



Corporate

Ind-Swift Limited

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

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Fax : 0172-2652242

E-mail : corporate@indswift.com

CIN No. : L24230CH1986PLC006897

Ref.:ISL:CH:2023

Date: 25th September, 2023

The President,
Corporate Relationship Department,
BSE Limited,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai 400 001

The Vice President,
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No.C/2, G-Block,
Bandra Kurla Complex, Bandra (E),
Mumbai 400 051

BSE Scrip Code: 524652

NSE Symbol: INDSWFTLTD

Ref: Disclosure under Regulation 30 of Securities Exchange Board of India (Listing Obligations and Disclosures Requirements), Regulations, 2015 read with Sub-Para 1.2 of Para A1 of Annexure I of Circular bearing number SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 issued by SEBI regarding the approval of Scheme of Arrangement for Amalgamation

Sub: Outcome of Board Meeting held on 25th September, 2023

Dear Sir/Ma'am,

In reference to the above captioned subject, the Board of Directors of the Company, in their meeting held on 25th September, 2023, has considered and approved the Scheme of Arrangement for Amalgamation of Ind Swift Limited ("Transferor Company"/"the Company") with Ind Swift Laboratories Limited ("Transferee Company") ("Scheme"), on a going concern basis, under the provisions of section 230-232 of the Companies Act, 2013 and the Rules made thereunder.

The above-mentioned Scheme shall be subject to the approval of the BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") (hereinafter collectively referred to as "Stock Exchanges"), Securities Exchange Board of India (SEBI), National Company Law Tribunal ("NCLT"), Shareholders and Creditors of both the Companies and other Specific Sectoral Regulator(s), if any.

The Audit Committee has furnished its report dated 25th September, 2023, to the Board of Directors of the Company recommending the Scheme.

Valuation Report dated 25th September, 2023 issued by Ajay Kumar Siwach, Registered Valuer- Securities or Financial Assets (Registration No. IBBI/RV/05/2019/11412), has been received for the Scheme.

Fairness Opinion dated 25th September, 2023 issued by Ekadrisht Capital Private Limited, SEBI Registered, Category-I, Merchant Banker on the Share Exchange Ratio, recommended by the registered valuer under the Valuation Report, has also been received by the Company.



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The detailed disclosure as required under Regulation 30 of the Listing Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 is enclosed herewith as **Annexure**.

The Board Meeting commenced at 5.00 P.M. and concluded at 6.30 P.M.

Request you to take the same on your records.

Thanking You.

For IND SWIFT LIMITED

**GINNY UPPAL
COMPANY SECRETARY**



**ANNEXURE****Details of the Scheme in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, the scheme provides for Amalgamation of Ind Swift Limited (“Transferor Company”) with Ind Swift Laboratories Limited (“Transferee Company”)**

1. Name of the entity(ies) forming a part of the Scheme, details in brief such as, size, turnover, etc.

1.1 Transferor Company:

Ind-Swift Limited (hereinafter also referred to as ‘ISL’ or ‘Transferor Company’), bearing CIN L24230CH1986PLC006897 was incorporated on 06th June, 1986 under the provisions of Companies Act, 1956 having registered office at 781, Industrial Area Phase II, Chandigarh -160002. Transferor Company is engaged in the business of manufacturing of Pharmaceutical Products. ISL, based in Chandigarh, is a leading pharmaceutical manufacturer of Finished Dosages Form (FDF) with national and international presence. Its strength lies in innovative pharmaceutical products.

1.2 Transferee Company:

Ind-Swift Laboratories Limited (hereinafter also referred to as ‘ISLL’ or ‘Transferee Company’) bearing CIN L24232CH1995PLC015553 was incorporated on 04th January, 1995 under the provisions of Companies Act, 1956 having registered office at SCO 850, Shivalik Enclave, NAC, Manimajra Chandigarh - 160101. The Transferee Company is primarily engaged in inter-alia in the business of manufacturing and marketing of Active Pharmaceutical Ingredients (APIs), Intermediates and Finished Dosages. The Transferee Company has recently entered a slump sale transaction with a Company namely Synthimed Labs Private Limited to sell its API and CRAMS business, which is yet to be completed.

- 1.3 **The paid-up share capital, net worth, and turnover the companies involved in the Scheme are as follows:**

(Amount in Crores)

Name of the Companies	Latest Paid-Up Share Capital	Turnover As on 31 st March, 2023	Net Worth As on 31 st March, 2023
Ind-Swift Limited (“Transferor Company”)	Equity Share Capital: 10.83 Cumulative Redeemable Preference Share Capital: 14.20	410.96	(716.01)



Ind-Swift Laboratories Limited ("Transferee Company")	Equity Share Capital: 59.09	1151.96	493.64
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2. Whether the transaction would fall within related party transactions) and if yes, whether the same is done at "arm's length"?

2.1 Yes, the transaction will fall under Related Party Transaction, as the Amalgamation is between the Ind Swift Limited ("Transferor Company") with Ind Swift Laboratories Limited ("Transferee Company") entities controlled by the same management and the same is on Arm's Length basis. However, as per the MCA Circular No. 30/2014, dated 17.07.2014, it was clarified that transactions arising out of the Companies (Compromises, Arrangements and Amalgamations) Companies Act, 2013, will not attract the requirements of section 188 of the Companies Act, 2013.

2.2 The Scheme is inter-alia, subject to approval of majority of the public shareholders of the Company, in terms of the SEBI Circular No, SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time.

3. Areas of Business of the Entities

Please refer Paragraph 1, mentioned above.

4. Rationale for amalgamation/merger:

4.1 The Transferee Company has recently entered into a Business Transfer Agreement to sell its API and CRAMS Business. The proceeds of the said sale shall be used primarily to repay its debt and to discharge other financial obligations. Post the completion of this transaction, the Transferee Company will be left with Surplus Cash along with some residual business i.e. Finished Dosages Forms (FDF) Business. The Transferor Company is also engaged in the manufacturing of Pharmaceutical Products including FDF and amalgamation of Transferor Company with Transferee Company will create a synergy benefit wherein Transferee Company will get working business undertaking and combined business will get exposure of good working capital. The Transferor Company and Transferee Company belongs to same group i.e. Ind-swift group. The Board of Directors of Transferor Company and the Transferee Company believe that the amalgamation of Transferor Company with Transferee Company is expected to enable better realization of potential of business, better exposure of working capital, easy repayment of the debt of the Transferor Company. It would enable enhanced value creation for the companies involved in Scheme, their respective Shareholders and Creditors.

4.2 This Scheme of Amalgamation would result, inter-alia, in the following benefits:

- Strengthened Competitive Position:**

The amalgamation will result in a stronger financial position, bolstering the combined entity's competitive strengths. This improved financial capacity will provide greater flexibility and resilience to pursue strategic initiatives, including expansion and innovation.



- **Consolidation of Businesses:**
Combining the operations of both companies facilitates the consolidation of their respective businesses. This consolidation not only creates economies of scale but also simplifies management and strategic focus, leading to better long-term performance.
- **Value Addition and Shareholder Value:**
The amalgamation is expected to contribute to economic value addition for both companies involved. Shareholders of both the Transferor Company and the Transferee Company are likely to benefit from the increased value created through synergies, cost savings, and improved financial performance.
- **Operational Rationalization and Efficiency:**
The amalgamation is expected to result in a reduction of overheads, administrative costs, managerial expenses, and other operational redundancies. This streamlining of operations will lead to increased efficiency and optimized resource utilization.
- **Enhanced Growth Prospects:**
The amalgamation positions the combined entity for greater growth and expansion opportunities. A larger, more robust company is likely to attract more opportunities for partnerships, acquisitions, and market expansion, translating into enhanced financial prospects. The increased financial stability and growth prospects of the merged entity are likely to benefit not only its stakeholders but also the broader community connected to its operations.
- **Improved Control and Governance:**
The amalgamation facilitates better and more efficient control over the business and financial conduct of the companies. It allows for a more streamlined and coordinated approach to governance and strategic decision-making.
- **Footprints in Formulation Business:**
The Transferee Company has already entered into the formulation business through joint ventures. The amalgamation complements this strategic move by providing access to additional resources, expertise, and potential synergies, enabling a more comprehensive and competitive presence in the pharmaceutical industry.
- **Debt Repayment Challenges:**
The Transferor Company has faced challenges in meeting its debt obligations, with a significant lump-sum payment due in March 2024. The Transferor Company has tried to raise funds to fulfil its debt repayment obligations. The Transferor Company has actively sought to refinance its debt, but these efforts have proven unsuccessful. The amalgamation offers a strategic solution to address these debt repayment challenges, potentially alleviating creditor pressure and ensuring the company's financial stability.

In conclusion, the amalgamation of the Transferor Company with the Transferee Company is driven by a strategic vision to unlock synergies, improve financial performance, and create long-term value for shareholders and stakeholders. It positions the merged entity for growth, efficiency, and enhanced competitiveness in the pharmaceutical industry, while also addressing pressing debt repayment challenges and creditor pressures.



This comprehensive rationale underscores the strategic motivations, expected benefits, and the context surrounding the proposed amalgamation, highlighting its alignment with both the companies' objectives and the interests of their shareholders.

5. In case of cash consideration- amount or otherwise share exchange ratio:

As per the Valuation Report issued by the Registered valuer for the Scheme, the share exchange ratio which was approved by the Board of Directors of Transferor Company and Transferee Company is as under-

Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholders of Transferor Company (other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company), shares in proportion of 100 (Hundred) equity shares of face value of Rs. 10 (Ten) each in Transferee Company for every 655 (Six Hundred and Fifty-Five) equity shares of face value of Rs. 2 (Two) each held by them in Transferor Company pursuant to this Scheme of Amalgamation.

6. Brief details of change in shareholding pattern of listed entities

Pre – Arrangement Shareholding of the Ind Swift Laboratories Limited (“Transferee Company”)

Particulars	Pre- Arrangement No. of shares	Pre- Arrangement Percentage
Promoters	2,48,18,783	42.00
Public	3,42,68,077	58.00
Total	5,90,86,860	100.00

Post – Arrangement Shareholding of the Ind Swift Laboratories Limited (“Transferee Company”)

Particulars	Post- Arrangement No. of shares	Post- Arrangement Percentage*
Promoters	2,94,14,713	43.67
Public	3,79,41,559	56.33
Total	6,73,56,272	100.00

*The post-arrangement shareholding is calculated without considering any cross holding.



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Pre - Arrangement Shareholding of Ind Swift Limited (“Transferor Company”)

Particulars	Pre- Arrangement (No. of shares)	Pre- Arrangement (Percentage)
Promoters	3,01,03,343	55.58
Public	2,40,61,310	44.42
Total	5,41,64,653	100.00

Post - Arrangement Shareholding of Ind Swift Limited (“Transferor Company”)

Particulars	Post- Arrangement (No. of shares)	Post- Arrangement (Percentage)
Promoters	0	0.00
Public	0	0.00
Total	0	0.00