



Ind-Swift

ANNUAL REPORT 2015-16

Ind-Swift LABORATORIES LIMITED

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Ind-Swift Laboratories Limited

focuses on the development of Active Pharmaceutical Ingredients involving complex chemistry for high growth therapeutic segments coupled with an excellence in execution.

It has established global leadership in many products through innovative pharmaceutical solutions.

VICE-CHAIRMAN-CUM- MANAGING DIRECTOR'S OVERVIEW



“ If we are facing in the right direction,
all we have to do is keep on walking ”

Dear Stakeholders

We have always believed that great companies that are founded with a strong vision and built on solid values are the ones that thrive and live on. These are the companies that overcome challenges and excel beyond the competition, beyond economic cycles and eventually beyond lifetimes and generations. These are businesses that give their customers and society the reason why they exist, serving social needs while still delivering performance, growth and numbers.

At Ind-Swift, we have created a culture of creative optimism, of caring for people and our communities. This is what has helped us innovate and deliver strong performance even in the time of adversities, consistently. We are committed to care, to perform, to nurture and to share.

We are engaged in continuously sharpening our competitive advantage. In the rapidly changing landscape of technology and commerce in business, it is essential to continuously fine tune our growth engine. We are laying renewed emphasis on bringing superior products, designing innovative processes and building people's capabilities. Our people remain at the center stage of our performance.

We have had another year of sustained performance be it revenues, margins and enhanced EBIDTA. The Company continues to strengthen its position as an innovation-led transnational pharmaceutical company, which reinforces our belief that a strong business model, the right business practices, like-minded people, a lucrative pipeline and investments in strategic growth pays rich dividends even in the face of increased consolidation, competition and a volatile economic environment.

In FY 2015-16, all our key markets delivered and we continued to improve on operational performance, which resulted in sustained revenues of Rs. 6387.40 million despite the closing down of the menthol sales. Exports sales grew by 3.56% to Rs. 4457.58 million, EBITDA grew by 8.74% to Rs.1208.81 million and our Net Losses reduced from Rs.1191.63 million to Rs. 588.61million during FY 2015-16.

Continuing from the last year we remained focused on increasing the manufacturing sales . We have almost closed down the menthol division and its related sales . The year 2015-16 has been significant in terms of the increase in capacities of our key products, where we enhanced capacities of our few key molecules by 10-20% through de-bottlenecking and process improvements despite there being adverse pressures as to liquidity and working capital.

Japan continues to be the future growth market of the Company and the company remained focused on this market in the FY2015-16 . The revenue from the Japan increased by almost 30% during the year. Exports has been the key growth factor of the Company. Our Accredited facilities, advanced processes, technologies and sustained quality has enabled us to build our customers faith over the years. The Company facilities which enjoy all the major accreditations is one of the largest facility in the Northern India in terms of the production volumes.

We continue to increase our internal strength through process innovation and process re-engineering. All these years our people have been the main stay of the Company which enabled the Company to face the tough strides strongly and eventually we are on the verge of emerging as a winner, shortly.

During the period under review, relentless efforts have been made to settle the banks. Resultantly six accounts of the Company has been transferred to the Asset reconstruction Companies and sincere efforts are being made to settle the other banks also. Once this is achieved the Company will be able to chalk out the future core strategy of planning and managing the growth.

During the year, Company has paid a sum of Rs. 568.47 million towards Direct / Indirect Taxes and Statutory Dues. The Company's overall economic activities has created a value of over Rs. 1450 million during the year for its various stakeholders. The Company in this year has also been able to reduce its Fixed Deposit exposure from Rs. 823.30 million in the year 2014-15 to Rs. 670.30 million in 2015-16.

We realize that with growth comes responsibility and accountability. We must manage expectations of all stakeholders and commit to deliver superior performance each time. There is a need to continuously raise the bar and reinvent ourselves. We must focus beyond performance and intended outcomes. We are continuously evaluating various aspects of our business and how they impact our preparedness to achieve our objectives. Our ability to change, adapt and improvise shall remain the key to our growth initiative.

I appreciate the Support provided by our customers, bankers, creditors, fixed deposit holders, shareholders and above all employees. They have shown their unflinched faith in the Company and Company too will reciprocate in times to come.

N. R. Munjal
Vice Chairman
Cum Managing Director

Management Discussion and Analysis Report

INDUSTRY STRUCTURE AND DEVELOPMENT

Global Pharmaceutical markets are in the midst of major discontinuities . While growth in developed markets will slow down, emerging markets will become increasingly important in the coming decade. The Indian pharmaceutical market along with the markets of the China, Brazil, and Russia will spearhead growth within these markets.

The Indian Pharmaceutical markets has characteristics that make it unique. First: branded generics dominate , making upto 70-80 per cent of the retail market. Second: local players have enjoyed a dominant position driven by formulation development capabilities and early investments. Third: price level are low, driven by intense competition. While India rank tenth globally in terms of the value it is ranked third in volumes. These characteristics present their own opportunities and challenges.

A robust revenue growth of the global pharmaceutical market is poised to break horizon from the pharmerging market. The spending growth in the pharmerging market is expected to grow with a CAGR of 12% to 15% which will expedite the market growth in these countries.

Pharmerging markets will add USD 198 billion in annual sales to the global pharmaceutical market between 2016 and 2020. This value represents two third of the global pharmaceutical market growth which will be an increase of global share from 25% in 2016 to 33% in 2020. The BRIC nations i.e. Brazil, Russia, Indian and China will lead the pharmerging market.

Pharmerging markets have been classified into three categories as tier 1, tier 2 and tier 3 markets. Tier 1 pharmerging market includes China which is the largest and fastest growing pharmaceutical market. Tier 2 category includes India, Brazil and Russia. Tier 3 category includes the rest 17 countries which is further differentiated based on the average pharmaceutical spend per capita.

Major growth momentum will come through inorganic growth. However, multinationals are also growing organically by investment.

RISKS AND CONCERN

Generic competition, less margins is a concern. Regulatory constraints pose a threat. The Management is fully acquainted with these risks and concerns associated with the industry and continue to address them from time to time as required.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate internal control system commensurate with its size and complexity. The Internal Financial Control System of the Company is being regularly monitored by the Internal team as well as Internal Auditors. Any deficiency in the controls is viewed seriously and corrective actions are taken to avoid repetition.

The Company has well-documented Standard Operating Procedures (SOPs) for various processes which are periodically reviewed. The Internal Auditor monitors the efficiency of the internal controls/compliance with SOPs and provides required information to the Audit Committee.

The Audit Committee of the Board of Directors reviews the adequacy and effectiveness of internal control system and suggests improvements for strengthening them. These controls are regularly monitored by the Internal Auditor to check effectiveness of the controls. The Audit Committee Members/ Board of Directors are regularly updated on the same.

The Company has the Risk Assessment Policy of each segment of business and the concerned Heads of Department are responsible to monitor the risks and take effective measures to mitigate them.

The financial statements are prepared in conformity with the established Accounting Standards and Principles.

Management Discussion and Analysis Report (Contd.)

FINANCIAL PERFORMANCE AND ANALYSIS

The Company achieved a turnover of Rs. 6529.28 million including a sum of Rs. 4457.58 million as export turnover. It earned an EBIDTA of Rs. 1208.80 million during this period. The bottom line however, continues to be in red at Rs. 588.61 million net loss for the year 2015-16. The consolidated accounts of the Company during the period under review, showed a turnover of Rs. 6674.36 million with a net loss of Rs. 586.88 million against the total income of Rs. 6827.06 million and net loss of Rs. 1193.68 million in the previous period.

The year 2015-16 saw the company focusing purely on the API sales and reducing to a great extent the trading and the menthol turnover. The increased focus resulted in achieving the similar EBIDTA levels from the reduced turnover also. The year had been tough in terms of managing the banks and financial institutions. Currently, top most efforts are being made by the Company to come out of this situation by roping in investments which could take care of the defaulting banks and financial institutions.

OPERATIONS REVIEW & COMPANY'S OUTLOOK

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 50 products across 16 therapeutic segments, few of them growing by more than the industry growth rates. Company has Filed more than 499 DMF's and it has filed DMF's even for the Drugs going off patent by 2022-2023.

During the year three new products (viz. Nateglinide, Ezitimibe and Rosuvastatin) were commercially launched and one new product was supplied in the bio-batch quantities (Lisdexamphetamine). The revenues are expected to increase with the launch of these new products .

The production capacities of 8 molecules was increased during the year through de-bottlenecking and improvement in processes. The Company continued to be one of the largest API manufacturer in the region with two manufacturing facilities one in Derabassi (Punjab) and another in Samba, (J&K). Company's Derabassi Manufacturing facility has all the major accreditations in place including that of the USFDA, TGA, MHRA, COS, KFDA, ANVISA & PMDA.

The Company is in process of settlement with its bank and this will boost the future growth plans of the Company.

HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

The Industrial relations in all divisions of the Company are cordial and harmonious. The employee strength of the Company as on 31st March, 2016 was 2247 including on-roll and contract employees. The Company encourages the employees to upgrade their knowledge and skills. The training sessions on various working parameters are conducted in routine apart from allowing employees for outside specialized training, wherever required.

ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and as referred to in Section 133 of the Companies Act, 2013. There is no deviation from the prescribed Accounting Standards.

Statements in "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions are forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. The actual results might differ materially from those expressed or implied depending upon factors such as climatic conditions, global and domestic demand-supply conditions, finished goods prices, raw materials cost and availability, foreign exchange market movements, changes in Governmental regulations and tax structure, economic and political developments within India and the countries with which the Company has business. Therefore, the Company assumes no responsibility in respect of forward looking statements herein which may undergo change in future on the basis of subsequent developments, information or events.

Corporate Information

Board of Directors

S.R. Mehta	Non-Executive Chairman
N.R. Munjal	Vice-Chairman-cum- Managing Director
Himanshu Jain	Jt. Managing Director
Rishav Mehta	Executive Director
Dr. G. Munjal	Non Executive Director
Dr. V.R. Mehta	Non Executive Director
K.M.S. Nambiar	Independent Director
Dr. J.K. Kakkar	Independent Director
S.V. Singh	Nominee Director (SBI)
Pradeep Kumar	Independent Director
Dr. Ashwani Kumar Vig	Independent Director
Prabhat Khurana	Independent Director
Preetika S Chaubey	Independent Director (Ceased w.e.f. 11.08.2016)

Chief Financial Officer Narinder Kumar Bansal

Compliance Officer Pardeep Verma
GM-Corp. Affairs & Company
Secretary

Senior Management Team

Dr. Lalit K. Wadhwa	Director & Chief Operating Officer (COO)
Vijay Kumar	Director (Marketing & Special Projects)
Vikas Narendra	President (US Operations)
Sahil Munjal	President (Operations & Special Assignments)
G.K. Sharma	Manufacturing Head
Subodh Gupta	Member Executive Board
Dr. R. Arul	Vice President (R&D & CRAMS)
Atul Choubey	Group HR Head
Suresh Chandra Arora	Head (Maintenance & Utility)
Sandeep Singh	Vice President (Procurement)
Saranjai Tyagi	Vice President (QA)
Rakesh Bahuguna	Vice President (QC)
Anurag Chaturvedi	Vice President (Marketing)
Varun Chhabra	Vice President (Marketing)

Committees of the Board

Audit Committee

K.M.S. Nambiar	Chairman
Dr. J.K. Kakkar	Member
S.V. Singh	Member
Pradeep Kumar	Member
N.R. Munjal	Member
Prabhat Khurana	Member

Nomination & Remuneration Committee

Pradeep Kumar	Chairman
K.M.S. Nambiar	Member
Dr. J.K. Kakkar	Member
S.V. Singh	Member

Stakeholders Relationship Committee

Dr. J.K. Kakkar	Chairman
Pradeep Kumar	Member
N.R. Munjal	Member
S.R. Mehta	Member

Compensation Committee

Dr. J.K. Kakkar	Chairman
K.M.S. Nambiar	Member
S.V. Singh	Member

Sub-Committee of Board

N.R. Munjal	Chairman
Himanshu Jain	Member
K.M.S. Nambiar	Member
Dr. J.K. Kakkar	Member
Pradeep Kumar	Member

Risk Management Committee

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

Solicitors

P.K. Goklaney & Company
Advocate & Solicitors
#38, Sector 16A, Chandigarh-160015

Auditors

Jain & Associates
Chartered Accountants
SCO 819-20, Sector 22-A, Chandigarh - 160022

Internal Auditors

Anju Sharma & Associates
Chartered Accountants
728, Phase- 4 Mohali-160059

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-160008

Registered Office

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

Corporate Identity Number:

L24232CH1995PLC015553

Registrar and Share Transfer Agent

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

Directors' Report

Dear Shareowners,

Your Directors have great pleasure in presenting the 21st Annual Report together with audited statement of accounts for the year ended 31st March, 2016.

FINANCIAL RESULTS

Particulars	(Rs. in Millions)	
	Year Ending 31st March 2016	Year Ending 31st March 2015
Sales (net of excise) and other income	6529.29	6679.90
Profit before Interest, Depreciation, Tax & Amortisation	1208.81	1111.61
Less: - Interest	1064.08	1172.86
- Depreciation	847.49	842.90
- Impairment of Assets	Nil	Nil
- Extra Ordinary Item	145.81	527.91
Loss / (Income) on sale of fixed assets	-17.20	0.78
Profit / (Loss) before Tax	(831.36)	(1432.85)
Less: - Provision for tax	Nil	Nil
- Income tax adjustment of previous years	Nil	Nil
- Mat Credit Entitlement	Nil	Nil
- Provision for Fringe Benefit Tax	Nil	Nil
- Provision for Deffered Tax	(242.75)	(237.74)
Profit (Loss) after Tax (A)	(588.61)	(1191.63)
Amount B/F from Previous year(B)	(313.46)	878.18
Profit (Loss) after Tax available for Appropriations (A+B)	(902.07)	(313.46)
Transfer to deferred tax liability	Nil	Nil
Provision for Dividend on Equity shares	Nil	Nil
Provision for Equity Dividend Tax	Nil	Nil
Transfer to General Reserve	Nil	Nil
Balance carried forward to Balance sheet	(902.07)	(313.46)

OPERATIONS AND BUSINESS PERFORMANCE

During the current financial year, the Company has achieved a turnover of Rs. 6529.29 millions against the turnover of Rs. 6679.90 millions during financial year 2014-15. The Company has significantly recovered from losses as Net loss during 2015-16 is Rs. (588.61) millions against loss of Rs. (1191.633) millions in 2014-15. The Company's exports remained stable at 4457.58 millions in 2015-16 against Rs. 4304.30 millions during 2014-15. There has been no change in the nature of business of the company during the year under review. Kindly refer to Management Discussion & Analysis & Corporate Governance Report which forms part of this report.

CONSOLIDATED FINANCIAL PERFORMANCE

Your company recorded a consolidated turnover of Rs. 6674.36 Millions during 2015-16 against the turnover of Rs. 6827.06 Millions during 2014-15. In consolidated terms, the Company suffered a loss of Rs. 586.88 Millions in 2015-16, against loss of Rs. 1193.68 Millions in 2014-15. The Consolidated financial figures include the respective financial figures of the Company's three subsidiaries and one Associate Company. As required under the provisions of the Companies Act 2013 and SEBI (LODR) Regulations, 2015, Audited Consolidated Financial Statements form part of the Annual Report and the same are annexed to this Report.

DIRECTORS

Sh. S R Mehta, (DIN No. 00005668) and Sh. Rishav Mehta, (DIN: 03028663), Directors, retire by rotation at the ensuing Annual General Meeting ("AGM") and being eligible offer themselves for re-appointment. The Board recommends their re-appointment.

Directors' Report (Contd.)

In terms of the Companies Act, 2013 ('Act') Independent Directors are required to be excluded while computing the number of Directors to retire by rotation. Accordingly only the promoter directors have been considered for calculating the number of those who are to retire by rotation.

In accordance with Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company (except Sh. Prabhat Khurana) is for a term of 5 consecutive years from the date of their respective date of appointment. Sh. Prabhat Khurana who was appointed as Independent Director for a period of one year w.e.f. 25.03.2015, was re-appointed as Independent Director by the Board for a period of 5 years w.e.f. 25.03.2016. The Board has proposed re-appointment of Sh. Prabhat Khurana for approval of shareholders in the ensuing AGM. Ms. Preetika Chaubey, Independent Woman Director of the Company, ceased to be a Director w.e.f. 11.08.2016.

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

During the year, six Board meetings were held on 16th May 2015, 19th June, 2015, 8th August 2015, 9th October 2015, 24th October 2015 and 10th February, 2016. The details regarding the meetings are given in the Corporate Governance Report.

CORPORATE GOVERNANCE

A Report on Corporate Governance forms part of this Annual Report. The Auditors' certificate certifying compliance with the conditions of Corporate Governance under Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015 is annexed as **Annexure 1** to this Report.

CORPORATE DEBT RESTRUCTURING

As on 31st March, 2016 some of the CDR Lenders viz. Catholic Syrian Bank, State Bank of Travancore, Allahabad Bank, State Bank of Hyderabad & Central Bank of India have assigned their Loans to Asset Reconstruction Companies (ARC). The Company is making all efforts to make settlement with other Banks and transfer their accounts to ARC. The entire amount of Promoters Contribution required to be infused by the Company as per CDR requirement has been infused during the year. The Company is awaiting necessary approval for the allotment of equity shares to promoters against the promoters contribution infused by them.

DIVIDEND

In view of financial losses, the Board has not recommended any Dividend for the Financial Year 2015-16.

Unpaid dividend outstanding as on 31.03.2016 is Rs. 9.76 lacs (Previous year Rs 13.51 lacs). During the financial year, an amount of Rs. 3.88 lacs was transferred to central government account (IEPF) on account of unpaid dividend for the financial year 2007-08.

EMPLOYEE STOCK OPTION SCHEME

The members of the Company have approved 'Employee Incentive Scheme 2014' in the Annual general Meeting of the Company held on 30th September, 2014.

The Scheme is being implemented by the Company and the in-principle approval of the Stock Exchanges for Listing of Securities to be issued under the said scheme has been obtained.

The Compensation Committee, Constituted in accordance with the SEBI Guidelines, administers and monitors the Scheme. The applicable disclosures as stipulated under the Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 with regard to Company's "Employee Incentive Scheme, 2014" are available on the website of the Company at www.indswiflabs.com and the weblink for the same is:

http://www.indswiflabs.com/pages/Disclosure_regarding_Employee_Stock_Options.pdf

CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

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

During the year under review, there is no change in Capital Structure of the Company as no new shares were issued.

SUBSIDIARY COMPANIES

As on 31.03.2016, your Company had 3 Subsidiaries. The US subsidiary of the Company viz. Ind-Swift Laboratories Inc. achieved net sales of \$ 39,70,118 and recorded a net Profit of \$ 63,815. The Singapore Subsidiary viz Meteoric Life Sciences PTE Ltd. has no sales and recorded a net loss of \$ 3194.72. The Dubai Subsidiary viz. Ind-Swift Middle East FZE has not started operations yet.

Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, the salient features of the financial statements, performance and financial position of each subsidiary and a joint venture is given in Form AOC - 1 as **Annexure 2** to this report. The Company has framed a policy for determining material subsidiaries, which has been uploaded on the Company's website.

Directors' Report (Contd.)

STATUTORY AUDITORS

The Statutory Auditors of the Company M/s Jain & Associates, Chartered Accountants (Regd. No.001361N) retire at the conclusion of ensuing Annual General Meeting. They have confirmed their eligibility and willingness to accept the office of Auditors, if reappointed for the year 2016-17. 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 2016-17 for shareholders approval.

With regard to emphasis of matter contained in the Auditors' Report, the Board is of the view that the same are self explanatory.

INTERNAL AUDITORS

M/s Anju Sharma & Associates, Chartered Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

COST-AUDITORS AND THEIR REPORT

M/s. V. Kumar & Associates, Cost Accountants have been duly appointed as Cost Auditors of the Company, for audit of cost accounting records which are covered under the Cost Audit Rules, for current financial year ending March 31, 2017.

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

The Cost Audit Reports are required to be filed within 180 days from the end of the financial year. The Cost Audit Reports for the financial year 2014-15 issued by M/s V. Kumar and Associates, Cost Auditors, was filed with Ministry of Corporate Affairs within the stipulated time. The Cost Audit Reports for the financial year ended March 31, 2016 will be filed within the prescribed period.

SECRETARIAL AUDITORS AND THEIR REPORT

Mr. Vishal Arora, Practising Company Secretary, was appointed as Secretarial Auditors of the Company for the financial year 2015-16 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by him in the prescribed form MR- 3 is attached as **Annexure 3** and forms part of this report. There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2015-16 which call for any explanation from the Board of Directors.

DEPOSITS

The aggregate amount of fixed deposit outstanding as on 31st March 2016 was Rs. 67.03 crores approx. (previous year Rs. 82.33 crores).

The Hon'ble Company Law Board vide its order No.CP27/01/2013 dated 30th September, 2013 has granted extension of time in repayment of deposits. Now, the Company is making repayment to the fixed deposit holders in terms of the aforesaid order of Hon'ble CLB.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

LISTING FEES

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

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

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

NOMINATION AND REMUNERATION POLICY

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

- i) has formulated criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board, Policy relating to remuneration for directors, KMP and other employees;
- ii) has formulated the evaluation criteria for performance evaluation of independent directors and the Board;

Directors' Report (Contd.)

- iii) has devised a policy on Board diversity.
- iv) identifies persons who are qualified to become directors or may be appointed in Senior Management in accordance with criteria laid down and recommend to the Board their appointment and removal;
- v) recommends to the Board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

PARTICULARS OF EMPLOYEES

Particulars of employees required to be furnished pursuant to the provisions of Section 197 of the Companies Act, 2013 (Act), read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as an Annexure to this Report. However, pursuant to the provisions of Section 136 of the Act, the Report and Accounts are being sent to all the Members excluding the aforesaid Annexure. Members, who are interested in the information, may write to the Company Secretary at the registered office of the Company.

The statement of particulars of appointment and remuneration of managerial personnel pursuant 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure 5** to this Report.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92 (3) of the Companies Act, 2013, extract of the Annual Return in Form MGT-9 is given in '**Annexure 6**' to this Report.

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

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

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. No related party transaction was in conflict with the interest of the Company. No materially significant related party transaction was made by the Company with the Key Managerial Personnel. As prescribed by Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of related party transactions are given in Form AOC-2, as "**Annexure 7**" to this Report. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website www.indswiftlabs.com

RISK MANAGEMENT

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

CORPORATE SOCIAL RESPONSIBILITY

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

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

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

The performance evaluation of all the Directors have been done by the entire Board, excluding the Director being evaluated. The Directors expressed their satisfaction with the evaluation process.

Directors' Report (Contd.)

COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprises Mr. K.M.S. Nambiar (Chairman), Dr. J.K. Kakkar, Mr. Pradeep Kumar, Mr. Prabhat Khurana - Independent Directors, Mr. S.V. Singh, Nominee Director and Mr. N.R. Munjal, Vice Chairman cum Managing Director of the Company. The functions performed by the Audit Committee and the particulars of meetings held and attendance thereat are given in the Corporate Governance Report.

VIGIL MECHANISM/WHISTLEBLOWER POLICY

In compliance with the provisions of Section 177(9) of the Companies Act 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, your Company has in place a 'Whistleblower Policy,' which provides an opportunity to the directors and employees to raise concerns about unethical and improper practices or any other wrongful conduct in or in relation to the Company. The details of the Whistleblower Policy are stated in the Corporate Governance Report and the said Policy has been uploaded on the Company's website www.indswiflabs.com.

HUMAN RESOURCES

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 programs 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 be harmonious and cordial at all levels and in all the units of the Company.

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

DIRECTORS RESPONSIBILITY STATEMENT

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

- a) that in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit/ loss of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively..

ACKNOWLEDGEMENT

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
Non-Executive Chairman

Place : Chandigarh
Date : 11th August, 2016

Annexure to Directors' Report

Annexure 1

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
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 2016 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

Place: Chandigarh
Date: 11.08.2016

Sd/-
(S.C. PATHAK)
Partner
Membership No. 10194

Annexure to Directors' Report (Contd.)

Annexure 2

(All amounts in Crores, unless otherwise stated)

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

Form AOC-I

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

Part A : Subsidiaries

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Sl. No.	Name of Subsidiary	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turn-over	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	% of Share holding
1.	Ind-Swift Laboratories Inc.	NA	USD 63.33	6.87	2.14	15.44	6.42	--	23.24	0.435	0	0.296	0	100%
2.	Meteoric Life Sciences Pvt Ltd	NA	USD 61.41	4.22	1.71	6.51	0.57	--	--	(0.51)	0	(0.51)	0	100%
3.	Ind-Swift Middle East FZE	NA	AED -	-	-	-	-	-	-	-	-	-	-	-

Notes :

- ❖ The details for Dubai subsidiary M/s Ind-Swift Middle East FZE are not included as the company is not yet in operations

Part B : Associates and Joint Ventures

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

Sl. No.	Name of Associate	Fortune (India) Constructions Ltd.
1	Latest audited Balance Sheet Date	31 March, 2015
2	Shares of Associate held by the company on the year end Shares No.	48,20,000
	Amount of Investment in Associate	4,82,00,000/-
	Extent of Holding (%)	47.723%
3	Description of how there is significant influence	Due to Voting Power
4	Reason why the Associate is not consolidated	N.A.
5	Networth attributable to Shareholding as per latest Audited Balance Sheet	5,13,53,662/-
6	Profit / Loss for the year (Share of Group)	
	i. Considered in Consolidation	6,47,123/-
	ii. Not Considered in Consolidation	7,08,876/-

Annexure to Directors' Report (Contd.)

Annexure 3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To

**THE MEMBERS,
IND SWIFT LABORATORIES LIMITED**

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

Based on our verification of the **IND SWIFT LABORATORIES LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **IND SWIFT LABORATORIES LIMITED** ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - (i) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- (vi) **OTHER APPLICABLE ACTS :**
 - (a) Pharmacy Act, 1948
 - (b) The Finance Act, 2015
 - (c) Prevention of Money Laundering Act, 2002 and the Prevention of Money-Laundering (Amendment) Act 2012
 - (d) Payment of Wages Act, 1936 and rules made thereunder
 - (e) The Minimum Wages Act, 1948 and Rules made thereunder
 - (f) The Employee State Insurance Act, 1948 Rules made thereunder
 - (g) The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and rules made thereunder
 - (h) The Payment of Bonus Act, 1956 and Rules made thereunder
 - (i) The Payment of Gratuity Act, 1972
 - (j) Indian Contract Act, 1872
 - (k) The Apprentices Act, 1961
 - (l) The Workmen's Compensation Act, 1923
 - (m) Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013 Drugs and Cosmetics Act, 1940
 - (n) The Factories Act, 1948 (Act No 63 of 1948), as amended by the Factories (Amendment) Act, 1987 (Act 20 of 1987)

Annexure to Directors' Report (Contd.)

- (o) The drugs (Control) Act, 1950.
- (p) The Environment (Protection) Act, 1986
- (q) Drugs & Cosmetics Act, 1940
- (r) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
- (s) Narcotic Drugs and Psychotropic Substances Act, 1985
- (t) Conservations of Foreign Exchange And Prevention of Smuggling Activities Act, 1974
- (u) The Medicinal & toilet Preparations Substances (Excise Duties) Act, 1955
- (v) The Indian Copyright Act, 1957
- (w) The Patents Act, 1970
- (x) The Trade Marks Act, 1999

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

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

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

We further report that

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

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

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

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

PLACE : CHANDIGARH

DATE : 11.08.2016

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

“Annexure – A”

To

THE MEMBERS,
IND SWIFT LABORATORIES LIMITED

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

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

PLACE : CHANDIGARH

DATE : 11.08.2016

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

Annexure to Directors' Report (Contd.)

Annexure 4

1. CONSERVATION OF ENERGY

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

- ✓ For VAM-06, Induced draft cooling tower replaced with Natural draft cooling Tower. - **Saving was 99000 Units. (Run. Hrs. 5000 per year).**
- ✓ To reduce power consumption, LED light has been installed in place of CFL light. - **Saving per year 39600 Units (per year).**
- ✓ Installation of VFDs in PL-20 HVAC system for Energy saving in Level-2 and Level-3. - **Saving was 121600 Units (per year).**
- ✓ Installation of heat recovery wheel in PL-20 HVAC system for Energy saving in the HVAC system of Level-2. **Saving was Rs. 8.53 lacs.**
- ✓ For VTDs, 8 Nos. Watering Vacuum pumps are replaced with Oil ring vacuum pumps in different Plants. (Electrical Load reduced from 10HP to 3 HP). Due to which we have reduced power consumption cost and effluent treatment cost. **Saving was 6300 Units (per year). (Run Hrs. 1200 per year).**
- ✓ Installed of Double valve with bleeder in utilities manifolds of Plants Reactors, to prevent Brine dilution/loss in plant. (Proposed saving in next year).
- ✓ VFD installed in Cooling Water Pump (60 HP) for energy saving. - **Saving was 43800 Units**
- ✓ Modification is done in Turbine to increase the Extraction steam by 3MT/Hr. and to reduce steam condensing losses. (Proposed saving in next year).
- ✓ In Power plant, Temperature control system has been installed in all Cooling Tower Fans. - **Saving was 9000 Units (per year).**

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

- ✓ Installation of Heat recovery wheel for HVAC for level-2 system.
- ✓ PSA Nitrogen generation system installation in Utility to fulfill Nitrogen gas requirement of all Plants.
- ✓ To reduce power consumption, LED lights will be installed in place of CFL lights in Plant.
- ✓ Installation of Double valve with bleeder in utilities manifolds of Plant Reactors, to prevent Brine dilution/loss in plant and other Plant.
- ✓ Installation of VFDs with PT's in Secondary system of all Utilities, like Brine, Chilled Water, process cooling Water, DM water distribution for Energy Saving.
- ✓ Installation of Steam Ejector system in place of Water ejector system, to reduce effluent load on ETP and reduction in Power consumption.
- ✓ Installation of VFDs in HVAC blowers.
- ✓ Installation of VFDs in 4 Nos. reactors.
- ✓ Installation of VFDs in Plants reactors (3 Nos. in PI-8, 4 Nos. in PL-9, and 6 Nos. in PL-17) to fulfill Process requirement and also reduction in power consumption.
- ✓ Installation of Indirect heating system in Hot water tanks for reducing effluent load and for saving on account of condensate recovery.
- ✓ Installation of Measuring system for condensate recovery.

c) Capital Investment on energy conservation equipments

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

B) TECHNOLOGY ABSORPTION

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

- ✓ To continue developing innovative and commercially viable process know-how for API.
- ✓ Research & Development (R&D)
- ✓ The developed technologies have been commercialised for both regulated and semi-regulated markets.

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

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

Annexure to Directors' Report (Contd.)

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

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

3. RESEARCH & DEVELOPMENT

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

The focus of research efforts are :

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

Benefits derived as a result of above R&D:

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

Future plan of action

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

Expenditure on R & D during the year 2015-2016

(Rs. in Millions)

Unit	2015-16	2014-15
a. Capital	32.14	36.91
b. Revenue	560.96	569.60
Total	593.10	606.51
c. Total R&D expenditure as percentage of total turnover	9.28	9.39
d. Turnover	6387.44	6457.36

4. Foreign Exchange Earnings & Outgo

During the year foreign exchange outgo was Rs. 2395.08 million and the earnings in Foreign Exchange were Rs. 4399.56 million. The details have been given in Note XXXIV of Notes to Accounts.

Annexure to Directors' Report (Contd.)

Annexure 5

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

Rule	Particulars				
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	a.	Mr. N.R. Munjal, Managing Director	82:1	
		b.	Mr. Himanshu Jain, Jt Managing Director	82:1	
		c.	Mr. Rishav Mehta, Executive Director	21:1	
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a.	Mr. N.R. Munjal, Managing Director	Nil	
		b.	Mr. Himanshu Jain, Jt Managing Director	Nil	
		c.	Mr. Rishav Mehta, Executive Director	Nil	
		d.	Mr. N.K. Bansal, Chief Financial Officer	8.78%	
		e.	Mr. Pardeep Verma, GM- Corp. Affairs & CS	10.00 %	
(iii)	The percentage increase in the median remuneration of employees in the financial year.	0.20			
(iv)	The number of permanent employees on the rolls of the company as on 31st March, 2016.	1296			
(v)	The explanation on the relationship between average increase in remuneration and company performance.	Average increase is based on the Remuneration Policy of the Company that is designed to attract, motivate and retain the talent.			
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	Due to continuous losses, there is no increase in the Remuneration of the Executive Directors. The increase given to other KMPs is normal as per the Remuneration Policy of the Company.			
(vii)	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.	Financial Year Ended	Closing share Price (NSE)	Market Capitalization	Price Earning Ratio
		31.03.2015	31.65	Rs. 129.65 crores	(1.08)
		31.03.2016	46.15	Rs. 189.04 crores	(3.21)
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	12%			
		For comparison purpose the percentage increase in remuneration of KMP is given in Rule no. (ii) above.			
(ix)	The key parameters for any variable component of remuneration availed by the Directors.	N.A.			
(x)	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.	0.93 : 1			
(xi)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.				

Annexure to Directors' Report (Contd.)

Annexure 6

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN	L24232CH1995PLC015553
ii) Registration Date	04/01/1995
iii) Name of the Company	IND-SWIFT LABORATORIES LIMITED
iv) Category / Sub-Category of the Company	Company having Share Capital
v) Address of the Registered office and contact details	SCO 850, Shivalik Enclave, NAC, Manimajra, Chandigarh - 160101 Tele:- +91-172-5061850, 2730920 Fax:- +91-172-2730504, 2736294 Email: investor@indswiftlabs.com Website: www.indswiftlabs.com
vi) Whether listed company	Yes (Listed at BSE and NSE)
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Alankit Assignments Ltd. 205-208 Anarkali Extension Jhandewalan Extension, New Delhi- 110055 Tel:- +91-11-42541965, 42541953 Fax:- +91-11-41540064 E-mail: info@alankit.com Website: www.alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Name and Description of main products/ services	NIC Code of the Product / services	% to Total turnover of the company
Pharmaceuticals	210	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN / UIN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Fortune (India) Construction Ltd. SCO 849, Shivalik Enclave NAC Manimajra Chandigarh 160101	U45200CH2005PLC028005	ASSOCIATE	47.73	2(6)
2.	Ind Swift Laboratories Inc. USA	CGWAZ20040125	SUBSIDIARY	100	2(87)
3.	Meteoric Life Science Pte Ltd. Singapore	CGWAZ20100711	SUBSIDIARY	100	2(87)
4.	Ind-Swift Middle East FZE (UAE)	CGWAZ20121157	SUBSIDIARY	100	2(87)

Annexure to Directors' Report (Contd.)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters & PAIC									
(1) Indian :									
(a) Individual/ HUF	2216240	-	2216240	5.41	2216240	-	2216240	5.41	Nil
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	19340611	-	19340611	47.21	19340611	-	19340611	47.21	Nil
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	21556851	-	21556851	52.62	21556851	-	21556851	52.62	Nil
(2) Foreign	-	-	-	-	-	-	-	-	-
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	21556851	-	21556851	52.62	21556851	-	21556851	52.62	Nil
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks/FI	34148	-	34148	0.08	34773	-	34773	0.08	0.00
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIs	1532121	-	1532121	3.74	1124685	-	1124685	2.75	-0.99
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	1566269	-	1566269	3.82	1159458	-	1159458	2.83	-0.99
2. Non Institutions									
a) Bodies Corp.	5238216	10300	5248516	12.81	4939285	10300	4949585	12.08	-0.73
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	7868827	255416	8124243	19.83	8627453	361111	8988564	21.94	2.11
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	4087542	111000	4198542	10.25	4063227	-	4063227	9.92	-0.33

Annexure to Directors' Report (Contd.)

c) Others (specify) Custodians / Clearing Members NRIs	-	-	-	-	-	-	-	-	-
	185540	-	185540	0.45	245274	-	245274	0.60	0.15
Sub-total (B) (2)	17269104	466716	17735820	43.30	17439859	376716	17816575	43.49	0.19
Total Public Shareholding (B)=(B)(1)+ (B)(2)	18916128	466716	19382844	47.32	19006128	376716	19382844	47.32	Nil
C. Shares held by Custodian for GDRs & ADRs	23500	-	23500	0.06	23500	-	23500	0.06	-
Grand Total (A+B+C)	38803754	466716	40963195	100	40586479	376716	40963195	100	Nil
ii) Shareholding of Promoters & Persons Acting in Concert (PAIC) :									
Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share- holding during the year	
		No. of shares	% of Total shares of the Company	% of Shares pledged/ encumbered to total shares	No. of shares	% of Total shares of the Company	% of Shares pledged/ encumbered to total shares		
	Promoters								
1	S R M Portfolios Pvt Ltd	522500	1.28	100	522500	1.28	100	Nil	
2	V K M Portfolios Pvt Ltd	620900	1.52	100	620900	1.52	100	Nil	
3	G M Portfolios Pvt Ltd	735900	1.80	100	735900	1.80	100	Nil	
4	N R M Portfolios Pvt Ltd	748700	1.83	100	748700	1.83	100	Nil	
5	A K J Portfolios Pvt Ltd	763000	1.86	100	763000	1.86	100	Nil	
6	V R M Portfolios Pvt Ltd	958090	2.34	100	958090	2.34	100	Nil	
7	Essix Biosciences Ltd	5491801	13.41	100	5491801	13.41	100	Nil	
8	Ind Swift Ltd	9499720	23.19	100	9499720	23.19	100	Nil	
9	V.R.Mehta	52900	0.13	100	52900	0.13	100	Nil	
10	Gopal Munjal	60900	0.15	100	60900	0.15	100	Nil	
11	S.R.Mehta	233600	0.57	100	233600	0.57	100	Nil	
12	Himanshu Jain	406961	0.99	100	406961	0.99	100	Nil	
13	Rishav Mehta	454545	1.11	100	454545	1.11	100	Nil	
14	N.R.Munjal	650454	1.59	100	650454	1.59	100	Nil	
	PAIC								
15	Sahil Munjal	2000	0.00	100	2000	0.00	100	Nil	
16	Neera Mehta	249000	0.61	100	249000	0.61	100	Nil	
17	Annie Mehta	2780	0.01	100	2780	0.01	100	Nil	
18	Bhanavi Mehta	3000	0.01	100	3000	0.01	100	Nil	
19	Divya Munjal	3000	0.01	100	3000	0.01	100	Nil	
20	Ishav Mehta	3000	0.01	100	3000	0.01	100	Nil	
21	Meenakshi Mehta	12000	0.03	100	12000	0.03	100	Nil	
22	Ravi Mehta	12000	0.03	100	12000	0.03	100	Nil	
23	Neeta Munjal	12000	0.03	100	12000	0.03	100	Nil	
24	Nidhi Munjal	12000	0.03	100	12000	0.03	100	Nil	
25	Sunita Jain	46100	0.11	100	46100	0.11	100	Nil	
	Total	21556851	52.62		21556851	52.62			

Annexure to Directors' Report (Contd.)

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	2,15,56,851	52.62	2,15,56,851	52.62
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)	There was no change in Promoters Shareholding during the year			
At the end of the year	2,15,56,851	52.62	2,15,56,851	52.62

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Albula Investments Fund Ltd	1517080	3.70	1115572	2.72
2.	Arcadia Share & Stock Brokers Pvt. Ltd.	268930	0.66	1065590	2.60
3.	Mehul Chandrakant Mehta	478156	1.17	419282	1.02
4.	Alchemist Holdings Ltd	325198	0.79	325198	0.79
5.	Sharekhan Financial Services Pvt. Ltd.	251021	0.61	251021	0.61
6.	Fruition Venture Limited	-	-	225000	0.55
7.	Jatalia Finance Company Limited	-	-	201309	0.49
8.	Panchkula Finvest Pvt. Limited	118660	0.29	191160	0.47
9.	Atluru Vijay Kumar	-	-	166980	0.41
10.	IL And FS Securities Services Ltd.	28000	0.07	157073	0.38

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Shareholding of Key Managerial Personnel :				
	Mr. S.R. Mehta (Director)				
	At the beginning of the year	233600	0.57	233600	0.57
	Change during the year	Nil	Nil	Nil	Nil
	At the end of the year	233600	0.57	233600	0.57
2.	Mr. N.R. Munjal (Director & KMP)				
	At the beginning of the year	650454	1.59	650454	1.59
	Change during the year	Nil	Nil	Nil	Nil
	At the end of the year	650454	1.59	650454	1.59

Annexure to Directors' Report (Contd.)

3.	Mr. Himanshu Jain (Director & KMP) At the beginning of the year Change during the year At the end of the year	406961 Nil 406961	0.99 Nil 0.99	406961 Nil 406961	0.99 Nil 0.99
4.	Mr. Rishav Mehta (Director & KMP) At the beginning of the year Change during the year At the end of the year	454545 Nil 454545	1.11 Nil 1.11	454545 Nil 454545	1.11 Nil 1.11
5.	Dr. G. Munjal (Director) At the beginning of the year Change during the year At the end of the year	60900 Nil 60900	0.15 Nil 0.15	60900 Nil 60900	0.15 Nil 0.15
6.	Dr. V.R. Mehta (Director) At the beginning of the year Change during the year At the end of the year	52900 Nil 52900	0.13 Nil 0.13	52900 Nil 52900	0.13 Nil 0.13
7.	Dr. J.K. Kakkar (Director) At the beginning of the year Change during the year At the end of the year	5000 Nil 5000	0.01 Nil 0.01	5000 Nil 5000	0.01 Nil 0.01
8.	Mr. K.M.S. Nambiar (Director) At the beginning of the year Change during the year At the end of the year	5000 Nil 5000	0.01 Nil 0.01	5000 Nil 5000	0.01 Nil 0.01
9.	Mr. Pardeep Kumar (Director) At the beginning of the year Change during the year At the end of the year	5000 Nil 5000	0.01 Nil 0.01	5000 Nil 5000	0.01 Nil 0.01
10.	Mr. N.K.Bansal (KMP) At the beginning of the year Change during the year At the end of the year	15000 Nil 15000	0.04 Nil 0.04	15000 Nil 15000	0.04 Nil 0.04
11.	Mr. Pardeep Verma (KMP) At the beginning of the year Change during the year At the end of the year	24175 Nil 24175	0.06 Nil 0.06	24175 Nil 24175	0.06 Nil 0.06

Annexure to Directors' Report (Contd.)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for Payment

	Secured loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	12418470124	0	823323948	13241794072
(ii) Interest due but not paid	736113871	0	220537726	956651597
(iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	13154583995		1043861674	14198445669
Change in Indebtedness during the financial year				
* Addition				
(i) Principal Amount	1648397172	188258533	0	1836655705
(ii) Interest due but not paid	461163048	0	65911283	527074331
* Reduction				
(i) Principal Amount	1125638348	0	152929168	1278567516
(ii) Interest due but not paid	142416005	0	8851395	151267400
Net Change	522758824 318747043		152929168 57059888	558088189 375806931
Indebtedness at the end of the financial year				
(i) Principal Amount	12941228950	188258533	670394780	13799882263
ii) Interest due but not paid	1054860914	0	0	1054860914
(iii) Interest accrued but not due	0	0	277597614	277597614
Total (i + ii+ iii)	13996089864	188258533	947992394	15132340791

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		N.R. MUNJAL	Himanshu Jain	Rishav Mehta	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	17987760	17987760	4787760	40763280
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income taxAct, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	Others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	17987760	17987760	4787760	40763280
	Ceiling as per the Act	-	-	-	-

Annexure to Directors' Report (Contd.)

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		J.K. Kakkar	K.M.S. Nambiar	Pradeep Kumar	Preetika Chaubey	Prabhat Khurana	A.K. Vig	S.V. Singh	
1.	Independent Directors								
	· Fee for attending board/ committee meetings	72500	67500	65000	10000	27500	35000	-	278500
	Commission	-	-	-	-	-	-	-	-
	· Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	72500	67500	65000	10000	27500	35000	-	278500
2.	Other Non-Executive Directors								
	· Fee for attending board / committee meetings	-	-	-	-	-	-	47500	47500
	· Commission	-	-	-	-	-	-	-	-
	· Others, please specify	-	-	-	-	-	-	-	-
	Total (2)							47500	47500
	Total (B)=(1+2)	72500	67500	65000	10000	27500	35000	47500	325000
	Total Managerial Remuneration (A+B)								41088280
	Overall Ceiling as per the Act	100000 per meeting	100000 per meeting	100000 per meeting	100000 per meeting	100000 per meeting	100000 per meeting	100000 per meeting	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	1737373	16292531	18029904
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	1737373	16292531	18029904

Annexure to Directors' Report (Contd.)

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

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

Annexure 7

FORM AOC-2

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

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

- No contracts or arrangements or transactions were entered into by the Company with related parties during the year ended March 31, 2016, which were not at arm's length basis.
- Details of contracts or arrangements or transactions at Arm's length basis:

Sl. No	Particulars	Details				
a)	Name (s) of the related party and nature of relationship	Ind Swift Ltd. (Group Co.)	Essix Bio-Sciences Ltd. (Group Co.)	Halecyon Life Sciences Ltd. (Group Co.)	Hakim Farayand Chemi Co. (Iran) (Group Co.)	Fortune (India) Constructions Ltd. (Group Co.)
b)	Nature of contracts / arrangements/transaction	Purchase & Sale- Goods	Purchase & Sale- Goods	Purchase & Sale- Goods	Sale- Goods	Purchase- Capital Goods
c)	Duration of the contracts/ arrangements / transaction	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
d)	Salient terms of the contracts or arrangements or transaction	Based on transfer pricing guidelines. Rs.61,717,938	Based on transfer pricing guidelines. Rs.499,724,071	Based on transfer pricing guidelines. Rs.12,676,940	Based on transfer pricing guidelines. Rs.20,650,000	Based on transfer pricing guidelines. Rs. 30,387,645
e)	Date of approval by the Audit Committee/Board	07-08-2015	07-08-2015	07-08-2015	07-08-2015	07-08-2015
f)	Amount paid as advances, if any (Rs. In lakhs)	199,900,080	118,060,651	374,330,413	-	535,651,453

On behalf of the Board of Directors

Place : Chandigarh
Date : 11th August, 2016

S.R. Mehta
Non-Executive Chairman

Report on Corporate Governance

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 SEBI (LODR) Regulations, 2015.

BOARD OF DIRECTORS

The Board of Directors along with its Committees provides leadership and guidance to the company's management and directs, supervises and controls the performance of the company. The composition of the Board of Directors is governed by the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Articles of Association of the company. The Board of Directors has an optimum combination of executive and non-executive directors and presently comprises of **13** Directors, out of which **10** are non-executive Directors. The Company has a non-executive promoter Chairman and **6** Independent Directors and one nominee, thus complying with the Corporate Governance Regulations as to the composition of the Board as on **31st March, 2016**.

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 20 companies.

The Board of the Company met 6 times during the financial year on the following dates :

16.05.2015	19.06.2015	08.08.2015
09.10.2015	24.10.2015	10.02.2016

The maximum time gap between any 2 consecutive meetings did not exceed One Hundred and Twenty days.

Report on Corporate Governance (Contd.)

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

Name of Director	Category	FY 2015-16 Attendance		No. of Directorship(s)/Membership(s)/Chairmanship(s) held in other companies	Committees		Share-holding
		BM	Last AGM 30.9.15		No. of D'ship#	Member	
Mr. S.R. Mehta*	Non Executive Chairman, Promoter	4	Yes	4	1	Nil	233600
Mr. N.R. Munjal	Vice-Chairman cum Managing Director, Promoter	6	Yes	3	2	Nil	650454
Mr. Himanshu Jain	Jt. Managing Director, Promoter	6	Yes	4	2	Nil	406961
Mr. Rishav Mehta*	Executive Director, Promoter	6	Yes	2	Nil	Nil	454545
Dr. G. Munjal	Non Executive Director, Promoter	5	Yes	4	2	1	60900
Dr. V.R. Mehta	Non Executive Director, Promoter	3	Yes	3	2	Nil	52900
Mr. K.M.S. Nambiar	Independent Director	5	Yes	Nil	Nil	Nil	5000
Dr. J.K. Kakkar	Independent Director	6	Yes	Nil	Nil	Nil	5000
Mr. Pradeep Kumar	Independent Director	6	Yes	2	7	2	5000
Mr. S.V. Singh	Nominee Director (SBI)	4	Yes	Nil	Nil	Nil	Nil
Dr. Ashwani Kumar Vig	Independent Director	6	Yes	Nil	Nil	Nil	Nil
Mr. Prabhat Khurana^	Independent Director	5	Yes	Nil	Nil	Nil	Nil
Ms. Preetika S. Chaubey^^	Independent Director	2	Yes	Nil	Nil	Nil	Nil

excludes private limited companies.

* Mr. S.R.Mehta, (DIN No. 00005668) and Mr. Rishav Mehta, (DIN: 03028663) are liable to retire by rotation and being eligible, have offered themselves for re-appointment. A brief resume of both these Directors along with particulars of re-appointment forms part of the notice of 21st Annual General Meeting of the Company.

^ Mr. Prabhat Khurana has been re-appointed by the Board of Directors as Independent Director for a term of five years w.e.f. 25.03.2016.

^^ Ms. Preetika S. Chaubey ceased to be a Director w.e.f. 11.08.2016 due to Resignation.

MAXIMUM TENURE OF INDEPENDENT DIRECTORS

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

The tenure of Sh. Prabhat Khurana expired on 24.03.2016 and he was re-appointed by the Board for a further period of five years. His appointment is being proposed for approval of shareholders in the ensuing AGM. His tenure shall be for a period of Five years with effect from 25.03.2016.

FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS

In accordance with Regulation 25 of the SEBI (LODR) Regulations, 2015 the Company has issued formal letters of appointment to all the Independent Directors.

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

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The Board of Directors upon recommendation of Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors.

In compliance with Regulation 25 of the SEBI (LODR) Regulations, 2015, the performance evaluation of all the Independent Directors has been done by the entire Board, excluding the Director being evaluated.

On the basis of the performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever their respective term expires.

Report on Corporate Governance (Contd.)

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

The Independent Directors of the Company met separately on 10th February, 2016 without the presence of Non-Independent Directors and the members of management. The meeting was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company. In accordance with the SEBI (LODR) Regulations, 2015, following matters were, inter-alia, discussed in the meeting:

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

FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS

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

The details regarding the familiarization programme are available on Company's website: www.indswiflabs.com and the web link thereto is: http://indswiflabs.com/pages/Familiarisation_Programme_for_Independent_Directors.pdf

INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information with the Company. All Board meetings are governed by a structured agenda which is backed by comprehensive background information.

The following information is regularly provided to the Board, prior to the Board meetings.

- Annual operating plans and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Annual and Quarterly financial results for the Company and its operating divisions and business segments.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property and any other acquisition.
- Significant labour problems and their proposed solutions. Any significant development on Human Resources / Industrial Relations front, like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders' service, such as non-payment of dividend, delay in share transfer, etc.

POST MEETING FOLLOW UP SYSTEM

The Company has an effective post Board Meeting follow up procedure. Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board. The Board has established procedures to periodically review compliance report of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliance.

Report on Corporate Governance (Contd.)

ROLES AND RESPONSIBILITIES OF BOARD MEMBERS

The duties of Board members as Directors have been enumerated in Section 166 of the Companies Act, 2013 and Regulation 4(2)(f) of SEBI (LODR) Regulations, 2015 and additionally as Independent Directors as mentioned in Schedule IV of the said Act. There is a clear demarcation of responsibility and authority amongst the Board Members.

COMMITTEES OF THE BOARD

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

(a) AUDIT COMMITTEE

The terms of reference of Audit Committee have been adopted in line with the provisions of Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. There was no change in the composition of the Committee during the year.

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

I. Constitution of the Committee

The Audit Committee presently comprises of five members:

Name	Designation	Category
Mr. K.M.S. Nambiar	Chairman	Non-Executive, Independent
Dr. J.K. Kakkar	Member	Non-Executive, Independent
Mr. S.V. Singh	Member	Nominee Director (SBI)
Mr. Pradeep Kumar	Member	Non-Executive, Independent
Mr. N.R. Munjal	Member	Executive, Promoter
Mr. Prabhat Khurana*	Member	Non-Executive, Independent

* Nominated w.e.f. 11.08.2016

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

The Audit Committee meetings are also 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.

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

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

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

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

Report on Corporate Governance (Contd.)

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

Report on Corporate Governance (Contd.)

2. In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, SEBI (LODR) Regulations or any other applicable law.
3. The Committee shall have full access to information contained in the records of the Company and can seek information from any employee of the Company. The Committee may access external professional and legal advise, if so required in discharge of its functions.
4. The Audit Committee may make recommendations to the Board on any matter within its purview, by passing appropriate resolutions in its meetings.”

III. Meetings held and Attendance

The Audit Committee met 4 times during the financial year 2015-16, on the following dates : -

15.05.2015	07.08.2015
24.10.2015	10.02.2016

The attendance of each member of the Committee is as below: -

Name	Committee Meetings	
	Held during tenure	Attended
Mr. K.M.S Nambiar	4	4
Dr. J.K Kakkar	4	4
Mr. S.V. Singh	4	4
Mr. Pradeep Kumar	4	4
Mr. N.R.Munjal	4	4
Mr. Prabhat Khurana	Nil	Nil

(b) NOMINATION AND REMUNERATION COMMITTEE

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

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

I. CONSTITUTION OF THE COMMITTEE

The Nomination and Remuneration Committee presently comprises four members : -

Name	Designation	Category
Mr. Pradeep Kumar	Chairman	Non-Executive, Independent
Mr. K.M.S. Nambiar	Member	Non-Executive, Independent
Dr. J.K. Kakkar	Member	Non-Executive, Independent
Mr. S.V. Singh	Member	Nominee Director (SBI)

II. TERMS OF REFERENCE

The terms of reference of this Committee is as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

Report on Corporate Governance (Contd.)

5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. The Chairman of the nomination and remuneration committee could be present at the Annual General Meeting, to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.
7. To undertake related activities, functions and duties as the Board of Directors may from time to time, after deliberations, prescribe or as may be required to be undertaken in terms of any statutory or regulatory provisions including Companies Act, 2013 and rules made thereunder and Listing Agreement with stock exchanges.
8. To make recommendations to the Board on any matter within its purview, by passing appropriate resolutions.

III. MEETINGS HELD AND ATTENDANCE

The Nomination And Remuneration Committee met once during the financial year 2015-16, on 07.08.2015. All the members were present at the meeting.

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 2015-15 is given below:

(Rs. in Lacs)

Director	Designation	Remuneration for the year ended 31st March, 2016			
		Salary *	Contribution to Provident Fund	Perquisites	Total
Mr. N.R. Munjal	Vice-Chairman cum Managing Director	179.87	Nil	Nil	179.87
Mr. Himanshu Jain	Jt. Managing Director	179.87	Nil	Nil	179.87
Mr. Rishav Mehta	Executive Director	47.88	Nil	Nil	47.88

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

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

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

The terms of appointment of whole time directors are governed by resolution of Board of directors/ Shareholders and applicable rules of the company. None of the directors are entitled to severance fees.

Non-Executive Directors

Remuneration to Non-Executive Directors comprises sitting fees only. The sitting fee is paid to the non-Executive Directors as per the provisions of the Companies Act, 2013 and the rules there under.

Sitting fees and other expenses paid in respect of the financial year 2015-16 is given below : -

(Amount in Rs.)

Sr. No.	Director	Designation	Sitting Fees	Other Expenses	Total
1.	Dr. J.K. Kakkar	Independent Director	72500	--	72500
2.	Mr. K.M.S. Nambiar	Independent Director	67500	--	67500
3.	Sh. Pradeep Kumar	Independent Director	65000	--	65000
4.	Dr. A.K. Vig	Independent Director	35000	--	35000
5.	Mr. S.V.Singh	Nominee Director	47500	--	47500
6.	Mr. Prabhat Khurana	Independent Director	27500	--	27500
7.	Ms. Preetika Chaubey	Independent Director	10000	--	10000

Report on Corporate Governance (Contd.)

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE

As per the requirements of Section 178(5) of the Companies Act 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, The details regarding constitution, terms of reference and meetings held/ attendance is as under :-

I. Constitution of the Committee

The Stakeholders Relationship Committee presently comprises four members :-

Name	Designation	Category
Dr. J.K. Kakkar	Chairman	Non-Executive, Independent
Mr. Pradeep Kumar	Member	Non-Executive, Independent
Mr. N.R. Munjal	Member	Executive, Promoter
Mr. S.R. Mehta	Member	Non-Executive, Promoter

II. Terms of Reference

The Stakeholders Relationship Committee reviews and ensures the existence of a proper system for timely resolution of grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet and non receipt of declared dividends. The following terms of reference of the Committee have been aligned to the Companies Act, 2013: –

- 1) To review, consider & resolve complaints received from shareholders security holders and other investors ("stakeholders").
- 2) To review, consider & resolve complaints and other letters received from SEBI, Department of Company Affairs, Stock Exchanges and similar bodies, pertaining to stakeholders.
- 3) To consider, approve or delegate its powers to the officials of the Company or R&T Agent or any other person relating to the following:-
 - a) Transfer and transmission of the securities of the Company
 - b) Consolidation, splitting, renewal & replacement certificates pertaining to securities issued by the Company.
Provided that the new certificate shall be issued only against the surrender of old certificate, which shall be cancelled.
 - c) Dematerialisation & rematerialisation of securities issued by the Company.
- 4) To consider & issue certificates for shares, debentures and other securities issued by the Company and to consider & issue duplicate certificates in lieu of lost, mutilated or destroyed certificates and to authorize officials of the Company or any other person in this matter
- 5) In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, 2013, Listing Agreement with stock exchanges or any other applicable law / regulations from time to time or as may be assigned by the Board of Directors.
- 6) The Committee shall have full access to information contained in the records of the Company and its R&T Agent."

The following table shows the number of complaints received from the shareholders during 2015-16 all of which have been resolved during the year. There was no complaint pending as on 31/03/2016.

Status of Complaints	2015-16
Opening as on 01/04/2015	Nil
Received during the year	3
Resolved during the year	3
Closing as on 31/03/2016	Nil

The company has also received number of complaints from fixed deposits holders regarding repayment of deposits. The Hon'ble Company Law Board vide its order No. CP27/01/2013 dated 30th September, 2013 has granted extension of time in repayment of deposits. Now, the Company is making repayment of interest and Principal amount as due to the fixed deposit holders in terms of the aforesaid order of Hon'ble CLB.

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

Two meetings of the Committee were held during the Financial Year 2015-16. All the members attended both the meetings.

Report on Corporate Governance (Contd.)

(D) COMPENSATION COMMITTEE

The Compensation Committee was constituted in the year 2004 to administer and superintend the implementation of Employee Stock Option Scheme.

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

I. Constitution of the Committee

The Compensation Committee presently comprises three members as per details in the following table: -

Name	Designation	Category
Dr. J.K. Kakkar	Chairman	Non-Executive, Independent
Mr. K.M.S. Nambiar	Member	Non-Executive, Independent
Mr. S.V. Singh	Member	Nominee Director (SBI)

The meeting of the Committee was held on 07.08.2015. All the members were present at the meeting.

II. Terms of Reference

The Compensation Committee formulates the detailed 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.

(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 is 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	6	6
Mr. K.M.S Nambiar	Member	Independent/Non-Executive Director	6	6
Dr. J.K. Kakkar	Member	Independent/Non-Executive Director	6	6
Mr. Himanshu Jain	Member	Executive Director	6	6
Sh. Pradeep Kumar	Member	Independent/Non Executive Director	6	6

(F) RISK MANAGEMENT COMMITTEE

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

Name	Designation	Executive/Non-Executive/ Independent
Dr. J.K. Kakkar	Chairman	Independent/Non-Executive Director
Mr. K.M.S Nambiar	Member	Independent/Non-Executive Director
Dr. Ashwani Kumar Vig	Member	Independent/Non-Executive Director
Mr. N.R Munjal	Member	Executive Director

PREVENTION OF SEXUAL HARASSMENT POLICY

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

Report on Corporate Governance (Contd.)

CODE FOR PREVENTION OF INSIDER - TRADING PRACTICES

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

LEGAL COMPLIANCE REPORTING

The Board of Directors review in detail, on a quarterly basis, the report of compliance with respect to all applicable laws and regulations. The Company has developed a very comprehensive Legal Compliance Manual, which drills down from the Managing Director to the executive-level person (who is primarily responsible for compliance) within the Company. The process of compliance reporting is fully automated. System-based alerts are generated until the user submits the monthly compliance report, with provision for escalation to the higher-ups in the hierarchy. Any noncompliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

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

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

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

Exclusive E-mail Id for Investors : The Company has designated the email id : investor@indswiflabs.com exclusively for investor servicing, and the same is prominently displayed on the Company's website : www.indswiflabs.com.

GENERAL BODY MEETINGS FOR LAST THREE YEARS

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

Financial Year	Category	Venue	Date	Time	Special Resolution
2015-16	EGM	SCO 850, Shivalik Enclave, NAC, Manimajra, Chandigarh	06.11.2015	9.30 A.M.	1
2014-15	20th AGM	PHD Chamber of Commerce & Industry, Sector-31 A, Chandigarh	30.09.2015	2.30 P.M.	3
2013-14	19th AGM	PHD Chamber of Commerce & Industry, Sector-31 A, Chandigarh	30.09.2014	2.30 P.M.	12
2012-13	18th AGM	PHD Chamber of Commerce & Industry, Sector-31 A, Chandigarh	30.09.2013	2.30 P.M.	2

EGM – Extra Ordinary General Meeting **AGM** – Annual General Meeting

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

During the financial year 2015-16 the following mentioned Special Resolutions were passed seeking approval of shareholders :-

- To consider and approve the issue of 16,77,476 Equity Shares of Rs.10/ each at a premium of Rs.45.50/- per share to promoters under Second Tranche in terms of CDR package of the Company.
- To consider and approve the Issue of 4,05,405 equity shares of Rs. 10/- each at a premium of Rs.45.50/- per share to promoters against part receipt of funds under Third tranche in terms of CDR Package.
- To consider and approve Qualified Institutional Placement (QIP)
- To consider and approve the Issue of 11,74,285 equity shares of Rs. 10/- each at a premium of Rs.45.50/- per share to promoters against balance receipt of funds under Third tranche in terms of CDR Package.

Report on Corporate Governance (Contd.)

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 - Financial Express (English) and Jansatta (Hindi). These were also promptly put on the Company's website www.indswiflabs.com. All official news release of relevance to the investors are also made available on the website for a reasonable period of time.

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 Code of Business Conduct and Ethics is posted on the Company's website - www.indswiflabs.com.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

- Date : 30/09/2016
- Time : 10:30 A.M.
- Venue : PHD Chamber of Commerce and Industry,
PHD House, Sector 31A, Chandigarh 160031

Financial Calendar

Financial reporting for the financial year 2015-16 for

- Quarter ending June 30, 2016 : Already adopted on 8th August, 2016
- Quarter ending September 30, 2016 : By 14th November, 2016
- Quarter ending December 31, 2016 : By 14th February, 2017
- Financial Year ending March 31, 2017- Audited Results : By 30th May 2017 (As Audited Results will be considered)
- Annual General Meeting for the year ending March 31, 2017 : By 30th September 2017

Date of Book Closure

The Company's Register of Members and Share Transfer Books will remain closed from 22nd September, 2016 to 30th September, 2016 (both days inclusive).

Dividend

In view of the financial losses, no dividend has been proposed for the Year ended 31st March, 2016.

Dates of Transfer of Unclaimed Dividend

Pursuant to Section 205A of the Companies Act, 1956, unclaimed dividend for the financial year 2007-08 has been transferred to Investor Education and Protection Fund (IEPF) established by the Central Government. The dividends for following years, which remain unclaimed for seven years from the date is lying in the unpaid dividend account, will be transferred to IEPF in accordance with the schedule given below. Shareholders who have not encashed their dividend warrants relating to the dividends specified below are requested to immediately send their request for issue of duplicate warrants. The details of unclaimed dividends up to the financial year ended 31.03.2011 are also available on the website of the Company www.indswiflabs.com. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

Dividend declared in the past

Financial Year	Type of Dividend	Dividend Rate (%)	Date of declaration	Due date for transfer to IEPF
2008-09	Final	10	24/09/2009	30/11/2016
2009-10	Final	10	22/09/2010	28/11/2017
2010-11	Final	10	26/09/2011	02/12/2018

Report on Corporate Governance (Contd.)

Listing of Equity Shares on Stock Exchanges

The Company's shares are listed at The Stock Exchange, Mumbai (BSE) and The National Stock Exchange of India Limited (NSE). The Annual Listing Fee of both the exchanges has been paid up to date.

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 2015-16 at BSE & NSE

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Volume	High (Rs.)	Low (Rs.)	Volume
April 2015	39.65	31.5	3554514	39.80	31.50	4870374
May 2015	38.90	33	3932750	37.95	31.50	4518539
June 2015	36.70	28.1	4974970	37.00	28.05	5426332
July 2015	36.50	32.75	3747788	36.50	32.70	4916069
August 2015	44.80	26.05	3156407	44.75	25.60	4825769
September 2015	31.00	25.9	1698021	30.50	25.75	2315360
October 2015	38.90	26.15	3320790	38.90	26.10	4941741
November 2015	35.70	26	1837265	35.25	26.25	3017235
December 2015	37.80	30.55	1807631	37.80	30.40	3690278
January 2016	56.20	34.15	4486471	56.20	34.05	10239317
February 2016	45.65	34.85	897039	45.60	35.00	1742331
March 2016	53.00	35.7	1399410	52.80	35.3	2382126

(Source: www.bseindia.com)

(Source: www.nseindia.com)

REGISTRAR AND SHARE TRANSFER AGENT

Transfer Agent for physical transfer and Demat of Shares:

M/s Alankit Assignments Ltd.

205-208, Anarkali Market,
Jhandewalan Extension, New Delhi-110 055
Tel:- +91-11-42541965, 42541953
Fax:- +91-11-41540064
E-mail: info@alankit.com
Website: www.alankit.com

Share Transfer System

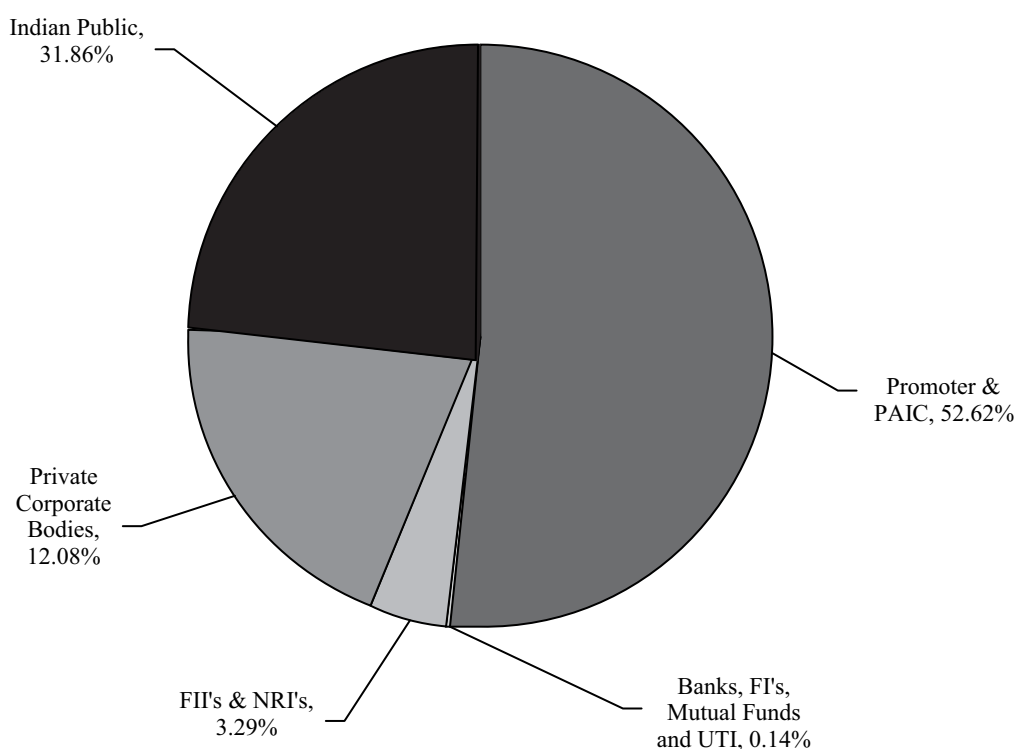
Equity shares of the Company traded in dematerialised form are transferred through the depository system. Share transfers in physical form are processed by the Investors Services Department of the Company and placed before the Share Transfer Committee for its approval.

Report on Corporate Governance (Contd.)

Distribution of Equity Shareholding as on March 31, 2016.

Category	No. of Shares Held	%age of Shareholding
Promoters & PAIC	2,15,56,851	52.625
Banks, FI's, Mutual Funds and UTI	58,273	0.14
FII's & NRI's	13,46,695	3.29
Private Corporate Bodies	49,49,585	12.08
Indian Public	1,30,51,791	31.86
Total	4,09,63,195	100.00

Shareholding Pattern as on 31.03.2016



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	16171	82.33	25914760	6.33
5001 to 10,000	1731	8.81	14483470	3.54
10,001 to 20,000	776	3.95	12032860	2.94
20,001 to 30,000	284	1.45	7346700	1.79
30,001 to 40,000	125	0.64	4641540	1.33
40,000 to 50,000	134	0.68	6297790	1.54
50,001 to 1,00,000	179	0.91	13062510	3.19
1,00,001 to Above	242	1.23	325852320	79.54
Total	19642	100.00	409631950	100.00

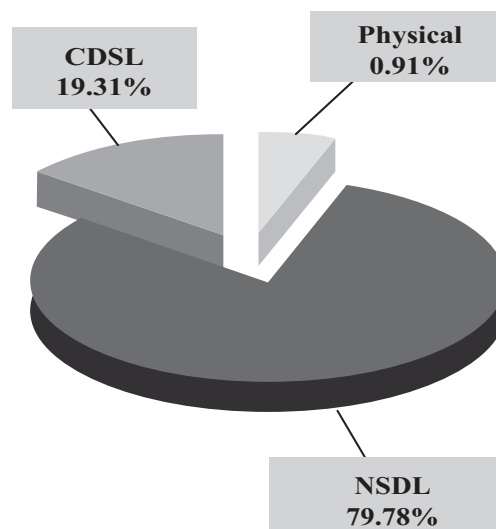
Report on Corporate Governance (Contd.)

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 2016**, 40591784 equity shares of the company, forming 99.09% of the share capital of the company, stand dematerialized.

Mode of Shares	Number of Shares	%
Physical	371411	0.91
NSDL	32681892	79.78
CDSL	7909892	19.31
Total	40963195	100.00

Shares held on Physical Form and Dematerialized Form as on 31.03.2016



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 31/03/2016, **23,500** GDR's were outstanding.

Optionally Convertible Warrants

There are no Outstanding Warrants for Conversion.

Reconciliation of Share Capital Audit

Pursuant to the provisions of 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 from tally with the issued and paid-up capital of the Company, the Registrar of Members is duly updated and demat requests are confirmed within stipulated time etc.

Registered Office

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

Report on Corporate Governance (Contd.)

Plant Locations

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

Research and Development Facility

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

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@indswiflabs.com

OTHER DISCLOSURES

Related Party Transactions

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

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

http://www.indswiflabs.com/pages/Related_Party_Transactions_Policy_Procedures.pdf

Compliances by the Company

During the **last three years**, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on matters related to capital markets.

Whistle-Blower Policy / Vigil Mechanism

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

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

The above mechanism has been appropriately communicated within the Company across all levels as well as on the Company's website: www.indswiflabs.com at the web link: www.indswiflabs.com/pages/Whistle_Blower_Policy.pdf

Subsidiary Companies

The Company monitors performance of its subsidiary companies, inter-alia, by the following means:

- i. The Audit Committee reviews financial statements of the subsidiary companies, along with investments made by them.
- ii. The Board of Directors reviews all the significant transactions and arrangements, if any, of subsidiary companies. The Company has formulated a policy for determining its 'Material' Subsidiaries.

Report on Corporate Governance (Contd.)

Ind-Swift Laboratories Limited does not have a material non-listed Indian subsidiary. [As per Regulation 24 of SEBI (LODR) Regulations, 2015 a "material non-listed Indian subsidiary" shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

The Company has formulated a policy regarding determination of 'Material' Subsidiaries and the same is available on the website of the Company www.indswiftlabs.com. The weblink for the same is given below:

http://www.indswiftlabs.com/pages/Policy_for_determining_Material_Subsidiaries.pdf

Mandatory & Non-Mandatory Clauses

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

Risk Management

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

CERTIFICATION BY CHIEF EXECUTIVE OFFICER OF THE COMPANY

I declare that all Board Members and Senior Management have affirmed compliance with the code of conduct for the financial year 2015-16.

Place : Chandigarh
Date : 11.08.2016

N.R. Munjal
Vice-Chairman-cum-Managing Director

Independent Auditors' Report

The Members,
Ind-Swift Laboratories Limited,
 Chandigarh

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Ind-Swift Laboratories Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, its loss, and its cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following matters in the Notes to the standalone financial statements:

- a) The Provisions of the Companies Act, 1956 (Further amended to Companies act 2013), where the company has got its fixed Deposit Scheme restructured vide order No. C.P 27/01/2013, dated 30.09.2013 of Company Law Board. The Company has been granted extension of time of repayment of those deposits. Few of the FD holders have however approached the courts for the repayment of their Fixed Deposits (Refer Note. No.IV of Financial Statements).
- b) Refer Note No. III of Financial Statements in regard to Following:
 - Four members of the CDR banks and one member of the Non CDR banks have transferred their entire Loan Portfolio to their respective Assets Reconstruction Companies.
 - Four members of CDR banks and one member of Non CDR banks/Financial Institution have declared the accounts of the company as NPA.
- c) Regarding payment of Managerial Remuneration of Rs.407.63 Lacs for the financial year ended march 2016, which is in excess of the limits specified by the relevant provisions of the Companies Act, 2013, by Rs.120.00Lacs. The company has filled necessary application to Central Government which is pending approval as on date. Pending the ultimate outcome of the abovesaidmatter which is presently unascertainable, no adjustments have been recorded in the statement(Refer Note No.XIV of Financial Statements).
- d) Regarding decrease in Revaluation Reserve by Rs. 18.78 Crores on account of Revaluation of Land of Derabassi unit during the year (Refer Note No.V of Financial Statements).

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the

Independent Auditors' Report (Contd.)

"Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it 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 aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the

operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note XVIII to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

(S.C. Pathak)
Partner

Place: Chandigarh
Date: 25.05.2016

Membership No. 010194

Annexure-A to the Auditors' Report

[Re: M/s Ind-Swift Laboratories Limited ('the Company')]

- I. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to information and explanations given by the management, the company has a system of physical verification of all its fixed assets over a period of four years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company. Except in case of the following immovable properties where the title deeds are not in the name of the company:

In case of land :

No. of cases	Leasehold/ Freehold	Gross Block as at 31st March, 2016	Net Block as at 31st March, 2016	Remarks
2	Freehold	Rs. 13.78 Crores	Rs. 13.78 Crores	The cost of land amounting to Rs. 13.78 Crores includes the following : <ul style="list-style-type: none"> • land measuring 29 kanals & 3 Marlas amounting to Rs. 9.75 crores was purchased on Power of Attorney from Fortune (India) constructions Ltd. • land measuring 20 kanals & 17 Marlas amounting to Rs. 4.03 crores was purchased on Power of Attorney from Essix Biosciences Limited
1	Leasehold	Rs.1.71 Crores	Rs.1.53 Crores	Lease hold land Jammu Plant, Samba

- II. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
- III. The Company has not granted loans to any parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- IV. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- V. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 73 to 76 of the Companies Act, 2013 and the rules framed thereunder and the directives issued by The Reserve Bank of India with regards to the deposits accepted from the public except the company has not maintained the liquid assets (i.e.) 15% of deposits maturing during a financial year and financial year next following (as a statutory requirement under the companies (acceptance of deposits) Rules 2014). Further the company has got its Fixed Deposits scheme restructured vide order no C.P 27/01/2013 dated 30.09.2013 through Company Law Board. Accordingly the company is maintaining Liquid Assets equal to 15% of repayment schedule of deposits as per CLB order.
- VI. The Company is required to maintain cost records under section 148(1) of the Companies Act, 2013, for the products of the company and according to the information and explanations given to us, we are of the opinion that prima facie, the specified accounts and records have been made and maintained.
- VII. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Annexure-A to the Auditors' Report

- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, , service tax, duty of custom, duty of excise ,value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act,1961	Demand Amount as per Order	11.09	AY 2009-10	CIT(A)
Income Tax Act,1961	Demand Amount as per Order	24.65	AY 2010-11	CIT(A)
Income Tax Act,1961	Demand Amount as per Order	37.00	AY 2011-12	CIT(A)
The Punjab Vat Act,2005	Sale tax,Penalty& Interest	31.94	April 2006 to March 2007	Supreme Court
Jammu Vat Act	Sale tax,Penalty& Interest	4.16	April 2012 to March 2013	ETC (Appeal)
The Custom Act, 1962	Differential CD	23.06	2012-13	CESTAT, Ahemdabad
The Central Excise Act, 1944	Penalty under Excise Rules	8.10	2009-10	CESTAT, Chandigarh
The Central Excise Act, 1944	Interest & Penalty under Excise Rules	4.70	2007-08	CESTAT, Chandigarh
The Central Excise Act, 1944	Disallowed Self Credit Refund	6.00	2005-10	CESTAT, Chandigarh

VIII. In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to the financial institution, bank or debenture holders. The details of such default are as follows:

Particulars	Amount of default as at 31st March, 2016	Period of default	Remarks, if any
i) Name of the lenders in case of:			
Financial Institution:			
1. DEG	2009.32	More than 1 year	—
2. Technology Development Board	334.00	More than 2 year	—
3. IFCI Limited	159.40	N.A	Entire Loan Portfolio transferred to ARC. Hence period of default N.A.
4. Mahindra & Mahindra Finance Services Ltd.	2450.00	More than 2 year	—
Banks:			
1. State Bank Of India	661.68	More than 2 year	—
2. Canara Bank	180.48	More than 2 year	—
3. Central Bank Of India	407.92	N.A	Entire Loan Portfolio transferred to ARC. Hence period of default N.A.
4. State Bank Of Patiala	97.60	1Month	—
5. Exim Bank	375.29	2 Years	—
6. State Bank Of Hyderabad	295.52	N.A	Entire Loan Portfolio transferred to ARC. Hence period of default N.A.
7. SIDBI	63.00	More than 1 Year	—
8. Bank Of Baroda	3979.97	1 Year	—

Annexure-A to the Auditors' Report

9. Allahabad Bank	194.08	N.A	Entire Loan Portfolio transferred to ARC. Hence period of default N.A.
10. Catholic Syrian Bank	1304.88	N.A	Entire Loan Portfolio transferred to ARC. Hence period of default N.A.
11. State Bank Of Travancore	471.63	N.A	Entire Loan Portfolio transferred to ARC. Hence period of default N.A.

- IX. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- X. According to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- XI. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/ provided the following amounts for managerial remuneration which is in excess of the amount as mandated under section 197 read with Schedule V to the Act.

Payment made to : Director/ WTD/ MD/ Manager	Amount paid/ provided in excess of the limits prescribed	Amount due for recovery as at 31st March, 2016	Steps taken to secure the recovery of the amount	Remarks, if any
407.63 Lacs	120.00 Lacs	Nil	The company has applied to the Central Government for the requisite approval.	Approval is still pending as on 31.03.2016.

- XII. In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- XV. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- XVI. The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

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

(S.C. Pathak)
Partner

Membership No. 010194

Place: Chandigarh
Date: 25.05.2016

Annexure-B to the Auditors' Report

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

To The Members of **Ind-Swift Laboratories Limited**, Chandigarh

Report on the Financial Statements

We have audited the internal financial controls over financial reporting of Ind-Swift Laboratories Limited("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For JAIN & ASSOCIATES

Chartered Accountants
(Regd No.: 001361N)

(S.C. Pathak)

Partner

Membership No. 010194

Place: Chandigarh

Date: 25.05.2016

Balance Sheet as at 31st March 2016

(Rs. in Lacs)

Particulars	Note No.	As at	
		31.03.2016	31.03.2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
a) Share Capital	I	4168.22	4168.22
b) Reserves & Surplus	II	47300.54	55067.25
(2) Share Application money pending Allotment			
(3) Non-current liabilities			
(a) Long-term borrowings	III	74632.82	81613.83
(4) Current Liabilities	IV		
(a) Short term Borrowings		50365.69	45004.70
(b) Trade Payables		12945.07	12973.83
(c) Other current liabilities		31608.87	24999.36
Total		221021.21	223827.19
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	V		
(i) Tangible Assets		87969.48	88371.29
(ii) Intangible Assets		21575.98	23066.81
(iii) Capital work in Progress (Tangible)		6588.12	9340.52
(iv) Capital work in Progress (Intangible)		1258.48	1942.98
(v) Assets held for disposal		306.25	222.26
Net Block		117698.31	122943.86
(b) Non-Current investment	VI	2637.66	2633.16
(c) Deferred Tax Assets (Net)	VII	2908.57	481.06
(d) Long-term loans & advances	VIII	6892.13	7197.17
(2) Current assets	IX		
(a) Inventories		35601.73	34830.69
(b) Trade receivables		35881.93	37490.01
(c) Cash and cash equivalents		2142.88	1847.73
(d) Short-term loans and advances		17257.99	16403.52
Total		221021.21	223827.19
Significant Accounting Policies	XLIII		
The accompanying notes form an integral part of the standalone financial statements.			

As per our separate report of even date

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

S.C. Pathak
Partner
Membership .No. 10194

Date: 25.05.2016
Place: Chandigarh

N.R. Munjal
Vice-Chairman-cum-
Managing Director
DIN : 00015096

Rishav Mehta
Executive Director
DIN : 03028663

N.K. Bansal
Chief Financial Officer

Himanshu Jain
Joint Managing Director
DIN : 00014533

K.M.S. Nambiar
Chairman - Audit Committee
DIN : 00010670

Pardeep Verma
GM - Corporate Affairs &
Company Secretary

Statement of Profit and Loss for the year ended 31st March 2016

(Rs. in Lacs)

Particulars	Note No.	As at	
		31.03.2016	31.03.2015
Revenue from Operation	X	63874.40	64573.67
Other Income	XI	1418.47	2225.40
Total Revenue		65,292.86	66799.06
Expenses			
Cost of Materials Consumed	XII	33753.87	33869.61
Purchase of Stock In Trade		582.63	4568.89
Change in Inventories of FG/WIP/Stock in trade	XIII	91.08	1409.13
Employee benefits expense	XIV	6482.41	5228.63
Financial Cost	XV	10640.78	11728.66
Depreciation & amortisation expenses	XVI	8474.88	8429.01
Other Expenses	XVII	12122.69	10614.52
Total		72148.32	75848.45
Profit/ (Loss) before exceptional & extraordinary items & Tax		(6855.46)	(9049.39)
Exceptional items			
Previous Year Loss / (Income)		(41.12)	(12.83)
Previous Year Expenses		94.01	173.03
Exceptional Item (Refer Note No. XXVIII)		1405.26	5118.95
Profit/ (Loss) before extraordinary items and Tax			
Extra ordinary Items:			
Reversal of Previous year Income/(Expenses)		-	-
Profit/ (Loss) before Tax		(8313.62)	(14328.54)
Tax Expenses:			
Provision for Income Tax		-	-
Income Tax Adjustment of Previous Years		0.00	(34.81)
Mat Credit Entitlement		-	-
Deferred Tax Liability/(Assets)		(2,427.51)	(2377.40)
Profit / (Loss) for the period from continuing Operation		(5886.11)	(11916.34)
Earnings per equity share:			
(1) Basic		(14.37)	(29.09)
(2) Diluted		(14.37)	(29.09)
Significant Accounting Policies	XLIII		

The accompanying notes form an integral part of the standalone financial statements.

As per our separate report of even date

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

S.C. Pathak
Partner
Membership .No. 10194

Date: 25.05.2016
Place: Chandigarh

N.R. Munjal
Vice-Chairman-cum-
Managing Director
DIN : 00015096

Rishav Mehta
Executive Director
DIN : 03028663

N.K. Bansal
Chief Financial Officer

Himanshu Jain
Joint Managing Director
DIN : 00014533

K.M.S. Nambiar
Chairman - Audit Committee
DIN : 00010670

Pardeep Verma
GM - Corporate Affairs &
Company Secretary

Cash Flow Statement for the year ended 31st March 2016

(Rs. in Lacs)

Particulars	{	
	As at 31.03.2016	As at 31.03.2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extra-Ordinary Items	(6855.46)	(9049.39)
ADJUSTMENTS FOR:		
i) Depreciation	8474.88	8429.01
(ii) Exchange (profit)/loss	47.97	182.51
(iii) Reversal of previous year items	(52.90)	(160.20)
(iv) Interest on term loans & FD	5915.16	6565.97
(v) Interest received	(71.09)	(355.55)
(vi) Provision for doubtful debts	1853.04	0.00
(vii) Loss on sale of fixed assets	(172.06)	7.86
(viii) Income tax adjustment of previous years	0.00	34.81
(ix) Amortisation of Subsidy	(2.53)	(2.53)
(x) Gain/ Loss on sale of investment	0.00	0.00
(xi) Provision for interest on CC	2659.46	2289.13
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	11796.47	7941.62
ADJUSTMENTS FOR:		
i) Trade & Other Receivables	(1860.09)	579.63
ii) Inventories	(771.05)	2872.18
iii) Loan & advances	(549.44)	(1010.69)
iv) Current Liabilities	(2990.93)	(4672.20)
v) Working Capital Borrowing	2418.90	4622.00
vi) Income taxes (Including Advance Tax/TDS)	0.00	(340.96)
	(3752.60)	2049.96
Net Cash flow from operating Activities	8043.87	9991.58
B. CASH FLOW FROM INVESTING ACTIVITIES		
i) Purchase of fixed Assets Tangible	(2564.09)	(2771.75)
ii) Purchase of fixed Assets Intangible	(996.56)	(1255.04)
iii) Sale of fixed assets	537.73	20.70
iii) (Purchase) / Sale of Investments	(4.50)	(13.70)
iv) Interest Received	71.09	355.55
Net Cash flow from investing activities	(2956.33)	(3664.23)

Cash Flow Statement (Contd.)

(Rs. in Lacs)

Particulars	{	
	As at 31.03.2016	As at 31.03.2015
C. CASH FLOW FROM FINANCING ACTIVITIES		
i) Repayment of Term Loans to Banks & Financial Institutions & FD	(3739.05)	(3734.03)
ii) Interest paid on Term Loans & FD	(1705.08)	(2862.77)
iii) Promoter's Contribution	651.73	225.00
iv) Proceeds from Term Loans From Banks & Financial Institutions	0.00	0.00
Net Cash flow from Financing Activities	(4792.40)	(6371.80)
	295.15	(44.45)
Net increase in Cash or Cash Equivalents	295.15	(44.45)
Opening Cash & Cash Equivalents	1847.73	1892.18
Closing Cash & Cash Equivalents	2142.88	1847.73
Significant Accounting Policies	XLIII	
The accompanying notes form an integral part of the standalone financial statements.		

As per our separate report of even date

For JAIN & ASSOCIATES

 Chartered Accountants
 (Regd.No.001361N)

S.C. Pathak

 Partner
 Membership .No. 10194

 Date: 25.05.2016
 Place: Chandigarh

N.R. Munjal

 Vice-Chairman-cum-
 Managing Director
 DIN : 00015096

Rishav Mehta

 Executive Director
 DIN : 03028663

N.K. Bansal

Chief Financial Officer

Himanshu Jain

 Joint Managing Director
 DIN : 00014533

K.M.S. Nambiar

 Chairman - Audit Committee
 DIN : 00010670

Pardeep Verma

 GM - Corporate Affairs &
 Company Secretary

AUDITOR'S 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 2016 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: 25.05.2016
 Place: Chandigarh

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

(Rs. in Lacs)

Particulars	{ As at 31.03.2016	As at 31.03.2015 }
NOTE NO. I : SHARE CAPITAL		
a) Authorised		
Balance as per Last Balance Sheet:	6000.00	6000.00
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	6000.00	6000.00
b) Issued, Subscribed & Paid Up		
Balance as per Last Balance Sheet:	4096.32	4,096.32
Addition during the year		
Nil (Previous Year NIL) Equity share of Rs. 10/- Each	-	-
4,09,63,195 (Previous Year 4,09,63,195) Equity Shares of Rs.10/-each fully called up and paid up.	4096.32	4,096.32
c) Share Forfeited		
Share Warrants Forfeited Account	63.23	63.23
Equity Share Forfeited Account (175900 shares in the year 2002-03)	8.67	8.67
	71.90	71.90
	4168.22	4168.22
d) List of Shareholders holding more than 5 % shares		
Name	No. of shares	No. of shares
Ind Swift Ltd	9499720 (23.191%)	9499720 (23.191%)
Essix Biosciences Ltd	5491801 (13.407%)	5491801 (13.407%)
e) During the year, Company has made no preferential allotments. Further, Company has not allotted any shares to promoters under CDR scheme.		
NOTE No. II : RESERVES & SURPLUS		
(a) Capital Reserves :		
State Subsidy on DG Set & QC Subsidy		
Opening Balances:-	35.14	37.68
Additions	-	-
Less:- Amortisation during the year	2.53	2.53
	32.61	35.14
Capital Redemption Reserve	0.02	0.02
(b) Securities Premium		
Opening Balance	21422.59	21,422.59
Addition during the year		-
	21422.59	21,422.59
(c) Revaluation Reserve		
Opening balance	31881.15	33,467.16
Addition during the year	(1878.06)	0.00
Less : Depreciation charges on revalued assets trf to General Reserve	1590.35	1,586.00
	28412.75	31,881.15

IND-SWIFT LABORATORIES LIMITED

Particulars	(Rs. in Lacs)	
	As at 31.03.2016	As at 31.03.2015
(d) Employees Stock Option Outstanding	–	1.39
Less : Trf. to Gen reserves	–	1.39
	–	–
(e) General Reserve		
As per Last Balance Sheet	4862.91	3,475.92
Add: Transfer from ESOP	–	1.39
Add: Dep on revalued assets Deducted from Revaluation Reserves	1590.35	1,586.00
Less :- Depreciation adjustment as per New Companies Act, 2013	–	(200.41)
	6453.25	4,862.91
(f) Profit & Loss Account		
As per Last Balance Sheet	(3134.56)	8,781.77
Add: Transfer from Profit & Loss Account	(5886.11)	(11,916.34)
Total Profit (Loss)	(9020.68)	(3,134.56)
Total	47,300.54	55,067.25

NOTE No. III : LONG-TERM BORROWINGS		
Secured Loans		
(a) Non Convertible Debentures	–	16.23
(b) Term Loans		
From Banks	62235.20	65,644.87
From other parties	4449.24	6,641.53
Un Secured Loans:-		
(a) Fixed Deposits	7948.38	9,311.21
Total	74632.82	81,613.83

(a) The Company received Rs. 15.00 crore against 14% Non-convertible Debentures on 28.05.2009 which are redeemable in 13 quarterly installments with effect from February 2010. Principle Balance outstanding as on 31.03.2016 is Rs. 0.00 Crore (Previous Year Rs. 0.16 Crore). Interest Outstanding yet to be settled.

(b) Maturity Profile of Term Loans:

(Rs. in Lacs)

Type of Loan	Rate of Interest	1 Years	2 Years	3 Years	4 Years	5 Year & above
FITL	9.50%	612.37	875.88	875.88	1248.26	3061.28
FITL	9.75%	125.65	177.65	177.65	250.34	588.30
FITL	10.00%	164.72	109.72	113.72	132.77	343.09
CDR	10.45%	953.55	1544.00	1544.00	2196.53	6038.14
CDR	10.50%	465.19	465.01	464.77	658.76	1821.27
CDR	11.50%	225.00	225.00	225.00	318.75	881.25
NON CDR	5.10%	1105.92	1105.55	1105.55	1104.98	0.00
NON CDR	4.02%	3616.77	3166.30	3214.91	804.81	0.00
NON CDR	4.43%	9949.94	498.82	1660.98	1156.85	0.00

NON CDR	5.00%	334.00	0.00	0.00	0.00	0.00
NON CDR	10.50%	717.09	796.01	140.85	0.00	0.00
NON CDR	14.25%	2450.00	0.00	0.00	0.00	0.00
NON CDR	15.00%	3.02	3.53	4.07	0.37	0.00
NON CDR (VEHICLE LOAN)		1.65	0.00	0.00	0.00	0.00
	TOTAL	20724.87	8967.46	9527.37	7872.40	12733.34

In the absence of any formal execution of Balance confirmation agreement with Asset reconstruction companies, the company has considered them as Non current liability.

The same is not being included in the calculation of maturity profile.

Notes :-

A) Bank borrowings for working capital Rs. 469.52 crores (P.Y. Rs. 419.37 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 ranking pari passu charge over the entire current assets on the borrower in favour of " Security trustee 2 " for the benefit of the respective lenders and
- (2) A second ranking pari passu charge over the entire fixed assets (both present and future) of the borrower 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 to the extent of their respective net worth 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 the 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 borrower (50.58% of the fully diluted equity share capital of the borrower as on the effective date), free of all encumbrances , including additional share acquired by the promoters on infusion of equity in the Borrower in accordance with the terms of this Agreements, and the CDR Package in the favour of the "Security Trustee 1" and Security Trustee 2" for the benefit of all respective lenders.

B) (i) Term Loan Rs. 538.36 crores (P.Y. 553.85 crores) from State Bank of India including State Bank of Indore (as now merged with SBI), Edelweiss ARC Ltd. (Central Bank of India, State Bank of Travancore & Allahabad Bank), State Bank of Patiala, Bank of India (including ECB), Canara Bank, Bank of India, Phoenix ARC Private Limited (Catholic Syrian Bank), Export Import Bank of India, IDBI Bank, Nouam Financial Consultants Private Ltd. (ICICI Bank Limited), Asset Reconstruction Company (India) Ltd. (State Bank of Hyderabad), SIDBI FITL are secured by :-

- (1) A first ranking pari passu charge over the entire fixed assets (both present and future) of the borrower by way of an equitable mortgage, in favour of " Security trustee 1 " for the benefit of the respective lenders and
- (2) A second ranking pari passu charge over the entire current assets on the borrower 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 to the extent of their respective net worth 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 the 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 borrower (50.58% of the fully diluted equity share capital of the borrower as on the effective date), free of all encumbrances , including additional share acquired by the promoters on infusion of equity in the Borrower in accordance with the terms of this Agreements, and the CDR Package in hte favour of the "Security Trustee 1" and Security Trustee 2" for the benefit of all respective lenders.

(ii) ECB Rs. 240.69 crores (P.Y. 227.12 Crores) from Bank of Baroda and DEG. Rupee term loan from Edelweiss ARC Ltd.(IFCI) Rs. 15.94 crores (P.Y. Rs. 15.94 crores), L&T Rs. 16.54 crores (P.Y.19.13 crores), M&M Rs. 24.50 (P.Y. 24.50) are secured by first ranking 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 to the extent of their respective net worth.

- (iii) Vehicle loans Rs 0.02 Crores (P.Y. 0.23crores) from HDFC, ICICI and NBFC are secured against hypothecation of the vehicles under the hire purchase agreement.
- (iv) Other term loan & advances Rs. 3.45 crores (P.Y. 4.45 crores) includes ICICI Home Loan in the name of Mr. N.R. Munjal, which is secured against the office premises in Mumbai and another Term loan from Technology Development Board is secured by way of charges on movable fixed assets & personal guarantee of Shri N.R. Munjal.

During the year, Allahabad Bank, Central Bank of India and IFCI have assigned their Loans to Edelweiss ARC Ltd; ICICI Bank has assigned its Loan to Nouam Financial Consultants Private Ltd. and State Bank of Hyderabad has assigned its Loan to Asset Reconstruction Company (India) Ltd. Few of these assignments of Loans has not been registered by the concerned assignees with the ROC.

C) CORPORATE DEBT RESTRUCTURING :-

Detail of Loans transferred to Asset Reconstruction Companies			(Rs. in Lacs)
Name of the Bank	Date of Transfer to ARC	Name of ARC / Financial Institution	Amount transferred to ARC
Catholic Syrian Bank	30.09.2014	Phoenix ARC Pvt Limited	5638.32
State Bank of Travancore	31.03.2015	Edelweiss ARC Limited	6480.90
Central Bank of India	30.03.2016	Edelweiss ARC Limited	6128.76
ICICI Bank	29.06.2015	Nouam Financial Consultants Pvt Ltd.	215.00
Allahabad Bank	31.12.2015	Edelweiss ARC Limited	2774.65
State Bank of Hyderabad	31.03.2016	Asset Reconstruction Co. (India) Ltd.	4436.15
IFCI (Non CDR)	23.03.2016	Edelweiss ARC Limited	2070.14
		Total	27743.91

The above mentioned members of CDR & Non CDR Banks have transferred their entire loan portfolios amounting to Rs. 27743.91 lakhs (P.Y.-Rs.12119.22 Lakhs) to their respective asset reconstruction companies. The balance confirmation in this regard is still awaited.

Detail of CDR Banks & Non CDR Banks / Financial institution who have declared the Accounts of the company as NPA

Name of the Bank	Date of NPA
State Bank of India	31.03.2014
Canara Bank	31.12.2014
Export-Import Bank Of India	30.09.2014
SIDBI	04.11.2012
Mahindra & Mahindra Finance Services Ltd (Non CDR)	30.06.2013

SBI & SIDBI Banks have ceased charging interest in their statement of accounts and accordingly the company has charged provisional interest in the books for the year ended 31st March 2016.

The balance confirmation for DEG Kfin Banken Group (DEG Loan), Bank of Baroda, SIDBI & TDB are unavailable, in the absence of same provisional interest is being booked for the year ended 31st March 2016.

The company has charged total interest amounting to Rs. 2000.90 Lakhs in the books of the company on provisional basis for the year ending 31.03.2016.

In the books of accounts the loan with Mahindra & Mahindra stands disputed and pending with Hon'ble Punjab & Haryana High Court. Hence, no interest is being booked for the year ended 31st March 2016.

The Term loan of L& T Finance has been restructured on 27.01.2016. As per the new restructured Terms a sum of Rs 2142.00 Lakhs is to be paid in 29 equated installments towards full and final settlement. The impact of the same has been dealt in the books of accounts for the year ending 31.03.2016.

(Rs. in Lacs)

Particulars	As at	
	31.03.2016	31.03.2015
NOTE NO. IV		
CURRENT LIABILITIES		
a) Short term Borrowings		
Secured		
(i) Borrowings for working capital.	46951.56	41936.68
Unsecured		
(i) Fixed Deposits	1531.54	1127.41
(ii) Others	1882.59	1940.62
Total	50365.69	45004.70

- (i) SBI & SIDBI Banks have ceased charging interest on working capital accounts and accordingly the company has charged provisional interest amounting to Rs. 4948.57 Lacs in the books for the year ended 31st March 2016.
- (ii) The Balance confirmation of Bills Discounting arrangement of SIDBI is unavailable.

FIXED DEPOSITS RESTRUCTURING:

Under the provisions of the Companies Act, 2013, the Company has got its Fixed Deposit Scheme restructured vide its order No. C.P 27/01/2013, Dated 30.09.2013 through Hon'ble Company Law Board. The Company has been granted extension of time in repayment of these deposits.

Few of the FD holders have however approached the courts for the repayment of their Fixed Deposits and the matter is still pending in the courts as on 31.03.2016.

b) Trade Payable:		
(i) Total outstanding dues to Micro small & medium enterprises		
Under MSMED Act, 2006	73.71	56.12
(ii) Outstanding dues of Creditors other than small scale industrial undertakings	12871.37	12917.71
Total	12945.07	12973.83
c) Other Current Liabilities:		
(i) Advances from Customers	1690.89	5089.01
(ii) Advance from Related Party	205.08	205.08
(iii) Statutory Liabilities	190.96	198.31
(iv) Expenses Payable	1389.31	1044.42
(v) Application Money received for allotment & due for refund	1807.73	1156.00
(vi) Current Maturity of Term Loan From Banks/financial institution	20724.87	14669.55
(vii) Interest accrued on term loans from banks/financial institution	5600.02	2636.99
Total	31,608.87	24999.36

- i) Statutory Liabilities include TDS/TCS payable, GTA payable, ESI Payable, PF payable, Labour welfare Payable, Excise duty/Sales Tax/Service Tax payable.
- ii) Expenses payable include Salary, wages, Bonus, EL, Audit Fees, Electricity Exp. payable.
- iii) During the year under review, the promoters contribution amounting to Rs. 18.08 crores (includes Rs. 6.51 crores received in FY 2015-16) which is yet to be converted into equity shares pursuant to its approved CDR package. Till the conversion to equity shares, the amount is treated as Share application money as on 31.03.2016.

The Company could not issue shares against this promoters contribution as company's application for pre-approval for allotment of shares in terms of the regulation 28 of the SEBI (LODR) regulations, 2015 was pending with the exchanges as on 31.03.2016.

IND-SWIFT LABORATORIES LIMITED

NOTE No. VI : FIXED ASSETS AS ON 31.03.2016

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK					DEPRECIATION / AMORTISATION				NET BLOCK		
	AS ON	ADDITION	REVALUATION	EXCHANGE	SALE/TRANSFER	AS ON	AS ON	DURING THE	PERIOD	AS ON	AS ON	AS ON
	01.04.2015			FLUCTUATION		31.03.2016	01.04.2015		WRITTEN BACK	31.03.2016	31.03.2016	31.03.2015
TANGIBLE ASSETS												
LAND FREE HOLD	8137.76	0.00	(1878.06)	0.00	0.00	6259.70	0.00	0.00	0.00	0.00	6259.70	8137.76
LAND LEASE HOLD	171.89	0.00	0.00	0.00	0.00	171.89	16.90	1.77	0.00	18.67	153.23	154.99
FACTORY BUILDINGS	19614.23	1520.87	0.00	338.04	0.00	21473.13	3042.39	621.77	0.00	3664.16	17808.98	16571.84
OFFICE BUILDINGS	1038.34	0.00	0.00	0.00	369.53	668.81	108.80	15.54	24.12	100.22	568.59	929.54
FLATS	1458.10	0.00	0.00	0.00	0.00	1458.10	119.02	23.09	0.00	142.11	1315.99	1339.08
R&D BUILDINGS	2376.88	0.00	0.00	0.00	0.00	2376.88	469.59	75.37	0.00	544.96	1831.92	1907.29
BUILDING - PILOT PLANT	170.22	0.00	0.00	0.00	0.00	170.22	53.71	5.29	0.00	59.00	111.22	116.51
PLANT&MACHINERY	68365.30	3296.06	0.00	1181.51	0.00	72842.87	17833.37	3124.28	0.00	20957.65	51885.22	50531.92
R&D MACHINERY	6250.53	115.72	0.00	0.00	0.00	6366.25	2267.64	282.19	0.00	2549.83	3816.42	3982.89
PLANT & MACHINERY - Pilot Plant	392.34	0.00	0.00	0.00	0.00	392.34	193.06	17.16	0.00	210.21	182.13	199.28
ELECTRIC INSTALATIONS	6261.34	593.89	0.00	87.77	912.25	6030.74	2480.71	849.46	866.64	2463.53	3567.21	3780.63
ELECTRIC INSTALLATIONS - Pilot Plant	34.39	0.00	0.00	0.00	31.95	2.44	26.38	6.30	30.36	2.32	0.12	8.01
FURNITURE & FIXTURES	449.48	10.13	0.00	0.00	0.00	459.62	269.19	51.06	0.00	320.25	139.37	180.29
OFFICE EQUIPMENTS	277.88	16.30	0.00	0.00	0.00	294.18	200.50	39.93	0.00	240.44	53.75	77.38
COMPUTER & PERIPHERALS	999.22	36.29	0.00	0.00	917.20	118.31	895.20	34.85	871.41	58.65	59.66	104.01
VEHICLES	1113.26	0.00	0.00	0.00	51.61	1061.66	763.41	113.61	31.34	845.68	215.98	349.86
TOTAL (A)	117111.16	5589.26	(1878.06)	1607.32	2282.53	120147.14	28739.87	5261.65	1823.86	32177.65	87969.48	88371.29
INTANGIBLE ASSETS												
R&D TECHNOLOGY	23066.81	1722.40	0.00	0.00	3213.23	21575.98	0.00	3213.23	3213.23	0.00	21575.98	23066.81
TOTAL (B)	23066.81	1722.40	0.00	0.00	3213.23	21575.98	0.00	3213.23	3213.23	0.00	21575.98	23066.81
TOTAL(A+B)	140177.97	7311.66	(1878.06)	1607.32	5495.77	141723.11	28739.87	8474.88	5037.09	32177.65	109545.46	111438.10
PREVIOUS YEAR	140181.02	1921.14	0.00	1144.99	3069.18	140177.97	23151.07	8629.41	3040.61	28739.87	111438.10	117029.95

*Figures has been shown as net figure instead of previously disclosed as gross figures.

- During the current financial year the company has further revalued its Land situated on Dera bassi Plant by the approved valuer appointed by the company resulting due to decreased Market value of land by Rs. 18.78 Crore. While revaluing the said Land the Company has not considered for revaluation the cost of Land amounting to Rs. 13.79 crore held on power of attorney.
The valuation reserve of land freehold is decrease by Rs. 18.78 Crores as on 31.03.2016.
- Previously 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 on revalued assets amounting to Rs. 1590.35 Lacs (P.Y. Rs. 1586.00) has been provided during the year from the Profit and Loss Account as per the Schedule II of Companies Act 2013 & the same is transferred from Revaluation Reserve to General Reserves.
- Office Buildings includes Mumbai Office Buildings Rs. 330.68 Lacs which was purchased in the name of the Managing Director of the Company out of which one building amounting to Rs. 41.46 Lacs is mortgaged with Nouam Financial consultants Pvt Ltd. 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.
- 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.
- Capital Work in Progress (Tangible) includes :
Expenses pending capitalization Rs. 1972.76 Lacs (Previous Year Rs.3256.49 lacs).
- The interest which has been capitalized in Tangible Assets is conformity with AS - 16.

(Rs. in Lacs)

Description	Opening Balance	Additions	Capitalized	Closing Balance
Interest Cost Fixed Assets	3075.53	252.33	1440.38	1887.47
Salary & Wages	110.46	47.47	72.65	85.28
Legal & Professional	70.50	0.00	70.50	0.00
Total	3256.49	299.80	1583.53	1972.76
Previous Year	2375.79	880.70	0.00	3256.49

(Rs. in Lacs)

Particulars	(Rs. in Lacs)	
	As at 31.03.2016	As at 31.03.2015
NOTE No. VI		
NON-CURRENT ASSETS		
a) Non-Current investment: (Unquoted Investments)		
Trade Investments :		
- Investment in Equity shares of Subsidiaries :		
i) Investment in Ind Swift Laboratories Inc, USA		
Common Stock (1204 Share, No par Value)	544.10	544.10
Share Application Money pending (1000 \$)	0.44	0.44
ii) Investment in Meteoric Life Sciences Pte. Ltd., Singapore		
1000,000 Ordinary Share	367.88	367.88
iii) Investment in Ind Swift Middle East FZE, UAE		
Share Capital	441.68	441.68
- Investment in Equity shares of Associates :		
i) Investment in Fortune (India) Constructions Ltd		
48,20,000 Equity Share of Rs.10/- each fully paid up.	482.00	482.00
Other Investments :		
- Investment in Equity shares of others :		
i) Investment in Essix Biosciences Limited		
12,35,000 Equity Share of Rs.10/- each fully paid up.	767.50	767.50
ii) Investment in Nimbua Green Field (Punjab) Ltd		
1,40,625 Equity Share of Rs. 10/- each fully paid	14.06	14.06
iii) Investment in Mohali Green Environment Pvt. Ltd.		
1,80,000 Equity Share of Rs. 10/- each fully paid	18.00	5.50
Advance against Capital / Operations	2.00	10.00
Total	2637.66	2633.16
NOTE No. VII		
DEFERRED TAX :		
The Break Up of Deferred Tax Liabilities/ (Assets)		
as at March 31, 2016 is as under :		
Deferred Tax Liabilities		
Timing Difference on account of :		
Depreciation	14937.62	15896.44
Total Deferred Tax Liability	14937.62	15896.44
Deferred Tax Assets		
Timing Difference on account of :		
Provision for Doubtful Debts/Gratuity/Bonus/EL Encashment/ Commission	884.68	204.60
Carried Forward Losses as per Income Tax Act	9677.21	10965.88
Funded Interest Term loan & Interest Accrued	7284.30	5207.02
Total Deferred Tax Assets	17846.19	16377.50
Deferred Tax Assets / (Liability) net	2908.57	481.06
Deferred Tax Assets / (Liabilities) Charged to P&L A/c	2427.51	2377.40

IND-SWIFT LABORATORIES LIMITED

(Rs. in Lacs)

Particulars	{ As at	
	31.03.2016	As at 31.03.2015 }
NOTE NO. VIII		
LONG TERM LOANS & ADVANCES (Unsecured but Considered Good)		
(a) Security Deposits	166.35	176.16
(b) Others (Including Capital Advances)		
- Related Party	5356.51	5371.42
- Others	1369.26	1649.59
Total	6892.13	7197.17

NOTE NO. IX

CURRENT ASSETS

(a) INVENTORIES

(As per inventories taken, valued & certified by the Management)

Raw Materials	5479.53	5089.07
Work in Process	21572.01	19274.85
Finished Goods*	7095.58	8843.29
Goods-in-Transit (Raw material)	899.66	439.93
Stock in Trade (Goods acquired for trading)	0.00	640.53
Stores & Consumables	554.95	543.02
Total	35601.73	34830.69

*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.

Closing stock of Raw material is valued at Cost except for Menthol where valuation is done at market Price.

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.

(b) Trade Receivables		
(Unsecured & Considered Good)		
Debts outstanding for a period exceeding six months		
- Unsecured Considered good	22411.88	24913.92
- Unsecured Considered doubtful	1853.04	0.00
Other Debts	13470.05	12576.09
	37734.97	37490.01
Less : Provision for Doubtful Debts	1853.04	0.00
Total	35881.93	37490.01
(c) Cash and Cash equivalents		
Cash balance in hand	554.62	677.74
Bank balances with Scheduled Banks :		
Fixed Deposits with Banks	1521.02	995.25
Interest accrued but not due on Fixed Deposits	14.34	50.15
Current Accounts	52.90	124.59
Total	2142.88	1847.73

(Rs. in Lacs)

Particulars	{ As at 31.03.2016	As at 31.03.2015 }
(d) Short-term loans and advances		
(a) Loans and advances (Unsecured but considered good)		
- Related Parties	6935.91	5133.31
- Others Advances to Creditors	1155.56	1425.79
(b) Others		
- Mat Credit entitlement	6304.59	6304.59
- Cenvat / Vat Recoverable	1270.20	1798.55
- Advance Custom Duty Paid / Export Incentive Scheme	143.80	608.35
- Advance Tax / TDS	365.62	317.94
- Prepaid Expenses	54.71	62.68
- Advances recoverable in cash or in kind or value to be received	1027.59	752.30
Total	17257.99	16403.52
NOTE NO. X		
REVENUE FROM OPERATION		
Sale of Products		
- Domestic	21,289.85	23586.85
- Exports	44,575.89	43043.08
Less : Excise Duty	1,991.34	2056.26
Total	63,874.40	64573.67
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 III.		
NOTE NO. XI		
OTHER INCOME		
Interest Income	71.09	355.55
Export Incentive & Other Operating Income	1,086.60	1738.00
Other Non operating Income	260.77	131.84
Total	1,418.47	2225.40
NOTE NO. XII		
EXPENSES		
COST OF MATERIAL CONSUMED / SOLD		
Opening Stock	5,529.00	6950.49
Purchases	34,604.07	32448.12
	40,133.07	39398.61
Less : Closing Stock	6,379.19	5529.00
Total (A)	33,753.87	33869.61

IND-SWIFT LABORATORIES LIMITED

(Rs. in Lacs)

Particulars	{ As at 31.03.2016	As at 31.03.2015 }
NOTE NO. XIII		
INCREASE / DECREASE IN INVENTORY		
Opening Stock		
Work in Process	19,274.85	21209.87
Finished Goods	9,483.81	8957.92
	28,758.66	30167.79
Closing Stock		
Work in Process	21,572.01	19274.85
Finished Goods/Stock in Trade	7,095.58	9483.81
	28,667.59	28758.66
Total (B)	(91.08)	(1409.13)
Total (A-B)	33,844.95	35278.74
NOTE NO. XIV		
EMPLOYEE BENEFITS EXPENSES		
Directors Remuneration		
-- Salary & Allowances	407.63	407.79
-- Contribution to P.F.	0.65	0.50
Salary & Allowance	1,634.45	1366.24
Salary & Wages	3,915.58	3063.66
P.F. & Other Funds	210.31	173.56
Staff Welfare Expenses	80.78	74.19
Recruitment Expenses	6.95	3.92
Gratuity Premium	225.38	137.93
Training & Development Expenses	0.68	0.85
Total	6,482.41	5228.63
<p>The amount paid as managerial remuneration has exceeded the limits prescribed under Section 196,197 and 198 read with Part II of Schedule V to the Companies Act, 2013 by Rs 1.2 crores as the Company is still into losses.</p> <p>The Company however filed application to obtain approval from Central Government in respect to excess remuneration paid for FY 2015-16. Pending outcome of the application filed with the Central Government, no adjustments have been made in the Financial Statements.</p>		
NOTE NO. XV		
FINANCE COST		
Interest on Term Loans	5,249.67	5629.38
Interest on Working Capital	3,825.51	4301.17
Bank Charges & Others	1,725.37	1987.36
Commission & Brokerage	—	0.88
Forex Fluctuations-Expenses (Gain)	(159.77)	(190.12)
Total	10,640.78	11728.66
NOTE No. XVI		
DEPRECIATION & AMORTISATION EXPENSES		
Depreciation	8,474.88	8429.01
Total	8,474.88	8429.01

IND-SWIFT LABORATORIES LIMITED

(Rs. in Lacs)

Particulars	(Rs. in Lacs)	
	As at 31.03.2016	As at 31.03.2015
SELLING & DISTRIBUTION EXPENSES		
Advertisement & Publicity	4.10	1.61
Business Promotion	88.10	78.05
Commission on Sales	2,115.35	2063.89
Packing Material	313.76	290.31
Rebate & Discount	16.94	15.14
Freight Outward	563.38	566.47
Insurance Charges	20.16	11.30
ECGC Premium	0.01	1.49
Other Expenses	1.23	6.22
Total	3,123.02	3034.48
RESEARCH & DEVELOPMENT EXPENSES		
Salary & Wages (R&D)	645.53	540.13
Administration Expenses	-	1.16
Consumables, Chemicals & Regents	268.77	249.75
Technical Study & Consultancy & Product Registration	42.24	30.61
Total	956.54	821.64
Loss on Sale of Fixed Assets	(172.06)	7.86
Provision for Doubtful Debts	1,853.04	0.00
Total	1,680.98	7.86
NOTE NO. XVIII : CONTINGENT LIABILITIES NOT PROVIDED FOR:		(Rs.in lacs)
a. Letter of Credit against purchase of raw material:		
-- Domestic	863.65	1433.54
-- Import	5426.73	4920.42
b. Bank Guarantees		
-- Inland	39.25	25.00
-- Foreign Currency	1686.68	4588.01
c. Export obligation in respect of custom duty :	447.81	214.88
d. Contingent Liabilities in respect of unassessed / assessed (Pending in Appeal) cases of Income Tax, Excise Duty, Sales Tax and Service Tax.	Unascertained	Unascertained
e. Corporate guarantees given on behalf of (To the extent Utilized)		
Essix Biosciences Ltd	2661.13	3095.22
Halcyon Life Science Pvt Ltd	2644.56	3075.17

NOTE No. XIX Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)
Rs 242.28 Lacs (Previous year Rs. 271.89 lacs)

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

NOTE No. XXI Other expenses under head administrative expenses includes Rs. 325000.00 (Previous Year Rs. 147352.00) paid to directors as sitting fee.

(Amount in Rs.)

Particulars	{	
	As at 31.03.2016	As at 31.03.2015
NOTE No. XXII : Earning per share is calculated as shown below:	F.Y. 2015-16	F.Y. 2014-15
Profit as per Profit & Loss Account	(588611095)	(1191633527)
Profit available for Equity Shareholders	(588611095)	(1191633527)
For Basic Earning		
No of weighted average equity shares	40963195	40963195
For Diluted Earning		
(No Dilution as PAT is negative)	0	0
No of weighted average of Diluted Equity Shares	40963195	40963195
Nominal Value of Equity Share	10.00	10.00
Earning Per Share (Rs.)		
Basic	(14.37)	(29.09)
Diluted	(14.37)	(29.09)

NOTE NO. XXIII: 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

Subsidiary Companies

Ind Swift Laboratories Inc. USA
Meteoric Life Science Pte Ltd. ,Singapore
Ind-Swift Middle East FZE (UAE)

Associate Companies

Fortune (India) Constructions Ltd.

Key Management Personnel / Directors

Sh. N.R. Munjal, Vice Chairman-cum-Managing Director
Sh. Himanshu Jain, Jt. Managing Director
Mr. Rishav Mehta, Executive Director
Mr. N.K. Bansal, Chief Financial Officer
Sh. S.R. Mehta, Director
Dr. V.R. Mehta, Director
Dr. G. Munjal, Director
Sh. Pardeep Verma, GM-Corp. Affairs & CS

Others (Entities in which KMP or their relative is a Director; or KMP or their relative exercises control

Ind Swift Limited
Essix Biosciences Limited
Haleyon Life Sciences Pvt Ltd.
Mansa Print & Publishers Limited
Swift Fundamental Research & Education Society
3M Advertisers & Publishers Ltd.
Punjab Renewable Energy Pvt Ltd.
Mohali Green Environment Private Limited
Saidpura Envirotech Private Limited
Consummate Pharmaceuticals Private Limited
Nimbua Green Field (Punjab) Limited
Dashmesh Medicare Private Limited
AKJ Portfolios Pvt. Ltd. & NRM Portfolios Pvt. Ltd
GM Portfolios Pvt. Ltd. & VRM Portfolios Pvt Ltd.
VKM Portfolios Pvt Ltd. & SRM Portfolios Pvt Ltd.
Integral Buildcon Private Limited
Vibrant Agro Industries Limited
Hakim Farayand Chemi Co.(Iran)
B.M. Cosmed Private Limited

b. Related Party Transactions
(Rs. in lacs)

Particulars	Associates		Other (Entities in which KMP or their relative is a Director; or KMP or their relative exercises control)		Subsidiary	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Nature of Transactions						
1) Transactions during the yr.						
Purchase	-	-	3,853.76	4,919.28	-	-
Sales	-	-	1,006.77	2,576.50	2,214.20	864.19
Interest receivable	-	-	-	-	-	-
Expenses	0.89	-	1,564.95	1,306.65	-	-
Service taken/ Capital Exp.	302.99	267.98	-	807.31	-	-
Income Recd.	-	-	-	-	-	-
Equity Contribution	-	-	1,807.73	1,156.00	-	-
Investment Purchased	-	-	-	-	-	-
Corporate Guarantee Given (To the extent utilized)	-	-	5,305.69	6,170.38	-	-
2) Outstanding						
Balances as on 31.03.16						
Share Capital	-	-	1,499.15	1,499.15	-	-
Investment	482.00	482.00	801.56	789.06	1,354.10	1,354.10
Loan & Advances Given	-	-	6,935.91	5,141.29	-	-
Loan & Advances Taken	-	-	-	-	-	205.08
Debtors	-	-	15,643.06	15,145.29	627.53	10.97
Creditors	-	-	-	36.47	-	-
Capital Advances	5,356.51	5,371.64	-	-	-	-

NOTE NO. XXIV Total amount of secured Term Loans installments payable during twelve months following 31.03.2016 are Rs. 20724.87 Lacs (Previous year Rs. 14669.55 Lacs).

NOTE NO. XXV 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. XXVI In compliance with AS-15, during the year, company has provided Rs. 300.37 Lacs (Rs. 137.93 Lacs) as provision towards the Company Gratuity Policy maintained with LIC after the actuarial valuation done by the LIC.

NOTE NO. XXVII 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. XXVIII 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. XXIX The outstanding dues of Micro small & medium enterprises 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) Ammonia Supply Co. (2) Time technoplast Ltd.

NOTE NO. XXX During the year, the Company has incurred foreign currency revenue expenditure of RMB 323298.86 on its China Office and GBP 393.33 on its U.K office Operation. Such Foreign Currency Expenditure has been translated in Indian Currency @ One RMB equivalent to Rs. 9.89 and One GBP equivalent to Rs. 98.76 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. XXXI :**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.

Particulars	(Rs. in Lacs)		
	In India	Outside India	Total
REVENUE	19299 (21531)	44576 (43043)	63874 (64574)
RESULTS	7398 (8365)	15006 (13208)	22405 (21573)
Less: Financial Expenses	-	-	10641 (11729)
Less: Unallocated Expenses	-	-	21496 (23364)
Add: Operating Income	-	-	1418 (2225)
Add Extra Ordinary Item	-	-	-
-	-	-	-
Less: Income Tax Provision	-	-	-
Add: Mat Credit entitlement	-	-	-
Add: Deferred Tax	-	-	2428 (2045)
Profit/(Loss) after Tax	-	-	(5886) (12274)
OTHER INFORMATION			
SEGMENT ASSETS	31526 (33306)	11248 (11382)	42774 (44688)
UNALLOCATED ASSETS	-	-	178247 (179140)
TOTAL ASSETS	-	-	221021 (223828)
SEGMENT LIABILITIES	8289 (10041)	4656 (4874)	12945 (14915)
UNALLOCATED LIABILITIES	-	-	208076 (208913)
TOTAL LIABILITIES	-	-	221021 (223828)
CAPITAL EXPENDITURE	-	-	(5246) (122944)
DEPRECIATION	-	-	8475 (8429)
NON CASH EXPENSES OTHER THAN DEPRECIATION	-	-	1681 (8)

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 , Long term loans & advances and the segment liabilities consists of creditors.

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

IND-SWIFT LABORATORIES LIMITED

Note No. XXXII

Detail of Auditor's Remuneration(i.e payment to Auditors)

(Rs. in Lacs)

Particulars	F.Y. 2015-16	F.Y. 2014-15
Audit Fees	7.50	6.00
Certification Fees	3.90	3.75
Total	11.40	9.75

Note No. XXXIII Loans & Advances include Rs. 8.27 lacs (P.Y 8.27 lacs) due from CFO. Maximum amount due during the year is Rs. 8.27 Lacs(P.Y. 8.27 Lacs) and Rs. 12.67 lacs (P.Y 14.94 lacs) due from Company Secretary. Maximum amount due during the year is Rs. 14.94 Lacs(P.Y. 14.94 Lacs)

Note No. XXXIV (a) The company has not provided quantitative information under clause 2(5) in view of the exemption granted by central Government vide their notification no. 301 dated 08.02.2011.

(Rs. in Lacs)

	2015-16	2014-15
(b) C.I.F. Value of Imports :-		
(i) For Raw Material	21,456.84	18,211.11
(ii) For Capital Goods	NIL	NIL
(c) Expenditure in Foreign Currency :		
Interest	1,394.06	734.43
Others	1,099.52	1,529.12
Total	2,494.00	2,264.00
(d) Earnings in Foreign Currency		
FOB Value of Goods	43,995.57	43,402.00

Note No. XXXV Unpaid dividend as on 31.03.2016 is Rs. 9.76 lacs (Previous year Rs . 13.51 lacs). During the financial year, an amount of Rs. 3.88 lacs transferred to central government account (IEPF) on account of unpaid dividend for the financial year 2006-07.

Note No. XXXVI Capital WIP includes expenses incurred on "Product Technology Development Expenditure" amounting to Rs. 680.71 Lacs (Previous Year Rs. 1406.55 Lacs).

(Rs. in Lacs)

Note No. XXXVII	Expenditure on Research & Development	2015-16	2014-15
a)	Addition in Fixed Assets - DB Unit (Tangible)	97.17	48.88
b)	Addition in Fixed Assets - DB Unit (Intangible)	204.26	315.16
c)	Addition in Fixed Assets - Mohali Unit	19.95	5.11
d)	Revenue Exp - Derabassi Unit	0.00	132.33
e)	Revenue R&D Expenditure - Mohali Unit	996.56	1255.04
f)	Debited to Profit & Loss Account as per Annexure XIV(DB Unit)	956.54	821.64
g)	Depreciation	3656.56	3487.04

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

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

(Rs. in Lacs)

Description	Opening Balance	Additions During the Year	Trf. R&d Technology Internally Developed	Closing Balance
Raw Material, Consumables, Lab Chemicals & Regents	150.03	247.72	161.93	235.82
Salary & Wages	715.56	469.17	976.59	208.14
Utility & Running/Maint Expenses	82.19	65.48	88.71	58.96
Analytical Fees & Study	22.65	5.28	24.45	3.48
Finance & Interest Charges	310.69	34.95	335.34	10.30
Patent Filling	6.84	6.80	7.38	6.26
Administrative Expenses	118.59	167.16	128.00	157.75
Total	1406.55	996.56	1722.40	680.71
Previous Year	1849.07	1387.37	1829.89	1406.55

The expenditure incurred has been capitalized and carried in Capital Work in Process. The Management is of the view that it is in the nature of development expenditure and meets the capitalization criteria set out in AS-26 on Intangible Assets issued by ICAI.

The management is of the view that these products would be commercially viable & there is no reason to believe that there is any uncertainty that may lead to not securing registration for the products from regulating authorities in US and/or Europe.

Note No. XXXIX CORPORATE DEBT RESTRUCTURING STATUS

The present status of already approved CDR package as on 31st March 2016 is :

Some of the CDR Lenders viz Catholic Syrian Bank, State Bank of Travencore, Allahabad Bank , State bank of Hyderabad & Central Bank of india has assigned their loans to ARC. The cumulative total of the recompense amount as per CDR package up to 31.3.2016 is Rs. 126.20 crores as per the approval dated November 9, 2012 of the CDREG.

Note No. XL Company has written off the old balances in view of the accounting new policy (Refer to Accounting Policy No. 16)

Note No. XLI 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 could not be quantified as on 31st March, 2016.

Note No. XLII 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
DIN : 00015096

Himanshu Jain
Joint Managing Director
DIN : 00014533

S.C. Pathak
Partner
Membership .No. 10194

Rishav Mehta
Executive Director
DIN : 03028663

K.M.S. Nambiar
Chairman - Audit Committee
DIN : 00010670

Date: 25.05.2016
Place: Chandigarh

N.K. Bansal
Chief Financial Officer

Pardeep Verma
GM - Corporate Affairs &
Company Secretary

NOTE No. XLIII : 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 notified under section 211 (3C) and the other relevant provision of the Companies Act, 2013. 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 II of the Companies Act 2013 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 amortized over the period of lease. The policy of company is to provide depreciation on the Buildings, Plant & Machinery and Other Fixed assets 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 recognized 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 ten subsequent years from the year in which these are acquired.

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 recognized 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 except from last year onwards valuation of the Menthol has been made at cost or Market price whichever is less.

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

Finished Goods are valued at cost or net realizable 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 recognized 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 recognized in the year in which the contract has been cancelled/ matured. Foreign currency denominated current assets & current liabilities are translated at year end exchange rates. The resulting gain or loss is recognized in the Profit & Loss Account.

In translating the financial statement of representative foreign offices for incorporation in main financial statements, the monetary assets and liabilities 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 prevailing 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. Contribution 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. Deferred 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. Deferred tax assets is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized 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 CONTINGENT ASSETS

A provision is recognized 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 recognized but disclosed in the financial statements. Contingent assets are neither recognized 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 Licenses 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/ utilization of license.

14. INVESTMENTS

Long Term Investments are being valued at cost.

Current Investments are carried at lower of cost & fair value, determined on an individual investment basis.

15. IMPAIRMENT 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 continuous 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. TRADE RECEIVABLES

Sundry debtors more than three years at the end of Balance Sheet date will be written off from the books of accounts except those debtors pertaining to related parties and disputed debtors having matter pending under different Courts.

17. OTHER ACCOUNTING POLICIES

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

Consolidated Independent Auditors' Report

The Members,
Ind-Swift Laboratories Limited,
Chandigarh

Report on the Financial Statements

We have audited the accompanying Consolidated Financial Statements of **M/s Ind-Swift Laboratories Limited** (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates, comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit & Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following matters in the Notes to the Consolidated financial statements :

- a) The Provisions of the Companies Act, 1956 (Further amended to Companies act 2013), where the company has got its fixed Deposit Scheme restructured vide order No. C.P 27/01/2013, dated 30.09.2013 of Company Law Board. The Company has

Consolidated Independent Auditors' Report (Contd.)

been granted extension of time of repayment of those deposits. Few of the FD holders have however approached the courts for the repayment of their Fixed Deposits (Refer Note. No. IV of Financial Statements).

b) Refer Note No. III of Financial Statements in regard to Following:-

- Four members of the CDR banks and one member of the Non CDR banks have transferred their entire Loan Portfolio to their respective Assets Reconstruction Companies.
- Four members of CDR banks and one member of Non CDR banks/Financial Institution have declared the accounts of the company as NPA.

c) Regarding payment of Managerial Remuneration of Rs. 407.63 Lacs for the financial year ended march 2016, which is in excess of the limits specified by the relevant provisions of the Companies Act, 2013, by Rs. 120.00 Lacs. The company has filled necessary application to Central Government which is pending approval as on date. Pending the ultimate outcome of the above said matter which is presently unascertainable, no adjustments have been recorded in the statement (Refer Note No. XIV of Financial Statements).

d) Regarding decrease in Revaluation Reserve by Rs. 18.78 Crores on account of Revaluation of Land of Derabassi unit during the year (Refer Note No. V of Financial Statements).

Other Matters

- a) The financial statements / financial information of Ind Swift Laboratories Inc (100% Subsidiary) have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- b) The financial statements / financial information of Meteoric Lifesciences Pte Ltd (100% Subsidiary) and Fortune (India) Constructions Ltd(Its Associates) are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the

Management, these financial statements / financial information are not material to the Group.

- c) The Company has not included Ind-Swift Middle East FZE (100% Subsidiary) for Consolidation of Accounts as the company is not yet in operations.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies and associate companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group

- companies, its associate companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Consolidated Financial Statements disclose the impact of pending litigations on its financial position in its financial statements - Refer Note XVIII to the consolidated financial statements;
- ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts;

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associates companies.

For JAIN & ASSOCIATES

Chartered Accountants
(Regd No.: 001361N)

(S.C. Pathak)

Partner

Membership No. 010194

Place: Chandigarh

Date: 25.05.2016

Consolidated Balance Sheet as at 31st March 2016

(Rs. in Lacs)

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
a) Share Capital	I	4168.22	4168.22
b) Reserves & Surplus	II	47574.29	55317.20
(2) Non-current liabilities			
(a) Long-term borrowings	III	74632.82	81613.83
(3) Current Liabilities	IV		
(a) Short term Borrowings		50365.69	45004.70
(b) Trade Payables		13243.38	13410.53
(c) Other current liabilities		31459.69	24866.68
(d) Short term Provisions		12.32	0.04
Total		221456.40	224381.20
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	V		
(i) Tangible Assets		87969.48	88371.29
(ii) Intangible Assets		21597.16	23087.99
(iii) Capital work in Progress (Tangible)		6588.12	9340.52
(iv) Capital work in Progress (Intangible)		1258.48	1942.98
(v) Assets held for disposal		306.25	222.26
Net Block		117719.49	122965.05
(b) Non-Current investment	VI	1763.17	1752.20
(c) Deferred Tax Assets (Net)	VII	2908.57	481.06
(d) Long-term loans & advances	VIII	6895.54	7200.41
(2) Current Assets	IX		
(a) Inventories		35601.73	34830.69
(b) Trade receivables		37244.62	38903.71
(c) Cash and cash equivalents		2257.75	1983.68
(d) Short-term loans and advances		17531.55	16650.66
(e) Foreign Currency Translation		(466.04)	(386.26)
Total		221,456.40	224,381.20
Significant Accounting Policies	XLIII		

The accompanying notes form an integral part of the standalone financial statements.

As per our separate report of even date

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

S.C. Pathak
Partner
Membership .No. 10194

Date: 25.05.2016
Place: Chandigarh

N.R. Munjal
Vice-Chairman-cum-
Managing Director
DIN : 00015096

Rishav Mehta
Executive Director
DIN : 03028663

N.K. Bansal
Chief Financial Officer

Himanshu Jain
Joint Managing Director
DIN : 00014533

K.M.S. Nambiar
Chairman - Audit Committee
DIN : 00010670

Pardeep Verma
GM - Corporate Affairs &
Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March 2016

Particulars	Note No.	(Rs. in Lacs)	
		As at 31.03.2016	As at 31.03.2015
Revenue from Operation	X	65324.91	66045.23
Other Income	XI	1418.47	2225.40
Total Revenue		66,743.63	68270.63
Expenses			
Cost of Materials Consumed	XII	34625.52	34754.00
Purchase of Stock In Trade		582.63	4568.89
Change in Inventories of FG/WIP/Stock in trade	XIII	91.08	1409.13
Employee benefits expense	XIV	6684.73	5472.85
Financial Cost	XV	10641.60	11728.66
Depreciation & amortisation expenses	XVI	8474.88	8429.01
Other Expenses	XVII	12440.91	10963.99
Total		73541.34	77326.53
Profit/ (Loss) before exceptional & extraordinary items & Tax		(6797.71)	(9055.90)
Exceptional items			
Previous Year Loss / (Income)		(41.12)	(12.83)
Previous Year Expenses		116.29	173.03
Exceptional Item (Refer Note No. XXVIII)		1405.26	5118.95
Profit/ (Loss) before extraordinary items and Tax			
Extra ordinary Items:			
Reversal of Previous year Income/(Expenses)		-	-
Profit/ (Loss) before Tax		(8,278)	(14335.05)
Tax Expenses:			
Provision for Income Tax		18.15	13.91
Income Tax Adjustment of Previous Years		0.00	(34.81)
Mat Credit Entitlement		-	-
Deferred Tax Liability/(Assets)		(2,427.51)	(2377.40)
Profit / (Loss) for the period from continuing Operation		(5868.79)	(11936.76)
Earnings per equity share:			
(1) Basic		(14.27)	(29.09)
(2) Diluted		(14.27)	(29.09)

Significant Accounting Policies

XLIII

The accompanying notes form an integral part of the standalone financial statements.

As per our separate report of even date

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

S.C. Pathak
Partner
Membership .No. 10194

Date: 25.05.2016
Place: Chandigarh

N.R. Munjal
Vice-Chairman-cum-
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K.M.S. Nambiar
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DIN : 00010670

Pardeep Verma
GM - Corporate Affairs &
Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March 2016

(Rs. in Lacs)

Particulars	{ As at 31.03.2016	As at 31.03.2015 }
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extra-Ordinary Items	(6797.71)	(9057.15)
ADJUSTMENTS FOR:		
i) Depreciation	8474.88	8429.01
(ii) Exchange (profit)/loss	47.97	182.51
(iii) Reversal of previous year items	(75.17)	(160.20)
(iv) Interest on term loans & FD	5915.16	6565.97
(v) Interest received	(71.09)	(355.55)
(vi) Provision for doubtful debts	1853.04	0.00
(vii) Loss on sale of fixed assets	(172.06)	7.86
(viii) Income tax adjustment of previous years	0.00	36.61
(ix) Amortisation of Subsidy	(2.53)	(2.53)
(x) Gain/ Loss on sale of investment	0.00	0.00
(xi) Provision for interest on CC	2659.46	2289.13
OPERATING PROFIT BEFORE WORKING CAPITAL CHARGES	11831.94	7935.66
ADJUSTMENTS FOR:		
i) Trade & Other Receivables	(1814.92)	825.22
ii) Inventories	(771.05)	2872.18
iii) Loan & advances	(576.02)	(966.03)
iv) Current Liabilities	(3145.81)	(5066.33)
v) Working Capital Borrowing	2418.90	4622.00
vi) Income taxes (Including Advance Tax/TDS)	(0.04)	(382.93)
	(3888.94)	1904.11
Net Cash flow from operating Activities	7943.01	9839.78
B. CASH FLOW FROM INVESTING ACTIVITIES		
i) Purchase of fixed Assets Tangible	(2557.61)	(2668.99)
ii) Purchase of fixed Assets Intangible	(996.56)	(1255.04)
iii) Sale of fixed assets	537.73	20.70
iii) (Purchase) / Sale of Investments	(10.97)	(13.70)
iv) Interest Received	71.09	355.55
Net Cash flow from investing activities	(2956.32)	(3561.48)

Consolidated Cash Flow Statement (Contd.)

(Rs. in Lacs)

Particulars	{	
	As at 31.03.2016	As at 31.03.2015
C. CASH FLOW FROM FINANCING ACTIVITIES		
i) Repayment of Term Loans to Banks & Financial Institutions & FD	(3739.05)	(3734.03)
ii) Interest paid on Term Loans & FD	(1705.08)	(2862.77)
iii) Promoter's Contribution	651.73	225.00
iv) Proceeds from Term Loans From Banks & Financial Institutions	0.00	0.00
Net Cash flow from Financing Activities	(4792.40)	(6371.80)
	194.30	(93.50)
Net increase in Cash or Cash Equivalents	194.30	(93.50)
Opening Cash & Cash Equivalents	1983.68	2058.57
Closing Cash & Cash Equivalents	2257.75	1983.68
Add: Unrealized gain/(loss) in Foreign Currency	(79.78)	(18.61)
Closing Balance of Cash & Cash Equivalents	2177.97	1965.07
Significant Accounting Policies	XLIII	
The accompanying notes form an integral part of the standalone financial statements.		

As per our separate report of even date

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

S.C. Pathak
Partner
Membership .No. 10194

Date: 25.05.2016
Place: Chandigarh

N.R. Munjal
Vice-Chairman-cum-
Managing Director
DIN : 00015096

Rishav Mehta
Executive Director
DIN : 03028663

N.K. Bansal
Chief Financial Officer

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Joint Managing Director
DIN : 00014533

K.M.S. Nambiar
Chairman - Audit Committee
DIN : 00010670

Pardeep Verma
GM - Corporate Affairs &
Company Secretary

AUDITOR'S 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 2016 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: 16.05.2016
Place: Chandigarh

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

(Rs. in Lacs)

Particulars	{	
	As at 31.03.2016	As at 31.03.2015
NOTE NO. I : SHARE CAPITAL		
a) Authorised		
Balance as per Last Balance Sheet:	6000.00	6000.00
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	6000.00	6000.00
b) Issued, Subscribed & Paid Up		
Balance as per Last Balance Sheet:	4096.32	4,096.32
Addition during the year		
Nil (Previous Year NIL) Equity share of Rs. 10/- Each	-	-
4,09,63,195 (Previous Year 4,09,63,195) Equity Shares	4096.32	4,096.32
of Rs.10/-each fully called up and paid up.		
c) Share Forfeited		
Share Warrants Forfeited Account	63.23	63.23
Equity Share Forfeited Account (175900 shares in the year 2002-03)	8.67	8.67
	71.90	71.90
	4168.22	4168.22
d) List of Shareholders holding more than 5 % shares		
Name	No. of shares	No. of shares
Ind Swift Ltd	9499720 (23.191%)	9499720 (23.191%)
Essix Biosciences Ltd	5491801 (13.407%)	5491801 (13.407%)
e) During the year, Company has made no preferential allotments.		
During the year, Company has not allotted any shares to promoters under CDR scheme.		
NOTE No. II : RESERVES & SURPLUS		
(a) Capital Reserves :		
State Subsidy on DG Set & QC Subsidy		
Opening Balances:-	35.14	37.68
Additions	-	-
Less:- Amortisation during the year	2.53	2.53
	32.61	35.14
Capital Redemption Reserve	0.02	0.02
(b) Securities Premium		
Opening Balance	21422.59	21,422.59
Addition during the year		-
	21422.59	21,422.59
(c) Revaluation Reserve		
Opening balance	31881.15	33,467.16
Addition during the year	(1878.06)	0.00
Less : Depreciation charges on revalued assets trf to General Reserve	1590.35	1,586.00
	28412.75	31,881.15

IND-SWIFT LABORATORIES LIMITED

Particulars	(Rs. in Lacs)	
	As at 31.03.2016	As at 31.03.2015
(d) Employees Stock Option Outstanding	–	1.39
Less : Trf. to Gen reserves	–	1.39
	–	–
(e) General Reserve		
As per Last Balance Sheet	4862.91	3,475.92
Add: Transfer from ESOP	–	1.39
Add: Dep on revalued assets Deducted from Revaluation Reserves	1590.35	1,586.00
Less :- Depreciation adjustment as per New Companies Act, 2013	–	(200.41)
	6453.25	4,862.91
(f) Profit & Loss Account		
As per Last Balance Sheet	(2916.07)	9,020.13
Add: Transfer from Profit & Loss Account	(5830.86)	(11,936.21)
Total Profit (Loss)	(8746.93)	(2,916.07)
Total	47,574.29	55,317.20

NOTE No. III : LONG-TERM BORROWINGS		
Secured Loans		
(a) Non Convertible Debentures	–	16.23
(b) Term Loans		
From Banks	62235.20	65,644.87
From other parties	4449.24	6,641.53
Un Secured Loans:-		
(a) Fixed Deposits	7948.38	9,311.21
Total	74632.82	81,613.83

(a) The Company received Rs. 15.00 crore against 14% Non-convertible Debentures on 28.05.2009 which are redeemable in 13 quarterly installments with effect from February 2010. Principle Balance outstanding as on 31.03.2016 is Rs. 0.00 Crore (Previous Year Rs. 0.16 Crore). Interest Outstanding yet to be settled.

(b) Maturity Profile of Term Loans:

(Rs. in Lacs)

Type of Loan	Rate of Interest	1 Years	2 Years	3 Years	4 Years	5 Year & above
FITL	9.50%	612.37	875.88	875.88	1248.26	3061.28
FITL	9.75%	125.65	177.65	177.65	250.34	588.30
FITL	10.00%	164.72	109.72	113.72	132.77	343.09
CDR	10.45%	953.55	1544.00	1544.00	2196.53	6038.14
CDR	10.50%	465.19	465.01	464.77	658.76	1821.27
CDR	11.50%	225.00	225.00	225.00	318.75	881.25
NON CDR	5.10%	1105.92	1105.55	1105.55	1104.98	0.00
NON CDR	4.02%	3616.77	3166.30	3214.91	804.81	0.00
NON CDR	4.43%	9949.94	498.82	1660.98	1156.85	0.00

NON CDR	5.00%	334.00	0.00	0.00	0.00	0.00
NON CDR	10.50%	717.09	796.01	140.85	0.00	0.00
NON CDR	14.25%	2450.00	0.00	0.00	0.00	0.00
NON CDR	15.00%	3.02	3.53	4.07	0.37	0.00
NON CDR	10.50%	1.65	0.00	0.00	0.00	0.00
(VEHICLE LOAN)						
	TOTAL	20724.87	8967.46	9527.37	7872.40	12733.34

In the absence of any formal execution of Balance confirmation agreement with Asset reconstruction companies, the company has considered them as Non current liability.

The same is not being included in the calculation of maturity profile.

Notes :-

- A) Bank borrowings for working capital Rs. 469.52 crores (P.Y. Rs. 419.37 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 ranking pari passu charge over the entire current assets on the borrower in favour of " Security trustee 2 " for the benefit of the respective lenders and
 - (2) A second ranking pari passu charge over the entire fixed assets (both present and future) of the borrower 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 to the extent of their respective net worth 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 the 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 borrower (50.58% of the fully diluted equity share capital of the borrower as on the effective date), free of all encumbrances , including additional share acquired by the promoters on infusion of equity in the Borrower in accordance with the terms of this Agreements, and the CDR Package in the favour of the "Security Trustee 1" and Security Trustee 2" for the benefit of all respective lenders.
- B) (i) Term Loan Rs. 538.36 crores (P.Y. 553.85 crores) from State Bank of India including State Bank of Indore (as now merged with SBI), Edelweiss ARC Ltd. (Central Bank of India, State Bank of Travancore & Allahabad Bank), State Bank of Patiala, Bank of India (including ECB), Canara Bank, Bank of India, Phoenix ARC Private Limited (Catholic Syrian Bank), Export Import Bank of India, IDBI Bank, Nouam Financial Consultants Private Ltd. (ICICI Bank Limited), Asset Reconstruction Company (India) Ltd. (State Bank of Hyderabad), SIDBI FITL are secured by :-
- (1) A first ranking pari passu charge over the entire fixed assets (both present and future) of the borrower by way of an equitable mortgage, in favour of " Security trustee 1 " for the benefit of the respective lenders and
 - (2) A second ranking pari passu charge over the entire current assets on the borrower 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 to the extent of their respective net worth 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 the 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 borrower (50.58% of the fully diluted equity share capital of the borrower as on the effective date), free of all encumbrances , including additional share acquired by the promoters on infusion of equity in the Borrower in accordance with the terms of this Agreements, and the CDR Package in hte favour of the "Security Trustee 1" and Security Trustee 2" for the benefit of all respective lenders.
- (ii) ECB Rs. 240.69 crores (P.Y. 227.12 Crores) from Bank of Baroda and DEG. Rupee term loan from Edelweiss ARC Ltd.(IFCI) Rs. 15.94 crores (P.Y. Rs. 15.94 crores), L&T Rs. 16.54 crores (P.Y.19.13 crores), M&M Rs. 24.50 (P.Y. 24.50) are secured by first ranking 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 to the extent of their respective net worth.

- (iii) Vehicle loans Rs 0.02 Crores (P.Y. 0.23crores) from HDFC, ICICI and NBFC are secured against hypothecation of the vehicles under the hire purchase agreement.
- (iv) Other term loan & advances Rs. 3.45 crores (P.Y. 4.45 crores) includes ICICI Home Loan in the name of Mr. N.R. Munjal, which is secured against the office premises in Mumbai and another Term loan from Technology Development Board is secured by way of charges on movable fixed assets & personal guarantee of Shri N.R. Munjal.

During the year, Allahabad Bank, Central Bank of India and IFCI have assigned their Loans to Edelweiss ARC Ltd; ICICI Bank has assigned its Loan to Nouam Financial Consultants Private Ltd. and State Bank of Hyderabad has assigned its Loan to Asset Reconstruction Company (India) Ltd. Few of these assignments of Loans has not been registered by the concerned assignees with the ROC.

C) CORPORATE DEBT RESTRUCTURING :-

Detail of Loans transferred to Asset Reconstruction Companies			(Rs. in Lacs)
Name of the Bank	Date of Transfer to ARC	Name of ARC / Financial Institution	Amount transferred to ARC
Catholic Syrian Bank	30.09.2014	Phoenix ARC Pvt Limited	5638.32
State Bank of Travancore	31.03.2015	Edelweiss ARC Limited	6480.90
Central Bank of India	30.03.2016	Edelweiss ARC Limited	6128.76
ICICI Bank	29.06.2015	Nouam Financial Consultants Pvt Ltd.	215.00
Allahabad Bank	31.12.2015	Edelweiss ARC Limited	2774.65
State Bank of Hyderabad	31.03.2016	Asset Reconstruction Co. (India) Ltd.	4436.15
IFCI (Non CDR)	23.03.2016	Edelweiss ARC Limited	2070.14
Total			27743.91

The above mentioned members of CDR & Non CDR Banks have transferred their entire loan portfolios amounting to Rs. 27743.91 lakhs (P.Y.-Rs.12119.22 Lakhs) to their respective asset reconstruction companies. The balance confirmation in this regard is still awaited.

Detail of CDR Banks & Non CDR Banks / Financial institution who have declared the Accounts of the company as NPA

Name of the Bank	Date of NPA
State Bank of India	31.03.2014
Canara Bank	31.12.2014
Export-Import Bank Of India	30.09.2014
SIDBI	04.11.2012
Mahindra & Mahindra Finance Services Ltd (Non CDR)	30.06.2013

SBI & SIDBI Banks have ceased charging interest in their statement of accounts and accordingly the company has charged provisional interest in the books for the year ended 31st March 2016.

The balance confirmation for DEG Kfin Banken Group (DEG Loan), Bank of Baroda, SIDBI & TDB are unavailable, in the absence of same provisional interest is being booked for the year ended 31st March 2016.

The company has charged total interest amounting to Rs. 2000.90 Lakhs in the books of the company on provisional basis for the year ending 31.03.2016.

In the books of accounts the loan with Mahindra & Mahindra stands disputed and pending with Hon'ble Punjab & Haryana High Court. Hence, no interest is being booked for the year ended 31st March 2016.

The Term loan of L& T Finance has been restructured on 27.01.2016. As per the new restructured Terms a sum of Rs 2142.00 Lakhs is to be paid in 29 equated installments towards full and final settlement. The impact of the same has been dealt in the books of accounts for the year ending 31.03.2016.

(Rs. in Lacs)

Particulars	{	
	As at 31.03.2016	As at 31.03.2015
NOTE NO. IV		
CURRENT LIABILITIES		
a) Short term Borrowings		
Secured		
(i) Borrowings for working capital.	46951.56	41936.68
Unsecured		
(i) Fixed Deposits	1531.54	1127.41
(ii) Others	1882.59	1940.62
Total	50365.69	45004.70

- (i) SBI & SIDBI Banks have ceased charging interest on working capital accounts and accordingly the company has charged provisional interest amounting to Rs. 4948.57 Lacs in the books for the year ended 31st March 2016.
- (ii) The Balance confirmation of Bills Discounting arrangement of SIDBI is unavailable.

FIXED DEPOSITS RESTRUCTURING:

Under the provisions of the Companies Act, 2013, the Company has got its Fixed Deposit Scheme restructured vide its order No. C.P 27/01/2013, Dated 30.09.2013 through Hon'ble Company Law Board. The Company has been granted extension of time in repayment of these deposits.

Few of the FD holders have however approached the courts for the repayment of their Fixed Deposits and the matter is still pending in the courts as on 31.03.2016.

b) Trade Payable:		
(i) Total outstanding dues to Micro small & medium enterprises		
Under MSMED Act, 2006	73.71	56.12
(ii) Outstanding dues of Creditors other than small scale industrial undertakings	13169.67	13354.41
Total	13243.38	13410.53
c) Other Current Liabilities:		
(i) Advances from Customers	1690.89	5089.01
(ii) Statutory Liabilities	190.96	198.31
(iii) Expenses Payable	1445.21	1116.81
(iv) Application Money received for allotment & due for refund	1807.73	1156.00
(v) Term Loan From Banks / Financial Institution	20724.87	14669.55
(vi) Interest accrued on term loans from banks/financial institution	5600.02	2636.99
Total	31,459.69	24866.68

- i) Statutory Liabilities include TDS/TCS payable, GTA payable, ESI Payable, PF payable, Labour welfare Payable, Excise duty/Sales Tax/Service Tax payable.
- ii) Expenses payable include Salary, wages, Bonus, EL, Audit Fees, Electricity Exp. payable.
- iii) During the year under review, the promoters contribution amounting to Rs. 18.08 crores (includes Rs. 6.51 crores received in FY 2015-16) which is yet to be converted into equity shares pursuant to its approved CDR package. Till the conversion to equity shares, the amount is treated as Share application money as on 31.03.2016.

The Company could not issue shares against this promoters contribution as company's application for pre-approval for allotment of shares in terms of the regulation 28 of the SEBI (LODR) regulations, 2015 was pending with the exchanges as on 31.03.2016.

d) Short Term Provisions :

(i) Income Tax	12.32	0.04
Total	12.32	0.04

IND-SWIFT LABORATORIES LIMITED

NOTE No. VI : FIXED ASSETS AS ON 31.03.2016

(Rs. in Lacs)

PARTICULARS	GROSS BLOCK					DEPRECIATION / AMORTISATION				NET BLOCK		
	AS ON	ADDITION	REVALUATION	EXCHANGE	SALE/TRANSFER	AS ON	AS ON	DURING THE	PERIOD	AS ON	AS ON	AS ON
	01.04.2015			FLUCTUATION		31.03.2016	01.04.2015		WRITTEN BACK	31.03.2016	31.03.2016	31.03.2015
TANGIBLE ASSETS												
LAND FREE HOLD	8137.76	0.00	(1878.06)	0.00	0.00	6259.70	0.00	0.00	0.00	0.00	6259.70	8137.76
LAND LEASE HOLD	171.89	0.00	0.00	0.00	0.00	171.89	16.90	1.77	0.00	18.67	153.23	154.99
FACTORY BUILDINGS	19614.23	1520.87	0.00	338.04	0.00	21473.13	3042.39	621.77	0.00	3664.16	17808.98	16571.84
OFFICE BUILDINGS	1038.34	0.00	0.00	0.00	369.53	668.81	108.80	15.54	24.12	100.22	568.59	929.54
FLATS	1458.10	0.00	0.00	0.00	0.00	1458.10	119.02	23.09	0.00	142.11	1315.99	1339.08
R&D BUILDINGS	2376.88	0.00	0.00	0.00	0.00	2376.88	469.59	75.37	0.00	544.96	1831.92	1907.29
BUILDING - PILOT PLANT	170.22	0.00	0.00	0.00	0.00	170.22	53.71	5.29	0.00	59.00	111.22	116.51
PLANT&MACHINERY	68365.30	3296.06	0.00	1181.51	0.00	72842.87	17833.37	3124.28	0.00	20957.65	51885.22	50531.92
R&D MACHINERY	6250.53	115.72	0.00	0.00	0.00	6366.25	2267.64	282.19	0.00	2549.83	3816.42	3982.89
PLANT & MACHINERY - Pilot Plant	392.34	0.00	0.00	0.00	0.00	392.34	193.06	17.16	0.00	210.21	182.13	199.28
ELECTRIC INSTALATIONS	6261.34	593.89	0.00	87.77	912.25	6030.74	2480.71	849.46	866.64	2463.53	3567.21	3780.63
ELECTRIC INSTALLATIONS - Pilot Plant	34.39	0.00	0.00	0.00	31.95	2.44	26.38	6.30	30.36	2.32	0.12	8.01
FURNITURE & FIXTURES	449.48	10.13	0.00	0.00	0.00	459.62	269.19	51.06	0.00	320.25	139.37	180.29
OFFICE EQUIPMENTS	277.88	16.30	0.00	0.00	0.00	294.18	200.50	39.93	0.00	240.44	53.75	77.38
COMPUTER & PERIPHERALS	999.22	36.29	0.00	0.00	917.20	118.31	895.20	34.85	871.41	58.65	59.66	104.01
VEHICLES	1113.26	0.00	0.00	0.00	51.61	1061.66	763.41	113.61	31.34	845.68	215.98	349.86
TOTAL (A)	117111.16	5589.26	(1878.06)	1607.32	2282.53	120147.14	28739.87	5261.65	1823.86	32177.65	87969.48	88371.29
INTANGIBLE ASSETS												
R&D TECHNOLOGY	23066.81	1722.40	0.00	0.00	3213.23	21575.98	0.00	3213.23	3213.23	0.00	21575.98	23066.81
Goodwill	21.18	0.00	0.00	0.00	0.00	21.18	0.00	0.00	0.00	0.00	21.18	21.18
TOTAL (B)	23087.99	1722.40	0.00	0.00	3213.23	21597.16	0.00	3213.23	3213.23	0.00	21597.16	23087.99
TOTAL(A+B)	140199.15	7311.66	(1878.06)	1607.32	5495.77	141744.30	28739.87	8474.88	5037.09	32177.65	109566.64	111459.28
PREVIOUS YEAR	140304.96	1818.38	0.00	1144.99	3069.18	140199.15	23151.07	8629.41	3040.61	28739.87	111438.10	117029.95

*Figures has been shown as net figure instead of previously disclosed as gross figures.

- During the current financial year the company has further revalued its Land situated on Dera bassi Plant by the approved valuer appointed by the company resulting due to decreased Market value of land by Rs. 18.78 Crore. While revaluing the said Land the Company has not considered for revaluation the cost of Land amounting to Rs. 13.79 crore held on power of attorney.
The valuation reserve of land freehold is decrease by Rs. 18.78 Crores as on 31.03.2016.
- Previously 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 on revalued assets amounting to Rs. 1590.35 Lacs (P.Y. Rs. 1586.00) has been provided during the year from the Profit and Loss Account as per the Schedule II of Companies Act 2013 & the same is transferred from Revaluation Reserve to General Reserves.
- Office Buildings includes Mumbai Office Buildings Rs. 330.68 Lacs which was purchased in the name of the Managing Director of the Company out of which one building amounting to Rs. 41.46 Lacs is mortgaged with Nouam Financial consultants Pvt Ltd. 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.
- 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.
- Capital Work in Progress (Tangible) includes :
Expenses pending capitalization Rs. 1972.76 Lacs (Previous Year Rs.3256.49 lacs).
- The interest which has been capitalized in Tangible Assets is conformity with AS - 16.

(Rs. in Lacs)

Description	Opening Balance	Additions	Capitalized	Closing Balance
Interest Cost Fixed Assets	3075.53	252.33	1440.38	1887.47
Salary & Wages	110.46	47.47	72.65	85.28
Legal & Professional	70.50	0.00	70.50	0.00
Total	3256.49	299.80	1583.53	1972.76
Previous Year	2375.79	880.70	0.00	3256.49

(Rs. in Lacs)

Particulars	{ As at 31.03.2016	As at 31.03.2015 }
NOTE No. VI		
NON-CURRENT ASSETS		
a) Non-Current investment: (Unquoted Investments)		
Trade Investments :		
- Investment in Equity shares of Subsidiaries :		
i) Investment in Ind Swift Middle East FZE,UAE		
Share Capital	441.68	441.68
- Investment in Equity shares of Associates :		
i) Investment in Fortune (India) Construction Ltd		
48,20,000 Equity Share of Rs.10/- each fully paid up.	519.93	513.46
Other Investments :		
- Investment in Equity shares of others :		
i) Investment in Essix Bioscience Limited		
12,35,000 Equity Share of Rs.10/- each fully paid up.)	767.50	767.50
ii) Investment in Nimbua Green Field (Punjab) Ltd		
140625 Equity Share of Rs. 10/- each fully paid	14.06	14.06
(iii) Investment in Mohali Green Investment Pvt. Ltd.		
1,80,000 Equity Share of Rs. 10/- each fully paid	18.00	5.50
Advance Against Share Capital	2.00	10.00
Total	1763.17	1752.20
Investments in Fortune (India) Constructions Ltd. Includes Goodwill also amounting to Rs. 9.75 Lakhs and its Post acquisition profits.		
NOTE No. VII		
DEFERRED TAX :		
The Break Up of Deferred Tax Liabilities/ (Assets)		
as at March 31, 2016 is as under :		
Deferred Tax Liabilities		
Timing Difference on account of :		
Depreciation	14937.62	15896.44
Total Deferred Tax Liability	14937.62	15896.44
Deferred Tax Assets		
Timing Difference on account of :		
Provision for Doubtful Debts/Gratuity/Bonus/EL Encashment/ Commission	884.68	204.60
Carried Forward Losses as per Income Tax Act	9677.21	10965.88
Funded Interest Term loan & Interest Accrued	7284.30	5207.02
Total Deferred Tax Assets	17846.19	16377.50
Deferred Tax Assets / (Liability) net	2908.57	481.06
Deferred Tax Assets / (Liabilities) Charged to P&L A/c	2427.51	2377.40
Deferred Tax Asset has been recognised only to the extent of defferred tax liability on lack of virtual certainty as required by AS-22" Accounting for taxes on income".		

IND-SWIFT LABORATORIES LIMITED

(Rs. in Lacs)

Particulars	{ As at } 31.03.2016 31.03.2015	
	NOTE NO. VIII	
LONG TERM LOANS & ADVANCES (Unsecured but Considered Good)		
(a) Security Deposits	169.76	179.41
(b) Others (Including Capital Advances)		
- Related Party	5356.51	5371.42
- Others	1369.26	1649.59
Total	6895.54	7200.41

NOTE NO. IX

CURRENT ASSETS

(a) INVENTORIES

(As per inventories taken, valued & certified by the Management)

Raw Materials	5479.53	5089.07
Work in Process	21572.01	19274.85
Finished Goods*	7095.58	8843.29
Goods-in-Transit (Raw material)	899.66	439.93
Stock in Trade (Goods acquired for trading)	0.00	640.53
Stores & Consumables	554.95	543.02
Total	35601.73	34830.69

*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.

Closing stock of Raw material is valued at Cost except for Menthol where valuation is done at market Price.

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.

(b) Trade Receivables

(Unsecured & Considered Good)

Debts outstanding for a period exceeding six months		
- Unsecured Considered good	22411.88	24913.92
- Unsecured Considered doubtful	1853.04	0.00
Other Debts	14832.74	13989.79
	39097.66	38903.71
Less : Provision for Doubtful Debts	1853.04	0.00
Total	37244.62	38903.71

(c) Cash and Cash equivalents

Cash balance in hand	669.49	677.74
Bank balances with Scheduled Banks :		
Fixed Deposits with Banks	1521.02	995.25
Interest accrued but not due on Fixed Deposits	14.34	50.15
Current Accounts	52.90	260.53
Total	2257.75	1983.68

(Rs. in Lacs)

Particulars	{ As at 31.03.2016	As at 31.03.2015 }
(d) Short-term loans and advances		
(a) Loans and advances (Unsecured but considered good)		
- Related Parties	6935.91	5133.31
- Others Advances to Creditors	1429.13	1672.93
(b) Others		
- Mat Credit entitlement	6304.59	6304.59
- Cenvat / Vat Recoverable	1270.20	1798.55
- Advance Custom Duty Paid / Export Incentive Scheme	143.80	608.35
- Advance Tax / TDS	365.62	317.94
- Prepaid Expenses	54.71	62.68
- Advances recoverable in cash or in kind or value to be received	1027.59	752.30
Total	17531.55	16650.66
NOTE NO. X		
REVENUE FROM OPERATION		
Sale of Products		
- Domestic	21,289.85	23586.85
- Exports	46,026.39	44514.64
Less : Excise Duty	1,991.34	2056.26
Total	65,324.91	66045.23
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 III.		
NOTE NO. XI		
OTHER INCOME		
Interest Income	71.09	355.55
Export Incentive & Other Operating Income	1,086.60	1738.00
Other Non operating Income	261.03	131.84
Total	1,418.72	2225.40
NOTE NO. XII		
EXPENSES		
COST OF MATERIAL CONSUMED / SOLD		
Opening Stock	5,529.00	6950.49
Purchases	35,475.72	33332.50
	41,004.72	40282.99
Less : Closing Stock	6,379.19	5529.00
Total (A)	34,625.52	34754.00

IND-SWIFT LABORATORIES LIMITED

(Rs. in Lacs)

Particulars	As at 31.03.2016	As at 31.03.2015
NOTE NO. XIII		
INCREASE / DECREASE IN INVENTORY		
Opening Stock		
Work in Process	19,274.85	21209.87
Finished Goods	9,483.81	8957.92
	28,758.66	30167.79
Closing Stock		
Work in Process	21,572.01	19274.85
Finished Goods/Stock in Trade	7,095.58	9483.81
	28,667.59	28758.66
Total (B)	(91.08)	(1409.13)
Total (A-B)	34,716.60	36163.12
NOTE NO. XIV		
EMPLOYEE BENEFITS EXPENSES		
Directors Remuneration		
-- Salary & Allowances	407.63	407.79
-- Contribution to P.F.	0.65	0.50
Salary & Allowance	1,836.77	1610.47
Salary & Wages	3,915.58	3063.66
P.F. & Other Funds	210.31	173.56
Staff Welfare Expenses	80.78	74.19
Recruitment Expenses	6.95	3.92
Gratuity Premium	225.38	137.93
Training & Development Expenses	0.68	0.85
Total	6,684.73	5472.85
The amount paid as managerial remuneration has exceeded the limits prescribed under Section 196,197 and 198 read with Part II of Schedule V to the Companies Act, 2013 by Rs 1.2 crores as the Company is still into losses.		
The Company has however filed application to obtain approval from Central Government in respect to excess remuneration paid for FY 2015-16. Pending outcome of the application filed with the Central Government, no adjustments have been made in the Financial Statements.		
NOTE NO. XV		
FINANCE COST		
Interest on Term Loans	5,249.67	5629.38
Interest on Working Capital	3,825.51	4301.17
Bank Charges & Others	1,726.19	1987.36
Commission & Brokerage	—	0.88
Forex Fluctuations-Expenses (Gain)	(159.77)	(190.12)
Total	10,641.60	11,728.66
NOTE No. XVI		
DEPRECIATION & AMORTISATION EXPENSES		
Depreciation	8,474.88	8429.01
Total	8,474.88	8429.01

IND-SWIFT LABORATORIES LIMITED

(Rs. in Lacs)

Particulars	(Rs. in Lacs)	
	As at 31.03.2016	As at 31.03.2015
SELLING & DISTRIBUTION EXPENSES		
Advertisement & Publicity	4.10	1.61
Business Promotion	185.66	179.53
Commission on Sales	2,115.35	2063.89
Packing Material	313.76	290.31
Rebate & Discount	16.94	15.14
Freight Outward	563.38	566.47
Insurance Charges	20.16	11.30
ECGC Premium	0.01	1.49
Other Expenses	1.23	6.22
Total	3,220.58	3,135.97
RESEARCH & DEVELOPMENT EXPENSES		
Salary & Wages (R&D)	645.53	540.13
Administration Expenses	-	1.16
Consumables, Chemicals & Regents	268.77	249.75
Technical Study & Consultancy & Product Registration	42.24	30.61
Total	956.54	821.64
Loss on Sale of Fixed Assets	(172.06)	7.86
Provision for Doubtful Debts	1,853.04	0.00
Total	1,680.98	7.86
NOTE NO. XVIII : CONTINGENT LIABILITIES NOT PROVIDED FOR:		(Rs.in lacs)
a. Letter of Credit against purchase of raw material:		
-- Domestic	863.65	1433.54
-- Import	5426.73	4920.42
b. Bank Guarantees		
-- Inland	39.25	25.00
-- Foreign Currency	1686.68	4588.01
c. Export obligation in respect of custom duty :	447.81	214.88
d. Contingent Liabilities in respect of unassessed / assessed (Pending in Appeal) cases of Income Tax, Excise Duty, Sales Tax and Service Tax.	Unascertained	Unascertained
e. Corporate guarantees given on behalf of (To the extent Utilized)		
Essix Biosciences Ltd	2661.13	3095.22
Halcyon Life Science Pvt Ltd	2644.56	3075.17

NOTE No. XIX Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)
Rs 242.28 Lacs (Previous year Rs. 271.89 lacs)

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

NOTE No. XXI Other expenses under head administrative expenses includes Rs. 325000.00 (Previous Year Rs. 147352.00) paid to directors as sitting fee.

(Amount in Rs.)

Particulars	{ As at As at }	
	31.03.2016	31.03.2015
NOTE No. XXII : Earning per share is calculated as shown below:	F.Y. 2015-16	F.Y. 2014-15
Profit as per Profit & Loss Account	(584651109)	(1193676088)
Profit available for Equity Shareholders	(584651109)	(1193676088)
For Basic Earning		
No of weighted average equity shares	40963195	40963195
For Diluted Earning		
(No Dilution as PAT is negative)	0	0
No of weighted average of Diluted Equity Shares	40963195	40963195
Nominal Value of Equity Share	10.00	10.00
Earning Per Share (Rs.)		
Basic	(14.27)	(29.14)
Diluted	(14.27)	(29.14)

NOTE NO. XXIII: 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

Key Management Personnel / Directors

Sh. N.R. Munjal, Vice Chairman-cum-Managing Director
 Sh. Himanshu Jain, Jt. Managing Director
 Mr. Rishav Mehta, Executive Director
 Mr. N.K. Bansal, Chief Financial Officer
 Sh. S.R. Mehta, Director
 Dr. V.R. Mehta, Director
 Dr. G. Munjal, Director
 Sh. Pardeep Verma, GM-Corp. Affairs & CS

Others (Entities in which KMP or their relative is a Director; or KMP or their relative exercises control

Ind Swift Limited
 Essix Biosciences Limited
 Halcyon Life Sciences Pvt Ltd.
 Mansa Print & Publishers Limited
 Swift Fundamental Research & Education Society
 3M Advertisers & Publishers Ltd.
 Punjab Renewable Energy Pvt Ltd.
 Mohali Green Environment Private Limited
 Saidpura Envirotech Private Limited
 Consummate Pharmaceuticals Private Limited
 Nimbua Green Field (Punjab) Limited
 Dashmesh Medicare Private Limited
 AKJ Portfolios Pvt. Ltd.
 NRM Portfolios Pvt. Ltd
 GM Portfolios Pvt. Ltd.
 VRM Portfolios Pvt Ltd.
 VKM Portfolios Pvt Ltd.
 SRM Portfolios Pvt Ltd.
 Integral Buildcon Private Limited
 Vibrant Agro Industries Limited
 Hakim Farayand Chemi Co.(Iran)
 B.M. Cosmed Private Limited

b. Related Party Transactions
(Rs. in lacs)

Particulars	Other (Entities in which KMP or their relative is a Director; or KMP or their relative exercises control)	
	2015-16	2014-15
Nature of Transactions		
1) Transactions during the yr.		
Purchase	3,853.76	4,919.28
Sales	1,006.77	2,576.50
Interest receivable	-	-
Expenses	1,565.84	1,306.65
Service taken/ Capital Exp.	-	807.31
Income Recd.	-	-
Equity Contribution	1,807.73	1,156.00
Investment Purchased	-	-
Corporate Guarantee Given (To the extent utilized)	5,305.69	6,170.38
2) Outstanding		
Balances as on 31.03.16		
Share Capital	1,499.15	1,499.15
Investment	801.56	797.06
Loan & Advances Given	6,935.91	5,133.29
Loan & Advances Taken	-	-
Debtors	15,636.61	15,145.29
Creditors	-	36.47
Capital Advances	-	-

NOTE NO. XXIV Total amount of secured Term Loans installments payable during twelve months following 31.03.2016 are Rs. 20724.87 Lacs (Previous year Rs. 14669.55 Lacs).

NOTE NO. XXV 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. XXVI In compliance with AS-15, during the year, company has provided Rs. 300.37 Lacs (Rs. 137.93 Lacs) as provision towards the Company Gratuity Policy maintained with LIC after the actuarial valuation done by the LIC.

NOTE NO. XXVII 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. XXVIII 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. XXIX The outstanding dues of Micro small & medium enterprises 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) Ammonia Supply Co. (2) Time Technoplast Ltd.

NOTE NO. XXX During the year, the Company has incurred foreign currency revenue expenditure of RMB 323298.86 on its China Office and GBP 393.33 on its U.K office Operation. Such Foreign Currency Expenditure has been translated in Indian Currency @ One RMB equivalent to Rs. 9.89 and One GBP equivalent to Rs. 98.76 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. XXXI :**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.

Particulars	(Rs. in Lacs)		
	In India	Outside India	Total
REVENUE	19299 (21531)	46026 (44515)	65325 (66046)
RESULTS	7636 (8646)	16219 (14398)	23855 (23044)
Less: Financial Expenses	-	-	10642 (11729)
Less: Unallocated Expenses	-	-	22888 (27855)
Add: Operating Income	-	-	1419 (2225)
Add Extra Ordinary Item	-	-	-
-	-	-	-
Less: Income Tax Provision	-	-	18.15 -
Add: Mat Credit entitlement	-	-	-
Add: Deferred Tax	-	-	2428 (2377)
Profit/(Loss) after Tax	-	-	(5847) (11936)
OTHER INFORMATION			
SEGMENT ASSETS	31136 (34723)	13004 (11382)	44140 (46105)
UNALLOCATED ASSETS	-	-	177316 (178246)
TOTAL ASSETS	-	-	221456 (224351)
SEGMENT LIABILITIES	8587 (10478)	4656 (4874)	13243 (15352)
UNALLOCATED LIABILITIES	-	-	208213 (208999)
TOTAL LIABILITIES	-	-	221456 (224351)
CAPITAL EXPENDITURE	-	-	(5246) (122965)
DEPRECIATION	-	-	8475 (8429)
NON CASH EXPENSES OTHER THAN DEPRECIATION	-	-	1681 (8)

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 , Long term loans & advances and the segment liabilities consists of creditors.

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

IND-SWIFT LABORATORIES LIMITED

Note No. XXXII

Detail of Auditor's Remuneration(i.e payment to Auditors)

(Rs. in Lacs)

Particulars	F.Y. 2015-16	F.Y. 2014-15
Audit Fees	7.50	6.00
Certification Fees	3.90	3.75
Total	11.40	9.75

Note No. XXXIII Loans & Advances include Rs. 8.27 lacs (P.Y 8.27 lacs) due from CFO. Maximum amount due during the year is Rs. 8.27 Lacs(P.Y. 8.27 Lacs) and Rs. 12.67 lacs (P.Y 14.94 lacs) due from Company Secretary. Maximum amount due during the year is Rs. 14.94 Lacs(P.Y. 14.94 Lacs)

Note No. XXXIV (a) The company has not provided quantitative information under clause 2(5) in view of the exemption granted by central Government vide their notification no. 301 dated 08.02.2011.

(Rs. in Lacs)

	2015-16	2014-15
(b) C.I.F. Value of Imports :-		
(i) For Raw Material	21,457	18,211
(ii) For Capital Goods	NIL	NIL
(c) Expenditure in Foreign Currency :		
Interest	1,394	734
Others	1,100	1,529
Total	2,494	2,264
(d) Earnings in Foreign Currency		
FOB Value of Goods	43,996	43,402

Note No. XXXV Unpaid dividend as on 31.03.2016 is Rs. 9.76 lacs (Previous year Rs . 13.51 lacs). During the financial year, an amount of Rs. 3.88 lacs transferred to central government account (IEPF) on account of unpaid dividend for the financial year 2006-07.

Note No. XXXVI Capital WIP includes expenses incurred on "Product Technology Development Expenditure" amounting to Rs. 680.71 Lacs (Previous Year Rs. 1406.55 Lacs).

Note No. XXXVII Statement containing salient features of the financial statement of Subsidiaries.

(Rs. in Lacs)

Particulars	Year	Ind Swift Laboratories Inc.	Meteoric Life Science PTE Ltd.
		31-12-2015	31-10-2015
Capital	2015-16	729	398
	2014-15	687	422
Reserves	2015-16	258	208
	2014-15	215	171
Total Liabilities	2015-16	876	61
	2014-15	642	58
Total Assets	2015-16	1864	667
	2014-15	1545	651
Turnover Net	2015-16	2574	NIL
	2014-15	2325	NIL
Provision For Tax	2015-16	18	NIL
	2014-15	14	NIL
Profit / (Loss before Tax)	2015-16	60	-2
	2014-15	44	-51
Proposed dividend	2015-16	NIL	NIL
	2014-15	NIL	NIL

Reporting Currency :-	Currency	\$	\$
Exchange Rate as on 31.03.2016		66.33	65.22
Exchange Rate as on 31.03.2015		63.33	61.41

Notes :-

- 1) In Compliance with provisions of SEBI (LODR) regulations 2015, audited consolidated financial statements form part of this Annual reports.
- 2) The details fo Dubai subsidiary M/s Ind-Swift Middle East FZE are not included as the company is not yet in operations.
- 3) The company has consolidated the Audited results of its 100 % subsidiary Ind Swift Laboratories Inc for the financial Year Jan 15 to Dec 15 of the Subsidiary company.
- 4) The company has consolidated the Unaudited results of its 100 % subsidiary Meteoric Lifesciences Pte Ltd for the financial Year Nov 14 to Oct 15 of the Subsidiary company.
- 5) The company has consolidated the unaudited results of associate "Fortune (India) Constructions Ltd. ". As per the Equity Method.
- 6) 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.

XXVIII. : Additional information pursuant to para 2 of general instructions for the preparations of Consolidated financial statements.

Name of the entity	Net Assets (Total Assets minus total Liability)		Share in Profit or Loss	
	% of Consolidated Assets	Amount (in Lacs)	% of Consolidated Assets	Amount (in Lacs)
Parent Subsidiaries Indian				
Ind Swift Laboratories Ltd	96.92%	50,149	101%	(5,926)
Foreign				
Ind Swift Laboratories Inc. USA	1.91%	988	-1.01%	60
Meteoric Life Science Pte Ltd. ,Singapore	1.17%	606	0.00	(2)
Ind-Swift Middle East FZE (UAE)	NIL	NIL	0%	Nil
Sub Total	100%	51,743	100%	(5,869)
Associates				
Fortune (India) Construction Ltd		520		6

NOTE No. XXXIX CORPORATE DEBT RESTRUCTURING STATUS

The present status of already approved CDR package as on 31st March 2016 is :

Some of the CDR Lenders viz Catholic Syrian Bank, State Bank of Travencore, Allahabad Bank , State bank of Hyderabad & Central Bank of india has assigned their loans to ARC. The cumulative total of the recompense amount as per CDR package up to 31.3.2016 is Rs. 126.20 crores as per the approval dated November 9, 2012 of the CDR EG.

Note No. XL 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 could not be quantified as on 31st March, 2016.

Note No. XLI 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
DIN : 00015096

Himanshu Jain
Joint Managing Director
DIN : 00014533

S.C. Pathak

Partner
Membership .No. 10194

Rishav Mehta
Executive Director
DIN : 03028663

K.M.S. Nambiar
Chairman - Audit Committee
DIN : 00010670

Date: 25.05.2016
Place: Chandigarh

N.K. Bansal
Chief Financial Officer

Pardeep Verma
GM - Corporate Affairs &
Company Secretary

NOTE No. XXXVII : 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 14 to March 15 whereas the financial year of Subsidiary Company is from Jan 14 to Dec 14. Accordingly, subsidiary's financial statements for the year ended on 31-12-2014 are considered for the purpose of consolidation. Effect for significant transactions or events that have occurred in subsidiary for period Jan 01, 2015 to March 31, 2015 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 14 to March 15 whereas the financial year of Subsidiary Company is from Nov 13 to Oct 14. Accordingly, subsidiary's financial statements for the year ended on 31-10-2014 are considered for the purpose of consolidation. Effect for significant transactions or events that have occurred in subsidiary for period Nov 01, 2014 to March 31, 2015 have been accounted for.
- c) Company has Investment in associates "Fortune (India) constructions Ltd." Company has consolidated its associate accounts as per the AS-23 "Accounting for Investment in associates in consolidated Financial statements".
- 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.
- d) Associates are entities over which the group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting as laid down under AS-23 "Accounting for Investment in associates in consolidated Financial statements. The investment is initially recognized at Cost and carrying amount is increased or decreased to recognize the investor share of the profit or loss of the investee after the acquisition date. The groups investment of associates include goodwill identified on acquisition.

3. USE OF ESTIMATES

The presentation of consolidated financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of 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 II of the Companies Act 2013 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 & other fixed assets from the date of up of commercial production/put to use.

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 except from this year onwards valuation of the Menthol has been made at lower of cost or Market price. 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.

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 accrual 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.

In 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. TRADE RECEIVABLES

Sundry debtors more than three years at the end of Balance Sheet date will be written off from the books of accounts except those debtors pertaining to related parties and disputed debtors having matter pending under different Courts.

10. 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 XLV 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.

Notice

NOTICE is hereby given that the **21st Annual General Meeting** of the Members of Ind-Swift Laboratories Limited will be held on Friday, the 30th Day of September, 2016, at 10:30 A.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, 2016, 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 (DIN: 00005668) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Sh. Rishav Mehta (DIN: 03028663), who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

“**RESOLVED THAT** pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, M/s Jain & Associates Firm Registration No.001361N, Chartered Accountants, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to examine and audit the accounts of the company for the financial year 2016-17, at such remuneration as shall be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of SEBI (LODR) regulations, 2015, Mr. Prabhat Khurana (DIN: 03289193), an Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby re-appointed as an Independent Director of the Company, to hold office for a term of five years w.e.f. 25th March,2016.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s V. Kumar & Associates, Cost Accountants, having Firm Registration No. 100137, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2016-17, amounting to Rs. 1.75 Lakhs (Rupees One Lakh Seventy Five Thousand only) per annum plus service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. A blank Proxy Form is enclosed with this notice and if intended to be used, the form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Annual General Meeting. Proxies submitted on behalf of Companies, Societies etc. must be supported by appropriate resolution/ authority as applicable.
3. The Members/ Proxies attending the meeting are requested to bring the enclosed Attendance Slip and deliver the same after filling in their folio number at the entrance of the meeting hall. Admission to the Annual General Meeting venue will be allowed only on verification of the signature(s) on the Attendance Slip.
4. Duplicate attendance slip shall not be issued at the Annual General Meeting venue. The same shall be issued at the Registered Office of the Company up to a day preceding the day of the Annual General Meeting.

Notice (Contd.)

5. Corporate Members are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
6. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. As a measure of economy, copies of the Annual Report will not be distributed at the venue of the Annual General Meeting. The Members are, therefore requested to bring their copies of the Annual Report to the meeting. Those members who have not received copies of Annual Report can collect their copies from the Corporate/ Registered Office of the Company.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 22nd September, 2016 to Friday, 30th September, 2016, both days inclusive.
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item No. 5 to 6 is annexed hereto. Relevant details, in terms of SEBI (LODR) Regulations, 2015, in respect of Director retiring by rotation and proposed to be re-appointed and other Directors proposed to be appointed are disclosed in the explanatory statement annexed hereto.
10. The members are requested to inform changes, if any, in their Registered Address along with Pin Code Number to the Company Secretary at the Registered office address.
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
12. Members desirous of seeking any information relating to the Accounts of the Company may write to the Company at registered office address for the attention of Mr. Pardeep Verma, GM - Corporate Affairs & Company Secretary, at least seven days in advance of the Meeting so that requisite information can be made available at the Meeting.
13. All documents referred to in the accompanying notice and the Explanatory Statement are available for inspection at the Registered Office of the Company during working hours between 10.00 A.M. to 1.00 P.M. except holidays up to the date of Annual General Meeting.
14. Attention of members is hereby invited towards provisions of Section 188 (1) of the Companies Act 2013 wherein under second proviso thereto, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.
15. Electronic copy of the Annual Report and Notice of the 21st Annual General Meeting of the Company along with Attendance Slip and Proxy Form and instructions for e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 21st Annual General Meeting of the Company along with Attendance Slip, Proxy Form and instructions for e-voting is being sent in the permitted mode.
16. In terms of section 107 and 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company is providing the facility to its Members holding shares in physical and dematerialized form as on the cut off date 22nd September, 2016 to exercise their right to vote by electronic means on any or all of the business specified in the accompanying notice. Necessary information and instructions for e-voting is also enclosed.

The instructions for members for voting electronically are as under :

- (i) The voting period begins on 27th September, 2016 (10.00 a.m.) and ends on 29th September, 2016 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "COMPANY NAME – Ind Swift Laboratories Limited" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

Notice (Contd.)

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the Sequence number in the PAN field.

In case the Sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of Ind-Swift Laboratories Limited which is provided in the e-voting document.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES / NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders & Custodians:
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

Notice (Contd.)

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
17. **Members who have not registered their e-mail address so far are requested to register their email addresses for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.**

By Order of the Board

Sd/-

Pardeep Verma
GM-Corporate Affairs &
Company secretary

Place: Chandigarh

Date: 11.08.2016

Registered Office :

SCO 850, Shivalik Enclave,
NAC, Manimajra,
Chandigarh - 160001

Annexure to Notice

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

Mr. Prabhat Khurana was appointed as an Independent Director of the Company by the shareholders in the 20th Annual general Meeting of the Company held on 30th September, 2015 for a period of one year up to 25th March 2016. Now, he is eligible and offered himself to be re-appointed as an Independent Director for another term of 5 years. The Board of Directors, in their meeting held on 25.05.2016 have approved the appointment of Mr. Prabhat Khurana for another term of Five years commencing from 25th March, 2016.

The Company has received declaration from Mr. Prabhat Khurana that he meets the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 and also under of the SEBI (LODR) Regulations, 2015. Further, he has also confirmed that he is not disqualified from being appointed as Director under Section 164 of the said Act.

In the opinion of the Board, Mr. Prabhat Khurana, meets the criteria of independence as provided in the Section 149 read with Schedule IV of the Act for such appointment.

Brief resume of the Director, nature of their expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter se as stipulated as required under Regulation 36 of SEBI (LODR) Regulations is appended below :-

Name of Director	Mr. Prabhat Khurana
Age	45 Years
Nationality	Indian
Date of Appointment	25th March, 2016
Shareholding in the Company	Nil
Qualifications	B.Sc. CFA
Expertise in specific Functional Area	Finance & Accounts
Directorships held in other companies (excluding Private & Foreign Companies)	Nil
Chairmanships/ Memberships of Committees in other Companies as on 31.03.2015	Nil
Relationship inter-se between Directors	Nil

Keeping in view his expertise and knowledge, it will be in the interest of the Company that Mr. Prabhat Khurana is appointed as Independent Director.

A copy of the draft letter of appointment to be issued to the Appointee for appointment as an Independent Director setting out the terms and conditions shall be kept open for inspection by the Members at the Registered Office of the Company during usual business hours viz. 10.00 AM to 5.00 PM on any working day till the date of the Annual General Meeting. This Statement may also be regarded as a disclosure under the SEBI (LODR) Regulations, 2015.

Except for the respective Director / his relatives who may be deemed to be interested in the respective resolution at item no. 5 of the Notice as it concerns his appointment as Independent Directors, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution set out at Item No .5 of the Notice.

The Board recommends the Special Resolution set out at Item No.5 of the Notice for approval by the shareholders.

Item No. 6

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s V.Kumar & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year ended 31st March, 2017.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2016-17 as set out in the resolution for the aforesaid services to be rendered by them.

Annexure to Notice (Contd.)

None of the Directors or Key Managerial Personnel of the Company (including relatives of Directors and Key Managerial Personnel) are in any way, whether financially or otherwise, concerned or interested, in the said resolution.

The Board of Directors recommend the Ordinary Resolution as set out at Item No. 6 of the Notice for approval by the members.

Details of Directors Seeking Re-appointment at the forthcoming Annual General Meeting of the Company (pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015)

Name of Director	Sh. S.R. Mehta	Sh. Rishav Mehta
Date of Birth	01.08.1956	06.01.1991
Date of Appointment	04.01.1995	23.03.2010
Expertise in specific Functional Area	Marketing	Production Management and development of new Generic Products
Qualifications	Science Graduate	Graduate
List of Company in which outside Directorships held as on 31.03.2016 (excluding Private & Foreign Companies)	Essix Biosciences Limited Ind Swift Limited Mansa Print And Publishers Limited 3M Advertisers & Publishers Limited	Essix Biosciences Limited Ind Swift Limited
Chairman/Member of the Committees of other Company on which he is director as on 31.03.2016	Ind-Swift Limited	Nil
Relationship inter-se between Directors	Related with Dr. V.R. Mehta, Director as Brother and Sh. Rishav Mehta as Uncle	Related with Sh. S.R. Mehta and Dr. V.R. Mehta, Directors

By Order of the Board

Sd/-

(Pardeep Verma)
GM-Corporate Affair
& Company secretary

Place: Chandigarh
Date: 11.08.2016



Ind-Swift

Ind-Swift Laboratories Limited

Regd Off: SCO 850, SHIVALIK ENCLAVE, NAC, MANIMAJRA, CHANDIGARH-160101
CIN NO: L24232CH1995PLC015553

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint Shareholders may obtain additional Slip at the Venue of the meeting.

ATTENDANCE SLIP

DP Id*	
--------	--

Folio No.	
-----------	--

Client Id*	
------------	--

No. of Shares	
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NAME AND ADDRESS OF THE SHAREHOLDER _____

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

E-mail ID _____ Shareholder(s) Signature _____

I hereby record my presence at the **21st ANNUAL GENERAL MEETING** of the Company held on Friday, September 30, 2016 at 10:30 AM at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031.

*Applicable for investor holding shares in electronic form.

Signature of Shareholder / Proxy

ADMISSION AT THE ANNUAL GENERAL MEETING VENUE WILL BE ALLOWED ONLY ON VERIFICATION OF THE MEMBERSHIP DETAILS AND SIGNATURES ON THE ATTENDANCE SLIP.



Ind-Swift

Ind-Swift Laboratories Limited

Regd Off: SCO 850, SHIVALIK ENCLAVE, NAC, MANIMAJRA,
CHANDIGARH-160101 | CIN NO: L24232CH1995PLC015553

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AT THE ENTRANCE OF THE MEETING HALL

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

PROXY FORM

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

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

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

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **21st ANNUAL GENERAL MEETING** of the Company, to be held on Friday, September 30, 2016 at 10:30 AM at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031 and at any adjournment thereof in respect of such resolutions as are indicated below :

Sr. No.	Resolutions
Ordinary Business	
1.	Receive, consider and adopt the financial statement of the Company for the year ended 31st March, 2016 and the report of the Auditor and Directors thereon.
2.	Re-appointment of Sh. S.R. Mehta, Director who retire by rotation.
3.	Re-appointment of Sh. Rishav Mehta, Director who retire by rotation.
4.	Appointment of Auditor and fixing their Remuneration.
Special Business	
5.	Re-appointment of Mr. Prabhat Khurana as an Independent Director.
6.	Approval of remuneration of Cost Auditors for the Financial year 2016-17.

Signed this day of2016

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Affix
Rs. 1.00
Revenue
Stamp

Note : 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

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

Route Map for the 21st Annual General Meeting of Ind-Swift Laboratories Limited to be held on Friday, the 30th Day of September, 2016 at 10:30 A.M. at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031



