

Annual Report

2016-17

Swiftly Reaching New Horizons...

...because life is precious



Ind-Swift Limited

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CORPORATE INFORMATION

Mr. S. R. Mehta
Executive Chairman

Mr. N. R. Munjal
Non-Executive
Vice Chairman

Dr. Gopal Munjal
Managing Director & CEO

Dr. V. R. Mehta
Joint Managing Director

Mr. Himanshu Jain
Non-Executive Director

Mr. Rishav Mehta
Non-Executive Director

Mr. S.P. Sharma
Independent Director

Dr. V.K. Arora
Independent Director

Mr. B.M. Padha
Nominee Director (PNB)

Mr. S.C. Galhotra
Independent Director

Dr. J.K. Kakkar
Independent Director

Ms. Anoop Michra
Independent Director

Prof. A.D. Ahluwalia
Independent Director
(Ceased w.e.f. 03.10.2016)

Dr. R. S. Bedi
Independent Director
(Ceased w.e.f. 30.05.2017)

Mrs. Veena Dadwal
Independent Director
(Ceased w.e.f. 13.02.2017)

Mr. Ashok Kumar Gupta
Independent Director
(Ceased w.e.f. 13.02.2017)

General Manager
(Finance & Accounts)
Mr. Arun K. Seth

Company Secretary &
Compliance Officer
Simrat Kaur

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.

IDBI Bank
Sector-17, Chandigarh.

Registered Office :-

781, Industrial Area, Phase II
Chandigarh-160 002
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, (Global Bus-
siness Unit
Teh. Dera Bassi (Punjab).

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

Village Makkarwali
Teh. Sirmour, Dist. Nahan (HP)

MESSAGE FROM THE CHAIRMAN



Sh. S.R.Mehta
Chairman

Dear Shareholders,

During the last year, we saw some bold initiatives by the Indian Government such as Make-in-India, Digital India, and Swatch Bharat Abhiyan. This will hopefully lead to improvement in the country's economy and shall have positive future impact on healthcare sector. The recent introduction of "Goods & Service Tax" after Demonetization has also been a major landmark. It's true that there will be initial uncertainty & transition problems but hopefully in the long run we will all benefit from these initiatives.

I would like to share with you recent development in India pertaining to our Pharma industry. From being a net importer of drugs upto mid 70's India is now a major exporter. We are today regarded as Pharmacy capital of the world. Over 40% of generic drug consumed in America have their origin in India. Drug price in India are the lowest in the world. In R&D & Pharma technology, our Indian technical expertise is among the best. This has been due to combination of progressive laws, Investment in infrastructure & new generation of entrepreneurs entering the Healthcare sector.

Currently there is multitude of issues between the Govt. & Industry. In the last year alone the Medical Council of India (MCI) guidelines on generic prescriptions; expansion in the list of drug under price control have all presented challenges to Indian Pharma manufacturers leading to an atmosphere of uncertainty.

All these developments do have an impact on the working of your Company and make the way ahead more challenging for us .

With determination, strong will power and the support of our dedicated work force I am sure we will be able to fight back all these challenges and emerge as a winner.

I acknowledge with thanks, the support of my Directors, employees and various stakeholders, without whom we would not have been able to pass these difficult times.

With Regards

S.R. Mehta
Chairman

MESSAGE FROM MANAGING DIRECTOR & CEO



Dr. Gopal Munjal

Managing Director & CEO

Dear Stakeholders,

The global pharma Industry is evolving at a rapid pace. However, certain key trend can easily be identified ; pricing pressure; enhanced regulatory constraints; a perceptible shift towards more complex treatment alternatives; macroeconomic challenges across emerging market are few to name .

As we all know, India is undisputed leader in Pharma manufacturing, just a little behind than US & China. Any policy changes by the Government will definitely impact the industry as a whole. Last year India has seen lot many changes. Demonetization, DPCO, Ban of Prescription drugs on Generic names. All these changes have made adverse impact on the industry at least initially & we are not aloof from that.

Since we were going through rough patch from last few years and coupled with all these above mentioned, your company's performance has been adversely affected. During the year in question, your company could able to achieve a turnover of Rs. 278.13 crores against the turnover of Rs. 320.25 crores in the FY 2015-16. The net loss during the year was Rs. 363.80 crores as against the net loss of Rs. 199.94 crores in 2015-16.

"Exports" become savior for us, wherein exports grew by over 19% over last year from Rs. 99.15 crores to Rs. 118.82 crores. During the year, Company has paid a sum of Rs. 23.01 crores towards Direct/ Indirect Taxes/ Interest/ Statutory dues. The Company in this year has also been able to reduce its Fixed deposit exposure from Rs. 32.12 crores in the year 2015-16 to Rs. 29.87 Crores in 2016-17.

Inspite of all these we are striving hard to overcome every hurdle & come out as a winner in the area we are known for:-

R&D:- Ind-Swift is known for its R&D activities, which has subdued in the last four years for the obvious reason. Now once again, we have started putting more efforts on R&D. Over the next decade, our aim is to transform the Company, to an innovative company with maximum revenue being generated from the innovative portfolio of Drugs. Our objective will also be to build global leadership in core therapy area, where we are already working namely on hormonal segment especially in Gynae, Anti Infective, in Paediatric & Dermatology as a whole.

EXPORT:- Our export performance is steadily improving. We cloaked a turnover of Rs.118 Cr. In 2016-17, up by 19% over the Financial year 2015-16. Our main focus is on European market, where we have entered into few contracts.

DOMESTIC:- As already written above regarding sales downward trend because of obvious reasons. But never the less we have taken the initiative in domestic sale by increasing the field force by 15% & also adding two new molecules in Gynae & Derma therapy area which definitely will yield results during the year in progress.

And in our healthcare segment, we have added 15 new products. We have also started a new Division with the name NOVA for Diabetic/Cardio & Hapatology therapy areas, which is definitely going to give dividend in the next coming few years. Since all these therapeutic segments are fastest growing & will remain so.

At the end I sincerely hope the bad days are over & your company once again will rise to more than your expectation in the years to come. I am highly thankful to all of you for keeping faith in the management & backing us at every stage and seek your continuous support & guidance in our endeavour.

(Dr Gopal Munjal)

Managing Director & CEO

MANAGEMENT DISCUSSION & ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT:

The pharmaceutical industry is one of the fastest growing industries in the world and it is one of the biggest contributors to the world economy. The major sales of the pharmaceutical products come from the "Triad" (US, EU and Japan) in the world. The size of world pharmaceutical market in 2014 was around USD 1.2 Trillion and is estimated to be USD 1.4 trillion by 2020. According to IMS health report, it is projected that, US contributes about 41 percent of total sales of medicine in the world by 2020, followed by EU5 and China which are projected to spend about 13 percent and 11 percent respectively. Brazil, Russia and India put together contribute about 6 percent of global consumption of the medicine. According to Equity Master Report, Indian pharmaceutical industry is the third largest, in terms of volume and it is number thirteen in terms of value in the world market. The Indian pharmaceutical sector accounts for 10 percent in volume terms and 2.4 percent of in value terms, the world market. The Present market size of the Indian pharmaceutical sector is USD 20 billion and expected to reach USD 55 billion by the year 2020 with a compound annual growth rate (CAGR) of 15.92 per cent between 2015 and 2020. It is projected to grow more than the annual growth rate of the world pharmaceutical sector, which is estimated about 5 per cent between same period.

RISKS AND CONCERN

The year witnessed significant volatility in global commodity price and foreign currencies throughout the year. Disruption in the domestic market continued in the form of demonetization, curbs on fixed dose combinations and unabated expansion of the span of price controls. The Government proposes to amend the Drugs and Cosmetics Act to ensure availability of drugs at reasonable prices. The Government has also announced that it is considering a legal framework to ensure doctors prescribe low-cost generic medicines to patients.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control system commensurate with its size and complexity. The Internal Financial Control System of the Company is being regularly monitored by the Internal Audit team of the Company. Any deficiency in the controls is viewed seriously and corrective actions are taken to avoid repetition. The Internal Audit team monitors the efficiency of the internal controls/compliance with SOPs and provides required information to the Audit Committee. The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control system and suggests improvements for strengthening them. These controls are regularly monitored by the Internal Audit team to check effectiveness of the controls. The Audit Committee Members/ Board of Directors are regularly updated on the same. The financial statements are prepared in conformity with the established Accounting Standards and Principles.

FINANCIAL PERFORMANCE AND ANALYSIS

The Company has achieved a turnover of Rs. 27813.20 Lacs against turnover of Rs. 31683.79 Lacs in the previous Financial Year. The Company has focused primarily in increasing the exports and achieved Export Turnover of Rs. 11881.65 Lacs against Rs. 9868.00 Lacs in the previous Financial Year, resulting in an increase of 20% in exports of the Company. The net loss for the year was Rs. 36380.82 Lacs against Rs. 19994.00 Lacs during the previous financial year.

OPERATIONS REVIEW & COMPANY'S OUTLOOK

Exports through the state of the art manufacturing facilities at Derabassi Punjab continued to be the main stay of the Company. Besides the Exports, Company is also focusing to increase its presence in the Domestic Markets.

The Gynaecology and pediatric segments of the Company are performing steadily. During the year we have taken initiative in domestic sale by increasing the field force by 15% & also adding two new molecules in Gynae & Derma therapy area which definitely will yield results during the year in progress.

And in our healthcare segment, we have added 15 new products. We have also started a new Division with the name NOVA for Diabetic/Cardio & Hepatology therapy areas, which is definitely going to give dividend in the next coming few years. Since all these therapeutic segments are fastest growing & will remain so.

HUMAN RESOURCE DEVELOPMENT/ INDUSTRIAL RELATIONS

The Industrial relations in all divisions of the Company are cordial and harmonious. The employee strength of the Company as on 31st March, 2017 in all of its units including the regular and contract workers was 1622. The Company encourages the employees to upgrade their knowledge and skills. The training sessions on various working parameters are conducted in routine apart from allowing employees for outside specialized training, wherever required.

ACCOUNTING TREATMENT

The current financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 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,

Your Directors presents the 31st Annual Report of the Company together with audited statement of accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS

Particulars	(Rs. In Lacs)	
	Year ending 31-03-2017	Year ending 31-03-2016
Total Turnover	27813.20	32025.33
Gross Profit (Loss)	(36,291.47)	(19976.54)
Interest	1631.59	1896.79
Depreciation	3573.22	3635.15
Provision for deferred tax	---	---
Net Profit (Loss)	(36380.82)	(19994.00)
Balance c/f to balance sheet	(36380.82)	(19994.00)

REVIEW OF BUSINESS OPERATIONS

The financial year 2016-17 continued to be a tough year for the company. During financial year 2016-17, your company achieved a turnover of Rs. 27813.20 lacs against the turnover of Rs. 32025.33 Lacs during financial year 2015-16. Company suffered a loss of Rs. 36380.82 lacs during 2016-17 against loss of Rs.19994 lacs in 2015-16.

CONSOLIDATED FINANCIAL PERFORMANCE

Your company recorded a consolidated turnover of Rs. 27,813.20 Lacs during 2016-17 against the turnover of Rs. 32,025.33 Lacs during 2015-16. In consolidated terms, the Company suffered a loss of Rs. 37,224.88 Lacs against loss of Rs. 21,359.04 Lacs in 2015-16. The Consolidated financial figures include the respective financial figures of the Company's One Associate Company. As required under the provisions of the Companies Act 2013 and SEBI (LODR) Regulations, 2015, Audited Consolidated Financial Statements form part of the Annual Report and the same are annexed to this Report.

DIRECTORS

During the year under review, Prof Arundeeep Ahluwalia, Independent Director, Mr Ashok Kumar Gupta, Independent Director, Mrs Veena Dadwal, Independent Women Director and Dr R S Bedi, Independent Director resigned from the Directorship of the Company w.e.f. 03/10/2016, 13/02/2017, 13/02/2017 and 30/05/2017 respectively.

Sh Subhash Chander Galhotra, Independent Director, Sh Jatender Kumar Kakkar, Independent Director and Ms Anoop Michra, Independent Women Director joined the Board of the Company w.e.f. 31/12/2016, 13/05/2017 and 06/05/2017 respectively for a term of five years.

Pursuant to the provisions of Section 152 of the Act, Sh S R Mehta (DIN No. 00005668) and Sh Rishav Mehta (DIN No. 03028663), Directors retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their re-appointment.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the applicable provisions of Section 149 of the Companies Act, 2013.

During the year, five Board meetings were held on 30th May 2016, 10th August, 2016, 03rd September, 2016, 10th November 2016 and 13th February, 2017. The details regarding the meetings are given in the Corporate Governance Report.

DIRECTOR'S REPORT

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to applicable provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, *inter-alia*, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, *inter-alia*, the performance of non-Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance. The performance evaluation of all the Independent Directors have been done by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

DIRECTORS RESPONSIBILITY STATEMENT

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

- a) That in the preparation of the annual financial statements for the year ended March 31, 2017; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis;
- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

In compliance with the provisions of Section 177(9) of the Companies Act 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has in place a "Whistle Blower Policy" which provides an opportunity to the directors and employees to raise concerns about unethical and improper practices or any other wrongful conduct in or in relation to the company. The details of the Whistleblower Policy are stated in the Corporate Governance Report and the said Policy has been uploaded on the Company's website www.indswiftltd.com and the web link to the same is www.indswiftltd.com/whistle-blower-policy.php.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2017 the Company does not have any Subsidiary or Joint venture.

The company has M/s Ind Swift Laboratories Limited as its Associate Company.

Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 and Rules 5 and 8(1) of the Companies (Accounts) Rules,

DIRECTOR'S REPORT

2014, the salient features of the financial statements, performance and financial position of associate is given in Form AOC – 1 enclosed as **Annexure 1** to this report. The Company has framed a policy for determining material subsidiaries, which has been uploaded on the Company's website and the web link to the same is <http://www.indswiftltd.com/material-subsiadiary.php>.

DIVIDEND

In view of inadequacy of profits, the Board does not recommend any Dividend for the Financial Year 2016-17.

Unpaid dividend outstanding as on 31.03.2017 is Rs 5.67 Lakhs (Previous year Rs 8.34 Lakhs) During the Financial Year an amount of Rs 2,67,390 was transferred to Central Government account (Investor Education and Protection fund) on account of unpaid dividend for financial year 2008-09.

INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to provisions of Section 124(6) of the Companies Act, 2013 (Act) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the Company is required to transfer all unpaid or unclaimed dividends after the completion of 7 (seven) consecutive years to Investor Education and Protection Fund (IEPF) established by the Central Government. Further, according to the rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. The Company has transferred the unclaimed and unpaid Dividends for the financial year 2008-09 to IEPF. Further, the corresponding shares will be transferred as per the requirements of IEPF rules, details of which are provided on the Company website www.indswiftltd.com.

The dividends which remain unclaimed for seven years from the date it is lying in the unpaid dividend account, will be transferred to IEPF. Shareholders who have not encashed their dividend warrants relating to the dividends specified on the website are requested to immediately send their request for issue of duplicate warrants. The details of unclaimed dividends up to the financial year ended 31.03.2011 are available on the website of the Company www.indswiftltd.com. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

DEPOSITS

The Hon'ble Company Law Board vide its order No. CP No. 27/02/2013 dated 30/09/2013 had granted extension of time in repayment of deposits. As the Company has incurred further losses, the Company has filed a fresh Petition with Hon'ble NCLT, Chandigarh Bench for grant of further extension in repayment of the outstanding deposits and the same is in process.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. No related party transaction was in conflict with the interest of the Company. No materially significant related party transaction was made by the Company with the Key Managerial Personnel. As prescribed by Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of related party transactions are given in Form AOC-2, as "**Annexure 2**" to this Report. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website www.indswiftltd.com

REFERENCE TO BIFR

The Company filed reference with BIFR during the year 2015-16. The Ministry of Finance vide a notification dated 25th November 2016, has repealed the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) with effect from **01st December, 2016**. Due to this, the proceedings pending before BIFR stands abated.

RISK MANAGEMENT

Even though the provision of Regulation 21 of the SEBI (LODR) Regulations, 2015 regarding constitution of Risk Management Committee are not applicable on the Company, the Board has constituted a Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report.

DIRECTOR'S REPORT

CHANGES IN CAPITAL STRUCTURE AND LISTING OF SHARES

During the year under review, there was no change in the Authorized share capital of the company. The paid up share Capital of the Company however increased from Rs 2426.94 Lacs to Rs 2503.29 Lacs. The company has issued 3817712 equity shares to promoters and promoters group on preferential basis in terms of CDR package of the company on 13.02.2017.

The Company's shares are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE) and are actively traded.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 (2) (e) of the SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to the provisions of Section 134(3)(g) of the Companies Act, 2013 (Act), particulars of loans/guarantees/ investments/ securities given under Section 186 of the Act are given in the notes to the Financial Statements forming part of the Annual Report.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92 (3) of the Companies Act, 2013, extract of the Annual Return in Form MGT-9 is given in 'Annexure 3' to this Report.

NOMINATION AND REMUNERATION POLICY

The Company has a Nomination and Remuneration Policy. In compliance with the provisions of Sections 134(3)(e) and 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, 2015, the Nomination & Remuneration Committee:

- i) has formulated criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board, Policy relating to remuneration for directors, KMP and other employees;
- ii) has formulated the evaluation criteria for performance evaluation of independent directors and the Board;
- iii) has devised a policy on Board diversity.
- iv) identifies persons who are qualified to become directors or may be appointed in Senior Management in accordance with criteria laid down and recommend to the Board their appointment and removal;
- v) recommends to the Board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to your Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in **Annexure 4.**

DIRECTOR'S REPORT

AUDIT COMMITTEE

The functions performed by the Audit Committee and the particulars of meetings held and attendance thereat are given in the Corporate Governance Report.

STATUTORY AUDITORS

Under Section 139 of the Companies Act, 2013 and the rules made thereunder, it is mandatory to rotate the Statutory Auditors on completion of the maximum term permitted under the said section. The Audit Committee of the Company has proposed, and on 26th August, 2017, the Board of Directors of the Company has recommended the Appointment of M/s Jain & Associates, Chartered Accountants (ICAI Firm Reg. No. 001361N) as the Statutory Auditors of the Company. M/s Jain & Associates will hold office for a period of Five Consecutive years from the conclusion of the 31st Annual general Meeting, till the conclusion of the 36th Annual General Meeting of the Company to be held in the year 2022, subject to the approval of the shareholders of the Company. The first year of Audit will be the Financial Statements for the Financial Year 2017-18 including the audit of the quarterly results.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE STATUTORY AUDITORS IN THEIR REPORT.

Regarding observations/ qualifications made by the Auditors, the Directors have to state as under:-

1. In view of Financial crisis being faced by the Company, Company is finding difficulties in making payment of dues to the banks/ financial institutions i.e. interest and installments in terms of the CDR package approved by CDR EG vide letter dated 27.12.2012 (CDR package withdrawn vide CDR-EG letter dated 27.01.2016). Hence, accounts pertaining to Cash Credit (CC), Term Loans (TL), Working Capital Term Loans (WCTL), Funded Interest Term Loans (FITL) with the banks have been declared as NPAs by respective banks due to non- payment of dues on time. Some of the banks have not charged interest on CC, TL, WCTL & FITL accounts post such accounts becoming NPAs. The interest on such loan accounts will be accounted for by the company as and when the bank charges the same in account.
2. Interest accrued on fixed deposit during the year for Rs 249.50 Lacs has not been provided in accounts as the same is payable to fixed deposit holders at the time of maturity of fixed deposits as per the scheme approved by Company Law Board as mentioned above.
3. The impairment study is still an ongoing process and no estimation is possible at this stage.

COST-AUDITORS AND THEIR REPORT

M/s. V. Kumar & Associates, Cost Accountants have been duly appointed as Cost Auditors of the Company for audit of cost accounting records which are covered under the Cost Audit Rules for current financial year ending March 31, 2018.

As required by Section 148 of the Companies Act, 2013, necessary resolution has been included in the Notice convening the Annual General Meeting, seeking ratification by the Members to the remuneration proposed to be paid to the Cost Auditors for the financial year ending March 31, 2017.

The Cost Audit Reports are required to be filed within 180 days from the end of the financial year. The Cost Audit Reports for the financial year 2015-16 issued by M/s V. Kumar and Associates, Cost Auditors, was filed with Ministry of Corporate Affairs. The Cost Audit Reports for the financial year ended March 31, 2017 will be filed within the prescribed period.

SECRETARIAL AUDITORS AND THEIR REPORT

Mr.Vishal Arora, Practising Company Secretary was appointed as Secretarial Auditor of the Company for the financial year 2016-17 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as **Annexure 5** and forms part of this report. There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2016-17 which call for any explanation from the Board of Directors.

CORPORATE GOVERNANCE

DIRECTOR'S REPORT

A Report on Corporate Governance forms a part of this Report. The Auditors' certificate certifying compliance with the conditions of Corporate Governance under Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015 is annexed as **Annexure 6** to this Report.

HUMAN RESOURCE

Your Company is of the firm opinion that efficiency of its employees plays a key role in achieving set goals and building a competitive work environment.

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has constituted "Internal Complaints Committee" for prevention of sexual harassment of its women employees. During the year, the Committee has not received any complaint related to Sexual harassment.

PARTICULARS OF EMPLOYEES

Particulars of remuneration of employees required to be furnished pursuant to the provisions of Section 197 (12) of the Companies Act, 2013 (Act), read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as **Annexure 7** to this Report. Particulars of remuneration of employees required to be furnished in terms of Rules 5(2) and 5(3) of the said Rules, forms part of this Report, which shall be provided to Members upon written request pursuant to the second proviso of Rule 5. Particulars of remuneration of employees are available for inspection by Members at the registered office of the Company during business hours on all working days up to the date of the forthcoming AGM.

ACKNOWLEDGEMENT

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

On behalf of the Board of Directors

Place: Chandigarh
Date: 26.08.2017

S R Mehta
Chairman

ANNEXURE 1

Information Pursuant to First Proviso to Sub Section (3) of Section 129 of Companies Act, 2013 Form AOC-I

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

Part A : Subsidiaries NIL

(All amounts in Crores, unless otherwise stated)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sl. No.	Name of Subsidiary	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxatin	Provision for taxation	Profit after taxation	Proposed dividend	% of Share holding
1.														
2.														
3.														

Part B: Associates and Joint Ventures

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

	Name of Associate	IND-SWIFT LABORATORIES LIMITED
1	Latest audited Balance Sheet Date	31-March-2017
2	Shares of Associate held by the company on the year end	
	No.	94,99,720
	Amount of Investment in Associate	Rs 9,49,97,200/-
	Extent of Holding (%)	21.23%
3	Description of how there is significant influence	Due to Voting power
4	Reason why the Joint venture is not consolidated	NA
5	Networth attributable to Shareholding as per latest Audited Balance Sheet	Rs 229.17 Lacs
6	Profit/Loss for the year (Share of Group)	
	i. Considered in Consolidation	Rs -844.06 Lacs
	ii. Not Considered in Consolidation	-

ANNEXURE 2

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. No contracts or arrangements or transactions were entered into by the Company with related parties during the year ended March 31, 2017, which were not at arm's length basis.
2. Details of contracts or arrangements or transactions at Arm's length basis:

S. No.	Particulars	DETAILS							
a)	Name(s) of Related Party	Essix Biosciences Ltd	Ind Swift Laboratories Ltd	Fortune (i) Constructions Ltd	Mansa Print & Publishers Ltd	Swift Fundamental Ed. & Res. Society	Dashmesh Medicare Pvt Ltd	Halcyon Lifesciences P Ltd	3M Adv. & Pub. Ltd
b)	Nature of Relationship	Group Company	Group Company	Group Company	Group Company	Group entity	Group Company	Group Company	Group Company
c)	Nature of contracts / arrangements / transaction	Purchase/ Sale of goods	Purchase/ Sale of goods/ services	Investment	Purchase of goods	Loans & Advances	Debtors/ Creditors	Sale of goods	Purchase of goods/ Services
d)	Duration of the contracts/ arrangements / transaction	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing
e)	Salient terms of the contracts or arrangements or transaction including the value (Rs.In lacs)	As per Transfer pricing guidelines Rs 74.79	As per Transfer pricing guidelines Rs 1375.67	As per Transfer pricing guidelines ----	As per Transfer pricing guidelines Rs 185.06	As per Transfer pricing guidelines ----	As per Transfer pricing guidelines -----	As per Transfer pricing guidelines Rs 170.98	As per Transfer pricing guidelines Rs 2.05
f)	Date of approval by the Board	30-05-2016	30-05-2016	30-05-2016	30-05-2016	30-05-2016	30-05-2016	30-05-2016	30-05-2016
h)	Amount paid as advances, if any, (Rs. In lacs)	-----	-----	Rs 0.55	Rs 140.45	Rs 6140.75	-----	-----	-----

On behalf of the Board of Directors

S.R. Mehta
Chairman

Chandigarh,
26th August, 2017

ANNEXURE 3

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L24230CH1986PLC006897
ii)	Registration Date	06-06-1986
iii)	Name of the Company	IND-SWIFT LIMITED
iv)	Category / Sub-Category of the Company	Company having Share Capital
v)	Address of the Registered office and contact details	781, Industrial Area, Phase –II, Chandigarh-160002 Ph: 0172-2638781/4680800 Fax: 0172-2652242/ 2655406 Email: corporate@indswift.com
vi)	Whether listed company	Yes (Listed in BSE and NSE)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Alankit Assignments Ltd. 205-208 Anarkali Extension Jhandewalan Extension, New Delhi- 110055 Tel:- +91-11-42541965, 42541953 Fax:- +91-11-41540064 E-mail: info@alankit.com Website: www.alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ services	% to Total turnover of the company
1	Manufacture of formulations	21002	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES;

S.NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN/UIN	HOLDING/SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	IND-SWIFT LABORATORIES LIMITED	L24232CH1995PLC015553	ASSOCIATE	21.23%	2(6)

ANNEXURE 3

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	10199829	2857142	13056971	25.93	13056971	-	13056971	24.11	-1.82
(b) Central Govt	-	-	-	-	-	-	-	-	
(c) State Govt(s)	-	-	-	-	-	-	-	-	
(d) Bodies Corp.	13215721	-	13215721	26.25	17033433	-	17033433	31.44	5.19
(e) Banks/FI	-	-	-	-	-	-	-	-	
(f) Any Other....	-	-	-	-	-	-	-	-	
Sub-total (A) (1):-	23415550	2857142	26272692	52.18	30090404	-	30090404	55.55	3.37
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	
(b) Other – Individuals	-	-	-	-	-	-	-	-	
(c) Bodies Corp.	-	-	-	-	-	-	-	-	
(d) Banks / FI	-	-	-	-	-	-	-	-	
(e) Any Other....	-	-	-	-	-	-	-	-	
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	
Total shareholding of	-	-	-	-					
Promoter (A) = (A) (1) + (A) (2)	23415550	2857142	26272692	52.18	30090404	-	30090404	55.55	3.37
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	4500	4500	0.01	-	-	4500	0.01	-
(b) Banks/FI	500	-	500	0.00	500	-	500	0.00	-
(c) Central Govt	-	-	-	-	-	-	-	-	
(d) State Govt(s)	-	-	-	-	-	-	-	-	
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	
(f) Insurance Companies	996900	-	996900	1.98	996900	-	996900	1.84	-0.14
(g) FIIs	700209	-	700209	1.39	700209	-	700209	1.29	-0.10

ANNEXURE 3

(h) Foreign Venture Capital Funds									
(i) Others (specify)									
Sub-total (B)(1):-	1697609	4500	1702109	3.38	1697609	4500	1702109	3.14	-0.24
2. Non Institutions									
a) Bodies Corp.	5490769	519000	6009769	11.94	5449625	519000	5968625	11.02	-0.92
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	13973632	526362	14499994	28.80	13991995	517862	14509857	26.79	-2.01
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	1474731	-	1474731	2.93	1433072	-	1433072	2.65	-0.28
c) Others (specify)									
Custodians/Clearing Members	-	-	-	-	-	-	-	-	-
NRIs	387646	-	387646	0.77	460586	-	460586	0.85	0.08
Sub-total (B)(2):-	21326778	1045362	22372140	44.44	21335278	1036862	22372140	41.30	-3.14
Total Public									
Shareholding	23024387	1049862	24074249	47.82	23037387	1036862	24074249	44.44	-3.38
(B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand total (A+B+C)	46439937	3907004	50346941	100.00	53127791	1036862	54164653	100.00	

(ii) Shareholding of Promoters & Persons acting in concert

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered shares (*)	
		Number of shares held	As a % of grand total (A) + (B) + (C)	No.	As a % of Number of shares held (III) *
(I)	(II)	(III)*	(IV)	(V)	(VII)
	PROMOTERS				
1	Dr. Gopal Munjal	1957199	3.61	645770	2.15
2	N. R. Munjal	611700	1.13	611700	2.03
3	S. R. Mehta	2035871	3.76	607300	2.02
4	Himanshu Jain	495300	0.91	495300	1.65

ANNEXURE 3

5	Dr. V. R. Mehta	1921361	3.55	492790	1.64
6.	Rishav Mehta	111700	0.21	111700	0.37
7.	Essix Biosciences Limited	9215721	17.01	9215721	30.63
8.	AKJ Portfolio Pvt Ltd	675000	1.25	675000	2.24
9.	NRM Portfolio Pvt Ltd.	675000	1.25	675000	2.24
10.	GM Portfolio Pvt. Ltd	2675000	4.94	675000	2.24
11.	VRM Portfolio Pvt. Ltd	1303570	2.41	675000	2.24
12.	VKM Portfolio Pvt. Ltd.	650000	1.20	650000	2.16
13.	SRM Portfolio Pvt. Ltd.	1839142	3.40	650000	2.16
PERSONS ACTING IN CONCERT					
1.	Sunita Jain	1812400	3.35	1812400	6.02
2.	Ravi Mehta	634470	1.17	634470	2.11
3.	Neeta Munjal	578600	1.07	578600	1.92
4.	Nidhi Munjal	502970	0.93	502970	1.67
5.	Meenakshi Mehta	398310	0.73	398310	1.32
6.	Neera Mehta	1547050	2.86	1547050	5.14
7.	Ishav Mehta	44200	0.08	44200	0.15
8.	Bhanavi Mehta	30300	0.06	30300	0.10
9.	Annie Mehta	158630	0.29	158630	0.53
10.	Sahil Munjal	116,010	0.21	116,010	0.39
11.	Saurabh Munjal	51700	0.09	51700	0.17
12.	Dipti Munjal	34200	0.06	34200	0.11
13.	Divya Munjal	15000	0.03	15000	0.05
TOTAL		30090404	55.55	22104121	73.46

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

Sl. No.	Name of shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	GM Portfolio Pvt. Ltd	675000	1.34	2675000	4.94
2.	VRM Portfolio Pvt. Ltd	675000	1.34	1303570	2.41
3.	SRM Portfolio Pvt. Ltd.	650000	1.29	1839142	3.40

ANNEXURE 3

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	United India Insurance Co. Ltd	996900	1.98	996900	1.84
2.	Justin Pharmaceuticals Pvt. Ltd	860000	1.71	860000	1.59
3.	Adarsh Fashions Pvt. Ltd	600000	1.19	800000	1.48
4.	Gravity Systems Private Limited	750000	1.50	750000	1.38
5.	Albula Investment Fund Ltd	700209	1.39	700209	1.29
6.	SPS Marketing Network Pvt Ltd	500000	0.99	500000	0.92
7.	Plasma Investments Pvt. Ltd	500000	0.99	500000	0.92
8.	MSD Laboratories Pvt. Ltd	500000	0.99	500000	0.92
9.	Druchem India Ltd	498000	0.98	498000	0.92
10.	Globe Capital Market Ltd	244235	0.49	243935	0.45

(v) Shareholding of Directors:

Sl. No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	MR. SANJEEV RAI MEHTA	Chairman	2035871	4.04	2035871	4.04
2	MR. NAV RATTAN MUNJAL	Vice- Chairman	611700	1.21	611700	1.21
3	DR. GOPAL MUNJAL	Managing Director & CEO	1957199	3.89	1957199	3.89
4	DR. VIKRANT RAI MEHTA	Jt. Managing Director	1921361	3.82	1921361	3.82
5	MR. HIMANSHU JAIN	Director	495300	0.98	495300	0.98
6	MR. RISHAV MEHTA	Director	111700	0.22	111700	0.22

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for Payment (Rs. In lacs)

	Secured loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	95723.40	1287.75	3211.76	100222.91
(ii) Interest due but not paid	4364.00	87.61	-	4451.61
(iii) Interest accrued but not due			1212.45	1212.45
Total (i+ii+iii)	100087.40	1375.36	4424.21	105886.97
Change in Indebtedness during the financial year				
• Addition				
(i) Principal Amount	0	100	-	100
(ii) Interest due but not paid	1272.30	136.55	-	1408.85

ANNEXURE 3

• Reduction				
(i) Principal Amount	712.14	115.78	225.01	1052.93
(ii) Interest due but not paid	235.29	65.96	22.82	324.07
Net Change	324.87	54.81	-247.84	106018.81
Indebtedness at the end of the financial year				
(i) Principal Amount	95011.26	1271.97	2986.74	99269.97
ii) Interest due but not paid	5401.01	158.20	-	5559.21
(iii) Interest accrued but not due	-	-	1189.63	1189.63
Total (I + ii+ iii)	100412.27	1430.17	4176.37	106018.81

VI REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company secretary	CFO	Total
1	Gross salary	-	4.50 Lacs	12.64 Lacs	17.14 Lacs
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify (Provident Fund)	-	0.19 Lacs	0.22 Lacs	0.41 Lacs
	Total	-	4.69 Lacs	12.85 Lacs	17.55 Lacs

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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

ANNEXURE 4

1. CONSERVATION OF ENERGY

a. Steps taken for conservation of Energy and their impact.

--- NA ---

b. Steps taken by the Company for utilizing alternate sources of energy.

--- NA ---

c. Capital Investment on energy conservation equipments

No major capital investments have been made by the Company. However, various benefits have been derived by making changes in the processes related to power generation.

- Cost effective development of formulation for semi regulated markets.
- Up gradation of existing technologies/ products ongoing basis.

Benefits derived as a result of above R&D:

- Improved productivity / process efficiencies
- Internationally competitive prices and product quality.
- Safe and environment friendly processes.
- Enhanced Global presence/ visibility.

Future plan of action

- Continue developing innovative, commercially viable process know-how for Formulation
- Continue strengthening the Research Infrastructure and capabilities complying international GLP/GCP norms.
- Enhance national and international research networking and strategic alliances.
- Collaborative Research.
- Development of Non-infringing processes
- Contract Research and manufacturing Services (CRAMS)

2. TECHNOLOGY ABSORPTION

a. Efforts, in brief made towards technology, absorption, adaptation and innovation.

- To continue developing innovative and commercially viable process know-how for formulation.
- Research & Development (R&D).

b. Benefits derived as a result of above efforts e.g. product improvements, cost reduction, product development etc.

- Cost reduction, quality improvement for formulation.
- No. of products commercialized have been increased.
- R&D Centre is recognized by DSIR, New Delhi.

c. Information in case of imported technology (imports during last five years).

During the year, the Company did not import any specific technology. The Company developed technology through efforts of its in-house Research & Development.

Expenditure on R & D during the year 2016-2017

	2016-17
a. Capital	0.00
b. Recurring	38066142
Total	38066142
C Total R&D expenditure as percentage of total turnover	1.43%

During the year foreign exchange outgo was Rs. 10,42,56,985 and the earnings in Foreign Exchange were Rs. 1,20,70,57,525. The details have been given in Note 27 of Notes to Accounts.

3. RESEARCH & DEVELOPMENT

Specific area in which R&D carried out by the company:

The focus of research efforts are:

- Development of formulation going off patent in regulatory Markets with opportunity to be first among others players by developing non infringing processes.

ANNEXURE 5

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

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

**TO
THE MEMBERS,
IND SWIFT LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IND SWIFT LIMITED** (hereinafter referred to as "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **IND SWIFT LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **IND SWIFT LIMITED** ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
 - (i) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015

(vi) OTHER APPLICABLE ACTS :

- (a) Pharmacy Act, 1948
- (b) The Finance Act, 2015
- (c) Prevention of **Money Laundering Act**, 2002 and the Prevention of Money-Laundering (Amendment) Act 2012
- (d) Payment of Wages Act, 1936 and rules made thereunder

ANNEXURE 5

- (e) The Minimum Wages Act, 1948 and Rules made thereunder
- (f) The Employee State Insurance Act, 1948 and Rules made thereunder
- (g) The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and rules made thereunder
- (h) The Payment of Bonus Act, 1956 and Rules made thereunder
- (i) The Payment of Gratuity Act, 1972
- (j) Indian Contract Act, 1872
- (k) The Apprentices Act, 1961
- (l) The Workmen's Compensation Act, 1923
- (m) Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- (n) The Factories Act, 1948 (Act No 63 of 1948), as amended by the Factories (Amendment) Act, 1987 (Act 20 of 1987)
- (o) The drugs (Control) Act, 1950.
- (p) The Environment (Protection) Act, 1986
- (q) Drugs & Cosmetics Act, 1940
- (r) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
- (s) Narcotic Drugs and Psychotropic Substances Act, 1985
- (t) Conservations of Foreign Exchange And Prevention of Smuggling Activities Act, 1974
- (u) The Medicinal & toilet Preparations Substances (Excise Duties) Act, 1955
- (v) The Indian Copyright Act, 1957
- (w) The Patents Act, 1970
- (x) The Trade Marks Act, 1999

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with BSE Limited & National Stock Exchange (NSE)

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

We further report that

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever required.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

PLACE: CHANDIGARH

Date : 26.08.17

SD/-
(VISHAL ARORA)
COMPANY SECRETARY
FCS NO. 4566
CP NO.3645

ANNEXURE 5A

**TO
THE MEMBERS,
IND SWIFT LIMITED**

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

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records, based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Whenever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws. Rules, regulations, standards are the responsibility of the management. Our examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

PLACE: CHANDIGARH

Date : 26.08.17

**SD/-
(VISHAL ARORA)
COMPANY SECRETARY
FCS NO. 4566
CP NO.3645**

ANNEXURE 6

Auditor's Certificate on Corporate Governance

To

The Members of

Ind-Swift Limited

We have examined the compliance of conditions of Corporate Governance by **M/s Ind-Swift Limited** for the year ended 31st March 2017 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to 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 explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For J.K. JAIN & ASSOCIATES

Chartered Accountants

Place: Chandigarh

Date: 11.08.2017

(J. K. JAIN)

Partner

Membership No. 083140

FRN: 004025N

ANNEXURE 7

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Rule	Particulars			
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	a	Dr G. Munjal, Managing Director	75:1
		b	Mr. Vikrant Rai Mehta, Jt Managing Director	75:1
		c	Mr. Sanjeev Rai Mehta, Chairman	75:1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a	Dr G. Munjal, Managing Director	NIL
		b	Mr. Vikrant Rai Mehta, Jt Managing Director	NIL
		c	Mr. Sanjeev Rai Mehta, Chairman	NIL
		d	Mr. Arun Seth, Chief Financial Officer	16%
		e	Ms Simrat Kaur, Company Secretary	NIL
(iii)	The percentage increase in the median remuneration of employees in the financial year.	9.47%		
(iv)	The number of permanent employees on the rolls of the company as on 31 st March, 2017.	1252		
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	11%		
		For comparison purpose the percentage increase in remuneration of KMP is given in Rule no. (ii) above.		
(vi)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.			

REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE 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 organization 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 along with its Committees provides leadership and guidance to the company's management and directs, supervises and controls the performance of the company. The composition of the Board of Directors is governed by the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Articles of Association of the company. The Board of Directors has an optimum combination of executive and non-executive directors. As on March 31, 2017, the Company has thirteen Directors. Out of thirteen Directors, ten are Non Executive Directors out of which six are Independent Directors and one is Nominee Director.

None of the Directors on the Company's Board is member of more than 10 Committees and Chairman of more than 5 Committees across all the companies in which he is a director. All the directors have made necessary disclosures regarding Committee positions held by them in other companies. Also none of the Directors on the Board hold office of Director in more than 20 companies.

The Board of the Company met 5 times during the financial year on the following dates:

30.05.2016	10.08.2016	03.09.2016	10.11.2016	13.02.2017
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The maximum time gap between any 2 consecutive meetings did not exceed One Hundred and Twenty days.

REPORT ON CORPORATE GOVERNANCE

Detail of Composition and category of Directors, their attendance at the Board Meetings, Annual General Meeting and shareholding of each Director is as follows: -

Name of Director	Category	FY 2016-17 Attendance		No. of Directorship(s)/ Membership(s)/Chairmanship(s) held in other companies			Share- Holding
		BM	Last AGM 30.09.16	No. of D'ships	Committees		
					Member	Chairman	
Mr. S.R. Mehta	Chairman, Promoter	5	Yes	4	1	Nil	2035871
Dr. G. Munjal	Managing Director & CEO, Promoter	5	Yes	4	Nil	Nil	1957199
Dr. V.R. Mehta	Jt. Managing Director, Promoter	4	Yes	3	Nil	Nil	1921361
Mr. N.R. Munjal	Vice-Chairman, Promoter	4	Yes	3	4	1	611700
Mr. Himanshu Jain	Non Executive Director, Promoter	5	Yes	4	1	Nil	495300
Mr. Rishav Mehta	Non Executive Director, Promoter	5	Yes	2	Nil	Nil	111700
Mr. S P Sharma	Independent Director	3	Yes	Nil	Nil	Nil	Nil
Dr. R S Bedi*	Independent Director	2	Yes	1	Nil	Nil	Nil
Dr. V K Arora	Independent Director	4	Yes	1	Nil	Nil	Nil
Mr. B M Padha	Nominee Director	-	-	Nil	Nil	Nil	Nil
Mr. A K Gupta*	Independent Director	-	Yes	Nil	Nil	Nil	Nil
Prof. A D Ahluwalia*	Independent Director	2	Yes	Nil	Nil	Nil	Nil
Mrs. Veena Dadwal*	Independent Director	2	Yes	1	Nil	Nil	Nil
Dr J K Kakkar**	Independent Director	NA	NA	1	6	3	Nil
Mr S C Galhotra**	Independent Director	1	NA	2	Nil	Nil	Nil
Ms Anoop Michra**	Independent Director	NA	NA	Nil	Nil	Nil	Nil

Notes:

- (a) The Directorship mentioned above excludes Private Limited Companies.
- (b) * Prof A D Ahluwalia, Mr A K Gupta, Mrs Veena Dadwal and Dr R S Bedi resigned from the Directorship of the Company w.e.f. 03/10/2016, 13/02/2017, 13/02/2017 and 30/05/2017 respectively.
- (c) ** Mr S C Galhotra, Ms Anoop Michra and Dr J K Kakkar joined the Board of the Company w.e.f. 31/12/2016, 06/05/2017 and 13/05/2017 respectively.

Appointment /Re-appointment of Directors

Mr. S R Mehta and Mr. Rishav Mehta, Directors shall be retiring by rotation in the forthcoming Annual General Meeting and seek re-appointment. The required information regarding these directors is given with the notice of the Annual General Meeting.

REPORT ON CORPORATE GOVERNANCE

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.

Maximum Tenure of Independent Directors

In accordance with Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company is for a term of 5 consecutive years from their respective date of appointment.

The tenure of Sh S C Galhotra, Ms Anoop Michra and Dr J K Kakkar whose appointments are being proposed for approval of shareholders in the ensuing AGM, shall be for a period of Five years with effect from their respective dates of appointment.

The terms & conditions of their appointment have also been disclosed on the website of the Company www.indswiftltd.com.

Separate Meeting of the Independent Directors

The Independent Directors of the Company met separately during the year without the presence of Non-Independent Directors and the members of management. The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. In accordance with the SEBI (LODR) Regulations, 2015, following matters were, inter-alia, discussed in the meeting:

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company
- Assessment of the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its management and its operations so as to gain a clear understanding of their roles and responsibilities and contribute significantly towards the growth of the Company. They have full opportunity to interact with Senior Management personnel and are provided all the documents required and sought by them for enabling them to have a good understanding of the Company, its various operations and the industry of which it is a part.

The details regarding the familiarization programme are available on Company's website: www.indswiftltd.com and the web link thereto is:

<http://www.indswiftltd.com/familiarisation-programme.php>

COMMITTEES OF THE BOARD

The Board Committees appointed by the Board focus on specific areas and make informed decisions within the authority delegated. Each Committee of the Board is guided by its Charter, which defines the composition, scope and powers of the committee. The Committees also make specific recommendations to the Board on various matters from time-to time. The Company has following Statutory and Non Statutory Committees:

REPORT ON CORPORATE GOVERNANCE

A. AUDIT COMMITTEE

The terms of reference of Audit Committee have been adopted in line with the provisions of Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.

During the year under review, the Audit Committee was re constituted due to resignation of Dr R S Bedi, Independent Director, who was a member of the committee. The Audit Committee now comprises of Dr V.K. Arora, Chairman and Dr Jatender Kumar Kakkar, Independent Director, Mr. S.P Sharma, Independent Director and Dr Gopal Munjal, Permanent Invitee.

The details regarding constitution, terms of reference and meetings held/ attendance is as under: -

I. Constitution of the Committee

The Audit committee of the Company consists of four Directors and majority consists of independent and non-executive Directors. Dr. Gopal Munjal, MD & CEO is permanent invitee to the committee. The chairman of Audit Committee is Dr. V.K.Arora who has experience of financial matters and its management. Four meetings of audit committee were held during the period 1st April 2016 to 31st March 2017 on 30.05.2016, 10.08.2016, 08.10.2016 and 13.02.2017. The constitution of audit committee and attendance of each member is as under:-

Name	Designation	Category	No of Meetings Attended
Dr. V K Arora	Chairman	Non-Executive, Independent	4
Sh. S P Sharma	Member	Non-Executive, Independent	3
Dr Jatender Kumar Kakkar*	Member	Non-Executive, Independent	-
Dr. Gopal Munjal	Permanent Invitee	Executive, Promoter	4

* Dr Jatender Kumar Kakkar was appointed as a member of the Committee on 13/05/2017 in place of Dr R S Bedi.

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. Members of the Audit Committee possess financial / accounting expertise / exposure.

The Company Secretary acts as Secretary of the Audit Committee.

The minutes of the Audit Committee Meeting forms part of Board papers circulated for Board meetings. In addition, the Chairman of the Audit Committee briefs the Board members about the significant discussions at Audit Committee meeting.

II. Terms of Reference/ Role of Audit Committee: -

The terms of reference/ role of the Audit Committee inter alia, includes the following:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommendation to the Board for appointment, reappointment, remuneration and terms of appointment and, if required, the replacement or removal of statutory auditors of the company.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

REPORT ON CORPORATE GOVERNANCE

- a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Qualifications in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 - vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 - vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
 - viii. Approval of transactions with related parties or any subsequent modification thereof and recommend such transactions, if required, to the Board for its approval.
 - ix. Scrutiny of inter-corporate loans and investments.
 - x. Valuation of undertakings or assets of the company, wherever it is necessary.
 - xi. Evaluation of internal financial controls and risk management systems.
 - xii. Reviewing, with the management, performance of statutory, cost and internal auditors, adequacy of the internal control systems.
 - xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - xiv. Discussion with internal auditors of any significant findings and follow up there on.
 - xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 - xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - xviii. To review the functioning of the Whistle Blower mechanism.
 - xix. Recommend to the Board for approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

REPORT ON CORPORATE GOVERNANCE

- xx. Recommending to the Board the terms of appointment, reappointment and if required, the replacement or removal of cost auditors and internal auditors & fixation of their audit fees & fees for other services.
- xxi. To review the following information:
- a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses; and
 - e) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
 - f) Statement of deviations, if any.
- xxii. Investigate any matter referred to it by the Board or within its terms of reference.
- xxiii. To review the financial statements, in particular, the investments made by the unlisted subsidiary companies of the Company.
2. In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, SEBI (LODR) Regulations or any other applicable law.
 3. The Committee shall have full access to information contained in the records of the Company and can seek information from any employee of the Company. The Committee may access external professional and legal advice, if so required in discharge of its functions.
 4. The Audit Committee may make recommendations to the Board on any matter within its purview, by passing appropriate resolutions in its meetings."

B. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee has been constituted to specifically look into transfer/transmission/demat/remat of shares, issue of duplicate/split/consolidation of share certificates, notices and to attend shareholder's complaints. This Committee meets fortnightly or as may be required. The Company Secretary of the Company Acts as secretary/ Compliance Officer to the committee. The Company Secretary is authorized to authenticate the transfers/transmissions/issue of duplicate share certificates etc. All requests for dematerialization of shares are processed and confirmed by M/s Alankit Assignments Ltd, Registrars and Share Transfer Agents of the Company. The members of the committee are as follows:-

Name	Designation	Category
Dr. V K Arora	Chairman	Non Executive and Non Promoter
Dr. V R Mehta	Member	Executive and Promoter
Sh. Himanshu Jain	Member	Non-Executive and Promoter

C. RISK MANAGEMENT COMMITTEE

The Company has constituted a Risk Management Committee to monitor and review the risk management plans and policies of the Board. The composition of the Risk Management Committee is as follows:

REPORT ON CORPORATE GOVERNANCE

Name	Designation	Category
Dr. V K Arora	Chairman	Non Executive and Non Promoter
Dr. Gopal Munjal	Member	Executive and Promoter
Sh S P Sharma*	Member	Non Executive and Non Promoter

* Appointed as member in the Committee w.e.f. 30.05.2017 in place of Dr R S Bedi.

D. NOMINATION AND REMUNERATION COMMITTEE

In compliance to the requirements of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board of the Company has constituted "Nomination and Remuneration Committee".

One meeting of Nomination and Remuneration committee was held during the period 1st April 2016 to 31st March 2017 on 10.08.2016.

The details regarding constitution, terms of reference and meetings held/ attendance is as under: -

I. Constitution of the Committee

The Nomination and Remuneration Committee presently comprises of three members: -

Name	Designation	Category
Dr. V K Arora	Chairman	Non Executive and Non Promoter
Sh. S P Sharma	Member	Non Executive and Non Promoter
Sh. N R Munjal	Member	Non Executive and Promoter

II. Terms of Reference

The terms of reference of this Committee is as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
5. The Chairman of the nomination and remuneration committee could be present at the Annual General Meeting, to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.
6. To undertake related activities, functions and duties as the Board of Directors may from time to time, after deliberations, prescribe or as may be required to be undertaken in terms of any statutory or regulatory provisions including Companies Act, 2013 and rules made thereunder and Listing Agreement with stock exchanges.
7. To make recommendations to the Board on any matter within its purview, by passing appropriate resolutions.

REPORT ON CORPORATE GOVERNANCE

Remuneration of Directors

Executive Directors

The remuneration of Executive 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. Remuneration of the Executive Directors paid in respect of the financial year 2016-17 is given below:

Director	Designation	(Rs. in Lacs)			
		Remuneration for the year ended 31 st March, 2017			
		Salary * (paid/ Provided in the Books)	Contribution to Provident Fund	Perquisites	Total
Sh. S R Mehta	Chairman	120	Nil	Nil	120
Dr. Gopal Munjal	Managing Director & CEO	120	Nil	Nil	120
Dr. V R Mehta	Jt. Managing Director	120	Nil	Nil	120

Note: The Contribution to Gratuity Fund has not been shown in the above table in respect of Managing Directors & Whole Time Directors.

*The Salary consists of the fixed component. There is no variable component or Performance linked incentives

No options under the ESOP were granted to the Executive Directors during the year.

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 to 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 Non Executive Directors are entitled for fee of Rs. 5000/- per Board/ Committee meeting attended by them w.e.f 10.11.2016.

Sitting fee paid to Directors during the year 2016-17:

Director	Designation	Sitting fee paid (in Rs)
Sh. S P Sharma	Independent Director	18,000
Dr. Vinay Arora	Independent Director	25,000
Prof A D Ahluwalia	Independent Director	20,000
Mrs Veena Dadwal	Independent Women Director	20,000
Dr R S Bedi	Independent Director	4,000
Sh N R Munjal	Non executive Director	10,000
Sh Himanshu Jain	Non executive Director	10,000
Sh Rishav Mehta	Non executive Director	10,000
Sh S C Galhotra	Independent Director	10,000

E. SUB-COMMITTEE OF BOARD

The Sub Committee of Board was constituted in the year 2012 to consider and approve the matters related To Banks/ FIs/ Term Loans/ Corporate Debt Restructuring and matter of general nature.

REPORT ON CORPORATE GOVERNANCE

The constitution of the Sub-Committee of Board and the attendance of each member of the committee is given below.

Name	Designation	Executive/Non-Executive/ Independent	No. of Committee Meeting held during their Tenure	No. of Committee Meeting attended
Dr. G Munjal	Chairman/ Member	Executive Director	10	10
Dr. V R Mehta	Member	Executive Director	10	10
Mr. Himanshu Jain	Member	Non Executive Director	10	10
Dr. J.K. Kakkar*	Member	Independent Director	-	-

*Dr. J.K. Kakkar became the member w.e.f. 30.05.2017

PREVENTION OF SEXUAL HARASSMENT POLICY

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees..

CODE FOR PREVENTION OF INSIDER-TRADING PRACTICES

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the provisions of Companies Act, 2013, the Company has in place a comprehensive Code of Conduct for Prevention of Insider Trading, for its management and staff. The Code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of Ind-Swift Limited, and cautioning them of the consequences of violations. The Company Secretary has been appointed as the Compliance Officer. The Company has also formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The same is available on website of the Company.

NEAPS (NSE Electronic Application Processing System), BSE Corporate Compliance & Listing Centre:

NSE and BSE have developed web based applications for corporates. Periodical compliances like Financial Results, Shareholding Pattern and Corporate Governance Report, etc are also filed electronically on NEAPS/BSE Listing centre.

SCORES (SEBI Complaints Redressal System): SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge complaint against a company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

Exclusive email ID for investors: The Company has designated the email id companysec@indswifltd.com exclusively for investor servicing, and the same is prominently displayed on the Company's website www.indswifltd.com.

GENERAL BODY MEETINGS FOR LAST THREE YEARS

The Location and the time of the Annual General Meetings held during the last three years are as under: -

Financial year	Annual Meeting	General	Date	Time	Venue	No. of special Resolution
2015-16	30 TH AGM		30 TH September 2016	1:00 PM	PHD Chamber Sector 31, Chandigarh	3
2014-15	29 TH AGM		30 TH September 2015	3:30 PM	PHD Chamber Sector 31, Chandigarh	1
2013-14	28 th AGM		30 TH September 2014	3.30 P.M	PHD Chamber Sector 31, Chandigarh	9

REPORT ON CORPORATE GOVERNANCE

AGM – Annual General Meeting

In respect of the businesses to be transacted at the Annual general Meeting, e-voting facility was extended to the members of the Company. In respect of shareholders who could not cast their votes through e-voting, polling facility through ballot paper was provided at the venue of the Annual General Meeting. All the resolutions were passed with overwhelming majority. The Company had not passed any resolution through postal Ballot.

MEANS OF COMMUNICATION

The Company has adopted following means of communication:

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

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

- Date 26/09/2017
- Time 01.00 P M
- Venue PHD Chamber of Commerce and Industry,
PHD House, Sector 31A, Chandigarh 160031

Financial Calendar

Financial reporting for the financial year 2017-18 for

- | | |
|--|---|
| <ul style="list-style-type: none"> - Quarter ending
June 30, 2017 | By 14th September, 2017* |
| <ul style="list-style-type: none"> - Quarter ending
September 30, 2017 | By 14th December, 2017* |
| <ul style="list-style-type: none"> - Quarter ending
December 31, 2017 | By 14th February, 2018 |
| <ul style="list-style-type: none"> - Financial Year ending
March 31, 2018- Audited Results | By 30th May, 2018
(As Audited Results will be considered) |
| <ul style="list-style-type: none"> - Annual General Meeting
for the year ending
March 31, 2018 | By 30th September 2018 |

Note: *In terms of SEBI Circular CIR/CFD/FAC/62/2016 dated 05.07.2016 relaxation of one month for declaration of Financial Results for the June and September Quarter has been given by SEBI due to implementation of Ind-As in the FY 2017-18.

Date of Book Closure -

The Company's Register of Members and Share Transfer Books will remain closed from 18th September, 2017 to 26th September, 2017 (both days inclusive).

REPORT ON CORPORATE GOVERNANCE

Dividend

In view of the financial losses, no dividend has been proposed for the Year ended 31st March, 2017.

Listing of Equity Shares on Stock Exchanges

The Company's shares are listed at The Stock Exchange, Mumbai (BSE) and The National Stock Exchange of India Limited (NSE).

Stock 1Code: The Stock Code for the Company's shares are as follows: -

Name of the Stock Exchange	: CODE
BSE Limited	: 524652
National Stock Exchange of India Limited	: INDSWFTLTD

The ISIN Nos. for the Company's Shares in Demat Mode – INE788B01028

Monthly Share Price movement:

The high and low prices of the company's share (of Rs. 2/-each) at BSE and NSE on Monthly Basis from 1st April 2016 to 31st March 2017 are as under:

Month	BSE			NSE		
	High (Rs)	Low(Rs.)	Volume of Shares	High (Rs)	Low(Rs.)	Volume of Shares
April, 2016	5.64	4.70	72348	5.65	4.70	70169
May, 2016	4.99	4.02	82077	5.05	4.10	47114
June, 2016	4.80	3.85	165041	4.80	3.90	182425
July, 2016	5.48	4.55	135982	5.50	4.65	170292
August, 2016	5.25	3.95	125823	5.25	3.95	226982
September, 2016	5.15	3.89	176331	5.15	3.85	334317
October, 2016	7.60	4.40	142035	8.45	4.40	954110
November, 2016	7.67	5.25	149102	7.65	4.95	225214
December, 2016	6.18	5.45	74136	6.90	5.10	274117
January, 2017	6.00	5.50	81634	6.65	5.50	251101
February, 2017	6.04	5.45	61715	6.60	5.15	174312
March, 2017	6.00	5.01	146047	6.30	5.00	248993

(Source: www.bseindia.com & www.nseindia.com)

Registrar and Transfer Agent

Transfer Agent for physical transfer and Demat of Shares:
M/s Alankit Assignments Ltd.
205-208 Anarkali Market, Jhandewalan Extension,
New Delhi-110 055
Tel:- +91-11-42541965, 42541953, Fax:- +91-11-41540064
E-mail: info@alankit.com , Website: www.alankit.com

REPORT ON CORPORATE GOVERNANCE

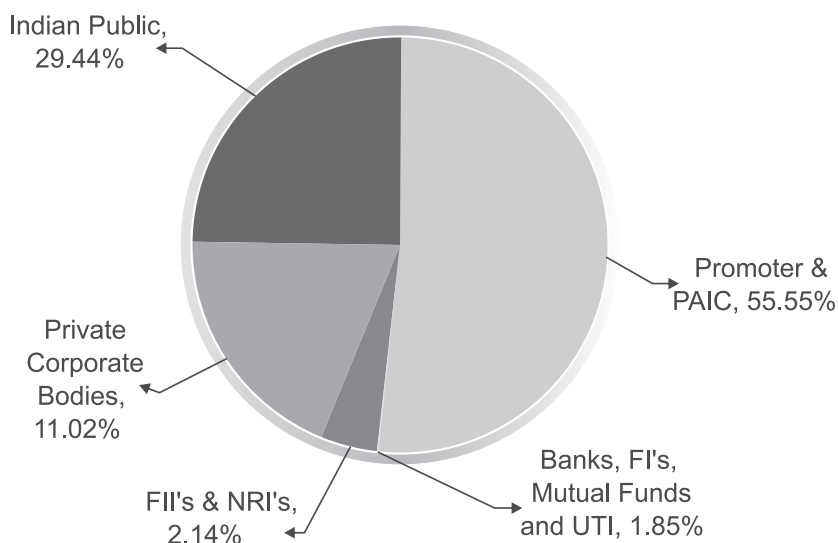
Share Transfer System

- The Share Transfer/shareholders Grievance Committee approves the transfer and transmission of shares, issue of duplicate share certificates and related matters. The transfers 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, 2017, 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, 2017.

Distribution of Equity Shareholding as on March 31, 2017.

Category	No. of Shares Held	%age of Shareholding
Promoters & PAIC	3,00,90,404	55.55
Banks, FI's, Mutual Funds, UTI and Insurance Company	10,01,900	1.85
FII's & NRI's	11,59,795	2.14
Private Corporate Bodies	59,68,625	11.02
Indian Public	1,59,42,929	29.44
Total	5,41,63,653	100.00

Shareholding Pattern as on 31.03.2017



REPORT ON CORPORATE GOVERNANCE

Distribution Schedule as on 31st March 2017

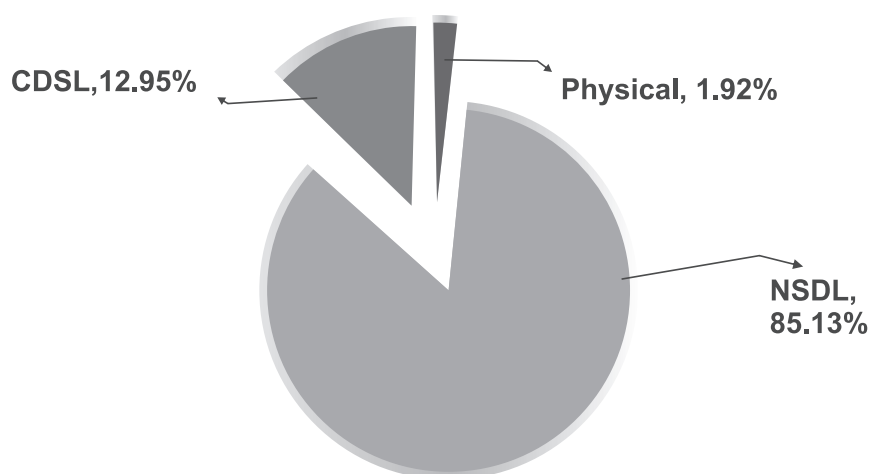
Shares or Debenture holding of Nominal Value of	No. of Share Holders	% age of Total Holders	Shares Amount (In Rs)	% age of Total Equity
Up to 5000	13232	91.93	12366958	12.28
5001 to 10,000	584	4.06	4427000	4.40
10,001 to 20,000	311	2.16	4565790	4.53
20,001 to 30,000	94	0.65	2361490	2.35
30,001 to 40,000	48	0.33	1725264	1.71
40,000 to 50,000	18	0.13	848890	0.84
50,001 to 1,00,000	43	0.30	3109494	3.09
1,00,001 to Above	64	0.45	71288996	70.80
TOTAL	14394	100	100693882	100

Dematerialization of Shares

The shares of the company are available for trading in the Depository system of both the National Securities Depository Limited and the Central Depository Services (India) Limited. As on **31st March 2017**, 53123291 equity shares of the company, forming 98.08% of the share capital of the company, stand dematerialized.

Mode of Shares	Number of Shares	%
Physical	1041362	1.92
NSDL	46108517	85.13
CDSL	7014774	12.95
Total	54164653	100.00

Shares held in Physical and Dematerialized Form as on 31.03.2017



REPORT ON CORPORATE GOVERNANCE

Optionally Convertible Warrants

There are no Outstanding Warrants for Conversion.

Registered office

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

Company Secretary & Compliance officer

SIMRAT KAUR
781, Industrial Area-II, Chandigarh – 160002
e-mail: companysec@indswift.com

Plant Locations:-

- 123, Industrial Area, Phase-I, Panchkula 134109(Haryana)
- Plot No. 23, Sector – 2, Parwanoo (H.P)(Unit-1)
- 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)

OTHER DISCLOSURES

Related Party Transactions

Transactions with related parties are disclosed in **Note No. 46** of Notes to the accounts in the Financial Statements for the year. Adequate care was taken to ensure that the potential conflict of interest did not harm the interests of the Company at large.

The Company has formulated a policy on dealing with related party transactions and the same is available on the website of the Company www.indswiftltd.com. The weblink for the same is given below:

<http://www.indswiftltd.com/party-transaction.php>

Compliances by the Company

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 authorities on matters related to capital markets.

Whistle-Blower Policy / Vigil Mechanism

The Company promotes ethical behavior in all its business activities and in line with the best international governance practices, Ind-Swift Limited has established a system through which Directors, employees, business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up a Direct Touch initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit Committee, and also to the Ethics Counselor designated for the same purpose. The Whistle- Blower Protection Policy aims to:

REPORT ON CORPORATE GOVERNANCE

- Allow and encourage stakeholders to bring to the management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.
- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website www.indswiftd.com at the web link:

<http://www.indswiftd.com/whistle-blower-policy.php>

The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis. The Committee has, in its Report, affirmed that no personnel have been denied access to the Audit Committee.

Mandatory & Non-Mandatory Clauses

The Company has complied with all the mandatory requirements laid down by SEBI (LODR) Regulations, 2015. The non-mandatory requirements complied with has been disclosed at relevant places.

Risk Management

The Company has a procedure to inform the Board about the risk assessment and minimization procedures. The Board of directors periodically reviews the risk management framework of the company.

Certification By Chief Executive Officer Of The Company

I declare that all Board Members and Senior Management have affirmed compliance with the code of conduct for the financial year 2016-17.

Place: Chandigarh

Date: 26.08.2017

Dr Gopal Munjal

Managing Director & CEO

INDEPENDENT AUDITOR'S REPORT

To the Members of
Ind-Swift Limited,
Chandigarh.

Report on the Financial Statements

We have audited the accompanying financial statements of **Ind-Swift Limited**, which comprise the Balance Sheet as at March 31, 2017, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on March 31, 2017 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013 with respect to the preparation of 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 specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies Accounts Rules 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 that give a true and fair view 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for the Qualified Opinion

1. The company has not provided interest on cash credit, term loans, working capital term loans and funded interest term loans with some banks since these banks have not charged interest on these accounts post such accounts becoming NPAs. The unaccounted interest liability in respect of the same for the financial year is Rs. 134.76 cr. (Refer Note No.36 of Notes to Accounts)

INDEPENDENT AUDITOR'S REPORT

Had the provision for the same been made, the loss for the year and accumulated losses would have been higher by Rs. 134.76 cr.

Our opinion is qualified in respect of above.

2. The company has not booked Accrued Interest on Fixed Deposit during the year for Rs. 245.90 Lacs as per the scheme approved by Company Law Board. (Refer Note No.35 (ii) of Notes to Accounts)

Had the provision for the same been made, the loss for the year and accumulated losses would have been higher by Rs. 245.90 lacs.

Our opinion is qualified in respect of above.

3. The management is in process of getting an impairment study done in respect of units where the activities have been suspended (refer note no. 41(ii) of notes to accounts). In view of this impairment loss in respect of these units have not been provided in accounts, being not ascertainable.

We are unable to comment on the resultant impact on the assets.

Our opinion is qualified in respect of above.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for the Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017 and its loss and its cash flow for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as 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 financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 .

INDEPENDENT AUDITOR'S REPORT

- e) on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- f) With respect to adequacy of internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure-B; and
- g) With respect to the other matters included in the audit report in accordance with rule 11 of the companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
 - (i) The company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - (ii) The company has made provision, as required under the applicable law or accounting standards for material foreseeable losses if any, on long term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
 - (iv) The company has provided requisite disclosures in its standalone Financial Statements as to the holding and dealing in Bank notes as specified during the period starting from 8th Nov 2016 to 31st December 2016 and these are in accordance with the books to accounts maintained by the company. Refer Note 45.

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

Place: Chandigarh
Date : 30/05/2017

(Partner)
M. No. : 08314

INDEPENDENT AUDITOR'S REPORT

The Annexure "A" 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 year ending on March 31, 2017.

- (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 provided 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) According to the information and explanation provided to us, all the immovable properties are held in the name of the company except the following where the title deeds are not in the name of the company:-

S. NO.	PARTICULARS	ADDRESS	LEASE HOLD/ FREE HOLD	GROSS BLOCK (Rs in lacs)	NET BLOCK (Rs in lacs)
1	Land & Building	PLOT NO. 781, IND-AREA, PH-2, CHANDIGARH	LEASEHOLD	12.00	4.42
2	Land & Building	PLOT NO. 42, IND-AREA, PH-2, CHANDIGARH	LEASEHOLD	18.25	7.99

- (ii) As explained to us, the inventory has been physically verified by the management at reasonable intervals during the year .In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on verification between the physical stocks and book records.
- (iii) 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 189 of the Companies Act, 2013.
- a) In our opinion the terms and conditions of the grant of such loans are not prejudicial to the interest of the company.
- b) The principle and interest due on loan to Swift Fundamental Research & Education Society (SFRE) are not received by the company as stipulated during the year and no interest has been provided on loan to SFRE during the year.
- c) According to the information & explanations given to us, the company has taken reasonable steps to recover the amount from Swift Fundamental Research & Education Society and such loan is overdue by Rs. 61.41 crores for more than 90 days.
- (iv) In our opinion and according to the information and explanations given to us, the company has provided advances to its directors during the year as per the company policy in this regard.
- (v) Due to financial difficulties the company is unable to repay the deposits accepted from public as required by Section 73 to 76 of the Compaines Act 2013 and the Companies (Acceptance of Deposits) Rules, 2014. The Hon'ble Company Law Board restructured Fixed Deposit Scheme of the company vide its order dated 30.09.2013. Further during the year the company has filed application with National Company Law Tribunal (NCLT) to again restructure the repayment schedule and the matter is sub judice with NCLT.
- (vi) The Company is required to maintain cost records under sub-section (1) of section 148 the Companies Act, 2013 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.

INDEPENDENT AUDITOR'S REPORT

- (vii) (a) According to the information and explanations given to us and the records of the company examined by us, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value added tax, Cess and other material statutory dues applicable to it, with appropriate authorities. We are informed that there are some undisputed statutory dues as at the year end outstanding for a period of more than six months from the date they became payable, which are, Tax Deducted at Source under Income Tax Act for Rs 24.19 lacs, Provident fund Rs 91.53 lacs, Employees State Insurance for Rs.59.41 lacs, Entry Tax for Rs. 119.64 lacs, Service tax Rs. 22.25 lacs.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are following disputed dues as referred of Income Tax, Sales Tax, Service Tax, Custom Duty , Excise Duty, Value Added Tax and Cess:

S.NO.	NAME OF THE STATUTE	NATURE OF DUES	AMOUNT (RS. IN LACS)	PERIOD	FORUM WHERE DISPUTE IS PENDING
1	SERVICE TAX	SERVICE TAX AND PENALTY DEMAND	62.39	2007-08 TO 2010-11	CESTAT, CHANDIGARH
2	SERVICE TAX	SERVICE TAX DEMAND	8.92	2012-13	COMMISSIONER (APPEALS) CE, CHD-II
3	SERVICE TAX	SERVICE TAX DEMAND	47.88	2013-14	COMMISSIONER (APPEALS) CE, CHD-II
4	SERVICE TAX	SERVICE TAX DEMAND	3.17	2013-14 TO 2014-15	COMMISSIONER (APPEALS) CE, CHD-II
5	SERVICE TAX	SERVICE TAX DEMAND	3.71	2014-15	COMMISSIONER (APPEALS) CE, CHD-II
6	SERVICE TAX	SERVICE TAX DEMAND	16.75	2013-14	COMMISSIONER (APPEALS) CE, CHD-II
7	SERVICE TAX	SERVICE TAX AND PENALTY DEMAND	41.00	2009-10 TO 2010-11	CESTAT, CHANDIGARH
8	INCOME TAX ACT 1961	INCOME TAX DEMAND	425.47	2005-06	PUNJAB & HARYANA HIGH COURT
9	INCOME TAX ACT 1961	INCOME TAX DEMAND	22.46	2007-08	INCOME TAX APPELLATE TRIBUNAL
10	BENGAL VAT ACT	SALES TAX DEMAND	36.20	2009-10	SALES TAX TRIBUNAL
11	BENGAL VAT ACT	SALES TAX DEMAND	90.48	2010-11	SALES TAX TRIBUNAL
12	BENGAL VAT ACT	SALES TAX DEMAND	35.71	2011-12	SALES TAX TRIBUNAL
13	U.P. VAT ACT	SALES TAX DEMAND	2.72	2009-10	SALES TAX TRIBUNAL
14	U.P. VAT ACT	SALES TAX DEMAND	3.29	2010-11	SALES TAX TRIBUNAL
15	U.P. VAT ACT	SALES TAX DEMAND	1.06	2014-15	SALES TAX TRIBUNAL
16	M.P. VAT ACT	SALES TAX DEMAND	5.54	2013-14	SALES TAX TRIBUNAL
17	CHANDIGARH VAT ACT	SALES TAX DEMAND	590.53	2010-11	SALES TAX TRIBUNAL
18	HIMACHAL PRADESH VAT ACT	SALES TAX DEMAND	80.72	2006-07	DETC (APPEALS) SHIMLA
19	CENTRAL EXCISE ACT 1944	DUTY FOR GOODS AND PENALTY	1362.90	2007-08 TO 2013-14	CESTAT, CHANDIGARH
20	CENTRAL EXCISE ACT 1944	CENVAT CREDIT/ REFUND/ PENALTY	38.73	2005-2008	CESTAT, CHANDIGARH

INDEPENDENT AUDITOR'S REPORT

- (viii) According to the records of the company examined by us and the information and explanations given to us, the company during the year has defaulted in repayment of dues to Banks/ financial institutions. Lender wise detail of default is given below:

Lenderwise detail of default in repayment of loans.				
Sr No.	Name of lender	Amount of default as on 31.03.2017 (Rs. In crores)	Period of Default	Remarks
1	BANK OF INDIA	81.98	More than 2 years	-
2	CANARA BANK	77.40	More than 2 years	-
3	CATHOLIC SYRIAN BANK	36.62	NA	Entire loan portfolio transferred to Phoenix ARC (P) Ltd. Hence period of default not applicable
4	CENTRAL BANK OF INDIA	9.56	More than 2 years	-
5	EXPORT IMPORT BANK	22.87	N.A.	Entire loan portfolio transferred to Edelweiss Assets Reconstruction Company Limited. Hence period of default not applicable
6	PUNJAB NATIONAL BANK	428.18	N.A.	Entire loan portfolio transferred to Edelweiss Assets Reconstruction Company Limited. Hence period of default not applicable
7	STATE BANK OF INDIA	72.49	More than 3 years	-
8	STATE BANK OF PATIALA	145.90	NA	Entire loan portfolio transferred to Edelweiss Assets Reconstruction Company Limited. Hence period of default not applicable
9	STATE BANK OF HYDERABAD	37.83	NA	Entire loan portfolio transferred to Edelweiss Assets Reconstruction Company Limited. Hence period of default not applicable
10	STATE BANK OF MYSORE	8.00	More than 1 years	-
11	IFCI LTD	30.39	NA	Entire loan portfolio transferred to Edelweiss Assets Reconstruction Company Limited. Hence period of default not applicable
12.	TATA CAPITAL	10.61	N.A.	Entire loan portfolio transferred to Edelweiss Assets Reconstruction Company Limited. Hence period of default not applicable
13.	IDBI BANK	40.59	N.A.	Entire loan portfolio transferred to Edelweiss Assets Reconstruction Company Limited. Hence period of default not applicable

- (ix) The company did not raise any money by way of initial public offer (including debt instruments) and term loans during the year. Accordingly paragraph 3(ix) of the order is not applicable.
- (x) According to the information and explanation given to us no fraud by the company or on the company by it's officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information given to us ,company has provided managerial remuneration in accounts in excess of the limits prescribed by the provisions of Section 197 read with Schedule V of the Companies Act, However company is in process of obtaining the approval of Central Government in this regard.

INDEPENDENT AUDITOR'S REPORT

- (xii) In our opinion and according to the explanations and information given to us the company is not a NIDHI company. Accordingly paragraph 3(xii) of the order is not applicable
- (xiii) According to the explanations and information given to us and based on our examination of records of the company, transactions with the related parties are in compliance with Section 177 and Section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) According to the explanations and information given to us and based on our examination of records of the company, during the year the company has allotted 3817712 Equity Shares to promoters group on preferential basis against promoters contribution already infused by the promoters under the CDR package of the Company.
- (xv) According to the explanations and information given to us and based on our examination of records of the company, the company has not entered into non cash transactions with directors or persons connected with them. Accordingly the paragraph 3(xv) not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **J.K. JAIN & ASSOCIATES**
Chartered Accountants

Place: Chandigarh
Date: 30.05.2017

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

INDEPENDENT AUDITOR'S REPORT

"Annexure B" to the independent Auditor's Report of even date on the Financial Statements of Ind-Swift Limited.

Report on the Internal Financial Controls under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

To the Members of **Ind-Swift Limited**

We have audited the Internal financial controls over financial reporting of Ind-Swift Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining Internal financial controls based on the Internal control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, Implementation and maintenance of adequate Internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's Internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's Internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the

INDEPENDENT AUDITOR'S REPORT

Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the Inherent limitations of Internal financial controls over financial reporting, including the possibility of collusion or Improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over financial reporting to future periods are subject to the risk that the Internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, though the Company has reasonably adequate Internal Financial Controls Systems in all material respects, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India, however the Company needs to further improve the Internal Financial Control Systems in order to improve financial health and performance of the Company.

For **J.K. JAIN & ASSOCIATES**
Chartered Accountants

Place: Chandigarh
Date: 30.05.2017

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

BALANCE SHEET

AS AT 31-03-2017

		(Rs.in Lacs)	
PARTICULARS	NOTE NO	AS AT 31-03-2017	AS AT 31-03-2016
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
a) Share Capital	1	2,503.29	2,426.94
b) Reserves and Surplus	2	(63,436.18)	(27,043.06)
Total (A)		(60,932.89)	(24,616.12)
Share Application Money Pending Allotment (B)		-	668.10
Non-Current Liabilities			
a) Long -term borrowings	3	66,476.99	67,165.24
b) Deffered Tax Liability (Net)	4	-	-
c) Other Long term Liabilities	5	480.86	563.86
d) Long term provisions	6	263.75	204.02
Total (C)		67,221.60	67,933.12
Current Liabilities			
a) Short-term borrowings	7	38,352.20	37,125.34
b) Trade Payables	8	16,175.99	17,538.15
c) Other Current Liabilities	9	6,210.71	7,429.63
Total (D)		60,738.90	62,093.12
GRAND TOTAL (A+B+C+D)		67,027.61	106,078.22
II. ASSETS			
Non-current assets			
a) Fixed Assets	10		
(i) Tangible Assets		31,468.86	34,429.34
(ii) Intangible assets		2,762.37	2,985.07
(iii) Capital Work in Progress		221.75	221.75
(iv) Intangible assets under Development		-	144.99
Total (E)		34,452.98	37,781.15
b) Non-current Investments	11	4,512.33	4,512.33
c) Long-term Loans and advances	12	1,278.71	1,631.22
d) Other non-current assets	13	-	989.00
Total (F)		5,791.04	7,132.55

BALANCE SHEET

AS AT 31-03-2017

		(Rs.in Lacs)	
PARTICULARS	NOTE NO	AS AT 31-03-2017	AS AT 31-03-2016
<u>CURRENT ASSETS</u>			
Inventories	14	3,905.98	9,094.05
Trade Receivables	15	10,848.10	38,033.03
Cash and Cash equivalents	16	910.51	1,738.96
Short-term loans and advances	17	8,206.22	8,691.09
Other Current Assets	18	2,912.78	3,607.39
Total (G)		26,783.59	61,164.52
GRAND TOTAL (E+F+G)		67,027.61	106,078.22
SIGNIFICANT ACCOUNTING POLICIES			
NOTES ON FINANCIAL STATEMENTS			
	1-46		

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

S.R.MEHTA
Chairman

G.MUNJAL
Managing Director & CEO

J.K. JAIN
Partner
Membership No:083140

ARUN K. SETH
General Manager
(Finance & Accounts)

SIMRAT KAUR
Company Secretary

Place: Chandigarh
Date : 30.05.2017

STATEMENT OF PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)	
PARTICULARS	NOTE NO	YEAR ENDED 31-03-2017	YEAR ENDED 31-03-2016
<u>INCOME</u>			
Revenue from operations	19	26,720.27	30,774.83
Other Income	20	1,092.93	1,250.50
TOTAL REVENUE (A)		27,813.20	32,025.33
<u>EXPENDITURE</u>			
Cost of Material Consumed	21	16,720.82	21,904.11
Changes in inventories of Finished Goods/	22	(393.02)	143.69
Employee Benefits Expenses	23	4,233.00	4,036.98
Financial Cost	24	1,631.59	1,896.79
Depreciation/Amortisation	10	3,573.22	3,635.15
Other Expenses	25	38,339.06	20,385.15
TOTAL EXPENSES (B)		64,104.67	52,001.87
Profit/Loss Before Tax (A-B)		(36,291.47)	(19,976.54)
Tax Expenses			
Provision for Tax		-	-
Mat Credit Entitelment		(89.35)	(17.46)
Provision for Defferred Tax (Net)		-	-
Profit (Loss) for the year		(36,380.82)	(19,994.00)
Basic Earning per Share		-67.17	-39.71
Diluted Earning per Share		-67.17	-39.71
Nominal Value per Share		2.00	2.00

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

S.R.MEHTA
Chairman

G.MUNJAL
Managing Director & CEO

J.K. JAIN
Partner
Membership No:083140

ARUN K. SETH
General Manager
(Finance & Accounts)

SIMRAT KAUR
Company Secretary

Place: Chandigarh
Date : 30.05.2017

CASH FLOW STATEMENT

(Rs.in Lacs)

	Year ended on 31.03.2017	Year ended on 31.03.2016
<u>A. CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit before tax	(36291.47)	(19976.54)
<u>Adjustment for Non Cash & Non Operating Items</u>		
i) Misc. Expenditure Written off	989.00	1106.54
ii) Depreciation/Amortisation	3573.22	3635.15
iii) Interest Income	(14.90)	(16.63)
iv) Provision for doubtful debts/Debts Written off	25829.03	10165.25
v) Loss on Sale of Assets	0.91	0.00
vi) Provision for Leave Encashment	59.73	64.02
vii) Interest Paid	1526.34	2168.14
viii) Exchange Loss	105.24	(271.36)
Operating Profit before Working Capital Changes	(4222.90)	(3125.43)
<u>Adjustment for Current Items</u>		
i) Increase/ (Decrease) in current Liabilities	(2581.08)	(9959.60)
ii) (Increase)/Decrease in current Loan & Advances	837.37	(119.64)
iii) (Increase)/Decrease in Trade Receivable	1355.89	355.98
iv) (Increase)/Decrease in Inventory	5188.08	2242.66
v) (Increase)/Decrease in other current Assets	94.62	26.92
Cash Flow from Operating Activities before Taxes	671.98	(10579.11)
Net Operating Activities (A)	671.98	(10579.11)
<u>B. Cash Flow from Investing Activities</u>		
i) Interest Received	14.90	16.63
ii) Net Purchase of Fixed Assets (Including Capital WIP)	(444.57)	(417.73)
Net Cash used in Investing activities (B)	(429.67)	(401.10)

CASH FLOW STATEMENT

(Rs.in Lacs)

	Year ended on 31.03.2017	Year ended on 31.03.2016
C. Cash Flow from Financing Activities		
i) Interest Paid	(1526.34)	(2168.14)
ii) Increase in Unsecured Loans	(170.22)	(734.72)
iii) Increase in Security Deposit	(83.00)	(58.78)
iv) Increase in Secured Loans	708.80	13982.51
Net Cash Flow from Financing Activities (C)	(1070.76)	11020.87
Net increase in Cash or Cash Equivalents (A+B+C)	-828.45	40.66
Add : Opening Balance of Cash & Equivalents	1738.96	1698.30
Closing Balance of Cash & Cash Equivalents	910.51	1738.96

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

S.R.MEHTA
Chairman

G.MUNJAL
Managing Director & CEO

J.K. JAIN
Partner
Membership No:083140

ARUN K. SETH
General Manager
(Finance & Accounts)

SIMRAT KAUR
Company Secretary

Place: Chandigarh
Date : 30.05.2017

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 133 of the Companies Act 2013, 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 useful life method of depreciation as per the useful life specified in part C of Schedule II of the Companies Act 2013.

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.

SIGNIFICANT ACCOUNTING POLICIES

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 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 up during 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.

SIGNIFICANT ACCOUNTING POLICIES

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 an 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. Trade Receivable

Sundry debtors outstanding for more than three years and other debtors outstanding for less than three years but are doubtful of recovery at the balance sheet date will be written off/provided in the books of accounts except those debtors pertaining to related parties and disputed debtors having matter pending before different courts.

- 18.** Accounting policies not specifically referred to are consistent with generally accepted accounting principles.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
PARTICULARS	AS AT	AS AT
	31-03-2017	31-03-2016
NO-'1'		
SHARE HOLDER'S FUNDS		
SHARE CAPITAL		
AUTHORISED		
7,50,00,000 (Previous Year 7,50,00,000)	1,500.00	1,500.00
Equity Shares of Rs. 2/- Each		
25,00,000 (Previous Year 25,00,000) Cumulative	2,500.00	2,500.00
Preference Share of Rs. 100/- Each		
	4,000.00	4,000.00
ISSUED, SUBSCRIBED & PAID UP		
5,41,64,653 Equity Shares (Previous Year 5,03,46,941)		
of Rs.2/- Each Fully Paid up in Cash	1,083.29	1,006.94
14,20,000 Cumulative Redeemable Preference Shares		
(Previous Year 14,20,000) of Rs.100/- each Fully Paid	1,420.00	1,420.00
	2,503.29	2,426.94

1.1 Reconciliation of Equity & Pref. Shares as on 31.03.17

Particulars	2016-17 No of Shares		2015-16 No of Shares	
	Equity	Preference	Equity	Preference
Opening Balance	50346941	1420000	50346941	1420000
Add: No of Shares Issued	3817712	Nil	Nil	Nil
Closing Balance	54164653	1420000	50346941	1420000

1.2. No. of shareholders holding 5% or more of share capital

Name Of Shareholder	As on 31-03-2017		As on 31-03-2016	
	No. of Shares	%	No. of Shares	%
Essix Biosciences Limited	9215721	17.01%	9215721	18.30

1.3 The Preference 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 YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)	
PARTICULARS	AS AT 31-03-2017	AS AT 31-03-2016	
<u>NO-'2'</u>			
<u>RESERVES & SURPLUS</u>			
Opening Balance :	10181.80		
Less: Amount declared Under I.Tax Search in Previous Years	600.00		
General Reserve	9581.80	10181.80	
Capital Reserve			
Opening Balance:	406.22		
Less:Amortised during the year:	4.04		
	402.18	406.22	
Securities Premium	7,107.97	6,516.23	
Surplus in Profit & Loss Account			
Profit b/f from previous year	(44147.31)		
Add: Current Year Profit/Loss	<u>(36380.82)</u>		
	(80528.13)	(44147.31)	
	(63436.18)	<u>(27043.06)</u>	
<u>NO -'3'</u>			
<u>LONG TERM BORROWINGS</u>			
(a) <u>SECURED LOANS</u>			
(i) From Banks/Asset Reconstruction Companies (ARC)	60,187.25	60401.63	
(ii) From Financial Institutions/ Asset Reconstruction Companies (ARC)	4,270.12	4302.36	
	64,457.37	<u>64703.99</u>	

- 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 are secured by way of subservient charge over entire current assets of the company.
- 3.2 Since the Company is unable to repay the instalments and Banks have exited from the CDR mechanism, the instalments due and falling due in next twelve months have not been segregated as current liability. The entire loan amount has been shown as long term liability except loan accounts which are being repaid as per repayment schedule.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
PARTICULARS	AS AT 31-03-2017	AS AT 31-03-2016
(b) UNSECURED LOANS		
Fixed Deposit from Public	2,019.62	2,461.25
	2,019.62	2,461.25
NO -'4'	Amount	Amount
Deferred Tax Liability (Net)	(Rs.in Lacs)	(Rs.in Lacs)
	2016-17	2015-16
Opening Deferred Tax Liability	0.00	0.00
Less: Deferred tax on old Depreciation	0.00	0.00
Less: Dererred tax Asset	0.00	0.00
	-	0.00
NO -'5'		
OTHER LONG TERM LIABILITIES		
Security Deposit Customers/Stockists	480.86	563.86
NOTE NO -'6'		
LONG TERM PROVISIONS		
Provision for Employee Benefits	263.75	204.02
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 LOANS		
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 (Consumbale 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/ Asset Reconstruction Companies (ARC) 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.	35,954.91	34,999.47
	35,954.91	34,999.47
(ii) UNSECURED LOANS		
SHORT TERM BORROWINGS		
From Banks	171.98	323.80
From Financial Institution	1,258.19	1,051.55
Fixed Deposit from Public	967.12	750.52
	2,397.29	2,125.87
NO -'8'		
TRADE PAYABLES		
Trade Payables	7,298.85	9,942.13
Trade Payables (Related Party)	8,877.14	7,596.02
	16,175.99	17,538.15

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)	
PARTICULARS		AS AT 31-03-2017	AS AT 31-03-2016
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	1,189.63	1,212.45
	Advance from Customers	194.94	776.15
	Other Payable	4,820.48	5,048.74
	Current Maturties of Long Term Debts	-	381.00
	Current Maturties of Vehicle Loan	-	2.95
	UnClaimed Dividend	5.66	8.34
		6,210.71	7,429.63
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 (Previous year 9499720) Equity Shares in M/s Ind Swift Laboratories Ltd	4,005.53	4,005.53
	2000000 (Previous Year 2000000) Equity Shares of Fortune India Construction Ltd	200.00	200.00
	300000 {Previous Year 300000} Equity Shares of Essix Biosciences Ltd.	300.00	300.00
	67950(Previous Year 67950) Equity Shares of Mansa Print & Publisher Ltd @Rs.10/- Per Share	6.80	6.80
		4,512.33	4,512.33
11.1	Total Cost of Quoted Investment is Rs. 4005.53 Lacs(Market Value Rs.3144.41Lacs) and Unquoted Investment is Rs. 506.80 Lacs		
11.2	The shares of Ind Swift Laboratories Ltd are pledged to Banks as per the sanctioned Corporate Debts Restructuring Scheme of Ind Swift Laboratories Ltd.		
11.3	Ind Swift Laboratories Ltd is Associate Company.		
11.4	Essix Biosciences Ltd, Fortune India Construction Ltd and Mansa Print & Publishers Ltd are Related Parties.		

NO-10 NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017 NOTE OF FIXED ASSETS AS ON 31/03/2017												
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				(Rs. in Lacs)		
		BALANCE	ADDITIONS/ TRSF	SALE/ TRANSFER/	IMPAIRMENT	AS ON	AS ON	DURING THE YEAR	ON	TOTAL	AS ON	AS ON
		AS ON	DURING	OF ASSETS		31/03/2017	31/03/2016	ASSETS SOLD		DEPRECIATION	31/03/2017	31/03/2016
		01/04/2016	THE YEAR							UPTO 31/03/2017		
(A)	TANGIBLE ASSETS											
1	LAND	694.53	0.00	0.00	0.00	694.53	0.00	0.00	0.00	0.00	694.53	694.53
2	LEASEHOLD LAND	34.99	0.00	0.00	0.00	34.99	20.20	0.22	0.00	20.42	14.57	14.80
3	BUILDING	13023.40	2.05	0.00	0.00	13025.45	2605.51	414.78	0.00	3020.29	10005.16	10417.89
4	PLANT & EQUIPMENT	30261.16	124.93	0.00	148.06	30238.03	9111.08	2175.16	0.00	11286.24	18951.79	21150.08
5	FURNITURE & FIXTURE	697.51	3.69	0.00	0.00	701.20	435.48	72.67	0.00	508.15	193.05	262.03
6	VEHICLES	1058.65	0.00	7.29	0.00	1051.36	780.32	68.97	4.18	845.11	206.25	278.32
7	OFFICE EQUIPMENT	899.44	56.74	0.00	0.00	956.18	828.39	26.56	0.00	854.94	101.24	71.05
8	MISC FIXED ASSETS	2386.17	35.44	0.00	0.00	2421.61	1201.45	263.67	0.00	1465.12	956.49	1184.72
9	BUILDING (R&D)	58.56	0.00	0.00	0.00	58.56	31.62	2.30	0.00	33.91	24.65	26.95
10	FURNITURE & FIXTURE (R&D)	31.07	0.00	0.00	0.00	31.07	24.04	1.30	0.00	25.34	5.72	7.02
11	EQUIPMENT (R&D)	1279.98	0.00	0.00	0.00	1279.98	1192.66	6.54	0.00	1199.21	80.77	87.32
12	LAND (R&D)	234.63	0.00	0.00	0.00	234.63			0.00	0.00	234.63	234.63
(B)	INTANGIBLE ASSETS											
1	PATENT & TRADE MARK	47.40	0.00	0.00	0.00	47.40	35.75	0.00	0.00	35.75	11.65	11.66
2	PRODUCT TECHNOLOGY	4554.29	318.36	0.00	0.00	4872.65	2802.21	341.78	0.00	3143.99	1728.66	1752.08
3	SOFTWARE	1990.10	0.00	0.00	0.00	1990.10	768.76	199.28	0.00	968.04	1022.06	1221.34
	TOTAL	57251.88	541.21	7.29	148.06	57637.74	19837.47	3573.22	4.18	23406.51	34231.23	37414.41
TOTAL: P/Y (31/03/2016)		56567.90	687.96	3.98	0.00	57251.88	16202.32	3635.15	0.00	19837.47	37414.41	40365.58

(C) INTANGIBLE ASSETS UNDER DEVELOPMENT			
Particulars	Opening Bal.	Addition	Capitalised Closing Bal.
PRODUCT TECHNOLOGY	144.99	0.00	144.99
TOTAL: P/Y (31/03/2016)	167.49	144.99	144.99

(D) CAPITAL WORK IN PROGRESS			
Particulars	Opening Bal.	Addition	Capitalised Closing Bal.
CAPITAL WORK IN PROGRESS	221.75	0.00	221.75
TOTAL: P/Y (31/03/2016)	221.75	0.00	221.75

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

11.2 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:

	(Rs.in Lacs)
Net Addition during the year	173.37

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

PARTICULARS	(Rs.in Lacs)	
	AS AT 31-03-2017	AS AT 31-03-2016
<u>NO - '12'</u>		
<u>LONG TERM LOANS & ADVANCES</u>		
(Unsecured but considered good)		
Advance against Capital Goods	508.43	1,078.00
Security Deposits	174.02	169.48
Advance to KMP	596.26	383.74
	1,278.71	1,631.22
<u>NO - '13'</u>		
<u>OTHER NON CURRENT ASSETS</u>		
(To the extent not written off/adjusted)		
Seed Marketing Expenses	-	988.07
Software Development Expenses	-	0.93
	-	989.00
<u>NO - '14'</u>		
<u>CURRENT ASSETS</u>		
<u>INVENTORIES</u>		
(As taken, valued & certified by the Management)		
Raw Material	2,348.31	4,553.81
Work- in- Progress	612.07	496.45
Finished Goods	848.42	3,884.31
Consumables	56.19	125.66
Material in transit	40.99	33.82
	3,905.98	9,094.05
14.1 The Inventories are valued as per method described in Significant accounting policies		
<u>NO - '15'</u>		
<u>TRADE RECEIVABLES</u>		
Debtors Outstanding for a Period Exceeding Six Months.		
Considered good	5,397.89	30,056.49
Considered doubtful	5,703.35	10,165.25
	5,450.21	7,976.54
Other Debts	5,450.21	7,976.54
(Unsecured but considered good by the management)	16,551.45	48,198.28
Less: Provision for Doubtful Debts	5,703.35	10,165.25
	10,848.10	38,033.03

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
	AS AT	AS AT
PARTICULARS	31-03-2017	31-03-2016
<u>NO - '16'</u>		
<u>CASH & CASH EQUIVALENTS</u>		
Balance with Banks	268.01	178.71
Cash in Hand	6.29	538.81
Others (Imprest)	589.65	921.06
Fixed Deposits with Banks	46.56	100.38
	910.51	1,738.96
16.1	Fixed Deposits with banks are Rs.46.56 Lacs (Previous Year Rs. 100.38 Lacs) out of which Rs. 46.49 Lacs (Previous Year Rs. 100.31 Lacs) are Pledged as margin money with banks.	
16.2	Balance with Banks includes Balance on account of unpaid dividend of Rs. 5.66 Lacs(Previous Year Rs. 8.34 Lacs)	
16.3	During the period the Company has Transferred a sum of Rs. 2.67 Lacs to Investor Education and Protection Fund on account of Unclaimed dividend for Financial Year 2008-09 (Previous Year Rs. 4.65 Lacs)	
<u>NO - '17'</u>		
<u>SHORT TERM LOANS & ADVANCES</u>		
(Unsecured but considered good by the management)		
Advances Recoverable in Cash Or		
In Kind Or For Value to be Received	1,919.84	2,543.29
Advances to Related Parties	6,286.38	6,147.80
	8,206.22	8,691.09
17.1	Interest on Advance to Related Party Swift Fundamental Research & Education Society has not been provided in the accounts.	
<u>NO - '18'</u>		
<u>OTHER CURRENT ASSETS</u>		
Mat Credit Entitelment	2,193.66	2,283.01
Advance Income Tax /TDS	22.15	19.30
Prepaid Expenses	22.02	21.01
Others	674.95	1,284.07
	2,912.78	3,607.39
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 YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)	
PARTICULARS		YEAR ENDED 31-03-2017	YEAR ENDED 31-03-2016
NO - '19'			
Revenue from Operations			
Sale of Products		26,531.34	30,548.72
Net Sale of Products		26,531.34	30,548.72
Technology Transfer Fee		188.93	226.11
		26,720.27	30,774.83
NO - '20'			
Other Income			
Interest on FDR		5.19	13.89
Interest Received		9.71	2.74
Sundry Balances written Back		965.29	1,017.24
Other Income		112.74	216.63
		1,092.93	1,250.50
NO - '21'			
COST OF MATERIAL CONSUMED/SOLD			
Opening Stock		4,679.47	6,777.75
Purchase		16,217.52	21,354.90
		20,896.99	28,132.65
Less :Spoilage & Expiry		1,496.57	1,399.43
Less: Sale of Licenses		275.10	149.64
Less :Closing Stock		2,404.50	4,679.47
TOTAL (A)		16,720.82	21,904.11
21.1 Cost of Materials Consumed			
Raw Material		AS AT 31-03-2017	AS AT 31-03-2016
		Amount	Amount
		(Rs in Lacs)	(Rs in Lacs)
Imported		940.85	763.05
Indigenous		15779.97	21141.06
NO - '22'			
INCREASE/(DECREASE) IN INVENTORY			
OPENING STOCK			
Work-in-Progress		496.45	638.79
Finished Goods		3,884.31	3,905.17
Less: Spoilage & Expiry/ Written off		3,313.29	19.51
		1,067.47	4,524.45
CLOSING STOCK			
Work-in-Progress		612.07	496.45
Finished Goods		848.42	3,884.31
		1,460.49	4,380.76
TOTAL (B)		393.02	(143.69)
TOTAL (A-B)		16,327.80	22,047.80

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
	YEAR ENDED	YEAR ENDED
PARTICULARS	31-03-2017	31-03-2016
<u>NO '23'</u>		
<u>EMPLOYEE BENEFIT EXPENSES</u>		
Director Remuneration	360.00	360.00
Salary & Wages	3,600.55	3,421.74
P.F & Other Funds	201.67	192.09
Staff Welfare	65.50	62.98
Contribution To Gratuity	5.28	0.17
	4,233.00	4,036.98
<u>NO -'24'</u>		
<u>FINANCE COST</u>		
Interest Expenses	1,495.22	2,121.67
Other Borrowing Cost	31.13	46.48
Exchange Fluctuation Expenses	105.24	(271.36)
	1,631.59	1,896.79
<u>NO -'25'</u>		
<u>OTHER EXPESNES</u>		
<u>MANUFACTURING EXPENSES</u>		
Power, Fuel & Water Charges	1,023.27	1,065.17
Repair & Maint. -Machinery	96.66	110.92
Repair & Maint. -Building	8.19	27.18
Stock Written off/Loss of Stock Destruction	1,479.97	1,392.30
Service Charges	403.17	398.25
Insurance Charges	4.53	3.49
Staff Liveries	0.23	1.44
Lab Expenses/ETP Expenses	8.39	8.49
Other Manufacturing Expenses	86.51	76.37
	3,110.92	3,083.61

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
	YEAR ENDED 31-03-2017	YEAR ENDED 31-03-2016
PARTICULARS		
<u>ADMINISTRATIVE EXPENSES</u>		
Travelling & Conveyance	447.13	417.73
Audit Fees	12.65	12.60
Rent	45.83	65.52
Rates & Taxes	30.17	16.43
Telephone & Postage	61.15	55.82
Consumables	1.25	14.13
Repair & Maint.-Others	31.85	38.76
Electricity & Power	19.32	24.33
Insurance Charges	40.18	60.60
Sundry Balances/Debts Written off	21,262.93	336.57
Professional & Legal Exp.	775.83	131.16
Printing & Stationery	38.91	49.48
Loss on Sale of Assets	0.91	-
Impairment of Assets	148.06	-
Security Expenses	65.20	65.75
Corporate & Other Administrative Expenses	209.34	265.51
	23,190.71	1,554.39
<u>SELLING & DISTRIBUTION EXPENSES</u>		
Excise Duty	414.78	341.54
Commission to C & F Agents	66.85	74.41
Travelling Expenses	449.83	446.90
Provision for Doubtful Debts	5,703.35	10,165.25
Breakage & Expiry/Stock Destruction	3,380.32	2,651.82
Transportation Charges	542.97	563.90
Sales Promotion	200.88	230.72
Depot/Stockist Expenses	51.01	85.08
Other Selling Expenses	31.15	25.45
	10,841.14	14,585.07

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
PARTICULARS	YEAR ENDED 31-03-2017	YEAR ENDED 31-03-2016
<u>RESEARCH & DEVELOPMENT EXP.</u>		
Salary & Wages (R&D)	150.38	40.78
Consumables	16.14	6.87
Other Administrative Expenses	40.77	7.89
	207.29	55.54
<u>MISC. EXPENDITURE WRITTEN OFF</u>		
Seed Marketing Expenditure	988.07	1,106.08
Software Development Expenses	0.93	0.46
	989.00	1,106.54

25.1 Expenses includes Rs.40.50 Lacs (P/Y Rs. 17.57Lacs) as expenses relating to previous years.

25.2 Company has provided remuneration to Directors in excess of the limits prescribed in schedule V of Companies Act, 2013. However Company is in process of obtaining the approval from Central Government in this regard as required in schedule V of Companies Act, 2013

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

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	2016-17	2015-16
FOB Value of Export	11881.65	9868.00
Technology Transfer Fees	188.93	226.11

b) Expenditure in Foreign Currency		(Rs.in Lacs)
Particulars	2016-17	2015-16
Tours & Travels	101.72	100.71

c) Value of imports calculated on CIF Basis:		(Rs.in Lacs)
Particulars	2016-17	2015-16
Raw Material	935.05	750.66
Packing Material /Consumables	5.79	12.39
Finished Goods	Nil	93.21
Equipments	Nil	68.94

d) Auditor's Remuneration:		(Rs.in Lacs)
Particulars	2016-17	2015-16
Audit Fee	Rs. 12.65	Rs.12.60

28. Contingent liabilities outstanding as on 31.03.2017 are as under:

a) Foreign Letter of Credit/Inland Letter of Credit/Bank Guarantee issued by Bankers:		(Rs.in Lacs)
Particulars	2016-17	2015-16
BG	16.01	35.29

- b) Arrears of Cumulative Dividend on cumulative Redeemable Preference Shares amounting to Rs.85.20Lacs Previous year (71.00Lacs).
- c) In respect of Income Tax matters pending before appellate authorities/Tribunal/High Courts which the Company expects to succeed, based on decisions of Tribunals/Courts there is contingent liability amounting to Rs.447.93 Lacs.
- d) In respect of Sale Tax matters pending before appellate authorities/Tribunal/High Courts which the Company expects to succeed, based on decisions of Tribunals/Courts there is contingent liability amounting to Rs.846.25 Lacs.
- e) In respect of Service Tax matters pending before appellate authorities/Tribunal which the Company expects to succeed, based on decisions of Tribunals/Courts. There is contingent liability amounting to Rs.183.82 Lacs.
- f) In respect of Central Excise matters pending before appellate authorities/Tribunal which the Company expects to succeed, based on decisions of Tribunals/Courts. There is contingent liability amounting to Rs.1401.63 Lacs.

- 29. (i) Debtors outstanding as on date of balance sheet aggregating to Rs. 94.64 crores are overdue out of total debtors of Rs. 165.51 crores. Such debtor parties are creating disputes regarding quality/prices of materials/near expiry of goods supplied to them. The company is regularly following with these parties for recovery and also through appropriate legal measures. However as a matter of prudence a provision of Rs 57.03 crores has been made in accounts against such debtors which are doubtful of recovery during the financial year as per the company's policy.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

- (ii) Debtors amounting to Rs. 201.26 crores has been written off by the company during the year, being considered doubtful of recovery, as per company's policy
30. (i) Loss for the year has increased by Rs.1479.96 lacs being the stocks written off by the company on account of expired/spoilage of stocks of raw material which was identified by the management during the financial year, being not realizable in normal course of business.
- (ii) Loss for the year has increased by Rs3380.32 lacs being the stock of finished goods written off on account of breakage/expiry which was identified by the management during the year.
- (iii) Further the management has also identified stocks of finished goods/raw material worth Rs. 338.43 Lacs as slow moving/non moving stocks which has not been written off during the financial year. However the value of such stock has been taken at realizable value.
31. As the accumulated losses exceeded net worth of the company as on 31.03.2015, the company filed reference with BIFR under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 during the year 2015-16. As the Sick Industrial Companies (Special Provisions) act 1985 has been repealed by the Central Govt. w.e.f 01.12.16, the proceedings pending before BIFR stands abated.
32. 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 as laid by AS 26 issued by institute of Chartered Accountant of India on Intangible Assets. 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	0.48
c)	Product Technology Exp.- Other Units	172.89
d)	Debited to Profit & Loss Account as per note no 25	207.30
e)	Depreciation / Amortisation-Panchkula	150.69

The Depreciation/Amortisation related to Research & development are clubbed under respective heads in profit & loss account.

In previous year the revenue expenditure incurred for R&D activities at Panchkula unit which is recognized with DSIR are shown as follows:

	Under Profit & Loss	Product Technology Under development	Total Revenue Expenditure
F.Y.2015-16	55.54lacs	144.99 lacs	200.53 lacs

33. 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.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

Secondary Segment (By Geographical Segment)

		(Rs.in Lacs)	(Rs. in Lacs)
S.No.	Particulars	31.03.2017	31.03.2016
(a)	Domestic	14649.69	20292.52
(b)	Export	11881.65	9914.66
	Total Sales	26531.34	30207.18

34. The debts of the company including interest were restructured by the corporate debt restructuring cell w.e.f 01.07.2012 under the aegis of Corporate Debt Restructuring Scheme. However due to non compliance of some of the terms and condition of CDR package, the lenders have exited from the CDR mechanism vide letter date 27.01.2016 of CDR-EG cell.
35. (i) The fixed deposits of the company has been restructured by the Company Law Board vide its order dated 30.09.2013 in view of petition CP No, 27.02.2013 filed by the company. As per the scheme approved by the Company Law Board the fixed deposits are now repayable over a period of one to five years from the date of maturity. The effect of rechedulement of fixed deposits has been incorporated in Balance Sheet as per the approved scheme. However during the year the company has again filed application with National Company Law Tribunal (NCLT) to again restructure the repayment schedule of fixed deposits as the company is finding it difficult to make the repayment due to liquidity problem. The matter is sub judice with NCLT.
- (ii) Interest Accrued on fixed deposit during the year for Rs.245.90 lacs has not been provided in accounts as the same is payable to fixed deposit holders at the time of maturity of fixed deposits as per the scheme approved by Company Law Board as mentioned above.
36. In view of the financial crisis being faced by the company, Company is finding difficulties in making payment of dues to the banks/financial institutions i.e. interest and installments in terms of the CDR package approved by CDR EG vide letter dated 27.12.2012 (CDR scheme withdrawn vide CDR-EG letter dated 27.01.2016).. Hence, accounts pertaining to Cash Credit (CC), Term Loans (TL), Working Capital Term Loans (WCTL), Funded Interest Term Loans (FITL) with the banks have been declared as NPAs by respective banks due to non-payment of dues on time. Some of the banks have not charged interest on CC,TL, WCTL & FITL accounts post such accounts becoming NPAs. The accrued liability on account of the same amounting to Rs.134.76 Crore. (Previous Year 111.21 Crore) has not been provided in the books of accounts.
37. During the year some of the banks have assigned their debts to Edelweiss Asset Reconstruction Company.
38. Some of the Banks/ Asset Reconstruction Companies have not provided statements of account of the company. The Balance of Such Banks/Asset Reconstruction Company have been accounted for as per the balance available in the books of accounts of the company and these balances are subject to reconciliation.
39. Since the company is incurring losses and there is no virtual certainty regarding availability of any future taxable profits in coming financial years, as such in accordance with AS22 (Accounting for Taxes) the company has not recognized deferred tax asset.
40. Advance to KMP include Rs. 596.26 lacs (P/Y 383.74Lacs) due from directors of the company. Maximum balance outstanding during the year is Rs 596.26 lacs (P/Y 383.74Lacs).
41. (i). During the year the Company has provided impairment loss of its Dairy unit for Rs. 148.06 lacs in the books of accounts.
- (ii). Due to Suspension of activities at Unit I, and II at Parwanoo (H.P) since March 2014, There are indication which suggest impairment as per AS-28 issued by ICAI in the value of fixed assets being plant & machinery and other fixed assets of the Company. The management is in the process of getting an impairment study done and this financial impact of the impairment loss, if any, will be accounted for at the material time, when the impairment study will be completed.

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

42. Balance of Debtors, Creditors and Loan & Advances are subject to Confirmation.

43. Remittance in Foreign Currency on Account of Dividend:

No Remittance in Foreign Currency on account of dividend was paid during the year 2016-17.

44. Earning Per Share (EPS)

(a) Basic EPS

S. NO.	Particulars	2016-17 (Rs. In lacs)	2015-16 (Rs. In lacs)
i)	Profit/Loss after tax (Attributable to ordinary shareholders)	-36380.82	-19994.00
ii)	Weighted Average number of ordinary Shares (for Basic EPS)	54164653 Nos.	50346941 Nos.
iii)	Basic EPS/Share of Rs.2/-	Rs.-67.17	Rs.-39.71
iv)	Diluted EPS/Share of Rs.2/-	Rs. -67.17	Rs.-39.71

45. Detail of Specified Bank notes from 08.11.2016 to 30.12.2016

	SBNs	Otherdenomination notes	Total
Closing cash in hand as on 08.11.2016	-	369624.00	369624.00
(+) Permitted receipt	-	2862085.00	2862085.00
(-) Permitted Payments	-	2775140.00	2775140.00
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	456569.00	456569.00

46. Related Party Disclosure

(a) List of related parties & their relationship – **As per annexure- 'A'**

(b) Related party transactions. – **As per annexure- 'B'**

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For J.K. JAIN & ASSOCIATES

Chartered Accountants

S.R.MEHTA

Chairman

G.MUNJAL

Managing Director & CEO

J.K. JAIN

Partner

Membership No:083140

ARUN K. SETH

General Manager

(Finance & Accounts)

SIMRAT KAUR

Company Secretary

Place: Chandigarh

Date : 30.05.2017

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

ANNEXURE TO THE NOTES ON ACCOUNTS

ANNEXURE – '46 A'

RELATED PARTY DISCLOSURES

LIST OF RELATED PARTIES AND RELATIONSHIPS

S.NO.	RELATIONSHIP	NAME OF PARTY
A	ASSOCIATES	Ind-Swift Laboratories Ltd
B	KEY MANAGEMENT PERSONNEL AND THEIR RELATIVES	1. MR. S.R. MEHTA, CHAIRMAN 2. DR. G. MUNJAL, MANAGING DIRECTOR & CEO 3. DR. V.R. MEHTA, JT. MANAGING DIRECTOR 4. SH. N.R. MUNJAL, VICE CHAIRMAN 5. SH. HIMANSHU JAIN, DIRECTOR 6. SH. RISHAV MEHTA, DIRECTOR 7. MS. SIMRAT KAUR, COMPANY SECRETARY 8. MR. ARUN K. SETH, G.M. (F&A) designated as CFO
C	OTHERS (ENTITIES IN WHICH KMP OR THEIR RELATIVE IS DIRECTOR, OR KMP OR THEIR RELATIVE EXERCISES CONTROL)	1. ESSIX BIOSCIENCES LIMITED. 2. HALCYON LIFE SCIENCES PVT LIMITED. 3. FORTUNE INDIA CONSTRUCTION LIMITED. 4. MANSA PRINT & PUBLISHERS LIMITED. 5. SWIFT FUNDAMENTAL RESEARCH & EDUCATION SOCIETY. 6. 3M ADVERTISERS & PUBLISHERS LIMITED.. 7. PUNJAB RENEWABLE ENERGY PVT LIMITED. 8. B. M. COSMED PVT. LIMITED. 9. DASHMESH MEDICARE PRIVATE LIMITED 10. CONSUMMATE PHARMACEUTICALS PRIVATE LTD 11. INTEGRAL BUILDCON PRIVATE LIMITED 12. AKJ PORTFOLIOS PVT. LIMITED. 13. NRM PORTFOLIOS PVT LIMITED. 14. SRM PORTFOLIOS PVT LIMITED. 15. GM PORTFOLIOS PVT LIMITED. 16. VRM PORTFOLIOS PVT LIMITED. 17. VKM PORTFOLIOS PVT LIMITED.

Annexure 46'B'

I) Related Party Transaction

(Rs.in lacs)

NAME OF THE RELATED PARTY	Associates	
	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2016
Nature of Transaction		
Purchase of Goods/Services	1490.01	621.50
Sale of Goods/Services	172.24	888.69
Expenses	146.31	292.24
Debit Balance Outstanding as on 31.03.2017		
Loan & Advances	6281.75	6148.35
Investments	4512.33	4512.33
Credit Balance Outstanding as on 31.03.2017		
Share Application Money	0.00	668.10
Advance from Customers	45.75	23.45
Creditors	9646.59	8343.15
II) Key Management Personnel		
Remuneration	360.38	360.43
Advance to Directors	212.52	383.74

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Ind Swift Limited
Chandigarh

Report on the Financial Statements

We have audited the accompanying Consolidated financial statements of M/s **Ind Swift Ltd.** (hereinafter referred to as "the company") and its associate, M/s **Ind Swift Laboratories Ltd.** (hereinafter referred to as "the associate") which comprise the Consolidated Balance Sheet as at March 31, 2017, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these consolidated 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit of Ind Swift Limited, in accordance with auditing Standards specified under section 143(10) of the Companies Act 2013. 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 financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis of Qualified Opinion

1. The company has not provided interest on cash credit, term loans, working capital term loans and funded interest term loans with some banks since these banks have not charged interest on these accounts post such accounts becoming NPAs. The unaccounted interest liability in respect of the same for the financial year is Rs. 134.76 cr. (Refer Note No.36 of Notes to Accounts)

Had the provision for the same been made, the loss for the year and accumulated losses would have been higher by Rs. 134.76 cr.

INDEPENDENT AUDITOR'S REPORT

Our opinion is qualified in respect of above.

2. The company has not booked Accrued Interest on Fixed Deposit during the year for Rs. 245.90 Lacs as per the scheme approved by Company Law Board. (Refer Note No.35 (ii) of Notes to Accounts)

Had the provision for the same been made, the loss for the year and accumulated losses would have been higher by Rs. 245.90 lacs.

Our opinion is qualified in respect of above.

3. The management is in process of getting an impairment study done in respect of units where the activities have been suspended (refer note no. 41(ii) of notes to accounts). In view of this impairment loss in respect of these units have not been provided in accounts, being not ascertainable.

We are unable to comment on the resultant impact on the assets.

Our opinion is qualified in respect of above.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for the Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017 and its loss and its cash flow for the year ended on that date

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we further 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 Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;

For J.K. JAIN & ASSOCIATES
Chartered Accountants
(J.K. JAIN)

Place: Chandigarh
Date : 30.05.2017

Partner
M. No. : 083140
FRN: 004025N

CONSOLIDATED BALANCE SHEET

AS AT 31-03-2017

		(Rs.in Lacs)	
PARTICULARS	NOTE NO	AS AT 31-03-2017	AS AT 31-03-2016
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
a) Share Capital	1	2,503.29	2,426.94
b) Reserves and Surplus	2	(64,489.00)	(27,638.47)
Total (A)		(61,985.71)	(25,211.53)
Share Application Money Pending Allotment (B)		-	668.10
Non-Current Liabilities			
a) Long -term borrowings	3	66,476.99	67,165.24
b) Deffered Tax Liability (Net)	4	-	-
c) Other Long term Liabilities	5	480.86	563.86
d) Long term provisions	6	263.75	204.02
Total (C)		67,221.60	67,933.12
Current Liabilities			
a) Short-term borrowings	7	38,352.20	37,125.34
b) Trade Payables	8	16,175.99	17,538.15
c) Other Current Liabilities	9	6,210.71	7,429.63
Total (D)		60,738.90	62,093.12
GRAND TOTAL (A+B+C+D)		65,974.79	105,482.81
II. ASSETS			
Non-current assets			
a) Fixed Assets	10		
(i) Tangible Assets		31,468.86	34,429.34
(ii) Intangible assets		2,762.37	2,985.07
(iii) Capital Work in Progress		221.75	221.75
(iv) Intangible assets under Development		-	144.99
Total (E)		34,452.98	37,781.15
b) Non-current Investments	11	3,459.51	3,916.92
c) Long-term Loans and advances	12	1,278.71	1,631.22
d) Other non-current assets	13	-	989.00
Total (F)		4,738.22	6,537.14

CONSOLIDATED BALANCE SHEET

AS AT 31-03-2017

		(Rs.in Lacs)	
PARTICULARS	NOTE NO	AS AT 31-03-2017	AS AT 31-03-2016
CURRENT ASSETS			
Inventories	14	3,905.98	9,094.05
Trade Receivale	15	10,848.10	38,033.03
Cash and Cash equivalents	16	910.51	1,738.96
Short-term loans and advances	17	8,206.22	8,691.09
Other Current Assets	18	2,912.78	3,607.39
Total (G)		26,783.59	61,164.52
GRAND TOTAL (E+F+G)		65,974.79	105,482.81
SIGNIFICANT ACCOUNTING POLICIES			
NOTES ON FINANCIAL STATEMENTS			
	1-46		

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

S.R.MEHTA
Chairman

G.MUNJAL
Managing Director & CEO

J.K. JAIN
Partner
Membership No:083140

ARUN K. SETH
General Manager
(Finance & Accounts)

SIMRAT KAUR
Company Secretary

Place: Chandigarh
Date : 30.05.2017

CONSOLIDATED STATEMENT OF PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)	
PARTICULARS	NOTE NO	YEAR ENDED 31-03-2017	YEAR ENDED 31-03-2016
<u>INCOME</u>			
Revenue from operations	19	26,720.27	30,774.83
Other Income	20	1,092.93	1,250.50
TOTAL REVENUE (A)		27,813.20	32,025.33
<u>EXPENDITURE</u>			
Cost of Material Consumed	21	16,720.82	21,904.11
Changes in inventories of Finished Goods/W.I.P.	22	(393.02)	143.69
Employee Benefits Expenses	23	4,233.00	4,036.98
Financial Cost	24	1,631.59	1,896.79
Depreciation/Amortisation	10	3,573.22	3,635.15
Other Expenses	25	38,339.06	20,385.15
TOTAL EXPENSES (B)		64,104.67	52,001.87
Profit/Loss Before Tax (A-B)		(36,291.47)	(19,976.54)
Tax Expenses			
Provision for Tax		-	-
Mat Credit Entitlement		(89.35)	(17.46)
Provision for Defferred Tax (Net)		-	-
Profit (Loss) for the year		(36,380.82)	(19,994.00)
Share of Profit/ (Loss) from an Associates		(844.06)	(1,365.04)
Net Profit / Loss for the year		(37,224.88)	(21,359.04)
Basic Earning per Share		-68.73	-42.42
Diluted Earning per Share		-68.73	-42.42
Nominal Value per Share		2.00	2.00

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

S.R.MEHTA
Chairman

G.MUNJAL
Managing Director & CEO

J.K. JAIN
Partner
Membership No:083140

ARUN K. SETH
General Manager
(Finance & Accounts)

SIMRAT KAUR
Company Secretary

Place: Chandigarh
Date : 30.05.2017

CASH FLOW STATEMENT CONSOLIDATED

(Rs.in Lacs)

	Year ended on 31.03.2017	Year ended on 31.03.2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	(37135.53)	(21341.58)
Adjustment for Non Cash & Non Operating Items		
i) Misc. Expenditure Written off	989.00	1106.54
ii) Depreciation/Amortisation	3573.22	3635.15
iii) Interest Income	(14.90)	(16.63)
iv) Provision for doubtful debts/Debts Written off	25829.03	10165.25
v) Loss on Sale of Assets	0.91	0.00
vi) Provision for Leave Encashment	59.73	64.02
vii) Interest Paid	1526.34	2168.14
viii) Exchange Loss	105.24	(271.36)
Operating Profit before Working Capital Changes	(5066.96)	(4490.47)
Adjustment for Current Items		
i) Increase/ (Decrease) in current Liabilities	(2581.08)	(9959.60)
ii) (Increase)/Decrease in current Loan & Advances	837.37	(119.64)
iii) (Increase)/Decrease in Trade Receivable	1355.89	355.98
iv) (Increase)/Decrease in Inventory	5188.08	2242.66
v) (Increase)/Decrease in other current Assets	94.62	26.92
Cash Flow from Operating Activities before Taxes	(172.08)	(11944.15)
Net Operating Activities (A)	(172.08)	(11944.15)
B. Cash Flow from Investing Activities		
i) Interest Received	14.90	16.63
ii) Net Increase/Decrease in Investments	844.06	1365.04
iii) Net Purchase of Fixed Assets (Including Capital WIP)	(444.57)	(417.73)
Net Cash used in Investing activities (B)	414.39	963.94

CASH FLOW STATEMENT CONSOLIDATED

(Rs.in Lacs)

	Year ended on 31.03.2017	Year ended on 31.03.2016
C. Cash Flow from Financing Activities		
i) Interest Paid	(1526.34)	(2168.14)
ii) Increase in Unsecured Loans	(170.22)	(734.72)
iii) Increase in Security Deposit	(83.00)	(58.78)
iv) Increase in Secured Loans	708.80	13982.51
Net Cash Flow from Financing Activities (C)	(1070.76)	11020.87
Net increase in Cash or Cash Equivalents (A+B+C)	-828.45	40.66
Add : Opening Balance of Cash & Equivalents	1738.96	1698.30
Closing Balance of Cash & Cash Equivalents	910.51	1738.96

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For J.K. JAIN & ASSOCIATES
Chartered Accountants

S.R.MEHTA
Chairman

G.MUNJAL
Managing Director & CEO

J.K. JAIN
Partner
Membership No:083140

ARUN K. SETH
General Manager
(Finance & Accounts)

SIMRAT KAUR
Company Secretary

Place: Chandigarh
Date : 30.05.2017

SIGNIFICANT ACCOUNTING POLICIES

SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Preparation:

The Consolidated financial statements relate to Ind Swift Ltd (the company) and its associates Ind Swift Laboratories Ltd. The Company has Investment in associates Ind Swift Laboratories Ltd. The Company has consolidated its associate accounts as per the AS-23 "Accounting for Investment in associates in consolidated Financial Statements."

2. Principles of Consolidation:

Associates are entities over which the group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting as laid down under AS-23 "Accounting for Investment in associates in consolidated Financial statements. The investment is initially recognized at Cost and carrying amount is increased or decreased to recognize the investor share of the profit or loss of the investee after the acquisition date. The group investment of associates include goodwill identified on acquisition.

3. Use of Estimates

The presentation of Consolidated 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

In relation to the company

- (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 useful life method of depreciation as per the useful life specified in part C of Schedule II of the Companies Act 2013.
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:-

In relation to the company

- (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

In relation to the company

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.

SIGNIFICANT ACCOUNTING POLICIES

7. Revenue Recognition

In relation to the company

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 and trade discount

8. Foreign Exchange Transactions

In relation to the company

- (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 up during 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:

In relation to the company

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:

In relation to the company

- (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:

In relation to the Company

- (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.

SIGNIFICANT ACCOUNTING POLICIES

- (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

In relation to the company

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

In relation to the company

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

In relation to the company

- (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

In relation to the company

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 an 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

In relation to the company

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. Trade Receivable

In relation to the company

Sundry debtors outstanding for more than three years and other debtors outstanding for less than three years but are doubtful of recovery at the balance sheet date will be written off/provided in the books of accounts except those debtors pertaining to related parties and disputed debtors having matter pending before different courts.

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

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
PARTICULARS	AS AT	AS AT
	31-03-2017	31-03-2016
NO-'1'		
SHARE HOLDER'S FUNDS		
SHARE CAPITAL		
AUTHORISED		
7,50,00,000 (Previous Year 7,50,00,000)	1,500.00	1,500.00
Equity Shares of Rs. 2/- Each		
25,00,000 (Previous Year 25,00,000) Cumulative	2,500.00	2,500.00
Preference Share of Rs. 100/- Each		
	4,000.00	4,000.00
ISSUED, SUBSCRIBED & PAID UP		
5,41,64,653 Equity Shares (Previous Year 5,03,46,941)		
of Rs.2/- Each Fully Paid up in Cash	1,083.29	1,006.94
14,20,000 Cumulative Redeemable Preference Shares		
(Previous Year 14,20,000) of Rs.100/- each Fully Paid	1,420.00	1,420.00
	2,503.29	2,426.94

1.1 Reconciliation of Equity & Pref. Shares as on 31.03.17

Particulars	2016-17 No of Shares		2015-16 No of Shares	
	Equity	Preference	Equity	Preference
Opening Balance	50346941	1420000	50346941	1420000
Add: No of Shares Issued	3817712	Nil	Nil	Nil
Closing Balance	54164653	1420000	50346941	1420000

1.2. No. of shareholders holding 5% or more of share capital

Name Of Shareholder	As on 31-03-2017		As on 31-03-2016	
	No. of Shares	%	No. of Shares	%
Essix Biosciences Limited	9215721	17.01%	9215721	18.30

1.3 The Preference 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.

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)	
PARTICULARS	AS AT 31-03-2017	AS AT 31-03-2016	
NO-'2'			
RESERVES & SURPLUS			
Opening Balance :	10951.44	10181.80	
Add: Share of profit of associates for earlier years -	-	400.82	
Add: Adjustment of associates due change in equity			
Interest and revaluation reserve	386.65	368.82	
Less: Amount declared Under I.Tax			
Search in Previous Years	600.00	-	
General Reserve	10738.09	10951.44	
Capital Reserve			
Opening Balance:	406.22		
Less: Amortised during the year:	4.04		
	402.18	406.22	
Securities Premium	7,107.97	6,516.23	
Surplus in Profit & Loss Account			
Profit b/f from previous year	(45,512.36)	(24153.32)	
Add: Current Year Profit/Loss	(37,224.88)	(21359)	
	(82,737.24)	(45,512.36)	
	(64,489.00)	(27,638.47)	
NO -'3'			
LONG TERM BORROWINGS			
(a) SECURED LOANS			
(i) From Banks/Asset Reconstruction Companies (ARC)	60,187.25	60401.63	
(ii) From Financial Institutions/ Asset Reconstruction Companies (ARC)	4,270.12	4302.36	
	64,457.37	64703.99	

- 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 are secured by way of subservient charge over entire current assets of the company.
- 3.2 Since the Company is unable to repay the instalments and Banks have exited from the CDR mechanism, the instalments due and falling due in next twelve months have not been segregated as current liability. The entire loan amount has been shown as long term liability except loan accounts which are being repaid as per repayment schedule.

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
PARTICULARS	AS AT 31-03-2017	AS AT 31-03-2016
(b) UNSECURED LOANS		
Fixed Deposit from Public	2,019.62	2,461.25
	2,019.62	2,461.25
NO -'4'	Amount	Amount
Deferred Tax Liability (Net)	(Rs.in Lacs)	(Rs.in Lacs)
	2016-17	2015-16
Opening Deferred Tax Liability	0.00	0.00
Less: Deferred tax on old Depreciation	0.00	0.00
Less: Dererred tax Asset	0.00	0.00
	-	0.00
NO -'5'		
OTHER LONG TERM LIABILITIES		
Security Deposit Customers/Stockists	480.86	563.86
NOTE NO -'6'		
LONG TERM PROVISIONS		
Provision for Employee Benefits	263.75	204.02
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 LOANS		
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 (Consumbale 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/ Asset Reconstruction Companies (ARC) 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.	35,954.91	34,999.47
	35,954.91	34,999.47
(ii) UNSECURED LOANS		
SHORT TERM BORROWINGS		
From Banks	171.98	323.80
From Financial Institution	1,258.19	1,051.55
Fixed Deposit from Public	967.12	750.52
	2,397.29	2,125.87
NO -'8'		
TRADE PAYABLES		
Trade Payables	7,298.85	9,942.13
Trade Payables (Related Party)	8,877.14	7,596.02
	16,175.99	17,538.15

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)	
PARTICULARS		AS AT 31-03-2017	AS AT 31-03-2016
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.		
	<u>NO -'9'</u>		
	<u>OTHER CURRENT LIABILITIES</u>		
	Intt. Accrued But not Due	1,189.63	1,212.45
	Advance from Customers	194.94	776.15
	Other Payable	4,820.48	5,048.74
	Current Maturties of Long Term Debts	-	381.00
	Current Maturties of Vehicle Loan	-	2.95
	UnClaimed Dividend	5.66	8.34
		6,210.71	7,429.63
9.1	The Unclaimed Dividend Payable does not include any amount to be credited to investor education and protection Fund.		
	<u>NO -'11'</u>		
	<u>NON-CURRENT INVESTMENTS (AT COST)</u>		
(a)	<u>Investment in Equity Instrument of Associated Companies</u>		
	Value of investment in Associated companies		
	M/s Ind Swift Laboratories Ltd	3,410.12	4406.34
	(Including Goodwill/Reserve Rs. Nil)		
	Add Share of Profit	(844.06)	(1365.04)
	Adjustment due to change in proportionate interest in equity and adjustment in revaluation reserve of associates	386.65	368.82
		2,952.71	3,410.12
(b)	<u>Other Investments</u>		
	2000000 (Previous Year 2000000) Equity Shares of Fortune India Construction Ltd	200.00	200.00
	300000 {Previous Year 300000} Equity Shares of Essix Biosciences Ltd.	300.00	300.00
	67950(Previous Year 67950) Equity Shares of Mansa Print & Publisher Ltd @Rs.10/- Per Share	6.80	6.80
		3,459.51	3916.92
11.1	Total Cost of Quoted Investment is Rs. 4005.53 Lacs(Market Value Rs.3144.41Lacs) and Unquoted Investment is Rs. 506.80 Lacs		
11.2	The shares of Ind Swift Laboratories Ltd are pledged to Banks as per the sanctioned Corporate Debts Restructuring Scheme of Ind Swift Laboratories Ltd.		
11.3	Ind Swift Laboratories Ltd is Associate Company.		
11.4	Essix Biosciences Ltd, Fortune India Construction Ltd and Mansa Print & Publishers Ltd are Related Parties.		

NO-10 CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2017													
NOTE OF FIXED ASSETS AS ON 31/03/2017													
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				(Rs. in Lacs) N E T B L O C K			
		BALANCE	ADDITIONS/ TRSF	SALE/ TRANSFER/	IMPAIRMENT	AS ON	AS ON	DURING THE YEAR	ON ASSETS SOLD	TOTAL	AS ON	AS ON	AS ON
		AS ON	DURING THE YEAR		OF ASSETS	31/03/2017	31/03/2016			DEPRECIATION	31/03/2017	31/03/2016	31/03/2016
		01/04/2016								UPTO 31/03/2017			
(A)	TANGIBLE ASSETS												
1	LAND	694.53	0.00	0.00	0.00	694.53	0.00	0.00	0.00	0.00	694.53	694.53	694.53
2	LEASEHOLD LAND	34.99	0.00	0.00	0.00	34.99	20.20	0.22	0.00	20.42	14.57	14.80	14.80
3	BUILDING	13023.40	2.05	0.00	0.00	13025.45	2605.51	414.78	0.00	3020.29	10005.16	10417.89	10417.89
4	PLANT & EQUIPMENT	30261.16	124.93	0.00	148.06	30238.03	9111.08	2175.16	0.00	11286.24	18951.79	21150.08	21150.08
5	FURNITURE & FIXTURE	697.51	3.69	0.00	0.00	701.20	435.48	72.67	0.00	508.15	193.05	262.03	262.03
6	VEHICLES	1058.65	0.00	7.29	0.00	1051.36	780.32	68.97	4.18	845.11	206.25	278.32	278.32
7	OFFICE EQUIPMENT	899.44	56.74	0.00	0.00	956.18	828.39	26.56	0.00	854.94	101.24	71.05	71.05
8	MISC FIXED ASSETS	2386.17	35.44	0.00	0.00	2421.61	1201.45	263.67	0.00	1465.12	956.49	1184.72	1184.72
9	BUILDING (R&D)	58.56	0.00	0.00	0.00	58.56	31.62	2.30	0.00	33.91	24.65	26.95	26.95
10	FURNITURE & FIXTURE (R&D)	31.07	0.00	0.00	0.00	31.07	24.04	1.30	0.00	25.34	5.72	7.02	7.02
11	EQUIPMENT (R&D)	1279.98	0.00	0.00	0.00	1279.98	1192.66	6.54	0.00	1199.21	80.77	87.32	87.32
12	LAND (R&D)	234.63	0.00	0.00	0.00	234.63			0.00	0.00	234.63	234.63	234.63
(B)	INTANGIBLE ASSETS												
1	PATENT & TRADE MARK	47.40	0.00	0.00	0.00	47.40	35.75	0.00	0.00	35.75	11.65	11.66	11.66
2	PRODUCT TECHNOLOGY	4554.29	318.36	0.00	0.00	4872.65	2802.21	341.78	0.00	3143.99	1728.66	1752.08	1752.08
3	SOFTWARE	1990.10	0.00	0.00	0.00	1990.10	768.76	199.28	0.00	968.04	1022.06	1221.34	1221.34
TOTAL	TOTAL	57251.88	541.21	7.29	148.06	57637.74	19837.47	3573.22	4.18	23406.51	34231.23	37414.41	37414.41
TOTAL: P/Y (31/03/2016)		56567.90	687.96	3.98	0.00	57251.88	16202.32	3635.15	0.00	19837.47	37414.41	40365.58	40365.58

(C)	INTANGIBLE ASSETS UNDER DEVELOPMENT			
Particulars	Opening Bal.	Addition	Capitalised	Closing Bal.
PRODUCT TECHNOLOGY	144.99	0.00	144.99	0.00
TOTAL: P/Y (31/03/2016)	167.49	144.99	167.49	144.99

(D)	CAPITAL WORK IN PROGRESS			
Particulars	Opening Bal.	Addition	Capitalised	Closing Bal.
CAPITAL WORK IN PROGRESS	221.75	0.00	0.00	221.75
TOTAL: P/Y (31/03/2016)	221.75	0.00	0.00	221.75

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

11.2 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:

	(Rs.in Lacs)
Net Addition during the year	173.37

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

PARTICULARS	(Rs.in Lacs)	
	AS AT 31-03-2017	AS AT 31-03-2016
<u>NO - '12'</u>		
<u>LONG TERM LOANS & ADVANCES</u>		
(Unsecured but considered good)		
Advance against Capital Goods	508.43	1,078.00
Security Deposits	174.02	169.48
Advance to KMP	596.26	383.74
	1,278.71	1,631.22
<u>NO - '13'</u>		
<u>OTHER NON CURRENT ASSETS</u>		
(To the extent not written off/adjusted)		
Seed Marketing Expenses	-	988.07
Software Development Expenses	-	0.93
	-	989.00
<u>NO - '14'</u>		
<u>CURRENT ASSETS</u>		
<u>INVENTORIES</u>		
(As taken, valued & certified by the Management)		
Raw Material	2,348.31	4,553.81
Work- in- Progress	612.07	496.45
Finished Goods	848.42	3,884.31
Consumables	56.19	125.66
Material in transit	40.99	33.82
	3,905.98	9,094.05
14.1 The Inventories are valued as per method described in Significant accounting policies		
<u>NO - '15'</u>		
<u>TRADE RECEIVABLES</u>		
Debtors Outstanding for a Period Exceeding Six Months.		
Considered good	5,397.89	30,056.49
Considered doubtful	5,703.35	10,165.25
	5,450.21	7,976.54
Other Debts		
(Unsecured but considered good by the management)	16,551.45	48,198.28
Less: Provision for Doubtful Debts	5,703.35	10,165.25
	10,848.10	38,033.03

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
	AS AT	AS AT
PARTICULARS	31-03-2017	31-03-2016
<u>NO - '16'</u>		
<u>CASH & CASH EQUIVALENTS</u>		
Balance with Banks	268.01	178.71
Cash in Hand	6.29	538.81
Others (Imprest)	589.65	921.06
Fixed Deposits with Banks	46.56	100.38
	910.51	1,738.96
16.1	Fixed Deposits with banks are Rs.46.56 Lacs (Previous Year Rs. 100.38 Lacs) out of which Rs. 46.49 Lacs (Previous Year Rs. 100.31 Lacs) are Pledged as margin money with banks.	
16.2	Balance with Banks includes Balance on account of unpaid dividend of Rs. 5.66 Lacs(Previous Year Rs. 8.34 Lacs)	
16.3	During the period the Company has Transferred a sum of Rs. 2.67 Lacs to Investor Education and Protection Fund on account of Unclaimed dividend for Financial Year 2008-09 (Previous Year Rs. 4.65 Lacs)	
<u>NO - '17'</u>		
<u>SHORT TERM LOANS & ADVANCES</u>		
(Unsecured but considered good by the management)		
Advances Recoverable in Cash Or		
In Kind Or For Value to be Received	1,919.84	2,543.29
Advances to Related Parties	6,286.38	6,147.80
	8,206.22	8,691.09
17.1	Interest on Advance to Related Party Swift Fundamental Research & Education Society has not been provided in the accounts.	
<u>NO - '18'</u>		
<u>OTHER CURRENT ASSETS</u>		
Mat Credit Entitelment	2,193.66	2,283.01
Advance Income Tax /TDS	22.15	19.30
Prepaid Expenses	22.02	21.01
Others	674.95	1,284.07
	2,912.78	3,607.39
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.	

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)	
PARTICULARS		YEAR ENDED 31-03-2017	YEAR ENDED 31-03-2016
NO - '19'			
Revenue from Operations			
Sale of Products		26,531.34	30,548.72
Net Sale of Products		26,531.34	30,548.72
Technology Transfer Fee		188.93	226.11
		26,720.27	30,774.83
NO - '20'			
Other Income			
Interest on FDR		5.19	13.89
Interest Received		9.71	2.74
Sundry Balances written Back		965.29	1,017.24
Other Income		112.74	216.63
		1,092.93	1,250.50
NO - '21'			
COST OF MATERIAL CONSUMED/SOLD			
Opening Stock		4,679.47	6,777.75
Purchase		16,217.52	21,354.90
		20,896.99	28,132.65
Less :Spoilage & Expiry		1,496.57	1,399.43
Less: Sale of Licenses		275.10	149.64
Less :Closing Stock		2,404.50	4,679.47
TOTAL	(A)	16,720.82	21,904.11
21.1 Cost of Materials Consumed			
Raw Material		AS AT 31-03-2017	AS AT 31-03-2016
		Amount	Amount
		(Rs in Lacs)	(Rs in Lacs)
		%	%
Imported		940.85	763.05
		5.63	3.48
Indigenous		15779.97	21141.06
		94.37	96.52
NO - '22'			
INCREASE/(DECREASE) IN INVENTORY			
OPENING STOCK			
Work-in-Progress		496.45	638.79
Finished Goods		3,884.31	3,905.17
Less: Spoilage & Expiry/ Written off		3,313.29	19.51
		1,067.47	4,524.45
CLOSING STOCK			
Work-in-Progress		612.07	496.45
Finished Goods		848.42	3,884.31
		1,460.49	4,380.76
TOTAL	(B)	393.02	(143.69)
TOTAL	(A-B)	16,327.80	22,047.80

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
	YEAR ENDED	YEAR ENDED
PARTICULARS	31-03-2017	31-03-2016
<u>NO '23'</u>		
<u>EMPLOYEE BENEFIT EXPENSES</u>		
Director Remuneration	360.00	360.00
Salary & Wages	3,600.55	3,421.74
P.F & Other Funds	201.67	192.09
Staff Welfare	65.50	62.98
Contribution To Gratuity	5.28	0.17
	4,233.00	4,036.98
<u>NO -'24'</u>		
<u>FINANCE COST</u>		
Interest Expenses	1,495.22	2,121.67
Other Borrowing Cost	31.13	46.48
Exchange Fluctuation Expenses	105.24	(271.36)
	1,631.59	1,896.79
<u>NO -'25'</u>		
<u>OTHER EXPESNES</u>		
<u>MANUFACTURING EXPENSES</u>		
Power, Fuel & Water Charges	1,023.27	1,065.17
Repair & Maint. -Machinery	96.66	110.92
Repair & Maint. -Building	8.19	27.18
Stock Written off/Loss of Stock Destruction	1,479.97	1,392.30
Service Charges	403.17	398.25
Insurance Charges	4.53	3.49
Staff Liveries	0.23	1.44
Lab Expenses/ETP Expenses	8.39	8.49
Other Manufacturing Expenses	86.51	76.37
	3,110.92	3,083.61

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
PARTICULARS	YEAR ENDED 31-03-2017	YEAR ENDED 31-03-2016
<u>ADMINISTRATIVE EXPENSES</u>		
Travelling & Conveyance	447.13	417.73
Audit Fees	12.65	12.60
Rent	45.83	65.52
Rates & Taxes	30.17	16.43
Telephone & Postage	61.15	55.82
Consumables	1.25	14.13
Repair & Maint.-Others	31.85	38.76
Electricity & Power	19.32	24.33
Insurance Charges	40.18	60.60
Sundry Balances/Debts Written off	21,262.93	336.57
Professional & Legal Exp.	775.83	131.16
Printing & Stationery	38.91	49.48
Loss on Sale of Assets	0.91	-
Impairment of Assets	148.06	-
Security Expenses	65.20	65.75
Corporate & Other Administrative Expenses	209.34	265.51
	23,190.71	1,554.39
<u>SELLING & DISTRIBUTION EXPENSES</u>		
Excise Duty	414.78	341.54
Commission to C & F Agents	66.85	74.41
Travelling Expenses	449.83	446.90
Provision for Doubtful Debts	5,703.35	10,165.25
Breakage & Expiry/Stock Destruction	3,380.32	2,651.82
Transportation Charges	542.97	563.90
Sales Promotion	200.88	230.72
Depot/Stockist Expenses	51.01	85.08
Other Selling Expenses	31.15	25.45
	10,841.14	14,585.07

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

		(Rs.in Lacs)
	YEAR ENDED	YEAR ENDED
PARTICULARS	31-03-2017	31-03-2016
<u>RESEARCH & DEVELOPMENT EXP.</u>		
Salary & Wages (R&D)	150.38	40.78
Consumables	16.14	6.87
Other Administrative Expenses	40.77	7.89
	207.29	55.54
<u>MISC. EXPENDITURE WRITTEN OFF</u>		
Seed Marketing Expenditure	988.07	1,106.08
Software Development Expenses	0.93	0.46
	989.00	1,106.54

25.1 Expenses includes Rs.40.50 Lacs (P/Y Rs. 17.57Lacs) as expenses relating to previous years.

25.2 Company has provided remuneration to Directors in excess of the limits prescribed in schedule V of Companies Act, 2013. However Company is in process of obtaining the approval from Central Government in this regard as required in schedule V of Companies Act, 2013

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

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	2016-17	2015-16
FOB Value of Export	11881.65	9868.00
Technology Transfer Fees	188.93	226.11

b) Expenditure in Foreign Currency		(Rs.in Lacs)
Particulars	2016-17	2015-16
Tours & Travels	101.72	100.71

c) Value of imports calculated on CIF Basis:		(Rs.in Lacs)
Particulars	2016-17	2015-16
Raw Material	935.05	750.66
Packing Material /Consumables	5.79	12.39
Finished Goods	Nil	93.21
Equipments	Nil	68.94

d) Auditor's Remuneration:		(Rs.in Lacs)
Particulars	2016-17	2015-16
Audit Fee	Rs. 12.65	Rs.12.60

28. Contingent liabilities outstanding as on 31.03.2017 are as under:

a) Foreign Letter of Credit/Inland Letter of Credit/Bank Guarantee issued by Bankers:		(Rs.in Lacs)
Particulars	2016-17	2015-16
BG	16.01	35.29

- b) Arrears of Cumulative Dividend on cumulative Redeemable Preference Shares amounting to Rs.85.20Lacs Previous year (71.00Lacs).
- c) In respect of Income Tax matters pending before appellate authorities/Tribunal/High Courts which the Company expects to succeed, based on decisions of Tribunals/Courts there is contingent liability amounting to Rs.447.93 Lacs.
- d) In respect of Sale Tax matters pending before appellate authorities/Tribunal/High Courts which the Company expects to succeed, based on decisions of Tribunals/Courts there is contingent liability amounting to Rs.846.25 Lacs.
- e) In respect of Service Tax matters pending before appellate authorities/Tribunal which the Company expects to succeed, based on decisions of Tribunals/Courts. There is contingent liability amounting to Rs.183.82 Lacs.
- f) In respect of Central Excise matters pending before appellate authorities/Tribunal which the Company expects to succeed, based on decisions of Tribunals/Courts. There is contingent liability amounting to Rs.1401.63 Lacs.

- 29. (i) Debtors outstanding as on date of balance sheet aggregating to Rs. 94.64 crores are overdue out of total debtors of Rs. 165.51 crores. Such debtor parties are creating disputes regarding quality/prices of materials/near expiry of goods supplied to them. The company is regularly following with these parties for recovery and also through appropriate legal measures. However as a matter of prudence a provision of Rs 57.03 crores has been made in accounts against such debtors which are doubtful of recovery during the financial year as per the company's policy.

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

- (ii) Debtors amounting to Rs. 201.26 crores has been written off by the company during the year, being considered doubtful of recovery, as per company's policy
30. (i) Loss for the year has increased by Rs.1479.96 lacs being the stocks written off by the company on account of expired/spoilage of stocks of raw material which was identified by the management during the financial year, being not realizable in normal course of business.
- (ii) Loss for the year has increased by Rs3380.32 lacs being the stock of finished goods written off on account of breakage/expiry which was identified by the management during the year.
- (iii) Further the management has also identified stocks of finished goods/raw material worth Rs. 338.43 Lacs as slow moving/non moving stocks which has not been written off during the financial year. However the value of such stock has been taken at realizable value.
31. As the accumulated losses exceeded net worth of the company as on 31.03.2015, the company filed reference with BIFR under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985 during the year 2015-16. As the Sick Industrial Companies (Special Provisions) act 1985 has been repealed by the Central Govt. w.e.f 01.12.16, the proceedings pending before BIFR stands abated.
32. 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 as laid by AS 26 issued by institute of Chartered Accountant of India on Intangible Assets. 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	0.48
c)	Product Technology Exp.- Other Units	172.89
d)	Debited to Profit & Loss Account as per note no 25	207.30
e)	Depreciation / Amortisation-Panchkula	150.69

The Depreciation/Amortisation related to Research & development are clubbed under respective heads in profit & loss account.

In previous year the revenue expenditure incurred for R&D activities at Panchkula unit which is recognized with DSIR are shown as follows:

	Under Profit & Loss	Product Technology Under development	Total Revenue Expenditure
F.Y.2015-16	55.54lacs	144.99 lacs	200.53 lacs

33. 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.

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

Secondary Segment (By Geographical Segment)

		(Rs.in Lacs)	(Rs. in Lacs)
S.No.	Particulars	31.03.2017	31.03.2016
(a)	Domestic	14649.69	20292.52
(b)	Export	11881.65	9914.66
	Total Sales	26531.34	30207.18

34. The debts of the company including interest were restructured by the corporate debt restructuring cell w.e.f 01.07.2012 under the aegis of Corporate Debt Restructuring Scheme. However due to non compliance of some of the terms and condition of CDR package, the lenders have exited from the CDR mechanism vide letter date 27.01.2016 of CDR-EG cell.
35. (i) The fixed deposits of the company has been restructured by the Company Law Board vide its order dated 30.09.2013 in view of petition CP No, 27.02.2013 filed by the company. As per the scheme approved by the Company Law Board the fixed deposits are now repayable over a period of one to five years from the date of maturity. The effect of rechedulement of fixed deposits has been incorporated in Balance Sheet as per the approved scheme. However during the year the company has again filed application with National Company Law Tribunal (NCLT) to again restructure the repayment schedule of fixed deposits as the company is finding it difficult to make the repayment due to liquidity problem. The matter is sub judice with NCLT.
- (ii) Interest Accrued on fixed deposit during the year for Rs.245.90 lacs has not been provided in accounts as the same is payable to fixed deposit holders at the time of maturity of fixed deposits as per the scheme approved by Company Law Board as mentioned above.
36. In view of the financial crisis being faced by the company, Company is finding difficulties in making payment of dues to the banks/financial institutions i.e. interest and installments in terms of the CDR package approved by CDR EG vide letter dated 27.12.2012 (CDR scheme withdrawn vide CDR-EG letter dated 27.01.2016).. Hence, accounts pertaining to Cash Credit (CC), Term Loans (TL), Working Capital Term Loans (WCTL), Funded Interest Term Loans (FITL) with the banks have been declared as NPAs by respective banks due to non-payment of dues on time. Some of the banks have not charged interest on CC,TL, WCTL & FITL accounts post such accounts becoming NPAs. The accrued liability on account of the same amounting to Rs.134.76 Crore. (Previous Year 111.21 Crore) has not been provided in the books of accounts.
37. During the year some of the banks have assigned their debts to Edelweiss Asset Reconstruction Company.
38. Some of the Banks/ Asset Reconstruction Companies have not provided statements of account of the company. The Balance of Such Banks/Asset Reconstruction Company have been accounted for as per the balance available in the books of accounts of the company and these balances are subject to reconciliation.
39. Since the company is incurring losses and there is no virtual certainty regarding availability of any future taxable profits in coming financial years, as such in accordance with AS22 (Accounting for Taxes) the company has not recognized deferred tax asset.
40. Advance to KMP include Rs. 596.26 lacs (P/Y 383.74Lacs) due from directors of the company. Maximum balance outstanding during the year is Rs 596.26 lacs (P/Y 383.74Lacs).
41. (i). During the year the Company has provided impairment loss of its Dairy unit for Rs. 148.06 lacs in the books of accounts.
- (ii). Due to Suspension of activities at Unit I, and II at Parwanoo (H.P) since March 2014, There are indication which suggest impairment as per AS-28 issued by ICAI in the value of fixed assets being plant & machinery and other fixed assets of the Company. The management is in the process of getting an impairment study done and this financial impact of the impairment loss, if any, will be accounted for at the material time, when the impairment study will be completed.

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

42. Balance of Debtors, Creditors and Loan & Advances are subject to Confirmation.

43. Remittance in Foreign Currency on Account of Dividend:

No Remittance in Foreign Currency on account of dividend was paid during the year 2016-17.

44. Earning Per Share (EPS)

(a) Basic EPS

S. NO.	Particulars	2016-17 (Rs. In lacs)	2015-16 (Rs. In lacs)
i)	Profit/Loss after tax (Attributable to ordinary shareholders)	-37224.88	-21359.04
ii)	Weighted Average number of ordinary Shares (for Basic EPS)	54164653 Nos.	50346941 Nos.
iii)	Basic EPS/Share of Rs.2/-	Rs.-68.73	Rs.-42.42
iv)	Diluted EPS/Share of Rs.2/-	Rs. -68.73	Rs.-42.42

45. Detail of Specified Bank notes from 08.11.2016 to 30.12.2016

	SBNs	Otherdenomination notes	Total
Closing cash in hand as on 08.11.2016	-	369624.00	369624.00
(+) Permitted receipt	-	2862085.00	2862085.00
(-) Permitted Payments	-	2775140.00	2775140.00
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	456569.00	456569.00

46. Related Party Disclosure

(a) List of related parties & their relationship – **As per annexure- 'A'**

(b) Related party transactions. – **As per annexure- 'B'**

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For J.K. JAIN & ASSOCIATES

Chartered Accountants

S.R.MEHTA

Chairman

G.MUNJAL

Managing Director & CEO

J.K. JAIN

Partner

Membership No:083140

ARUN K. SETH

General Manager

(Finance & Accounts)

SIMRAT KAUR

Company Secretary

Place: Chandigarh

Date : 30.05.2017

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2017

ANNEXURE TO THE NOTES ON ACCOUNTS

ANNEXURE – '46 A'

RELATED PARTY DISCLOSURES

LIST OF RELATED PARTIES AND RELATIONSHIPS

S.NO.	RELATIONSHIP	NAME OF PARTY
A	KEY MANAGEMENT PERSONNEL AND THEIR RELATIVES	1. MR. S.R. MEHTA, CHAIRMAN 2. DR. G. MUNJAL, MANAGING DIRECTOR & CEO 3. DR. V.R.MEHTA, JT. MANAGING DIRECTOR 4. SH. N.R. MUNJAL, VICE CHAIRMAN 5. SH. HIMANSHU JAIN, DIRECTOR 6. SH. RISHAV MEHTA, DIRECTOR 7. MS. SIMRAT KAUR , COMPANY SECRETARY 8. MR. ARUN K. SETH, G.M. (F&A) designated as CFO
B	OTHERS (ENTITIES IN WHICH KMP OR THEIR RELATIVE IS DIRECTOR, OR KMP OR THEIR RELATIVE EXERCISES CONTROL)	1. ESSIX BIOSCIENCES LIMITED. 2. HALCYON LIFE SCIENCES PVT LIMITED. 3. FORTUNE INDIA CONSTRUCTION LIMITED. 4. MANSA PRINT & PUBLISHERS LIMITED. 5. SWIFT FUNDAMENTAL RESEARCH & EDUCATION SOCIETY. 6. 3M ADVERTISERS & PUBLISHERS LIMITED.. 7. PUNJAB RENEWABLE ENERGY PVT LIMITED. 8. B. M. COSMED PVT. LIMITED. 9. DASHMESH MEDICARE PRIVATE LIMITED 10. CONSUMMATE PHARMACEUTICALS PRIVATE LTD 11. INTEGRAL BUILDCON PRIVATE LIMITED 12. AKJ PORTFOLIOS PVT. LIMITED. 13. NRM PORTFOLIOS PVT LIMITED. 14. SRM PORTFOLIOS PVT LIMITED. 15. GM PORTFOLIOS PVT LIMITED. 16. VRM PORTFOLIOS PVT LIMITED. 17. VKM PORTFOLIOS PVT LIMITED.

Annexure 46'B'

I) Consolidated Related Party Transaction

(Rs.in lacs)

NAME OF THE RELATED PARTY	Associates	
	FOR THE YEAR ENDED 31.03.2017	FOR THE YEAR ENDED 31.03.2016
Nature of Transaction		
Purchase of Goods/Services	259.86	565.40
Sale of Goods/Services	170.98	291.79
Expenses	2.05	14.95
Debit Balance Outstanding as on 31.03.2017		
Loan & Advances	6281.75	6148.35
Investments	506.80	506.80
Credit Balance Outstanding as on 31.03.2017		
Share Application Money	0.00	668.10
Advance from Customers	45.75	23.45
Creditors	871.43	755.91
II) Key Management Personnel		
Remmuneration	360.38	360.43
Advance to Directors	212.52	383.74

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the members of Ind-Swift Limited will be held on Tuesday, the 26th September 2017 at 1:00 P.M. at PHD House, Sector 31, Chandigarh to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March, 2017, Statement of Profit and Loss for the year ended 31st March, 2017 and the reports of Directors and Auditors thereupon.
2. To appoint Director in place of Sh Sanjeev Rai Mehta (DIN No. 00005668) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Sh Rishav Mehta (DIN No. 0302863) who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, M/s Jain & Associates, Chartered Accountants (Firm Registration No. 001361N), be and are hereby appointed as the Statutory Auditors of the Company (in place of M/s J K Jain & Associates, Chartered Accountants, the retiring Statutory Auditors), for the term of five consecutive years to hold office from the conclusion of 31st Annual General Meeting until the conclusion of 36th Annual General Meeting of the Company to be held in calendar year 2022, subject to annual ratification by members at every Annual General Meeting on such remuneration as may be decided by the Audit Committee/Board of Directors.

RESOLVED FURTHER THAT the first year of audit by M/s Jain & Associates shall be for the financial year 2017-18 which will include the audit of the quarterly financial statement for the year. All acts, deeds and things done by the new auditors pursuant to its appointment by the Board be and is hereby ratified."

SPECIAL BUSINESS:-

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

"RESOLVED THAT Sh S C Galhotra (DIN: 07205416) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31st December, 2016 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act"), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 31st December, 2016, to hold office upto 30th December, 2021, not liable to retire by rotation."

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

"RESOLVED THAT Dr J K Kakkar (DIN: 00015493) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 13th May, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act"), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the

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Company for a period of five years with effect from 13th May, 2017, to hold office upto 12th May, 2022, not liable to retire by rotation."

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

"RESOLVED THAT Ms Anoop Michra (DIN: 07813108) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 06th May, 2017 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act"), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as an Independent Women Director of the Company for a period of five years with effect from 06th May, 2017, to hold office upto 05th May, 2022, not liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s V. Kumar & Associates, Cost Accountants, having Firm Registration No. 100137, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2017-18, amounting to Rs. 2 lakhs (Rupees Two Lakhs only) per annum plus GST as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed."

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

"RESOLVED THAT pursuant to the provisions of Section 196,197,198,200 & 201, Schedule V of The Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval of the Central Government and subject to all such approvals as may be required, the consent of the Company be and is hereby accorded for waiver of excess amount of remuneration already paid/ provided for in the books to Dr Gopal Munjal, Whole Time Director of the company designated as Managing director & CEO as set out in the Explanatory statement during the financial years 2014-2015, 2015-2016, 2016-17 and 2017-18 in excess of the limits prescribed in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Company Secretary of the Company be and is hereby authorized to make necessary application to the Central Government pursuant to this resolution and to do all such acts, deeds and things as may be required to be done in this regard."

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

"RESOLVED THAT pursuant to the provisions of Section 196,197,198,200 & 201, Schedule V of The Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval of the Central Government and subject to all such approvals as may be required, the consent of the Company be and is hereby accorded for waiver of excess amount of remuneration already paid/ provided for in the books to Sh Sanjeev Rai Mehta, Whole Time Director of the company designated as Chairman as set out in the Explanatory statement during

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the financial years 2014-2015, 2015-2016, 2016-17 and 2017-18 in excess of the limits prescribed in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Company Secretary of the Company be and is hereby authorized to make necessary application to the Central Government pursuant to this resolution and to do all such acts, deeds and things as may be required to be done in this regard including making of representation before the Central Government."

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

"RESOLVED THAT pursuant to the provisions of Section 196,197,198,200 & 201, Schedule V of The Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to the approval of the Central Government and subject to all such approvals as may be required, the consent of the Company be and is hereby accorded for waiver of excess amount of remuneration already paid/ provided for in the books to Dr Vikrant Rai Mehta, Whole Time Director of the company designated as Joint Managing Director as set out in the Explanatory statement during the financial years 2014-2015, 2015-2016, 2016-17 and 2017-18 in excess of the limits prescribed in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Company Secretary of the Company be and is hereby authorized to make necessary application to the Central Government pursuant to this resolution and to do all such acts, deeds and things as may be required to be done in this regard including making of representation before the Central Government."

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

"RESOLVED THAT pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), and the Rules framed thereunder including any statutory modification or re-enactment thereof for the time being in force, and such other approvals as may be required in that behalf, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to:

- make loans from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- give on behalf of any person, body corporate, any guarantee, or provide security in connection with a loan made by any other person to, or to any other person by any body corporate; and
- acquire by way of subscription, purchase or otherwise the securities of any other body corporate,

in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rs.200 crores, notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee or security so far provided to, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more."

"RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded to the Board to invest in the Subsidiaries, Associates, Related Parties, make loans to them; provide guarantees/security on their behalf, to person, within the limits, if any, as may be applicable from time to time and on such terms and conditions as may be deemed fit and expedient."

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“RESOLVED FURTHER THAT the Board be and is hereby authorised to negotiate the terms and conditions of the above said investments, loan(s), security(ies) or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company.”

By Order of the Board

Place: Chandigarh
Date: 26.08.2017

Sd/-
Simrat Kaur
Company Secretary

NOTICE

NOTES :-

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts in respect Item No's 04-12 is annexed hereto and forms part of this notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. A blank Proxy Form is enclosed with this notice and if intended to be used, the form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Annual General Meeting. Proxies submitted on behalf of Companies, Societies etc. must be supported by appropriate resolution/ authority as applicable.
4. The Members/ Proxies attending the meeting are requested to bring the enclosed Attendance Slip and deliver the same after filling in their folio number at the entrance of the meeting hall. Admission to the Annual General Meeting venue will be allowed only on verification of the signature(s) on the Attendance Slip.
5. Duplicate attendance slip shall not be issued at the Annual General Meeting venue. The same shall be issued at the Registered Office of the Company up to a day preceding the day of the Annual General Meeting.
6. Corporate Members are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. As a measure of economy, copies of the Annual Report will not be distributed at the venue of the Annual General Meeting. The Members are, therefore requested to bring their copies of the Annual Report to the meeting. Those members who have not received copies of Annual Report can collect their copies from the Corporate/ Registered Office of the Company.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 18th September, 2017 to Tuesday, 26th September, 2017, both days inclusive.
10. The members are requested to inform changes, if any, in their Registered Address along with Pin Code Number to the Company Secretary at the Registered office address.
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
12. Members desirous of seeking any information relating to the Accounts of the Company may write to the Company at registered office address for the attention of Mrs. Simrat Kaur, Company Secretary, at least seven days in advance of the Meeting so that requisite information can be made available at the Meeting.
13. All documents referred to in the accompanying notice and the Explanatory Statement are available for inspection at the Registered Office of the Company during working hours between 10.00 A.M. to 05.00 P.M. except holidays up to the date of Annual General Meeting.

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14. Attention of members is hereby invited towards provisions of Section 188 (1) of the Companies Act 2013 wherein under second proviso thereto, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.
15. Electronic copy of the Annual Report and Notice of the 31st Annual General Meeting of the Company along with Attendance Slip and Proxy Form and instructions for e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 31st Annual General Meeting of the Company along with Attendance Slip, Proxy Form and instructions for e-voting is being sent through the permitted mode.
16. In terms of section 107 and 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company is providing the facility to its Members holding shares in physical and dematerialized form as on the cut off date 19th September, 2017 to exercise their right to vote by electronic means on any or all of the business specified in the accompanying notice. Necessary information and instructions for e-voting is also enclosed.

The instructions for members for voting electronically are as under:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 23rd September, 2017 (9:00 am) and ends on 25th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file "remote e-voting.pdf".
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login

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- (iv) Put your user ID and password. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Ind-Swift Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csvishalarora@yahoo.in with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

- (i) Initial password is being provided separately.

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
--	----------------	---------------------

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

NOTE: Shareholders who forgot the User Details/Password can use "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th September, 2017.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 19th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?"

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or “Physical User Reset Password?” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Vishal Arora, Company Secretary (Membership No. 4566) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.indswiftltd.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

- XVII. Members who have not registered their e-mail address so far are requested to register their email addresses for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.**

On behalf of the board of Directors

Simrat Kaur
Company Secretary

Place: Chandigarh
Date: 26.08.2017

NOTICE

ANNEXURE TO NOTICE:**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013****For Item No. 4**

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

In terms of the provisions of Section 139 of the Act, no listed Company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. The Act further prescribes that the Company has to comply with these provisions within the period specified under Section 96(1) of the Act, after three years from the date of commencement of the Act.

M/s J K Jain & Associates, Chartered Accountants, (Firm Registration No. 004025N) have been in office for more than 10 years and in compliance with the provisions of the Act, the Company has to appoint a new Auditor in their place. Accordingly, Board of Directors at their meeting held on 26th August, 2017, have, subject to approval of shareholders in the forthcoming AGM, approved the appointment of M/s Jain & Associates (ICAI Firm Registration No. 001361N) as the Statutory Auditors of the Company in place of M/s J K Jain & Associates for a period of 5 years, to hold office from the conclusion of this 31st AGM till the conclusion of the 36th AGM to be held in the year 2022, subject to ratification by the members at every AGM, if so required under the Act. The first year of audit by M/s Jain & Associates shall be for the financial year 2017-18 which will include the audit of the quarterly financial statement for the year

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 4 of the Notice.

The Board commends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the Members.

For Item No. 5-7

Sh. S C Galhotra, Dr. Jatender Kumar Kakkar and Ms Anoop Michra were appointed as Additional Director as per the provisions of Section 161(1) of the Companies Act, 2013 ("Act") to hold office till conclusion of this AGM.

As per the provisions of Section 149(4) of the Companies Act, 2013, every listed company shall have at least 1/3rd of its total number of directors as independent directors. Section 149(6) of the said Act, lays down the criteria for independence. Sh. S C Galhotra, Dr. Jatender Kumar Kakkar and Ms Anoop Michra non-executive directors of the Company have furnished declarations to the Company under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria prescribed for independent directors under Section 149(6) of the said Act.

In the opinion of the Board these individuals are persons of integrity, possess the relevant expertise and experience, fulfill the conditions specified in the said Act and the rules made there under and are independent of the management of the Company. In terms of Section 149 of the Companies Act, 2013, an independent director shall hold office for two terms of up to 5 consecutive years each on the board of a company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of the same in the Directors' report. Further, in terms of Section 149(13) of the said Act, independent directors are not liable to retire by rotation.

The Board proposes to appoint Sh. S C Galhotra, Dr. Jatender Kumar Kakkar and Ms Anoop Michra as Independent Directors of the Company for a period of 5 years with effect from the date of this Meeting, as set out at Item Nos. 5 to 7 of this Notice. Notices as required under Section 160 of the Companies Act, 2013 have been received from some Members proposing the candidature of the said Independent Directors of the Company. Upon the confirmation of the appointment of these individuals as Independent Directors by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said Independent Directors..

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Brief resume of these Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter se is appended below: -

Name of Director	Sh S C Galhotra	Dr. Jatender Kumar Kakkar	Ms Anoop Michra
Age	71 Years	81 Years	46 Years
Nationality	Indian	Indian	Indian
Date of Appointment	31.12.2016	13.05.2017	06.05.2017
Shareholding in the Company	Nil	Nil	Nil
Qualifications	B.Com	MBBS, DPH, FISCD	B.S in Computers & MBA (marketing)
Expertise in specific Functional Area	Finance & Accounts	Health Management and Administration	Marketing
Directorships held in other companies (excluding Private & Foreign Companies)	Nil	Ind-Swift Laboratories Limited	Nil
Chairmanships/ Memberships of Committees in other Companies as on 31.03.2017	Nil	<ol style="list-style-type: none"> 1) Member of Audit Committee of Ind-Swift Laboratories Limited 2) Member of Remuneration Committee of Ind-Swift Laboratories Limited 3) Member of Sub-Committee of Board of Ind-Swift Limited 4) Chairman of Risk management Committee of Ind-Swift laboratories Limited 5) Member of Stakeholder Relationship Committee of Ind-Swift laboratories Limited 6) Member of Compensation Committee of Ind-Swift laboratories Limited 	Nil
Relationship inter-se between Directors	Nil	Nil	Nil

Keeping in view their expertise and knowledge, it will be in the interest of the Company that these Directors are appointed as Independent Directors.

Except for the respective Directors / their relatives who may be deemed to be interested in the respective resolutions at item nos. 5 to 7 of the Notice as it concerns their appointment as Independent Directors, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the respective resolutions set out at Item Nos.5 to 7 of the Notice.

The Board recommends the Ordinary Resolutions set out at Item Nos.5 to 7 of the Notice for approval by the shareholders.

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For Item No. 8

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules 2014, the Board of Directors of the Company shall appoint an individual who is a cost accountant in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of the Audit Committee at its meeting held on 30-05-2017, the Board of Directors of the Company has considered and approved appointment of M/S V.Kumar & Associates, Cost Accountants, for the conduct of the Cost Audit of the Company at a remuneration of Rs. 2 Lacs per annum plus GST as applicable and reimbursement of actual travel and out of pocket expenses for the Financial Year 2017-18.

The resolution at Item No. 8 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

None of the directors or Key Managerial Personnel or their relatives have any concern or interest, financial or otherwise in passing of the said resolution.

For Item No. 9

Dr Gopal Munjal, Whole Time Director of the company has been duly appointed as the Managing Director & CEO of the Company by the shareholders in their Annual General Meeting held on 30th September, 2016 for a period of 3 years i.e upto 31.03.2019. In terms of the said approval the Company has paid / provided for remuneration of Rs. 10, 00,000/- per month to Dr. Gopal Munjal. Since the Company is continuously suffering losses for the last few years so the said remuneration is being paid, subject to the approval of the Central Government as provided in the Companies Act, 2013.

In addition to the approval provided by the shareholders earlier for the payment of the remuneration to Dr. Gopal Munjal, the present approval is sought from the shareholders for the ratification and waiver of the excess remuneration being paid to Dr. Gopal Munjal, subject to the Central Government approval, if required, during the financial years 2014 -15, 2015-16, 2016-17 and 2017-18.

The Company has already moved the Central Government for the grant of approval / waiver to the remuneration paid to Dr. Gopal Munjal which is pending. The Company is also in process of the settlement with its banks and financial Institutions and expects to resolve the same in a years' time.

In view of the above and considering the experience and invaluable contribution by Dr Gopal Munjal, Managing Director & CEO, towards the growth of the company since inception the Nomination and Remuneration Committee and the Board of Directors of the Company, subject to necessary statutory approvals, have approved the waiver of recovery of excess remuneration as stated above.

The above resolution is in the interest of the Company and the Board recommends the resolution as set out in item no.9 for members' approval by way of Special Resolution.

Except Dr Gopal Munjal and Sh. N R Munjal, none of the other Director is interested in the Resolution

For Item No. 10

Sh Sanjeev Rai Mehta, Whole Time Director of the company has been duly appointed as the Chairman of the Company by the shareholders in their Annual General Meeting held on 30th September, 2016 for a period of 3 years i.e upto 31.03.2019. In terms of the said approval the Company has paid / provided for remuneration of Rs. 10, 00,000/- per month to Sh Sanjeev Rai Mehta. Since

NOTICE

the Company is continuously suffering losses for the last few years so the said remuneration is being paid, subject to the approval of the Central Government as provided in the Companies Act, 2013.

In addition to the approval provided by the shareholders earlier for the payment of the remuneration to Sh Sanjeev Rai Mehta, the present approval is sought from the shareholders for the ratification and waiver of the excess remuneration being paid to Sh Sanjeev Rai Mehta, subject to the Central Government approval, if required, during the financial years 2014 -15, 2015-16, 2016-17 and 2017-18.

The Company has already moved the Central Government for the grant of approval / waiver to the remuneration paid to Sh Sanjeev Rai Mehta which is pending. The Company is also in process of the settlement with its banks and financial Institutions and expects to resolve the same in a years' time.

In view of the above and considering the experience and invaluable contribution by Sh Sanjeev Rai Mehta, Chairman, towards the growth of the company since inception the Nomination and Remuneration Committee and the Board of Directors of the Company, subject to necessary statutory approvals, have approved the waiver of recovery of excess remuneration as stated above.

The above resolution is in the interest of the Company and the Board recommends the resolution as set out in item no.10 for members' approval by way of Special Resolution.

Except Sh S.R. Mehta, Dr. Vikrant Rai Mehta and Sh. Rishav Mehta, none of the other Director is interested in the Resolution.

For Item No. 11

Dr Vikrant Rai Mehta, Whole Time Director of the company was re-appointed as Joint Managing Director of the Company by the shareholders in their Annual General Meeting held on 30th September, 2016 for a period of 3 years i.e upto 31.03.2019. In terms of the said approval the Company has paid / provided for remuneration of Rs. 10, 00,000/- per month to Dr Vikrant Rai Mehta. Since the Company is continuously suffering losses for the last few years so the said remuneration is being paid, subject to the approval of the Central Government as provided in the Companies Act, 2013.

In addition to the approval provided by the shareholders earlier for the payment of the remuneration to Dr Vikrant Rai Mehta, the present approval is sought from the shareholders for the ratification and waiver of the excess remuneration being paid to Dr Vikrant Rai Mehta, subject to the Central Government approval, if required, during the financial years 2014 -15, 2015-16, 2016-17 and 2017-18.

The Company has already moved the Central Government for the grant of approval / waiver to the remuneration paid to Dr Vikrant Rai Mehta which is pending. The Company is also in process of the settlement with its banks and financial Institutions and expects to resolve the same in a years' time.

In view of the above and considering the experience and invaluable contribution by Dr Vikrant Rai Mehta, Joint Managing Director, towards the growth of the company since inception the Nomination and Remuneration Committee and the Board of Directors of the Company, subject to necessary statutory approvals, have approved the waiver of recovery of excess remuneration as stated above.

The above resolution is in the interest of the Company and the Board recommends the resolution as set out in item no.11 for members' approval by way of Special Resolution.

Except Sh S.R. Mehta, Dr. Vikrant Rai Mehta and Sh. Rishav Mehta, none of the other Director is interested in the Resolution.

NOTICE

For Item No. 12

Pursuant to the provisions of Section 186(2) of the Companies Act, 2013 ('Act'), the Company shall not directly or indirectly: -

- (a) give any loan to any person or other body corporate;
- (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate,

exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is higher.

Pursuant to the provisions of Section 186(3) of the 'Act', where the giving of any loan or guarantee or providing any security or the acquisition of securities exceeds the limits specified in Section 186(2) of the 'Act', prior approval by means of a Special Resolution passed at a General Meeting is necessary. In terms of Rule No.11(1) of the Companies (Meeting of Board and its Powers) Rules ('Rules'), where a loan or guarantee is given or security has been provided by a company to its wholly-owned subsidiary or a joint venture, or acquisition is made by a holding company, by way of subscription of securities of its wholly-owned subsidiary, the requirement of Section 186(3) of the 'Act' shall not apply, however it will be included for the purpose of overall limit.

In the normal course of business, the Company may be required to give loans or guarantees or make investments in excess of the limits specified in Section 186(2) of the 'Act'. Accordingly, it is proposed to seek prior approval of Members vide an enabling Resolution to provide Loans, Guarantees and Make Investments upto a sum of Rs. 200 crores over and above the aggregate of free reserves and securities premium account of the Company at any point of time. None of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) is in any way, whether financially or otherwise, concerned or interested, in the said resolution.

The Board of Directors recommend the Special Resolution as set out at Item No. 12 of the Notice for approval by the members.

On behalf of the board of Directors

Simrat Kaur
Company Secretary

Place: Chandigarh
Date: 26.08.2017



Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



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Notes

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ATTENDANCE SLIP



Ind-Swift Ltd

Regd Off: 781, INDUSTRIAL AREA, PHASE II, CHANDIGARH-160101

CIN NO: L24230CH1986PLC006897

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional Slip at the Venue of the meeting.

DP Id*		Folio No.	
Client Id*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER _____

Please register/ update my/ our under mentioned E-mail ID for sending all future Company's correspondence:

E-mail ID _____ Shareholder(s) Signature _____

I hereby record my presence at the **31st ANNUAL GENERAL MEETING** of the Company held on **Tuesday, September 26, 2017 at 01:00 PM at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031.**

**Applicable for investor holding shares in electronic form.*

Signature of Shareholder / Proxy

**MEMBERS / PROXY HOLDERS ARE REQUESTED TO BRING THEIR ID PROOFS FOR VERIFICATION.
NO REQUESTS FOR ADMISSION WILL BE ENTERTAINED WITHOUT VALID ID PROOF**

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]



Ind-Swift Ltd

Regd Off: 781, INDUSTRIAL AREA, PHASE II, CHANDIGARH-160101

CIN NO: L24230CH1986PLC006897

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint Shareholders may obtain additional Slip at the Venue of the meeting.

Name of the member(s): Registered address:		e-mail Id: Folio No/*Client Id: *DP Id:	
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I/We, being the member(s) of _____ shares of Ind Swift Limited, hereby appoint:

1).....of.....having e-mail id.....or failing him

2).....of.....having e-mail id.....or failing him

3).....of.....having e-mail id.....or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **31st ANNUAL GENERAL MEETING** of the Company, to be held on **Tuesday, September 26, 2017 at 01:00 PM at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031** and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolutions
	Ordinary Business
1.	Receive, consider and adopt the financial statement of the Company for the year ended 31 st March, 2017 and the report of the Auditor and Directors thereon.
2.	Re-appointment of Sh Sanjeev Rai Mehta, Director who retire by rotation
3.	Re-appointment of Sh Rishav Mehta, Director who retire by rotation
4.	Appointment of Auditor and fixing their Remuneration
	Special Business
5.	Appointment of Sh S C Galhotra as an Independent Director of the Company
6.	Appointment of Dr J K Kakkar as an Independent Director of the Company
7.	Appointment of Ms Anoop Michra as an Independent Director of the Company
8.	Approval of remuneration of Cost Auditors for the Financial year 2017-18
9.	Waiver of excess remuneration paid/provided to Dr Gopal Munjal, Whole time Director designated as Managing Director & CEO of the Company
10.	Waiver of excess remuneration paid/provided to Sh Sanjeev Rai Mehta, Whole time Director designated as Chairman of the Company
11.	Waiver of excess remuneration paid/provided to Dr Vikrant Rai Mehta, Whole time Director designated as Joint Managing Director of the Company.
12.	Increasing the limit for granting loans and/or providing guarantee and/or making investments.

Signed this.....day of2017

.....
Signature of shareholder

**Affix
Revenue
Stamp**

.....
Signature of first proxy holder

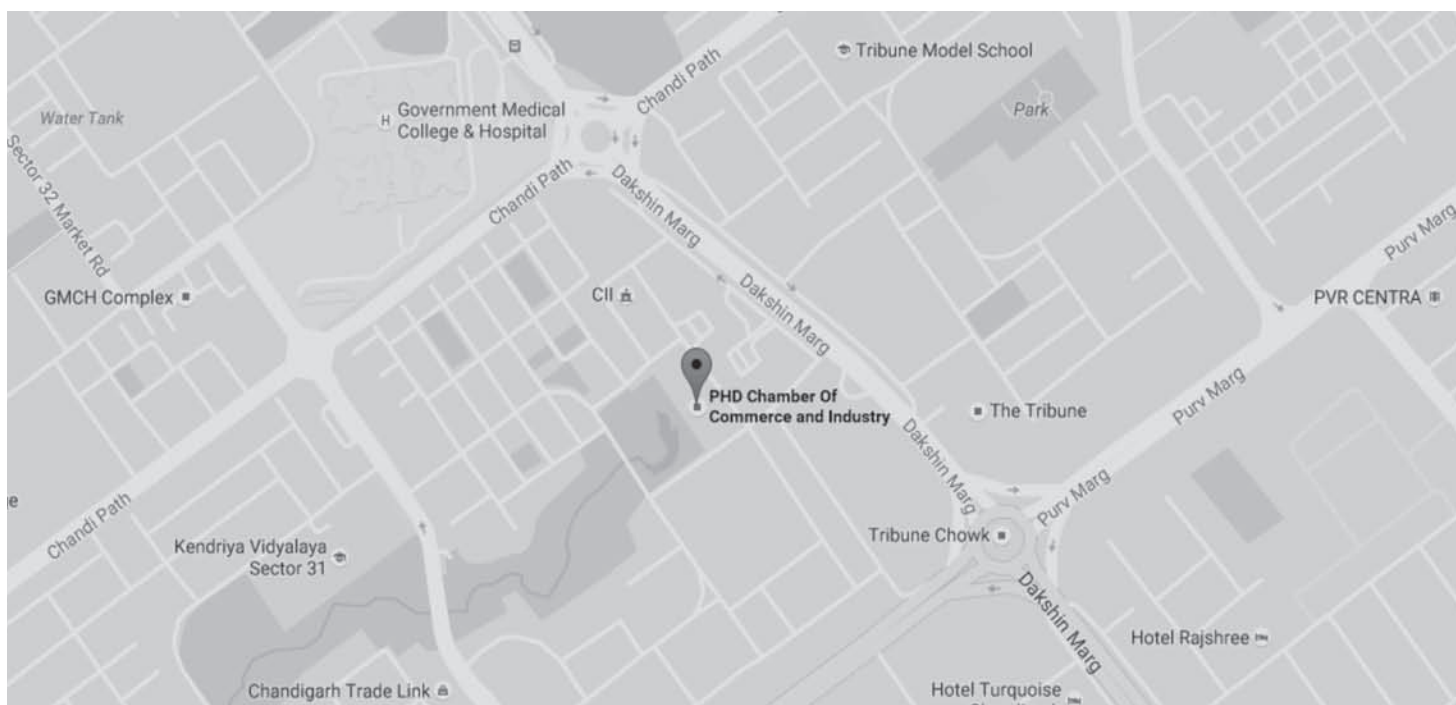
.....
Signature of second proxy holder

.....
Signature of third proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

**MEMBERS / PROXY HOLDERS ARE REQUESTED TO BRING THEIR ID PROOFS FOR VERIFICATION.
NO REQUESTS FOR ADMISSION WILL BE ENTERTAINED WITHOUT VALID ID PROOF**

Route Map for the 31st Annual General Meeting of Ind-Swift Limited to be held on Tuesday, the 26th Day of September, 2017 at 1:00 P.M. at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031



Corporate Location:



Ind-Swift Limited

781, Industrial Area Phase-II, Chandigarh - 160 002 INDIA

Ph.: +91-172-263 8781-2638786, Fax: +91-172-2652242/265 5406

e-mail : corporate@indswift.com, Website : www.indswiftltd.com