



Sword & Shield Pharma Ltd.

SWORD & SHIELD PHARMA LIMITED

Annual Report 2017-2018



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Pravinbhai Patel	- Chairman & Managing Director
Mrs. Jyotsnaben Patel	- Executive Woman Director
Mr. Jayeshkumar Patel	- Independent Director
Mr. Dilipkumar Patel	- Independent Director
Mr. Paresh Patel	- Independent Director
Mr. Kanjibhai Chaudhary	- Independent Director

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

Mr. KanjibhaiChaudhary	- Chairman
Mr. Jayeshkumar Patel	- Member
Mr. Pravinbhai Patel	- Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Dilipkumar Patel	- Chairman
Mr. Jayeshkumar Patel	- Member
Mr. KanjibhaiChaudhary	- Member

STAKEHOLDERS' GRIEVANCES AND RELATIONSHIP COMMITTEE

Mr. Jayeshkumar Patel	- Chairman
Mr. Dilipkumar Patel	- Member
Mr. KanjibhaiChaudhary	- Member

AUDITORS

B. K. Patel & Co.
Chartered Accountants

SECRETARIAL AUDITOR

Mr. Anand Lavingia

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Pooja Kadam

REGISTERED OFFICE

55, World Business House,
Near Parimal Garden, Ambawadi,
Ahmedabad – 380 006

INVESTOR QUERIES

swordnshield1995@gmail.com

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Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants, Members who hold shares in physical form are requested to register their e-mail addresses with the company's R & T agent.



SWORD AND SHIELD PHARMA LIMITED

CIN: L24231GJ1995PLC024809

Registered Office: 55, World Business House,
Near Parimal Garden, Ambawadi, Ahmedabad – 380 006

Website: www.swordnshieldpharma.com | e-mail: swordnshield1995@gmail.com

Contact: +91 98250 79759

NOTICE is hereby given that the Twenty Third (23rd) Annual General Meeting (AGM) of the Members of Sword & Shield Pharma Limited will be held on Saturday, September 29, 2018 at 10.00 A. M. IST at the Registered Office of the Company situated at 55, World Business House, Near Parimal Garden, Ambawadi, Ahmedabad – 380 006, to transact the following businesses:

Ordinary Business:

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2018 together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pravinbhai Patel (DIN: 01877446), who retires by rotation and being eligible, offers himself for reappointment.
3. To ratify the appointment of Auditors

To ratify the appointment of M/s. B. K. Patel & Co., Chartered Accountants (Firm Registration No. 112647W) as the Auditors of the Company to hold office from the conclusion of Twenty Third Annual General Meeting until the conclusion of the Twenty Fourth Annual General Meeting and to authorize the Board of Directors or Committee thereof to fix their remuneration, in consultation with the Auditors.

To consider and, if thought fit, to pass with or without modification(s), the following as an “ORDINARY RESOLUTION”:

“RESOLVED THAT, pursuant to the provisions of Section 139, 142 and such other applicable provisions of the Companies Act, 2013 and relevant rules thereof (including statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time being in force), pursuant to the recommendation of the Audit Committee and that of the Board of Directors and pursuant to the approval of the Members at the Twentieth Annual General Meeting held on September 30, 2015, the consent of the Members of the Company be and is hereby accorded to ratify the appointment of M/s. B. K. Patel & Co., Chartered Accountants (Firm Registration No. 112647W), as Auditors of the Company, to hold office from the conclusion of Twenty Third Annual General Meeting until the conclusion of the Twenty Fourth Annual General Meeting of the Company at a remuneration to be decided by the Board of Directors or Committee of the Board in consultation with the Auditors of the Company”.

Date: 5th September, 2018
Place: Ahmedabad

For & on behalf of the Board
For, **SWORD AND SHIELD PHARMA LIMITED**
(Sd/-)

POOJA KADAM
Company Secretary & Compliance Officer

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote only on poll instead of himself / herself and such proxy need not be a member of the company. Pursuant to the provisions of Section 105 of The Companies Act, 2013 a person can act as proxy on behalf of a member or number of members not exceeding fifty (50) and holding in aggregate not more than ten (10) percent of the total share capital of the company carrying voting rights. Member holding more than ten (10) 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 proxy for any other member. The instrument appointing proxy as per the format included in the Annual Report should be lodged with the Company at its Registered Office not less than 48 hours before the commencement of the meeting i.e. by 10.00 am on 27th September, 2018.
2. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.
3. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of name will be titled to vote.
4. Members/ Proxies/ Authorized Representatives should bring the enclosed Attendance Slips, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID Nos and those who hold shares in physical form are requested to mention their folio no. in the attendance slip for attending the meeting.
5. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 22 September 2018 to Saturday, 29 September 2018 (both the days inclusive).
6. The Annual Report duly circulated to the members of the Company shall be available on the website of the Company www.swordnshieldpharma.com Shareholders are requested to bring their copies of Annual Report to the AGM.
7. All Shareholders are requested to dematerialize their shareholding immediately as the shares are to be traded compulsorily in demat form only.
8. Members holding shares in physical mode are requested to register their email-id's, with MCS Share Transfer Agent Limited, the Registrar and Share transfer agent of the Company and members holding shares in demat mode are requested to register their email id's with their respective Depository Participant (DPs) in case the still is not registered.
If there is any change in the email ID's already registered with the Company, members are requested to immediately notify such change to the Registrar and Share transfer agent of the Company in respect of shares held by them in physical mode and to their respective Depository Participants in case of shares held in demat mode.
9. A member desirous of seeking any information as regards to the business to be transacted at the meeting are requested to forward his/her query to the Company at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
10. Green Initiative: In terms of section 101 and 136 of the Companies Act 2013 read together with the rules made there under, the copy of the Annual Report including Financial Statements, Boards report etc. and this Notice are being sent by electronic mode, to those members who have registered their email ids with their respective depository participants or with the share transfer agent of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to swordnshield1995@gmail.com/ mcsstaahmd@gmail.com mentioning your DP ID/ Folio and Client ID.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining

their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's R&T agent.

All the members attending the Annual General Meeting are requested to bring their Photo ID (preferably PAN Card) issued by any authority.

12. All the documents referred to in the accompanying Notice and Explanatory Statement are available for inspection at the Registered Office of the Company during business hours on all working days (except Sundays and Public holidays) and will also be made available at the venue of the Twenty Third AGM.
13. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under section 170 of the Companies Act 2013, the Register of Contracts or Arrangements in which the Directors are interested under section 189 of the Companies Act, 2013 will be available for inspection at the AGM
14. A route map showing directions to reach the venue of 23rd Annual General Meeting is given at the end of the Notice as per the requirements of Secretarial Standard 2 on General Meetings.
15. Members are requested to send all communications relating to shares (Physical and Demat) to the Company's Registrar and Share Transfer Agent at M/s. MCS Share Transfer Agent Limited, 101, Shatdal Complex, Opposite Bata Show room, Ashram Road, Ahmedabad- 380009

GENERAL INSTRUCTIONS FOR VOTING ELECTRONICALLY:

16. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members, facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL)
17. 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.
18. 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. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the meeting shall be treated as "INVALID"
19. Mr. Anand Lavingia, Practicing Company Secretary (Membership No. ACS 26458, COP 11410) has been appointed by the Board of Directors as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
20. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the meeting, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit to the Chairman of the Company.
21. The results declared by the Chairman along with the Scrutinizers Report shall be placed on the Company's website www.swordnshieldpharma.com and on the website of NSDL within (3) days of passing of the resolutions at the AGM of the Company and communicated to the BSE Limited and will be uploaded on website of Stock Exchange.
22. 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 i.e 21st September, 2018 only shall be entitled to avail the facility of remote e-voting. A person, who is not a member as on the cut-off date, should treat the Notice for information purpose only.
23. If the member is already registered with NSDL's e-voting platform, then he can use his existing User ID and password for casting the vote(s) through remote e- voting.
24. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 21st September, 2018 may obtain the login ID and password by sending a request to evoting@nsdl.co.in or RTA.

25. The voting period begins on Wednesday, 26th September, 2018 at 10.00 am and ends on Friday, 28th September, 2018 at 5.00 pm. 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. Friday, 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
26. The process and manner for remote e-voting:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - i. If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of

- client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to krishivadvisory@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

27. VOTING AT AGM

The members, who have not cast their votes by remote e-voting, can exercise their voting rights at the AGM through ballot paper.

28. Information as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief profile of the Director proposed to be appointed/reappointed at the Annual General Meeting is annexed to the Notice.

For & on behalf of the Board

Date: 5th September, 2018

Place: Ahmedabad

For, **SWORD AND SHIELD PHARMA LIMITED**

(Sd/-)

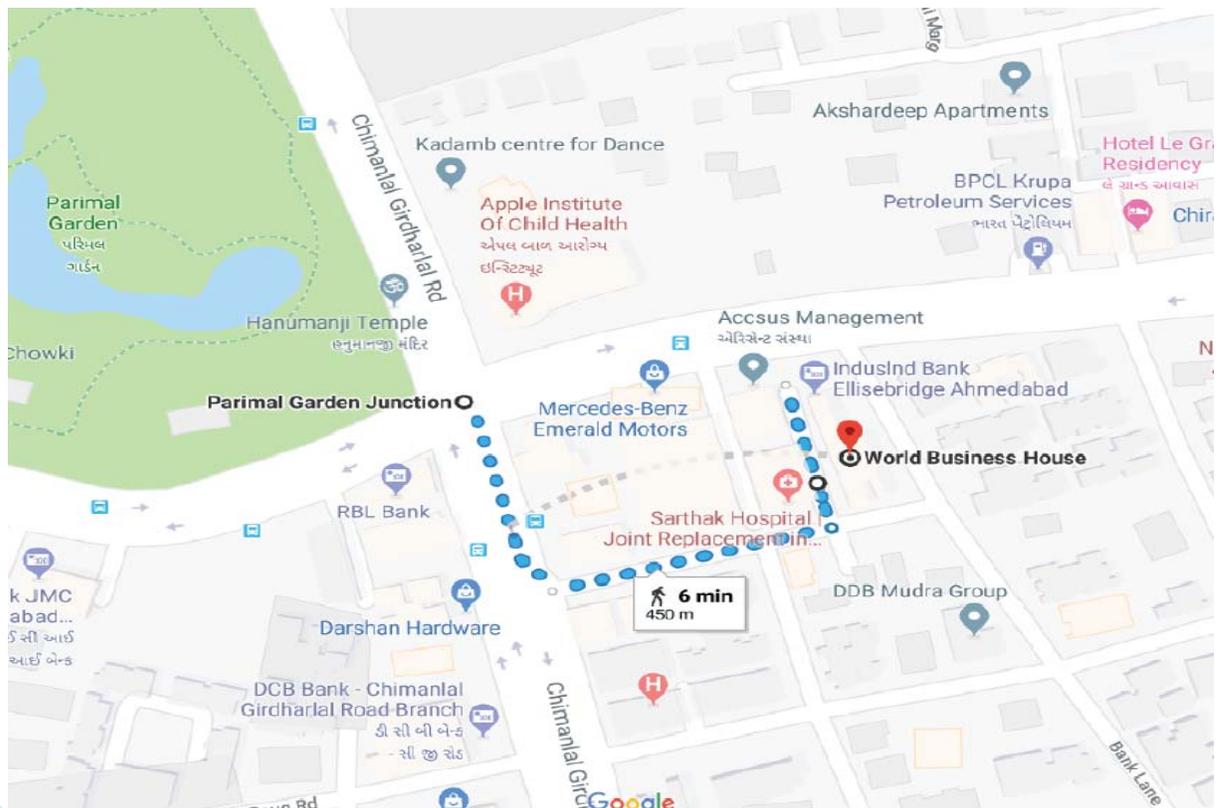
POOJA KADAM

Company Secretary & Compliance Officer

Information as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, brief profile of the Director proposed to be appointed / reappointed at the Annual General Meeting is given below:

Name of the Director	Mr. Pravinbhai Patel
DIN	01877446
Date of Birth	15/02/1956
Age	62 years
Brief Resume and Expertise	Mr. Pravinbhai Patel, a first generation entrepreneur is the Managing Director of the Company since February 28, 1995 and heads the Marketing Division of the Company and is having a vast experience in the field of Management, Accounting, Marketing of Pharmaceutical formulations and drugs of around 30 years and he is a Graduate of Commerce.
Experience (No. of years)	23 years
Date of appointment on the Board	May 30, 2015
Shareholding in Sword and Shield Pharma Limited	229400 Equity Shares of INR 10/- each fully paid up amounting to 4.45% of the shareholding of the Company as on March 31, 2018.
Directorship in any other Company	NIL

Route Map for the Venue of 23rd Annual General Meeting



Directors' Report

To the Members of Sword and Shield Pharma Limited,

The Directors are pleased to present the Twenty Third Annual Report and Audited Statement of Accounts for the year ended 31st March, 2018

1. FINANCIAL AND OPERATIONAL HIGHLIGHTS

(Amount in INR)

<u>Particulars</u>	<u>2017-18</u>	<u>2016-17</u>
Revenue from Operations	2,89,462.00	8,85,768.00
Other Income	5,785.00	17,894.00
Profit / (Loss) before Depreciation, Finance Costs, Exceptional items and Taxation	(15,62,024.9)	(24,46,008.95)
Less: Depreciation and Amortization expense	0.00	0.00
Profit / (Loss) before Finance Costs, Exceptional items and Taxation	(15,62,024.9)	(24,46,008.95)
Less: Finance Costs	4,619.00	661.00
Profit / (Loss) before Exceptional items and Taxation	(15,66,643.90)	(24,46,669.95)
Add: Exceptional items	0.00	0.00
Profit before Taxation	(16,06,643.90)	(24,53,122.95)
Less: Tax Expense	0.00	0.00
Discontinuing Operations		
Profit / (Loss) from discontinuing operations (before tax)	0.00	0.00
Profit / (Loss) for the year	(16,06,643.90)	(24,53,122.95)
Earnings Per Share (EPS)		
Basic	(0.32)	(0.48)
Diluted	(0.32)	(0.48)

2. STATE OF COMPANY'S AFFAIRS

The year 2017-18 was another year of continuous efforts to improve operating performance and new initiatives for Sword and Shield. The Revenue from Operations were recorded as INR 2.89 Lakhs although comparatively less than last year but the Company has reduced its losses from INR 24.53 Lakh of last year to INR 16.06 Lakh for this year. The Company is no more engaged in the activity of Manufacturing Trading of Pharmaceutical and other allied Pharmaceutical Products as it was closed in the year 2015-16 due to slump sale of its Manufacturing Unit i.e. Factory Land and Building.

Several efforts were undertaken to improve the marketing of the Pharmaceutical and other allied products of the Company on Commission basis. The Management is taking every possible step to stream line its operations and to put the Company on growth.

After all legal procedures, compliances of several acts, and subsequent filings made with BSE Ltd, the Company had received Observation letter on 5th May, 2018 regarding the draft scheme of arrangement between Sword and Shield Pharma limited and Praveg Communications Limited.

3. CHANGE IN THE NATURE OF BUSINESS

Company continues to operate only in one segment i.e. Pharmaceuticals and thus there is no change in the nature of business of the Company during the Financial Year ended March 31, 2018.

4. DIVIDEND

In view of the losses for the year ended 31st March, 2018 and accumulated losses, the Board of Directors deferred the proposal of declaration of dividends for this year.

5. CHANGES IN CAPITAL STRUCTURE

The Authorized Share Capital of the Company continues to remain Rs. 6,00,00,000, divided into 60,00,000 no. equity shares of Rs.1/- each.

During the year, the Company had made calls on shareholders in respect of money unpaid on their shares thus amounting to increase in the Paid up capital of the Company from Rs. 4,66,19,170 in the year 2016-17 to Rs. 5,15,06,000 in the year 2017-18.

6. SCHEME OF AMALGAMATION AND ARRANGEMENT

The Board of Directors at its meeting held on 26th April, 2017 had approved the Scheme of Amalgamation and Arrangement between Sword & Shield Pharma Limited ("the Transferee Company") and Praveg Communications Limited ("the Transferor Company"), under Sections 230 to 232 of the Companies Act, 2013 and other applicable laws.

7. MATERIAL CHANGES & COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Other than the calls made on partly paid up shares there were no material changes and commitments affecting the financial position of the Company during the year and also no changes have occurred between the end of the financial year and the date of this report.

The paid up share capital of the Company after making calls on partly paid up shares stands as below:

EQUITY SHARE CAPITAL

ISSUED, SUBSCRIBED AND PAID UP CAPITAL Equity shares of Rs. 10/- each	No. of shares	Amount
Balance at the beginning of the year i.e. as on 1st April, 2017		
At the beginning of the year- Fully paid up	41,73,234	4,17,32,340.00
At the beginning of the year- Partly paid up	9,77,366	48,86,830.00
Changes in the equity share capital during the year		
9,77,366 no. of partly paid up shares called during the year and were made fully paid up	9,77,366	48,86,830.00
Balance at the end of the year i.e. as on 31st March, 2018	51,50,600	5,15,06,000.00

8. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

No significant or material orders have been passed against the Company by the Regulators, Courts or Tribunals, which impacts the going concern status and company's operations in future.

9. MANAGEMENT DISCUSSION AND ANALYSIS

A detailed report on the Management Discussion and Analysis is provided as a separate chapter in this Annual Report

10. CORPORATE GOVERNANCE

Pursuant to Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI LODR), the Company is not required to mandatorily comply with certain regulations of SEBI LODR and hence no separate report on Corporate Governance is provided in this report, although certain information is provided under relevant heading.

11. DETAILS OF BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Board of Directors:

The Board is required to have an appropriate mix of Executive and Independent Directors to maintain its independence, and separate its functions of governance and management. Therefore, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') mandate that for a Company with an Executive Chairman, at-least half of the Board should be Independent Directors. Thus, the Board of Directors of the Company consists of Six (6) Directors as on March 31, 2018, which includes Mr. Pravinbhai Patel, as the Managing Director of the Company, Mrs. Jyotsnaben P. Patel, as an Executive Director and Mr. Jayeshkumar Patel, Mr. Dilipkumar Patel, Mr. Paresh Patel and Mr. Kanjibhai Chaudhary as the Non-Executive Independent Directors of the Company, which constitutes 66% of the Board's strength, although more than the requirements of the Companies Act, 2013 and the Listing Regulations.

Further, Mrs. Jyotsnaben P. Patel, Executive Director of the Company, is designated as Woman Director for the Company in terms of second proviso to the Section 149 (1) of the Companies Act, 2013. Thus, the Composition of Board fulfills the regulatory requirements.

Mr. Pravinbhai Patel (DIN: 01877446), Managing Director of the Company, is liable to retire by rotation and, being eligible offers himself for re-appointment at the ensuing Annual General Meeting of the Company.

Further, the Company has received necessary declaration from the Non-Executive Independent Directors of the Company under Section 149(6) of the Companies Act, 2013 and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 stating that they meet the criteria of independence as provided therein

b) Meetings of the Board

Regular meetings of the Board are held at least once in a quarter to review the Quarterly Results and other items on the agenda, and also on the occasion of Annual General Meeting (AGM). Additional Board meetings are convened to discuss and decide on various business policies, strategies and other businesses. The Company Secretary drafts the Agenda for each meeting, along with explanatory notes, in consultation with the Managing Director, and distributes these in advance to the Directors. Every Board Member can suggest the inclusion of additional items in the agenda.

During the Financial Year 2017-18, the Board of Directors of the Company, met 7 (Seven times) on 26 April 2017, 03rd May, 2017, 30th May, 2017, 06th July 2017, 12th August, 2017, 14th November, 2017 and 14th February, 2018.

The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act. The attendance details of the Board Meeting are following:

<u>Name of the Director</u>	<u>% of Attendance</u>
Mr. Pravinbhai Patel- Chairman and Managing Director DIN: 01877446	100.00
Mrs. Jyotsnaben Patel- Executive Woman Director DIN: 01877469	100.00
Mr. Jayeshkumar Patel- Independent Director DIN: 00473443	66.67
Mr. Dilipkumar Patel- Independent Director DIN: 00473816	66.67
Mr. Paresh Patel- Independent Director DIN: 02352677	66.67
Mr. Kanjibhai Chaudhary-Independent Director DIN: 00505694	66.67

c) Key Managerial Personnel

Mr. Darshil Hiranandani, Company Secretary and Compliance Officer of the Company resigned from the office w.e.f. 14th April, 2018 and the Board conveyed its sincere appreciation for the valuable contribution made by Mr. Darshil Hiranandani, to the Company as the Company Secretary and Compliance Officer of the Company.

Ms. Pooja Kadam, Associate Company Secretary was then appointed as the Company Secretary and Compliance officer of the Company w.e.f. 13th June, 2018.

Pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 Mr. Pravinbhai Patel, Managing Director of the Company and Ms. Pooja Kadam, Company Secretary and Compliance Officer have been designated as the Key Managerial Personnel of the Company.

12. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The details as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 is not applicable as there is no such employee in the Company employed throughout the financial year with salary above INR 102 Lakh Per Annum or employed part of the financial year with average salary above INR 8.5 Lakh Per Month.

Further, there is no employee employed throughout the Financial year or part thereof, who was in receipt of remuneration of in aggregate is in excess of that drawn by the Managing Director or Whole time Director or

Manager and holds by himself or along with his spouse and dependent children, not less than Two Percent (2%) of the Equity Shares of the Company.

13. INFORMATION OF COMMITTEE AND ITS MEETINGS

Currently, the Board has three (3) Committees:

- i. Audit Committee;
- ii. Nomination and Remuneration Committee and
- iii. Stakeholders' Grievances and Relationship Committee

<u>Sr. No.</u>	<u>Name of the Director</u>	<u>Audit Committee</u>	<u>Nomination and Remuneration Committee</u>	<u>Stakeholders' Grievances and Relationship Committee</u>
1.	Mr. Pravinbhai Patel	•		
2.	Mrs. Jyotsnaben Patel			
3.	Mr. Jayeshkumar Patel	•	•	+
4.	Mr. Dilipkumar Patel		+	•
5.	Mr. Paresh Patel			
6.	Mr. KanjibhaiChaudhary	+	•	•
	+ Chairman			
	• Member			

i. Audit Committee

Our Audit Committee comprised of 3 Directors as on March 31, 2018:

- a) Kanjibhai Chaudhary - Chairman
- b) Jayeshkumar Patel - Member
- c) Pravinbhai Patel - Member

The past Company Secretary and Compliance Officer Mr. Darshil Hiranandani, acted as the Secretary to the Audit Committee.

Audit Committee Meetings and Attendance:

The Audit Committee Meeting was held 5 (Five) times during the year ended March 31, 2018. These were held on 30th May, 2017, 12th August, 2017, 14th November, 2017 and 14th February, 2018. The attendance details of the Audit Committee meeting are following:

<u>Name of the Director</u>	<u>% of attendance</u>
Mr. KanjibhaiChaudhary	100.00
Mr. Jayeshkumar Patel	100.00
Mr. Pravinbhai Patel	60.00

ii. Nomination and Remuneration Committee

Our Nomination and Remuneration Committee comprised of 3 Directors as on March 31, 2018:

- a) Dilipkumar Patel - Chairman
- b) Jayeshkumar Patel - Member
- c) Kanjibhai Chaudhary - Member

There was no constitution in the Nomination and Remuneration Committee during the year 2017-18.

The past Company Secretary and Compliance Officer Mr. Darshil Hiranandani, acted as the Secretary to the Nomination and Remuneration Committee.

Nomination and Remuneration Committee Meetings and Attendance:

The Nomination and Remuneration Committee Meeting was held 4 (Four) times during the year ended March 31, 2018. These were held on 30th May, 2017, 12th August, 2017, 14th November, 2017 and 14th February, 2018

<u>Name of the Director</u>	<u>% of attendance</u>
Mr. Dilipkumar Patel	100.00
Mr. Jayeshkumar Patel	100.00
Mr. KanjibhaiChaudhary	100.00

iii. Stakeholders' Grievances and Relationship Committee

Our Stakeholders' Grievances and Relationship Committee comprised of 3 Directors as on March 31, 2018:

- a) Jayeshkumar Patel - Chairman
- b) Dilipkumar Patel - Member
- c) Kanjibhai Chaudhary - Member

There was no constitution in Stakeholders' Grievances and Relationship Committee during the year 2017-18.

The past Company Secretary and Compliance Officer Mr. Darshil Hiranandani, acted as the Secretary to the Nomination and Remuneration Committee

Stakeholders' Grievances and Relationship Committee Meetings and Attendance:

The Stakeholders' Grievances and Relationship Committee Meeting was held 4 (Four) during the year ended March 31, 2018. These were held on 30th May, 2017, 12th August, 2017, 14th November, 2017 and 14th February, 2018. The attendance details of the Stakeholders' Grievances and Relationship Committee meeting are following:

<u>Name of the Director</u>	<u>% of attendance</u>
Mr. Jayeshkumar Patel	100.00
Mr. Dilipkumar Patel	100.00
Mr. KanjibhaiChaudhary	100.00

The details of Complaints during the fiscal ended on March 31, 2018 are as follows:

<u>Number of Complaints Pending before the Fiscal Year 2017-18</u>	<u>Number of Complaints received during the Fiscal Year 2017-18</u>	<u>Number of Complaints Resolved during the Fiscal Year 2017-18</u>	<u>Number of Complaints pending at the end of the Fiscal March 31, 2018</u>
Nil (0)	Nil (0)	Nil (0)	Nil (0)

14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors to the best of their knowledge hereby state and confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the profit / (loss) of the company for that period;
- the directors had prepared the annual accounts on a going concern basis;
- the internal financial controls to be followed by the Company were laid down and such internal financial controls were adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of the Company, approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are – Company Philosophy, Guiding Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel (Other than Managing / Whole-time Directors), Key-Executives and Senior Management and the Remuneration of Other Employees.

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is available at the website of the Company viz. www.swordnshieldpharma.com.

16. PERFORMANCE EVALUATION

Meeting the requirements of the statute and considering Board Performance Evaluation as an important step for a Board to transit to a higher level of performance, the Nomination and Remuneration Committee has laid down a comprehensive framework for carrying out the evaluations prescribed in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The framework was developed to give all Board members an opportunity to evaluate and discuss the Board's performance openly from multiple perspectives and enhance governance practices within the Board. The framework describes the evaluation coverage and the process thereof.

I. Performance Evaluation of the Board and Committees:

In respect of the Financial Year ended March 31, 2018, the Board conducted its self-evaluation, that of its Committees and all of its individual Members. Some of the parameters which were taken into account while conducting Board evaluation were: Board Composition in terms of its size, diversity; Board processes in terms of communication; Disclosure of information.

The evaluation of each of the Board Committees were done on parameters such as whether key items discussed in the Committee are suitably highlighted to the Board, whether Committee effectively performs support functions to the Board in fulfilling its responsibilities etc.

II. Performance Evaluation of Non-Independent Directors:

The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors, considering aspects such as Effectiveness as Chairman, in developing and articulating the strategic vision of the Company; Demonstration of ethical leadership, displaying and promoting throughout the Company a behavior consistent with the culture and values of the organisation; Contribution to discussion and debate through thoughtful and clearly stated observations and opinions; Creation of a performance culture that drives value creation without exposing the Company to excessive risk.

III. Performance Evaluation of Independent Directors:

The performance evaluation of the Independent Directors was carried out by the entire Board, other than the Independent Director concerned, taking into account parameters such as – refrain from any action that may lead to loss of independence; refrain from disclosing confidential information, including commercial secrets, technologies, unpublished price sensitive information, sales promotions plans etc., support to CMD and executive directors in instilling appropriate culture, values and behaviour in the boardroom and beyond, well informed about the Company and the external environment in which it operates, moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholders' interest etc.

IV. Evaluation Outcome:

It was assessed that the Board as a whole together with each of its Committees was working effectively in performance of its key functions – Providing strategic guidance to the Company, reviewing and guiding business plans and major plans of action, ensuring effective monitoring of the management and overseeing risk management function.

The Board is kept well informed at all times through regular communication and meets once per quarter and more often during times of rapid growth or if Company needs merit additional oversight and guidance. Comprehensive agendas are sent to all the Board Members well in advance to help them prepare and keep the meetings productive.

The performance of the Chairman was evaluated satisfactory in the effective and efficient discharge of his role and responsibilities for the day to day management of the business, in line with the strategy and long term objectives.

The Executive Directors and Non-executive Directors provided entrepreneurial leadership of the Company within a framework of prudent and effective controls, with a balanced focus on policy formulation and development of operational procedures.

It was acknowledged that the management afforded sufficient insight to the Board in keeping it up-to-date with key business developments which was essential for each of the individual Directors to maintain and enhance their effectiveness.

17. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No. MGT – 9 forms part of the Board’s Report and is annexed herewith as ANNEXURE- I.

18. AUDITORS

I. Statutory Auditors:

In terms of the transitional provisions applicable to Statutory Auditors under the Companies Act, 2013, B. K. Patel & Co., Chartered Accountants (Firm Registration No. 112647W), Ahmedabad were appointed as the statutory auditors of the Company for a period of 5 (five) years in the 20th Annual General Meeting (AGM) of the Company held on September 30, 2015.

Further, as per provisions of Section 139(1) of the Act, the appointment of B. K. Patel & Co., Chartered Accountants (Firm Registration No. 112647W), Ahmedabad is subject to ratification by Members at every AGM. The certificate of eligibility under applicable provisions of the Companies Act, 2013 and corresponding Rules framed thereunder was furnished by them towards appointment of a 5 (Five) year term.

As required by the provisions of the Companies Act, 2013, their appointment should be ratified by members each year at the AGM. B. K. Patel & Co., Chartered Accountants (Firm Registration No. 112647W), Ahmedabad has confirmed that ratification of their appointment, if made at the ensuing AGM, shall be in accordance with the conditions specified in the Act. Accordingly, requisite resolution forms part of the Notice convening the Annual General Meeting.

II. Statutory Auditors’ Report

The observations of Statutory Auditors in their reports are self-explanatory and therefore do not call for any further comments.

19. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, Anand Lavingia, Practicing Company Secretary, Ahmedabad was appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending March 31, 2018.

Secretarial Audit Report

A Secretarial Audit Report given by the Secretarial Auditor in Form No. MR-3 is annexed with this Report as ANNEXURE – 2.

16 The Board in its Meeting held on 13th June, 2018 appointed Mr. Anand Lavingia, Practicing Company Secretary, Ahmedabad as the Secretarial Auditors of the Company for the financial year 2017-18.

20. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

21. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and there are only 1* Woman employee (Mrs. Jyotsnaben Patel – Executive Woman Director, who is holding the position in the Top Management Level) and therefore there was no need to constitute an Internal Complaints Committee (ICC).

*Ms. Pooja Kadam was appointed as the Company Secretary and the Compliance Officer of the Company w.e.f 13th June, 2018

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees, Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement. The Company has not granted any Loan, provided Guarantee or Securities during the year under review.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions to be entered by the Company with related parties will be in the ordinary course of business and on an arm's length basis. However, the Company has not entered into any related party transaction, as provided in Section 188 of the Companies Act, 2013, with the related party. Hence, Disclosure as required under Section 188 of the Companies Act, 2013 is not applicable to the Company.

24. GENERAL DISCLOSURE:

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134(3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 to the extent the transactions took place on those items during the year.

Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. Details of Annual Report on Corporate Social Responsibility as Company is not falling within the criteria as prescribed u/s 135 of the Companies Act, 2013;
- b. Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- c. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- d. Details of Contracts and arrangement with the related parties;
- e. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future

25. ACKNOWLEDGEMENT:

Your Directors take this opportunity to place on record the valuable co-operation and support extended by the banks, government, business associates and the shareholders for their continued confidence reposed in the Company and look forward to having the same support in all future endeavors.

Registered Office

55, World Business House,
Near Parimal Garden, Ambawadi,
Ahmedabad – 380 006.

For and on behalf of the Board
For, **SWORD AND SHIELD PHARMA LIMITED**

Place : Pennsylvania
Date : 13th August, 2018

PRAVINBHAI PATEL
MANAGING DIRECTOR
DIN: 01877446

JYOTSNABEN PATEL
DIRECTOR
DIN: 01877469

EXTRACT OF ANNUAL RETURN

as on the financial year ended March 31, 2018

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

FORM NO. MGT - 9

1) Registration and Other Details:		
CIN	:	L24231GJ1995PLC024809
Registration Date	:	February 28, 1995
Name of the Company	:	Sword & Shield Pharma Limited
Category / Sub-Category of the Company	:	Company limited by shares / Indian Non-Government Comapny
Address of the Registered Office and contact details	:	55, World Business House, Near Parimal Garden, Ambawadi, Ahmedabad - 380 006 Tel No: +91-98250 79759 Email: swordnshield1995@g.ail.com Web Site: www.swordnshieldpharma.com
Whether listed Company	:	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	:	MCS Share Transfer Agent Limited 201, Shatdal Complex, Opp. Bat Show Room, Ashram Road, Ahmedabad - 380 009 Tel No.: 91-79 2658 0461 / 62 / 63 Email ID: mcsahmd@gmail.com

2) Principal Business Activity of the Company:		
Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Pharmaceutical	996117	100

3) Particulars of Holding, Subsidiary and Associate Companies:					
SR. No.	Name and Address of the Company	Holding/ Subsidiary /Associate	CIN/GLN	% of shares held	Applicable Section
N.A.					

4) Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity):									
I) Category-wise Shareholding									
Category of Shareholders	No. of Shares held as at April 1, 2017				No. of Shares held as at March 31, 2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	340,000	122,600	340,000	6.60	340,000	-	340,000	6.60	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	340,000	122,600	340,000	6.60	340,000	-	340,000	6.60	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-

c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	340,000	122,600	340,000	6.60	340,000	-	340,000	6.60	-
B. Public Share Holding									
(1) Institutions									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	7,400	-	7,400	0.14	7,400	-	7,400	0.14	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Company	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):	7,400		7,400	0.14	7,400	-	7,400	0.14	-
(2) Non-Institution									
a) Bodies Corporate									
i. Indian		466,244	466,244	9.05	411,694		411,694	7.99	(1.06)
ii. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals**									
i. Individual Shareholders holding nominal share capital upto Rs. 2 Lakh	1,260,146	6,800	1,266,946	24.60	1,347,994	100	1,348,094	26.17	1.57
ii. Individual Shareholders holding nominal share capital in excess of Rs. 2 Lakh	1,605,876	1,388,140	2,994,016	58.13	1,873,761	977,366	2,851,127	55.36	(2.77)
c) Others (specify)									
Market Maker	-	-	-	-	-	-	-	-	-
HUF	65,894		65,894	1.28	183,525		183,525	3.56	2.28
NRI	10,100		10,100	0.20	8,760		8,760	0.17	(0.03)
Clearing Members	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2):	2,942,016	1,861,184	4,803,200	93.26	3,825,734	977,466	4,803,200	93.25	0.02
Total Public Shareholding (B)=(B)(1)+(B)(2)	2,949,416	1,861,184	4,810,600	93.40	3,833,134	977,466	4,810,600	93.39	0.02
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	3,289,416	1,983,784	5,150,600	100.00	4,173,134	977,466	5,150,600	100	0.02

(II) Shareholding of Promoters & Promoters Group									
Name	Shareholding as at April 1, 2017		Date wise Increase/Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding as at March 31, 2018	
	No. of Share	% of total shares of the Company	Date	Increase/Decrease in shareholding	Reason	No. of Share	% of total shares of the Company	No. of Share	% of total shares of the Company
Mr. Pravinbhai Patel	229,400	4.45	-	-	-	-	-	229,400	4.45
Mrs. Jyotsnaben Patel	110,600	2.15	-	-	-	-	-	110,600	2.15

(III) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)						
Name	Shareholding as at April 1, 2017		Increase/Decrease in Shareholding		Shareholding as at March 31, 2018	
	No. of Share	% of total shares of the Company	Increase/Decrease in shareholding	Reason	No. of Share	% of total shares of the Company
SHAILESHKUMAR PATEL	256,280	4.98	41,000.00	Sell	215,280	4.20
PROBI FINCAP PVT LTD	200,000	3.88	No Change		200,000	3.88
SANJAYKUMAR PATEL	150,000	2.91	No Change		150,000	2.91
JITENDRAKUMAR PATEL	241,880	4.70	94,266	Sell	147,614	2.86
SANJAYBHAI MODI			141,566	Buy	141,566	2.74
JASHODABEN PATEL	255,730.00	7.64		Sell	137,730	2.67
PUNITABEN PATEL	256,980.00	4.99	120,000	Sell	136,980	2.65
CHIRAGKUMAR PATEL	-			Buy	131,730	2.55
JAGDISHKUMAR AKHANI	149,300.00	2.90	27,719.00	Sell	121,581	2.36
PRAKASHKUMAR PATEL	120,300.00	2.33	No Change		120,300	2.33

(IV) Shareholding of Directors and Key Managerial Personnel									
Name	Shareholding as at April 1, 2017		Date wise Increase/Decrease in Shareholding			Cumulative Shareholding		Shareholding as at March 31, 2018	
	No. of Share	% of total shares of the Company	Date	Increase/Decrease in shareholding	Reason	No. of Share	% of total shares of the Company	No. of Share	% of total shares of the Company
Mr. Pravinbhai Patel	229,400	4.45	-	-	-	-	-	229,400	4.45
Mrs. Jyotsnaben Patel	110,600	2.15	-	-	-	-	-	110,600	2.15
Mr. Jayeshkumar Patel	-	-	-	-	-	-	-	-	-
Mr. Dilipkumar Patel	-	-	-	-	-	-	-	-	-
Mr. Paresh Patel	-	-	-	-	-	-	-	-	-
Mr. Kanjibhai Chaudhary	-	-	-	-	-	-	-	-	-

Ms. Pooja Kadam#									
Mr. Darshil Hiranandani*	-	-	-	-	-	-	-	-	-
*resigned w.e.f. April 14,2018	#Appointed w.e.f. 13th June, 2018								

5) Indebtness				(Rs. In Lakh)
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	-	28.83	-	28.83
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total A (i+ii+iii)	-	28.83	-	28.83
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	28.83	-	28.83
Net Change B	-	28.83	-	28.83
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total C (i+ii+iii)	-	-	-	-

6) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL				(Amt. in INR)
A) Remuneration to Managing Director, Whole-time Directors and/or Manager				
Particulars of Remuneration	Name of the MD/WTD/Manager	Name of the MD/WTD/Manager	Total Amount	
	Pravinbhai Patel Managing Director	Jyotsnaben Patel Executive Woman Director		
Gross salary				
(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	-	-	-	-
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-	-
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
Stock option	-	-	-	-
Sweat Equity	-	-	-	-
Commission	-	-	-	-
as % of profit	-	-	-	-
others (specify)	-	-	-	-
Others, please specify	-	-	-	-
Total (A)	-	-	-	-

B) Remuneration to other Directors: The Company is neither paying sitting fees nor any remuneration to other Directors.

C) Remuneration to key Managerial Personnel Other than MD/Manager/WTD			(Amt. in INR)
Particulars of Remuneration	Name of the KMP Darshil Hiranandani* Company Secretary & Compliance Officer	Name of the KMP Pooja Kadam# Company Secretary & Compliance Officer	Total Amount
	Gross salary		
(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	290,000	273,600	563,600
(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
Stock option	-	-	-
Sweat Equity	-	-	-
Commission	-	-	-
as % of profit	-	-	-
others (specify)	-	-	-
Others, please specify	-	-	-
Total	290,000	273,600	563,600
*Resigned w.e.f. April, 14 2018		# Appointed w.e.f. June 13, 2018	

7) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES					
Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/ Court)	Appeal made if any (give details)
A. Company					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment					
Compounding					
B. Directors					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment					
Compounding					
C. Other Officers in Default					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment					
Compounding					

For and on behalf of Board of Directors
For, Sword & Shield Pharma Limited

Place: Pennslavnia
Date: 1st September, 2018

Pravinbhai Patel
Managing Director
DIN 01877446

Jyotsnaben Patel
Director
DIN 01877469

SECRETARIAL AUDIT REPORT**Form No. MR-3**

For the financial year ended March 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

Sword & Shield Pharma Limited

55, World Business House,
Near Parimal Garden,
Ambawadi, Ahmedabad – 380 006

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sword & Shield Pharma Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company'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, 2018, generally 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 the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment;
- 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations")

- vi. Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Companies Act, 2013, Rules made thereunder, Regulations, guidelines etc. mentioned above except;

- *Appointment of Chief Financial Officer under section 203 of the Act;* and

Further, the Company being engaged in the Manufacturing/Trading of Pharmaceutical products, following is specific applicable law to the Company, which requires approvals or compliances under is;

1. Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1945 - The Company has complied with all requirements as specified by the Act.

And other generally applicable laws to the company are mentioned in Annexure A. We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances of the said laws.

During the Period under review, provisions of the following Acts, Rules, Regulations, and Standards are not applicable to the Company,

- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- ii. 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; - the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed MCS Share Transfer Agent Limited as Registrar & Share Transfer Agent as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- v. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- vi. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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.

I further report that -

There were no special/specific event has been occurred during the audit period except company has obtained observation letter from the stock exchange in the matter of amalgamation in nature of merger.

Place: Ahmedabad

Signature:

Date: 13/08/2018

Name of Practicing Company Secretary: Anand Lavingia

ACS No. : 26458

C P No. : 11410

Note: This Report is to be read with my letter of above date which is annexed as Annexure B and forms an integral part of this report.

List of major Specific Acts applicable to the Company

1. The Indian Contract Act, 1872
2. Negotiable Instrument Act,1881
3. Sales of Goods Act,1930
4. Arbitration & Conciliation Act,1996
5. Bombay Stamp Act, 1958 (as applicable to Gujarat State)
6. Registration Act, 1908
7. The Indian Stamp Act,1899
8. The Gujarat Stamp Act,1958

To,

The Members,

Sword & Shield Pharma Limited

55, World Business House,

Near Parimal Garden,

Ambawadi, Ahmedabad – 380 006

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, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me 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. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad

Signature:

Date : 13/08/2018

Name of Practicing Company Secretary: Anand Lavingia

ACS No. : 26458

C P No. : 11410

MANAGEMENT DISCUSSION ANALYSIS REPORT

1. OVERVIEW:

India is the largest provider of generic drugs globally. India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers who have the potential to steer the industry ahead to an even higher level. The Indian pharma industry, which is expected to grow over 15 per cent per annum between 2015 and 2020, will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same periods. The Outlook of the Pharma Industry remains largely positive over the next few years. India is the largest supplier of the cost effective generic medicines to the developed world. With the varied range of medicines available for exports and with the availability of the largest number of approved pharmaceutical manufacturing facilities, India is all set to become the leader of Pharmaceutical exports to the World.

Due to losses carried out by the Company during several years because of the changing scenario in the pharmaceutical sector, the Management of the Company thought to diversify its business through combining the resources of 2 Companies to give better yield to the Shareholders of the Company through a scheme of arrangement in the nature of amalgamation with a Profit Making Organization – Praveg Communications Limited, having its Registered Office in the state of Gujarat – a Company which is carrying on the business of Events, Exhibitions and Advertisements.

2. OPPORTUNITY AND THREAT:

The Company has made an application for the Scheme of Arrangement in the nature of Amalgamation to BSE Ltd. between Praveg Communications Limited and the Company. The application made by the Company is approved by BSE Ltd. and is now pending for the approval of National Company Law Tribunal, Ahmedabad (NCLT) then the Company can diversify its area of business operations apart from pharmaceutical business and can generate better revenues in future and can yield more profits which can protect the interest of the Stakeholders of the Company.

If the application of Amalgamation is not approved by the National Company Law Tribunal, Ahmedabad (NCLT) then the Company will carry on the business of pharmaceutical and other allied activities of pharmaceutical products, but to cope up with the negative reserves of the Company and to make the Company into a profit making entity from a loss making entity will be a tidy and difficult process as the Company has huge amount of negative reserves and with rising population and new health concerns the growth chances lie with all the companies with huge fund investment. However constant increase in the R & D cost is a crucial issue for small scale pharmaceutical companies. MNCs in pharmaceutical companies are also taking over the market which is also material threat for the domestic industry.

Also the Company has sold off its manufacturing unit – Factory Land and Building through the way of Slump Sale and therefore the Company is not engaged in the business of Manufacturing of Pharmaceutical products and therefore it is difficult to revive the Company from a loss making entity to a profit making entity just by earning the Income of Commission by marketing of the Pharmaceutical Products.

3. RISK FACTORS:

The risk factor is but naturally involved in any type of industry including natural risk. During the last few years, the promotion measures undertaken by other states of India, has also diverted the pharmaceutical business out of Gujarat. The corporate with obsolete technologies are likely to close down the business.

4. SEGMENT-WISE OR PRODUCT WISE PERFORMANCE:

The Company was engaged in the business of Manufacturing and Trading of Pharmaceutical and other allied Pharmaceutical Products which was closed down in the year 2015-16 by selling of the its Manufacturing Unit i.e. Factory Land and Building through Slump Sale and therefore the Company does not possess any Fixed Assets as on date. Currently, the Company is working for the marketing of the Pharmaceutical and other allied Pharmaceutical Products on Commission basis.

5. FUTURE OUTLOOK:

The Company is in planning for expanding its business activities by entering into the business of Events, Exhibitions and Advertisements along with the business of Pharmaceutical and other allied products through the process of Amalgamation with an Ahmedabad based organization named Praveg Communications Limited to widen its business activities.

6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has an efficient system of internal controls for achieving the following business objectives of the company:

- a. Efficiency of operations;
- b. Protection of resources;
- c. Accuracy and promptness of financial reporting;
- d. Compliance with the laid down policies and procedures and
- e. Compliance with various laws and regulations.

In Sword & Shield Pharma Limited, Internal Audit is a multi-disciplinary function which reviews, evaluates and appraises the various systems, procedures/policies of the Company and suggests meaningful and useful improvements. It helps the Management to accomplish its objectives by bringing a systematic and disciplined approach to improve the effectiveness of risk management towards good corporate governance. The Directors handle most of the day-to-day functions. The Directors are regularly looking after all the key areas of the operations.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the Fiscal Year 2017-18 the Revenue from Operations were recorded as INR 2.89 Lakhs although comparatively less than last year but the Company has reduced its losses from INR 24.53 Lakh of last year to INR 16.06 Lakh for this year.

Particulars	2017-18	2016-17
Revenue from Operations	2,89,462.00	8,85,768.00
Other Income	5,785.00	17,894.00
Profit / (Loss) before Depreciation, Finance Costs, Exceptional items and Taxation	(15,62,024.9)	(24,46,008.95)

Less: Depreciation and Amortization expense	0.00	0.00
Profit / (Loss) before Finance Costs, Exceptional items and Taxation	(15,62,024.9)	(24,46,008.95)
Less: Finance Costs	4,619.00	661.00
Profit / (Loss) before Exceptional items and Taxation	(15,66,643.90)	(24,46,669.95)
Add: Exceptional items	0.00	0.00
Profit before Taxation	(16,06,643.90)	(24,53,122.95)
Less: Tax Expense	0.00	0.00
Discontinuing Operations		
Profit / (Loss) from discontinuing operations (before tax)	0.00	0.00
Profit / (Loss) for the year	(16,06,643.90)	(24,53,122.95)
Earnings Per Share (EPS)		
Basic	(0.32)	(0.48)
Diluted	(0.32)	(0.48)

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

The Company being engaged in the business of Pharma Industry, all the operation and management is look after by the Directors of the Company only. Further, there is no other employee in the Company except one marketing executive and the person appointed for looking after the Statutory Compliances under various acts. Further, Management is of the view to employ the person in the suitable post wherever require for the expansion of business the Company.

9. CAUTIONARY STATEMENT:

Statement in the Management Discussion and Analysis, describing the Company's objective, projections and estimates are forward looking statements and progressive within the meaning of applicable security Laws and Regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

INDEPENDENT AUDITORS REPORT

To,
The Members,
SWORD AND SHIELD PHARMA LTD.
Ahmedabad

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **SWORD AND SHIELD PHARMA LTD.** which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

In conducting our audit, We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India ***subject a Deferred Tax Assets of Rs.10,24,358.91 which is not realizable in view of want of convincing evidences for availability of taxable profit in near future for its realization / adjustment***, of the financial position of the Company as at 31 March, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 Section 143(11) of the Companies Act, 2013, 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 purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the 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 standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, 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 control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B, and

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

For, **B. K. PATEL & CO**
Chartered Accountants
Firm Reg. No.112647W

Place: Ahmedabad
Date: 30-5-2018

K. D. Patel
Partner
Membership No. 39919

Annexure-A to Independent Auditors' Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

(i) In respect of its fixed assets:

(a) As the Company has no fixed assets during the year, accordingly clause (a) (b) and (c) of the paragraph 3(i) of the Order is not applicable.

(ii) In respect of its inventories:

(a) As the Company has no inventory of any kind during the year, accordingly clause (a) (b) and (c) of the paragraph 3(ii) of the Order is not applicable.

(iii) The Company has not granted any loan to any party listed in the register maintained under section 189 of the Companies Act, accordingly clause (a) and (b) of the paragraph 3(iii) of the Order is not applicable.

(iv) The Company has not given any loan to directors or made any investment or given any security or guarantee accordingly paragraph 3(xv) of the Order is not applicable.

(v) As informed to us, the Company has not accepted any deposit from public.

(vi) As explained to us, the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 are not prescribed by the Central Government for the product of the Company.

(vii) In respect of its statutory dues:

(a) According to the information and explanations given to us, the Company has been generally regular in depositing undisputed statutory dues including value added tax, cess and any other statutory applicable to it with the appropriate authorities during the period. As explained to us, Company did not have any dues on account of employees' state insurance, wealth tax and duty of customs. According to the information and explanations given to us, no undisputed amounts payable in respect of sales tax, customs duty, excise duty, cess and other material statutory dues applicable to it, were in arrears, as at 31st March, 2018 for a period of more than six months from the date they became payable except Rs.44974/- on account of professional tax.

(b) According to information and explanation given to us, there are no dues of income tax, wealth tax, sales tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute

(viii) As Company has no borrowings from any bank or financial institutions, government or debenture holders during the year, accordingly paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer (including debt instruments) and term loans during the year; accordingly paragraph 3(ix) of the Order is not applicable.

- (x)** According the information and explanation given to us, and to the best of our knowledge and belief, no material fraud on or by the Company was noticed or reported during the period.
- (xi)** According to information and explanation given to us and based on our examination of the records of the Company, the Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii)** In our opinion and according to information and explanation given to us, the Company is not a nidhi company; accordingly paragraph 3(xii) of the Order is not applicable.
- (xiii)** In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in financial statements as required by the applicable accounting standards.
- (xiv)** In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, accordingly paragraph 3(xiv) of the Order is not applicable.
- (xv)** In our opinion and according to information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him, accordingly paragraph 3(xv) of the Order is not applicable.
- (xvi)** In our opinion and according the information and explanation given to us, the Company is not required to be registered under Section 45IA of the Reserve Bank of India Act, 1934

For, B. K. PATEL & CO
Chartered Accountants
Firm Reg. No.112647W

Place: Ahmedabad
Date: 30-5-2018

K. D. Patel
Partner
Membership No. 39919

Annexure-B to Independent Auditors' Report

(Referred to in Paragraph 2(f) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date)

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

We have audited the internal financial controls over financial reporting of **SWORD AND SHIELD PHARMA LTD** (“the Company”) as of 31st March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

AUDITORS' 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 auditors’ judgment, 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 Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, 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 31st March, 2018, 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, B. K. PATEL & CO
Chartered Accountants
Firm Reg. No.112647W

K. D. Patel
Partner
Membership No. 39919

Place: Ahmedabad
Date: 30-5-2018

SWORD & SHIELD PHARMA LTD.
Standalone Balance Sheet as at March 31, 2018

Particulars	Notes	<i>Amount in Rs.</i>		
		As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
Assets				
Non-current Assets				
Other Non current Assets		-	-	-
Deferred Tax Assets (Net)		1,024,358.91	1,024,358.91	1,024,358.91
Total Non-current Assets		1,024,358.91	1,024,358.91	1,024,358.91
Current Assets				
Inventories		-	-	-
Trade Receivables	3	-	20,150.00	78,255.00
Financial Assets				
Cash and Cash Equivalents	4	1,087,453.64	741,478.54	678,390.54
Loans	5	14,473.00	180,607.00	
Other Current Assets		-	-	5,417,670.00
Total Current Assets		1,101,926.64	942,235.54	6,174,315.54
Total Assets		2,126,285.55	1,966,594.45	7,198,674.45
Equity and liabilities				
Equity				
Equity Share Capital	6	51,506,000.00	46,619,170.00	46,619,170.00
Other Equity	7	(49,593,762.45)	(47,987,118.55)	(45,533,995.60)
Total Equity		1,912,237.55	(1,367,948.55)	1,085,174.40
Liabilities				
Non-current Liabilities				
Financial Liabilities				
Borrowings	8	-	2,883,000.00	3,957,500.00
Total Non-current Liabilities		-	2,883,000.00	3,957,500.00
Current Liabilities				
Financial Liabilities				
Trade Payables	9	50,224.00	-	45,162.55
Other Current Liabilities	10	163,824.00	451,543.00	2,110,837.50
Total Current Liabilities		214,048.00	451,543.00	2,156,000.05
Total Liabilities		214,048.00	3,334,543.00	6,113,500.05
Total Equity and Liabilities		2,126,285.55	1,966,594.45	7,198,674.45

See accompanying notes to the financial statements

For and on behalf of
SWORD & SHIELD PHARMA LTD.

In terms of our report attached

For, B. K. PATEL & CO
Chartered Accountants
Firm's Reg. No:112647W

Pravinbhai M Patel
Managing Director
DIN :01877446

Jyotsnaben P Patel
Director
DIN :01877469

Ahmedabad
30-05-2018

Pennsylvania
30-05-2018

K D Patel
Partner
Membership No. 39919

SWORD & SHIELD PHARMA LTD.**Standalone Statement of Profit and Loss for the year ended 31st March, 2018***Amount in Rs.*

Particulars	Notes	For the Year ended 31-Mar-18	For the Year ended 31-Mar-17
Revenue			
Revenue from operations	11	289,462.00	885,768.00
Other Income	12	5,785.00	17,894.00
Total Income		295,247.00	903,662.00
Expenses			
Employee Benefit Expense	13	453,943.00	422,833.00
Finance Costs	14	4,619.00	661.00
Depreciation and Amortisation Expense		-	-
Other Expenses	15	1,403,328.90	2,926,837.95
Total Expenses		1,861,890.90	3,350,331.95
Profit / (Loss) before exceptional items and tax		(1,566,643.90)	(2,446,669.95)
Exceptional items		-	-
Prior Period Items	16	40,000.00	6,453.00
Profit / (Loss) before tax		(1,606,643.90)	(2,453,122.95)
Tax Expense:			
Current Tax		-	-
Deferred Tax		-	-
Profit / (Loss) after tax		(1,606,643.90)	(2,453,122.95)
Other Comprehensive Income			
Other Comprehensive Income		-	-
Other Comprehensive Income (After Tax)		-	-
Total comprehensive income for the year		(1,606,643.90)	(2,453,122.95)
Earnings Per Equity Share (EPS)			
Basic and Diluted EPS (Rs.)	17	(0.32)	(0.48)

See accompanying notes to the financial statements

In terms of our report attached

For and on behalf of

SWORD & SHIELD PHARMA LTD.

For, B. K. PATEL & CO
Chartered Accountants
Firm's Reg. No:112647W

Pravinbhai M Patel
Managing Director
DIN :01877446

Jyotsnaben P Patel
Director
DIN :01877469

K D Patel
Partner

Pennsylvania
30-05-2018

Ahmedabad
30-05-2018

Membership No. 39919

SWORD & SHIELD PHARMA LTD.**Statement of changes in equity (SOCIE) for the year ended March 31, 2018**

A. Equity Share Capital		<i>Amount in Rs.</i>	
Particulars	No. Shares	Amount	
ISSUED, SUBSCRIBED AND PAID UP CAPITAL			
Equity shares of Rs 10/- each			
Balance as at April 01, 2016			
At the beginning of the Year -Fully Paid Up	4,173,234	41,732,340.00	
At the beginning of the Year -Partly Paid Up	977,366	4,886,830.00	
Changes in equity share capital during the year	-	-	
Balance as at March 31, 2017			
At the beginning of the Year -Fully Paid Up	4,173,234	41,732,340.00	
At the beginning of the Year -Partly Paid Up	977,366	4,886,830.00	
Changes in equity share capital during the year	-	-	
977366 Partly paid up shares called during the year & made fully paid up	977,366	4,886,830.00	
Balance as at March 31, 2018	5,150,600	51,506,000.00	

B. Other Equity

Particulars	Reserves and Surplus	
	Retained Earnings	Total Amount
Balance as at March 31, 2017	(47,987,118.55)	(47,987,118.55)
Profit / (Loss) for the period	(1,606,643.90)	(1,606,643.90)
Other comprehensive income	-	-
Total Comprehensive Income / (loss) for the period	(1,606,643.90)	(1,606,643.90)
Balance as at March 31, 2018	(49,593,762.45)	(49,593,762.45)

See accompanying notes to the financial statements

In terms of our report attached

For and on behalf of
SWORD & SHIELD PHARMA LTD.**For, B. K. PATEL & CO**
Chartered Accountants
Firm's Reg. No:112647W**Pravinbhai M Patel**
Managing Director
DIN :01877446**Jyotsnaben P Patel**
Director
DIN :01877469Pennsylvania
30-05-2018Ahmedabad
30-05-2018**K D Patel**
Partner
Membership No. 39919

SWORD & SHIELD PHARMA LTD.

Cash Flow Statement for the year ended 31st March, 2018

(Amount in Rs.)

PARTICULARS	For the year 2017-18	For the year 2016-17
(A) Cash Flow from Operating Activities :		
Net Profit Before Tax	(1,606,643.90)	(2,453,122.95)
Non-Cash Adjustment to reconcile Profit Before Tax to Net Cash Flows		
Interest Income	(2,000.00)	(17,890.00)
Interest Expense	4,619.00	661.00
Operating Profit Before Working Capital Changes	(1,604,024.90)	(2,470,351.95)
Movement in Working Capital :		
Increase/(Decrease) in Trade Payables	50,224.00	(45,162.55)
Increase/(Decrease) in Other Current Liabilities	(287,719.00)	(1,659,294.50)
Decrease/(Increase) in Trade Receivables	20,150.00	58,105.00
Cash Generated from/(used in) Operating Activities	(1,821,369.90)	(4,116,704.00)
Direct Taxes Paid (net)	0.00	0.00
Nat Cash from Operating Activities (A)	(1,821,369.90)	(4,116,704.00)
(B) Cash Flow from Investing Activity :		
Change in Short Term Loans & Advances	166,134.00	5,237,063.00
Interest Recived	2,000.00	17,890.00
Net Cash form Investing Activities (B)	168,134.00	5,254,953.00
(C) Cash Flow from Financial Activities :		
Change in paid up share capital	4,886,830.00	0.00
Change in long Term Borrowings	(2,883,000.00)	(1,074,500.00)
Interest Paid	(4,619.00)	(661.00)
Net Cash Flow from/(used in) Financing Activities (C)	1,999,211.00	(1,075,161.00)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	345,975.10	63,088.00
Add : Opening Cash & Cash Equivalents	741,478.54	678,390.54
Add/Less : Foreign Exchange Fluctuation	0.00	0.00
Closing Cash & Cash Equivalents	1,087,453.64	741,478.54
Notes to Statement of Cash Flows		
Cash & Cash Equivalents including		
Cash & Cheque on Hand	67,076.00	730,281.54
Balances with Scheduled Banks in Current Accounts	1,020,377.64	11,197.00
	1,087,453.64	741,478.54
For and on behalf of the Board of Directors	As per our attached report of even date	
	For, B. K. PATEL & CO	
	Chartered Accountants	
	Firm's Reg. No:112647W	
Pravinbhai M Patel	Jyotsnaben P Patel	
Managing Director	Director	
DIN :01877446	DIN :01877469	
Pennsylvania	Ahmedabad	K D Patel
30-05-2018	30-05-2018	Partner
		Membership No. 39919

1 Corporate information

Sword & Shield Pharma Limited ('the company') is public listed company incorporated under the provision of Companies Act, 1956. Its Equity shares are listed on Bombay Stock Exchange ('BSE'). The company was primarily manufacturer of pharma products. Currently, Company is working for the marketing of the Pharma Products on Commission Basis.

2 Significant accounting policies**2.1 Basis of preparation**

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provision of the Act.

The Financial Statements are presented in INR.

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

2.3 Summary of significant accounting policies**a Financial Instruments**

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual

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 recognised immediately in profit or loss.

b Financial assets**Initial recognition and measurement**

All financial assets, except investment in subsidiaries and associates are recognised initially at fair value.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified:

i) At amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as financial assets at fair value through profit or loss or financial assets available-for-sale. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses. These include trade receivables, finance receivables, balances with banks, short-term deposits with banks, other financial assets and investments with fixed or determinable payments.

ii) At fair value through profit or loss (FVTPL)

Financial assets which are not measured at amortised cost are measured at FVTPL.

Fair value changes related to such financial assets including derivative contracts like forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, are recognised in the statement of profit and loss.

Derecognition

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Impairment of Financial assets

A financial asset is assessed at each reporting date to determine whether there is an objective evidence which indicates that it is impaired. A financial asset is considered to be impaired if an objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The Company applies expected credit loss (ECL) model for measurement of impairment loss on the following

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities,
- b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cashflows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as expense / (income) in the statement of profit and loss.

c Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Financial liabilities at FVTPL

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's Fair value changes related to such financial liabilities including derivative contracts like forward currency

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

d Inventories

Inventories are stated at the lower of weighted average cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

e Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company- has identified twelve months as its operating cycle.

f Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

The principal or the most advantageous market must be accessible by the Company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

The Company- uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's - accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the

g Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest income is accounted for on an accrual basis.

h Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

i Taxation

Tax on Income comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

j Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

k Impairment

i) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

I Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

There are no significant key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using ECL model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ii) Taxes

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Deferred tax assets recognised to the extent of the corresponding deferred tax liability.

iii) Going concern

The Company evaluates its working capital position for the ensuing financial year based on the projected cash flow statement. The Company plans to meet the financial obligations by further issuance of equity shares, rescheduling of dues from certain related parties, increased borrowing from financial institutions and continuing financial support from a related party. Having regard to the above, the financial statements have been prepared by the Management of the Company on a going concern basis.

SWORD & SHIELD PHARMA LTD.

Notes to financial statements for the year ended on March 31, 2018

Amount in Rs.

	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
3 Trade Receivables			
Other Trade receivables			
Unsecured, considered good	-	20,150.00	78,255.00
Total	-	20,150.00	78,255.00

	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
4 Cash and Cash Equivalents			
Cash and Cash Equivalents			
Balances with banks			
In current accounts	1,020,377.64	730,281.54	23,069.54
Cash on hand	67,076.00	11,197.00	655,321.00
Total	1,087,453.64	741,478.54	678,390.54

	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
5 Loans			
Prepaid expenses - Unsecured & considered good	-	657.00	535.00
Advance Income Tax (Including TDS)	14,473.00	108,885.00	422,570.00
CENVAT credit receivable	-	5,882.00	5,882.00
VAT credit receivable	-	65,183.00	65,183.00
Other Receivables			
Unsecured, considered good	-	-	4,923,500.00
Total	14,473.00	180,607.00	5,417,670.00

	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
6 Equity Share Capital			
Authorised Share Capital			
60,00,000 Equity Shares of Rs.10/- each	60,000,000.00	60,000,000.00	60,000,000.00
	60,000,000.00	60,000,000.00	60,000,000.00
Issued, Subscribed and Fully paid-up equity shares			
51,50,600 (Previous Year's 41,73,234) fully paid up Equity Shares of Rs.10 each	51,506,000.00	41,732,340.00	41,732,340.00
9,77,366 Equity Shares of Rs.10/- each partly paid up	-	4,886,830.00	4,886,830.00
Total	51,506,000.00	46,619,170.00	46,619,170.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at	As at	As at	As at
	31-Mar-18	31-Mar-18	31-Mar-17	31-Mar-17
	No. Shares	(Rs.in INR)	No. Shares	(Rs.in INR)
At the beginning of the Year -Fully Paid Up	4,173,234	41,732,340	4,173,234	41,732,340
At the beginning of the Year -Partly Paid Up	977,366	4,886,830	977,366	4,886,830
Add : Additional during the year	-	-	-	-
Add : 977366 Partly paid up shares called during the year & made fully paid up	-	4,886,830		
Outstanding at the end of the year	5,150,600	51,506,000	5,150,600	46,619,170

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

C. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31-Mar-18		As at 31-Mar-17	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of Rs.10 each fully paid				
Kamlesh Jain			270,007	5.24%
Total	0		270,007	

	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
7 Other Equity			
Surplus / (Deficit) in the Statement of Profit and Loss			
Opening Balance	(47,987,118.55)	(45,533,995.60)	(47,818,348.72)
Add : Profit / (Loss) for the period	(1,606,643.90)	(2,453,122.95)	2,284,353.12
Closing Balance	(49,593,762.45)	(47,987,118.55)	(45,533,995.60)
Total	(49,593,762.45)	(47,987,118.55)	(45,533,995.60)

	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
8 Borrowings			
Unsecured Borrowings			
Loan from related parties	-	2,883,000.00	3,957,500.00
Total	-	2,883,000.00	3,957,500.00

	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
9 Trade Payables			
Trade Payables			
- Micro and Small Enterprises	-	-	-
- Other than Micro and Small Enterprises	50,224.00	-	45,162.55
Total	50,224.00	-	45,162.55

	As at 31-Mar-18	As at 31-Mar-17	As at 01-Apr-16
10 Other Current Liabilities			
Statutory liabilities	55,824.00	51,604.00	166,173.00
Outstanding Expenditures	108,000.00	399,939.00	1,944,664.50
Total	163,824.00	451,543.00	2,110,837.50

SWORD & SHIELD PHARMA LTD.

Notes to financial statements for the year ended on March 31, 2018

	<i>Amount in Rs.</i>	
	For the Year ended 31-Mar-18	For the Year ended 31-Mar-17
11 Revenue from operations		
Sale of services	289,462.00	885,768.00
Sale of services comprises of :		
Total	289,462.00	885,768.00
<u>Services comprises of</u>		
Commission for Pharma Products	289,462.00	885,768.00
	-	-
	289,462.00	885,768.00
12 Other Income	31-Mar-18	31-Mar-17
<u>Interest Income</u>		
Interest income on Tax Refund	2,000.00	17,890.00
<u>Other non-operating income comprises:</u>		
Kasar & Rate Diff	3,785.00	4.00
Total	5,785.00	17,894.00
13 Employee Benefit Expense	31-Mar-18	31-Mar-17
Directors' Remuneration	-	-
Salaries and wages	453,943.00	422,833.00
Contributions to provident and other funds	-	-
Total	453,943.00	422,833.00
14 Finance Costs	31-Mar-18	31-Mar-17
Interest expense on:		
Interest on income tax & TDS	1,746.00	-
Other Interest	2,283.00	661.00
Bank Commission Charges	590.00	-
Total	4,619.00	661.00
15 Other Expenses	31-Mar-18	31-Mar-17
Establishment Expenses		
(other than considered as finance cost)		
Advertisement & Web Site Exps	13,876.00	41,569.00
Excise Expense / Penalty	-	2,000.00
Income Tax Expense	64,605.00	18,400.00
Insurance Expense	657.00	4,087.00
Legal and Professional Fees	808,049.90	181,707.00
Office & Other Misc Expense	23,683.00	9,500.00
Payments to auditors (Refer Note)	120,000.00	109,250.00
Postage & Courier Expense	-	69.00
Printing And Stationery Expense	-	3,100.00

Rate & Taxes	4,800.00	-
Repairs and maintenance - Others	-	3,650.00
Office Rent Exp	60,000.00	-
Stock Exchange Fees	236,593.00	2,532,500.00
Kasar & Write Off	71,065.00	21,005.95
Total	1,403,328.90	2,926,837.95

PAYMENT TO AUDITORS AS :

Payments to the auditors comprises (net of service tax input credit, where applicable):

As auditors -

For statutory audit	75,000.00	57,500.00
For other services	45,000.00	51,750.00
Total	120,000.00	109,250.00

	For the Year ended	For the Year ended
16 Prior Period Items	31-Mar-18	31-Mar-17
Prior Period Exps	40,000.00	6,453.00
Total	40,000.00	6,453.00

SWORD & SHIELD PHARMA LTD.

Notes to financial statements for the year ended on 31st March, 2018

- 17 Pursuant to the Indian Accounting Standard 33 - Earning per Share, the disclosure is as under:

Basic and Diluted EPS	UOM	For the Year ended
		31-Mar-18
Profit/ (Loss) attributable to equity shareholders	Rs.	(1,606,644)
Weighted average number of equity shares outstanding during the year	No.	4,987,706
Nominal Value of equity share	Rs.	10.00
Basic and Diluted EPS	Rs.	(0.32)

18 Fair Value Measurement :

- a) The carrying value of financial instruments by categories as of 31st March, 2018 is as follows :

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised Cost	Total
Financial Assets				
Investments	-	-	-	-
Cash and Cash Equivalents	-	-	1,087,454	1,087,454
Other Financial Assets	-	-	-	-
Total	-	-	1,087,454	1,087,454
Financial Liabilities				
Borrowings	-	-	-	-
Trade Payable	-	-	50,224	50,224
Total	-	-	50,224	50,224

19 Related party transactions

- a) List of related parties and relationship

Description of relationship	Name of Related Parties
Key Managerial Person	Shri Pravinbhai M Patel

- b) Transaction with Related Parties :

Particulars	For the year ended 31-Mar-18
Nature of Transaction with Related Parties :	-
Subscription to Share Capital	-
Loan taken	-
Loan repaid	2,883,000

c) **Balances With Related Parties :**

Particulars	As at 31 March 2018
Balances With Related Parties :	
Borrowings (Loan)	-

20 Approval of financial statements

The financial statements were approved for issue by the board of directors on **30th, May, 2018**

For and on behalf of
SWORD & SHIELD PHARMA LTD.

Pravinbhai M Patel
Managing Director
DIN :01877446

Pennsylvania
30-05-2018

Jyotsnaben P Patel
Director
DIN :01877469

Ahmedabad
30-05-2018

In terms of our report attached

For, B. K. PATEL & CO
Chartered Accountants
Firm's Reg. No:112647W

K D Patel
Partner
Membership No. 39919



Sword & Shield Pharma Ltd.

CIN: L24231GJ1995PLC024809

Registered Office: 55, World Business House,
Near Parimal Garden, Ambawadi, Ahmedabad – 380 006

Website: www.swordnshieldpharma.com | e-mail: swordnshield1995@gmail.com

ATTENDANCE SLIP

I hereby record my presence at the 23rd Annual General Meeting at the Registered Office of the Company on Saturday 29th September, 2018 at 10.00 am

Name of the Attending Member
(In block letters)

DP. Id-

Members Folio. No.

Client. Id-

No. of Shares-

Name of Proxy
(In Block letters, to be filled in if the Proxy attends instead of the Member.)

.....
*Member's/Proxy's Signature

*To be signed at the time of handing over the slip.

----- (Tear here) -----



Sword & Shield Pharma Ltd.

PROXY FORM

DP. Id-

Members Folio. No.

Client. Id-

No. of Shares-

I/We
Of.....

Being a Member/ Members of HMT Limited hereby appoint.....
.....of

Or failing him
of

or failing him
of

as my/our Proxy in my/our absence and vote for me/us, and my/our behalf, at the 23rd Annual General Meeting of the Company, to be held at the Registered Office of the Company on Saturday 29th September, 2018 at 10.00 am, and at any adjournment thereof.

Signed by the said

Affix
Revenue
stamp

Note: The Proxy Form must be deposited at the Registered office of the Company at 55, World Business House, Near Parimal Garden, Ambawadi, Ahmedabad – 380 006, not less than 48 hours before the time for holding the meeting.



Sword & Shield Pharma Ltd.

CIN: L24231GJ1995PLC024809

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Website: www.swordnshieldpharma.com | e-mail: swordnshield1995@gmail.com

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD
109928		

Note:

1. The e-voting commences on Wednesday, September 26, 2018 at 10:00 A. M. IST and ends on Friday, September 28, 2018 at 5:00 P. M. IST.
2. Please read e-voting instructions given in the Notice of AGM before voting electronically.