AT COST)			
	Investment in Equity Instrument			
	9499720 (P/Y- 9499720) Equity Shares in			
	M/s Ind Swift Laboratories Ltd		4,005.53	4,005.53
	2000000 (P/Y-2000000) Equity Shares of Fortune India Construction Ltd		200.00	200.00
	Nil(P/Y -2207) Equity Shares of Punjab National Bank		-	8.60
	300000 {P/Y-300000} Equity Shares of Essix Biosciences Ltd.		300.00	300.00
	66000(P/Y-66000) Equity Shares of Mansa Print & Publisher Ltd @Rs.10/- Per Share		6.60	6.60
	Investment in Mutual Funds			
	Investment in Principal Emerging Bluechip Fund		-	5.00
	Investment in Principal Large Cap Fund		-	25.00
	Other Investment			
	Share Application Money of Mansa Print & Publishers Ltd.		6.75	6.75
			4,518.88	4,557.48

11.1 Total Cost of Quoted Investment is Rs. 4005.53 Lacs (Market Value Rs.4270.12 lacs) and Unquoted Investment is Rs. 513.35 lacs

11.2 Ind Swift Laboratories Ltd, Essix Biosciences Ltd, Fortune India Construction Ltd and Mansa Print & Publishers Pvt. Ltd are Associates.

NOTES ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31.03.2013

(Rs. in Lacs)

NOTE OF FIXED ASSETS AS ON 31/03/2013

SNO		PARTICULARS	G R O S S B L O C K				D E P R E C I A T I O N / A M O R T I S A T I O N			N E T B L O C K		
			BALANCE AS ON 01/07/2012	ADDITIONS/ TRSF DURING THE YEAR	SALE/ TRANSFER/ IMPAIRED	AS ON 31/03/2013	AS ON 30/06/2012	DURING THE YEAR	ON ASSETS SOLD	TOTAL DEPRECIATION UPTO 31/03/2013	AS ON 31/03/2013	AS ON 30/06/2012
(A)		TANGIBLE ASSETS										
1		LAND	720.63	4.66	30.75	694.54	0.00	0.00	0.00	0.00	694.54	720.63
2		LEASEHOLD LAND	34.99	0.00	0.00	34.99	1.78	0.16	0.00	1.94	33.05	33.22
3		BUILDING	11328.54	487.82	0.00	11816.36	1088.54	288.53	0.00	1377.07	10439.29	10243.67
4		PLANT & EQUIPMENT	24738.20	2906.22	681.79	26962.63	2540.42	979.58	200.11	3319.89	23642.74	22215.89
5		FURNITURE & FIXTURE	586.15	92.25	0.00	678.40	168.05	29.45	0.00	197.50	480.90	419.38
6		VEHICLES	1063.91	17.96	15.65	1066.22	475.91	69.46	9.88	535.49	530.73	587.99
7		OFFICE EQUIPMENT	851.99	16.62	0.00	868.61	523.21	73.35	0.00	596.56	272.05	328.78
8		MISC FIXED ASSETS	2043.31	94.39	0.00	2137.70	355.34	73.97	0.00	429.31	1708.39	1687.97
9		BUILDING (R&D)	58.56	0.00	0.00	58.56	23.60	1.47	0.00	25.07	33.49	31.30
10		FURNITURE & FIXTURE (R&D)	31.07	0.00	0.00	31.07	19.27	0.76	0.00	20.03	11.04	10.51
11		EQUIPMENT (R&D)	1268.48	6.30	0.00	1274.78	592.55	44.91	0.00	637.46	637.32	657.82
12		LAND (R&D)	234.63	0.00	0.00	234.63	0.00	0.00	0.00	0.00	234.63	234.63
(B)		INTANGIBLE ASSETS										
1		PATENT & TRADE MARK	47.08	0.00	0.00	47.08	21.80	3.90	0.00	25.70	21.38	25.28
2		PRODUCT TECHNOLOGY	3066.90	480.15	0.00	3547.05	1853.12	137.54	0.00	1990.66	1556.39	1213.78
3		SOFTWARE	1242.54	703.84	0.00	1946.38	31.06	145.13	0.00	176.19	1770.19	1211.48
		TOTAL	47316.98	4810.21	728.19	51399.00	7694.65	1848.21	209.99	9332.87	42066.13	39622.33
		TOTAL: P/Y (30/06/2012)	26206.87	22159.68	1049.57	47316.98	5542.12	2324.93	172.40	7694.65	39622.33	20494.90

(C) INTANGIBLE ASSETS UNDER DEVELOPMENT

Particulars	Opening Bal.	Addition	Capitalised	Closing Bal.
PRODUCT TECHNOLOGY	306.35	145.06	255.30	196.11
TOTAL: P/Y (30/06/2012)	169.86	306.35	169.86	306.35

(D) CAPITAL WORK IN PROGRESS

Particulars	Opening Bal.	Addition	Capitalised	Closing Bal.
CAPITAL WORK IN PROGRESS	4626.13	2284.87	3422.18	3488.82
TOTAL: P/Y (30/06/2012)	12190.29	11249.12	18813.28	4626.13

10.1 The Leasehold land is being written off Over the Period of lease Proportionately.

10.2 Intangible Assets:

- a) Product Technology acquired by the company is recognized as an intangible asset and is amortised over its useful life of 10 years
b) Product Technology addition forming part of Fixed Assets note consists of following:

Net Addition during the year	(Rs. In Lacs) 224.85
<p>c) During the year the management has taken a review on the estimated life of Product Technology. Accordingly the estimated life of Product Technology has been taken as 10 years instead of 5 years. As a result of this the amortisation amount has been reduced by Rs. 353.88 Lacs.</p>	

Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

			(Rs. in Lacs.)
	PARTICULARS	AS AT 31-03-2013	AS AT 30-06-2012
	NO - '12'		
	LONG TERM LOAN & ADVANCES		
	(Unsecured but considered good)		
	Advance against Capital Goods	1,520.61	3,402.62
	Security Deposits	150.04	147.76
		1,670.65	3,550.38
	NO - '13'		
	OTHER NON CURRENT ASSETS		
	(To the extent not written off/adjusted)		
	Seed Marketing Expenses	4,502.01	5,522.48
	Public/Capital Issue Expenses	1.14	1.99
	Preliminary Expenses	-	0.19
	Software Development Expenses	8.37	10.57
		4,511.52	5,535.23
	NO - '14'		
	CURRENT ASSETS		
	INVENTORIES		
	(As taken, valued & certified by the Management)		
	Raw Material	8,179.31	11,292.60
	Work- in- Progress	731.81	1,672.04
	Finished Goods	23,270.50	22,352.52
	Consumables	201.29	104.15
	Material in transit	550.94	1,126.84
	Printing & Stationery in Hand	12.05	5.20
		32,945.90	36,553.35
14.1	The Inventories are valued as per method described in Significant accounting policies		
	NO - '15'		
	TRADE RECEIVABLES		
	Debtors Outstanding for a Period Exceeding Six Months.		
	Considered good	18,501.23	9,345.40
	Considered doubtful	9.94	964.20
	Other Debts	17,897.11	35,682.08
	(Unsecured but considered good by the management)	36,408.28	45,991.68
	Less: Provision for Doubtful Debts	9.94	964.20
		36,398.34	45,027.48

Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

			(Rs. in Lacs.)
	PARTICULARS	AS AT 31-03-2013	AS AT 30-06-2012
	NO - '16'		
	CASH & CASH EQUIVALENTS		
	Balance with Banks	52.41	1,662.52
	Cash in Hand	586.66	689.47
	Others (Imprest)	190.77	230.94
	Fixed Deposits with Banks	949.24	1,976.93
		1,779.08	4,559.86
16.1	Fixed Deposits with banks are Rs. 949.24 lacs (P/Y Rs. 1976.93 lacs) out of which Rs.948.11 lacs (P/Y Rs. 1758.42 lacs) are Pledged as margin money with banks.		
16.2	Balance with Banks includes Balance on account of unpaid dividend of Rs. 20.82 lacs(P/Y Rs. 24.16lacs)		
16.3	During the period the Company has transferred a sum of Rs. 3.24 lacs to Investor Education and Protection Fund on account of Unclaimed dividend for Financial Year 2004-05 (P/Y Rs. 2.65 lacs)		
	NO - '17'		
	SHORT TERM LOANS & ADVANCES		
	(Unsecured but considered good by the management)		
	Advances Recoverable in Cash Or		
	In Kind Or For Value to be Received	3,645.87	3,302.21
	Loans & Advance to Related Parties	5,623.65	5,180.89
		9,269.52	8,483.10
	NO - '18'		
	OTHER CURRENT ASSETS		
	Mat Credit Entitelment	2,300.48	2,300.48
	Advance Income Tax	19.55	348.24
	Prepaid Expenses	63.88	178.49
	Others	1,506.41	1,167.25
		3,890.32	3,994.46
18.1	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.		

Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

			(Rs. in Lacs.)
	PARTICULARS	PERIOD ENDED 31-03-2013	PERIOD ENDED 30-06-2012
	NO - '19'		
	Revenue from Operations		
	Sale of Products	39,330.71	158,926.30
	Less: Excise Duty	409.85	585.26
	Net Sale of Products	38,920.86	158,341.05
	Technology Transfer Fee	391.37	705.51
		39,312.23	159,046.56
	NO - '20'		
	Other Income		
	Dividend Received	0.48	97.35
	Miscellaneous Income	-	1,464.04
	Previous Year Income	-	0.28
	Interest on FDR	89.65	193.23
	Interest Received	413.21	862.79
	Profit on Sale of Assets/Shares	16.37	2.47
	Subsidy Received	-	12.23
	Insurance Claim Received	-	8.84
	Other Income	114.66	291.05
		634.37	2,932.28
	NO - '21'		
	COST OF MATERIAL CONSUMED/SOLD		
	Opening Stock	11,396.75	8,277.81
	Purchase	26,030.32	129,177.23
		37,427.07	137,455.04
	Less :Spoilage & Expiry	122.43	207.94
	Less: Sale of Licenses	161.39	110.05
	Less: Sale	-	4,482.96
	Less :Closing Stock	8,380.60	11,396.75
	TOTAL (A)	28,762.65	121,257.34

21.1	Cost of Materials Consumed				
	Raw Material	PERIOD ENDED 31-03-2013		PERIOD ENDED 30-06-2012	
		Amount (Rs in Lacs)	%	Amount (Rs in Lacs)	%
	Imported	2305.40	8.02	10551.04	8.70
	Indigenous	26457.25	91.98	110706.30	91.30

Notes on Financial Statements for the period from 1st July, 2012 to 31st March, 2013

NO - '22'			
INCREASE/(DECREASE) IN INVENTORY			
OPENING STOCK			
Work-in-Progress	1,672.04		3,131.13
Finished Goods	22,352.51		35,369.82
	24,024.55		38,500.95
CLOSING STOCK			
Work-in-Progress	731.81		1,672.04
Finished Goods	23,270.50		22,352.52
	24,002.31		24,024.56
TOTAL (B)	(22.24)		(14,476.39)
TOTAL (A-B)	28,784.89		135,733.73

			(Rs. in Lacs.)
PARTICULARS	PERIOD ENDED 31-03-2013	PERIOD ENDED 30-06-2012	
NO '23'			
EMPLOYEE BENEFIT EXPENSES			
Salary & Wages	3,736.39		3,535.75
P.F & Other Funds	217.01		193.62
Staff Welfare	82.93		125.46
Contribution To Gratuity	45.18		93.25
	4,081.51		3,948.08
NO - '24'			
FINANCE COST			
Interest Expenses	8,080.24		9,080.18
Other Borrowing Cost	436.46		2,990.69
Exchange Fluctuation Expenses	124.40		25.83
	8,641.10		12,096.70
NO - '25'			
OTHER EXPESNES			
MANUFACTURING EXPENSES			
Power, Fuel & Water Charges	876.14		1,155.59
Repair & Maint. -Machinery	73.88		142.84
Repair & Maint. -Building	21.22		5.90
Loss of Stock Destruction	89.59		75.15
Service Charges	428.60		480.86
Insurance Charges	14.27		10.84
Staff Liveries	3.30		12.78
Lab Expenses/ETP Expenses	72.24		116.83
Other Manufacturing Expenses	160.42		262.65
	1,739.66		2,263.44

Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

			(Rs. in Lacs.)
	PARTICULARS	PERIOD ENDED 31-03-2013	PERIOD ENDED 30-06-2012
	ADMINISTRATIVE EXPENSES		
	Director's Remuneration	270.00	414.00
	Travelling & Conveyance	394.60	444.28
	Audit Fees	9.27	15.45
	Rent	94.37	155.18
	Rates & Taxes	32.39	38.35
	Telephone & Postage	108.64	163.53
	Consumables	8.49	29.47
	Repair & Maint.-Machinery	1.59	5.36
	Repair & Maint.-Building	16.65	48.81
	Repair & Maint.-General	52.91	69.34
	Electricity & Power	31.12	38.90
	Insurance Charges	73.40	132.48
	Legal & Filing Fee	11.66	12.59
	Professional Exp.	117.46	114.99
	Printing & Stationery	77.26	125.61
	Brokerage/Commission	11.44	135.60
	Loss on Sale of Assets	476.59	563.95
	Impairment of Assets	-	286.32
	Security Expenses	64.24	90.64
	Corporate & Other Administrative Expenses	261.10	436.90
		2,113.18	3,321.75
	SELLING & DISTRIBUTION EXPENSES		
	Commission to C & F Agents	519.74	380.42
	Travelling Expenses	775.41	484.96
	Provision for Doubtful Debts	9.94	964.20
	Transportation Charges	1,149.42	1,345.40
	Sales Promotion	1,036.13	327.38
	Depot/Stockist Expenses	203.64	113.77
	Other Selling Expenses	64.13	49.32
		3,758.41	3,665.45

Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

			(Rs. in Lacs.)
	PARTICULARS	PERIOD ENDED 31-03-2013	PERIOD ENDED 30-06-2012
	RESEARCH & DEVELOPMENT EXP.		
	Salary & Wages (R&D)	31.48	45.71
	Consumables	7.97	13.35
	Repair & Maint.-Machinery	1.52	1.25
	Other Administrative Expenses	6.86	9.28
		47.83	69.59
	MISC. EXPENDITURE WRITTEN OFF		
	Seed Marketing Expenditure	1,020.48	871.38
	Product Development Expenses	-	58.48
	Public Issue Expenses	0.85	1.42
	Preliminary Expenses	0.19	0.31
	Software Development Expenses	4.51	8.64
		1,026.03	940.23
25.1	Expenses includes Rs. 32.08Lacs (P/Y Rs. 18.29Lacs) as expenses relating to previous years.		
25.2	In view of losses, the managerial remuneration paid/provided is in excess of limit prescribed under schedule XIV of Companies Act 1956. However Company is in process of obtaining the approval from Central Government in this regard.		
25.3	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.		

Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

26. The previous year figures have been re-arranged and re-grouped wherever found necessary.

27. a) Earnings in Foreign Currency

		(Rs.in Lacs)	
	Particulars	2012-13	2011-12
	FOB Value of Export	15229.22	19866.86
	Technology Transfer Fees	391.37	705.50
	Other Income	8.09	58.76
b)	Expenditure in Foreign Currency		
			(Rs.in Lacs)
	Particulars	2012-13	2011-12
	Tours & Travels	44.05	33.34
c)	Value of imports calculated on CIF Basis:		
			(Rs.in Lacs)
	Particulars	2012-13	2011-12
	Raw Material	2253.54	10503.99
	Packing Material /Cons.	51.86	47.05
	Equipment	561.29	643.66
	Software	692.60	Nil
d)	Auditor's Remuneration:		
			(Rs.in Lacs)
	Particulars	2012-13	2011-12
	Audit Fee	Rs. 9.27 Lacs	Rs.15.45 Lacs

28. Contingent liabilities outstanding as on 31.03.2013 are as under:

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

	(Rs.in Lacs)	
Particulars	2012-13	2011-12
FLC /ILC	2310.91	21427.49
BG	822.69	1404.25

- b) Arrears of Cumulative Dividend on cumulative Redeemable Preference Shares amounting to Rs.28.40 Lacs Previous year (14.20Lacs).
- c) In respect of Income Tax matters pending before appellate authorities/CIT (Appeals) which the Company expects to succeed, based on decisions of Tribunals/Courts. There is contingent liability amounting to Rs. 578 Lacs.
- d) In respect of Sale Tax matters pending before appellate authorities/CIT (Appeals) which the Company expects to succeed, based on decisions of Tribunals/Courts. There is contingent liability amounting to Rs. 590.64 Lacs.

Notes on Financial Statements for the period from 1st July, 2012 to 31st March, 2013

29. During the period, the Company has received a sum of Rs. 729.50 Lacs as promoters contributions towards Share Application Money in compliance with the term and conditions of CDR Package.
30. 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. Expenses on Research phase are charged to Profit and Loss account and Expenses relating to development phase shall be capitalised in subsequent years in accordance with AS-26. Expenditure on R&D incurred by the Company during the Year is:

		(Rs.in Lacs)
a)	Addition in Fixed Assets- Panchkula	Nil
b)	Product Technology Exp.- Panchkula as per note no 10	145.06
c)	Product Technology Exp.- Other Units	224.85
d)	Debited to Profit & Loss Account as per note no 25	47.83
e)	Depreciation / Amortisation-Panchkula	107.11
f)	Misc. Expenses W/off - Panchkula	Nil

The Depreciation and Misc. Exp. w/off related to Research & development are clubbed under respective heads in profit & loss account.

31. Segment Reporting

Primary Segment (Business Segments)

The Company operates mainly in the business segment of Pharmaceutical Products, and in the opinion of the management the inherent nature of activities in which it is engaged are governed by the same set of risks and reward. The company has also diversified into Dairy segment in addition to the Pharmaceuticals. As the revenue from the dairy segment is less than 10% of total income of the company, hence separate segment reporting has not been given.

Secondary Segment (By Geographical Segment)

		(Rs.in Lacs)	(Rs. in Lacs)
S.No.	Particulars	31.03.2013	30.06.2012
(a)	Domestic	23691.64	138474.19
(b)	Export	15229.22	19866.86
	Total Sales	38920.86	158341.05

32. The debts of the company including interest have been restructured by the corporate debt restructuring cell w.e.f 01.07.2012 under the aegis of Corporate Debt Restructuring Scheme. As per the approved scheme, restructured debts are now repayable over a period of eight and half years including moratorium period of 1-2years. The Debt Restructuring Scheme is pending for approval from Non CDR members IFCI and Tata Capital Financial Services Ltd, however effect of Rescheduling of loan has been incorporated in Balance Sheet as per corporate debt restructuring scheme subject to their approval.
33. **Remittance in Foreign Currency on Account of Dividend:**
The Company has paid dividend in respect of shares held by Non-Residents. Where the amount is also credited to Non-Resident External Account.

Notes on Financial Statements

for the period from 1st July, 2012 to 31st March, 2013

	2012-13	2011-12
a) Number of Non-Resident Shareholders	107	116
b) Number of Equity Shares held by them	318916	265856
c) Amount of Dividend Paid	Nil	1.06 Lacs
		(Related to F.Y.10-11)

34. Earning Per Share (EPS)

(a) Basic EPS

S. NO.	Particulars	2012-2013 (Rs. In lacs)	2011-2012 (Rs. In lacs)
i)	Profit/Loss after tax (Attributable to ordinary shareholders)	-11128.79	-2101.53
ii)	Weighted Average number of ordinary Shares	46178370 Nos.	43430011 Nos.
iii)	Basic EPS/Share of Rs.2/-	Rs. -24.10	Rs.-4.84
iv)	Diluted EPS/Share of Rs.2/-	Rs. -24.10	Rs.-4.27

35. Related Party Disclosure

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

36. The current accounting period is for nine months from 01.07.2012 to 31.03.2013 and previous accounting period was for fifteen months from 01.04.2011 to 30.06.2012, hence the figures for the current period are not comparable with the previous period

for and on behalf of the Board

A.K. TARAFDER
Vice President (Finance)

RAMAN K. SOOD
Company Secretary

G.MUNJAL
Managing Director & CEO

V.R. MEHTA
Jt.Managing Director

AUDITOR'S REPORT
As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

J.K. JAIN
Partner
Membership No. 083140

Place: Chandigarh
Date : 28.05.2013



ANNEXURE TO THE NOTES ON ACCOUNTS

ANNEXURE – 'A'

RELATED PARTY DISCLOSURES LIST OF RELATED PARTIES AND RELATIONSHIPS		
S.NO.	RELATIONSHIP	NAME OF PARTY
(A)	ASSOCIATES	1. ESSIX BIOSCIENCES LTD. 2. IND SWIFT LABORATORIES LIMITED 3. MANSA PRINT & PUBLISHERS LTD. 4. FORTUNE INDIA CONSTRUCTION LTD 5. DASHMESH MEDICARE PVT LTD. 6. 3M ADVERTISING & PUBLISHERS LTD 7. SWIFT FUNDAMENTAL RESEARCH & EDUCATION SOCIETY
(B)	KEY MANAGEMENT PERSONNEL - DIRECTORS	1. MR. S.R. MEHTA 2. DR. G. MUNJAL 3. DR. V.R.MEHTA

Related Party Transaction

ANNEXURE-B

		(Rs.in lacs)
	Associates	
NATURE OF THE TRANSACTIONS	FOR THE PERIOD ENDED 31-03-13	FOR THE PERIOD ENDED 30-06-12
Purchase of Goods/Services	6376.19	10984.37
Sale of Goods/Services	266.04	18534.99
Expenses	0.00	76.56
Interest Receivable	405.20	555.68
Dividend Paid	0.00	27.46
Dividend Received	0.00	95.00
Debit Balance Outstanding as on 31.03.2013		
Debtors	922.28	1773.13
Loan & Advances	5627.43	5592.24
Investments	4518.88	4518.88
Credit Balance Outstanding as on 31.03.2013		
Creditors	6085.04	691.36

Notice

Notice is hereby given that the **27th Annual General Meeting** of the members of Ind-Swift Limited will be held on Monday the 30th September 2013 at 3.30 P.M at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March 2013, Statement of Profit and Loss for the period ended 31st March 2013, and to receive, Directors' Report and Auditors' Reports thereupon.
2. To appoint Director in place of Mr. N. R. Munjal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Mr. Himanshu Jain, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Mr. Rishav Mehta who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint auditors and to fix their remuneration.

SPECIAL BUSINESS:-

6. **To consider and of thought fit, to pass the following resolution with or without modification(s) as a ordinary resolution:**

"RESOLVED THAT Sh. R.K. Ummat who was appointed as an additional director by the Board of Directors in accordance with section 260 of The Companies Act, 1956 and articles of association of the Company and who holds office upto the conclusion of this Annual General Meeting, be and is hereby appointed as director of the company whose office shall be liable to retire by rotation."

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

"RESOLVED THAT subject to the applicable provisions of The Companies Act, 1956 and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association the company, listing agreements entered into with stock exchanges on which the shares of the Company are listed, the applicable rules, notifications, guidelines issued by the Government of India, the Reserve Bank of India and any other regulatory authority [including but not limited to Securities and Exchange Board of India ("SEBI"),] and subject to approvals, permissions, sanctions and consents as may be necessary from the regulatory and other appropriate authorities,(including but not limited to

SEBI) the Corporate Debt Restructuring Empowered Group (the "CDR EG"), the Reserve Bank of India, Government of India, etc. the Company do hereby authorize, approve, ratify and confirm the corporate debt restructuring scheme (the "CDR Package") as approved by the CDR EG vide letter of approval dated December 27, 2012 ("CDR LOA") and also ratify the Master Restructuring Agreement dated March 28, 2013 entered into by the Company and do hereby accord the consent, authority and approval to the board hereinafter referred to as "Board" which term shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by this resolution to the extent permitted by the law to implement the terms of the MRA and LOA(CDR Package) including any amendment, thereto and to discuss, negotiate, finalise and to execute necessary documents in terms of the CDR package including but not limited to indenture of mortgage, equitable mortgage/ Deed of hypothecation, Deed of pledge, guarantees and/ or any other documents, deeds, writings and power of attorney as may be required by the lenders participating in the CDR package (CDR lenders) in connection with the CDR package (the "transaction documents") and also to discuss, negotiate and finalise the terms of such transaction documents and to finalise, discuss and negotiate the terms of re-structuring the debts of non- CDR lenders, as per the terms set out in the CDR package and as may be agreed between the respective parties and execute the necessary documents for the same".

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

"RESOLVED THAT pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any amendment thereto or re-enactment thereof) and the enabling provisions of the memorandum and Articles of Association of the Company and subject to the regulations/ rules/ guidelines issued by the Securities and Exchange Board of India (hereinafter referred to as "SEBI"), Stock Exchanges, Government of India, Reserve Bank of India (hereinafter referred to as "RBI"), and subject to such conditions and modification as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/ or sanctions (hereinafter singly or collectively referred to as " the requisite approvals") and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee(s) consisting of one or more members of the Board and/or one or more officials of the Company appointed by the Board in this behalf which the Board may constitute to exercise power of the Board) and in order to fulfill the requirements of and give effect to the proposal

for re-structuring of the company's debts in accordance with the scheme approved by the lenders of the company and on the terms set out in the letter of approval, the consent of the members of the company be and is hereby accorded to the board to create, offer, issue and allot up to 4168571 number of equity shares of Rs. 2/- each (hereinafter referred to as "Equity Shares") on preferential basis at a price of Rs. 17.50/- per share (Including Rs. 15.50 as premium) which is not less than the price determined in accordance with the pricing formula given in the SEBI (ICDR) Regulations 2009 for an aggregate consideration of Rs. 7,29,49,993/- (Rupees Seven Crore Twenty Nine Lacs Forty Nine Thousand Nine Hundred Ninty Three only) based on relevant date i.e. Decemeber 27, 2012, to the following promoters (hereinafter collectively reffered as "Proposed Allottees") on such terms and conditions as the Board may think fit, without offering the same to any other persons, who at the date of offer are holders of the equity shares.

S. No.	Name of Proposed Allottees	Category of the Proposed Allottees	Maximum No. of Shares proposed to be issued / allotted
1	Mr. S.R.Mehta	Promoter Director	1428571
2.	Dr. V.R.Mehta	Promoter Director	1428571
3	Dr. Gopal Munjal	Promoter Director	1311429
	TOTAL		4168571

FURTHER RESOLVED THAT

- the relevant date for the purpose of determination of the minimum price at which the Equity Shares may be issued and allotted, in accordance with the provisions of chapter VII of the SEBI Reglations shall be the date of approval of the corporate debt restructuring package for the Company (date of issue of letter of approval) i.e. 27th Decemeber, 2012.
- the Equity shares to be created, offered, issued and allotted pursuant to this resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company ; and
- all Equity Shares issued pursuant to this resolution shall rank pari passu inter-se and with the then existing equity shares of the company in all respects, including dividend.

"RESOLVED FURTHER that the Board be and is hereby authorised to give effect to the above resolution and to do all such acts, deeds and things necessary or incidental that it may, in its absolute discretion, deem necessary or desirable in regard to the offer, issue and allotment of the Equity Shares, to resolve and settle any question,

difficulties or doubts that may arise in regard to such offer, issue and allotment of Equity Shares."

"RESOLVED FURTHER that the Equity Shares proposed to be allotted to the Proposed Allottees be listed on the BSE Limited and the National Stock Exchange of India Limited and that the Board be and is hereby authorised to make the necessary appplications and to take all other steps as may be necessary for the listing of the Equity Shares proposed to be allotted to the Proposed Allottees and for the admission of such Equity Shares with the depositories, viz NSDL & CDSL, and for the credit of the Equity Shares to the Proposed Allottees dematerialised securities account."

"RESOLVED FURTHER that the Board be and is hereby authorised to delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of directors or any director(s) or officer(s) of the Company to give effect to the above resolution."

Notes:-

- A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxy to be effective should be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
- The Relevant explanatory statement pursuant to section 173 of the Companies Act, 1956 is given hereto and forms part of the notice.
- The Register of members and the Share Transfer Book of the Company will remain closed from 27th September 2013 to 30th September 2013 (both days inclusive).
- Members holding shares in physical form are requested to notify/send any change in their address/mandate/ bank details and particulars of their account in case the same have not been sent earlier to the Company's Registrar and Transfer Agent to facilitate better services. Such members, if desired of making a nomination in respect of their shareholding in the company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit details to the Registrar & Transfer Agents of the company, in the prescribed Form 2B for this purpose.
- Members desirous of having any information as regards 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.
- Members are requested to bring their copies of the Report to the meeting, as no further copies would be made available.
- Members holding sharers in electronic form are advised to inform their concerned depository participants of any change in address etc.

Annexure to Notice:

Explanatory Statement Pursuant to Section 173(2) of Companies Act, 1956

Item No. 6

Sh. R.K Ummat was appointed as the Additional Director of the Company with effect from 31-03-2013 and pursuant to Section 260 of the Companies Act, 1956 and Articles of Association of the Company, he holds the office upto this Annual General Meeting. Sh. R.K Ummat has given his consent to act as Director of the Company. Moreover, the Company has received notice from the members pursuant to Section 257 of the Companies Act, 1956 signifying their intention to propose the above Director's appointment in the forthcoming Annual General Meeting. SH. R.K Ummat is B.Sc, CAIIB, DPM and Ex – CEO of Everest Bank Limited. He has rich experience in the areas of Finance, management and administration. The Directors, therefore, recommends the respective resolution for the approval of the members.

None of the directors are either concerned or interested in the proposed resolution

For Item No. 7

Due to reduction in EBITDA margins, Increase in Finance and raw material costs, high level of finished stocks and loss due to clearance of slow moving items, The liquidity position of the Company was adversely affected and the Company found it difficult to service the debt obligations. As a result, the company approached its lenders to restructure its existing credit facilities. The company was referred to the Corporate Debt Re-structuring cell, a non- statutory voluntary mechanism set under the aegis of Reserve Bank of India(RBI) for the restructuring of corporate debt (hereinafter referred to as " the CDR). The CDR empowerment Group (CDR –EG) approved the restructuring package of the company as set out in the letter of approval dated December 27,2012 issued by the Corporate Debt Re-structuring cell (CDR Cell). Some of the broad terms of the CDR package are under:-

- Restructuring of existing outstanding Term loans and Working capital facilities (excluding ECB/FCTL Loans),
- repayment moratorium,
- revision in rate of interest.

The Company signed a Master Restructuring Agreement (MRA) on March 28, 2013 with CDR lenders. The special resolution as provided at item no. 7 shall be deemed to be an authorisation by shareholders of the Company of the scheme of Corporate Debt Restructuring provided in the CDR letter of approval in the terms of regulation 10(2) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and for the re-structuring of the debts of the non- CDR lenders.

The above proposal is in the interest of the company and your directors recommend the resolution for your approval.

Except Mr. S.R.Mehta, Dr. Gopal Munjal, and Dr. V.R.Mehta , who being the promoter directors of the company, none of other Directors are concerned or interested in this item.

For Item No. 8

As per the Re-structuring sanctioned by the CDR empowerment committee / Master Re-structuring Agreement (MRA) signed with the Banks, the promoters are required to bring in a sum of Rs. 24.29 Crores as promoters' contribution. Out of this, the promoters have already brought in a sum of Rs. 7,29,50,000/- as first tranche during the year and the balance sum shall be brought in during 2013-14.

The Board of Directors of the company (The Board) , had, in accordance with the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 (as amended from time to time) (SEBI Regulations) , by passing a resolution on 9th August 2013, considered and approved, subject to the approval of the members of the company, the proposal for issue 4168571 equity shares against the first tranche of promoters contribution made by them in following manner:-

S. No.	Name of the Proposed Allottee	Category of the Proposed Allottee	Maximum No. of Shares proposed to be Issued/ allotted
1	Mr. S.R.Mehta	Promoter Director	1428571
2.	Dr. V.R.Mehta	Promoter Director	1428571
3	Dr. Gopal Munjal	Promoter Director	1311429
TOTAL			4168571

The provisions of section 81 of The Companies Act, 1956 (as amended from time to time) , The SEBI Regulations and the relevant clauses of the listing agreement executed by the company with stock exchanges provide that when it is proposed to increase the issued capital of the company by allotment of further shares, such shares are required to be first offered to the existing members of the company for subscription unless the members decide otherwise. Accordingly, the special resolution proposed at item no. 8 will, if passed, enable the company to issue and allot Equity shares on preferential basis to the proposed allottees in compliance with the provisions of letter of approval in the manner and to the extent as stated in the resolutions

The disclosures prescribed under regulation 73 of SEBI Regulations in respect of the Preferential issue are as follows:-

a) Objects of the Preferential issue:

The objects of the proposed issue of Equity Shares on private placement/ preferential basis have already been discussed above.

b) the proposal of the promoters, directors, their associates and relatives and key management personnel to subscribe to the offer:

Other than Proposed allottees, no other promoters, directors their associates and relatives and key management personnel intend to subscribe to the said offer. No person belonging to the promoter or promoters group has sold his equity shares in the company during the six months preceding the relevant date.

c) Shareholding pattern before and after the offer:

Shareholding pattern (as on 30th June 2013, being the latest practicable date on which shareholder data was available prior to the date of approval and issuance of notice to the members) and Post-allotments shareholding pattern of the company are set out as below:-

d) Time within which the allotment shall be completed:

The Board proposes to allot the equity shares on receipt of all necessary approvals from any statutory/ regulatory authority as applicable to present issue as per SEBI regulations.

e) The identity of the proposed allottees, and the percentage of post preferential issued capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:

All the proposed allottees are promoters and falls under Promoter group category.

The proposed issues of securities would not result in any change in the control of your company. However, there will be consequential changes in the voting rights/ shareholdings of the company after the proposed allotment of equity shares as detailed at para (c) above.

Details of their pre and post acquisition shareholding would be as under:

Sr. No.	Category	Pre-issue		Post Issue	
		No. of Shares	%age of shares held	No. of Shares	% age of Shares held
A	Shareholding of promoter& promoter's group				
	i) Dr. Gopal Munjal	645770	1.40	1957199	3.89
	ii) Mr. S.R.Mehta	607300	1.32	2035871	4.04
	iii) Dr. V.R.Mehta	492790	1.07	1921361	3.82
	iv) Other promoters & Persons acting in concert	20358261	44.08	20358261	40.44
	Total Promoter holding	22104121	47.87	26272692	52.18
B	Non Promoter holding				
	a) Banks, Financial Institutions (Center/ State Govt. Inst./Non Govt Institutions)	1711988	3.71	1711988	3.40
	b) Corporate Bodies	11570362	25.06	11570362	22.
	c) Indian Public & Others	10791899	23.36	10791889	
	Non- Promoter holding	24074249	52.13	24074249	47.82
	GRAND TOTAL(A+B)	46178370	100.00	50346941	100.00

Note- The above table shows the expected shareholding pattern of the company consequent upon the respective preferential allotments and assumes that post issue holding of all other shareholders will remain the same, as it was on the date , on which the pre- preferential shareholding pattern was prepared.

Name of proposed allottee	Pre-Issue holding (No. of shares)	%age of Capital	Post Issue Holding (No. of shares)	%age to the expanded capital
i) Dr. Gopal Munjal	645770	1.40	1957199	3.89
ii) Mr. S.R.Mehta	607300	1.32	2035871	4.04
iii) Dr. V.R.Mehta	492790	1.07	1921361	3.82

f) Pricing of the issue

The proposed issue of shares will be priced at a price which shall be over and above the minimum pricing calculated on the basis of relevant date i.e. 27th December 2012, which is the date of approval of the Corporate Debt Restructuring package by the CDR empowered group under the Corporate Debt Restructuring frame work of Reserve Bank of India, in terms of SEBI (ICDR) Regulations.

g) Undertakings by the company

The Company undertakes that it shall re-compute the price of the equity shares in terms of the provisions of the SEBI regulations where it is required to do so. The company further undertakes that if the amount payable on account of the re-

computation of price as aforesaid is not paid within the time stipulated in the SEBI Regulations, the equity shares shall continue to be locked –in till the time such amount is paid by the proposed allottees.

As required by the SEBI (ICDR) Regulations on preferential Issues, a certificate from the Statutory Auditors, to the effect that the proposed allotment will be made in accordance with the said guidelines, will be placed at the meeting.

Other Terms applicable to the Equity Issue

- The equity shares shall be subject to lock-in as per the provisions of the SEBI Regulations. However, subject to the aforesaid lock-in, the equity shares shall be transferable and transmittable in the same manner and to the same extent as permitted under applicable laws, and shall be subject to the same restrictions and limitations as any other equity shares of the company.

The above proposal is in the interest of the company and your directors recommend the resolution in item no. 8 as special resolution for your approval.

Except Mr. S.R.Mehta, Dr. V.R.Mehta and Dr. Gopal Munjal, who are the proposed allottees, none of other directors are concerned or interested in this resolution.

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting of the Company (pursuant to clause 49 of the Listing Agreement with the Stock Exchanges)

Name of Director	Sh. N.R Munjal	Sh. Himanshu Jain	Sh. Rishav Mehta
Date of Birth	09 th February, 1952	17 th August, 1982	06 th January, 1991
Date of Appointment	11th December, 1986	31st August, 2003	23rd March, 2010
Expertise in Specific Functional Area	Long Term Strategy, Formulation, Leading, Monitoring and control.	Project Implementation, Finance and Control.	Project Planning and Control
Qualification	Graduate	Commerce Graduate	Commerce Graduate
Details of Shares held	6,11,700	4,95,300	1,11,700
List of Company in which outside Directorships held (Excluding Private & Foreign Companies)	Ind-Swift Laboratories Ltd. Essix Biosciences Ltd. Nimbua Greenfield (Punjab) Ltd.	<ul style="list-style-type: none"> 3M Advertisers and Publishers Ltd. Ind Swift Laboratories Ltd. Fortune (India) Constructions Ltd. Essix Biosciences Ltd. 	<ul style="list-style-type: none"> Ind Swift Laboratories Ltd. Essix Biosciences Ltd. 3M Advertisers & Publishers Ltd.
Chairman/Member of the Committees of other Company on which he is a Director as on 31st March, 2013	Two	Nil	Nil
Relationship inter-se between directors	Related to Dr. Gopal Munjal	Nil	Related to Sh. S.R. Mehta and Dr. V. R. Mehta.

Place : Chandigarh
Date : 9th August, 2013

On behalf of the Board of Directors

Chairman



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: 30-09-2013

VENUE: PHD Chamber of Commerce & Industry, PHD House
Sector - 31A, Chandigarh

TIME: 3.30 PM

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 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 27th Annual General Meeting
of the Company to be held on 30th September, 2013 and at any adjournment thereof.

Signed this _____ day of _____ 2013.

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. The proxy need not be a member of the Company.
 - (ii) Please mark the envelop 'IND-SWIFT PROXY'.

