Ind-Swift

CONSTANTIA ET VIRTUTE

(BY FIRMNESS AND CONVICTION)

IND-SWIFT LABORATORIES LIMITED
ANNUAL REPORT 2012-13

CONSTANTIA ET VIRTUTE

(BY FIRMNESS AND CONVICTION)

Every business experiences challenges and difficulties in its path of progress. Many a times, the challenges are due to external factors over which a business does not have much control. Changes in governmental regulations, occurrence of an unforeseen accident, are some examples that create temporary aberrations for any business, however well-prepared it might be.

But what differentiates successful businesses is how they face these challenges and their attitude to overcome the difficulties in their paths. It is with the firmness of their faith and conviction in their strengths that businesses not only survive, but emerge stronger.

At Ind-Swift, we are passing through one such challenging phase in our journey. We faced setbacks due to forex losses and delayed return on the heavy capital expansions. The fire accident at Dashmesh Medicare Pvt. Ltd. plant caused severe damage to life and property. And to make matters worse, interest rates increased and raising fresh capital became not only expensive, but difficult.

In spite of these challenges, we have maintained our operational efficiency and pace. We are confident and committed to overcome troubled times by firmness and conviction

CONSTANTIA ET VIRTUTE

MESSAGE FROM VICE CHAIRMAN CUM MANAGING DIRECTOR

The operations of the Company were stalled not even for a single day inspite of the challenging situation. The plants ran smoothly, the workers morale was kept boosted at all times and the desired production levels were achieved .

My Dear Shareowners,

The financial year 2012-13 was a tough year in the history of the Company as we had to take some harsh decisions in view of the severe liquidity crisis perpetuated by various reasons like forex losses, high debt burden and lesser return from the investment made by the Company on Fixed Assets and R&D. The Company went into CDR with the support of its lending banks, which came at a right time and enabled the Company to consolidate its operations and focus on plan to put it back on the track .

The CDR package stands implemented and the Company is performing as per the projections laid down in the CDR. The financial year saw the Company achieving a turnover of ₹ 11,005 millions and EBIDTA of ₹ 883 millions. The financial year saw Company recording a major net loss of ₹ 1,190 millions.

All this time, when the Company was focusing on the CDR and managing the difficult times, we were focused on one thing - operations. The operations of the Company were stalled not even for a single day inspite of the challenging situation. The plants ran smoothly, the workers morale was kept boosted at all times and the desired production levels were achieved .

Ind-Swift at present is one of the largest generic manufacturers of bulk drugs across the globe. We have one of the largest accredited facilities having all the required certifications like USFDA, TGA, MHRA, PMDA, KFDA etc. We have the best generic manufacturers across the globe as our clients. The Company has been determined at providing the best materials with top-class quality to its customers. The Company has a big global footprint covering customers spread across the major economies of the world and is ever increasing as the Company explores new markets for its products.

The Company has established a strong foothold in the highly regulated market of Japan where it ventured in the last two years. Presently, four of our products are commercially supplied to this market and two more are in the pipeline. The formulation of largest selling drug - Atorvastatin was launched in Japan with our API. Similarly, in Europe the formulation of Atorvastatin was launched on the very first day of its generic launch with our API.

Exports constitute 54% of the total sales. The Company's Derabassi manufacturing facility for API is focussing on exports. The facility comprises of 19 blocks and is one of the largest API manufacturing facility in Asia.

The Company has a strong R&D set up with a dedicated state of the art R&D centre at Mohali. Last year, Ind-Swift filed total of nine patent applications. Of these, five applications have been filed in India, three as PCT applications and one application has been filed in USA. In 2012-13, the Company has also been awarded two patents, one in USA and one in Russia for Ivabradine Oxalate.

The in-house Chemical Research and Development (CRD) works on the process development of molecules going off patent in coming years.

The patent non-infringing processes have been developed for Saxagliptin Monohydrate, Dabigatran Etexilate, Fesoterodine Fumarate, Raltegravir Potassium, Tapentadol Hydrochloride, Minodronic Acid and Silodosin. All these molecules have a great business potential upon patent expiry.

CRD has also carried out extensive process and operational improvements in the existing commercial products like Aripiprazole, Ivabradine Hydrochloride, Fexofenadine and Atorvastatin.

These efforts have helped the organisation bring down the cost of manufacturing and remain competitive in global markets.

Given the strong track record of process development, process research and manufacturing expertise from GMP plants, Ind-Swift has started offering Contract Research and Manufacturing services to global pharmaceutical companies. Ind-Swift has started offering Early Phase Drug Development Services, Process Development / Research Services, Custom Chemical Synthesis (CCS), Contract Manufacturing and Full Time Equivalents (FTEs) for Chemistry, Analytical, Regulatory and IPR services.

Within a short span of time, Ind-Swift has been able to establish relationships with various global innovators, Generics and biotech companies. The Company has successfully completed initial feasibility & evaluation of projects. This new SBU has already received business from reputed companies from the EU and Japan.

Ind-Swift has started offering Contract Research and Manufacturing services to global pharmaceutical companies.

Economis all over the world had foreseen hard times during the last financial year and this year it is our domestic economy which is under tremendous pressures and is now being termed as “ECONOMIC SLOW DOWN”. The rising value of the US dollar has its own impacts on the Company with high exports turnover. But despite these factors, the future appears stable and offers opportunities terms of increasing market share in the new markets and increasing turnover of new products launched recently.

Besides this, efforts are continuously being guided towards the process improvement and cost effectiveness in our current products and maintaining costs in the Company to ensure that difficult times are faced effectively.

We appreciate the support provided by our customers, bankers, creditors, fixed deposit holders, shareholders and our employees who have stood by us during this testing time for the Company. We are confident that with their support these difficult times will soon be a thing of the past in the coming two to three years. Till that time, we shall strive to achieve what we are destined to achieve with firmness and conviction

CONSTANTIA
ET VIRTUTE

Yours faithfully

N. R. Munjal

Vice Chairman
Cum Managing Director

25%

The compound growth rate in Latin American markets was more than 25%.

The hard work done by the Company during the last 6-8 years of gestation period has started yielding results in the regulated markets with increasing sales and realisations in these markets. This is helping company to drop some of the poor yielding markets and activity leading to overall improvement .

REVIEW OF KEY MARKETS

LATIN AMERICA

The outlook for the Latin American market is very positive, given the sheer size of it and the population growth projected. Challenges include potential cost-containment measures to be employed in countries such as Brazil and Argentina, local industry protection and over-reliance on GDP growth. Generics and biologics are amongst the strongest areas. Even if standards vary, the tendency is for 'similar drugs' without proven bio-equivalence to be phased out.

In Mexico, Argentina and Peru, public healthcare coverage is broadening, which will benefit the pharmaceutical industry. Clinical trials are also a growing sector, with huge patient pools.

According to IMS Health, the Latin American market will double in size from 2011 to 2015. Brazil is the most attractive market, but steady growth in other countries make Latin America a healthy proposition for investors, particularly when compared with other mature but stalling markets.

In the last few years, Ind-Swift has again achieved good sales in the Latin American region. The sales in Latin America in 2012-2013 was USD 14.7million. Ind-Swift also enjoyed a positive growth in the markets of Argentina, Colombia, Brazil, Mexico, El Salvador and Peru. The Company already had presence in Peru, El Salvador and Ecuador markets, but the aggressive strategies helped us to penetrate the market deeper. We won many public tenders through our customers in these markets. The compound growth in these markets was more than 25%.

The new products offered in these markets for development are Dutasteride, Dapoxetine, Rousuvastatin, Temozolomide and Aripiprazole.

APAC

Asia is emerging as a global hub for the pharmaceutical industry. Given its traditional resourcefulness and determination, it is beyond doubt that Asia is a key driving force of the current global pharmaceutical industry. In recent years, healthcare demands among the region's populations have increased and its low operating costs continue to attract pharmaceutical companies.

The Asia-Pacific region is the third largest pharmaceutical market in the world after North America and Europe. In South-East Asia region, the pharmaceutical trends and developments vary from one market to another i.e., different speeds of growth. Despite the price competition faced from China, this region grew by 15%. The sale in 2011-2012 was USD 22.33 million which increased to USD 25.68 million in 2012-2013. The major contribution came from markets like Japan, South Korea, Pakistan and Bangladesh. The South-East Asian countries also saw a positive growth in 2012-2013.

Sales of the API which landed up in Japan increased from USD 6.24 million in 2011-12 to USD 10.82 million in 2012-13. The proactive steps taken in the form of product registrations fetched the growth of 74% for Japan market.

The new products offered in Asian markets are Dutasteride, Rosuvastatin, Deferasirox, Ivabdradine (SE Asia), Dapoxetine and intermediates of Fexofenadine and Clopidogrel.

The proactive steps taken in the form of product registrations fetched the growth of 74% for Japan market.

74%

EUROPE & TURKEY

It's a mixed bag in Europe. 9 out of the 17 countries remain in recession and in a crisis mode. This has been a continuous trend for last 18 months which has been the longest ever, since the consolidated area data started getting recorded in 1995. Almost all large countries except Germany are in recession.

Acquisitions and mergers have become the norm rather than the exception in today's environment. Smaller companies are getting consolidated into large players. The key to success in Europe lies in establishing associations with top generic companies and Ind-Swift is on the right track with its strong relationships.

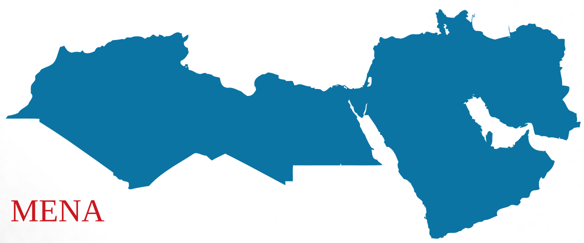
Last year saw the patent expiry of the world's largest selling product 'Atorvastatin Crystalline'. The Company was well prepared to take on the challenge to get its share of the pie and did so with entry through a leading generic company in almost all countries across Europe. The sales were further supported by captive consumption through the launch of finished formulations by our group company in key European markets. A large part of the revenues, besides Clarithromycin, were from this product.

Europe continues to lead the way in the world in terms of pricing pressure.

The austerity measures across the EU are impacting the revenue model and growth of several big players, which eventually is percolating down to smaller companies as well. The issue of reference pricing is also a concern. Pressure is eventually being passed onto API companies. To create a balance, Ind-Swift decided to follow the principle of carefully selecting the business of choice.

The Company was able to achieve its objective during the year by generating better than expected price realisations and a marginal growth in sales.

Turkey has repeatedly demonstrated consistent growth in the pharmaceutical sector. The market was more than USD 9.35 billion last year and has grown almost 12% in the first 4 months of 2013. With a rising internal demand, its increasing presence in regions like Middle East, North Africa, a growing demand for a mutual inspection procedure with EU and easing its entry further into all European markets, Turkey holds a promise of sustained growth. The Company is well established with the top players in the country and has built its strong business relations over the past decade and a half.



MENA

In spite of recent political unrest, economic, social and demographic changes are making the pharmaceutical markets in the Middle East & North Africa (MENA) region more attractive. Major advances for the pharmaceutical market in the Middle Eastern region include the establishment of a number of healthcare and biotech parks and the initiation of strategic partnerships between foreign and regional institutions for pharmaceutical R&D. Further adding to this is the general increase in the incidence rates of lifestyle diseases such as cancer. This has led to the establishment of numerous hospitals across many Middle Eastern countries increasing the demand for specialised and targeted therapies. The introduction of recent policies to liberalise the economy and the introduction of robust regional health insurance systems are likely to be key factors contributing to the growth of this market in the next five to ten years. Analyst estimates show a steady increase in the market size to as much as USD 15 billion by 2015.

Despite the progress, the pharmaceutical sector in the Gulf is still in an emerging phase, and drug manufacturing is at a relatively nascent stage due to a number of obstacles.

Market scenario

The Middle Eastern sector is primarily an import-oriented market with foreign investors holding respective shares in established businesses. As a part of the emerging pharma hub, major multinational giants including Amgen, Roche, Sanofi, Teva, Sandoz and J&J have considerable presence across the region. Simultaneously, base players of the Middle East and North African (MENA) market such as Julphar, Hikma, MEENA, Rhino, Sedico and Dar-Al-Dawa are also investing heavily in R&D, developing strong therapeutic portfolios in areas such as pediatrics and for lifestyle diseases such as obesity and cancer.

Ind-Swift has achieved good growth rate i.e., around 6 % in terms of revenue from year 2011-12 to 2012-13. Jordan is a primary market for Ind-Swift where we have achieved notable growth and new business is being developed day by day in this market. We have introduced new products and developed many new customers. In addition, we have got regular business with major players in this market like Dar Al Dawa, Hikma, Jordanian Pharmaceutical Company and many more. Due to political unrest in nearby countries, local formulation manufacturing companies exports are suffering leading to a small decrease in consumption.

The Egyptian pharmaceutical industry has enjoyed a period of considerable development in recent years. Since last year, the political situation is not stable causing production of local manufacturing companies to be hampered. Ind-Swift is catering its products to many companies and we have developed many new customers in this market and continue to develop many more.

The latest financial sanctions have a major impact on the pharmaceutical trade in Iran, although Ind-Swift is reaping benefits through joint venture of its Dubai subsidiaries with HFC. This year also we have achieved improved growth as compared to last year.

DOMESTIC

The Company has enjoyed another outstanding year with all top products enjoying healthy double digit growths. Ind-Swift is today regarded as the preferred partner by all major Indian and MNC finished dosage manufacturers. We have consolidated our product leadership in Clopidogrel, Fexofenadine and Atorvastatin without resorting to price drops. In fact, there have been instances where we have been able to firm up the prices there by reducing the impact of a weakening currency. With increasing pressures we have kept our focus on the bottom line and are pleased to register a healthy growth.

Our key products like Clarithromycin, Atorvastatin, Clopidogrel and Fexofenadine have grown by over 50 %.

The key drivers to our growth have been:

1. excellent planning and execution under able guidance
2. the right mix of technical and timely support.

USA

The US generics market, currently estimated at USD 350 billion, continued to be most lucrative in the world, comprising more than half of the share of the global generics market. The huge potential of this market can be interpreted from its vast pharmaceutical market, which is again the largest in the world. Generics had an estimated share of around 78% in the US pharmaceuticals market and the growth of generics has outpaced the growth of overall pharmaceutical market. This generic drugs market is anticipated to grow by around 10-11% over next two years.

This year, Ind-Swift has filed 1 more US Drug Master File (DMF) with USFDA. The Company has started commercial sales of 4 more APIs viz., Donepezil HCl, Ropinirole HCl, Letrozole USP and Acamprosate Ca in North America.

ISL INC. will be launching three more products in the USA immediately after the expiry of their patent in coming years.

The Company's four additional products are being actively reviewed by regulatory agencies.

This year, the US subsidiary has facilitated a out-licensing agreement of a finished dosage product dossier for the Canadian market of Ind-Swift limited, a group company under supply agreement of API from Ind-Swift Laboratories Limited. Ind-Swift is continuously building alliances with top North American Pharmaceutical companies.

RESEARCH & DEVELOPMENT

195

patent applications filed till date

109

patent applications filed in India

49

PCT applications filed

37

application filed abroad through National Phase Entry

Ind-Swift has filed total nine patent applications in 2012 – 2013, out of these, five applications have been filed in India, three as PCT applications and one application has been filed in US

In 2012-13, Ind-Swift has also been awarded two patents

CRAMS (CONTRACT RESEARCH AND MANUFACTURING SERVICES)

The global pharmaceutical industry is facing lots of cost and profit pressure. Drying up of the NCE pipeline of global innovators has put a lot of stress on profitability of the innovators. One of the approaches adopted by the innovators is to outsource the drug development activity. The global innovators and generic companies have also opted for getting their products contract manufactured at competitive geographies like India and China. Given the strong track record of process development, process research and manufacturing expertise from GMP plants, Ind-Swift started offering Contract Research and Manufacturing services to global pharmaceutical companies. Ind-Swift has also started offering early Phase Drug Development Services, Process Development / Research Services Custom Chemical Synthesis (CCS), Contract Manufacturing and Full Time Equivalents (FTEs) for Chemistry, Analytical, Regulatory and IPR services.

Within a short span of time Ind-Swift has been able to establish relationships with various global Innovators, Generics and biotech companies. Ind-Swift has also successfully completed initial feasibility & evaluation of projects. This new SBU has already received business from reputed companies from EU and Japan and started earning small revenues.

R&D (CRD) ANNUAL PROGRESS REPORT FOR 21012-13

The in-house Chemical Research and Development (CRD) works on the process development of molecules going off patent in coming years.

The patent non-infringing processes have been developed for Saxagliptin Monohydrate, Dabigatran Etexilate, Fesoterodine Fumarate, Raltegravir Potassium. Tapentadol Hydrochloride, Minodronic Acid and Silodosin. All these molecules hold promising opportunity and have a great business potential upon patent expiry.

CRD has also carried out extensive process and operational improvements in the existing commercial products like Aripiprazole, Ivabradine Hydrochloride, Fexofenadine and Atorvastatin.

These efforts have helped the organisation bring down the cost of manufacturing and remain competitive in global markets.

QUALITY CONTROL AND QUALITY ASSURANCE

Quality control gives the analytical support to each module of plants, ETP & power plant. To maintain the increasing regulatory and customer requirements, few new equipments like microbalance, orbital shaker, laboratory centrifuge and stability chamber are installed in the laboratory.

New set up of well equipped validation laboratory became functional and about 60 different analytical method validations have been done in line with the audit requirement.

Computerisation system strengthened in the laboratory by upgrading the network software attached with HPLC & GC to Empower 3 and Chromaleion 7.0 and enhance the analytical data security and audit trial within the system. It also helped to improve the existing documentation procedure.

In addition to this, Quality Control is continuously working to reduce the analysis time cycle by developing and changing the existing HPLC method to UPLC method which helps to reduce the cost of analysis in future.

REGULATORY AFFAIRS ACHIEVEMENTS IN FINANCIAL YEAR 2012-13

EUROPE REGION

- MAA for Atorvastatin tablet in UK has been approved in connection with our DMF and product has been launched on first day.
- Naratriptan HCl MAA has been approved in connection with our ASMF.
- Letrozole CEP update notification (increased batch size) has been approved.
- Telmisartan CEP approved by EDQM & HealthCare.
- Pioglitazone Customer's 15 mg, 30 mg, 45 mg tablets variation - Application approved in The Netherlands by referring our Pioglitazone HCL ASMF
- Atorvastatin Calcium Trihydrate CEP approved by EDQM & HealthCare.

US REGION

- Clarithromycin Special ANDA dossier has been approved by referring our Drug Master File.
- Letrozole USFDA application of our customer has been approved by FDA.
- ANDA Dossier has been approved by referring our Drug Master File of Ropinirole Hydrochloride.
- Colesevelam Hydrochloride USDMF submitted by eCTD route and has been accepted by USFDA Agency without any RTF (Comments leading to refusal for file).

ASIA REGION

- DMF of Quetiapine Fumarate has been approved in Korea.

QUALITY ASSURANCE ACHIEVEMENTS IN FINANCIAL YEAR 2012-13

Developments, Key Achievements and steps undertaken during the financial year 2012-13 which will give results in coming years

PROCESS/SYSTEM OPTIMISATION

- Testing frequency of purified water system of 3 plants (Plant 9, 11, 12) increased from rotation to fortnightly based on sound quality risk assessment.
- Testing frequency of environmental bio-burden increased for 10 plants from monthly to bimonthly based on sound quality risk assessment.
- Quality risk management implemented to optimise various production and processes.

EXTERNAL AUDIT - CUSTOMER

- Total customer audits faced in year 2012-13 - 32

All the customer audits were completed successfully without any major observation.

EXTERNAL INSPECTION - REGULATORY AGENCY

- TGA Australia Re-certification for Clarithromycin, Donepezil Hydrochloride, Letrozole, Ropinirole Hydrochloride, Acamprosate Calcium, Aripiprazole, Pioglitazone Hydrochloride, Atorvastatin Calcium.
- ISO 9001:2008 (Recertification)
- COPP (Recertification)
- Written confirmation for active substance into European Union in accordance with Article 46b(2)(b) of Directive 2001/83/EC by National Authority (CDSCO) India for Acamprosate Calcium, Anastrozole, Aripiprazole, Atorvastatin Calcium Trihydrate, Cinacalcet Hydrochloride, Clarithromycin, Clarithromycin Granules, Clopidogrel Hydrochloride, Clarithromycin Citrate, Clopidogrel Hydrogen Sulphate or Clopidogrel Bisulphate, Colesevelam Hydrochloride, Donepezile Hydrochloride, Dapoxetine Hydrochloride, Ezetimibe, Fexofenadine Hydrochloride, Ivabradine Hydrochloride, Imatinib Mesylate, Letrozole, Mecloxamine Citrate, Nateglinide, Pioglitazone Hydrochloride, Quetiapine Fumarate, Risedronate Sodium, Ropinirole Hydrochloride, Temozolomide, Telmisartan, Dutasteride, Imatinib Mesylate Granules, Levomenthol or Menthol

QUALITY AGREEMENTS

- Quality Agreement carried out with 28 customers in year 2012-2013.
- Total numbers of technical queries handled & closed successfully on time for customers - 1153

QUALITY TRAININGS

- Total number of trainings conducted for employees - 94

FUTURE PLANS

- Implementation of statistical control software Minitab will help in implementing new process validation guidelines wherein each batch will be a process validation batch and has to be within the process capability criteria.
- Implementation of Trackwise for online documentation and quality management system. This will help in better online document control and traceability.
- Vendor audits to be completed for all KSMs/Critical raw materials.
- Reduce testing by increasing the frequency of microbiological analysis for various parameters related to HVAC and Water monitoring based on previous data basis.
- Increase the periodic cleaning frequency of Clarithromycin, Fexofenadine and Atorvastatin.
- Skip testing of recovered solvents used in Clarithromycin, Fexofenadine HCl and Atorvastatin Calcium, Quetiapine Fumarate.
- Implementation of new process validation guidance based on QBD approach in R&D and Plant (Based on quality risk assessment).
- COFFPRIS Mexico and ANVISA Brazil regulatory audits are to be conducted.

OUR MANUFACTURING STRENGTHS

MANUFACTURING AND KEY PRODUCTS

- We have a product portfolio of 45 products across 16 therapeutic segments, including niche categories like oncology. We manufacture APIs for 10 of the top 25 blockbuster drugs with a global market of about USD 35 billion.
- Our manufacturing plants are accredited by international agencies like US-FDA, TGA and UK-MHRA and we have 20 cGMP manufacturing blocks. The Company has one of the largest cumulative reactor capacity of 480 KL in North India.
- We are among the two leading manufacturers of Clarithromycin/ granules (with patented technologies), Atorvastatin, Fexofenadine, Clopidogrel and Nitazoxanide. For Clarithromycin, we are the second largest manufacturer in the world after Abbot, USA.
- These key products will spearhead our growth in the coming year supported by products like Quetiapine, Donepezil, Colesevelam/Sevelamer and Imatinib

MANUFACTURING FACILITIES

1
facility each in Derabassi and Jammu

480
KL Reactor capacity with over 650,000 sq ft area.

590
MT capacity for bulk drugs, 3600 MT for mint derivatives

At Jammu

8 acre facility

Catering to domestic / emerging markets.

Products include atorvastatin, clopidogrel bi sulphate & nitazoxanide.

Highlight of Derabassi Plant

1
Concurrent and Prospective validation of 6 products completed successfully:

Imatinib Mesylate Granules, Mecloxamine Citrate, Bexaroutene, Cinacalcet HCL, Anastrazole, Ivabradine HCI

2
Plant capacity of Clarithromycin increased by 25%

Atorvastatin Calcium by 60%

Clarithromycin Granules by 15%

Imatinib Mesylate by 87% over precious year

3
Metal catalyst (Palladium Charcoal/ Platinum Charcoal)

Recovery increased by 6.22% over previous year by installing Contfiflt Filter

Theory of Constraints was used extensively in the plant to increase capacities and bring overall efficiencies by recognising and elevating the bottlenecks

OTHER PRODUCTS THAT WILL DRIVE GROWTH

We have 9 products that are in various stages of commercialisation that will augment the thrust of growth provided by the key products. These include

API	Status
Nitazoxanide	Launched
Risedronate Sodium	Samples & open part DMF in EU, Samples & TDP in US
Aripiprazole	Bio batches given in EU, Samples & TDP in US
Nateglinide	Already Supplying
Ropinirole HCI	Supplying commercial quantities to US & EU
Dutasteride	Plant Validation
Rosuvastatin Calcium	Plant Validation
Eletriptan Hydrobromide	Plant Validation
Bexarotene	Supplied Bio- Batches to EU

PRESENCE IN PHYTO-CHEMICALS

(MINT & MINT DERIVATIES BUSINESS)

Ind-Swift has created a niche with its pharma-centric approach and a highly organised setup in Phyto-Chemical business, viz. Mint and Mint Derivaties business. Ind-Swift has excellent state of the art facilities in North India. Our infrastructure enables us to produce high quality products, batch after batch, in strict adherence to global standards for our prized domestic and international customers. Right from sourcing of the natural raw material to world-class production practices to specialised packaging, our products pass through stringent quality control checks carried under GMP norms, supervised by experienced and skilled personnel.

OUR MANUFACTURING FACILITIES HAVE THE FOLLOWING CERTIFICATIONS:

GMP	ISO 9001:2008	HACCP
(Issued by World Health Organisation - COPP)	Quality Management	

Within 5 years of its presence in this segment, Ind-Swift's mint brand, Ind COOL has become a popular brand worldwide. The Company's Bhagwanpura site has a menthol & mint products manufacturing facility which is cGMP compliant. The Company has capacity to produce 3600 tonnes per annum of mint products.

MENTHOL PRODUCT RANGE

- Menthol Crystals (EP/USP/BP/IP/JP)
- Menthol Powder
- Peppermint Oil (All grades)
- Mentho Oil Rectified
- Mentha Oil TM 90%
- Dementholised Oil
- Menthones (All grades)
- Cis-3-Hexenol
- Menthyl Acetate
- Mint Terpenes
- Mentha Piperita Oil
- Spearmint Oil & Basil Oil
- Dihydro Myrcenol

KOSHER	HALAL	BIO TERRORISM	REACH COMPLIANCE

HUMAN RESOURCES DEVELOPMENTS AND KEY ACHIEVEMENTS

The Human Resource Team at Ind-Swift is actively geared towards playing its demanding role in achieving the vision and goals of the organisation and advocating its values and mission. With the ultimate aspiration of becoming a valuable strategic partner to the organisation, The Ind-Swift HR team is working towards setting in place HR management system and processes which aim at channelising efforts and energies of people towards the growing needs of the organisation and achieving envisioned goals.

At Ind-Swift, we support a culture of collaboration and meritocracy.

Ind-Swift's HR department believes that its human resource is its most valuable resource and its organisational vision can only be achieved by leveraging this resource. The changing business landscape requires that HR to be proactive in achieving understanding values and role clarity.

Various HR initiatives have been taken round the year :

1

LEARNING AND DEVELOPMENT

We believe that people give their best at work when they are fulfilled in all aspects of their lives. Various In-House and Out-bound trainings are conducted in order to have overall development of employees on recent trends in Technical Field and Behavioral aspects.

Developed a pool of In-House trainers for Technical and Behavioral trainings.

Training of Technical staff on cGMP awareness.

2

REVIEW OF PERFORMANCE MANAGEMENT SYSTEM

In order to make it more objective and offer role clarity by introducing key responsibilities.

Key result areas and Key Performance indicators.

Correlated PMS details to Training Need Identification in order to identify the GAPS.

3

COMPETENCY MAPPING

Initiated competency mapping to identify the functional and behavioral parameters to streamline various HR functions.

4

To provide allied services including welfare facilities to motivate workforce.

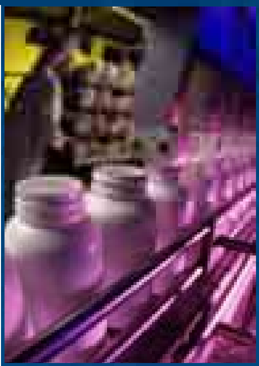
CORPORATE SOCIAL RESPONSIBILITY

As a member of today's rapidly changing global community, Ind-Swift is striving to adapt to the evolving needs of society and contribute to the overall health and wellness of the people. We are continually reviewing and improving our efforts to lessen our impact on the environment, nurture a workplace of diversity and inclusion, conduct responsible business practices, and uphold the highest ethical standards in everything from research and development to sales and marketing. We are building partnerships in communities to strengthen health systems, increase access to our medicines and find sustainable solutions to the health challenges of today and tomorrow.

Our inherent belief that all workplace illnesses and injuries are preventable has been the driving force in keeping our manufacturing sites, R&D and Corporate Office safe

Numerous positive initiatives were undertaken during the year to enhance workplace safety

Emergency preparedness at plants was ensured through regular mock drills exercises, at all manufacturing sites as well as at R&D



The Company's primary economic contribution to society is the result of our investments and production with due consideration for sustainable social, environmental and economic development

This also includes making profits and paying taxes and thus contributing positively to sustainable economic growth wherever we operate

Some of our contribution towards Community Services are :

- Sponsoring Medical Check up camps in village - Samgouli and Behra
- Sponsoring Education Awareness Camp in village - Rampur Saini
- Awarding scholarship for meritorious science students in villages - Rampur Saini, Sangouli, Haripur, Kuranwala and Behra
- Developing landscaped parks in nearby village
- Contributing for "Religious Festival" in villages- Rampur Saini, Sangouli, Haripur, Kuranwala and Behra
- Contributing for "Hanuman Mandir" in village – Ramgarh
- Contributing to various sports and cultural associations to promote Sports and Arts in the surrounding villages

BOARD AND MANAGEMENT REPORTS

FINANCIAL STATEMENTS

Corporate Information

Board of Directors (as on 31.03.2013)

S.R. Mehta	Chairman
N.R. Munjal	Vice-Chairman cum Managing Director
Himanshu Jain	Jt. Managing Director
Rishav Mehta	Executive Director
Dr. V.R. Mehta	Director
Dr. G. Munjal	Director
K.M.S. Nambiar	Director
Dr. H.P.S. Chawla	Director
T.S. Bhattacharya	Director
Dr. J.K. Kakkar	Director
Pradeep Kumar	Director
R.K. Ummat	Director

Senior Management Team

Dr.Lalit K. Wadhwa	Director & Chief Operating Officer
Vijay Kumar	Director Marketing & Special Projects
N.K.Bansal	Chief Financial Officer
Vikas Narendra	President-US Operations
G.K. Sharma	Manufacturing Head
Subodh Gupta	Member Executive Board
Dr. Rajesh Naik	Senior Vice-President (R&D & CRAMS)
Atul Choubey	Group HR Head
Ajay K. Srivastava	Vice President (Derabassi API facility)
Sandeep Singh	Vice President (Procurement)
Saranjai Tyagi	Vice President (QA)
Rakesh Bahuguna	Vice President (QC)

Committees of the Board

Audit Committee

K.M.S. Nambiar	Chairman
Dr. J.K. Kakkar	Member
R.K. Ummat	Member
S.R. Mehta	Member

Remuneration Committee

K.M.S. Nambiar	Chairman
R.K. Ummat	Member
S.R. Mehta	Member
Pradeep Kumar	Member
Dr. H.P.S. Chawla	Member

Share Transfer & Shareholder/ Investor Grievance Committee

K.M.S. Nambiar	Chairman
Dr. J.K. Kakkar	Member
N.R.Munjal	Member
S.R. Mehta	Member

Compensation Committee

Dr. J.K. Kakkar	Chairman
K.M.S. Nambiar	Member
R.K. Ummat	Member

Sub-Committee of Board

N.R.Munjal	Chairman
Dr. J.K. Kakkar	Member
K.M.S. Nambiar	Member
Himanshu Jain	Member
Dr. H.P.S. Chawla	Member

Compliance Officer

Pardeep Verma	GM – Corporate Affairs & Company Secretary

Solicitors

P.K. Goklaney & Company
Advocate & Solicitors
#38, Sector 16A, Chandigarh – 160 015

Auditors

Jain & Associates
Chartered Accountants
SCO 819-20, Sector 22-A, Chandigarh – 160 022

Bankers

State Bank of India
Specialized Commercial Branch
SCO:103-108, Sector 17B, Chandigarh 160017

Bank of India
Bank Square
SCO: 81-83, Sector 17B, Chandigarh 160017

State Bank of Patiala
Commercial Branch
SCO:103-106, Sector 8C, Chandigarh

Registered Office

SCO 850, Shivalik Enclave, NAC,
Manimajra, Chandigarh – 160 101
Tele: - +91-172-5061850, 2730920
Fax: - +91-172–2730504, 2736294
Email:investor@indswiftlabs.com
Website: www.indswiftlabs.com

Director's Report

Dear Shareowners,

Your Directors have pleasure in presenting the 18th Annual Report together with audited statement of accounts for the year ended 31st March, 2013.

FINANCIAL RESULTS

(Rs. in million)

Particulars	Year Ending 31st March 2013	Year Ending 31st March 2012
Sales (net of excise) and other income	**11005.49**	**13529.00**
Profit before Interest, Depreciation, Tax & Amortisation	**641.7**	**2075.81**
Less: - Interest	1396.15	845.47
- Depreciation	543.51	398.61
- Impairment of Assets	Nil	Nil
- Extra Ordinary Item (Loss on Insurance claim)	(100)	Nil
Loss on sale of fixed assets	**1.17**	**1.78**
Profit (loss) before Tax	**(1199.13)**	**829.95**
Less: - Provision for tax	0.167	174.62
- Income tax adjustment of previous years	Nil	(4.66)
- Mat Credit Entitlement	Nil	(174.62)
- Provision for Fringe Benefit Tax	Nil	Nil
- Provision for Deffered Tax	(9.59)	(29.78)
Profit after Tax (A)	**(1189.711)**	**864.40**
Amount B/F FROM Previous year**(B)**	3295.33	2430.93
Profit after Tax available for Appropriations (A+B)	**2105.619**	**3295.33**
Transfer to deferred tax liability	-	-
Provision for Dividend on Equity shares	-	-
Provision for Equity Dividend Tax	-	-
Transfer to General Reserve	-	-
Balance carried forward to Balance sheet	**2105.619**	**3295.33**

OPERATIONS AND BUSINESS PERFORMANCE

The shrinking operating profit margins, low liquidity, escalating debt cost, increasing competition and adverse market conditions have became major concern for the Company in the last financial year. Despite of all the financial challenges the operations of the Company were not affected and Your company has recorded a turnover of Rs.11005.49 millions during 2012-13 against the turnover of Rs.13529 millions during 2011-12.

The Company's Earning before interest , Depreciation Tax and Allowances (EBIDTA) during 2012-13 was Rs. 883.09 mn. However Company suffered a loss of Rs.1189.71 millions during 2012-13 against net profit of Rs.864.40 millions in 2011-12. The Earning per Share also reduced to Rs.(30.35) per share from Rs.24.10 per share.

CONSOLIDATED FINANCIAL PERFORMANCE

Your company recorded a consolidated turnover of Rs.11539.64 Millions during 2012-13 against the turnover of Rs.14424.93 Millions during 2011-12. In consolidated terms, the Company suffered a loss of Rs.1179.65 Millions against net profit of Rs.891.61 Millions. The Consolidated financial figures include the respective financial figures of the Company's three subsidiaries. As required under Clause 32 of the Listing Agreements with the Stock Exchanges, audited consolidated financial statements form part of the Annual Report and the same are annexed to this Report.

EXPORTS

The Company continued to fair well in export markets where the exports increased by 1.67% from Rs.5887.48 millions to Rs.5985.59 millions during 2012-13.

Director’s Report (Contd.)

CORPORATE DEBT RESTRUCTURING

The Company had approached the Corporate Debt Restructuring (CDR) cell through State Bank of India in July, 2012 for restructuring the debts of the Company through CDR mechanism. The final restructuring package was approved by the CDR Empowered Group vide its letter dated 9th November, 2012. The detailed information on Corporate Debt Restructuring is provided in Management Discussion and Analysis Report.

The Company has also filed a petition before Hon’ble Punjab and Haryana High Court under Section 391-394 of the Companies Act 1956 in order to implement the terms of CDR package with secured creditors and the lenders outside the CDR package. The petition is presently pending before the Hon'ble Punjab and Haryana High Court.

DIVIDEND

In view of the losses during the financial year, no dividend has been proposed for the year ended 31st March, 2013.

EMPLOYEE STOCK OPTION SCHEME

Members' approval to the Employee Stock Option Scheme was obtained at the Annual General Meeting held on 30th September, 2006 for introduction of the Scheme.

Employees Stock Option Scheme was approved and implemented by the Company and Options were granted to employees in accordance with the Securities and Exchange Board of India (Employee Stock option Scheme and Employee Stock purchase Scheme) Guidelines, 1999 ('the SEBI Guidelines')

The Employees Stock Compensation Committee, Constituted in accordance with the SEBI Guidelines, administers and monitors the Scheme. The applicable disclosures as stipulated under the SEBI Guidelines as at March 31, 2013 are annexed to the Directors Report.

CHANGE IN CAPITAL STRUCTURE

During the year the paid up share capital of your company raised to Rs.39,27,04,700/- consequent to:

Allotment of 13,15,000 equity shares upon conversion of equal number of Zero Coupon Optionally Convertible Warrants (2010 Series) at a price of Rs.82.50/- per share on preferential basis to promoter's group companies and

Allotment of 10,000 equity shares under Employee Stock Option Plan (ESOP) 2006 to the Independent Directors of the company at a price of Rs.27/- per share.

SUBSIDIARY COMPANIES

As on 31.03.2013 the Company had 3 Subsidiaries

The US subsidiary of the Company viz. Ind-Swift Laboratories Inc. achieved net sales of $ 4,967,187 and recorded a net Profit of $163,817.

The Singapore Subsidiary Viz Meteoric Life Sciences PTE Ltd. achieved net sales of $ 8,025,570 and recorded a net profit of $ 24,240.

The Dubai Subsidiary viz. Ind-Swift Middle East FZE has not started operations yet. During the financial year, the Company had transferred its investment in Iran Joint Venture to its Dubai Subsidiary.

A statement pursuant to Section 212 of the Companies Act, 1956, relating to subsidiary companies is attached to the accounts. In terms of the general exemption granted by the Ministry of Corporate Affairs vide its circular no. 02/2011 dated February 8, 2011, the audited accounts and Reports of Board of Directors and Auditors of the Company's subsidiaries have not been annexed to this Annual Report. The Company has complied with the requirements as prescribed under the said circular. The consolidated financial statements prepared in accordance with Accounting Standard – 21 issued by the Institute of Chartered Accountants of India forming part of this Annual Report include the financial information of the subsidiary companies.

DISINVESTMENT FROM IRAN JOINT VENTURE

During the financial year, the Company had transferred its investment in Iran Joint Venture to its Dubai Subsidiary. The process regarding disinvesment from Iran Joint has already been completed in terms of RBI guidelines.

AUDITORS

The Statutory Auditors of the Company M/s Jain & Associates, Chartered Accountants retire at the conclusion of ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office of Auditors, if reappointed. The Audit Committee and the Board of Directors recommend the appointment of M/s. Jain & Associates, as Statutory Auditors of the Company for the Financial Year 2013-14 for shareholders approval with regard to emphasis of matter contained in the Auditors Report explanations are given below :

Director's Report (Contd.)

a) Point 7 of Auditors Report : Note No. XIX of notes to accounts to the Financial statements

Pursuant to approval of the Board of Directors and shareholders in the Annual General Meeting the Company has continued to make same payment of remuneration to Managing Director and Jt. Managing Director which is subject to the approval of the Central Government . The application of the Company for the grant of approval for the payment of same remuneration is pending with the Central Government .

b) Point 7 of Auditors Report : Note No. XLVI of notes to accounts to the Financial statements

Corporate Debt Restructuring (CDR) scheme is effective from 1st July,2012. The outstanding liabilities of the Company are being restructuresed under the aegis of Corporate Debt Restructuring scheme. As required under the LOA, the MRA and other necessary documents have been executed. The company is negotiating with other lenders for their outstanding dues.

COST-AUDIT

Pursuant to Section 233B of the Companies Act, 1956 and with the prior approval of the Central Government, the Board has appointed M/s. V. Kumar & Associates, Cost Accountants as the Cost Auditors of the Company for audit of cost accounting records of its Pharmaceutical activities (Formulation & Bulk Drugs activities) for the financial year ended 31st March, 2013. Cost audit reports would be submitted to the Central Government within the prescribed time.

In terms of the circulars issued by Ministry of Corporate Affairs, the last date for filing the Cost Audit Report for the year ended 31st March, 2012, with the Central Government was 28th February 2013. The Report was filed on 07th February, 2013.

DEPOSITS

The aggregate amount of fixed deposit as on 31st March 2013 was Rs.108.48 crores approx. (previous year Rs.87.88 crores). Company continued to pay the interest and principal sum to the fixed deposit holders during the year 2012-13. However, due to tight liquidity position and consequent default in payment of fixed deposit holders in the month of April-June, 2013, the Company opted to approach Hon'ble Company Law Board for seeking extension in repayment of deposits and exemption from other provisions of the Companies Act, 1956.

DIRECTORS

In accordance with the provisions of Section 256 of the Companies Act, 1956, Sh. S.R. Mehta, Dr. G. Munjal and Sh. Pradeep Kumar Directors retire by rotation at the company's forthcoming annual general meeting and being eligible offer themselves for re-appointment. The Board recommends their reappointment.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

LISTING FEES

The Annual Listing fee for the year under review has been paid to The Bombay Stock Exchange Ltd., Mumbai and The National Stock Exchange of India Ltd.

INTERNAL CONTROL SYSTEMS

The Company maintains appropriate systems of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures are in place to ensure that all transactions are authorized, recorded and reported correctly as well as to provide for adequate checks and balances.

The Internal audit department together with independent firm of Chartered Accountants review the effectiveness and efficiency of these systems and procedures. Audits are finalized and conducted based on Internal risk assessment. Significant deviations are brought to the notice of the Audit Committee of the Board periodically and corrective measures recommended for implementation. All these steps facilitate timely detection of any irregularities and early remedial measures.

Director's Report (Contd.)

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

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Board Report) Rules, 1988 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure 'A'.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Amendment Rules, 2011 as amended, the names and other particulars of the employees are set out in the annexure to the Director's Report.

However, having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report and account are being sent excluding the aforesaid information to all the members of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance. The Directors adhere to the requirement set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. The Company has implemented several best corporate Governance practices as prevalent globally. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956 ("the Act"), your directors confirm that:

(I) In the preparation of Annual Accounts, the applicable accounting standards have been followed. There are no material departures from prescribed accounting standards.

(ii) We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year 2012-13 and of Loss of the Company for that period;

(iii) We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

(iv) We have prepared the annual accounts on an on going concern basis.

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 regularly conducts various programmes at different levels so as to ensure that a vibrant and motivated work-force leads to achievement of the defined goals. Employee relations continued to the harmonious and cordial at all levels and in all the units of the Company.

ACKNOWLEDGMENT

Your Directors thank all the employees for their sincere efforts, active involvement and devoted services rendered.

Your Directors thank the shareholders of the Company for the confidence reposed in the Management of the Company.

Your Directors place on record their gratitude to the Customers, Suppliers, company's Bankers and Financial Institutions for their support and cooperation during the year under review.

On behalf of the Board of Directors
S.R. Mehta
Chairman

Chandigarh, 9th August, 2013

Annexure to Directors Report

ANNEXURE TO DIRECTORS REPORT

Annexure 'A'

A) CONSERVATION OF ENERGY

a) Energy conservation taken and impact of measures taken:

1. 36 watt fluorescent tubes were replaced with 20 watt cool fluorescent light.
2. To reduce the power consumption, variable frequency drive were installed on reactor & pump.
3. The heating media has been replaced from steam to hot water in Vacuum Tray Drier to improve the efficiency.
4. To reduce the losses on high pressure steam, method for arresting leakage during operation was developed
5. To reduce the water draw out from borewell the recycling of water upto 55% was started .
6. Vapour absorption chiller steam condensate is being used to reheat the process air for clean room.
7. Power cost reduced by increasing the petcoke percentage in fuel mix.

b) Additional investments/proposals, if any, for the reduction of energy consumption.

1. Ultra filtration system installed to recycle the water which will reduce the water drawout from borewell.
2. Water scrubber installed for reduction of SO2 in exhaust gas of boiler.
3. All the ejector shall be provided with individual natural draft Cooling tower to improve efficiency of ejector.

c) Total Energy consumption and Energy Consumption per unit of production: -

A. ELECTRICITY AND FUEL CONSUMPTION

	Particulars	2012-13	2011-12
1	Electricity		
A	Purchase Unit (KWH)	5128264	12921428
	Total amount (Rs.)	21541549	63942901
	Average Rate (Rs.)	4.20	4.95
B	Own Generation		
I	Through Diesel Generator set (KWH)	921184	2644250
	UNIT PER LITRE OF DIESEL OIL	3.78	4.08
	Cost of fuel per unit (Rs.)	10.10	8.79
II	Through steam turbine/generator	NIL	NIL
2	Coal (specify quantity and where used)	NIL	NIL
	Through Coal Steam turbine (KWH)	21400591	NIL
	Unit per Kg coal	0.49	NIL
	Cost of fuel per unit (Rs.)	5.70	NIL
3	Furnace Oil/L.D.O. (Quantity)	NIL	14760
	Total amount (Rs.)	NIL	399996
	Average Rate (Rs. Per litre)	NIL	271

B. CONSUMPTION PER UNIT OF PRODUCTION

Unit	Standards	2012-2013	2011-2012
Electricity	KWH	18.63	9.00
Coal	Kgs	22.28	NIL
Furnance Oil/L.D.O.	Ltr/Kgs	NIL	0.01
Diesel	Ltr.	0.17	0.37
Petroleum Coke	Kgs	7.28	0.23

Annexure to Directors Report (Contd.)

B) TECHNOLOGY ABSORPTION

I. RESEARCH & DEVELOPMENT (R&D)

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

The focus of research efforts are:

i) Development of Active Pharmaceutical Ingredients going off patent in regulatory Markets with opportunity to be first among others players by developing non infringing processes.
ii) Cost effective development of API technologies for semi regulated markets.
iii) Creating Intellectual Property bank with filing of process patents at National & International level.
iv) Upgradation of existing technologies/ products ongoing basis.

b) Benefits derived as a result of above R&D:

i) Development of basket of API's for global markets.
ii). Quick launches of products by utilizing state of art R&D infrastructure to carve out niche business pocket.
iii) Company has filed total of 195 process patents at National & International Level.
iv) Improved productivity / process efficiencies
v) Internationally competitive prices and product quality.
vi) Safe and environment friendly processes.
vii) Speed to marketplace.
viii) Enhanced Global presence/ visibility.

c) Future plan of action

i) Continue developing innovative, commercially viable process know-how for Active Pharmaceutical Ingredients (APIs)
ii) Continue strengthening the Research Infrastructure and capabilities complying international GLP/cGCP norms.
iii) Enhance national and international research networking and strategic alliances.
iv) Collaborative Research.
v) Development of Non-infringing processes
vi) Contract Research and manufacturing Services (CRAMS)

Expenditure on R & D during the year 2012-2013

(Rs. in Millions)

Particulars	2012-13	2011-12
a. Capital	817.51	418.78
b. Revenue	609.56	944.72
Total	1427.07	1363.50
C Total R&D expenditure as percentage of total turnover	13.18	10.32
D Turnover	10827.01	13206.81

II. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION.

1. Efforts, in brief made towards technology, absorption, adaptation and innovation.
   - To continue developing innovative and commercially viable process knowhow for API.
   - Research & Development (R&D)
   - The developed technologies have been commercialised for both regulated and semi-regulated markets.
2. Benefits derived as a result of above efforts e.g. product improvements; cost reduction, product development etc.
   a) Cost reduction, quality improvement.
   b) No. of products commercialized have been increased.
   c) R&D Centre is recognized by DSIR, New Delhi.
3. 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.

Annexure to Directors Report (Contd.)

C) FOREIGN EXCHANGE EARNING AND OUTGO

1 Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans: -

Exports in the year under review were Rs.5985.59 millions as compared to Rs.5887.48 millions with increase of 1.67%.

The company continued to comply with regulatory requirements of various international authorities. Its facilities retained the approval of various international authorities all over the world. This will continue to provide the necessary platform to further expand the Company's overseas operations

2. Total foreign exchange used and earned:

During the year the foreign exchange outgo was Rs.3622.94 million and the earnings in foreign exchange were Rs.5866.35 million. Details have been given at Note XXXVIII of Notes on Accounts.

Information regarding employees stock option scheme and plan (As on 31st March, 2013):

a.	Total options granted during the year	Nil	
b.	Options Vested during the year	Nil	
c.	Options Exercised during the year	10,000	
d.	The total number of shares arising as a result of exercise of Options	10,000	
e.	Exercise Price	27/-	
f.	Options Lapsed during the year	1,24,380	
g.	Variation in terms of Options	Nil	
h.	Money realised by exercise of Options	Rs.2,70,000/-	
i.	Total number of Options in force	3,600	
j.	**Employee wise details of Options granted during the year:**		
	i. Directors:	Nil	
	ii. Any other employee who received a grant in any one year of Options amounting to 5%	Nil	
	or more of Options granted during that year		
	iii. Identified employees who were granted Options, during any one year, equal to	Nil	
	or exceeding 1% of the issued capital (excluding outstanding warrants and Conversions)		
	of the Company at the time of grant		
k.	**Diluted Earnings Per Share (EPS)** before exceptional items pursuant to issue		
	of shares on exercise of Options calculated in accordance with Accounting Standard		
	(AS) 20 'Earnings per Share'	(Rs.30.35/-)	

Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENT

The Global Pharma Market

The world pharmaceutical market has grown two times in values since 2000 primarily due to increased use of medicines around the world, global economic growth and faster regulatory approvals. The global market grew by around 3% in 2012. While the developed market grew at an average 2%, the pharmerging markets have grown by around 12%. The top five pharmaceutical markets in the world remained the US, Japan, Germany, France and china with US representing 39% of the global prescription pharmaceuticals sales.

The world population is expected to grow to around 8 Bn by 2050. In addition, there has been an increase in the number of people having access to healthcare. Global spending on medicines is expected to reach USD 1.2 trillion by 2016 reflecting growth of 3-6% over the four year period compared to 6.2% annual growth over past five years.

2012 was the transition year for generics as drugs having sales value USD 44 Bn, have lost their patent protection during the current year. Although generics-focused companies will continue to benefit from patent expiration in 2013, there will not be to the same extent as in 2011-2012, when a slew of blockbuster drugs came off patent. During the next 4-5 years drugs having value of around USD 75-80 Bn are going to be off patent which will be in the range of USD 15-25 BN per year. Along with this many markets like Europe, Japan & India (some parts) have increased the push for the use of the generics over branded Drugs and even INN (International Nonproprietary Name) prescribing have been introduced in some countries. In recent years many small molecules have been converted into generics and loss of exclusivity of blockbuster drugs has increased the importance of the generic drugs in the industry.

A large number of patent expiry offer a strong growth in the developed market for the generic segment. Generic segment contributed around 25% of the world pharmaceutical market and is expected to reach 30-35% of the total global pharma spending by 2016 with a CAGR of 12-13% compared with a 1-2% CAGR in the branded market.

At present although growth is the mature market is very low as compared to the high growth in the Pharmerging market, over 80% sale of the NCE's (New Chemical Entities) are coming from the major developed market whereas the top 20 brands of the Pharmerging market are too old i.e. launched 11-20 years ago. Products are often launched first in the most commercially attractive markets, whose characteristics include the pricing and reimbursement environment, regulatory requirements and in some case the impact of reference pricing systems, whereby the reimbursed price in some markets is used to set the price in others.

The developed markets have 65% share of the global market which is expected to reduce to 57% by 2016, whereas the phaemerging market's share will be around 30%. Essentially more than 50% of the growth of the global pharma market will be driven by pharmerging markets because of the increased contribution to the global market and the higher growth rate compared to the developed market.

Indian Pharmaceutical Market

India, 14th largest pharma market in the world is valued over Rs.600 Bn growing at a CAGR of 12% over 2002 and is expected to grow at a CAGR of 15-17% till 2020. It is one of the fastest growing pharma markets in the world. Indian pharmaceutical market is dominated majorly by branded generics constituting nearly 70% to 80% of market. The market is estimated to be among the top 10 by 2015

Indian Pharmaceuticals market (IPM) has witnessed growth in the both Acute and Chronic segments. One of the major reasons for the growth is increased of the chronic disease and its early detection, but still the acute segment dominates market share in the IPM.

Key growth drivers are growing population, increase in drug penetration levels, aspiration to seek better healthcare as income level increase, growing incidence of chronic ailments, availability of newer forms of treatment (such as vaccines) rising insurance penetration, improving medical infrastructure and increasing government spend on healthcare.

Outlook on Threats, Risks and Concerns

Other than the risks faced by the pharmaceuticals industry at large, global generic companies face additional risks associated with patent litigations, regulatory challenges and product liability. While the generic companies have an opportunity to genericise patented products in the developed markets, such opportunities reflect the “patent cliff” of products going off-patent and not being replaced by newer patent opportunities. Innovator pharmaceutical companies also continuously work to find ways to “evergreen” their patented drugs to delay the entry of generic versions of innovator medicines. In addition, due to growth opportunities in off-patent products, with a view to retain market share, the innovator companies have also started to participate in this segment, despite the higher competitiveness and price erosion in the generics market. Further, competition in generics is not just in the developed world, but also in the emerging markets, which are projected to grow at a faster growth rate than developed markets. This competition comes not just from generic companies but also from innovator companies that seek to maintain their position post genericisation of patented products.

The manufacture of pharmaceuticals is strictly regulated across the world. If any company fails to comply with applicable regulations at any step, there could be regulator enforced shutdown of the concerned production facilities. Other risks include, delay in approval(s) or revocation of drug approvals previously granted, failure or delay in obtaining approvals for new products, product recalls of existing drugs sold in the market and prohibition on the sale or import of non-complying products.

Regulators worldwide continue to raise the bar for quality expectation and compliance requirements with increasingly more severe consequences for non-compliance.

Management Discussion and Analysis Report (Contd.)

COMPANY'S OUTLOOK

Key Business Highlights

2012-13 was indeed a challenging year for the company . The year 2012-13 saw the Company going into CDR due to - huge investment in R&D and delay in return from these investments; huge investment in capital expansion through debts, cash flow from operations not being sufficient to meet debt obligations; pressure on margins of existing products, the rising interest and finance cost caused higher outflows to the company; fire incident at one of the key job work facility caused human casualities a part form loss of costly raw material and forex losses.

Despite a slow growth environment across global markets, the company put in significant efforts to keep business on track. Severe liquidity crisis due to reasons explained above and enhanced management focus on getting the CDR approved and restructuring its business did not stop the company from maintaining the current level of its operations and achieving the targets as projected under the CDR.

During the year the Company achieved a turnover of Rs.11005.49 Millions. The Exports during the year stood at Rs. 5985.59 Millions. Company is well placed globally to claim the opportunities thrown open by the patents going off patent for major drugs, majority of which Ind-Swift Labs is already present. Company's strong research and technical skills has made it a preferred supplier of APIs and Intermediates. Company is presently manufacturing more than 40 products and across 16 therapeutic segments, few of them growing by more than the industry growth rates. Company has filed more than 58 DMF's and it has filed DMF's even for the Drugs going off patent by 2022-2023. The benefits of which will start coming from 2014-2015 onwards.

Corporate Debt Restructuring

The Company had approached CDR Cell through State Bank of India for a composite package which includes re-scheduling of existing term loans and extension of time period for repayment of working capital term loan. The Empowered Group (EG) of CDR Cell has accordingly approved the CDR Scheme.

The Salient feature of our restructuring proposal is as under: -

- The existing term loans/ corporate loans will continue at concessional rate of interest @10.50% p.a. (floating) and repayable in 33 structured quarterly installments starting from June, 2014.
- Moratorium in the payment of interest for the period of 21 months from the cut off date i.e. 1st July, 2012.
- The total sacrifice of the CDR lenders has been computed at Rs.109.53 Crores.
- Conversion of future interest into Funded Interest Term Loan, which shall carry interest @9.75% p.a., repayable in 33 structured quarterly installments starting from June, 2014 and ending by June, 2022.stipulated in the CDR package.
- Promoter contribution of Rs.27.38 Crores to be brought into the Company in three installments
- Lenders outside the CDR Package viz. IFCI, L&T, Mahindra & Mahindra Finance and Tata Capital.
- Re-compensation defined on yearly basis.

Present status on implementation of CDR package: -

- The Company and the CDR Lenders have executed Master Restructuring Agreement (MRA) on 27th December, 2012. Accordingly, the terms and conditions of MRA shall be binding upon and effective between the borrower and the Lenders.
- Promoters have infused an amount of Rs.9.31 crores towards equity share capital of the Company in terms of the LOA.
- Entire shareholding of the Promoters/ Promoters Group pledged in favour of the Security Trustees to secure the credit facilities sanctioned to the company.
- Trust and Retention Account (TRA) has been opened with State Bank of India as per the requirement of the LOA.
- Entire cash flow of the Company is routed through Trust and Retention Account (TRA) maintained with State Bank of India.
- Joint charge has been created in favour of Lenders covered under CDR package.

The Company is envisaging the following steps to mitigate the pressure on liquidity:

- The company is proposing to increase market share of the some of products in regulated markets to derive benefits of higher margins. The company has identified 8 APIs which are expected to contribute in the increase in turnover and margins in future. Most of these products have recently gone off patent and there is significant potential for increase in market share for these products in receipt of necessary regulatory approvals.
- In addition to the above mentioned 8 API products, the company also has a pipeline of around 20 APIs which are part of long term growth strategy. The said APIs would be launched on expiry of patents which is scheduled in 2015 onwards. The products as of now are in seeding stage i.e. market promotion etc and are expected to be launched upon expiry of patents in respective countries.
- At the plant level, initiatives are being undertaken to improve yields and reduce costs through process development and de-bottlenecking exercises.

Report on Corporate Governance

1. THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Compliance to the Code of Corporate Governance forms an integral part of the Company's philosophy. Ind-Swift firmly believes that any meaningful policy on Corporate Governance must provide empowerment to the management of the Company, and simultaneously create a mechanism of checks and balances which ensures that the decision making powers vested in the management are not misused and are exercised with care and responsibility to meet stakeholders' aspiration and social expectations.

Keeping in view the Company's size and complexity in operations, Ind-Swift's corporate governance framework is based on the following main principles:

- Appropriate composition and size of the Board, with each Director bringing in key expertise in different areas.
- Proactive flow of information to the members of the Board and Board Committees to enable effective discharge of their fiduciary duties.
- Ethical business conduct by the management and employees.
- Full-fledged systems and processes for internal controls on all operations, risk management and financial reporting;

Through the Governance mechanism in the company, the Board along with its Committees endeavors to strike the right balance with its various stakeholders. The corporate governance philosophy has been further strengthened with the implementation of Code of Conduct by its Board and Senior Management. The Company is in full compliance of Clause 49 of the Listing Agreement with the Indian Stock Exchanges.

2. 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, 1956, Listing Agreement with Stock Exchanges where the shares of the company are listed and Articles of Association of the company. The Board of Directors had an optimum combination of executive and non-executive directors and presently comprises of **12** Directors, out of which **9** are non-executive Directors. The Company has a non-executive promoter Chairman and **6** Independent Directors which comprises of **1/2** strength of the Board, thus complying with the Corporate Governance Regulations as to the composition of the Board as on **31st March, 2013.**

The Vice-Chairman cum Managing Director and Jt. Managing Director of the Company are responsible for the day to day conduct of business and corporate affairs of the Company.

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 15 companies.

The required information as enumerated in Annexure IA to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussions and consideration at Board meetings. The Board also reviews the declaration made by the Vice-Chairman cum Managing Director regarding compliance with all applicable laws on a quarterly basis.

The Board of the Company met 8 times during the financial year on the following dates:

19.04.2012	30.05.2012
14.07.2012	13.08.2012
28.08.2012	07.11.2012
13.02.2013	28.03.2013

The maximum time gap between any 2 consecutive meetings did not exceed 4 months. The composition of the Board attendance at Board Meetings held during the financial year under review and at the last AGM, number of directorships, memberships, chairmanships in public limited companies and their shareholding in the company are as follows:-

Report on Corporate Governance (Contd.)

Name of Director	Category	FY 2012 -13 Attendance BM	FY 2012 -13 Attendance Last AGM	As on 31.3.2013 No. of D'ships #	As on 31.3.2013 Committees Member	As on 31.3.2013 Committees Chairman	Share - holding
Mr. S.R. Mehta	Non Executive Chairman, Promoter	**8**	**Yes**	4	3	Nil	233600
Mr. N.R. Munjal	Vice-Chairman cum Managing Director, Promoter	**8**	**Yes**	3	2	1	105000
Mr. Himanshu Jain	Jt. Managing Director, Promoter	**8**	**Yes**	4	2	Nil	43325
Mr. Rishav Mehta	Executive Director, Promoter	**7**	**Yes**	2	Nil	Nil	Nil
Dr. G. Munjal	Non Executive Director, Promoter	**6**	**Yes**	4	Nil	Nil	60900
Dr. V.R. Mehta	Non Executive Director, Promoter	**8**	**Yes**	2	1	Nil	52900
Mr. K.M.S. Nambiar	Independent Director	**8**	**Yes**	1	2	5	5000
Dr. J.K. Kakkar	Independent Director	**7**	**Yes**	Nil	3	1	Nil
Dr. H.P.S. Chawla	Independent Director	**7**	**No**	2	1	Nil	5000
Mr.Pradeep Kumar	Independent Director	**4**	**Yes**	1	1	Nil	5000
Mr.T.S. Bhattacharya*	Independent Director	**1**	**N.A**	9	Nil	Nil	Nil
Mr. R. K. Ummat *	Independent Director	**-**	**N.A**	2	4	Nil	Nil
Mr. S. P. Sharma**	Independent Director	**5**	**No**	1	3	Nil	Nil
Dr. N. P. Singh **	Independent Director	**4**	**Yes**	NIL	Nil	Nil	Nil
Mr. Atul Saxena ***	Independent Director	**2**	**N.A**	1	3	Nil	Nil

#Excludes private limited companies.

* Mr. T.S. Bhattacharya and Mr. R.K. Ummat were co-opted as Additional Directors w.e.f. 07/11/2012 & 31/03/2013 respectively.
** Dr. N.P. Singh and Mr. S.P. Sharma resigned from the Board w.e.f. 09/10/2012 & 07/11/2012 respectively.
*** Mr. Atul Saxena ceased to be a Nominee Director w.e.f. 19/02/2013 pursuant to withdrawal of Nomination by IFCI.

`Sh. S.R. Mehta, Dr. G. Munjal, Sh. Pradeep Kumar, Directors are liable to retire by rotation and being eligible, have offered themselves for re-appointment. Their brief resume along with particulars of re-appointment of directors forms part of the notice of **18**th Annual General Meeting of the company.

3. 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. All decisions and recommendations of the Committees are placed before the Board for information or for approval. The Company has five Board-level Committees, namely:

- Audit Committee
- Shareholders' Grievance Committee
- Sub-Committee of Board
- Remuneration Committee
- Compensation Committee

(A) AUDIT COMMITTEE

During the financial year **2012-13**, Four Audit Committee Meetings were held on the following dates, including before finalization of annual accounts and adoption of quarterly financial results by the Board:

30.05.2012	**13.08.2012**
07.11.2012	**13.02.2013**

The constitution of the audit committee and the attendance of each member of the committee are given below: -

Name	Designation	Executive/Non-Executive/ Independent	No. of Committee Meeting held during their Tenure	No. of Committee Meeting attended
Mr. K.M.S Nambiar	Chairman	Independent/ Non-Executive	4	4
Dr. J.K Kakkar	Member	Independent/ Non-Executive	4	3
Mr. S.R. Mehta	Member	Non-Executive	4	4
Mr. R.K. Ummat*	member	Independent/ Non-Executive	-	-
Mr. S.P Sharma**	Member	Independent/ Non-Executive	3	3
Mr. Atul Saxena**	Member	Independent/ Non-Executive	1	1

**Mr. S.P. Sharma & Mr. Atul Saxena ceased to be a member of Audit Committee w.e.f. 07/11/2012 & 19/02/2013 respectively.
*Mr. R.K. Ummat was nominated as member of Audit Committee w.e.f. 10/04/2013.

Report on Corporate Governance (Contd.)

The Audit Committee meetings are attended by Statutory Auditors. The Company Secretary acts as Secretary of the Audit Committee. The Committee relies on the expertise and knowledge of management, internal auditors and the independent statutory auditors in carrying out its oversight responsibilities. Management is responsible for the preparation, presentation and integrity of the company's financial statements including consolidated statements, accounting and financial reporting principles. Management is also responsible for internal control over financial reporting and also procedures are designed to ensure compliance with Accounting Standards, applicable laws, regulations as well as objectively reviewing and evaluating the adequacy, effectiveness and quality of the company's system of internal control.

M/s Jain & Associates are the company's Statutory Auditors and they are responsible for performing an independent audit of the financial statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

Following are the powers, scope and role of Audit Committee:

a. 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.
b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
c. Reviewing with management the annual financial statements before submission to the board, focusing primarily on;
   - Any changes in accounting policies and practices.
   - Major accounting entries based on exercise of judgment by management.
   - Qualifications in draft audit report.
   - Significant adjustments arising out of audit.
   - The going concern assumption.
   - Compliance with accounting standards.
   - Compliance with stock exchange and legal requirements concerning financial statements.
   - Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
e. Reviewing the adequacy of internal audit function, 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.
f. Discussion with internal auditors any significant findings and follow up there on.
g. 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.
h. Discussion with external auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
i. Reviewing the company's financial and risk management polices.
j. 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.
k. Any other matter, which the committee may deem fit to review in the Audit Committee Meeting.

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.

(B) REMUNERATION COMMITTEE

The Remuneration Committee comprises of 4 independent directors (including the chairman of the Committee) and 1 Non-executive Director .The Remuneration Committee reviews the remuneration of the Executive directors and compensation Policy for senior Management Personnel. The remuneration policy for managerial personnel is primarily based on the following criteria:

- Performance of the Company, its divisions and units.
- Track record, potential and performance of individual managers and
- External competitive environment

The Remuneration Committee met once during the year on 28/08/2012.

Report on Corporate Governance (Contd.)

The constitution of the Remuneration Committee and the attendance of each member of the committee are given below:

Name	Designation	Executive/Non-Executive/ Independent	No. of Committee Meeting held during their Tenure	No. of Committee Meeting attended
Mr. K.M.S. Nambiar	Chairman	Independent/ Non- executive	1	1
Mr. Pradeep Kumar	Member	Independent/ Non- executive	1	1
Dr. H.P.S Chawla	Member	Independent/ Non- executive	1	1
Mr. S. R. Mehta	Member	Non- executive	1	1
Mr. R.K.Ummat*	Member	Independent/ Non- executive	-	-
Mr. S.P. Sharma**	Member	Independent/ Non- executive	1	1
Mr. Atul Saxena**	Member	Independent/ Non- executive	-	-

*Mr. R.K. Ummat was nominated as member of the Remuneration Committee w.e.f.10/04/2013.
** Mr. S.P. Sharma & Mr. Atul Saxena ceased to be a member of Remuneration Committee w.e.f. 07/11/2012 and 19/02/2013 respectively

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 2012-13 is given below:

(Rs. in Lacs)

Name of Director &Designation	Business Relationship with Company	Remuneration for the year ended 31st March, 2013			
		Salary *	Contribution to Provident Fund	Perquisites	Total
Mr. N.R. Munjal Vice-Chairman cum Managing Director	Promoter	180.00	0.09	Nil	180.09
Mr. Himanshu Jain Jt. Managing Director	Promoter	180.00	0.09	Nil	180.09
Mr. Rishav Mehta Executive Director	Promoter	48.00	0.09	Nil	48.09

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

The Executive Directors were paid remuneration, as approved by the shareholders in the Annual General Meeting held on 29.09.2012. No options under the ESOP were granted to the Executive Director during the year.

The Company has filed an application to the Central Government for payment of remuneration to the managerial personnel in excess of the limits prescribed under section 198 read with the Schedule XIII of the Companies Act, 1956. The approval from the Central Government for the same is awaited.
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.

Independent Directors

Remuneration to Independent Directors comprises sitting fees only. Sitting fees payable to the Independent Directors were approved by the shareholders in the Annual general Meeting held on 28th September, 2005.

(Amount in Rs.)

Director	Designation	Business Relationship with Company	Sitting Fees	Other Expenses	Total
Dr. J.K. Kakkar	Independent Director	--	13500	3000	16500
Mr. K.M.S. Nambiar	Independent Director	--	16500	3500	20000
Dr. H.P.S. Chawla	Independent Director	--	9000	3000	12000
Sh. Pradeep Kumar	Independent Director	--	6000	2000	8000
Dr. N. P. Singh	Independent Director	--	6000	2000	8000
Sh. S.P Sharma	Independent Director	--	12000	--	12000
Sh. Atul Saxena	Independent Director	--	6000	--	6000
Sh. T.S. Bhattacharya	Independent Director	--	1500	--	1500

Report on Corporate Governance (Contd.)

(C) SHAREHOLDERS' GRIEVANCE REDRESSAL COMMITTEE

Shareholder's Grievance Redressal Committee specifically looks into redressing of shareholders and investors complaints such as transfer of shares non-receipt of shares, non receipt of dividends and to ensure expeditious share transfer process. During the year ended 31st March, 2013 Committee met 5 times.

15-09-2012	**08-10-2012**
22-10-2012	**18-02-2013**
11-03-2013	

The Committee is headed by Mr. K.M.S. Nambiar and the constitution of committee and attendance of each member of the Committee is given below:-

Name	Designation	Non/Exec independent	No. of meeting Attended
Mr. K.M.S. Nambiar	Chairman	Independent/ Non Executive Director	**5**
Dr. J.K. Kakkar	Member	Independent/Non Executive Director	**5**
Mr. N.R. Munjal	Member	Executive Director	**5**
Mr. S.R. Mehta	Member	Non Executive Director	**4**

Share Transfer (Physical)

- All shares have been transferred and returned within 15 days from the date of receipt of complete documents
- The Share Transfer Committee considers share transfer approvals once in a week.
- Total Number of Shares (Physical Form) transferred during the year 2012-13 were 400.
- As on 31st March, 2013 there were no equity shares pending for transfer.
- Total No. of Duplicate Shares issued during the year were 1000.
- Total No. of Shares Remat during the year 2012-13 were 5.

Reconciliation of Share Capital Audit Report

Pursuant to the provisions of the SEBI (Depositories & Participant) Regulations, 1996 quarterly audit is being undertaken by a Practicing Company Secretary for reconciliation of share capital of the Company.

The audit report inter alia covers and certifies that the total share held in NSDL, CDSL and those in physical form tally with the issued and paid-up capital of the Company, the Register of Members is duly updated and demat requests are confirmed within stipulated time etc.

Unclaimed Dividend

Pursuant to the provisions of Section 205A of the Companies Act, 1956 the dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund (IEPF). Once unclaimed dividend is transferred to the IEPF, no claim shall lie in respect thereof either with the Company or IEPF. The data of unclaimed dividends upto the financial year ended 31st March, 2012 were uploaded on the website of the Ministry of Corporate Affairs (MCA), Government of India, and also on the Company's official website www.indswiftlabs.com.

In compliance with the same, unclaimed dividend for the financial year 2004-05 has already been transferred to the IEPF and this year, dividend for financial year 2005-06 shall be transferred to the IEPF. Any Shareholder who has not received the dividend relating to the said financial year may contact the Company.

Investor Relations

The following table shows the number of complaints received from the shareholders during 2012-13 all of which have been resolved during the year. There was no complaint pending as on 31/03/2013.

Status of Complaints	2012-13
Opening as on 01/04/2012	Nil
Received during the year	1
Resolved during the year	1
Closing as on 31/03/2013	Nil

The complaints are generally replied within 15 days from the date of lodgment with the company.

(D) COMPENSATION COMMITTEE

The Compensation Committee was constituted in the year 2004 to administer and superintend the implementation of Employee Stock Option Scheme. The Compensation Committee formulates the details terms and conditions of the Employee Stock Option Scheme /Plan including the following:

- Administration and superintendence of Employees' Stock Option Scheme (ESOS).
- Formulation of the detailed terms and conditions of the ESOS.

No Compensation Committee Meeting was held during the Financial year.

Report on Corporate Governance (Contd.)

(E) SUB-COMMITTEE OF BOARD

The Sub Committee of Board was constituted in the year 2009 to consider and approve the matters related To Banks/ FIs/ Term Loans/ Corporate Debt Restructuring and matter of general nature.

The constitution of the Sub-Committee of Board and the attendance of each member of the committee are given below:

Name	Designation	Executive/Non-Executive/ Independent	No. of Committee Meeting held during their Tenure	No. of Committee Meeting attended
Mr. N.R Munjal	Chairman/ Member	Executive Director	11	11
Mr. K.M.S Nambiar	Member	Independent/Non-Executive Director	11	11
Dr. J.K Kakkar	Member	Independent/ Non-Executive	11	11
Mr. Himanshu Jain	Member	Executive Director	11	10
Dr. H.P.S. Chawla*	Member	Independent/Non-Executive Director	3	3
Sh. S.R. Mehta**	Member	Non Executive Director	3	2

*Dr. H.P.S. Chawla and Sh. S.R. Mehta were nominated as member of the Committee w.e.f.07/11/2012
**Sh. S.R. Mehta ceased to be member of the Committee w.e.f. 10th April, 2013.

4. 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	Category	Venue	Date	Time	Special Resolution
2011-12	17th AGM	PHD Chamber of commerce /industry, Sector-31 A,Chandigarh	29.09.2012	10.30 A.M.	3
2010-11	16th AGM	PHD Chamber of commerce /industry, Sector-31 A,Chandigarh	26.09.2011	10.30 A.M.	3
2009-10	15th AGM	PHD Chamber of commerce /industry, Sector-31 A,Chandigarh	22.09.2010	10.30 A. M.	8

AGM – Annual General Meeting

The Special Resolutions were passed by the show of hands. The Company had not passed any resolution through postal Ballot.

During the financial year 2011-12 the following mentioned Special Resolutions were passed seeking approval of shareholders: -

- To consider and approve the payment of Remuneration to Sh. N.R. Munjal.
- To consider and approve the payment of Remuneration to Sh. Himanshu Jain.
- To consider and approve the payment of Remuneration to Sh. Rishav Mehta.

5. CODE OF CONDUCT

The Company has adopted a Code of Business Conduct and Ethics (the "Code"), which applies to all employees and Directors of the Company, its subsidiaries and affiliates. It is the responsibility of all employees and Directors to familiarize themselves with this Code and comply with its standards.

The Company has also adopted a code of conduct for Prevention of Insider Trading. All the Directors, Senior Management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under Report, there have been due compliance with the said code of conduct for Prevention of Insider Trading.

The Code of Business Conduct and Ethics is posted on the Company's website – www.indswiftlabs.com.

Declaration as required under Clause 49 of the Listing Agreement

As provided under Clause 49 of the listing Agreement with the Stock Exchanges, the Board of directors and the Senior Management Personnel have affirmed compliance with the code of conduct and Ethics for the financial year ended **March 31, 2013.**

(N.R. MUNJAL)
CEO/ Vice Chairman
Cum Managing Director

Date: 9th August, 2013
Place: Chandigarh

Report on Corporate Governance (Contd.)

6. CEO / CFO Certification under clause 49 of the Listing Agreement
The Chairman cum Managing Director (CEO) and the Chief Financial Officer of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The Chairman cum Managing Director and the Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the board in terms of Clause 41.

7. DISCLOSURES

A. Related Party Transactions
Transactions with related parties are disclosed **in Note No.XXV of Notes to the accounts in the Annual Report** 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.

B. 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.

C. Disclosure of Accounting Treatment
There is no significant change in the accounting policies except for the accounting policy relating to amortisation of Intangible Assets (other assets). The revised policy is given in Note No. XLVIX under sub-note 2C of the annexure to the balance sheet and profit and loss account.

D. 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.

E. Mandatory & Non-Mandatory Clauses
The Company has complied with all the mandatory requirements laid down by the Clause 49. The non-mandatory requirements complied with have been disclosed at relevant places.

8. MEANS OF COMMUNICATION
During the Year, quarterly and annual audited financial results on standalone basis and audited annual financial results on the consolidated basis of the Company were submitted to the stock exchanges soon after the Board meeting approved these and un-audited quarterly and half-yearly and audited annual financial results on the consolidated basis were published in leading newspapers - The Business Standard/ Financial Express (English) and Jansatta (Hindi). These were also promptly put on the Company's website www.indswiftlabs.com. All official news release of relevance to the investors are also made available on the website for a reasonable period of time**.**

9. GENERAL SHAREHOLDER INFORMATION

I Annual General Meeting
- Date 30/09/2013
- Time 2:30 P.M.
- Venue PHD Chamber of Commerce and Industry,
  PHD House, Sector 31A, Chandigarh 160031

II Financial Calendar
Financial reporting for the financial year 2013-14 for

• Quarter ending June 30, 2013	Already adopted on 9th August, 2013
• Quarter ending September 30, 2013	By 14th November, 2013
• Quarter ending December 31, 2013	By 14th February, 2014
• Year ending March 31, 2014	By 30th May 2014 (As Audited Results will be considered)
• Annual General Meeting for the year ending March 31, 2014	By 30th September 2014

III Date of Book Closure -
The Company's Register of Members and Share Transfer Books will remain closed from 26th September, 2013 to 30th September, 2013 pursuant to provisions of Section 154 of Companies Act, 1956.

IV Dividend
In view of the financial losses, no dividend has been proposed for the Year ended 31st March, 2013.

V Listing of Equity Shares on Stock Exchanges
The company's shares are listed at The Stock Exchange, Mumbai (BSE), The National Stock Exchange of India Limited (NSE) and The Luxembourg Stock Exchange.

Report on Corporate Governance (Contd.)

VI Stock Market Data

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

Name of the Stock Exchange	:	CODE
The Bombay Stock Exchange Limited	:	532305
National Stock Exchange Limited	:	INDSWFTLAB

The ISIN Nos. for the Company's Shares in Demat Mode – INE915B01019

Monthly Share Price Movement during 2012-13 at BSE & NSE

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume	High (Rs.)	Low (Rs.)	Volume
April 2012	105.50	89.25	578745	105.40	89.45	1131780
May 2012	95.70	77.65	340997	95.70	76.65	951168
June 2012	78.10	45.60	1639313	78.25	45.80	4133220
July 2012	55.90	41.60	1157260	55.55	41.70	2278680
August 2012	49.40	39.10	1117379	49.95	38.95	2385215
September2012	62.40	45.70	4893988	62.35	45.80	12989306
October 2012	58.10	50.40	1125241	58.20	50.00	3110315
November 2012	57.75	46.10	440097	57.70	46.15	1130696
December 2012	52.60	46.25	359950	52.50	45.85	1008607
January 2013	61.20	46.20	2110141	61.05	46.30	6571602
February 2013	52.60	45.25	678929	52.70	45.00	1457612
March 2013	53.35	41.25	1081203	53.20	41.60	1871299

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

VII REGISTRAR AND TRANSFER AGENT

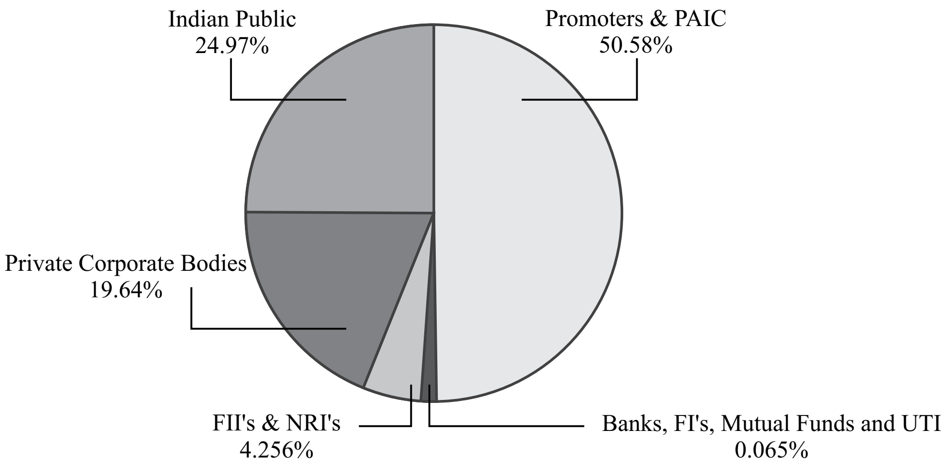
Transfer Agent for physical transfer and Demat of Shares:

M/s Alankit Assignments Ltd.
205-208 Anarkali Market
Jhandewalan Extension,
New Delhi-110 055
Tel:- +91-11-142541965, 42541953
Fax:- +91-11-41540064
E-mail: alankit@alankit.com
Website: www.alankit.com

Report on Corporate Governance (Contd.)

VIII Distribution of Equity Shareholding as on March 31, 2013.

Category	No. of Shares Held	%age of Shareholding
Promoters & PAIC	19,864,126	50.58
Banks, FI's, Mutual Funds and UTI	25,522	0.065
FII's & NRI's	1,860,461	4.256
Private Corporate Bodies	7,711,599	19.64
Indian Public	9,808,762	24.97
Total	**39,270,470**	**100.00**



IX Distribution Schedule as on 31st March 2013

Shares or Debenture holding of Nominal Value of	No. of Share Holders	% age of Total Holders	Shares/ Debenture Amount	% age of Total Equity
Upto 5000	17676	84.944	27,565,290	7.019
5001 to 10,000	1647	7.915	13,664,570	3.479
10,001 to 20,000	717	3.446	11,155,130	2.841
20,001 to 30,000	244	1.173	6,265,030	1.595
30,001 to 40,000	102	0.49	3,756,260	0.957
40,000 to 50,000	104	0.5	4,904,320	1.249
50,001 to 1,00,000	153	0.735	10,880,550	2.771
1,00,001 and above	166	0.798	314,513,550	80.089
TOTAL	**20809**	**100.000**	**392,704,700**	**100.00**

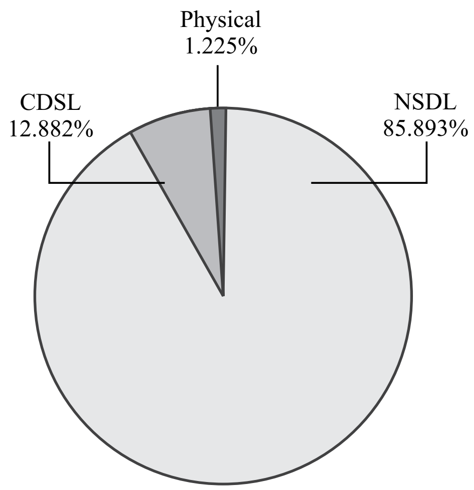
Report on Corporate Governance (Contd.)

X. 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 2013**, 38789334 equity shares of the company, forming 98.775% of the share capital of the company, stand dematerialized.

Mode of Shares	Number of Shares	%
Physical	481,136	1.225
NSDL	33,730,608	85.893
CDSL	5,058,726	12.882
Total	**39,270,470**	**100.00**

Shares held on Physical Form and Dematerialized Form as on 31.03.2013



XI. Outstanding GDRs/ADRs/Warrants or any convertible instruments.

The Company issued 25,00,000 Global Depository Receipts (GDRs) to FIIs on 12th August, 2005 after getting the previous approval from the shareholders in the Extra-Ordinary general Meeting held on 27th April, 2005. These GDRs were listed at the Luxemburg Stock Exchange. As on 31/03/2013, **23,500** GDR's were outstanding.

Optionally Convertible Warrants

Out of 80,00,000 Zero Coupon Optionally Converted Warrants (Series 2010), the balance 13,15,000 warrants were converted into Equity Shares at a price of Rs.82.50/- per share on 19.04.2012. There were no outstanding warrants after post conversion of 13,15,000 warrants.

Report on Corporate Governance (Contd.)

XII Registered office

Ind-Swift Laboratories Limited
SCO 850,
Shivalik Enclave, NAC, Manimajra,
Chandigarh – 160 101
Tele:-+91-172-2730920
Fax: +91-172–2730504, 2736294

XIII Plant Locations

1. Village Bhagwanpura,
   Barwala Road, Near Derabassi,
   Distt. Patiala, Punjab.
2. SIDCO, Industrial Growth Centre,
   Jammu (J & K).

XIV Research and Development Facility

Plot No. E-5, Industrial Area,
Phase –II, Mohali (Punjab)

XV Compliance Officer

Pardeep Verma
GM-Corp. Affairs & Company Secretary
Ind-Swift Laboratories Limited
Corporate Office
SCO – 850, Shivalik Enclave,
NAC, Manimajra
Chandigarh 160101
Tel: - +91-172-2730920
Fax: - + 91-172-2730504
Email: pardeep.verma@indswiftlabs.com

Auditors' Certificate on Corporate Governance

To,
The Members of
M/s Ind-Swift Laboratories Limited

We have examined the compliance of conditions of Corporate Governance by M/s Ind-Swift Laboratories Limited for the year ended 31st March 2013 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

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

In our opinion and to the best of our information and explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned clause 49 of the Listing Agreement.

Based on records maintained and certified by the secretary of the company, there are no investors grievances pending against the Company for a period exceeding one month as at 31st March, 2013.

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 **JAIN & ASSOCIATES**
Chartered Accountants
(S.C. PATHAK)
Partner

Place: Chandigarh
Date: 09.08.2013

Independent Auditors' Report

The Members,
Ind-Swift Laboratories Limited,
Chandigarh

Report on the Financial Statements

1. We have audited the accompanying financial statements of M/s Ind-Swift Laboratories Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit & Loss and Cash Flow Statement of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
(b) In the case of the Statement of Profit and Loss, of the loss of the year ended on that date; and
(c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we draw attention to

7. Note No. XIX to the financial statements, relating to remuneration paid/provided in respect of Directors of the Company, in excess of the limits prescribed under section 198 read with Schedule XIII to the Act, which is subject to the approval of the Central Government. Our opinion is not qualified in respect of this matter.
8. Note No. XLVI to the financial statements, wherein as explained, Corporate Debt Restructuring (CDR) scheme is effective from 1st July,2012. The outstanding liabilities of the company have been substantially restructured under the aegis of CDR Scheme, which extends till 2022.

Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
10. As required by Section 227(3) of the Act, we report that:

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
(b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
(c) The Balance sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
(d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
(e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For JAIN & ASSOCIATES
Chartered Accountants
(Regd No.:001361N)

(S.C. Pathak)
Partner
Membership No. 10194

Place: Chandigarh
Date: 28.05.2013

Annexure to the Auditors' Report

(Referred to in paragraph 1 of our report of even date)

I. In respect of its fixed assets:

a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) According to the information and explanations given to us, the company has a system of physical verification of all its fixed assets over a period of four years. In our opinion having regard to the size of the company and the nature of its assets, the program of verification is reasonable. No material discrepancies have been noticed in respect of assets physically verified.

c) During the year, Company has not disposed off any substantial / major part of fixed assets.

II. In respect of its inventories:

a) The inventory was physically verified during the year by the management. In our opinion, frequency of verification is reasonable.

b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of its inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.

III. a) According to the information and explanations given to us, the company has granted unsecured loans during the year & the amounts outstanding at the year end is Rs. 1399.70 Lacs (P.Y. Rs. 792.05) to one party covered in the register maintained under section 301 of the Companies Act 1956.

b) The loans given are short term, unsecured and in our opinion the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the company.

c) In respect of aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest, where applicable.

d) In respect of aforesaid loans granted, there is no overdue amount more than Rs. one lac.

e) According to the information and explanations given to us, the company has not taken unsecured loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly clause III (e) (f) (g) of paragraph 4 of the order are not applicable to the company.

IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in Internal Control System.

V. In respect of particulars of contracts or arrangements and transactions entered in the register maintained in pursuance of section 301 of the Companies Act 1956

a) To the best of our knowledge and belief and according to the information and explanation given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.

b) According to the information and explanations given to us, these contracts or arrangements have been made at prices, which are prima facie, reasonable having regard to the prevailing market prices at the relevant time.

VI. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A and 58AA of the Companies Act 1956 and the rules framed there under and the directives issued by the Reserve Bank of India, with regard to the deposits accepted from the public.

VII. In our opinion, the Company has an adequate internal audit system which commensurate with the size and nature of its business.

VIII. The Company is required to maintain cost records under section 209(1)(d) of the Companies Act, 1956 for the products of the company and according to the information and explanation given to us, the company has maintained proper records as prescribed by the Central Government.

IX. According to the information and explanations given to us in respect of Statutory and other dues:

Annexure to the Auditors' Report (Contd.)

a) The company is regular in depositing undisputed statutory dues, including Provident Fund, Investors Education & Protection fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities during the year except Income tax amount of Rs. 12.66 Crore payable for the year ended March 2012.

b) As per the information and explanation given to us, there is no amount of Income tax/sales tax/ custom duty/ wealth tax/excise duty/service tax/Cess which have not been deposited on account of any dispute.

X. The Company have no accumulated losses at the end of the year and has incurred cash losses amounting to Rs. 65.56 crore during the current financial year.

XI. Based on our audit procedures and on the basis of information and explanations given by the management that there is no default in payment of dues to Banks and Financial Institutions as the restructuring of loans have been approved under CDR. So, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks except IFCI Since 30-Sep-12 amounting to Rs. 1347.66 Lacs, Indusind Bank since 31-July-2012 amounting to Rs. 99.51 lacs, DEG since 31-Dec-12 amounting to Rs. 738.14 lacs and Tata Capital Ltd. (Debenture Holders) Since 31-Dec-12 amounting to Rs. 197.57 lacs.

XII. According to the information and explanations, given to us, the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.

XIII. In our opinion and according to the information and explanation given to us, the Company is not a chit fund or a nidhi / mutual benefit fund/ society.

XIV. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

XV. According to the information and explanations given to us, the company has given corporate guarantee for loans taken by others from banks or financial institutions and In our opinion, the same are not prejudicial to the interest of the Company.

XVI. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the company were, prima facie, applied by the company during the year for the purposes for which the loans were obtained.

XVII. According to the Cash flow statement and other records examined and as per the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment.

XVIII. The company has made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act 1956, during the year and the price at which shares have been issued is not prejudicial to the interest of the Company.

XIX. The Company has not raised monies by public issue during the year.

XX. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

For JAIN & ASSOCIATES
Chartered Accountants
(Regd No.:001361N)

(S.C. Pathak)
Partner
Membership No. 10194

Place: Chandigarh
Date: 28.05.2013

Balance Sheet

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
1) **Shareholders' Funds**			
(a) Share Capital	I	392,704,700	379,454,700
(b) Reserves & Surplus	II	8,032,284,946	7,830,860,902
(c) Share Application money	III	93,100,000	-
(d) Money received against share warrants		-	27,121,875
(2) **Non-current Liabilities**			
(a) Long-term borrowings	IV	8,181,644,127	7,110,429,310
(b) Defferred Tax Liabilities (Net)	V	394,181,435	403,767,186
(c) Other Long term liabilities	VI	72,347,639	234,443,285
(3) **Current Liabilities**	VII		
(a) Short term Borrowings		3,937,372,591	3,018,307,729
(b) Trade Payable		2,142,848,517	2,384,765,622
(c) Other Current Liabilities		268,855,475	488,768,744
(d) Short term Provisions		126,595,629	174,621,284
Total		**23,641,935,058**	**22,052,540,637**
II. ASSETS			
(1) **Non-Current Assets**			
(a) **Fixed Assets**	VIII		
(i) Tangible Assets		11,301,948,391	9,020,332,743
(ii) Intangible Assets		2,176,487,011	1,366,920,760
(iii) Capital work in Progress (Tangible)		993,213,396	1,620,892,165
(iv) Capital work in Progress (Intangible)		619,789,372	1,321,394,256
(v) Assets held for disposal		22,336,162	22,336,162
Total		**15,113,774,331**	**13,351,876,086**
Accumulated Depreciation		1,806,822,335	1,322,945,567
Net Block		**13,306,951,996**	**12,028,930,519**
(b) Non-Current investment	IX	271,714,447	272,303,215
(c) Long-term loans & advances	X	17,598,685	16,475,879
(2) **Current Assets**	XI		
(a) Current investment		1,000,000	21,000,000
(b) Inventories		4,514,417,132	4,938,092,073
© Trade Receivables		3,938,654,190	2,818,028,155
(d) Cash and Cash equivalents		177,506,362	462,296,217
(e) Short-term loans and advances		1,414,092,247	1,495,414,579
Total		**23,641,935,058**	**22,052,540,637**
Significant Accounting Policies	**XLVIX**		

As per our separate report of even date
For JAIN & ASSOCIATES
Chartered Accountants
(Regd.No.001361N)

N.R. Munjal
Vice-Chairman
Cum Managing Director

Rishav Mehta
Executive Director

K.M.S. Nambiar
Director

S.C. Pathak
Partner
Membership .No. 10194

N.K.Bansal
Chief Financial Offcer

Pardeep Verma
GM-Corp. Affairs &
Company Secretary

Date: 28.05.2013
Place: Chandigarh

Statement of Profit and Loss

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
Revenue from Operations	XII	10,827,008,327	13,206,813,140
Other Income	XIII	178,486,146	322,183,849
Total		**11,005,494,473**	**13,528,996,989**
Expenses			
Cost of Materials Consumed	XIV	5,564,563,878	7,204,944,024
Purchase of Stock In Trade		3,012,158,773	4,003,457,249
Change in Inventories of FG/WIP/Stock in trade	XV	92,206,287	(812,071,554)
Employee benefits expense	XVI	387,486,802	271,546,428
Financial Cost	XVII	1,396,147,664	845,470,517
Depreciation & amortisation expenses	XVIII	543,505,862	398,608,845
Other Expenses	XIX	1,067,163,989	785,000,702
Total		**12,063,233,255**	**12,696,956,212**
Profit before exceptional & extraordinary items & Tax		**(1,057,738,782)**	**832,040,777**
Exceptional items			
Previous Year Income		27,706,053	-
Previous Year Expenses		(69,097,918)	(2,087,007)
Profit before extraordinary items and Tax			
Extra ordinary Items:			
(a) Reversal of Previous year Income		(100,000,000)	-
Profit before Tax		(1,199,130,647)	829,953,770
Tax Expenses			
Provision for Income Tax		-	174,621,284
Income Tax Adjustment of Previous Years		166,634	(4,663,283)
Mat Credit Entitlement		-	(174,621,284)
Deferred Tax Liability/(Assets)		(9,585,751)	(29,784,120)
Profit (Loss) for the period from continuing Operation		**(1,189,711,530)**	**864,401,173**
Earnings per equity share:			
(1) Basic		(30.35)	24.10
(2) Diluted		(30.35)	23.25

As per our separate report of even date
For JAIN & ASSOCIATES
Chartered Accountants
(Regd.No.001361N)

N.R. Munjal
Vice-Chairman
Cum Managing Director

Rishav Mehta
Executive Director

K.M.S. Nambiar
Director

S.C. Pathak
Partner
Membership .No. 10194

N.K.Bansal
Chief Financial Offcer

Pardeep Verma
GM-Corp. Affairs &
Company Secretary

Date: 28.05.2013
Place: Chandigarh

Cash Flow Statement

(Rs. in Lacs)

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax and Extra-Ordinary Items		(10577.39)	8299.54
ADJUSTMENTS FOR:			
(i) Depreciation		5435.06	3986.09
(ii) Employee stock option expenses		93.78	0.00
(iii) Exchange (profit)/loss		349.24	(52.23)
(iv) Reversal of previous year items		(1413.92)	0.00
(v) Interest on term loans		4073.17	2754.53
(vi) Interest received		(359.17)	(1273.36)
(vii) Provision for doubtful debts		600.00	225.18
(viii) Loss on sale of fixed assets		11.72	17.87
(ix) Income tax adj of previous years		(1.67)	0.00
(x) Amortisation of Subsidy		(1.54)	0.00
(xi) Gain/ Loss on sale of investment		(2.34)	(2.34)
(xii) FITL created for working Capital		2455.05	0.00
Operating Profit Before Working Capital Charges		**661.99**	**13955.27**
ADJUSTMENTS FOR:			
i) Trade & Other Receivables		(12268.20)	352.22
ii) Inventories		4236.75	(12826.21)
iii) Loan & advances		802.00	(4206.53)
iv) Current Liabilities		(6348.70)	6159.55
v) Working Capital Borrowing		8304.37	5922.94
vi) Income taxes (Including Advance Tax/TDS)		0.00	(1715.37)
		(5273.79)	**(6313.40)**
Net Cash flow from operating Activities		**(4611.80)**	**7641.87**
B. CASH FLOW FROM INVESTING ACTIVITIES			
i) Purchase of fixed Assets		(5414.03)	(17918.48)
ii) Sale of fixed assets		26.09	33.60
iii) (Purchase)/ Sale of Investments		208.23	2884.92
iv) Product Technology Development Expenditure		0.00	(6643.35)
v) Interest Received		359.17	1273.36
Net Cash flow from investing activities		**(4820.54)**	**(20369.94)**

Cash Flow Statement (Contd.)

(Rs. in Lacs)

Particulars	**Note No.**	**As at 31.03.2013**	**As at 31.03.2012**
C. CASH FLOW FROM FINANCING ACTIVITIES			
(i) Proceeds from Share Capital		132.50	372.24
(ii) Advance From Share Capital		(271.22)	(731.16)
(iii) Proceeds from Securities Premium		955.08	2575.31
(iv) Proceeds from Term Loans From Banks & Financial Institutions		22775.78	36400.00
(v) Repayment of Term Loans to Banks & Financial Institutions		(15788.62)	(22954.00)
(vi) Interest paid on Term Loans		(2175.07)	(2754.53)
(vii) Equity Dividend Paid		0.00	(342.23)
(viii) Equity Dividend Tax Paid		0.00	(56.84)
(ix) Promoter's Contribution		931.00	0.00
(xi) Subsidy Received		25.00	0.00
Net Cash flow from Financing Activities		**6584.44**	**12508.79**
		(2847.90)	(219.28)
Net increase in Cash or Cash Equivalents		(2847.90)	(219.28)
Cash & Cash Equivalents as on 31.3.2012		4622.96	4842.25
Cash & Cash Equivalents as on 31.3.2013		1775.06	4622.96

As per our separate report of even date
For JAIN & ASSOCIATES
Chartered Accountants
(Regd.No.001361N)

N.R. Munjal
Vice-Chairman
Cum Managing Director

Rishav Mehta
Executive Director

K.M.S. Nambiar
Director

S.C. Pathak
Partner
Membership .No. 10194

N.K.Bansal
Chief Financial Offcer

Pardeep Verma
GM-Corp. Affairs &
Company Secretary

Date: 28.05.2013
Place: Chandigarh

AUDITORS' CERTIFICATE

We have verified the above Cash Flow Statement of Ind-Swift Laboratories Limited, derived from the audited financial statements for the year ended 31st March 2013 and found the same to be drawn in accordance therewith and also with requirements of clause 32 of the Listing Agreement with the Stock Exchange.

For JAIN & ASSOCIATES
Chartered Accountants
(Regd.No.001361N)

S.C. Pathak
Partner
Membership .No. 10194

Date: 28.05.2013
Place: Chandigarh

Notes Forming Part of Balance Sheet and Statement of Profit and Loss

(Amount in Rs.)

Particulars		As at 31.03.2013	As at 31.03.2012
Note No. I			
SHARE CAPITAL			
a) Authorised			
Balance as per Last Balance Sheet:		600,000,000	600,000,000
Addition during the year			
Nil (Previous Year NIL) Equity share of Rs. 10/- Each			
6,00,00,000 (Previous Year 6,00,00,000) Equity Shares of Rs.10/- Each		**600,000,000**	**600,000,000**
b) Issued, Subscribed & Paid Up			
Balance as per Last Balance Sheet:		379,454,700	342,230,700
Addition during the year			
1325000 (Previous Year 3722400) Equity share of Rs. 10/- Each		13,250,000	37,224,000
3,92,70,470 (Previous Year 3,79,45,470) Equity Shares		**392,704,700**	**379,454,700**
of Rs.10/-each fully called up and paid up.			
c) Share held by each shareholders holding more than 5 % shares		No. of shares	No. of shares
Name			
Ind Swift Ltd		9499720 (24.190%)	9499720 (25.035%)
Essix Bioscience Ltd		5491801 (13.985%)	5491801 (14.473%)
d) During the year, Company has made following preferential allotments.			
Date of Allotment	Type	Equity Share Issued	Equity Share Issued
19-4-2012	Zero Coupon Optionally Convertible Warrants	13,15,000	3,50,000
30-05-2012	ESOP	10,000	2,22,400

The proceeds of preferential allotments was fully utilised towards the expenditure/projects/investments/product development undertaken by the company.

The Company has ESOP Scheme called "ESOP 2006". During the year, Company has granted no Stock Option to its employees. Deffered employee compensation cost is being ammortised over a period of three years, being the vesting period and on proportionate basis. During the year, the independent directors have opted 10,000 options which were granted to them in earlier year and the same has been allotted to them in form of equity shares.

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. II		
RESERVES & SURPLUS		
(a) Capital Reserves :		
State Subsidy on DG Set & QC Subsidy		
Opening Balances:-	1,675,621	1,796,998
Additions	2,499,882	-
Less:- Amortisation during the year	154,374	121,377
	4,021,129	**1,675,621**
Capital Redemption Reserve	2,000	2,000
Share Warrants Forfeited Account	6,323,113	6,323,113
Equity Share Forfeited Account(175900 shares in the year 2002-03)	866,500	866,500
(b) Securities Premium		
Opening Balance	1,961,339,770	1,703,808,970
Addition during the year	104,746,520	257,530,800
	2,066,086,290	**1,961,339,770**

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
(c) Revaluation Reserve		
Opening balance	2,217,722,311	866,932,920
Addition during the year	1,423,100,000	1,433,037,216
Depreciation charges on revalued assets	139,195,236	82,247,825
	3,501,627,075	**2,217,722,311**
(d) Employees Stock Option Outstanding	3,887,670	3,887,670
Add:	8,712,300	-
Less :	12,461,190	-
	138,780	**3,887,670**
(e) General Reserve		
As per Last Balance Sheet	343,704,653	343,704,653
Add: Transfer during the year From ESOP	3,887,670	-
	347,592,323	**343,704,653**
(f) Profit & Loss Account		
As per Last Balance Sheet	3,295,339,266	2,430,938,091
Add: Transfer from Profit & Loss Account	(1,189,711,530)	864,401,173
Less: Appropriations	-	-
Transferred to General Reserve	-	-
Proposed Dividend on equity share	-	-
Tax on dividend	-	-
Total	**8,032,284,946**	**7,830,860,902**

Capital Reserve includes Rs. 40.21 Lacs being Subsidy for DG Set & QC which is net of Rs 1.54 Lacs amortised and treated as income during the year.

Note No. III
SHARE APPLICATION MONEY
During the year under review, the promoters have infused their contribution amounting to Rs. 9.31 crores which is to be converted into equity shares pursuant to its approved CDR package against various liabilities of the company to banks. Till the conversion into equity shares, the amount is treated as Share application money as on 31.03.2013.

Note No. IV		
(A) LONG-TERM BORROWINGS		
Secured Loans		
(a) Non Convertible Debentures	19,756,633	46,500,000
(b) Term Loans		
From Banks	6,874,091,891	6,293,809,329
From other parties	671,355,765	312,048,365
Unsecured Loans:-		
(i) Fixed Deposits	559,474,970	372,419,000
(ii) Term Loans & Advances		
From Others	56,964,868	85,652,616
Total	**8,181,644,127**	**7,110,429,310**

(a) The Company received Rs. 15.00 crore against 14% Non-convertible Debenturs on 28.05.2009 which are redeemable in 13 quarterly installments with effect from Febuary 2010. Balance outstanding as on 31.03.2013 is Rs. 1.98 Crore(Previous Year Rs. 4.65 Crore)
(b) Maturity profile of term Loans:

(Rs. In Lacs)

Type of Loan	Rate of Interest	0-1 Years	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
NON CDR	3.7%	2214.42	1476.28	1476.28	1476.28	2214.42
NON CDR	4.31%	815.84	1903.63	3263.36	4895.04	0.00
NON CDR	4.8%	NIL	906.49	906.49	906.49	2719.47
NON CDR	5%	334.00	NIL	NIL	NIL	0.00
FITL	9.75%	NIL	577.47	547.47	547.47	10980.66
CDR	10.5%	NIL	2057.47	2178.43	2347.90	33333.80
NON CDR	13.75%	1642.00	NIL	NIL	NIL	0.00
NON CDR	14.00 %	197.57	NIL	NIL	NIL	0.00
NON CDR	14.75%	970.00	1160.00	320.00	NIL	0.00

(c)The FD’s to be matured in 2014-15 are amounting to Rs. 26.58 Crores and in 2015-16 are Rs. 29.37 Crores.

A) 14% Non Convertible Debentures amounting to Rs 1.98 Crores (P.Y. Rs.4.65) from Tata Capital Limited are secured by first pari passu charge on the immovable properties of the Company situated at village Behra & village Bhagwanpura and Plot No E-5, Industrial Focal Point, Phase II , Mohali in the State of Punjab together with all buildings & structures, Plant & Machinery thereon; alongwith the personal guarantees of Mr. S.R. Mehta and Mr. N.R. Munjal.

B) Bank borrowings for working capital Rs. 336.13 crores (P.Y.. Rs. 228.54 Crores) from S.B.I., Bank of India, S.B.O.P., I.D.B.I., S.I.D.B.I. are secured by :-

(1) a first pari passu charge over the entire current assets of the company in favour of " Security trustee 2 " for the benefit of the respective lenders and

(2) a second pari passu charge over the entire fixed assets (both present and future) of the company by way of an equitable mortgage, in favour of " Security trustee 1 " for the benefit of the respective lenders and

(3) unconditional and irrevocable on demand personal guarantee from each promoter in the form acceptable to the lenders and the security Trustee 1 in the favour of the " Security Trustee 1" for benefit of the respective lenders and

(4) unconditional and irrevocable on demand corporate guarantee from each of the affiliate companies in the form acceptable to the lenders and the "Security Trustee 1" in the favour of the "Security Trustee 1" for the benefit of the respective lenders and

(5) pledge of 100% Promoters Group Shareholding in the company (50.58% of the fully diluted equity share capital of the company as on the effective date), including additional share to be acquired by the promoters on infusion of equity in the company in accordance with the terms of the MRA and the CDR Package in the favour of the "Security Trustee 1" and Security Trustee 2" for the benefit of all respective lenders.

C) (i) Term Loan Rs. 488.51 crores (P.Y. Rs.437.34 crores) from State Bank of India including State Bank of Indore (as now merged with SBI) , Central Bank of India , State Bank of Patiala, Bank of India including (ECB), Canara Bank, Bank of India, Catholic Syrian Bank, Export Import Bank of India, IDBI Bank, ICICI Bank Limited, State Bank of Hyderabad, , State Bank of Travancore, Allahabad Bank are secured by :- .

(1) a first pari passu charge over the entire fixed assets (both present and future) of the company by way of an equitable mortgage, in favour of " Security trustee 1 " for the benefit of the respective lenders and

(2) a second pari passu charge over the entire current assets on the company in favour of " Security trustee 2 " for the benefit of the respective lenders and

(3) unconditional and irrevocable on demand personal guarantee from each promoter in the form acceptable to the lenders and the security Trustee 1 in the favour of the " Security Trustee 1" for benefit of the respective lenders and

(4) unconditional and irrevocable corporate guarantee on demand from each of the affiliate companies in the form acceptable to the lenders and the "Security Trustee 1" in the favour of the "Security Trustee 1" for the benefit of the respective lenders and

(5) pledge of 100% Promoters Group Shareholding in the company (50.58% of the fully diluted equity share capital of the company as on the effective date), including additional shares to be acquired by the promoters on infusion of equity in the company in accordance with the terms of the MRA and the CDR Package in the favour of the "Security Trustee 1" and Security Trustee 2" for the benefit of all respective lenders.

(ii) ECB of Rs. 197.36 crores (P.Y. Rs.168.92 Crores) from Bank of Baroda and DEG ; Rupee term loan from IFCI Rs. 16.42 crores (P.Y. Rs. 20.81 crores), L&T Rs. 19.37 crores (P.Y. Rs.21.88 crores), M&M Rs. 24.50 (P.Y. NIL) are secured by first pari passu equitable charge on the moveable and immovable properties admeasuring 68 bighas & 13 biswas situated at village Behra & village Bhagwanpura Plot No E-5, Industrial Focal Point, Phase II , Mohali in the state of Punjab together with all buildings & structures, Plant & Machinery thereon and personal guarantees of promoter directors.

(iii) Vehicle loan of Rs 2.10 Crores (P.Y. Rs.4.06) from HDFC, ICICI and NBFC are secured against hypothecation of the vehicles under the hire purchase agreement.

(iv) Other term loan & advances Rs. 6.29 crores (P.Y. Rs.7.58 crores) includes ICICI Home Loan and Indiabulls Housing Finance Ltd. in the name of Mr. N.R.Munjal, and is secured against the office premises in Mumbai and another Term loan from Technology Development Board is secured by way of charges on movable and immoveable fixed assets & personal guarantee of Shri N.R.Munjal.

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. V		
Deferred Tax:		
The Break Up of Deferred Tax Liabilities/(Assets) as at March 31, 2013 is as under:		
Deferred Tax Liabilities	-	-
Timing Difference on account of :		
Depreciation	4,201,460,880	2,809,097,754
Total	**4,201,460,880**	**2,809,097,754**
Deferred Tax Assets		
Timing Difference on account of :		
Provision for Doubtful Debts/Gratuity/Bonus\EL Encashment	66,352,123	13,757,034
Carried Forward Losses as per Income Tax Act	2,459,059,065	1,528,356,611
Funded Interest Term loan	461,127,718	-
Total	**2,986,538,905**	**1,542,113,645**
Deferred Tax Liabilities net	394,181,435	403,767,186
Deferred Tax Liabilities (Assets) Charged to P&L A/c	(9,585,751)	(29,784,120)
Note No. VI		
Other Long term liabilities		
Trade Payable	72,347,639	234,443,285
Total	**72,347,639**	**234,443,285**
Note No. VII		
CURRENT LIABILITIES		
(a) Short term Borrowings		
Secured		
(i) Borrowings for working capital.	3,361,369,545	2,285,427,511
Unsecured		
(ii) Fixed Deposits	525,299,000	506,379,000
(iii) ICD	50,704,046	226,501,218
Total	**3,937,372,591**	**3,018,307,729**
(b) Trade Payable:		
(i) Total outstanding dues to small scale		
Industrial undertakings	10,185,889	4,954,042
(ii) Outstanding dues of Creditors other than small scale industrial undertakings	2,132,662,628	2,379,811,580
Total	**2,142,848,517**	**2,384,765,622**
(c) Other Current Liabilities:		
(i) Advances from Customers	12,246,250	179,599,516
(ii) Advance from Related Party	30,921,409	43,376,324
(iii) Statutory Liabilities	23,635,220	54,129,153
(iv) Expenses Payable	87,340,223	82,393,868
(v) Interest accured but not Due on term loan	114,712,373	129,269,884
Total	**268,855,475**	**488,768,745**

(i) Statutory Liabilities include TDS payable, GTA payable, ESI Payable, PF payable, Excise duty payable

(ii) Expenses payable include Salary, wages, Bonus, EL, Audit Fees, electricity Exp payable

(d) Short Term Provisions :		
(i) Income Tax	126,595,629	174,621,284
(ii) Equity Share Dividend	-	-
(iii) Tax on proposed Equity Share Dividend	-	-
Total	**126,595,629**	**174,621,284**

Due to financial constraints the company has gone into CDR. The liability for income tax amounting to Rs. 12.66 crores of previous year ending on 31.03.2012 was not deposited with the income tax authorities.

Note No. VIII :
FIXED ASSETS

(Amount in Rs.)

	GROSS BLOCK						DEPRECIATION / AMORTISATION				NET BLOCK	
PARTICULARS	**AS ON 01.04.2012**	**ADDITION**	**REVALUATION**	**EXCHANGE FLUCTUATION**	**SALE/TRANSFER**	**AS ON 31.03.13**	**AS ON 01.04.12**	**DURING THE**	**PERIOD WRITTEN BACK**	**AS ON 31.03.13**	**AS ON 31.03.13**	**AS ON 31.03.2012**
TANGIBLE ASSETS												
LAND FREE HOLD	813,687,318	88,759	-	-	-	813776077	-	-	-	-	813,776,077	813,687,318
LAND LEASE HOLD	17,189,390	-	-	-	-	17189390	1,160,003	176,644	-	1,336,647	15,852,743	16,029,387
FACTORY BUILDINGS	1,141,255,445	164,158,603	592,100,000	(16,866,349)	-	1880647699	123,586,624	57,079,532	-	180,666,156	1,699,981,543	1,017,668,821
OFFICE BUILDINGS	103,833,951	-	-	-	-	103833951	5,855,231	1,692,493	-	7,547,724	96,286,227	97,978,721
FLATS	145,810,070	-	-	-	-	145810070	4,846,729	2,376,704	-	7,223,434	138,586,636	140,963,341
R&D BUILDINGS	145,588,240	-	92,100,000	-	-	237688240	26,157,366	6,016,000	-	32,173,366	205,514,874	119,430,873
BUILDING - PILOT PLANT	17,021,567	-	-	-	-	17021567	3,706,244	568,520	-	4,274,765	12,746,802	13,315,323
PLANT&MACHINERY	5,362,282,526	712,552,083	545,500,000	(65,788,949)	-	6554545660	798,736,347	332,821,558	-	1,131,557,904	5,422,987,755	4,563,546,179
R&D MACHINERY	548,053,386	12,120,641	46,000,000	-	-	606174027	132,111,930	33,023,437	-	165,135,367	441,038,660	415,941,456
PLANT & MACHINERY - PILOT PLANT	39,233,698	-	-	-	-	39233698	13,451,583	2,071,539	-	15,523,122	23,710,576	25,782,115
ELECTRIC INSTALATIONS	409,574,341	51,670,068	147,400,000	(2,755,045)	-	605889364	87,015,841	26,415,445	-	113,431,287	492,458,078	322,558,500
ELECTRIC INSTALLATIONS - PILOT PLANT	3,439,389	-	-	-	-	3439389	1,059,267	163,371	-	1,222,638	2,216,751	2,380,122
FURNITURE & FIXTURES	41,858,751	1,346,796	-	-	-	43205547	13,952,176	2,724,967	-	16,677,143	26,528,404	27,906,575
OFFICE EQUIPMENTS	115,092,252	2,791,157	-	-	-	117883409	68,008,207	9,922,881	-	77,931,087	39,952,321	47,084,045
VEHICLES	116,412,418	5,235,880	-	-	6,037,995	115610303	43,298,018	11,080,806	2,257,129	52,121,696	63,488,607	73,114,400
TOTAL (A)	**9,020,332,742**	**949,963,987**	**1,423,100,000**	**(85,410,343)**	**6,037,995**	**11301948391**	**1,322,945,566**	**486,133,898**	**2,257,129**	**1,806,822,335**	**9,495,126,056**	**7,697,387,176**
INTANGIBLE ASSETS			-									
R&D TECHNOLOGY	**1,366,920,760**	**1,006,133,450**	**-**		**196,567,199**	**2176487011**	**-**	**196,567,199**	**196,567,199**	**-**	**2,176,487,011**	**1,366,920,760**
TOTAL(B)	**1,366,920,760**	**1,006,133,450**	**-**	**-**	**196,567,199**	**2,176,487,011**	**-**	**196,567,199**	**196,567,199**	**-**	**2,176,487,011**	**1,366,920,760**
TOTAL(A+B)	**10,387,253,502**	**1,956,097,437**	**1,423,100,000**	**(85,410,343)**	**202,605,194**	**13,478,435,401**	**1,322,945,566**	**682,701,098**	**198,824,328**	**1,806,822,335**	**11,671,613,066**	**9,064,307,936**
PREVIOUS YEAR	7,014,544,017	2,667,517,767	1,433,037,216	-	727,845,497	10387253503	1,566,111,539	480,856,671	724,022,643	1,322,945,567	9,064,307,936	5,448,432,478

(i) Company has revalued its assets comprising of Land, Plant & Machinery of Derabassi Unit and Jammu plant by the approved External Valuer to reflect the market value and accordingly the appreciation amounting to Rs.10138.73, Rs. 14330.37 & Rs. 14231.00 lacs (excluding land and Plant and machinery of Jammu) respectively have been credited to Capital Reserve Account (Re-valuation Reserve A/c) as on 31.03.2007, 08.06.2011 & 30.06.2012. Depreciation amounting to Rs. 1400.70 Lac(Rs 822.48 Lac) has been provided during the year & the same is reduced from Revaluation Reserve.

(ii) Office Buildings includes Mumbai Office Buildings Rs. 700.20 Lacs (Previous Year Rs. 266.42 Lacs) Lac purchased in Mumbai in the name of the Managing Director of the Company out of which one building amounting to Rs. 41.46 Lacs is mortgaged with ICICI Bank. The Company has entered into an "agreement to sell" and has taken GPA from the Managing Director. The property is yet to be registered in the name of Company.

(iii) Freehold land includes Rs.13.79 crores and Flats Rs. 14.58 Crore for which agreement to sell and GPA in favour of the company has been executed and the same have been put to use. The Freehold Land & Flats are yet to be registered /transferred in the name of the Company.

(iv) Capital Work in Progress includes:Capital advances Rs. 69.12 Lacs (Previous Year Rs. 11414.18 Lacs) . Expenses pending capitalisation Rs. 1266.31 Lacs (Previous Year Rs. 2579.11 lacs) .

(v) The interest which has been capitalised is conformity wit AS - 16.

(Rs. in Lacs)

DESCRIPTION	**OPENING BALANCE**	**ADDITIONS**	**CAPITALISED**	**CLOSING BALANCE**
INTEREST COST FIXED ASSETS	2558.81	4158.98	5567.03	1150.76
UPFRONT/PROCESSING FEES	4.53	0.00	4.53	0.00
SALARY & WAGES	12.38	152.16	119.50	45.04
LEGAL & PROFESSIONAL	1.60	70.50	1.60	70.50
ELECTRICITY CHARGES	1.78	0.00	1.78	0.00
TOTAL	**2579.11**	**4381.64**	**5694.44**	**1266.31**
PREVIOUS YEAR	**1848.21**	**7443.12**	**6712.22**	**2579.11**

(vi) There is a change in Accounting policy A(2) c in regard to Intangible assets acquired after 31.03.2008 from 8 years to 10 subsequent years with retrospective effect. Due to the change in accounting policy, the depreciation and ammortisation expense have been additionally charged to P&L account during the year ending 31.03.2013 by Rs. 5.64 crores resulting in decrease in losses of the company to that extent.

(Amount in Rs.)

	Particulars	As at 31.03.2013	As at 31.03.2012
Note No. IX			
Non-Current Assets			
Non-Current investment: (Unquoted Investments)			
	Subsidiary:		
(i)	Investment in Ind Swift Laboratories Inc, USA		
	Common Stock(1500 Share)	4,500,000	4,500,000
	Share Application Money	49,953,839	49,953,839
(ii)	Investment in Meteoric Life Science Pte. Ltd. Singapore		
	Share Application Money	46,893,523	46,893,523
	1000,000 Ordinary Share		
(iii)	Investment in Ind Swift Middle East FZE,UAE		
	Share Application Money	43,460,835	1,123,835
	Associates:		
(iv)	Investment in Fortune (India) Constructions Ltd		
	48,20,000 Equity Share of Rs.10/- each fully paid up.	48,200,000	48,200,000
(v)	Investment in Essix Bioscience Limited		
	12,35,000 Equity Share of Rs.10/- each fully paid up.)	76,750,000	76,750,000
	Share Application Money		
	Joint Venture		
(vi)	Investment in Farayand Chemi Hakim Company Ltd (Iran)		
	Common Stock	-	2,717,000
	Share Application Money	-	30,258,768
	Others:		
(vii)	Units of Principle Global Opportunities Fund		
	33901.90 Units of EBRD-Principal Emerging Bluechip-Dividend Plan	-	500,000
(viii)	Investment in Vardhman Chemtech Pvt Limited		
	10,00,000 Equity Share of Rs. 10/- each fully paid up.	-	10,000,000
(ix)	Investment in Nimbua Green Field (Punjab) Ltd		
	140625 Equity Share of Rs. 10/- each fully paid	1,406,250	1,406,250
(x)	Investment in Mohali Green Investment Pvt Ltd	550,000	-
	5000 Equity Share of Rs. 100/- each fully paid		
Total		**271,714,447**	**272,303,215**
Note No. X			
Long Term Loans & Advances			
Security Deposits		17,598,685	16,475,879
Total		**17,598,685**	**16,475,879**

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. XI		
CURRENT ASSETS		
(a) Current investment		
(i) Investment in SBI Mutual Fund	1,000,000	21,000,000
97943.19 Units (N.A.V. of Rs. 7.6416) of 192D-SBI PSU Fund Dividend		
(b) Inventories		
(As per inventories taken, valued & certified by the Management)		
Raw Materials	640,088,429	1,123,050,814
Work in Process	2,632,277,124	2,773,391,478
Finished Goods*	695,671,097	753,801,620
Goods-in-Transit (Raw material)	165,381,665	48,335,182
Stock in Trade (Goods acquired for trading)	297,780,139	190741549
Stores & Consumables	83,218,678	48,771,430
Total	**4,514,417,132**	**4,938,092,073**

*Finished Goods includes Goods under consignment, Goods lying at port

MODE OF VALUATION OF INVENTORY

Inventories are valued as under:-

Stores and spares are valued at cost.

Raw material are valued at cost on FIFO basis.

Work in progress is valued at estimated cost basis or net realisable value which ever is less

Finished goods are valued at cost or net realisable value whichever is less and is inclusive of excise duty and all expenditure directly attributable to production.

Particulars	As at 31.03.2013	As at 31.03.2012
(c) Trade Receivables		
(Unsecured & Considered Good)		
Debts outstanding for a period exceeding six months		
- Considered good	2,103,475,000	23,745,829
- Considered doubtful	102,848,318	42,848,318
Other Debts	1,835,179,190	2,794,282,326
	4,041,502,508	2,860,876,474
Less: Provision for Doubtful Debts	102,848,318	42,848,318
Total	**3,938,654,190**	**2,818,028,155**
(d) Cash and Cash equivalents		
Cash balance in hand	53,433,526	9,565,201
Bank balances with Scheduled Banks :		
Fixed Deposits to the extent held as margin Money (Short term)	112,431,597	291,610,025
Fixed Deposits(Others - Short term in nature)	264,203	41,934,781
Interest accrued but not due on Fixed Deposits	4,553,814	23,847,022
Current Accounts	6,823,222	95,339,188
Total	**177,506,362**	**462,296,217**

Excess Cash in hand in the books of accounts as on 31.03.2013 has been deposited in the banks amounting to Rs. 3.94 crores till 21.05.2013

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
(e) Short-term loans and advances		
(a) Loans and advances (Unsecured but considered good)	418,735,480	476,500,821
(b) Others		
-Mat Credit entitlement	630,458,845	630,458,845
-Cenvat/Vat Recoverable	220,217,145	252,689,391
-Advance Custom Duty Paid /DEPB	45,822,661	19,533,726
-Advance Tax/TDS	24,017,038	66,674,337
-Prepaid Expenses	5,909,592	3,830,499
-Advances recoverable in cash or in kind or value to be received	68,931,486	45,726,961
Total	**1,414,092,247**	**1,495,414,579**
Note No. XII		
REVENUE FROM OPERATION		
Sale of Products		
-Domestic	5,018,414,217	7382617,357
-Exports	5,984,961,386	5873195,054
Sale of Services		
-Domestic	-	100,000,000
-Exports	627,151	14,282,072
Less:		
Excise Duty	176,994,427	163,281,343
Total	**10,827,008,327**	**13,206,813,140**

The company is dealing in the manufacturing and sales of various products and it is not possible to disclose seperately each product as per schedule VI.

Note No. XIII

OTHER INCOME		
Interest Income	35,917,057	127,336,088
Gain & Loss on sale of Investment	234,170	234,375
Misc Income	-	145,041,000
Export Incentive	33,733,849	38,572,000
Other Non operating Income	108,601,070	11,000,386
Total	**178,486,146**	**322,183,849**
Note No. XIV		
EXPENSES		
Cost Of Material Consumed/sold		
Opening Stock	1,171,385,996	700,046,090
Purchases	5,252,867,029	7,676,283,930
Less:Material Destroy in Fire	54,219,053	-
	6,370,033,972	8,376,330,020
Less:Closing Stock	805,470,094	1,171,385,996
Total (A)	**5,564,563,878**	**7,204,944,024**

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. XV		
INCREASE /DECREASE IN INVENTORY		
Opening Stock		
Work in Process	2,773,391,478	2,326,269,314
Finished Goods	944,543,169	579,593,779
	3,717,934,647	2,905,863,093
Closing Stock		
Work in Process	2,632,277,124	2,773,391,478
Finished Goods/Stock in Trade	993,451,236	944,543,169
	3,625,728,360	3,717,934,647
Total (B)	**(92,206,287)**	**812,071,554**
Total (A-B)	**5,656,770,165**	**6,392,872,470**
Note No. XVI		
EMPLOYEE BENEFITS EXPENSES		
Salary & Allowance	130,053,313	98,150,152
Salary & Wages	243,670,326	148,435,365
P.F. & Other Funds	3,394,008	13,244,610
ESOP	665,500	-
Staff Welfare Expenses	4,987,044	7,907,499
Recruitment Expenses	650,483	2,449,571
Gratuity Premium	4,027,614	1,202,562
Training & Development Expenses	38,514	156,669
Total	**387,486,802**	**271,546,428**
Note No. XVII		
FINANCE COST		
Interest on Term Loans	407,316,890	275,452,825
Interest on Working Capital	320,053,406	219,965,667
Bank Charges & Others	349,177,556	345,281,720
Commission & Brokerage	11,667,803	9,993,750
Forex Fluctuations-Expenses (gain)	307,932,009	(5,223,446)
Total	**1,396,147,664**	**845,470,517**
Note No. XVIII		
DEPRECIATION & AMORTISATION EXPENSES		
Depreciation	543,505,862	398,608,845
Total	**543,505,862**	**398,608,845**

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. XIX		
OTHER EXPENSES		
MANUFACTURING EXPENSES		
Job Work Charges	73,321,839	112,439,030
Power, Fuel & Water Charges	316,113,882	118,597,809
Stores & Spares	41,972,380	54,687,919
Repair & Maint. :		
Plant & Machinery	27,430,346	9,849,500
Buildings	5,192,653	3,036,230
Electrical	2,132,326	1,162,435
Excise Duty on Closing Finished Goods	(17,492,666)	25,039,495
Other Manufacturing Expenses	512,460	416,495
Total	**449,183,220**	**325,228,913**
ADMINISTRATIVE & OTHER EXPENSES		
Directors Remuneration		
– Salary & Allowances	40,800,000	37,920,000
– Contribution to P.F.	28,080	28,080
Travelling & Conveyance	17,479,652	18,139,517
Auditors Remuneration		
– Audit Fees	600,000	600,000
– Certification Fees	375,000	375,000
– Out of Pocket Exp.	116,446	102,233
Office Rent	6,831,781	6,735,291
Rate fee & Taxes	12,050,920	5,785,613
Insurance Charges	16,807,514	10,736,421
Legal & Professional Charges	26,982,180	13,666,752
Printing & Stationary	5,799,446	6,667,780
Vehicle Running & Maint.	19,409,447	15,214,651
Telephone & Postage	9,966,231	10,936,029
Office Expenses	6,197,478	5,113,672
Charity & Donation	466,192	109,928
Listing Fees	357,193	568,066
Books & Periodicals	106,309	173,042
Meeting, Membership & Subscription Fees	1,011,292	1,040,008
Security Expenses	7,160,227	5,438,400
Repair & Maintenance-General	11,665,110	17,317,781
Other Expenses	8,222,532	6,231,117
Total	**192,433,030**	**162,899,381**

In view of inadequacy of profits for the year 2012-13, remuneration paid / provided to the Vice-Chairman cum Managing Director and Joint Managing Director which is in excess by Rs. 2.64 crores of the limits prescribed under Section 198 read with Schedule XIII of the Companies Act, 1956 which is subject to approval of the Central Government.

The Board has approved such excess remuneration, which is also approved by the Shareholders in its 17th Annual General Meeting held on 29th day of September,2012. Pending approval of the Central Government, an amount of Rs. 2.64 crores (or such other sum as may be approved by the Central Govt.) being excess remuneration paid in the year, is being held in trust by the Vice-Chairman cum Managing Director and the Joint Managing Director.

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
SELLING & DISTRIBUTION EXPENSES		
Advertisement & Publicity	9,225,111	1,284,865
Business Promotion	884,497	1,204,942
Commission on Sales	141,810,116	118,805,498
Packing Material	43,856,380	18,032,192
Rebate & Discount	15,868,088	1,075,504
Freight Outward	65,892,967	52,254,461
Insurance Charges	6,090,257	2,428,301
ECGC Premium	3,658,156	3,720,407
Other Expenses	1,049,602	6,445,814
Total	**288,335,174**	**205,251,983**
RESEARCH & DEVELOPMENT EXPENSES		
Salary & Wages (R&D)	51,271,976	39,017,840
Administration Expenses	123,600	58,248
Consumables , Chemicals & Regents	24,101,594	26,802,032
Repair & Maintenace - Machinery	-	61,100
Technical Study & Consultancy & Product registration	543,641	1,376,536
Total	**76,040,811**	**67,315,756**
Loss on Sale of Fixed Assets	1,171,754	1,787,152
Provision for Doubtful Debts	60,000,000	22,517,517
Total	**61,171,754**	**24,304,669**

Note No. XX Contingent liabilities not provided (Rs. in lacs)

a.	Letter of Credit against purchase of raw material:	17248	22382
b.	Bank Guarantees	38.95	47.11
b.	Export obligation in respect of cutom duty :	169.88	279.27
c.	Contingent Liabilities in respect of unassessed cases of	Unascertained	Unascertained
	Income Tax, Excise Duty, Sales Tax and Service Tax.		
d.	Corporate guarantees given on behalf of (To the extent Utilized)		
	Essix Biosciences Ltd	4092.38	4538.86
	Halcyon Life Sciences Pvt Ltd	3761.84	7246.16

Note No. XXI Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) Rs 1240.20 Lacs (Previous year Rs. 7650.69 lacs)

Note No.XXII In the opinion of the Board, the Current Assets, Loans & Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

Note No. XXIII Other expenses under head admnistrative expenses includes Rs. 86,000 (Previous Year Rs.82000) paid to directors as sitting fee.

Note No. XXIV Earning per share is calculated as shown below:

	(F.Y. 2012-13)	(F.Y. 2011-12)
Profit available for Equity Shareholders	(1189711530.28)	864401173
For Basic Earning		
No of weighted average equity shares	39203976.85	35870531
For Diluted Earning		
Equity Share Warrants Nil (Previous Year 1315000)	328750.00	1315000
pending for conversion		
No of weighted average of Diluted Equity Shares	**39532726.85**	**37185531**
Nominal Value of Equity Share	10.00	10.00
Earning Per Share (Rs.)		
Basic	**(30.35)**	**24.10**
Diluted	**(30.35)**	**23.25**

Note No. XXV In accordance with Accounting Standard 18, 'Related Party Disclosures' , issued by the Institute of Chartered Accountants of India, the Company has compiled the following information :

a. List of related parties and their relationship

Associates	Ind Swift Limited Essix Biosciences Limited Halcyon Life Sciences Pvt. Ltd. Fortune (India) Constructions Ltd. Mansa Print & Publishers Limited Swift Fundamental Research & Education Society 3M Advertisers & Publishers Ltd. Punjab Renewable Energy Pvt. Ltd. B.M. Cosmed Pvt. Ltd. Hackim Farayand Chemi Co. (Iran) AKJ Portfolios Pvt. Ltd. NRM Portfolios Pvt. Ltd. GM Portfolios Pvt. Ltd. VRM Portfolios Pvt. Ltd. VKM Portfolios Pvt. Ltd. SRM Portfolios Pvt. Ltd.
Key Management personnel-Directors	Mr. N.R.Munjal Mr. Himanshu Jain Mr. Rishav Mehta
Subsidiary	Ind Swift Laboratories Inc. USA Meteoric Life Sciences Pte Ltd., Singapore Ind-Swift Middle East FZE (UAE)

b. Related party transactions

(Rs. in Lacs)

Particulars	**Associates**		**Subsidiary**	
	2012-13	**2011-12**	**2012-13**	**2011-12**
Nature of Transactions				
1) Transactions during the year				
Purchase	18859.64	43514.38	0.00	0.00
Sales	11295.34	19628.65	3187.66	1541.80
Interest Receivable	35.51	870.66	0.00	0.00
Interest Payable	0.00	325.96	0.00	0.00
Service Taken/Capital Assets Purchase	709.23	1767.82	0.00	0.00
Expenses	1195.34	823.67	1.08	0.00
Income	46.70	0.00		
Equity Contribution	181.00			
Investment			423.37	0.00
Corporate Gurantee Given (To the extent utilised)	7854.22	11785.02	0.00	0.00
2) Outstanding Balances as on 31.03.13				
Share Capital	1901.15	1769.65	0.00	0.00
Advance Recd ag. Share Capital	0.00	271.22	0.00	0.00
Investment Made	1249.50	1249.50	1448.08	1354.47
Loans & Advances given	1399.71	792.05	0.00	0.00
Loans & Advances taken	0.00	3.38	309.21	433.76
Capital Advances	5431.06	9404.55	0.00	0.00
Debtors	9593.77	0.00	196.32	378.52
Creditors	840.23	2186.82	0.00	460.76

Note No. XXVI Total amount of secured Term Loans installments payable during twelve months following 31.03.2013 are Rs. 6173.83 Lacs (Previous year Rs. 15899.43 Lacs)

Note No. XXVII The balance in the parties accounts whether in debit or credit are subject to confirmation,reconciliation and adjustment. The impact of the same on the accounts at the year end is unascertainable .

Note No. XXVIII In compliance with AS-15, during the year, company has provided Rs. 40.27 Lacs (Rs.12.03 Lacs) as provision towards the Company Gratuity Policy maintained with LIC after the actuarial valuation done by the LIC.

Note No. XXIX SEGMENT REPORTING

The Company operates only in one business segment viz. Bulk Drugs & Pharmaceuticals. However the figures in Segment Reporting is based on geographical location of its customers.

(Rs. in Lacs)

Particulars	In India	Outside India	Total
REVENUE	48414 (73193)	59856 (58875)	108270 (132068)
RESULTS	22183 (11925)	21170 (10794)	43352 (22719)
Less: Finacial Expenses	-	-	13961 (8455)
Less: Unallocated Expenses	-	-	43167 (9186)
Add: Operating Income	-	-	1785 (3222)
Add Extra Ordinary Item	-	-	0 0
Less: Income Tax Provision	-	-	2 (1700)
Add: Mat Credit entitlement	-	-	0 (1746)
Add: Deferred Tax	-	-	96 (298)
Profit\(Loss) after Tax	-	-	(11897) (8644)
OTHER INFORMATION			
SEGMENT ASSETS	27494 (16892)	11892 (11288)	39387 (28180)
UNALLOCATED ASSETS			197033 (192345)
TOTAL ASSETS			236419 (220525)
SEGMENT LIABILITIES	12658 (14718)	9494 (11474)	22152 (26192)
UNALLOCATED LIABILITIES			214267 (194333)
TOTAL LIABILITIES			236419 (220525)
CAPITAL EXPENDITURE			133070 (120289)
DEPRECIATION			5435 (3986)
NON CASH EXPENSES OTHER THAN DEPRECIATION			600 (225)

NOTES:

1 **Geographical Segments :** The segment reporting is performed on the basis of the geographical location of customers. The management views the indian market and export markets as distinct geographical segments.

2 **Segment assets & liabilities :** Segment assets consists of debtors & the segment liabilities consists of creditors and accrued liabilities.

3 The figures in brackets are in respect of previous year.

Note No. XXX The company entered into Forward Exchange Contracts being derivative instruments, which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the settlement date.

Note No. XXXI Company has not received intimation from supplier regarding the status under Micro, Small and Medium Enterprises Development Act 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act have not been given.

Note No. XXXII The outstanding dues of small scale industrial undertakings have been determined to the extent such parties have been identified on the basis of information available with the company.The parties to whom the Company owes sum outstanding for more than 30 days as at the balance sheet date are: (1) Euro Containers (2) Ammonia Supply Co.(3) Time technoplast Ltd.(4) Delta finochem Pvt Ltd

Note No. XXXIII The Corporate guarantee amounting to Rs. 100287 lacs to be waived as stipulated by CDR-EG on associate concern Ind Swift Ltd. as per the decision taken in meeting held on 26th April, 2013.

Note No. XXXIV As per best estimate of the management,no provision is required to be made as per Accounting Standard (AS) 29 as notified by Companies(Accounting Standards)Rules 2006, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources,which would be required to settle the obligation.

Note No. XXXV During the year, the Company has incurred foreign currency revenue expenditure of RMB 466099.67 on its China Office and GBP 128041.06 on its U.K office Operation. Such Foreign Currency Expenditure has been translated in Indian Currency @ One RMB equivalent to Rs. 6.33 and One GBP equivalent to Rs. 86.0355 at the year end on the basis of average exchange rate during the year computed as per cross currency reference rates published by RBI.

Note No. XXXVI Detail of Auditor's Remuneration(i.e payment to Auditors)

(Amount in Rs.)

Particulars	**F.Y. 2012-13**	**F.Y. 2011-12**
Audit Fees	600000	600000
Certification Fees	375000	375000
Total	**975000**	**975000**

Note No. XXXVII Loans & Advances include Rs.14.59 lacs (P.Y Rs.14.86 lacs) due from Company Secretary. Maximum amount due during the year is Rs. 14.86 Lacs(P.Y. Rs.14.87 Lacs)

Note No. XXXVIII

(a) The company has not provided quantitive information under clause 2(5) in vieu of the exemption gratnted by central Government vide their notification no. 301 dated 08.02.2011.

(Amount in Rs.)

	Particulars	**F.Y. 2012-13**	**F.Y. 2011-12**
(b)	**C.I.F. Value of Imports :-(amount in Rs)**		
	(i) For Raw Material	3,622,938,580	4,460,029,839
	(ii) For Capital Goods	NIL	NIL
(c)	**Expenditure in Foreign Currency :(amount in Rs.)**		
	Interest	88,436,418	61,309,177
	Others	172,474,387	131,765,923
	Total	**260,910,805**	**193,075,100**
(d)	**Earnings in Foreign Currency (Amount in Rs.)**		
	FOB Value of Goods	5,866,355,040	5,799,980,166

Note No. XXXIX Unpaid dividend as on 31.03.2013 is Rs. 25.96 lacs (Previous year Rs 31.57 lacs).

Note No. XL Unpaid Matured Deposits and Interest outstanding as on 31.03.2013 is Rs. 461.53 lacs (Previous Year Rs. 223.06 lacs).

Note No. XLI Capital WIP includes expenses incurred on " Product Technology Development Expenditure " amounting to Rs. 5859.28 Lacs (Previous Year Rs. 13213.94 Lacs) .

Note No. XLII **Expenditure on Research & Development**

(Rs. in Lacs)

Particulars	**2012-13**	**2011-12**
a) Addition in Fixed Assets -DB Unit (Tangible)	116.68	163.52
b) Addition in Fixed Assets -DB Unit (Intangible)	8045.85	3960.15
c) Addition in Fixed Assets - Mohali Unit	12.59	64.15
d) Revenue Exp -Derabassi Unit	1542.40	5162.49
e) Revenue R&D Expenditure-Mohali Unit	1435.08	1480.86
f) Debited to Profit & Loss Account as per Annexure XIV(DB Unit)	760.41	673.16
g) Depreciation	2357.70	2130.69

The Depreciation related to research & development is clubbed under respective head in profit & loss account.

Note No. XLIII Product Development & process forming part of the Capital Work in Progress consists of following Expenditure.

(Rs. in Lacs)

Particulars	**Opening**	**Additions During the Year**	**Trf. R&D Tech. Internally Developed**	**Closing Balance**
Raw Material ,Consumbales, Lab Chemicals & Regents	9879.77	1286.05	7048.17	4117.65
Salary & Wages	1190.70	583.76	1542.46	232.00
Utility & Running/Maint Expenses	495.57	68.28	316.25	247.60
Analytical Fees & Study	7.13	3.34	10.47	0.00
Finance & Interest Charges	1049.76	909.91	859.75	1099.92
Patent Filling	45.03	11.72	56.75	0.00
Administrative Expenses	191.56	114.43	227.48	78.51
Total	**12859.52**	**2977.49**	**10061.33**	**5775.68**
Previous Year	**12040.29**	**6643.35**	**5824.12**	**12859.52**

The expenditure incurred has been capitalised and carried in Capital Work in Process .The Management beleive that it is in the nature of development expenditure and meets the capitalisation cretiria set out in AS-26 on Intangible Assets issued by ICAI.
The management believes that these products would be commercially viable & there is no reason to believe that there is any uncertainity that may lead to not securing registration for the products from regulating authorities in US and/or Europe.

Note No. XLIV The insurance claim lodged with The United India Insurance company Ltd. In regards to fire occurred on the premises of M/s Dashmesh Medicare Pvt. Ltd. on 30th April,2012 is still pending though the site has been released to M/s Dashmesh Medicare Pvt. Ltd. by Punjab Administration Control. The losses at this stage could not be quantified as on 31st March, 2013.

Note No. XLV During the year ended 31.03.2013 the company has reversed consultancy income of Rs. 10 crores booked in previous year due to non- execution of contract by the other party.

Note No. XLVI

CORPORATE DEBT RESTRUCTURING

During the year the company had filed its proposal for corporate debt restructuring (CDR) to re-structure its existing debt obligations on account of the following major reasons:

1) Delayed returns in Investment in product development.

2) Huge investment in Fixed assers towards capacity expansion which has not been in line with the company's expectation due to increased gestation period for returnon product development investments.

3) Rising interest costs and unfavourable capital market conditions.

4) Lower margin on API's sale on account of increase in raw material cost.

5) Fire incident at Plant of associate concern on loan license basis forcing the company to procure raw material from China at higher cost. The above reasons resulting in cash flows from operations available for working capital were not sufficient to meet the debt repayment obligation at present and as envisaged in future.The company received the final letter of Approval dated 9th Nov, 2012 from the Corporate Debt Restructuring Empowered Group (CDR-EG) to re-structure existing debt obligations, including interest and other terms (hereafter referred to as the CDR scheme). The company has executed Master Restructuring Agreement/other definitive documents with the bankers covered under the CDR on 27th Dec, 2012.

   During the year under review, the promoters have infused their contribution amounting to Rs 9.31 crores which is to be converted into equity shares persuant to its approved CDR package against various liabilities of the company to banks.Till the conversion to equity shares, the amount is treated as share application money as on 31.03.2013.

   As per the above package, the rescheduling of repayment of the balance debt to CDR lenders of the company which are part of the ongoing corporate debt restructuring process, repayable over the period of 9 years and with a moratorium of one year and nine months, the repayment of which begins from 1st April, 2014 onwards. Moratorium in the payment of interest for the period of one year and nine months, requiring the payment of interest to begin from 1st April 2014, and an overall reduction in the interest rate with an effective yield of 10.50% over the term of the facility.

   Also the company is under negotiation with its Non-CDR members i.e. Indusind Bank, IFCI Ltd.and DEG Bank for restructuring of the facilties sanctioned by them which at present is under default as stated hereunder :

   Indusind Bank since 31-july-2012 amounting to Rs. 99.51 lacs(Disputed),IFCI Since 30-sep-12 amounting to Rs. 1347.66 Lacs and DEG since 31-Dec-12 amounting to Rs. 738.14 lacs.

   The FITL has been created as per the sanction of the respective banks. But the FITL created is subject to reconcilliation with the banks as per the Master Restructuring Agreement.

Note No. XLVII

Previous year figures have been regrouped, rearranged wherever considered necessary for comparison.

As per our separate report of even date For JAIN & ASSOCIATES Chartered Accountants (Regd.No.001361N)	N.R. Munjal Vice-Chairman Cum Managing Director	Rishav Mehta Executive Director	K.M.S. Nambiar Director
S.C. Pathak Partner Membership .No. 10194		N.K.Bansal Chief Financial Offcer	Pardeep Verma GM-Corp. Affairs & Company Secretary

Date: 28.05.2013
Place: Chandigarh

NOTE NO XLVIX:SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

1. **SYSTEM OF ACCOUNTING**

The financial statements of the company have been prepared to comply with all material aspects of the applicable Accounting Principles in India, the applicable Accounting Standards inotified under section 211 (3C) and the other relevant provision of the Companies Act , 1956. The financial statements have been prepared under the historical cost convention and on the basis of going concern.

2. **FIXED ASSETS & DEPRECIATION**

a **COST OF FIXED ASSETS**

All Fixed Assets are valued at cost/revalued cost net of cenvat credit wherever eligible. Cost includes all expenses and borrowing cost attributable to the project till the date of commercial production / ready to use.

b **DEPRECIATION /AMORTISATION**

Depreciation is provided on straight line method at the rates specified in schedule XIV of the Companies Act 1956 on pro rata basis and the assets having the value upto Rs. 5000 have been depreciated at the rate of 100%. Lease hold Land is amortised over the period of lease. The policy of company is to provide depreciation on the Buildings , Plant & Machinery and Other Fixed assests from the date of commercial production/ ready to use.

c **INTANGIBLE ASSETS (OTHER ASSETS)**

Cost of product development for which the company becomes entitled to a Patent or DMF filed with regulatory authorities is recognised as other assets. The policy of company is to amortise such assets acquired upto 31-03-2008 on straight-line basis in five subsequent years and those acquired after 31.3.2008 and onwards in eight subsequent years from the year in which these are acquired.During the year, the policy has been changed retrospectively for the assets acquired after 31.03.2008 and onwards for ammortisation period from eight to ten subsequent years and the effect of the same has been considered appropriately.

3. **BORROWING COSTS**

Borrowing costs that are directly attributable to the acquisition,construction of qualifying assets have been capitalised as part of cost of assets. Other Borrowing costs are recognised as an expense in the period in which they are incurred.

4. **INVENTORIES**

Inventories are valued as under :

Stores & Spares are valued at cost.

Raw Materials are valued at cost on FIFO basis.

Work in Process is valued at estimated cost basis or net realisable value whichever is less.

Finished Goods are valued at cost or net realisable value whichever is less and is inclusive of excise duty and all expenditure directly attributable to production.

5. **RECOGNITION OF INCOME AND EXPENDITURE**

Sales are recognised when goods are supplied and are recorded net of rebates and sales tax but inclusive of excise duty. Expenses are accounted for on accrual basis.

6. **FOREIGN CURRENCY TRANSACTIONS**

Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transactions. The gain or loss arising from forward transactions have been recognised in the year in which the contract has been cancelled/ matured. Foreign currency denominated current assests & current liablities are translated at year end exchange rates. The resulting gain or loss is recognised in the Profit& Loss Account.

In translating the financial statement of representative foreign offices for incorporation in main financial statements, the monetary assets and liabilties are translated at the closing rates non monetary assets and liabilities are translated at exchange rates prevailing at the dates of the transactions and income and expenses items are converted at the yearly average rate.

7. **COMMODITY EXCHANGE TRANSACTIONS**

Commodity Exchange Transaction are recorded at the commodity exchange rate prevaling on the transaction date. Contracts remaining outstanding at the year end have been recorded as per year end rate and resultant profit and loss arising from outstanding contracts are recognised accordingly in the profit and loss account.

8. **RETIREMENT BENEFITS**

The retirement benefits of the employees include Gratuity ,Provident Fund & Leave Encashment . The gratuity is funded through the Group Gratuity Policy with Life Insurance Corporation of India and the contribution to the fund is based on actuarial valuation carried out yearly as at 31st March. Contirbution to the provident fund is provided on accrual basis. The leave encashment is provided on the basis of employees entitlement in accordance with company's rules.

9. **EMPLOYEES STOCK OPTION SCHEME**

The accounting value of stock options representing the excess of the market price on the date of grant over the exercise price of the shares granted under "Employees Stock Option Scheme" of the Company, is amortised as "Deferred Employees Compensation" on a straight-line basis over the vesting period in accordance with the SEBI [Employee Stock Option Scheme and Employee Stock Purchase Scheme] Guidelines, 1999 and Guidance Note 18 " on Share Based Payments" issued by the ICAI.

10. **CURRENT & DEFERRED TAX**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deffered tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deffered tax assets is recognised and carried forward only to the extent that there is a virtual certainity that the asset will be realised in future.

MAT Credit Entitlement is shown under the Current Assets in the Balance Sheet . The same will be charged to profit & loss account in coming years as per the provisions of Section 115JB of Income Tax Act, 1961.

11. **PROVISION, CONTINGENT LIABILITIES AND CONTIGENT ASSETS**

A provision is recognised when there is a present obligation as a result of a past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end. These are reviewed at each year end and adjusted to reflect the best current estimate. Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

12. **GOVERNMENT SUBSIDY**

The policy of company is to account for the Government Subsidy on actual receipt basis.

13. **EXPORT INCENTIVES**

a) Obligation / entitlements on account of Advance Licences Scheme for import of raw materials are not accounted for but given by way of note.

b) Export incentives are treated as income on export under DEPB & other post export incentive schemes and the same is offset & treated as expenditure in the year of import/ utilisation of license.

14. **INVESTEMENTS**

Long Term Investements are being valued at cost Current Investments are carried at lower of cost & fair value,determined on an individual investment basis.

15. **IMPAIREMENT OF ASSETS**

Management periodically assesses using external and internal sources where there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continous use of the assets and its eventual disposal. The impairment loss to be accounted for is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value.

16. **OTHER ACCOUNTING POLICIES**

Accounting Policies not specifically referred to are in accordance with generally accepted accounting principles.

Independent Consolidated Auditors' Report

The Members,
Ind-Swift Laboratories Limited,
Chandigarh

Report on the Financial Statements

1. We have audited the accompanying Consolidated financial statements of M/s Ind-Swift Laboratories Limited (the "Company"), and its subsidiaries which comprise the Consolidated Balance Sheet as at March 31, 2013, the Statement of Consolidated Profit & Loss and Consolidated Cash Flow Statement of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Group in accordance with the Accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

6. We report that the consolidated financial statements have been prepared by the management of Ind-Swift Laboratories Limited in accordance with the requirements of accounting standard (AS 21), Consolidated Financial Statements, issued by the Institute of Chartered Accountants

7. Based on our audit and on consideration on report of other auditor on separate financial statements and other financial information of the components, and to the best of our information and according to the explanations given to us, we are of the opinion that the accompanying Consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) In the case of the Consolidated Balance Sheet, of the Consolidated state of affairs of Ind-Swift Laboratories limited and its Subsidiary as at March 31, 2013;

(b) In the case of the Consolidated Statement of Profit & loss of the Consolidated results of operations of Ind-Swift Laboratories limited and its Subsidiary for the year ended on that date, and

(c) In the case of Consolidated Cash Flow Statement, of the Consolidated cash flows of Ind Swift Laboratories Ltd. and its subsidiaries for the year ended on that date.

(d) The Financial statements and other financial information of Meteoric Life Sciences Pte. Ltd. a 100% subsidiary of the company have not been audited either by us or by any other auditor, and therefore unaudited financial statements for the year ended on 31.10.2012 of the company have been furnished to us by the management . Therefore we disclaim our opinion with respect to the consolidation of the same in the Consolidated financial statements.

For JAIN & ASSOCIATES
Chartered Accountants
(Regd No.:001361N)

(S.C. Pathak)
Partner
Membership No. 10194

Place: Chandigarh
Date: 28.05.2013

Consolidated Balance Sheet

(Amount in Rs.)

Particulars		Note No.	As at 31.03.2013	As at 31.03.2012
I.	**EQUITY AND LIABILITIES**			
(1)	**Shareholders' Funds**			
(a)	Share Capital	I	392,704,700	379,454,700
(b)	Reserves & Surplus	II	8,048,630,382	7,838,402,710
(c)	Share Application money	III	93,100,000	-
(d)	Money received against share warrants		-	27,121,875
(2)	**Non-current Liabilities**			
(a)	Long-term borrowings	IV	8,181,644,127	7,110,429,310
(b)	Defferred Tax Liabilities(Net)	V	394,181,435	411,072,994
(c)	Other Long term liabilities	VI	72,347,639	234,443,285
(3)	**Current Liabilities**	VII		
(a)	Short term Borrowings		3,937,372,591	3,018,307,729
(b)	Trade Payable		2,244,163,481	2,540,503,957
(c)	Other current liabilities		249,826,066	445,392,421
(d)	Short term Provisions		126,732,104	175,741,784
Total			**23,740,702,524**	**22,180,870,765**
II.	**ASSETS**			
(1)	**Non-Current Assets**			
(a)	Fixed Assets	VIII		
(i)	Tangible Assets		11,301,948,391	9,020,332,743
(ii)	Intangible Assets		2,188,880,923	1,377,577,385
(iii)	Capital work in Progress (Tangible)		993,213,396	1,620,892,165
(iv)	Capital work in Progress (Intangible)		619,789,372	1,321,394,256
(v)	Assets held for disposal		22,336,162	22,336,162
Total			**15,126,168,243**	**13,362,532,711**
Accumulated Depreciation			1,806,822,335	1,322,945,567
Net Block			**13,319,345,908**	**12,039,587,144**
(b)	Non-Current investment	IX	170,367,085	170,955,853
(c)	Long-term loans & advances	X	17,961,997	16,749,417
(2)	**Current Assets**	XI		
(a)	Current investment		1,000,000	21,000,000
(b)	Inventories		4,514,417,132	4,942,752,848
(c)	Trade Receivables		4,127,103,758	3,037,840,971
(d)	Cash and Cash equivalents		182,773,727	469,231,982
(e)	Short-term loans and advances		1,425,261,520	1,495,721,711
(f)	Foreign Currency Translation		(17,528,602)	(12,969,162)
Total			**23,740,702,524**	**22,180,870,765**
Significant Accounting Policies		**XXXVIII**		

As per our separate report of even date
For JAIN & ASSOCIATES
Chartered Accountants
(Regd.No.001361N)

N.R. Munjal
Vice-Chairman
Cum Managing Director

Rishav Mehta
Executive Director

K.M.S. Nambiar
Director

S.C. Pathak
Partner
Membership .No. 10194

N.K.Bansal
Chief Financial Offcer

Pardeep Verma
GM-Corp. Affairs &
Company Secretary

Date: 28.05.2013
Place: Chandigarh

Consolidated Statement of Profit and Loss

(Amount in Rs.)

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
Revenue from Operations	XII	11,360,929,938	14,091,745,127
Other Income	XIII	178,709,139	333,188,255
Total		**11,539,639,077**	**14,424,933,382**
Expenses			
Cost of Materials Consumed	XIV	6,032,510,967	8,017,897,698
Purchase of Stock In Trade		3,012,158,773	4,003,457,249
Change in Inventories of FG/WIP/Stock in trade	XV	92,206,287	(812,071,554)
Employee benefits expense	XVI	405,693,525	286,928,323
Financial Cost	XVII	1,397,245,527	847,263,340
Depreciation & amortisation expenses	XVIII	543,505,862	398,608,845
Other Expenses	XIX	1,103,375,786	815,295,474
Total		**12,586,696,727**	**13,557,379,375**
Profit before exceptional & extraordinary items & Tax		**(1,047,057,650)**	**867,554,007**
Exceptional items			
Previous Year Income		**27,706,053**	**-**
Previous Year Expenses		**(69,062,831)**	**(2,087,007)**
Profit before extraordinary items and Tax		-	
Extra ordinary Items:		-	
(a) Reversal of Previous year Income		(100,000,000)	-
Profit before Tax		**(1,188,414,428)**	**865,467,000**
TAX EXPENSES:			
Provision for Income Tax		652,748	175,622,010
Income Tax Adjustment of Previous Years		166,634	(4,663,283)
Mat Credit Entitlement		-	(174,621,284)
Deferred Tax Liability/(Assets)		(9,585,751)	(22,478,312)
Profit (Loss) for the period from continuing operation		**(1,179,648,060)**	**891,607,868**
Earnings per equity share:			
(1) Basic		(30.09)	24.86
(2) Diluted		(30.09)	23.98

As per our separate report of even date
For JAIN & ASSOCIATES
Chartered Accountants
(Regd.No.001361N)

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Chief Financial Offcer

Pardeep Verma
GM-Corp. Affairs &
Company Secretary

Date: 28.05.2013
Place: Chandigarh

Consolidated Cash Flow Statement

(Rs. in Lacs)

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax and Extra-Ordinary Items		(10478.47)	8654.67
ADJUSTMENTS FOR:			
(i) Depreciation		5435.06	3986.09
(ii) Employee stock option expenses		93.78	0.00
(iii) Exchange (profit)/loss		349.24	(55.15)
(iv) Reversal of previous year items		(1499.22)	0.00
(v) Interest on term loans		4073.17	2754.53
(vi) Interest received		(361.41)	(1273.36)
(vii) Provision for doubtful debts		600.00	225.18
(viii) Loss on sale of fixed assets		11.72	17.87
(ix) Income tax adj of previous years		(1.67)	0.00
(x) Amortisation of Subsidy		(1.54)	0.00
(xi) Gain/ Loss on sale of investment		(2.34)	(2.34)
(xii) FITL created for working Capital		2455.05	0.00
Operating Profit Before Working Capital Charges		**673.37**	**14307.49**
ADJUSTMENTS FOR:			
i) Trade & Other Receviables		(11954.57)	(1166.81)
ii) Inventories		4283.36	(12872.81)
iii) Loan & advances		692.48	(4207.97)
iv) Current Liabilities		(6659.30)	6984.93
v) Working Capital Borrowing		8304.37	5922.94
vi) Income taxes (Including Advance Tax/TDS)		0.00	(1715.37)
		(5333.67)	**(7055.09)**
Net Cash flow from operating Activities		**(4660.30)**	**7252.40**
B. CASH FLOW FROM INVESTING ACTIVITIES			
i) Purchase of fixed Assets		(5431.41)	(17918.48)
ii) Sale of fixed assets		26.09	33.60
iii) (Purchase)/ Sale of Investments		208.23	2884.92
iv) Product Technology Development Expenditure		0.00	(6643.35)
v) Interest Received		361.40	1273.36
Net Cash flow from investing activities		**(4835.69)**	**(20369.94)**

Cash Flow Statement (Contd.)

(Rs. in Lacs)

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
C. CASH FLOW FROM FINANCING ACTIVITIES			
(i) Proceeds from Share Capital		132.50	372.24
(ii) Advance From Share Capital		(271.22)	(731.16)
(iii) Proceeds from Securities Premium		955.08	2575.31
(iv) Proceeds from Term Loans From Banks & Financial Institutions		22775.78	36400.00
(v) Repayment of Term Loans to Banks & Financial Institutions		(15788.62)	(22954.00)
(vi) Interest paid on Term Loans		(2175.07)	(2754.53)
(vii) Equity Dividend Paid		0.00	(342.23)
(viii) Equity Dividend Tax Paid		0.00	(56.84)
(ix) Promoter's Contribution		931.00	0.00
(xi) Subsidy Received		25.00	0.00
Net Cash flow from Financing Activities		**6584.44**	**12508.79**
		(2911.54)	(608.75)
Net increase in Cash or Cash Equivalents		(2911.54)	(608.75)
Cash & Cash Equivalents as on 31.3.2012		4692.32	5420.58
Cash & Cash Equivalents as on 31.3.2013		1827.74	4811.83
Add. Unrealised Gain/(loss) in Foreign Currency		(45.59)	(119.51)
Closing balance of Cash & Cash Equivalents as on 31.03.2012		1782.14	4692.32

As per our separate report of even date
For JAIN & ASSOCIATES
Chartered Accountants
(Regd.No.001361N)

N.R. Munjal
Vice-Chairman
Cum Managing Director

Rishav Mehta
Executive Director

K.M.S. Nambiar
Director

S.C. Pathak
Partner
Membership .No. 10194

N.K.Bansal
Chief Financial Offcer

Pardeep Verma
GM-Corp. Affairs &
Company Secretary

Date: 28.05.2013
Place: Chandigarh

AUDITORS' CERTIFICATE

We have verified the above Consolidated Cash Flow Statement of Ind-Swift Laboratories Limited, derived from the audited financial statements for the year ended 31st March 2013 and found the same to be drawn in accordance therewith and also with requirements of clause 32 of the Listing Agreement with the Stock Exchange.

For JAIN & ASSOCIATES
Chartered Accountants
(Regd.No.001361N)

S.C. Pathak
Partner
Membership .No. 10194

Date: 28.05.2013
Place: Chandigarh

Notes Forming Part of Consolidated Balance Sheet and Statement of Profit and Loss

(Amount in Rs.)

Particulars		As at 31.03.2013	As at 31.03.2012
Note No. I			
SHARE CAPITAL			
(a) Authorised			
Balance as per Last Balance Sheet:		600,000,000	600,000,000
Addition during the year			
Nil (Previous Year NIL) Equity share of Rs. 10/- Each			
6,00,00,000 (Previous Year 6,00,00,000) Equity Shares of Rs.10/- Each		**600,000,000**	**600,000,000**
(b) Issued, Subscribed & Paid Up			
Balance as per Last Balance Sheet:		379,454,700	342,230,700
Addition during the year			
1325000 (Previous Year 3722400) Equity share of Rs. 10/- Each		13,250,000	37,224,000
3,92,70,470 (Previous Year 3,79,45,470) Equity Shares		**392,704,700**	**379,454,700**
of Rs.10/-each fully called up and paid up.			
(c) Share held by each shareholders holding more than 5 % shares		No. of shares	No. of shares
Name			
Ind Swift Ltd		9499720 (24.19%)	9499720 (25.03%)
Essix Biosciences Ltd		5491801 (13.98%)	5491801 (14.47%)
(d) During the year, Company has made following preferential allotments.			
Date of Allotment	Type	Equity Share Issued	Equity Share Issued
19-4-2012	Zero Coupon Optionally Convertible Warrants	13,15,000	3,50,000
30-05-2012	ESOP	10,000	2,22,400

The proceeds of preferential allotments was fully utilised towards the expenditure/projects/investments/product development undertaken by the company.

The Company has ESOP Scheme called "ESOP 2006". During the year, Company has granted no Stock Option to its employees. Deffered employee compensation cost is being ammortised over a period of three years, being the vesting period and on proportionate basis. During the year, the independent directors have opted 10,000 options which were granted to them in earlier year and the same has been allotted to them in form of equity shares.

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. II		
RESERVES & SURPLUS		
(a) Capital Reserves :		
State Subsidy on DG Set & QC Subsidy		
Opening Balances:-	1,675,621	1,796,998
Additions	2,499,882	-
Less:- Amortisation during the year	154,374	121,377
	4,021,129	1,675,621
Capital Redemption Reserve	2,000	2,000
Share Warrants Forfeited Account	6,323,113	6,323,113
Equity Share Forfeited Account(175900 shares in the year 2002-03)	866,500	866,500
(b) Securities Premium		
Opening Balance	1,961,339,770	1,703,808,970
Addition during the year	104,746,520	257,530,800
	2,066,086,290	1,961,339,770

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
(c) Revaluation Reserve		
Opening balance	2,217,722,311	866,932,920
Addition during the year	1,423,100,000	1,433,037,216
Depreciation charges on revalued assets	139,195,236	82,247,825
	3,501,627,075	2,217,722,311
(d) Employees Stock Option Outstanding	3,887,670	3,887,670
Add:	8,712,300	-
Less:	12,461,190	-
	138,780	3,887,670
(e) General Reserve		
As per Last Balance Sheet	343,704,653	343,704,653
Add: Transfer during the year From ESOP	3,887,670	-
	347,592,323	343,704,653
(f) Profit & Loss Account		
As per Last Balance Sheet	3,301,621,231	2,411,273,204
Add: Transfer from Profit & Loss Account	(1,179,648,060)	891,607,868
Less: Appropriations	-	-
Transferred to General Reserve	-	-
Proposed Dividend on equity share	-	-
Tax on dividend		
Total	**8,048,630,382**	**7,838,402,710**

Note No. III
SHARE APPLICATION MONEY
During the year under review, the promoters have infused their contribution amounitng to Rs. 9.31 crores which is to be converted into equity shares pursuant to its approved CDR package against various liabilities of the company to banks. Till the conversion to equity shares, the amount is treated as Share application money as on 31.03.2013.

Note No. IV

(A) LONG-TERM BORROWINGS		
Secured Loans		
(a) Non Convertible Debentures	19,756,633	46,500,000
(b) Term Loans		
From Banks	7,038,291,891	6,293,809,329
From other parties	479,436,926	282,676,488
Unsecured Loans:-		
(i) Fixed Deposits	559,474,970	372,419,000
(ii) Term Loans & Advances		
From Others	84,683,710	115,024,493
Total	**8,181,644,127**	**7,110,429,310**

(a) The Company received rs. 15.00 crore against 14% Non-convertible Debenturs on 28.05.2009 which are redeemable in 13 quarterly installments with effect from febuary 2010. Balance outstanding as on 31.03.2013 is Rs. 1.98 Crore(Previous Year Rs. 4.65 Crore)

(b) Maturity profile of term Loans:

(Rs. In Lacs)

Type of Loan	Rate of Interest	0-1 Years	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
NON CDR	3.7%	2214.42	1476.28	1476.28	1476.28	2214.42
NON CDR	4.31%	815.84	1903.63	3263.36	4895.04	0.00
NON CDR	4.8%	NIL	906.49	906.49	906.49	2719.47
NON CDR	5%	334.00	NIL	NIL	NIL	0.00
FITL	9.75%	NIL	577.47	547.47	547.47	10980.66
CDR	10.5%	NIL	2057.47	2178.43	2347.90	33333.80
NON CDR	13.75%	1642.00	NIL	NIL	NIL	0.00
NON CDR	14.00 %	197.57	NIL	NIL	NIL	0.00
NON CDR	14.75%	970.00	1160.00	320.00	NIL	0.00

(c) The FD’s to be matured in 2014-15 are amounting to Rs.26.58 crore and in 2015-16 are Rs.29.37 crores.

A) 14% Non Convertible Debentures amounting to Rs. 1.98 Crores (P.Y. Rs. 4.65 Crores) from Tata Capital Limited are secured by first pari passu charge on the immovable properties of the Company situated at village Behra & village Bhagwanpura and Plot No E-5, Industrial Focal Point, Phase II , Mohali in the State of Punjab together with all buildings & structures, Plant & Machinery thereon; alongwith the personal guarantees of Mr. S.R. Mehta and Mr. N.R. Munjal.

B) Bank borrowings for working capital Rs. 336.13 crores (P.Y.. Rs. 228.54 Crores) from S.B.I., Bank of India, S.B.O.P., I.D.B.I., S.I.D.B.I. are secured by :-

(1) a first pari passu charge over the entire current assets of the company in favour of " Security trustee 2 " for the benefit of the respective lenders and

(2) a second pari passu charge over the entire fixed assets (both present and future) of the company by way of an equitable mortgage, in favour of " Security trustee 1 " for the benefit of the respective lenders and

(3) unconditional and irrevocable on demand personal guarantee from each promoter in the form acceptable to the lenders and the security Trustee 1 in the favour of the " Security Trustee 1" for benefit of the respective lenders and

(4) unconditional and irrevocable on demand corporate guarantee from each of the affiliate companies in the form acceptable to the lenders and the "Security Trustee 1" in the favour of the "Security Trustee 1" for the benefit of the respective lenders and

(5) pledge of 100% Promoters Group Shareholding in the company (50.58% of the fully diluted equity share capital of the company as on the effective date), including additional share to be acquired by the promoters on infusion of equity in the company in accordance with the terms of the MRA and the CDR Package in the favour of the "Security Trustee 1" and Security Trustee 2" for the benefit of all respective lenders.

C) (i) Term Loan Rs. 488.51 crores (P.Y. Rs. 437.34 crores) from State Bank of India including State Bank of Indore (as now merged with SBI) , Central Bank of India , State Bank of Patiala, Bank of India including (ECB), Canara Bank, Bank of India, Catholic Syrian Bank, Export Import Bank of India, IDBI Bank, ICICI Bank Limited, State Bank of Hyderabad, , State Bank of Travancore, Allahabad Bank are secured by :- .

(1) a first pari passu charge over the entire fixed assets (both present and future) of the company by way of an equitable mortgage, in favour of " Security trustee 1 " for the benefit of the respective lenders and

(2) a second pari passu charge over the entire current assets on the company in favour of " Security trustee 2 " for the benefit of the respective lenders and

(3) unconditional and irrevocable on demand personal guarantee from each promoter in the form acceptable to the lenders and the security Trustee 1 in the favour of the " Security Trustee 1" for benefit of the respective lenders and

(4) unconditional and irrevocable corporate guarantee on demand from each of the affiliate companies in the form acceptable to the lenders and the "Security Trustee 1" in the favour of the "Security Trustee 1" for the benefit of the respective lenders and

(5) pledge of 100% Promoters Group Shareholding in the company (50.58% of the fully diluted equity share capital of the company as on the effective date), including additional shares to be acquired by the promoters on infusion of equity in the company in accordance with the terms of the MRA and the CDR Package in the favour of the "Security Trustee 1" and Security Trustee 2" for the benefit of all respective lenders.

(ii) ECB of Rs. 197.36 crores (P.Y. Rs. 168.92 crores) from Bank of Baroda and DEG ; Rupee term loan from IFCI Rs. 16.42 crores (P.Y. Rs. 20.81 crores), L&T Rs. 19.37 crores (P.Y. Rs.21.88 crores), M&M Rs. 24.50 (P.Y. NIL) are secured by first pari passu equitable charge on the moveable and immovable properties admeasuring 68 bighas & 13 biswas situated at village Behra & village Bhagwanpura Plot No E-5, Industrial Focal Point, Phase II , Mohali in the state of Punjab together with all buildings & structures, Plant & Machinery thereon and personal guarantees of promoter directors.

(iii) Vehicle loan of Rs 2.10 Crores (P.Y. Rs. 4.06 crores) from HDFC, ICICI and NBFC are secured against hypothecation of the vehicles under the hire purchase agreement.

(iv) Other term loan & advances Rs. 6.29 crores (P.Y. Rs.7.58 crores) includes ICICI Home Loan and Indiabulls Housing Finance Ltd. in the name of Mr. N.R.Munjal, and is secured against the office premises in Mumbai and another Term loan from Technology Development Board is secured by way of charges on movable and immoveable fixed assets & personal guarantee of Shri N.R.Munjal.

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. V		
Deferred Tax:		
The Break Up of Deferred Tax Liabilities/(Assets) as at March 31, 2013 is as under:		
Deferred Tax Liabilities	-	-
Timing Difference on account of :		
Depreciation	4,201,460,880	2,809,097,754
Total	**4,201,460,880**	**2,809,097,754**
Deferred Tax Assets		
Timing Difference on account of :		
Provision for Doubtful Debts/Gratuity/Bonus\EL Encashment	66,352,123	13,757,034
Carried Forward Losses as per Income Tax Act	2,459,059,065	1,528,356,611
Funded Interest Term loan	461,127,718	-
Total	**2,986,538,905**	**1,542,113,645**
Deferred Tax Liabilities net	394,181,435	403,767,186
Deferred Tax Liabilities (Assets) Charged to P&L A/c	(9,585,751)	(29,784,120)
Note No. VI		
Other Long term liabilities		
Trade Payable	72,347,639	234,443,285
Total	**72,347,639**	**234,443,285**
Note No. VII		
CURRENT LIABILITIES		
a) Short term Borrowings		
Secured		
(I) Borrowings for working capital.	3,361,369,545	2,285,427,511
Unsecured		
(ii) Fixed Deposits	525,299,000	506,379,000
(iii) ICD	50,704,046	226,501,218
Total	**3,937,372,591**	**3,018,307,729**
b) Trade Payable:		
(i) Total outstanding dues to small scale		
Industrial undertakings	10,185,889	4,954,042
(ii) Outstanding dues of Creditors other than small scale industrial undertakings	2,233,977,592	2,535,549,915
Total	**2,244,163,481**	**2,540,503,957**
c) Other Current Liabilities:		
(I) Advances from Customers	12,246,250	179,599,516
(ii) Advance from Related Party	-	-
(iii) Statutory Liabilities	23,753,977	54,129,153
(iv) Expenses Payable	99,113,466	82,393,868
(v) Interest accrued but not due on term loan	114,712,373	129,269,884
Total	**249,826,066**	**445,392,421**

I) Statutory Liabilities include TDS payable, GTA payable, ESI Payable, PF payable, Excise duty payable

ii) Expenses payable include Salary, Wages, Bonus, EL, Audit Fees, electricity Exp. payable

d) Short Term Provisions :

(I) Income Tax	126,732,104	175,741,784
(ii) Equity Share Dividend	-	-
(iii) Tax on proposed Equity Share Dividend	-	-
Total	**126,732,104**	**175,741,784**

Due to financial constraints the company has gone into CDR. The liability for income tax amounting to Rs. 12.66 crores of previous year ending on 31.03.2012 was not deposited with the income tax authorities.

Note No. VIII :
FIXED ASSETS

(Amount in Rs.)

	GROSS BLOCK						DEPRECIATION / AMORTISATION				NET BLOCK	
PARTICULARS	AS ON 01.04.2012	ADDITION	REVALUATION	EXCHANGE FLUCTUATION	SALE/TRANSFER	AS ON 31.03.13	AS ON 01.04.12	DURING THE	PERIOD WRITTEN BACK	AS ON 31.03.13	AS ON 31.03.13	AS ON 31.03.2012
TANGIBLE ASSETS												
LAND FREE HOLD	813,687,318	88,759	-	-	-	813776077	-	-	-	-	813,776,077	813,687,318
LAND LEASE HOLD	17,189,390	-	-	-	-	17189390	1,160,003	176,644	-	1,336,647	15,852,743	16,029,387
FACTORY BUILDINGS	1,141,255,445	164,158,603	592,100,000	(16,866,349)	-	1880647699	123,586,624	57,079,532	-	180,666,156	1,107,881,543	1,017,668,821
OFFICE BUILDINGS	103,833,951	-	-	-	-	103833951	5,855,231	1,692,493	-	7,547,724	96,286,227	97,978,721
FLATS	145,810,070	-	-	-	-	145810070	4,846,729	2,376,704	-	7,223,434	138,586,636	140,963,341
R&D BUILDINGS	145,588,240	-	92,100,000	-	-	237688240	26,157,366	6,016,000	-	32,173,366	205,514,874	119,430,873
BUILDING - PILOT PLANT	17,021,567	-	-	-	-	17021567	3,706,244	568,520	-	4,274,765	12,746,802	13,315,323
PLANT&MACHINERY	5,362,282,526	712,552,083	545,500,000	(65,788,949)	-	6554545660	798,736,347	332,821,558	-	1,131,557,904	4,887,487,755	4,563,546,179
R&D MACHINERY	548,053,386	12,120,641	46,000,000	-	-	606174027	132,111,930	33,023,437	-	165,135,367	395,038,660	415,941,456
PLANT & MACHINERY - PILOT PLANT	39,233,698	-	-	-	-	39233698	13,451,583	2,071,539	-	15,523,122	23,710,576	25,782,115
ELECTRIC INSTALATIONS	409,574,341	51,670,068	147,400,000	(2,755,045)	-	605889364	87,015,841	26,415,445	-	113,431,287	345,058,078	322,558,500
ELECTRIC INSTALLATIONS - PILOT PLANT	3,439,389	-	-	-	-	3439389	1,059,267	163,371	-	1,222,638	2,216,751	2,380,122
FURNITURE & FIXTURES	41,858,751	1,346,796	-	-	-	43205547	13,952,176	2,724,967	-	16,677,143	26,528,404	27,906,575
OFFICE EQUIPMENTS	115,092,252	2,791,157	-	-	-	117883409	68,008,207	9,922,881	-	77,931,087	39,952,321	47,084,045
VEHICLES	116,412,418	5,235,880	-	-	6,037,995	115610303	43,298,018	11,080,806	2,257,129	52,121,696	63,488,607	73,114,400
TOTAL (A)	**9,020,332,742**	**949,963,987**	**1,423,100,000**	**(85,410,343)**	**6,037,995**	**11301948391**	**1,322,945,566**	**486,133,898**	**2,257,129**	**1,806,822,335**	**8,072,026,056**	**7,697,387,176**
INTANGIBLE ASSETS			-									
R&D TECHNOLOGY	**1,366,920,760**	**1,006,133,450**	**-**		**196,567,199**	**2176487011**	**-**	**196,567,199**	**196,567,199**	**-**	**2,176,487,011**	**1,366,920,760**
GOODWILL	10,656,625	1,737,287				12393912					12,393,912	10,656,625
TOTAL(B)	**1,377,577,385**	**1,006,133,450**	**-**	**-**	**196,567,199**	**2,188,880,923**	**-**	**196,567,199**	**196,567,199**	**-**	**2,188,880,923**	**1,377,577,385**
TOTAL(A+B)	**10,397,910,127**	**1,957,834,724**	**1,423,100,000**	**(85,410,343)**	**202,605,194**	**12,067,729,313**	**1,322,945,566**	**682,701,098**	**198,824,328**	**1,806,822,335**	**10,260,906,978**	**9,074,964,561**
PREVIOUS YEAR	12,523,260,996	2,667,517,767	1,433,037,216	-	727,845,497	10,397,910,128	1,566,111,539	480,856,671	724,022,643	1,322,945,567	9,064,307,936	5,448,432,478

(i) Company has revalued its assets comprising of Land, Plant & Machinery of Derabassi Unit and Jammu plant by the approved External Valuer to reflect the market value and accordingly the appreciation amounting to Rs.10138.73, Rs. 14330.37 & Rs. 14231.00 lacs (excluding land and Plant and machinery of Jammu) respectively have been credited to Capital Reserve Account (Re-valuation Reserve A/c) as on 31.03.2007, 08.06.2011 & 30.06.2012. Depreciation amounting to Rs. 1400.70 Lac(Rs 822.48 Lac) has been provided during the year & the same is reduced from Revaluation Reserve.

(ii) Office Buildings includes Mumbai Office Buildings Rs. 700.20 Lacs (Previous Year Rs. 266.42 Lacs) Lac purchased in Mumbai in the name of the Managing Director of the Company out of which one building amounting to Rs. 41.46 Lacs is mortgaged with ICICI Bank. The Company has entered into an "agreement to sell" and has taken GPA from the Managing Director. The property is yet to be registered in the name of Company.

(iii) Freehold land includes Rs.13.79 crores and Flats Rs. 14.58 Crore for which agreement to sell and GPA in favour of the company has been executed and the same have been put to use. The Freehold Land & Flats are yet to be registered /transferred in the name of the Company.

(iv) Capital Work in Progress includes:Capital advances Rs. 69.12 Lacs (Previous Year Rs. 11414.18 Lacs) . Expenses pending capitalisation Rs. 1266.31 Lacs (Previous Year Rs. 2579.11 lacs) .

(v) The interest which has been capitalised is conformity wit AS - 16.

(Rs. in Lacs)

DESCRIPTION	OPENING BALANCE	ADDITIONS	CAPITALISED	CLOSING BALANCE
INTEREST COST FIXED ASSETS	2558.81	4158.98	5567.03	1150.76
UPFRONT/PROCESSING FEES	4.53	0.00	4.53	0.00
SALARY & WAGES	12.38	152.16	119.50	45.04
LEGAL & PROFESSIONAL	1.60	70.50	1.60	70.50
ELECTRICITY CHARGES	1.78	0.00	1.78	0.00
TOTAL	**2579.11**	**4381.64**	**5694.44**	**1266.31**
PREVIOUS YEAR	**1848.21**	**7443.12**	**6712.22**	**2579.11**

(vi) There is a change in Accounting policy A(2) c in regard to Intangible assets acquired after 31.03.2008 from 8 years to 10 subsequent years with retrospective effect. Due to the change in accounting policy, the depreciation and ammortisation expense have been additionally charged to P&L account during the year ending 31.03.2013 by Rs. 5.64 crores resulting in decrease in losses of the company to that extent.

(Amount in Rs.)

	Particulars	As at 31.03.2013	As at 31.03.2012
	Note No. IX		
	Non-Current Assets		
	Non-Current investment: (Unquoted Investments)		
	Subsidiary:		
i)	Investment in Ind Swift Middle East FZE,UAE		
	Share Application Money	43,460,835	1,123,835
	Associates:		
ii)	Investment in Fortune (India) Constructions Ltd		
	48,20,000 Equity Share of Rs.10/- each fully paid up.	48,200,000	48,200,000
iii)	Investment in Essix Biosciences Limited		
	12,35,000 Equity Share of Rs.10/- each fully paid up.)	76,750,000	76,750,000
	Share Application Money		
	Joint Venture		
iv)	Investment in Farayand Chemi Hakim Company Ltd. (Iran)		
	Common Stock	-	2,717,000
	Share Application Money	-	30,258,768
	Others:		
v)	Units of Principle Global Opportunities Fund		
	33901.90 Units of EBRD-Principal Emerging Bluechip-Dividend Plan	-	500,000
vi)	Investment in Vardhman Chemtech Pvt Limited		
	10,00,000 Equity Share of Rs. 10/- each fully paid up.	-	10,000,000
vii)	Investment in Nimbua Green Field (Punjab) Ltd.		
	140625 Equity Share of Rs. 10/- each fully paid	1,406,250	1,406,250
viii)	Investment in Mohali Green Investment Pvt. Ltd.	550,000	
	5000 Equity Share of Rs. 100/- each fully paid		
	Total	**170,367,085**	**170,955,853**
	Note No. X		
	Long Term Loans & Advances		
	Security Deposits	17,961,997	16,749,417
	Total	**17,961,997**	**16,749,417**

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. XI		
CURRENT ASSETS		
(a) Current investment		
(i) Investment in SBI Mutual Fund	1,000,000	21,000,000
97943.19 Units (N.A.V. of Rs. 7.6416) of 192D-SBI PSU Fund Dividend		
(b) Inventories		
(As per inventories taken, valued & certified by the Management)		
Raw Materials	640,088,429	1,123,050,814
Work in Process	2,632,277,124	2,773,391,478
Finished Goods*	695,671,097	758,462,395
Goods-in-Transit (Raw material)	165,381,665	48,335,182
Stock in Trade (Goods acquired for trading)	297,780,139	190741549
Stores & Consumables	83,218,678	48,771,430
Total	**4,514,417,132**	**4,942,752,848**

*Finished Goods includes Goods under consignment, Goods lying at port

MODE OF VALUATION OF INVENTORY

Inventories are valued as under:-

Stores and spares are valued at cost.

Raw material are valued at cost on FIFO basis.

Work in progress is valued at estimated cost basis or net realisable value which ever is less

Finished goods are valued at cost or net realisable value whichever is less and is inclusive of excise duty and all expenditure directly attributeble to production.

(c) Trade Receivables		
(Unsecured & Considered Good)		
Debts outstanding for a period exceeding six months		
- Considered good	2,103,475,000	23,745,829
- Considered doubtful	102,848,318	42,848,318
Other Debts	2,023,628,758	3,014,095,142
	4,229,952,076	3,080,689,289
Less: Provision for Doubtful Debts	102,848,318	42,848,318
Total	**4,127,103,758**	**3,037,840,971**
(d) Cash and Cash equivalents		
Cash balance in hand	53,819,412	9,565,201
Bank balances with Scheduled Banks :		
Fixed Deposits to the extent held as margin Money	112,431,597	291,610,025
Fixed Deposits(Others)	264,203	41,934,781
Interest accrued but not due on Fixed Deposits	4,553,814	23,847,022
Current Accounts	11,704,701	102,274,953
Total	**182,773,727**	**469,231,982**

Excess Cash in hand in the books of accounts as on 31.03.2013 has been deposited in the banks amounting to Rs. 3.94 crores till 21.05.2013

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
(e) Short-term loans and advances		
(a) Loans and advances (Unsecured)	429,904,753	476,807,952
(b) Others		
- Mat Credit entitlement	630,458,845	630,458,845
- Cenvat / Vat Recoverable	220,217,144	252,689,391
- Advance Custom Duty Paid / DEPB	45,822,661	19,533,726
- Advance Tax/TDS	24,017,038	66,674,337
- Prepaid Expenses	5,909,592	3,830,499
- Advances recoverable in cash or in kind or value to be received	68,931,486	45,726,961
Total	**1,425,261,520**	**1,495,721,711**
Note No. XII		
REVENUE FROM OPERATION		
Sale of Products		
- Domestic	5,700,927,436	7,382,617,357
- Exports	5,836,369,778	6,758,127,041
Sale of Services		
- Domestic	-	100,000,000
- Exports	627,151	14,282,072
Less:		
Excise Duty	176,994,427	163,281,343
Total	**11,360,929,938**	**14,091,745,127**

The company is dealing in the manufacturing and sales of various products and it is not possible to disclose separately each product as per schedule VI.

Note No. XIII		
OTHER INCOME		
Interest Income	36,140,050	127,336,189
Gain & Loss on sale of Investment	234,170	234,375
Misc Income	-	145,041,000
Export Incentive	33,733,849	38,572,000
Other Non operating Income	108,601,070	22,004,691
Total	**178,709,139**	**333,188,255**
Note No. XIV		
EXPENSES		
Cost of Material Consumed/Sold		
Opening Stock	1,171,385,996	700,046,090
Purchases	5,720,814,118	8,489,237,604
Less: Material Destroy in Fire	54,219,053	-
	6,837,981,061	9,189,283,694
Less: Closing Stock	805,470,094	1,171,385,996
Total (A)	**6,032,510,967**	**8,017,897,698**

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. XV		
INCREASE /DECREASE IN INVENTORY		
Opening Stock		
Work in Process	2,773,391,478	2,326,269,314
Finished Goods	944,543,169	579,593,779
	3,717,934,647	2,905,863,093
Closing Stock		
Work in Process	2,632,277,124	2,773,391,478
Finished Goods/Stock in Trade	993,451,236	944,543,169
	3,923,508,499	3,717,934,647
Total (B)	**(92,206,287)**	**812,071,554**
Total (A-B)	**5,826,937,115**	**7,205,826,144**
Note No. XVI		
EMPLOYEE BENEFITS EXPENSES		
Salary & Allowance	148,253,915	113,532,047
Salary & Wages	243,670,326	148,435,365
P.F. & Other Funds	3,394,008	13,244,610
ESOP	665,500	-
Staff Welfare Expenses	4,993,165	7,907,499
Recruitment Expenses	650,483	2,449,571
Gratuity Premium	4,027,614	1,202,562
Training & Development Expenses	38,514	156,669
Total	**405,693,525**	**286,928,3223**
Note No. XVII		
FINANCE COST		
Interest on Term Loans	407,316,890	275,452,825
Interest on Working Capital	320,053,406	219,965,667
Bank Charges & Others	350,286,593	345,317,298
Commission & Brokerage	11,667,803	12,041,970
Forex Fluctuations-Expenses (gain)	307,920,835	(5,514,521)
Total	**1,397,245,527**	**847,263,340**
Note No. XVIII		
DEPRECIATION & AMORTISATION EXPENSES		
Depreciation	543,505,862	398,608,845
Total	**543,505,862**	**398,608,845**

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Note No. XIX		
OTHER EXPENSES		
Manufacturing Expenses		
Job Work Charges	73,321,839	112,439,030
Power, Fuel & Water Charges	316,113,882	118,597,809
Stores & Spares	41,972,380	54,687,919
Repair & Maint. :		
Plant & Machinery	27,430,346	9,849,500
Buildings	5,192,653	3,036,230
Electrical	2,132,326	1,162,435
Excise Duty on Closing Finished Goods	(17,492,666)	25,039,495
Other Manufacturing Expenses	512,460	416,495
Total	**449,183,220**	**325,228,913**
Administrative & Other Expenses		
Directors Remuneration		
– Salary & Allowances	40,800,000	37,920,000
– Contribution to P.F.	28,080	28,080
Travelling & Conveyance	25,520,317	25,521,125
Auditors Remuneration		
– Audit Fees	806,390	600,000
– Certification Fees	375,000	375,000
– Out of Pocket Exp.	116,446	102,233
– Taxation Matters	-	-
Office Rent	7,311,567	6,735,291
Rate fee & Taxes	22,157,089	6,666,763
Insurance Charges	17,234,247	11,116,560
Legal & Professional Charges	28,306,962	21,512,205
Printing & Stationary	6,108,795	6,679,457
Vehicle Running & Maint.	20,962,806	16,165,090
Telephone & Postage	10,530,317	13,054,739
Office Expenses	7,925,155	6,416,777
Charity & Donation	466,192	109,928
Listing Fees	357,193	568,066
Books & Periodicals	106,309	173,042
Meeting, Membership & Subscription Fees	5,402,101	1,666,407
Security Expenses	7,160,227	5,438,400
Repair & Maintenance-General	11,780,102	17,529,857
Other Expenses	8,750,381	14,459,053
Total	**222,205,677**	**189,838,073**

In view of inadequacy of profits for the year 2012-13, remuneration paid / provided to the Vice-Chairman cum Managing Director and Joint Managing Director which is in excess by Rs. 2.64 crores of the limits prescribed under Section 198 read with Schedule XIII of the Companies Act, 1956 which is subject to approval of the Central Government.

The Board has approved such excess remuneration, which is also approved by the Shareholders in its 17th Annual General Meeting held on 29th day of September,2012. Pending approval of the Central Government, an amount of Rs. 2.64 crores (or such other sum as may be approved by the Central Govt.) being excess remuneration paid in the year, is being held in trust by the Vice-Chairman cum Managing Director and the Joint Managing Director.

(Amount in Rs.)

Particulars	As at 31.03.2013	As at 31.03.2012
Selling & Distribution Expenses		
Advertisement & Publicity	9,225,111	1,284,865
Business Promotion	6,698,056	4,369,058
Commission on Sales	142,435,707	118,805,498
Packing Material	43,856,380	18,032,192
Rebate & Discount	15,868,088	1,075,504
Freight Outward	65,892,967	52,254,461
Insurance Charges	6,090,257	2,428,301
ECGC Premium	3,658,156	3,720,407
Other Expenses	1,049,602	6,637,778
Total	**294,774,324**	**208,608,063**
Research & Development Expenses		
Salary & Wages (R&D)	51,271,976	39,017,840
Administration Expenses	123,600	58,248
Consumables , Chemicals & Regents	24,101,594	26,802,032
Repair & Maintenace - Machinery	-	61,100
Technical Study & Consultancy & Product registration	543,641	1,376,536
Total	**76,040,811**	**67,315,756**
Loss on Sale of Fixed Assets	1,171,754	1,787,152
Provision for Doubtful Debts	60,000,000	22,517,517
Total	**61,171,754**	**24,304,669**

Note No. XX. Contingent liabilities not provided			**(Rs.in lacs)**
a.	Letter of Credit against purchase of raw material:	17,248	22,382
b.	Bank Guarantees	38.95	47.11
b.	Export obligation in respect of custom duty :	169.88	279.27
c.	Contingent Liabilities in respect of unassessed cases of Income Tax, Excise Duty, Sales Tax and Service Tax.	Unascertained	Unascertained
d.	Corporate guarantees given on behalf of (To the extent Utilized)		
	Essix Biosciences Ltd	4,092.38	4,538.86
	Halcyon Life Science Pvt Ltd	3,761.84	7,246.16

Note No. XXI Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) Rs. 1240.20 Lacs (Previous year Rs. 7650.69 lacs)

Note No.XXII In the opinion of the Board, the Current Assets, Loans & Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

Note No. XXIII Other expenses under head administrative expenses includes Rs. 86,000 (Previous Year Rs. 82000) paid to directors as sitting fee.

Note No. XXIV Earning per share is calculated as shown below:	**F.Y. 2012-13**	**F.Y. 2011-12**
Profit available for Equity Shareholders	(1,179,648,060)	891,307,868
For Basic Earning		
No. of weighted average equity shares	39,203,977	35,870,531
For Diluted Earning		
Equity Share Warrants Nil (Previous Year 1315000)	328,750	1,315,000
pending for conversion		
No. of weighted average of Diluted Equity Shares	**39,532,727**	**37,185,531**
Nominal Value of Equity Share	10.00	10.00
Earning Per Share (Rs.)		
Basic	**(30.09)**	**24.86**
Diluted	**(30.09)**	**23.98**

Note No. XXV In accordance with Accounting Standard 18, 'Related Party Disclosures' , issued by the Institute of Chartered Accountants of India, the Company has compiled the following information :

a. List of related parties and their relationship

Associates	Ind Swift Limited Essix Biosciences Limited Halcyon Life Sciences Pvt. Ltd. Fortune(India) Constructions Ltd. Mansa Print & Publishers Limited Swift Fundamental Research & Education Society 3M Advertisers & Publishers Ltd. Punjab Renewable Energy Pvt. Ltd. B.M. Cosmed Pvt. Ltd. Hackim Farayand Chemi Co. (Iran) AKJ Portfolios Pvt. Ltd. NRM Portfolios Pvt. Ltd. GM Portfolios Pvt. Ltd. VRM Portfolios Pvt. Ltd. VKM Portfolios Pvt. Ltd. SRM Portfolios Pvt. Ltd.
Key Management personnel-Directors	Mr. N.R.Munjal Mr. Himanshu Jain Mr. Rishav Mehta
Subsidiary	Ind Swift Laboratories Inc. USA Meteoric Life Sciences Pte Ltd., Singapore Ind-Swift Middle East FZE (UAE)

b. Related party transactions

(Rs. in Lacs)

Particulars	**Associates**		**Subsidiary**	
	2012-13	**2011-12**	**2012-13**	**2011-12**
Nature of Transactions				
1) Transactions during the year				
Purchase	18859.64	43514.38	0.00	0.00
Sales	11295.34	19628.65	3187.66	1541.80
Interest Receivable	35.51	870.66	0.00	0.00
Interest Payable	0.00	325.96	0.00	0.00
Service Taken/Capital Assets Purchase	709.23	1767.82	0.00	0.00
Expenses	1195.34	823.67	1.08	0.00
Income	46.70	0.00		
Equity Contribution	181.00			
Investment			423.37	0.00
Corporate Gurantee Given (To the extent utilised)	7854.22	11785.02	0.00	0.00
2) Outstanding Balances as on 31.03.13				
Share Capital	1901.15	1769.65	0.00	0.00
Advance Recd ag. Share Capital	0.00	271.22	0.00	0.00
Investment Made	1249.50	1249.50	1448.08	1354.47
Loans & Advances given	1399.71	792.05	0.00	0.00
Loans & Advances taken	0.00	3.38	309.21	0.00
Capital Advances	5431.06	9404.55	0.00	0.00
Debtors	9593.77	0.00	196.32	378.52
Creditors	840.23	2186.82	0.00	460.76

Note No. XXVI Information relating to subsidiaries including subsidiaries (in terms of Government of India,Ministry of Corporate Affairs General Circular No. 2/201,No:5/12/2007-CL-iii dated 8th February,2011) for the year ended March 31,2013.

Particulars	Year	Ind Swift Laboratories Inc. 31-12-2012	Meteoric Lifesiences Pte. Ltd. 31-10-2012
Capital	2012-13	58150421	47148463
	2011-12	49298176	45937239
Reserves	2012-13	10698619	6829983
	2011-12	8925450	4043712
Total Liablities	2012-13	97322226	16021213
	2011-12	77119261	90570759
Total Assets	2012-13	166171267	69999660
	2011-12	135342887	140551710
Turnover Net	2012-13	268413871	414099348
	2011-12	231535835	773351561
Provision For Tax	2012-13	516273	13475
	2011-12	97936	902790
Profit /Loss before Tax	2012-13	9368518	1347700
	2011-12	16104886	10842693
Proposed dividend	2012-13	NIL	NIL
	2011-12	NIL	NIL
Reporting Currency:-			
Exchange Rate as on 31.03.2013		$ 54.03	$ 51.60
Exchange Rate as on 31.03.2012		$ 48.97	$ 46.71

Notes:

1) In Compliance with clause 32 of the listing agreement , audited consolidated financial statements from part of this Annual reports.
2) The details fo Dubai subsidiary M/s Ind-Swift Middle East FZE are not included as the company was incorporated on 15-10-2009.
3) Full accounts of the aforesaid subsidiary are available for inspection at the registered office of the Company and on request will be sent to the members free of cost.

Note No. XXVII The balance in the parties accounts whether in debit or credit are subject to confirmation, reconciliation and adjustment. The impact of the same on the accounts at the year end is unascertainable.

Note No. XXVIII As per best estimate of the management, no provision is required to be made as per Accounting Standard (AS) 29 as notified by Companies(Accounting Standards)Rules 2006,in respect of any present obligations as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

Note No. XXVIII(i) The Corporate guarantee amounting to Rs. 100287 lacs to be waived as stipulated by CDR-EG on associate concern Ind Swift Ltd. as per the decision taken in meeting held on 26th April, 2013.

Note No. XXIX SEGMENT REPORTING

The Company operates only in one business segment viz. Bulk Drugs & Pharmaceuticals. However the figures in Segment Reporting is based on geographical location of its customers.

(Rs. in Lacs)

Particulars	In India	Outside India	Total
REVENUE	48414	65195	113609
	(72193)	(68724)	(140917)
RESULTS	28511	20094	48605
	(13277)	(10118)	(23395)
Less: Financial Expenses	-	-	13972
	-	-	(8473)
Less: Unallocated Expenses	-	-	48304
	-	-	(9599)
Add: Operating Income	-	-	1787
	-	-	(3332)
Add: Extra Ordinary Item	-	-	-
	-	-	-
Less: Income Tax Provision	-	-	8
	-	-	(1710)
Add: Mat Credit entitlement	-	-	-
	-	-	(1746)
Add: Deferred Tax	-	-	96
	-	-	(225)
Profit\(Loss) after Tax	**-**	**-**	**(11796)**
	-	-	(8916)
OTHER INFORMATION			
SEGMENT ASSETS	29379	11892	41271
	(16892)	(13486)	(30378)
UNALLOCATED ASSETS	-	-	196136
	-	-	(191430)
TOTAL ASSETS	-	-	237407
	-	-	(221808)
SEGMENT LIABILITIES	13671	9494	23165
	(14718)	(13031)	(27749)
UNALLOCATED LIABILITIES	-	-	214242
	-	-	(194059)
TOTAL LIABILITIES	-	-	237407
	-	-	(221808)
CAPITAL EXPENDITURE	-	-	133193
	-	-	(120396)
DEPRECIATION	-	-	5435
	-	-	(3986)
NON CASH EXPENSES OTHER THAN DEPRECIATION	-	-	600
	-	-	(225)

Notes:

1 **Geographical Segments :** The segment reporting is performed on the basis of the geographical location of customers. The management views the indian market and export markets as distinct geographical segments.

2 **Segment assets & liabilities :** Segment assets consists of debtors & the segment liabilities consists of creditors and accrued liabilities.

3 **The figures in brackets are in respect of previous year.**

Note No. XXX	Company has not received intimation from supplier regarding the status under Micro, Small and Medium Enterprises Development Act 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with the interest paid/payable as required under the said Act have not been given.
Note No. XXXI	Obligations/Entitlements on account of advance license not recognised at the time of export during the year amounts to Rs. 778.55 Lac (Previous year Rs. 1168.76 Lac) .The above treatment has no impact on the profit & loss account.
Note No. XXXII	During the year, DGCEI has searched our premises and the matter is still under investigation. Liability, if any, is yet to be ascertained.
Note No. XXXIII	The company entered into Forward Exchange Contracts being derivative instruments, which are not intended for trading or speculative purposes, but for hedge purposes, to establish the amount of reporting currency required or available at the settlement date.
Note No. XXXIV	In compliance with AS-15, during the year, company has provided Rs. 40.27 Lacs (Rs. 12.03 Lacs) as provision towards the Company Gratuity Policy maintained with LIC after the actuarial valuation done by the LIC.
Note No. XXXV	During the year, the Company has incurred foreign currency revenue expenditure of RMB 466099.67 on its China Office and GBP 128041.06 on its U.K office Operation. Such Foreign Currency Expenditure has been translated in Indian Currency @ One RMB equivalent to Rs. 6.33 and One GBP equivalent to Rs. 86.0355 at the year end on the basis of average exchange rate during the year computed as per cross currency reference rates published by RBI.
Note No. XXXVI	Capital Reserve includes Rs. 40.21 Lacs being Subsidy for DG Set which is net of Rs 1.54 Lacs amortised and treated as income during the year.
Note No. XXXVII	Previous year figures have been regrouped, rearranged wherever considered necessary for comparison.

As per our separate report of even date

For JAIN & ASSOCIATES Chartered Accountants (Regd.No.001361N)	N.R. Munjal Vice-Chairman Cum Managing Director	Rishav Mehta Executive Director	K.M.S. Nambiar Director
S.C. Pathak Partner Membership .No. 10194		N.K.Bansal Chief Financial Offcer	Pardeep Verma GM-Corp. Affairs & Company Secretary

Date: 28.05.2013
Place: Chandigarh

NOTE NO XXXVIII SIGNIFICANT ACCOUNTING POLICIES

Accounting policies uniformly followed by all the entities to the consolidation

1 BASIS OF PREPARATION

a) Company has wholly owned subsidiary in USA which was incorporated on Jan 2, 2004. The financial year of Parent Company is from April 12 to March 13 whereas the financial year of Subsidiary Company is from Jan 12 to Dec 12. Accordingly, subsidiary's audited financial statements for the year ended on 31-12-2012 are considered for the purpose of consolidation. Effect for significant transactions or events that the have occurred in subsidiary for period Jan 01, 2013 to March 31, 2013 have been accounted for.

b) Company has another wholly owned subsidiary in Singapore which was incorporated on Nov 20, 2009. The financial year of the Parent company is from April 12 to March 13 whereas the financial year of Subsidiary Company is from Nov 11 to Oct 12. Accordingly,

c) Ind-Swift Middle East FZE (UAE) were incorporated as subsidiary company but no share capital have been issued.

d) The Parent Company maintains its records and prepares its financial statements under the historical cost convention, in accordance with Generally Accepted Principles in India, While the foreign subsidiary maintain their records and prepare their financial statements in conformity with Generally Accepted Principles prevalent in the country of their domicile. No adjustments are made in these consolidated financial statements for inconsistencies in accounting policies.

2 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements comprise of the financial statements of Parent Company and its wholly owned subsidiaries (Ind Swift Laboratories Inc USA, Meteoric Life Sciences Pte Ltd). The consolidated financial statements have been prepared on the following basis.

a) The financial statements of the Parent Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after elimination of intra-group transactions, intra-group balances and the unrealised profits/(losses).

b) The financial statements of the Parent Company and its subsidiary have been consolidated using uniform accounting policies for the like transactions and other events in similar circumstances except as specifically mentioned.

c) The excess of the cost to the Parent Company of its investment in the subsidiary over the company's portion of equity of the subsidiary is recognised in the financial statements as goodwill or capital reserve.

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 the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known/materialised.

4 FIXED ASSETS & DEPRECIATION

In relation to the Parent Company

(a) **COST OF FIXED ASSETS**

All Fixed Assets are valued at cost net of cenvat credit wherever eligible. Cost includes all expenses and borrowing cost attributable to the project till the date of commissioning.

(b) **DEPRECIATION /AMORTISATION**

Depreciation is provided on straight line method at the rates specified in schedule XIV of the Companies Act 1956 on pro rata basis and the assets having the value upto Rs. 5000 have been depreciated at the rate of 100%. Lease hold Land is a mortised over the period of lease.

The Policy of Company is to provide depreciation on the Buildings , Plant & Machinery & other fixed assets from the date of up of commercial production/ put to use.

(c) **INTANGIBLE ASSETS (OTHER ASSETS)**

Cost of product development for which the company becomes entitled to a patent/DMF filed with regulatory authorities is recognised as other assets. The Policy of Company is to amortise such assets acquired upto 31.03.2008 on straight-line basis in five subsequent years and those acquired during the year 2008-09 and onwards in eight subsequent years from the year in which these are acquired.

In relation to the Subsidiary Company

Furniture and Equipments are carried at cost. Depreciation of furniture and equipment is provided using the straight line method at the following rates:

Classification	Useful Life (Years)
Vehicles	5
Computer Equipments	3
Furniture & Fixtures	7

Expenditures for major renewals and betterments that extend the useful lives of the property and equipment are capitalised. Expenditure for maintenance and repairs are charged to expenses as incurred

5 **BORROWING COSTS**

In relation to the Parent Company
Borrowing costs that are directly attributable to the acquisition, construction of qualifying assets have been capitalised as part of cost of assets. Other Borrowing costs are recognised as an expense in the period in which they are incurred.

6 **INVENTORIES**

In relation to the Parent Company
Inventories are valued as under :
Stores & spares are valued at cost.
Raw Materials are valued at cost on FIFO basis
Work in process is valued at estimated cost basis or net realisable value whichever is less.
Finished Goods are valued at cost or net realisable value whichever is less and is inclusive of excise duty and all expenditure directly attributable to production
Finished Goods under test are valued at cost or net realisable value whichever is less and all expenditure directly attributable to production but exclusive of excise duty.

7 **RECOGNITION OF INCOME AND EXPENDITURE**

In relation to the Parent Company
Sales are recognised when goods are supplied and are recorded net of rebates and sales tax and inclusive of excise duty. Expenses are accounted for on accural basis and provision is made for all known losses and expenses.

In relation to the Subsidiary Company
Revenue generated from products shipped is recognised when the risk and rights of ownership have been passed to the customer.

8 **FOREIGN CURRENCY TRANSACTIONS**

In relation to the Parent Company
Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transactions. The gain or loss arising from forward transactions have been recognised in the year in which the contract has been cancelled/ matured. Foreign translating the financial statement of representative office for incorporation in financial statements, the monetary assets and liabilities are translated at the exchange rates prevailing at the dates of the transactions and income and expenses items are converted at the yearly average rate.

In relation to the Subsidiary Company
In case of foreign subsidiary, the local accounts are maintained in the local and functional currency. The financial statements of such subsidiary, which are integral foreign operations for the parent company, have been translated to Indian currency on the following basis:

a) All income and expenses are translated at yearly average rate of exchange prevailing during the year.
b) Monetary assets and liabilities are translated at the closing rate on the Balance Sheet date.
c) Non-Monetary Assets and Liabilities are translated at historical rates.
d) The resulting exchange difference is accounted as "Foreign Currency Translation Reserve" which is disclosed separately on the balance sheet.

9 **OTHER SIGNIFICANT ACCOUNTING POLICIES**
Other accounting policies adopted for preparation of consolidated financial statements are same as set out in the part A of Schedule XV accompanying the financial statements of Ind Swift Laboratories Limited. The other accounting policies adopted by subsidiary are the same as that of Ind Swift Laboratories Limited in all material respect.

Statement Pursuant to the Section 212 of the Companies Act, 1956

1	Name of the Subsidiary Company	Ind Swift Laboratories Inc.	Meteoric Life Science pte Ltd.
2	Financial Year of the Subsidiary Company	01-01-2012 to 31-12-2012	01-11-2011 To 31.10.2012
3	Share of Subsidiary Company held by Ind Swift Laboratories Ltd.		
	(i) No of Shares (Common Stock)	100	1,000,000
	(ii) Face Value	N.A.	
	(iii) Paid up value	Rs.49,390	Rs.45,937,239
	Share of Subsidiary Company held by Ind Swift Laboratories Ltd.	Rs.53,877,996	
	(v) Extent of Holding	100%	100%
		Rs in/Lac	
4	Net aggregate amount of Profit/(Loss) of the subsidiary company so far as they concern the members of Ind Swift Laboratories Limited not dealt with in the accounts of the Ind Swift Laboratories Limited amount to:		
	(a) For the subsidiary Company's financial year ended	88.52	12.11
	(b) For the previous financial year of the subsidiary since it became the Holding Company's subsidiary	(46.29)	109.10
5	Net aggregate amount of Profit/(Loss) of the subsidiary company so far as they concern the members of Ind Swift Laboratories Limited dealt with in the accounts of the Ind Swift Laboratories Limited amount to:		
	(a) For the subsidiary Compnay's financial year ended	Nil	Nil
	(b) For the previous financial year of the subsidiary since it became the Holding Company's subsidiary	Nil	Nil
6	Holding Company's interest as at March 31, 2013 incorporating changes since close of the financial year of the subsidiary company	No Change	No Change

Note:

1. The Profit & Loss figures of Subsidiary company has been translated on the basis of average exchange rate.
2. Balance sheet items are translated at closing exchange rate applicable to Subsidiary Company as at 31.12.2012 and items for Meteoric Life science Pte Ltd. is translated at exchange rate applicable as at 31.10.2012.
3. Non Monetary items for Ind Swift Laboratories Inc are translated at the historical rates.
4. Balance Sheet Monetary items for Ind Swift laboratories Inc are translated at closing exchange rate as at 31.12.2012 and for Meteoric Life Science Pte Ltd. at closing rate at 31.10.2012.
5. Profit & Loss items are translated at yearly average exchange rate.

As per our separate report of even date
For JAIN & ASSOCIATES
Chartered Accountants
(Regd.No.001361N)

N.R. Munjal
Vice-Chairman
Cum Managing Director

Rishav Mehta
Executive Director

K.M.S. Nambiar
Director

S.C. Pathak
Partner
Membership .No. 10194

N.K.Bansal
Chief Financial Offcer

Pardeep Verma
GM-Corp. Affairs &
Company Secretary

Date: 28.05.2013
Place: Chandigarh

Notice

NOTICE is hereby given that the **18th Annual General Meeting** of the Members of Ind-Swift Laboratories Limited will be held on Monday, the 30th Day of September, 2013 at 2:30 P.M. at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031, to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider, approve and adopt the Statement of Profit and Loss for the year ended 31st March, 2013, the Balance sheet as on that date and to receive, consider and adopt the Directors' and Auditors' Reports thereupon.
2. To appoint Director in place of Sh. S.R. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Dr. Gopal Munjal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Sh. Pradeep Kumar, who retires by rotation and being eligible, offers himself for re-appointment.
5. **To consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provision of Section 224 and other applicable provisions, if any of the Companies Act, 1956, Jain & Associates, Chartered Accountants, the retiring auditors of the Company be and is hereby re-appointed as Statutory Auditors of the Company to hold the office from the conclusion of this meeting upto the next Annual General Meeting of the Company and to examine and audit the accounts of the Company for the financial year 2013-14 at a remuneration to be decided by the Board of Directors."

SPECIAL BUSINESS:-

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

   "**RESOLVED THAT** in accordance with the provision of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any other statutory modification(s) or re-enactment thereof, Sh. T.S. Bhattacharya who was appointed as an Additional Director by the Board of Directors on 7th November, 2012, pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article 94 of Articles of Association of the Company and who holds office as Director under Section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation."

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

   "**RESOLVED THAT** subject to applicable provisions of the Companies Act, 1956 and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, listing agreements entered into with Stock Exchanges on which the shares of the Company are listed, the applicable Rules, Notifications, Guidelines issued by the Government of India, the Reserve Bank of India and any other regulatory authority (including but not limited to Securities and Exchange Board of India ("SEBI"), and subject to approvals, permissions, sanctions and consents as may be necessary from the Regulatory and other Appropriate Authorities (including but not limited to SEBI), the Corporate Debt Restructuring Empowered Group (the "CDR EG"), the Reserve Bank of India, Government of India, etc),the company do hereby approve/ratify the Corporate Debt Restructuring Scheme as approved by the CDR EG by Letter of Approval dated 9th November, 2012 ("CDR LOA") and also ratify the Master Restructuring Agreement dated 27th December, 2012 entered into by the company and do hereby accord the consent ,authority and approval to the Board (hereinafter referred to as "Board", which term shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution to the extent permitted by law to implement the terms of the MRA and LOA (CDR package) including any amendments thereto and to discuss, negotiate, finalise and execute necessary documents in terms of the CDR package including but not limited to indenture of mortgage, equitable mortgage/deed of hypothecation, deed of pledge, guarantees and or any other documents deeds writings and powers of attorney as may be required by the lenders participating in the CDR Package ("CDR Lenders") in connection with the CDR Package (the "Transaction Documents") and also to discuss, negotiate and finalise the terms of such Transaction Documents and to finalise, discuss and negotiate the terms of restructuring of debt of non CDR Lenders, as per the terms set out in the CDR Package and as may be agreed between the respective parties and execute the necessary documents for the same."

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

   "**RESOLVED** that in accordance with Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, as amended, as also provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI Regulations**"), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the **"SEBI Takeover Regulations")** the provisions of the Foreign Exchange Management Act, 1999, as amended, and rules and regulations made thereunder, including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulation, 2000, as amended, if applicable, any other applicable law or laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and enabling

Notice (Contd.)

provisions in the Memorandum and Articles of Association of the Company and Listing Agreements, entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the approval of, if applicable, the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India and/or all other authorities, institutions or bodies, within or outside India, and subject to such conditions as may be prescribed by any of them while granting such approval, and which may be agreed by the Board of Directors of the Company (hereinafter referred to as "**the Board**" which term shall be deemed to include any Committee(s), which the Board may have constituted or may constitute to exercise the powers conferred on the Board by this resolution) and in order to fulfill the requirements of and give effect to the proposal for restructuring of the Company's debts in accordance with the scheme approved by the Lenders of the Company and as set out in the Letter of Approval, on the terms set out in the Letter of Approval, the consent of the members of the Company be and is hereby accorded, by way of a special resolution, to the Board to create, offer, issue and allot upto 16,92,725 Equity Shares of Rs. 10/- each (hereinafter referred to as "**Equity Shares**") on preferential basis at a price of Rs 55/- per share (including Rs. 45/- as the premium) which is not less than the minimum price determined in accordance with the pricing formula given in the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (ICDR)for an aggregate consideration of Rs. 9,30,99,875/- (Nine Crore Thirty Lacs Ninety Nine Thousand Eight Hundred and Seventy Five Only) based on relevant date i.e. 9th November, 2012 to the following promoters (hereinafter collectively referred as "Proposed Allottees"), on such terms and conditions as the Board may think fit, without offering the same to any other persons, who at the date of offer are holders of the equity shares:

Name of the Proposed Allottees	Category of the Proposed Allottees	Maximum No. of Equity Shares to be issued & allotted
Mr. N.R. Munjal	Promoter Director	5,45,454
Mr. Rishav Mehta	Promoter Director	4,54,545
Mr. Himanshu Jain	Promoter Director	3,63,636
VRM Portfolios Private Limited	Promoter Group Company	3,29,090
Total		**16,92,725**

"RESOLVED FURTHER THAT

(i) the relevant date for the purpose of determination of the minimum price at which the Equity Shares may be issued and allotted, in accordance with the provisions of Chapter VII of the SEBI Regulations shall be the date of approval of the corporate debt restructuring package for the Company (date of issue of Letter of Approval) *i.e.* 9th November, 2012;

(ii) the Equity Shares to be created, offered, issued and allotted pursuant to this resolution shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

(iii) all Equity Shares issued pursuant to this resolution shall rank pari passu inter-se and with the then existing equity shares of the Company in all respects, including dividend."

"**RESOLVED FURTHER** that the Board be and is hereby authorized to give effect to the above resolutions and to do all such acts, deeds and things necessary or incidental that it may, in its absolute discretion, deem necessary or desirable in regard to the offer, issue and allotment of the Equity Shares, to resolve and settle any questions, difficulties or doubts that may arise in regard to such offer, issue and allotment of Equity Shares."

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

"**RESOLVED FURTHER** that the Common Seal of the Company, if required to be affixed in India on any agreement, undertaking, deed or other document, the same be affixed in the presence of any two directors of the Company or any one director and secretary or any other person as may be authorised by the Board in accordance with the Articles of Association of the Company."

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

Notice (Contd.)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

2. The Register of members and the Share Transfer Books of the Company will remain closed from **26th September, 2013** to **30th September, 2013** (both days inclusive).

3. Members holding shares in physical form are requested to notify/send any change in their address/mandate/ bank details and particulars of their account in case the same have not been sent earlier to the Company's Registrar and Transfer Agent to facilitate better services. Such members, if desired of making a nomination in respect of their shareholding in the company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit details to the Registrar & Transfer Agents of the company, in the prescribed Form 2B for this purpose.

4. Members desirous of having any information as regards to accounts are requested to write to the Company at least ten days in advance so as to enable the Management to keep the information ready.

5. Members are requested to bring their copies of the Report to the meeting, as no further copies would be made available.

By Order of the Board
Sd/-
Pardeep Verma
GM-corporate Affairs
& Company Secretary

Place: Chandigarh
Date: 09.08.2013

Registered Office:
SCO – 850, Shivalik Enclave,
NAC, Manimajra,
Chandigarh 160 001

Annexure to Notice

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

Item No. 6

Sh. T.S. Bhattacharya who was appointed as Additional Director (Independent) of the Company with effect from 7th November, 2012 and pursuant to Section 260 of the Companies Act, 1956 and holds office upto the date of this Annual General Meeting. The appointee has filed his consent to act as Director of the company. Moreover, the Company has received notice pursuant to Section 257 of the Companies Act, 1956 signifying the intention to propose the above Director appointment in the forthcoming Annual General Meeting.

Sh. T.S.Bhattacharya aged about 65 years, is Msc in nuclear physics from Jadavpur University Kolkata in 1968. He did his post Msc from Saha Institute of nuclear physics. He is an arm of Tata Institute of Fundamental Research and Bhaba Atomic Research Centre . Joined State Bank of India in 1969 as probationary officer. He became CAIIB in 1975 and also completed Post Graduate Diploma in Management Studies from Jamnalal Bajaj Institute of Management, Mumbai University in 1985. He retired as Managing Director of State Bank of india in 2008. Presently he is working with E and Y.

Mr. Bhattacharya does not hold any share in the company .

Nature of expertise in specific functional area: Investment and Financial management .

The Board considers that the Company would be benefited by his rich experience and guidance.

The Directors, therefore, recommends, the respective resolution for the approval of the members.

None of the Directors, except the respective appointee, is concerned or interested in the proposed resolution.

Item No. 7

The operations of the Company had come under strain due to the shrinking operating profit margins, low iquidity, escalating debt cost, increasing competition and adverse market conditions. As a result, the ability of the Company to meet its repayment obligations/ liabilities under the existing facilities ("**Existing Facilities**") availed by it was adversely affected and consequently it requested its Lenders to restructure its Existing Facilities to support the Company.

The Company was referred to the Corporate Debt Restructuring Forum, a non-statutory voluntary mechanism set up under the aegis of the Reserve Bank of India ("**RBI**"), for the efficient restructuring of corporate debt (hereinafter referred to as the "**CDR"**). Pursuant thereto, the CDR Empowered Group ("**CDR-EG**") approved a restructuring package in terms of which the Existing Facilities were restructured as set out in the Letter of Approval dated 9th November, 2012, issued by Corporate Debt Restructuring Cell ("**CDR Cell**"). Some of the broad terms of the CDR package are *under: -*

- restructuring of the existing debt facilities availed of by the Company including revision of rate of interest and principal payment schedules and grant of certain new facilities;
- infusion of funds by the promoters and issuance of securities in terms of the Letter of Approval up to an aggregate principal amount of Rs.27,38,00,000 (Rupees Twenty Seven Crores and Thirty Eight Lacs);
- a right of conversion granted to the Company's Lenders to convert the loans granted by such lenders into securities of the Company, in specific circumstances; and
- the right of the Company's promoters to purchase securities from the Company's Lenders upon conversion of the loans granted to the Company by such lenders into securities, in certain circumstances.

Pursuant to the same, the Company signed a Master Restructuring Agreement on 27th December, 2012 with the CDR lenders.The special resolution as provided at item no. 7 shall be deemed to be an authorization by the shareholders of the company to the scheme of corporate debt restructuring provided in the corporate debt restructuring Letter of Approval in terms of regulation 10(2) of the SEBI (Substantial Acquisition of shares and Takeover) Regulations,2011 and for the restructuring of the debt of the non CDR lenders.

The above proposal is in the interest of the Company and your Directors recommend the resolution in Item No. 7 as special resolution for your approval.

Mr. N.R. Munjal, Mr. Himanshu Jain and Mr. Rishav Mehta in their capacity as the promoters may be deemed to be concerned or interested in passing of the resolution No. 7 to the extent the equity shares are being allotted to them as stated in item No. 8. None of other directors of the company is in any way concerned or interested in passing of the resolution.

Annexure to Notice (Contd.)

Item No. 8

Pursuant to the terms of Letter of Approval dated 9th November, 2012, the promoters of the Company are required to infuse or arrange for infusion of additional capital in the Company of an aggregate sum of Rs.27,38,00,000 (Rupees Twenty Seven Crore & Thirty Eight Lacs), as equity shares or similar other instruments, with the first tranche of not less than Rs.9.31 Crores on signing the Master Restructuring Agreement (MRA); second tranche of Rs.9.31 Crores within one year of signing of MRA and the remaining sum of Rs.8.76 Crores during the second year after signing the MRA.

According to the said terms of the LOA , the promoters group infused a sum of Rs. 9,31,00,000/- (Nine crore thrity one lac upon the signing of the MRA. The Board of Directors of the Company ("**Board**") had, in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended from time to time) ("**SEBI Regulations**"), by passing a resolution on 9th August, 2013, considered and approved, subject to the approval of the members of the Company, the proposal for issue of 16,92,725 Equity Shares to the promoters group , against the first tranche of the promoters contribution made by them respectively in the following manner :

Name of the Proposed Allottees	Category of the Proposed Allottees	Maximum No. of Equity Shares to be issued & allotted
Mr. N.R. Munjal	Promoter Director	5,45,454
Mr. Rishav Mehta	Promoter Director	4,54,545
Mr. Himanshu Jain	Promoter Director	3,63,636
VRM Portfolios Private Limited	Promoter Group Company	3,29,090
Total		**16,92,725**

The provisions of Section 81 of the Companies Act, 1956 (as amended from time to time), the SEBI Regulations and the relevant clause of the listing agreements executed by the Company with the stock exchanges in India where the Company's securities are listed, provide, *inter alia*, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such shares are required to be first offered to the existing members of the Company for subscription unless the members decide otherwise.

Accordingly, the Special Resolutions proposed at Item No.8 will, if passed, to enable the Company to issue and allot Equity Shares on a preferential basis to the proposed allottees in compliance with the provisions of the Letter of Approval in the manner and to the extent as stated in the resolutions.

Other terms applicable to the Equity Shares:
1. The Equity Shares shall be subject to lock-in in accordance with the provisions of the SEBI Regulations. However, subject to the aforesaid lock-in, the Equity Shares shall be transferable and transmittable in the same manner and to the same extent as permitted under applicable laws, and shall be subject to the same restrictions and limitations as any other equity shares of the Company.
2. The Equity Shares shall rank *pari passu inter se* and with the then existing equity shares of the Company in all respects, including dividend.

The disclosures prescribed under Regulation 73 of the SEBI Regulations in respect of the Investor's Shares, are as follows:

a) The objects of the preferential issue:
The object of the issue is the restructuring of the various liabilities of the Company, in accordance with the Letter of Approval approved by the CDR EG and to make allotments of equity shares to the promoters of the Company in accordance with the terms of the said Letter of Approval.

b) Proposal of the promoters, directors or key management personnel of the Company to subscribe to the offer:
Mr. N.R. Munjal, Mr. Himanshu Jain, Mr. Rishav Mehta and M/s V.R.M. Portfolios Private Limited, member of the promoter group, proposes to subscribe to Equity Shares under the offer. No person belonging to the promoter or promoter group has sold his equity shares in the Company during the six months preceding the relevant date.

Annexure to Notice (Contd.)

c) Shareholding Pattern before and after the offer:

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

Sr. No.	Particulars	Pre-Allotment		Post Allotment	
		No. of Equity Shares	% to total	No. of Equity Shares	% to total
A	**Shareholding of Promoter and Promoter Group**				
	Mr. N.R. Munjal	105000	0.27	650454	1.59
	Mr. Rishav Mehta	-	-	454545	1.11
	Mr. Himanshu Jain	43325	0.11	406961	0.99
	VRM Portfolios Private Limited	629000	1.60	958090	2.34
	Other Promoters / Persons Acting in Concert	19086801	48.60	19086801	46.60
	Total promoters holding	**19864126**	**50.58**	**21556851**	**52.63**
B	**Non-Promoters Holding**				
	Financial Institutions / Banks	23150	0.059	23150	0.06
	FIIs	1646824	4.19	1646824	4.02
	NRI/ OCBs	184559	0.47	184559	0.45
	Resident Individual	9533355	24.28	9533355	23.27
	Resident Company	7994956	20.359	7994956	19.51
	Shares representing GDRs held by public	23500	0.06	23500	0.06
	Total Non Promoter holding	**19406344**	**49.42**	**19406344**	**47.37**
	Total (A+B)	**39270470**	**100.00**	**40963195**	**100.00**

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

d) Time within which the preferential issue shall be completed: -

The Equity Shares will be allotted to the proposed allottees in accordance with the provisions of the SEBI Regulations upon the receipt of respective approvals from the stock exchanges where the shares of the company are listed.

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

i) Identity of the class of the proposed allottees: -

As the proposed allottees viz. Mr. N.R. Munjal, Mr. Rishav Mehta and Mr. Himanshu Jain are promoter directors and VRM Portfolios Private Limited is a body corporate belonging to promoters group, the allotment of the Equity Shares will not result in any change in control of the Company.

ii) Percentage of expanded capital to be held by them:

Name	Pre-Issue Holding	%	Proposed Allotment of Equity Shares	%	Post Issue Holding	%
N.R. Munjal	1,05,000	0.267	5,45,454	1.332	6,50,454	1.588
Rishav Mehta	0	0	4,54,545	1.110	4,54,545	1.110
Himanshu Jain	43,325	0.110	3,63,636	0.868	4,06,961	0.993
VRM Portfolios Private Limited	6,29,000	1.602	3,29,090	0.803	9,58,090	2.339

(f) Pricing of the Issue

The Equity Shares will be priced at a price which shall be over and above the minimum pricing calculated on the basis of the relevant date i.e. 9th November, 2012 in terms of the SEBI (ICDR) Guidelines.

Annexure to Notice (Contd.)

(g) Undertakings by the Company:

The Company undertakes that it shall re-compute the price of the Equity Shares in terms of the provision of the SEBI Regulations where it is required to do so. The Company further undertakes that if the amount payable on account of the re-computation of price as aforesaid is not paid within the time stipulated in the SEBI Regulations, the Equity shall continue to be locked-in till the time such amount is paid by the Proposed Allottees.

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

The above proposal is in the interest of the Company and your Directors recommend the resolution in Item Nos. 8 as special resolutions for your approval

None of the directors are concerned or interested in Item Nos.8 except Mr. N.R. Munjal, Mr. Himanshu Jain, Mr. Rishav Mehta and M/s V.R.M. Portfolios Private Limited, who being the promoter directors and promoter group Company.

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

Name of Director	Sh. S.R. Mehta	Dr. Gopal Munjal	Sh. Pradeep Kumar
Date of Birth	01.09.1956	01.08.1959	15.08.1949
Date of Appointment	31.07.2003	31.07.2003	23.03.2010
Expertise in specific Functional Area	Marketing	Marketing & Product Development	Finance & Banking
Qualifications	Science Graduate	Medical Graduate	B.Sc., CAIIB
Details of Share held	233600	60900	5,000
List Company in which outside Directorships held (excluding Private & Foreign Companies)	Ind-Swift Limited Essix Biosciences Ltd. 3M Advertisers & Publishers Ltd.	Ind-Swift Limited Essix Biosciences Ltd. Mansa Print & Publishers Limited 3M Advertisers & Publishers Ltd.	NIL
Chairman / Member of the Committees of other Company on which he is director as on 31.03.2013	N.A	N.A	N.A.
Relationship inter-se between Directors	Related with Dr. V.R Mehta, Director as Brother and Mr. Rishav Mehta, Director as Uncle	Related with Sh. N.R Munjal, Vice- Chairman Cum Managing Director as Brother	NIL

Notes

Notes

Ind-Swift

Ind-Swift Laboratories Limited

Redg.Office: SCO: 850, Shivalik Enclave, NAC Manimajra, Chandigarh - 160 101
Website:www.indswiftlabs.com
Share Transfer Agent: Alankit Assignments Ltd., 205-208, Anarkali Complex,
Jhandewalan Extention, New Delhi -110 055

ATTENDANCE SLIP

(This attendance slip duly filled in, is to be handed over at the entrance of the Meeting Hall)

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

I/We hereby record my/our presence at the 18th Annual General Meeting of the Company held at, PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh on 30th September, 2013 at 2.30 p.m.

Name and Address of the Shareholders(s) in Block Letter ____________________

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If Shareholder(s) please sign here

If proxy, please mentioned and sign here

Note:

1. Shareholder/Proxyholder, as the case may be, is requested to sign and hand over this slip at the entrance of the Meeting Venue.
2. Members are requested to advice the change of their address, if any, to Alankit Assignments at the above address.

Ind-Swift

Ind-Swift Laboratories Limited

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Jhandewalan Extention, New Delhi -110 055

FORM OF PROXY

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

I/We ____________________

of ____________________ being a Member/Members of Ind-Swift Laboratories Limited, hereby appoint ____________________ of ____________________ of failing him/her ____________________ of ____________________ as my/our proxy to attend and vote for me/us on my/our behalf at the 18th Annual General Meeting of the Company held at, PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh on 30th September, 2013 at 2.30 p.m. and at any adjournment thereof.

As witness my/our hand(s) this ____________________ day of ____________________ 2013

Please affix Rs. 1 Revenue Stamp

Signature ____________________

Note: (I) If you intend to appoint a proxy to attend the Meeting instead of yourself, the proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

(ii) A proxy may not be a Member.

Ind-Swift

www.indswiftlabs.com

Prism Strategic Communications (www.prism.net.in)

FORM-A

FORMAT OF COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGES

1.	Name of the Company	Ind-Swift Laboratories Limited
2.	Annual Financial Statements for the year ended	31st March, 2013
3.	Type of Audit observation	Un-qualified with emphasis of matter. The Statutory Auditors have included the following comments as emphasis of matter in the Auditor's Report: - 7) Note No.XIX to the Financial Statements, relating to remuneration paid/provided in respect of Directors of the Company, in excess of the limits prescribed under Section 198 read with Schedule XIII to the Act, which is subject to the approval of the Central Government. Our opinion is not qualified in respect of this matter. 8) Note No.XLVI to the Financial Statements, wherein as explained, Corporate Debt Restructuring (CDR) scheme is effective from 1st July, 2012. The outstanding liabilities of the Company have been substantially restructured under the aegis of CDR Scheme, which extends till 2022.
4.	Frequency of observation	First Time

Certified to be true copy
For Ind-Swift Laboratories Ltd.

(Pardeep Verma)
GM-Corporate Affairs & Company Secretary

5.	To be signed by: • CEO/ Managing Director	For Ind-Swift Laboratories Ltd. (N.R. Munjal) Vice-Chairman Cum Managing Director
	• CFO	
	• Auditor of the Company	Chandigarh
	• Audit Committee Chairman	

Certified to be true copy
For Ind-Swift Laboratories Ltd.

(Pardeep Verma)
GM-Corporate Affairs & Company Secretary