

In good health!

Ind-Swift Laboratories Ltd. | Annual Report 2010-11



Ind-Swift Laboratories Limited: High margin complex chemical synthesis

Key strengths

- High margin API player leveraging strong research skills in complex chemistry
- Global leadership in key products
- USFDA approved facilities
- Reliable supplier to domestic as well global formulation players
- Global reach - presence in more than 50 countries including large markets of USA and Japan through strategic alliances and tie-ups
- Research capabilities, manufacturing scale and regulatory approvals makes preferred partner of global pharmaceutical companies for CRAMS.

Future road map

- Increasing API product range through leveraging research skill for complex chemistry
- Creating global scale of key high value products going off-patent in next 2-3 years
- Enhancing global reach by increasing geographical presence.
- More product registrations for regulated markets - mainly for complex products.
- Continuously tapping long term CRAMs opportunities through strategic alliances with global players.

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Ind Swift Labs Ltd. seeks to establish global leadership through innovative pharmaceutical solutions.

Focusing on the development of active pharmaceutical ingredients, involving complex chemistry for high-growth therapeutic segments, coupled with an excellence in execution.





Corporate identity

Location

- Headquartered in Chandigarh, Punjab, India
- The company has manufacturing plants located at Derabassi, Patiala (Punjab) and Samba, Jammu (J&K) – in compliance with stringent USFDA and cGMP standards.

“Ill-health of body
or of mind, is defeat.
Health alone is victory.
Let all men, if they can
manage it, contrive to
be healthy!”

-Thomas Carlyle



Pride

- The company boasts of having a cumulative reactor capacity of 455 KL that is one of the largest in North India.
- The Company reinforces a competitive edge, having a sophisticated R&D centre manned by more than 100 scientists, again one of the largest of its kind in the region.
- In 2010-11, the company's shares which are listed on the Mumbai, National and Luxembourg Stock Exchanges, enjoyed a market capitalization of ₹331.96 crores as on 31st March 2011.

Products

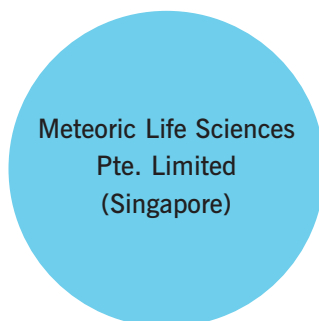
- Ind Swift Labs has evolved as one of the largest manufacturers of APIs and advanced intermediates.
- It has its presence in 16 therapeutic segments, of which five comprise sustained use therapies like cardiology, diabetology, oncology, anti-depressant and anti-hyperlipidemic.
- Its product basket comprises 40 APIs that are marketed in India and in the international markets. Of the product folder, 8 APIs are related to sustained-use therapies.
- The company is among the two leading global manufacturers of Clarithromycin/granules (with its own patented technologies), Atorvastatin, Fexofenadine, Clopidogrel and Nitazoxanide.

Subsidiaries & Alliances



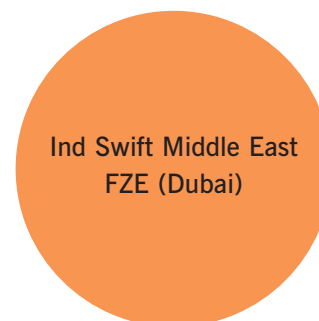
Ind Swift Laboratories Inc. (USA)

Wholly owned subsidiary (WOS) - represents the activities of Ind Swift Labs in North America (USA & Canada).



Meteoric Life Sciences Pte. Limited (Singapore)

Established WOS to help company expand its base across South East Asia.



Ind Swift Middle East FZE (Dubai)

Established WOS to help company reach out to the Middle East & African markets.



Marketing Office, London



Marketing Office, China

Offices in HangZhou (China) & London (UK) in order to have direct access to customers and sources of raw material.

Main Products

Therapeutic Segment	Molecule Name
Macrolide Antibiotics	Clarithromycin
Cardiovascular (CVS)	Atorvastatin, Clopidogrel
Anti-Cancer	Imatinib, Temozolamide
Anti-Hypertensive	Telmisartan, Olmesartan
Anti-Histamine	Fexofenadine
Anti-Diabetic	Pioglitazone
Anti-Diarrheal	Nitazoxanide
Anti-Depressants	Venlafaxine
Alzheimer's Disease	Donepezil

Source: Company Data

ISLL has been on a strong growth trajectory over the past five years benefitting from healthy growth in its key molecule - clarithromycin, ramp-up in the sales from new molecules and new client addition. This momentum is expected to continue on the back of planned new launches in regulated markets and tie-ups with generic companies.

The Indian pharmaceutical market has seen a CAGR of about 14% in the last five years.

It continues to be highly fragmented and dominated by Indian companies. The domestic pharmaceutical industry grew by 18% in March 2010 versus 10% in March 2009. Acute therapy dominates, with a share of over 75% of the total market value.

The chronic segment has registered a growth of 21%, versus 16% in the acute segment. Anti-infectives grew by 14%, respiratory and dermatology by 21%, cardiac by 21% and CNS by 20%.

In terms of scale, the India pharmaceutical market is ranked 14th in the world. By 2015, it will rank among the top 10 in the world, overtaking Brazil, Mexico, South Korea and Turkey.

More importantly, the incremental market growth of \$14 billion over the next decade, is likely to be the third largest among all markets.

The US and China are expected to add \$200 billion and \$23 billion respectively. India, Japan, Canada and the UK are expected to be the next in line with growth expectations in the range of \$13-14 billion during this time frame.

In keeping with this optimistic industry scenario, ISLL has been in the investment phase over the past 2-3 years with focus on developing APIs for products that are expected to go off-patent in regulated markets and for filings DMFs. The

company has increased the capacities for its major products this year. The new facilities will augment the company's efforts to tap the regulated markets and strengthen its presence in new markets, which is expected to account for hefty increase in its bottomline over the next four years. While doing so, ISLL has also conscientiously focused on process efficiencies, thereby increasing the production capacities without involving much of the investment.

ISLL received the Japanese government approval, which will facilitate company's presence in the Japanese market. In line with its strategy to strengthen its presence in the US market, the company has started supplying APIs in development quantities to generic companies for molecules that are expected to go off-patent post 2012 onwards.

As ISLL plans to target patent expiries in regulated markets, the company is in the process of expanding its product profile with major focus on chronic lifestyle related therapy areas such as Anti-Cancer, Anti-Diabetic and Anti-Psychotic.

ISLL has been on a strong growth trajectory over the past five years benefitting from healthy growth in its key molecule - clarithromycin, ramp-up in the sales from new molecules and new client addition predominantly in semi-regulated markets. This momentum is expected to continue on the back of planned new launches in regulated markets and tie-ups with generic companies. Further, the scale-up in menthol business is also likely to support growth going forward.



ISLL increased the capacities for its major products this year. The new capacities will augment the company's efforts to tap the regulated markets and strengthen its presence in new markets which is expected to account for hefty increase in its bottom line over the next four years.



“Competitive pressures across the global pharmaceutical market have prompted industry players to continually modify their strategies in a bid to sustain revenue growth. While consolidation will continue, there is a growing trend for innovators to acquire or ally with generic companies as a new means of gaining entry to emerging markets dominated by branded generics.

Rapidly growing economies, increasing population, greater inclination and higher disposable income to spend on healthcare are driving the growth of pharmaceuticals in emerging markets. At Ind Swift, we have leveraged all these emerging and potential opportunities to map greater achievements of the company in the years to come”.

- Himanshu Jain, Jt. Managing Director

Over the next five years, ISLL plans to expand its product profile from 40 (at present) to 80 with focus on products that are expected to go off-patent between FY 2012-20. The steady growth in company's key molecules, introduction of new APIs, foray in newer markets and client addition are continuous processes. The growth has been particularly strong over the past two years driven by launch of several molecules, both in the domestic and exports markets. The Company has grown at a CAGR of 28% in terms of revenue and 40% in terms of post-tax profit in the last ten years.

The Company has earmarked a comprehensive business strategy to achieve US\$ 500 mn by 2015:

Building up product pipeline with focus on regulated markets to drive growth: In line with its strategy to transform its business with focus on regulated markets, ISLL is in the process of developing products that are expected to off-patent in the US and European markets post 2012 onwards.

Expanding presence in fast-growing chronic therapeutic segments: Traditionally, the product mix of ISLL has been concentrated on therapy segments such as antibiotics, CVS and anti-histamine. As it plans to target patent expiries in regulated markets, the company is in the process of expanding its product profile with major focus on chronic lifestyle related therapy areas such as Anti-Cancer, Anti-Diabetic and Anti-Psychotic.

Establish a presence with leading generic players in Europe: In European markets, ISLL has a fairly well established

presence with leading generic players in Central and Eastern European countries and hopes to further consolidate this alliance.

Working on a two-pronged growth strategy for the European markets: In addition to supplying bulk drugs to generic companies, as part of its strategy for European markets, the Ind-Swift group also aims to enter into the formulations segment through its formulations company - Ind-Swift Limited. ISLL will supply the APIs to ISL, which will in-turn file dossiers/enter into a marketing tie-up (with companies holding product registrations in Europe) and manufacture formulations.

Alliance with generic majors and new product launches to expand presence in the U.S. market: The company's strategy for the US market is slightly different from that for European markets as it intends to position itself only as a standalone API player by tying up with leading generic players for products that are expected to go off-patent over the next 2-3 years.

Taking all these views into consideration, it is evident that the company is in a healthy growth phase and stakeholders have myriad reasons of optimism across the foreseeable future.

Signed
N R Munjal



Milestones

1995

Incorporated by Ind Swift Limited with PSIDC

2004

- Maiden dividend
- Sets up subsidiary in US
- Launched Nitazoxanide in Asia for the first time

2007

USFDA approval for Clarithromycin

1997

IPO for ₹75 mn raised

2005

Second Plant at Jammu established

2008

Ventured into Phyto-Chemicals business

1998

First Plant at Derabassi commences production

2006

- USD 10 mn GDR raised
- New R&D facility in Mohali.
- JV in Iran to manufacture APIs

2010

KFDA approval for one product

2011

PMDA approval for two products





Strengths

Diversified portfolio

ISLL has a portfolio of 40 APIs that are marketed in India and abroad. Its portfolio caters to the 16 therapeutic areas including antibiotics, anti-cholesterol, anti-histamine, anti-diarrhea, anti-diabetics, anticancer, anti-depressants and anti-psychotic, among others. Its key products are Clarithromycin/ granules, Atorvastatin, Fexofenadine, Clopidogrel and Nitazoxanide.



ISLL is among the larger API manufacturers in the world

- Manufactures APIs for 10 of the top 25 blockbuster drugs with a global market ~ US\$ 35 billion.
- Strong portfolio of 40+ products across 16 therapeutic categories.
- Worldwide presence in over 50 markets including mature markets (US, European Union and Japan) and 'pharmerging' markets.
- Amongst largest global manufacturers of Clarithromycin (including granules).
- Facilities approved by USFDA, MHRA, PMDA and TGA.

Expanding reach beyond India

ISLL has 19 manufacturing and R&D blocks/plants located at Derabassi in Patiala district (Punjab) and Samba (J&K), which export APIs and advanced intermediates. Europe is the company's biggest export market, followed by Asia-Pacific, Latin America, Middle East and the US. ISLL has filed 21 drug master files (DMF) with the US FDA so far, and 353 DMFs across the globe in the common technical document (CTD) format.

Therapeutic Segments

Over 40 Products Across 16 Segments

Segment	Products
Macrolide Antibiotics	Clarithromycin
Cardiovascular	Atorvastatin, Clopidogrel
Anti-Histamine	Fexofenadine
Anti-Diabetic	Pioglitazone
Anti-Diarrheal	Nitazoxanide
Aromatase Inhibitors	Letrozole, Anastrozole
Anti-Depressants	Venlafaxine
Anti-Psychotic	Quetiapine, Aripiprazole
Alzheimer Disease	Donepezil
Anti-Migrane	Naratriptan
Anti-Cancer	Imatinib, Temozolamide
Bone Resorption Inhibitor	Risedronate Sodium
Parkinson Disease	Ropinirole HCl
Hyperparathyroidism	Cinacalcet
Antihypertensive	Telmisartan, Olmesartan, Medoxomil
Alcohol Abstinence	Acamprosate Calcium

Strong player in anti-biotic segment

ISLL derives more than 25% of its revenues from macrolides, a class of antibiotics. Clarithromycin and its coated granules is a second-generation macrolide product of the company, and its largest revenue contributor. It accounts for around 18.76% of total revenue for FY11. ISLL is a leading supplier of macrolides to generics companies in the World.

Manufacturing plants

Ind Swift Labs has invested prudently in relevant assets, equipment and infrastructure. It possesses manufacturing blocks—located at Derabassi, Patiala (Punjab) and Samba, Jammu (J&K)—designed to comply with stringent USFDA and cGMP standards. The company possesses a cumulative reactor capacity of 455 KL, one of the largest in North India. The manufacturing facilities are approved by several international regulatory agencies including major one like US FDA (for United States), UK MHRA (for European Markets), TGA (for Australia) and PMDA (for Japan). In 2006-07, the company set-up an R&D Centre at Mohali (near Chandigarh) with the aim to expand its pipeline of products under development and increase its presence in regulated markets.

Derabassi

- Spread over 37 acres.
- USFDA / TGA / MHRA / PMDA approved facility.
- Containment facility catering to high potency drugs.
- 11 facilities for regulated markets.

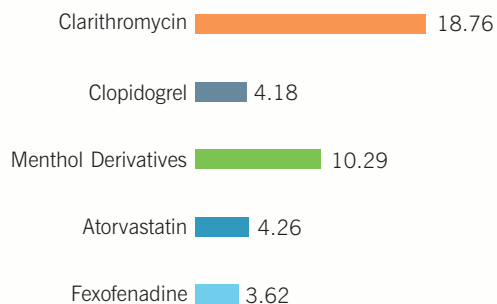
Jammu

- 8 acre facility.
- Catering to domestic / unregulated markets.
- Products include atorvastatin, clopidogrel bi sulphate & nitazoxanide.

Comprehensive business strategy



Contribution of top 5 products



Source: Company Data



A healthy presence in the world

Exports constitute about 40% of sales. It exports its products to USA, Europe, Middle East, Latin America, Slovenia, UAE, Turkey, Pakistan and China forming the top export destinations.

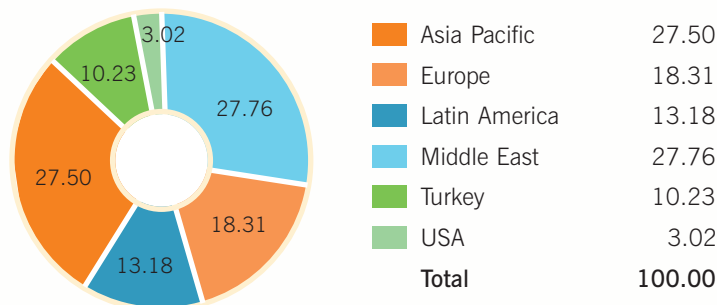
ISLL is strengthening its presence in regulated markets with focus on targeting generic players in United States, Europe and Japan. The domestic formulations market continues to remain the mainstay for ISLL, contributing almost 60% to the turnover in 2009-10 with exports contributing the rest.

ISLL's exports sales are spread across markets with Europe accounting for 18.31% of sales, Asia Pacific (27%), Middle East (28%), others (6%) and United States (3%).

Global presence

April-March 2011

Asia and Europe are key markets



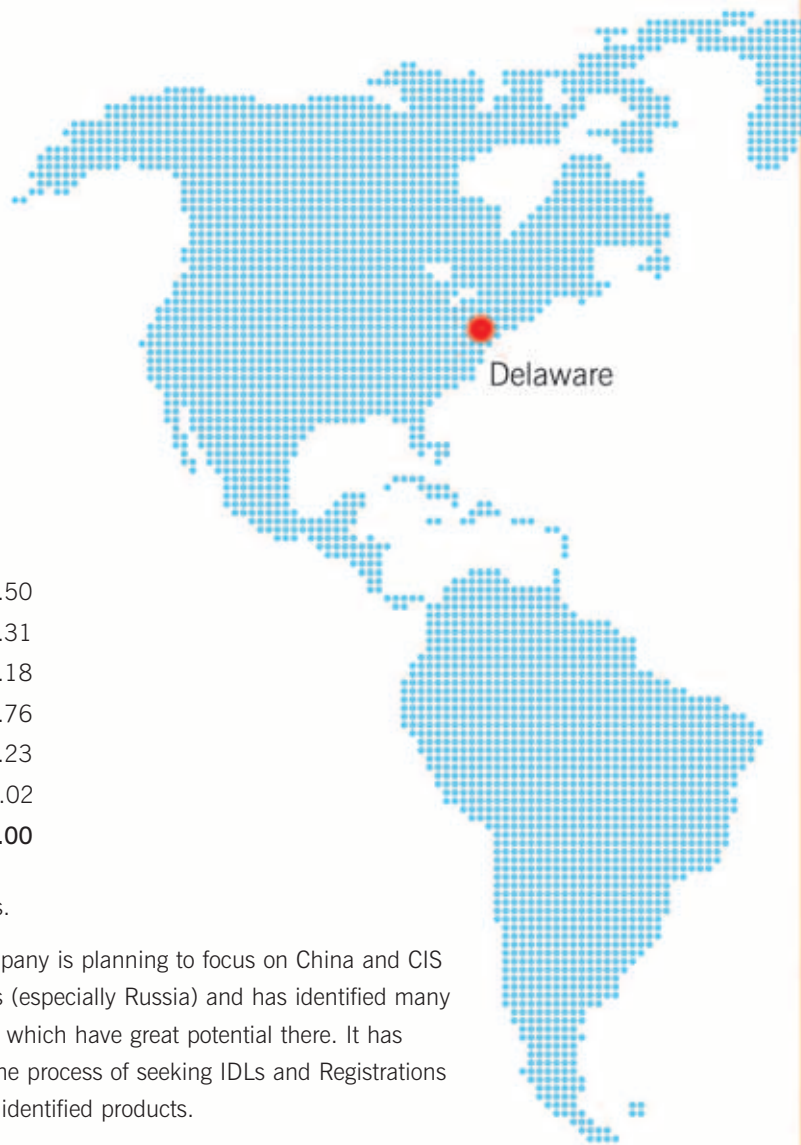
In the East European markets, ISLL has already established its presence with leading generic players and is positioned as one of the leading suppliers of its key molecules – Clarithromycin, Atorvastatin and Clopidogrel.

ISLL is penetrating the MENA and GCC market and has a good hold in Jordan, Iran, Syria, and Egypt. It is spreading its territorial area by focusing on North African countries as well as GCC countries too. Majority of countries in North African region imports the finished dosages so they import the same from Egypt, Jordan, Saudi Arabia and Syria. Many manufacturing units are under process in North African and GCC region they are mainly sister concerns of the major producer of the Middle East

countries.

The company is planning to focus on China and CIS countries (especially Russia) and has identified many products which have great potential there. It has started the process of seeking IDLs and Registrations for such identified products.

ISLL also enjoys the leadership status in the markets of Bangladesh & Pakistan. ISLL succeeded to grab a major share of its products in these markets in 2010-2011. The customer coverage in the market has been exceptional. In Thailand and Philippines are the markets where the company has been able to add more products & customers for existing range.



Plants in Asia, establishments across the global (offices / subsidiaries) ensure proximity to key markets and customers.





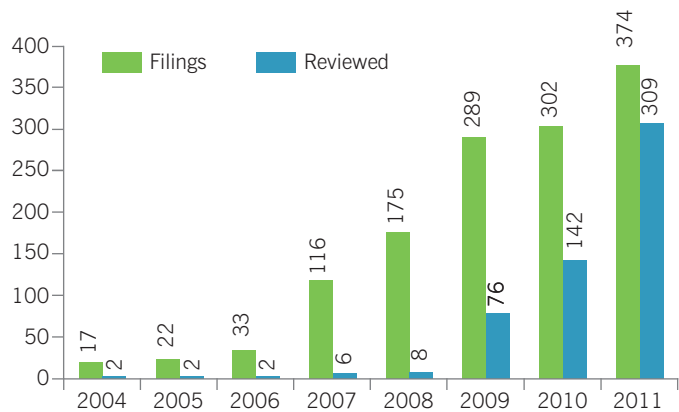
During the last five years ISLL has invested over ₹602 crore in expansion taking the gross block to ₹1016 crore (including WIP).

A healthy focus on regulated markets

To strengthen its presence in regulated markets, ISLL will remain in an investment mode to expand its manufacturing facilities, support higher investments in product development and filings and upgrade/modernise its existing manufacturing sites.

At present, ISLL's major revenues come from domestic and semi-regulated markets. With a view to strengthen its presence in regulated markets, ISLL has been in an investment phase over the past 2-3 years to the development and filing DMFs across markets. ISLL has so far filed over 374 DMFs including 353 in European markets and 21 in the US market.

During the last five years ISLL has invested over ₹602 crore in expansion taking the gross block to ₹1016 crore (including WIP).



- 21 DMFs filed with USFDA
- 353 DMFs submissions with European authorities
- 309 DMFs reviewed by regulators
- 27 products covered



A healthy presence in the antibiotic segment

ISLL is positioned as one of the leading manufacturers of Clarithromycin API, a Macrolide antibiotic that is used in the treatment of infection leading to pharyngitis/tonsillitis. It derives more than 25% of its turnover from Macrolides and generates nearly 19% of its revenues from a single molecule - Clarithromycin, a second-generation macrolide antibiotic.



Growth Drivers: Key Products

Clarithromycin	Atorvastatin	Fexofenadine	Clopidogrel
<p>Macrolides Antibiotic Respiratory Tract Infection</p> <ul style="list-style-type: none"> • US\$ 1.5 billion market. • Amongst larger global producers ~40% share of worldwide capacities. • >50% market share in unregulated markets. • USFDA, TGA & COS certified facilities. 	<p>Lipid Lowering, Cardiovascular Drugs</p> <ul style="list-style-type: none"> • US\$ 12 billion market. • Expanded capacity to 42 TPA : long term supply contracts with leading global corporations. • Supplying to regulated (bio-batch) & unregulated markets. • Amongst larger domestic players. 	<p>Non-Sedating Anti Histamine Drug</p> <ul style="list-style-type: none"> • US\$ 1.5 billion market. • Expanded capacity to 40 TPA : long term supply contracts with global corporations. • DMF filed in 7 European countries. • Non-infringing process for molecule developed in-house. 	<p>Cardiovascular Drug</p> <ul style="list-style-type: none"> • US\$ 6 billion market. • Patent for non-infringing process of drug. • Amongst largest global producers, technology to produce all relevant salts. • Supplying to regulated, unregulated & domestic markets.



A healthy insight into Research and Development

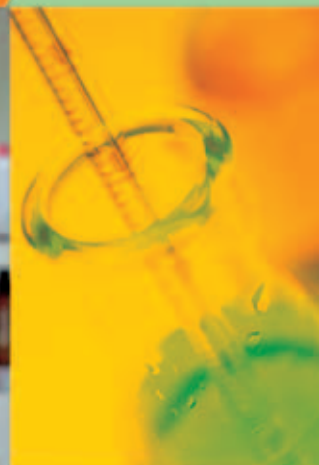
ISLL's R&D facility is located at Mohali near Chandigarh. ISLL is known for its reverse engineering ability with highly focused R&D capabilities and is equipped with state-of-the-art equipment, facilities and talented pool of Scientists and Researchers.

- Annual spend ~ 9% of net revenue.
- Dedicated R&D center at Mohali with around 100 scientists.
- Strong capabilities to develop non-infringing APIs requiring complex chemistry and multiple reactions.



Mohali

- 2 acres' campus area.
- Dedicated facility with eight synthetic labs over 40,000 sq. ft research area.
- Fully equipped with state-of-the-art analytical equipments including HPLCs, LCMass, GCMass, DSC, XRD, etc.
- Recognized by Department of Science & Technology (GOI).

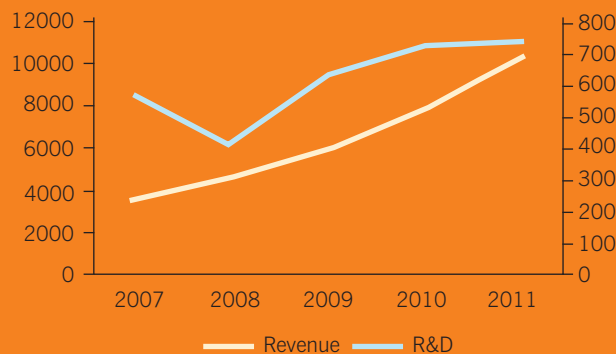


Currently, ISLL has 374 DMF filings and expects to file DMFs of 4-5 products every year over the next 2-3 years.

- Filed 46 DMFs in 2010-11
- Possesses a Research and Development, Chemical Research and Analytical Development facility duly recognized by the Department of Science and Technology (Government of India).
- Possesses an attractive pipeline of 20 products expected to go off-patent by end of 2014, 2016 and 2020
- Undertook process optimisation and improvements for molecules in 2010-11 such as the following:
 - Colesevalam HCl – Process to improve yields per batch.
 - Dapoxetine – Process to improve yields per batch as well as reduce harmful ecological effects.
- Process developed for the following molecules in 2010-11 – Saxagliptan, Deferasirox, Sunitinib, Solifenacin, Lisdexamphetamine, Vardenafil, Aprepitant, Rosuvastatin, Rifaximin and Montelukast.
- Developed non-infringing processes for molecules including Saxagliptin, Rosuvastatin, Montelukast Sodium, Sitagliptin
- Undertook pilot studies for Bexarotene, Dutasteride & Eletriptan.

- Commercialised the production of Imatinib Mesylate (with two polymorphs), Colesevalam HCl, apentadol HCl.
- Developed a key intermediate of Eletriptan called BIP.
- Has successfully developed novel polymorph for Rifaximine
- Made foray into new therapeutic segment for thalassaemia patients with new molecule Deferasirox
- Filed 24 process patents in 2010-11
- Cost reduction of Clarithromycin, Ropinortre and Quetiapine

R&D Spend (Historical: 5 years)





A healthy focus on the US market

The US generics market is the biggest in the world, comprising more than half of the share of the global generics market. The huge potential of this market can be interpreted from its vast pharmaceutical market, which is again the largest in the world. Generics had an estimated share of around 78% in the US pharmaceuticals market and growth of generics has outpaced the growth of overall pharmaceutical market. This generic drugs market is anticipated to grow at a CAGR of



around 9% in next two years.

Towards this it has been filing DMFs with the US FDA for a selected basket of products with complex chemistry, difficult to manufacture characteristics. ISLL had a portfolio of 21 DMF filings in the US market with five approvals.

The recent DMF filings in the US from USFDA has been done for Temozolomide and Telmisartan. Temozolomide is an anti-neoplastic drug with market size of \$700 million and Telmisartan is an hypertension drug having market size of \$1.6 billion.

Latin America

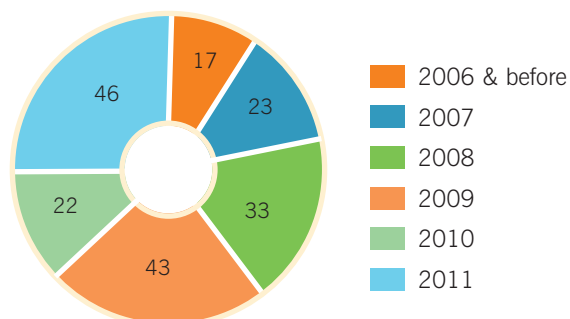
Ind-Swift sales in Latin America grew more than 60 % in 2010-11 over the last F.Y. 2009-10. Argentina, Brazil, Colombia and Mexico were the main countries where the market share of Ind-Swift increased by more than 25% over the previous financial year. The highest sales were recorded in

Brazil followed by Mexico, Argentina and Chile. The other countries like Paraguay, El Salvador, Peru also showed the positive growth. The MoU, signed between India and Uruguay this year, is expected to fetch a good business for pharmaceutical sector.

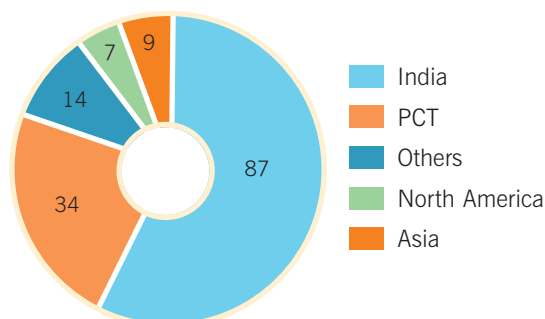
This year the Company has filed 5 US Drug master File (DMF) with USFDA and begun commercial supply of Naratriptan HCl in North America. ISL INC. will be launching three more products in US immediately after expiry of their patent in coming year. Also the Company has supplied biobatch quantity of four new products this year. The Company's five additional products are being actively reviewed by regulatory agencies.

This year, company has also entered into co-development and co-marketing agreement for two molecules for worldwide markets. The Company is continuously building its alliances with top North American Pharmaceutical companies.

Year-wise Filings



Region-wise Filings



ISLL's DMF Filings with US FDA

Molecule Name	Brand Name	Therapeutic segment	Patent Status/Expiry
Acamprosate	Campral	Treating Alcohol dep.	Off patent
Aripiprazole	Abilify	Anti-psychotic	U.S. (April 2015)
Atorvastatin	Lipitor	Cardiovascular	U.S (November 2011)
Clarithromycin	Biaxin	Macrolide Antibiotic	Off Patent
Clarithromycin Citrate	Biaxin	Macrolide Antibiotic	Off Patent
Donepezil	Aricept	Anti-Alzheimer	U.S. (November 2010), Europe (Feb 2012)
Letrozole	Femara	Anti-Cancer	
Naratriptan	Amerge	Anti-Migrane	Off Patent (July 2010)
Nateglinide	Starlix	Anti-Diabetic	Off Patent
Pioglitazone	Actos	Anti-Diabetic	U.S. (August 2012)
Risedronate	Actonel	Osteoporesis	293
Ropinirole	Requip	Anti-Pakinson	Off-Patent
Quetiapine	Seroquel	Anti-Psychotic	U.S. (March 2011)
Venlafaxine	Effexor	Anti-Depressant	Off-Patent 30

Source: US FDA, ICRA



A healthy and promising foray into Japan



With its healthcare market size of \$350 billion and \$13 billion worth of pharma product imports, Japan has emerged a promising market for Indian pharma manufacturers.

The company is working with 8-10 top generic companies in Japan and expects business to scale-up from 2013 onwards.

The generic market in Japan continues to grow steadily as various measures are implemented to promote the use of Generics and achieve the governments' goal of a 30% volume share for generics drugs in fiscal 2012.

ISLL has already received approval from the Japanese Government's Pharmaceutical and Medical Devices Agency (PMDA) for Pioglitazone and Risedronate Sodium to be manufactured at its manufacturing facilities at Derabassi in Punjab.

Other than that ISLL also successfully filed DMFs for registration of Atorvastatin, Clarithromycin and have plans to add on few more in coming years. The sales in Japan in 2010-11 increased by 66.77% over the last year.

Many milestones were achieved by ISLL during the year 2010-2011. It includes the approval from the Korean FDA (KFDA) for two new products which has strengthened our presence and secured future business of our products in Korea. With the approval, the company targets a market share of 15-20 per cent for these products by 2013.



A healthy prospect of patent expiry to drive growth



Major opportunities for generic players like us lies ahead as peak years of patent expiries shift major therapies to generic dominance. Over the next five years, products with sales of more than \$142 billion are expected to face generic competition in major developed markets of Europe, US and Japan. The impact of patients shifting to lower-cost generics in major therapy areas such as cardiovasculars, antipsychotics, antidiabetics and antiulcerants is estimated to reduce total drug spending by about \$80 – \$100 billion worldwide in next 3-4 years.

In Europe, ISLL aims to drive future growth by (i) supplying APIs for molecules that are expected to go off-patent over the next 2-3 years and (ii) supplying APIs to its group company for forward integration into formulations.

To enhance the product life-cycle for its largest contributing molecule – Clarithromycin, the company has also developed Clarithromycin granules and a sustained release version, which it aims to launch in the European markets through tie-ups with marketing companies after launching it initially in India and other semi-regulated markets.

The impending 2011 patent cliff is set to erode US\$78 billion in global branded sales from drugs facing patent expiry over 2010-14.

This is in addition to another \$32 billion from continued erosion of already expired brands. The patent cliff will be a major catalyst for the growth of generic pharmaceutical companies.

Generics will be an aggressive driver of sales and in the process, deliver cheaper drugs for all.

API	Patent Expiry	Market Size*	Status
Atorvastatin	2012 (US & EU)	US\$ 12.0 bn	Already supplying in unregulated markets.
Nitazoxanide	Expired	US\$ 1.50 bn	Launched.
Quetiapine Hemifumarate	2011 (US), 2012 (EU)	US\$ 2.81 bn	Bio batches in US & EU.
Donepezil HCl	2010 (US), 2012 (EU)	US\$ 2.09 bn	Samples & open part DMF in EU, Bio Batches in US.
Risedronate Sodium	2013 (US), 2011 (EU)	US\$ 1.70 bn	Samples & open part DMF in EU, Bio Batches in US.
Aripiprazole	2015 (US & EU)	US\$ 1.19 bn	Bio batches given in EU and US.
Nateglinide	Off-patent	US\$ 0.25 bn	Samples & open part DMF in EU, Bio Batches in US.
Ropinirole HCl	Expired	US\$ 0.25 bn	Supplying commercial quantities to US & EU.

Expected launches in the US in FY 12-13

Molecule Name	Brand Name	Therapeutic Segment
Nateglinide	Starlix	Anti-Diabetic
Acamposate	Campral	Treating Alcohol dep.
Donepezil	Aricept	Anti-Alzheimer
Letrozole	Femara	Anti-Cancer
Anastrozole	Arimidex	Anti-Cancer
Quetiapine	Seroquel	Anti-Psychotic

Source: Company Data



A healthy focus on social responsibility



In the light of Ind Swift's phenomenal growth, there was need of having a good Corporate Social Responsibility, a policy that looked into the areas and spaces beyond pure economic growth. At Ind Swift Labs, giving back to the community is central to the existence of the organization. While business, profit and a healthy balance sheet are crucial, the company strives to create and maintain a strong sense of social responsibility.

The range of activities span from creating adequate fire safety mechanisms, conducting blood donation camps, facilitating tree planting, extending educational and on-the-job training and go on to cover vocational guidance and supporting seminars in co-ordination with universities.

Company takes pride in providing various forms of medical assistance to employees and their families, and also to all those living in villages surrounding manufacturing facilities. The company also organizes regular training programmes on safety and precautionary measures.

Our environmental policy emphasizes on being a caring company, which protects and promotes the environment by complying with applicable environmental regulations and minimizing pollution in all its operations. In addition, the company has also put several measures in place to save energy and conserve natural resources. Our carefully chosen community support programs benefit a wide cross-section of society.

Some of our initiatives are:

Community Services

- Construction of Bus Stop / Rain Shelter at Village Bhagwas.
- Sponsored Medical Checkup Camps in nearby village - Sangoul, haripur, Kuranwala & Behra.
- Sponsor Education Awareness Camp in nearby Village – Rampur Saini, Bhagwash & Behra.
- Scholarship for meritorious Science students in nearby villages - Rampur Saini, Sangouli, haripur, Kuranwala & Behra etc.
- Development of landscaped parks in nearby villages - Rampur Saini, Sangouli, haripur.
- Construction of “Religious Place” in nearby Villages - Kuranwala & Behra.
- Construction of part of School Building at Village Berha.
- Aid to local "Mahila Mandal Sewing Center" - Bhagwash.
- Contribute for “Religious Festival” in nearby villages - Rampur Saini, Sangouli, haripur, Kuranwala & Behra etc.

Promotion of Sports among the Youth

- Sports kits given to rural youth clubs in the area.
- Development of Volley Ball Ground in Village Rampur Saini.
- Sponsored Inter Village Cricket Tournament for Rural Youth at village Bhagwas.

Corporate information

Board of Directors (as on 31.08.2011)

S.R. Mehta	<i>Chairman</i>
N.R. Munjal	<i>Vice-Chairman cum Managing Director</i>
Himanshu Jain	<i>Jt. Managing Director</i>
Dr. V.R. Mehta	<i>Director</i>
Dr. G. Munjal	<i>Director</i>
Rishav Mehta	<i>Director</i>
K.M.S. Nambiar	<i>Director</i>
Dr. H.P.S. Chawla	<i>Director</i>
S.P. Sharma	<i>Director</i>
Dr. J.K. Kakkar	<i>Director</i>
Pradeep Kumar	<i>Director</i>
Dr. N.P. Singh	<i>Director</i>

Executive Board

Dr. Lalit K. Wadhwa	<i>Director & Chief Operating Officer</i>
Vijay Kumar	<i>Director Marketing & Special Project</i>
N.K.Bansal	<i>Chief Financial Officer</i>
Vikas Narendra	<i>President – US Operations</i>
G.K.Sharma	<i>Member</i>
Subodh Gupta	<i>Member</i>

Committees of the Board

Audit Committee

K.M.S. Nambiar	<i>Chairman</i>
Dr. J.K. Kakkar	<i>Member</i>
S.P. Sharma	<i>Member</i>
S.R.Mehta	<i>Member</i>
N.R Munjal	<i>Permanent Invitee</i>
Himanshu Jain	<i>Permanent Invitee</i>
N.K.Bansal	<i>Permanent Invitee</i>

Remuneration Committee

K.M.S. Nambiar	<i>Chairman</i>
S.P. Sharma	<i>Member</i>
S.R. Mehta	<i>Member</i>
N.R Munjal	<i>Permanent Invitee</i>
Himanshu Jain	<i>Permanent Invitee</i>

Share Transfer & Shareholder/Investor Grievance Committee

K.M.S. Nambiar	<i>Chairman</i>
Dr. J.K. Kakkar	<i>Member</i>
N.R.Munjal	<i>Member</i>
S.R. Mehta	<i>Member</i>

Compensation Committee

Dr. J.K. Kakkar	<i>Chairman</i>
K.M.S. Nambiar	<i>Member</i>

S.P. Sharma	<i>Member</i>
N.R.Munjal	<i>Permanent Invitee</i>
Himanshu Jain	<i>Permanent Invitee</i>

Sub-Committee of Board

N.R.Munjal	<i>Chairman</i>
Dr. J.K. Kakkar	<i>Member</i>
K.M.S. Nambiar	<i>Member</i>
Himanshu Jain	<i>Member</i>

Company Secretary & Compliance Officer

Pardeep Verma

Solicitors

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

Auditors

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

Bankers

State Bank of India
 Specialized Commercial Branch
 SCO:103-106, Sector 17 B, Chandigarh- 160 017

Bank of India
 Bank Square
 SCO:81-93 Sector 17-B, Chandigarh -160 017

State Bank of Patiala
 Commercial Branch
 SCO:103-107, Sector -8 C, Chandigarh

Registered Office

SCO 850, Shivalik Enclave, NAC,
 Manimajra, Chandigarh - 160 101
 Tele: +91-172-2730503, 2730920
 Fax: +91-172-2730504, 2736294

Share Department

SCO 850, Shivalik Enclave, NAC,
 Manimajra, Chandigarh - 160 101
 Tel: +91-172-2730503, 2730920
 Fax: +91-172-2730504, 2736294
 Email: investor@indswiftlabs.com
 Website: www.indswiftlabs.com

Directors' Report

Dear Shareowners,

Your Directors have great pleasures in presenting the Sixteenth Annual Report together with audited statements of accounts for the year ended 31st March, 2011

Financial Results

(₹in million)

Particulars	Year ending 31st March 2011	Year ending 31st March 2010
Sales (net of excise) and other income	10312.07	7905.28
Profit before Interest, Depreciation, Tax & Amortisation	1822.44	1446.99
Less: - Interest	569.37	510.63
- Depreciation	385.16	368.00
- Impairment of Assets	24.14	50.18
- Extra Ordinary Item (Loss on Insurance claim)	(30.68)	(29.97)
Loss on sale of fixed assets	3.19	1.52
Profit before Tax	871.26	546.64
Less: - Provision for tax	179.65	(102.45)
- Income tax adjustment of previous years	0.45	(4.07)
- Mat Credit Entitlement	(179.65)	(102.45)
- Provision for Fringe Benefit Tax	NIL	NIL
- Provision for Deffered Tax	(4.45)	(37.07)
Profit after Tax (A)	876.16	579.64
Amount B/F FROM Previous year (B)	1638.49	1120.43
Profit after Tax available for Appropriations (A+B)	2514.65	1700.07
Transfer to deferred tax liability	-	-
Provision for Dividend on Equity shares	34.22	27.85
Provision for Equity Dividend Tax	5.69	4.73
Transfer to General Reserve	43.81	28.98
Balance carried forward to Balance sheet	2430.93	1638.49

Operations and Business Performance

Your company has recorded an impressive growth by scaling newer heights and benchmarks in terms of sales and profits for the year ended 31st March, 2011. Turnover of ₹10312.07 millions was 30.45% over ₹7905.28 millions of the previous year. Profit before tax also increased from ₹546.64 millions to ₹871.26 millions registering a growth of 59.38% whereas profit after tax increased by 51.16% from ₹579.64 millions to ₹876.16 millions. The Earning per share increased to ₹29.76 per share from ₹21.45 per share..

Consolidated Financial Performance

Your company recorded a turnover of ₹10485.25 million as compared to ₹7922.64 millions recording a growth of 32.25% in consolidated revenue for the year. Profit After Tax achieved a growth of 58.66% at ₹894.62 millions. As required under Clause 32 of the Listing Agreements with the Stock Exchanges, audited consolidated financial statements form part of the Annual Report and the same are annexed to this Report.

Exports

Your company has recorded strong results across the global markets. Its exports during the financial year ending 31st March, 2011 were ₹4163.06 millions as compared to ₹3165.66 million recorded in the previous year, recording an increase of 31.51%.

Dividend

Your Directors are pleased to recommend 10% (i.e ₹1/- per equity share) dividend on equity shares of ₹10/- each for the financial year 2010-11. The dividend, if approved at the ensuing annual general meeting, will be paid on or after 1st October, 2011 to those shareholders whose names appear on the register of members of the company as on the record dates viz. 22nd September, 2011. The dividend would be tax-free in the hands of the shareholders.

The total outflow on account of the equity dividend payment, including the distribution tax, is ₹39.91 millions (previous year 32.58 million), which is approximately 4.55% of net profits after tax for the year.

The dividend pay out for the year under review has been formulated in accordance with the Company's policy to pay sustainable dividend linked to long term performance, keeping in view the Company's need for capital for its growth plans and the intent to finance such plans through internal accruals to the maximum.

Employee Stock Option Scheme

Members' approval to the Employee Stock Option Scheme was obtained at the Annual General Meeting held on 30.09.2006 for introduction of the Scheme.

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

The Employees Stock Compensation Committee, Constituted in accordance with the SEBI Guidelines, administers and monitors the Scheme. The applicable disclosures as stipulated under the SEBI Guidelines as at 31st March, 2011 are annexed to the directors Report.

Capital Structure

During the year the paid up share capital of your company raised to ₹34,22,30,700 consequent to:

Allotment of 30,00,000 equity shares upon conversion on equal no Zero Coupon Optionally convertible warrants (2009 Series) at a price of ₹50/- per share on preferential basis to promoters group company and

Allotment of 31,85,000 equity shares upon conversion of equal no of Zero Coupon Optionally convertible warrants (2010 Series) at a price of ₹82.50/- per share on preferential basis to promoter group and other body corporate and

Allotment of 1,85,660 equity shares under Employee Stock Option Plan (ESOP) 2006 to the eligible employee of the company at a price of ₹27/- per shares.

Credit Rating

ICRA Limited reaffirmed its A2+ to the short term fund based and non fund based working capital facilities . This rating indicates low credit risk.

ICRA Limited reaffirmed its LBBB+ to the long term debt facilities. This rating indicates moderate credit risk. The long term rating carries a stable outlook.

ICRA Online has assigned the Fundamental Grade '3' and a Valuation Grade 'A' to Ind-Swift Laboratories Limited (ISLL). The Fundamental Grade "3" assigned to ISLL implies that the company has "good fundamentals" relative to other listed securities in India. The Valuation Grade 'A' assigned to ISLL implies that the company is "significantly undervalued" on a relative basis ICRA Limited gave a rating of A3 signifying relatively strong fundamental and highly undervalue rating to the Company.

Subsidiaries and Joint Ventures

As on 31.03.2011 the Company had 3 Subsidiaries

The US subsidiary of the Company viz. Ind-Swift Laboratories Inc, recorded a net Profit of \$ 382416.43/- as compared to Loss of \$ 331493/- .

The Singapore Subsidiary Meteoric Life Sciences PTE Ltd. started business in current Financial Year 2010-11 and achieved net sales of INR 9,96,68,878/- and recorded a net profit of INR 9,71,272/-

The Dubai Subsidiary viz. Ind-Swift Middle East FZE has not started operations yet. During the year in view of the operational efficiency and to reduce administrative costs and efforts the investment in Iran was transferred to the Company's Dubai Subsidiary Ind-Swift Middle East FZE. The transactional impact of the same will be reflected in the current year's Balance Sheet.

Information related to performance/financial of the subsidiary companies are disclosed in the Consolidated Financial Statements. Statement pursuant to Section 212 (i) (e) of the Companies Act, 1956 forms part of the Annual Report.

Auditors

The Statutory Auditors of the Company M/s Jain & Associates,

Chartered Accountants retire at the conclusion of ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office of Auditors, if reappointed. The Audit Committee and the Board of Directors recommend the appointment of M/s. Jain & Associates, as Statutory Auditors of the Company for the Financial year 2011-12 for shareholders approval.

Cost-Audit

Pursuant to Section 233B of the Companies Act, 1956, the Central Government has prescribed cost Audit of the Company. Subject to the approval of the Central Government, the Board has appointed M/s. V. Kumar & Associates, Cost Accountants as Cost Auditors of the Company for the financial year 2010-11. The Cost Audit is under process and the company will submit the Cost Auditor's Report to the Central Government in time.

Deposits

During the year under review, your company has received overwhelming responses from the public. The aggregate amount of fixed deposit as on 31st March 2011 was ₹58.23 crores approx (previous year ₹57.93 crores) and there was no unclaimed deposit as on that date.

Directors

During the financial year under review, Dr. N. P. Singh was inducted as an Independent Director on the Board of the Company as per the provisions of the Companies Act 1956

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

Management Discussion and Analysis

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

Listing Fees

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

Internal Control Systems and their Adequacy

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

correctly as well as to provide for adequate checks and balances.

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

Conservation of Energy Research and Developments, Technology Absorption, Foreign Exchange Earning and Outgo

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

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of the employees are set out in the annexure to the Director's Report.

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

Corporate Governance

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

Directors Responsibility Statement

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

- (i) In the preparation of Annual Accounts, the applicable accounting standards have been followed. There are no material departures from prescribed accounting standards.
- (ii) We have selected such accounting policies and applied them

consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial year 2010-11 and of profit of the Company for that period;

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

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

Human Resource

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

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

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.

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

On behalf of the Board of Directors

S.R. Mehta
Chairman

Chandigarh, 31.08.2011

Annexure to Directors' Report

Annexure 'A'

Information pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Report of Directors.

A. Conservation of Energy

a) Energy conservation taken and impact of measures taken:

- i) Replacement of energy intensive refrigeration units of chilled water with energy efficient VAM system of 528 TR .
- ii) Replacement of energy intensive AHU with Direct expansion (DX) type AHU completed
- iii) Replacement of energy intensive CFL with LED and low wattage CFLs completed
- iv) Optimization of steam generation with efficient boiler usage
- v) Installation of waste heat recovery system in boiler blow down
- vi) Replacement of energy deficient traps with energy efficient traps in process area
- vii) Optimization of dryer operation in process area for the energy reduction
- viii) Replacement of energy deficient air conditioners with energy efficient air conditioners of BEE ratings
- ix) Condensate recovery improvement by indirect heating for hot water system
- x) Replacement of energy deficient cooling towers with energy efficient cooling towers

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

- i) Replacement of further energy deficient chilled water system with energy efficient system
- ii) Installation of FCU of DX type for the office air conditioning
- iii) Improvement in condensate recovery system for the hot water generation system
- iv) Replacement of further energy deficient vacuum system with energy efficient vacuum system
- v) Provision of high pressure steam through power boiler of 37 tons per hour capacity of power plant for replacement of energy intensive vacuum system by steam ejectors
- vi) Installation of new power plant for the efficient generation and utilization of internal power consumption

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

a) Electricity and Fuel Consumption	2010-11	2009-10
1 Electricity		
A Purchase Unit (KWH)	18166720	14627649
Total amount (₹)	85879862	57629614
Average Rate (₹)	4.73	3.94
B Own Generation		
i Through Diesel Generator set (KWH)	3936211	4807069
UNIT PER LITRE OF DIESEL OIL	3.58	3.35
Cost of fuel per unit	9.17	8.45
ii Through steam turbine/generator	NIL	NIL
2 Coal (specify quantity and where used)	NIL	NIL
3 Furnace Oil/L.D.O. (Quantity)	23710	47125
Total amount (₹)	642541	1121006.05
Average Rate (₹ Per litre)	27.1	23.79
4 Other/Internal Generation	NIL	NIL

B. Consumption per unit of Production

Unit	Standard	2010-11	2009-10
Electricity	(KWH)	14.967	16.63
Furnace Oil/L.D.O	Litre/Kg	0.02	0.04
Diesel	Ltr	0.77	1.23
Petroleum Coke	Kg	4.094	4.45

B) Technology Absorption

I) Research & Development (R&D)

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

The focus of research efforts are:

1. Development of Active Pharmaceutical Ingredients going off patents in regulatory Markets with opportunity to be first among other players by developing non infringing processes.
2. Cost effective development of API technologies for semi regulated markets.
3. Creating Intellectual Property bank with filling of process patents at national & international level.

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

1. Development of basket of API's for global markets.
2. Quick launches of products by utilizing state-of-the-art R&D infrastructure to carve out niche business pocket.
3. Company has filed total of 151 process patents at national & international level.
4. 46 DMF's have been filed in last one year.

c) Future plan of action

1. Collaborative/Contract Research
2. Development of non-infringing processes

Expenditure on R & D during the year 2010 –2011

(₹ in million)

	2010-11	2009-10
a. Capital	11.66	50.97
b. Revenue	961.84	890.97
Total	973.50	941.94
c. Total R&D expenditure as percentage of total turnover	9.57	12.15
d. Turnover	10177.41	7752.30

II. Technology Absorption, Adaptation and Innovation.

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

- Research & Development(R&D)
- The developed technologies have been put to commercialization for both regulated and semi-regulated markets

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

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

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

Not applicable

C) Foreign Exchange Earning and Outgo

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

Exports in the year under review are ₹4163.06 millions as compared to ₹3165.66 million with increase of 23.96%.

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

2. Total foreign exchange used and earned:

During the year the foreign exchange outgo was ₹1362.11 million and the earnings in foreign exchange were ₹3994.68 million. Details have been given in Notes 35 of Notes on Accounts.

Details of stock options as on 31st March 2011

The applicable disclosures as stipulated under the SEBI Guidelines as at March 31, 2011 are given below:

a.	Total Options Granted during the year	10,000				
b.	Pricing Formula	Options granted during the financial year ended 31st March, 2011 were at an exercise price of ₹27 per share which was approved by the Remuneration Committee, taking into consideration several factors.				
c.	Options Vested during the year	4,10,000				
d.	Options Exercised during the year	1,85,660				
e.	The total number of shares arising as a result of exercise of options as a result of exercise of Options	1,85,660				
f.	Options Lapsed during the year	–				
g.	Variation in terms of Options	–				
h.	Money realised by exercise of Options	₹50,12,820/-				
i.	Total number of Options in force	3,60,380				
j.	Employee wise details of Options granted during the year:					
	i. Directors:	<table> <tr> <td>1. Dr. N.P.Singh</td> <td>5000</td> </tr> <tr> <td>2. Sh.Pardeep Kumar</td> <td>5000</td> </tr> </table>	1. Dr. N.P.Singh	5000	2. Sh.Pardeep Kumar	5000
1. Dr. N.P.Singh	5000					
2. Sh.Pardeep Kumar	5000					
	ii. Any other employee who received a grant in any one year of Options amounting to 5% or more of Options granted during that year	Nil				
	iii. Identified employees who were granted Options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and Conversions) of the Company at the time of grant	Nil				
k.	Diluted Earnings Per Share (EPS) before exceptional items pursuant to issue of shares on exercise of Options calculated in accordance with Accounting Standard (AS) 20 'Earnings per Share'	₹27.57				

Management discussion and analysis

The value of the global pharmaceutical market is expected to grow 5-7 percent in 2011, to US\$880 billion, compared with a 4-5 percent pace this year. Global Generic pharmaceutical market is valued at approximately US\$108 billion in 2009 and is expected to reach US\$ 130 billion by 2014 with a CAGR of 9%.

Divergent growth rates are expected for developed and pharmerging markets. As countries recover from the global economic crisis at different rates, there is growing divergence in the pace of pharmaceutical growth among major markets. The 17 pharmerging countries are forecast to grow at a 15-17 percent rate in 2011, to \$170-180 billion. Many of these markets are benefiting from greater government spending on healthcare and broader public and private healthcare funding, which is driving greater demand and access to medicines. China, which is predicted to grow 25-27 percent to more than \$50 billion next year, is now the world's third-largest pharmaceutical market. Among major developed countries, Japan is forecast to grow 5-7 percent in 2011, a year when biennial price cuts will have little impact. The five major European markets (Germany, France, Italy, Spain, and the U.K.) collectively will grow at a 1-3 percent pace, as will Canada. The U.S. will remain the single largest pharmaceutical market, with 3-5 percent growth expected next year. Pharmaceutical sales in the U.S. will reach \$320- \$330 billion, up from \$310 billion forecast for this year, not including the impact of off-invoice discounts or rebates.

Peak years of patent expiries shift major therapies to generic dominance. In 2011, products with sales of more than \$30 billion are expected to face the prospect of generic competition in the major developed markets. In the U.S. alone, Lipitor®, Plavix®, Zyprexa® and Levaquin® – which together accounted for more than 93 million prescriptions dispensed in the past 12 months and generated over \$17 billion in total sales – likely will lose market exclusivity. The full impact of patients shifting to lower-cost generic alternatives for these products, as well as other brands in their therapy classes, mostly will be felt in 2012, due to the timing and expected competitive intensity among

generic entrants.

Broad measures applied by public and private players to reduce growth in drug budgets. Governments are pursuing an ongoing wave of budgetary control mechanisms that target drug spending as one way to restore fiscal balance. Multiple markets will be impacted by these measures in 2011. Prominent examples include substantial reductions in the price of generics relative to their branded counterparts in Spain and in Canada, where generic pharmacy rebates are expected to be eliminated; new price negotiation requirements for brands launched in Germany; and across-the-board price cuts for branded products in Turkey and Greece. In the U.S., health plans are stepping up their use of pre-authorizations and cost sharing provisions in an effort to address rising healthcare expenditures.

Therapy area growth dynamics driven by innovation cycle and areas of unmet need. In 2011, the introduction and uptake of new drugs - a third of which are specialty pharmaceutical products - are poised to fulfill patients' unmet needs and significantly alter treatment paradigms in several key therapy areas. These include innovative treatment options for stroke prevention, melanoma, multiple sclerosis, breast cancer and hepatitis C. As these new drugs are brought to market, patient access is expected to expand and funding redirected from other areas where lower-cost generics are available. Five potential blockbuster products - defined as those exceeding \$1 billion annually in peak sales - are expected to be approved and launched globally by the end of next year.

The other dynamics of the world pharma market are:-

- **Varying growth rates for different types of countries** - pharmaceutical growth is expected to progress at different rates, with 17 pharmerging countries expanding at between 15% and 17% next year to \$170-180 billion.

Many pharmerging countries are spending considerably more on healthcare. These countries are experiencing broader public and private healthcare funding, resulting in higher demand and access to medications.

China alone, currently the third largest pharmaceutical market, is expected to expand by 25% to 27% in 2011 to over \$50 billion.

- **Developed nations** - Germany, France, Italy, Spain and the United Kingdom, Europe's five major markets, as well as Canada are estimated to expand by 1% to 3%. The Japanese market has a forecast of 5% to 7% growth. The world's largest market, the USA will most likely see growth of 3% to 5%, with pharmaceutical sales reaching between \$320 and \$330 billion.

- **Shift to generics as patents expire** - a large number of blockbusters will have reached the end of their patent lives by 2011, making way for generics. The report calculates that about \$30 billion's worth of current sales will face generic competition. The authors stress that the largest impact of generic competition will probably be felt in the following year, in 2012.

- **Measures to reduce expenditure** - national governments worldwide are trying to bring down their drug bill in their drive towards budgetary control. This will have an impact on several markets next year. Countries, such as Canada and Spain have attained considerable discounts in generic prices relative to their branded counterparts - in these countries generic pharmacy rebates may be done away with. In an effort to deal with rising healthcare costs, health plans in the USA are increasing their use of pre-authorizations and cost sharing provisions.

- **Growth in new drugs that meet areas of unmet need** - next year, new medications, many of which are specialist pharmaceutical products, will most likely fulfill patients' unmet needs. This may have a considerable impact on the way some therapy areas are treated, such as stroke prevention, MS (multiple sclerosis), hepatitis C, melanoma, and breast cancer.

A growing number of patients will be accessing these medications as they enter the market.

In 2011, we will see the loss of exclusivity for some iconic brands and a promising new wave of innovation. It also will be a critical year for gauging how healthcare reform initiatives in key markets evolve and play out amid the expected macroeconomic recovery. For pharmaceutical manufacturers, an unrelenting focus on bringing distinct value to patients and health systems will be essential to navigating this dynamic market.

Trends in India

In recent times, the pharmaceuticals industry has grown high interest in India due to its sustained economic growth, healthcare reforms and patent related legislation. The India formulations market valued at ₹482 billion has grown at CAGR of 15% over last 4 years. New product introductions contributed to 10% of the sales growth while volume growth contributed to 82% of sales growth, growing population, improving medical infrastructure, rising income level and increasing government spend on healthcare are driving the market growth.

Indian market is witnessing gradual transition from acute diseases to lifestyle diseases and chronic therapies like cardiology, neurology, psychiatry and diabetes. With current demographic profile and growth prospectus of the economy, Indian pharmaceutical market to see continuing trends of transition towards chronic and super specialty therapies, with acute therapies like Anti-Infectives retaining their market size.

If Indian economy continues on its current high growth path then the Indian Pharmaceuticals market will undergo a major transformation in the next decade. The market will triple to US\$20 billion by 2015 and move into the world's top 10 pharmaceuticals markets. Generics will continue to dominate, while patent-protected products are likely to constitute 10% of the market by 2015.

Company's outlook

Products

Company has launched new drugs like Dutasteride, Cinacalcet, Duloxetine, Meclozamine Citrate, Atomoxetine, Exemestane, Ezetimibe, Pregalin, Ranolazine, Telmisartan & Posaconazole. The other products driving the growth of the Company are Letrozole, Anastrozole (Anti-Cancer), Venlafaxine (Anti-Depressants), Levofloxacin (Anti-Biotic), Quetiapine and Aripiprazole (Anti-Psychotic), Ezetimibe (Anti-hyperlipidemic) and Pioglitazone, an anti-diabetic drug. The Company is further developing newer products such as Argatroban, gefitinib, Elitriptan and others. The Company has successfully introduced for the first time in India new products like Ivabradine and Cinacalcet. Ind-Swift is the first and only company to launch these products in the Indian market.

Certifications

Last year Company received the coveted PMDA's approval viz. Pharmaceutical and Medical Devices Agency of the Government of Japan for two of its products (Risedronate Sodium and Pioglitazone).

Beside this the Company has various international and national accreditations which includes USFDA, COS from EDQM, TGA - Australia, approval from the Ministry of Iran, BSG Certification and Germany, KFDA, NIP(Hungry) and WHO GMP for its various products.

Expansion and Modernisation Plans

Last year the Company's focus has been on the process improvement which resulted in the increase in capacities of the major products by almost 50%. This way the Company increased the capacities of the key products without involving much of the capital investment .

R&D and Pharmaceutical Services

- Filed 46 DMFs in 2010-11 .
- Undertook process optimisation and improvements for molecules in 2010-11 such as the following
- Colesevalam HCl – Process to improve yields per batch.
- Dapoxetine – Process to improve yields per batch as well as reduce harmful ecological effects.

- Process developed for the following molecules in 2010-11 – Saxagliptin, Deferasirox, Sunitinib, Solifenacin, Lisdexamphetamine, Vardenafil. Aprepitant, Rosuvastatin, Rifaximin & Montelukast.
- Developed non-infringing processes for molecules including Saxagliptin, Rosuvastatin, Montelukast Sodium, Sitagliptin
- Undertook pilot studies for Bexarotene , Dutasteride & Etoriptan.
- Commercialised the production of Imatinib Mesylate (with two polymorphs), Colesevalam HCl, Tapentadol HCl.
- Developed a key intermediate of Etoriptan called BIP.
- Has successfully developed novel polymorph for Rifaximine
- Made foray into new therapeutic segment for thalassaemia patients with new molecule Deferasirox
- Filed 24 process patents in 2010-11

International Business Strengthening Alliances

The Company has increased its international visibility by opening offices in Europe and alliances with European customers. ISLL has formed two more subsidiaries , Ind-Swift Middle East FZE to aid its operations in the gulf countries and Meteoric LifeSciences PTE in Singapore to aid its operations in the Asia Pacific.

Report on Corporate Governance

1. The Company's Philosophy on Code of Corporate Governance

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

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

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

Through the Governance mechanism in the company, the Board along with its Committees endeavors to strike the right balance with its various stakeholders. The corporate governance philosophy has been further strengthened with the implementation of Code of Conduct by its Board and Senior Management. The Company is in full compliance of Clause 49 of the Listing Agreement with the Indian Stock Exchanges. The listing of company's depository Programme on Luxemburg Stock Exchange, also casts upon the Board of Directors and Audit Committee onerous responsibilities to improve the operating efficiencies.

2. Board of Directors

The Board of Directors along with its Committees provides leadership and guidance to the company's management and directs, supervises and controls the performance of the company. The composition of the Board of Directors is governed by the Companies Act, 1956, Listing Agreement with Stock Exchanges where the shares of the company are listed and Articles of Association of the company. The Board of Directors had an optimum combination of executive and non-executive directors and presently comprises of 12 Directors, out of which 9 were non-executive Directors. The Company had a non-executive Chairman and 6 Independent Directors which comprises of 1/2 strength of the Board, thus complying with the Corporate Governance Regulations as to the composition of the Board as on 31.03.2011.

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

None of the Directors on the Company's Board is member of more than 10 Committees and Chairman of more than 5 Committees across all the companies in which he is a director. All the directors have made necessary disclosures regarding Committee positions held by them in other companies. Also none of the Directors on the Board hold office of Director in more than 15 companies.

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

The Board of the Company met 9 times during the financial year on the following dates:

29.05.2010	13.11.2010
28.07.2010	29.01.2011
25.08.2010	15.03.2011
22.09.2010	28.03.2011
21.10.2010	

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

Name of Director	Category	FY 2010-11 attendance		As on 31.3.2011			Share-holding
		BM	Last AGM	No. of D'ships #	Committees		
					Member	Chairman	
Mr. S.R. Mehta	Non Executive Chairman, Promoter	7	Yes	3	3	Nil	233600
Mr. N.R. Munjal	Vice-Chairman cum Managing Director, Promoter	9	Yes	3	3	1	105000
Mr. Himanshu Jain	Executive Jt. Managing Director, Promoter	9	Yes	4	2	1	43325
Dr. G. Munjal	Non Executive Director, Promoter	9	Yes	4	Nil	Nil	60900
Dr. V.R. Mehta	Non Executive Director, Promoter	9	Yes	2	1	Nil	52900
Dr. J.K. Kakkar	Independent Director	7	Yes	Nil	4	1	5000
Mr. K.M.S. Nambiar	Independent Director	9	Yes	1	7	5	5000
Dr. H.P.S. Chawla	Independent Director	6	Yes	2	Nil	Nil	NIL
Mr. S. P. Sharma	Independent Director	5	Yes	1	3	Nil	NIL
Mr. Rishav Mehta	Executive Director, Promoter	8	Yes.	2	Nil	Nil	NIL
Mr. Pradeep Kumar	Independent Director	5	Yes	Nil	Nil	Nil	NIL
Dr. N. P. Singh**	Independent Director	4	N.A	NIL	Nil	Nil	NIL

Excludes private limited companies.

** Dr. N. P. Singh is appointed as an Independent director on 30.09.2010

Sh. S.R. Mehta, Dr. G. Munjal and Dr. H.P.S. Chawla Directors are liable to retire by rotation and, being eligible, have offered themselves for re-appointment. Their brief resume along with particulars of re-appointment of directors forms part of the notice of 16th Annual General Meeting of the company.

3. Committees of the Board

The Board Committees appointed by the Board focus on specific areas and make informed decisions within the authority delegated. Each Committee of the Board is guided by its Charter, which defines the composition, scope and powers of the committee. The Committees also make specific recommendations to the Board on various matters from time-to time. All decisions and recommendations of the Committees are placed before the Board for information or for approval. The Company has five Board-level Committees, namely:

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

(a) Audit Committee

During the financial year 2010-11, Four Audit Committee Meetings were held on the following dates, including before finalization of accounts and adoption of quarterly financial results by the Board:

29.05.2010	29.01.2011
28.07.2010	
13.11.2010	

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

Name	Designation	Executive/Non-Executive/ Independent	No. of Committee Meeting held during their Tenure	No. of Committee Meeting attended
Mr. K.M.S Nambiar	Chairman	Independent/ Non-Executive	4	4
Dr. J.K Kakkar	Member	Independent/ Non-Executive	4	3
Mr.S.R. Mehta	Member	Non-Executive	4	3
Sh.S.P Sharma	Member	Independent/ Non-Executive	4	3
Mr. N.R Munjal	Permanent Invitee	Permanent Invitee	4	4
Mr. Himanshu Jain	Permanent Invitee	Permanent Invitee	3	3
Mr. N.K. Bansal	Permanent Invitee	Permanent Invitee	4	4

The Committee meetings are usually held at the company's registered office and are usually 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 independent statutory auditors. It is responsible for performing an independent audit of the financial statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

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

- a. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board, focusing primarily on;
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- d. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f. Discussion with internal auditors any significant findings and follow up there on.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h. Discussion with external auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- i. Reviewing the company's financial and risk management policies.
- j. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- k. Any other matter, which the committee may deem fit to review in the Audit Committee Meeting.

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

During the year ended 31st March, 2011 the Committee reviewed compliance of its obligations and confirmed that it fulfilled its duties and responsibilities.

(b) Remuneration Committee

The Remuneration Committee comprises of 2 independent directors (including the chairman of the Committee) and 1 Non-executive Director .The Remuneration Committee reviews the remuneration of the Executive directors and compensation Policy for senior Management Personnel. The remuneration policy for managerial personnel is primarily based on the following criteria:

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

The Remuneration Committee met twice during the year on 29th May 2010 and 25th August, 2010

Name	Designation	Executive/Non-Executive/ Independent	No. of Committee Meeting held during their Tenure	No. of Committee Meeting attended
Mr. K.M.S Nambiar	Chairman	Independent/Non-Executive	2	2
Mr. S.R. Mehta	Member	Non-Executive	2	1
Mr. S.P. Sharma	Member	Non-Executive	2	2
Mr. N.R Munjal	Permanent Invitee	Permanent Invitee	2	2
Sh. Himanshu Jain	Permanent Invitee	Permanent Invitee	2	2

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 2010-11 is given below: (₹ in lacs)

Director	Designation	Business Relationship with Company	Remuneration for the year ended 31st March, 2011			
			Salary	Contribution to Provident Fund	Perquisites	Total
Mr. N.R. Munjal	Vice-Chairman cum Managing Director	Promoter	180.05	0.09	3.04	183.19
Mr. Himanshu Jain	Non Executive, Jt. Managing Director	Promoter	135.05	0.07	Nil	135.12
Mr. Rishav Mehta	Executive Director	Promoter	19.25	0.09	3.04	22.39

The Executive Directors were paid remuneration, as approved by the shareholders in the Annual General Meeting held on 22.09.2010. No options under the ESOP were granted to the Executive Director 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.

Independent Directors

Remuneration to Independent Directors comprises sitting fees only. Sitting fees payable to the Independent Directors were approved by the shareholders in the Annual general Meeting held on 28th September, 2005. It is excluded whilst calculating the above limits of remuneration In accordance with section 198 of the companies Act, 1956.

Sitting fees and other expenses paid in respect of the financial year 2010-11 is given below:

(₹ in lacs)

Director	Designation	Business Relationship with Company	Sitting Fees	Other Expenses	Total
Dr. J.K. Kakkar	Independent Director	–	0.150	0.025	0.175
Mr. K.M.S. Nambiar	Independent Director	–	0.195	0.035	0.230
Dr. H.P.S. Chawla	Independent Director	–	0.090	0.010	0.100
Sh. Pradeep Kumar	Independent Director	–	0.075	0.040	0.115
Dr. N. P. Singh	Independent Director	–	0.060	0.010	0.070
Sh.S.P Sharma	Independent Director	–	0.120	0.00	0.120
					0.810

- During the year 2000 shares each were allotted to Dr. J.K. Kakkar and Mr. K.M.S. Nambiar, Directors under ESOP scheme (2006) of the Company on 13.11.2010
- During the year 5000 options each were granted to Dr. N. P. Singh and Sh. Pradeep Kumar, Directors under, ESOP scheme (2006) of the Company on 29.01.2011.
- 5000 shares each were allotted to Dr. H.P.S. Chawla and Sh. S.P Sharma, Directors under ESOP scheme (2006) of the Company on 25.05.2011

(C) Shareholders' Grievance redressal committee

Shareholder's Grievance Redressal Committee specifically looks into redressing of shareholders and investors complaints such as transfer of shares, non-receipt of shares, non receipt of dividends and to ensure expeditious share transfer process. During the year ended 31st March, 2011 Committee met 11 times. The Committee is headed by Mr. K.M.S. Nambiar and the constitution of committee and attendance of each member of the Committee is given below:-

30.04.2010	30.09.2010	15.11.2010	15.02.2011
30.06.2010	15.10.2010	30.11.2010	28.02.2011
31.07.2010	30.10.2010	31.12.2010	

Name	Designation	Non/Exec independent	No. of meeting Attended
Mr. K.M.S. Nambiar	Chairman	Independent/ Non Executive Director	11
Dr. J.K. Kakkar	Member	Independent/Non Executive Director	11
Mr. N.R. Munjal	Member	Executive Director	11
Mr. S.R. Mehta	Member	Non Executive Director	3

Share Transfer (Physical)

- All shares have been transferred and returned within 15 days from the date of receipt of complete documents
- The Share Transfer Committee considers share transfer approvals once in a fortnight.
- Total Number of Shares (Physical Form) transferred during the year 2010-11 were 5205.
- As on 31st March, 2011 there were no equity shares pending for transfer.
- Total No. of Share Transmitted during the year 2010-11 were 300.
- Total No. of shares Remat during the year 2010-11 were 15.

Reconciliation of Share Capital Audit Report

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

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

Investor Relations

The following table shows the number of complaints received from the shareholders during 2010-11 all of which have been resolved during the year. There was no complaint pending as on 31st March, 2011.

Status of Complaints	2010-11
Opening as on 1.4.2010	1
Received during the year	5
Resolved during the year	6
Closing as on 31.03.2011	Nil

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

(D) Compensation Committee

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

The Compensation Committee formulates the details terms and conditions of the Employee Stock Option Scheme /Plan including the following:

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

The Compensation Committee met 1 time during the year on 29.01.2011 for Grant of 10,000 Stock options Stock Options under ESOP scheme to eligible employees of the Company.

(E) Sub-Committee of Board

The Sub Committee of Board was constituted in the year 2009 to consider the term loan & other facilities were held on the following dates:

08.04.2010	28.06.2010	15.12.2010	16.02.2011
15.04.2010	20.07.2010	03.01.2011	21.02.2011
03.05.2010	27.09.2010	10.01.2011	25.02.2011
20.05.2010	11.10.2010	13.01.2011	
16.06.2010	01.12.2010	15.01.2011	

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

Name	Designation	Executive/Non-Executive/ Independent	No. of Committee Meeting held during their Tenure	No. of Committee Meeting attended
Mr. N.R Munjal	Chairman	Executive Director	18	18
Mr. Himanshu Jain	Member	Executive Director	14	14
Mr. K.M.S Nambiar	Member	Independent/Non-Executive	18	18
Dr. J.K Kakkar	Member	Independent/Non-Executive	18	18

4. General Body Meetings for Last Three Years

The Location and the time of the Annual General Meetings and Extra Ordinary General meetings are as follows:

Financial Year	Category	Venue	Date	Time	Special Resolution
2009-10	15th AGM	PHD Chamber of commerce/industry Sector-31 A, Chandigarh	22.09.2010	10.30 A. M.	8
2008-09	14th AGM	PHD Chamber of commerce/industry Sector-31 A, Chandigarh	24.09.2010	10.15 A.M.	8
2007-08	13th AGM	B.M.S. Lobana Bhawan Sector – 30 A, Chandigarh	26.09.2008	10.00 A.M.	3
2007-08	EGM	Bal Bhawan, Sector – 23, Chandigarh	29.02.2008	10.30 A.M.	1

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

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

During the financial year 2009-10 the following mentioned Special Resolutions were passed seeking approval of shareholders

- Approve the appointment and increase in Remuneration of Mr. N.R. Munjal, whole time director as Vice Chairman-cum Managing Director of the Company.
- Approve the increase in Remuneration of Mr. Himanshu Jain, whole time director as Jt. Managing Director of the Company.
- Appointment of Mr. Rishav Mehta as Director of the Company.
- Approve the appointment and payment of remuneration of Mr. Rishav Mehta, whole time director as Executive Director of the Company.
- Approve the appointment of Mr. Pradeep Kumar as Director of the Company.
- To increase in authorized share capital of the Company.
- To issue of Zero Coupon Convertible Warrants (2010 Series)
- To approve the raising of funds through issue of GDRs/FCCBs Convertible Securities.

5. Code of Conduct

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

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

Declaration as required under Clause 49 of the Listing Agreement

As provided under Clause 49 of the listing Agreement with the Stock Exchanges, the Board of directors and the Senior Management Personnel have confirmed with the code of conduct and Ethics for the financial year ended March 31, 2011.

Chandigarh

N.R Munjal
CEO/ Vice Chairman
Cum Managing Director

6. CEO / CFO Certification under clause 49 of the Listing Agreement

The Chairman cum Managing Director (CEO) and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The Chairman cum Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the board in terms of Clause 41.

7. Disclosures

A. Related Party Transactions

Transactions with related parties are disclosed in **Note No. 7b of Schedule XV (B)** to the accounts in the Annual Report for the year. Adequate care was taken to ensure that the potential conflict of interest did not harm the interests of the Company at large.

B. Compliances by the Company

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

C. Disclosure of Accounting Treatment

There has not been any significant changes in the accounting policies during the years.

D. Risk Management

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

E. Mandatory & Non-Mandatory Clauses

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

8. Means of Communication

During the Year, quarterly and annual audited financial results on the standalone basis and audited annual financial results on the consolidated basis of the Company were submitted to the stock exchanges soon after the Board meeting approved these and un-audited quarterly and half-yearly and audited annual financial results on the consolidated basis were published in leading newspapers- The Economics Times /Financial Express/Business Standard (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.

9. General Information

I Annual General Meeting

- Date	26th September, 2011
- Time	10.30 a.m.
- Venue	PHD Chamber of Commerce and Industry. PHD House, Sector 31-A, Chandigarh - 160031

II Financial Calendar

Financial reporting for the financial year 2010-11 for

- Quarter ending June 30, 2011	already adopted on 10th August, 2011
- Quarter ending September 30, 2011	By 15th November, 2011
- Quarter ending December 31, 2011	By 15th February, 2012
- Year ending March 31, 2012	By 31st May 2012 (As Audited Results will be considered)
- Annual General Meeting for the year ending March 31, 2012	By 30th September 2012

III Date of Book Closure

The Company's Register of Members and Share Transfer Books will remain closed from Thursday, 22nd September, 2011 to Monday, 26th September, 2011 (both days inclusive) for the purpose of final Dividend.

IV Dividend Payment Date

The dividend as recommended by the Board of Directors, if declared at this Annual General Meeting will be paid on or after 1st October, 2011 to those members whose names stand registered in the Register of Members as on Thursday, the 22nd September 2011 and in respect of shares held in electronic form, the beneficial owners of the shares by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the close of business hours on Monday the 26th September, 2011 and dividend warrants will be dispatched before Wednesday, 26th October, 2011.

V Listing of Equity Shares on Stock Exchanges

The company's shares are listed at the Stock Exchange, Mumbai (BSE), The National Stock Exchange of India Limited (NSE) and The Luxembourg Stock Exchange. The Listing fees for the Financial Year 2011-12 have already been paid to all Stock Exchanges.

VI Stock Market Data

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

Name of 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 2010-11 at BSE & NSE

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April 2010	73.35	65.50	1250473	73.50	65.15	1560004
May 2010	71.30	62.15	776922	71.50	58.05	1457186
June 2010	76.60	65.25	1726397	76.90	65.15	2447907
July 2010	85.30	71.15	3299395	85.35	70.70	4204305
August 2010	131.40	76.55	11961468	131.40	76.75	19546698
September 2010	155.25	118.00	5213318	155.35	123.55	9232689
October 2010	151.20	132.10	2501780	151.40	132.20	4129726
November 2010	158.00	99.15	2192919	158.00	99.00	4011370
December 2010	127.00	85.15	2205236	126.90	86.00	4335359
January 2011	121.20	89.90	1014775	120.95	89.20	2343521
February 2011	113.65	86.00	1444620	113.50	85.05	2579216
March 2011	105.00	88.00	1044619	101.20	87.10	2319258

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

VII Registrar and Transfer Agent

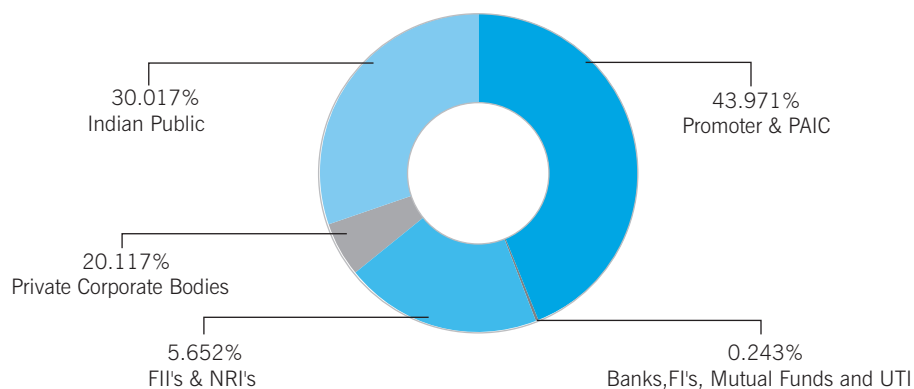
Transfer Agent for physical transfer and Demat of Shares:

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

VIII Distribution of Equity Shareholding as on 31st March, 2011.

Category	No. of Shares Held	%age of Shareholding
Promoters & PAIC	15048346	43.971
Banks, FI's, Mutual Funds and UTI	83199	0.243
FII's & NRI's	1934212	5.652
Private Corporate Bodies	6884726	20.117
Indian Public	10272587	30.017
Total	34223070	100.00

Shareholding Pattern as on 31.03.2011



IX Distribution Schedule as on 31st March, 2011

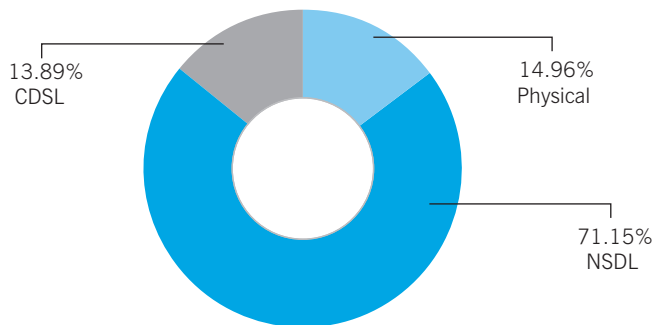
Shares or Debenture holding of Nominal Value of	No. of Share Holders	% age of Total Holders	Shares/Debenture Amount	% age of Total Equity
Upto 5000	18409	84.787	28392520	8.296
5001 to 10,000	1693	7.798	14062520	4.109
10,001 to 20,000	765	3.523	11781270	3.442
20,001 to 30,000	280	1.29	7313240	2.137
30,001 to 40,000	128	0.59	4660060	1.362
40,001 to 50,000	102	0.47	4808520	1.405
50,001 to 1,00,000	156	0.718	11216400	3.277
1,00,001 and above	179	0.824	259996170	75.971
Total	21712	100.000	342230700	100.00

X Dematerialization of Shares

The shares of the company are available for trading in the Depository system of both the National Securities Depository Limited and the Central Depository Services (India) Limited. As on 31st March 2011, 29104690 equity shares of the company, forming 85.044% of the share capital of the company, stand dematerialized.

Mode of Shares	Number of Shares	%
Physical	5118380	14.96
NSDL	24350625	71.15
CDSL	4754065	13.89
Total	34223070	100.00

Shares held in Physical Form and Dematerialized Form as on 31.03.2011



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

The Company issued 25,00,000 Global Depository Receipts (GDRs) to FIIs on 12th August, 2005 after getting the previous approval from the shareholders in the Extra-Ordinary general Meeting held on 27th April, 2005. These GDRs were listed at the Luxemburg Stock Exchange. As on 31st March, 2011, 23500 GDR's were outstanding.

Optionally Convertible Warrants

Out of 3000000 Zero Coupon optionally convertible warrants (2009 series), 1465000, 1000000 and 535000 warrants were converted into Equity shares on 29.05.2010, 29.01.2011 and on 15.03.2011 respectively.

Out of 8000000 Zero Coupon Optionally Convertible Warrants (Series 2010), 1585000 & 1600000 warrants were converted into Equity shares on 15.03.2011 and 28.03.2011 respectively and as on 31st March, 2011, 4815000 Zero Coupon Optionally Convertible Warrants are outstanding.

XII Registered office

Ind-Swift Laboratories Limited
SCO 850,
Shivalik Enclave, NAC, Manimajra,
Chandigarh - 160 101
Tele: +91-172-2730503, 2730920
Fax: +91-172-2730504, 2736294

XIII Plant Locations

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

XIV Research and Development Facility

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

XV Compliance Officer

Pardeep Verma
Company Secretary
Ind-Swift Laboratories Limited
Registered Office
SCO - 850, Shivalik Enclave,
NAC, Manimajra
Chandigarh 160101
Tel: +91-172-2730503, 2730920
Fax: + 91-172-2730504
Email: pardeep.verma@indswiftlabs.com

Auditors' Certificate on Corporate Governance

The Board of Directors
M/s Ind-Swift Laboratories Limited
Chandigarh.

We have examined the compliance of conditions of Corporate Governance by M/s Ind-Swift Laboratories Limited for the year ended 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).

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

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

Based on records maintained and certified by the secretary of the company, there are no investors grievances pending against the Company for a period exceeding one month as at 31st March, 2011.

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

Place: Chandigarh
Date: 31.08.2011

R.K. Gulati
Partner

Auditors' Report

The Members,
Ind-Swift Laboratories Limited
 Chandigarh

We have audited the attached Balance Sheet of **M/s Ind-Swift Laboratories Limited as at 31st March 2011** and the Profit & Loss Account and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by Companies (Auditors' Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act 1956, we annex hereto a statement on the matters specified in paragraph 4 and 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph 1 above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, the Company has kept proper books of accounts as required by law, so far as appears from our examination of the books.
 - c) The Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report are in

agreement with the books of accounts.

- d) In our opinion, the Balance Sheet, Profit & Loss Account and the Cash Flow Statement dealt with by this report are in compliance with accounting standards specified by The Institute of Chartered Accountants of India referred to in Section 211(3C) of Companies Act, 1956.
- e) On the basis of the written representations received from the Directors as on 31.3.2011 & taken on record by the Board of Directors, we report that none of the Directors is disqualified for being appointed as a Director in terms of Clause (g) of sub-section (1) of Sec 274 of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and also give a true and fair view.
 - i) In the case the Balance Sheet, of the state of affairs of the Company as at 31st March 2011.
 - ii) In the case of Profit and Loss Account, of the profit for the year ended on that date.
 - iii) In case of Cash Flow Statement, of the cash flows for the year ended on that date.

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

(**S.C. Pathak**)

Partner

Place: Chandigarh

Date: 25.05.2011

Membership No. 10194

Annexure to the Auditors' Report

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

- I. In respect of its fixed assets:
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) According to the information and explanations given to us, the company has a system of physical verification of all its fixed assets over a period of four years. In our opinion having regard to the size of the company and the nature of its assets, the program of verification is reasonable. No material discrepancies have been noticed in respect of assets physically verified.
 - c) During the year, Company has not disposed off any substantial / major part of fixed assets.
- II. In respect of its inventories:
 - a) The inventory was physically verified during the year by the management. In our opinion, frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of its inventory. The discrepancies noticed on physical verification of inventory as compared to the book records were not material and have been properly dealt with in the books of account.
- III.
 - a) According to the information and explanations given to us, the company has granted unsecured loans during the year & the amounts outstanding at the year end is ₹ Nil (P.Y. ₹352.98 Lac) to two parties covered in the register maintained under section 301 of the Companies Act 1956.
 - b) The loans given are short term, unsecured and in our opinion the rate of interest and other terms and conditions are not prima facie prejudicial to the interest of the company.
- c) In respect of aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest, where applicable.
- d) In respect of aforesaid loans granted, there is no overdue amount more than ₹ one lac.
- e) According to the information and explanations given to us, the company has taken ₹3.38 Lacs loan unsecured loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956. Accordingly clause III (e) (f) (g) of paragraph 4 of the order are not applicable to the company.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our Audit, we have not observed any continuing failure to correct major weaknesses in Internal Control System.
- V. In respect of particulars of contracts or arrangements and transactions entered in the register maintained in pursuance of section 301 of the Companies Act 1956
 - a) To the best of our knowledge and belief and according to the information and explanation given to us, particulars of contracts or arrangements that needed to be entered into the register have been so entered.
 - b) According to the information and explanations given to us, these contracts or arrangements have been made at prices, which are prima facie, reasonable having regard to the prevailing market prices at the relevant time.
- VI. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A and 58AA of the Companies Act 1956 and the rules framed there under and the directives issued by the Reserve Bank of India, with regard to the deposits accepted from the public.

- VII. In our opinion, the Company has an adequate internal audit system which commensurate with the size and nature of its business.
- VIII. The Company is required to maintain cost records under section 209(1)(d) of the Companies Act, 1956 for the products of the company and according to the information and explanation given to us, the company has maintained proper records as prescribed by the Central Government.
- IX. According to the information and explanations given to us in respect of Statutory and other dues:
- The company is regular in depositing undisputed statutory dues, including Provident Fund, Investors Education & Protection fund, Employees' State Insurance, Income Tax, Sales Tax, wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and any other statutory dues with the appropriate authorities during the year.
 - As per the information and explanation given to us, there is no amount of Income tax/sales tax/ custom duty/ wealth tax/excise duty/service tax/Cess which have not been deposited on account of any dispute.
- X. The Company does not have accumulated losses at the end of the year and has not incurred any cash losses during the current and the immediately preceding financial year.
- XI. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions and banks.
- XII. According to the information and explanations, given to us, the Company has not granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion and according to the information and explanation given to us, the Company is not a chit fund or a nidhi / mutual benefit fund/ society.
- XIV. According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- XV. According to the information and explanations given to us, the company has given corporate guarantee for loans taken by others from banks or financial institutions and In our opinion, the same are not prejudicial to the interest of the Company.
- XVI. To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the company were, prima facie, applied by the company during the year for the purposes for which the loans were obtained.
- XVII. According to the Cash flow statement and other records examined and as per the information and explanations given to us, on an overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment.
- XVIII. The company has made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act 1956, during the year and the price at which shares have been issued is not prejudicial to the interest of the Company.
- XIX. The Company has not raised monies by public issue during the year.
- XX. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

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

(S.C. Pathak)

Partner

Place: Chandigarh

Date: 25.05.2011

Membership No. 10194

Balance Sheet

(Amount in ₹)

Particulars	Schedule	As at 31.03.2011	As at 31.03.2010
I. SOURCES OF FUNDS			
(1) Shareholder's Funds			
Share Capital	I	342,230,700	278524100
Reserves & Surplus	II	5,358,260,911	4204794006
Share Application Money		100,237,500	37500000
(2) Loan Funds			
Secured Loans	III	7,251,341,566	4802734374
Unsecured Loans	IV	940,566,257	1080529328
(3) Deferred Tax Liability			
		433,551,307	438002198
TOTAL		14,426,188,241	10842084006
II. APPLICATION OF FUNDS			
(1) Fixed Assets (Cost/Revalued Cost)			
	V		
Gross Block		7,014,544,014	5,948,859,859
Less: Depreciation		1,566,111,538	1,161,351,530
Net Block		5,448,432,477	4,787,508,329
Assets held for Disposal		22,336,162	23,594,942
Capital Work In Progress (including Capital Advances)		3,152,962,334	1,725,227,082
		8,623,730,972	6,536,330,353
(2) Investments			
(a) Long Term Investments	280,795,680		
(b) Short Term Investments	301,000,000	581,795,680	684,655,672
(3) Current Assets, Loans and Advances			
	VI		
(a) Inventories		3,655,471,484	2,372,422,545
(b) Sundry Debtors		2,879,677,961	1,780,949,029
(c) Cash and Bank Balances		484,225,476	535,980,399
(d) Loans and Advances		1,091,236,996	861,623,541
		8,110,611,917	5,550,975,513
Less :			
(a) Current Liabilities		2,670,389,643	1,792,121,370
(b) Provisions		219,560,686	139,915,109
Current Liabilities & Provisions	VII	2,889,950,329	1,932,036,479
Net Current Assets		5,220,661,588	3,618,939,035
(4) Miscellaneous Expenditure			
(To the extent not written off or adjusted)			
Deffered Employee Compensation Expenses		-	2,158,946
Total		14,426,188,241	10,842,084,006
Significant Accounting Policies & Notes on Accounts	XV		

As per our separate report of even date

For and on behalf of the Board

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

S.R. Mehta
Chairman

N. R. Munjal
Vice Chairman
cum M.D

Himanshu Jain
Joint Managing
Director

Dr G. Munjal
Director

Dr. V. R. Mehta
Director

S.C. Pathak
Partner
Membership No. 10194

Rishav Mehta
Director

K. M. S. Nambiar
Director

Dr. J. K. Kakkar
Director

Pradeep Kumar
Director

Date: 25.05.11
Place: Chandigarh

S. P. Sharma
Director

Dr. N. P. Singh
Director

N. K. Bansal
Chief Financial Officer

Pardeep Verma
Company Secretary

Profit and Loss Account

(Amount in ₹)

Particulars	Schedule	Year Ended 31.03.2011	Year Ended 31.03.2010
INCOME			
Gross sales & Other Income	VIII	10,409,568,828	7,999,939,674
Less: Excise Duty		97,497,969	94,664,817
Net Sales & Other Income		10,312,070,859	7,905,274,857
Total-A		10,312,070,859	7,905,274,857
EXPENDITURE			
Cost of Materials Consumed	IX	7,608,847,419	5,698,626,939
Manufacturing Expenses	X	433,975,840	383,021,676
Administrative & Other Expenses	XI	200,028,767	150,184,286
Selling and Distribution Expenses	XII	180,656,138	165,011,381
Financial Charges	XIII	569,368,026	510,624,754
Research & Development Expenses	XIV	56,840,541	52,268,554
Loss on Sale of Fixed Assets		3,192,373	1,519,051
Depreciation		385,163,947	368,002,446
Impairment of Assets		24,135,191	50,181,053
Provision for Doubtful Debts		6,010,083	5,972,850
Total-B		9,468,218,325	7,385,412,990
Profit For the Year Before Tax (A-B)		843,852,533	519,861,867
Previous Year Income		203,244	1,237,844
Previous Year Expenses		(3,478,180)	(4,433,331)
Extra ordinary Items:			
(a) Reversal of Previous year Provision		30,677,024	29,973,692
Profit for the year before Tax		871,254,621	546,640,072
Provision for Income Tax		(179,653,506)	(102,444,836)
Income Tax Adjustment of Previous Years		456,120	(4,070,628)
Mat Credit Entitlement		179,653,506	102,444,836
Profit Before Deferred Tax		871,710,741	542,569,444
Deferred Tax Assets\Liability		4,450,892	37,069,124
Profit available for appropriation		876,161,634	579,638,568
Profit available for Equity Shareholders		876,161,634	579,638,568
Provision for Dividend on Equity Shares		34,223,070	27,852,410
Provision for Equity Dividend Tax		5,684,110	4,733,517
Transfer to General Reserve		43,808,082	28,981,928
Retained Profit transferred to Balance Sheet		792,446,372	518,070,713
Basic Earning per Share		29.76	21.45
Diluted Earning per Share		27.57	20.76
Nominal Value of each Share		10.00	10.00

As per our separate report of even date

For and on behalf of the Board

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

S.R. Mehta
Chairman

N. R. Munjal
Vice Chairman
cum M.D

Himanshu Jain
Joint Managing
Director

Dr G. Munjal
Director

Dr. V. R. Mehta
Director

S.C. Pathak
Partner
Membership No. 10194

Rishav Mehta
Director

K. M. S. Nambiar
Director

Dr. J. K. Kakkar
Director

Pradeep Kumar
Director

Date: 25.05.11
Place: Chandigarh

S. P. Sharma
Director

Dr. N. P. Singh
Director

N. K. Bansal
Chief Financial Officer

Pardeep Verma
Company Secretary

Cash Flow Statement

(₹ in lacs)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extra-Ordinary Items	8405.78	5166.67
Adjustment for:		
i) Depreciation	3851.64	3680.02
ii) Impairment of Fixed Assets	241.35	501.81
iii) Employee Stock Option Expenses	21.59	51.64
iv) Exchange (profit)/loss	(106.50)	(697.54)
v) Reversal of Previous year items	306.77	299.74
vi) Interest on Term Loans	2306.31	2105.96
vii) Interest Received	(615.25)	(135.60)
viii) Provision for Doubtful Debts	60.10	59.73
ix) Loss on sale of Fixed Assets	31.92	15.19
Operating Profit Before Working Capital Charges	14503.71	11047.63
Adjustments For:		
i) Trade & Other Receivables	(10788.89)	(7324.03)
ii) Inventories	(12830.49)	(3393.18)
iii) Loan & Advances	(2649.70)	(1107.29)
iv) Current Liabilities	10368.13	2492.87
v) Working Capital Borrowings	3910.48	3145.25
vi) Income Tax (Including Advance Tax/TDS)	(1256.94)	(489.14)
	(13247.40)	(6675.52)
Net Cash Flow from Operating Activities	1256.31	4372.11
B. CASH FLOW FROM INVESTING ACTIVITIES		
i) Purchase of Fixed Assets	(31602.27)	(10139.93)
ii) Sale of Fixed Assets	143.50	1086.58
iii) (Purchase)/sale of Investments	1028.60	(4509.05)
iv) Product Technology Development Expenditure	6680.66	(5803.22)
v) Interest Received	615.25	135.60
Net Cash from Investing Activities	(23134.26)	(19230.02)

Cash Flow Statement (Contd.)

(₹ in lacs)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
C. CASH FLOW FROM FINANCING ACTIVITIES		
i) Proceeds from Share Capital	637.07	257.95
ii) Advance From Share Capital	627.38	201.81
iii) Proceeds from Securities Premium	3540.69	1524.07
iv) Proceeds from Term Loans From Banks & Financial Institutions	42748.94	32355.66
v) Repayment of Term Loans to Banks & Financial Institutions	(23572.94)	(13505.67)
vi) Interest paid on Term Loans	(2294.87)	(2600.01)
vii) Equity Dividend Paid	(278.52)	(259.73)
viii) Equity Dividend Tax Paid	(47.34)	(44.14)
Net Cash Flow from Financing Activities	21360.40	17929.94
Net Increase in Cash or Cash Equivalents	(517.55)	3072.02
Cash & Cash Equivalents as on 31.3.2010	5359.80	2287.78
Cash & Cash Equivalents as on 31.3.2011	4842.25	5359.80

As per our separate report of even date

For and on behalf of the Board

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

S.R. Mehta
Chairman

N. R. Munjal
Vice Chairman
cum M.D

Himanshu Jain
Joint Managing
Director

Dr G. Munjal
Director

Dr. V. R. Mehtar
Director

S.C. Pathak
Partner
Membership No. 10194

Rishav Mehta
Director

K. M. S. Nambiar
Director

Dr. J. K. Kakkar
Director

Pradeep Kumar
Director

Date: 25.05.11
Place: Chandigarh

S. P. Sharma
Director

Dr. N. P. Singh
Director

N. K. Bansal
Chief Financial Officer

Pardeep Verma
Company Secretary

Auditors Certificate

We have verified the above Cash Flow Statement of Ind-Swift Laboratories Limited, derived from the audited financial statements for the year ended 31st March 2011 and found the same to 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: 25.05.2011
Place: Chandigarh

Schedules forming part of Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
SCHEDULE I SHARE CAPITAL		
Authorised		
6,00,00,000 (Previous Year 3,50,00,000) Equity Shares of ₹10/- Each	600,000,000	350,000,000
	600,000,000	350,000,000
Issued, Subscribed & Paid Up		
3,42,23,070 (Previous Year 2,78,52,410) Equity Shares of ₹10/-each fully called up and paid up.	342,230,700	278,524,100
	342,230,700	278,524,100

SCHEDULE II RESERVES & SURPLUS

(a) Capital Reserves :		
Capital Redemption Reserve	2,000	2,000
Share Warrants Forfieted Account	6,323,113	6,323,113
Equity Share Forfieted Account	866,500	866,500
State Subsidy on DG Set	1,796,997	1,918,370
(b) Securities Premium	1,703,808,970	1,344,445,164
(c) Revaluation Reserve	866,932,920	903,667,815
(d) Employees Stock Option Outstanding	3,887,670	9,182,756
(e) General Reserve		
As per Last Balance Sheet	299,896,571	108,235,516
Add: Transfer during the year	43,808,082	28,981,928
Add: Mat Credit Entitlement of earlier years	-	162,679,127
(f) Profit & Loss Account		
As per Last Balance Sheet	1,638,491,716	1,120,421,003
Add: Transfer from Profit & Loss Account	792,446,372	518,070,713
	5,358,260,911	4,204,794,006

SCHEDULE III SECURED LOANS

(A) Non Convertible Debentures	92,500,000	138500000
(B) Loans and Advances from Banks		
(a) Borrowings for Working Capital	1,693,133,224	1,302,085,682
(b) Term Loans	5,386,269,790	3,237,885,708
(c) Other Loans	18,459,307	20,004,751
(C) Other Loans and Advances	60,979,245	104,258,233
	7,251,341,566	4,802,734,374

Schedules forming part of Balance Sheet and Profit and Loss Account

Note:

- A) 14% Non Convertible Debentures amounting to Rs. 9.25 Crores (P.Y. 13.85) from Tata Capital Limited are secured by first ranking pari passu charge on the immovable properties measuring 68 bighas & 13 biswas situated at village Behra & village Bhagwanpura Tehsil Rajpura, Distt. Patiala in the state of Punjab & land admeasuring 9435.56 square yards being Plot No E-V, Industrial Focal Point, Phase II, Mohali in the state of Punjab together with all Buildings & Structures, Plant & Machinery thereon personal guarantees of Mr. S.R. Mehta & Mr. N.R. Munjal.
- B) a) Bank borrowings for working capital ₹169.31 crores (P.Y.130.20 crores) are secured by a Pari Passu, first charge by way of hypothecation of the company's current assets, namely, Stocks of Raw Materials, Semi Finished, Finished Goods, Stores & Spares not relating to plant and Machinery (Consumable Stores & Spares), Bills Receivable and Book Debts and all other movables of the Company both present and future excluding such movables as may be permitted by the said Banks from time to time. The said facility is further secured by way of pari passu second charge on the company's immovable and movable properties (other than current assets) and personal guarantees of Mr. S.R.Mehta, Dr. V.R. Mehta, Mr. N.R. Munjal, Dr. G. Munjal, Mr. Himanshu Jain & Mr. Rishav Mehta.
- b) Term Loan ₹538.63 crores (P.Y. 323.78 crores) are from State Bank of India, Axis Bank, Central Bank of India, State Bank of Patiala, Bank of India, Catholic Syrian Bank, Export Import Bank of India, IDBI Bank, South Indian Bank, ABN Amro Bank, Standard Chartered Bank, Bank of Rajasthan, State Bank of Indore, State Bank of Hyderabad, IFCI, State Bank of Travencore, L&T finance, Allahabad Bank, Bank of Baroda, DEG- Deutsche Investitions – Und Entwicklungsgesellschaft Mbh & ICICI Bank are secured by first pari passu charge by way of Joint Equitable Mortgage by deposit of title deeds of the Company's immovable properties situated at Derabassi Punjab & Plot No E-V, industrial Focal Point, Mohali and second charge by way of hypothecation of all its movable assets, including machinery, machinery spares, tools and accessories present and future, subject to the charges created /to be created, in favour of the company banker. These loans are further secured by the personal guarantee of Promoter Directors.
- c) Other Term loans & advances ₹1.85 crores (P.Y.2.00 crores) includes Vehicle loans ₹1.64 Crores (P.Y. 1.78) are secured against hypothecation of the vehicles under the hire purchase agreement & ICICI Home Loan Rs. 0.21 crores (P.Y. 0.22 crores) is in the name of Mr. N.R.Munjal, and is secured against the office premises in Mumbai.
- C) Other loan & advances ₹6.10 crores (P.Y.10.43 crores) includes Term Loans from Technology Development Board ₹5.56 crores (P.Y. 9.16 crores) is secured by way of charges on movable fixed assets & personal guarantee of Shri N.R.Munjal & Vehicle Loans (NBFC) ₹0.54 crores (P.Y. 1.27 crores) are secured against hypothecation of the vehicles under the hire purchase agreements.

Schedules forming part of Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
SCHEDULE IV UNSECURED LOANS		
(a) Fixed Deposits	582,323,926	579,304,999
(b) Short Term Loans & Advances		
From Others	356,587,055	349,901,543
From Banks	1,655,276	151,322,786
Total	940,566,257	1,080,529,328

SCHEDULE V FIXED ASSETS

(Amount in ₹)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As On 01.04.10	Addition	Sale/ Transfer	As On 31.03.11	As On 01.04.10	During The Period	During The Year Written Back	As On 31.03.11	As On 31.03.11	As On 31.03.10
Tangible Assets										
Land Free Hold	439,418,388	3,187,500	-	442,605,888	-	-	-	-	442,605,888	439,418,388
Land Lease Hold	17,189,390	-	-	17,189,390	794,280	182,862	-	977,142	16,212,248	16,395,110
Factory Buildings	563,596,528	178,715,997	-	742,312,525	79,464,342	18,922,246	-	98,386,588	643,925,937	484,132,186
Office Buildings	37,959,489	22,495,960	-	60,455,449	4,008,996	670,558	-	4,679,559	55,775,895	33,950,493
Flats	145,810,070	-	-	145,810,070	6,512	2,376,704	-	2,383,216	143,426,854	145,803,558
R&D Buildings	145,588,240	-	-	145,588,240	16,432,071	4,862,647	-	21,294,718	124,293,522	129,156,168
Buildings - Pilot Plant	17,021,567	-	-	17,021,567	2,569,204	568,520	-	3,137,724	13,883,843	14,452,363
Plant & Machinery	2,365,920,079	604,568,543	55,162,595	2,915,326,027	491,862,344	125,268,229	16,437,992	600,692,581	2,314,633,446	1,874,057,735
R&D Machinery	423,847,848	11,095,068	-	434,942,916	81,861,247	22,941,528	-	104,802,774	330,140,142	341,986,602
Plant & Machinery - Pilot Plant	39,233,698	-	-	39,233,698	9,308,505	2,071,539	-	11,380,044	27,853,654	29,925,193
Electric Instalations	305,732,699	22,446,353	50,375	328,128,677	56,756,920	14,559,571	-	71,316,491	256,812,187	248,975,780
Electric Installations - Pilot Plant	3,439,389	-	-	3,439,389	732,525	163,371	-	895,896	2,543,493	2,706,864
Furniture & Fixtures	33,479,370	515,894	-	33,995,264	9,080,592	2,419,718	-	11,500,309	22,494,955	24,398,778
Office Equipments	78,363,575	5,405,112	-	83,768,687	46,090,781	12,149,947	-	58,240,728	25,527,959	32,272,795
Vehicles	84,893,714	13,025,991	1,529,117	96,390,588	25,613,667	8,418,084	700,846	33,330,905	63,059,683	59,280,047
Other Assets										
R&D Technology	1,247,365,814	260,969,824	-	1,508,335,638	335,844,888	206,323,321	-	543,092,867	965,242,771	910,596,269
Total	5,918,859,859	1,122,426,242	56,742,087	7,014,544,014	1,161,351,530	421,898,846	17,138,838	1,566,111,543	5,448,432,477	4,787,508,330
Previous Year	5,700,737,158	356,780,796	108,658,095	5,948,859,859	779,731,182	404,737,340	23,116,992	1,161,351,530	4,787,508,330	4,921,005,977

Note: Depreciation provided during the year includes depreciation on Revalued Fixed Assets ₹3,67,34,895/- which is deducted from Revaluation Reserve.

Particulars	As at 31.03.2011	As at 31.03.2010
SCHEDULE VI CURRENT ASSETS, LOANS & ADVANCES		
A) CURRENT ASSETS		
I) Inventories (As per inventories taken, valued & certified by the Management)		
Stores & Consumables	32,462,076	25,222,999
Raw Materials	955,927,417	759,248,093
Raw Materials in Transit	17,100,224	3,197,423
Work in Process	2,326,269,314	1,307,471,503
Finished Goods	323,712,453	277,282,527
Total	3,655,471,484	2,372,422,545

Schedules forming part of Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
SCHEDULE VI CURRENT ASSETS, LOANS & ADVANCES (Contd.)		
II) SUNDRY DEBTORS (Unsecured & Considered Good)		
Debts outstanding for a period exceeding six months		
- Considered good	23,111,387	24,715,822
- Considered doubtful	20,330,801	14,320,718
Other Debts	2,856,566,574	1,756,233,207
	2,900,008,762	1,795,269,747
Less: Provision for Doubtful Debts	20,330,801	14,320,718
Total	2,879,677,961	1,780,949,029
III) CASH AND BANK BALANCES		
Cash balance in hand	10,482,062	18,978,912
Bank balances with Scheduled Banks:		
Fixed Deposits	323,284,619	218,731,411
Interest accrued but not due on Fixed Deposits	3,507,684	11,387,365
Current Accounts	146,951,112	286,882,711
Total	484,225,476	535,980,399
IV) LOANS AND ADVANCES (Unsecured, Considered good)		
Advances recoverable in Cash or in Kind or for value to be received	287,685,007	363,061,784
Mat Credit Entitlement	455,837,557	276,184,055
Cenvat/ Vat Recoverable	259,818,910	148,093,081
Advance Custom Duty Paid/DEPB	13,183,025	17,778,393
Advance Tax/ TDS	50,353,079	44,843,475
Prepaid Expenses	3,628,717	4,538,081
Security Deposits	20,730,701	7,124,672
Total	1,091,236,996	861,623,541

SCHEDULE VII CURRENT LIABILITIES & PROVISIONS

A) CURRENT LIABILITIES		
(i) Total outstanding dues to small scale Industrial undertakings	1,907,452	2,999,229
(ii) Outstanding dues of Creditors other than		
Small Scale Industrial Undertaking	2,522,300,091	1,664,598,278
Statutory Liabilities	14,634,577	12,937,351
Expenses Payable	77,690,368	58,873,746
Interest accrued but not Due	53,857,155	52,712,765
Sub Total	2,670,389,643	1,792,121,370
B) PROVISIONS:		
Income Tax	179,653,506	107,329,182
Equity Share Dividend	34,223,070	27,852,410
Tax on proposed Equity Share Dividend	5,684,110	4,733,517
Total	2,889,950,329	1,932,036,479

Schedules forming part of Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE VIII GROSS SALES & OTHER INCOME		
Domestic	6,111,842,305	4,681,302,824
Exports	4,163,063,498	3,165,658,558
Other Income	104,167,023	83,223,832
Income from Commodity exchange	19,845,742	-
Foreign Exchange Fluctuations	10,650,260	69,754,460
Total	10,409,568,828	7,999,939,674

SCHEDULE IX COST OF MATERIAL CONSUMED/SOLD

Opening Stock	759,248,093	500,527,868
Purchases	8,870,754,480	6,030,889,628
	9,630,002,573	6,531,417,496
Less: Closing Stock	955,927,417	759,248,093
Total (A)	8,674,075,156	5,772,169,403
Increase/Decrease in Inventory		
Opening Stock		
Work in Process	1,307,471,503	1,093,274,591
Finished Goods	277,282,527	417,936,975
	1,584,754,030	1,511,211,566
Closing Stock		
Work in Process	2,326,269,314	1,307,471,503
Finished Goods	323,712,453	277,282,527
	2,649,981,767	1,584,754,030
Total (B)	1,065,227,737	73,542,464
Total (A-B)	7,608,847,419	5,698,626,939

SCHEDULE X MANUFACTURING EXPENSES

Job Work Charges	64,935,712	68,192,334
Wages	135,961,141	126,880,093
P.F. & Other Funds	8,959,549	6,822,851
Power, Fuel & Water Charges	160,142,594	146,353,739
Stores & Spares	37,931,410	22,130,798
Repair & Maint.:		
Plant & Machinery	11,827,383	9,104,584
Buildings	5,286,638	1,582,014
Electrical	4,210,805	1,620,278
Loss on Insurance Claim	3,914,670	-
Excise Duty on Finished Goods	632,366	154,731
Other Manufacturing Expenses	173,572	180,254
Total	433,975,840	383,021,676

SCHEDULE XI ADMINISTRATIVE & OTHER EXPENSES

Directors Remuneration		
- Salary & Allowances	33,435,120	17,400,000
- Contribution to P.F.	25,740	18,720
Salary & Allowances	41,192,714	35,839,481
P.F. & Other Funds	2,710,575	2,712,837
Gratuity Premium	3,127,693	1,193,196
Travelling & Conveyance	17,320,879	16,869,245

Schedules forming part of Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE XI ADMINISTRATIVE & OTHER EXPENSES (Contd.)		
Auditors Remuneration		
- Audit Fees	500,000	500,000
- Certification Fees	350,000	350,000
- Out of Pocket Exp.	53,403	22,350
- Taxation Matters	112,000	22,000
Office Rent	6,684,906	5,931,581
Rate & Taxes	5,723,903	4,298,401
Insurance Charges	11,431,077	8,876,440
Legal & Professional Charges	10,931,224	5,572,774
Printing & Stationary	6,458,289	6,823,302
Vehicle Running & Maint.	14,486,482	9,904,757
Telephone & Postage	11,076,237	10,570,839
Office Expenses	4,528,820	4,338,492
Charity & Donation	583,765	347,713
Listing Fees	395,167	497,372
Books & Periodicals	125,439	130,733
Meeting, Membership & Subscription Fees	1,792,747	486,803
Security Expenses	3,749,637	3,875,119
Staff Welfare	5,749,087	5,044,237
Training & Development Expenses	307,757	654,458
Repair & Maintenance-General	8,700,596	5,904,799
Recruitment Expenses	1,926,496	586,808
Other Expenses	6,549,015	1,411,828
Total	200,028,767	150,184,286
SCHEDULE XII SELLING & DISTRIBUTION EXPENSES		
Advertisement & Publicity	1,004,501	771,512
Business Promotion	3,320,339	3,930,902
Commission on Sales	99,779,830	95,058,216
Packing Material	17,718,124	14,560,011
Rebate & Discount	791,340	8,181,117
Freight Outward	51,783,403	38,042,435
Insurance Charges	2,340,371	1,506,731
ECGC Premium	2,506,315	2,716,921
Bad Debts w/off	-	51,488
Other Expenses	1,411,915	192,048
Total	180,656,138	165,011,381
SCHEDULE XIII INTEREST AND FINANCIAL CHARGES		
Interest on Term Loans	230,631,213	210,596,447
Interest on Working Capital	100,739,755	91,096,539
Bank Charges & Others	230,679,082	199,712,344
Brokerage & Commission	7,317,976	9,219,424
Total	569,368,026	510,624,754
SCHEDULE XIV RESEARCH & DEVELOPMENT EXPENSES		
Salary, Wages & Other Allowances	32,692,302	29,244,111
Administration Expenses	69,943	33,864
Consumables, Chemicals & Regents	20,765,903	20,477,063
Repair & Maintenance - Machinery	1,626,698	1,306,398
Technical Study & Consultancy	1,685,695	1,207,118
Total	56,840,541	52,268,554

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND 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 Accounting Standards issued by The Institute of Chartered Accountants of India and the relevant provision of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention and on the basis of going concern.

2 Fixed Assets & Depreciation

a Cost of Fixed Assets

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

b Depreciation /Amortisation

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

c Intangible Assets (Other Assets)

Cost of product development for which the company becomes entitled to a Patent or DMF filed with regulatory authorities is recognised as other assets. The policy of company is to amortise such assets acquired upto 31-03-2008 on straight-line basis in five subsequent years and those acquired after 31.3.2008 and onwards in eight subsequent years from the year in which these are acquired.

3 Borrowing Costs

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

4 Inventories

Inventories are valued as under :

Stores & Spares are valued at cost.

Raw Materials are valued at cost on FIFO basis.

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

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

5 Recognition of Income and Expenditure

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

6 Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transactions. The gain or loss arising from forward transactions have been stated on prorata basis over the terms of the contract. Foreign currency denominated current assets & current liabilities are translated at year end exchange rates. The resulting gain or loss is recognised in the Profit & Loss Account.

In translating the financial statement of representative foreign offices for incorporation in main financial statements, the monetary assets and 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.

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

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

The provision for current tax is made at the actual rate applicable for the income of the year as given under the Income Tax Act, 1961. However deferred tax is made at the rate applicable to the subsequent financial year.

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 Contingent Liabilities

The company has made the provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Contingent Liabilities, barring frivolous claims, are disclosed and those liabilities which are possible of maturing are provided for.

12 Government Subsidy

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

13 Export Incentives

- a) Obligation / entitlements on account of Advance Licences Scheme for import of raw materials are not accounted for but given by way of note.
- b) Export incentives are treated as income on export under DEPB & other post export incentive schemes and the same is offset & treated as expenditure in the year of import/utilisation of license.

14 Investments

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

15 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 Other Accounting Policies

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

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

B: NOTES ON ACCOUNTS :

1 Contingent liabilities not provided for:

(₹ in lacs)

	2010-11	2009-10
a. Letter of Credit against purchase of raw material:	10528.58	12493.41
b. Bank Guarantees	5814.58	31.35
c. Export obligation in respect of custom duty:	177.18	85.49
d. Contingent Liabilities in respect of unassessed cases of Income Tax, Excise Duty, Sales Tax and Service Tax.	Amt Unascertained	Amt Unascertained
e. Corporate guarantees given on behalf of (to the extent utilized)		
Ind Swift Ltd	4166.00	5000.00
Essix Biosciences Ltd	3117.55	1167.00
Halcyon Life Science Private Limited	4504.36	2776.31

2 Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹5002.32 lacs (Previous year ₹1448.90 Lacs)

3 In the opinion of the Board, the Current Assets, Loans & Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

4 Company has revalued its assets comprising of Land, Building, Machinery of Derabassi Unit by the approved External Valuer to reflect the market value and accordingly the appreciation amounting to ₹10138.73 Lac have been credited to Capital Reserve Account (Re-valuation Reserve A/c) as on 31.03.2007.

Depreciation amounting to ₹367.35 Lac (₹367.35 Lac) has been provided during the year & the same is reduced from Revaluation Reserve.

5 Director Remuneration includes

	2010-11	2009-10
A Salary		
Vice Chairman Cum Managing Director	18,005,040	8,705,040
Joint Managing Director	13,505,040	8,705,040
Director	1,925,040	-
B Contribution to Provident Fund		
Vice Chairman Cum Managing Director	9,360	9,360
Joint Managing Director	7,020	9,360
Director	9,360	-
C Perquisites		
Vice Chairman Cum Managing Director	304,662	360,918
Director	304,662	360,918
Total	34,070,183	18,150,636

Computation of Net Profits in accordance with Section 198 of the Companies Act, 1956

	2010-11	2009-10
Profit for the year before taxation as per P&L Account	871,254,621	546,640,072
Add: Directors' Remuneration	34,070,183	18,150,636
Provision for Doubtful Debts	6,010,083	5,972,850
Eligible Profit for Computation of Directors Remuneration	911,334,887	570,763,558
Maximum amount permissible u/s 309 of Companies Act, 1956 for payment to Directors	100,246,838	62,783,991

6 Other expenses under head administrative expenses includes ₹81,000 (Previous Year ₹47000) paid to directors as sitting fee.

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

- 7 In accordance with Accounting Standard 18, 'Related Party Disclosures', issued by the Institute of Chartered Accountants of India, the Company has compiled the following information :

a. List of related parties and their relationship

Associates	Ind Swift Limited
	Essix Biosciences Limited
	Halcyon Life Science Pvt Ltd.
	Fortune (India) Constructions Ltd.
	Mansa Print & Publishers Limited
	Swift Fundamental Research & Education Society
	Ind swift communications (P) Ltd.
	Punjab Renewable Energy Pvt Ltd.
	AKJ Portfolio Pvt. Ltd.
	NRM Portfolio Pvt. Ltd
	GM Portfolio Pvt. Ltd.
	VRM Portfolio Pvt Ltd.
	VKM Portfolio Ltd.
SRM Portfolio Pvt Ltd.	
Key Management personnel-Directors	Mr. N.R. Munjal
	Mr. Himahshu Jain
	Mr. Rishav Mehta
Subsidiary	Ind Swift Laboratories Inc. USA
	Meteoric Life Science Pte. Ltd
	Ind Swift Middle East FZE(UAE)
	Hakim farayand Chemi Co (Iran)

b. Related party transactions

(₹ in lacs)

Nature of Transactions	Associates		Subsidiary	
	2010-11	2009-10	2010-11	2009-10
1) Transactions during the year				
Purchase	28889.22	13368.99	83.63	0.00
Capital Assets Purchase	0.00	2433.10	284.21	
Intangible Assets Purchase	0.00	300.00		
Sales	4647.81	3983.94	4240.98	967.96
Interest Receivable	209.66	297.94		
Interest Payable	0.50	0.00		
Service Taken	441.33	0.00		
Expenses	16.47	163.12		
Corporate Gurantee Given	11787.91	8943.31		
2) Outstanding				
Balances as on 31.03.11				
Share Capital	8213.90	899.15		
Advance Recd ag. Share Capital	1002.38	375.00		
Investment Made	1249.50	1249.50	1434.71	967.06
Loans & Advances given	0.00	352.98		
Loans & Advances taken	3.38	0.00		
Capital Advances	8658.36	1547.66		
Debtors	-0.00	460.77	1005.19	488.01
Creditors	4143.04	2084.37	6.08	0.00

Detail of remuneration to Directors (Key Managerial Personnel) are as given in Notes No. 5

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

8 Earning per share is calculated as shown below:

	F.Y. 2010-11	F.Y. 2009-10
Profit available for Equity Shareholders	876161634	579638568
For Basic Earning		
No of weighted average equity shares	29445798	27028089
For Diluted Earning		
Equity Share Warrants 4815000 (Previous Year 3000000) pending for conversion	2334945	895890
No of weighted average of Diluted Equity Shares	31780744	27923979
Nomial Value of Equity Share	10.00	10.00
Earning Per Share (₹)		
Basic	29.76	21.45
Diluted	27.57	20.76

9 Deferred Tax:

The Break Up of Deferred Tax Liabilities/(Assets) as at March 31, 2011 is as under: (₹ in lacs)

	F.Y. 2010-11	F.Y. 2009-10
Deferred Tax Liabilities		
Timing Difference on account of :		
Depreciation	7825.35	7663.30
Total	7825.35	7663.30
Deferred Tax Assets		
Timing Difference on account of :		
Provision for Doubtful Debts/Gratuity/Bonus/Impairment	624.74	48.68
Carried Forward Losses as per Income Tax Act	2865.10	3234.60
Total	3489.84	3283.28
Deferred Tax Liabilities net	4335.51	4380.02
Deferred Tax Liabilities (Assets) Charged to P&L A/c	(44.51)	(370.69)

10 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.

11 Operating Income consists of following

(₹ in lacs)

	F.Y. 2010-11	FY 2009-10
Interest Income (Gross)	614.19	135.60
Export Incentives	284.44	572.92
Other Income	143.04	123.72
Total	1041.67	832.24
TDS Deducted on Interest Income	61.16	15.05

12 Fixed deposits with banks of ₹3232.85 Lacs (Previous year ₹1435.36 Lacs) are pledged with banks as margin money for working capital facilities.

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

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

14. 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.

(₹ in lacs)

	In India	Outside India	Total
Revenue	60143 (45866)	41631 (31657)	101774 (77523)
Results	6890 (6467)	12541 (8552)	19431 (15019)
Less: Financial Expenses			5694 (5106)
Less: Unallocated Expenses			6341 (6276)
Add: Operating Income			1042 (832)
Add Extra Ordinary Item & Fluctuation in Foreign Exchange			274 (997)
Less: Income Tax Provision			1792 (1065)
Add: Mat Credit entitlement			1797 (1024)
LESS: Deferred Tax			(45) (371)
Profit after Tax			8762 (5796)
Other Information			
Segment Assets	18789 (10279)	10008 (7530)	28797 (17809)
Unallocated Assets			144365 (109910)
Total Assets			173161 (127720)
Segment Liabilities	14844 (10799)	11860 (7122)	26704 (17921)
Unallocated Liabilities			88450 (64612)
Total Liabilities			115154 (82533)
Capital Expenditure			86237 (65363)
Depreciation			3852 (3680)
Non Cash Expenses Other Than Depreciation			301 (562)

Notes:

1 Geographical Segments

The segment reporting is performed on the basis of the geographical location of customers. The management views the Indian market and export markets as distinct geographical segments.

2 Segment assets & liabilities

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

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

15 Total amount of secured Term Loans installments payable during twelve months following 31-03-2011 are ₹12912.55 Lacs (Previous year ₹10207.54 Lacs)

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

- 18 Excess provision on commission on exports in earlier year amounting to ₹306.77 lacs (Previous Year ₹299.70 lacs) is considered as extraordinary item.
- 19 The outstanding dues of small scale industrial undertakings have been determined to the extent such parties have been identified on the basis of information available with the company. The parties to whom the Company owes sum outstanding for more than 30 days as at the balance sheet date are: (1) Ammonia Supply Co. (2) Time Technoplast Ltd
- 20 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.
- 21 The Company has ESOP scheme called "ESOS 2006". During the year, Company has granted no Employee Stock Option. (Previous Year Nil) Deferred Employee Compensation Cost is being amortised over a period of three years, being the vesting period and on proportionate basis. Accordingly a sum of ₹21.59 Lac has been amortised during the year.
During the year the employees have opted 185660 options which were granted to them in earlier year & the same has been allotted to them in the form of equity shares
- 22 Obligations/Entitlements on account of advance licenses not recognised at the time of export during the year amounts to ₹741.49 Lac (Previous year ₹357.78 Lac).
The above treatment has no impact on the profit & loss account.

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

23 I) Long Term Investments:

Investment of ₹2807.95 Lac (₹2346.55 Lac) Unquoted-Long Term are at Cost.

a) Investment in Ind Swift Laboratories Inc, USA	
Common Stock	₹0.45 Lac (₹0.45 Lac)
Share Application Money	₹544.09 Lac (₹544.09 Lac)
b) Units of Principle Global Opportunities Fund	₹5.00 Lac (₹5.00 Lac)
c) Investment in Vardhman Chemtech Pvt Limited	
10,00,000 Equity Share of ₹10/- each fully paid up.	₹100.00 Lac (100.00 Lac)
d) Investment in Nimbua Green Field (Punjab) Ltd	
187500 (Previous Year 250000) Equity Share of ₹10/- each fully paid	₹18.75 Lacs (₹25.00 Lacs)
e) Investment in Fortune(India) Construction Ltd.	
Formerly known as Ind Swift land Ltd	
48,20,000 Equity Share of ₹10/- each fully paid up.	₹482.00 Lac (₹482.00 Lac)
f) Investment in Essix Bioscience Limited	
12,35,000 Equity Share of ₹10/- each fully paid up.	₹767.50 Lacs (₹767.50 Lacs)
g) Investment in Farayand Chemi Hakim Company Ltd (Iran)	
Common Stock	₹64.17 Lac (₹27.17 Lac)
Share Application Money	₹349.30 Lac (₹386.30 Lac)
(h) Investment in Singapore	
Share Application Money	₹468.94 Lac (₹2.20 Lac)
(i) Investment in UAE	
Share Application Money	₹7.76 Lacs (₹6.84 Lacs)

II) Short Term Investments

(i) Investment in SBI Mutual Fund	₹3010 Lacs (₹4500 Lacs)
97943.19 units (N.A.V. ₹16.7503) SBI PSU Fund Dividend	
17914445.07 units (N.A.V. ₹10.21) Magnum Insta Cash Daily Dividend Options Fund	

Note: Figure in brackets are in respect of previous years.

- 24 i) Office Buildings includes Mumabi Office Buildings ₹266.42 (Previous Year ₹41.46 Lacs) Lac purchased in Mumbai in the name of the Managing Director of the Company out of which one building amounting to ₹41.46 Lacs is mortgaged with ICICI Bank. The Company has entered into an "agreement to sell" and has taken GPA from the Managing Director.
- The property is yet to be registered in the name of Company.
- ii) Freehold land includes ₹13.79 crores and Flats ₹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.

25 During the year, Company has made following preferential allotments.

Date of Allotment	Zero Coupon Optionally Convertible Warrants	Equity Share Issued
28.05.2010	1465000	1465000
13.11.2010	185660	185660
29.01.2011	1000000	1000000
14.03.2011	1585000	1585000
15.03.2011	535000	535000
28.03.2011	1600000	1600000

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

26 Capital Work in Progress includes:

- a) Capital advances ₹11303.08 Lacs (Previous Year; ₹4023.53 Lacs).

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

b) Expenses pending capitalisation ₹1848.21 Lacs (Previous Year; ₹1426.64 lacs). (₹ in lacs)

Description	Opening Balance	Addition	Capitalised	Closing Balance
Interest Cost Fixed Assets	592.51	1763.40	1054.86	1301.05
Upfront/Processing Fees	370.49	203.13	411.33	162.29
Salary & Wages	360.20	363.81	435.64	288.37
Legal & Professional	63.09	63.46	62.61	63.94
Electricity Charges	40.35	41.08	48.87	32.56
Total	1426.64	2434.88	2013.31	1848.21
Previous Year	186.61	1240.03	0.00	1426.64

- 27 The company entered into Forward Exchange Contracts 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.
- 28 In compliance with AS-28, during the year, company has identified fixed assets amounting to ₹459.40 Lacs (Previous Year ₹899.54 Lac) for impairment whose accumulated depreciation was 133.84 Lacs (Previous Year 212.39 Lac). The Net Realisable Value of such fixed assets has been estimated at ₹84.21 lacs (Previous Year ₹185.34 Lacs). Accordingly, Impairment Loss of ₹241.35 Lacs (Previous Year 501.81 Lacs) has been charged to Profit & Loss Account during the year.
- 29 In compliance with AS-15, during the year, company has provided ₹31.28 Lacs (Previous Year ₹11.93 Lacs) as provision towards the Company Gratuity Policy maintained with LIC after the actuarial valuation done by the LIC.
- 30 Capital Reserve includes Rs. 17.97 Lacs being Subsidy for DG Set which is net of ₹1.21 Lacs amortised and treated as income during the year.

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

(Amount in ₹)

Particulars	F.Y. 2010-11	F.Y. 2009-10
Audit Fees	500000	500000
Taxation Matters	112000	22000
Certification Fees	350000	350000
Out of pocket exp	28753	22350
	962000	872000

The above figure are exclusive of Service Tax

- 32 Loans & Advances include ₹4.66 lacs (Previous Year 4.33 lacs) due from Company Secretary. Maximum amount due during the year is ₹5.14 Lacs (Previous Year 4.33 Lacs)
- 33 The Company received ₹15.00 crore against 14% Non-convertible Debentures on 28.05.2009 which are redeemable in 13 quarterly installments with effect from february 2010. Balance outstanding as on 31.03.2011 is ₹9.25 Crore (Previous Year ₹13.85 crore)
- 34 Previous year figures have been regrouped, rearranged wherever considered necessary for comparison.

Schedules forming part of Balance Sheet and Profit and Loss Account

SCHEDULE XV SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

35 Additional information pursuant to the provisions of paragraph 3 & 4 of Part II of Schedule VI of the Companies Act, 1956 is as under:

A. Particulars of Capacity & Production :

Sr. No.	Product	Licensed Capacity	Installed Capacity
1	Bulk Drugs, Intermediates, Solvents & Others	N.A.	631831 kgs (590481 kgs)
2	Mint Derivatives	N.A.	3600000 Kg (3600000 kgs)

The installed capacity is as certified by the management on which auditors have placed reliance being a technical matter.

B. 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.

	2010-11	2009-10
C. C.I.F. Value of Imports : (Amount in ₹)		
(i) For Raw Materials	1,238,084,944	1,648,555,497
(ii) For Capital Goods	84,844,394	5,374,368
D. Expenditure in Foreign Currency : (Amount in ₹)		
Interest	4,954,802	16,287,008
Others	119,077,663	113,065,547
Total	124,032,465	129,352,555
E. Earnings in Foreign Currency (Amount in ₹)		
FOB Value of Goods	3,994,680,111	2,693,968,354

36 Schedule I to XV form an integral part of Balance Sheet and Profit & Loss Account and have been duly authenticated.

As per our separate report of even date

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

S.R. Mehta
Chairman

N. R. Munjal
Vice Chairman
cum M.D

Himanshu Jain
Joint Managing
Director

For and on behalf of the Board

Dr G. Munjal
Director

Dr. V. R. Mehta
Director

S.C. Pathak
Partner
Membership No. 10194

Rishav Mehta
Director

K. M. S. Nambiar
Director

Dr. J. K. Kakkar
Director

Pradeep Kumar
Director

Date: 25.05.11
Place: Chandigarh

S. P. Sharma
Director

Dr. N. P. Singh
Director

N. K. Bansal
Chief Financial Officer

Pardeep Verma
Company Secretary

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No. State Code

Balance Sheet Date Date Month Year

II Capital raised during the year (Amount in ₹ '000)

Public Issue

Bonus Issue

Rights Issue

Private Placement

III Position of Mobilisation and Deployment of Funds (Amount in ₹ '000)

Total Liabilities Total Assets

Sources of Funds

Paid-up Capital

Reserves & Surplus

Secured Loans

Unsecured Loans

Deferred payment liabilities

Application of funds

Net Fixed Assets

Net Currents Assets

Investments

Misc. Expenditure

IV Performance of Company (Amount in ₹ '000)

Turnover & other income Total Expenditure

Profit/Loss Before Tax Profit/Loss After Tax

Earning per Share(Basic) in ₹ Dividend Rate %

V Generic Names of principal products of Company

Product Description	Item Code No.
Clarithromycin	<input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="4"/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="0"/>
Betamethsone Salt	<input type="text" value=""/> <input type="text" value="2"/> <input type="text" value="9"/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="0"/>

As per our separate report of even date

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

S.R. Mehta
Chairman

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Vice Chairman
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Partner
Membership No. 10194

Rishav Mehta
Director

K. M. S. Nambiar
Director

Dr. J. K. Kakkar
Director

Pradeep Kumar
Director

Date: 25.05.11
Place: Chandigarh

S. P. Sharma
Director

Dr. N. P. Singh
Director

N. K. Bansal
Chief Financial Officer

Pardeep Verma
Company Secretary

For and on behalf of the Board

Consolidated Auditors' Report

The Members,
Ind-Swift Laboratories Limited
 Chandigarh

We have audited the attached Consolidated Balance Sheet of Ind Swift Laboratories Limited ("the Company) and its subsidiary as at March 31, 2011, and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto.

These Financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidenced supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of Ind Swift Laboratories Inc USA, Meteoric Life Sciences Pte Ltd (wholly owned subsidiaries) which has been considered for consolidation, whose financial statements reflect total assets of ₹1251.1 Lacs and the total revenue of ₹1731.8 Lacs for the year then ended. These financial statements and other financial information have been audited by another auditor whose report has been furnished to us, and our opinion is based solely on the report of the other auditor.

We report that the consolidated financial statements have been prepared by the management of Ind Swift Laboratories Limited in

accordance with the requirements of accounting standard (AS 21), Consolidated Financial statements, issued by the Institute of Chartered Accountants of India.

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

- a) In case of the Consolidated Balance sheet of the consolidated state of affairs of Ind Swift Laboratories Limited and its Subsidiary as at March 31, 2011.
- b) In the case of the Consolidated Profit and Loss Account of the consolidated results of operations of Ind Swift Laboratories limited and its Subsidiary for the year ended on that date, and
- c) In the case of the Consolidated Cash flow Statement of the consolidated cash flows of Ind Swift Laboratories limited and its Subsidiary for the year ended on that date.

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

(S.C. PATHAK)

Place: Chandigarh

Partner

Date: 25.05.2011

Membership No. 10194

Consolidated Balance Sheet

(Amount in ₹)

Particulars	Schedule	As at 31.03.2011	As at 31.03.2010
I. SOURCES OF FUNDS			
(1) Shareholders' Funds			
Share Capital	I	342,230,700	278524100
Reserves & Surplus	II	5,338,596,023	4166669944
Share Application Money		100,237,500	37500000
(2) Loan Funds			
Secured Loans	III	7,251,341,566	4802734374
Unsecured Loans	IV	940,566,257	1080529328
(3) Deferred Tax Liability			
Total		14,406,523,353	10803959945
II. APPLICATION OF FUNDS			
(1) Fixed Assets (Cost/Revalued Cost)			
Gross Block	V	7,017,775,467	5,952,091,325
Less: Depreciation		1,568,816,533	1,164,056,543
Net Block		5,448,958,935	4,788,034,782
Assets held for Disposal		22,336,162	23,594,942
Capital Work in Progress (including Capital Advances)		3,152,962,334	1,725,227,084
		8,624,257,430	6,536,856,808
(2) Investments			
(a) Long Term Investments	226,341,523		180,201,833
(b) Short Term Investments	301,000,000	527,341,523	450,000,000
(3) Current Assets, Loans and Advances			
(a) Inventories	VI	3,655,471,484	2,373,580,045
(b) Sundry Debtors		2,947,587,350	1,799,425,137
(c) Cash and Bank Balances		540,989,053	540,702,056
(d) Loans and Advances		1,091,674,022	862,448,003
		8,235,721,909	5,576,155,241
Less :			
Current Liabilities & Provisions			
(a) Current Liabilities		2,760,053,716	1,799,340,067
(b) Provisions		219,725,656	139,961,789
Current Liabilities & Provisions	VII	2,979,779,372	1,939,301,856
Net Current Assets		5,255,942,537	3,636,853,385
(4) Miscellaneous Expenditure			
(To the extent not written off or adjusted)	VIII	(1,018,138)	47,919
Total		14,406,523,353	10803959945
Significant Accounting Policies & Notes on Accounts	XVI		

AUDITORS REPORT

As per our separate report of even date

For and on behalf of the Board

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

S.R. Mehta
Chairman

N. R. Munjal
Vice Chairman
cum M.D

Himanshu Jain
Joint Managing
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Dr G. Munjal
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Partner
Membership No. 10194

Rishav Mehta
Director

K. M. S. Nambiar
Director

Dr. J. K. Kakkar
Director

Pradeep Kumar
Director

Date: 25.05.11
Place: Chandigarh

S. P. Sharma
Director

Dr. N. P. Singh
Director

N. K. Bansal
Chief Financial Officer

Pardeep Verma
Company Secretary

Consolidated Profit and Loss Account

(Amount in ₹)

Particulars	Schedule	Year Ended 31.03.2011	Year Ended 31.03.2010
INCOME			
Gross sales & Other Income	IX	10,582,749,988	8,017,306,503
Less: Excise Duty		97,497,969	94,664,817
Net Sales & Other Income		10,485,252,019	7,922,641,686
Total-A		10,485,252,019	7,922,641,686
EXPENDITURE			
Cost of Materials Consumed	X	7,728,153,737	5,697,469,437
Manufacturing Expenses	XI	433,975,840	383,021,676
Administrative & Other Expenses	XII	233,534,827	181,004,936
Selling and Distribution Expenses	XIII	182,146,602	167,549,330
Financial Charges	XIV	569,620,360	510,624,754
Research & Development Expenses	XV	56,840,541	52,268,554
Loss on Sale of Fixed Assets		3,192,373	1,519,051
Depreciation		385,163,947	368,816,848
Impairment of Assets		24,135,191	50,181,053
Provision for Doubtful Debts		6,010,083	5,972,850
Total-B		9,622,773,501	7,418,428,489
Profit For the Year Before Tax (A-B)		862,478,517	504,213,197
Previous Year Income		203,244	1,237,844
Previous Year Expenses		(3,478,180)	(4,433,331)
Extra ordinary Items:			
(a) Reversal of Previous year Provision		30,677,024	29,973,692
Profit for the year before Tax		889,880,605	530,991,402
Provision for Income Tax		(179,820,316)	(102,573,783)
Income Tax Adjustment of Previous Years		456,120	(4,070,628)
Mat Credit Entitlement		179,653,506	102,444,836
Profit Before Deferred Tax		890,169,915	526,791,827
Deferred Tax assets		4,450,893	37,069,123
Profit available for appropriation		894,620,808	563,860,950
Profit available for Equity Shareholders		894,620,808	563,860,950
Provision for Dividend on Equity Shares		34,223,070	27,852,410
Provision for Equity Dividend Tax		5,684,110	4,733,517
Transfer to General Reserve		43,808,082	28,981,928
Retained Profit transferred to Balance Sheet		810,905,547	502,293,095
Basic Earning per Share		30.38	20.86
Diluted Earning per Share		28.15	20.19
Nominal Value of each Share		10.00	10.00

AUDITORS REPORT

As per our separate report of even date

For and on behalf of the Board

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

S.R. Mehta
 Chairman

N. R. Munjal
 Vice Chairman
 cum M.D

Himanshu Jain
 Joint Managing
 Director

Dr G. Munjal
 Director

Dr. V. R. Mehta
 Director

S.C. Pathak
 Partner
 Membership No. 10194

Rishav Mehta
 Director

K. M. S. Nambiar
 Director

Dr. J. K. Kakkar
 Director

Pradeep Kumar
 Director

 Date: 25.05.11
 Place: Chandigarh

S. P. Sharma
 Director

Dr. N. P. Singh
 Director

N. K. Bansal
 Chief Financial Officer

Pardeep Verma
 Company Secretary

Consolidated Cash Flow Statement

(₹ in lacs)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and Extra-Ordinary Items	8592.04	5008.89
Adjusted for:		
i) Depreciation	3851.64	3688.16
ii) Impairment of Fixed Assets	241.35	501.81
iii) Employee Stock Option Expenses	21.59	51.64
iv) Exchange (profit)/loss	(106.50)	(697.54)
v) Reversal of Previous year items	306.77	299.74
vi) Interest on Term Loans	2306.31	2105.96
vii) Interest Received	(615.25)	(135.60)
viii) Provision for Doubtful Debts	60.10	59.73
ix) Loss on sale of Fixed Assets	31.92	15.19
Operating Profit Before Working Capital Charges	14689.97	10897.98
Adjustments For:		
i) Trade & Other Receivables	(11435.22)	(6886.04)
ii) Inventories	(12818.91)	(3393.18)
iii) Loan & Advances	(2504.86)	(1107.55)
iv) Current Liabilities	11193.77	2251.06
v) Working Capital Borrowings	3910.48	3145.25
vi) Income Tax (Including Advance Tax/TDS)	(1256.94)	(489.14)
	(12911.69)	(6479.60)
Net Cash Flow from Operating Activities	1778.28	4418.39
B. CASH FLOW FROM INVESTING ACTIVITIES		
i) Purchase of Fixed Assets	(18240.94)	(10139.93)
ii) Sale of Fixed Assets	143.50	1086.58
iii) (Purchase)/sale of Investments	1028.60	(4509.05)
iv) Product Technology Development Expenditure	(6680.66)	(5803.22)
v) Interest Received	615.25	135.60
Net Cash from Investing Activities	(23134.26)	(19230.02)

Consolidated Cash Flow Statement (Contd.)

(₹ in lacs)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
C. CASH FLOW FROM FINANCING ACTIVITIES		
i) Proceeds from Share Capital	637.07	257.95
ii) Advance From Share Capital	627.38	201.81
iii) Proceeds from Securities Premium	3540.69	1524.07
iv) Proceeds from Term Loans From Banks & Financial Institutions	42748.94	32355.66
v) Repayment of Term Loans to Banks & Financial Institutions	(23572.94)	(13505.67)
vi) Interest paid on Term Loans	(2294.87)	(2600.01)
vii) Equity Dividend Paid	(278.52)	(259.73)
viii) Equity Dividend Tax Paid	(47.34)	(44.14)
Net Cash Flow from Financing Activities	21360.40	17929.94
Net Increase in Cash or Cash Equivalents	4.42	-
Cash & Cash Equivalents as on 31.3.2010	5416.15	3118.30
Cash & Cash Equivalents as on 31.3.2011	5420.58	2297.85
Add Unrealised gain/(loss) in foreign Currency	(10.69)	(9.13)
Closing Balance of Cash & Cash Equivalents as on 31.3.2011	5409.89	5407.02

AUDITORS REPORT

As per our separate report of even date

For and on behalf of the Board

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

S.R. Mehta
Chairman

N. R. Munjal
Vice Chairman
cum M.D

Himanshu Jain
Joint Managing
Director

Dr G. Munjal
Director

Dr. V. R. Mehta
Director

S.C. Pathak
Partner
Membership No. 10194

Rishav Mehta
Director

K. M. S. Nambiar
Director

Dr. J. K. Kakkar
Director

Pradeep Kumar
Director

Date: 25.05.11
Place: Chandigarh

S. P. Sharma
Director

Dr. N. P. Singh
Director

N. K. Bansal
Chief Financial Officer

Pardeep Verma
Company Secretary

Auditors Certificate

We have verified the above Cash Flow Statement of Ind-Swift Laboratories Limited, derived from the audited financial statements for the year ended 31st March 2011 and found the same to 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: 25.05.11
Place: Chandigarh

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
SCHEDULE I SHARE CAPITAL		
Authorised		
6,00,00,000 (Previous Year 3,50,00,000) Equity Shares of ₹10/- Each	600,000,000	350,000,000
	600,000,000	350,000,000
Issued, Subscribed & Paid Up		
3,42,23,070 (Previous Year 2,78,52,410) Equity Shares of ₹10/- each fully called up and paid up.	342,230,700	278,524,100
	342,230,700	278,524,100

SCHEDULE II RESERVES & SURPLUS

(a) Capital Reserves :		
Capital Redemption Reserve	2,000	2,000
Share Warrants Forfieted Account	6,323,113	6,323,113
Equity Share Forfieted Account	866,500	866,500
State Subsidy on DG Set	1,796,997	1,918,370
(b) Securities Premium	1,703,808,970	1,344,445,164
(c) Revaluation Reserve	866,932,920	903,667,815
(d) Employees Stock Option Outstanding	3,887,670	9,182,756
(e) General Reserve		
As per Last Balance Sheet	299,896,571	108,235,516
Add: Transfer during the year	43,808,082	28,981,928
Add: Mat Credit Entitlement of earlier years	-	162,679,127
(f) Profit & Loss Account		
As per Last Balance Sheet	1,600,367,653	1,098,074,559
Add: Transfer from Profit & Loss Account	810,905,547	502,293,095
	5,338,596,023	4,166,669,944

SCHEDULE III SECURED LOANS

(A) Non Convertible Debentures	92,500,000	138500000
(B) Loans and Advances from Banks		
(a) Borrowings for Working Capital	1,693,133,224	1,302,085,682
(b) Term Loans	5,386,269,790	3,237,885,708
(c) Other Loans	18,459,307	20,004,751
(C) Other Loans and Advances	60,979,245	104,258,233
	7,251,341,566	4,802,734,374

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

Note:

- A) 14% Non Convertible Debentures amounting to Rs. 9.25 Crores (P.Y. 13.85) from Tata Capital Limited are secured by first ranking pari passu charge on the immovable properties measuring 68 bighas & 13 biswas situated at village Behra & village Bhagwanpura Tehsil Rajpura, Distt. Patiala in the state of Punjab & land admeasuring 9435.56 square yards being Plot No E-V, Industrial Focal Point, Phase II, Mohali in the state of Punjab together with all Buildings & Structures, Plant & Machinery thereon personal guarantees of Mr. S.R. Mehta & Mr. N.R. Munjal.
- B) a) Bank borrowings for working capital ₹169.31 crores (P.Y.130.20 crores) are secured by a Pari Passu, first charge by way of hypothecation of the company's current assets, namely, Stocks of Raw Materials, Semi Finished, Finished Goods, Stores & Spares not relating to plant and Machinery (Consumable Stores & Spares), Bills Receivable and Book Debts and all other movables of the Company both present and future excluding such movables as may be permitted by the said Banks from time to time. The said facility is further secured by way of pari passu second charge on the company's immovable and movable properties (other than current assets) and personal guarantees of Mr. S.R.Mehta, Dr. V.R. Mehta, Mr. N.R. Munjal, Dr. G. Munjal, Mr. Himanshu Jain & Mr. Rishav Mehta.
- b) Term Loan ₹538.63 crores (P.Y. 323.78 crores) are from State Bank of India, Axis Bank, Central Bank of India, State Bank of Patiala, Bank of India, Catholic Syrian Bank, Export Import Bank of India, IDBI Bank, South Indian Bank, ABN Amro Bank, Standard Chartered Bank, Bank of Rajasthan, State Bank of Indore, State Bank of Hyderabad, IFCI, State Bank of Travencore, L&T finance, Allahabad Bank, Bank of Baroda, DEG- Deutsche Investitions – Und Entwicklungsgesellschaft Mbh & ICICI Bank are secured by first pari passu charge by way of Joint Equitable Mortgage by deposit of title deeds of the Company's immovable properties situated at Derabassi Punjab & Plot No E-V, industrial Focal Point, Mohali and second charge by way of hypothecation of all its movable assets, including machinery, machinery spares, tools and accessories present and future, subject to the charges created /to be created, in favour of the company banker. These loans are further secured by the personal guarantee of Promoter Directors.
- c) Other Term loans & advances ₹1.85 crores (P.Y.2.00 crores) includes Vehicle loans ₹1.64 Crores (P.Y. 1.78) are secured against hypothecation of the vehicles under the hire purchase agreement & ICICI Home Loan Rs. 0.21 crores (P.Y. 0.22 crores) is in the name of Mr. N.R.Munjal, and is secured against the office premises in Mumbai.
- C) Other loan & advances ₹6.10 crores (P.Y.10.43 crores) includes Term Loans from Technology Development Board ₹5.56 crores (P.Y. 9.16 crores) is secured by way of charges on movable fixed assets & personal guarantee of Shri N.R.Munjal & Vehicle Loans (NBFC) ₹0.54 crores (P.Y. 1.27 crores) are secured against hypothecation of the vehicles under the hire purchase agreements.

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
SCHEDULE IV UNSECURED LOANS		
(a) Fixed Deposits	582,323,926	579,304,999
(b) Short Term Loans & Advances		
From Others	356,587,055	349,901,543
From Banks	1,655,276	151,322,786
Total	940,566,257	1,080,529,328

SCHEDULE V FIXED ASSETS

(Amount in ₹)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As On 01.04.10	Addition	Sale/ Transfer	As On 31.03.11	As On 01.04.10	During The Period	During The Year Written Back	As On 31.03.11	As On 31.03.11	As On 31.03.10
Tangible Assets										
Land Free Hold	439,418,388	3,187,500	-	442,605,888	-	-	-	-	442,605,888	439,418,388
Land Lease Hold	17,189,390	-	-	17,189,390	794,280	182,862	-	977,142	16,212,248	16,395,110
Factory Buildings	563,596,528	178,715,997	-	742,312,525	79,464,342	18,922,246	-	98,386,588	643,925,937	484,132,186
Office Buildings	37,959,489	22,495,960	-	60,455,449	4,008,996	670,558	-	4,679,559	55,775,895	33,950,493
Flats	145,810,070	-	-	145,810,070	6,512	2,376,704	-	2,383,216	143,426,854	145,803,558
R&D Buildings	145,588,240	-	-	145,588,240	16,432,071	4,862,647	-	21,294,718	124,293,522	129,156,168
Buildings - Pilot Plant	17,021,567	-	-	17,021,567	2,569,204	568,520	-	3,137,724	13,883,843	14,452,363
Plant & Machinery	2,365,920,079	604,568,543	55,162,608	2,915,326,014	491,862,344	125,268,229	16,437,992	600,692,581	2,314,633,433	1,874,057,735
R&D Machinery	423,847,848	11,095,068	-	434,942,916	81,861,247	22,941,528	-	104,802,774	330,140,142	341,986,602
Plant & Machinery - Pilot Plant	39,233,698	-	-	39,233,698	9,308,505	2,071,539	-	11,380,044	27,853,654	29,925,193
Electric Installations	305,732,699	22,446,353	50,375	328,128,677	56,756,920	14,559,571	-	71,316,491	256,812,187	248,975,780
Electric Installations - Pilot Plant	3,439,389	-	-	3,439,389	732,525	163,371	-	895,896	2,543,493	2,706,864
Furniture & Fixtures	33,686,894	515,894	-	34,202,788	9,305,553	2,419,718	-	11,725,270	22,477,518	24,381,341
Office Equipments	78,880,480	5,405,112	-	84,285,592	46,590,249	12,149,947	-	58,740,196	25,545,396	32,290,232
Vehicles	86,874,298	13,025,991	1,529,117	98,371,172	27,594,251	8,418,079	700,846	35,311,484	63,059,688	59,280,047
Other Assets										
R&D Technology	1,247,365,814	260,969,824	-	1,508,335,638	335,844,888	206,323,321	-	543,092,867	965,242,771	911,122,722
Goodwill	526,453	-	-	526,453	-	-	-	-	526,453	526,453
Total	5,952,091,325	1,122,426,242	56,742,100	7,017,775,467	1,164,056,543	421,898,841	17,138,838	1,568,816,551	5,448,958,922	4,788,034,783
Previous Year	5,703,968,624	356,780,796	108,658,095	5,952,091,325	781,621,793	405,551,742	23,116,992	1,164,056,543	4,788,034,783	4,922,346,832

Note: Depreciation provided during the year includes depreciation on Revalued Fixed Assets ₹3,67,34,895/- which is deducted from Revaluation Reserve.

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
SCHEDULE VI CURRENT ASSETS, LOANS & ADVANCES		
A) CURRENT ASSETS		
I) Inventories (As per inventories taken, valued & certified by the Management)		
Stores & Consumables	32,462,076	25,222,999
Raw Materials	955,927,417	759,248,093
Raw Materials In Transit	17,100,224	3,197,423
Work in Process	2,326,269,314	1,307,471,503
Finished Goods	323,712,453	278,440,027
Total	3,655,471,484	2,373,580,045
II) Sundry Debtors (Unsecured, Considered Good)		
Debts outstanding for a period exceeding six months		
- Considered good	23,111,387	24,715,822
- Considered doubtful	20,330,801	14,320,718
Other Debts	2,924,210,963	1,774,709,315
	2,967,653,151	1,813,745,855
Less: Provision for Doubtful Debts	20,330,801	14,320,718
Total	2,947,322,350	1,799,425,137
III) Cash and Cash Balances		
Cash balance in hand	10,482,062	18,978,912
Bank balances with Scheduled Banks:		
Fixed Deposits	323,284,619	218,731,411
Interest accrued but not due on Fixed Deposits	3,507,684	11,387,365
Current Accounts	203,714,689	291,604,368
Total	540,989,053	540,702,056
IV) Loans and Advances (Unsecured, Considered good)		
Advances recoverable in Cash or in Kind or for value to be received	287,685,003	363,092,593
Mat Credit Entitlement	455,837,557	276,184,055
Cenvat/ Vat Recoverable	260,020,913	148,708,650
Advance Custom Duty Paid/DEPB	13,183,025	17,778,393
Advance Tax/ TDS	50,353,079	44,843,475
Prepaid Expenses	3,628,717	4,538,081
Security Deposits	20,965,728	7,302,756
Total	1,091,674,022	862,448,003

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	As at 31.03.2011	As at 31.03.2010
SCHEDULE VII CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES		
(i) Total outstanding dues to small scale Industrial undertakings	1,907,452	2,999,229
(ii) Outstanding dues of Creditors other than Small Scale Industrial Undertaking	2,549,234,320	1,664,598,278
Statutory Liabilities	14,634,577	12,937,351
Expenses Payable	140,420,212	66,092,443
Interest accrued but not Due	53,857,155	52,712,765
Sub Total	2,760,053,716	1,799,340,067
B) PROVISIONS		
Income Tax	179,818,476	107,375,862
Equity Share Dividend	34,223,070	27,852,410
Tax on proposed Equity Share Dividend	5,684,110	4,733,517
Total	2,979,779,372	1,939,301,856
SCHEDULE VIII MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
1. Deferred Employee Compensation Expenses	0.00	2158946
2. Foreign Currency Translation	(1,018,137)	(2111027.00)
Total	(1018137.00)	47919
SCHEDULE IX GROSS SALES & OTHER INCOME		
Domestic	6,111,842,305	4,681,302,824
Exports	4,336,243,351	3,183,025,387
Other Income	104,168,330	83,223,832
Income from Commodity exchange	19,845,742	-
Foreign Exchange Fluctuations	10,650,260	69,754,460
Total	10,582,749,988	8,017,306,503
SCHEDULE X COST OF MATERIAL CONSUMED/SOLD		
Opening Stock	759,248,093	500,527,868
Purchases	8,990,060,798	6,030,889,626
	9,749,308,891	6,531,417,494
Less: Closing Stock	955,927,417	759,248,093
Total (A)	8,793,381,474	5,772,169,401
Increase /Decrease In Inventory		
Opening Stock		
Work in Process	1,307,471,503	1,093,274,591
Finished Goods	277,282,527	417,936,975
	1,584,754,030	1,511,211,566
Closing Stock		
Work in Process	2,326,269,314	1,307,471,503
Finished Goods	323,712,453	278,440,027
	2,649,981,767	1,585,911,530
Total (B)	1,065,227,737	74,699,964
Total (A-B)	7,728,153,737	5,697,469,437

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE XI MANUFACTURING EXPENSES		
Job Work Charges	64,935,712	68,192,334
Wages	135,961,141	126,880,093
P.F. & Other Funds	8,959,549	6,822,851
Power, Fuel & Water Charges	160,142,594	146,353,739
Stores & Spares	37,931,410	22,130,798
Repair & Maint. :		
Plant & Machinery	11,827,383	9,104,584
Buildings	5,286,638	1,582,014
Electrical	4,210,805	1,620,278
Loss on Insurance Claim	3,914,670	
Excise Duty on Finished Goods	632,366	154,731
Other Manufacturing Expenses	173,572	180,254
Total	433,975,840	383,021,676

SCHEDULE XII ADMINISTRATIVE & OTHER EXPENSES

Directors Remuneration		
- Salary & Allowances	33,435,120	17,400,000
- Contribution to P.F.	25,740	18,720
Salary & Allowances	41,192,714	55,184,876
P.F. & Other Funds	2,710,575	2,712,837
Gratuity Premium	3,127,693	1,193,196
Travelling & Conveyance	20,733,824	20,054,711
Auditors Remuneration		
- Audit Fees	500,000	500,000
- Certification Fees	350,000	350,000
- Out of Pocket Exp.	53,403	22,350
- Taxation Matters	112,000	22,000
Office Rent	6,684,906	8,455,622
Rate & Taxes	6,625,378	4,298,401
Insurance Charges	11,664,579	9,181,321
Legal & Professional Charges	11,283,420	6,024,213
Printing & Stationary	6,458,289	6,823,302
Vehicle Running & Maint.	15,117,291	11,907,712
Telephone & Postage	11,498,259	10,990,230
Office Expenses	5,464,802	5,472,530
Charity & Donation	583,765	347,713
Listing Fees	395,167	497,372
Books & Periodicals	125,439	130,733
Meeting, Membership & Subscription Fees	2,969,446	1,468,621
Security Expenses	3,749,637	3,875,119
Staff Welfare	5,749,087	5,044,237
Training & Development Expenses	307,757	654,458
Repair & Maintenance-General	8,765,161	5,904,799
Recruitment Expenses	1,926,496	586,808
Other Expenses	31,924,880	1,883,054
Total	233,534,827	181,004,936

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

(Amount in ₹)

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
SCHEDULE XIII SELLING & DISTRIBUTION EXPENSES		
Advertisement & Publicity	1,004,501	771,512
Business Promotion	4,810,803	6,468,851
Commission on Sales	99,779,830	95,058,216
Packing Material	17,718,124	14,560,011
Rebate & Discount	791,340	8,181,117
Freight Outward	51,783,403	38,042,435
Insurance Charges	2,340,371	1,506,731
ECGC Premium	2,506,315	2,716,921
Bad Debts w/off	-	51,488
Other Expenses	1,411,915	192,048
Total	182,146,602	167,549,330

SCHEDULE XIV INTEREST AND FINANCIAL CHARGES

Interest on Term Loans (Net)	230,631,213	210,596,447
Interest on Working Capital	100,739,755	91,096,539
Bank Charges & Others	230,931,416	199,712,344
Brokerage & Commission	7,317,976	9,219,424
Total	569,620,360	510,624,754

SCHEDULE XV RESEARCH & DEVELOPMENT EXPENSES

Salary, Wages & Other Allowances	32,692,302	29,244,111
Administration Expenses	69,943	33,864
Consumables, Chemicals & Regents	20,765,903	20,477,063
Repair & Maintenance - Machinery	1,626,698	1,306,398
Technical Study & Consultancy & Product registration	1,685,695	1,207,118
Total	56,840,541	52,268,554

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

SCHEDULE XVI SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

A. 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 10 to March 11 whereas the financial year of Subsidiary Company is from Jan 10 to Dec 10. Accordingly, subsidiary's audited financial statements for the year ended on 31-12-2010 are considered for the purpose of consolidation. Effect for significant transactions or events that have occurred in subsidiary for period Jan 01, 2011 to March 31, 2011 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 10 to March 11 whereas the financial year of Subsidiary Company is from Nov 09 to Oct 10. Accordingly, subsidiary's audited financial statements for the year ended on 31-10-2010 are considered for the purpose of consolidation. Effect for significant transactions or events that have occurred in the subsidiary for the period Nov 20, 2010 to March 31, 2011 have been accounted for.
- c) Ind-Swift Middle East FZE (UAE) were incorporated as subsidiary company but no share capital have been issued.
- d) The Parent Company maintains its records and prepares its financial statements under the historical cost convention, in accordance with Generally Accepted Principles in India, While the foreign subsidiary maintain their records and prepare their financial statements in conformity with Generally Accepted Principles prevalent in the country of their domicile. No adjustments are made in these consolidated financial statements for inconsistencies in accounting policies.

2 Principles of Consolidation

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

- a) The financial statements of the Parent Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after elimination of intra-group transactions, intra-group balances and the unrealised profits/(losses).
- b) The financial statements of the Parent Company and its subsidiary have been consolidated using uniform accounting policies for the like transactions and other events in similar circumstances except as specifically mentioned.
- c) The excess of the cost to the Parent Company of its investment in the subsidiary over the company's portion of equity of the subsidiary is recognised in the financial statements as goodwill or capital reserve.

3 Use of Estimates

The presentation of consolidated financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known/materialised.

4 Fixed Assets & Depreciation

In relation to the Parent Company

(a) Cost of Fixed Assets

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

(b) Depreciation /Amortisation

Depreciation is provided on straight line method at the rates specified in schedule XIV of the Companies Act 1956 on pro rata basis and the assets having the value upto ₹50000 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.

c) Intangible Assets (Other Assets)

Cost of product development for which the company becomes entitled to a patent/DMF filed with regulatory authorities is recognised as other assets.

The Policy of Company is to amortise such assets acquired upto 31.03.2008 on straight-line basis in five subsequent years and those acquired during the year 2008-09 and onwards in eight subsequent years from the year in which these are acquired.

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

SCHEDULE XVI SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

In relation to the Subsidiary Company

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

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

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

5 Borrowing Costs

In relation to the Parent Company Borrowing costs that are directly attributable to the acquisition, construction of qualifying assets have been capitalised as part of cost of assets.

Other Borrowing costs are recognised as an expense in the period in which they are incurred.

6 Inventories

In relation to the Parent Company

Inventories are valued as under :

Stores & spares are valued at cost.

Raw Materials are valued at cost on FIFO basis

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

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

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

7 Recognition of Income and Expenditure

In relation to the Parent Company

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

Transaction 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 stated on prorata basis over the terms of the contract.

Foreign currency denominated current assets & current liabilities are translated at year end exchange rates. The resulting gain or Loss is recognised in the Profit & Loss Account.

In translating the financial statement of representative office for incorporation in financial statements, the monetary assets and liabilities are translated at the closing rate; 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.

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:

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

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

SCHEDULE XVI SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

9 Other Significant Accounting Policies

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

B: NOTES ON ACCOUNTS :

1 Contingent liabilities not provided for:

(₹in lacs)

	2010-11	2009-10
a. Letter of Credit against purchase of raw material:	10528.58	12493.41
b. Bank Guarantees against purchase of raw material :	5814.58	31.35
c. Export obligation in respect of custom duty:	177.18	85.49
d. Contingent Liabilities in respect of unassessed cases of Income Tax, Excise Duty, Sales Tax and Service Tax.	Unascertained	Unascertained
e. Corporate guarantees given on behalf of (To the extent Utilized)		
Ind Swift Ltd	4166.00	5000.00
Essix Biosciences Ltd	3117.55	1167.00
Halcyon Life Science Private Limited	4504.36	2776.31

2 Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹5002.32 lacs (Previous year ₹1448.90 Lacs)

3 In the opinion of the Board, the Current Assets, Loans & Advances shown in the Balance Sheet have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.

4 Company has revalued its assets Comprising of Land, Building, Machinery of Derabassi Unit by the approved External Valuer to reflect the market value and accordingly the appreciation amounting to ₹10138.73 Lac have been credited to Capital Reserve Account (Re-valuation Reserve A/c) as on 31.03.2007.

Depreciation amounting to ₹367.35 Lac (₹367.35 Lac) has been provided during the year & the same is reduced from Revaluation Reserve.

5 Director Remuneration includes

	2010-11	2009-10
A Salary		
Vice Chairman Cum Managing Director	18,005,040	8,705,040
Joint Managing Director	13,505,040	8,705,040
Director	1,925,040	-
B Contribution to Provident Fund		
Vice Chairman Cum Managing Director	9,360	9,360
Joint Managing Director	7,020	9,360
Director	9,360	-
C Perquisites		
Vice Chairman Cum Managing Director	304,662	360,918
Director	304,662	360,918
Total	34,070,183	18,150,636

Computation of Net Profits in accordance with Section 198 of the Companies Act, 1956

Profit for the year before taxation as per P&L Account	889,880,605	546,640,072
Add: Directors' Remuneration	34,070,183	18,150,636
Provision for Doubtful Debts	6,010,083	5,972,850
Eligible Profit for Computation of Directors Remuneration	929,960,871	570,763,558
Maximum amount permissible u/s 309 of Companies Act,1956 for payment to Directors	102,295,696	62,783,991

6 Other expenses under head administrative expenses includes ₹81,000 (Previous Year ₹47000) paid to directors as sitting fee.

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

SCHEDULE XVI SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

7 Information relating to Subsidiaries including subsidiaries of subsidiaries (in terms of Government of India, Ministry of Corporate Affairs General Circular No. 2/2011, No:5/12/2007-CL-III DATED 8th February, 2011) for the year ended March 31, 2011

Particulars	Year	Ind Swift Laboratories Inc. 31-12-2010	Meteoric Life Sciences PTE LTD From November, 20, 2009 to October 31st, 2010
		INR	INR
Capital	2010-11 2009-10	33291227 15803323	971590 -
Reserves	2010-11 2009-10	1041568 2111027	-23432 -
Total Liabilities	2010-11 2009-10	17908406 7265377	71920637
Total Asset	2010-11 2009-10	52241201 25179727	72868795 -
Investment (other than in subsidiaries)			
Turnover Net	2010-11 2009-10	73510975 47729330	99668878 -
Provision for Tax			
Profit/Loss before Tax	2010-11 2009-10	17579363 -15648672	1046622 -
Proposed Dividend			
Reporting Currency			
Profit/Loss after Tax	2010-11 2009-10	17487903 -15777619	971272 -
Currency		US \$	US \$
Exchange Rate as on 31-03-2011		45.73	45.73
Exchange Rate as on 31-03-2010		47.71	-

a) For Meteoric Life Sciences PTE there is no previous year's figures as it was incorporated in the same year

Notes:

1. The details of Dubai subsidiary M/s Ind-Swift Middle East FZE are not included as the Company was incorporated on 15-10-2009.
2. In compliance with Clause 32 of the Listing Agreement, audited consolidated financial statements form part of this Annual Report.
3. Full accounts of the aforesaid subsidiaries are available for inspection at the Registered office of the Company and on request will be sent to the members free of cost.

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

SCHEDULE XVI SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

- 8 In accordance with Accounting Standard 18, 'Related Party Disclosures', issued by the Institute of Chartered Accountants of India, the Company has compiled the following information :

a. List of related parties and their relationship

Associates	Ind Swift Limited
	Essix Biosciences Limited
	Halcyon Life Science Pvt Ltd.
	Fortune (India) Construction Ltd.
	Mansa Print & Publishers Limited
	Swift Fundamental Research & Education Society
	Ind swift communications (P) Ltd.
	Punjab Renewable Energy Pvt Ltd.
	AKJ Portfolio Pvt. Ltd.
	NRM Portfolio Pvt. Ltd
	GM Portfolio Pvt. Ltd.
	VRM Portfolio Pvt Ltd.
	VKM Portfolio Ltd.
SRM Portfolio Pvt Ltd.	
Key Management personnel-Directors	Mr. N.R. Munjal
	Mr. Himahshu Jain
	Mr. Rishav Mehta
Subsidiary	Ind Swift Laboratories Inc. USA
	Meteoric Life Science Pte. Ltd
	Ind Swift Middle East FZE(UAE)
	Hakim farayand Chemi Co (Iran)

b. Related party transactions

(₹ in lacs)

Nature of Transactions	Associates		Subsidiary	
	2010-11	2009-10	2010-11	2009-10
1) Transactions during the year				
Purchase	28889.22	13368.99	83.63	0.00
Capital Assets Purchase	0.00	2433.10	284.21	
Intangible Assets Purchase	0.00	300.00		
Sales	4647.81	3983.94	4240.98	967.96
Interest Receivable	209.66	297.94		
Interest Payable	0.50	0.00		
Service Taken	441.33	0.00		
Expenses	16.47	163.12		
Corporate Gurantee Given	11787.91	8943.31		
2) Outstanding				
Balances as on 31.03.11				
Share Capital	8213.90	899.15		
Advance Recd ag. Share Capital	1002.38	375.00		
Investment Made	1249.50	1249.50	1434.71	967.06
Loans & Advances given	0.00	352.98		
Loans & Advances taken	3.38	0.00		
Capital Advances	8658.36	1547.66		
Debtors	-0.00	460.77	1005.19	488.01
Creditors	4143.04	2084.37	6.08	0.00

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

SCHEDULE XVI SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

9 Earning per share is calculated as shown below:(Equity Shares of ₹10/- each)

	F.Y. 2010-11	F.Y. 2009-10
Profit available for Equity Shareholders	894620808	563860950
For Basic Earning		
No of weighted average equity shares	29445798	27028089
For Diluted Earning		
Equity Share Warrants 4815000 (Previous Year 3000000) pending for conversion	2334945	895890
No of weighted average of Diluted Equity Shares	31780744	27923979
Nomial Value of Equity Share	10.00	10.00
Earning Per Share (₹)		
Basic	30.38	20.86
Diluted	28.15	20.19

10 Deferred Tax:

The Break Up of Deferred Tax Liabilities/(Assets) as at March 31, 2011 is as under:

	2010-11	2009-10
Deferred Tax Liabilities		
Timing Difference on account of :		
Depreciation	7825.35	7663.30
Total	7825.35	7663.30
Deferred Tax Assets		
Timing Difference on account of :		
Provision for Doubtful Debts	624.74	48.68
Carried Forward Losses as per Income Tax Act	2865.10	3234.60
Total	3489.84	3283.28
Deferred Tax Liabilities net	4335.51	4380.02
Deferred Tax Liabilities (Assets) Charged to P&L A/c	(44.51)	(370.69)

11 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.

12 Other Income consists of following

(₹ in lacs)

	F.Y. 2010-11	FY 2009-10
Interest Income (Gross)	614.19	135.60
Export Incentives	284.44	572.92
Other Income	143.04	123.72
Total	1041.67	832.24
TDS Deducted on Interest Income	61.16	15.05

13 Fixed deposits with banks of ₹3232.85 Lacs (Previous year ₹1435.36 Lacs) are pledged with banks as margin money for working capital facilities.

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

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

SCHEDULE XVI SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS (Contd.)

15 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.

(₹ in lacs)

	In India	Outside India	Total
Revenue	60143 (45866)	43362 (31830)	103506 (77696)
Results	4359 (6461)	15225 (8401)	19583 (14862)
Less: Financial Expenses			5694 (5106)
Less: Unallocated Expenses			6307 (6276)
Add: Operating Income			1042 (832)
Add Extra Ordinary Item & Fluctuation in Foreign Exchange			274 (997)
Less: Income Tax Provision			1794 (1066)
Add: Mat Credit entitlement			1797 (1024)
LESS: Deferred Tax			(45) (371)
Profit after Tax			8946 (5639)
Other Information			
Segment Assets	18212 (11097)	11264 (6897)	29476 (17994)
Unallocated Assets			144397 (109438)
Total Assets			173873 (127432)
Segment Liabilities	14842 (10391)	12759 (7603)	27601 (17994)
Unallocated Liabilities			88452 (64612)
Total Liabilities			116052 (82606)
Capital Expenditure			86243 (65369)
Depreciation			3852 (3688)
Non Cash Expenses Other Than Depreciation			301 (562)

Notes:

1 Geographical Segments

The segment reporting is performed on the basis of the geographical location of customers.

The management views the Indian market and export markets as distinct geographical segments.

2 Segment assets & liabilities

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

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

- 16 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.

Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account

SCHEDULE XVI SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT (Contd.)

17 Long Term Investments

I) Investment of ₹2263.41 Lac (₹1802.02 Lac) Unquoted-Long Term are at Cost.

a) Units of Principle Global Opportunities Fund	₹5.00 Lac (₹5.00 Lac)
b) Investment in Vardhman Chemtech Pvt Limited 10,00,000 Equity Share of ₹10/- each fully paid up.	₹100.00 Lac (₹100.00 Lac)
c) Investment in Nimbua Green Field (Punjab) Ltd 250000 Equity Share of ₹10/- each fully paid	₹18.75 Lacs (₹25.00 Lacs)
d) Investment in IndSwift Land Limited 48,20,00 Equity Share of ₹10/- each fully paid up.	₹482.00 Lac (₹482.00 Lac)
e) Investment in Essix Bioscience Limited 12,35,000 Equity Share of ₹10/- each fully paid up.)	₹767.50 Lacs (₹767.50 Lacs)
f) Investment in Farayand Chemi Hakim Company Ltd (Iran) Common Stock	₹64.17 Lac (₹27.17 Lac)
Share Application Money	₹349.30 Lac (₹386.30 Lac)
g) Investment in Singapore Share Application Money	₹468.94 Lac (₹2.20 Lac)
h) Investment in UAE Share Application Money	₹7.76 Lacs (₹6.84 Lacs)

II) Short Term Investments

(i) Investment in SBI Mutual Fund 97943.19 units (N.A.V.₹16.7503)SBI PSU Fund Dividend 17914445.07 units(N.A.V. ₹10.21) Magnum Insta Cash Daily Dividend Options Fund	₹3010 Lacs (₹4500 Lacs)
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Note: Figure in brackets are in respects of previous years.

- 18 The company entered into Forward Exchange Contracts 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.
- 19 In compliance with AS-28, during the year, company has identified fixed assets amounting to ₹459.40 Lacs (Previous Year ₹899.54 Lac) for impairment whose accumulated depreciation was 133.84 Lacs (Previous Year 212.39 Lac). The Net Realisable Value of such fixed assets has been estimated at ₹84.21 lacs (Previous Year ₹185.34 Lacs). Accordingly, Impairment Loss of ₹241.35 Lacs Previous Year 501.81 Lacs) has been charged to Profit & Loss Account during the year.
- 20 In compliance with AS-15, during the year, company has provided ₹38.48 Lacs as provision towards the Company Gratuity Policy maintained with LIC after the actuarial valuation done by the LIC.
- 21 The Company received ₹15.00 crore against 14% Non-convertible Debentures on 28.05.2009 which are redeemable in 13 quarterly installments with effect from february 2010. Balance outstanding as on 31.03.2011 is ₹9.25 Crore (Previous Year ₹13.85 Crore)
- 22 Previous year figures have been regrouped, rearranged wherever considered necessary for comparison.
- 23 Additional information pursuant to the provisions of paragraph 3 & 4 of part II of schedule VI of the companies Act, 1956 is as under.

AUDITORS REPORT

As per our separate report of even date

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

S.R. Mehta
Chairman

N. R. Munjal
Vice Chairman
cum M.D

Himanshu Jain
Joint Managing
Director

Dr G. Munjal
Director

For and on behalf of the Board

Dr. V. R. Mehta
Director

S.C. Pathak
Partner
Membership No. 10194

Rishav Mehta
Director

K. M. S. Nambiar
Director

Dr. J. K. Kakkar
Director

Pradeep Kumar
Director

Date: 25.05.11
Place: Chandigarh

S. P. Sharma
Director

Dr. N. P. Singh
Director

N. K. Bansal
Chief Financial Officer

Pardeep Verma
Company Secretary

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

1 Name of the Subsidiary Company	Ind Swift Laboratories Inc.	Meteoric Life Sciences Pte Ltd
2 Financial Year of the Subsidiary Company	01-01-2010 to 31-12-2010	20-11-2009 to 31-10-2010
3 Share of Subsidiary Company held by Ind Swift Laboratories Limited		
(i) No of Shares (Common Stock)	100	100
(ii) Face Value	N.A.	N.A.
(iii) Paid up value	₹49390	
(iv) Additional Paid up Capital	₹53877996	₹318
(v) Extent of Holding	100%	100%
4 Net aggregate amount of Profit/(Loss) of the subsidiary company so far as they concern the members of Ind-Swift Laboratories Limited not dealt with in the accounts of the Ind-Swift Laboratories Limited amount to:	₹ in/Lac	₹ in/Lac
(a) For the subsidiary Company's current year/period	174.88	9.70
(b) For the previous year/period of the subsidiary since it became the Holding Company's subsidiary	(157.78)	N.A.
5. Net aggregate amount of Profit/(Loss) of the subsidiary company so far as they concern the members of Ind-Swift Laboratories Limited dealt with in the accounts of the Ind-Swift Laboratories Limited amount to:		
(a) For the subsidiary Company's current year/period	Nil	Nil
(b) For the previous year/period of the subsidiary since it became the Holding Company's subsidiary	Nil	Nil
6. Holding Company's interest as at March 31, 2011 incorporating changes since close of the financial year of the subsidiary company	No Change	No Change

Note:

- The Profit & Loss figure of subsidiary companies have been translated on the basis of average exchange rate.
- Balance Sheet items for Ind Swift Laboratories Inc are translated at closing exchange rate applicable to subsidiary company as at 31-12-2010 and items for Meteoric Life Sciences Pte Ltd is translated at exchange rate applicable as at 31-10-2010.
- Non Monetary items are translated at the historical rates.
- Balance Sheet Monetary items for Ind Swift Laboratories Inc are translated at closing exchange rate as at 31-12-2010 and for Meteoric Life Sciences Pte Ltd at closing exchange rate at 31-12-2010.
- Profit & Loss items are translated at yearly average exchange rate.
- Full accounts of the aforesaid subsidiaries are available for inspection at the Registered Office of the Company and on request will be sent to members free of cost.

For and on behalf of the Board

S.R. Mehta
Chairman

N. R. Munjal
Vice Chairman
cum M.D

Himanshu Jain
Joint Managing
Director

Dr G. Munjal
Director

Dr. V. R. Mehta
Director

Rishav Mehta
Director

K. M. S. Nambiar
Director

Dr. J. K. Kakkar
Director

Pradeep Kumar
Director

Date: 25.05.11
Place: Chandigarh

S. P. Sharma
Director

Dr. N. P. Singh
Director

N. K. Bansal
Chief Financial Officer

Pardeep Verma
Company Secretary

NOTICE

NOTICE is hereby given that the **16th Annual General Meeting** of the Members of Ind-Swift Laboratories Limited will be held on Monday, the 26th day of September, 2011 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 Profit and Loss Account for the year ended 31st March, 2010, the Balance sheet as on that date and to receive, consider and adopt the Directors' and Auditors' Reports thereupon.
2. To declare dividend on equity shares for the year ending 31st March, 2011.
3. To appoint Director in place of Sh. S.R.Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Dr. G.Munjhal, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Director in place of Dr. H.P.S.Chawla, who retires by rotation and being eligible, offers himself for re-appointment.
6. To consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provision of Section 224 and other applicable provisions, if any of the Companies Act, 1956, Jain & Associates, Chartered Accountants, the retiring auditors of the Company be and is hereby re-appointed as Statutory Auditors of the Company to hold the office from the conclusion of this meeting upto the next Annual General Meeting of the Company and to Examine and audit the accounts of the Company for the financial year 2011-12 at a remuneration to be decided by the Board of directors.

Special Business

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

"RESOLVED THAT in accordance with the provision of Section 257 and all other applicable provisions, if any, of the companies act, 1956 or any other statutory modification(s) or re-enactment thereof, Dr.Narinder Pal Singh, who was appointed as an Additional Director by the Board of Directors on 30th September,2010,pursuant to the provision of section 260 of the Companies Act, 1956 and Article 94 of Articles of Association of the Company and who holds office as a Director under Section 260 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 31 of the Companies Act, 1956 and other applicable provisions, if any, the Articles of Association of the Company be amended by inserting the following definitions in article 1 under the 'Interpretation ' clause

9. "ADRs" means American Depository Receipts representing ADSs.
10. "ADSs" means American Depository Shares , each of which represents a certain number of Shares.
11. "GDRs" means Global Depository Receipts, representing GDSs.
12. "GDSs" means Global Depository Shares, each of which represents a certain number of shares.

13. "FCCBs" means Foreign Currency Convertible Bonds.

14. "QIPs" means Qualified Institutional Placement.

15. "OCDs" optionally Convertible Debentures.

"RESOLVED FURTHER THAT the Articles of Association of the Company be amended by inserting the following Article No. 4B after the Article No. 4A.

ADR/GDR/FCCB/QIP/OCD

The Company shall, subject to the provisions of the Act , compliance with all applicable laws, rules and regulations , have power to issue ADR/GDR/FCCB/QIP/OCD or other convertible instruments on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include, at the discretion of the Board, limitations on voting by holders of ADR/GDR/FCCB/QIP/OCD, including without limitation, exercise of voting rights in accordance with the directions of the Board or otherwise."

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

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof) and subject to such approvals, permissions, consents and actions as may be necessary from the Government of India (GOI), the Reserve Bank of India (RBI), the provisions of the Foreign Exchange Management Act, 1999 (FEMA), The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, and subject to the approval, consent, permission and / or sanction of the Ministry of Finance (Department of Economic Affairs) and Ministry of Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance) and all other Ministries / Departments of the Government of India, Securities and Exchange Board of India (SEBI) and / or any other competent authorities and the enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the Company's shares are listed and in accordance with the regulations and guidelines issued by the GOI, RBI, SEBI and any competent authorities and clarifications issued thereon from time to time and subject to all other necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee thereof) consent of the members be and is hereby accorded to create, offer, issue and allot in one or more tranches, whether rupee denominated or denominated in foreign currency, in the course of international and / or domestic offering(s) in one or more foreign markets and / or domestic market, for a value of up to ₹500 Crores (Rupees Five Hundred Crores Only), representing such number of Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), and / or Equity Shares through Depository Receipt Mechanism and / or Fully Convertible Debentures and / or Non Convertible Debentures with warrants or any Other Financial Instruments (OFIs) convertible into or linked to Equity Shares and / or any other

instruments and / or combination of instruments with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer form (hereinafter collectively referred to as the 'Securities') or any combination of Securities to any person including foreign / resident investors (whether institutions, incorporated bodies, mutual funds and / or individuals or otherwise), Foreign Institutional Investors, Promoters, Indian and / or Multilateral Financial Institutions, Mutual Funds, Non-Resident Indians, Employees of the Company and / or any other categories of investors, whether they be holders of shares of the Company or not (collectively called the "Investors") through public issue(s) by prospectus, private placement(s) or a combination thereof at such time or times, at such price or prices, at a discount or premium to the market price or prices in such manner and on such terms and conditions including security, rate of interest, etc., as may be decided by and deemed appropriate by the Board in its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of all other categories of Investors at the time of such issue and allotment considering the prevailing market conditions and other relevant factors wherever necessary in consultation with the Lead Managers, as the Board in its absolute discretion may deem fit and appropriate."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof), and subject to approval of the shareholders and the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 guidelines (ICDR) and the provisions of the Foreign Exchange Management Act, 1999 (FEMA), Foreign Exchange Management (Transfer or issue of Security by a Person Resident Outside India) Regulations, 2000, the Board may at its, absolute discretion, issue, offer and allot equity shares or securities convertible into equity shares or NCDs with warrants for a value up to ₹500 Crores (Rupees Five Hundred Crores Only) inclusive of such premium, as specified above, to Qualified Institutional Buyers (as defined by the SEBI ICDR Guidelines) pursuant to a qualified institutional placement, as provided under Chapter VII of the SEBI ICDR Guidelines."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities and the Board be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose off such of the Securities that are not subscribed."

"RESOLVED FURTHER THAT:

- (a) the Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- (b) the underlying Equity Shares shall rank pari passu with the existing Equity Shares of the Company."

"RESOLVED FURTHER THAT the issue of Equity Shares underlying the Securities to the holders of the Securities shall, inter alia, be subject to the following terms and conditions:

- (a) in the event of the Company making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares, the number of shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto.
- (b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares shall stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders, and
- (c) in the event of any merger, amalgamation, takeover or any other re-organization, the number of shares, the price and the time period as aforesaid shall be suitably adjusted."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Lawyers, Advisors and all such Agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such Securities on one or more National and International Stock Exchange(s)."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any Securities or as may be necessary in accordance with the terms of the offering, all such Equity Shares ranking pari passu with the existing Equity Shares of the Company in all respects, except the right as to dividend which shall be as provided under the terms of the issue and in the offering documents."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to determine the form, terms and timing of the Issue(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount on issue / conversion of Securities / exercise of warrants / redemption of Securities, rate of interest, redemption period, listings on one or more stock exchanges in India and / or abroad as the Board in its absolute discretion deems fit and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues in India and / or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the Issue(s)."

"RESOLVED FURTHER THAT all the aforesaid powers and authorities be and are hereby further sub-delegated to the Securities Issue Committee of the Board and that the said Securities Issue Committee be and is hereby authorized to sign and execute such letters, deeds, documents, writings, etc. and to do all such acts, deeds, matters and things as might be required in connection with the issue of the Securities which in the opinion of the said Securities Issue Committee ought to have been done, executed and performed in relation to issue of the Securities as aforesaid and the matters incidental and ancillary thereto as duly and effectually as the Board could have done without further reference to the Board."

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The dividend as recommended by the board of directors, if declared at this Annual General Meeting will be paid to those members whose names stand registered in the Register of Members as on Thursday, 22nd September, 2011 and in respect of shares held in electronic form, the beneficial owners of the shares by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the close of business hours on Monday, 26th September, 2011 and dividend warrants will be dispatched before 26th October, 2011.
3. The Register of members and the Share Transfer Books of the Company will remain closed from Thursday, 22nd September, 2011 to Monday, 26th September, 2011 (both days inclusive) pursuant to provisions of section 154 of the Companies Act, 1956 and clauses of listing agreement entered into with Stock exchanges.
4. Members holding shares in physical form are requested to notify/send any change in their address/mandate/ bank details and particulars of their account in case the same have not been sent earlier to the Company's Registrar and Transfer Agent to facilitate better services. Such members, if desired of making a nomination in respect of their

shareholding in the company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit details to the Registrar & Transfer Agents of the company, in the prescribed Form 2B for this purpose.

5. Members holding shares in electronic form are advised that address/bank details as furnished to the company by the respective Depositories viz CDSL & NSDL, will be printed on dividend warrant. Members are requested to inform the concerned Depository Participant of any change in address, dividend mandate etc.
6. Members desirous of having any information as regards accounts are requested to write to the Company at least ten days in advance so as to enable the Management to keep the information ready.
7. Members are requested to bring their copies of the Report to the meeting, as no further copies would be made available.

By Order of the Board

Place: Chandigarh

Date: 31.08.2011

Registered Office:

SCO – 850, Shivalik Enclave,

NAC, Manimajra,

Chandigarh

Pardeep Verma

Company Secretary

Annexure to Notice

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

Item No. 7

Dr. Narinder Pal Singh was appointed as Additional Director (Independent) of the Company with effect from 30th September, 2010 and pursuant to Section 260 of the Companies Act, 1956, vacates his seat at forthcoming Annual General Meeting. The appointee has filed his consent to act as director of the Company. Moreover, the Company has received notice pursuant to Section 257 of the Companies Act, 1956 signifying the intention to propose the above Director's appointment in the forthcoming Annual General Meeting.

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

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

None of the directors, except the respective appointee, is concerned or interested in the proposed resolutions.

Item No. 8

The Company proposes to raise funds through Qualified Institutional Placements/ Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Foreign Currency Convertible Bonds or any other similar instrument. To incorporate these provisions in the Articles of Association, suitable amendment in the Articles of Association is required.

Pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, any amendment in the Articles of Association requires approval of shareholders by way of Special Resolution. Hence, the Directors of the Company recommend the Resolution for approval of the shareholders.

None of the Directors is concerned or interested in the Resolution

Item No. 9

The resolution contained in the business of the Notice is an enabling resolution that relates to a proposal by the Company to create, offer, issue and allot equity shares, GDRs, ADRs, FCCBs, SPNs, FCDs, NCDs with warrants and / or such other securities convertible into or linked to Equity Shares and / or any other instruments and / or combination of instruments as stated in the resolution (the "Securities"). The Company intends to issue Securities for a value of up to ₹500 Crores. The Special Resolution also seeks to empower the Board of Directors to undertake a qualified institutional placement with qualified institutional buyers as defined by SEBI DIP Guidelines. The Board of Directors may in its discretion adopt this mechanism as prescribed under Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009 guidelines (ICDR) for raising the funds for the expansion plans of the Company, without the need for fresh approval from the shareholders.

In view of the expanding operations of the Company, the Company intends to capitalise on its potential. Thus, it is proposed to create, offer, issue and allot equity shares, GDRs, ADRs, FCCBs, SPNs, FCDs, NCDs with warrants and / or such other securities convertible into or linked to Equity Shares and / or any other instruments and / or combination of instruments to the extent of ₹500 Crores in one or another manner and in one or more tranches. Such further issue of such securities would provide a platform to the Company to meet to its fund requirements and improve the financial leveraging strength of the Company.

The detailed terms and conditions for the offer will be determined in consultation with the Advisors, Lead Managers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevailing market conditions and other relevant factors. The pricing of the international issue will be free market pricing and may be at a premium or discount to the market price in accordance with international practices, subject to applicable Indian law and guidelines. The same would be the case if the Board of Directors decide to undertake a qualified institutional placement under Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009 guidelines (ICDR). As the pricing of the offering cannot be decided except at a later stage, it is not possible to state the price or the exact number of Securities or shares to be issued. For reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalise the terms of the issue. The Securities issued pursuant to the offering(s) would be listed on the Indian stock exchanges and / or internationally recognized stock exchange and may be represented by Securities or other Financial Instruments outside India.

The Special Resolution seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and / or individuals or otherwise as the Board may in its absolute discretion deem fit. The consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 and in terms of the provisions of the Listing Agreement executed by the Company with the Stock Exchanges where the Equity Shares of the Company are listed. Section 81(1A) of the Companies Act, 1956 and the relevant clause of the Listing Agreement with the Stock Exchanges where the Equity Shares of the Company are listed provides, inter alia, that when it is proposed

to increase the issued capital of a company by allotment of further shares, such further shares shall be offered to the existing shareholders of such company in the manner laid down in Section 81 unless the shareholders in a general meeting decide otherwise. Since the Special Resolution proposed in the business of the Notice results in the issue of shares of the Company otherwise than to the members of the Company, consent of the shareholders is being sought pursuant to the provisions of Section 81(1A) and other applicable provisions of the Companies Act, 1956 and the Listing Agreement.

The Special Resolution, if passed, will have the effect of allowing the Board of Directors to issue and allot Securities to the investors who may or may not be the existing shareholders of the Company. The Board of Directors believes that the issue of Securities to investors who are not shareholders of the Company is in the interest of the Company and therefore recommends the special resolution as set out at item No. 9 of the accompanying notice for your approval. This resolution is in supersession of the resolution passed earlier by the members in its 15th Annual General Meeting held on 22.09.2010.

None of the Directors of the Company is in any way concerned or interested in the said resolution.

The board recommends the passing of the said resolution.

By Order of the Board

Place: Chandigarh
Date: 31.08.2011

Pardeep Verma
Company Secretary

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

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

Name of Director	Mr. S.R. Mehta	Dr. G. Munjal	Dr. H.P.S Chawla
Date of Birth	01.09.1956	01.08.1959	14.04.1940
Date of Appointment	31.07.2003	31.07.2003	24.03.2009
Expertise in specific Functional Area	Marketing	Marketing and Product Development	Research & Development.
Qualifications	Science Graduate	Medical Graduate	Ph.D,M.Sc (Hon.) M.TECH (Synthetic drug & Fine Chemicals)
Details of Share held	233600	60900	5000
List Company in which outside Directorships held as on 31.03.2011 (excluding Private & Foreign Companies)	Ind-Swift Limited Essix Biosciences Ltd. 3M Publication & Advertising Ltd.	Ind-Swift Limited Essix Biosciences Ltd Mansa Print & Publishers Limited 3M Publication & Advertising Ltd.	Ind-Swift Limited Unimark Remedies Ltd.
Chairman / Member of the Committees of other Company on which he is director as on 31.3.2011	N.A.	N.A.	N.A.
Relationship inter-se between Directors	Related with Dr.V.R. Mehta, Director as Brother and Mr. Rishav Mehta, Director	Related with Sh. N.R.Munjal, Vice –Chairman Cum Managing Director as Brother	NIL



Ind-Swift Laboratories Limited

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

ATTENDANCE SLIP

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

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

DP ID No.

I/We hereby record my/our presence at the 16th Annual General Meeting of the Company held at, PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh on 26th September, 2011 at 10.30 a.m.

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

If Shareholder(s) please sign here

If proxy, please mentioned and sign here

Note:

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



Ind-Swift Laboratories Limited

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

FORM OF PROXY

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

DP ID No.

I/We _____
of _____ being a Member/Members of Ind-Swift Laboratories Limited, hereby appoint
_____ of _____ of failing him/her _____
of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the 16th Annual General Meeting of
the Company held at, PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh on 26th September, 2011 at
10.30 a.m. and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2011

Signature _____

Please
affix Rs. 1
Revenue
Stamp

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



www.indswiftlabs.com