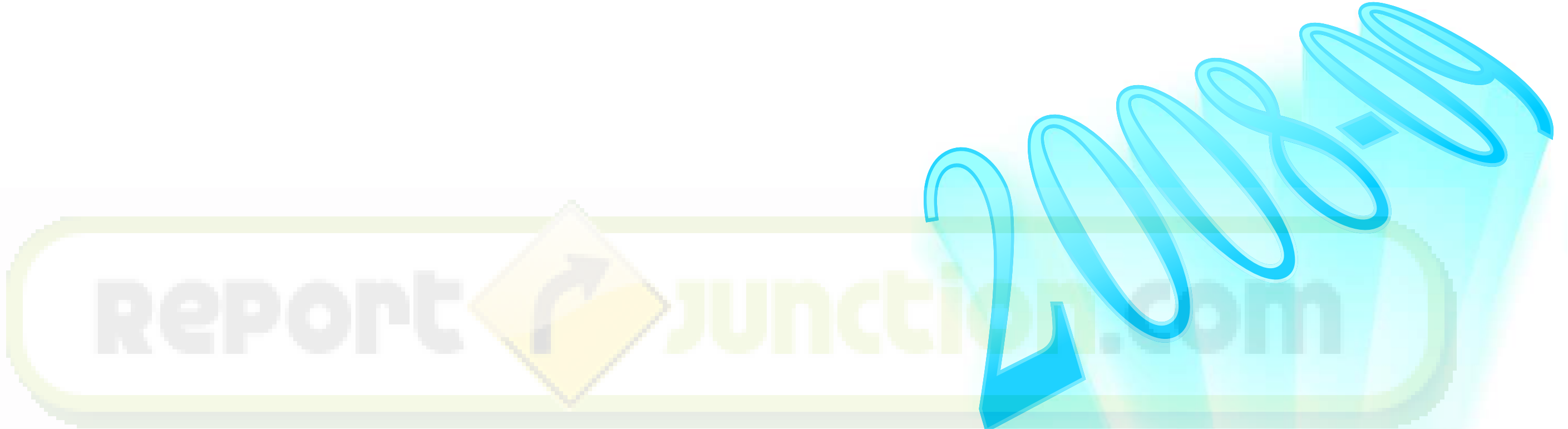


annual report
2008 - 2009



annual report
2008-2009

Ind-Swift Laboratories Ltd.
SCO 850, NAC Manimajra, Chandigarh-160101
www.indswiftlabs.com



Ind-Swift Laboratories Ltd.

CORPORATE INFORMATION

BOARD OF DIRECTORS

S.R. Mehta	Chairman
N.R. Munjal	Vice-Chairman
V.K.Mehta	Managing Director
Dr. V.R. Mehta	Director
Dr. G. Munjal	Director
Himanshu Jain	Director
Dr. J.K.Kakkar	Director
Dr S.D Nanda	Director
K.M.S. Nambiar	Director
Dr. H.P.S. Chawla	Director
Dr. N.D. Aggarwal	Director
S.P. Sharma	Director (Nominee IFC) (appointed w.e.f. 31.08.2009)

EXECUTIVE BOARD

Dr .Lalit K. Wadhwa
N.K. Bansal
Vijay Kumar
Vikas Narendra
R.S. Dhaliwal
Subodh Gupta
G.K. Sharma

COMPANY SECRETARY & COMPLIANCE OFFICER
Pardeep Verma

COMMITTEES OF THE BOARD

Audit Committee	
K.M.S. Nambiar	Chairman
Dr. J.K. Kakkar	Member
Dr. S. D. Nanda	Member
S.R. Mehta	Member
Remuneration Committee	
K.M.S. Nambiar	Chairman
Dr. S. D. Nanda	Member
S.R. Mehta	Member
N.R. Munjal	Permanent Invitee
V.K. Mehta	Permanent Invitee
Share Transfer & Shareholder/Investor Grievance Committee	
K.M.S. Nambiar	Chairman
Dr. J.K.Kakkar	Member
S.R. Mehta	Member
N.R. Munjal	Member
Compensation Committee	
Dr. J.K. Kakkar	Chairman
K.M.S. Nambiar	Member
Dr. S. D. Nanda	Member
N.R. Munjal	Member
V.K. Mehta	Member

SOLICITORS

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

AUDITORS

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

BANKERS

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

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

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

REGISTERED OFFICE

S.C.O: 850, Shivalik Enclave, NAC,
Manimajra, Chandigarh-160 101
Tele: - 91-172-2730503, 2730920
Fax: - 91-172-2730504, 2736294

SHARE DEPARTMENT

S.C.O: 850, Shivalik Enclave, NAC,
Manimajra, Chandigarh-160 101
Tele: - 91-172-2730503, 2730920
Fax: - 91-172-2730504, 2736294
Email: investor.relations@indswiftilabs.com
Website: www.indswiftilabs.com

website: www.indswiftilabs.com

NOTICE OF 14th ANNUAL GENERAL MEETING

NOTICE is hereby given that the **14th Annual General Meeting** of the Members of Ind-Swift Laboratories Limited will be held on 24th September, 2009 at 10.15 A.M. at PHD Chamber of Commerce and Industry, PHD House, Sector 31-A, Chandigarh-160 031 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the Profit and Loss Account for the year ended 31st March, 2009, the Balance sheet as on that date and to receive, consider and adopt the Directors' and Auditors' Reports thereupon.
2. To declare dividend on equity shares for the year ending 31st March, 2009.
3. To appoint Director in place of Dr. G. Munjal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Sh. S.R. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Director in place of Dr. S.D. Nanda, who retires by rotation and being eligible, offers himself for re-appointment.
6. To consider and if thought fit, to pass the following resolution with or without modification(s) as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provision of Section 224 and other applicable provisions, if any of the Companies Act, 1956, Jain & Associates, Chartered Accountants, the retiring auditors of the Company be and is hereby re-appointed as Statutory Auditors of the Company to hold the office from the conclusion of this meeting upto the next Annual General Meeting of the Company and to examine and audit the accounts of the Company for the financial year 2009-10 at a remuneration to be decided by the Board of directors.

SPECIAL BUSINESS

7. To consider and if thought fit, to pass the following resolution with or without modification(s) as a **Special Resolution:**
"RESOLVED THAT Sh. H.P.S. Chawla who was appointed as an Additional Director by the Board of Directors on 24th March, 2009, in accordance with the Article 94 of Articles of Association of the Company and who holds office as a Director under Section 260 of the Companies Act, 1956, upto this Annual General meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, from member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation."
8. To consider and if thought fit, to pass the following resolution with or without modification(s) as a **Special Resolution:**
"RESOLVED THAT Dr. Naranjan D. Aggarwal who was appointed as an Additional Director by the Board of Directors on 24th March, 2009, in accordance with the Article 94 of Articles of Association of the Company and who holds office as a Director under Section 260 of the Companies Act, 1956, upto this Annual General meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, from member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation."
9. To consider and if thought fit, to pass the following resolution with or without modification(s) as a **Special Resolution:**
"RESOLVED THAT Mr. Sri Parkash Sharma who was appointed as an Additional Director by the Board of Directors on 31st August, 2009, in accordance with the Article 94 of Articles of Association of the Company and who holds office as a Director under Section 260 of the Companies Act, 1956, upto this Annual General meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, from member proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company not liable to retire by rotation."

10. To consider and, if thought fit, to pass with or without modifications the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and also in modification of Special Resolution passed at the Annual General Meeting of the Company held on 26th September, 2008 and subject to such approvals as may be required, the consent of the Company be and is hereby accorded to modification in the terms and remuneration of Mr. N.R. Munjal, Vice-Chairman of the Company with effect from 1st April, 2009 till the balance tenure of his service as recommended by the Board of Directors at its meeting held on 31st August, 2009 and set out in the explanatory statement attached hereto with liberty and authority to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and remuneration from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to agree to such modification and/ or variation as may be suggested by any authority while granting its approval."

11. To consider and, if thought fit, to pass with or without modifications the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and also in modification of Special Resolution passed at the Annual General Meeting of the Company held on 26th September, 2008 and subject to such approvals as may be required, the consent of the Company be and is hereby accorded to modification in the terms and remuneration of Mr. V.K. Mehta, Managing Director of the Company with effect from 1st April, 2009 till the balance tenure of his service as recommended by the Board of Directors at its meeting held on 31st August, 2009 and set out in the explanatory statement attached hereto with liberty and authority to the Board of Directors to alter, vary and modify the terms and conditions of the said appointment and remuneration from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to agree to such modification and/ or variation as may be suggested by any authority while granting its approval."

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

"RESOLVED THAT in supersession of the resolution authorising the board to mortgage the property of the Company passed at the Annual General Meeting of the company held on September 28, 2005 and pursuant to the provisions of section 293(1)(a) and all other applicable provisions, if any, of the companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the company for mortgaging and/or charging, from time to time and on such terms and conditions as it may think fit, the whole or substantially the whole of the Company's undertakings or any one or more of them including present and future properties whether movable or immovable comprised in such undertakings, as the case may be, together with the power to take over the management of the business of the Company in certain events for securing any loans and/or advances already obtained or that may be obtained from any financial institutions/banks, insurance companies or person or persons, and/or to secure any debentures issued or that may be issued and all interests, compound/additional interests, commitment charges, costs, charges, expenses and all other moneys payable by the Company to the concerned lenders within the overall limit of Rs.1000 crores (Rupees One Thousand crores),

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things that may be necessary, desirable or expedient for giving effect to the above Resolution."

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

"RESOLVED THAT, in supersession of Resolution for borrowing powers passed at the Annual General Meeting of the company held on September 28, 2005 and pursuant to the provisions of Section 293(1)(d) and all other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its consent to the Board of Directors to borrow any sums of money from time to time from any one or more of the Company's bankers and/or from any one or more other persons, firms, bodies corporate or financial institutions, whether by way of cash credit, advance or deposits, loans, debentures or bill discounting or

otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties, stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and all or any of the undertakings of the Company notwithstanding that the moneys to be borrowed together with moneys already borrowed by the company (apart from temporary loans obtained from Company's Bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs.1000 crores (Rupees One Thousand crores) exclusive of interest.

RESOLVED FURTHER THAT the board of directors be and is hereby further authorised to execute such deeds of mortgage, charge, hypothecation, lien, promissory notes, deposit receipts and other deeds and instruments or writings as they may think fit and containing such conditions and covenants as the board of directors may think fit."

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

"RESOLVED THAT pursuant to Section 81(1A) and other applicable provisions of the Companies Act, 1956, (including any amendment thereto or re-enactment thereof) and the enabling provisions of the Memorandum and Articles of Association of the Company and subject to the regulations/ rules/ guidelines issued by the Securities and Exchange Board of India (hereinafter referred to as "SEBI"), Stock Exchanges, Foreign Investment Promotion Board (hereinafter referred to as "FIPB"), Secretariat for Industrial Assistance (hereinafter referred to as "SIA"), Government of India, Reserve Bank of India (hereinafter referred to as "RBI"), Foreign Exchange Management Act, 1999 (hereinafter referred to as "FEMA") and subject to such conditions and modification as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/ or sanctions (hereinafter singly or collectively referred to as "the requisite approvals") and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee(s) consisting of one or more members of the Board and/or one or more officials of the Company appointed by the Board in this behalf which the Board may constitute to exercise power of the Board), the consent of the company be and is hereby accorded to, offer, issue and allot up to 30,00,000 Zero Coupon Convertible Warrants (2009 series) (hereinafter referred to as "Warrants") at such price being not less than the price determined in accordance with the pricing formula given in the SEBI (DIP) guidelines for preferential issues based on relevant date i.e. 24.08.2009 on a preferential basis in one or more tranches on such terms and conditions and in such manner as the Board may think fit, without offering the same to any other persons who at the date of offer are holders of the equity shares; each Warrant entitling the holder thereof to apply and be allotted one fully paid-up equity share of Rs. 10/- each, at any time not exceeding eighteen months from the date of allotment of the Warrants in accordance with the SEBI (DIP) Guidelines and other relevant authorities as may be applicable such that the total number of equity shares to be issued by the Company upon conversion of the Warrants do not exceed 30,00,000 equity shares of Rs.10/-each on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment to the following Promoters Group Company.

Name of Allottee	No. of Warrants
Ind-Swift Limited	30,00,000

RESOLVED FURTHER THAT the issue of warrants, if any, as above, shall be subject to the following terms and conditions:

1. The Warrants shall be convertible (at the sole option of the Warrant holders) at any time within a period of 18 months from the date of allotment of Warrants;
2. Each Warrant shall be convertible into one equity share of Rs.10/- each, of the Company'
3. The Warrant holder(s) shall, on the date of allotment, pay an amount equivalent of 25% of the price fixed per Warrant:

4. The warrant holder(s) shall, on the date of conversion, pay the balance 75% of the consideration towards the subscription to each equity share;
5. The amount referred to in (3) above shall be forfeited, if the option to acquire shares is not exercised within a period of 18 months from the date of allotment of warrants.
6. The number of Warrants and the price per Warrant shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI guidelines, for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity shares as may be required to be issued and allotted upon conversion of the warrants and that the said equity shares shall be subject to the Memorandum and Articles of Association of the company and shall rank pari-passu with the existing Equity shares of the Company.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorized to accept the terms, conditions and stipulations made by the regulatory authorities while granting approval to the Company for the issue of Securities as aforesaid.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to any committee of director(s) or any other officer or officers of the company and to do all such acts, matters, things and deeds and to take all such steps and do all such things and give all such directions as the Board may consider necessary, expedient or desirable and also to settle any questions or difficulties or doubts that may arise in regard to the offer/issue, allotment and utilization of the proceeds and further to do all such acts, deeds, matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient as the Board, in its absolute discretion may deem fit and take all such steps which are incidental and ancillary in this regard."

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The dividend as recommended by the board of directors, if declared at this Annual General Meeting will be paid to those members whose names stand registered in the Register of Members as on Monday, 21st September, 2009 and in respect of shares held in electronic form, the beneficial owners of the shares by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) at the close of business hours on 21st September, 2009 and dividend warrants will be dispatched before 23rd October, 2009.
3. The Register of members and the Share Transfer Books of the Company will remain closed from Monday, 21st September, 2009 to Wednesday 23rd September, 2009 (both days inclusive) pursuant to provisions of section 154 of the Companies Act, 1956 and clauses of listing agreement entered into with Stock exchanges.
4. Members holding shares in physical form are requested to notify/send any change in their address/mandate/ bank details and particulars of their account in case the same have not been sent earlier to the Company's Registrar and Transfer Agent to facilitate better services. Such members, if desired of making a nomination in respect of their shareholding in the company, as permitted under Section 109A of the Companies Act, 1956 are requested to submit details to the Registrar & Transfer Agents of the company, in the prescribed Form 2B for this purpose.
5. Members holding shares in electronic form are advised that address/bank details as furnished to the company by the respective Depositories viz CDSL & NSDL, will be printed on dividend warrant. Members are requested to inform the concerned Depository Participant of any change in address, dividend mandate etc.

6. Members desirous of having any information as regards accounts are requested to write to the Company at least ten days in advance so as to enable the Management to keep the information ready.
7. Members are requested to bring their copies of the Report to the meeting, as no further copies would be made available.

Place : Chandigarh
Date : 31.08.2009

By Order of the Board

**PARDEEP VERMA
COMPANY SECRETARY**

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

Annexure to Notice

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

Item No. 7, 8 & 9

Dr. H.P.S. Chawla and Dr.Naranjan D. Aggarwal were appointed as Additional (Independent) Directors of the company with effect from 24th March, 2009 and Sh. S.P.Sharma were appointed as additional director w.e.f. 31.08.2009 and pursuant to Section 260 of the Companies Act, 1956, vacates their seat at this Annual General Meeting. All the 3 appointee have filed their consent to act as director of the Company. Moreover, the Company has received notice(s) pursuant to Section 257 of the Companies Act, 1956 signifying the intention to propose the above Director's appointment in the forthcoming Annual General Meeting.

Their brief resume, nature of expertise in specific functional area and name of the other Companies in which they hold Directorships and/or are members of their Committees, are detailed out in the Corporate Governance Report. Additionally Sh. S.P.Sharma is Nominee Director of IFCl appointed pursuant to the loan agreement signed by the Company with the IFCl. Sh. S.P.Sharma is 54 years of age and does not hold directorship in any other Company.

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

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

None of the directors, except the respective appointees, are concerned or interested in the proposed resolutions.

Item No. 10

Sh. N.R. Munjal was re-designated and re-appointed as the Vice-Chairman of the Company for a period of 5 (Five) years w.e.f. 1st April, 2008

In view of the increase in responsibilities and increase in level of activities of the company and in recognition of the Excellent Services being rendered by Sh. N.R. Munjal, the Board has in its meeting held on 31st August, 2009 approved the payment of commission in addition to the salary being already paid to him for the remainder of his term subject to the approval by the shareholders.

In view of the said changes in the remuneration of Sh. N.R. Munjal it is proposed to the members to approve the change in remuneration w.e.f. 01.04.2009 on the terms and conditions as follows.

REMUNERATION

- a. Salary Minimum Rs. 7,50,000/- per month subject to the maximum of Rs.25,00,000/- per month with liberty to the Board to review and set the level from time to time.

- b. Commission at the rate 3% of net profit of the Company, payable quarterly or as may be decided by the board from time to time.
- c. Perquisites and allowances.
 1. Fully furnished rent free accommodation/ House.
 2. Medical Reimbursement – Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family.
 3. Leave Travel Assistance – Once a year for self & family as per rules of the Company.
 4. Insurance – Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.
 5. Club fees – Membership fee of such clubs as may be considered appropriate including admission and life membership fee.
 6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund – As per rules of the Company.
 7. Gratuity – Upto half a month's salary for each completed year of service.
 8. Leave encashment – As per rules of the Company but not exceeding one month's leave for every 11 months of service
 9. Conveyance – The Company shall provide one fully insured cars with driver and reimbursement of the operational expenses.
 10. Telephone, Telefax and other communication facilities.
 11. Security – The Company shall provide for round the clock security at the Director's residence.

B. OTHER TERMS

1. 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.
3. The remuneration payable to all the Directors on the Board (including the above said Director) during any year, shall not exceed the amount as may be payable as per the limits prescribed under Section 198 and 309 of the Act and in case the aggregate of the total remuneration payable to all the Directors exceeds the above limits, the amount payable to all the Managing Director / Whole-time Directors (including the above said Director) shall be reduced to the amount permissible as per the said limits and in such event the remuneration payable to such Directors shall be reduced proportionately unless otherwise decided by the Board of Directors.
4. Minimum Remuneration – In the event of loss or inadequacy of profits the company will pay remuneration by way of the salary and perquisites as specified above subject to the restrictions set out in Section II of Part II of the Schedule XIII of the Act, or any other law or enactment for the time being or from time to time in force.
5. Unless otherwise a shorter period is decided mutually between the Director and the Board of Directors, the office as Whole-time Director may be terminated by either party by giving six months' notice in writing, of such termination.
6. If, at any time, Shri N.R. Munjal ceases to be the director of the company for any causes whatsoever, his office as Whole-time Director shall forthwith be terminated.

In case of Inadequacy of profits / loss in any financial year(s) the above remuneration will be paid as minimum remuneration.

The notice and explanatory statement may be treated as an abstract of the terms of payment of remuneration to Sh. N.R. Munjal as required to be circulated under Section 302 of the Companies Act, 1956.

Item No. 11

Sh. V.K.Mehta was re-designated and re-appointed as the Managing Director of the Company for a period of 5 (Five) years w.e.f. 1st April, 2008

In view of the increase in responsibilities and increase in level of activities of the company and in recognition of the Excellent Services being rendered by Sh. V.K.Mehta, the Board has in its meeting held on 31st August, 2009 approved the payment of commission in addition to the salary being already paid to him for the remainder of his term subject to the approval by the shareholders.

In view of the said changes in the remuneration of Sh. V.K.Mehta it is proposed to the members to approve the change in remuneration w.e.f. 01.04.2009 on the terms and conditions as follows.

REMUNERATION

- Salary Minimum Rs. 7,50,000/- per month subject to the maximum of Rs.25,00,000/- per month with liberty to the Board to review and set the level from time to time.
- Commission at the rate 3% of net profit of the Company, payable quarterly or as may be decided by the board from time to time.
- Perquisites and allowances.
 - Fully furnished rent free accommodation/ House.
 - 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.
 - 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.
 - Contribution to Provident Fund, Superannuation Fund or Annuity Fund – As per rules of the Company.
 - Gratuity – Upto 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 cars 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.

B. OTHER TERMS

- 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.
- The remuneration payable to all the Directors on the Board (including the above said Director) during any year, shall not exceed the amount as may be payable as per the limits prescribed under Section 198 and 309 of the Act and in case the aggregate of the total remuneration payable to all the Directors exceeds the above limits, the amount payable to all the Managing /Joint Managing Director / Whole-time Directors (including the above said Director) shall be reduced to the amount permissible as per the said limits and in such event the remuneration payable to such Directors shall be reduced proportionately unless otherwise decided by the Board of Directors.
- Minimum Remuneration – In the event of loss or inadequacy of profits the company will pay remuneration by way of the salary and perquisites as specified above subject to the restrictions set out in Section II of Part II of the Schedule XIII of the Act, or any other law or enactment for the time being or from time to time in force.

- Unless otherwise a shorter period is decided mutually between the Director and the Board of Directors, the office as Whole-time Director may be terminated by either party by giving six months' notice in writing, of such termination.
- If, at any time, Shri V.K.Mehta ceases to be the director of the company for any causes whatsoever, his office as Whole-time Director shall forthwith be terminated.

In case of Inadequacy of profits / loss in any financial year(s) the above remuneration will be paid as minimum remuneration.

The notice and explanatory statement may be treated as an abstract of the terms of payment of remuneration to Sh. V.K.Mehta as required to be circulated under Section 302 of the Companies Act, 1956.

Item No. 12 & 13

The members had in the Annual General Meeting held on September 28, 2005 as per the provisions of the section 293(1)(d) of the companies Act, 1956, empowered the Board to borrow any sum of money upto a sum of Rupees 500 crores. However, in view of the increased operations of the Company and the additional funds requirement of the Company in the future, the Board of Directors of the Company feels that the limits be enhanced to Rupees 1000 crores so that the additional funds be raised easily.

As some of the borrowings of the Company are also required to be secured by an appropriate mortgage and charge on the assets of the Company and the documents to be executed with the lenders may contain the power to take over the management of the Company in certain events, it is necessary for the members to pass a resolution under section 293(1)(a) of the Companies Act, 1956, before the creation of the mortgages or charges.

None of the director is in any way concerned or interested in the above said resolution.

Item no 14

To finance the Capital Expansions and long term working capital requirements your company proposes to raise funds through preferential issue of upto 30,00,000 zero coupon convertible warrants as per the rules and regulation of SEBI, at a price which shall be over and above the minimum price determined as per the provisions of the SEBI guidelines of the Preferential Issue.

In case the securities that may be issued are in the form of equity shares and/or result in issue and allotment of equity shares on conversion of securities, the aggregate increase in the equity capital of your company shall be to the tune of around 3 crores.

In terms of Section 81 / 81(1A) of the Companies Act, 1956, approval of the shareholders of the company is being sought to issue and allot further shares in the share capital of the company to investors, whether or not the allottees are the existing shareholders of the company. Thus, consent of the members of the company, by way of a Special Resolution, is required for item enumerated at item no. 1.

We give below the disclosures which are required to be given in the explanatory statement to the notice of the Annual / Extra-ordinary General Meeting, as the case may be, in terms of clause 13.1A of the SEBI Guidelines for Preferential Issues (as amended from time to time) and as are in force on the date of this notice:

a) Objects of the issue:

The objects of the proposed issue of Zero Coupon Convertible Warrants (2008 Series), on private placement basis have already been discussed above.

b) Intention of the promoters, directors, their associates and relatives and key management personnel to subscribe to the offer:

The offer is exclusively meant for promoters, directors and/or their group companies. Out of the total issue, the shares / warrants are proposed to be allotted in the following manner:

Up to 30,00,000 Zero Coupon Warrants Optionally Convertible into Equity Shares to the promoters / directors of the company;

The allotment would not result in any change in the control or management of the affairs of the company or in the board of directors of the company. However there will be consequential change in the voting rights/ shareholding of the company.

c) Shareholding pattern before and after the offer:

Sr No.	Category	Pre-Issue		Post-Issue (upon full conversion of warrants)	
		No. of Share held	% age of shares held	No. of Share held	% age of shares held
A	Shareholding of Promoter and Promoter Group				
	Ind-Swift Limited	6499720	23.46	9499720	30.93
	Persons Acting in Concert	4363626	15.75	4363626	14.21
	Total Promoter Holding (i)	10863346	39.20	13863346	45.14
B	Non-Promoters Holding				
	Banks, Financial Institutions (Central /States Govt. Institution /Non Govt. Institutions)	67529	0.24	67529	0.22
	FIs	10200	0.04	10200	0.03
	Corporate Bodies	3871325	13.97	3871325	12.61
	Indian Public	12352927	44.58	12352927	40.23
	NRI/OCBs	472310	1.70	472310	1.54
	Other	1100	0.00	1100	0.00
	Shares held by Custodians and against which depository receipts have been issued	71213	0.26	71213	0.23
	Total Non Promoter Holding (ii)	16846604	60.80	16846604	54.86
	GRAND TOTAL (i) + (ii)	27709950	100.00	30709950	100.00

d) Proposed time within which the allotment shall be complete:

The Board proposes to allot the Zero Coupon Optionally Convertible warrants into equity shares within a period of 15 days from the date of this Annual General Meeting.

As per SEBI guidelines, the warrant holders have the option to subscribe for one equity share of Rs.10/- each per warrant at such price being not less than the price determined in accordance with the pricing formula given in the SEBI (DIP) guidelines for preferential issues to be decided by the Board at any time within 18 months from the date of allotment of the warrants.

e) The identity of the proposed allottee and the percentage of post preferential issued capital that may be held by them:

The identity of the allottees of the warrants is as under:

M/s. Ind-Swift Limited is a body Corporate belonging to promoters group and 30,00,000 warrants will be issued to the promoters strictly in term of the SEBI Guidelines. The post preferential issued Capital to be held by Ind-Swift Limited will be 30.93%.

Name of Body Corporate	Proposed Allotment of Warrants
Ind-Swift Limited	30,00,000
Total	30,00,000

f) Pricing of the issue

The warrants will be priced at a price which shall be over and above the minimum pricing calculated on the basis of relevant date as on 24th August, 2009, which is the date 30 days prior to the date on which the Annual General Meeting is to be held, in terms of Section 81 (1A) of the Companies Act, 1956 to consider the proposed issue and is determined in accordance with Explanation (a) of Para 13.1.1.1 of the SEBI (Disclosure and Investor Protection) Guidelines, 2000.

g) Conversion period

The warrant holders shall have the option of subscribing for one equity share of Rs.10/- each per warrant at a price to be decided by the Board, being the price determined in accordance with Explanation (a) of Para 13.1.1.1 of the SEBI (Disclosure and Investor Protection) Guidelines, 2000 on Preferential Issues, at any time within 18 months from the date of allotment of the warrants.

h) Terms of payment.

At least 25% of the total consideration shall be paid at the time of their allotment and the balance at or before the time of conversion. The said amount of 25% shall be forfeited if the option to acquire the shares is not exercised.

As required by the SEBI (Disclosure and Investor Protection) Guidelines, 2000 on Preferential Issues, a certificate from the Statutory Auditors, to the effect that the proposed allotment will be made in accordance with the said guidelines, will be placed at the meeting.

The Members are, therefore, requested to accord their approval to the proposed resolution set out at Item No. 1 by way of a Special Resolution.

The Directors of your company may be deemed to be concerned or interested to the extent of their shareholding & Directorships in the allottee Companies.

Place : Chandigarh

Date : 31.08.2009

By Order of the Board

Registered Office:

SCO – 850, Shivalik Enclave,
NAC, Manimajra,
Chandigarh

**PARDEEP VERMA
COMPANY SECRETARY**

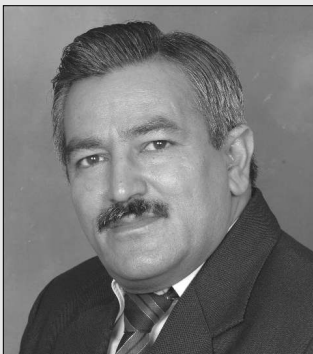
Details of Directors Seeking Re-appointment at the forthcoming Annual General Meeting of the Company (pursuant to clause 49 of the Listing Agreement with the Stock Exchanges).

Name of Director	Dr. G. Munjal	Sh. S.R. Mehta	Dr. S.D. Nanda
Date of Birth	01.08.1959	01.09.1956	08-09-1957
Date of Appointment	31.07.03	31.07.2003	30.08.2004
Expertise in specific functional Area	Marketing and Product development	Marketing	Banking Industry
Qualifications	Medical Graduate	Science Graduate	Doctorate in Law
Details of Share held	60900	233600	NIL
List Company in which outside Directorships held as on 31.03.2009 (excluding Private & Foreign Companies)	Ind-Swift Limited Essix Biosciences Ltd. Mansa Print & Publishers Limited	Ind-Swift Limited Essix Biosciences Ltd.	NIL
Chairman / Member of the Committees of other Company on which he is director as on 31.3.09	N.A.	N.A.	N.A.
Relationship inter-se between Directors	Related with Sh. N.R. Munjal, Vice-Chairman as Brother	Related with Sh. V.K. Mehta, Managing Director and Dr. V.R. Mehta, Director as Brother	NIL

From the V.C. & M.D's Desks



N.R. Munjal
Vice-Chairman



V.K. Mehta
Managing Director

Dear Shareowners ,

We recorded a total of Rs. 588.14 Crores in revenues, a 29.25% growth over previous year's revenue of Rs. 455.04 Crores. The net profit of the Company also jumped from Rs.31.2 crores to 39.79 crores in 2008-09. With a top line growth of 29.25% and bottom line growth of 28.27% Ind-Swift is on the path of accelerated progress as our resolution to succeed and deliver on multiple fronts is gradually bringing our goals well within our reach.

In the coming fiscal 2009-2010 the benefits of the expansion we did in the past will begin to kick in. We are on course to capitalize on the significant opportunity that exists for our newly focused product portfolio, drive more costs out of the business and secure sustained profitability.

Today 9 out of the 18 plants of the Company are FDA compliant. We expect 3-4 USFDA approvals in next three years. During the year we launched new drugs like Cinacalcet, Duloxetine, Meclozamine citrate, Atomoxetine, Exemestane, Ezetimibe, pregabalin, Ranolazine, Telmisartan & Posaconazole. Accreditations and New products shall provide additional momentum to our growth.

Ind-Swift is fast evolving towards a business model that is focused on deep-rooting our domestic presence and simultaneously leveraging high-value mature regulated markets along with high growth emerging markets. We have raised the bar for ourselves and are working to be our customers' best supply chain partner. We improved our income stream, as well. While we at Ind-Swift have always been a research led manufacturer and added several products that have created a niche for themselves, we stepped up our focus to develop our contract research market and commenced working on joint research with leading institutions which will

develop the required skill sets for working for the MNCs. We see this business growing at an accelerated pace offering downstream benefits over the long-term.

Our core business of being a manufacturer of active pharmaceutical ingredients grew strongly, our people performed exceptionally well and we invested heavily in research and development to ensure an enduring future. While we have always been known for our expertise in handling complex chemistry and for our product quality, we enhanced the quality of service by executing on committed delivery time, transparency in operations and being flexible to customer needs. The development of complex APIs with global reach is one of the key building blocks that have earned us a distinct image in the marketplace. Going forward, we are determined to leverage our unique features to achieve higher growth rate, in-line with our corporate vision.

The strength of our products and services and our growing reputation are key to our future. We are building on them by focusing increasing amounts of energy and resources toward our marketing program. Our strategy is to effectively use every rupee and dollar, allocate the appropriate amount of marketing spend and achieve superior returns from such investment. The largest pharmaceutical market in the world, the US holds a prominent position in our regional portfolio. Replicating our success in the US, our eyes are now set on Japan which is second largest market after USA and Europe. With our creditable reputation established in the US market place, the Company is aptly geared upto ride on the opportunities presented by these markets. In this effort, over the last two years, the Company has completed a significant number of filings in the PAN European market and is

anticipating product launches upon patent expiry. We firmly believe that long-term business success is possible only through policies and practices that aim to create value while maintaining economic, social and environmental sustainability. Our commitment to environment is an integral part of our business plan. We believe that only by caring the nature and the people in our neighborhood that we can successfully realize our mission and our strategic goals in the long term.

Our growth will depend in the long-term on the depth and breadth of our research capabilities, on our pipeline of new products in various stages of development and on the improvements we have made for accelerating new launches. Today we operate in competitive demanding and dynamic markets, in which we need to distinguish ourselves through differentiated products. Our persistent efforts in nurturing and managing R&D Centre a centre for new ideas and innovations are enabling Ind-Swift to exhibit strong growth .

We shall strive to file atleast 50 DMFs in next three years and add at least 3-5 new products every year. We are looking only at those that make good business sense and that positions us well against competition in terms of higher levels of complexity, which very few can counter.

R&D continues to play a pivotal role in the Company's capability of commercializing new products. Its success in these markets has been truly innovation led. As an Indian Pharmaceutical Company, the Company's ability to enter into the most Advanced markets and capture sizeable market share is testimony to Ind-Swift's R&D, manufacturing and marketing expertise.

We plan to keep moving up the value chain, not only extending our global horizons, but also in terms of value added products. We envisage more innovation-led break through in the years to come.

For us, moving up the value chain extends beyond just encompassing new geographies, to getting recognized and established in those markets.

All this success comes about only when you have good people. With the high-quality senior management team that we have in place, we are confident of our capabilities to deliver all our stated goals. But the world never stands still . As we evolve as a more technological and global enterprise, we are seeking the best talent the world has to offer, setting our eyes for goods leaders beyond our own borders. Our overall people strength is also pivotal in meeting our goals. Every employee believes in the Company's Vision and contributes towards attaining it. We maintain a Corporate culture that encourages development, be it of molecules or people. It fosters teamwork and encourages respect for dedication, loyalty and above all performance.

Ind-Swift today is a well balanced, tightly managed, globally competitive organisation and will continue to profitably serve all stakeholders including patients, healthcare professionals, employees, business associates and shareholders. The Company is stronger today than it was at any time in the past, and we believe it has great potential for the future. We shall continue to foster value creation with renewed commitment and focus on long-term success to benefit our customers, employees and investors.

V.K. Mehta
Managing Director

N.R. Munjal
Vice-Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

According to IMS Health Inc., the global pharmaceutical market is forecast to cross U.S.\$ 1 trillion by 2013, at a compounded annual growth rate (CAGR) of 6% over the next five years. The forecast also predicts global pharmaceutical sales to expand to U.S.\$ 800 billion in 2009, compared to U.S.\$ 773 billion in 2008 - a projected growth of 2.5% to 3.5% on constant dollar basis. In 2008, global pharmaceutical sales showed a growth of 5% over the previous year.

In the US, market growth slowed down to 1%-2% (U.S.\$ 312 billion) in 2008 versus 4%-5% in 2007. Growth is forecasted by IMS Health Inc. to decline by 1%-2% in 2009. The slower growth in 2008 was on account of less than- expected demand for recently introduced products, as well as the economic climate - which appears to be having an impact on doctor visits and pharmaceutical sales. The other key factors impacting growth are leveling off of growth from Medicare Part D (program run by US government to subsidize the costs of prescription drugs for Medicare beneficiaries in the United States), high level of generic penetration in key therapeutic areas, new products struggling for traction in the market place and players as well as regulators increasing scrutiny on value of medicines.

Europe contributed U.S.\$ 247 billion to total pharmaceutical market in 2008 and showed a growth of 5%-6%. The top five markets (France, Germany, the UK, Italy and Spain) in Europe together grew at 4%-5% in 2008 - up from the 3%-4% growth witnessed in 2007. Going forward, these five markets are forecast to grow at 3%-4% in 2009. While these major countries are seeing increased demand from an ageing population and rising need for preventive care, growth is being affected by health technology assessments, the use of contracting by payers as a means of controlling costs and decentralization as well as cutbacks of government healthcare budgets. The sharpest fall in growth was in Japan: the market grew at 1%-2% in 2008, compared to 5%-6% in 2007.

Emerging markets, including China and India, grew by more than 12% in 2008, largely due to their expanding economies, increased affordability and broader access to healthcare. It is getting increasingly apparent that emerging markets will grow collectively at 13% to 16% up to 2013. The seven emerging markets (China, Brazil, India, South Korea, Mexico, Turkey and Russia) will contribute more than half of global market growth in 2009 and will contribute 40% to the global market growth from 2009 to 2013. China, which is currently the sixth-largest pharmaceutical market, will become the third largest by 2011.

The extent of the economic impact on each pharmaceutical market is influenced by the healthcare cost burden borne by patients and the short- and long-term policy responses that governments implement. While it is clear that the responses will be varied, it is difficult to exactly predict what these will be in each of the geographies.

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

Rapidly growing economies, increasing population, greater inclination and higher disposable income to spend on healthcare are driving the growth of pharmaceuticals in emerging markets. According to IMS, revenues from emerging markets by 2017 are forecasted between U.S.\$ 290 and U.S.\$ 320 billion, with a CAGR of 12% to 15%.

An additional \$24 billion of branded products - including antiepileptics, proton pump inhibitors and anti-virals - will lose their exclusivity in the top eight markets in 2009. This will contribute to generics sales of more than \$78 billion next year, implying a growth of something between 5% and 7%, which will be similar to what occurred in 2008. Increased use of generics is being driven by an ageing population in the mature markets, higher level of generics prescriptions written in the US, new government contracting initiatives and a distinctly pro-generics thrust in Europe.

Pharmaceutical products mainly prescribed by specialists are expected to contribute two-thirds of total market growth. Biologics are expected to grow at 11% to 12%; oncology products at 15% to 16%; and HIV therapies at 13% to 14%. In contrast, products generally prescribed by primary care physicians are expected to grow by 2% to 3%, due to the loss of patent exclusivity for several blockbusters and fewer significant product launches.

In 2009, growth across the leading European markets will be affected by payer actions, which include increased rebating and contracting in Germany, expansion of regional formularies in Italy, a 5% decrease in branded prices in the UK, a 10% price reduction on a number of brands in France and expansion of the reference pricing system in Spain. The impact of Heath Technology Assessors will be felt in Germany by reimbursement limitations for drugs not determined to be cost effective. The UK pharmaceutical market may be affected by any policy change that allows patients to buy additional treatments not offered by the National Health Service. A number of events may occur in 2009 that also could have a long-term impact on the pharmaceutical market. These include: (i) the uptake of biosimilars in human growth hormones and erythropoietin in Europe; (ii) greater adoption of generics in Japan; (iii) use of contracting strategies across the EU; (iv) deregulation of the pharmacy sector in Europe; and (v) potential for significant healthcare policy changes in the US. Trends in India

The Indian pharmaceutical market continues to be highly fragmented and dominated by Indian companies. The Indian retail pharmaceutical market grew by 9.8% to Rs. 341 billion, with volumes contributing 1.5%, new products contributing 7.1% and price another 1.2%. Over the years, higher growth has been driven mainly by increased expenditure on healthcare, rising disposable income, growing penetration of health insurance, changing disease profile and regulatory reforms. In addition, the strong growth registered by the Indian economy over the last few years has also helped the domestic pharmaceutical market. On an overall basis, Indian companies outgrew the market at 11.9%, while MNCs registered a growth of 5.5%. Acute therapy dominates the market with a value contribution of over 75%. The chronic segment has registered a healthy growth of 21% versus 11% in the acute segment. In acute therapy, anti-infectives and gynecology have grown faster than the industry - with growth of 11% and 13% respectively. In the chronic therapy segment, the growth leaders have been cardiac and anti-diabetics - growing at 14% and 17% respectively. Brand building has been the key growth driver for 2008, with new product introductions reaching new heights. The top-300 brands account for more than one-third of the incremental value. The Indian pharmaceutical market is expected to grow at 11% to 12% per annum and be valued at U.S.\$ 20 billion by 2015. That will make India one of the world's top 10 pharmaceutical markets. Pharmaceutical companies will also continue to grow through acquisitions, joint ventures, leveraging low operational costs and outsourcing.

Internal Control Systems

Your company has an adequate system of internal controls which ensures that its assets are protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported in conformity with generally accepted accounting principles.

The internal control systems are documented with clearly defined authority limits. These systems are designed to ensure accuracy and reliability of accounting date, promotion of operational efficiency and adherence to the prescribed management policies. These policies are periodically updated to meet current business requirements.

Segment wise performance

The company operates only in the pharmaceutical segment.

Material Developments in Human Resources/Industrial Relations

Key Human Resources (HR) initiatives have been built into the strategic plan of the company in order to attract, develop and create a talent pool capable of achieving the business objectives of the Company. Focused initiatives were undertaken to improve HR process tools and techniques. Company made significant efforts towards developing a high performance work culture and up gradation of talent and capabilities.

The number of employees as on 31st March, 2009 were 915.

Financial Performance with respect to Operational Performance

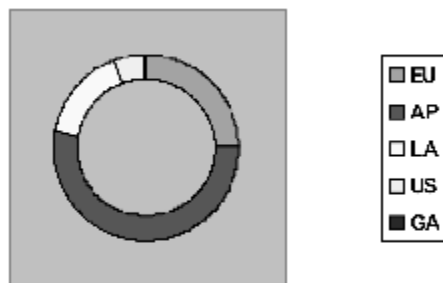
Revenues

The gross revenue increased from Rs.4524.26 Millions in 2007-08 to Rs.5927.42 Millions in 2008-09 recording a growth of 23.67% over the previous financial year. Revenue from Domestic sales increased from Rs.2760.30 Million to Rs.3760.76 Millions recording a growth of 36.24%. The revenue from exports grew by 22.83%, ie. from Rs.1763.96 Million in the previous year to Rs.2166.66 Million in the year 2008-09.

Domestic : The company has a wide product range in the API segment. It markets its products to a number of reputed Indian pharmaceutical finished dosage manufacturers. In the year under review the Company has grown through a combination of volume and value. The key reasons for the growth in the revenue for the current year are:

- **Increase in volumes from 359.73 Tonnes in 2007-08 to 711.24 Tonnes in 2008-09.**

Exports: Exports constitute about 36.83% of the company's gross sales. The company has presence in 50 countries-principally European countries, Asian Countries, Latin American countries and Middle East. It still leads the market in Turkey.



Composition of the export income

US Market

The commercial supplies to US crossed Rs. 100 million mark during the year. USA continues to be a major thrust area for the Company. This year the company has filed 4 additional US Drug master file (DMF) with USFDA. Also in the year 2008, ISL Inc. has started shipping commercial supply of Clarithromycin in North America and is planning to launch couple of more products in US immediately after expiry of their patent in coming year. Also the Company's three additional products are being actively reviewed by regulatory agencies. The Company is building its presence in the high value generic markets in North America and has entered into supply agreements with North American generic pharmaceutical companies.

Europe & Turkey

The business in European region progressed significantly during the year.

Cardiovascular Disease is the main cause of the disease burden - illness and death, in Europe (23% of all the disease burden). Cardiovascular disease is estimated to cost the EU economy €192 billion a year. The company has a clear focus on this therapeutic segment. During the year, the company underwent a successful European GMP Audit for 3 Active Pharmaceutical Ingredients which will be launched all over Europe in the years 2009, 2011 and 2014. Two such products are in cardiovascular segment.

Eastern Europe (mainly Slovenia, Greece, Poland, Bosnia) currently contribute major share of the company's business in Europe. This is on account of earlier patent expiries. Sales to these regions will consolidate further during the next year. The company established its local presence in Europe with an office in London, United Kingdom. The new marketing office will play an important role in strengthening the foundations laid over the past several years. The company now sells its Active Pharmaceutical Ingredients in more than 15 European countries. The customer base will gradually expand further with concerted efforts through the European office.

Even though the economies of the Eurozone are facing a testing time and demand for the booming states is gradually evaporating, the Pharmaceutical sector has till now remained secure from such scenarios. Sales to Europe have surpassed US\$ 13 Million mark during the year. The revenues are expected to grow more than 20% year after year in the region.

Asia Pacific (Excluding India)

The Asia Pacific region recorded sales of US \$ 11 mn with a growth of 24 %, major countries contributing to their growth were Korea, Thailand, Philippines, Bangladesh & Pakistan.

In 2007 Ministry of health announced plan to promote the use of Generic drugs in view of rising health cost. Generic companies in Japan are targeting a share of 12% by 2012 which is presently at a staggering 6.8%. This recent development in the Japan market has provided Generic companies and also API manufacturers with great opportunity to work with the Generic companies in Japan. In Japan the ISLL has been successful in developing the network for placing their API's and has been able to successfully place Clarithromycin USP. Foreign Manufacturers Accreditation is already granted & company has identified partners and are in process of filing 3 DMF's with MHLW. With the patent of products expiring in next 2-3 years, company expects enormous potential from this market. CRAMS is a part of the growth strategy for this market.

In Korea, ISLL has been able to tie up with the major generic players for Clarithromycin powder and granules and enjoys more than 80 % of the market share. With the market shifting to the regulated regime, ISLL has filed DMF's for 4 products and is in the process of filing for another 2 products in 2009-10 which would further consolidate the position in the market.

In markets like Bangladesh and Pakistan, ISLL enjoys a major market share of their products and is the established supplier of API'S from India. The customer coverage in these markets has been exceptional & ISLL continues to consolidate on its leadership position.

Thailand and Philippines are the markets where the company has been able to add more products & customers for our existing range.

The Company is now focusing on China for the API sales and have identified many products which have great potential in China and have started the process of seeking IDL's for such identified products.

Latin America

According to ECLAC, the international crisis is impacting Latin America and the Caribbean through two main channels: the real and financial ones.

In the real economy, exports have started declining, especially in countries most linked to developed economies in recession, such as Mexico and few Central American nations. The drop in the price of basic products, particularly fuel, metals, and food, will affect the terms of trade in the region.

As for the financial channel, external financing, both for private companies as well as for sovereign debts, has become more expensive, and availability of credit has been severely restricted. Both effects have already led to a strong depreciation of local currencies in several countries, which, although positive in terms of competitiveness, also upsets the balance sheets of those indebted in dollars and restrains inflation from lowering further.

Thus during the year 2008-2009, the Company took a very cautious approach in its activities and had restricted with its existing customer base thereby reducing the risk in the market. The market showed an overall growth of 9%. Brazil and Mexico clocked noteworthy performance leading the sales in this region. Markets of Argentina, Colombia and Chile also showed an upward growth trend.

MIDDLE EAST (Iran, Jordan, Egypt, Syria and UAE)

Business in the Middle East region has been growing at a reasonable rate over the last few years. Annual combined sales of the above mentioned markets in the financial year has been USD 3.41 Million, gaining momentum and growth of 20%.

Company's JV operations in Iran under the name of Hackim Farayand Chemie Co. has been growing at a steady speed with 16% growth in revenue.

Middle East is a focus area for the company and there is high growth potential in these markets. Company has identified and targeting therapeutic segments like Cardio Vascular, Macrolide Antibiotics, Antihistamine, Antidepressant, Antipsychotic and Alzheimer's Disease for substantial growth and for greater market presence and share in all the markets, as these segments are growing rapidly in the region.

Domestic Operations

The company during the year has consolidated its position and has emerged as one of the top reliable suppliers of APIs to many reputed Indian Pharmaceutical finished dosage manufacturers.

The company has increased its range of APIs in the Domestic market with the successful introduction of new products like Ivabradine and Cinacalcet for which Ind-Swift is the first and only company to launch the products in the Indian Market.

Despite the Global economic slow down, the revenue has increased (API & finished dosage formulations) in excess of 30 % over last year which has led to covering large/mid sized and small pharmaceutical companies. Key reasons for the growth are:

1. Increase in reach to the market with the no. of customers catered to, going up.
2. Increase in revenue owing to the successful and timely introduction of new products.

Key products like Clarithromycin, Atorvastatin, Clopidogrel, Fexofenadine have grown by over 50 %.