



Corporate

Ind-Swift Limited

781, Industrial Area, Phase-II,
Chandigarh - 160 002 INDIA
Ph. : 0172- 4680800, 2638781
Fax : 0172-2652242
E-mail : corporate@indswift.com
CIN No. : L24230CH1986PLC006897

Ref.:ISL:CH:2018-19

Date: 20th August, 2019

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

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

BSE Scrip Code: 524652

NSE Symbol: INDSWFTLTD

Sub: Submission of Annual Report for the Financial Year 2018-19

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 we submit herewith the Annual Report of the Company for the Financial Year 2018-19 along with the Notice, Attendance Slip and Proxy Form.

You are requested to kindly take the same on record.

Thanking you,

For IND-SWIFT LTD.

ayadav
AMRENDER KUMAR YADAV
COMPANY SECRETARY



ANNUAL

Report 2018-19

Ind-Swift Limited

Caring for Everyone's Wellbeing

Because Life is Precious.



Ind-Swift

Annual Report 2018-19





IND-SWIFT

Because Life is Precious...



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CORPORATE INFORMATION

Mr. S. R. Mehta
Executive Chairman

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

Dr. Gopal Munjal
Managing Director & CEO

Dr. V.R. Mehta
Joint Managing Director

Mr. Himanshu Jain
Non-Executive Director

Mr. Rishav Mehta
Non-Executive Director

Mr. S.P. Sharma
Independent Director

Dr. V.K. Arora
Independent Director

Mr. S.C Galhotra
Independent Director

Dr. J.K. Kakkar
Independent Director

Ms. Anoop Michra
**Independent Woman
Director**

Mr. Jagvir Singh Ahluwalia
Independent Director

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

Amrender Kumar Yadav
Company Secretary
(w.e.f. 02.08.2018)

Auditors
Jain & Associates
Chartered Accountants

S.C.O. 819-20, Sector 22-A,
Chandigarh 160 022

Legal Advisors
P.K. Goklaney & Company
Advocates
38, Sector 16-A, Chandigarh

Registered Office:-
781, Industrial Area, Phase II
Chandigarh – 160 002
Tel: - +91-172-2638781-786
Fax:- +91-172-2652242

**Registrar & Share Transfer
Agents**
M/s Alankit
Assignments Limited
2E/121, Jhandewalan
Extension,
New Delhi - 110 055

Works

123, Industrial Area 1,
Panchkula 134 109
Haryana (R & D Centre)

Plot No. 23, Sector 2,
(Unit I), Parwanoo (H.P.)

Plot No. 17 B, Sector 2,
(Unit II) Parwaano (H.P.)

Village Malku Majra,
(Unit III & IV), Baddi, (H.P.)

Village Jawaharpur,
(Global Business Unit)
Teh. Dera Bassi (Punjab)

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



MESSAGE FROM THE CHAIRMAN



Dear Shareholders,

With the growth in domestic and export markets, India's pharma industry is set to rise by 9-11 per cent over the previous fiscal and it is likely to touch \$41.9 billion in FY20. While on the domestic front, the industry is expected to grow at around 12 per cent and reach \$20.4-\$20.8 billion during FY20, exports are likely to touch \$21.1 billion in this fiscal with a growth rate of 8 to 10 per cent, according to a study by Care Ratings. Moreover, the need for affordable healthcare in pharmemerging and developed nations are likely to support exports of branded generics to these countries. Also, rising per capita incomes in pharmemerging nations will contribute to the rise in branded generics exports from India.

We at Ind-Swift, are aware of the opportunities available in the pharma market both domestic and export. We are making all efforts to explore the options available. In export markets all our efforts are being made to increase our presence globally. Our efforts on the Exports front are showing good results and revenue from Exports gradually increased during the year by 27.21%.

The turnover of the Company increased marginally against last financial year turnover as company achieved turnover of Rs. 296.21 crores as compared to Rs. 280.73 crores in 2017-18. During the Financial Year due to settlement with the banks and other income, we achieved a net profit of Rs. 3.12 crores in 2018-19 as against net loss of Rs. 54.11 crores in 2017-18. The funds are deployed judiciously. The focus at present is to make the Company debt free by retiring /takeover of the existing debt.

In the coming years the Company will improve its product mix to focus on the niche products. This will increase the marketing presence and will have positive impact on the



Sh. S.R.Mehta
Chairman

working of your Company, making way for the overall growth of the Company with presence across India and other International markets. With determination, strong will power and the support of our dedicated work force I am sure, we will be able to fight back all these challenges and emerge as a winner.

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

With Regards

S.R. Mehta
Chairman

MESSAGE FROM MANAGING DIRECTOR & CEO



Dr. Gopal Munjal
Managing Director & CEO

Dear Stakeholders,

The Indian pharmaceutical industry is the world's third largest of drugs by volume. The Industry's journey to annual revenues of about USD 38 billion today can be attributed to world-class capabilities in formulation development, the entrepreneurial ability of the firms and the vision of the industry to establish India's footprint in large international markets such as the United States. The industry has played a key role in driving better health outcomes across the world through its affordable and high-quality generics drugs. Increased accessibility to affordable drugs has been one of the key enablers for lowering the disease burden in India.

Over the past few years the pace of progress of our international business has accelerated. With stable tie-ups in the key export markets, international formulations business has been on an upward growth. We clocked an exports turnover of Rs. 201.01 crores against the turnover of Rs. 158.01 crores during the FY 2017-18. Our Global Business Unit (ISL-GBU), commissioned in 2006, caters exclusively to the demand of the international markets for finished dosage forms. Products from GBU are now available in many countries of EU, Australia, Canada, Central & Latin America, Asia, CIS and Africa-including South Africa.

ISL-GBU is approved by MHRA, TGA, Health Canada, MCC, MOH-UAE, FDA-Taiwan, PHP-Philippines, TFDA-Tanzania, FMHACA-Ethiopia, PPB-Kenya, NDA-Uganda, MCAZ Zimbabwe, Ukraine-GMP, WHO-GMP for tablets, hard gelatin capsules and dry powder-sachet. ISL-GBU is one of the few facilities that can provide specific environmental conditions for highly sensitive products.

Our focus for the prospective years is on both the developed markets (European Union, Australia, Canada, Brazil, South Africa) & developing markets (Africa, South East Asia, Latin America, & the CIS countries).

Presently Gynae and Pediatric segments are the strengths of the Company. In the coming years, more concentration on Gastroenterology along with Diabetology & Cardiology segment. We are planning to give 4-5 new products in these segments, which will lead to jump in EBITDA margins .

Because of the financial constraints, we could not focus specifically on spending exclusively on the Research and

Development front. But now we have started focusing on the same. In the coming years, this will definitely result in launching of at least 2 molecules in Gastro and anthology segments, which will be almost monopolistic and will strengthen these segments.

We are consolidating domestic business. Our Marketing Divisions viz. Gyno, Megaswift, Qden, Healthcare, Nova are performing well despite the material and finance constraints. During financial year 2018-19, your company achieved a turnover of Rs. 296.22 crores as against the turnover of Rs. 280.73 crores during financial year 2017-18.

Company achieved a net profit of Rs. 3.12 crores during 2018-19 against loss of Rs. 54.11 crores in 2017-18. The profit during the year is mainly attributable to the one time settlement with the Phoenix ARC. Majority of the Banks have assigned their debts to ARCs which is over 90% plus of the total secured debts.

For the coming years, we are hopeful to have a good EBITDA margins with continuous support and guidance of all the stakeholders of the Company.

I am highly thankful to all of you for keeping faith in the management & backing us at every stage and seek your continuous support & guidance in our endeavour.

(Dr Gopal Munjal)
Managing Director & CEO



MANAGEMENT DISCUSSION & ANALYSIS REPORT

GLOBAL PHARMACEUTICAL INDUSTRY STRUCTURE AND DEVELOPMENTS:

Access to affordable and diverse healthcare solutions, affordable price point, and technology-enabled treatment mechanisms are driving the spending growth across the globe. The global medicine spending is expected to reach nearly USD 1.5 trillion by 2022, representing 5% CAGR over the next five years. Increased spending in Oncology, Auto-immune and Diabetology treatments is expected to drive a large part of the spending growth.

Generics pharmaceutical manufacturers are playing an increasingly important role across the world in driving access and affordability of drugs. Over the years, generic pharmaceutical players have helped economies and patients save billions of dollars in healthcare spending and have facilitated the world population become healthier. The global regulatory framework has been evolving rapidly with interventions across multiple fronts. Pharmaceutical markets across the US, India and other geographies are experiencing various new and proposed regulatory interventions requiring pharmaceutical companies to innovate and reinvent their business, operational, marketing and product development strategies. Companies across the globe are investing towards their portfolio offerings and expanding their value chains with a focus on complex and difficult-to-develop products, creating manufacturing differentiators, investing in innovative technology platforms and deepening their presence in focused markets.

RISKS AND CONCERN

Indian pharmaceuticals industry is globally respected and is one of the most successful industries in India. It has contributed immensely to India's healthcare outcomes and economy. World class capabilities and favourable market conditions over the last many years have ensured that India continues to be one of the most lucrative pharma markets in the world.

In the last couple of years, the industry has faced several challenges which have impacted our growth trajectory. Globally, several factors have had a severe impact on exports business. These include higher level of customer consolidation, increased competition & number of products approvals, decreased value from new product launches and increased pricing control & protectionism. Even at home, growth in domestic market has slowed down. Even as we emerged from the transient impact of demonetization, we have continued to face disruptions from evolving regulatory landscapes, alternate means of engaging with doctors &

patients, and shift in balance of power towards pharmacists. Our strong position as a global supplier of high quality, affordable and accessible medicines has also been impacted due to recent compliance challenges and low productivities.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

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

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

FINANCIAL PERFORMANCE AND ANALYSIS

The Company has achieved a turnover of Rs. 296.21 crores against turnover of Rs. 280.73 crores in the previous Financial Year. The Company has focused primarily on increasing the exports and achieved Export Turnover of Rs. 201.01 Crores against Rs. 158.01 Crores in the previous Financial Year, resulting in an increase of 27.21% in exports of the Company. During the year company cloaked net profit of Rs. 3.12 crores as against the net loss of Rs 54.11 crores during the previous financial year.

OPERATIONS REVIEW & COMPANY'S OUTLOOK

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

Over the past few years the pace of progress of our international business has accelerated. With stable tie-ups in the key export markets international formulations business has been on an upward growth. We cloaked an exports turnover of Rs. 201.01 crores against the turnover of Rs. 158.01 crores during the FY 2017-18. Our Global Business Unit (ISL-GBU),

MANAGEMENT DISCUSSION & ANALYSIS REPORT

commissioned in 2006, caters exclusively to the demand of the international markets for finished dosage forms. Products from GBU are now available in many countries of EU, Australia, Canada, Latin America, Asia, CIS and Africa-including South Africa. We have also started a new Division with the name NOVA for Diabetic/ Cardio & Hapatology therapy areas, which is definitely going to give dividend in the next coming few years. Since all these therapeutic segments are fastest growing & will remain so.

OTHER KEY FINANCIAL INDICATORS

Ratios	2018-19	2017-18	% Change
Debtors Turnover Ratio (no. of days)	100.44	129.49	(22.43)
Inventory Turnover Ratio (no. of days)	107.74	100.03	7.71
Interest Coverage Ratio	(3.05)	(2.58)	(18.22)
Current Ratio	0.314	0.311	0.96
Debt Equity Ratio [#]	-	-	-
Operating Profit Margin (%)	(2.70)	(6.47)	58.27
Net Profit Margin (%)	1.95	(19.28)	110.11
Return on Networth [#]	-	-	-

Debt Equity Ratio and return on Net Worth ratio have not been calculated as the Equity/Networth of the Company is negative.

Operating Profit Margin : Improved primarily on account of higher operating profits due to increase in export sales turnover.

Net Profit Margin : Improved primarily on account of exceptional gains, higher operational profits and reduced finance cost.

HUMAN RESOURCE DEVELOPMENT/ INDUSTRIAL RELATIONS

The Industrial relations in all divisions of the Company are cordial and harmonious. The employee strength of the

Company as on 31st March, 2019 in all of its units including the regular and contract workers was 1927. The Company encourages the employees to upgrade their knowledge and skills. The training sessions on various working parameters are conducted in routine apart from allowing employees for outside specialized training, wherever required.

ACCOUNTING TREATMENT

The current financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) in India. The management accepts responsibility for the integrity and objectivity of these financial statements as well as for various estimates and judgments used therein. These estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the statements reflect, in a true and fair manner, the state of affairs and profits for the year. This report may also contain certain statements that the company believes are or may be considered to be 'forward looking statements' which are subject to certain risks and uncertainties.



DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 33rd Annual Report of the business and operations along with the Audited Financial Statements of the Company for the financial year ended on March 31, 2019.

FINANCIAL RESULTS

The Financial performance of the Company for the year ended March 31, 2019 is summarized below:-

(Rs. In Lacs)		
Particulars	Year ending 31-03-2019	Year ending 31-03-2018
Total Revenue	29621.87	28073.38
Gross Profit (Loss)	577.14	(5337.71)
Interest	262.04	705.33
Depreciation	3397.31	3463.13
Provision for deferred tax	-	-
Net Profit (Loss)	312.12	(5411.67)
Balance c/f to balance sheet	312.12	(5411.67)

REVIEW OF BUSINESS OPERATIONS

During the financial year 2018-19, the Company earned profits after a gap of 8 years. During financial year 2018-19, your company earned total revenue of Rs. 29,621.87 lacs against Rs. 28,073.38 Lacs during financial year 2017-18. The Company earned a profit of Rs. 312.12 lacs during 2018-19 against loss of Rs. 5411.67 lacs in 2017-18. The Net Profit is attributable to one time settlement with Phoenix ARC during the year. The Company is in process of settlement with rest of the banks.

INDIAN ACCOUNTING STANDARDS:

The financial statements for the year ended on 31st March, 2019 has been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under section 133 of Companies Act, 2013 and other relevant provisions of the Act. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the

Company's state of affairs, profits and cash flows for the year ended 31st March, 2019.

The Notes to the Financial Statements adequately covers the Audited Statements and forms an integral part of this Report.

STATE OF AFFAIRS OF THE COMPANY

The state of affairs of the Company is presented as part of the Management Discussion & Analysis Report in a separate section forming part of this report, as required under the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

OUTLOOK

The main business of your Company is manufacturing Pharmaceutical Products. We are presently in both domestic and export markets. In view of the scenario described in the management discussions your Company is expected to grow with wide range of products and manufacturing expertise barring unforeseen circumstances.

DIRECTORS & KEY MANAGERIAL PERSONNEL

During the Financial Year 2018-19, there is no change in the Directorship of the Company.

Pursuant to the provisions of Section 152 of the Act, Dr. Gopal Munjal (DIN No. 00005196) Managing Director & CEO and Dr. Vikrant Rai Mehta (DIN No. 00010756) Joint Managing Director will retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends their re-appointment.

During the Financial Year 2018-19, Mr. Amrender Kumar Yadav, joined as Company Secretary & Compliance officer of the Company w.e.f 2nd August, 2018 in place of Ms. Simrat Kaur, who resigned from the post w.e.f. 14th July, 2018.

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

During the year, six Board Meetings were held on 30th May 2018, 2nd August, 2018, 14th August, 2018, 14th November, 2018, 11th February, 2019 and 1st March, 2019. The details regarding the meetings are given in the Corporate Governance Report.

DIRECTORS' REPORT

In terms of the provisions of Section 2(51) and Section 203 of the Act, the Board of Directors has nominated following as KMPs of the Company:

1. Dr. Gopal Munjal (Managing Director & CEO)
2. Sh. S R Mehta (Whole Time Director designated as Chairman)
3. Dr. V R Mehta (Whole Time Director designated as Joint Managing Director)
4. Sh. Arun Seth (Chief Financial Officer)
5. Mr. Amrender Kumar Yadav (Company Secretary)

In April 2019, the Registrar of Companies, Chandigarh has disqualified Dr Gopal Munjal, Sh. S.R.Mehta and Dr. V.R.Mehta, Directors under Section 164 (2)(b) of the Companies Act, 2013, probably due to disposal of the Company's appeal of restructuring of fixed deposits by Hon'ble NCLAT, New Delhi. The Company has not received any intimation or notice regarding such disqualification. As there is no default as to payment of fixed deposit as on 31.03.2019 so the Company has submitted a representation in this regard with the office of the ROC which is still pending.

During the year all applications made by the Company for the waiver of remuneration and for payment of further remuneration to the Central Govt. were abated with the directions to seek the approval from the Shareholders. Accordingly, as per the requirement of the amended Section 197 as amended by the Companies Amendment Act, 2017, the Company is seeking the shareholders approval for the waiver of the excess remuneration and the payment of the remuneration to the executive directors, the details of the same are available in the notice to the annual general meeting dated 10th August, 2019 as attached to this annual report.

a) **Continuation of Non-Executive Directors of more than 75 years of Age**

Pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company took the approval of the Members by way of Special Resolution in the Annual General Meeting of the

Company dated 28th September, 2018 for continuation of Directorship of Dr. J K Kakkar (DIN:00015493), (aged around 83 years) on the Board of the Company as a Non Executive Independent Director of the Company.

b) **Relationship/Transaction of Non-Executive Directors with the Company**

The Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than taking sitting fees and reimbursement of expenses incurred by them to attend meetings of the Company. Details and brief resume of the Directors seeking reappointment/appointments required by Regulation 26 (4) and 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and as required under Secretarial Standards – 2 on General Meetings issued by "The Institute of Company Secretaries of India" are furnished in the Notice convening the Annual General Meeting forming part of the Annual Report.

Other details of the Directors have been given in the Corporate Governance Report attached to this Report.

c) **No. of Meetings of the Board**

The Board meetings of your company are planned in advance in consultation with the Board Members. The Board met six (6) times during the Financial Year 2018-19, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

d) **Performance evaluation of the Board, its Committees and individual Directors**

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

The Independent Directors held separate meeting on 11th February, 2019, without the presence of Non-Independent Directors and the members of



DIRECTORS' REPORT

management and discussed, inter-alia, the performance of non- Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

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

e) **Details of Familiarization Programme:**

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model and related matters are posted on the website of the Company at <http://www.indswifltd.com/familiarisation-programme.php>.

DIRECTORS RESPONSIBILITY STATEMENT

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

- a) That in the preparation of the annual financial statements for the year ended 31st March, 2019; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit of the Company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) That the annual financial statements have been prepared on a going concern basis;
- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

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

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on March 31, 2019 the Company does not have any Associate, Subsidiary or Joint venture.

The Company had M/s Ind Swift Laboratories Limited, as its' Associate Company, as total share holding of the Company in Ind Swift Laboratories Limited was 20.98% as on 31st March, 2018. But during the Financial Year 2018-19, the holding decreased to 19.97% due to fresh allotment made by M/s Ind-Swift Laboratories Limited which resulted into reduction of Company's holding from 20.98% to 19.97%.

The Company has framed a policy for determining material subsidiaries, which has been uploaded on the Company's website and the web link to the same is <http://www.indswifltd.com/material-subsiidiary.php>.

DIVIDEND

In view of inadequacy of profits, the Board does not recommend any dividend for the Financial Year 2018-19.

There is no unpaid dividend outstanding as on 31.03.2019. During the Financial Year an amount of Rs. 3.04 Lakhs

DIRECTORS' REPORT

was transferred to central government account (Investor Education and Protection fund) on account of unpaid dividend for financial year 2010-11.

RESERVES

The Board of Directors has decided to retain the entire amount of profit in the Profit & Loss Account and not to transfer any amount to the General Reserve.

INVESTOR EDUCATION AND PROTECTION FUND

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

PUBLIC DEPOSITS

The Hon'ble Company Law Board vide its order No. CP No. 27/02/2013 dated 30th September, 2013 had granted extension of time in repayment of deposits. As the Company has incurred further losses, the Company had filed a fresh Petition with Hon'ble NCLT, Chandigarh Bench for grant of further extension in repayment of the outstanding deposits. The Hon'ble NCLT has vide its order dated 08.12.2017 disposed off the said appeal.

However the Company had further approached the Hon'ble National Company Law Appellate Tribunal (NCLAT), New Delhi against the order of the Hon'ble NCLT, Chandigarh. The Hon'ble NCLAT, Delhi also disposed off the appeal vide its order dated 19th September, 2018 without granting any relief to the Company. Now, the Company is making Fixed Deposits repayments as per the Company Law Board Order dated 30th September, 2013.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under section 143(12) of the Companies Act, 2013 and rules framed thereunder.

RELATED PARTY TRANSACTIONS DISCLOSURES UNDER COMPANIES ACT, 2013

All related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. No related party transaction was in conflict with the interest of the Company. No materially significant related party transaction was made by the Company with the Key Managerial Personnel. As prescribed by Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of related party transactions are given in Form AOC-2, as "Annexure 1" to the Directors' Report. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website www.indswifltd.com

RELATED PARTY TRANSACTIONS DISCLOSURES UNDER LODR REGULATIONS, 2015

As per the LODR Regulations, 2015 every Listed Company needs to disclose the amounts of Loans/advances/investments outstanding at the end of the year along with the maximum amount outstanding during the year.

In compliance to the above regulations, the Company hereby give disclosure in the specified format:-

In the accounts of	Nature of Transaction	Disclosure
Holding Company	Loans & Advances	Nil, as Company has no Holding Company
Subsidiary	Loans & Advances	Nil, as Company has no Subsidiary Company
Holding Company	Investments	Nil, as Company has no Subsidiary Company



DIRECTORS' REPORT

DISCLOSURE OF TRANSACTIONS WITH PROMOTER/ PROMOTER GROUP

As per Schedule V of the LODR Regulations, 2015 every listed Company shall disclose the transactions with any person or entity belonging to the promoter/promoter group which holds 10% or more shareholding in the listed entity.

As on 31st March, 2019, M/s Essix Biosciences Limited, being the Promoter Group entity is holding 31.45% of total equity of the Company. The details of all the transactions with Essix Biosciences Limited are already given in Form AOC-2, forming part of this Annual Report.

RISK MANAGEMENT

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

The Company's Risk Management Policy is available on Company's Website i.e. www.indswiftd.com and the weblink of the same is <http://www.indswiftd.com/risk-management.php>

CHANGES IN CAPITAL STRUCTURE AND LISTING OF SHARES

The paid up Equity Share Capital as at 31st March, 2019 stood at Rs. 10.83 crore consisting of 5,41,64,653 equity shares of Rs. 2/- each. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on 31.03.2019 none of the Directors hold instruments convertible into equity shares of the Company.

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 (2) (e) of the Listing Regulations, 2015 read with other applicable provisions, the detailed review of the operations, performance and future outlook of the Company and its business is given in the Management's Discussion and Analysis Report which forms part of this Annual Report and is incorporated herein by reference and forms an integral part of this report.

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

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

EXTRACT OF ANNUAL RETURN

The information required under Section 134 (3) (a) of the Companies Act, 2013 (the Act) read together with Section 92 (3) of the Act regarding extract of the Annual Return in Form MGT-9 is appended hereto as Annexure 2 to the Directors' Report. A copy of the same is available on the website of the company i.e. www.indswiftd.com

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

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

The Company's policy on Directors' appointment & remuneration is available on Company's Website i.e. www.indswiftd.com

DIRECTORS' REPORT

CORPORATE SOCIAL RESPONSIBILITY

The provisions of section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable on your Company.

ENVIRONMENT/POLLUTION CONTROL, HEALTH AND SAFETY:

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

RESEARCH & DEVELOPMENT AND QUALITY CONTROL

The activities of R&D consists of improvement in the processes of existing products and to develop new products. The Quality Control is the strength of the Company. All raw materials and finished products pass through stringent quality checks for better results.

INSURANCE

The Company has taken adequate insurance policies for its assets against the possible risks like fire, flood, public liability, marine, etc. The Company has not taken Directors and Officers Liability insurance policy as it is applicable on top 500 listed Companies as on 31st March, 2019 and your Company does not fulfill that criteria.

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

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

COMMITTEES OF THE BOARD

The Company's Board has constituted the following Committees prescribed under the Companies Act and the LODR Regulations, 2015:-

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Risk Management Committee
- d) Nomination and Remuneration Committee

- e) Sub-Committee of the Board

The details of the Composition of the Committees, their role and terms of reference are given in Corporate Governance report.

STATUTORY AUDITORS

The Audit Committee of the Company had proposed, and on 26th August, 2017, the Board of Directors of the Company had recommended the Appointment of M/s Jain & Associates, Chartered Accountants (ICAI Firm Reg. No. 001361N) as the Statutory Auditors of the Company for a period of 5 Consecutive years from the conclusion of the 31st Annual General Meeting, till the conclusion of the 36th Annual General Meeting of the Company to be held in the year 2022.

Further, the shareholders of the Company had approved the appointment of M/s Jain & Associates, Chartered Accountants as the Statutory Auditors of the Company by passing the Ordinary Resolution in the 31st Annual General Meeting held on 26th September, 2017.

Under Section 139(1) of the Companies Act, 2013 and the rules made there under, earlier it was mandatory to place the matter related to ratification of appointment of Statutory Auditors in every Annual General Meeting of the Company. But now, after the changes in Companies (Audit and Auditors) Amendment Rules, 2018 such proviso has been omitted w.e.f 7th May, 2018.

Accordingly, no item has been taken for the ratification of appointment of Statutory Auditors of the Company. The Auditors have however confirmed that they are not disqualified from continuing as Auditors of the Company.

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

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

1. Debts of the Company have been assigned by the various Banks/ Financial Institution to Edelweiss Assets Reconstruction Companies (EARC). The Company is in talks with the EARC for restructuring the debts of the Company assigned to them. In the absence of restructuring agreement with EARC, the interest liability on such assigned debts has not been provided in accounts

DIRECTORS' REPORT

being not ascertainable. The same will be accounted for at the time of entering with the restructuring agreement with EARC as per the terms of the agreement.

2. Due to NPA status of accounts of the Company, the banks are not charging interest in the account of the Company and also not providing account statement to the Company. Due to this interest liability on account of the same has not been provided in the books of accounts. The same will be provided at the time of settlement/charging of interest by banks in Account. The other observations/emphasis of matter as point out by Auditors are self explanatory and have been sufficiently explained in the Directors Report and Audited Financial Statements, it does not require any Further clarification by the Board.

COST-AUDITORS AND THEIR REPORT

M/s. V. Kumar & Associates, Cost Accountants have been duly appointed as Cost Auditors of the Company for audit of cost accounting records which are covered under the Cost Audit Rules for current financial year ending 31st March, 2020.

As required by Section 148 of the Companies Act, 2013, necessary resolution has been included in the Notice convening the Annual General Meeting, seeking ratification by the Members to the remuneration proposed to be paid to the Cost Auditors for the financial year ending 31st March, 2020.

The Cost Audit Reports are required to be filed within 180 days from the end of the financial year. The Cost Audit Reports for the financial year 2017-18 issued by M/s V. Kumar and Associates, Cost Auditors, was filed with Ministry of Corporate Affairs. The Cost Audit Reports for the financial year ended 31st March, 2019 will be filed within the prescribed period.

It is further to declare that Company has maintained all the cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013.

SECRETARIAL AUDITORS AND THEIR REPORT

Mr. Vishal Arora, Practicing Company Secretary was appointed as Secretarial Auditor of the Company for the financial year 2018-19 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as "Annexure 4 & 4A" to the Directors' Report.

The secretarial Auditors have observed four observations

in their secretarial audit report which are self explanatory in nature and reply to all the observations by the board is as under :

1. As per the orders of the Hon'ble NCLAT Delhi, the Company is now making re-payments to Fixed Deposit holders as per the Company Law Board order dated 30th September, 2013.
2. As per the requirement of the amended section 197 of the Companies Act, 2013, the Company will take approval from the shareholders for the waiver of the excess remuneration and the payment of the remuneration to the Executive Directors of the Company, in the upcoming Annual General Meeting of the Company scheduled to be held on 11th September, 2019.
3. The Registrar of Companies, Chandigarh has disqualified Dr. Gopal Munjal, Sh. S R Mehta and Dr. V R Mehta, Directors of the Company under section 164(2)(b) of the Companies Act, 2013 probably due to disposal of the Company's appeal of restructuring of Fixed Deposits by Hon'ble NCLAT, New Delhi. The Company has not received any intimation or notice regarding such disqualification. The Company has submitted representation in this regard with the office of the ROC, which is still pending.
4. Regarding the qualifications by the Statutory Auditors of the Company, the Directors have already given their explanations in Directors' Report and Note No. 35 of the Notes on Financial Statements, both forming part of this Annual Report.

INTERNAL COMPLAINTS COMMITTEE

The Company has complied with all the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.

During the year, the Committee has not received any complaint related to Sexual harassment.

INTERNAL FINANCIAL CONTROL

Your Company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main



DIRECTORS' REPORT

thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides bench marking controls with best practices in the industry.

The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee, Board of Directors, Statutory Auditors and the Business heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

CORPORATE GOVERNANCE

The Company strives to maintain the required standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has complied with the Corporate Governance Code as stipulated under the Listing Regulations. The Report on Corporate Governance in accordance with Rules 34(3) read with Para C of Schedule V of SEBI (LODR) Regulations, 2015 forms part of this Report. The Auditors' certificate certifying compliance with the conditions of Corporate Governance under Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015 is annexed as "Annexure 1" to the Corporate Governance Report.

HUMAN RESOURCE

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

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

PARTICULARS OF EMPLOYEES

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The relation between the management and employees are healthy and cordial. There is a transparency in the dealings and on matters relating to the activities of the Company and its employees.

Particulars of remuneration of employees required to be furnished pursuant to the provisions of Section 197 (12) of the Companies Act, 2013 (Act), read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given as "Annexure 6" to this Report. Particulars of remuneration of employees required to be furnished in terms of Rules 5(2) and 5(3) of the said Rules, forms part of this Report, which shall be provided to Members upon written request pursuant to the second proviso of Rule 5. Particulars of remuneration of employees are available for inspection by Members at the registered office of the Company during business hours on all working days up to the date of the forthcoming AGM.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year, in an ongoing appeal before the VAT Tribunal, Chandigarh, the company filed a copy of the assessment order for the year 2011-12 and prayed for the proceedings to be declared infructuous in light of the fact the assessment having already been done. Somehow, the Excise & Taxation Department, U.T., Chandigarh alleged that the order so produced was fake and hence they ordered for fresh assessment and also an FIR was registered against unnamed private companies/private persons and officials of Excise & Taxation Department, U.T., Chandigarh.

For investigation purposes, one of the Non-executive Director of the Company viz. Sh. N.R. Munjal was detained by the investigating agencies for some days and later released on bail and the matter is subjudice.

In the assessment proceedings, while denying Input Tax Credit (ITC) to the company in respect of its purchases, a demand of Rs. 66.34 crore on account of VAT and CST (VAT Rs. 14.33 Cr., penalty Rs. 31.61 Cr. and Interest Rs. 20.23 Cr. PLUS CST Rs. 0.24 Cr.) was raised by the Department. However, the Company has filed appeal against the said order which is now pending before the VAT Tribunal. A pre-deposit of Rs. 16.65 cr. as required under Section 62(5) of



DIRECTORS' REPORT

the Punjab VAT Act has been deposited by the company.

The whole case revolves around the disallowance of ITC alleging only reason that the department has verified the returns of the supplier dealers of the company and have found that none of them had paid tax. Interestingly, the supplier dealers' returns have been assessed by the Department wherein the department accepted the transactions of sale and purchase of the selling dealers as genuine and did not find any illegality/wrong, in their claim of ITC or payment of tax, which was fully allowed (having been all duly paid/discharged) for the year 2011-12. So much so, the assessment of the buyer dealer of the company i.e. to whom the company had sold the goods, has also been done by the same department and there also, their ITC has been duly allowed. Only the company has been chosen to be denied the benefit of ITC.

Though this stand of the department is also contrary to the well laid down provisions of Punjab VAT Act / Rules and also umpteen judgments of the Hon'ble Apex Court and Hon'ble High Courts wherein it has been clearly laid down that liability on sales is to be discharged by seller and even for any fault on the part of seller; the purchaser cannot be denied ITC. Moreover, in present case, the department framed assessment of both the Seller to the Company & Purchaser from Ind Swift Limited, without any demand/wrong alleged therein. Under these facts & circumstances, inter alia, the company claims on being on the right side of law.

In respect of the same dispute but on different law points, the matter is also pending before the Hon'ble Supreme Court and Hon'ble High Court of Punjab & Haryana at Chandigarh.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFTER CLOSURE OF FINANCIAL YEAR

No material changes and commitments have occurred between the end of the financial year and the date of the Report which has effect on the Financial Statements.

REGISTRAR AND SHARE TRANSFER AGENT

M/s Alankit Assignments Ltd., Alankit Heights, 2E/121, Jhandewalan Extension, New Delhi, are the Registrar and

Share Transfer Agent of the Company for the Physical as well as Demat shares. The members are requested to contact the Registrar directly for any of their requirements.

CEO/CFO CERTIFICATION

In terms of the Listing Regulations, the Certificate duly signed by Dr. Gopal Munjal, Managing Director & CEO and Sh. Arun Seth, Chief Financial Officer (CFO) of the Company was placed before the Board of Directors along with the annual financial statements for the year ended on 31st March, 2019, at its meeting held on 30th May, 2019.

SECRETARIAL STANDARDS:

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

ACKNOWLEDGEMENT

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Bankers and Government Authorities and also thanks the Shareholders for the confidence reposed by them in the Company and Look forward to their valuable support for the future plans of the Company. Directors also thank its Distributors, agents, stockiest, retail traders, medical professionals, employees and customers for their continued patronage of the company products.

On behalf of the Board of Directors

Place: Chandigarh
Date: 10.08.2019

S R Mehta
Chairman

ANNEXURE-1 TO THE DIRECTORS' REPORT

FORM AOC-2

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

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

1. No contracts or arrangements or transactions were entered into by the Company with related parties during the year ended March 31, 2019, which were not at arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis:

S. No.	Particulars						
a)	Name(s) of Related Party	Essix Biosciences Ltd	Ind Swift Laboratories Ltd	Mansa Print & Publishers Ltd	Swift Fundamental Ed.& Res. Society	Halcyon Lifesciences P Ltd	3M Adv. & Pub. Ltd
b)	Nature of Relationship	Group Company	Group Company	Group Company	Group Entity	Group Company	Group Company
c)	Nature of contracts/ arrangements/ transactions	Purchase of goods/ services	Purchase of goods/services	Purchase of goods/services & Loans and Advances	Loans & Advances	Sale of goods/ services	Purchase of goods & Services
d)	Duration of the contracts/ arrangements / transaction	ongoing	ongoing	ongoing	ongoing	ongoing	ongoing
e)	Salient terms of the contracts or arrangements or transaction including the value (Rs.in lacs)	As per Transfer pricing guidelines Rs 12.10	As per Transfer pricing guidelines Rs 6345.42	As per Transfer pricing guidelines Rs 244.46	As per Transfer pricing guidelines ----	As per Transfer pricing guidelines Rs 142.08	As per Transfer pricing guidelines 3.40
f)	Date of approval by the Board	30-05-2018	30-05-2018	30-05-2018	30-05-2018	30-05-2018	30-05-2018
g)	Amount paid as advances, if any, (Rs. in lacs)	-----	-----	Rs 110.53	Rs 6128.29	-----	-----

On behalf of the Board of Directors

S.R. Mehta
Chairman

Chandigarh,
10th August, 2019



ANNEXURE-2 TO THE DIRECTORS' REPORT

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
 as on the financial year ended on 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L24230CH1986PLC006897
ii)	Registration Date	06-06-1986
iii)	Name of the Company	IND-SWIFT LIMITED
iv)	Category / Sub-Category of the Company	Company having Share Capital
v)	Address of the Registered office and contact details	781,Industrial Area,Phase –II,Chandigarh-160002 Ph: 0172-2638781/4680800 Fax: 0172-2652242/ 2655406 Email:corporate@indswift.com
vi)	Whether listed company	Yes (Listed at BSE and NSE)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Alankit Assignments Limited 4E/2, Jhandewalan Extension, New Delhi- 110 055 Tel:- +91-11-42541234, 23541234 Fax:- +91-11-42541201 E-mail: info@alankit.com Website: www.alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES;

M/S IND-SWIFT LABORATORIES LIMITED ceased to be associate of the Company as the investment/ holding of the Company got reduced from 20.98% to 19.97% due to allotment of fresh equity by Ind-Swift Laboratories Limited to banks/ financial institutions. The Company does not have any Holding, Subsidiary and Associate Company as on 31st March, 2019.

ANNEXURE-2 TO THE DIRECTORS' REPORT

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

(i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	13056971	-	13056971	24.11	13056971	-	13056971	24.11	0.00
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	17033433	-	17033433	31.44	17033433	-	17033433	31.44	0.00
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	30090404	-	30090404	55.55	30090404	-	30090404	55.55	0.00
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other – Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of	-	-	-	-	-	-	-	-	-
Promoter (A) = (A) (1)+(A) (2)	30090404	-	30090404	55.55	30090404	-	30090404	55.55	0.00
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds	-	4500	4500	0.01	2000	2500	4500	0.01	0.00
(b) Banks/FI	509	-	509	0.00	509	-	509	0.00	0.00
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	996900	-	996900	1.84	955163	-	955163	1.76	-0.08
(g) FIIs	700209	-	700209	1.29	700209	-	700209	1.29	0.00
(h) Foreign Venture Capital Funds									



ANNEXURE-2 TO THE DIRECTORS' REPORT

(i) Others (specify)									
Sub-total (B)(1):-	1697618	4500	1702118	3.14	1657881	2500	1660381	3.06	-0.08
2. Non Institutions									
a) Bodies Corp.	6375928	508500	6884428	12.71	6211988	508500	6720488	12.42	-0.29
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	12052112	355362	12407474	22.91	11666984	336862	12003846	22.17	-0.74
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	2129413	-	2129413	3.94	2265556	-	2265556	4.18	0.24
c) Others (specify)									
NBFCs registered with RBI	500	-	500	-	3696	-	3696	0.00	0.00
NRIs	950316	-	950316	1.75	1420282	-	1420282	2.62	0.87
Sub-total (B)(2):-	21508269	863862	22372131	41.31	21568506	845362	22413868	41.39	0.08
Total Public									
Shareholding	23205887	868362	24074249	44.45	23226387	847862	24074249	44.45	0.00
(B)=(B)(1)+ (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand total (A+B+C)	53296291	868362	54164653	100.00	53316791	847862	54164653	100.00	0.00

(ii) Shareholding of Promoters & Persons acting in concert

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered shares (*)	
		Number of shares held	As a % of grand total (A) + (B) + (C)	No.	As a % of Number of shares held (III)
(I)	(II)	(III)	(IV)	(V)	(VII)
	PROMOTERS				
1	Dr. Gopal Munjal	1957199	3.61	645770	2.15
2	N. R. Munjal	611700	1.13	611700	2.03
3	S. R. Mehta	2035871	3.76	607300	2.02
4	Himanshu Jain	495300	0.91	495300	1.65
5	Dr. V. R. Mehta	1921361	3.55	492790	1.64
6.	Rishav Mehta	111700	0.21	111700	0.37

ANNEXURE-2 TO THE DIRECTORS' REPORT

7.	Essix Biosciences Limited	17033433	31.45	13215721	43.91
PERSONS ACTING IN CONCERT					
1.	Sunita Jain	1812400	3.35	1812400	6.02
2.	Ravi Mehta	634470	1.17	634470	2.11
3.	Neeta Munjal	578600	1.07	578600	1.92
4.	Nidhi Munjal	502970	0.93	502970	1.67
5.	Meenakshi Mehta	398310	0.73	398310	1.32
6.	Neera Mehta	1547050	2.86	1547050	5.14
7.	Annie Mehta	158630	0.29	158630	0.53
8.	Sahil Munjal	116,010	0.21	116,010	0.39
9.	Others	175400	0.32	175400	0.58
TOTAL		30090404	55.55	22104121	73.45

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

There was no change in the Promoters' shareholding during the financial year 2018-19.

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

Sl. No.	Name of shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Panchkula Finvest Private Limited	1400000	2.58	1400000	2.58
2.	United India Insurance Co. Ltd	996900	1.84	955163	1.76
3.	Deepa Ram Kheria	575000	1.06	863550	1.59
4.	Justin Pharmaceuticals Pvt. Ltd	860000	1.59	860000	1.59
5.	Gravity Systems Private Limited	750000	1.38	750000	1.38
6.	Albula Investment Fund Ltd	700209	1.29	700209	1.29
7.	Excel Motors Private Limited	586000	1.08	586000	1.08
8.	Sharwan Singh Guleria	762000	1.4	500343	0.92
9.	MSD Laboratories Pvt. Ltd	500000	0.92	500000	0.92



ANNEXURE-2 TO THE DIRECTORS' REPORT

10.	Plasma Investments Pvt. Ltd	500000	0.92	500000	0.92
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(v) Shareholding of Directors:

Sl. No.			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	MR. SANJEEV RAI MEHTA	Chairman	2035871	3.76	2035871	3.76
2	MR. NAV RATTAN MUNJAL	Vice- Chairman	611700	1.13	611700	1.13
3	DR. GOPAL MUNJAL	Managing Director& CEO	1957199	3.61	1957199	3.61
4	DR. VIKRANT RAI MEHTA	Jt. Managing Director	1921361	3.55	1921361	3.55
5	MR. HIMANSHU JAIN	Director	495300	0.91	495300	0.91
6	MR. RISHAV MEHTA	Director	111700	0.21	111700	0.21

No other Director have shareholding in the Company as on 31st March, 2019.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for Payment (Rs. in Lacs)

Particulars	Secured loans Excluding deposits	Unsecured Loans/ Preference shares	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	101076.96	2020.00	3344.12	106441.08
Change in Indebtedness during the financial year	3036.35	600.00	646.77	4283.12
Indebtedness at the end of the financial year	98040.61	1420.00	2697.35	102157.96

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

(Rs. in Lacs)					
S.No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	-	3.68	12.64	16.32
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-

ANNEXURE-2 TO THE DIRECTORS' REPORT

2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify (Provident Fund)	-	0.14	0.22	0.36
	Total	-	3.82	12.86	16.68

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

* No penalty/punishment/compounding has been imposed under the Companies Act, 2013. However Directors Sh. S.R. Mehta, Dr. Gopal Munjal and Dr. V.R. Mehta have been disqualified by Registrar of Companies, Chandigarh. The Company has submitted a representation in this regard and the same is awaited.

ANNEXURE-3 TO THE DIRECTORS' REPORT

1. CONSERVATION OF ENERGY

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

--- NA ---

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

--- NA ---

c. Capital Investment on energy conservation equipments

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

2. TECHNOLOGY ABSORPTION

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

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

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

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

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

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

3. RESEARCH & DEVELOPMENT

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

The focus of research efforts are:

- Development of formulation going off patent in regulatory Markets with opportunity to be first among others players by developing non infringing processes.
- Cost effective development of formulation for semi regulated markets.
- Up gradation of existing technologies/ products ongoing basis.

Benefits derived as a result of above R&D:

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

Future plan of action

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

Expenditure on R & D during the year 2018-2019

(in Rs.)	
2018-19	
a. Capital	58400
b. Recurring	15419046
c. Revenue	29580572
Total	45058018
Total R&D expenditure as percentage of total turnover	1.57%

During the year foreign exchange outgo was Rs. 1370.95 Lacs and the earnings in Foreign Exchange were Rs. 20344.24 Lacs. The details have been given in Note 25 of Notes to Accounts.

ANNEXURE-4 TO THE DIRECTORS' REPORT

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2019

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

TO
THE MEMBERS,
IND SWIFT LIMITED
PLOT NO 781, INDUSTRIAL AREA
PHASE-II, CHANDIGARH - 160002
CIN No. : L24230CH1986PLC006897

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

Based on my verification of the IND SWIFT LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by IND SWIFT LIMITED ("the Company") for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) **The following Regulations and Guidelines**

prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) The Securities and Exchange Board of India (listing obligations & disclosure requirements) regulations, 2015.

OTHER APPLICABLE ACTS :

- (a) Pharmacy Act, 1948.
- (b) The Finance Act, 2018.
- (c) Prevention of Money Laundering Act, 2002 and the prevention of Money-Laundering (Amendment) Act 2012.
- (d) Payment of Wages Act, 1936, and rules made thereunder.
- (e) The Minimum Wages Act, 1948, and rules made thereunder.
- (f) Employee's State Insurance act, 1948, and rules made thereunder.
- (g) The Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and rules made thereunder.
- (h) The Payment of Bonus Act, 1956, and rules made thereunder.



ANNEXURE-4 TO THE DIRECTORS' REPORT

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

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

- (i) Secretarial Standards issued by "The Institute of Company Secretaries of India"
- (ii) The listing agreement and Securities and Exchange Board of India (listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Bombay Stock Exchange Limited (BSE) and National Stock Exchange (NSE).

OBSERVATIONS :

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations w.r.t the above mentioned acts and rules apart from the following observations:

1. The Fixed Deposit Scheme was restructured vide order No. C.P 27/02/2013 dated 30.09.2013 passed by Hon'ble Company Law Board. The Company had moved an application to Hon'ble NCLT for restructuring of the repayment Schedule which was rejected. The appeal to NCLAT against the said order was also rejected vide order dated 19.09.2018. The Company is in process of repayment of deposits and has already repaid a sum of Rs. 10.71 Crores including interest during the year. The same

has also been reported in the Statutory Audit Report by the Statutory Auditors.

2. The Central Government has rejected the application of the Company regarding the payment of Remuneration to the Directors. The Company is required to take necessary approvals and abide by the recent provisions of the Companies Act, 2013 and the rules laid thereunder in this regard and the same has to be complied by 11th September 2019.
3. The Registrar of Companies has disqualified three Directors of the Company, pursuant to the provisions of Section 164 (2) of the Companies Act, 2013. These three Directors are Mr. Gopal Munjal (DIN 00005196), Mr. Sanjeev Rai Mehta (DIN 00005668) and Mr. Vikrant Rai Mehta (DIN 00010756).
4. The Statutory Auditors have given their qualification with respect to Financial Matters in their Statutory Audit Report and in our opinion the same needs no repetition in our Report as those matters have the Financial Implications.

I further report that

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

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

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. This report is to be read with my letter of even date which is annexed as "Annexure A" and forms and integral part of this report.

The observations with respect to the statutory books apart from the Companies act 2013 are based upon the certification received from various department heads.

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

PLACE: CHANDIGARH

DATE: 10.08.2019

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



ANNEXURE-4A TO THE DIRECTORS' REPORT

Annexure A to Secretarial Auditor Report

TO

**THE MEMBERS,
IND SWIFT LIMITED
PLOT NO 781, INDUSTRIAL AREA
PHASE-II, CHANDIGARH - 160002
CIN No. : L24230CH1986PLC006897**

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

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

**PLACE: CHANDIGARH
DATE: 10.08.2019**

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



ANNEXURE-5 TO THE DIRECTORS' REPORT

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

Rule	Particulars			
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	a	Mr. Sanjeev Rai Mehta, Chairman	67:1
		b	Dr Gopal Munjal, Managing Director & CEO	67:1
		c	Dr. Vikrant Rai Mehta, Jt Managing Director	67:1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a	Mr. Sanjeev Rai Mehta, Chairman	NIL
		b	Dr Gopal Munjal, Managing Director & CEO	NIL
		c	Dr. Vikrant Rai Mehta, Jt Managing Director	NIL
		d	Mr. Arun Seth, Chief Financial Officer	NIL
		e	Mr. Amrender Kumar Yadav, Company Secretary	NA
(iii)	The percentage increase in the median remuneration of employees in the financial year.		2.00%	
(iv)	The number of permanent employees on the rolls of the company as on 31st March, 2019.		1336	
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.		10.35%	
			For comparison purpose the percentage increase in remuneration of KMP is given in Rule no. (ii) above.	
(vi)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.			



REPORT ON CORPORATE GOVERNANCE

THE COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is a reflection of the principles embedded in its values, policies and day-to-day business practices, leading to sustainable and value-driven growth for the Company. Ind Swift Limited is committed to maintain the highest standards of corporate governance, disclosure practices, professionalism, transparency and accountability in all its dealings. The vision, mission and values of the Company are to provide transparent and unbiased analytical data and solutions in the operations for the benefit of all stakeholders. Honest implementation of the policies with cooperation of all categories of employees create value for our stakeholders.

The Directors present the Company's policies and practices on corporate governance as below.

The Company's core philosophy on the code of Corporate Governance is to ensure fair and transparent business practices with accountability for performance. The compliance of applicable statute is of utmost importance to the Company. The transparent and timely disclosure of financial and management information always remains priority for the Company. The Management believes that good Corporate Governance is the key to visibility, disciplined and fair dealing in its global operations and all others connected with the Company directly or indirectly.

The Company is in compliance with the provisions of Corporate Governance specified in Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (Listing Regulations).

The Board of the Company is well balanced with experienced Directors from different fields. The Board along with its Committees fulfill their fiduciary duties in the interest of all its stakeholders. The Board and the Management believes it must have a balanced approach to be fair to all stakeholders.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted a Code of Conduct and Business Ethics for Directors and Senior Management of the Company, as required under Regulation 17(5)(a) of the Listing Regulations. The Company has received confirmations from all the Directors and Senior Management regarding compliance with the Code for the year ended 31st March, 2019.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

As required by the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amended as per SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company Secretary acts as the Compliance Officer for the same.

The Code of Conduct is applicable to Promoter(s), Director(s), Key Managerial Personnel, specified employees and other Connected Person of the Company who are expected to have access to Unpublished Price Sensitive Information (UPSI) relating to the Company. All of them have duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. This Code is displayed on the website of the Company under the head "Investors – Insider Trading Code" (www.indswifltd.com).

The Company is in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for Corporate governance.

THE COMPOSITION OF BOARD OF DIRECTORS

The Board of Directors and the Committees constituted by the Board provides leadership and guidance to the Company's management and supervises the Company's overall performance in its business and other related matters.

The Company is in compliance with the Corporate Governance norms in terms of constitution of the Board of Directors (the Board). The Board of the Company is thorough professional and is composed of eminent individuals from diverse fields. The members of the Board consist of Promoter Director, Executive and Non Executive Directors and Independent Directors which is in



REPORT ON CORPORATE GOVERNANCE

conformity with the Listing Regulations and the Companies Act, 2013 ('the Act').

As on 31st March, 2019, there are twelve Directors, out of which three are Executive Directors and other nine are Non-Executive Directors including 6 Independent Directors. Ms. Anoop Michra is Independent Woman Director of the Company. The Chairman of the Company Sh. S R Mehta is an Executive Director of the Company.

Board Skill Matrix

The matrix setting out the skills/expertise/competence of the Board of Directors is given below:-

Sr. No.	Experience/Expertise/Attribute	Comments
1.	Leadership	Ability to envision the future and prescribe a strategic goal for the Company, help the Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/efforts in appropriate direction. Be a thought leader for the Company and be a role model in good governance and ethical conduct of business, while encouraging the organisation to maximise shareholder value. Should have had hands on experience of leading an entity at the highest level of management practices.
2.	Industry knowledge and experience	Should possess domain knowledge in businesses in which the Company participates viz. Pharmaceuticals. Must have the ability to leverage the developments in the areas of Pharma and other areas as appropriate for betterment of Company's business.
3.	Experience and Exposure in policy shaping and industry advocacy	Should possess ability to develop professional relationship with the Policy makers and Regulators for contributing to the shaping of Government policies in the areas of Company business.
4.	Governance including legal compliance	Commitment, belief and experience in setting corporate governance practices to support the Company's robust legal compliance systems and governance policies/practices.
5.	Expertise/Experience in Finance & Accounts/ Audit/ Risk Management areas	Ability to understand financial policies, accounting statements and disclosure practices and contribute to the financial/risk management policies/practices of the Company across its business lines and geography of operations.
6.	Global Experience/ International Exposure	Ability to have access and understand business models of global corporations, relate to the developments with respect to leading global corporations and assist the Company to adapt to the local environment, understand the geo political dynamics and its relations to the Company's strategies and business prospects and have a network of contacts in global corporations and industry worldwide.

The above list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively, are available with the Board.



REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1st April, 2019, no listed Company shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a Special Resolution is passed to that effect.

Dr. J. K Kakkar (DIN:00015493), (aged around 83 years) had crossed the age limit prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, Amendment, 2018. Therefore the Company took the approval of the Members in their Annual General Meeting held on 28th September, 2018 by way of Special Resolution for continuation of his Directorship on the Board of the Company as a Non Executive Independent Director.

The Independent Directors on the Board of the Company serve as an Independent Director in not more than seven listed companies, as prescribed in Regulation 17(A) of the LODR Regulations.

The Board has constituted the required Committees for smooth operations and specific analysis of the related matters. The Committees are Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Assessment Committee and Sub-Committee of the Board to analyse and monitor the related matters.

Membership of other Boards

Independent Directors are expected not to serve on the boards of competing companies. No Director shall hold office as a Director in more than 10 public companies. No Director of the Company shall serve on more than 10 committees or can act as Chairman of more than five committees across all Indian public limited companies in which he / she is a Director. For the purpose of this limitation, membership and chairmanship of the Audit Committee and Stakeholders' Relationship Committee are only considered. No Independent Director shall serve as Independent Director in more than seven listed companies or three listed companies in case he/ she is a Whole-time Director in any listed company.

Furthermore, every Director informs the Company about the directorship / committee positions he / she occupies in other companies and notifies the changes as and when they take place.

Criteria for Board Membership

The Board has adopted the Nomination and Remuneration Policy to ensure that the Board composition is balanced with the requisite skill to provide insights and guidance on various matters relating to the business of the Company. The said Policy outlines the appointment criteria for the Directors on the Board of the Company and the matters related to remuneration of the Directors. The said Policy is available on the Company's website www.indswiftltd.com.

Membership Term

As per Companies Act, 2013, as amended and the Articles of Association of the Company, at least two-third of the Board members shall be retiring Directors, excluding Independent Directors. One-third of such Directors are required to retire every year and if eligible, the retiring directors can opt for re-appointment. Accordingly, Dr. Vikrant Rai Mehta and Dr. Gopal Munjal, Directors shall be retiring by rotation in the forthcoming Annual General Meeting and seek re-appointment. The required information regarding them is given with the notice of the Annual General Meeting.

Independent Directors shall hold office for up to two terms of five years each.

Succession Policy

The Nomination and Remuneration Committee works with the Board on succession plan as and when required, to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills, experience and continuity in the Board.

Board Procedure

The Board looks at long-term strategic planning, annual budget approvals and policy formulation. The Board also has a strong



REPORT ON CORPORATE GOVERNANCE

operational oversight and reviews business plans, key risks and opportunities in the business context. The Board meets at least four times every calendar year and the maximum time gap between any two meetings is not more than 120 days. During the year ended 31st March, 2019, the Board met six times on the following dates:-

30.05.2018	02.08.2018	14.08.2018	14.11.2018	11.02.2019	01.03.2019
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The Company also provides Video conference facility, if required for participation of the Directors at the Board/Committee meetings.

A detailed agenda, setting out the business to be transacted at the meeting(s), supported by detailed notes and presentations, where applicable, is sent to each Director well in advance before the date of the Board and Committee meetings.

Important decisions taken by the Board and its committees are promptly communicated to the concerned leadership team for execution and status reports on actions taken are reported at subsequent meeting(s). The Managing Director is responsible for implementing corporate strategy, planning, external contacts and Board matters. The Departmental Heads are responsible for all day-to-day operations-related issues, profitability, productivity, recruitment and employee retention for their divisions. The Board specifically considers internal financial control systems, financial reporting, approval of quarterly/annual results, major accounting provisions and write-offs/write backs etc. The minutes of the meetings of the Audit and other Committees of the Board are also being noted and considered by the Board of Directors.

In addition to the information required under Regulation 17(7) read with Part A of Schedule II of the Listing Regulations, the Board is also kept informed of major events and approvals are taken wherever necessary.

Board of Directors

The Details of Composition and category of Directors, their attendance at the Board Meetings and the last Annual General Meeting (AGM) held during the Financial Year 2018-19 and the number of Directorships and Committee Chairmanships/Memberships held by them in other Public Limited Companies as on 31st March, 2019 are as follows: -

Name of Director	Designation & Category	FY 2018-19 Attendance		No. of Directorship(s)/Membership(s)/Chairmanship(s) held in other companies				Share-Holding
		BM	Last AGM	No. of D'ships*	Membership of other Boards**	Committees***		
			28.09.18			Member	Chairman	
Mr. S.R. Mehta (DIN: 00005668)	Chairman, Executive Promoter	6	Yes	4	Ind Swift Laboratories Limited (Non Executive Non Independent Director)	1	Nil	2035871
Mr. N.R. Munjal (DIN: 00015096)	Vice - Chairman, Promoter (Non Executive)	5	No	3	Ind Swift Laboratories Limited (Executive Director)	2	Nil	611700

REPORT ON CORPORATE GOVERNANCE

Dr. G. Munjal (DIN: 00005196)	Managing Director & CEO, Promoter	6	No	4	Ind Swift Laboratories Limited (Non Executive Non Independent Director)	Nil	Nil	1957199
Dr. V.R. Mehta (DIN: 00010756)	Jt. Managing Director, Promoter (Executive)	5	Yes	3	Ind Swift Laboratories Limited (Non Executive Non Independent Director)	Nil	Nil	1921361
Mr. Himanshu Jain (DIN: 00014533)	Non Executive Director, Promoter	6	No	4	Ind Swift Laboratories Limited (Executive Director)	1	Nil	495300
Mr. Rishav Mehta (DIN: 03028663)	Non Executive Director, Promoter	6	No	2	Ind Swift Laboratories Limited (Executive Director)	Nil	Nil	111700
Mr. S P Sharma (DIN: 00475413)	Independent Director	5	Yes	1	Ind Swift Laboratories Limited (Independent Director)	1	Nil	Nil
Dr. V K Arora (DIN: 06830624)	Independent Director	4	Yes	Nil	Nil	Nil	Nil	Nil
Dr. J K Kakkar (DIN: 00015493)	Independent Director	5	Yes	1	Ind Swift Laboratories Limited (Independent Director)	1	1	Nil
Mr. S C Galhotra (DIN: 07205416)	Independent Director	5	No	2	Nil	Nil	Nil	Nil
Ms. Anoop Michra (DIN:07813108)	Independent Woman Director	4	No	Nil	Nil	Nil	Nil	Nil
Mr. Jagvir Singh Ahluwalia (DIN: 06930649)	Independent Director	5	Yes	Nil	Ind Swift Laboratories Limited (Independent Director)	Nil	Nil	Nil

*Excludes Directorship in Ind Swift Limited, alternate Directorships and Directorships in Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

**Represents directorships in listed Companies and category of directorship other than Ind Swift Limited.

***Represents Chairmanships/Memberships of Audit and Stakeholders Relationship Committees in listed/unlisted public limited companies (excluding Ind Swift Limited).



REPORT ON CORPORATE GOVERNANCE

Notes:

- (a) Dr. Gopal Munjal and Sh. N R Munjal are related to each other as brothers. Sh. S R Mehta and Dr. V R Mehta are related to each other as brothers and both are related to Sh. Rishav Mehta as uncles. None of the other Director is related to any other Director.
- (b) None of the Directors hold the office of Director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 17A of SEBI (LODR), Regulations 2015.

Board Independence

Based on the confirmation/disclosures received from the Directors and on evaluation of the relationships disclosed, Independent Directors are independent in terms of Listing Regulations, 2015.

Independent Directors Role

As trustees of shareholders, Independent Directors play a pivotal role in upholding corporate governance norms and ensuring fairness in decision making. Being experts in various fields, they also bring independent judgment on matters of strategy, risk management, controls and business performance. The Directors' Report contains the disclosures regarding fulfillment of the requisite independence criteria by Company's Independent Directors.

Terms and conditions of appointment of Independent Directors

The Independent Directors of the Company have been appointed as per the provisions of the Act and Listing Regulations. At the time of appointing a new Independent Director, a formal letter of appointment is given to the Director, inter alia, explaining the role, duties and responsibilities of the Director. The Director is also explained in detail the compliances required from him / her under the Act, SEBI Regulations and other relevant regulations and his / her affirmation is taken with respect to the same.

Familiarization Programme

Pursuant to the provisions of the Act and Regulation 25 (7) of the Listing Regulations, the Company has, during the year, conducted familiarization programmes for its Independent Directors and other Directors.

Senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc., and seek their opinions and suggestions on the same. In addition, the Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel, Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Material Events, Whistle Blower Policy, Risk Management Policy and Policy on Prevention of Sexual Harassment policy.

The Statutory Auditors, Internal Auditors and Company Secretary of the Company makes presentations to the Board of Directors with regard to regulatory changes from time to time while approving the financial results.

The details of familiarization programmes are available on the website of the Company. The weblink of the same is <http://www.indswiftltd.com/familiarisation-programme.php>

Separate Meeting Of Independent Directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on February 11th, 2019 as required under Schedule IV of the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations.

REPORT ON CORPORATE GOVERNANCE

At the Meeting, the Independent Directors:

- a) Reviewed the performance of Non-Independent Directors and the Board as a whole;
- b) Reviewed the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors; and
- c) Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors attended the said Meeting.

Confirmation from the Board

The Board has confirmed that the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management. No Independent Director has resigned from the Directorship of the Company before the expiry of their term of appointment during the Financial Year ended 31st March, 2019.

Appointment/ Re-appointment of Directors

Dr. Gopal Munjal and Dr. Vikrant Rai Mehta, Directors shall be retiring by rotation in the forthcoming Annual General Meeting and seek re-appointment. As required under Regulation 36 (3) of the Listing Regulations, particulars of the Directors seeking appointment / re-appointment are given in the Explanatory Statement to the Notice of the AGM.

COMMITTEES OF THE BOARD

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

A. AUDIT COMMITTEE

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

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

I. Constitution of the Committee

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit committee of the Company consists of four Directors and majority consists of independent and non-executive Directors. Dr. Gopal Munjal, MD & CEO is permanent invitee to the committee. The chairman of Audit Committee is Dr. V.K. Arora who has experience of financial matters and its management. Members of the Audit Committee possess financial / accounting expertise / exposure. Four meetings of audit committee were held during the period 1st April 2018 to 31st March 2019 on 30.05.2018, 14.08.2018, 14.11.2018, and 11.02.2019. The necessary quorum was present at all the meetings. The Chairman of the Audit Committee Dr. V K Arora was present at the last Annual General Meeting of the Company held on 28th September, 2018. The maximum gap between any two Audit Committee Meetings was less than 120 days.

The constitution of audit committee and attendance of each member is as under:-

Name	Designation	Category	No of Meetings Attended
Dr. V K Arora	Chairman	Non-Executive, Independent	3

REPORT ON CORPORATE GOVERNANCE

Sh. S P Sharma	Member	Non-Executive, Independent	4
Dr Jatender Kumar Kakkar	Member	Non-Executive, Independent	4
Dr. Gopal Munjal	Permanent Invitee	Executive, Promoter	4

The Company Secretary acts as Secretary of the Audit Committee.

The Audit Committee meetings are usually attended by the Managing Director, Chief Financial Officer and the Statutory Auditors of the Company. The Internal Auditors and Cost Auditors of the Company are also invited to the meetings, as and when required. The Committee also invites such of the executives, as it considers appropriate to seek any clarification.

During the year, the Committee reviewed the key audit findings covering operational, financial, compliances, internal financial controls and reporting system. The Chairman of the Audit Committee briefs the Board about the significant discussions at the Audit Committee meetings.

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

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

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

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommendation to the Board for appointment, reappointment, remuneration and terms of appointment and, if required, the replacement or removal of statutory auditors of the company.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions; and
 - g) Modified opinion(s) in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii. Review and monitoring the auditor's independence and performance, and effectiveness of audit process.
- viii. Approval of transactions with related parties or any subsequent modification thereof and recommend such transactions, if



REPORT ON CORPORATE GOVERNANCE

required, to the Board for its approval.

- ix. Scrutiny of inter-corporate loans and investments.
- x. Valuation of undertakings or assets of the company, wherever it is necessary.
- xi. Evaluation of internal financial controls and risk management systems.
- xii. Reviewing, with the management, performance of statutory, cost and internal auditors, adequacy of the internal control systems.
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xiv. Discussion with internal auditors of any significant findings and follow up thereon.
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xviii. To review the functioning of the Whistle Blower mechanism.
- xix. Recommend to the Board for approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- xx. Recommending to the Board the terms of appointment, reappointment and if required, the replacement or removal of cost auditors and internal auditors & fixation of their audit fees & fees for other services.
- xxi. To review the following information:
 - a) Management discussion and analysis of financial condition and results of operations;
 - b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d) Internal audit reports relating to internal control weaknesses; and
 - e) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
 - f) Statement of deviations, if any.
- xxii. Investigate any matter referred to it by the Board or within its terms of reference.
- xxiii. To review the financial statements, in particular, the investments made by the unlisted subsidiary companies of the Company.
- xxiv. In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, SEBI (LODR) Regulations or any other applicable law.
- xxv. The Committee shall have full access to information contained in the records of the Company and can seek information from any employee of the Company. The Committee may access external professional and legal advice, if so required in discharge of its functions.



REPORT ON CORPORATE GOVERNANCE

xxvi. The Audit Committee may make recommendations to the Board on any matter within its purview, by passing appropriate resolutions in its meetings.”

B. NOMINATION AND REMUNERATION COMMITTEE

In compliance to the requirements of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board of the Company has constituted “Nomination and Remuneration Committee”. Dr. V K Arora, Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 28th September, 2018. The Committee met one time during the Financial Year 2018-19 i.e. on 14th August, 2018.

I. Constitution of the Committee

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

Name	Designation	Category	No. of Meetings Attended
Dr. V K Arora	Chairman	Non Executive and Non Promoter	1
Sh. S P Sharma	Member	Non Executive and Non Promoter	1
Sh. N R Munjal	Member	Non Executive and Promoter	1

Company Secretary & Compliance Officer of the Company acts as the Secretary of the Committee.

The minutes of the meetings of the Nomination and Remuneration Committee are circulated to all the members of the Board.

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013, has been published on the Company website at www.indswiftltd.com

II. Terms of Reference

The terms of reference of this Committee is as under:

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

REPORT ON CORPORATE GOVERNANCE

Performance Evaluation and Criteria for Evaluation:

Pursuant to applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter alia, the criteria for performance evaluation of the Independent Directors, Board of Directors, Committees of Board, Individual Directors, including the Managing Director and Non Executive Directors and Chairperson of the Board.

Evaluation of all Board members is performed on an annual basis. The evaluation is performed by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

The Nomination and Remuneration Committee has laid down a structured questionnaire which is prepared separately for the Board, Committees, Chairman and individual Directors, including Managing Director and Independent Directors. The Chairman's performance evaluation is carried out by Independent Directors at a separate meeting. Chairman is evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all the Board members and motivating and providing guidance to the Managing Director. The questionnaire and evaluation process is reviewed in the context of amendments to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The questionnaire for Board evaluation is prepared taking into consideration various aspects of the Board's functioning such as Board members' understanding of their roles and responsibilities; attendance in the Board meetings and the reporting process; time devoted by the Board to the Company's long-term strategic issues; quality and transparency of Board discussions; quality, quantity and timeliness of the information flow between Board members and management; Board's effectiveness in disseminating information to shareholders and in representing shareholder interests; Board information on industry trends and regulatory developments; and discharge of fiduciary duties by the Board. During the evaluation of the Individual Directors, the Director being evaluated does not participate.

Performance of the committees is evaluated on the basis of their effectiveness in carrying out their respective mandates

Remuneration of Directors

The Board on the recommendation of the Nomination and Remuneration Committee has framed and adopted the policy for selection and appointment of Directors, senior management and their remuneration. The policy lays down criteria for selection of Directors and senior management based on expertise, experience and integrity of the person. It also weighs the independent nature, personal and professional standing for the diversity in the Board composition.

Remuneration to the Managing Director/Whole Time Director

The Board / Nomination and Remuneration Committee is authorized to decide the remuneration of the Managing Director and Whole Time Directors, subject to the approval of the members and Central Government, if required. The remuneration structure comprises of salary, commission, perquisites and allowances as per applicable law/ rules.

The Remuneration paid to the Executive Directors in respect of the financial year 2018-19 is given below:

		(Rs. in Lacs)			
Director	Designation	Remuneration for the year ended 31 st March, 2019			
		Salary * (paid/ Provided in the Books)	Contribution to Provident Fund	Perquisites	Total
Sh. S R Mehta	Chairman	120	Nil	Nil	120
Dr. Gopal Munjal	Managing Director & CEO	120	Nil	Nil	120

REPORT ON CORPORATE GOVERNANCE

Dr. V R Mehta	Jt. Managing Director	120	Nil	Nil	120
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Note: The Contribution to Gratuity Fund has not been shown in the above table in respect of Managing Director & Whole Time Directors.

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

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

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

Remuneration to Non-Executive Directors

Non-Executive Directors are paid sitting fees of Rs. 5,000/- for each meeting of the Board or its committees attended by them w.e.f 10.11.2016.

Sitting fee paid to Directors during the year 2018-19:

Director	Designation	Sitting fee paid (in Rs)
Sh. S P Sharma	Independent Director	36,000/-
Dr. Vinay Arora	Independent Director	27,000/-
Mr. Jagvir Singh Ahluwalia	Independent Director	36,000/-
Ms. Anoop Michra	Independent Woman Director	27,000/-
Sh N R Munjal	Non Executive Director	13,500/-
Sh Himanshu Jain	Non Executive Director	13,500/-
Sh Rishav Mehta	Non Executive Director	18,000/-
Sh S C Galhotra	Independent Director	36,000/-
Dr. Jatender Kumar Kakkar	Independent Director	36,000/-

The Company has not granted any stock options to the Directors.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

I. The members of the committee are as follows:-

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

Company Secretary & Compliance Officer of the Company acts as the Secretary of the Committee.

REPORT ON CORPORATE GOVERNANCE

During the year, 2018-2019, 3 complaints were received from investor. The complaint has been resolved to the satisfaction of the complainant and no complaint was pending at the beginning or at the end of the year.

II. Terms of Reference

The terms of reference of this Committee is as under:

1. To look into redressal of investors' complaints and requests such as transfer of shares/ debentures, non-receipt of dividend, annual report, etc.
2. To resolve the grievances of the security holders of the Company.
3. Oversee the performance of the Company's Registrars and Transfer Agents.
4. Recommend methods to upgrade the standard of services to Investors.
5. Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading and to carry out functions as referred by the Board of Directors.
6. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares. Non-receipt of Annual Report non-receipt of declared dividends, issue of new/duplicate certificates, General meetings etc.
7. Review of measures taken for effective exercise of voting rights by shareholders.
8. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
9. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

D. RISK MANAGEMENT COMMITTEE

Regulation 21 of the Listing Regulations mandates top 100 listed companies based on the market capitalization to constitute a Risk Assessment Committee. Although non-mandatory, your Company has constituted a Risk Assessment Committee of the Board.

Evaluation of business risk and managing the risk has always been an ongoing process in the Company. The Risk Assessment Committee assists the Board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks.

Composition of the Committee

The Board of the Company has constituted a Risk Assessment Committee, comprising of 3 Directors. The composition of the Risk Management Committee as on 31st March, 2019 is as follows:-

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

E. SUB-COMMITTEE OF BOARD

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

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



REPORT ON CORPORATE GOVERNANCE

Name	Designation	Executive/Non-Executive/ Independent	No. of Committee Meeting held during their Tenure	No. of Committee Meeting attended
Dr. G Munjal	Chairman/ Member	Executive Director	7	7
Dr. V R Mehta	Member	Executive Director	7	7
Mr. Himanshu Jain	Member	Non Executive Director	7	7
Dr J K Kakkar	Member	Independent Director	7	7

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

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

SCORES (SEBI Complaints Redressal System):

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

Exclusive email ID for investors:

The Company has designated the email id companysec@indswift.com, exclusively for investor servicing and the same is prominently displayed on the Company's website www.indswiftltd.com.

GENERAL BODY MEETINGS FOR LAST THREE YEARS

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

Financial year	Category General Meeting	Date	Time	Venue	No. of Special Resolutions
2017-18	32 nd AGM	28 th September, 2018	12:30 PM	PHD Chamber Sector 31, Chandigarh	7
2016-17	31 st AGM	26 th September, 2017	1:00 PM	PHD Chamber Sector 31, Chandigarh	8
2015-16	30 th AGM	30 th September, 2016	1:00 PM	PHD Chamber Sector 31, Chandigarh	3

AGM – Annual General Meeting

EGM – Extra-ordinary General Meeting

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

Postal Ballot

No postal ballot has been done during the Financial Year 2018-19.



REPORT ON CORPORATE GOVERNANCE

MEANS OF COMMUNICATION

The Company has adopted following means of communication:

- A) All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges, where the securities of the Company are listed. All submissions to the Exchanges are made through the respective electronic filing systems.
- B) The Company intimates un-audited/audited quarterly, half-yearly and annual financial results to the Stock Exchanges immediately after these are approved and taken on record by the Board. These financial results are normally published in the Financial Express (English) and Jansatta (Hindi).
- C) The quarterly results, Shareholding Pattern, quarterly/half yearly/annual compliances and all other material events or information as detailed in Regulation 30 of the Listing Regulations are filed electronically with National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with BSE Limited through BSE Online portal. These communications are also posted on the Company's website www.indswiftltd.com.
- D) Management Discussion and Analysis forms part of the Annual Report

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

- Date 11th September, 2019
- Time 10.30 A.M.
- Venue PHD House, Sector 31, Chandigarh

Financial Calendar

Financial reporting for the financial year 2019-20 for

- **Quarter ending**
June 30, 2019 **By 10th August, 2019**
- **Quarter ending**
September 30, 2019 **By 14th November, 2019**
- **Quarter ending**
December 31, 2019 **By 14th February, 2020**
- **Financial Year ending**
March 31, 2020- Audited Results **By 30th May, 2020**
(As Audited Results will be considered)
- **Annual General Meeting for the year ending**
March 31, 2020 **By 30th September 2020**

Date of Book Closure -

The Company's Register of Members and Share Transfer Books will remain closed from 7th September, 2019 to 11th September, 2019 (both days inclusive).



REPORT ON CORPORATE GOVERNANCE

Dividend

In view of inadequacy of profits during the financial year, no dividend has been proposed for the Year ended 31st March, 2019.

Listing of Equity Shares on Stock Exchanges

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

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

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

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

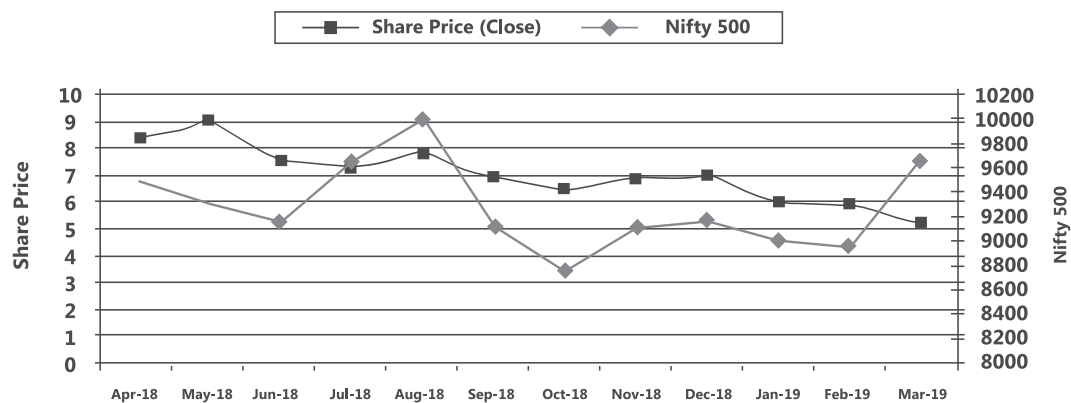
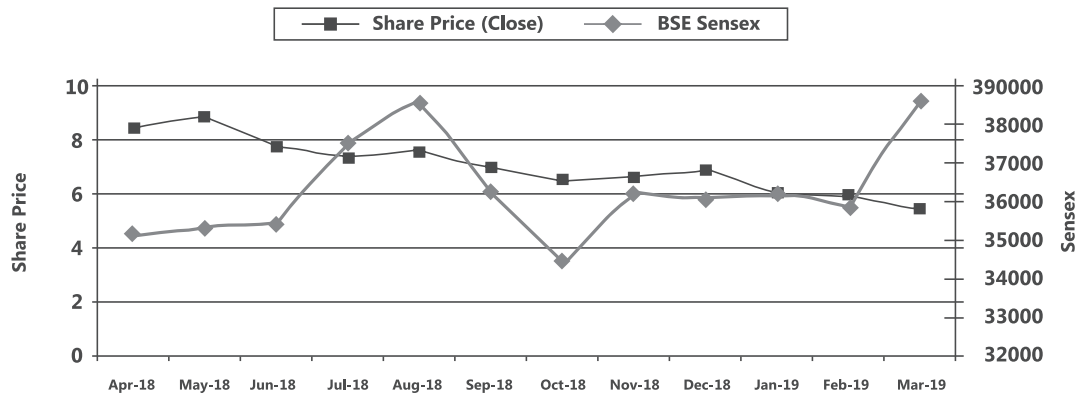
Monthly Share Price movement:

The high and low prices of the company's share (of Rs. 2/-each) at BSE and NSE on Monthly Basis from 1st April, 2018 to 31st March, 2019 are as under:

Month	BSE			NSE		
	High (Rs)	Low(Rs.)	Volume of Shares	High (Rs)	Low(Rs.)	Volume of Shares
April, 2018	10.28	6.81	309578	10.10	6.70	568753
May, 2018	9.64	7.10	101174	9.60	6.90	153970
June, 2018	9.95	7.21	258760	9.80	7.10	341366
July, 2018	8.23	6.85	124569	8.20	6.80	241352
August, 2018	9.37	6.80	231735	9.20	6.80	314449
September, 2018	11.15	7.00	469036	11.05	6.90	949366
October, 2018	7.95	6.11	161032	7.80	6.30	159032
November, 2018	8.42	6.45	103340	8.50	6.90	210514
December, 2018	6.99	6.11	58366	7.05	6.00	233686
January, 2019	6.99	5.80	57428	7.05	5.85	156561
February, 2019	6.30	4.85	46110	6.30	4.60	265290
March, 2019	7.34	5.06	123115	7.25	5.00	223426

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

REPORT ON CORPORATE GOVERNANCE



Registrar and Transfer Agent

Transfer Agent for physical transfer and Demat of Shares:

M/s Alankit Assignments Ltd.
 4E/2, Jhandewalan Extension,
 New Delhi-110 055
 Tel:- +91-11-42541234, 423541234
 Fax:- +91-11-42541201
 E-mail: info@alankit.com
 Website: www.alankit.com

Share Transfer System

- The Share Transfer/shareholders Grievance Committee approves the transfer and transmission of shares, issue of duplicate share certificates and related matters. The transfers received are processed within 15 days of the receipt of the same subject to the transfer document being complete and valid in all respects. The Committee also monitors the redressal of Investor's grievances. As on 31st March, 2019, there were no shares pending for transfer.
- The practicing Company Secretary appointed by the Board is conducting Share Capital Audit of the Company on quarterly basis and report is being filed with the stock exchanges.

REPORT ON CORPORATE GOVERNANCE

- M/s Alankit Assignments Ltd., Registrar and Transfer Agent appointed by the Company have adequate infrastructure to carry out the share transfer, transmission and other related assignments.
- The Company has during the year under review received 03 complaints from shareholders and all the complaints have been duly settled. There was no unsettled complaint as on 31st March, 2019.

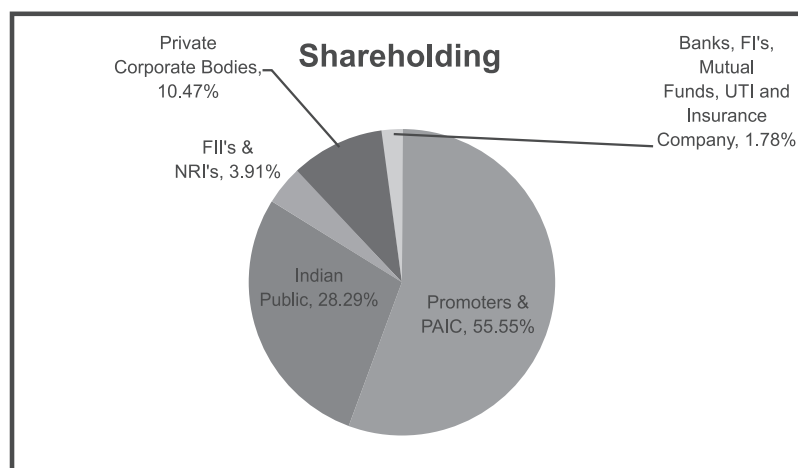
Secretarial Audit

- As per Regulation 40(9) of the Listing Regulations, a Certificate from the Practicing Company Secretary has been submitted to the Stock Exchanges within the stipulated time on half yearly basis confirming due compliance of share transfer formalities by the Company.
- Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).
- Mr. Vishal Arora, Practicing Company Secretary has conducted a Secretarial Audit of the Company for FY 2018-19. The explanation on all the observations of Secretarial Audit Report has been already given in the Director's Report forming part of this Annual report.

Distribution of Equity Shareholding as on 31st March, 2019

Category	No. of Shares Held	%age of Shareholding
Promoters & PAIC	3,00,90,404	55.55
Banks, FI's, Mutual Funds, UTI and Insurance Company	9,63,868	1.78
FII's & NRI's	21,20,491	3.91
Private Corporate Bodies	56,70,781	10.47
Indian Public	1,53,19,109	28.29
Total	5,41,64,653	100.00

Shareholding Pattern as on 31.03.2019



REPORT ON CORPORATE GOVERNANCE

Distribution Schedule as on 31st March 2019

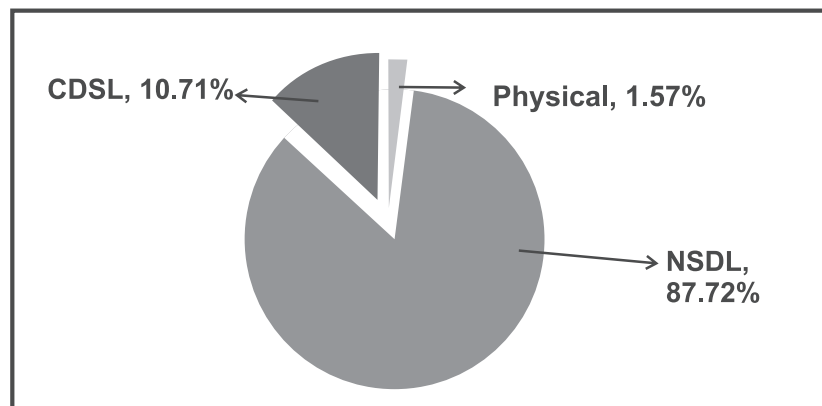
Shares or Debenture holding of Nominal Value of	No. of Share Holders	% age of Total Holders	Shares Amount (In Rs)	% age of Total Equity
Up to 5000	12205	95.91	7399890	13.67
5001 to 10,000	279	2.19	2071981	3.83
10,001 to 20,000	132	1.04	1898227	3.50
20,001 to 30,000	27	0.21	681391	1.26
30,001 to 40,000	18	0.14	613743	1.13
40,000 to 50,000	7	0.06	332068	0.61
50,001 to 1,00,000	16	0.13	1085143	2.00
1,00,001 to Above	42	0.33	40082210	74.00
TOTAL	12726	100	54164653	100

Dematerialization of Shares

The shares of the company are available for trading in the Depository system of both the National Securities Depository Limited and the Central Depository Services (India) Limited. As on 31st March 2019, 53316791 equity shares of the company, forming 98.43% of the share capital of the company, stand dematerialized.

Mode of Shares	Number of Shares	%
Physical	847862	1.57
NSDL	47513509	87.72
CDSL	5803282	10.71
Total	54164653	100.00

Shares held in Physical and Dematerialized Form as on 31.03.2019



Outstanding Global Depository Receipts or American Depository Receipts or warrants or any other convertible instruments, conversion dates and likely impact on equity

None



REPORT ON CORPORATE GOVERNANCE

Commodity price risk or foreign exchange risk and hedging activities

The Company exports finished goods and imports of raw materials of few products. The international trade is primarily in USD and Euro which are major convertible currencies, and to that extent the exposure to foreign exchange risk exists. However, exports and imports of the Company are in the same currencies, therefore, a natural hedge for these currencies exist.

The Company has not entered into any hedging activities and not dealt in commodity price or foreign exchange risk activities during the financial year 2018-19.

Optionally Convertible Warrants

There are no outstanding Warrants for Conversion.

Registered office Ind-Swift Limited
781, Industrial Area-II, Chandigarh – 160002
Ph.: 0172-2638781, 2638782, 2638786
Fax: 0172-2652242

Website: www.indswiftltd.com

Company Secretary & Compliance officer AMRENDER KUMAR YADAV
781, Industrial Area-II, Chandigarh – 160002
e-mail: companysec@indswift.com

Plant Locations:-

- 123, Industrial Area, Phase-I, Panchkula 134109(Haryana)
- Plot No. 23, Sector – 2, Parwanoo (H.P.)(Unit-1)
- Plot No. 17-B, Sector-2, Parwanoo (H.P.)(Unit-II)
- Village Malku Majra, Baddi (H.P.)(Unit III & IV)
- Village Jawaharpur, Teh. Derabassi, (Punjab)
- Industrial Growth Centre, Sambha, Jammu (J&K)

Nomination Facility

Members are allowed to nominate any person to whom they desire to have the shares transmitted in the event of death. Desirous Members may approach to the Company or to the Registrar & Share Transfer Agents of the Company, for the shares held in physical form and to the respective Depository Participant for shares held in demat form, for availing the same facility.

List of credit ratings obtained/revision

During the Financial Year, 2018-19, no fresh credit rating was obtained by the Company for its' Debt Instruments, Fixed deposit Programme or any other scheme or proposal involving mobilization of funds, whether in India or abroad.

OTHER DISCLOSURES

Related Party Transactions

Transactions with related parties are disclosed in Note No. 47 of Notes to the accounts in the Financial Statements for the year.



REPORT ON CORPORATE GOVERNANCE

Adequate care was taken to ensure that the potential conflict of interest did not harm the interests of the Company at large. The Company has formulated a policy on dealing with related party transactions and the same is available on the website of the Company www.indswifltd.com. The weblink for the same is given below:

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

Statutory Compliance, Strictures and Penalties

The Company has complied with the requirement of the Stock Exchanges, SEBI and other statutory authority on matters related to capital markets during the last three years. No strictures or penalties have been imposed on the Company by these authorities.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)

The Company has not made any Preferential Allotment or Qualified Institutions Placement during the Financial Year 2018-19.

A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The Company has taken required certificate from M/s. Vishal Arora & Associates, Company Secretary in Practice and attached as Annexure 2 to the Corporate Governance Report.

Disclosure of non-acceptance of Committee recommendation by the Board

During the Financial Year 2018-19, the Board has accepted all the recommendation/submission of its' Committees.

Total fees for all services paid by the listed entity and its subsidiaries, to the Statutory Auditor (Standalone payment)

During the Financial Year 2018-19, the Company has paid a sum of Rs. 7.50 Lacs plus GST to the Statutory Auditors for conducting Statutory Audit of the Company. Apart from this, no other fees/charges have been paid to the Statutory Auditors.

Policy on Prevention of Sexual Harassment at Workplace

The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment Act, 2013. The Company has a 'Policy for prevention of Sexual Harassment'. As per the Sexual Harassment Act, the policy mandates strict confidentiality and recognises the right of privacy of every individual. As per the policy, any employee may report a complaint to the 'Internal Complaints Committee' formed for this purpose. We affirm that adequate access was provided to any complainant who wished to register a complaint under the policy.

During the year, no complaint pertaining to sexual harassment was received by the Company.

Whistle-Blower Policy / Vigil Mechanism

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

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

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

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



REPORT ON CORPORATE GOVERNANCE

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

Compliance of Corporate Governance Provisions

There is no Non-compliance of any requirement of Corporate Governance Report of Sub Para (2) to (10) of Part C of Schedule V the Listing Regulations. The Company has also complied with all the Corporate Governance requirements as specified in regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 with all the mandatory requirements laid down by SEBI (LODR) Regulations, 2015.

IND-AS

The Company adopted Indian Accounting Standards (Ind-AS) from 01 April, 2017 with the transition date of 01 April 2016 and accordingly the financial results of the Company for all the quarters / annual have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind-AS).

Mandatory & Non-Mandatory Clauses

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

Risk Management

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

Market Capitalisation And Price-Earnings Ratio :

		As on 31.03.2019	As on 31.03.2018
a.	Closing Price (BSE) (Rs.).	5.47	7.22
b.	Market Capitalization (Rs. In lacs)	2962.80	3910.68
c.	Price-Earnings Ratio	9.43	(0.72)

Unclaimed Shares:

Pursuant to Regulation 39(4) read with Schedule VI of the Listing Regulations, the Company reports that there are no unclaimed shares as on 31st March, 2019.

Certification by Chief Executive Officer of the Company

I declare that all Board Members and Senior Management have affirmed compliance with the code of conduct for the financial year 2018-19.

Place: Chandigarh

Date: 10.08.2019

Dr. Gopal Munjal

Managing Director & CEO



ANNEXURE-1 TO THE CORPORATE GOVERNANCE REPORT

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Ind-Swift Limited
781, Industrial Area,
Phase-II, Chandigarh-160002

We have examined the compliance of conditions of Corporate Governance by **M/s Ind-Swift Limited** for the year ended 31st March 2019 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the guidance note on certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

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

Place: Chandigarh
Date: 10.08.2019

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



ANNEXURE-2 TO THE CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
IND-SWIFT LIMITED
781 INDUSTRIAL AREA
PHASE II CHANDIGARH-160002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of IND SWIFT LIMITED having CIN L24230CH1986PLC006897 and having registered office at 781 INDUSTRIAL AREA PHASE II CHANDIGARH (hereinafter referred to as '**the Company**'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority except **Dr. GOPAL MUNJAL (DIN 00005196), Mr. SANJEEV RAI MEHTA (DIN 00005668) and Dr. VIKRANT RAI MEHTA (DIN 00010756)** who has been disqualified under section 164(2) of the Companies Act, 2013.

S.No.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT
1	HIMANSHU JAIN	00014533	31.07.2003
2	NAVRATTAN MUNJAL	00015096	11.12.2006
3	JATENDAR KUMAR KAKKAR	00015493	13.05.2017
4	SRI PRAKASH SHARMA	00475413	07.11.2012
5	RISHAV MEHTA	03028663	23.03.2010
6	VINAY ARORA	06830624	07.03.2014
7	JAGVIR SINGH AHLUWALIA	06930649	29.08.2017
8	SUBHASH CHANDER GALHOTRA	07205416	31.12.2016
9	ANOOP MICHRA	07813108	06.05.2017

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

NAME: VISHAL ARORA
MEMBERSHIP NO.:4566
CP NO.:3645

PLACE: Chandigarh

DATE: 10.08.2019



INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

To
The Members of
Ind Swift Limited
Chandigarh

Opinion

We have audited the accompanying financial statements of IND-SWIFT LIMITED ("the Company"), which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement for Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects matter described in the Basis for the Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profits, changes in equity and its cash flows for the year ended on that date.

Basis for the Qualified Opinion

1. *Pending finalisation of Settlement agreement with Edelweiss ARC, the company has not provided the interest on the outstanding assigned debt to Edelweiss. The impact of the same on the books of accounts is not ascertained. (Refer Note No. 35(i) of Notes to Accounts)*
2. *The company has not provided interest on term loans and funded interest term loans with some banks since these banks have not charged interest on these accounts post such accounts becoming NPAs. The unaccounted interest liability in respect of the same for the financial year 2018-19 is Rs.10.36 Cr. (Refer Note No.35 (ii) of Notes to Accounts)*

Had the provision for the same been made, the profits for the year and accumulated losses would have been reduced and increased respectively by Rs. 10.36cr.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis of Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.



INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Key Audit Matters	How our audit assessed Key audit matters
<p>Revenue Recognition</p> <p>For the year ended March 31, 2019 the Company has recognized revenue from contracts with customers amounting to 289.03 Crores. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that as principal, it typically controls the goods or services before transferring them to the customer. The variety of terms that define when control are transferred to the customer, as well as the high value of the transactions, give rise to the risk that revenue is not recognized in the correct period. Revenue is measured net of returns and allowances, cash discounts, trade discounts and volume rebates (collectively 'discount and rebates'). There is a risk that these discount and rebates are incorrectly recorded as it also requires a certain degree of estimation, resulting in understatement of the associated expenses and accrual. Revenue is also an important element of how the Company measures its performance. The Company focuses on revenue as a key performance measure, which could create an incentive for revenue to be recognized before the risk and rewards have been transferred. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it was determined to be a key audit matter in our audit of the Ind AS financial statements. (Refer Notes on accounts No. 18)</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'. • Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition, discounts and rebates. • Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. Further, in respect of the samples checked that the revenue has been recognized as per the shipping terms. • To test cut off selected sample of sales transactions made pre- and post-year end, agreeing the period of revenue recognition to third party support, such as transporter invoice and customer confirmation of receipt of goods. • Tested the provision calculations related to management incentives, discounts and rebates by agreeing a sample of amounts recognized to underlying arrangements with customers and other supporting documents. • Obtained confirmations from customers on sample basis to support existence assertion of trade receivables and assessed the relevant disclosures made in the financial statements; to ensure revenue from contracts with customers are in accordance with the requirements of relevant accounting standards
<p>Impairment of Assets</p> <p>Property, plant and equipment includes assets that are related to the Unit I, and II at Parwanoo. The operations at both the units were suspended since March 2014, as a result the management has performed an impairment assessment as per the accounting policy stated in note A.15 to the Ind AS financial statements. Accordingly, during the year Impairment loss with respect to Unit II has been provided and in respect to Unit I management is of the view that no impairment is required as on date. Our audit focused on this area because the assessment of recoverable value of the aforesaid assets of Unit I & unit II requires management to make a number of key judgements and estimates with respect to the future performance and profitability of the both units which involves judgements and estimates on future cash flows. Accordingly, Impairment assessment of the Company's Unit I & Unit II has been considered as a key audit matter.</p> <p>Refer Notes to accounts No. 42 to the Financial statements</p>	<ul style="list-style-type: none"> • We assessed the management's controls over the assessment of the carrying value of Unit I & Unit II property, plant and equipment to determine whether any asset impairment was required. • We assessed the Company's valuation methodology applied in estimating the recoverable amount of the Company's both units. • We tested the assumptions around the key drivers of the cash flow forecasts, i.e. future growth rates, discount rates used. • Performed sensitivity analysis around the key assumptions used by management in impairment testing to understand the impact of reasonable changes in assumptions on the estimated recoverable amounts. • Assessed the disclosures included in the financial statements in note 42 to the Ind AS financial statements.

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Key Audit Matters	How our audit assessed Key audit matters
<p><u>Evaluation of Uncertain tax Positions</u> The company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes to accounts No.26 to the Financial statements</p>	<ul style="list-style-type: none"> • Obtained details of completed tax assessments and demands as on 31/03/2019 from Management. • We involved our expertise to challenge the management's underlying assumptions in estimating tax provision and the possible outcome of the disputes. • We have also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

Emphasis of Matters


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

- a) The Fixed Deposit Scheme was restructured vide order No. C.P 27/02/2013, dated 30.09.2013 by Company Law Board. However, the company had filed application with NCLT to again restructure the repayment schedule of Fixed Deposits which was rejected. It further moved appeal with NCLAT which was rejected vide its order dated 19.09.2018. However the company has made the repayment of Rs 10.71 Crores including interest during the year. (Refer Note. No. 34 of Financial Statements).
- (b) As on 31.03.2019 Eleven Banks/ Financial Institutions have transferred their entire Loan Portfolio to their respective Assets Reconstruction Companies. (Refer Note No. 38.1 of Financial Statements).
- (c) As on 31.03.2019 the loan accounts with two banks are continuing as NPA. (Refer Note No. 38.2 of Financial Statements)
- (d) During the year the company has booked income of Rs. 26.74 crores on account of waiver of principal and interest on Settlement with Phoenix ARC Pvt. Ltd. (Refer Note No. 36 of Financial Statements).
- (e) Regarding payment/provisioning of Managerial Remuneration, in view of the amendment to part II of Schedule V of Companies act 2013, the application for excess remuneration which was pending with Central Government stands abated. Now the company has to seek shareholders' approval for allowance of excess remuneration before 11.09.2019. (Refer Note No. 41 Financial Statements).
- (f) The company is in process of collecting information with respect to Micro, Small and medium enterprises and accordingly the disclosures requirement under the MSMED Act,2006 could not be provided. (Refer Note no. 15 of the Financial statements)
- (g) During the year the company has made provision for Doubtful Debts amounting to Rs. 8.05 crores. (Refer Note no. 28 to Financial Statements).

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2018-19, but does not include the Ind AS financial statements and our auditor's report thereon. Our opinion on the Ind AS Financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.


The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal Control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the



INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit;
 - (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement Of Changes In Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act (refer Notes to accounts No. 41 of financial statements);
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
- Refer Note 26 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;



INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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

For Jain & Associates
Chartered Accountants
(Regd No. 001361N)

S.C Pathak
Partner
Membership No.: 010194

Place : Chandigarh
Date: 30/05/2019

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

“Annexure-A” Referred to in paragraphs under the heading “Report on other Legal and regulatory requirements” of our Report of even date

Re: **M/s Ind-Swift Limited ('the Company')**

(i) (In respect of Company's fixed assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets..
- (b) The company has a program of verification to cover all items of fixed assets over a period of four years, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to information and explanations given to us the title deeds of immovable properties included in fixed assets are held in the name of the Company. Following are the exceptions where the title deeds are not in the name of the company.

In case of land:

No. of cases	Leasehold/ Freehold	Gross Block as at 31 st March, 2019	Net Block as at 31 st March, 2019	Remarks
1	Leasehold	Rs. 12.00 Lakhs	Rs. 4.08 Lakhs	Lease hold land PLOT NO. 781, IND-AREA,PH-2, CHANDIGARH
2	Leasehold	Rs.18.25 Lakhs	Rs.7.37 Lakhs	Lease hold land PLOT NO. 42, IND-AREA,PH-2, CHANDIGARH

- (ii) As explained to us, the inventories, excluding inventories with some of the third parties, were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification. In respect of inventories lying with third parties, these have substantially been confirmed by them.
- (iii) According to the information and explanation given to us, the Company has granted loans, secured or unsecured to Companies, firms and/or other parties covered in the register maintained u/s 189 of the Companies Act, 2013.
 - a) In our opinion the terms and conditions of the grant of such loans are not prejudicial to company's interest.
 - b) The principle and interest due on loan to Swift Fundamental Research & Education Society (SFRE) are not received by the company as stipulated during the year and no interest has been provided on loan to SFRE during the year.
 - c) According to the information & explanations given to us, the company has taken reasonable steps to recover the amount from SFRES and such loan is overdue by Rs. 61.29 crores for more than 90 days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- (v) The Fixed Deposit Scheme was restructured vide order No. C.P 27/02/2013, dated 30.09.2013 by Company Law Board. However, the company had filed application with NCLT to again restructure the repayment schedule of Fixed Deposits which was rejected. It further moved appeal with NCLAT which was rejected vide its order dated 19.09.2018. However the company has made the payment of Rs 10.71 Crores including interest during the year. (Refer Note. No. 34 of Financial Statements).
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company pursuant to the amended Companies (Cost Records and Audit) Rules 2014, and are of the opinion that, prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine their accuracy.
- (vii) According to information and explanations given to us in respect of Statutory Dues;



INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

- a) According to the records of the Company as examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess, GST and other material statutory dues applicable to it, with appropriate authorities. We are informed that there are some undisputed statutory dues outstanding for a period of more than six months from the date they became payable as at the year end, which are, Provident fund Rs. 73.39 lakhs, Employees State Insurance for Rs. 87.99 lakhs, Entry Tax for Rs. 122.66 lakhs, Service tax Rs. 27.59 lakhs, Excise duty Rs. 43.50 lakhs.
- b) The dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute as provided to us by the Company, are as follows:

Name of the Statute	Nature of Dues	Amount (in Rs Lakhs)	Period to which the amount relates	Forum where dispute is pending
SERVICE TAX	SERVICE TAX DEMAND	31.17	2007-2008 TO 2010-2011	CESTAT, CHANDIGARH
SERVICE TAX	SERVICE TAX DEMAND	8.92	2012-2013	COMMISSIONER (APPEALS) CHANDIGARH
SERVICE TAX	SERVICE TAX DEMAND	16.75	2013-2014	COMMISSIONER (APPEALS) CHANDIGARH
SERVICE TAX	SERVICE TAX DEMAND	6.63	2013-14 AND 2014-2015	CESTAT, CHANDIGARH
SERVICE TAX	SERVICE TAX DEMAND	3.71	2014-2015	CESTAT, CHANDIGARH
SERVICE TAX	SERVICE TAX DEMAND	1.44	2010-2011	CESTAT, CHANDIGARH
SERVICE TAX	SERVICE TAX DEMAND	20.49	2009-2010 AND 2010-2011	CESTAT, CHANDIGARH
SERVICE TAX	SERVICE TAX DEMAND	8.39	2011-2012	CESTAT, CHANDIGARH
SERVICE TAX	SERVICE TAX DEMAND	7.23	2011-2012	COMMISSIONER (APPEALS) LUDHIANA
INCOME TAX ACT 1961	INCOME TAX/PENALTY DEMAND	54.47	2005-2006	PUNJAB & HARYANA HIGH COURT
INCOME TAX ACT 1961	INCOME TAX/PENALTY DEMAND	104.46	2005-2006	COMMISSIONER (APPEALS) GURGAON
INCOME TAX ACT 1961	INCOME TAX/PENALTY DEMAND	46.23	2006-2007	COMMISSIONER (APPEALS) GURGAON
BENGAL VAT ACT	SALES TAX DEMAND	36.20	2009-2010	SALES TAX TRIBUNAL (KOLKATA)
BENGAL VAT ACT	SALES TAX DEMAND	90.48	2010-2011	SALES TAX TRIBUNAL (KOLKATA)
BENGAL VAT ACT	SALES TAX DEMAND	35.71	2011-2012	SALES TAX TRIBUNAL (KOLKATA)
U.P. VAT ACT	SALES TAX DEMAND	1.06	2014-2015	SALES TAX TRIBUNAL (LUCKNOW)
M.P. VAT ACT	SALES TAX DEMAND	5.54	2013-2014	SALES TAX TRIBUNAL (INDORE)
CHANDIGARH VAT ACT	SALES TAX DEMAND	6633.62	2011-2012	SALES TAX TRIBUNAL (CHANDIGARH)
PUNJAB VAT ACT	SALES TAX DEMAND	36.51	2010-2011	DETC (APPEALS), MOHALI
PUNJAB VAT ACT	SALES TAX DEMAND	24.19	2009-2010	DETC (APPEALS), MOHALI
HIMACHAL PRADESH VAT ACT	SALES TAX DEMAND	80.72	2006-2007	DETC (APPEALS) SHIMLA
CENTRAL EXCISE ACT 1944	CENVAT CREDIT/ REFUND/ PENALTY	38.73	2005-2008	CESTAT, CHANDIGARH
PUNJAB VAT ACT	SALES TAX DEMAND	218.13	2011-2012	DETC (APPEALS), MOHALI

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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

Particulars	Amount of default as at 31 st March, 2019 (Rs. in crores)	Period of default	Remarks, if any
BANK OF INDIA	85.57	More than 3 years	The same has been declared as NPA by the bank.
CENTRAL BANK OF INDIA	9.56	More than 3 years	The same has been declared as NPA by the bank.

- (viii) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (ix) According to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (x) Regarding payment/provisioning of Managerial Remuneration, in view of the amendment to part II of Schedule V of Companies act 2013, the application for excess remuneration which was pending with Central Government stands abated. Now the company has to seek shareholders' approval for allowance of excess remuneration before 11.09.2019. (Refer Note No. 41 Financial Statements).
- (xi) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiii) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not issued any shares during the year, Accordingly, the provisions of clause xiii of the order are not applicable to the company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xv) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For Jain & Associates
Chartered Accountants
(Regd No.: 001361N)

S.C Pathak
Partner
Membership No.: 010194

Place : Chandigarh
Date : 30.05.2019



INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

To the Members of
Ind-Swift Limited

We have audited the internal financial controls over financial reporting of Ind-Swift Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting reference to these Financial Statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions



INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jain & Associates
Chartered Accountants
(Regd No.: 001361N)

S.C Pathak
Partner
Membership No.: 010194

Place : Chandigarh
Date : 30.05.2019

**BALANCE SHEET**

AS AT 31-03-2019

		(Rs. in Lacs)	
PARTICULARS	NOTE	AS AT 31-03-2019	AS AT 31-03-2018
I. ASSETS			
Non-current assets			
Property, Plant and Equipment	1	27,048.43	28,668.37
Intangible assets		2,007.12	2,399.75
Financial Assets			
Investments	2	4,126.39	4,391.41
Other non-current assets	3	7,309.28	7,206.47
Total Non Current Assets		40,491.22	42,666.00
CURRENT ASSETS			
Inventories	4	4,899.53	4,543.73
Financial Assets			
Trade Receivable	5	7,556.05	8,350.46
Cash and Cash equivalents	6	1,972.15	367.52
Other Current Assets	7	4,923.42	5,349.28
Total Current Assets		19,351.15	18,610.99
Total Assets		59,842.37	61,276.99
II. EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	8	1,083.29	1,083.29
b) Other Equity	9	(68,711.77)	(69,019.86)
Total Equity		(67,628.48)	(67,936.57)
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	10	64,467.39	68,119.80
Other Non-Current Liabilities	11	725.99	703.56
Provisions	12	736.05	566.05
Deffered Tax Liability (Net)	13	-	-
Total Non-Current Liabilities		65,929.43	69,389.41

BALANCE SHEET

AS AT 31-03-2019

(Rs. in Lacs)			
PARTICULARS	NOTE	AS AT 31-03-2019	AS AT 31-03-2018
Current Liabilities			
Financial Liabilities			
Borrowings	14	36,387.91	37,404.05
Trade Payables	15	19,883.02	18,012.33
Other Financial Liabilities	16	4,700.09	3,938.91
Other Current Liabilities	17	570.40	468.86
Total Current Liabilities		61,541.42	59,824.15
Total Equity and Liabilities		59,842.37	61,276.99
SIGNIFICANT ACCOUNTING POLICIES	A		
NOTES ON FINANCIAL STATEMENTS	1-47		

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For Jain & Associates

 Chartered Accountants
 (Regd No. 001361N)

S.R.MEHTA

 Chairman
 (DIN 00005668)

G.MUNJAL

 Managing Director & CEO
 (DIN 00005196)

(S.C. Pathak)
Partner

Membership No : 010194

ARUN K. SETH

 General Manager
 (Finance & Accounts)

AMRENDER KUMAR YADAV

Company Secretary

Place: Chandigarh

Date : 30.05.2019

STATEMENT OF PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)			
PARTICULARS	NOTE	YEAR ENDED 31-03-2019	YEAR ENDED 31-03-2018
INCOME			
Revenue from operations	18	28,903.11	27,057.05
Other Income	19	718.76	1,016.33
TOTAL REVENUE (A)		29,621.87	28,073.38
EXPENDITURE			
Cost of Material Consumed	20	13,716.65	12,534.78
Purchase of Stock-in Trade		1,966.78	3,689.22
Changes in inventories of Finished Goods/ Work-in-Progress	21	311.93	(808.50)
Employee Benefits Expenses	22	4,993.01	4,826.96
Financial Cost	23	262.04	705.33
Depreciation/Amortisation	1	3,397.31	3,463.13
Other Expenses	24	6,034.59	6,185.02
TOTAL EXPENSES (B)		30,682.31	30,595.94
Profit/Loss Before Exceptional items & Tax (A-B)		(1,060.44)	(2,522.56)
Exceptional/Extraordinary items			
Waiver of Principal & Interest on Loans		2,674.41	658.19
Excess Provision Written Back		10.76	269.32
Previous year Expenses		(242.19)	-
Provision/Written off for doubtful debts		(805.40)	(3,742.66)
Profit after Exceptional/ Extraordinary item & Tax		577.14	(5,337.71)
Tax Expenses			
Provision for Tax		-	-
Mat Credit Entitlement		-	-
Provision for Defferred Tax (Net)		-	-
Add Income Tax for Previous Years		-	(75.07)
Profit (Loss) for the period		577.14	(5,412.78)
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss		(265.02)	1.11



STATEMENT OF PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)			
PARTICULARS	NOTE	YEAR ENDED 31-03-2019	YEAR ENDED 31-03-2018
Items that will be classified to Profit & Loss		-	-
Total Other Comprehensive Income Net of Income Tax		(265.02)	1.11
Total Comprehensive Income for the Period		312.12	(5,411.67)
Basic Earning per Share		0.58	-9.99
Diluted Earning per Share		0.58	-9.99
Nominal Value per Share		2.00	2.00

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For Jain & Associates

Chartered Accountants
(Regd No. 001361N)

S.R.MEHTA

Chairman
(DIN 00005668)

G.MUNJAL

Managing Director & CEO
(DIN 00005196)

(S.C. Pathak)

Partner

Membership No : 010194

ARUN K. SETH

General Manager
(Finance & Accounts)

AMRENDER KUMAR YADAV

Company Secretary

Place: Chandigarh

Date : 30.05.2019

Statement of Changes in Equity for the year ended 31st March 2019

A) Equity Shares Capital as on 31.03.19

Particulars	2018-19		2017-18	
	Equity	No of Shares Amount (in Lacs)	Equity	No of Shares Amount (in Lacs)
Opening Balance	54164653	1083.29	54164653	1083.29
Add: No of Shares issued	Nil	Nil	Nil	Nil
Closing Balance	54164653	1083.29	54164653	1083.29

Particulars	Equity Shares	Other Equity		Retained Earnings	Items of Other Comprehensive Income	Total Equity attributable to equity holders
	Capital	General Reserve	Capital Reserve			
Balance as at April 1, 2018	1083.29	9581.80	398.15	7107.97	(120.92)	(67936.57)
Change In Equity for the Year ended March 31, 2019						
Other Comprehensive Income for the year	0	0	0	0	(265.02)	(265.02)
Amortised during the year	0	0	(4.03)	0	0	(4.03)
Profit/Loss for the period	0	0	0	577.14	0	577.14
Balance as at March 31, 2019	1083.29	9581.80	394.12	7107.97	(385.94)	(67628.48)
Statement of change in Equity (F.Y.2017-18)						
Balance as at April 1, 2017	1083.29	9581.80	402.18	7107.97	(122.03)	(62520.87)
Change in Equity for the year ended March 31, 2018						
Share capital issue during the year	0	0	0	0	0	0
Amount declared under I.Tax Search	0	0	0	0	0	0.00
Other Comprehensive Income for the year	0	0	0	0	1.11	1.11
Amortised during the year	0	0	(4.03)	0	0	(4.03)
Profit/Loss for the period	0	0	0	(5412.78)	0	(5412.78)
Balance as at March 31, 2018	1083.29	9581.80	398.15	7107.97	(120.92)	(67936.57)

CASH FLOW STATEMENT

		(Rs. in lacs)	
		Year ended 31.03.2019	Year ended 31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax		577.14	(5337.71)
Adjustment for Non Cash & Non Operating Items			
i) Depreciation/Amortisation		3397.31	3463.13
ii) Interest Income		(28.48)	(13.53)
iii) sundry Balance W/Back		(25.95)	(507.18)
iv) Provision for doubtful debts/Debts Written off		805.40	3742.66
v) Loss on Sale of Assets		15.00	254.47
vi) Provision for Leave Encashment/Gratuity		170.00	302.30
vii) Interest Paid		376.58	1146.27
viii) Waiver of loan & Interest		(2674.41)	(658.19)
ix) Balance Written off		215.46	376.18
x) Profit on Sale of Assets		(0.56)	(79.51)
xi) Previous Year Items		231.43	(269.32)
xii) Exchange Loss		(114.54)	(440.94)
xiii) subsidy amortisation		(4.03)	(4.04)
Operating Profit before Working Capital Changes		2940.35	1974.59
Adjustment for Current Items			
i) Increase/ (Decrease) in current Liabilities		1268.37	347.99
iii) (Increase)/Decrease in Trade Receivable		(0.23)	(1179.98)
iv) (Increase)/Decrease in Inventory		(355.80)	(637.75)
v) (Increase)/Decrease in other current Assets		425.86	(371.03)
Cash Flow from Operating Activities before Taxes		4278.55	133.82
Net Operating Activites		4278.55	133.82
		(A)	
B. Cash Flow from Investing Activities			
i) Interest Received		28.48	13.53
ii) Net Purchase of Fixed Assets (Including Capital WIP)		(1402.21)	(615.90)
iii) sale of assets		3.00	329.73
Net Cash used in Investing activities		(1370.73)	(272.64)
		(B)	

**CASH FLOW STATEMENT**

		(Rs. in lacs)	
		Year ended 31.03.2019	Year ended 31.03.2018
C. Cash Flow from Financing Activities			
i) Interest Paid		(359.35)	(114.52)
ii) Exchange Fluctuation		114.54	-
ii) Decrease in Borrowings		(978.00)	(725.35)
iii) Increase in Loan & Advance		(102.81)	213.00
iv) Increase in Security Deposit		22.43	222.70
Net Cash Flow from Financing Activities	(C)	(1303.19)	(404.17)
Net increase in Cash or Cash Equivalents	(A+B+C)	1604.63	(542.99)
Add : Opening Balance of Cash & Equivalents		367.52	910.51
Closing Balance of Cash & Cash Equivalents		1972.15	367.52

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For Jain & AssociatesChartered Accountants
(Regd No. 001361N)**S.R.MEHTA**Chairman
(DIN 00005668)**G.MUNJAL**Managing Director & CEO
(DIN 00005196)**(S.C. Pathak)****Partner**

Membership No : 010194

ARUN K. SETHGeneral Manager
(Finance & Accounts)**AMRENDER KUMAR YADAV**

Company Secretary

Place: Chandigarh

Date : 30.05.2019

SIGNIFICANT ACCOUNTING POLICIES

A - SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements

These financial statements have been prepared to comply with the Indian Accounting Standards (Ind AS). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules 2015 and Companies (Indian Accounting Standards) Amendment Rules 2016.

The Financial Statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the nearest rupees in lacs.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3. Property, Plant & Equipment

(a) Freehold land is carried at cost. All other items of Property, Plant and equipment have been stated at cost less accumulated depreciation and impairment loss if any. Cost of acquisition or construction is inclusive of freight, non refundable taxes or Levies, fees and incidental expenses to bring the assets to its present condition and location and interest on loans attributable to the acquisition of assets up to the date of commissioning of assets. Cost of assets not ready for intended use before the year end, are shown as capital –work-in- progress.

(b) The Company is following the useful life method of depreciation as per the useful life specified in part C of Schedule II of the Companies Act 2013.

On assets sold, discarded etc, during the year depreciation is provided up to the date of sale/discard.

(c) Premium on Lease hold land is amortized over the period of Lease.

4. Intangible Assets

(a) Intangible assets are measured at cost and amortized over their useful life.

(b) Expenditure on Research phase is recognised as an expense when it is incurred.

(c) Expenditure on product development phase is recognised as an Intangible Asset, These assets are amortized over the useful period of life starting from the year when the asset first meets the following recognition criteria:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.



SIGNIFICANT ACCOUNTING POLICIES

(d) Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognized.

5. **Inventories are valued as under:-**

- (a) Stock of Raw Material, Packing Material and Store & Spares :- At Cost or Net Realizable Value, whichever is lower. Cost ascertained on FIFO basis, excluding recoverable rates and taxes. Cost includes cost of purchase & other cost incurred in bringing the inventories to their present location.
- (b) Stock of work in progress: - At material cost plus apportioned manufacturing overheads or net realizable value whichever is lower.
- (c) Stock of Finished Goods: - At Cost or Net Realizable Value, whichever is lower. Cost includes material cost plus apportioned manufacturing overheads and expenditure incurred in the normal course of business in bringing such inventories to its present location.
- (d) Stock in Transit: At Cost

6. **Investments**

Investments are classified into current and long term Investments.

- (a) Long term investments are stated at cost of acquisition. Provision for diminution is made only to recognize a decline other than temporary, if any, in the value of investments.
- (b) Current investments are carried at lower of cost and fair market value.

7. **Revenue Recognition**

The Company derives revenues primarily from sale of pharmaceutical formulation business. Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a Five step application approach to be followed for revenue recognition.

- "1. Identify the contract(s) with a customer;
- 2. Identify the performance obligations;
- 3. Determine the transaction price;
- 4. Allocate the transaction price to the performance obligations;
- 5. Recognise revenue when or as an entity satisfies performance obligation."

"Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue excludes amounts collected on behalf of third parties. The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 18 and disclosures of transition approach along with impact of adoption of Ind AS 115 on financial statements are provided in Note 18.1

7.1 **Sale of Goods**

"For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility,



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manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 0-180 days. The Company considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the customer (if any)."

Net sales are exclusive of GST and Trade discount.

7.2 Contract Balance

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Contract liabilities

"A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract."

7.3 Cost to obtain a contract

The Company pays sales commission to its selling agents for as per the agreement. The Company has elected to apply the optional practical expedient for costs to obtain a contract which allows the Company to immediately expense sales commissions (included in selling and distribution expenses) because the amortization period of the asset that the Company otherwise would have used is one year or less.

Costs to fulfil a contract i.e. freight, insurance and other selling expenses are recognized as an expense in the period in which related revenue is recognised.

7.4 Other revenue streams

Export and Other Incentives

"In case of sale made by the Company as Manufacturer, export benefits arising from Duty Entitlement Pass Book(DEPB), Merchandise Export Incentive Scheme, and Focus Market Scheme are recognised on date of actual receipt of such license from authority ."

In case of sale made by the Company as Manufacturer, export benefits arising from Duty Drawback scheme, Rebate of State Levies (ROSL), and Rebate of State and Central Taxes and Levies (ROSCTL), are recognised on sale of such goods in accordance with the agreed terms and conditions with customers.

"Revenue from exports benefits measured at the fair value of consideration received or receivable net of returns and allowances, cash discounts, trade discounts and volume rebates."

Obligation / entitlements on account of Advance Licenses Scheme for import of raw materials are not accounted for as income and correspondingly no expenses is booked at time of payment of custom duty. Custom duty amount of pending export obligations are shown as contingent liability by way of note.

Rendering of Services

Revenue from rendering of services is recognised when the performance obligation to render the services are completed as per contractually agreed terms.

Dividend

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders



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approve the dividend.

8. Financial Instruments

(a) Other financial assets and financial liabilities

Other financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

(b) Initial recognition and measurement:

The financial assets and financial liabilities are initially Measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through (profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized Immediately in statement of profit and loss.

(c) **Subsequent measurement:** Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(d) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

(e) Financial assets at fair value through profit & loss account

Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

(f) Financial liabilities

(i) Recognition of Financial liabilities

(i) Financial liabilities are measured at amortized cost using effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(ii) De-Recognition of Financial liabilities

The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non cash assets transferred or liabilities assumed shall be recognized in profit or loss account. Further the company applies extinguishment accounting/modification accounting as per IND-AS 109.

(iii) Equity Instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

9. Foreign Exchange Transactions

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction and variation, if any, is accounted for on the date of payment, if squared up during the same accounting year.

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- a. Monetary items denominated in foreign currencies remaining unsettled at the year end if not covered by forward exchange contracts are translated at year end rates.
- b. Any income/expense arising from foreign currency transactions is dealt in the profit and loss account for the year except in cases where they relate to acquisition of fixed assets in which case they are adjusted in the carrying cost of such assets.
- c. Where company enters into a forward exchange contract, the difference between the forward rate and the exchange rate at the date of the transaction is recognised as income or expense over the life of the contract except in the case of fixed assets, in which case, such difference is adjusted in the carrying amount of respective fixed assets.
- d. The Company has opted for voluntary exemption given in Ind-AS-101, which allows first time adopter to continue its Indian GAAP policy for accounting of exchange difference arising on translation of long term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind-AS financial reporting period.

10. **Borrowing Costs:**

Borrowing costs that are attributable to the acquisition or construction or production of qualifying assets are capitalised as part of cost of such assets. Qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which incurred.

11. **Employee Benefits:**

a) Short term Employee Benefits:

Short term employee benefits including accumulated compensated absences as at the Balance Sheet date are recognised as an expense as per company's schemes based on expected obligation on an undiscounted basis.

b) Defined Contribution Plans:

Contributions paid/payable to defined contribution plans comprising of Gratuity and Provident Funds for employees covered under the respective schemes are recognised in the Profit & Loss Account each year.

12. **Income Tax:**

- a) Current tax: Provision is made for income tax, based on the liability as computed after taking credit for allowances and exemptions. Adjustments in books are made only after the completion of the assessment.
- b) Deferred Tax: The differences that result between the profit offered for income tax and the profit as per the financial statement are identified and thereafter a deferred tax liability/assets is recorded for timing differences, namely the differences that originate in one accounting period and reverse in another. The tax effect is calculated on the accumulated timing difference at the end of an accounting period based on prevailing enacted regulations. Deferred tax assets are recognised only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.
- c) MAT: Minimum alternative tax payable under the provisions of the Income Tax Act, 1961 is recognised as an asset in the year in which credit becomes eligible and is set off in the year in which the Company becomes liable to pay income taxes at the enacted tax rates and shall be reversed in the year in which it lapses.
- d) In respect of disputed income tax demands, where the company is in appeal, provision for tax is made when the matter is finally decided.

13. **Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources and reliable estimate can be made to settle the amount of obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements



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14. Government Grant

Government Grants are recognized in Profit & Loss account in accordance with the related schemes and in the period in which these are accrued.

Grants toward the specific assets are treated as deferred income in Profit & Loss Account are recognised on rational basis over the useful life of the depreciable asset.

15. Impairment of Assets

An Asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

16. **Leases** Finance lease, which effectively transfer to the company all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged as expenses in the profit and loss account.

17. Trade Receivable/Advances

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

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

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

NOTE-1													
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2019													
NOTE OF FIXED ASSETS AS ON 31/03/2019													
SR NO	PARTICULARS	BALANCE AS ON 01/04/2018	G R O S S B L O C K			D E P R E C I A T I O N / A M O R T I S A T I O N			N E T B L O C K				
			ADDITIONS DURING THE YEAR	SALE/ DELETION	IMPAIRMENT OF ASSETS	AS ON 31/03/2019	AS ON 31/03/2018	DURING THE YEAR	ON SALE/ DELETION	DEPRECIATION UPTO 31/03/2019	AS ON 31/03/2019	AS ON 31/03/2018	
(A)	TANGIBLE ASSETS												
1	LAND	694.53	0.00	0.00	0.00	694.53	0.00	0.00	0.00	694.53	694.53		
2	LEASEHOLD LAND	34.99	0.00	0.00	0.00	34.99	20.63	0.22	20.84	14.15	14.36		
3	BUILDING	12997.16	382.46	0.00	0.00	13379.63	3424.16	415.80	3839.96	9539.67	9573.01		
4	PLANT & EQUIPMENT	30411.59	780.27	6.84	12.52	31172.49	13354.95	2152.99	15504.60	15667.89	17056.72		
5	FURNITURE & FIXTURE	711.25	17.20	0.00	0.00	728.45	554.98	35.24	590.22	138.23	156.80		
6	VEHICLES	822.62	0.00	23.83	0.00	798.79	680.03	36.45	694.10	104.69	142.58		
7	OFFICE EQUIPMENT	1005.65	38.72	0.00	0.00	1044.37	881.93	27.01	908.95	135.43	123.72		
8	MISC FIXED ASSETS	2445.48	28.78	0.00	0.00	2474.26	1670.99	172.93	1843.92	630.34	774.41		
9	BUILDING (R&D)	58.56	0.00	0.00	0.00	58.56	36.21	2.30	38.50	20.06	22.35		
10	FURNITURE & FIXTURE (R&D)	31.07	0.58	0.00	0.00	31.65	25.77	0.97	26.74	4.91	4.77		
11	EQUIPMENT (R&D)	1312.17	0.00	0.00	0.00	1312.17	1207.05	6.57	1213.62	98.55	105.12		
(B)	INTANGIBLE ASSETS												
1	PATENT & TRADE MARK	47.40	0.00	0.00	0.00	47.40	35.75	0.00	35.75	11.66	11.66		
2	PRODUCT TECHNOLOGY	5070.57	154.19	0.00	0.00	5224.76	3505.57	347.87	3853.43	1371.32	1565.00		
3	SOFTWARE	1990.10	0.00	0.00	0.00	1990.10	1167.00	198.96	1365.96	624.15	823.10		
	TOTAL	57633.14	1402.21	30.67	12.52	58992.16	26565.00	3397.31	29936.59	29055.57	31068.14		
	TOTAL: P/Y (31/03/2018)	57637.74	616.72	621.33	0.00	57633.14	23406.51	3463.13	26565.00	31068.14	34231.23		

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

(C) CAPITAL WORK IN PROGRESS			
Particulars	Opening Bal.	Addition	Closing Bal.
CAPITAL WORK IN PROGRESS	0.00	0.00	0.00
TOTAL: P/Y (31/03/2018)	221.75	0.00	221.75

Refer Borrowing notes no. 10 & 14 for properties pledged as security towards borrowings.

**NOTES ON FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2019



(Rs. in Lacs)				
PARTICULARS		AS AT 31-03-2019		AS AT 31-03-2018
NOTE - '2'				
NON-CURRENT INVESTMENTS				
Investment in Equity Instrument				
Quoted (Carried at FVTOCI)				
9499720 (Previous year 9499720) Equity Shares in M/s Ind Swift Laboratories Ltd of Rs. 10/- each fully paid up	4005.53	3,733.40	4005.53	4,005.53
Less: Impairment in value of investment	272.13		-	
Unquoted others (Carried at FVTOCI)				
2000000(Previous Year2000000)EquitySharesof Fortune India Construction Ltd of Rs. 10/-each fully paid up	200.00	206.82	200.00	213.49
Add: Appreciation in value of investment	6.82		13.49	
300000 {Previous Year 300000} Equity Shares of Essix Biosciences Ltd. of Rs. 10/- each fully paid up	300.00	186.17	300.00	172.39
Less: Impairment in value of investment	113.83		127.61	
67950(PreviousYear67950)Equity Shares of Mansa Print & Publisher Ltd @Rs.10/- Per Share	6.80	-	6.80	-
Less: Impairment in value of investment	6.80		6.80	
		4,126.39		4,391.41
2.1 Quoted Investment are valued at market value as on 31.03.2019				
2.2 Unquoted other Investments are valued at fair value on the basis of book value as per the last audited annual accounts of investee companies available with the company i.e for the year ending 31.03.2018				
2.3 The shares of Ind Swift Laboratories Ltd are pledged to Banks as per the sanctioned Corporate Debts Restructuring Scheme of Ind Swift Laboratories Ltd.				
2.4 Ind Swift Laboratories Ltd, Essix Biosciences Ltd, Fortune India Construction Ltd and Mansa Print & Publishers Ltd. are Related Parties.				
NOTE - '3'				
OTHER NON CURRENT ASSETS				
(To the extent not written off/adjusted)				
(Unsecured but considered good)				
Advance against Capital Goods		14.57		94.87
Security Deposits		162.57		161.12
Advance to KMP		1,003.25		816.76
Loans to Related Parties		6,128.89		6,133.72
		7,309.28		7,206.47



NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

		(Rs. in Lacs)	
		AS AT 31-03-2019	AS AT 31-03-2018
NOTE - '4'			
CURRENT ASSETS			
INVENTORIES			
(As taken, valued & certified by the Management)			
Raw Material		2,621.63	2,053.24
Work- in- Progress		634.89	860.05
Finished Goods		1,235.35	1,351.76
Consumables		58.47	63.45
Material in transit		349.19	215.23
		4,899.53	4,543.73
4.1 Inventories are valued as per significant accounting policy of the company refer no 5			
NOTE - '5'			
TRADE RECEIVABLES			
Debtors Outstanding for a Period Exceeding Six Months.			
Considered good		917.80	2,144.02
Considered doubtful		10,171.73	9,380.97
Other Debts		6,638.25	6,206.44
		17,727.78	17,731.43
Less: Provision for Doubtful Debts		10,171.73	9,380.97
(Unsecured but considered good by the management)		7,556.05	8,350.46
NOTE - '6'			
CASH & CASH EQUIVALENTS			
Balance with Banks		51.10	19.61
Cash in Hand		36.84	32.90
Others (Imprest)		282.32	223.87
Fixed Deposits with Banks		1,601.89	91.14
		1,972.15	367.52
6.1 Fixed Deposits with banks are Rs.90.14lacs (Previous Year Rs. 91.14lacs) are Pledged as margin money with banks against issue of Bank Gurantees.			
6.2 Balance with Banks includes Balance on account of unpaid dividend of Rs. Nil (Previous Year Rs. 2.93lacs)			
6.3 During the period the Company has Transferred a sum of Rs. 2.93lacs to Investor Education and Protection Fund on account of Unclaimed dividend for Financial Year 2010-11 (Previous Year Rs. 2.73lacs)			

**NOTES ON FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)

PARTICULARS	AS AT 31-03-2019	AS AT 31-03-2018
NOTE-'7'		
OTHER CURRENT ASSETS		
Advances Recoverable in Cash Or In Kind Or For Value to be Received	2,039.48	2,434.39
Advances to Related Parties	110.53	137.99
Mat Credit Entitlement	2,193.66	2,193.66
Income Tax Payment/ TDS (Net)	372.84	381.96
Prepaid Expenses	34.15	30.92
Deposits with Govt. Deptt.	172.76	170.36
	4,923.42	5,349.28
7.1 In the opinion of the Board, the current assets, loans & advances shown in the Balance Sheet have a value of realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provision for all known and determined liabilities is adequate.		
7.2 Advances recoverable includes advances to suppliers and advances to staff and other advances.		

NOTE-'8'		
SHARE HOLDER'S FUNDS		
SHARE CAPITAL		
AUTHORISED		
7,50,00,000 (Previous Year 7,50,00,000) Equity Shares of Rs. 2/- Each	1,500.00	1,500.00
	1,500.00	1,500.00
ISSUED, SUBSCRIBED & PAID UP		
5,41,64,653 Equity Shares (Previous Year 5,41,64,653) of Rs.2/- Each Fully Paid up in Cash	1,083.29	1,083.29
	1,083.29	1,083.29

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

Name Of Shareholder	As on 31-03-2019		As on 31-03-2018	
	No. of Shares	%	No. of Shares	%
Essix Biosciences Limited	17033433	31.45	17033433	31.45

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

				(Rs. in Lacs)
PARTICULARS		AS AT 31-03-2019		AS AT 31-03-2018
NOTE - '9'				
RESERVES & SURPLUS				
General Reserve		9,581.80		9581.80
Capital Reserve				
Opening Balance:	398.15		402.18	
Less: Amortised during the year:	4.03	394.12	4.03	398.15
Securities Premium		7,107.97		7107.97
Other Comprehensive Income				
Opening Balance	(120.92)		(122.03)	
Add: During the year	(265.02)	(385.94)	1.11	(120.92)
Surplus in Profit & Loss Account				
Profit b/f from previous year	(85,986.86)		(80574.08)	
Add: Current Year Profit/Loss	577.14		(5412.78)	
		(85,409.72)		(85986.86)
		(68,711.77)		(69019.86)

NOTE - '10'				
BORROWINGS (NON CURRENT)				
(a) SECURED LOANS				
Term Loan				
(i) From Banks/Asset Reconstruction Companies (ARC)		57,833.31		60,927.86
(ii) From Financial Institutions/ Asset Reconstruction Companies (ARC)		4,200.23		4,237.59
	Total (A)	62,033.54		65,165.45

10.1 Term Loan from Banks & Financial Institutions are secured by way of first pari-passu charge over entire fixed assets of the company, second pari-passu charge over the entire current assets of the company, personal guarantee of Directors and by way of pledge of shares of promoters.

10.2. Since more than 90% of loans have been assigned by bank/financial institution to Edelweiss Asset Reconstruction Company Ltd (EARC) and Phoenix ARC (P) Ltd. Debt assigned to Phoenix ARC (P) Ltd has been restructured and Company has entered settlement agreement with them. The Company is in talks with EARC for restructuring of loans at sustainable levels. Instalments due within next twelve months in respect of debts assigned to EARC will be segregated after restructuring of loan by EARC. The entire loan amount has been shown as long term liability except loan amounts which are being repaid as per repayment schedule.

10.3 Maturity Profile of Term Loans :

Period	1-2 year	2-3 year	3-4 year	4 years & above
Term Loans	202.14 Lacs.	251.66 Lacs.	397.58 Lacs.	257.64 Lacs.

**NOTES ON FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)				
PARTICULARS	AS AT		AS AT	
	31-03-2019		31-03-2018	
(b) UNSECURED LOANS (NON CURRENT)				
Fixed Deposit from Public		1,013.85		1,534.35
Preference Share (refer note 10.4 & 10.5)		1,420.00		1,420.00
	Total (B)	2,433.85		2,954.35
	Total (A+B)	64,467.39		68,119.80
10.4 Details of Preference Shares				
	AS AT		AS AT	
	31-03-2019		31-03-2018	
Authorised	No. of Shares	Amount	No of Shares	Amount
		(Rs. in Lacs)		(Rs. in Lacs)
Preference Shares of Rs. 100/-each	2500000	2,500.00	2500000	2,500.00
Issued, Subscribed & Paid Up				
Cumulative Redeemable Preference	1420000	1,420.00	1420000	1,420.00
Shares of Rs. 100/- each fully paid up				
Shares Outstanding as at beginning	1420000	1,420.00	1420000	1,420.00
Add: Shares issued during the year	-	-	-	-
Less: Shares redeemed during the year	-	-	-	-
Shares Outstanding as at the end of year	1420000	1,420.00	1420000	1,420.00
10.5 The Preference Shares shall rank for dividends in priority to equity Shares for time being. These shares shall be entitled to rank in priority to equity shares as regards repayment of Capital and arrears of dividend declared, but shall not be entitled to any further participation in profit or assets of the Company.				

NOTE - '11'			
OTHER LONG TERM LIABILITIES			
Security Deposit Customers/Stockists		725.99	703.56
		725.99	703.56
NOTE - '12'			
PROVISIONS			
Provision for Employee Benefits/Gratuity		736.05	566.05
		736.05	566.05
NOTE - '13'			
Deferred Tax Liability (Net)		Amount	Amount
		(Rs.in Lacs)	(Rs.in Lacs)
Opening Deferred Tax Liability		0.00	0.00
Less: Deferred tax on old Depreciation		0.00	0.00
Less: Dererred tax Asset		0.00	0.00
		0.00	0.00

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

		(Rs. in Lacs)	
PARTICULARS		AS AT 31-03-2019	AS AT 31-03-2018
NOTE - '14'			
BORROWINGS (CURRENT)			
(i) SECURED LOANS			
Borrowings for working capital are secured by a Pari-Passu, first charge by way of Hypothication of the company's current assets, namely, Stocks of Raw Materials, Semi Finished, Finished Goods, Stores & Spares not relating to Plant and Machinery (Consumable Stores & Spares), Bills Receivable & Book Debts and all other movables of the Company both present and future excluding such movables as may be permitted by the said Banks/ Asset Reconstruction Companies (ARC) from time to time. The said facility is further secured by way of pari passu second charge on the company's immovable and movable properties (other than current assets) and personal guarantees of Directors and by way of pledge of shares of promoters.		35,872.29	35,902.74
Total (A)		35,872.29	35,902.74
(ii) UNSECURED LOANS			
From Financial Institution		-	600.00
Fixed Deposit from Public		515.62	901.31
Total (B)		515.62	1,501.31
Total (A+B)		36,387.91	37,404.05
NOTE - '15'			
TRADE PAYABLES			
Trade Payables		9,239.13	7,366.26
Trade Payables (Related Party)		10,643.89	10,646.07
		19,883.02	18,012.33
15.1	The Company is in process of collecting information with respect to Micro Small and Medium enterprises and accordingly the disclosure requirement under the MSMED Act 2006 could not be given		
NOTE - '16'			
OTHER FINANCIAL LIABILITIES (CURRENT)			
Intt. Accrued But not Due		1,167.88	908.46
Other Payable Including Statutory Dues		3,397.45	3,018.75
Current Maturties of Long Term Debts		134.76	8.77
UnClaimed Dividend		-	2.93
		4,700.09	3,938.91



NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

		(Rs. in Lacs)	
	PARTICULARS	AS AT 31-03-2019	AS AT 31-03-2018
	NOTE - '17'		
	OTHER CURRENT LIABILITIES		
	Advance from Customers	570.40	468.86
		570.40	468.86
	NOTE - '18'		
	Revenue from Operations		
	Sale of Products	28,659.95	26,623.90
	Other Operating Revenues (Technology Transfer Fee)	243.16	433.15
		28,903.11	27,057.05
18.1	Revenue from Operations		
	Revenue from Contracts with Customers		(Rs in Lacs)
	Segment	Year ending 31-03-19 Pharmaceutical Product	Year ending 31-03-18 Pharmaceutical Product
	Type of goods or service		
	Sale of manufacturers products		
	Pharmaceutical Products	28659.95	26623.90
	Total Revenue from contracts with Customers	28659.95	26623.90
	India	8558.87	10823.30
	Outside India	20101.08	15800.60
	Total Revenue from contracts with Customers	28659.95	26623.90
	Timing of revenue recognition		
	Goods transferred at a point in time	28659.95	26623.90
	Total revenue from contracts with Customers	28659.95	26623.90
Note:	Revenue from operations for the year ended March 31,2019 includes excise duty Nil (Previous Year Rs. 75.81lacs) From 1July 2017 onwards the excise duty and most indirect taxes in india have been replaced with Goods and Service Tax (GST). The Company collects GST on behalf of the Government, Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for year ended March31,2019 is not comparable with March 31,2018.		
18.2	Contract balances		
	The following table provides information about receivables, contract assets and contract liabilities from contract with customers		
		As at 31-03-19	As at 31-03-18
	Trade receivables	7,556.05	8,350.46
	Advances from Customers	570.40	468.86

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

18.3	Reconciling the amount of revenue recognised in the statement of profit and loss with contracted price		
			(Rs. in Lacs)
	PARTICULARS	YEAR ENDED 31-03-2019	YEAR ENDED 31-03-2018
	Revenue as per contracted price	29171.73	27106.98
	Adjustments		
	Significant financing component		
	Sales return	-451.19	-416.61
	Rebate	-15.43	-9.40
	Discount	-45.16	-57.07
	Revenue from contracts with customers	28,659.95	26,623.90
18.4	The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31,2019 are, as follows:		
	Advances from Customers	570.40	468.86

NOTE - '19'			
Other Income			
	Job Work	25.90	-
	Interest Received	28.48	13.54
	Profit on Sale of Assets	0.56	79.51
	Sundry Balances written Back	25.95	507.18
	Export Incentive	587.88	348.91
	Other non operating Income	49.99	67.19
		718.76	1,016.33

NOTE - '20'			
<u>COST OF MATERIAL CONSUMED/SOLD</u>			
	Opening Stock	2,116.69	2,404.50
	Purchase	14,389.89	12,823.09
		16,506.58	15,227.59
	Less :Spoilage & Expiry	109.83	576.12
	Less :Closing Stock	2,680.10	2,116.69
	Total (A)	13,716.65	12,534.78
	Purchase of Stock in Trade	1,966.78	3,689.22

20.1 Cost of Materials Consumed				
Raw Material	AS AT 31-03-2019		AS AT 31-03-2018	
	Amount (Rs in Lacs)	%	Amount (Rs in Lacs)	%
Imported	1115.05	8.13	1770.09	9.07
Indigenous	12601.60	91.87	10,764.69	85.88

**NOTES ON FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2019

PARTICULARS	(Rs. in Lacs)	
	YEAR ENDED 31-03-2019	YEAR ENDED 31-03-2018
NOTE - '21'		
CHANGES IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS		
OPENING STOCK		
Work-in-Progress	860.05	612.08
Finished Goods	1,351.76	848.42
	2,211.81	1,460.50
Less: Spoilage & Expiry/ Written off	29.64	57.19
	2,182.17	1,403.31
CLOSING STOCK		
Work-in-Progress	634.89	860.05
Finished Goods	1,235.35	1,351.76
	1,870.24	2,211.81
Total (B)	311.93	(808.50)
NOTE '22'		
EMPLOYEE BENEFIT EXPENSES		
Director Remuneration	360.00	360.00
Salary & Wages	4,147.51	3,824.48
P.F & Other Funds	257.37	232.05
Staff Welfare	77.23	78.97
Gratuity	150.90	331.46
	4,993.01	4,826.96
NOTE - '23'		
FINANCE COST		
Interest Expenses	347.88	1,112.74
Other Borrowing Cost	28.70	33.53
Foreign Exchange Fluctuation (Net)	(114.54)	(440.94)
	262.04	705.33
NOTE - '24'		
OTHER EXPESNES		
MANUFACTURING EXPENSES		
Power, Fuel & Water Charges	1,278.01	1,093.38
Repair & Maintenance-Machinery	193.33	167.99
Repair & Maintenance-Building	58.46	3.37
Stock Written off/Loss of Stock Destruction	99.31	592.81
Service Charges	648.96	514.27

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)		
PARTICULARS	YEAR ENDED 31-03-2019	YEAR ENDED 31-03-2018
Insurance Charges	5.65	10.10
Staff Liveries	1.27	1.76
Lab Expenses/ETP Expenses	12.41	12.94
Other Manufacturing Expenses	117.17	86.43
Total (A)	2414.57	2,483.05
<u>ADMINISTRATIVE EXPENSES</u>		
Travelling & Conveyance	464.86	530.85
Audit Fees	7.50	7.50
Rent	48.51	48.43
Rates & Taxes	48.05	73.54
Telephone & Postage	48.53	50.54
Consumables	0.54	1.91
Repair & Maintenance-Others	48.84	37.16
Electricity & Power	22.11	16.53
Insurance Charges	46.60	47.78
Sundry Balances Written off	215.46	376.18
Professional & Legal Exp.	319.75	137.64
Printing & Stationery	37.14	42.59
Brokerage/ Commission	0.25	-
Loss on Sale of Assets	2.48	160.54
Impairment of Assets	12.52	93.93
Security Expenses	59.00	60.75
Corporate & Other Administrative Expenses	95.25	114.20
Total (B)	1,477.39	1,800.07
<u>SELLING & DISTRIBUTION EXPENSES</u>		
Excise Duty	-	75.81
Commission to C & F Agents	87.52	69.39
Travelling Expenses	275.18	416.56
Breakage & Expiry/Stock Destruction	123.08	75.86
Transportation Charges	765.55	700.10
Sales Promotion	382.01	136.95
Depot/Stockist Expenses	76.99	34.50
Other Selling Expenses	136.49	74.26
Total (C)	1,846.82	1,583.43



NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

		(Rs. in Lacs)	
PARTICULARS	YEAR ENDED 31-03-2019	YEAR ENDED 31-03-2018	
RESEARCH & DEVELOPMENT EXP.			
Salary & Wages (R&D)	207.21	184.34	
Consumables	57.50	32.88	
Other Administrative Expenses	31.10	101.25	
Total (D)	295.81	318.47	
Grand Total (A to D)	6,034.59	6,185.02	

25.

a) Earnings in Foreign Currency (Rs.in Lacs)

Particulars	2018-19	2017-18
FOB Value of Export	20101.08	15800.60
Technology Transfer Fees	243.16	433.15

b) Expenditure in Foreign Currency (Rs.in Lacs)

Particulars	2018-19	2017-18
Tours & Travels	98.74	100.56
Product Registration	54.91	70.95
Business Promotion	264.90	80.01
Other Expenses	18.26	30.85

c) Value of imports calculated on CIF Basis: (Rs.in Lacs)

Particulars	2018-19	2017-18
Raw Material	889.64	1634.56
Packing Material /Cons.	44.50	15.72
Equipments	-	58.03

d) Auditor's Remuneration: (Rs.in Lacs)

Particulars	2018-19	2017-18
Audit Fee	7.50	7.50

26. Contingent liabilities outstanding as on 31.03.2019 not provided for in respect of:

a) Bank Guarantee issued by Banks :

		(Rs.in Lacs)	
Particulars	2018-19	2017-18	
Bank Guarantee	84.84	51.30	

b) Arrears of Cumulative Dividend on cumulative Redeemable Preference Shares amounting to Rs. 113.60 Lacs Previous year (99.40Lacs).

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

- c) In respect of Income Tax matters pending before appellate authorities/Tribunal/High Courts which the Company expects to succeed, based on decisions of Tribunals/Courts there is contingent liability amounting to Rs.205.16 Lacs.
- d) In respect of Sale Tax matters pending before appellate authorities/Tribunal which the Company expects to succeed, based on decisions of Tribunals/Courts there is contingent liability amounting to Rs.7162.16 Lacs. Out of it the Punjab & Haryana High Court has directed the Sale Tax authorities to not to take coercive steps to recover the demand of 6633.62lacs
- e) In respect of Service Tax matters pending before appellate authorities/Tribunal which the Company expects to succeed, based on decisions of Tribunals/Courts there is contingent liability amounting to Rs.104.73 Lacs.
- f) In respect of Central Excise matters pending before appellate authorities/Tribunal which the Company expects to succeed, based on decisions of Tribunals/Courts there is contingent liability amounting to Rs.38.73 Lacs.
27. During the year the sales tax deptt. Chandigarh has completed the sales tax assessment of the Company for the year 2011-12 and raised a demand of Rs. 66.34 crore on account of VAT and CST (VAT Rs. 14.33 cr, CST Rs. 0.17 cr, penalty Rs. 31.61 cr and interest Rs. 20.23 cr). However the Company has filed appeal against said order with VAT Tribunal and the matter is subjudice. The Company has filed an appeal as per Punjab VAT ACT and has deposited a sum of Rs 16.65 cr being 25.10% of the abovesaid demand to the sales tax deptt, on 08.05.2019. The said funds were borrowed from the group company temporarily.
- Further, the Company has also filed writ petition CWP no. 6809 of 2019 with the Honorable Punjab & Haryana High Court challenging the constitution of VAT Tribunal Chandigarh, assessment order dated 14.01.2019 and first appellate order. The Honorable High Court vide its order dated 11.04.2019 suspended the VAT Tribunal and also directed not to pass any final orders in any of the pending appeals till further orders. In the meanwhile court also directed that no coercive steps shall be taken by Excise & Taxation Department Chandigarh to recover alleged dues from the company against the assessment order dated 14.01.2019.
28. Provision for Doubtful debt amounting to Rs. 805.40Lacs has been made by the company during the year, being considered doubtful of recovery, as per company's policy and has been shown under the head exceptional items.
29. Loss for the year has increased by Rs. 99.31 lacs being the stocks written off by the company on account of expired/spoilage of stocks of raw material which was identified by the management during the financial year, being not realizable in normal course of business.
30. Post applicability of Goods and Service Tax (GST) w.e.f 1st July 2017, Revenue from operations are disclosed net of GST. Accordingly the revenue from operations and Excise Duty Expenses for the year ended 31.03.2019 are not comparable with previous year.
31. R & D: Company is consistently undertaking Research & Development in new areas of Medicine. The R & D facility of the company is duly recognized by Deptt. of Science & Technology, Govt. of India. Company's team consisting of highly qualified scientists has proven their expertise in various areas of technology development. Expenses on Research phase are charged to Profit and Loss account. as laid by Ind AS 38 issued by institute of Chartered Accountant of India on Intangible Assets. Expenditure on R&D incurred by the Company during the Year is:

	(Rs.in Lacs)
a) Addition in Fixed Assets- Panchkula	9.44
b) Product Technology Exp.– Panchkula as per note no 1	Nil
c) Product Technology Exp.- Other Units	154.19
d) Debited to Profit & Loss Account as per note no 24	295.80
e) Depreciation / Amortisation-Panchkula	138.80

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

32. Segment Reporting

Primary Segment (Business Segments)

The Company operates mainly in the business segment of Pharmaceutical Products, and in the opinion of the management the inherent nature of activities in which it is engaged are governed by the same set of risks and reward.

**NOTES ON FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2019

Secondary Segment (By Geographical Segment)			
S.No.	Particulars	(Rs.in Lacs) 31.03.2019	(Rs. in Lacs) 31.03.2018
(a)	Domestic	8558.87	10823.30
(b)	Export	20101.08	15800.60
	Total Sales	28659.95	26623.90

33. (i) The Company has provided Rs. 150.90lacs as provision towards the company's gratuity policies maintained with LIC as per valuation by the LIC.
- (ii) Provision for Leave Encashment has been made as per the rules of the Company without actuarial valuation.
34. During the year the appeal of the Company filed with National Company Law Appellate Tribunal (NCLAT) against the order of National Company Law Tribunal (NCLT) to again restructure the repayment schedule of fixed deposits was rejected by NCLAT vide their order dated 19.09.2018. Accordingly the Company is repaying the fixed deposits as per the repayment scheme approved by Company Law Board vide its order dated 30.09.2013. During the year the Company has made repayment of fixed deposits and interest amounting to Rs.10.71Crore
35. (i) Debts of the Company have been assigned by the various banks/financial institution to Edelwiess Assets Reconstruction Companies (EARC). The Company is in talks with the EARC for restructuring the debts of the Company assigned to them. In the absence of restructuring agreement with EARC, the interest liability on such assigned debts have not been provided in accounts being not ascertainable. The same will be accounted for at the time of entering with restructuring agreement with EARC as per the terms of agreement.
- (ii). Due to NPA status of accounts of the Company, the banks are not charging interest in the account of the Company and also not providing account statement to the Company. Due to this approximate interest liability on account of the same amounting to Rs.10.36 crore (Previous year Rs.9.41 Crore) has not been provided in books of accounts. The same will be provided at the time of settlement/charging of interest by banks in account.
36. The debts of Catholic syrian Bank were assigned to Phoenix ARC (P) Ltd in earlier years. During the year the Company entered into agreement with Phoenix ARC (P) Ltd for settlement of outstanding debt for Rs. 961.98 lacs repayable in next 4-5 years. The wavier on account of Principal and interest for Rs. 2674.41 lacs has been accounted for as income under the head exceptional item in Profit & Loss account for the year ending 31st March 2019.
37. During the year a sum of Rs. 6.65 crore has been paid to Edelwiess Asset Reconstruction Company (EARC) as adhoc payment against the debts assigned to EARC. The same will be adjusted at the time of entering into final restructuring agreement with EARC.
38. (i) Following banks have assigned their debts to Assets Reconstruction Companies:

Sr No.	Name of lender	Amount of debts as on 31.03.2019 (Rs. in crores)	Name of ARC
1	Catholic Syrian Bank	9.51	Phoenix ARC (P) Ltd.
2	State Bank of Hyderabad (Now State Bank of India), IFCI, State Bank of Patiala (Now State Bank of India), Export Import Bank, Punjab National Bank, IDBI Bank, Tata Capital, Canara Bank, State Bank of India, State Bank of Mysore (Now State Bank of India)	874.17	Edelweiss Assets Reconstruction Company Ltd

- (ii) The Loans account with the following banks are NPA:

Sr No.	Name of lender	Default amount of Principal and Interest as on 31.03.2019 (Rs. in crores)	Period of default
1	BANK OF INDIA	85.57	More than 3 years
2	CENTRAL BANK OF INDIA	9.56	More than 3 years

NOTES ON FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

39. Some of the Banks/ Asset Reconstruction Companies have not provided statements of account of the company. The Balance of Such Banks/Asset Reconstruction Company have been accounted for as per the balance available in the books of accounts of the company and these balances are subject to reconciliation.
- 40 (i). Since the company is having accumulated losses and there is no virtual certainty regarding availability of any future taxable profits in coming financial years, as such in accordance with Ind AS12 (Income Tax) the company has not recognized deferred tax asset.
- (ii) No provision for MAT has been made as there is no book profit as per section 115JB of Income Tax Act 1961.
41. During the year the Company paid a sum of Rs. 186.50 Lacs to the Executive Directors as advance. Total Advance as on 31.03.2019 being Rs. 1003.26 Lacs (P.Y. 816.76Lacs).
The Company application for the waiver of the excess remuneration paid to executive Directors got abated with the notification of the section 197 of the Companies Amendment Act, 2017 on 12.09.2018. The Company shall now seek the shareholders approval for the waiver of the excess remuneration paid to directors before 11th September 2019.
42. Due to suspension of activities at Unit I and II at Parwanoo (H.P) since March 2014, There are indication which suggest impairment as per Ind AS-36 issued by ICAI in the value of fixed assets being plant & machinery and other fixed assets of the Company. Accordingly during the year Impairment loss of Rs.12.52 lacs has been provided in accounts in respect of Unit II of the Company. In respect of Unit I of the company, the Management is of the view that no impairment is required.
43. Balance of Debtors, Creditors and Loan & Advances and other (imprest) are subject to Confirmation. The impact of the same if any could not be ascertained.
44. **Remittance in Foreign Currency on Account of Dividend:**
No Remittance in Foreign Currency on account of dividend was made during the year 2018-19.
45. **Earning Per Share (EPS)**
(a) Basic EPS

S. NO.	Particulars	2018-19 (Rs. in lacs)	2017-18 (Rs. in lacs)
i)	Profit/Loss after tax (Attributable to ordinary shareholders)	312.12	(5411.67)
ii)	Weighted Average number of ordinary Shares (for Basic EPS)	54164653 Nos.	54164653 Nos.
iii)	Basic EPS/Share of Rs.2/-	Rs. 0.58	Rs. (9.99)
iv)	Diluted EPS/Share of Rs.2/-	Rs. 0.58	Rs. (9.99)

46. The previous year figures have been re-arranged and re-grouped wherever found necessary.

47. **Related Party Disclosure**

- (a) List of related parties & their relationship – **As per annexure- 'A'**
(b) Related party transactions. – **As per annexure- 'B'**

for and on behalf of the Board

AUDITOR'S REPORT

As per separate report of even date

For Jain & Associates

Chartered Accountants
(Regd No. 001361N)

S.R.MEHTA

Chairman
(DIN 00005668)

G.MUNJAL

Managing Director & CEO
(DIN 00005196)

(S.C. Pathak)

Partner

Membership No : 010194

ARUN K. SETH

General Manager
(Finance & Accounts)

AMRENDER KUMAR YADAV

Company Secretary

Place: Chandigarh

Date : 30.05.2019

**NOTES ON FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST MARCH 2019

ANNEXURE TO THE NOTES ON FINANCIAL STATEMENTS**ANNEXURE – '47 A'**

RELATED PARTY DISCLOSURES		
LIST OF RELATED PARTIES AND RELATIONSHIPS		
S.NO.	RELATIONSHIP	NAME OF PARTY
A	KEY MANAGEMENT PERSONNEL AND THEIR RELATIVES	1. MR. S.R. MEHTA, CHAIRMAN 2. SH. N.R. MUNJAL, VICE CHAIRMAN 3. DR. G. MUNJAL, MANAGING DIRECTOR & CEO 4. DR. V.R.MEHTA, JT. MANAGING DIRECTOR 5. SH. HIMANSHU JAIN, DIRECTOR 6. SH. RISHAV MEHTA, DIRECTOR 7. MR. AMRENDER KUMAR YADAV, COMPANY SECRETARY 8. MR. ARUN K. SETH, G.M. (F&A) designated as CFO
B	OTHERS (ENTITIES IN WHICH KMP OR THEIR RELATIVE IS DIRECTOR, OR KMP OR THEIR RELATIVE EXERCISES CONTROL)	1. 3M ADVERTISERS & PUBLISHER LIMITED 2. B.M. COSMED PRIVATE LIMITED 3. DASHMESH MEDICARE PRIVATE LIMITED 4. ESSIX BIOSCIENCES LIMITED 5. FORTUNE (INDIA) CONSTRUCTION LIMITED. 6. HALCYON LIFE SCIENCES PRIVATE LIMITED 7. IND SWIFT LABORATORIES LIMITED 8. MANSA PRINT & PUBLISHERS LIMITED 9. PUNJAB RENEWABLE ENERGY PRIVATE LIMITED. 10. SWIFT FUNDAMENTAL RESEARCH & EDUCATION SOCIETY.
I) Related Party Transaction		ANNEXURE - '47 B'
		(Rs.in lacs)
NAME OF THE RELATED PARTY	FOR THE YEAR ENDED 31.03.2019	FOR THE YEAR ENDED 31.03.2018
Nature of Transaction		
Purchase of Goods/Services	6457.24	6204.88
Sale of Goods/Services	290.22	123.50
Debit Balance Outstanding as on 31.03.2019		
Loan & Advances	6239.42	6271.71
Investments	4126.39	4391.41
Credit Balance Outstanding as on 31.03.2019		
Advance from Customers	46.56	40.30
Creditors	10643.89	10646.07
II) Key Management Personnel		
Remuneration	377.66	376.89
Advance to Directors	186.50	239.50

NOTICE

Notice is hereby given that the 33rd Annual General Meeting of the members of Ind-Swift Limited will be held on Wednesday, the 11th September, 2019 at 10.30 A.M. at PHD House, Sector-31, Chandigarh to transact the following business:-

ORDINARY BUSINESS:-

1. To receive, consider, approve and adopt the Balance Sheet as at 31st March, 2019, Statement of Profit and Loss for the year ended 31st March, 2019 and the reports of Directors and Auditors thereupon.
2. To appoint Director in place of Dr. Gopal Munjal (DIN No. 00005196) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Dr. Vikrant Rai Mehta (DIN No. 00010756) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:-

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s V. Kumar & Associates, Cost Accountants, having Firm Registration No. 100137, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2019-20, amounting to Rs. 2 lakhs (Rupees Two Lakhs only) per annum plus GST as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed."

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

"RESOLVED THAT pursuant to the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 ('Act') and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), recovery of excess remuneration of Rs. 9.60 Crore (Rupees Nine Crore Sixty Lacs Only), as per the details annexed hereto in

the explanatory statement, paid to Sh. Sanjeev Rai Mehta (DIN: 00005668), Whole Time Director of the Company designated as Chairman, for the period from 1st April, 2011 to 31st March, 2019, be and is hereby waived.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 197, 198, 200, Schedule V and other applicable provisions of the Companies Act, 2013 ('Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in partial modification of resolution no. (8) passed at the Company's Thirty Second Annual General Meeting held on September 28, 2018, the remuneration of Sh. Sanjeev Rai Mehta (DIN: 00005668), Whole Time Director of the Company designated as Chairman of the Company, as detailed below, be and is hereby approved for the period from 1st April, 2019 to 31st March, 2022, notwithstanding that such remuneration may exceed the individual/overall limits specified under Section 197 and Schedule V of the Act.

1.	Basic Salary	<ul style="list-style-type: none"> • Minimum Rs. 10,00,000/- per month • Maximum Rs. 50,00,000/- per month
2.	Perquisites and Allowances	<ul style="list-style-type: none"> • Fully furnished rent free accommodation/ House. • Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board. • Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee • Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family.



NOTICE

		<ul style="list-style-type: none"> • Leave Travel Assistance - Once a year for self & family as per rules of the Company. • Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company. • Gratuity – Up to half a month's salary for each completed year of service. • Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service • Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses. • Telephone, Telefax and other communication facilities. • Security- The Company shall provide for round the clock security at the Director's residence. • Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.
3.	Other terms	<ul style="list-style-type: none"> • The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof. • The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.

RESOLVED FURTHER THAT the actual remuneration within the above range as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors, from time to time will be paid to Sh. Sanjeev Rai Mehta.

RESOLVED FURTHER THAT all other existing terms and conditions of appointment and remuneration shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to vary the terms and conditions of the appointment of Sh. Sanjeev Rai Mehta including his remuneration.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company."

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

RESOLVED THAT pursuant to the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 ('Act') and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), recovery of excess remuneration of Rs. 9.60 Crore (Rupees Nine Crore Sixty Lacs Only), as per the details annexed hereto in the explanatory statement, paid to Dr. Gopal Munjal (DIN 00005196), Whole Time Director of the Company designated as Managing Director & CEO of the Company not liable to retire by rotation, for the period from 1st April, 2011 to 31st March, 2019, be and is hereby waived.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 197, 198, 200, Schedule V and other applicable provisions of the Companies Act, 2013 ('Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in partial modification of resolution no. (10) passed at the Company's Thirty Second Annual General Meeting held on September 28, 2018, the remuneration of Dr. Gopal Munjal, (DIN: 00005196) Whole time Director of the Company designated as Managing Director & CEO of the Company, as detailed below, be and is hereby approved

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for the period from 1st April, 2019 to 31st March, 2022, notwithstanding that such remuneration may exceed the individual/overall limits specified under Section 197 and Schedule V of the Act.

1.	Basic Salary	<ul style="list-style-type: none"> Minimum Rs.10,00,000/- per month Maximum Rs.50,00,000/- per month
2.	Perquisites and Allowances	<ul style="list-style-type: none"> Fully furnished rent free accommodation/ House. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board. Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family. Leave Travel Assistance - Once a year for self & family as per rules of the Company. Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company. Gratuity - Up to half a month's salary for each completed year of service. Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses. Telephone, Telefax and other communication facilities. Security- The Company shall provide for round the clock security at the Director's residence. Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.
3.	Other Terms	<ul style="list-style-type: none"> The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof. The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.

RESOLVED FURTHER THAT the actual remuneration within the above range as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors, from time to time will be paid to Dr. Gopal Munjal.

RESOLVED FURTHER THAT all other existing terms and conditions of appointment and remuneration shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to vary the terms and conditions of the appointment of Dr. Gopal Munjal including his remuneration.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company."

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

RESOLVED THAT pursuant to the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 ('Act') and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), recovery of excess remuneration of Rs. 9.60 Crore (Rupees Nine Crore Sixty Lacs Only), as per the details annexed hereto in the explanatory statement, paid to Dr. Vikrant Rai Mehta (DIN: 00010756), Whole time Director of the Company designated as Joint Managing Director of the Company, for the period from 1st April, 2011 to 31st March, 2019, be and is hereby waived.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company. "



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

"RESOLVED THAT pursuant to the provisions of Section 197, 198, 200, Schedule V and other applicable provisions of the Companies Act, 2013 ('Act') and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in partial modification of resolution no. (12) passed at the Company's Thirty Second Annual General Meeting held on September 28, 2018, the remuneration of Dr. Vikrant Rai Mehta (DIN: 00010756), Whole Time Director of the Company designated as Joint Managing Director of the Company, not liable to retire by rotation, as detailed below, be and is hereby approved for the period from 1st April, 2019 to 31st March, 2022, notwithstanding that such remuneration may exceed the individual/overall limits specified under Section 197 and Schedule V of the Act.

1.	Basic Salary	<ul style="list-style-type: none"> Minimum Rs. 10,00,000/- per month Maximum Rs. 50,00,000/- per month
2.	Perquisites and Allowances	<ul style="list-style-type: none"> Fully furnished rent free accommodation/ House. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board. Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family. Leave Travel Assistance - Once a year for self & family as per rules of the Company. Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company. Gratuity - Up to half a month's salary for each completed year of service. Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses.

		<ul style="list-style-type: none"> Telephone, Telefax and other communication facilities. Security- The Company shall provide for round the clock security at the Director's residence. Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.
3.	Other terms	<ul style="list-style-type: none"> The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof. The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.

RESOLVED FURTHER THAT the actual remuneration within the above range as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors, from time to time will be paid to Dr. Vikrant Rai Mehta.

RESOLVED FURTHER THAT all other existing terms and conditions of appointment and remuneration shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to vary the terms and conditions of the appointment of Dr. Vikrant Rai Mehta including his remuneration.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary for obtaining necessary approvals in relation to the above and to execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of its powers herein conferred to any Director, Company Secretary or any other officer(s) of the Company."

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

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Ordinary Resolution:

“RESOLVED THAT pursuant to Section 188 and other applicable provisions if any, of the Companies Act, 2013, in terms of the Rule 15 of the Companies (Meetings of Board and its Powers) Rule 2014 and also Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other Regulations, Guidelines and Laws (including any statutory modifications or re-enactment thereof for the time being in force) and subject to all applicable approvals, permissions and such conditions as may be prescribed by any of the concerned authorities while granting such approvals, which may be agreed to by the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for the ratification and for entering into any contracts and/or arrangements with the following related parties for amounts not exceeding the limits as detailed below on an annual basis:-

Sr. No.	Name of Related Party	Nature of Relationship	Maximum Limit (In Rs. Crores)	Nature of Transaction
1.	Essix Biosciences Limited	Group Promoter Company	10.00	Contracts in terms of section 188(1) (a) to 188(1)(g) of Companies Act, 2013
2.	Ind Swift Laboratories Limited	Group Company	100.00	Contracts in terms of section 188(1) (a) to 188(1)(g) of Companies Act, 2013
3.	Mansa Print & Publishers Limited	Group Company	10.00	Contracts in terms of section 188(1) (a) to 188(1)(g) of Companies Act, 2013
4.	Fortune (India) Constructions Limited	Group Company	5.00	Contracts in terms of section 188(1) (a) to 188(1)(g) of Companies Act, 2013
5.	3M Advertisers & Publishers Limited	Group Company	5.00	Contracts in terms of section 188(1) (a) to 188(1)(g) of Companies Act, 2013

6.	Halcyon Life Sciences Private Ltd.	Group Company	5.00	Contracts in terms of section 188(1) (a) to 188(1)(g) of Companies Act, 2013
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RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board/ Committee be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board/Committee is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board / Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017 (“said Section”), approval of shareholders of the Company be and is hereby accorded in respect of loans already made/to be made, guarantees already given/to be given and/or security(ies) already provided/to be provided to an entity under the category of ‘a person in whom any of the director of the company is interested’ as specified in the explanation to Sub-section 2(b) of the said Section, of an aggregate outstanding amount not exceeding Rs. 190,00,00,000 (Rupees One Hundred and ninety Crore only) subject to party wise limits as follows:-

Sr. No.	Name of Company	Maximum Limits (Rs. in Crores)
1.	Mansa Print & Publishers Ltd.	20
2.	Swift Fundamental Research & Education Society	70
3.	3M Advertisers & Publishers Private Limited	20
4.	Essix Biosciences Limited	20

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5.	Ind Swift Laboratories Limited	20
6.	Halcyon Life Sciences Limited	20
7.	Fortune India Constructions Limited	20
	Total	190

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee thereof) be and is hereby authorized to negotiate, finalise and agree the terms and conditions of the aforesaid loan/guarantee/security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable."

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

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

- make loans from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- give on behalf of any person, body corporate, any guarantee, or provide security in connection with a loan made by any other person to, or to any other person by anybody corporate; and
- acquire by way of subscription, purchase or otherwise the securities of any other body corporate, in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rs. 400 crores, notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee or security so far provided to, along with the investments, loans, guarantee or security proposed to be made or given

by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

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

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

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

Place: Chandigarh

Date: 10.08.2019

By Order of the Board

**Sd/-
Amrender Kumar Yadav
Company Secretary**



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NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts in respect Item No's 04-13 is annexed hereto and forms part of this notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. A blank Proxy Form is enclosed with this notice and if intended to be used, the form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Annual General Meeting. Proxies submitted on behalf of Companies, Societies etc. must be supported by appropriate resolution/ authority as applicable.
4. The Members/ Proxies attending the meeting are requested to bring the enclosed Attendance Slip and deliver the same after filling in their folio number at the entrance of the meeting hall. Admission to the Annual General Meeting venue will be allowed only on verification of the signature(s) on the Attendance Slip.
5. Duplicate attendance slip shall not be issued at the Annual General Meeting venue. The same shall be issued at the Registered Office of the Company up to a day preceding the day of the Annual General Meeting.
6. Corporate Members are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. As a measure of economy, copies of the Annual Report will not be distributed at the venue of the Annual General Meeting. The Members are, therefore requested to bring their copies of the Annual Report to the meeting. Those members who have not received copies of Annual Report can collect their copies from the Corporate/ Registered Office of the Company.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 7th September, 2019 to Wednesday, 11th September, 2019, both days inclusive.
10. The members are requested to inform changes, if any, in their Registered Address along with Pin Code Number to the Company Secretary at the Registered office address.
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
12. Members desirous of seeking any information relating to the Accounts of the Company may write to the Company at registered office address for the attention of Mr. Amrender Kumar Yadav, Company Secretary, at least seven days in advance of the Meeting so that requisite information can be made available at the Meeting.
13. All documents referred to in the accompanying notice and the Explanatory Statement are available for inspection at the Registered Office of the Company during working hours between 10.00 A.M. to 05.00 P.M. except holidays up to the date of Annual General Meeting.
14. Attention of members is hereby invited towards provisions of Section 188 (1) of the Companies Act 2013 wherein under second proviso thereto, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.
15. Electronic copy of the Annual Report and Notice of the 33rd Annual General Meeting of the Company along with Attendance Slip and Proxy Form and instructions for e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 33rd Annual General Meeting of the Company along with Attendance Slip, Proxy Form and instructions for e-voting is being sent through the permitted mode.
16. In terms of section 107 and 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company is providing the facility to its Members holding shares in physical and dematerialized form as on the cutoff date 4th September, 2019 to exercise their right to vote by electronic means on any or all of the business specified



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in the accompanying notice. Necessary information and instructions for e-voting is also enclosed.

The instructions for members for voting electronically are as under:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The e-voting facilities will be provided in the following manners:-

- (i) The voting period begins on 8th September, 2019 at 9.00 A.M and ends on 10th September, 2019 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 4th September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot/ Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

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- (xi) Click on the EVSN 190812009 <INDSWFTLTD> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details by custodian a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. In case of Non-Individual Shareholders, admin user also would be able to link the accounts(S).
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Deputy Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013, or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.
- IV. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- V. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- VI. Mr. Vishal Arora, Company Secretary (Membership No. 4566) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- VIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least



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two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- IX. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.indswiftltd.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing.

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

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

On behalf of the Board of Directors

Amrender Kumar Yadav
Company Secretary

Place: Chandigarh
Date: 10.08.2019

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

For Item No. 4

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

On recommendation of the Audit Committee at its meeting held on 30th May, 2019, the Board of Directors of the Company has considered and approved appointment of M/S V. Kumar & Associates, Cost Accountants, for the conduct of the Cost Audit of the Company at a remuneration of Rs. 2.00 Lacs per annum plus GST as applicable and reimbursement of actual travel and out of pocket expenses for the Financial Year 2019-20.

The resolution at Item No. 4 of the Notice is set out as an Ordinary Resolution for approval and ratification by the members in terms of Section 148 of the Companies Act, 2013.

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

Item No. 5 and 6

Sh. S R Mehta was appointed as the Executive Director, nominated as Chairman of the Company for three consecutive terms by the members of the Company in their meetings held on 24th December, 2012, 30th September, 2014 and 30th September, 2016 covering a period of total 8 years from 1st April, 2011 to 31st March, 2019. The remuneration for the aforesaid period was also approved by the members of the Company in the same General Meetings. The remuneration approved by the members and as paid to Sh S R Mehta had been same throughout the period from 1st April, 2011 to 31st March, 2019, which is as follows:-

1.	Basic Salary	<ul style="list-style-type: none"> Rs. 10,00,000/- per month subject to maximum of Rs. 50,00,000/- per month
2.	Perquisites and Allowances	<ul style="list-style-type: none"> Fully furnished rent free accommodation/ House. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.

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		<ul style="list-style-type: none"> • Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee • Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family. • Leave Travel Assistance - Once a year for self & family as per rules of the Company. • Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company. • Gratuity – Up to half a month's salary for each completed year of service. • Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service • Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses. • Telephone, Telefax and other communication facilities. • Security- The Company shall provide for round the clock security at the Director's residence. • Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.
3.	Other Terms	<ul style="list-style-type: none"> • The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof. • The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.

Due to inadequacy of profits and defaults of the banks/ financial institutions, the remuneration paid during the above said period was in excess of the limits prescribed under Schedule V of the Companies Act, 2013 ("Act").

In accordance with the then existing provisions of Section 197 and other applicable provisions of the Act, the Company filed E-Forms MR-2 with the Ministry of Company Affairs

("MCA") seeking the approval of the Central Government for the payment of remuneration to Sh. S R Mehta from 1st April, 2011 to 31st March, 2017, in excess of the limits prescribed under the Act.

However, pursuant to the recent amendment to the Act introduced by the Companies (Amendment) Act, 2017, with effect from September 12, 2018, any application previously made by a company to the Central Government under the provisions of Section 197 and which is pending with the Government shall abate on September 12, 2018 and the company is required to obtain the approval of the members by way of a special resolution in accordance with the provisions of Section 197(17) within one year of the commencement of the corresponding amendment i.e. by September 11, 2019. The Company is also in receipt of communication from the Ministry of Corporate Affairs, Government of India that the application pending with them has abated in terms of the amended provisions of Section 197.

Accordingly, pursuant to the section 197(10) & (17) of the Companies Act 2013 approval of the members is now sought for the resolution at Item No. 5 for waiver for recovery and approval of the excess remuneration paid to Sh. S R Mehta in respect of the period from 1st April, 2011 to 31st March, 2019.

Further certain amendments have been carried out inter alia to Sections 196 to 198 and Schedule V of the Companies Act, 2013 ("Act") by way of the Companies (Amendment) Act, 2017, which are effective from September 12, 2018 ("Amendments") relating to the remuneration payable to all the Directors by a company. The remuneration currently being paid to Sh. S R Mehta, Chairman of the Company as previously approved by the members of the Company at the 32nd Annual General Meeting of the Company held on September 28, 2018, as per the then existing prevailing limits under Section 197 read with Schedule V and applicable provisions of the Act is minimum remuneration in the event of absence or inadequacy of profits. However pursuant to the aforesaid amendments, the members can now approve payment of remuneration even if that exceeds the percentage of profits under Section 198 subject to compliance of Schedule V. Looking at the current financial position of the Company, the remuneration payable to Sh. S R Mehta is, likely to be in excess of the limits currently prescribed under the Act so the approval of the members is sought for the resolution at item no. 6 for payment of remuneration even if in case that exceeds the limits prescribed under the Act

The resolutions are for regularising the remuneration already paid and proposed to be paid, pursuant to the amended provisions of the Act and as provided in the resolution.

More than 90% of the Company's debt as on date has been



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assigned to ARCs and only two banks left, which are in the process of settlement/ assignment to ARCs. The Company has approached/ obtained the consent of the Lenders for the resolution proposed at Sr. No. 5 & 6.

The Nomination and Remuneration Committee has reviewed these matters and after considering the nature of service required from him and the responsibility which he is called upon to bear as Chairman, recommended the same to the Board of Directors for its approval. The Board of Directors have accordingly approved the same at their meeting held on 10th August, 2019.

Item No. 7 and 8

Dr. Gopal Munjal the Executive Director was appointed as Managing Director & CEO of the Company for three consecutive terms by the members of the Company in their meetings held on 24th December, 2012, 30th September, 2014 and 30th September, 2016 covering a period of total 8 years from 1st April, 2011 to 31st March, 2019. The remuneration for the aforesaid period was also approved by the members of the Company in the same General Meetings. The remuneration as approved by the members and as paid to Dr. Gopal Munjal had been same throughout the period from 1st April, 2011 to 31st March, 2019, which is as follows:-

1.	Basic salary	<ul style="list-style-type: none"> Rs. 10,00,000/- per month subject to maximum of Rs. 50,00,000/- per month
2.	Perquisites and Allowances	<ul style="list-style-type: none"> Fully furnished rent free accommodation/ House. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board. Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family. Leave Travel Assistance - Once a year for self & family as per rules of the Company. Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company. Gratuity - Up to half a month's salary for each completed year of service. Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service

		<ul style="list-style-type: none"> Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses. Telephone, Telefax and other communication facilities. Security- The Company shall provide for round the clock security at the Director's residence. Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.
3.	Other Terms	<ul style="list-style-type: none"> The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof. 2. The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.

Due to inadequacy of profits and defaults of the banks/ financial institutions, the remuneration paid during the above said period was in excess of the limits prescribed under Schedule V of the Companies Act, 2013 ("Act").

In accordance with the then existing provisions of Section 197 and other applicable provisions of the Act, the Company filed E-Forms MR-2 with the Ministry of Company Affairs ("MCA") seeking the approval of the Central Government for the payment of remuneration to Dr. Gopal Munjal from 1st April, 2011 to 31st March, 2017, in excess of the limits prescribed under the Act.

However, pursuant to the recent amendment to the Act introduced by the Companies (Amendment) Act, 2017, with effect from September 12, 2018, any application previously made by a company to the Central Government under the provisions of Section 197 and which is pending with the Government shall abate on September 12, 2018 and the company is required to obtain the approval of the members by way of a special resolution in accordance with the provisions of Section 197(17) within one year of the commencement of the corresponding amendment i.e. by September 11, 2019. The Company is also in receipt of communication from the Ministry of Corporate Affairs, Government of India that the application pending with them has abated in terms of the amended provisions of Section 197.

Accordingly, pursuant to the section 197(10) & (17) of the Companies Act 2013 approval of the members is now sought

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for the resolution at Item No. 7 for waiver for recovery and approval of the excess remuneration paid to Dr. Gopal Munjal in respect of the period from 1st April, 2011 to 31st March, 2019.

Further certain amendments have been carried out inter alia to Sections 196 to 198 and Schedule V of the Companies Act, 2013 ("Act") by way of the Companies (Amendment) Act, 2017, which are effective from September 12, 2018 ("Amendments") relating to the remuneration payable to all the Directors by a company. The remuneration currently being paid to Dr. Gopal Munjal, Managing Director & CEO of the Company as previously approved by the members of the Company at the 32nd Annual General Meeting of the Company held on September 28, 2018, as per the then existing prevailing limits under Section 197 read with Schedule V and applicable provisions of the Act is minimum remuneration in the event of absence or inadequacy of profits. However pursuant to the aforesaid amendments, the members can now approve payment of remuneration even if that exceeds the percentage of profits under Section 198 subject to compliance of Schedule V. Looking at the current financial position of the Company, the remuneration payable to Dr. Gopal Munjal is, likely to be in excess of the limits currently prescribed under the Act so the approval of the members is sought for the resolution at item no. 8 for payment of remuneration even if in case that exceeds the limits prescribed under the Act.

The resolutions are for regularising the remuneration already paid and proposed to be paid, pursuant to the amended provisions of the Act and as provided in the resolution.

More than 90% of the Company's debt as on date has been assigned to ARCs and only two banks are left which are in the process of settlement/ assignment to ARCs. The Company has approached/ obtained the consent of the Lenders for the resolution proposed at Sr. No. 7 & 8.

The Nomination and Remuneration Committee has reviewed these matters and after considering the nature of service required from him and the responsibility which he is called upon to bear as Managing Director & CEO, recommended the same to the Board of Directors for its approval. The Board of Directors has accordingly approved the same at their meeting held on 10th August, 2019.

Item No. 9 and 10

Dr. V R Mehta the Executive Director was appointed as Joint Managing Director of the Company for three consecutive terms by the members of the Company in their meetings held on 24th December, 2012, 30th September, 2014 and 30th September, 2016 covering a period of total

8 years from 1st April, 2011 to 31st March, 2019. The remuneration for the aforesaid period was also approved by the members of the Company in the same General Meetings. The remuneration as approved by the members and as paid to Dr. V R Mehta had been same throughout the period from 1st April, 2011 to 31st March, 2019, which is as follows:-

1.	Basic Salary	<ul style="list-style-type: none"> Rs. 10,00,000/- per month subject to maximum of Rs. 50,00,000/- per month
2.	Perquisites and Allowances	<ul style="list-style-type: none"> Fully furnished rent free accommodation/ House. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board. Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family. Leave Travel Assistance - Once a year for self & family as per rules of the Company. Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company. Gratuity - Up to half a month's salary for each completed year of service. Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses. Telephone, Telefax and other communication facilities. Security- The Company shall provide for round the clock security at the Director's residence. Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.
3.	Other terms	<ul style="list-style-type: none"> The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof. The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.

Due to inadequacy of profits and defaults of the banks/



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financial institutions, the remuneration paid during the above said period was in excess of the limits prescribed under Schedule V of the Companies Act, 2013 ("Act").

In accordance with the then existing provisions of Section 197 and other applicable provisions of the Act, the Company filed E-Forms MR-2 with the Ministry of Company Affairs ("MCA") seeking the approval of the Central Government for the payment of remuneration to Dr. V R Mehta from 1st April, 2011 to 31st March, 2017, in excess of the limits prescribed under the Act.

However, pursuant to the recent amendment to the Act introduced by the Companies (Amendment) Act, 2017, with effect from September 12, 2018, any application previously made by a company to the Central Government under the provisions of Section 197 and which is pending with the Government shall abate on September 12, 2018 and the company is required to obtain the approval of the members by way of a special resolution in accordance with the provisions of Section 197(17) within one year of the commencement of the corresponding amendment i.e. by September 11, 2019. The Company is also in receipt of communication from the Ministry of Corporate Affairs, Government of India that the application pending with them has abated in terms of the amended provisions of Section 197.

Accordingly, pursuant to the section 197(10) & (17) of the Companies Act 2013 approval of the members is now sought for the resolution at Item No. 9 for waiver for recovery and approval of the excess remuneration paid to Dr. V R Mehta in respect of the period from 1st April, 2011 to 31st March, 2019.

Further certain amendments have been carried out inter alia to Sections 196 to 198 and Schedule V of the Companies Act, 2013 ("Act") by way of the Companies (Amendment) Act, 2017, which are effective from September 12, 2018 ("Amendments") relating to the remuneration payable to all the Directors by a company. The remuneration currently being paid to Dr. V R Mehta, Joint Managing Director of the Company as previously approved by the members of the Company at the 32nd Annual General Meeting of the Company held on September 28, 2018, as per the then existing prevailing limits under Section 197 read with Schedule V and applicable provisions of the Act is minimum remuneration in the event of absence or inadequacy of profits. However pursuant to the aforesaid amendments, the members can now approve payment of remuneration even if that exceeds the percentage of profits under Section 198 subject to compliance of Schedule V. Looking at the current financial position of the Company, the remuneration payable to Dr. V R Mehta, is likely to be in excess of the limits currently prescribed under the Act so the approval of

the members is sought for the resolution at item no. 10 for payment of remuneration even if in case that exceeds the limits prescribed under the Act.

The resolutions are for regularising the remuneration already paid and proposed to be paid, pursuant to the amended provisions of the Act and as provided in the resolution.

More than 90% of the Company's debt as on date has been assigned to ARCs and only two banks are left which are in the process of settlement/ assignment to ARCs. The Company has approached/ obtained the consent of the Lenders for the resolution proposed at Sr. No. 9 & 10.

The Nomination and Remuneration Committee has reviewed these matters and after considering the nature of service required from him and the responsibility which he is called upon to bear as Joint Managing Director, recommended the same to the Board of Directors for its approval. The Board of Directors has accordingly approved the same at their meeting held on 10th August, 2019.

II. a) Other disclosures to be provided in terms of Sections 196 to 198 read with Schedule V and applicable Rules under the Companies Act and SEBI Regulations, as the case may be are given below:-

1. General Information:-

(1) Nature of Industry: Pharmaceuticals

(2) Date or expected date of commencement of commercial production:

Existing Company already commenced from 1986.

(3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Existing Company, not applicable.

(4) Financial performance based on given indicators:

Sr. No.	Particulars	Audited Figure for 12 months period ended 31.03.2019	Audited Figure for 12 months period ended 31.03.2018	Audited Figure for 12 months period ended 31.03.2017
1.	Turnover	29,621.87	28073.38	28088.30

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2.	Profit/(Loss) before tax	577.14	(5337.71)	(36,291.47)
3.	Net Profit/(Loss)	312.12	(5411.67)	(36380.82)
4.	Paid-up Share Capital	1083.29	1083.29	1083.29
5.	Reserves & Surplus (Excluding Revaluation Reserve)	(68711.77)	(69019.86)	(63604.16)

(5) Foreign Investment or collaborations, if any: Nil

(b) Information about the Appointee Sh. S.R. Mehta

1. Background details:

Sh. S R Mehta, a science graduate by qualification. A highly respected member of Industry and Business. Sh. S R Mehta has been associated with Ind-Swift Limited since inception and is currently the Chairman of the Company plays an active role in the affairs of the company related to marketing and implementation of growth strategy.

He is also involved in the long term strategy formulation of the Ind Swift Group and has been instrumental in enabling the group to diversify and expand its presence with the industry as a leading manufacturer of APIs & generic formulations.

2. Past Remuneration:

Financial Year	Amount (in Lacs)
2018-19	120.00
2017-18	120.00
2016-17	120.00

3. Recognition or awards: Nil

4. Job profile and his suitability: Sh. S R Mehta, Chairman of Ind- Swift Limited plays an active role in the affairs of the company related to marketing and implementation of growth strategy. He is also involved in the long term strategy formulation of the Ind Swift Group and has been instrumental in enabling the group to diversify and expand its presence with the industry as a leading manufacturer of APIs & generic formulations.

5. Remuneration proposed: As stated in the Explanatory Statement of Item No. 5 and 6 of the Notice.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Remuneration as proposed of Sh. S.R. Mehta is comparable to that drawn by the peers, in the similar capacity, in the similar industry and commensurate with the size of the Company and diverse nature of its businesses.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Sh. S.R.Mehta is a Promoter-Director, holding 20,35,871 equity shares of Rs. 2/- each representing 3.76% of the total paid-up capital of the Company.

II. (a) Information about the Appointee Dr. Gopal Munjal

1. Background details:

Dr. Gopal Munjal is a Medical Graduate, associated with Pharmaceutical Industry for the last 28 years. In 1986, he promoted Ind-Swift Ltd., and since then headed marketing and product development positions.

2. Past Remuneration:

Financial Year	Amount (in Lacs)
2018-19	120.00
2017-18	120.00
2016-17	120.00

3. Recognition or awards: He is co-chairman of PHD. Chamber of commerce (H.P) and managing committee member of PHDCCI & ASSOCHAM.

4. Job profile and his suitability: Dr. Gopal Munjal, Managing Director & CEO has been entrusted with substantial powers of the management of the business and affairs of the Company. The Company has been substantially benefitted by his professional knowledge and managerial expertise and has made enormous progress. Dr. Gopal Munjal plays a major role in providing thought leadership and strategic inputs to the Company.



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5. Remuneration proposed: As stated in the Explanatory Statement of Item No. 7 and 8 of the Notice.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Remuneration as proposed of Dr. Gopal Munjal is comparable to that drawn by the peers, in the similar capacity, in the similar industry and commensurate with the size of the Company and diverse nature of its businesses.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Dr. Gopal Munjal is a Promoter-Director, holding 19,57,199 equity shares of Rs. 2/- each representing 3.61% of the total paid-up capital of the Company.

(c) Information about the Appointee Dr. V.R. Mehta

1. Background details:

He is a post Graduate having an experience of thirty two (32) years in the Pharmaceutical Industry. He has worked with Multinational pharmaceutical Companies at various levels. He has been the Whole Time Director in Ind-Swift Limited and has an active role in production management and development of new generic products.

2. Past Remuneration:

Financial Year	Amount (in Lacs)
2018-19	120.00
2017-18	120.00
2016-17	120.00

3. Recognition or awards: Nil

4. Job profile and his suitability: Dr. V.R. Mehta is playing active role in marketing management and development of new generic products. He is also heading the newly formed Dairy Division of the company. He is instrumental in the development of the Company and for maintaining cordial atmosphere and relationship.

5. Remuneration proposed: As stated in the Explanatory Statement of Item No. 9 and 10 of the Notice.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Remuneration as proposed of Dr. V.R. Mehta is comparable to that drawn by the peers, in the similar capacity, in the similar industry and commensurate with the size of the Company and diverse nature of its businesses.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Dr. V R Mehta is a Promoter-Director, holding 19,21,361 equity shares of Re.2/- each representing 3.55% of the total paid-up capital of the Company.

III. Other information:

1. Reasons of loss or inadequate profits: During the financial year 2018-19, the turnover of the company increased by 5.52% as compared to the previous financial year 2017-18. During the current year Company earned a profit of Rs. 312.12 Lacs as compared to losses of Rs. 5411.67 in the previous financial year. The Company is reducing its' losses mainly by focusing on:-

- Sales of its ethnic products in the domestic markets.
- Sales of generic products in overseas markets by the Global business unit.
- By following strict financial discipline, realization of outstanding debtors and gradual reduction of high cost debts.

2 Steps taken or proposed to be taken for improvement:

The Company is following all the possible measures for enhancing its' profitability. Further, the Company is looking for other areas of improvement which may lead to higher production, revenues and profits.

3. Expected increase in productivity and profits in measurable terms:

In view of the facts stated above, it is difficult to forecast the productivity and profitability in measureable terms. However the company expects that the productivity and profitability may improve and would be comparable with the industry average.

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IV. Disclosures:

1. Remuneration package of the managerial person: Fully described in the respective explanatory statement as stated above.
2. Disclosures in the Board of Directors' report under the heading 'Corporate Governance' attached to the Annual Report: The requisite

details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of 2018-19 the Company.

- V. Disclosure as required under Secretarial Standard-2 is given below :-

Information pursuant to Secretarial Standard 2 (1.2.5) on the resolutions proposed under item No. 6, 8 & 10 and information under Regulation 36(3) of LODR Regulations for Item No. 2 & 3 of this Notice is as follows :

Name of Director	Sh. S R Mehta	Dr. Gopal Munjal	Dr. V R Mehta
Date of Birth (Age)	01.08.1956	01.08.1958	22.10.1958
Qualification	Graduate	Graduate	Post Graduate
Experience	33 Years	27 Years	31 Years
Terms & conditions of Re-appointment	Only terms of payment is being considered as per details given in Item No. 6 of this Notice	Only terms of payment is being considered as per details given in Item No. 8 of this Notice	Only terms of payment is being considered as per details given in Item No. 10 of this Notice
Details of remuneration to be paid	As per Resolution No. 6 of this Notice	As per Resolution No. 8 of this Notice	As per Resolution No. 10 of this Notice
Remuneration last drawn	Rs. 10,00,000/- Month	Rs. 10,00,000/- Month	Rs. 10,00,000/- Month
Date of Appointment on the Board	30.11.2006	11.12.1986	30.09.1993
Shareholding in the Company	20,35,871 (3.76%)	19,57,199 (3.61%)	19,21,361 (3.55%)
Relationship with Other Directors, Manager and KMP	Sh. S R Mehta and Dr. V R Mehta are related as brothers and are uncles of Sh. Rishav Mehta.	Dr. Gopal Munjal is brother of Sh. Navrattan Munjal.	Sh. S R Mehta and Dr. V R Mehta are related as brothers and are uncles of Sh. Rishav Mehta.
Number of Meetings attended during the year (PY 2018-19)	6	6	6
Directorships in other Companies*	MANSA PRINT & PUBLISHERS LIMITED	MANSA PRINT & PUBLISHERS LIMITED	MANSA PRINT & PUBLISHERS LIMITED
Membership/ Chairmanship of committees of Other Boards	0	0	0

*All the three Directors have been disqualified under section 164 of the Companies Act, 2013 due to fixed deposit scheme of the Ind-Swift Limited. Pursuant to section 164 these Directors have ceased to be Director in all other Companies except for the Company mentioned above.



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For Item No. 11:

Your Company has entered into a transaction with the companies as mentioned in the resolution which is a "Related Party" as defined under Section 2 (76) of the Companies Act, 2013.

As per the provisions of Section 188 (1) of the Companies Act, 2013 "Related Party Transactions" requires prior consent of the Board where transactions proposed to be entered into falls in the list of items referred therein and are within threshold limits prescribed under Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2015. Proviso to Section 188 further provides that nothing contained in sub-section (1) of Section 188 applies where transactions are entered into by the company in the ordinary course of business other than transactions which are not on an arm's length basis.

The Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, defines term Material Related Party Transaction. It provides that all related party transactions shall be considered as "Material" if the transaction entered with or transactions to be

entered individually or taken together with a Related Party along with previous transactions during a Financial Year exceeds 10% of the Annual Consolidated Turnover of the company as per the Last Audited Financial Statement of the Company. The Material Related Party Transactions requires approval of the Shareholders by passing an Ordinary Resolution and in respect of voting on such resolution(s), all the related parties shall abstain from voting, irrespective of whether the entity or person is a party to the particular transaction or not, pursuant to Regulation 23(7) of SEBI (LODR) Regulations.

Members may please note that in light of the limit as prescribed under Companies Act & SEBI (LODR) Regulations the Company may enter into the transaction with its' Related Parties for more than the limits as specified in Rule 15 of the Companies (Meeting of Board and its Power) Rules, 2015 in ordinary course of business. Accordingly the resolution of Item No. 11 of Notice is proposed for approval of members for entering into transaction with the related party within the limit given in the said resolution.

The following are the particulars under Rule 15 of Companies (Meetings of Board and its Power) Rules, 2014:

Name of the Related Party	Name of Director/KMP who is interested	Nature of Relationship	Nature, Material terms, Monetary Value, and particulars of the Contract or arrangements
1. Essix Biosciences Limited	1. Sh. S R Mehta	Common Directorships; related with the Directors of the Company.	Contracts in terms of section 188(1)(a) to 188(1)(g) of Companies Act, 2013
2. Ind-Swift Laboratories Limited	2. Sh. N R Munjal		
3. Mansa Print & Publishers Limited	3. Dr. Gopal Munjal		
4. Fortune (India) Constructions Limited	4. Dr. V R Mehta		
5. 3M Advertisers & Publishers Limited	5. Sh. Himanshu Jain		
6. Halcyon Life Sciences Private Ltd.	6. Sh. Rishav Mehta,		
	Directors are interested since all are the Group Companies promoted by the same Promoters.		

For Item No. 12

In the ordinary course of business the Company has been dealing with various entities and also have business transactions with the entities in which either Directors are directly or indirectly interested. At times the Company do advance certain loans and advances and give guarantees to these entities for the business purposes.

As per the requirement of the Companies Act, 2013 the Company is required to seek the shareholders approval as specified in the explanation to Sub-section 2 of the Section 185 of Companies Act, 2013 by way of a special resolution for the grant of and for the making of Loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) to these entities.

In Compliance of the said provision of the Companies Act,

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2013 your company now intend to seek the shareholders approval for the ratification and for approval of the loans and advances or for grant of Guarantees or for providing securities to the entities as mentioned in the resolution No. 12 of the notice upto the limits specified in the resolution including the loans and advances if any already granted, which fall under the category of 'a person in whom any of the director of the company is interested' for an aggregate outstanding amount not exceeding Rs. 190 Crores (Rupees One hundred and ninety crores only) and necessary delegation of authority to the Board for this purpose.

Your Directors recommend the resolution set out at Item no. 12 to be passed as a special resolution by the members of the Company. Except Sh. S R Mehta, Dr. Gopal Munjal, Dr. V R Mehta, Sh. Himanshu Jain, Sh. Rishav Mehta and Sh. N R Munjal, Sh. Annie Mehta and Sh. Sahil Munjal none of the other Promoter, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned.

For Item No. 13

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

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

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

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

In the normal course of business, the Company may be required to give loans or guarantees or make investments

in excess of the limits specified in Section 186(2) of the 'Act'. Accordingly, it is proposed to seek prior approval of Members vide an enabling Resolution to provide Loans, Guarantees and Make Investments up to a sum of Rs. 400 crores over and above the aggregate of free reserves and securities premium account of the Company at any point of time.

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

The Board of Directors recommends the Special Resolution as set out at Item No. 13 of the Notice for approval by the members.

On behalf of the Board of Directors

Amrender Kumar Yadav
Company Secretary

Place: Chandigarh

Date: 10.08.2019



Ind-Swift

Because Life is Precious

ATTENDANCE SLIP



Ind-Swift

Ind-Swift Limited

Regd Off: 781, INDUSTRIAL AREA, PHASE II, CHANDIGARH-160002

CIN NO: L24230CH1986PLC006897

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

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

DP Id*	
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Folio No.	
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Client Id*	
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No. of Shares	
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NAME AND ADDRESS OF THE SHAREHOLDER _____

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

E-mail ID _____ Shareholder(s) Signature _____

I hereby record my presence at the **33rd ANNUAL GENERAL MEETING** of the Company held on **Wednesday, September 11, 2019 at 10:30 AM at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031.**

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

Signature of Shareholder / Proxy

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



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PROXY FORM

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

Because Life is Precious



IND-SWIFT LIMITED

Regd Off: 781, INDUSTRIAL AREA, PHASE II, CHANDIGARH-160002

CIN NO: L24230CH1986PLC006897

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

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

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

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

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **33rd ANNUAL GENERAL MEETING** of the Company, to be held on **Wednesday, September 11, 2019 at 10:30 AM at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031** and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolutions
	Ordinary Business
1.	To receive, consider, approve and adopt the financial statement of the Company for the year ended 31st March, 2019 and the report of the Auditor and Directors thereon.
2.	Re-appointment of Dr. Gopal Munjal (DIN: 00005196), Director who retire by rotation.
3.	Re-appointment of Dr. Vikrant Rai Mehta (DIN: 00010756), Director who retire by rotation.
	Special Business
4.	Approval of remuneration of Cost Auditors for the Financial year 2019-20
5.	Approval of members for the waiver of excess remuneration paid to Sh. S R Mehta, Chairman of the Company
6.	Approval of members for payment of remuneration to Sh. S R Mehta, Chairman of the Company
7.	Approval of members for the waiver of excess remuneration paid to Dr. Gopal Munjal, Managing Director & CEO of the Company
8.	Approval of members for payment of remuneration to Dr. Gopal Munjal, Managing Director & CEO of the Company
9.	Approval of members for the waiver of excess remuneration paid to Dr. V R Mehta, Joint Managing Director of the Company
10.	Approval of members for payment of remuneration to Dr. V R Mehta, Joint Managing Director of the Company
11.	Approval for Related Party Transactions pursuant to section 188 of the Companies Act, 2013
12.	Approval for Loans & Advances under section 185 of the Companies Act, 2013
13.	Approval for limits for investments/ loans under section 186 of the Companies Act, 2013

Signed this.....day of2019

.....
Signature of shareholder

**Affix
Rs. 1.00
Revenue
Stamp**

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

- Note:**
- 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
 - 2. Admission to proxy Holders will be allowed at the meeting only on submission of a Valid ID Proof.**



Route Map for the 33rd Annual General Meeting of Ind-Swift Limited to be held on Wednesday, the 11th Day of September, 2019 at 10:30 A.M. at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160031



CLOBENATE-GM

Clobetasole Propionate, Miconazole Nitrate,
Neomycin Sulphate, Chlorocresol Cream

ROXY-150

Roxithromycin IP 150 mg Tablets

AMYCLOX-LB

Amoxicillin 250 mg & Dicloxacillin 250 mg
Capsules

AMIBEX-TZ

Norfloxacin IP 400 mg & Tinidazole IP 600 mg Tablets

OXO-200

Ofloxacin 200 mg Tablets

DICOLIV-MR

Diclofenac Potassium BP 50 mg, Paracetamol IP 325 mg
& Chlorzoxazone USP 250 mg

PROTAMINE

Capsules & Protein Powder
(Nutritional Supplements)

N-Vit

CAPSULES & PROTEIN POWDER
Protein Rich Supplement with
Multivitamin & Minerals Fortified with DHA

FOOT CARE

Urea IP 10% w/w, Lactic Acid IP 10% w/w, Propylene
Glycol IP 10% w/w, Liquid Paraffin IP 10% w/w Cream



Ind-Swift

Because Life is Precious...

ANIN[®]

Hydroxyprogesterone 250 mg/ 500 mg Injection
Allyloestrenol 5 mg Tablets

CLARIE[®] 250/500/ 500 XR

Clarithromycin 250/ 500 mg TABLETS/
500 mg Extended Release TABLETS

SUPROX-[®]SR

Isoxsuprine 40 mg SUSTAINED RELEASE TABLETS

NEUROSWIFT

Micobalamin 2500 mcg Injection

OLIADE OIL

Olive Oil, Vitamin A, D & E (MASSAGE OIL)

COZY PLUS

Phenylephrine 5 mg, Paracetamol 325 mg, Caffeine 30 mg & CPM 2 mg TABLETS
(EFFECTIVE IN COMMON COLD/ CONGESTION/ FEVER)

DISTONE[®]

CAPSULES & SYRUP
(FOR RENAL STONES)

ANAPROCT

CAPSULES & OINTMENT
(HEMORRHOIDS/ ANAL FISSURES)

ARTHRILL[®] LINIMENT FORTE CAPS

(FOR LOW BACK PAIN & ARTHRITIC PAIN)



Ind-Swift

An ISO 9001:2008 Company

Corporate Location:

Ind-Swift Limited

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

Ph.: +91-172-4680800, Fax: +91-172-265 2242 ,

e mail: corporate@indswift.com

www.indswiftltd.com

Committing highest standards of ethics & integrity ...because life is precious.