

**IND SWIFT LABORATORIES INC.**  
(A DEVELOPMENT STAGE COMPANY)

**FINANCIAL STATEMENTS**

**December 31, 2014**

**IND SWIFT LABORATORIES INC.**  
**(A DEVELOPMENT STAGE COMPANY)**  
**Table of Contents**

	<u>Page</u>
Independent Auditor's Report	1
Balance Sheet- December 31, 2014 and 2013	2
Statement of Operations And Accumulated Deficit December 31, 2014 and 2013	3
Statement of Cash Flows - December 31, 2014 and 2013	4
Notes to Financial Statements	5

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**April 22, 2015**


## **INDEPENDENT AUDITOR'S REPORT**

**To the Stockholder's  
Ind Swift Laboratories, Inc.**

We have audited the accompanying balance sheet of Ind Swift Laboratories, Inc. (a development stage company) as of December 31, 2014 and the related statements of income and retained earnings for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ind Swift Laboratories, Inc. (a development stage company) as of December 31, 2014, and the results of its operations and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

  
**Vishaw Sondhi, CPA**  
Certified Public Accountant

**IND SWIFT LABORATORIES, INC.**  
(A DEVELOPMENT STAGE COMPANY)

**BALANCE SHEET**  
**DECEMBER 31, 2014 AND 2013**

**ASSETS**

	<u>2014</u>	<u>2013</u>
Current Assets:		
Cash in Bank	\$ 195,650	\$ 250,894
Accounts Receivable- Trade	2,229,057	2,479,029
Other Receivables	10,655	6,603
Total Current Assets	<u>2,435,362</u>	<u>2,736,526</u>
Furniture and Equipments		
Less: Depreciation of \$60,494 and \$60,494	-	-
Other Assets - Security Deposit	3,815	\$ 3,815
Total Assets	<u><u>\$ 2,439,177</u></u>	<u><u>\$ 2,740,341</u></u>

**LIABILITIES & STOCKHOLDERS' EQUITY**

Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 966,143	\$ 1,275,585
Taxes Payable	-	66,500
Other Payable	48,255	23,648
Total Current Liabilities	<u>\$ 1,014,398</u>	<u>1,365,733</u>
Stockholders' Equity		
Common Stock, no par value, 1500 Shares		
authorized, 1204 shares issued and outstanding	1,204,000	1,100
Additional Paid-in-Capital	850	1,203,750
Retained Earning	219,929	169,758
Total Partner's Equity	<u>1,424,779</u>	<u>1,374,608</u>
Total Liabilities & Stockholders' Equity	<u><u>\$ 2,439,177</u></u>	<u><u>\$ 2,740,341</u></u>

See attached Accountant's Reports and notes to financial statements.

**IND SWIFT LABORATORIES, INC**  
(A DEVELOPMENT STAGE COMPANY)

**STATEMENT OF OPERATIONS AND ACCUMULATED DEFICIT  
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<b>Income</b>		
Gross Sales	\$ 3,712,864	\$ 5,012,897
Less: Sales Returns	-	-
Net Sales	<u>3,712,864</u>	<u>5,012,897</u>
Cost of Sales	<u>2,775,084</u>	<u>3,905,801</u>
Gross Profit	<u>937,780</u>	<u>1,107,096</u>
<b>Expenses:</b>		
Selling, General and Administrative	<u>868,259</u>	<u>922,878</u>
Profit (Loss) before taxes	69,521	184,218
Taxes on Income	<u>22,220</u>	<u>66,500</u>
Net Income	47,301	117,718
Accumulated Earning (Deficit) - Beginning	169,758	52,040
Adjustment - Accumulated Earning	2,870	-
Accumulated Earning- Ending	<u><u>219,929</u></u>	<u><u>169,758</u></u>

See attached Accountant's Reports and notes to financial statements.

**IND SWIFT LABORATORIES, INC.**

(A DEVELOPMENT STAGE COMPANY)

**STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
Cash Flows from Operating Activities		
Net Income	\$ 47,301	\$ 117,718
Adjustment to reconcile Net Income to Net Cash provided by (used in) Operating Activities		
(Increase) Decrease in Other Assets	(3,935)	46,765
(Increase) Decrease in Due from Credit Cards	6,956	1,087
(Increase) Decrease in Accounts Receivable	249,972	408,252
(Increase) Decrease in Accounts Payable	(309,442)	(491,133)
(Increase) Decrease in Due/to(from) Officer	-	(7,803)
(Increase) Decrease in other payable	17,534	23,648
(Increase) Decrease in Taxes Payable	(66,500)	64,332
Net Cash Provided by (Used in) Operating Activities	<u>(58,114)</u>	<u>162,866</u>
Cash Flows from Investing Activities:		
Purchase of Furniture and Equipments	-	-
Cash Flows from Financing Activities:		
Repaying of Note Payable	-	-
Additional Paid-in-Capital	-	-
Retained Earnings	(2,870)	-
Net Cash Provided by Financing Activities	<u>(2,870.00)</u>	<u>-</u>
Net Increase (Decrease) in Cash	(55,244.00)	162,866
Cash- Beginning of Year	<u>250,894</u>	<u>88,028</u>
Cash- End of Year	<u>\$ 195,650</u>	<u>\$ 250,894</u>
Supplemental Disclosures:		
Cash paid during the year for:		
Income Taxes	\$ 22,220	\$ 66,500

See attached Accountant's Reports and notes to financial statements.

**IND SWIFT LABORATORIES, INC.**  
(A DEVELOPMENT STAGE COMPANY)  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2014**

**1. Organization and Business:**

Ind Swift Laboratories, Inc, a Delaware Corporation, was formed on January 2, 2004. The Company is a wholly owned subsidiary of Ind Swift Laboratories Ltd. (India). At present, the Company is engaged in the sale of raw materials to pharmaceutical companies. During 2013 the Company purchased 100% of its merchandise from its parent company.

**2. Summary of Significant Accounting Policies:**

a. Method of Accounting

The company employs accrual method of accounting for its revenue expenses.

b. Cash and Cash Equivalents

The company considers all liquid investments maturing in 90 days or less to be cash equivalents.

c. Revenue Recognition

Revenue from sales are recognized when the risk and rights of ownership have passed to the customers. The Company, under certain conditions, permits its customers to return or exchange. A provision for sales returns is not recorded concurrently with revenue recognition.

d. Furniture and Equipment

Furniture and Equipment are carried at cost and are depreciated using the straight-line method based on the estimated useful life ranging from three to seven years.

e. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements.

f. Development Stage

The company has been in the development stage since its formation on January 2, 2004. The operations of the company since then consisted of raising capital and the legal process for importing raw materials from a foreign country.

During the year ending December 31, 2014, the company has filed one additional Drug Master File (DMF) with US FDA. During the year, Ind Swift Laboratories, Inc. continued with the commercial supplies of multiple APIs, including an oncology product from the containment facility, for North America. Also, the company has supplied the bio-batch quantity of 4 new products in this year. The company's four products are being actively reviewed by regulatory agencies. The company is progressing well with its plans with execution of manufacturing and supply agreements with North American generic pharmaceutical companies.

3. Furniture and Equipment:

Furniture and Equipment at cost consisted of the following on December 31, 2014 AND 2013:

	<u>2014</u>	<u>2013</u>
Furniture	\$ 5,018	\$ 5,018
Office Equipment	11,365	11,365
Vehicle	<u>44,111</u>	<u>44,111</u>
	60,494	60,494
Less: Accumulated Depreciation	\$ <u>60,494</u>	\$ <u>60,494</u>
	\$ -0-	\$ -0-



Expense	Jan - Dec 14
Accounting expenses	15500
Auto expenses	25572
Bank charges	1103
Business Promotion Expenses	162074
Insurance	6795
License & Regulatory Permits	2478
Memberships	7998
Office expenses	23345
Outside services	25182
Postage and delivery	2496
Rent expenses	27510
Telephone	9223
Travel and entertainment	79214
Utilities	4363
Net Allowance VN	276079
Net Allowance SP	39000
State Funds	19460
Federal Funds	120860
P Taxes	20007
<b>Total Expense</b>	<b>868259</b>

