



# **Steady. Focused. Forward.**

Ind-Swift Laboratories Limited  
**Annual Report 2021-22**

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At Ind-Swift Laboratories, we have come a long way in our journey.

Leveraging our core strengths, we have made our business significantly stronger. Striving harder each day, we have made the good even better. Delivering value to customers, we have upped our performance bar a few notches higher.

To sustain this **steady** growth, we are singularly **focused** on creating an all-weather business model that will, going **forward**, uplift the organisation into a new orbit of growth.





We are a global manufacture of APIs and Intermediates.

We cater to the requirement of customers in 70 nations

75% of our turnover comes from exports.

More than 55% of our turnover comes from Regulated Markets.

We have grown our topline by 15.35% over the previous year.

The EBITDA grew by 23.22% over the previous year.

We are  
**Ind Swift  
Laboratories  
Limited**

98,809

Revenue (₹ lakh)

23,588.81

EBITDA ₹ lakh)

39,381

Market Capitalisation  
(₹ lakh)

We are headquartered in Chandigarh, India. Established in 1995, Ind-Swift enjoys a deep-rooted domestic and regulated markets presence. Spearheaded by Mr. NR Munjal as its Chairman and Managing Director, the Company's operations are managed by an experienced and professional team. The Company equity is listed on the BSE and the National Stock Exchange of India Limited.



### Our Vision

To significantly contribute in building a healthy world as a leading provider of quality pharmaceutical products across the globe.



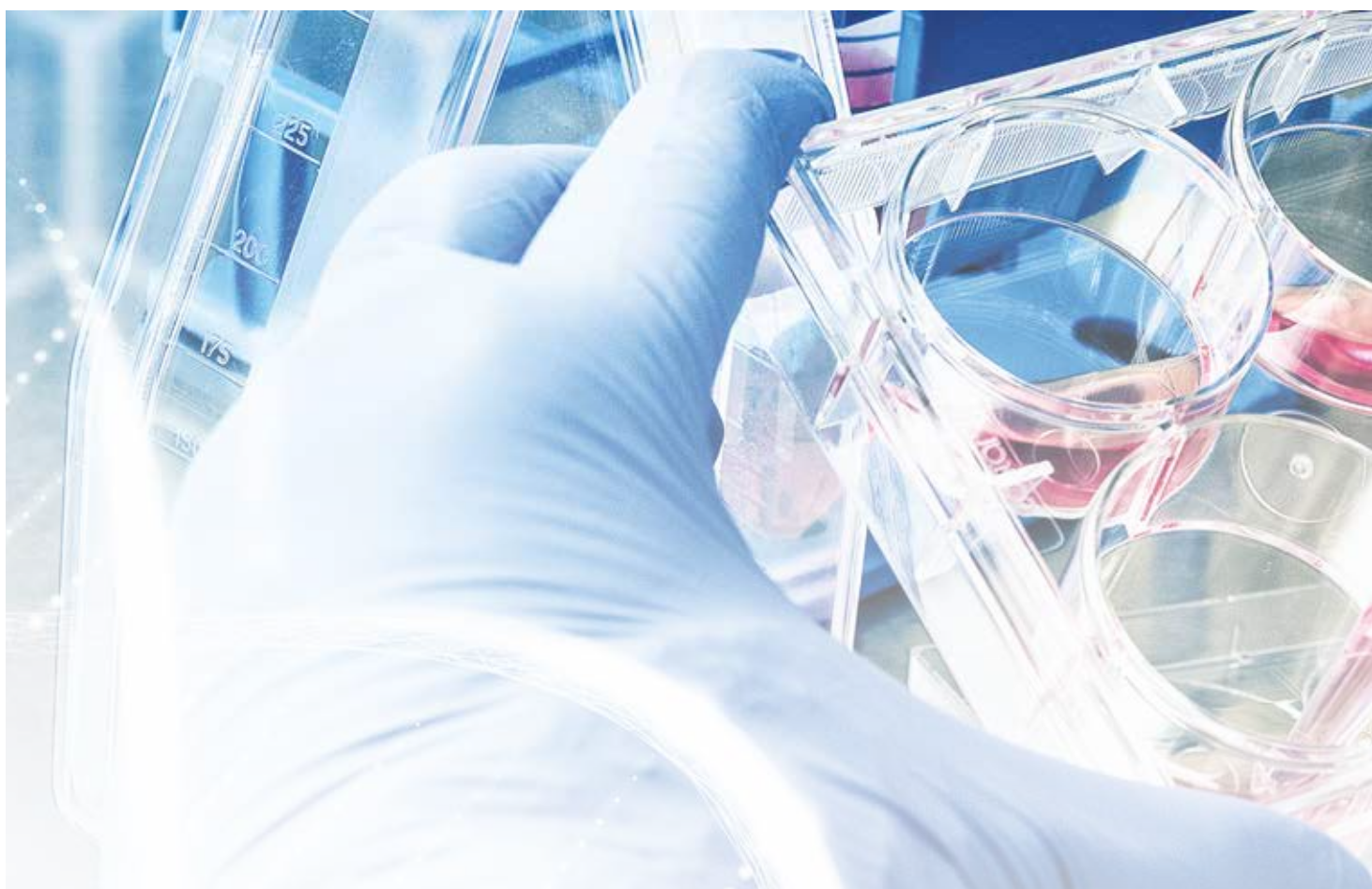
### Our Mission

We aim to be build a profitable, sustainable, system driven world class pharmaceutical organisation that deliver diverse range of quality pharmaceutical products for global markets by means of our loyal customer base, intellectual team, effective systems and latest technology.



### Our Values

Ind-Swift's culture is based upon our core values that provide equal opportunity to everyone for contributing towards achieving organisational and societal objectives. Our customers are our greatest teachers and our employees are our greatest assets. Our decision-making process in organisation is guided by a definitive value system we term as 'RIPCO' Value system.



Therapeutic segments	Regulatory approvals
Cardiovascular	USFDA
Antihistamine	EDQM
Antidiabetic	PMDA
Antipsychotic	ANVISA
Antimigraine	EU-GMP
Parkinson's Disease	KFDA
Antineoplastic	NMO
ADHD Symptoms	ANSM
Analgesics	Cofepris
Alcohol Abstinence	TGA
Bone Resorption Inhibitor.	WHO



3\*

Manufacturing locations

\*including R&amp;D Centre

26

Blocks

700KL

Reactor capacity

**Multidisciplinary skills**Synthetic Medicinal Chemistry  
cGMP ManufacturingCustom Synthesis  
Analytical DevelopmentProcess R&D  
Regulatory Support

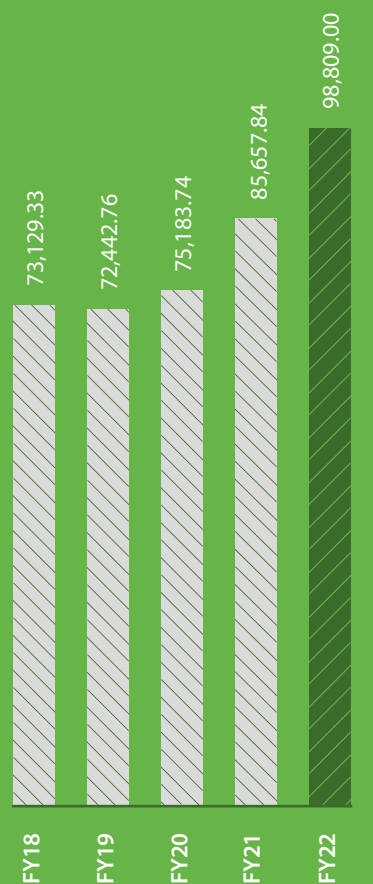
712

Production (tonnes)

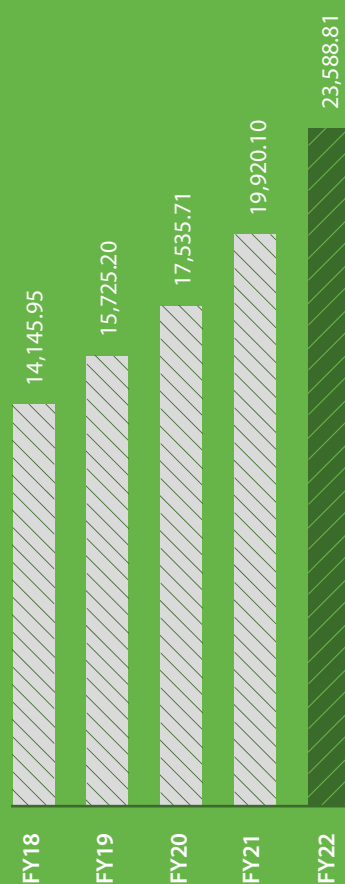
710+

Sales volume (tonnes)

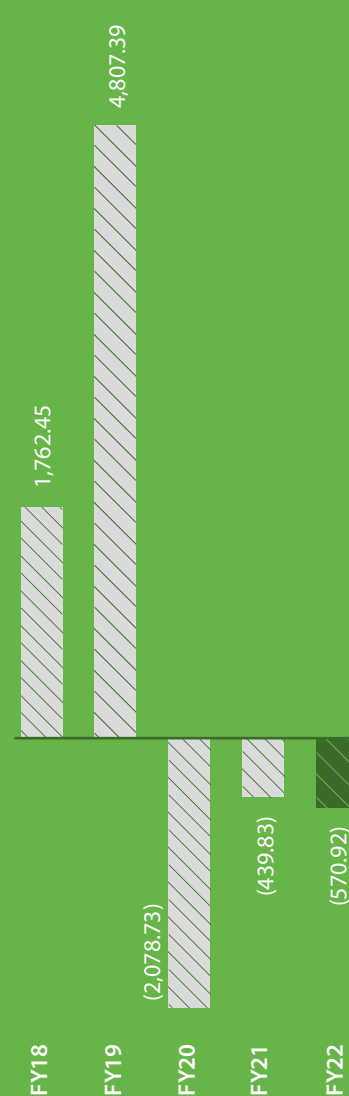
# Key Performance Indicators



Revenue from Operations (₹ in lakh)



EBITDA (₹ in lakh)



Net Profit/(Loss) (₹ in lakh)



23.22%

EBITDA margin

₹73.80

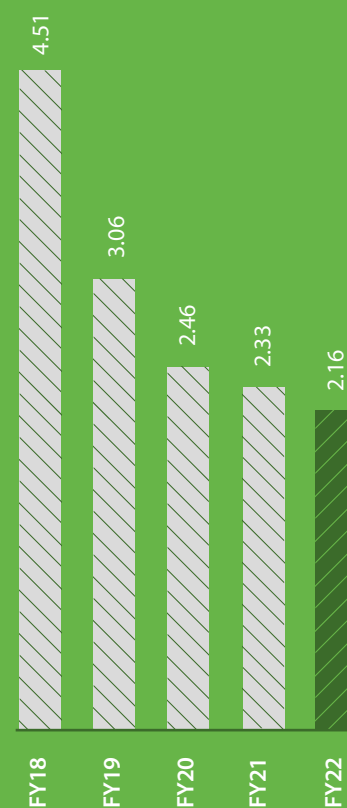
Book value per share



Net Cash from Operations (₹ in lakh)

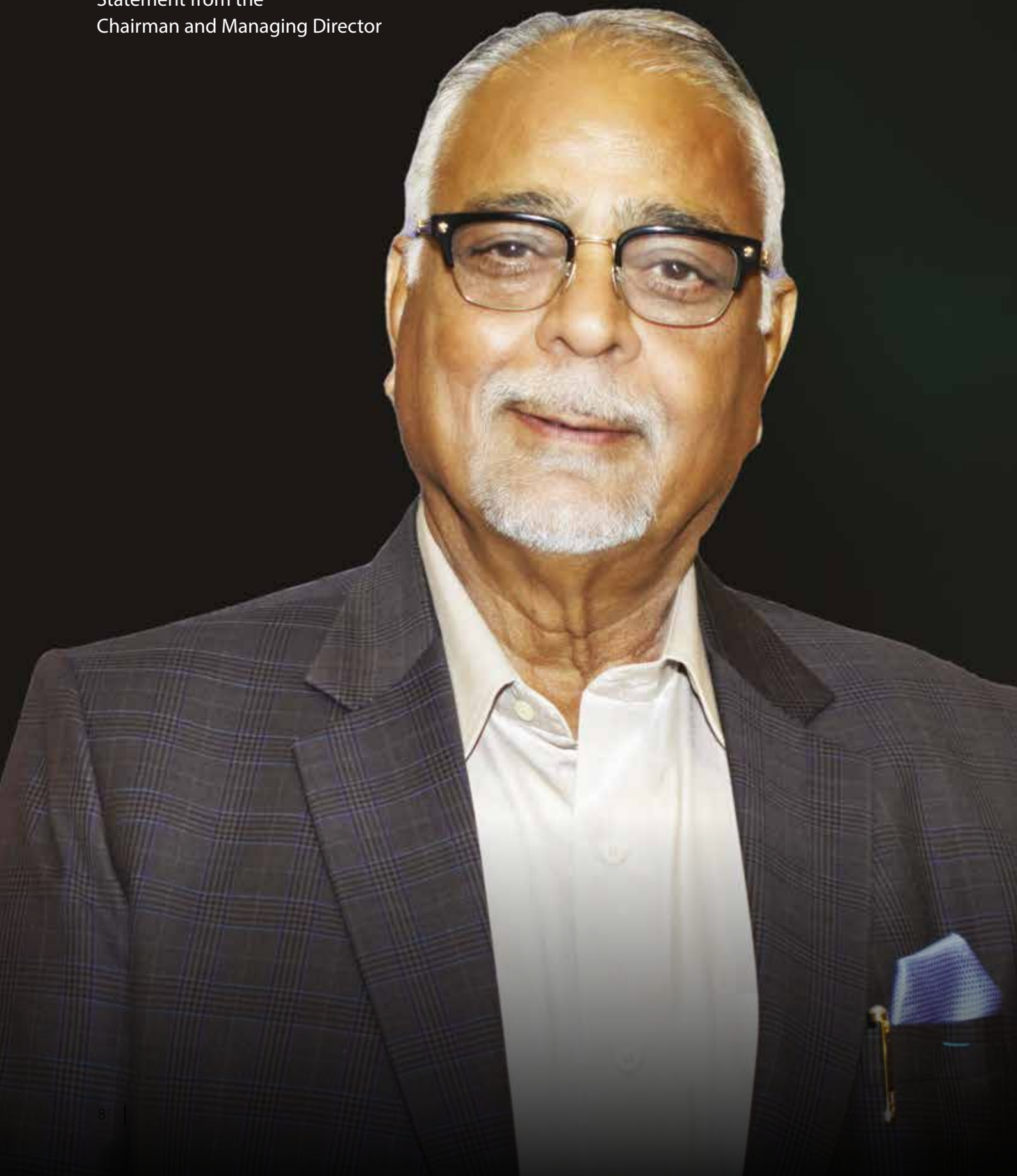


Networth (₹ in lakh)



Debt-equity (x)

Statement from the  
Chairman and Managing Director





**We are persistently exploring ways to improve our top line and profitability growth.** We

continue to work on revenue enhancing and efficiency improvement measures to capitalise on the favourable business landscape unfolding across the globe.



## Dear shareholders,

I write to you with a happy heart. For two reasons. One, India overcame the pandemic with grit and determination and is now firmly placed on the path to progress. Two, the Company continued to improve its performance despite persistent challenges throughout the fiscal that impeded growth. Revenue from Operations scaled by 15.35% as demand for our products continued to gain traction. Profit before Tax dropped primarily owing to inflationary pressures that spiraled input costs. The EBITDA however grew steadily by 18.42%. I must congratulate the entire team for their disciplined effort in uplifting the Company in a tough year.

During FY22, we had our ups and downs.

We onboarded Mr. Sunil Deshmukh, an accomplished business leader with extensive experience in both domestic and international pharmaceutical frameworks as our Chief Executive Officer (CEO). Mr. Deshmukh is leading Ind-Swift's transformation journey and is providing the overall strategic direction to the organisation and directly leading the strategic investments in new products, markets and technologies to always keep the organisation moving forward.

Moreover, we have clearly segregated the Management from Business operations as there is an Executive Board headed by our CEO, consisting of Chief Financial Officer (CFO), Dy. Chief Operating Officer (DCOO), R&D Head, Quality System Head, Marketing Head,

US Operations Head, Purchase Head, HR Head as its members, with focus on EBITDA and smooth operations.

We strengthened our CRAMS portfolio with the addition of new clients which establishes our credibility as a dependable partner for global pharmaceutical formulators. The Company is offering early Phase Drug Development Services, Process Development / Research Services Custom Chemical Synthesis (CCS), Contract Manufacturing and Full time Equivalents (FTEs) for Chemistry expertise in the area of API / Intermediate and Material science (Non – Pharma). Within a short span of time Ind-Swift has been able to establish good business relationships with various overseas customers and has also successfully completed initial evaluation of projects, feasibility / proof of concept, seeding of development quantity and some of these projects reached to commercialisation stage to generate revenue for the organisation.

## What lies ahead

I am very positive about our future over the next three years. This optimism rests squarely on the reality that the Western world is earnestly seeking for a reliable API supplier in the aftermath of the pandemic and the resultant lockdowns, travel restrictions and supply chain disruption across the world.

The spotlight is shining bright on India for it possesses the infrastructure, chemistry competence and capabilities to deliver products across the globe. Moreover, it has proven its reliability and commitment to serving the world on

several occasions – the Covid vaccine being the most recent demonstration of the same.

To capitalise on this trend which will be playing out over the coming years, we have taken important steps which will increase our acceptability among global majors seeking business partners.

- We have created a robust pipeline of new APIs covering all therapeutic segments. I am pleased to share details of few of the molecules under development and their status.
  - *Saxagliptin Monohydrate* – The API enjoys a global sale volumes of around 2.1 MT. The process validation has been completed and plant scale and ODMF is in place.
  - *Pazopanib* – With current global volumes close to 4.2 MT, this product is currently under plant process validation and we have started customer seeding.
  - *Ibrutinib* – Plant process validation of this API is planned in 2022-23. This API has a global sales volumes of 10 MT currently.
  - *Mirabegron* – This new API is currently under lab development. The global volumes for this molecule is currently ~ 46 MT
  - *Bempedoic Acid* – This new API is currently under lab. development and currently has global volumes of ~ 3.5 MT.



- o *Eltromobopag Olamine*– The API is currently under lab. development for which the global volumes are around ~ 1 MT.

All these molecules hold promising opportunity and have a great business potential upon launch in the market subject to patent expiry.

- We continue to debottleneck our capacities to maximise shopfloor productivity and improve our returns from the employed capital.
- We participated in the EcoVadis rating which reflects the quality of the Company's sustainability management system. EcoVadis is world's largest and most trusted provider of business sustainability ratings. Environmental, social, and ethical performance – or Sustainability – is an essential factor for smart business today.

We started the EcoVadis journey in 2020 and gradually built &

## For an educated India

We have announced a policy of supporting the entire expenses for the higher education of star students of employees with a salary of less than ₹25,000 per month.

improved our processes to meet global standards of sustainable processes. We qualified for the assessment criteria of EcoVadis and attained "EcoVadis Bronze Medal" in 2022 for our sustainable process flows in domains of Environment, Safety, HR, Labour, Ethics and Procurement. The score put our organisation in top 50 % organisations assessed by EcoVadis globally. Our successful rating is evidence enough to establish that our processes are aligned with global standards of transparency & sustainability. It will enhance our opportunities in the global pharmaceutical space, especially the regulated markets, which will open door to work with Multinational Companies in their pursuit of New Chemical entity (NCE). We aspire to graduate to a gold medal holder from EcoVadis.

- We will focus on growing our CRAMS exposure. This would provide revenue visibility and improve business profitability.
- We are in a much better position than what we were a year ago with a much improved set of numbers. Although the deal with PI Industries did not materialise in the manner we had hoped it would, we are increasingly confident that our current position will help us secure superior valuations.
- We will sharpen our focus on infusing funds in the business through multiple options - it could be through inviting investment in

the Company, refinancing debt, or other solution – which will be deployed in reducing our debt burden. For this is critical for our profitable sustenance.

- Having set up two subsidiaries which will focus on finished dosages space, we will work dedicatedly on growing these enterprises into growth and profitability drivers.

These initiatives will go a long way in improving business performance, strengthening the organisation's stability and creating shareholder value.

We are persistently exploring ways to improve our top line and profitability growth. We continue to work on revenue enhancing and efficiency improvement measures to capitalise on the favourable business landscape unfolding across the globe.

Having given up the day-to-day operations to a very accomplished team of professionals, I will focus on enhancing the quality of business. This means all aspects of our business should be of high quality, whether it is related to product, service, or interaction with stakeholders.

Finally, I would like to thank our esteemed shareholders, partners and other stakeholders for believing in our story and reposing their confidence in our capability and extending their support in our long journey of endurance. I look forward to your continued support.

Warm regards,  
**N. R. Munjal**  
Chairman & Managing Director



# Management Discussion & Analysis

## An economic overview

Economies across the world displayed remarkable resilience in shunning the gloom of the pandemic and getting back to business as usual. While the rebound in global economic growth was strong, the extent of growth was uneven between advanced and developing economies. The growth was fueled by government support (financial and policy driven) which helped spurring commercial activity. Vaccination drives, especially in advanced nations, also helped in elevating confidence among people.

Global trade growth remained strong during 2021, as its value continued to increase through each quarter of 2021. Trade growth was not only limited to goods but also extended up to trade in services to finally reach pre-pandemic levels during Q4 2021.

However, the momentum was thwarted owing to Omicron scare (which was short-lived and less lethal) and the Russia- Ukraine crisis at the start of 2022. This geopolitical issue intensified the inflationary pressure as prices of commodities across the board skyrocketed to unprecedented levels. This is expected to weigh heavily on the global economic progress in 2022.

India too rebounded smartly after a contraction in the GDP in FY21. All macro indicators showcased an upsurge in the nation's economic performance helped by a pick-up in farm and industrial output growth, despite the two waves of the Covid-19 pandemic.

The economic growth was aided by the resilience in the rural economy, widespread vaccine coverage, gains from supply-side reforms and easing of regulations, robust export growth, and availability of fiscal space to ramp up capital spending.

New investment and ordering activity witnessed a sharp pick-up in FY22. The manufacturing sector saw an increase of 210% compared with the previous year. Both traditional sectors like petrochemicals, steel, cement and automobiles and new-age sectors like electronics, e-vehicles and data centres contributed to the growth.

Despite the pandemic-induced disruptions, India's overall exports (Merchandise and Services) touched an all-time high of US\$ 669.65 billion in FY22 – a jump of 34.50% over FY21.

Going forward, the momentum of economic progress is expected to remain muted owing to the continued geopolitical crisis and the intensifying inflationary pressure. Experts are of the view that India will report a GDP growth in excess of 7% in FY23.

## The Pharmaceutical Sector

In the modern world, we humans suffer from various kinds of diseases due to lifestyle habits. Today, medicine is the first aid preferred for every disease. The medical field is constantly making tremendous changes in the progress of medicines, thereby curing many dangerous diseases and saving lives of many human beings.

Global pharma market: The outlook for global spending on medicines has become clearer as the uncertainties of the last two years in a global pandemic have gradually given way to more predictable challenges and opportunities for healthcare systems and policymakers across developed and emerging economies.

The global medicine market - using invoice price levels - is expected to grow at 3–6% CAGR through 2026, reaching about US\$1.8 trillion in total market size in 2026, including spending on COVID-19 vaccines

Five years from now, medicine spending will include nearly 60% from specialty medicines in developed markets and 45% from specialty medicines in global markets, with the remainder predominately older and traditional therapies that will become progressively lower cost over time.

The two leading global therapy areas - oncology and immunology - are forecast to grow 9-12% and 6-9%

CAGR through 2026, lifted by significant increases in new treatments and medicine use and offset by losses of exclusivity, including biosimilars.

Oncology is projected to add 100 new treatments over five years, contributing nearly US\$120 billion in new spending and bringing the total market to more than US\$300 billion in 2026.

Perhaps the largest uncertainty in the next five years will be the potential impact of economic factors on countries' budgeting and whether there will be shifts in policies regarding healthcare and medicine spending.

**Indian Pharmaceutical Market:** India enjoys an important position in the global pharmaceuticals sector owing to globally-certified infrastructure and a large pool of scientists and engineers with a potential to steer the industry ahead to greater heights. India is the 12th largest exporter of medical goods in the world. Indian drugs are exported to more than 200 countries in the world, with US being the key market.

**Performance in FY22:** The sector reported its best ever export performance in FY22 as exports touched ₹1.8 trillion. Formulations and biologicals continue to account for a major share of 73.31% of the country's total exports, followed by bulk drugs and drug intermediates.

**Outlook:** As per estimates of the Indian Economic Survey, the domestic pharmaceutical market is at US\$42 billion in 2021 and is expected to reach US\$65 billion by 2024 and further expand to reach US\$120-130 billion by 2030.

## Opportunities for Growth in a Post-Pandemic World

### Innovation and R&D

The industry needs to focus on innovation so as to move up the value chain.

The Indian pharma industry requires a strong innovation pipeline with new product launches and molecular entities every year.

### Digital Transformation

Digital transformation is vital for enhanced patient care, greater transparency, cost-effectiveness, improved production and drug development.

Latest technologies such as artificial intelligence (AI), AR/VR, machine learning (ML) and additive manufacturing are helping pharma companies to uplift business processes and optimise the use of resources.

### Nurturing Collaborations

During the course of the pandemic, cohesive collaborations between academia, government and industry proved to be the key to promoting research initiatives.



## The Active Pharmaceutical Ingredient (API) Market

APIs are the founding block of strategic architecture in the pharmaceutical value chain. More importantly, APIs provide therapeutic effect of a medicine and, are, therefore, the central innovation and, more often, the critical intellectual property that drives the industry.

API manufacturing is not only about prowess in chemistry, but also the skill to navigate the maze of patents that inventors and others file to ring-fence and evergreen their invention, thus, prolonging the marketing exclusivity and concomitant commercial gain.

The global API market was valued at US\$ 209.7 billion in 2021<sup>1</sup>. It is expected to expand at a CAGR of 6.0% from 2022 to 2030. The growth can be attributed to the

- Advancements in API manufacturing
- Rising prevalence of chronic diseases, such as cardiovascular diseases and cancer.
- Favourable government policies for API production
- Changes in geopolitical situations

As per IMS 2020, the generic market for API has a share of 94% by volume with the innovator's share of six per cent<sup>2</sup>.

The API market is undergoing immense changes due to supply chain disruption by COVID-19. Countries such as India are



being preferred over China for the export of API owing to geopolitical situations and the demand to reduce dependence on China for API products. Furthermore, governments of many countries have formulated plans and granted incentives to promote the production of API.

The newest generation of APIs is extremely complex, such as peptides, oligonucleotides, and sterile APIs, because of which the R&D and certification processes are expected to become longer and more complex.

It is generally believed that the API industry migrated to India from Europe where it thrived for more than a century due to cost arbitrage. However, India's skill in chemistry catalysed this migration and her dexterity in process design and engineering gave her the power to stay.

API is a crucial part of the Indian pharma industry, contributing to around 35% of the market.

According to a credible report, the Indian active pharmaceutical ingredients (APIs) market stood at US\$11.807 billion in financial year 2021 (FY2021) and is expected to grow at a compound annual growth rate (CAGR) of 12.24% during the forecast period (2021 to 2027)<sup>3</sup>.

This growth can be attributed to high growth of the biopharmaceutical sector in the country. Additionally, the increasing geriatric population in India is further expected to boost the demand through FY2027. Furthermore, growing prevalence

of chronic diseases such as cardiovascular diseases, diabetes, cancer, respiratory disorders, among others is going to boost the market.

Key drivers boosting the growth of the Indian APIs market include rising drug research; the increase in development and manufacturing of drugs; the increasing uptake of biopharmaceuticals; the need for active pharmaceuticals during the COVID-19 pandemic; the widespread boycott of China; and supportive government policies such as Atmanirbhar Bharat, Pharma Vision 2020, Production Linked Incentive Scheme, among others.

Even as India continued to be the 'Pharmacy of the World', India relies on imports for its Key Starting Materials (KSMs) and APIs. To strengthen India's bulk drug security and the nation's global competitive edge, the Government announced the Production Linked Incentive (PLI) Scheme for promotion of domestic manufacturing of critical KSMs/ Drug Intermediates (DIs) and APIs for which it earmarked Production Linked Incentives of upto ₹6,940 crore.

This policy seems to have worked. India has started manufacturing 35 API, which were imported earlier under the production linked scheme for the pharmaceuticals sector. These APIs are among the 53 APIs, for which India has 90% import dependence<sup>5</sup>.

India's API space is now a sought-after investment destination for global bulge-

bracket investors and private equity managers, with the pandemic reshaping the sector's fortunes and boosting valuations. The sector has seen a three-fold increase in investments in 2021 compared with a year ago<sup>6</sup>.

<sup>1</sup><https://www.grandviewresearch.com/industry-analysis/active-pharmaceutical-ingredients-market>

<sup>2</sup><https://www.expresspharma.in/new-opportunities-for-india-in-global-api-market/>

<sup>3</sup><https://www.europeanpharmaceuticalreview.com/news/163653/indian-active-pharmaceutical-ingredients-market-to-grow-by-12-24-percent/>

<sup>4</sup><https://www.pharmaceutical-technology.com/news/us-pharmacopeia-report-high-reliance-indian-manufacturers-api/>

<sup>5</sup><https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/local-manufacturing-of-35-apis-started-after-pli-scheme-mandaviya/articleshow/90519863.cms>

<sup>6</sup><https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/indian-api-segment-sees-pe-strategic-inflow-nearly-doubling-in-2021/articleshow/88460203.cms?from=mdr>

<sup>4</sup>The first findings published by the United States Pharmacopeia highlight the US' reliance on large Indian manufacturers for APIs. Over 80% of all APIs for essential medicines used in the US have no domestic manufacturing source, with the US relying heavily on API manufacturing sites in India and China for crucial ingredients.

## About Ind-Swift Laboratories

Headquartered in Chandigarh, Ind-Swift Laboratories is in the business of manufacturing APIs, intermediates and formulations (through group collaboration). It also holds a global leadership position in various therapeutic segments. The Company's manufacturing facilities are equipped with technologically advanced infrastructure that enables us to match the global standards. The Company has two manufacturing facilities and one Research Centre to cater to the growing API needs of regulated markets.

## Business operations

### R&D initiatives

The Company has its Research Centre at Mohali and Process Development & Support Centre at the Derabassi manufacturing site.

The Research and Development (R&D) centre is the torchbearer of the organisation. The centre is involved in the following three broad areas of research to align with API business at present and for future growth of the organisation.

- New API Development
- Process Improvement of existing commercial APIs for leadership position in quality, cost and capacity.
- Contract Research / Manufacturing (CRAMS) of API / Intermediate and Material science (Non – Pharma)

The R&D team has created a robust

pipeline of new APIs covering all therapeutic segments. Some of the APIs are currently under development stage at the R&D and some projects are under commercialisation stage at plant. All these molecules hold considerable promise owing to the potential after patent expiry.

The Process Development Labs have carried out extensive process and operational improvements for existing commercial products like Atorvastatin, Fexofenadine Hydrochloride, Ezetimibe, Nateglinide, Letrozole, Ropinirole and Donepezil Hydrochloride. These initiatives have helped the organisation to enhance the quality attributes of APIs, bring down the cost of manufacturing and remain competitive in global markets.

Under the CRAMS (Contract Research And Manufacturing Services) space, the R&D team offers early Phase Drug Development Services, Process Development / Research Services Custom Chemical Synthesis (CCS), Contract Manufacturing and Full time Equivalents (FTEs) for Chemistry expertise in the area of API / Intermediate and Material science (Non – Pharma).

Within a short span of time Ind-Swift has been able to establish healthy business relationships with overseas customers and successfully completed initial evaluation of projects, feasibility / proof of concept, seeding of development quantity. More importantly some projects have graduated into commercialisation which provide medium-term revenue visibility.









## Our global presence

The global generic drugs market reached a value of US\$ 320 Billion in 2021. Looking forward, the market is expected to reach to nearly US\$ 482.5 Billion by 2027, exhibiting at a CAGR of 7% during the period of 2022-2027.

### 1) REGULATED MARKETS



#### The US

The North American generic drug market reached a value of US\$ 149 Billion in 2021. It is expected to reach US\$178 Billion by 2027. In the US, generic drugs have witnessed a substantial rise in production as they are less

expensive than branded drugs and do not require extensive research and testing. Additionally, the introduction of generic medicines has helped in sustaining the healthcare system with improved patient access and generating savings for taxpayers, employers and insurance providers. Moreover, the market is currently experiencing significant growth due to a rise in the prevalence of chronic diseases across the region, such as cardiovascular diseases, diabetes, Alzheimer's disease, and Parkinson's disease.

In recent years, there has been a rise in the number of generic drug approvals across the US supported by the implementation of the Drug Competition Action Plan of the FDA that aims to eliminate barriers faced by the generic-drug manufacturers.

Furthermore, the US Food and Drug Administration (USFDA) has reauthorised the Generic Drug User Fee Amendments in 2017. The GDUFA II allows the collection of user fees from generic-drug manufacturers to provide the FDA with additional resources for generic-drug reviews. Also, the Government has introduced several programs for offering incentives to physicians and pharmacists to promote generic substitution in the nation.

Ind Swift is one of India's leading API suppliers to the US generic industry. The Company's manufacturing facility is USFDA approved.

During the year, the Company continued with the commercial supplies of multiple APIs for North America. It is progressing well with its plans with execution of manufacturing and supply agreements with North American generic pharmaceutical companies.

The Company continues to strengthen its CRAMS portfolio with commercial supplies of multiple new and existing products to a reputed US organisation.





### Europe

The API market was valued at \$49.52 billion in 2021 and is anticipated to grow by 7.3% annually over up until 2028. The prevalence of several lifestyle related diseases has led to an increased sourcing trend from quality-based manufacturers based out of India and China.

Europe is the second largest revenue generating market for the Company with products such as Atorvastatin, Ezetimibe, Ivabradine and Lisdexamfetamine being the key revenue generators.

Ind Swift's long-term strategy has been to promote and partner with all the major pharmaceutical companies in the regions of Spain, Turkey, Italy, Greece, France, and Germany.

While increased usage of drug therapies in the cardiovascular disease therapeutic area have been determined, the Company has sharpened its focus on developing and securing long-term supply agreements with several clients across the European market. Also, with several high value products under development, Ind Swift is working on the timely launch of these products which will allow it to maximise its opportunity, further strengthening its footprint in this region.



### Japan

This island-cluster nation features among the top ten markets for generic drugs. The API market in particular is estimated to witness a growth rate of around 7.0% up until 2025. The major reason for this is the robust

healthcare expenditure on R&D for pharmaceutical drugs and API manufacturers augmenting the country's market growth. Moreover, the increasing prevalence of chronic diseases such as cancer and cardiovascular diseases (CVDs) have resulted in a significant market for drug manufacturing in Japan to treat such diseases.

Generic drugs, however, have traditionally enjoyed a relatively lower penetration in Japan compared to other developed markets such as the US and Europe. Historically, the lower

penetration of generic drugs in Japan was due to several reasons which included rising costs on the branded formulations compared to generic variants. Additionally, the rising expenditure of public healthcare spending costs has further led to fluctuations in supply price. To control the rise in healthcare expenditure, the government has devised a strategy to revise drug prices biannually, and actively promote the distribution of generics in the market.

Currently generics sales amount to approximately 47% in volume terms, but the government aims to increase this share to 80%. Driven by these initiatives, the penetration of generics has grown robustly over the past few years

Ind Swift is one of India's leading API exporters to this highly regulated market supply four products in large volumes. The Company continues to implement its business strategy of adding a drug substance (final product or intermediate) each year.



## 2) THE ASIA MARKET



### India

The Indian API market with its rising population is expected to grow at a CAGR of 12.24% through the estimated year of 2022. This growth can be attributed to high growth of the biopharmaceutical sector in the country. Additionally, increasing

geriatric population in India is further expected to boost the demand up until the forecasted period of 2027.

Relatively supporting government policies such as Atmanirbhar Bharat, Pharma Vision 2020, Production Linked Incentive Scheme, among others is further expected to create lucrative opportunities for the growth of overall pharmaceutical industry and the Indian API market.

Ind-Swift is a dominant supplier of multiple APIs such as Anti-Protozoal, Cardiovascular related, Ant-bacterial as well as High Potent APIs in the Oncology area. In products such as Clopidogrel

Bisulfate, Clarithromycin (including granules), Atorvastatin Calcium and Fexofenadine Hydrochloride, the Company retains its position as one of the leading suppliers in the domestic market.

Ind-Swift has also succeeded in establishing a seamless supply chain for its new product launches such as Ezetimibe and several upcoming product launches. It has strengthened its channel sales by offering highly valuable Ivabradine Hydrochloride on a P2P basis through several reliable channel partner companies.

Anticipating the growing requirement of molecules in the super specialty segment of cardiology, Ind-Swift's strategy is to focus on unique highly potent combinations in this therapeutic area.

The Company's domestic business strategy has gained traction in driving long term partnerships with several clinical research organisations thereby aiding in drug substance development and troubleshooting areas of concern in the process. This has also further aided in ensuring smooth supplies to several key regulated markets such as Europe.



### South Korea

The nation's pharmaceutical value of exports of drug product nearly amounted to US\$601.9 million in the month of May 2022. Ever since the COVID 19 pandemic monthly exports grew over 50% with exports peaking in the month of Dec

2021 at nearly US\$1.1 billion dollars in revenue.

This growth is owing to the increased production of over the counter (OTC) and prescription drugs; the latter has consistently accounted for a higher percentage of the production value and thereby presents a huge opportunity for API manufacturers to further strengthen their supplies to this country.

Ind-Swift has registered one new product to the already approved 10 KDMFs. The Company, in its effort to capture more than 80% of the market share from five products, has devised a strategy of targeting complex molecules that are nearly off-patent and present an early market opportunity.

From 2020 up until now, the Company has undertaken several initiatives to scout for new products to further increase its market share in this region. It has identified 3 new molecules which will be added to its current portfolio over the coming years.

### Other markets

In the markets of Taiwan, Vietnam, Philippines and Indonesia, Ind Swift has increased its market share steadily over the years to over 70% for majority of its high selling products in these nations. The approval of one new molecule with TDMF has also helped advance ISLL's footprint in the market of Taiwan.



### China

China accounts for the largest share in the API market in the Asia Pacific region. While much of it is with respect to exports, China's API imports have marginally increased with government lifting restrictions as world economies adapt and move forward ever since the

pandemic- COVID 19 outbreak. While import dependency of India for over 68% of the raw material used in the manufacturing of APIs exists from China, time to market and a steady supply of large volumes of price competitive drug substance has ensured

exports from India to China.

Ind-swift's business anticipation of China has been on volume sales with price sensitivity due to several emerging markets that have gained pace post the pandemic COVID-19 leak. Additionally, Ind-Swift has already obtained four IDLs with one product at commercial stage and three product approvals for which commencement of supply of developmental quantities has been initiated. In continuation, over two more products have also been filed in conjunction with the current guidelines/ CTDs and are under review and final approval. At present, China holds a pipeline of over 700 molecules and ISLLs regulatory and marketing strategies on quick approval of products has gained it an advantage over many other suppliers in this region thereby registering good growth.



### Bangladesh

The nation's pharmaceutical sector is expected to grow at a 12% CAGR upto 2025 with an absolute growth of ~114% since 2019. This makes it one of the largest emerging markets with dependency on imports.

With over 450 generic drugs,

the country is continuously seeing an upward trend in its locally marketed drug product with heavy dependency on API imports to maintain a consistent supply in the market. As the country has been allowed to extend the manufacture of patented pharma formulations for the next 17 years up to 2033, API imports and

will continue to show an increasing trend.

Ind-Swift has established itself as a reliable source for several APIs including the high selling Nitazoxanide and Clopidogrel Bisulfate. The Company's ability to fulfill its supply commitments to leading importers despite the pandemic, supply chain disruptions and geopolitical issues has positioned it as a 'preferred partner' to a number of API users in the nation.

Additionally, Ind-Swift's advanced capabilities in manufacturing Oncology-based APIs such as Anastrozole and Letrozole have opened new avenues in providing out-licensing opportunities for formulators. This will enable the Company to increase its market share and allow formulators in Bangladesh to further explore regulated markets.



### Pakistan

This pharmaceutical market has seen an upward trend over the years and with a recent government reform, there has been hope for the country in producing its API locally. However, concerns related to non-compliance with GMP

requirements has increased Pakistan's API dependency on India and China with the market access value crossing over USD 140 million (since the pre-pandemic era in 2019).

The Drug and Regulatory Authority of Pakistan (DRAP) has introduced stringent measures to ensure all quality aspects of imported APIs with a zone wise stability report requirement for

registration of any drug substance in the country. According to a recent report, the dependency will continue to rise to nearly 90% of its raw materials/APIs being supplied from India and China.

Ind Swift has been able to maintain and register a strong growth in the region. Steady increases in consumption of APIs such as Clopidogrel and Nitazoxanide with key formulators in Pakistan have helped the Company to grow its footprint multifold in this market. While a ban imposed on courier services for supply of API sample quantities to Pakistan from India continues, Ind-Swift's key developments from the earlier years along with alternate sample routing methodologies continue to yield benefits for the Company in this country.





### 3) THE LATIN AMERICAN MARKET (LATAM)

The LATAM region is a fast-growing generic APIs market registering a 5.63% CAGR. The market has been influenced by rising population, increased expenditure on health, increased R&D investment in the pharma industry and a rise in chronic diseases, among other factors. Despite the several reforms and drug regulations in place, Ind Swift has remained compliant with all regulations in this demanding market for all its products exported to this region. The Company enjoys a good market share in several nations which include Brazil, Argentina, Colombia, Peru, Chile, Uruguay, Paraguay, El Salvador, Costa Rica, Guatemala, Dominican Republic, and Honduras.



#### Brazil

Brazil is the fastest growing market in the LATAM region with many offshore investments and a rising population. It is forecasted to grow at 4.5% in 2023. Brazil's pharmaceuticals and healthcare sector is expected to witness robust demand in the mid- and long-term owing to an increased geriatric population (the share of population aged 60 years or older is forecast to reach 19% in 2030). The number of chronic diseases like diabetes is also rising, which will spur demand for more complex medical treatments and increased drug substances.

Ind-Swift enjoys a significant market share in this nation which is expected to increase owing to the launch of new products currently in its development pipeline.



#### Mexico

The pharmaceutical market indicates a rising trend in low-cost generics for numerous diseases which has opened new investment avenues for formulators in the market. Mexico's dependency on government-based tenders has been an issue to tackle.

However, Ind-Swift has maintained its market share primarily through non-tender and tender business associations. Additionally, a number of new developments in the Oncology therapy are under process which is expected to strengthen its presence in the country.





### Argentina

The pharmaceutical sector is presently ranked as the third largest market in the LATAM region in terms of volume consumption. The nation's healthcare network is operated through PROGRAMA DE ATENCIÓN MÉDICA INTEGRAL (PAMI) which consumes more than 40% of the total medicine requirement in the country. Market penetration has been difficult owing to economic in-stability and the continued currency depreciation over the last few years. Ind-Swift has access to these markets through trade/supply agreements enabling it to grow its position in this market



### Colombia

This is a growing healthcare market that is primarily driven by public funding. The transformation of the Colombian healthcare system comes along with continuous growth of healthcare expenses over the last two decades. The Company's overall market share in this market is not as large as other markets in the LATAM region. Continuous process improvements and competitive price offerings have enabled Ind-Swift gain an edge despite rising competition.







## 4) MENA REGION

The pharmaceutical sector in the Middle East and North Africa (MENA) has seen remarkable growth over the last few years and is estimated to reach around US\$60 billion by 2025. The major growth drivers are an increased focus on the well-being of the population, scientific advances in product innovation, and an increase in the number of pharma distributors. Ind-Swift, leveraging customised penetration strategies has captured a noticeable market share in this region as many local consumers rely on government tenders.



### Kingdom of Saudi Arabia (KSA)

The Saudi Arabian pharmaceutical market was estimated to be worth \$10.19 billion in 2021 and is expected to grow at an annual rate of 7.3% over the next six years. Capitalising on this opportunity, Ind-Swift has been able to register a strong growth in this region maintaining regular supply of key products. Key developments with major manufacturers such as Tabuk have helped increase the Company's market share.



### Egypt

This is the second largest market in the Middle East and Africa region (MEA) that has continued to grow in terms of expansion and consumption. In late 2021, the market reached a volume sale of nearly US\$ 6.3 billion of pharmaceutical products outpacing MEA's top markets. It registered a growth of 16% over the previous year. This double-digit growth is expected to continue over the coming years. Ind-Swift's presence in this region includes supply contracts and development programs for its new product pipeline.



### Jordan

Jordan's pharmaceutical companies purchase raw material (API) from Asian suppliers, and APIs from India and China. This market is an export market with 80% of the formulations being exported to other nations. This positions the pharmaceutical sector as the second largest in the country and an important foreign exchange earner. As supply restrictions have reduced in the post-pandemic era, exports are gaining traction. This remains an important market for Ind-Swift.



### Iran

Iran's local manufacturer share of the pharma market is low but is growing over the years. The low share is owing to the dependence on raw material import for manufacturing formulations.

While Iran's local manufacturing status of pharma products has consistently increased over the years, the local manufacturer share of the pharma market value is still low because of the dependence on the importation of raw materials for the production of these medicines. ISLL's presence in this region is majorly with respect to exports of intermediates and API's. At present, effective policy making in response to reduce the negative effect of the economic sanctions is being pursued. ISLL's business presence has been greatly hampered and plans to mitigate the same are being evaluated.

In other markets such as- Oman, UAE, Lebanon, Tunisia, Algeria and Morocco which rely heavily on imports of drug substance, ISLL has continued its dominance with its reliable supply and an all-rounded customer specific strategy along with development and approval of new products as a future business yielding strategy.



## Financial Performance

Despite the multiple waves of Covid and the fragile supply chain condition, the Company reported an improved topline.

Revenue grew from ₹85,657.84 Lakhs in FY21 to ₹98,809.00 Lakhs in FY22; export revenue increased from ₹63,772.05 Lakhs to ₹74,540.01 Lakhs over the same period. This growth was owing to an increased demand for key products from global pharmaceutical majors. The Company

ability to deliver products despite significant headwinds strengthened its recall among global customers as a dependable business partner.

Despite the inflationary pressure that prevailed throughout the fiscal, the Company reported an 18.42% increase in EBITDA from ₹19,920.10 Lakhs in FY21 to ₹23,588.81 Lakhs in FY22 – it was primarily owing to the cost optimisation

efforts which yielded healthy results.

The bottom line remained in the negative. Loss after tax stood at ₹570.92 Lakhs in FY22 against ₹439.83 Lakhs in FY21. As a result, the Networth stood at ₹42,793.98 Lakhs as on 31st March, 2021 to ₹43,606.43 Lakhs as on 31st March, 2022.

### Significant changes i.e. change of 25% or more in the key financial ratios

In accordance with the amendments notified by SEBI in Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 on 9th May, 2018, the details of significant changes i.e. change of 25% or more in the key financial ratios as compared to the immediately previous financial year along with detailed explanations are reported hereunder.

Particulars	2021-22	2020-21	Change	Reason for change
Debtors Turnover Ratio	2.76	2.18	26.33	There is change because of better realisation from the debtor
Inventory Turnover Ratio	2.97	2.46	21.01	N.A.
Interest Coverage Ratio	2.58	2.13	-2.04	N.A.
Current Ratio	3.19	3.02	5.51	N.A.
Debt-Equity Ratio	2.16	2.33	-7.02	N.A.
Operating Profit Margin (%)	0.21	0.23	-11.21	N.A.
Net Profit Margin (%)	0.5	-0.51	-2.67	N.A.
Return on Net Worth (%)	-1.31	-1.03	-27.39	The amount/numbers have not changed much, but even a small change in absolute numbers result in a significant change in percentage terms.



## Internal control & its adequacy

At Ind-Swift, we are cognizant of any risk arising out of internal and external factors. On account of a sound internal control system we are vigilant regarding the evaluation of risks and hindrances in achieving our business goals. There are adequate checks and balances inbuilt in the processes along with diligent financial and operational reporting.

In order to strengthen the Internal Control architecture, the Company is using ERP (Enterprise Resource Planning) packages with built-in controls. The deployment of ERP technology has resulted in timely generation of financial reports, this in turn facilitates timely and in-depth audit of control mechanism, legal, regulatory and environmental compliance.

Further, the scope of Internal Audit also includes the periodic review and appraisal of internal controls and redressing any shortcomings in the process. Finally, the entire internal audit and the control mechanism are under the surveillance and custodianship of the Board of Directors.

## Risk Management

The external environment in which Ind-Swift operates presents multiple opportunities and risks, which the Company is prepared to manage proactively.

At Ind-Swift, the Board and leadership team work tirelessly to mitigate possible risks that bring along potential disruption in smooth business operations. This explains the creation of a robust risk management framework that caters to strategic, financial, operational and climate risks.

The Company's risk management framework sets guidelines to ensure sustainability within the Business Model. Its robust risk governance structure not just evaluates the nature of risks, it also dynamically assesses their likelihood and significance. The risk management committee, works closely on curating the mitigation plans for possible risks that might impact our business.

### Cautionary Statement

The Management Discussion & Analysis Report may contain certain statement that might be considered forward looking within the meaning of applicable securities, laws and regulations. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statements as important factors could influence the Company's operations such as Government policies, tax laws, political and economic development.





## Sustainability, our driving force

Ind-Swift's unwavering focus on "Sustainable Development", is embodied in its mission statement which is

"We aim to build a profitable, sustainable, system driven world class pharmaceutical organisation that deliver diverse range of quality pharmaceutical products for global markets by means of our loyal customer base, intellectual team, effective systems and latest technology."

'Sustainability' is one of the foundational principles of Ind-Swift in its growth journey. Its growth objectives are consciously aligned with the development of its surroundings, ensuring that every component of life can co-exist and co-proliferate on planet.

The Company believes that sustainability is when profitability and responsibilities go together, let it be the responsibilities towards environment, towards society or towards health and safety of our employees

The Company's Mission Statement on Sustainability has become the platform for all SOPs, Policies, procedures and protocols in this direction.

Its Sustainability model is 3-Dimensional, that focus on-

1. Sustainable Development of Society
2. Sustainable Development of Environment
3. Sustainable Development of Human Resource



## Sustainable Development of Society

Corporate Social Responsibility is one of the core values that are embedded in Ind-Swift's structural design that makes its actions sensitive and aligned towards needs of society. While keeping viability and profitability in focus, the Company is a proud socially responsible corporate that works on ethical principles of integrity, compliances and reliability.

Some key CSR programs of the Company are:

### 1. Develop Employability among Rural Youth

One of the major social needs in India is generation of "ample employment opportunities" so that educated young people of society can secure employment, which helps them to meet their family's livelihood requirements and become contributors to India's economic progress. Ind-Swift is a proud contributor towards serving this very important societal need.

a) Every year, the Company generate new employment opportunities in large

quantities that helps in development of society at large. The Company has adopted the practice of offering employment opportunities primarily to "Freshers" with no industrial experience. These new joiners start learning complicated industrial skills through On-Job Training. This generates income, enhances their skill sets and motivates them to enhance their efficiency. Through this process the Company enhances the knowledge capital of industries and the Nation.

b) In FY20, the Company initiated the NALANDA skill development program. Under this program, youth from rural areas are enrolled for skill development. The trainee is engaged with the Company for a fixed tenure of training (based on his/her academics, interest, and competencies) through Government of India's NAPS (National Apprenticeship Promotion Scheme) program.

During this period, trainees acquire On-job Skills from and complete their formal certification/ diploma/ graduation in area of selection from Gol's recognised program facilitators. The Company pay a stipend to these trainees and bear all associated training & education costs in the tenure of training (1 year).

On completion of Training and Education, these trainees are employable in industries. The Company also absorb some of the pass outs based on the available job vacancies.

The Company handholds 200+ uneducated and unskilled rural youth (10th and 12th Pass) every year taking care of their education (upto Graduation) while preparing them with skills that are necessary for their employability in industries.

Other arms of Social Welfare Policies of Ind-Swift like organising "common kitchen events at government hospitals" and "distribution of warm clothes" benefited more than 1,500 underprivileged people.

## 2. Women empowerment

This is another important area looked after by female employees of Ind-Swift through the 'Women Welfare Committee' (WWC).

WWC operates at all Company locations addressing the issues of women employees. The Committee focuses on the development of communication and leadership skills of women at work through interventions like presentations, public speaking activities etc

Ind-Swift Celebrates the contribution of Women to society and the world every year by celebrating Women's Day in a "society friendly" manner. Ind-Swift organise Charity drive, every year on Women's day (8th March) and ensure that Ind-Swift is meeting its objective of women empowerment in its organisation as well as social end.

In FY22, the drive was organised outside the civil Hospital of Panchkula where free distribution of Tea, snacks and clothes for underprivileged patients. Similar events were organised on Mother's Day, where teams distributed sweets, blankets and items of necessity for elderly people living in old-age home (Prabh Asra, Ropar).

Our other important CSR initiatives includes constructions of cremation sheds (as per the need of villages surrounding our factories), organising sports tournaments for villages, donation of fans to government schools of area etc.

## 3. Education

Education is one of the topmost priorities of the Company and garners maximum attention in the CSR allocation. The Company facilitated the construction of toilets in a local school in Samba Jammu. Further it also promoted the number of admissions of girl children in school.

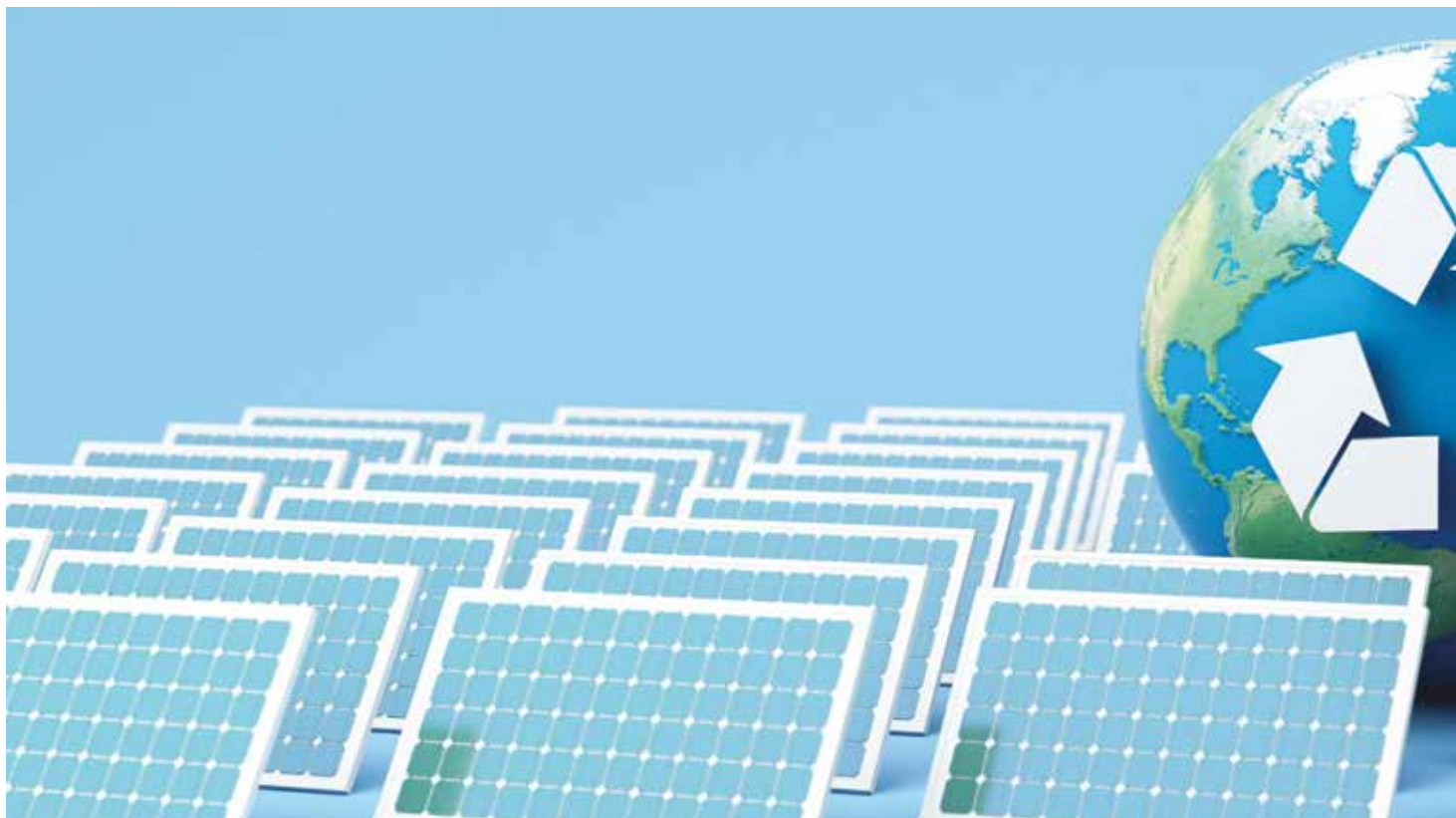
## 4. Free Vaccination Camps

Coronavirus (COVID-19) disrupted the functioning of the entire world and created an unprecedented epoch like no other. Ind-Swift organised Covid-19 vaccination camps for nearby villagers to help strengthen their ability to combat the deadly virus.

## Sustainable Development of Environment

Ind-Swift has set up one of largest ETP facilities in the Derabassi Belt and continuously upgrades the unit to ensure that it continues to adhere to all regulations of state and national environment regulation bodies. The unit has cleared multiple inspections by these agencies over the years.

The Company invest in training its environment staff on latest technologies and changes transpiring in the area of "Industrial Effluent Management". This allows the Company to remain compliant with global environment standards which are becoming increasingly stringent. Going forward, Ind-Swift aspires to become an enterprise with minimal carbon footprint in Industry.



## Sustainable Development of Human Resource

Ind-Swift believes that creating and sustaining a safe and healthy environment at the workplace is a critical responsibility of the Company.

Towards this end, the Company has undertaken several policies, procedures and protocols to ensure best standards of health and safety for its employees and external stakeholders namely visitors, neighbouring villages, suppliers, customers, vendors etc.

In addition to comprehensive health and safety measures, the Company has institutionalised multiple Social Accountability policies to cover areas of Anti-Discrimination, Anti-Corruption Anti-bribery and Anti-Sexual Harassment to fix the accountabilities of on individuals, the Company and its systems to provide a socially fair, accountable and transparent

working conditions to everyone involved in business operations.

The Company has an elaborate "Employee Welfare, Employee Engagement and Employee Empowerment" Program that ensure that its people are happy, engaged and adequately taken care off in their hours of crisis. The program is called Swift E3M. It facilitates in strengthening the Company's bond with its people.

### Swift E3M

E3M as a module comprises of 4 branches, each of which contains sub-branches These branches focus on different attributes. Though these initiatives are designed primarily for the benefit of the employees, but it has a wider coverage for the benefit of society. Case in Point: During the pandemic, the Company provided a death coverage to all their employees (at a sizeable premium costs). In addition to covering employees, these policies also covered their families.

Ind-Swift provided death protection to our employees with insurance of ₹10 Lac, ₹15 Lac, and ₹20 Lac. By taking this timely action, we were able to assist families of our 12 deceased employees with claims of ₹1.35 Crore. In this time of immense grief, this financial assistance (of considerable value) provide some measure of solace to the families of deceased. The Company also reviewed to take care of employment to eligible family members of its employees who passed away due to COVID-19.

### Four branches of Swift E3M Module

**Swift-Drishti:** Drishti is an epitome of "Equally seeing things". Drishti enables every living being on planet to see the colours of world equally without any discrimination. On this principle of equality, Drishti Branch of "Swift E3M" works in the area of Employee Welfare covering all employees equally. It has multiple sub-programs





**Swift-Deepak:** A single “Deepak” is enough to shun away miles of intense darkness. With this thought Deepak Branch of “Swift E3M” works for area of Social Welfare. This branch provides an opportunity to employees to come together to do something for the society. This arm has organised several events, some of which are-

- a) Distribution of free food outside civil hospitals of Chandigarh
- b) Distribution of cloths to old age home at Ropar
- c) Distribution of winter clothes to casual workers
- d) Plantation of trees in and around the Company premises
- e) Employees of R&D Mohali contributed for distribution of free winter clothes (jackets, gloves, caps) to its contract workers.

**Swift-Utsav:** Life is just an another name of Celebrations. Apart from work, recognition, growth and appreciation; the Company makes a special efforts to transform its employees’ stay at Ind-Swift into a Celebration. Based in this principle, Utsav Branch of “Swift E3M” focuses on Employee Engagement. The teams organise various events and celebrations on festivals, birthdays etc at different sites and give time to employees for celebrating important events with their family @ work.

**Swift-IKIGAI:** IKIGAI is a Japanese word that means “Finding Meaning and Purpose of Life”. Whatever we do in life, it is very important to see meaning in the same without which everything will simply be purposeless, same is true for work as well.

“Meaning of Actions” is most important force that keeps a person engaged with life, with work and with others

as well. Based on this principle, the IKIGAI branch of S3M works for area of Employee Empowerment. It works to empower employees by helping them finding meaning in their work and by helping them in giving channels of open communications.

Currently several sub-programs are effective under the IKIGAI branch in the Company through which it aims to invest with the objective of making its employees better individuals professionally as well as personally.

Through above and several other continues programs, Ind-Swift is committed to provide and create an ecosystem of promoting sustainable development of society, environment and individuals while meeting our objectives of growth and social responsibilities.

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# **STATUTORY REPORTS**

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# CORPORATE INFORMATION

## Board of Directors

N.R. Munjal	Chairman and Managing Director
Himanshu Jain	Jt. Managing Director
Rishav Mehta	Executive Director
Sahil Munjal	Executive Director
S. P. Sharma	Independent Director
Ms. Neerja Chathley	Independent Woman Director
Dr. Ashwani Kumar Vig	Independent Director
Rajinder Kumar Gupta	Independent Director

<b>Chief Executive Officer</b>	Sunil Deshmukh
<b>Chief Financial Officer</b>	Gagan Aggarwal
<b>Chief Accounts Officer</b>	Lovekesh Mahajan
<b>Compliance Officer</b>	Pardeep Verma AVP-Corp. Affairs & Company Secretary

## Senior Management Team

Vikas Narendra	President – US operations
Vijay Singla	Dy. Chief Operating Officer (Dy. COO)
Atul Chaubey	Group HR Head
Sandeep Singh	Sr. Vice President (Procurement)
Saranjai Tyagi	Sr. Vice President (QA)
Rakesh Bahuguna	Sr. Vice President (QC)
Anurag Chaturvedi	Sr. Vice President (Marketing)
Varun Chhabra	Sr. Vice President (Marketing)
Ashok Prasad	Sr. Vice President (R & D)

## Statutory Auditors

Avishkar Singhal & Associates  
Chartered Accountants  
SCO 2413-14, IIInd Floor, Sector 22-C,  
Chandigarh - 160 022

## Internal Auditors

Jain & Associates  
Chartered Accountants  
#2848, Ground Floor, Sector-38C,  
Chandigarh - 160 012

## Secretarial Auditors

Vishal Arora  
Company Secretary  
House No. 651, Sector-8B, Chandigarh

## Manufacturing Facilities

**Unit-1 :** Village Bhagwanpur,  
Barwala Road, Derabassi-Punjab  
**Unit-2 :** Industrial Growth Centre  
SIDCO, Phase-1, Samba (J & K)

## Research and Development Centre

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

## Solicitors/Legal Advisors/Tax Consultants

1. P.K. Goklaney & Company, Chandigarh
2. BSM Legal, Chandigarh
3. Equi Law Partners, New Delhi
4. Ved Jain & Associates, New Delhi

## Bankers

### Bank of India

SCO: 81-83, Sector 17B, Chandigarh 160017

### Industrial Development Bank of India

SCO 72-73, Sector-17B, Chandigarh

### Edelweiss Alternative Asset Advisors Ltd

Edelweiss House, Off. CST Road,  
Kalina, Mumbai-400098

## Registered Office

SCO 850, Shivalik Enclave, NAC, Manimajra, Chandigarh – 160 101  
Tele: - +91-172-5061850, 2730920  
Fax: - +91-172-2730504, 2736294  
Email: investor@indswiflabs.com  
Website: www.indswiflabs.com

## Corporate Identity Number:

L24232CH1995PLC015553

## Registrars and Share Transfer Agents

M/s Alankit Assignments Ltd.  
205-208 Anarkali Market  
Jhandewalan Extension,  
New Delhi-110 055  
Tel:- +91-11-42541965, 42541953  
Fax:- +91-11-41540064  
E-mail: info@alankit.com  
Website: www.alankit.com

## Debenture Trustee

Vistra ITCL (India) Limited  
The IL&FS Financial Center,  
Plot C-22, G-Block, 7th Floor  
Bandra Kurla Complex, Bandra (East),  
Mumbai 400051  
Tel: +91 2226593219  
www.vistraitcl.com

# DIRECTORS' REPORT

## Dear Shareowners,

Your Directors have great pleasure in presenting the 27th Annual Report together with audited statement of accounts for the year ended 31st March, 2022.

## Financial results

Summary of your Company's financial performance, both standalone and consolidated, for the financial year ended March 31, 2022 is tabulated below: (₹ in Millions)

PARTICULARS	Standalone		Consolidated	
	Year Ending 31st March, 2022	Year Ending 31st March, 2021	Year Ending 31st March, 2022	Year Ending 31st March, 2021
Sales (net of excise) and other income	10298.05	8797.06	10814.47	9140.42
Less Expenses :				
Cost of Materials Consumed	5257.26	4274.72	5650.00	4539.25
Purchase of Stock in Trade	10.56		10.56	
Change in Inventories of FG/WIP/Stock in trade	(394.66)	(24.77)	(394.66)	(24.77)
Employee Benefit Expense	1118.78	1041.67	1143.53	1065.50
Other Expenses	1944.21	1469.19	2014.01	1505.26
<b>Total Expenses</b>	<b>7936.15</b>	<b>6760.82</b>	<b>8423.44</b>	<b>7085.25</b>
<b>Profit before Interest, Depreciation, Tax &amp; Amortisation</b>	<b>2361.90</b>	<b>2036.25</b>	<b>2391.03</b>	<b>2055.77</b>
Less: - Interest	955.33	1002.16	955.33	1002.16
- Depreciation	1309.70	872.92	1310.39	872.92
- Extra Ordinary Item	16.92			
<b>Profit/(Loss) before Tax</b>	<b>79.96</b>	<b>161.17</b>	<b>125.32</b>	<b>180.09</b>
Less- Provision for Deferred Tax	109.17	(94.76)	(109.17)	(94.76)
- Income tax adjustment of previous year	7.83	0.00	7.83	0.00
- Current Tax /Mat credit utilisation	238.39	110.39	248.15	116.80
<b>Profit/(Loss) After Tax (A)</b>	<b>(57.09)</b>	<b>(43.98)</b>	<b>(21.50)</b>	<b>(31.47)</b>
Amount B/F from previous year (B)	(744.50)	(700.52)	(762.42)	(740.24)
<b>Profit/(Loss) after tax available for appropriations (A+B)</b>	<b>(59.09)</b>	<b>(43.98)</b>	<b>(18.08)</b>	<b>(22.18)</b>
<b>Balance carried forward to Balance sheet</b>	<b>(801.59)</b>	<b>(744.50)</b>	<b>(780.50)</b>	<b>(762.42)</b>

## Operations and business performance

During the financial year 2021-22, your Company achieved a turnover of ₹ 10298.05 millions against the turnover of ₹ 8797.06 millions during financial year 2020-21. The Company suffered net loss of ₹ 57.09 millions in 2021-22 against net loss of ₹ 43.98 millions in 2020-21. The Company's exports increased to ₹ 7454.00 millions in 2021-22 as compared to ₹ 6377.20 millions in 2020-21. There has been no change in the nature of business of the Company during the year under review. Kindly also refer to Management Discussion & Analysis



Report for more details about the operations which forms part of this report.

### Consolidated financial performance

Your company recorded a consolidated turnover of ₹ 10814.47 millions during 2021-22 against the turnover of ₹ 9140.42 millions during 2020-21. In consolidated terms, the Company suffered a net loss of ₹ 21.50 millions during 2021-22, against loss of ₹ 31.47 millions in 2020-21. The Consolidated financial figures include the respective financial figures of the company's subsidiaries. As required under the provisions of the Companies Act 2013 and SEBI (LODR) Regulations, 2015, Audited Consolidated Financial Statements form part of the Annual Report and the same are annexed to this report.

### Indian accounting standards

The financial statements for the year ended on March 31, 2022 has been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under section 133 of Companies Act, 2013 and other relevant provisions of the Act. The estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2022.

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

### State of affairs of the company

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

### Outlook

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

### Directors & key managerial personnel

Pursuant to Section 152 of the Companies Act, 2013, Mr. Rishav Mehta, director will retire by rotation at the ensuing AGM, and

being eligible, offers himself for re-appointment in accordance with provisions of the Act. The Board recommends his re-appointment.

The Board presently consists of Sh. N.R. Munjal- Chairman and the Managing Director, Sh. Himanshu Jain- Joint Managing Director, Sh. Rishav Mehta- Executive Director, Sh. Sahil Munjal-Executive Director, Sh. S. P. Sharma- Independent Director, Dr. Ashwani Kumar Vig- Independent Director, Sh. Rajinder Kumar Gupta-Independent Director and Ms. Neerja Chathley-Independent Women Director. The Chairman of the Company is an Executive Promoter Director.

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and the Listing Regulations. Further, in the opinion of the Board, the independent Directors also possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8 (5) (iia) of the Companies (Accounts) Rules, 2014. The Company has also received from them declaration of compliance of Rule 6(1) & (2) that they have registered themselves with databank of Independent Directors as maintained by Indian Institute of Corporate Affairs.

Details and brief resume of the Directors seeking reappointment/ appointments required by Regulation 26 (4) and 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and as required under Secretarial Standards – 2 on General Meetings issued by "The Institute of Company Secretaries of India" are furnished in the Notice convening the Annual General Meeting forming part of this Annual Report.

#### a) Key Managerial Personnel

Mr. N. R. Munjal, Chairman and Managing Director, Mr. Himanshu Jain, Joint Managing Director, Mr. Rishav Mehta, Executive Director, Mr. Sahil Munjal, Executive Director, Mr. Gagan Aggarwal, Chief Financial Officer, Mr. Sunil Deshmukh, Chief Executive Officer and Mr. Pardeep Verma, AVP-Corporate Affairs & Company Secretary are the Key Managerial Personnel of the Company.

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

The Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than taking sitting fees and reimbursement of expenses incurred by them to attend meetings of the Company.

**c) Number of Meetings of the Board**

During the year, Seven Board meetings were held on 01.04.2021, 29.06.2021, 30.07.2021, 12.08.2021, 01.11.2021, 21.12.2021 & 08.02.2022. The details regarding the meetings are given in the Corporate Governance Report.

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

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

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non- Independent Directors and Board as a whole and the performance of the Chairman of the Company after taking into consideration the views of executive and Non-Executive Directors.

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

The Directors expressed their satisfaction with the evaluation process.

**e) Familiarization Programme**

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model and related matters are posted on the website of the Company at [https://www.indswiftlabs.com/wp-content/uploads/2022/08/Familiarisation\\_Programme\\_for\\_Independent\\_Directors.pdf](https://www.indswiftlabs.com/wp-content/uploads/2022/08/Familiarisation_Programme_for_Independent_Directors.pdf)

**Directors responsibility statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2022; the applicable accounting

standards have been followed along with proper explanation relating to material departures, if any;

- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**Vigil mechanism/whistle blower policy**

In compliance with the provisions of Section 177(9) of the Companies Act 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, your Company has in place a Vigil Mechanism (Whistle blower Policy) which provides an opportunity to the directors and employees to raise concerns about unethical and improper practices or any other wrongful conduct in or in relation to the Company. The details of the Vigil Mechanism (Whistle blower Policy) are stated in the Corporate Governance Report and the said Policy has been uploaded on the Company's website [www.indswiftlabs.com](http://www.indswiftlabs.com).

**Name of companies which have become or ceased to be its subsidiaries, joint ventures or associates**

During the Year, M/s Meteoric Life Sciences Pte Ltd ceased to be a subsidiary of the Company with effect from August 10, 2021, consequent to its striking off and M/s Ind-Swift Middle East FZE ceased to be subsidiary of the Company with effect from May 27, 2021 consequent to its sale to M/s. Soft Air General Trading LLC, UAE.

The Company has entered two Joint Ventures to enter into & explore new avenues available in the pharma fields. One joint venture is with M/s Wellgen Medicare LLP a Delhi based pharma

trading concern and Mr. Anshul Jain on a 50:50 partnership basis a LLP named "Indis Healthcare LLP".

The Company has also entered into an another joint venture with Mr. Ramesh Mehta as the partner on a 75:25 partnership basis by incorporating a private Company named "MJM Remedies Private Limited".

### Subsidiaries, joint ventures & associate companies

As on 31.03.2022, your Company had 3 Subsidiaries i.e. Ind-Swift Laboratories Inc. (US Subsidiary), Fortune (India) Constructions Limited (Indian Subsidiary) and Halcyon Life Sciences Pvt Ltd (Indian Subsidiary).

A summary of the financial performance of each of the subsidiaries is presented as below:

- The US subsidiary of the Company viz. Ind-Swift Laboratories Inc. achieved net sales of ₹ 1,58,84,58,481 equivalent to USD 2,13,35,169 and recorded a net Profit of ₹ 2,34,42,848 equivalent to USD 3,14,024 as on 31.03.2022.
- Fortune (India) Constructions Ltd achieved total revenue of ₹ 7,14,78,595 and recorded a net loss of ₹ 32,00,008 as on 31.03.2022.
- Halcyon Life Sciences Pvt. Ltd. achieved total revenue of ₹ 10,60,150 and recorded a net loss of ₹ 1,14,37,074 as on 31.03.2022.
- The Company's Joint Ventures M/s Indis Healthcare LLP and M/s MJM Remedies Private Limited has not started any operations till 31st March, 2022.

Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 and Rules 5 and 8(1) of the Companies (Accounts) Rules, 2014, the salient features of the financial statements, performance and financial position of each subsidiary and a joint venture is given in Form AOC - 1 as **Annexure-I** to this report. The Company has framed a policy for determining material subsidiaries, which has been uploaded on the Company's website [www.indswiftlabs.com](http://www.indswiftlabs.com).

Other than above the Company has no associate company as on 31.03.2022.

### Dividend

In view of inadequacy of profits, the Board has not recommended any dividend for the Financial Year 2021-22.

There is no unpaid dividend outstanding as on 31.03.2022.

### Dividend Distribution Policy

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, your Board has approved and adopted a Dividend Distribution Policy of the Company. The policy is available on the Company's website under weblink <https://www.indswiftlabs.com/wp-content/uploads/2021/08/DividendDistributionPolicy.pdf>

### Reserves

During the year, the Company has not transferred any amount to Reserves.

### Investor education and protection fund

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('The Rules'), all unpaid or unclaimed dividends are transferred to Investor Education and Protection Fund (IEPF) established by the Central Government, after the completion of seven years. Further, according to the rules, the shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority.

During the year under review, your Company was not required to transfer any funds/shares to Investor Education and Protection Funds (IEPF).

### Public deposits

During the year, Company has completed the re-payment of its Fixed Deposits in compliance to the re-payment scheme approved by the Hon'ble Company Law Board vide its order dated 30th March, 2013. Few of the fixed deposits however remain unclaimed as at the end of the Financial Year. The Company shall repay those claims as and when the respective Deposit Holder approaches the Company. During the year the company has made repayment of fixed deposits amounting to ₹ 31,36,800/-.

During the year under review, your Company has not accepted any deposits from the public under Section 73 and 76 of the Act and rules made thereunder.

### Details in respect of frauds reported by auditors other than those which are reportable to the central government

The Statutory Auditors, Cost Auditors and Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

### Related party transactions disclosure under the Companies Act, 2013

All related party transactions entered into during the financial year were on an arm's length basis and in the ordinary course of business. No related party transaction was in conflict with the interest of the Company. No materially significant related party transaction was made by the Company with the Key Managerial Personnel. As prescribed by Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014,

particulars of related party transactions are given in Form AOC-2, as **"Annexure-II"** to this Report. The policy on Related Party Transactions as approved by the Board has been uploaded on the Company's website [www.indswiftlabs.com](http://www.indswiftlabs.com).

## **Related party transactions disclosure under SEBI (LODR) regulations, 2015**

The necessary Related Party Disclosures as required under Schedule V, Part - A of SEBI (LODR) Regulations, 2015 are given in Note XXXI of the Standalone and Consolidated Financial Statements.

## **Disclosure of transactions with promoter/ promoter group**

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

As on 31st March, 2022, M/s Essix Biosciences Limited and M/s Ind Swift Limited, being the Promoter entities are holding 21.71% and 16.08 % respectively, of total equity of the Company. The details of all the transactions with Essix Biosciences Limited and Ind Swift Limited are already given in Form AOC-2, forming part of this Annual Report.

## **Disclosure in respect of voting rights not exercised directly by employees**

No disclosure is required under Section 67(3) (C) of the Act, in respect of voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

## **Risk management**

Evaluation of business risk and managing the risk has always been an ongoing process in the Company. The terms of reference of Risk Management Committee are in line with the Listing Regulations. The Risk Assessment Committee assists the Board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the implementation of Risk Management Systems and Framework, review the Company's financial and risk management policies, assess risk and procedures to minimise the same.

The details of the Committee and its terms of reference are set out in the Corporate Governance Report.

During the Financial Year 2021-22, two Risk Management Committee Meeting were held on 03.02.2022 and 26.03.2022

The Company's Risk Management Policy is available on Company's Website i.e. [www.indswiftlabs.com](http://www.indswiftlabs.com) [https://www.indswiftlabs.com/wp-content/uploads/2018/07/Risk\\_Management\\_Policy.pdf](https://www.indswiftlabs.com/wp-content/uploads/2018/07/Risk_Management_Policy.pdf)

## **Business responsibility report**

As on 31-03-2022 the company ceased to be part of the top 1000 companies as per market capitalisation, still the details in terms of Regulation 34 of the Listing Regulations, the Business Responsibility Report for the year 2021-22 describing the initiatives taken from an environment, social and governance perspectives, in the prescribed format is given as **"Annexure-III"** to this Report and is also available on the Company's website viz., [www.indswiftlabs.com](http://www.indswiftlabs.com).

## **Change in capital structure and listing of shares**

The paid up Equity Share Capital of the Company as on March 31, 2022 was ₹ 5908.69 Lakhs. The Company's shares are listed on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and are actively traded. The Company has not issued any shares with differential voting rights or sweat Equity during the year. During the year, the company has not made any allotment.

### **a) Employee Stock Option Scheme**

During the financial year 2021-22, there has been no change in the Employees Stock Option Plan (Employee Incentive Scheme, 2014) of the Company. Further, it is confirmed that the ESOP Scheme of the Company is in compliance with SEBI (Share Based Employee Benefits) Regulations, 2014.

The applicable disclosures as stipulated under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014, and rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 with regard to Employees Stock Option Plan of the Company are given as **"Annexure-IV"**.

## **Management discussion and analysis report**

Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of the Annual Report.

## **Particulars of loans, guarantees or investments under section 186 of the companies act, 2013**

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



## Annual return

The Annual Return of your Company for the FY 2021-22 shall be placed on the website of the Company in due course.

The weblink to access Annual Return for previous Financial year 2020-21 of the Company is <https://www.indswiflabs.com/investor/annual-returns/>

## Policy on directors' appointment and remuneration

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

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

## Credit rating

During the Financial Year, 2021-22, the credit rating of the Company was revised from 'CARE B' to 'CARE BB-' (Double B Minus) by CARE which denotes-Stable Ranking.

## Corporate social responsibility

Company is committed to and fully aware of its Corporate Social Responsibility(CSR), the guidelines in respect of which were more clearly laid down in the Companies Act, 2013. The Company's vision on CSR is that the Company being a responsible Corporate Citizen would continue to make a serious endeavor for a quality value addition and constructive contribution in building a healthy and better society through its CSR related initiatives and focus on education, environment, health care and other social causes.

During the year under review, the company had incurred expenditure on CSR activities of ₹ 22,27,353/- in areas specified in Schedule VII of Companies Act, 2013.

The disclosure related to the CSR activities pursuant to Section 134(3) of the Companies Act, 2013 read with Rule 9 of Companies (Accounts) Rules, 2014 and Companies (Corporate Social Responsibility) Rules, 2014 is annexed hereto and form part of this report as **"Annexure-V"**.

## Environment/pollution control, health and safety

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

## Research & Development and Quality Control

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

## Insurance

The Company has taken adequate insurance policies for its assets against the possible risks like fire, flood, public liability, marine etc. Further pursuant to Regulation 25 (10) of SEBI (LODR) Regulations, 2015, the Company has also taken the Directors and Officers Insurance ('D and O insurance').

## Conservation of energy, technology absorption, foreign exchange earnings and outgo

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

## Committees of the board

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

- a) Audit Committee
- b) Stakeholders Relationship Committee
- c) Risk Management Committee
- d) Nomination and Remuneration Committee
- e) Corporate Social Responsibility Committee
- f) Compensation Committee
- g) Sub-Committee of the Board

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

## Statutory auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules framed thereunder, the term of M/s Avishkar Singhal & Associates, Chartered Accountants (Firm Reg. No. 017362N) as the Statutory Auditors of the Company expires upon the conclusion of the ensuing 27th Annual General Meeting of the Company. The Audit Committee of the Company has proposed, and the Board of Directors of the Company have recommended the re-appointment of M/s Avishkar Singhal & Associates, Chartered Accountants (Firm Reg. No. 017362N) as the Statutory Auditors of the Company for a second term of five Consecutive years from the conclusion of the 27th Annual general Meeting, till the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2027, subject to the approval of the shareholders of the Company. The First year of the Second term will be Audit of the Financial Statements for the Financial Year 2022-23, which will include the audit of the quarterly financial statements for each quarter of the financial year 2022-23.

## Audit Report

The Auditor's Report for the Financial Year 2021-22 does not contain any qualification, reservation or adverse remark. With regard to emphasis of matter contained in the Auditors' Report, the management's comments (in italics) are as follows.

- a) We draw attention to Note No. XXXVIII of the accompanying standalone financial results, which describes the management's evaluation of uncertainties related to COVID 19 and its consequential effects on the operations of the Company  
*- No comments required.*
- b) We draw attention to Note no. II of the accompanying standalone financial statements, which states that, during the year, Meteoric Life Science Pte. Ltd. Singapore, which was a wholly owned subsidiary of the company was voluntarily closed down by the company as there was no operations for the last many years.  
*- Since there were no operations so the Subsidiary has been closed down.*
- c) We draw attention to Note no. II of the accompanying standalone financial statements, which states that, during the year, the company has sold its entire holding in M/s Ind-Swift Middle East FZ-LLC, the wholly owned subsidiary in Dubai.  
*- Matter of Fact as the Subsidiary has been sold off.*

- d) We draw attention to Note no. X of the accompanying standalone financial statements, which states that, during the year, the company extended a loan to Ind Swift Limited (Related Party) at 10% rate of interest.

*- The loan has been advanced strictly in compliance to the provisions of the Companies Act, 2013 and the decision is in the best interest of the Company.*

- e) We draw attention to Note no. V of the accompanying standalone financial statements, which states the company has been allotted 6,34,40,000 equity shares of M/s Fortune (India) Construction Limited at par against the advance standing in the books.

*- M/s Fortune (India) Constructions limited is a wholly owned subsidiary of the Company and allotment is intended for proper compliance in best interest of the Company.*

## Cost-auditors and their report

M/s. V. Kumar & Associates, Cost Accountants have been duly appointed as Cost Auditors of the Company for audit of cost accounting records which are covered under the Cost Audit Rules for current financial year ending March 31, 2023.

As required by Section 148 of the Companies Act, 2013, necessary resolution has been included in the Notice convening the Annual General Meeting, seeking ratification by the Members to the remuneration proposed to be paid to the Cost Auditors for the financial year ending March 31, 2023.

The Cost Audit Reports for the financial year 2020-21 as issued by M/s V. Kumar and Associates, Cost Auditors, was filed with Ministry of Corporate Affairs. The Cost Audit Reports for the financial year ended 2021-22 will be filed within the prescribed period.

The Company has maintained all the cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013.

## Secretarial auditors and their report

Mr. Vishal Arora, Practicing Company Secretary was appointed as Secretarial Auditors of the Company for the financial year 2021-22 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as "Annexure-VII" and forms part of this report.

There are no qualifications or other remarks of the secretarial auditors in the secretarial audit report as issued by them for the financial year 2021-22. There are few observations by the Secretarial Auditors which the Board considers as informative in nature.

## Internal auditors

M/s Jain and Associates, Chartered Accountants were the Internal Auditors of the Company during the FY 2021-22. The Board has approved the re-appointment of M/s Jain & Associates, Chartered Accountants as Internal Auditors of the Company for the first half of financial year 2022-23 as well. They will conduct the Internal Audit of the Company as required under Section 138 of the Companies Act and their reports shall be reviewed by the Audit committee and the Board of Directors.

## Internal complaints committee

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

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

## Internal financial control

Your Company has an effective internal financial control and risk mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides bench marking controls with best practices in the industry.

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

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

## Corporate governance

A Report on Corporate Governance forms part of this Annual Report. The Auditors' certificate certifying compliance with the conditions of Corporate Governance under Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015 is annexed as "Annexure-VIII" to this Report.

## Human resource

Your Company is of the firm opinion that efficiency of its employees plays a key role in achieving set goals and building a competitive work environment. The Company regularly conducts various programs at different levels so as to ensure that a vibrant and motivated work-force leads to achievement of the defined goals. Employee relations continued to be harmonious and cordial at all levels and in all the units of the Company.

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

## Particulars of employees

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

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

## Impact of Covid-19

Despite the calamitous 2nd wave and its severe impact on health, it proved to be less economically damaging against the complete lockdown of 2020. Post COVID-19, there are new business opportunities for the pharmaceutical industry.

Despite challenges in logistics, supply chain management etc. due to unexpected lock downs in India and other parts of the world. Your Company offered excellent agility while responding to the supply disruptions, which drove the overall revenue growth in the year under review.

Further, during the FY 2021-22, the Company continued implementing various measures to contain the spread of Covid-19 and ensure overall safety of its employees and stakeholders at large in compliance with the directions issued by the Government from time to time. The management of the Company regularly conducts and communicates COVID awareness protocols with its employees to boost their morale and face the challenges brought by these tough times.

### **Significant and material orders passed by the regulators or courts**

The Business Transfer Agreement executed between Ind-Swift Laboratories Limited and PI Industries Limited dated 30 July 2021 ("BTA") could not be consummated as the agreed Long Stop Date i.e. 31.10.2021, expired, therefore, pursuant to the provisions of the said BTA, the same was terminated.

PI Industries invoked Arbitration and an Arbitral Tribunal was constituted under the aegis of Mumbai Centre for International Arbitration (MCIA) comprising of Hon'ble Mr. Justice A. K. Sikri, Former Judge Supreme Court of India, being the Presiding Arbitrator, while Hon'ble Ms. Justice Indu Malhotra, Former Judge Supreme Court of India and Hon'ble Mr. Justice V. K. Gupta, Former Chief Justice of Jharkhand High Court were appointed as Co-arbitrators before whom PI Industries Limited filed an application under Section 17 of the Arbitration and Conciliation Act, 1966, wherein they prayed inter alia to restrain Ind-Swift and its Promoters from creating any third party interest in the API Business Division as well as prayed for restrain order against promoters from diluting their shareholding in the Ind Swift Laboratories Ltd.

The Arbitral Tribunal vide its detailed order dated 31.05.2022, has dismissed the application of PI Industries Ltd. The arbitral proceedings are still continuing to adjudicate on the claims and counterclaims of the parties.

During the Financial Year 2021-22 or as on date of signing this report, no other significant/material orders was passed by any of the Regulators/Courts or Tribunal that would impact the going concern status of the Company and its future operations.

Further there is no new application filed or pending under the Insolvency and Bankruptcy Code, 2016 during the year except for the winding up petition filed by IFCI Limited under the earlier Section 433 of the Companies Act, 1956, which is still pending and now the same has been transferred to NCLT pursuant to the order of the Hon'ble High court for the state of the Punjab and Haryana. Since the Loan of IFCI Limited was taken over by the Edelweiss ARC and the same has now been covered pursuant to the MRA with Edelweiss, the same will be withdrawn in due course.

### **Change in the nature of business**

There has been no change in the nature of business carried on by your Company or its subsidiaries during the year under review.

### **Material changes and commitments affecting the financial position of your company and material changes between the date of the board report and end of the financial year**

During the year, there have been no material changes and commitments affecting the financial position of the company.

Further, there have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of your Company to which the Financial Statements relate and the date of Board Report.

### **Key financial ratios**

The Key financial ratios for the financial year ended 31st March, 2022 forms part of the Management Discussion and Analysis Report.

### **Registrar and share transfer agent**

M/s Alankit Assignments Ltd., are the Registrar and Share Transfer Agent of the Company for the Physical as well as Demat shares and Non-Convertible Debentures of the Company. The members are requested to contact the Registrar directly for any of their requirements.

### **Listing on stock exchanges**

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

### **Listing fees**

The Annual Listing fee for the year under review has been paid to The BSE Limited and The National Stock Exchange of India Ltd.

### **Certifications**

In terms of the Listing Regulations, the Certificate duly signed by Sh. Navrattan Munjal, Chairman and Sh. Gagan Aggarwal, Chief Financial Officer (CFO) of the Company was placed before the Board of Directors along with the annual financial statements for the year ended on 31st March, 2022, at its meeting held on 28th May, 2022. There is no instance of difference between the amount of valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions, during the financial year 2021-22.



**Secretarial standards:**

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

**Acknowledgement**

Your Directors thank all the employees for their sincere efforts, active involvement and devoted services rendered. Your Directors thank the shareholders of the Company for the confidence

reposed in the Management of the Company. Your Directors place on record their gratitude to the Customers, Suppliers, Company's Bankers and Financial Institutions for their support and cooperation during the year under review.

**On behalf of the Board of Directors**

Place: Chandigarh

Date: 10th August, 2022

**N. R. Munjal**

Chairman

# ANNEXURE I

## Form AOC-I

(Pursuant to First Proviso to Sub Section (3) of Section 129 read with Companies (Accounts) Rules, 2014)

### Part A: Subsidiaries

	1	2	3	4	5
Name of the subsidiary	Ind Swift Laboratories Inc.	Meteoric Life Sciences Pte. Ltd.	Ind-Swift Middle East FZ-LLC	Fortune (India) Constructions Ltd.	Halcyon Life Sciences Pvt. Limited
The date since when subsidiary was acquired	02.01.2004	20.11.2009	15.10.2009	30-3-2021	30-3-2021
Reporting period of the Subsidiary concerned, if different from the holding company's reporting period	31.12.2021	31.10.2021	31.12.2021	31.03.2022	31.03.2022
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD 73.06	NIL	NIL	INR	INR
Share Capital	5,40,59,600	NIL	NIL	73,54,00,000	46,48,29,851
Reserves and surplus	6,41,01,501	NIL	NIL	(2,82,93,000)	(52,57,17,527)
Total Assets	63,49,55,212	Nil	NIL	79,32,11,000	19,23,97,016
Total Liabilities	51,67,94,111	Nil	NIL	8,61,04,0000	24,77,84,699
Investments	-	-	-		
Turnover	1,588,458,481	NIL	NIL	7,14,78,595	10,60,150
Profit before taxation	3,32,09,427	2,10,09,700	57,87,052	(32,00,008)	(1,14,37,074)
Provision for taxation	97,66,579	NIL	NIL	NIL	NIL
Profit after taxation	2,34,42,848	2,10,09,700	57,87,052	(32,00,008)	(1,14,37,074)
Proposed Dividend	NIL	NIL	NIL	NIL	NIL
Extent of shareholding (In %)	100%	100%	100%	100%	98.19%

- (a) During FY 2021-22, M/s Meteoric Life Sciences Pte. Ltd., Singapore a Wholly Owned Subsidiary (WOS) of Company was voluntarily closed down by the Company as there was no operations for the last many years . The loss on dissolution amounting to ₹169.24 lakhs is treated as an exceptional item.
- (b) During the FY 2021-22, the Company has sold its entire share holding in M/s. Ind-Swift Middle East FZ-LLC ("ISME") (Wholly Owned Subsidiary in Dubai ). Thus ISME has ceased to be the WOS of the Company . Company has earned Profit of ₹1066.12 lakhs on sale of the subsidiary.

## Part B Associates and Joint Ventures

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Joint Ventures	Indis Healthcare LLP	MJM remedies Private Limited
1. Latest audited Balance Sheet Date	Yet to start its operations	Yet to start its operations
2. Date on which the Joint Venture was associated or acquired	14/01/2022	21/06/2022
3. Shares of Associate or Joint Ventures held by the company on the year end.		
No.	-	-
Amount of Investment in Associates or Joint Venture	Company will invest upto ₹1 Crore in the joint venture.	Company will invest upto ₹50 lacs in the joint venture
Extent of Holding (in percentage)	50%	75%
4. Description of how there is significant influence	Joint Venture	Joint Venture
5. Reason why the associate/Joint venture is not consolidated.	Consolidated	Yet to start its operations
6. Net worth attributable to shareholding as per latest audited Balance Sheet	*	*
7. Profit or Loss for the year	*	*
i. Considered in Consolidation	*	*
ii. Not Considered in Consolidation	*	*

Notes: i) \*INDIS Healthcare LLP and MJM Remedies Private Limited are yet to commence their operations.

ii) There were no Associates or Joint Ventures which have been liquidated or sold during the year.

**On behalf of the Board of Directors**

Place : Chandigarh

Date: 10th August, 2022

**N.R. Munjal**

Chairman and Managing Director

# ANNEXURE II

## FORM AOC-2

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

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

- No contracts or arrangements or transactions were entered into by the Company with related parties during the year ended March 31, 2022, which were not at arm's length basis.
- Details of contracts or arrangements or transactions at Arm's length basis:

Sl. No	Particulars	Details			
a)	Name (s) of the related party and nature of relationship	Ind Swift Ltd. (Group Co.)	Essix Biosciences Ltd. (Group Co.)	Halcyon Life Sciences Pvt. Ltd. (Group Co.)	Fortune (India) Constructions Ltd. (Group Co.)
b)	Nature of contracts / arrangements / transaction	Purchase & Sale-Goods	Purchase & Sale-Goods	Purchase/Sales/Advances	Purchase- Capital Goods-Services
c)	Duration of the contracts/ arrangements / transaction	Ongoing	Ongoing	Ongoing	Ongoing
d)	Salient terms of the contracts or arrangements or transactions including the value	Based on transfer pricing guidelines. ₹ 49,98,54,982	Based on transfer pricing guidelines. ₹ 71,18,38,943	Based on transfer pricing guidelines- Nil	Based on transfer pricing guidelines- Nil
e)	Date of approval by the Audit Committee/Board	29.05.2019	29.05.2019	29.05.2019	29.05.2019
f)	Amount paid as advances, if any (₹)	1,07,64,374	Nil	24,76,67,951	Nil

Place: Chandigarh  
Date: 10th August, 2022

**N.R. Munjal**  
Chairman and Managing Director



# ANNEXURE III

## BUSINESS RESPONSIBILITY REPORT

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L24232CH1995PLC015553
2. Name of the Company	Ind-Swift Laboratories Limited
3. Registered Address	SCO 850, Shivalik Enclave, NAC, Manimajra, Chandigarh- 160101
4. Website	www.indswiftlabs.com
5. E-mail id	pardeep.verma@indswiftlabs.com
6. Financial Year Reported	1st April 2021 to 31st March 2022
7. Sector(s) that the Company is engaged in (industrial activity code-wise):	NIC Code - 210 Description - Pharmaceuticals
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	1. Active Pharmaceutical Ingredients (APIs). 2. Advanced Intermediates 3. Contract Research and Manufacturing Services (CRAMS)
9. Total number of locations where business activity is undertaken by the Company	
(a) Number of International Locations (Provide details of major 5)	International : USA
(b) Number of National Locations	National : Two manufacturing locations, one R&D Centre, one marketing office
10. Markets served by the Company – Local/State/National/International	Company has a global footprint and serves both National and International markets.

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

#### 1. Paid up Capital (INR)

INR 59.81 Crores

#### 2. Total Turnover (INR)

INR 1029.81 Crores

#### 3. Total profit after taxes (INR)

INR (- 6.13) Crores

#### 4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

During the financial year 2021-22, the company has spent INR 22,27,353/- on CSR Activities.

#### 5. List of activities in which expenditure in 4 above has been incurred:-

Please refer to Annexure V – “Annual Report on CSR activities for the Financial year 2021-22” of the Board’s report.

### SECTION C: OTHER DETAILS

#### 1. Does the Company have any Subsidiary Company/ Companies?

- Yes. The details of subsidiaries are provided in Board’s report, which forms part of the annual report.

#### 2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

- The Subsidiary Companies do not participate in the BR Initiatives of the Company.

**3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

- The other entities e.g. Suppliers, distributors, etc. with whom the Company does business, do not participate in the BR Initiatives of the Company.

## SECTION D: BR INFORMATION

### 1. Details of Director/Directors responsible for BR

#### (a) Details of the Director/Director responsible for implementation of the BR policy/policies

1. DIN Number: 00015096
2. Name: Sh. Navrattan Munjal
3. Designation: Chairman and Managing Director

#### (b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00015096
2	Name	Sh. Navrattan Munjal
3	Designation	Chairman and Managing Director
4	Telephone number	0172-5061850
5	e-mail id	investor@indswiftlabs.com

### 2. Principle-wise (as per NVGs) BR Policy/policies

#### (a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for....	<p>Ind-Swift Laboratories Limited does not have a formal policy covering all the nine NVG principles. However, company is in the process of developing policies adopting all of the National Voluntary Guidelines Principles.</p> <p>Currently, company has a few policies to encourage business responsibility throughout its operations viz:</p> <p>a) Vigil Mechanism (Whistle Blower Policy).</p> <p>b) Corporate Social Responsibility Policy.</p> <p>c) Policy for Determination of Materiality.</p> <p>d) Code of Fair Disclosure.</p> <p>e) Code of Conduct</p> <p>f) Code of Business Conduct and Ethics</p>								
2	Has the policy being formulated in consultation with the relevant stakeholders?	<p>Stakeholders are of utmost importance to Ind-Swift. Stakeholder interest is incorporated into developing a successful business agenda and policymaking, ensuring stability in long term financial returns, at the same time meeting along with legal and ethical requirements.</p> <p>Board members ensure operational transparency to the stakeholders, and at the same time ensure that confidentiality is maintained in order to build a culture of good decision-making. Company has a stakeholder relationship committee to address stakeholder's interest.</p>								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	<p>Ind-Swift governance strategies and policies follow the Companies Act, 2013, as well as SEBI listing regulations.</p>								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Yes, all of Ind-Swift policies need to be approved by the board before execution. Board members and the Managing Director are actively involved in formulation of the policy.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Ind-Swift has seven KMP's (Key Managerial Personnel) in accordance with Company's Act, 2013. The Chairman of company is also the executive director, who is mostly responsible for Environmental, Economic, Social and Governance decisions, with the help of other board members. The board is responsible for overseeing implementation of policies.								
6	Indicate the link for the policy to be viewed online?	<a href="https://www.indswiftlabs.com/investor/">https://www.indswiftlabs.com/investor/</a>								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes. The policies have been communicated to all employees, shareholders, and other relevant stakeholders. Policies are available on the company's website.								
8	Does the company have in-house structure to implement the policy/ policies.	Ind-Swift KMP's, board members are responsible for formulating and implementing the policies, under the guidance of the Managing Director.								
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Ind-Swift has a code of conduct and Vigil Mechanism (Whistle Blower Policy) that allow stakeholders to communicate their grievances to the board members.  Ind-Swift has an internal complaint committee to hear cases related to Sexual harassment and to promote a safe workplace for all the women's working in the organization. These grievances are reported to the Chairman and other members of the committee. Ind-Swift also has an investor's grievance cell i.e. Stakeholder Relationship Committee where investors can put forth their issues.								
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	During the year Company has got the audit of the Company's Environmental, social, and ethical performance – or Sustainability done from Ecovadis, which is World's largest and most trusted provider of business sustainability ratings. EcoVadis assesses processes of organization from the perspectives of transparency, sustainability, modernization and efficacy. Organization started its EcoVadis journey in year 2020 and started to gradually build & improvise our processes to meet global standards of sustainable processes. Organization qualified assessment criteria of EcoVadis and attained "EcoVadis Bronze Medal" in year 2022 for our sustainable process flows in domains of Environment, Safety, HR, Labour, Ethics and Procurement.								

**(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task	Ind-Swift intends on further building up existent policies in relation to the nine principles within the next year.								
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

### 3. Governance related to BR

**(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

Ind-Swift assesses the business performance Annually.

**(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Ind-Swift business responsibility report is published on an annual basis. Hyperlink of the same is <http://www.indswiftlabs.com/investor/business-responsibility-reports/>

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1: Business should conduct and govern themselves with Ethics, transparency and Accountability

**1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

Ind-Swift policies on ethics, bribery and corruption i.e. its code of conduct covers not only its employees, but also includes other people associated with it like contractors/suppliers. Ind-Swift code of conduct or "Vigil Mechanism (Whistle Blower Policy)" constantly promotes ethical behaviour in all its business activities in accordance with the best international governance practices; through its directors, employees, business associates and other stakeholders, Ind-Swift has established a system to report unethical behaviour, malpractices, fraud and other incidents of misconduct. Ind-Swift has a policy in place in which all the directors, employees and business associates have the ability to directly access the Chairman, who then work towards resolving the issues. Ind-Swift is putting in a mechanism in place to develop a supply chain policy to ensure that best practices are followed throughout its supply chain.

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

During this year, we have not received any complaint related to unethical practices across all our operations.



## Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

### 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- (a) Active Pharmaceutical Ingredients (APIs).
- (b) Advanced Intermediates
- (c) Contract Research and Manufacturing Services (CRAMS)

### 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

#### (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Continuous improvement in every aspect is a prime factor in our corporate policy. Our motive is to look beyond the statutory compliances to create responsible business practices that guarantee a safe work environment and a healthy work force.

Initiatives are taken to improve awareness regarding legal compliances, to enhance eco-friendly efficiencies and packaging/logistics improvements at the suppliers' end. Our approach is to add value in such a manner that not only are our products affordable and accessible, but our practices are also sustainable and equitable.

Paper less working while generating Purchase Requisitions through SAP & introduction of Track-wise software in Quality systems has resulted in reduction of the number of papers used.

In addition to spreading wellness through our APIs, we also work for the welfare of the neighborhood economy by sourcing local material and labor wherever possible. Local sourcing is also an environmentally sustainable option as the decrease in the need for transportation significantly reduces the carbon footprint.

#### (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Each employee at Ind-swift is committed to take adequate preventive measures related to Environment, Health & Safety in developing, manufacturing, storing, handling, transportation, and distribution of all our products. As a resource-respecting organization, we make every effort to be environment-friendly and we take steps to follow the best practices. Our manufacturing unit is certified for ISO standards. Accordingly, we have made large investments in a zero liquid discharge system for our manufacturing facility. This system recycles the recovered water for onward use within our utilities.

The waste generated in the Company's operations is either recycled or disposed of in a responsible way in line with legal requirements. 100% of wastewater is recycled and reused back in the process or in the utilities.

Adoption of innovative measures such as energy efficient machines, LED lighting and condensate recovery measures have significantly enhanced energy savings.

All new facilities constructed on our campuses have been designed to be energy-efficient and optimize use of natural light.

### 3. Does the company have procedures in place for sustainable sourcing (including transportation)?

#### (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

We are having sustainable procurement policy in place. Critical RM Suppliers – 80% of them meet the compliance. VQF and other set of documents submitted by the supplier are validated by Q.A to ensure on the Quality parameter's and party's capability to supply material on long term basis. Audits are also performed to check on their Quality & Capacity capability.

Simultaneously, we are working on de-risking of our API, where dependency of RM's are entirely from china. Exercise has already commenced with formation of cross functional team with focus on import substitution/contract manufacturing of same to have sustainable sourcing.

**4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

**(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes, we prefer & encourage indigenous / local procurement. We have successfully developed & approved the sources for PTSC, DCC, Thiophene2-Ethanol, N-Hydroxy Succinimide, 6-Bromoveratraldehyde which were earlier being imported from china. For Engineering material/services – We prefer & procure from engineering / operating supplies from local supplier to reduce the freight / inventory cost & delivery time. Even engineering person visit the local fabricators to elucidate them on the required item as per our drawing.

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

Company has mechanism for recycling the wastewater and some solid waste. Process water, cooling tower blow down water and domestic water are being treated in different types of systems like Biological treatment, RO, Mechanical Vapor Recompression and Multi Effect Evaporator. Thereafter, the recovered water is being used for makeup in cooling towers.

Steam Condensate is being recycled to Boiler Unit. Used containers from process are being recycled for low end requirement. Waste polythene is also being reused for packing of Hazardous waste (100 %).

**Principle 3: Business should promote the wellbeing of all employees**

**1. Please indicate the Total number of employees.**

1,452 on roll

**2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

1,000

**3. Please indicate the Number of permanent women employees.**

87

**4. Please indicate the Number of permanent employees with disabilities**

Nil

**5. Do you have an employee association that is recognized by management.**

No

**6. What percentage of your permanent employees is members of this recognized employee association?**

Nil

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

**8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?**

- (a) Permanent Employees – 82%
- (b) Permanent Women Employees – 100%
- (c) Casual/Temporary/Contractual Employees – 100%
- (d) Employees with Disabilities - NA

## **Principle 4: Businesses should respect the interests of and be responsive to the needs of all stakeholders, especially those who are disadvantaged vulnerable, and marginalized**

### **1. Has the company mapped its internal and external stakeholders? Yes/No**

Yes, Ind-Swift has mapped its internal and external stakeholders i.e.

- a) Management
- b) Employees
- c) Farmers
- d) Customers
- e) Partners
- f) Suppliers
- g) Vendors
- h) Retailers
- i) Government authorities/regulators
- j) Local communities

### **2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.**

Ind-Swift has identified disadvantaged, vulnerable and marginalized stakeholders within its communities and has worked towards building community development programs for assisting them.

### **3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

**Education Initiatives:** Education is one of the primary focuses of Ind-Swift CSR activities. Ind-Swift has a staunch belief that education is a right that needs to be provided to all children. Keeping this in mind, Ind-Swift has initiated projects to promote the education, details of which are given in CSR schedule as mentioned above.

**Creation of jobs:** The presence of Ind-Swift has provided many job opportunities for the communities present around it, resulting in economic growth, community development, income growth and improvement in general quality of life.

## **Principle 5: Businesses should respect and promote human rights**

### **1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

The policy covers Ind-Swift and its subsidiaries

### **2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

We have not received any complaint related to human rights violation during the reporting period.

## **Principle 6: Business should respect, protect and make efforts to restore the environment**

### **1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

As an integral part of our EHS philosophy, we think & work together responsibly so that employee & community at large and the environment including natural resources are protected and maintained leaving minimal environmental foot prints. Over the record on EHS excellence, ISLL has adopted a top down approach and embraced the principles and code of best EHS practices into the EHS management system.

Ind-Swift has a well-defined Environment, Health & Safety (EHS) Policy in place to minimize environmental impacts and prevent injuries and ill health at the workplace. It covers all our internal and external stakeholders and extends to the Group, suppliers, contractors who work with us. This policy is communicated to ensure participation, consultation, awareness through trainings among all our employees, contractors, Service providers, Local Community and those working on behalf of organization.

Adherence to the EHS policy is communicated to all stakeholders by the top management, as well as through appropriate communications within the Company.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

Yes. The commitment to minimize the impact on environment (global warming, climate change) and biodiversity is clearly stressed upon in the Company's EHS policy.

**3. Does the company identify and assess potential environmental risks? Y/N**

Yes, A Risk Based approach i.e. 'Aspect impact identification' methodology, is in place to assess and identify environmental risks.

**4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

An MVR has been installed. It shall help in saving of 100 KL of fresh water from withdrawal, by treating effluent & making it fit for use in as makeup for cooling towers.

**5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

- i) A 50 KW solar power plant is proposed to be installed in our Power Plant area. Thus renewable energy shall be available to the plant.
- ii) For energy efficiency improvement, various measures have been taken, like utility pump & AHU operation optimization, use of VFDs for blower & CT Fan motors, installation of energy Efficient Reactor Agitators, use of LEDs for lighting and Enhancement of Condensate collection.

**6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, Emissions/ waste generated by the Company are well within the permissible limits prescribed by the environmental regulators such as CPCB/SPCB for the last financial year 2021-22.

**7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

No show cause/ legal notices are pending as on end of Financial Year 2021-22.

**Principle 7: Businesses when engaged in influencing public and regulatory policy should do in a responsible manner**

**1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

- (a) HD Chamber of Commerce
- (b) Pharmexcil

**2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

Yes the company actively participates in the initiatives for the overall development of the Industry and its stakeholders through these Associations.

**Principle 8: Businesses should support inclusive growth and equitable development**

**1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof..**

Yes, Ind-Swift has undertaken initiatives for supporting inclusive growth and equitable development through its CSR activities. Ind-Swift continuously engages itself in the upliftment of the communities that it is involved with. Ind-Swift believes that a triple bottom line approach-growth of people, protection of environment, and profit in operations, is essential for sustained growth.

Ind-Swift constantly works towards the wellbeing of the community around its operations, believing in the principles of inclusive growth. Community growth and development is done by promoting various healthcare programs, educational programs, and many



other activities. Ind-Swift ensures that such community development programs are conducted in all its locations of operation.

Ind-Swift has a CSR Committee that is responsible for the development of the company's CSR activities, and develop, monitor and review various CSR initiatives as specified under Companies Act, 2013 which relate to environmental protection as well as community involvement and development. The CSR committee also recommends the amount of expenditure on different types of activities to the board, depending on the kind of CSR policy is in place. The committee also looks at various communities and the issues effecting them, in order to create effective management plans to address such issues. The CSR committee is also involved with development of the CSR policy.

The CSR committee initially identifies priority areas-education, health, and infrastructure, skill development etc. During the year, the company has taken many initiatives as CSR which are mentioned above in this report.

**2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?**

Ind-Swift has a dedicated in-house team which undertakes CSR activities and initiatives. Its projects are also directed through external trusts and agencies which have a positive proven track record.

**3. Have you done any impact assessment of your initiative?**

Ind-Swift has not yet done an impact assessment of its CSR initiatives.

**4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

During the year, the company has contributed in various projects as per the CSR Policy of the Company. Details of various initiatives taken by the Company is specified above in Section B of this report.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

Yes, Ind-Swift frequently monitors its initiatives & projects to ensure that it's successfully adopted by the communities. Ind-Swift is constantly in touch with communities to constantly check the progress of the CSR activities that are implemented. Ind-Swift CSR policy ensures effective implementation of various CSR programs by monitoring them on a constant basis.

**Principle 9-Businesses should engage with and provide value to their customers and consumers in a responsible manner**

**1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

All the complaints (100%) are closed with respect to investigation and CAPA implementation.

**2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

Yes, the product information which is mandatory as per laws is mentioned on the label. Information includes product name, storage condition, container No. , Net wt., gross wt., tare wt., Batch No., Mfg. date, expiry/retest date, licence No. and company address and QR Code (Quick Response Code) which is recently implemented to facilitate adequate tracking & tracing of material.

**3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

No

**4. Did your company carry out any consumer survey/ consumer satisfaction trends?**

Yes we have well defined procedure in place SOP/MK/007 in accordance to which customer Satisfaction surveys is carried out annually and evaluation is done accordingly.

## ANNEXURE IV

Details of ESOP as per the provisions of Companies Act, 2013 & SEBI (Share Based Employee Benefits) Regulations, 2014

S. No.	Particulars	Options Movement During 2021-22	Options Movement During 2020-21	Options Movement During 2019-20	Options Movement During 2018-19
1	No. of Options outstanding at the beginning of the year	NIL	NIL	NIL	5,43,109
2	No. of Options granted during the year	NIL	NIL	NIL	NIL
3	No. of Options Vested	NIL	NIL	NIL	5,33,340
4	No. of Options exercised during the year	NIL	NIL	NIL	5,19,989
5	No. of Shares allotted during the year pursuant to exercise of options	NIL	NIL	NIL	5,19,989
6	Options Lapsed	NIL	NIL	NIL	23,120
7	Exercise Price	NIL	NIL	NIL	₹ 10.00
8	Variations in Terms of Options	NIL	NIL	NIL	NA
9	Money Realized by exercise of Options	NIL	NIL	NIL	51,99,890
10	Total No. of Options in Force	NIL	NIL	NIL	Nil
11	Employee wise details of options granted during the year to:				
	(a) Key managerial personnel:	NIL	NIL	NIL	NIL
	(b) Any other employees who were granted during any one year, options amounting to 5% or more of the options during the year:			NIL	NIL
	(c) Identified employees who were granted option during any one year, equal to or exceeding 1% of the Issued Capital (Excluding outstanding warrants and conversions) of the company at the time of grant	NIL	NIL	NIL	NIL

Place: Chandigarh

Date: 10th August, 2022

**N.R. Munjal**

Chairman and Managing Director

# ANNEXURE V

## Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2021-22

### 1. Brief outline on CSR Policy of the Company.

The Company firmly believes in Corporate Social Responsibility (CSR) and commits to take initiative to contribute to harmonious and suitable development of the society and its inhabitants. The Company shall pursue CSR activities to carry out the welfare work directly and/or through other institutions involved in welfare of society in general. The Company shall give preference to local areas falling in the periphery of the manufacturing sites of the Company. The focus area of the Company under its CSR programmes are promotion of education, health care, rural development, skill enhancement, environment protection and any other project as defined in Schedule VII of the Companies Act, 2013.

### 2. Composition of CSR Committee:-

The CSR Committee of our Board provides oversight of CSR policy and monitors execution of various activities to meet the set CSR objectives:

Sr. No	Name of director	Designation	Category	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sh. Navrattan Munjal	Chairperson	Chairman and Managing Director	1	1
2.	Sh. Himanshu Jain	Member	Joint Managing Director	1	1
3.	Sh. S P Sharma	Member	Independent Director	1	1

### 3. Provide the web-link where the composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

The CSR Policy, details of the CSR Committee and CSR projects approved by the Board of the Company is available on the website of the Company ([www.indswiftlabs.com](http://www.indswiftlabs.com)):-

The CSR Policy : <https://www.indswiftlabs.com/wp-content/uploads/2021/06/CSRPoly.pdf>

The Composition of the CSR Committee: <https://www.indswiftlabs.com/investor/composition-of-committees-of-the-board/>

The projects as approved by the Board shall be disclosed on the website at [www.indswiftlabs.com](http://www.indswiftlabs.com)

### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not Applicable.

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No	Financial year	Amount available for set-off from preceding financial years (in ₹) *	Amount required to be set-off for the financial year, if any (in ₹)
1	2021-22	87,60,404	29,46,647

## 6. Average net profit of the Company as per section 135(5)

₹ 2,586.69 Lakhs

## 7. a) Two percent of average net profit of the company as per section 135 (5)

₹ 51,74,000

## b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years

NIL

## c) Amount required to be set off for the financial year, if any

₹ 29,46,647

## d) Total CSR obligation for the financial year (7a+7b-7c)

₹ 22,27,353

## 8. a) CSR amount spent or unspent for the financial year:

During the financial year 2021-22, the Company was required to spend ₹ 51.74 Lakhs. In previous financial year 2020-21, Company had spent ₹ 144.56 Lakhs against the CSR liability of ₹ 56.96 Lakhs as a result a sum of ₹ 87.60 Lakhs were available for set off up to succeeding three financial years i.e. FY 2021-22, 2022-23 and 2023-24.

Keeping in view of the above, the Company has spent ₹ 22.27 Lakhs on various CSR initiatives and a sum of ₹ 29.46 Lakhs has been set off with excess amount of ₹ 87.60 lakhs available for set off.

After adjusting the sum of ₹ 29.47 Lakhs, a sum of ₹ 58.13 Lakhs is still available for set off for FY 2022-23 and 2023-24.

Total Amount Spent for the Financial Year. (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 22.27 Lacs/-	NIL	NIL	NA	NA	NA

## b) Details of CSR amount spent against ongoing projects for the financial year

Not Applicable.

The Company does not have any ongoing projects as defined under CSR Rules.

## c) Details of CSR amount spent against other than ongoing projects for the financial year:-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation - Direct (Yes/No)	Mode of implementation through implementing agency	
				State	District			Name	CSR Registration Number
1.	Inara Training and Skill Development Academy	Promoting Education	Yes	Punjab	Mohali	₹ 44,320	No	Inara Academy	-
2.	Training to promote rural sports, nationally recognized sports	Promoting Sport	Yes	Punjab	Mohali	₹ 4,66,700	Yes	-	-
3.	Funds to Wunder School	Promoting Education	Yes	Punjab	Mohali	₹ 3,00,000	Yes	-	-
4.	Construction works at Diani School	Promoting Education	Yes	Jammu	Samba	₹ 2,22,649	Yes	-	-



(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Sl. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation - Direct (Yes/No)	Mode of implementation through implementing agency	
				State	District			Name	CSR Registration Number
5.	Team Lease Skills University	Promoting Education	Yes	Jammu	Samba	₹ 4,62,922	No	Term Lease	CSR00001676
6.	Plantation	Ensuring environmental sustainability, ecological balance	Yes	Jammu	Samba	₹ 2,800	Yes	-	-
7.	Eradication of hunger	Eradicating hunger	Yes	Jammu	Samba	₹ 11,000	Yes	-	-
8.	Promoting Health care	Promoting Health care	Yes	Punjab	Mohali	₹ 6,60,080	Yes	-	-
9.	Eradication of hunger	Eradicating hunger	Yes	Punjab	Mohali	₹ 56,882	Yes	-	-
<b>TOTAL</b>		-				<b>₹ 22,27,353/-</b>			

**(d) Amount spent in administrative overheads**

Nil

**(e) Amount spent on impact assessment, if applicable**

Not Applicable

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e)**

₹ 22.27 Lakhs

**(g) Excess amount for set off, if any:**

Sl. No.	Particular	Amount (in ₹)
(i)	Two Percent of average Net profit of Company	51,74,000
(ii)	Total amount spent During the Financial year 2021-22	22,27,353
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil
(vi)	Amount utilized as per section 135 of Companies act, 2013 from excess available of previous year	29,46,647

**9. (a) Details of Unspent CSR amount for the preceeding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NIL							

**9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceeding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project -Completed/ Ongoing
Not Applicable								

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year**

Not Applicable

**(a) Date of creation or acquisition of the capital asset(s)**

Not applicable.

**(b) Amount of CSR spent for creation or acquisition of capital asset(s)**

Not applicable.

**(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.**

Not applicable.

**(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)**

Not applicable

**11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5)**

Not applicable.

Date: 10th August, 2022  
Place: Chandigarh

**N.R. Munjal**  
Chairman of CSR Committee

# ANNEXURE VI

**Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014**

## A. CONSERVATION OF ENERGY

**Steps taken for conservation of Energy with their impact/steps taken for utilizing alternate sources of energy /Capital investment in energy saving equipments**

STEP TAKEN FOR CONSERVATION OF ENERGY	IMPROVEMENT ACHIEVED
<b>POWER PLANT</b>	
1 Modification in turbine to the main steam inlet qty., increase in Bleed qty., & power generation by 150 KW	Benefit in reduction of 1 TPH steam, from condensing.
2 Power plant scrubber pump VFD installed. Pump 30 KW motor	Power saving 5 KWH.
3 Cooling tower chemical treatment changed, as per revised scheme, 40 kl raw water is used instead of soft water.	Reduction in 2KLD HTDS water.
4 Increase the condensate recovery from plant 3 & 19.	1.7 KLD condensate recovery increased.
<b>ELECTRICAL</b>	
1 MEE two pump motor replaced from 18 KW to 15 KW	Energy saving is 1.5 KWH
2 ETP Roots Blower speed optimization with VFD installation & operation	Energy saving is 2 KWH
<b>UTILITY</b>	
1 VAM-4 machine cleaning planned with online cleaning. With this cleaning system machine produce 400 TR on continuous basis. Gain in machine capacity 40 TR. With same power consumption.	System is received & under installation. Expected gain in machine capacity 40 TR with same power consumption.
2 SRP cooling tower CT Pump planned to operate on VFD. Now existing motor 45 KW. Planning to operate on 37 KW.	Power saving 13.8 KW
<b>MECHANICAL</b>	
1 Replacement of Agitator in 2 nos. SRP reactors to energy efficient hydrofoil agitators	Energy saving of 2 & 3 KW is achieved in the Reactor Agitators

### Planning for 2022-2023:

1. Power Plant Boiler feed water pump MRC valve will be planned to replace with ARC valve.
2. Sanitization period of DM water to be revised from 15 days to 28 days, to save Steam for sanitization, DM Water.
3. Natural draft cooling tower for Plant-8 & 9 and HCl gas generator shall be replaced with induced draft cooling tower for better cooling and efficient operations.
4. Installation of MGF for maintaining clean Cooling Water.
5. Isolation of Process cooling tower to improve water quality.

## B. TECHNOLOGY ABSORPTION

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

- To continue developing innovative and commercially viable process know-how for

#### Research & Development (R&D)

In addition, under Custom Research and Manufacturing services (CRAMS) ISLL has initiated manufacturing of very high purity specialty chemicals that are precursors to the synthesis of ORGANIC LIGHT EMITTING DIODE (OLED) compounds which are used for preparing advanced optical display Instruments and are extensively applied in Artificial Intelligence studies and software development.

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

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

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

During the year FY 2021-22, the Company did not import any specific technology. The Company developed technology through efforts of its in-house Research & Development.

**iv. Expenditure on R & D during the year 2021-22**

(₹ in Lakhs)

	2021-22	2020-21
a. Capital	103.66	243.36
b. Revenue	3,271.62	3301.33
<b>Total</b>	<b>3,375.88</b>	<b>3,544.69</b>
c. Total R&D expenditure as percentage of total turnover	3.42	4.14
d. Turnover	98,809	85,657.84

**C. Foreign Exchange Earnings & Outgo**

During the year foreign exchange outgo was ₹21,584.93 Lakhs and the earnings in Foreign Exchange were ₹74,540.01 Lakhs. The details have been given in Note XXXV of Notes to Accounts.



# ANNEXURE VII

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

For The Financial Year Ended On 31st March 2022

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

To

The Members,

**Ind Swift Laboratories Limited**

SCO 850, Shivalik Enclave, NAC, Manimajra

Chandigarh 160101

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

Based on our verification of the IND SWIFT LABORATORIES LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by IND SWIFT LABORATORIES LIMITED ("the Company") for the financial year ended on 31st March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2022; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (i) The Securities and Exchange Board of India (listing obligations & disclosure requirements) regulations, 2015
- (vi) other applicable acts :
  - (a) Pharmacy Act, 1948
  - (b) The Finance Act, 2022

- (c) Prevention of Money Laundering Act, 2002 and the prevention of Money-Laundering (Amendment) Act 2012.
- (d) Payment of Wages Act, 1936, and rules made thereunder
- (e) The Minimum Wages Act, 1948, and rules made thereunder
- (f) Employee's State Insurance act, 1948, and rules made thereunder
- (g) The Employee's Provident Fund and Miscellaneous Provisions Act, 1952 and rules made thereunder
- (h) The Payment of Bonus Act, 1956, and rules made thereunder.
- (i) The Air (Prevention & Control of Pollution) Act 1981.
- (j) The Air (Prevention & Control of Pollution) Act, 1974.
- (k) The Industrial Disputes Act, 1947
- (l) The Payment of Gratuity Act, 1972
- (m) Indian Contract Act, 1872
- (n) The Apprentices Act, 1961
- (o) The Workmen's Compensation act, 1923
- (p) Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- (q) The Factories Act, 1948 (Act No. 63 of 1948), as amended by the Factories (Amendment) Act, 1987 (Act 20 of 1987)
- (r) The Drugs (Control) Act, 1950.
- (s) The Environment (Protection) Act, 1986
- (t) Drugs and Cosmetics Act, 1940
- (u) Drugs and Magic Remedies (Objectionable Advertisement) Act, 1954
- (v) Narcotic Drugs and Psychotropic Substances Act, 1985
- (w) Conservations of Foreign Exchange And Prevention of Smuggling Activities Act, 1974
- (x) The Medicinal & toilet Preparations Substances (Excise Duties) Act, 1955
- (y) The Indian Copyright Act, 1957
- (z) The Patents Act, 1970
- (aa) The Trade Marks Act, 1999
- (bb) Goods & Service Tax Act, 2017
- (cc) Other Miscellaneous Acts and rules as applicable

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

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

### Observations

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

1. The Registrar of Companies has initiated an Inspection as per the Provisions of the Companies Act, 2013 in the Year 2018-19 and the same is still continuing.
2. The Statutory Auditors have made certain observations in their Report which have Financial Implications. They correlate with such observations to the extent they make an impact with reference to the Companies Act, 2013 and other applicable Laws, Rules and Regulations covered under our Audit Report.
3. The Statutory Auditors have also reported about certain Fixed Assets which are not registered in the name of the Company.

4. There have been instances where the company has levied fine on its employees under the Provision of SEBI (Prohibition of Insider Trading) Regulation, 2015 for violation.

**We further report that**

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

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

We 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.

The observations with respect to the other Statutory Acts as applicable apart from the Companies Act 2013 are based upon the certification received from various departmental heads of the Company. Due to COVID situation most of the data has been accessed, online and the representation made by the Departmental Heads.

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

**(VISHAL ARORA)**

Company Secretary

FCS NO. 4566

CP NO.3645

UDIN: F004566D000849289

Place: Chandigarh

DATE: 10th August, 2022

# ANNEXURE 'A'

To

The Members,

**Ind Swift Laboratories Limited**

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

**(VISHAL ARORA)**

Company Secretary

FCS NO. 4566

CP NO.3645

UDIN: F004566D000849289

Place: Chandigarh

DATE: 10th August, 2022

# ANNEXURE VIII

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
**Ind-Swift Laboratories Limited**  
SCO 850, Shivalik Enclave, NAC,  
Manimajra, Chandigarh, 160101

1. The Corporate Governance Report prepared by Ind-Swift Laboratories Limited ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2022. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the company.

### MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### AUDITOR'S RESPONSIBILITY

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulation.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing ("SA's) specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures includes but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.



## OPINION

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2022, referred to in paragraph 1 above.

## OTHER MATTERS AND RESTRICTION ON USE

10. This Report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

For **Avishkar Singhal & Associates**

Chartered Accountants

FRN: 017362N

**(CA Avishkar Singhal)**

Partner

Membership No. 098689

UDIN: 22098689A0TJ0M5636

Place: Chandigarh

Date: 10th August, 2022

# ANNEXURE IX

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

Rule	Particulars		
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	a Mr. N.R. Munjal, Chairman and Managing Director	112.65:1
		b Mr. Himanshu Jain, Jt Managing Director	90.12:1
		c Mr. Rishav Mehta, Executive Director	45.06:1
		d Mr. Sahil Munjal, Executive Director	54.15:1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	a Mr. N.R. Munjal, Managing Director	9.5%
		b Mr. Himanshu Jain, Jt Managing Director	9.5%
		c Mr. Rishav Mehta, Executive Director	9.5%
		d Mr. Sahil Munjal, Executive Director	11.85%
		e Mr. Gagan Aggarwal, Chief Financial Officer	12%
		f Mr. Pardeep Verma, Company Secretary	9%
		g Mr. Sunil Deshmukh, Chief Executive officer	Nil*
(iii)	The percentage increase in the median remuneration of employees in the financial year		4.00%
(iv)	The number of permanent employees on the rolls of the company as on 31st March, 2022.		1,452
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.		5.22%
(vi)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.		

\* Since Sh. Sunil Deshmukh was appointed w.e.f 01.04.2021 percentage increase in remuneration is Nil

# REPORT ON CORPORATE GOVERNANCE

## The Company's philosophy on code of corporate governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. Strong leadership and effective corporate governance practices have been the Company's hallmark.

The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its Senior Management including the Managing Director and the Executive Directors. In addition, the Company has adopted a Code of Conduct for its non-executive directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("the Act"). These codes are available on the Company's website. The Company's corporate governance philosophy has been further strengthened through the Company's Code of Conduct for Prevention of Insider Trading.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable, with regard to Corporate Governance.

The Company is further in compliance with the provisions of Corporate Governance specified in Regulation 34 of Listing Regulations, as amended from time to time.

## Code of business conduct & ethics

The Company has adopted a Code of Business Conduct and Ethics for Directors and Senior Management of the Company, as required under Regulation 17(5)(a) of the Listing Regulations. The Company has received confirmations from the Directors and Senior Management regarding compliances with the Code for the year ended 31st March 2022.

The Code has been displayed on the Company's website – [www.indswiftlabs.com](http://www.indswiftlabs.com).

## Code of conduct for prevention of insider trading

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

The Code of Conduct is applicable to Promoter(s), Director(s), Key Managerial Personnel, Specified employees and other Connected Person of the Company who are expected to have access to Unpublished Price Sensitive Information (UPSI) relating to the Company. All of them have duty to safeguard the confidentiality of all such information obtained in the course of his or her work at the Company. This Code is displayed on the website of the Company i.e. [www.indswiftlabs.com](http://www.indswiftlabs.com). The Directors and Senior employees have given affirmation for the compliance under this code.

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

## Composition of the board

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

The Company is in compliance with the Corporate Governance norms in terms of constitution of the Board of Directors (the Board). The Board of the Company is thorough professional and is composed of eminent individuals from diverse fields. The members of the Board consist of Promoter Director, Executive and Independent Directors which is in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act').

During the financial year 2021-22, Mr. Rajinder Kumar Gupta was appointed as an Independent Director on the Board of the

Company w.e.f. 23.06.2021. Now at present, the Board of the Company Consists of Sh. N.R.Munjal- Chairman and Managing Director, Sh. Himanshu Jain- Joint Managing Director, Sh. Rishav Mehta- Executive Director, Sh. Sahil Munjal-Executive Director, Sh. S.P.Sharma- Independent Director, Dr. Ashwani Kumar Vig-Independent Director, Sh. Rajinder Kumar Gupta-Independent Director & Ms. Neerja Chathley-Independent Women Director. The Chairman of the Company is an Executive Promoter Director.

Pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, with effect from 1st April, 2019, no listed Company shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of seventy five years unless a Special Resolution is passed to that effect. As on 31-03-2022, there is no director above the age of 75 years.

The Independent Directors on the Board of the Company serve as an Independent Director in not more than seven listed companies, as prescribed in Regulation 25(1) of the Listing Regulations.

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

### Board skill matrix

The Board of Directors of the Company comprises of qualified personnel who possess relevant skills, expertise and competence for the effective functioning of the Company. In compliance with the SEBI Listing Regulations, the Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the company which are taken into consideration by the Nomination and Remuneration Committee while recommending appointment of any candidate to the Board of the Company.

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

Board of Directors	Research & Innovation	General Management	Finance & Risk Management	Corporate Governance & Compliance	Global health&care	Technology & digital perspective	Scientific knowledge
Mr. Navrattan Munjal	√	√	√	√	√		√
Mr. Himanshu Jain		√	√	√		√	
Mr. Rishav Mehta		√	√	√	√	√	
Mr. Sahil Munjal	√	√			√	√	√
Mr. S.P. Sharma		√	√	√		√	
Mr. Rajinder Kumar Gupta		√	√	√			
Dr. Ashwani Kumar Vig	√			√	√		√
Ms. Neerja Chathley		√		√		√	√

### Membership of other boards

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

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

### Criteria for board membership

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

## Membership term

### Non-Independent Directors

As per Companies Act, 2013, as amended and the Articles of Association of the Company, at least two-third of the Board members shall be retiring Directors, excluding Independent Directors. One-third of such Directors are required to retire every year and if eligible, the retiring directors can opt for re-appointment.

Sh. Himanshu Jain, Joint Managing Director, Sh. Rishav Mehta, Director and Sh. Sahil Munjal, Director shall be the Directors retiring by Rotation. Out of them Sh. Rishav Mehta, Director shall be retiring by rotation in the forthcoming Annual General Meeting and seek re-appointment. The required information regarding him is given with the notice of the Annual General Meeting.

### Independent Directors

The Company has received necessary declaration from each of the Independent Directors of the Company confirming that they meet the criteria of independence. Based on the confirmations / disclosures received from the Directors and on evaluation of the relationships disclosed, the Board confirms, that the Independent Directors fulfil the conditions as specified under Schedule V of the Listing Regulations and are independent of the management.

All the Independent Directors of the Company have registered themselves with databank of Independent Directors as maintained by Indian Institute of Corporate Affairs in compliance with Rule 6(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

### Succession Policy

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

### Board Procedure

The Board looks at long-term strategic planning, annual budget approvals and policy formulation. The Board also has a strong operational oversight and reviews business plans, key risks and opportunities in the business context. The Board meets at least four times every calendar year and the maximum time gap

between any two meetings is not more than 120 days. During the financial year ended March 31st, 2022, the Board met seven times on the following dates:-

01.04.2021	29.06.2021	30.07.2021	12.08.2021
01.11.2021	21.12.2021	08.02.2022	

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

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

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

The meetings of the Board are held physically as well as through video mode in compliance with the MCA guidelines in view of the Covid pandemic.

### Board of Directors

The Details of Composition and category of Directors, their attendance at the Board Meetings and the last Annual General Meeting (AGM) held during the Financial Year 2021-22 and the number of Directorships and Committee Chairmanships/ Memberships held by them in other Public Limited Companies as on 31st March, 2022 are as follows: -



Name of Director	Category	FY 2020-21 Attendance****		No. of Directorship(s)/Membership(s)/Chairmanship(s) held in other companies	No. of D'ship*	Committees***		Share-Holding
		BM	Last AGM 30.09.21			Membership in other Listed Entities**	Member Chairman	
Mr. N.R. Munjal	Executive Promoter Director	7	Yes	Ind-Swift Limited (Non-Executive Director)	3	Nil	Nil	9,20,724
Mr. Himanshu Jain	Executive Promoter Director	7	Yes	Ind-Swift Limited (Non-Executive Director)	3	3	Nil	4,06,961
Mr. Rishav Mehta	Executive Promoter Director	7	Yes	Ind-Swift Limited (Non-Executive Director)	3	Nil	Nil	4,54,545
Mr. Sahil Munjal	Executive Promoter Director	7	Yes	Nil	2	Nil	Nil	6,766
Mr. Sri Prakash Sharma	Independent Director	7	Yes	Ind-Swift Limited (Independent Director)	1	1	Nil	Nil
Ms. Neerja Chathley	Independent Women Director	7	Yes	Nil	Nil	Nil	Nil	Nil
Dr. Ashwani Kumar Vig	Independent Director	7	Yes	Nil	Nil	Nil	Nil	Nil
Mr. Rajinder Kumar Gupta##	Independent Director	7	Yes	Nil	Nil	Nil	Nil	Nil

\*Excludes directorship in Ind Swift Laboratories Limited, alternate directorships and directorships in private companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

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

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

\*\*\*\* includes the meeting attended through audio/video mode.

#### Notes:-

- a) None of the Directors hold the office of Director in more than the permissible number of companies under the Companies Act, 2013 or Regulation 17A of SEBI (LODR), Regulations 2015.

#### Relationship between Directors Inter-se

Sh. N.R. Munjal & Sh. Sahil Munjal, Directors are related to each other as Father & Son respectively.

#### Maximum Tenure of Independent Directors

In accordance with Section 149(11) of the Companies Act, 2013, the current tenure of Independent Directors of the Company is for a period of 5 consecutive years from their respective date of appointment.

#### Formal Letter of appointment to Independent Directors

In accordance with Regulation 25 of the SEBI (LODR) Regulations, 2015 the Company has issued formal letters of appointment to all the Independent Directors. The terms & conditions of their appointment have also been disclosed on the website of the Company [www.indswiflabs.com](http://www.indswiflabs.com)

#### Board Independence

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

#### Independent Directors Role

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

## Terms and conditions of appointment of Independent Directors

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

## Information supplied to the board

The Board has complete access to all information with the Company. All Board meetings are governed by a structured agenda which is backed by comprehensive background information.

The following information is regularly provided to the Board, prior to the Board meetings.

- Annual operating plans and budgets and any update thereof.
- Capital budgets and any updates thereof.
- Annual and Quarterly financial results for the Company and its operating divisions and business segments.
- Minutes of the meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary/ Compliance officer.
- Materially important show cause, demand, prosecution notices and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property and any other acquisition.

- Significant labour problems and their proposed solutions. Any significant development on Human Resources / Industrial Relations front, like signing of wage agreement, implementation of voluntary retirement scheme, etc.
- Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and steps taken by the management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders' service, such as non payment of dividend, delay in share transfer, etc.

## Familiarization programme

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

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

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

The details of familiarization programmes are available on the website of the Company. The weblink of the same is [https://www.indswiftlabs.com/wp-content/uploads/2018/07/Familiarisation\\_Programme\\_for\\_Independent\\_Directors.pdf](https://www.indswiftlabs.com/wp-content/uploads/2018/07/Familiarisation_Programme_for_Independent_Directors.pdf)

## Separate meeting of independent directors

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on March 26, 2022 as required under Schedule IV of the Act (Code for Independent Directors) and Regulation 25 (3) of the Listing Regulations.

At the Meeting, the Independent Directors:

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

All the Independent Directors attended the said Meeting.

### Confirmation from the board

The Board of Directors hereby confirm that all the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are Independent of the management.

### Appointment /re-appointment of directors

**Appointment :** Sh. Rajinder Kumar Gupta, Director had been appointed as an Independent Director w.e.f. 23.06.2021, necessary approval for his regular appointment to the Board of the Company has already been taken in the 26th Annual General Meeting held on 30th September, 2021.

**Re-appointment :** Sh. Rishav Mehta, Executive Director shall be retiring by rotation in the forthcoming Annual General Meeting and seeks re-appointment. As required under Regulation 36 (3) and Secretarial Standards on General Meetings of the Listing Regulations, particulars of the Director seeking appointment / re-appointment are given in the explanatory statement to the notice of the AGM.

### Committees of the board

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

#### A. Audit committee

The terms of reference of Audit Committee have been adopted in line with the provisions of Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The details regarding constitution, terms of reference and meetings held/ attendance is as under: -

#### I. Constitution and attendance of the Committee

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit committee of the Company presently consists of three Directors and majority consists of independent and non-executive Directors. The chairman of Audit Committee is Mr. S P Sharma who has experience of financial matters and its management. Members of the Audit Committee possess financial / accounting expertise / exposure.

Seven meetings of audit committee were held during the period 1st April 2021 to 31st March 2022 on 01.04.2021, 29.06.2021, 12.08.2021, 21.09.2021, 01.11.2021, 21.12.2021 and 08.02.2022. The necessary quorum was present at all the meetings. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 30th September, 2021.

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

Name	Designation	Category	No of Meetings Attended
Mr. S P Sharma	Chairman	Non-Executive, Independent	7
Mr. N R Munjal	Member	Executive, Promoter	7
Dr. Ashwani Vig*	Member	Non-Executive, Independent	6
Mr. Rajinder Kumar Gupta**	Member	Non-Executive, Independent	1

\*Ceased to be Member of Committee w.e.f 21.12.2021

\*\*Appointed as Member w.e.f 21.12.2021

Sh. Pardeep Verma AVP-Corporate affairs & Company Secretary acts as Secretary of the Audit Committee in conformity to Section 177.

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

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

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

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

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

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommendation to the Board for appointment, reappointment, remuneration and terms of appointment and, if required, the replacement or removal of statutory auditors of the company.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause I of sub-section 3 of section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions; and
  - g) Modified opinion(s) in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii. Review and monitoring the auditor's independence and performance, and effectiveness of audit process.
- viii. Approval of transactions with related parties or any subsequent modification thereof and recommend such transactions, if required, to the Board for its approval.
- ix. Scrutiny of inter-corporate loans and investments.
- x. Valuation of undertakings or assets of the company, wherever it is necessary.
- xi. Evaluation of internal financial controls and risk management systems.
- xii. Reviewing, with the management, performance of statutory, cost and internal auditors, adequacy of the internal control systems.
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xiv. Discussion with internal auditors of any significant findings and follow up thereon.
- xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders,

shareholders (in case of non-payment of declared dividends) and creditors.

- xviii. To review the functioning of the Whistle Blower mechanism.
- xix. Recommend to the Board for approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- xx. Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
- xxi. Recommending to the Board the terms of appointment, reappointment and if required, the replacement or removal of cost auditors and internal auditors & fixation of their audit fees & fees for other services.
- xxii. To review the following information:
  - a) Management discussion and analysis of financial condition and results of operations;
  - b) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - c) Internal audit reports relating to internal control weaknesses; and
  - d) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
  - e) Statement of deviations, if any.
- xxiii. Investigate any matter referred to it by the Board or within its terms of reference.
- xxiv. To review the financial statements, in particular, the investments made by the unlisted subsidiary companies of the Company.

In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, SEBI (LODR) Regulations or any other applicable law.

The Committee shall have full access to information contained in the records of the Company and can seek information from any employee of the Company. The

Committee may access external professional and legal advice, if so required in discharge of its functions.

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

## B. Nomination and remuneration committee

In compliance to the requirements of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015, the Board of the Company has constituted "Nomination and Remuneration Committee". The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 30th September, 2021. The Committee met two times during the Financial Year 2021-22 i.e. on 01.04.2021 and 21.12.2021.

### I. Constitution and Attendance of the Committee

Name	Designation	Category	No. of Meetings Attended
Dr. Ashwani Vig	Chairman	Non-Executive, Independent	2
Mr. S.P Sharma	Member	Non-Executive, Independent	2
Mrs. Neerja Chathley	Member	Non-Executive, Independent	2

Sh. Pardeep Verma Compliance Officer of the Company acts as the Secretary of the Committee.

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

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

### II. Terms of Reference

The terms of reference of this Committee is as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;



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

#### **Performance Evaluation and Criteria for Evaluation**

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

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

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

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

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

#### **Remuneration of directors**

##### **Criteria of Making Payment to Directors**

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

### Remuneration to the Managing Director/Whole Time Director

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

Annual increments to executive directors are decided by the Board on recommendation by the Nomination and Remuneration Committee on the basis of the Company's size, their knowledge and expertise, economic & financial position of the Company, industrial trend and compensation paid by the peer Companies, etc. The Remuneration paid to the Executive Directors in respect of the financial year 2021-22 is given below:

(₹ in Lakhs)

Director	Designation	Remuneration for the year ended 31st March, 2022			
		Salary *	Contribution to Provident Fund	Perquisites	Total
Mr. N.R. Munjal	Chairman and Managing Director	361.31	0.22	Nil	361.53
Mr. Himanshu Jain	Jt. Managing Director	289.08	0.22	Nil	289.3
Mr. Rishav Mehta	Executive Director	144.54	0.22	Nil	144.76
Mr. Sahil Munjal	Executive Director	173.69	0.22	Nil	173.91

The Contribution to Gratuity Fund has not been shown in the above table in respect of Managing Directors & Whole Time Directors.

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

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

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

### Remuneration to Non-Executive Directors

Pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity

Remuneration to Non-Executive Directors comprises sitting fees only. The sitting fee is paid to the non-Executive Directors as per the provisions of the Companies Act, 2013 and the rules there under.

Sitting fee paid to Directors during the year 2021-22 is as follows:

Sr. No.	Director	Designation	Sitting Fees	Other Expenses	Total
1.	Sh. S P Sharma	Independent Director	147500	--	147500
2.	Mrs. Neerja Chathley	Independent Director	80000	-	80000
3.	Dr. Ashwani Kumar Vig	Independent Director	132500	--	132500
4.	Mr. Rajinder Kumar Gupta	Independent Director	75000	--	75000

The above includes sitting fees paid for the meetings of the Board and the committees attended by the respective directors.

### Service contracts, notice period, severance fees

The appointment of the directors is governed by Resolutions passed by the Board/Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the Company with Executive Directors. A formal letter of appointment is issued to independent directors. No notice period or severance fee is payable to any director.

During the year, the Company has not granted any stock options to the Directors.

### C. Stakeholders' relationship committee:

The Stakeholders' Relationship Committee has been constituted to specifically look into transfer/transmission/demat/remat of shares, issue of duplicate/split/consolidation of share certificates, notices and to attend shareholder's complaints. This Committee meets as may be required.

The Company Secretary of the Company Acts as secretary/ Compliance Officer to the committee. The Company Secretary is authorized to authenticate the transfers/transmissions/ issue of duplicate share certificates etc. All requests for dematerialization of shares are processed and confirmed by M/s Alankit Assignments Ltd, Registrars and Share Transfer Agent of the Company. The committee met once during the financial year 2021-22 i.e. on 26.03.2022.

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

Name	Designation	Category	Meetings Attended
Dr. Ashwani Vig	Chairman	Non-Executive, Independent	1
Mr. N.R. Munjal	Member	Executive, Promoter	1
Mr. S.P. Sharma	Member	Non-Executive, Independent	1

Mr. Pardeep Verma, Company Secretary & Compliance Officer of the Company, acts as the Secretary of the Committee.

During the year, 2021-22, the Company has not received any Complaints from its Shareholders. Although Company has received few Complaints from its FD holders which has been resolved timely.

### II. Terms of Reference

The Stakeholders Relationship Committee reviews and ensures the existence of a proper system for timely resolution of grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet and non receipt of declared dividends. The following terms of reference of the Committee have been aligned to the Companies Act, 2013:-

- 1) To review, consider & resolve complaints received from shareholders security holders and other investors ("stakeholders").
- 2) To review, consider & resolve complaints and other letters received from SEBI, Department of Company Affairs, Stock Exchanges and similar bodies, pertaining to stakeholders.
- 3) To consider, approve or delegate its powers to the officials of the Company or R&T Agent or any other person relating to the following:-
  - a) Transfer and transmission of the securities of the Company.
  - b) Consolidation, splitting, renewal & replacement certificates pertaining to securities issued by the Company. Provided that the new certificate shall be issued only against the surrender of old certificate, which shall be cancelled.
  - c) Dematerialization & Rematerialisation of securities issued by the Company.
- 4) To consider & issue certificates for shares, debentures and other securities issued by the Company and to consider & issue duplicate certificates in lieu of lost, mutilated or destroyed certificates and to authorize

officials of the Company or any other person in this matter.

- 5) In addition to the above, the Committee shall have such functions / role / powers, if any, as may be specified in the Companies Act, 2013, Listing Agreement with stock exchanges or any other applicable law / regulations from time to time or as may be assigned by the Board of Directors.
- 6) The Committee shall have full access to information contained in the records of the Company and its R&T Agent.

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

### D. Risk management committee

Evaluation of business risk and managing the risk has always been an ongoing process in the Company. The terms of reference of Risk Management Committee are in line with the Listing Regulations. The Risk Assessment Committee assists the Board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the implementation of Risk Management Systems and Framework, review the Company's financial and risk management policies, assess risk and procedures to minimise the same.

#### I. Composition of the Committee

The Board of the Company has constituted a Risk Assessment Committee, comprising of 3 Directors. The Committee met two times during the Financial Year 2021-22 i.e. on 03.02.2022 and 26.03.2022. The composition of the Risk Management Committee is as under:-

Name	Designation	Executive/ Non-Executive/ Independent	Meetings Attended
Mr. Rajinder Kumar Gupta*	Chairman	Independent/ Non-Executive Director	2
Mr. N. R. Munjal	Member	Executive Director	2
Mr. S P Sharma	Member	Independent/ Non-Executive Director	2
Dr. Ashwani Vig**	Chairman	Independent/ Non-Executive Director	NIL

\*appointed as Chairman in the Committee w.e.f 21.12.2021.

\*\*ceased to be Chairman & Member of Committee w.e.f 21.12.2021.

## II. Terms of Reference

The terms of the Risk Management Committee are as under:

- Preparation of Risk Management Plan, reviewing and monitoring the same on regular basis
- To review critical risks identified by Committee Members of the Company on periodic basis.
- To ensure that the Company is taking the appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities.
- To evaluate significant risk exposures of the Company and assess Management's actions to mitigate the exposures in a timely manner.
- To obtain advice and assistance from Internal or External Legal, Accounting or other Advisors.
- To perform such other functions as may be prescribed or deemed fit by the Board.

## E. Compensation committee

The Compensation Committee was constituted in the year 2004 to administer and superintend the implementation of Employee Stock Option Scheme. No meeting of the committee was held during the year.

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

### I. Constitution of the Committee

The Compensation Committee presently comprises three members as per details in the following table:-

Name	Designation	Executive/Non-Executive/ Independent
Dr. Ashwani Vig	Chairman	Independent/Non-Executive Director
Mr. N.R. Munjal	Member	Executive Director
Mr. S P Sharma	Member	Independent/Non-Executive Director

## II. Terms of Reference

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

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

No meeting was held during the year.

## F. Sub-committee of board

The Sub Committee of Board was constituted in the year 2009 to consider and approve the matters related To Banks/ Fls/ Term Loans/ Corporate Debt Restructuring and matter of general nature.

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

Name	Designation	Executive/ Non-Executive/ Independent	No. of Comm- ittee Meeting held during their Tenure	No. of Comm- ittee Meeting attended
Mr. N.R. Munjal	Chairman/ Member	Executive Director	5	5
Mr. Himanshu Jain	Member	Executive Director	5	5
Mr. S P Sharma	Member	Independent/ Non-Executive Director	5	5
Dr. Ashwani Vig	Member	Independent/ Non-Executive Director	5	5

## G. Corporate social responsibility committee

In compliance to the provisions of Section 135 of the Companies Act, 2013, with respect to Corporate Social Responsibility, the Company has constituted a Corporate Social Responsibility Committee to monitor and review the CSR Policy of the Company from time to time and other function, as defined by the Board or as may be stipulated under any law, rule or regulation including listing regulations and Companies Act, 2013 or under any applicable law, as may be prescribed from time to time. The committee met once during the financial year 2021-22 i.e. on 26.03.2022. The composition of the Committee is as under:

Name	Designation	Executive/ Non-Executive/ Independent	Meetings Attended
Mr. N.R. Munjal	Chairman	Executive Director	1
Mr. Himanshu Jain	Member	Executive Director	1
Mr. S P Sharma	Member	Independent/ Non-Executive Director	1

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

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

**SCORES (SEBI Complaints Redressal System):** SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system a shareholder can lodge its' complaint against a company for

his/her grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI. No Complaints were recorded during the period under review.

**Exclusive email ID for investors:** The Company has designated the email id investor@indswiftlabs.com exclusively for investor servicing, and the same is prominently displayed on the Company's website: [www.indswiftlabs.com](http://www.indswiftlabs.com).

### General body meetings for last three years

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

Date	Financial Year	Category	Venue	Time	Special Resolutions
30th September, 2021	2021-22	26th AGM	Video Conferencing or other Audio Visual Means	11:30 A.M.	One Special Resolution w.r.t. Continuation of holding of office of Managing Director by Sh. Navrattan Munjal (DIN: 00015096) Who attained the age of 70(Seventy) years on 09.02.2022
28th August, 2021	2021-22	EGM	Video Conferencing or other Audio Visual Means	11:30 A.M.	One Special Resolution w.r.t. Approval for sale and transfer of Active Pharmaceuticals Ingredients ("API") business of the Company
29th September, 2020	2020-21	25th AGM	Video Conferencing or other Audio Visual Means	11:30 A.M.	Seven Special Resolution w.r.t. Appointment of Dr. Ashwani Kumar Vig (DIN: 07080817) as Independent Director of the Company, Re-Appointment of Mr. S.P. Sharma (DIN: 00475413) as an Independent Director of the Company, Appointment of Mr. Sahil Munjal (DIN: 00015407) as Whole time Director designated as President & C.E.O, Approve the Managerial Remuneration of Sh. Sahil Munjal, Executive Director (DIN: 00015407) of the Company for a period of three years, Approval the Managerial remuneration of Executive Directors i.e. Mr. N.R. Munjal, Mr. Himanshu Jain and Mr. Rishav Mehta for a further period of two years.
30th September, 2019	2019-20	24th AGM	PHD Chamber of Commerce & Industry, Sector-31-A, Chandigarh	10.30 AM	Two Special Resolution w.r.t. Approval of maximum limits for making/ granting Loans or Guarantees as per Section 185 of Companies Act, 2013 and Approval of Limits for making Loans/Investments or Guarantees as per Section 186 of Companies Act, 2013.

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

All the resolutions, including special resolutions set out in the respective notices were passed by the shareholders.

### Postal ballot

No postal Ballots were used for voting at the meeting held during the year under review.

### Means of communication

- All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges, where the securities of the Company are listed. All submissions to the Exchanges are made through the respective electronic filing systems.
- The Company intimates un-audited quarterly, half-yearly and audited quarterly and annual financial results to the Stock Exchanges



immediately after these are approved and taken on record by the Board. These financial results are normally published in the Financial Express (English) and Jansatta (Hindi).

- c) The quarterly results, Shareholding Pattern, quarterly/half yearly/annual compliances and all other material events or information as detailed in Regulation 30 of the Listing Regulations are filed electronically with National Stock Exchange of India Limited (NSE) through NSE Electronic Application Processing System (NEAPS) and with BSE Limited through BSE Online portal. These communications are also posted on the Company's website [www.indswiflabs.com](http://www.indswiflabs.com).
- d) Presentations made to Institutional Investors and Financial Analysts on Financial results of the Company are disclosed to both Stock Exchanges i.e. BSE and NSE.

#### General shareholder information

<b>AGM: Day, date and Time</b>	AGM For FY 2021-22 will be held on Friday, 30.09.2022 through Video Conferencing or other Audio Visual Means at 11.30 A.M.
<b>Financial year of the Company</b>	April, 2022 to March, 2023
<b>Quarterly Results Calendar</b>	(i) First Quarter Results- By 14th August, 2022 (ii) Half-yearly Results- By 14th November, 2022 (iii) Third Quarter Results- By 14th February, 2023 (iv) Results for the year ending 31st March, 2022- By 30th May, 2023
<b>Date of Book Closure</b>	26th September, 2022 to 30th September, 2022 (both days inclusive).
<b>Dividend Payment</b>	The Board has not proposed any dividend for the Year ended 31st March, 2022.
<b>Listing on Stock Exchanges</b>	The Company's shares are listed at BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE). The Annual Listing Fee of both the exchanges has been paid up to date.
<b>Stock Code/Symbol</b>	532305 on BSE Limited (BSE) INDSWFTLAB on National Stock Exchange (NSE)
<b>Demat ISIN No. for NSDL and CDSL</b>	INE915B01019
<b>NCD ISIN</b>	INE915B07024

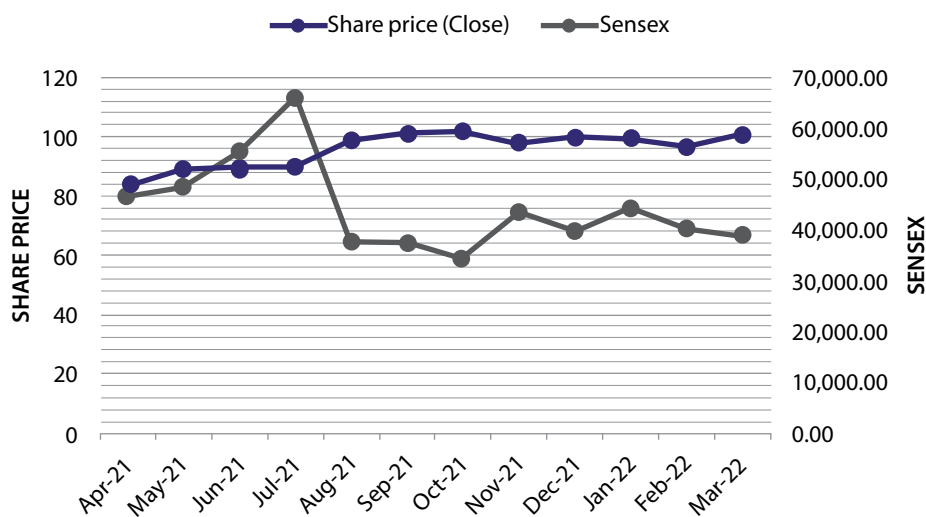
#### Monthly Share Price Movement during 2021-22 at BSE & NSE

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (in Lakhs)	High (₹)	Low (₹)	Volume (in Lakhs)
April-21	92.25	68.90	8.07	92.35	67.30	56.12
May-21	92.95	77.40	12.56	92.95	77.45	70.50
June-21	125.40	81.45	30.83	125.60	81.60	219.54
July-21	127.35	92.55	50.64	127.45	92.65	201.39
August-21	115.00	56.60	21.41	112.80	56.30	115.91
September-21	71.45	62.25	5.60	71.45	62.25	23.96
October-21	71.90	56.00	3.17	69.00	55.15	24.16
November-21	83.00	59.15	12.10	82.50	60.00	52.91
December-21	76.15	65.00	3.42	77.10	64.20	19.85
January-22	88.00	67.40	10.36	88.10	68.00	59.56
February-22	90.00	61.00	4.34	89.90	58.90	35.91
March-22	72.25	60.90	3.61	71.90	60.20	21.34

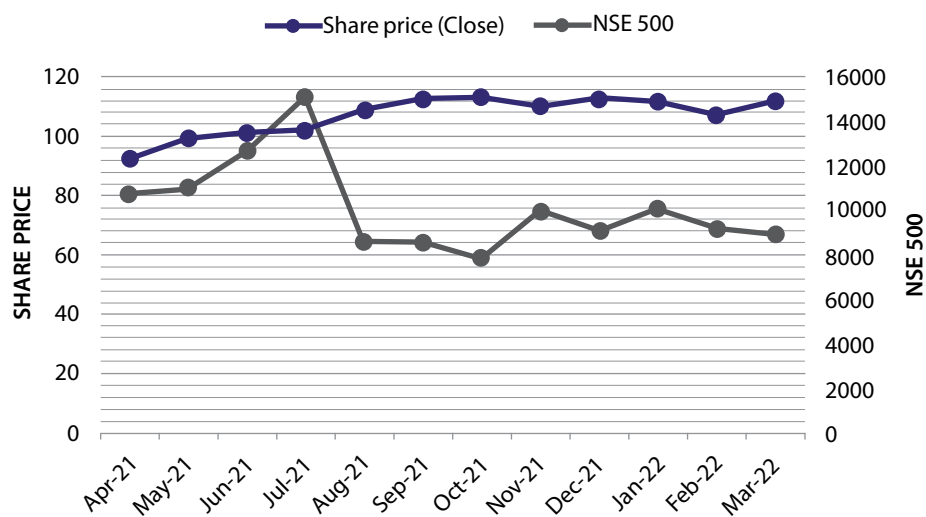
(Source: [www.bseindia.com](http://www.bseindia.com))

(Source: [www.nseindia.com](http://www.nseindia.com))

### STOCK PRICE MOVEMENT IN COMPARISON WITH BSE SENSEX



### STOCK PRICE MOVEMENT IN COMPARISON WITH NSE NIFTY 500



### Registrar and transfer agent

#### Transfer Agent for physical transfer and Demat of Shares:

M/s Alankit Assignments Ltd.  
205-208 Anarkali Market  
Jhandewalan Extension,  
New Delhi-110 055  
Tel:- +91-11-42541965, 42541953  
Fax:- +91-11-41540064  
E-mail: info@alankit.com  
Website: www.alankit.com

### Share transfer system

- The Share Transfer/shareholders Grievance Committee approves the transfer and transmission of shares, issue of duplicate share certificates and related matters. The transfers received are processed within 15 days of the receipt of the same subject to the transfer document being complete and valid in all respects. The Committee also monitors the redressal of Investor's grievances. As on 31st March, 2022, there were no shares pending for transfer.
- M/s Alankit Assignments Ltd., Registrar and Transfer Agent appointed by the Company have adequate infrastructure to carry out the share transfer, transmission and other related assignments.

- During the year, 2021-22, the Company has not received any Complaints from its Shareholders. Although Company has received few Complaints from its FD holders which has been resolved timely.

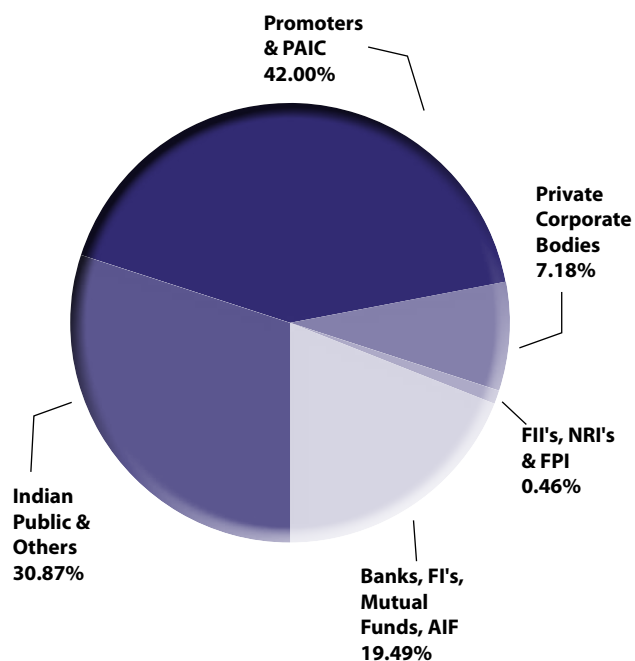
### Secretarial audit

Mr. Vishal Arora, Practicing Company Secretary, has conducted the Secretarial Audit of the Company for financial year 2021-22. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under, its Memorandum and Articles of Association, Listing Regulations and the applicable SEBI Regulations. The Secretarial Audit Report forms part of the Board's Report.

### Distribution of equity shareholding as on 31st March, 2022

Category	No. of Shares Held	%age of Shareholding
Promoters & PAIC	2,48,18,783	42.00
Banks, FI's, Mutual Funds, AIF	1,15,17,670	19.49
FII's, NRI's & FPI	2,72,096	0.46
Private Corporate Bodies	42,45,119	7.18
Indian Public & Others	1,82,33,192	30.87
<b>Total</b>	<b>5,90,86,860</b>	<b>100.00</b>

### Shareholding pattern as on 31st March, 2022



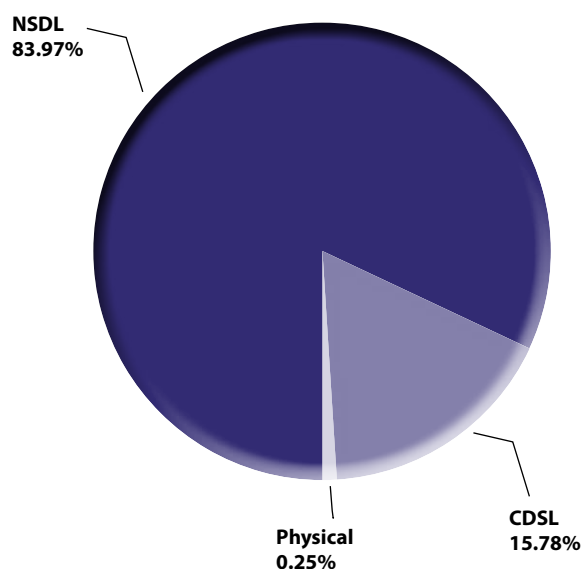
### Distribution schedule as on 31st March, 2022

No. of shares held	No. of Share Holders	% age of Total Holders	No. of Shares	% age of Total Equity
1 to 100	13,457	53.10	6,90,610	1.17
101 to 500	8,093	31.93	22,41,844	3.79
501 to 1000	1,922	7.58	15,74,984	2.67
1001 to 5000	1,476	5.82	33,22,625	5.62
5001 to 10000	174	0.69	13,10,255	2.22
10001 to 20000	95	0.37	13,85,899	2.35
20001 to 30000	34	0.13	8,66,262	1.47
30001 to 40000	14	0.06	4,87,078	0.82
40001 to 50000	8	0.03	3,58,568	0.61
50001 to 100000	31	0.12	22,23,198	3.76
100001 to 500000	29	0.11	60,86,396	10.30
500001 to above	10	0.04	3,85,39,141	65.22
<b>TOTAL</b>	<b>25,343</b>	<b>100.00</b>	<b>5,90,86,860</b>	<b>100.00</b>

### Dematerialization of shares

The shares of the company are available for trading in the Depository system of both the National Securities Depository Limited and the Central Depository Services (India) Limited.

Mode of Shares	Number of Shares	%
Physical	1,52,284	0.25
CDSL	93,20,055	15.78
NSDL	4,96,14,521	83.97
<b>Total</b>	<b>5,90,86,860</b>	<b>100.00</b>



## Outstanding GDRS/ADRS/WARRANTS or any convertible instruments

The Company had issued 25,00,000 Global Depository Receipts (GDRs) to FII on 12th August, 2005 after taking the prior approval from the shareholders in their Extra-Ordinary general Meeting held on 27th April, 2005. These GDRs were listed at the Luxemburg Stock Exchange. As on 31/03/2022 there were no GDR outstanding.

## Commodity price risk or foreign exchange risk and hedging activities

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

The Company has not entered into any hedging activities and not dealt in commodity price or foreign exchange risk activities during the financial year 2021-22.

## Optionally Convertible Warrants

There are no Outstanding Warrants for Conversion.

## Reconciliation of share capital audit

Pursuant to the provisions of SEBI (Depositories & Participant) Regulations, 2018 quarterly audit is being undertaken by a Practicing Company Secretary for reconciliation of share capital of the Company.

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

## Registered office

### Ind-Swift Laboratories Limited

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

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L24232CH1995PLC015553.

## Plant locations

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

## Research and development facility

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

## Compliance officer

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

## Nomination facility

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

## List of credit ratings obtained/revision

During the Financial Year, 2021-22, the credit rating of the Company was revised from 'CARE B' to 'CARE BB-' (Double B Minus) by CARE which denotes Stable Ranking.

## Other disclosures

### (a) Related Party Transactions

The Board of Directors have approved a policy for related party transactions and has been uploaded on the Company website [https://www.indswiftlabs.com/pages/Related\\_Party\\_Transactions\\_Policy\\_Procedures.pdf](https://www.indswiftlabs.com/pages/Related_Party_Transactions_Policy_Procedures.pdf). There are no materially significant related party transactions entered into by the Company with its Promoters, Directors or Management, their subsidiaries, or relatives, etc. that may have potential conflict with the interests of the Company at large. All transactions entered with related parties during the year ended 31st March, 2022 as mentioned under Companies Act, 2013 and Regulation 23 and 27(2)(b) of the Listing Obligations & Disclosures Regulations (LODR) were in the ordinary course of business and on arm's length pricing basis. The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval.

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

Further, as per Regulation 23(9) of the SEBI Listing Regulations, your Company has also filed the related party transactions on a consolidated basis as per the timelines specified under the said regulations.

Disclosure of the Loans and advances to firms/companies in which directors are interested are as under:

Sr. No.	Listed entity/ Subsidiary entering into the transaction	Nature of Transaction	Name of the Firm/Company in which Directors are interested	Amount outstanding as on 31.03.2022 (₹ in Lakhs)
1	Ind- Swift Laboratories Limited	Loan & Advances	Ind -Swift Limited	5113.33
2	Ind- Swift Laboratories Limited	Loan & Advances	Mohali Green Environment Private Limited	141.16
3	Ind- Swift Laboratories Limited	Advances	Sislax Pharma Private Limited	22.30

#### (b) Statutory Compliance, Strictures and Penalties

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

#### (c) Non Convertible Debentures (NCDs) issue

The Company had issued 4245 Secured listed rated Redeemable, Non-Convertible Debentures (NCDs) of a face value of ₹ 10,00,000/- (Rupees Ten Lakhs only) each, of the aggregate nominal value of up to ₹ 424,50,00,000/- (Rupee Four Hundred Twenty Five Crores and Fifty Thousand only) to settle/discharge the secured debt through infusion of fresh funds for meeting the cash flow requirement of Company. As on 31.03.2022 there were six NCD Holders namely DB International (Asia) Ltd, EC Special Situations Fund, Edelweiss India Special Situations Fund, ECL Finance Ltd, Edelweiss India Special Situations Fund - EISAF II Onshore Fund, Edelweiss GI Investment Assets These NCDs are redeemable in 2024.

#### (d) Whistle-Blower Policy / Vigil Mechanism

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

- Allow and encourage stakeholders to bring to the management notice concerns about unethical behavior, malpractice, wrongful conduct, actual or suspected fraud or violation of policies.

- Ensure timely and consistent organizational response.
- Build and strengthen a culture of transparency and trust.
- Provide protection against victimization.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website [www.indswiftlabs.com](http://www.indswiftlabs.com).

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

#### (e) Compliance of Corporate Governance Provisions

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

#### (f) Utilisation of Proceeds of the NCD/OCD Issue

The funds raised from the NCD & OCD issue in the past has been utilized for the purposes for which it were raised which is for the settlement of the dues of the State Bank of India , Bank of Baroda, Phoenix ARC, Edelweiss, Canara Bank, IDBI, SBI (Halcyon Life Sciences) & SC Lowy.

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

The detail of payment of total fees to the Statutory Auditor during the Financial Year 2021-22 is as under:-



Sr. No.	Particulars of Expenses	Fee Paid (in ₹ Lakhs)
1.	Statutory Audit	4.00
2.	Certifications	1.00
3.	Out of Pocket Exp.	0.65
<b>Total</b>		<b>5.65</b>

#### (h) Certificate from Practising Company Secretary (PCS)

The Company has obtained a certificate from Mr. Vishal Arora, Company Secretary in Practice regarding qualification/disqualification of Directors to act as Director of the Company which is attached as Annexure-A to the Corporate Governance Report.

#### (i) Policy on Prevention of Sexual Harassment at Workplace

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

No. of Complaints filed during the year – NIL

No. of Complaints disposed off – NIL

No. of Complaints pending - NIL

#### (j) Disclosure of non-acceptance of Committee recommendation by the Board

During the Financial Year 2021-22, the Board has accepted all the recommendation/submission of its' Committees.

### Debenture trustee

#### Vistra ITCL (India Limited)

The IL&FS Financial Centre, Plot C-22, G Block, 7th Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400051

#### IND-AS

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

### Subsidiary Companies

The Company monitors performance of its subsidiary companies, inter-alia, by the following means:

- The Audit Committee reviews financial statements of the subsidiary companies, along with investments made by them.
- The Board of Directors reviews all the significant transactions and arrangements, if any, of subsidiary companies. The Company has formulated a policy for determining its 'Material' Subsidiaries.

Based on criteria mentioned in provisions of Listing Regulations and Policy for determining material subsidiary, the Company do not have any material subsidiary as on March 31, 2022.

The Company has formulated a policy regarding determination of 'Material' Subsidiaries and the same is available on the website of the Company [www.indswiftlabs.com](http://www.indswiftlabs.com). The weblink for the same is given below:

[https://www.indswiftlabs.com/wp-content/uploads/2018/07/Policy\\_for\\_determining\\_Material\\_Subsiaries.pdf](https://www.indswiftlabs.com/wp-content/uploads/2018/07/Policy_for_determining_Material_Subsiaries.pdf)

### Risk Management

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

### Non-Mandatory Requirements

#### A. The Board

The Chairman of the Board does not maintain a Chairman's office at the Company's expense.

#### B. Shareholders Right

The quarterly and half yearly results are published in widely circulating dailies such as Financial Express, in English and Jansatta in Hindi. These are not sent individually to the shareholders but hosted on the website of the Company.

#### C. Audit Qualification

There are no qualifications contained in the Audit Report. With regard to emphasis of matter contained in the Auditors' Report, the management's comments are provided in Directors' report.

#### D. Reporting of Internal Auditors

The Internal Auditor of the Company reports to the Audit Committee, their reports are reviewed by the Audit Committee.

### Market Capitalisation and Price-Earnings Ratio:

	As on 31.03.2022	As on 31.03.2021
a. Closing Price (BSE) (₹).	66.40	72.05
b. Market Capitalization (₹ In Lakhs)	39233.67	42572.08
c. Price-Earnings Ratio	(68.45)	(97.36)

**Unclaimed Shares**

Pursuant to Regulation 39(4) read with Schedule VI of the Listing Regulations, the Company reports that there are no unclaimed shares as on 31st March, 2022.

Place: Chandigarh

Date: 10th August, 2022

**N.R. Munjal**

Chairman and Managing Director

**Annexure to Corporate Governance Report**

1. Certificate from company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors is duly enclosed with this report as Annexure-A.
2. CEO certification on Compliance with Code of Conduct by Board of Directors and senior management personnel is duly enclosed with this report as Annexure-B.

# ANNEXURE-A

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**IND SWIFT LABORATORIES LIMITED**  
SCO 850, Shivalik Enclave, NAC,  
Manimajra Chandigarh

As required by item 10(i) of part C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 we certify that none of the directors on the Board of IND SWIFT LABORATORIES LIMITED have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI / Ministry of Corporate Affairs or any such Statutory Authority as on the date of Financial Year ending 31st March 2022.

Place: Chandigarh  
Date: 10th August, 2022

**Vishal Arora**  
Company Secretary  
FCS No. 4566  
CP No. 3645  
UDIN; F004566D000849355

# ANNEXURE-B

## DECLARATION ON CODE OF CONDUCT

Ind-Swift Laboratories Limited is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "code of conduct for Board Members" and "code of conduct for Senior Management Personnel"

I hereby certify that the Board members and senior management personnel of the Company have affirmed compliance with the Code of Ethics and Business Conduct for the financial year 2021-22.

Place: Chandigarh  
Date: 10th August, 2022

**For Ind-Swift Laboratories Limited**  
Sd/-  
Sunil Deshmukh  
Chief Executive Officer

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# **STANDALONE FINANCIAL STATEMENTS**

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# INDEPENDENT AUDITOR'S REPORT

To The Members of Ind-Swift Laboratories Limited

## Report on the Audit of the Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying Standalone Ind AS financial statements of IND-SWIFT LABORATORIES LIMITED ("the Company"), which comprises of the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement for Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act 2013, as amended ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing ("SA's"),

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Key Audit Matters

##### Evaluation of Uncertain tax Positions

The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Refer Notes to accounts No. XXVI to the Financial statements

#### How our audit assessed Key audit matters

- Obtained the details of completed tax assessments and demands as on 31st March, 2022 from Management.
- We involved our expertise to challenge the management's underlying assumptions in estimating tax provision and the possible outcome of the disputes.
- We have also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

## Emphasis of Matters

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

- a) We draw attention to Note No. XXXVIII of the accompanying standalone financial results, which describes the management's evaluation of uncertainties related to COVID 19 and its consequential effects on the operations of the Company.
- b) We draw attention to Note no. II of the accompanying standalone financial statements, which states that, during the year, Meteoric Life Science Pte. Ltd. Singapore, which was a wholly owned subsidiary of the company was voluntarily closed down by the company as there was no operations for the last many years.
- c) We draw attention to Note no. II of the accompanying standalone financial statements, which states that, during the year, the company has sold its entire holding in M/s Ind-Swift Middle East FZ-LLC , the wholly owned subsidiary in Dubai.
- d) We draw attention to Note no. X of the accompanying standalone financial statements, which states that, during the year, the company extended a loan to Ind Swift Limited (Related Party) at 10% rate of interest.
- e) We draw attention to Note no. V of the accompanying standalone financial statements, which states the company has been allotted 6,34,40,000 equity shares of M/s Fortune (India) Construction Limited at par against the advance standing in the books.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2021-22 but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS Financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be

materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

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

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

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



the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

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

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

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative

factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit;
  - (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 as amended;
- (e) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197(16) read with Schedule V to the Act.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - a) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note XXVI to the Financial Statements;
  - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d) (i) As per management representation and to the best of their knowledge and belief, other than as disclosed in the notes to the

accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in the other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) As per management representation and to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly lend or invest in the other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on procedures followed in the regular course of our audit, nothing has come to our notice that has caused to believe that the representations under subclause (i) and (ii) contain any material misstatement

- (e) No dividend has been declared or paid during the year by the Company.

For **Avishkar Singhal & Associates**  
Chartered Accountants  
(Regd No.:017362N)

**Avishkar Singhal**  
Partner

Place of Signature: Chandigarh  
Date: 28th May, 2022

Membership No.: 098689  
UDIN:22098689AJUYTE8004

## “ANNEXURE-A”

**Referred to in Paragraphs under the heading “Report on other Legal and Regulatory requirements” of our Report of even date**  
**Re: M/s Ind-Swift Laboratories Limited (‘the Company’)**

(i) (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The company has maintained proper records showing full particulars of intangible Assets.

(b) According to information and explanations given by the management, the Company has a system of physical verification of all its fixed assets over a period of four years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies

were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) There are certain title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements which are not held in the name of the Company. Details are as below:

Description of property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*
Investment property - Flat No 304 offices no 102 & 103	333.74	N. R. MUNJAL	Managing Director	Flat 304 : 29/ March/2004 Office 102 & 103 04/March/2011	The Flats No. 304 in Andheri West in Mumbai was initially purchased by Sh. N. R. Munjal, Managing Director and availed a loan of the same in its own name. During the currency of the loan the flat was taken over by the company and the same could not be transferred in the name of the Company till the tenure of the loan. Since the loan has been repaid so Company will initiate the process of transfer of the Flat. The Offices No. 102 & 103 were purchased in the name of Sh. N. R. Munjal Managing Director and subsequently these were taken over by the Company, but due to stay by Hon'ble Bombay High court on the transfer of all the offices of the said building the same is held through Power of Attorney only.

- (d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) As per the information and explanation provided to us there are no such proceedings which have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- (ii) (a) As explained to us, the inventories, excluding stocks with some of the third parties, were physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on physical verification. In respect of inventories lying with third parties, these have substantially been confirmed by them.
- (b) The company has not been sanctioned working capital limits in excess of five crore rupees during any point of time of the year in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with banks or financial institutions for earlier sanctions are in agreement with the books of account of the Company,
- (iii) (a) during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security as detailed below:
- (A) No such loan or advance and guarantee or security has been given to subsidiaries, joint ventures and associates
- (B) The company has granted loans or advances and guarantee or security to following parties
- | Particulars | Party             | Loan/<br>Guarantee<br>Sanctioned<br>(₹ Lakhs) | Balance<br>Outstanding<br>(₹ Lakhs) |
|-------------|-------------------|---|-------------------------------------|
| Loan        | Ind Swift Limited | 4994.00                                       | 5005.69                             |
| Guarantee   | Essix Bioscience  | 358.78  | 1188.99                             |
- (b) As per information and explanation provided to us ,the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) In our opinion and according to the information and explanation given to us, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular in respect of loans and advances.
- (d) The repayments are being made as per repayment schedule and no amount is overdue for more than ninety days.
- (e) In our opinion and as per explanation provided to us no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties
- (f) the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans and investments made.
- (v) During the year under review the Company has made re-payment of Fixed Deposits amounting to ₹ 31.37 Lakhs. The Company has completed the re-payment of the Deposits as per the re-payment scheme approved by the Hon'ble Company Law Board vide its order dated 30th March, 2013. Few of the fixed deposits holders have however not encashed their Fixed Deposits repayments due to which the amount due to them remain unclaimed as at the year end . The Company is committed to make those repayments as and when the valid claim for the same is filed by the respective Deposit holder.
- (vi) The maintenance of cost records has been specified by the Central Government Under sub section (1) of section 148 of the act. We have broadly reviewed the cost records maintained by the Company pursuant to the companies (Cost records and audit) Rules 2014, as amended, prescribed by the Central Government under sub-section (1) of section 148 of the act and are of the opinion that, prima facie the prescribed cost records have been made and maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or not.
- (vii) According to information and explanations given to us in respect of Statutory Dues;

(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods & Service Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues

applicable to it though there have been slight delays in few cases.

(b) The dues outstanding of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the Status	Nature of Dues	Period to which the amount pertains	Duty Amount (In ₹ Lakhs)	Forum where the dispute is pending
The Punjab Vat Act, 2005	Sale Tax, Penalty & Interest	2006-07	31.94	VAT Tribunal
The Punjab Vat Act, 2005	Sale Tax, Penalty & Interest	2010-11	238.35	DETC(Appeal)
The Custom Act, 1962	Differential Duty	2012-2013	23.06	CESTAT, CHANDIGARH
The Custom Act, 1962	Custom Duty	2011-12 to 2013-14	277.00	Remanded back to Adjudicating Authority Commissioner NhavaSheva through PMO
Service Tax Finance Act 1994	Service Tax	2012-2013	82.19	CESTAT, CHANDIGARH
Service Tax Finance Act 1994	Service Tax	2013-2014	29.03	CESTAT, CHANDIGARH
Service Tax Finance Act 1994	Service Tax	2014-2015	69.89	CESTAT, CHANDIGARH
The Central Excise Act, 1944	Excise Duty	2014-2015	67.01	COMMISSIONER APPEAL, LUDHIANA
The Central Excise Act, 1944	Excise Duty	2009-10 & 2010-2011	113.42	COMMISSIONER APPEAL, LUDHIANA

(viii) As per information and explanation provided to us no income has been surrendered or disclosed during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961),

(ix) (a) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, or Government and dues to the debenture holders.

(b) the company is not declared as wilful defaulter by any bank or financial institution or other lender;

(c) In our opinion and according to the information and explanation given to us, during the year the term loans were applied for the purpose for which they were obtained and there is no diversion of funds.

(d) During the year, no short term funds have been raised and utilised for long term purposes.

(e) In our opinion and according to the information and explanation provided to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanation provided to us the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies,

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations give 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.

(xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of our audit.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

- (c) As per information and explanation provided to us no whistle-blower complaints received during the year by the company.
- (xii) The Company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv)(a) The company has appropriate internal audit system which commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditors for the period under audit were considered by the Statutory Auditors.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi)(a) The Company is not required to get registered under Reserve Bank of India Act, 1934 (2 of 1934).
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) The company is not a Core Investment Company (CIC) and the Group has not any CIC as part of the Group
- (xvii) The company has not incurred any cash losses in the financial year (2021-22) and in the immediately preceding financial year (2020-21).
- (xviii) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xix)(a) the company does not have any unspent amount and hence this clause is not applicable.
- (b) There is no such amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project.
- (xx) There have not been any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For **Avishkar Singhal & Associates**

Chartered Accountants

(Regd No.:017362N)

**Avishkar Singhal**

Partner

Place of Signature: Chandigarh

Date: 28th May, 2022

Membership No.: 098689

UDIN:22098689AJUYTE8004



# "ANNEXURE-B"

**To the Independent Auditor's Report of even date on the Financial Statements of Ind-Swift Laboratories Limited**

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

## **To the Members of Ind-Swift Laboratories Limited**

We have audited the internal financial controls over financial reporting of Ind-Swift Laboratories Limited ("the Company") as of 31st March, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

## **Management's Responsibility for Internal Financial Controls**

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

## **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone Financial Statements 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 with reference to these standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

## **Meaning of Internal Financial Controls Over Financial Reporting with reference to these standalone Financial Statements**

A company's internal financial control over financial reporting with reference to these standalone Financial Statements 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 with reference to these standalone Financial Statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone Financial Statements, 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 with reference to these standalone Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting

with reference to these standalone Financial Statements and such internal financial controls over financial reporting with reference to these standalone Financial Statements were operating effectively as at 31st March, 2022, 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 **Avishkar Singhal & Associates**

Chartered Accountants

(Regd No.:017362N)

**Avishkar Singhal**

Partner

Place of Signature: Chandigarh

Date: 28th May, 2022

Membership No.: 098689

UDIN:22098689AJUYTE8004

# STANDALONE BALANCE SHEET

As on 31st March, 2022

(₹ in Lakhs)

PARTICULARS	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>Non-current assets :</b>			
Property, Plant and Equipment	I	62,491.62	73,468.04
Right of Use - Land		187.37	189.68
Capital work-in progress		930.89	1,070.21
Investment property	I	270.71	1,476.87
Other Intangible assets	I	-	106.05
Intangible assets under development		100.00	814.08
<b>Financial Assets</b>			
a) Investments	II		
- In subsidiaries and associates		10,498.88	4,964.44
- In Others		568.80	568.80
b) Other Non-current Financial Assets	III	283.91	244.19
Deferred tax assets (net)	IV	5,038.20	5,884.26
Other non-current assets	V	-	6,352.82
<b>TOTAL NON-CURRENT ASSETS</b>		<b>80,370.38</b>	<b>95,139.43</b>
<b>Current Assets</b>			
Inventories	VI	41,399.51	35,441.15
<b>Financial Assets</b>			
(a) Trade receivables	VII	42,835.15	40,014.65
(b) Cash and cash equivalents	VIII	937.98	995.24
(c) Other current financial Assets	IX	4,908.91	5,414.29
Other current assets	X	9,638.53	4,485.55
Assets held-for-sale		200.95	229.59
<b>TOTAL CURRENT ASSETS</b>		<b>99,921.04</b>	<b>86,580.47</b>
<b>GRAND TOTAL</b>		<b>180,291.42</b>	<b>181,719.89</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	XI	5,980.58	5,980.58
(b) Other Equity	XII	57,275.06	57,888.52
<b>TOTAL EQUITY</b>		<b>63,255.64</b>	<b>63,869.10</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>	XIII		
(a) Borrowings		83,906.73	87,541.03
(b) Other Non Current Financial Liabilities		50.62	48.21
Non- Current Provisions		1,702.89	1,572.66
Other Non current Liabilities		14.87	17.41
<b>TOTAL NON- CURRENT LIABILITIES</b>		<b>85,675.11</b>	<b>89,179.30</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>	XIV		
(a) Borrowings		10,452.81	12,055.81
(b) Trade payables	XV		
MSME		186.83	88.96
Others		16,144.72	12,306.60
(c) Other Financial Liabilities	XVI	1,191.70	832.94
Current Provisions		496.11	69.28
Other current liabilities	XVII	2,888.49	3,317.90
<b>TOTAL CURRENT LIABILITIES</b>		<b>31,360.67</b>	<b>28,671.49</b>
<b>GRAND TOTAL</b>		<b>180,291.42</b>	<b>181,719.89</b>
Significant Accounting Policies	XLIV		

The accompanying notes form an integral part of the standalone financial statements.

## AS PER OUR SEPARATE REPORT OF EVEN DATE

For Avishkar Singhal &amp; Associates

Chartered Accountants

(Regd.No 017362N)

CA Avishkar Singhal

Partner

M.No. 098689

Place: Chandigarh

Date : 28th May, 2022

For and on behalf of the Board of Directors

N. R. Munjal

Chairman

and Managing Director

DIN-00015096

CA L.K. Mahajan

Chief Accounts Officer

Pardeep Verma

AVP - Compliance &amp; CS

Himanshu Jain

Joint Managing Director

DIN-00014533

Gagan Aggarwal

Chief Financial Officer

# STANDALONE STATEMENT OF PROFIT & LOSS

For the year ended 31st March, 2022

(₹ in Lakhs)

	Note No.	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Revenue from Operations	XVIII	98,809.00	85,657.84
Other Income	XIX	4,171.57	2,312.78
<b>Total Income</b>		<b>102,980.57</b>	<b>87,970.62</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	XX	52,572.63	42,747.16
Purchase of Stock-in-trade		105.56	
Change in Inventories of FG/WIP/Stock in trade	XXI	(3,946.65)	(247.65)
Employee benefits expense	XXII	11,187.87	10,416.71
Financial Cost	XXIII	9,553.27	10,021.57
Depreciation & amortisation expenses	XXIV	13,096.95	8,729.17
Other Expenses	XXV	19,442.14	14,691.93
<b>Total-B</b>		<b>102,011.78</b>	<b>86,358.91</b>
<b>Profit / (Loss) before exceptional items &amp; Tax</b>		<b>968.79</b>	<b>1,611.71</b>
<b>Exceptional items</b>			
Exceptional Item Loss (Profit)	II (a)	169.24	-
<b>Profit / (Loss) before Tax</b>		<b>799.55</b>	<b>1,611.71</b>
<b>TAX EXPENSE:</b>			
Current Tax		496.11	69.28
Mat credit Utilisation\Expire		1,887.76	1,034.66
Deferred Tax (iability)/(Assets)	IV	(1,091.69)	947.60
Income Tax Adjustment of Previous Years		78.30	-
<b>Total Tax expense</b>		<b>1,370.48</b>	<b>2,051.55</b>
<b>Profit/ (Loss) for the period from continuing Operation</b>		<b>(570.92)</b>	<b>(439.83)</b>
<b>Other Comprehensive Income</b>			
A) Items that will be reclassified to P&L A/c		-	-
B) Items that will not be reclassified into P&L A/c			
(Gain)/loss on remeasurements of Investments carried at FVTOCI		-	231.26
Tax on (Gain)/loss on remeasurements of Investments carried at FVTOCI		-	(72.15)
Actuarial (Gain)/loss on remeasurements of Post employee benefits		61.83	(10.48)
Tax on Actuarial (Gain) /loss on remeasurements of employee benefits		(19.29)	3.27
<b>Other Comprehensive (Income) / Loss for the period, net of Tax</b>		<b>42.54</b>	<b>151.90</b>
<b>Total Comprehensive Income/(Loss) for the Period</b>		<b>(613.46)</b>	<b>(591.73)</b>
<b>Earning per equity share:</b>			
(1) Basic		(0.97)	(0.74)
(2) Diluted		(0.97)	(0.74)

## Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements.

## AS PER OUR SEPARATE REPORT OF EVEN DATE

For Avishkar Singhal &amp; Associates

Chartered Accountants

(Regd.No 017362N)

CA Avishkar Singhal

Partner

M.No. 098689

Place: Chandigarh

Date : 28th May, 2022

For and on behalf of the Board of Directors

N. R. Munjal

Chairman

and Managing Director

DIN-00015096

CA L.K. Mahajan

Chief Accounts Officer

Pardeep Verma

AVP - Compliance &amp; CS

Himanshu Jain

Joint Managing Director

DIN-00014533

Gagan Aggarwal

Chief Financial Officer

# STANDALONE CASH FLOW STATEMENT

For the year ended 31st March, 2022

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and Extra-Ordinary Items	968.79	1,611.71
<b>ADJUSTMENTS FOR:</b>		
i) Depreciation	13,096.95	8,729.17
ii) Exchange (profit)/loss	375.44	182.62
iii) Interest on Term loans, NCDS & FD	8,853.75	9,076.70
iv) Interest received	(56.21)	(51.28)
v) Loss/(Profit) on sale of fixed assets	1,366.63	-
vi) Income tax adj of previous years	(9.02)	-
vii) Amortisation of Subsidy	(2.53)	(2.53)
viii) Profit on sale of Subsidiary	(1,066.12)	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>23,527.67</b>	<b>19,546.39</b>
<b>ADJUSTMENTS FOR:</b>		
i) Trade & Other Receivables	(3,198.53)	(1,799.46)
ii) Inventories	(5,958.36)	(1,159.32)
iii) Other assets	(4,319.73)	(2,983.16)
iv) Current Liabilities	3,706.95	85.14
v) Working Capital Borrowing	(132.17)	(186.43)
	<b>(9,901.85)</b>	<b>(6,043.22)</b>
<b>Net Cash flow from operating Activities</b>	<b>13,625.82</b>	<b>13,503.17</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
i) Purchase of fixed Assets Tangible	(1,837.88)	(391.04)
ii) Purchase of fixed Assets Intangible	-	(48.62)
iii) Sale of fixed assets	549.81	-
iv) (Purchase)/ Sale of Investments	1,507.80	(628.78)
v) Interest Received	56.21	51.28
<b>Net Cash from investing activities</b>	<b>275.94</b>	<b>(1,017.16)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
i) Repayment of Term Loans to Banks & Financial Institutions & FD	(3,472.51)	(3,985.29)
ii) Interest paid on Term Loans & FD	(10,486.51)	(8,389.40)
<b>Net Cash flow from Financing Activities</b>	<b>(13,959.02)</b>	<b>(12,374.69)</b>
<b>Net increase in Cash or Cash Equivalents</b>	<b>(57.26)</b>	<b>111.32</b>
Opening Cash & Cash Equivalents	995.24	883.93
Closing Cash & Cash Equivalents	937.98	995.24
Add; unrealised Gain/(loss) in FCTR	-	-
<b>Closing Cash &amp; Cash Equivalents after FCTR</b>	<b>937.98</b>	<b>995.24</b>

Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements.

The Company is following Indirect Method of cash flow.

## AS PER OUR SEPARATE REPORT OF EVEN DATE

For Avishkar Singhal &amp; Associates

Chartered Accountants

(Regd.No 017362N)

CA Avishkar Singhal

Partner

M.No. 098689

Place: Chandigarh

Date : 28th May, 2022

For and on behalf of the Board of Directors

N. R. Munjal

Chairman

and Managing Director

DIN-00015096

CA L.K. Mahajan

Chief Accounts Officer

Pardeep Verma

AVP - Compliance &amp; CS

Himanshu Jain

Joint Managing Director

DIN-00014533

Gagan Aggarwal

Chief Financial Officer

# STANDALONE STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2022

## A Equity Share Capital {Refer Note No. XI}

(₹ in Lakhs)

	No of Equity Shares	Amount of Equity issued	Shares Forfeited	Total Equity
<b>Balance as on 01.04.2020</b>	<b>5,90,86,865</b>	<b>5,908.69</b>	<b>71.90</b>	<b>5,980.58</b>
Issued in FY 20-21	0	-	-	-
<b>Balance as on 31.03.2021</b>	<b>5,90,86,865</b>	<b>5,908.69</b>	<b>71.90</b>	<b>5,980.58</b>
Issued in FY 21-22	0	-	-	-
<b>Balance as on 31.03.2022</b>	<b>5,90,86,865</b>	<b>5,908.69</b>	<b>71.90</b>	<b>5,980.58</b>

## B. Other Equity [Refer note XII]

Particulars	Reserves and Surplus					Items of Other Comprehensive Income	₹ in Lakhs
	Capital Redemption Reserve	Securities Premium	Revaluation reserve	General Reserve	Profit & Loss	Remeasurement of the defined benefit -liabilities/(assets)	Total other Equity
<b>Balance as at 01.04.2020</b>	<b>0.02</b>	<b>30,731.01</b>	<b>22,507.12</b>	<b>12,326.78</b>	<b>(7,005.16)</b>	<b>(79.52)</b>	<b>58,480.25</b>
Profit (Loss) for the Year					-439.83		(439.83)
Other comprehensive income for the year (net of tax)						-151.90	(151.90)
<b>Total comprehensive income for FY 20-21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(439.83)</b>	<b>(151.90)</b>	<b>(591.73)</b>
Issue Share for OCD							-
Depreciation on revalued assets			(1,432.00)	1,432.00			-
<b>Balance as at 31.03.2021</b>	<b>0.02</b>	<b>30,731.01</b>	<b>21,075.12</b>	<b>13,758.78</b>	<b>(7,444.99)</b>	<b>(231.42)</b>	<b>57,888.52</b>
Profit (Loss) for the Year					-570.92		(570.92)
Other comprehensive income for the year (net of tax)						-42.54	(42.54)
<b>Total comprehensive income for FY 21-22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(570.92)</b>	<b>(42.54)</b>	<b>(613.46)</b>
Issue Share for OCD							-
Depreciation on revalued assets			(1,425.91)	1,425.91			-
<b>Balance as at 31.03.2022</b>	<b>0.02</b>	<b>30,731.01</b>	<b>19,649.21</b>	<b>15,184.69</b>	<b>(8,015.91)</b>	<b>(273.96)</b>	<b>57,275.06</b>

AS PER OUR SEPARATE REPORT OF EVEN DATE  
For Avishkar Singhal & Associates  
Chartered Accountants  
(Regd.No 017362N)

CA Avishkar Singhal  
Partner  
M.No. 098689

Place: Chandigarh  
Date : 28th May, 2022

For and on behalf of the Board of Directors  
**N. R. Munjal**  
Chairman  
and Managing Director  
DIN-00015096

CA L.K. Mahajan  
Chief Accounts Officer

Pardeep Verma  
AVP - Compliance & CS

**Himanshu Jain**  
Joint Managing Director  
DIN-00014533

Gagan Aggarwal  
Chief Financial Officer



# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. I : FIXED ASSETS

(₹ in Lakhs)

Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	As on 1st April, 2021	Addition	Sale/ Transfer	Classified As Asset Held For Sale / Amortisation	As on 31st March, 2022	During The Period	As on 31st March, 2022	As on 31st March, 2021
<b>TANGIBLE ASSETS:</b>								
LAND FREE HOLD	5,393.93	-	-	-	5,393.93	-	-	5,393.93
FACTORY BUILDINGS	23,853.57	121.38	-	-	23,974.96	749.57	8,010.43	15,964.53
OFFICE BUILDINGS	282.99	-	-	-	282.99	4.45	89.33	193.65
R&D BUILDINGS	2,391.47	-	-	-	2,391.47	75.62	998.59	1,392.88
BUILDING - PILOT PLANT	170.22	-	-	-	170.22	5.27	90.64	79.57
PLANT&MACHINERY	82,811.43	1,231.49	-	-	84,042.92	10,066.29	48,655.03	35,387.89
R&D MACHINERY	7,625.02	83.52	-	-	7,708.54	1,476.22	5,565.40	2,143.15
PLANT & MACHINERY - PILOT PLANT	392.34	-	-	-	392.34	17.10	313.00	79.34
ELECTRIC INSTALLATIONS	4,592.39	120.36	-	-	4,712.75	441.26	3,605.94	1,106.80
FURNITURE & FIXTURES	553.85	10.92	-	-	564.77	17.10	461.93	102.84
OFFICE EQUIPMENTS	381.83	30.49	-	-	412.32	19.14	336.69	75.63
COMPUTER & PERIPHERALS	420.91	58.29	-	-	479.21	37.85	376.77	102.43
VEHICLES	642.85	355.93	(193.91)	-	804.86	50.43	335.90	468.96
<b>TOTAL (A)</b>	<b>129,512.81</b>	<b>2,012.38</b>	<b>(193.91)</b>	<b>-</b>	<b>131,331.27</b>	<b>12,960.29</b>	<b>68,839.65</b>	<b>73,468.04</b>
<b>Investment property</b>								
Flats & Office	1,791.84	-	(1,458.10)	-	333.74	28.31	63.03	270.71
<b>TOTAL (B)</b>	<b>1,791.84</b>	<b>-</b>	<b>(1,458.10)</b>	<b>-</b>	<b>333.74</b>	<b>28.31</b>	<b>63.03</b>	<b>270.71</b>
<b>INTANGIBLE ASSETS</b>								
R&D TECHNOLOGY	106.05	(0.00)	-	(106.05)	0.00	106.05	-	0.00
<b>TOTAL (C)</b>	<b>106.05</b>	<b>(0.00)</b>	<b>-</b>	<b>(106.05)</b>	<b>0.00</b>	<b>106.05</b>	<b>-</b>	<b>106.05</b>
<b>TOTAL (A+B+C)</b>	<b>131,410.70</b>	<b>2,012.38</b>	<b>(1,652.02)</b>	<b>(106.05)</b>	<b>131,665.01</b>	<b>13,094.64</b>	<b>68,902.68</b>	<b>75,050.95</b>
<b>PREVIOUS YEAR</b>	<b>135,398.28</b>	<b>675.80</b>	<b>-</b>	<b>(4,663.39)</b>	<b>131,410.70</b>	<b>8,726.85</b>	<b>56,359.75</b>	<b>84,100.80</b>

i) Depreciation on revalued assets amounting to ₹1425.91 Lacs (P.Y. ₹1432.00) has been provided during the year from the Profit and Loss Account as per the Schedule II of Companies Act 2013 & the same is transferred from Revaluation Reserve to General Reserves.

ii) Investment property includes Mumbai Office Buildings gross value ₹333.74 Lacs which was purchased in the name of the Managing Director of the Company.

The Company has entered into an "agreement to sell" and has taken GPA from the Managing Director. The property is yet to be registered in the name of Company.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Title deeds of Immovable Property not held in name of the Company

(₹ in Lakhs)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company**
Investment property	Flat No 304 offices no 102 & 103	333.74	N. R. MUNJAL	Managing Director	Flat 304 : 29/ March/2004 Office 102 & 103 04/ March/2011	The Flats No. 304 in Andheri West in Mumbai was initially purchased by Sh. N. R. Munjal, Managing Director and availed a loan of the same in its own name. During the currency of the loan the flat was taken over by the company and the same could not be transferred in the name of the Company till the tenure of the loan. Since the loan has been repaid so Company will initiate the process of transfer of the Flat. The Offices No. 102 & 103 were purchased in the name of Sh. N. R. Munjal Managing Director and subsequently these were taken over by the Company, but due to stay by Hon'ble Bombay High court on the transfer of all the offices of the said building the same is held through Power of Attorney only.

- iii) There is no income or expenses directly related to Investment property during the year apart from depreciation disclosed above.
- iv) All borrowing cost is recognised in the statement of Profit & Loss account as they are not directly attributable to acquisition, construction or production of qualifying asset as defended in IND-AS 23 "Borrowing Costs".
- v) The management reassessed remaining useful life of certain assets in the block of plant and equipment with effect from 1 April 2021 based on assessment made by external technical experts. Depending upon the operating conditions and usability of assets, the useful life of the said assets which was hitherto 20 years have been revised to in the range of 5-25 years. Due to this reassessment of remaining useful life, the depreciation for the year ended 31 March 2022 is higher by ₹74.15 Crores, whereas the Profit after Tax for the corresponding period is lower by ₹51.02 Crores respectively.

## (vi) Capital Work In Process (Tangible)

(₹ in Lakhs)

Description	Opening Balance	Addition	Capitalised	Closing Balance
PLANT&MACHINERY	894.50	1069.48	1214.04	749.94
ELECTRIC INSTALATIONS	61.99	103.03	117.38	47.64
FACTORY BUILDINGS	111.32	140.49	121.38	130.43
FREIGHT	2.40	5.00	4.53	2.87
<b>Total</b>	<b>1070.21</b>	<b>1318.01</b>	<b>1457.33</b>	<b>930.89</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## (vii) CWIP AGEING : TANGIBLE

(₹ in Lakhs)

CWIP	< 1 Year	1-2 Years	2-3- Years	> 3 Years	Total
Projects In Progress	527.05	286.95	56.51	60.38	930.89
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>527.05</b>	<b>286.95</b>	<b>56.51</b>	<b>60.38</b>	<b>930.89</b>

## (viii) Capital Work In Process (Intangible)

(₹ in Lakhs)

Description	Opening Balance	Addition	Written off	Closing Balance
Software in Progress	814.08	0.00	714.08	100.00

\*During the earlier years Company had capitalized the expenditure pertaining to SAP software. During the current year the management believes that the economic benefit derived from use of SAP is not as expected and accordingly as required by para 24.13 of Ind-AS 38 "Intangible Assets" company has de-recognised the excess balance of SAP being the difference between the carrying amount and the expected realisable value while re-implementing.

## (ix) CWIP INTANGIBLE ASSETS :

(₹ in Lakhs)

Intangible Assets under developments	< 1 Year	1-2 Years	2-3- Years	> 3 Years	Total
Projects In Progress	100.00	0.00	0	0.00	100.00
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100.00</b>

## Note No. : II

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>a) Non-Current investment: (Unquoted Investments)</b>		
<b>Investment in Equity shares of Subsidiaries: (Carried at Cost)</b>		
i) Investment in Ind Swift Laboratories Inc., USA Common Stock (1204 Share, No par Value)	544.10	544.10
ii) Investment in Meteoric Life Science Pte. Ltd. Singapore (NIL (PY 1000,000) Ordinary Share)	-	367.88
iii) Investment in Ind Swift Middle East FZ-LLC, UAE Share Capital	-	441.68
iv) Investment in Fortune (India) Construction Ltd 7,35,00,000 (PY 1,01,00,000) Equity Share of ₹10/- each fully paid up.	7,248.40	904.40
v) Investment in Halcyon Life Sciences Pvt Ltd 4,56,38,260 Equity Share of ₹10/- each fully paid up.	2,706.38	2,706.38
<b>Total</b>	<b>10498.88</b>	<b>4964.44</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>b) Other Investments : (Carried at FVTOCI)</b>		
i) Investment in Essix Biosciences Limited		
12,35,000 Equity Share of ₹10/- each fully paid up	536.24	536.24
ii) Investment in Nimbua Green Field (Punjab) Ltd		
1,40,625 Equity Share of ₹10/- each fully paid	14.06	14.06
iii) Investment in Mohali green investment Pvt. Ltd		
1,85,000 shares of ₹10/- each	18.50	18.50
<b>Total</b>	<b>568.80</b>	<b>568.80</b>
<b>Grand Total</b>	<b>11,067.68</b>	<b>5,533.24</b>

(a) During FY 2021-22, M/s Meteoric Life Sciences Pte. Ltd., Singapore a Wholly Owned Subsidiary (WOS) of Company was voluntarily closed down by the Company as there was no operations for the last many years. The loss on dissolution amounting to ₹169.24 lakhs is treated as an Exceptional Item.

(b) During the FY 2021-22, the Company has sold its entire holding in M/s. Ind-Swift Middle East FZ-LLC ("ISME") (Wholly Owned Subsidiary in Dubai). Thus ISME has ceased to be the WOS of the Company. Company has earned Profit of ₹1066.12 lakhs on sale of the subsidiary.

## Note No. : III

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Non-Current Financial Assets</b>		
(a) Security Deposits	283.91	244.19
<b>Total</b>	<b>283.91</b>	<b>244.19</b>

## Note No. : IV

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Deferred Tax:</b>		
The Break Up of Deferred Tax Liabilities/(Assets)		
as at 31st March, 2022 is as under:		
<b>Deferred Tax Liabilities</b>		
Taxable Temporary Difference on account of :		
Depreciation	4,926.72	7,342.38
<b>Total</b>	<b>4,926.72</b>	<b>7,342.38</b>
<b>Deferred Tax Assets</b>		
<b>Taxable Temporary Difference on account of :</b>		
Provision for Gratuity/EL Encashment/commission	666.51	603.07

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
Investment at FVTOCI	72.15	72.15
NCD valuation difference as per IND AS	6,133.59	7,501.71
<b>Total Deferred Tax Assets</b>	<b>6,872.25</b>	<b>8,176.93</b>
MAT Credit entitlement	3,092.67	5,049.71
<b>Deferred Tax Assets /(Liability) net</b>	<b>5,038.20</b>	<b>5,884.26</b>
<b>Deferred Tax Assets /(Liabilities) Charged to OCI</b>	<b>(19.29)</b>	<b>68.88</b>
<b>Deferred Tax Assets /(Liabilities) Charged to P&amp;L A/c</b>	<b>(1,091.69)</b>	<b>947.60</b>

## Note No. : V

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Non - Current Assets</b>		
<b>(Unsecured but Considered Good)</b>		
Capital Advances		
- Related Party	-	6,352.82
<b>Total</b>	<b>-</b>	<b>6,352.82</b>

During the FY 2021-22, the Company has been allotted 6,34,40,000 Equity Shares of M/s Fortune (India) Constructions Limited at par against the advance standing in the books of ₹63.44 crores.

## Note No. : VI

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>(a) INVENTORIES</b>		
(As per inventories taken, valued & certified by the Management)		
Raw Materials	8,928.77	8,151.09
Work in Process	19,142.25	16,565.42
Finished Goods*	10,264.75	8,894.93
Goods-in-Transit (Raw material)	1,920.46	914.32
Stores & Consumables	1,143.29	915.39
<b>Total</b>	<b>41,399.51</b>	<b>35,441.15</b>

\*Finished Goods inventory includes material lying at port

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : VII

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Trade Receivables</b>		
- Unsecured Considered good*	42,835.15	40,014.65
<b>Total</b>	<b>42,835.15</b>	<b>40,014.65</b>
*Includes Amounts due from Related Parties	26,251.85	25,893.54

### Outstanding for following periods from due date of payment/Transaction

S. no.	Particulars	< 6 Months	6 months - 1 year	1 - 2 years	2 - 3 year	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	22,637.60	884.55	84.33	0.00	19,228.66	42,835.15
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0	0.00
(iii)	Undisputed Trade Receivables – credit impaired	0	0	0	0	0	0.00
(iv)	Disputed Trade Receivables– considered good	0	0	0	0	0	0.00
(v)	Disputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0	0.00
(vi)	Disputed Trade Receivables – credit impaired	0	0	0	0	0	0.00

## Note No. : VIII

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Cash and Cash equivalents</b>		
Cash balance in hand	1.96	33.67
<b>Bank balances with Scheduled Banks :</b>		
Fixed Deposits With Banks*	908.16	911.70
Interest accrued	15.55	17.05
Current Accounts	12.31	32.83
<b>Total</b>	<b>937.98</b>	<b>995.24</b>

\*Fixed Deposits With banks include margin monies against LC and margin monies against liquid funds for public deposits.

## Note No. : IX

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other current Financial assets</b>		
(a) Advance Custom Duty Paid/Export Incentive Scheme	661.97	618.58
(b) GST refund receivable	3,057.94	3,965.48
(c) Financial Guarantee to related party	1,189.00	830.22
<b>Total</b>	<b>4,908.91</b>	<b>5,414.29</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : X

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Current Assets</b>		
<b>(a) Loans and advances (Unsecured but considered good)</b>		
-Related Parties -Subsidiary	2,476.68	2,476.11
-Related Parties - Others	5,276.80	227.95
-Others Advances to Creditors	327.77	349.36
<b>(b) Others</b>		
- Indirect Taxes Recoverable - Cenvat/Vat/GST	575.39	619.51
- Advance Tax/TDS	440.56	406.19
- Prepaid Expenses	502.82	218.16
- Advances recoverable in cash or in kind or value to be received	38.52	188.27
<b>Total</b>	<b>9,638.53</b>	<b>4,485.55</b>

\* Loans/advances represents advances to related parties for business purpose only.

\* In the month of March 2022, company has provided ₹49.94 crores loan to its group company Ind-swift Ltd at 10% Rate of interest.

## Note No. : XI

(₹ in Lakhs)

### SHARE CAPITAL

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>a) Authorised</b>		
Balance as per Last Balance Sheet:	6,000.00	6,000.00
Addition during the year		
Nil (Previous Year NIL) Equity share of ₹10/- Each		
6,00,00,000 (Previous Year 6,00,00,000) Equity Shares of ₹10/- Each	6,000.00	6,000.00
<b>b) Issued, Subscribed &amp; Paid Up</b>		
Balance as per Last Balance Sheet:	5,908.69	5,908.69
Addition during the year :-		
	-	-
5,908,69,18 (Previous Year 5,908,69,18) Equity Shares of ₹10/-each fully called up and paid up.	5,908.69	5,908.69
<b>c) Share Forfeited</b>		
Share Warrants Forfeited Account	63.23	63.23
Equity Share Forfeited Account (1,75,900 shares )	8.67	8.67
	<b>71.90</b>	<b>71.90</b>
<b>Total</b>	<b>5,980.58</b>	<b>5,980.58</b>

### d) Shares held by Promoters at the end of the year

Shares held by promoters & Persons Acting in Concert (PAIC) at the end of the year	No. of Shares	% of total shares
<b>i) Promoter</b>		
Ind-Swift Limited	9,499,720	16.08
Essix Biosciences Limited	12,827,787	21.71
N.R. Munjal	920,724	1.55
Himanshu Jain	406,961	0.68
Rishav Mehta	454,545	0.77
Sanjeev Rai Mehta	233,600	0.40

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

Shares held by promoters & Persons Acting in Concert (PAIC) at the end of the year	No. of Shares	% of total shares
Gopal Munjal	60,900	0.10
Vikrant Rai Mehta	52,900	0.09
<b>ii) PAIC</b>		
Neera Mehta	249,000	0.41
Sunita Jain	46,100	0.08
Meenakshi Mehta	12,000	0.02
Neeta Munjal	12,000	0.02
Nidhi Munjal	12,000	0.02
Ravi Mehta	12,000	0.02
Sahil Munjal	6,766	0.01
Bhanavi Mehta	3,000	0.01
Divya Munjal	3,000	0.01
Ishav Mehta	3,000	0.01
Annie Mehta	2,780	0.01
<b>TOTAL</b>	<b>24,818,783</b>	<b>42</b>

During the Financial year 2021-22 there is no change of the promoters holding

## e) List of Shareholders holding more than 5 % shares

Name	No. of shares As on 31st March, 2022	No. of shares As on 31st March, 2021
Ind Swift Ltd	9,499,720 16.08%	9,499,720 16.08%
Essix Biosciences Ltd	12,827,787 21.71%	12,827,787 21.71%
EC Special Situations Fund	4,031,184 6.82%	4,031,184 6.82%
Edelweiss India Special Situations Fund II	6,160,802 10.43%	6,160,802 10.43%

## Note No. : XII

(₹ in Lakhs)

### Other Equity

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>(A) Reserves &amp; surplus</b>		
<b>(a) Capital Redemption Reserve</b>	0.02	0.02
<b>(b) Securities Premium</b>		
Opening Balance	30,731.01	30,731.01
Addition during the year	-	-
	<b>30,731.01</b>	<b>30,731.01</b>
<b>(c) Revaluation Reserve</b>		
Opening balance	21,075.12	22,507.12
Addition (decrease) during the year	-	-
Less: Depreciation charges on revalued assets trf to General reserve	1,425.91	1,432.00
	<b>19,649.21</b>	<b>21,075.12</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>(d) General Reserve</b>		
As per Last Balance Sheet	13,758.78	12,326.78
Add: Trf from ESOP	-	-
Add: Dep on revalued assets Deducted from Revaluation Reserves	1,425.91	1,432.00
	<b>15,184.69</b>	<b>13,758.78</b>
<b>(e) Retained Earnings</b>		
As per Last Balance Sheet	(7,444.99)	(7,005.16)
Add: Profit(Loss) for the year closing	(570.92)	(439.83)
<b>Closing</b>	<b>(8,015.91)</b>	<b>(7,444.99)</b>
<b>Total (A)</b>	<b>57,549.02</b>	<b>58,119.94</b>
<b>(B) Items of other Comprehensive Income</b>		
<b>a) Remeasurement of the defined benefits liabilities /(assets)</b>		
Opening balance	(231.42)	(79.52)
Add/(Less): Movement during the year (net of Tax)	(42.54)	(151.90)
<b>Closing Balance</b>	<b>(273.96)</b>	<b>(231.42)</b>
<b>Total (B)</b>	<b>(273.96)</b>	<b>(231.42)</b>
<b>Total Other Equity (A+B)</b>	<b>57,275.06</b>	<b>57,888.52</b>

## Nature and purpose of each reserve

**Securities premium** - The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of the Companies Act, 2013.

**Revaluation reserves** - This reserve has been created at the time of re-valuation of Fixed assets of the company. The same is getting utilised in accordance with provisions of Ind-AS.

**General reserve** - The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

**Retained Earnings** - Retained earnings are the profits that the company has earned till date, less any transfers to other reserves, dividends or other distribution paid to its equity shareholders general reserve is not required under the Companies Act, 2013.

**Remeasurement of the defined benefit liabilities /(asset)** - The cumulative balances of actuarial gain or loss arising on remeasurements of defined benefit plan is accumulated and recognised with in this component of other comprehensive income. Items included in actuarial gain or loss reserve will not be reclassified subsequently to statement of profit and loss.

## Note No. : XIII

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Non-current liabilities</b>		
<b>Financial Liabilities</b>		
<b>(a) Borrowings</b>		
Secured Loans		
a) Debentures		
(i) Non Convertible debenture *	78,792.73	79,356.40

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

Particulars	As At 31st March, 2022	As At 31st March, 2021
b) Term Loans		
(i) From ARCs	4,986.92	8,184.63
c) Vehicles Loans	127.09	-
<b>Total</b>	<b>83,906.73</b>	<b>87,541.03</b>
*NCDs of ₹787.93 Crores is depicting the fair value of debentures. The actual liability payable as on 31st March, 2022 is ₹666.22 Crores.		
<b>(b) Other Non Current Financial Liabilities</b>		
(i) Land Lease liability	50.62	48.21
	<b>50.62</b>	<b>48.21</b>
<b>Provisions</b>		
(i) Gratuity Payable	1,400.49	1,254.72
(ii) Compensated absences	302.40	317.94
<b>Total</b>	<b>1,702.89</b>	<b>1,572.66</b>
<b>Other Non current Liabilities</b>		
(i) Deferred Income - Capital Subsidy	14.87	17.41
<b>Total</b>	<b>14.87</b>	<b>17.41</b>

## Note No. : XIV

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Current Liabilities</b>		
<b>(a) Financial Liabilities</b>		
Borrowings		
<b>Secured Loan</b>		
(i) Borrowings for working capital.	5,948.59	6,080.76
(ii) Current Maturity of Term Loans from Banks/FI	3,067.25	2,728.96
<b>Unsecured Loan &amp; others</b>		
(i) Public Deposits	437.01	468.38
(ii) Others - IFCI	-	708.66
(iii) Interest accrued on bank borrowing & Others	999.97	2,069.05
<b>Total</b>	<b>10,452.81</b>	<b>12,055.81</b>

### (a) Maturity profile of term Loans:-

Secured loan from Banks/ARC outstanding as on 31st March, 2022

(₹ in Lakhs)

Particulars & Interest Rate	Amount (in Lakhs)	Instalment Due F.Y 2022-23	After F.Y 2022-23
NCD (Edelweiss)	78,792.73	-	78,792.73
Asset Reconstruction Company (India) Ltd	555.16	555.16	-
Edelweiss Asset Reconstruction Company Ltd (Trustee)	7,499.00	2,500.00	4,999.00
Vehicle Loans	127.09	12.08	115.00
<b>Total</b>	<b>86,973.97</b>	<b>3,067.25</b>	<b>83,906.73</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

- (b) The NCDS amounting to ₹424.50 crores raised through private placement of 10% Secured Listed Rated Redeemable. It consists of 4245 Numbers of Non- Convertible Debentures @ ₹10 Lacs each redeemable at premium at the end of 6 years so that the total IRR on the amount so raised shall be 20 %.
- (c) Edelweiss Assets Reconstruction Company Limited (EARCL) Term loan of ₹132 Crores @ 9% p.a payable in 23 quarterly instalments starting from 30.09.18. The current outstanding amount is ₹74.99 crores
- (d) During the year under review the Company has made re-payment of Fixed Deposits amounting to ₹31.37 Lakhs. The Company has completed the re-payment of the Deposits as per the re-payment scheme approved by the Hon'ble Company Law Board vide its order dated 30th March, 2013. Few of the fixed deposits holders have however not encashed their Fixed Deposits repayments due to which the amount due to them remain unclaimed as at the year end . The Company is committed to make those repayments as and when the valid claim for the same is filed by the respective Deposit holder.
- (e) During the year company has fully paid off the bill discounting facility from IFCI factors. No due certificate has been received.

## (f) DETAIL OF CHARGES ON ASSETS

- (1) The Non Convertible Debenture ( NCD) of ₹424.50 crores; Asset Reconstruction Company India limited (ARCIL) debt of ₹5.55 crores (P.Y ₹9.15 crores); Edelweiss Assets Reconstruction Company limited debt of ₹74.99 crores (P.Y ₹99.99 crores) is secured as under :
  - (i) a first ranking pari passu charge over the entire fixed assets ( both present and future ) of the borrower by way of an equitable mortgage, in favour of "Security trustee 1" for the benefit of the respective lenders and
  - (ii) a second ranking pari passu charge over the entire current assets on the borrower in favour of "Security trustee 2" for the benefit of the respective lenders and
  - (iii) unconditional and irrevocable on demand personal guarantee from each promoter to the extent of their respective net worth in the form acceptable to the lenders and the security Trustee 1 in the favour of the "Security Trustee 1" for benefit of the respective lenders and
  - (iv) unconditional and irrevocable on the demand corporate guarantee from each of the affiliate companies in the form acceptable to the lenders and the "Security Trustee 1" in the favour of the "Security Trustee 1" for the benefit of the respective lenders and
  - (v) Pledge of Promoters Group Shareholding in the borrower (2,15,56,851 no of shares out of the fully diluted equity share capital of the borrower as on the effective date), free of all encumbrances.

Note: The Company has appointed M/s Vistra (ITCL) Limited as Debenture Trustee for the benefit of the NCDs & M/s IDBI Trusteeship Services limited as the Security Trustee to hold the Security on behalf of all the lenders including the NCD holders.

- (2) Bank borrowings for working capital ₹59.49 crores (P.Y. ₹60.81 Crores) from Bank of India & I.D.B.I., are secured by :-
  - (i) a first ranking pari passu charge over the entire current assets on the borrower in favour of "Security trustee" for the benefit of the respective lenders and
  - (ii) a second ranking pari passu charge over the entire fixed assets (both present and future) of the borrower by way of an equitable mortgage, in favour of "Security trustee" for the benefit of the respective lenders and
  - (iii) unconditional and irrevocable on demand personal guarantee from each promoter to the extent of their respective net worth in the form acceptable to the lenders and the security Trustee in the favour of the "Security Trustee" for benefit of the respective lenders and

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

- (iv) unconditional and irrevocable on the demand corporate guarantee from each of the affiliate companies in the form acceptable to the lenders and the "Security Trustee" in the favour of the "Security Trustee" for the benefit of the respective lenders and
- (v) Pledge of Promoters Group Shareholding in the borrower (2,15,56,851 no of shares out of the fully diluted equity share capital of the borrower as on the effective date), free of all encumbrances.

## Note No. : XV

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Trade Payable:</b>		
(i) MSME	186.83	88.96
(ii) Other Creditors	16,144.72	12,306.60
<b>Total</b>	<b>16,331.56</b>	<b>12,395.55</b>

(i) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 There are no material dues owed by the Group to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at March 31, 2022. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group and has been relied upon by the auditors.

Particulars	31st March, 2022	31st March, 2021
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each year		
- Principal amount due to micro and small enterprises	186.83	88.96
- Interest due on the above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(iv) The amount of interest accrued and remaining un-paid at the end of each accounting year	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-
The above disclosures are provided by the Group based on the information available with the Group in respect of the registration status of its vendors/suppliers.		
All trade payables are current. The Group's exposure to the currency and liquidity risks related to trade payables is disclosed in note no 51.		



# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Outstanding for following periods from due date of payment/Transaction

S. no.	Particulars	less than 1 year	1 - 2 years	2 - 3 year	More than 3 years	Total
1	MSME	186.83	0.00	0.00	0.00	186.83
2	Others	15,869.95	251.50	18.12	5.16	16,144.72
3	Disputed	0.00	0.00	0.00	0.00	0.00
4	Disputed-MSME	0.00	0.00	0.00	0.00	0.00
5	Disputed-Others	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>16,056.78</b>	<b>251.50</b>	<b>18.12</b>	<b>5.16</b>	<b>16,331.56</b>

## Note No. : XVI

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Financial Liabilities</b>		
(i) Land Lease	2.70	2.72
(ii) Financial Guarantee to Related party	1,189.00	830.22
<b>Total</b>	<b>1191.70</b>	<b>832.94</b>

## Note No. : XVII

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Current Liabilities:</b>		
(i) Advances from Customers	1,058.08	1,145.13
(ii) Advance from Related Party	-	207.56
(iii) Statutory Liabilities	575.87	525.17
(iv) Expenses Payable	1,252.01	1,437.50
(v) Current Maturity of Government Grants	2.53	2.53
<b>Total</b>	<b>2,888.49</b>	<b>3,317.90</b>
i) Statutory Liabilities include TDS/TCS payable, ESI Payable, PF payable, Labour welfare Payable, GST Payable, professional tax etc.		
ii) Expenses payable include Salary, wages, Bonus, Short term compensated absences and gratuity payable, Audit Fees, Electricity Exp payable etc.		
iii) During FY 2021-22, M/s Meteoric Life Sciences Pte. Ltd., Singapore a Wholly Owned Subsidiary (WOS) of Company was voluntarily closed down by the Company as there was no operations for the last many years .		
<b>Current Provisions</b>		
(i) Income Tax	496.11	69.28
<b>Total</b>	<b>496.11</b>	<b>69.28</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XVIII

### REVENUE FROM OPERATIONS

#### 1) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Year Ended 31st March, 2022 (₹)	Year Ended 31st March, 2021 (₹)
<b>Type of goods or service</b>		
<b>Sales of APIs</b>		
Sale of manufactured Products	98,684.94	85,601.82
Sale of Services	14.27	56.01
Sale of traded Products	109.78	-
<b>Total</b>	<b>98,809.00</b>	<b>85,657.84</b>
Revenue within India	24,268.99	21,885.79
Revenue Outside India	74,540.01	63,772.05
<b>Total</b>	<b>98,809.00</b>	<b>85,657.84</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	98,809.00	85,657.84
<b>Total</b>	<b>98,809.00</b>	<b>85,657.84</b>

#### 2) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

	Year Ended 31st March, 2022 (₹)	Year Ended 31st March, 2021 (₹)
<b>Contract Assets</b>		
Trade receivables	42,835.15	40,014.65
<b>Contract liabilities</b>		
Advances from customers	1,058.08	1,145.13

#### 3) Reconciling the amount of revenue recognised in the statement of P&L with the contracted price

	Year Ended 31st March, 2022 (₹)	Year Ended 31st March, 2021 (₹)
Revenue as per contracted price	99,758.64	86,339.13
<b>Adjustments</b>		
Sales return	949.64	681.29
<b>Net Total</b>	<b>98,809.00</b>	<b>85,657.84</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

4) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at 31st March, 2022 are, as follows:

	Year Ended 31st March, 2022 (₹)	Year Ended 31st March, 2021 (₹)
Advances from customers	1,058.08	1,145.13
<b>Total</b>	<b>1,058.08</b>	<b>1,145.13</b>

## Note No. : XIX

### Other Income

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Export Incentive & other Operating Income	1,339.27	1,543.18
Forex Fluctuations-Gain (Expenses)	1,435.46	327.24
Interest Income	56.21	51.28
Other Non operating Income	1,340.63	391.08
<b>Total</b>	<b>4,171.57</b>	<b>2,312.78</b>

## Note No. : XX

### Expenses

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Cost Of Material Consumed/Sold</b>		
Opening Stock	8,621.07	7,525.33
Add :-		
Purchases	54,105.42	43,842.91
	<b>62,726.48</b>	<b>51,368.23</b>
Less: Closing Stock	10,048.29	8,621.07
<b>Total</b>	<b>52,678.19</b>	<b>42,747.16</b>

## Note No. : XXI

### Increase /Decrease In Inventory

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Opening Stock</b>		
Work in Process	16,565.42	17,118.65
Finished Goods	8,894.93	8,094.06
<b>Total</b>	<b>25,460.35</b>	<b>25,212.70</b>
<b>Closing Stock</b>		
Work in Process	19,142.25	16,565.42
Finished Goods/Stock in Trade	10,264.75	8,894.93
	<b>29,407.00</b>	<b>25,460.35</b>
<b>Total</b>	<b>(3,946.65)</b>	<b>(247.65)</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXII

### Employee Benefits Expenses

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Directors' Remuneration</b>		
--Salary & Allowances	968.68	868.47
--Contribution to P.F.	0.86	0.86
Salary & Allowance	1,936.06	2,138.19
Salary & Wages	7,590.38	6,754.57
P.F. & Other Funds	352.48	344.74
Staff Welfare Expenses	125.07	107.36
Recruitment Expenses	1.28	2.12
Gratuity Premium	212.33	198.76
Training & Development Expenses	0.73	1.64
<b>Total</b>	<b>11,187.87</b>	<b>10,416.71</b>

## Note No. : XXIII

### Finance Cost

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Interest on Term Loans	883.06	1,171.39
Interest on Debentures	7,970.69	7,874.90
Interest on Working Capital	291.53	289.03
Bank Charges & Others	407.99	686.25
<b>Total</b>	<b>9,553.27</b>	<b>10,021.57</b>

## Note No. : XXIV

### Depreciation & Amortisation Expenses

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Depreciation	13,096.95	8,729.17
<b>Total</b>	<b>13,096.95</b>	<b>8,729.17</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXV

### Other Expenses

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Manufacturing Expenses</b>		
Job Work Charges	480.60	437.84
Power, Fuel & Water Charges	5,748.49	3,731.36
Stores & Spares	1,331.31	1,441.81
Repair & Maint. :		
Plant & Machinery	352.07	328.96
Buildings	192.56	267.76
Electrical	175.43	152.97
Other Manufacturing Expenses	127.53	118.45
<b>Total</b>	<b>8,407.99</b>	<b>6,479.17</b>
<b>Administrative &amp; Other Expenses</b>		
Travelling & Conveyance	44.11	22.45
Auditors Remuneration :		
--Audit Fees	4.00	4.00
--Certification Fees	1.00	1.00
--Out of Pocket Exp.	0.65	0.67
Lease Rent - Short term	51.30	53.71
Rate fee & Taxes	129.88	86.17
Insurance Charges	430.09	427.17
Legal & Professional Charges	433.63	189.32
Printing & Stationary	99.85	95.72
Vehicle Running & Maint.	251.15	193.12
Telephone & Postage	46.27	38.05
Office Expenses	69.27	59.18
Charity & Donation	3.77	32.72
Listing Fees	5.70	6.01
Books & Periodicals	0.88	0.86
Meeting, Membership & Subscription Fees	43.78	42.21
Security Expenses	115.08	107.40
Repair & Maintenance-General	254.54	128.00
Corporate Social Responsibility Expenses , (Refer note no XXXVI)	22.27	129.67
Other Expenses	24.02	23.67
<b>Total</b>	<b>2,031.25</b>	<b>1,641.10</b>

Contd.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Publicity	0.98	0.65
Business Promotion	22.60	75.93
Commission on Sales	2,108.41	1,577.04
Packing Material	494.65	342.67
Freight Outward	1,603.94	1,211.39
Insurance Charges	92.14	53.75
ECGC Premium	6.08	8.22
Other expenses	35.86	0.72
<b>Total</b>	<b>4,364.66</b>	<b>3,270.34</b>
<b>Research &amp; Development Expenses (DB)</b>		
Salary & Wages (R&D)	215.58	199.47
Consumables , Chemicals & Regents	429.78	437.65
Technical Study & Consultancy & Product registration	28.80	10.88
<b>Total</b>	<b>674.15</b>	<b>647.99</b>
<b>Research &amp; Development Expenses (Mohali)</b>		
Raw Material, Consumables, Lab Chemicals & Regents	1,294.87	1,401.15
Salary & Wages	1,058.25	998.02
Utility & Running/Maint Expenses	99.42	93.63
Analytical Fees & Study	15.55	18.19
Finance & Interest Charges	(76.89)	(1.65)
Patent Filling	2.82	2.83
Corporate Social Responsibility Expenses, (Refer note no XXXVI)	-	14.89
Administrative Expenses	203.45	126.27
<b>Total</b>	<b>2,597.46</b>	<b>2,653.34</b>
Loss/(Profit) on Sale of Fixed Assets	656.55	-
Intangible Assets Written off	710.08	-
<b>Total</b>	<b>1,366.63</b>	<b>-</b>
<b>Grand Total-Note No XXV</b>	<b>19,442.14</b>	<b>14,691.93</b>



# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXVI

### Contingent liabilities not provided for:

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
a. Letter of Credit against purchase of raw material:		
-Domestic	1,152.80	1,004.43
-Import	2,332.82	2,702.62
b. Bank Guarantees		
-Inland	4.25	20.00
c. Export obligation in respect of custom duty :	77.73	281.55
d. Contingent Liabilities in respect of unassessed/assessed (Pending in Appeal) cases of Income Tax, Excise Duty, Sales Tax, Service Tax and Bonus Act.	Unascertained	Unascertained

## Note No. : XXVII

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹374.63 Lakhs (P.Y. ₹582.43 Lakhs)

## Note No. : XXVIII

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

## Note No. : XXIX

Other expenses under head administrative expenses includes ₹4,35,000.00 (Previous Year ₹3,42,500.00) paid to directors as sitting fee.

## Note No. : XXX

Earning per share is calculated as shown below:-

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
Profit available for Basic EPS (A)	(570.92)	(439.83)
Interest on OCDs (net of Tax) (B)	0.00	0.00
Profit available for Diluted EPS (A+B)	(570.92)	(439.83)
<b>For Basic Earning</b>		
No of weighted average equity shares	5,90,86,860	5,90,86,860
<b>For Diluted Earning</b>		
No of weighted average of Diluted Equity Shares	5,90,86,860	5,90,86,860
Nominal Value of Equity Share	10.00	10.00
<b>Earning Per Share (₹)</b>		
Basic	(0.97)	(0.74)
Diluted	(0.97)	(0.74)

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXXI

In accordance with IND-AS 24, 'Related Party Disclosures', issued by the Institute of Chartered Accountants of India, the Company has compiled the following information:

### a. List of related parties and their relationship

<b>Subsidiary Companies</b>	Ind Swift Laboratories Inc. USA
	Ind-Swift Middle East FZ-LLC (UAE)
	Meteoric Life Science Pte Ltd., Singapore
	Halcyon Life Sciences Pvt Ltd.
	Fortune (India) Constructions Ltd.
<b>Joint ventures/Associates</b>	Indis Healthcare LLP
<b>Key Management personnel/Directors</b>	Sh. N.R. Munjal, Chairman cum Managing Director
	Sh. Himanshu Jain, Jt. Managing Director
	Sh. Rishav Mehta, Director
	Sh. Sahil Munjal, Director
	Sh. Sunil Deshmukh, CEO
	Sh. Gagan Aggarwal, Chief Financial Officer
	Sh. Pardeep Verma, AVP- Compliance & CS
<b>Others (Entities in which KMP or their relative is a Director; or KMP or their relative exercises control)</b>	Dashmesh Medicare Private Limited
	Essix Biosciences Limited
	Ind Swift Limited
	Nimbua Green Field (Punjab) Limited
	Mohali Green Environment Private Limited
	Punjab Renewable Energy Pvt Ltd.
	Saidpura Envirotech Private Limited
	Swift Fundamental Research & Education Society
	Sislax Pharma Pvt. Ltd.
	Vibrant Agro Industries Limited

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Others (Entities in which KMP or their relative is a Director; or KMP or their relative exercises control)		Subsidiary	
Nature of Transactions	2021-22	2020-21	2021-22	2020-21
<b>1) Transactions during the year</b>				
Purchase	5,922.05	6,191.97	5.25	-
Sales	5,966.80	6,204.96	11,544.48	5,785.57
Salary	1,167.27	930.62		
Expenses	598.06	491.50		
<b>2) Outstanding Balances</b>				
Investment	568.80	568.80	10,498.88	4,964.44
Loan & Advances Given	5,276.80	227.95	2,476.68	2,476.11
Debtors	22,811.83	24,589.05	3,440.01	1,304.49
Advances Received			-	207.56
Capital Advances			-	6,352.82

\* Related party balances of similar nature are grouped in accordance with para 24 of Ind-AS 24 "Related Party Disclosures"

\* Related Party Transaction during the year are considered without taxes.

## Details of Loan & advance Given :-

Type of Borrower	Amount of Loan or advance in the nature of Loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoters	-	0.00%
Directors	-	0.00%
KMPS	20.97	0.27%
Related Parties	7,753.48	99.73%
<b>Total</b>	<b>7,774.45</b>	<b>100%</b>

## Note No. : XXXII

The balance in the parties accounts whether in debit or credit are subject to confirmation, reconciliation and adjustment. The impact of the same on the accounts at the year end is not ascertained.

## Note No. : XXXIII

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

Particulars	As At 31st March, 2022 (₹)	As At 31st March, 2021 (₹)
Statutory Audit Fees	4,00,000	4,00,000
Certification Fees	1,00,000	1,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXXIV

Other Current Assets include due from

(₹ in Lakhs)

	Year Ended	Year Ended	Maximum amount due during the year	
	2021-22	2020-21	2021-22	2020-21
CFO	12.76	12.76	12.76	12.76
CS	8.21	8.21	8.21	8.21

## Note No. : XXXV

Foreign Currency Expenditure & Income :

(₹ in Lakhs)

	2021-22	2020-21
<b>1 Expenditure in Foreign Currency :</b>		
Commission on Sales	1,851.37	1,054.12
Others	89.54	105.21
<b>Total</b>	<b>1,940.91</b>	<b>1,159.33</b>
<b>2 Earnings in Foreign Currency</b>		
Sale of Goods	74,525.74	63,772.05
Sale of Services	14.27	0.00

## Note No. : XXXVI

Expenditure on corporate Responsibility :

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	₹ in Lakhs
(a) Gross amount required to be spent during the year	51.74
(b) Amount Spent During the year	22.27
(i) Construction /acquisition of any asset	-
(ii) on Purpose other than (i) above	22.27
Balance carried forward to Next Years from current year	-
Opening Balance brought forwarded from prevoius year	87.60
Balance Lapse during the year	-
<b>Closing Balance carried forward to Next Year</b>	<b>58.13</b>

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXXVII

(₹ in Lakhs)

Ratios As on	As At 31st March, 2022	As At 31st March, 2021
(a) Current Ratio	3.19	3.02
(b) Debt-Equity Ratios	2.16	2.33
(c) Debt service coverage ratio	1.73	1.30
(d) Return on equity ratio	(1.31)	(1.03)
(e) Inventory turnover ratio	2.57	2.46
(f) Trade receivable turnover ratio	2.39	2.18
(g) Trade payables turnover ratio	3.77	3.49
(h) Net capital turnover ratio	1.44	1.48
(i) Net profit ratio	(0.58)	(0.51)
(j) Return on capital employed	(1.31)	(1.03)
<b>(k) Return on Investment</b>	<b>(2.05)</b>	<b>(4.01)</b>

## Note No. : XXXVIII

### Impact of COVID-19

The company believes strongly that it has a rich portfolio of goods to partner with the customers, yet the future revenue streams could be impacted given the current crisis situation resulting in erratic supply of imported Raw Material from the foreign suppliers, particularly from China.

The Company has considered such impact to the extent known and available to us currently. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration.

The Company has taken steps to assess the cost budgets required to complete its performance obligations in respect of fixed price contracts and also has incorporated the impact of likely delays / increased cost in meeting its obligations, if any. The Company has also assessed the impact of any delays/inability to meet contractual commitments and has taken actions in light of the current crisis to ensure that revenue recognition in such cases reflect realizable values.

The impact assessment of COVID-19 is dynamic, no one knows if any disruption might happen due to any reason of COVID-19. It may also further impact the contractual commitments beyond anticipations.

## Note No. : XXXIX

During the year the Company's deal to sale the 100% business of the Company on slump sale basis to PI Industries Limited was called off as the closure has not happened on the long stop date of 31st October, 2021. The stock exchanges were informed about the same . PI Industries have however approached the Arbitration/courts for the specific relief in the matter which is sub-judiced.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XL

### Lease Liability in accordance with Ind-AS 116

The incremental borrowing rate applied to lease liabilities is 10%.

The movement in ROU - Asset during the year ended 31st March, 2022 is as follows :-

(₹ in Lakhs)

Particulars	ROU Assets -Land
Balance as at April 2021	189.68
Addition	0.00
Depreciation	2.31
<b>Balance as at 31st March 2022</b>	<b>187.37</b>

The aggregate depreciation expenses on ROU assets is included under depreciation and amortisation expenses in statement of profit & loss account.

The break up of current & non current lease liabilities as at 31st March, 2022 is as under.

(₹ in Lakhs)

Particulars	As at 31st March, 2022
Non Current Liability	50.62
Current Liability	2.70
<b>Total</b>	<b>53.32</b>

The movement in lease liabilities during the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022
Balance at the beginning	50.93
Finance cost accrued during the period	5.09
Payments of Lease Liabilities	2.70
<b>Balance at the end</b>	<b>53.32</b>

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The details of the contractual maturities of lease liabilities as at 31st March, 2022 on an undiscounted basis are as follows :

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022
Less than one year	2.70
One to five years	12.47
More than five years	2,616.53

Rental Expenses recorded for short term lease was ₹51.30 Lacs for the year ended 31st March, 2022.



# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XLI

### Segment Reporting

The Company operates only in one business segment viz. Bulk Drugs & Pharmaceuticals. However the figures in Segment Reporting is based on geographical location of its customers.

(₹ in Lakhs)

	In India	Outside India	Total
Revenue	24,269	74,540	98,809
	(21,886)	(63,772)	(85,658)
Results	8,565	28,859	37,424
	(8,061)	(25,351)	(33,412)
Less: Financial Expenses			9,553
			(10,022)
Less: Unallocated Expenses			31,152
			(24,091)
Add: Operating Income			4,172
			(2,313)
Add Exceptional Items (Expenses)			169
			-
Less: Income Tax Provision			496
			(69)
Add: Mat Credit Entitlement			-
			-
Add: Deferred Tax			(1,092)
			(948)
Add : Mat Utilisation			1,888
			(1,104)
Profit\ (Loss) After Tax			(571)
			(440)
<b>Other Information</b>			
Segment Assets	27,514	15,321	42,835
	(36,495)	(9,872)	(46,367)
Unallocated Assets			1,37,456
			(1,35,352)
Total Assets			1,80,291
			(1,81,720)
Segment Liabilities	12,398	3,934	16,332
	(9,571)	(2,825)	(12,396)

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

	In India	Outside India	Total
Unallocated Liabilities			1,63,960
			(1,69,324)
Total Liabilities			1,80,291
			(1,81,720)
Capital Expenditure			1,838
			(391)
Depreciation			13,097
			(8,729)
Non Cash Expenses Other Than Depreciation			1,366.63
			-

## Notes:-

### 1 Geographical Segments

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

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

### 2 Segment assets & liabilities

Segment assets consists of debtors, other non-current assets and the segment liabilities consists of creditors.

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

## Note No. : XLII

### Post employment Benefits

#### i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

#### ii) Defined Benefit Plan:

A) The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

- On normal retirement / early retirement / withdrawal / resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- On death in service: The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at the Balance Sheet date:

B) The said benefit plan is exposed to actuarial risks such as longevity risk, salary risk, Interest rate risk, liquidity risk, demographic risk, regulatory risk, Investment risk and asset/liability mismatching risk.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Amount of Expenses Recognized is as follows

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
In Income Statement	21,885,813	19,875,975
In Other Comprehensive Income	61,82,960	(10,48,281)
<b>Total Expenses Recognized during the period</b>	<b>28,068,773</b>	<b>18,827,694</b>

## Movements in the present value of the defined benefit obligation are as follows:

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
Present Value of Obligation as at the beginning	14,60,03,548	13,20,50,379
Current Service Cost	1,31,46,741	1,20,81,040
Interest Expense or Cost	90,45,835	83,79,281
Re-measurement (or Actuarial) (gain) / loss arising from :		
- change in demographic assumptions	0	0
- change in financial assumptions	(32,25,271)	12,43,157
experience variance (i.e. Actual experience vs. assumptions)	85,97,636	(30,43,877)
- others		
Past Service Cost		
Effect of change in foreign exchange rates		
Benefits Paid	(54,54,901)	(47,06,432)
Acquisition Adjustment		
Effect of business combinations or disposals		
Present Value of Obligation as at the end	16,81,13,588	14,60,03,548

## Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013

Particulars	As on	
	31st March, 2022	31st March, 2021
Current Liability (Short term)	2,80,64,998	2,05,31,368
Non-Current Liability (Long term)	14,00,48,590	12,54,72,180
Present Value of Obligation	16,81,13,588	14,60,03,548

## Movements in the fair value of the plan assets are as follows:

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
Fair Value of Plan Assets as at the beginning	49,51,288	92,08,800
Investment Income	3,06,763	5,84,346
Employer's Contribution	16,48,276	6,17,013
Employee's Contribution		
Benefits Paid	(48,02,361)	(47,06,432)
Return on plan assets , excluding amount recognised in net interest expense	(8,10,595)	(7,52,439)
Acquisition Adjustment		
Fair Value of Plan Assets as at the end	12,93,371	49,51,288

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Expenses Recognised in the Income Statement is as follows

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
Current Service Cost	1,31,46,741	1,20,81,040
Past Service Cost		
Loss / (Gain) on settlement		
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	87,39,072	77,94,935
Expenses Recognised in the Income Statement	2,18,85,813	1,98,75,975

## Expenses Recognised in the Other comprehensive income is as follows

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
<b>Actuarial (gains) / losses</b>		
- change in demographic assumptions	0	0
- change in financial assumptions	(32,25,271)	12,43,157
-experience variance (i.e. Actual experience vs. assumptions)	85,97,636	(30,43,877)
- others		
Return on plan assets, excluding amount recognised assumptions)	8,10,595	7,52,439
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling		
Components of defined benefit costs recognised in because of change in effect of asset ceiling	61,82,960	(10,48,281)

The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As on	
	31st March, 2022	31st March, 2021
Discount rate (per annum)	6.55%	6.20%
Salary growth rate (per annum)	7.00%	7.00%
Retirement age	58 years	58 years
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As on	
	31st March, 2022	31st March, 2021
Present Value of Obligation	16,81,13,588	14,60,03,548
Fair Value of Plan Assets	12,93,371	49,51,288
<b>Surplus / (Deficit)</b>	<b>(16,68,20,217)</b>	<b>(14,10,52,260)</b>
<b>Effects of Asset Ceiling, if any</b>		
<b>Net Asset / (Liability)</b>	<b>(16,68,20,217)</b>	<b>(14,10,52,260)</b>

## iii) Compensatory absences

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the Statement of Profit and Loss amounting to ₹2.44 Lacs (Previous Year ₹40.85 Lacs ) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

## Note No. : XLIII

Previous year figures have been regrouped, rearranged wherever considered necessary for comparison.

### AS PER OUR SEPARATE REPORT OF EVEN DATE

For **Avishkar Singhal & Associates**

Chartered Accountants  
(Regd.No 017362N)

**CA Avishkar Singhal**

Partner  
M.No. 098689

Place: Chandigarh  
Date : 28th May, 2022

For and on behalf of the Board of Directors

**N. R. Munjal**

Chairman  
and Managing Director  
DIN-00015096

**CA L.K. Mahajan**

Chief Accounts Officer

**Pardeep Verma**

AVP - Compliance & CS

**Himanshu Jain**

Joint Managing Director  
DIN-00014533

**Gagan Aggarwal**

Chief Financial Officer

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XLIV

### SIGNIFICANT ACCOUNTING POLICIES :

#### 1 Background

Headquartered in Chandigarh, India, Ind-Swift Laboratories Ltd is a public limited company incorporated on 04 Jan, 1995 under the provision of companies Act, 2013. Company is global manufacturer of APIs, Intermediates and formulations (through group collaboration). Having commenced operations in 1997 as an API manufacturer, the Company continued to focus on this business domain as its key business driver.

#### 2.0 Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP').

##### 2.1 Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for: - certain financial assets and liabilities.

#### 2.2 Property plant & equipment

##### 2.2.1 Cost of property plant & equipment

All Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are valued at cost/revalued cost net of tax credit wherever eligible. Cost includes all expenses and borrowing cost attributable to the project till the date of commercial production / ready to use. Any asset transferred to assets held for sale is value at cost or NRV whichever is lower.

##### 2.2.2 Depreciation /amortization

Depreciation is recognised so as to write off the cost of assets (other than freehold land and

properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation is provided on straight line method at the rates specified in schedule II of the Companies Act 2013 on pro rata basis and the assets having the value up to ₹5000 have been depreciated at the rate of 100%. The policy of company is to provide depreciation on the Buildings , Plant & Machinery and Other Fixed assets from the date of commercial production/ ready to use.

##### 2.2.3 Investment property

Properties that is held for long-term rentals or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of the investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property are depreciated using the straight line method over their estimated useful lives.

On transition to Ind AS, the Group has elected to continue with the carrying value of its investment property recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.



# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## 2.2.4 Intangible assets (other assets)

Intangible Assets with definite useful lives are subject to amortization and are reviewed to determine whether there is any indication that carrying Value of these assets may not be recoverable . Management judgment is required in the area of intangible assets loss particularly in assessing :

Whether an event has occurred that may indicate that the related assets values may not be recoverable or

Whether the carrying value of an intangible assets can be supported by the recoverable amount , being the fair value less costs to sell or net present value of future cash flows which are estimated based upon the continued use of the asset in the group.

### Useful lives of intangible assets:

Intangible assets related to R&D are amortised over the period of 5 years on straight line method.

## 2.2.5 Leases

The Company's lease asset classes consist primarily of land and buildings . The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases.

For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

## 2.3 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets have been capitalised as part of cost of assets.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

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

## 2.4 Inventories

Inventories are valued at lower of cost and net realisable value, cost includes all charges in bringing the goods to point of sale. Cost is determined as follows.

- 2.4.1 Raw materials and stores and spares are valued on weighted average basis.
- 2.4.2 Work in process is valued at estimated cost basis and an appropriate share of production overheads or net realisable value whichever is less.
- 2.4.3 Finished goods are valued at cost and an appropriate share of production overheads or net realisable value whichever is less.
- 2.4.4 Stock in trade are valued at weighted average basis.

## 2.5 Revenue recognition

The Company derives revenues primarily from sale of api business.

Ind as 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a

Five step application approach to be followed for revenue recognition.

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

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

Revenue excludes amounts collected on behalf of third parties. The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note XV and disclosures of transition approach along with impact of adoption of Ind AS 115 on financial statements are provided in Note 2.18.

## 2.5.1 Sale of goods

For sale of goods, revenue is recognised when control of the goods has transferred at a point in time i.e. when the goods have been delivered to the specific location (delivery). Following delivery, the customer has full discretion over the responsibility, manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Company when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Payment is due within 0-180 days. The Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

## 2.5.2 Contract balances

### Trade receivables

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

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

## 2.5.3 Cost to obtain a contract

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

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

## 2.5.4 Other revenue streams

### Export & other incentives

In case of sale made by the Company as Manufacturer, export benefits arising from Duty Entitlement Pass Book (DEPB), Merchandise Export Incentive Scheme, and Focus Market Scheme are recognised on accrual basis on fulfilment of eligibility criteria for availing the incentives and when there is no uncertainty in receiving the same. These incentives include estimated realisable values/benefits from special import licenses and benefits under specified schemes as applicable.

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

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

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

### Rendering of services

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

### Dividend

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

## 2.6 Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transactions. The gain or loss arising from forward transactions have been recognised in the year in which the contract has been cancelled/ matured. Monetary assets & current liabilities are translated at year end exchange rates. The resulting gain or loss on translation or settlement is recognised in the Profit & Loss Account except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

In translating the financial statement of representative foreign offices for incorporation in main financial statements, the monetary assets and liabilities are translated at the closing rates non monetary assets and liabilities are translated at exchange rates prevailing at

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

the dates of the transactions and income and expenses items are converted at the yearly average rate.

## 2.7 Retirement benefits

The retirement benefits of the employees include Gratuity, Provident Fund & Compensated absences.

Defined Benefit Plans for defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The group presents the first two components of defined benefit costs in statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined contribution plans which include contribution to the provident fund are recognised as expense when

employees have rendered services entitling them to such benefits.

The compensated absences are provided on the basis of actuarial valuation of employees entitlement in accordance with Company's rules.

## 2.8 Share based payment arrangements

Share-based payment transactions of the Company Equity-settled share-based payments to employees are measured at the Fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

## 2.9 Taxation

### 2.9.1 Current tax

Current tax is the tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### 2.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set-off against future tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

## 2.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in statement of profit and loss, except when they

relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## 2.10 Provision, contingent liabilities and contingent assets

A provision is recognized when there is a present obligation as a result of a past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. Provision is discounted to its present value wherever required and is determined based on the last estimate required to settle the obligation at the year end. These are reviewed at each year end and adjusted to reflect the best current estimate.

Contingent liabilities are disclosed in notes when there is a possible obligation that rises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are neither recognized nor disclosed in the financial statements.

## 2.11 Government grants

Government grants are initially recognised as income at fair value if there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant;

- In case of capital grants, they are then recognised in statement of profit and loss as other income on a systematic basis over the useful life of the asset.
- In case of grants that compensate the Group for expenses incurred are recognised in Consolidated Statement of Profit and Loss on a systematic basis in the periods in which the expenses are recognised.

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## 2.12 Financial instruments

### 2.12.1 Investment in subsidiaries, associates and joint ventures

The Company has accounted for its investments in subsidiaries, associates and joint ventures at cost less impairment.

### 2.12.2 Other financial assets and financial liabilities

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

Initial recognition and measurement: Other 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 statement of profit and loss.

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

#### **Financial assets at fair value through other comprehensive income**

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

the principal amount outstanding and selling financial assets.

#### **Financial assets at fair value through profit & loss account**

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

#### **Financial liabilities**

##### **Recognition of financial liabilities**

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

##### **De-recognition of financial liabilities**

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

### 2.12.3 Equity instruments

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

## 2.13 Impairment of 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

# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

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.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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 statement of profit and loss.

## 2.14 Trade receivables & advances

Sundry debtors outstanding for more than three years at the end of Balance Sheet date will be written off from the books of accounts except disputed debtors having matters pending under different Courts.

Other advances and related party balances outstanding for more than 3 years are reviewed by the management at the end of every financial year and are written off as per the judgment of the management.

## 2.15 Operating cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of

assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

## 2.16 Key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 2.16.1 Useful lives of property, plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

### 2.16.2 Employee benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-



# NOTES TO STANDALONE FINANCIAL STATEMENTS

For the year ended 31st March, 2022

term nature of these plans, such estimates are subject to significant uncertainty.

## 2.16.3 Litigations

As explained in note 39.1, the Company is a party to certain commercial disputes and has also received notification of claims for significant amounts. There are number of factors that may affect the ultimate outcome

in respect of this matter and accordingly, it is difficult to assess the impact of these disputes with accuracy.

## 2.17 Other accounting policies

Accounting Policies not specifically referred to are in accordance with generally accepted accounting principles including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

### AS PER OUR SEPARATE REPORT OF EVEN DATE

For **Avishkar Singhal & Associates**

Chartered Accountants  
(Regd.No 017362N)

**CA Avishkar Singhal**

Partner  
M.No. 098689

Place: Chandigarh  
Date : 28th May, 2022

For and on behalf of the Board of Directors

**N. R. Munjal**

Chairman  
and Managing Director  
DIN-00015096

**CA L.K. Mahajan**

Chief Accounts Officer

**Pardeep Verma**

AVP - Compliance & CS

**Himanshu Jain**

Joint Managing Director  
DIN-00014533

**Gagan Aggarwal**

Chief Financial Officer

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# **CONSOLIDATED FINANCIAL STATEMENTS**

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# INDEPENDENT AUDITOR'S REPORT

## To The Members of Ind-Swift Laboratories Limited

### Report on the Audit of the Consolidated Ind AS Financial Statements

#### Opinion

We have audited the accompanying Consolidated Ind AS financial statements of IND-SWIFT LABORATORIES LIMITED (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding company and its Subsidiaries together referred to as "the group") comprising of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement for Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated IND AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act 2013, as amended ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

#### Key Audit Matters

##### Evaluation of Uncertain tax Positions

The Company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.

Refer Notes to accounts No. XXVI to the Financial statements

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Ind AS Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matter described below to be the key audit matter to be communicated in our report.

#### How our audit assessed Key audit matters

- Obtained the details of completed tax assessments and demands as on 31/03/2022 from Management.
- We involved our expertise to challenge the management's underlying assumptions in estimating tax provision and the possible outcome of the disputes.
- We have also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions

## Emphasis of Matters

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

- a) We draw attention to Note No. XXXVIII of the accompanying consolidated financial statements, which describes the management's evaluation of uncertainties related to COVID 19 and its consequential effects on the operations of the Company.
- b) We draw attention to Accounting Policy. 2.2(b) of the accompanying consolidated financial statements, which states that, during the year, Meteoric Life Science Pte. Ltd. Singapore, which was a wholly owned subsidiary of the company was voluntarily closed down by the company as there was no operations for the last many years.
- c) We draw attention to Accounting Policy 2.2(c) of the accompanying consolidated financial statements, which states that, during the year, the company has sold its entire holding in M/s Ind-Swift Middle East FZ-LLC, the wholly owns subsidiary in Dubai.
- d) We draw attention to Note no. X of the accompanying standalone financial statements, which states that, during the year, the company extended a loan to Ind Swift Limited (Related Party) at 10% rate of interest.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2021-22 but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

## Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS Financial Statements in terms of the requirements of the act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind As) specified under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of presentation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the company included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that

an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS financial statements.

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

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

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We have not audited the financial statements and other financial information of five subsidiaries, whose financial statements reflect total assets of ₹ 16205.63 lakhs (before Consolidated adjustments) as at March 31, 2022, total revenues of ₹ 16708.87 Lakhs (before Consolidated adjustments) and total net profit/(loss) after tax of ₹ 356.03 Lakhs (before Consolidated adjustments) and total comprehensive income/(loss) of ₹ 356.03 Lakhs (before

Consolidated adjustments) for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

The Financial Statements and other financial information of all subsidiaries which are located outside India whose Financial Statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries, the USA subsidiary has been audited and other subsidiaries are not audited by other auditors under generally accepted auditing standards applicable in their respective countries. The holding company's management has converted the financial statements of such subsidiaries located outside India from accounting Principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the holding company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors/ management and the conversion adjustments prepared by the management of the company and audited by us.

The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 4 subsidiaries whose financial statements and other financial information reflect total assets of subsidiaries of ₹ 9855.97 Lakhs (before Consolidated adjustments) as at March 31, 2022, and total revenues of ₹ 824.28 Lakhs (before Consolidated adjustments) and total net profit/ (loss) of ₹ 121.59 Lakhs (before Consolidated adjustments) and total comprehensive income / (loss) of ₹ 121.59 Lakhs (before Consolidated adjustments) for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
  - (a) We/the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
  - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, refer to our separate Report in "Annexure A" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
- (a) The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated Ind AS financial statements – Refer Note XXVI to the consolidated Ind AS financial statements.
- (b) The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;
- (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2022.
- (d) (i) As per management representation and to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in

any other person(s) or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in the other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) As per management representation and to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly lend or invest in the other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on procedures followed in the regular course of our audit, nothing has come to our notice that has caused to believe that the representations under subclause (i) and (ii) contain any material misstatement
- (e) No dividend has been declared or paid during the year by the Company.

For **Avishkar Singhal & Associates**

Chartered Accountants  
(Regd No.:017362N)

**Avishkar Singhal**

Partner

Place of Signature: Chandigarh

Date: 28th May, 2022

Membership No.: 098689

UDIN:22098689AJUYWY6604



## “ANNEXURE-A”

### **to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of Ind-Swift Laboratories Limited Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of Ind Swift Laboratories Limited as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Ind Swift Laboratories Limited (hereinafter referred to as the “Holding Company”), as of that date. Internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) is not applicable on the subsidiary companies which are part of the Group and are incorporated outside India. The IFC are applicable on the Indian subsidiaries, which is the responsibility of the management of subsidiary companies and are audited by their respective auditors. We do not form opinion on the same because of lack of audited financial statement of subsidiaries.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, 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 with reference to these consolidated financial statements 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 over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements**

A company’s internal financial control over financial reporting with reference to these consolidated financial statements 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 with reference to these consolidated financial statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, 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 with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding 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 **Avishkar Singhal & Associates**

Chartered Accountants

(Regd No.:017362N)

**Avishkar Singhal**

Partner

Place of Signature: Chandigarh

Date: 28th May, 2022

Membership No.: 098689

UDIN:22098689AJUYWY6604

# CONSOLIDATED BALANCE SHEET

As on 31st March, 2022

(₹ in Lakhs)

PARTICULARS	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>Non-current assets :</b>			
Property, Plant and Equipment	I	62,565.30	73,548.64
Right of Use - Land		187.37	189.68
Capital work-in progress		930.89	1,070.21
Investment property	I	270.71	1,476.87
Other Intangible assets	I	3.51	127.17
Intangible assets under development		100.00	814.08
<b>Financial Assets</b>			
a) Investments	II	-	-
- In subsidiaries and associates		-	-
- In Others		2,906.27	3,552.84
b) Other Non-current Financial Assets	III	290.90	611.43
Deferred tax assets (net)	IV	5,189.83	6,035.87
Other non-current assets	V	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>72,444.79</b>	<b>87,426.79</b>
<b>Current Assets</b>			
Inventories	VI	42,850.03	37,566.66
<b>Financial Assets</b>			
(a) Trade receivables	VII	45,478.40	43,238.79
(b) Cash and cash equivalents	VIII	2,147.76	1,160.06
(c) Other current financial Assets	IX	4,908.91	5,414.29
Other current assets	X	12,052.13	6,808.69
Assets held-for-sale		200.95	229.59
<b>TOTAL CURRENT ASSETS</b>		<b>107,638.19</b>	<b>94,418.08</b>
<b>GRAND TOTAL</b>		<b>180,082.98</b>	<b>181,844.88</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	XI	5,980.58	5,980.58
(b) Other Equity	XII	54,116.65	54,370.03
Equity attributable to equity holders of the Company		60,097.23	60,350.61
(c) Non-Controlling interest	XII	(11.02)	(8.97)
<b>TOTAL EQUITY</b>		<b>60,086.21</b>	<b>60,341.64</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>	XIII		
(a) Borrowings		84,778.35	88,412.65
(b) Other Non Current Financial Liabilities		50.62	48.21
Non- Current Provisions		1,702.89	1,572.66
Other Non current Liabilities		14.87	17.41
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>86,546.74</b>	<b>90,050.93</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>	XIV		
(a) Borrowings		10,469.89	12,071.81
(b) Trade payables	XV		
MSME		186.83	88.96
Others		17,408.44	13,793.12
(c) Other Financial Liabilities	XVI	1,191.70	832.94
Other current liabilities	XVII	3,336.49	3,820.37
Current Provisions		538.82	98.01
Foreign Currency Translation		317.85	747.09
<b>TOTAL CURRENT LIABILITIES</b>		<b>33,450.03</b>	<b>31,452.31</b>
<b>GRAND TOTAL</b>		<b>180,082.98</b>	<b>181,844.88</b>
Significant Accounting Policies	XLIV		

The accompanying notes form an integral part of the consolidated financial statements.

## AS PER OUR SEPARATE REPORT OF EVEN DATE

For Avishkar Singhal &amp; Associates

Chartered Accountants

(Regd.No 017362N)

CA Avishkar Singhal

Partner

M.No. 098689

Place: Chandigarh

Date : 28th May, 2022

For and on behalf of the Board of Directors

N. R. Munjal

Chairman

and Managing Director

DIN-00015096

CA L.K. Mahajan

Chief Accounts Officer

Pardeep Verma

AVP - Compliance &amp; CS

Himanshu Jain

Joint Managing Director

DIN-00014533

Gagan Aggarwal

Chief Financial Officer

# CONSOLIDATED STATEMENT OF PROFIT & LOSS

For the year ended 31st March, 2022

(₹ in Lakhs)

	Note No.	Year Ended 31st March, 2022	Year Ended 31st March, 2021
Revenue from Operations	XVIII	103,873.36	89,134.45
Other Income	XIX	4,271.43	2,269.74
<b>Total Revenue</b>		<b>108,144.79</b>	<b>91,404.19</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	XX	56,499.94	45,392.49
Purchase of Stock-in-trade		105.56	
Change in Inventories of FG/WIP/Stock in trade	XXI	(3,946.65)	(247.65)
Employee benefits expense	XXII	11,435.33	10,655.03
Financial Cost	XXIII	9,553.35	10,021.69
Depreciation & amortisation expenses	XXIV	13,103.87	8,729.17
Other Expenses	XXV	20,140.14	15,052.60
<b>Total-B</b>		<b>106,891.54</b>	<b>89,603.34</b>
<b>Profit / (Loss) before exceptional items &amp; Tax</b>		<b>1,253.24</b>	<b>1,800.85</b>
<b>Exceptional items</b>			
Exceptional Item Loss (Profit)		(0.00)	
<b>Profit / (Loss) before Tax</b>		<b>1,253.24</b>	<b>1,800.85</b>
<b>TAX EXPENSE:</b>			
Current Tax		593.78	133.31
Mat credit Utilisation		1,887.76	1,034.66
Deferred Tax (iability)/(Assets)	IV	(1,091.69)	947.60
Income Tax Adjustment of Previous Years		78.30	-
<b>Total Tax expense</b>		<b>1,468.14</b>	<b>2,115.57</b>
<b>Profit/ (Loss) for the period from continuing Operation</b>		<b>(214.90)</b>	<b>(314.72)</b>
<b>Other Comprehensive Income</b>			
A) Items that will be reclassified to P&L A/c		-	-
B) Items that will not be reclassified into P&L A/c			
(Gain)/loss on remeasurements of Investments carried at FVTOCI		-	231.26
Tax on (Gain)/loss on remeasurements of Investments carried at FVTOCI		-	(72.15)
Actuarial (Gain)/loss on remeasurements of Post employee benefits		61.83	(10.48)
Tax on Actuarial (Gain) /loss on remeasurements of employee benefits		(19.29)	3.27
<b>Other Comprehensive (Income) / Loss for the period, net of Tax</b>		<b>42.54</b>	<b>151.90</b>
<b>Total Comprehensive Income/(Loss) for the Period</b>		<b>(257.44)</b>	<b>(466.62)</b>
<b>Earning per equity share:</b>			
(1) Basic		(0.36)	(4.28)
(2) Diluted		(0.36)	(4.28)

## Significant Accounting Policies

The accompanying notes form an integral part of the consolidated financial statements.

## AS PER OUR SEPARATE REPORT OF EVEN DATE

For Avishkar Singhal &amp; Associates

Chartered Accountants

(Regd.No 017362N)

CA Avishkar Singhal

Partner

M.No. 098689

Place: Chandigarh

Date : 28th May, 2022

For and on behalf of the Board of Directors

N. R. Munjal

Chairman

and Managing Director

DIN-00015096

CA L.K. Mahajan

Chief Accounts Officer

Pardeep Verma

AVP - Compliance &amp; CS

Himanshu Jain

Joint Managing Director

DIN-00014533

Gagan Aggarwal

Chief Financial Officer

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2022

(₹ in Lakhs)

	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and Extra-Ordinary Items	1253.24	1800.85
<b>ADJUSTMENTS FOR:</b>		
i) Depreciation	13,103.87	8,729.17
ii) Exchange (profit)/loss	375.44	182.62
iii) Interest on Term loans, NCDS, OCDs & FD	8,853.75	9,076.70
iv) Interest received	(56.21)	(51.28)
v) Loss/(Profit) on sale of fixed assets	1,366.63	-
vi) Income tax adj of previous years	(9.02)	-
vii) Amortisation of Subsidy	(2.53)	(2.53)
viii) Provision for Interest on CC	-	-
ix) Profit on sale of Subsidiary	(1,066.12)	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>23,819.05</b>	<b>19,735.53</b>
<b>ADJUSTMENTS FOR:</b>		
i) Trade & Other Receivables	(2,617.63)	(3,845.41)
ii) Inventories	(5283.37)	(3,284.84)
iii) Other assets	(4,058.76)	(420.16)
iv) Current Liabilities	3,300.31	1,496.01
v) Working Capital Borrowing	(132.17)	(186.43)
<b>Net Cash flow from operating Activities</b>	<b>15027.41</b>	<b>13494.71</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
i) Purchase of fixed Assets Tangible	(1,841.49)	(391.04)
ii) Purchase of fixed Assets Intangible	0.00	(48.62)
iii) Sale of fixed assets	549.81	-
iv) (Purchase)/ Sale of Investments	1712.69	(628.78)
v) Interest Received	56.21	51.28
<b>Net Cash from investing activities</b>	<b>477.22</b>	<b>(1017.16)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
i) Repayment of Term Loans to Banks & Financial Institutions & FD	(3601.18)	(3,985.29)
ii) Interest paid on Term Loans & FD	(10486.51)	(8,389.40)
iii) Proceeds from Term Loans From Banks & Financial Institutions	0.00	-
<b>Net Cash flow from Financing Activities</b>	<b>(14,087.69)</b>	<b>(12,374.69)</b>
<b>Net increase in Cash or Cash Equivalents</b>	<b>1,416.94</b>	<b>102.86</b>
Opening Cash & Cash Equivalents	1160.06	1058.23
Closing Cash & Cash Equivalents	2147.76	1,160.06
Add; unrealised Gain/(loss) in FCTR	429.24	1.03
<b>Closing Cash &amp; Cash Equivalents after FCTR</b>	<b>2,577.00</b>	<b>1,161.10</b>

Significant Accounting Policies

The accompanying notes form an integral part of the consolidated financial statements.

The Company is following Indirect Method of cash flow.

## AS PER OUR SEPARATE REPORT OF EVEN DATE

For Avishkar Singhal &amp; Associates

Chartered Accountants

(Regd.No 017362N)

CA Avishkar Singhal

Partner

M.No. 098689

Place: Chandigarh

Date : 28th May, 2022

For and on behalf of the Board of Directors

N. R. Munjal

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Himanshu Jain

Joint Managing Director

DIN-00014533

Gagan Aggarwal

Chief Financial Officer

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2022

## A Equity Share Capital {Refer Note No. XI}

	No of Equity Shares	Amount of Equity issued	Shares Forfeited	Total Equity (₹ in Lakhs)
<b>Balance as on 31.03.2020</b>	<b>5,90,86,865</b>	<b>5,908.69</b>	<b>71.90</b>	<b>5,980.58</b>
Issued in FY 20-21	0	0.00	0.00	-
<b>Balance as on 31.03.2021</b>	<b>5,90,86,865</b>	<b>5,908.69</b>	<b>71.90</b>	<b>5,980.58</b>
Issued in FY 21-22	0	0.00	0.00	-
<b>Balance as on 31.03.2022</b>	<b>5,90,86,865</b>	<b>5,908.69</b>	<b>71.90</b>	<b>5,980.58</b>

## B. Other Equity [Refer note XII]

Particulars	Reserves and Surplus					Items of Other Comprehensive Income		₹ in Lakhs	₹ in Lakhs
	Capital Redemption Reserve	Securities Premium	Revaluation reserve	General Reserve	Profit & Loss	Capital Reserves	Remeasurement of the defined benefit liabilities /(assets)	Total other Equity	Non-Controlling Interest
Balance as at 1-4-2020	0.02	30,731.01	22,507.12	12,326.78	(7,402.43)	-	(79.52)	58,082.97	- 58,082.97
Profit (Loss) for the Year					(314.72)	-	-	-314.72	- (314.72)
Other comprehensive income for the year (net of tax)					-	-	-151.90	-151.90	- (151.90)
Total comprehensive income for FY 20-21	-	-	-	-	(314.72)	-	(151.90)	(466.62)	- (466.62)
Pursuant to acquisition of controlling interest in subsidiary					92.93	(3,339.26)		(3,246.33)	(8.97) (3,255.30)
Depreciation on revalued assets			(1,432.00)	1,432.00				-	-
Balance as at 31.03.2021	0.02	30,731.01	21,075.12	13,758.78	(7,624.22)	(3,339.26)	(231.42)	54,370.02	(8.97) 54,361.06
Profit (Loss) for the Year					(68.53)	-	-	-68.53	- (68.53)
Other comprehensive income for the year (net of tax)					-	-	-42.54	-42.54	- (42.54)
Total comprehensive income for FY 21-22	-	-	-	-	(68.53)	-	(42.54)	(111.07)	- (111.07)
Pursuant to acquisition of controlling interest in subsidiary					(112.30)	(3,369.27)		(3,481.57)	(11.02) (3,492.59)
Depreciation on revalued assets			(1,425.91)	1,425.91				-	-
Balance as at 31.03.2022	0.02	30,731.01	19,649.21	15,184.69	(7,805.05)	(3,369.27)	(273.96)	54,116.65	(11.02) 54,105.63

## AS PER OUR SEPARATE REPORT OF EVEN DATE

For Avishkar Singhal & Associates  
Chartered Accountants  
(Regd.No 017362N)

**CA Avishkar Singhal**  
Partner  
M.No. 098689

Place: Chandigarh  
Date : 28th May, 2022

For and on behalf of the Board of Directors

**N. R. Munjal**  
Chairman  
and Managing Director  
DIN-00015096

**CA L.K. Mahajan**  
Chief Accounts Officer

**Pardeep Verma**  
AVP - Compliance & CS

**Himanshu Jain**  
Joint Managing Director  
DIN-00014533

**Gagan Aggarwal**  
Chief Financial Officer



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. I : FIXED ASSETS

(₹ in Lakhs)

Particulars	Gross block			Depreciation / amortisation			Net block			
	As on 1st April, 2021	Addition	Sale/ transfer	Classified as asset held for sale/ amortisation	As on 31st March, 2022	As on 1st April, 2021	During the period	Write back/ classified as asset held for sale	As on 31st March, 2022	As on 31st March, 2021
TANGIBLE ASSETS :										
LAND FREE HOLD	5,414.90	-	-	-	5,414.90	-	-	-	-	5,414.90
FACTORY BUILDINGS	23,902.66	121.38	-	-	24,024.05	7,295.33	750.76	-	8,046.09	15,977.96
OFFICE BUILDINGS	282.99	-	-	-	282.99	84.89	4.45	-	89.33	193.65
R&D BUILDINGS	2,391.47	-	-	-	2,391.47	922.96	75.62	-	998.59	1,392.88
BUILDING - PILOT PLANT	170.22	-	-	-	170.22	85.37	5.27	-	90.64	79.57
PLANT&MACHINERY	83,031.56	1,231.49	-	-	84,263.04	38,767.84	10,071.98	-	48,839.82	35,423.22
R&D MACHINERY	7,625.02	83.52	-	-	7,708.54	4,089.18	1,476.22	-	5,565.40	2,143.15
PLANT & MACHINERY - PILOT PLANT	392.34	-	-	-	392.34	295.90	17.10	-	313.00	79.34
ELECTRIC INSTALATIONS	4,592.90	120.36	-	-	4,713.26	3,165.17	441.26	-	3,606.43	1,106.82
FURNITURE & FIXTURES	569.61	10.92	-	-	580.53	459.81	17.11	-	476.92	103.61
OFFICE EQUIPMENTS	392.49	30.49	-	-	422.98	327.87	19.16	-	347.03	75.95
COMPUTER & PERIPHERALS	425.67	58.29	-	-	483.96	343.45	37.85	-	381.29	102.67
VEHICLES	695.06	355.93	(193.91)	-	857.07	500.48	50.43	(165.41)	385.50	471.58
TOTAL (A)	129,886.88	2,012.38	(193.91)	-	131,705.35	56,338.25	12,967.21	(165.41)	69,140.04	62,565.30
Investment property										
Flats & Office	1,791.84	-	(1,458.10)	-	333.74	314.98	28.31	(280.25)	63.03	270.71
TOTAL (B)	1,791.84	-	(1,458.10)	-	333.74	314.98	28.31	(280.25)	63.03	270.71
INTANGIBLE ASSETS										
R&D TECHNOLOGY	106.05	(0.00)	-	(106.05)	0.00	-	106.05	(106.05)	-	0.00
Good Will	21.13	-	(17.62)	-	3.51	-	-	-	3.51	21.13
TOTAL(C)	127.18	(0.00)	(17.62)	(106.05)	3.51	-	106.05	(106.05)	-	3.51
TOTAL(A+B+C)	131,805.90	2,012.38	(1,669.64)	(106.05)	132,042.60	56,653.22	13,101.56	(551.71)	69,203.07	62,839.53
PREVIOUS YEAR	135,838.49	675.80	45.00	(4,663.39)	131,805.90	51,618.14	8,735.32	(3,700.23)	56,653.22	75,152.68
										84,121.93

i) Depreciation on revalued assets amounting to ₹1426.31 Lacs (PY: ₹1432.00) has been provided during the year from the Profit and Loss Account as per the Schedule II of Companies Act 2013 & the same is transferred from Revaluation Reserve to General Reserves.

ii) Investment property includes Mumbai Office Buildings ₹333.74 Lacs which was purchased in the name of the Managing Director of the Company. The Company has entered into an "agreement to sell" and has taken GPA from the Managing Director. The property is yet to be registered in the name of Company.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Title deeds of Immovable Property not held in name of the Company

(₹ in Lakhs)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company**
Investment property	Flat No 304 offices no 102 & 103	-	N. R. MUNJAL	"Managing Director"	Flat 304 : 29/ March/2004 Office 102 & 103 04/March/2011	The Flats No. 304 in Andheri West in Mumbai was initially purchased by Sh. N.R.Munjhal, Managing Director and availed a loan of the same in its own name. During the currency of the loan the flat was taken over by the company and the same could not be transferred in the name of the Company till the tenure of the loan. Since the loan has been repaid so Company will initiate the process of transfer of the Flat. The Offices No. 102 & 103 were purchased in the name of Sh. N. R. Munjal Managing Director and subsequently these were taken over by the Company, but due to stay by Hon'ble Bombay Hlgh court on the transfer of all the offices of the said building the same is held through Power of Attorney only.

- iii) There is no income or expenses directly related to Investment property during the year apart from depreciation disclosed above.
- iv) All borrowing cost is recognised in the statement of Profit & Loss account as they are not directly attributable to acquisition, construction or production of qualifying asset as defended in IND-AS 23 "Borrowing Costs".
- v) The management reassessed remaining useful life of certain assets in the block of plant and equipment with effect from 1 April 2021 based on assessment made by external technical experts. Depending upon the operating conditions and usability of assets, the useful life of the said assets which was hitherto 20 years have been revised to in the range of 5-25 years. Due to this reassessment of remaining useful life, the depreciation for the year ended 31 March 2022 is higher by ₹74.15 Crores, whereas the Profit after Tax for the corresponding period is lower by ₹51.02 Crores respectively.

## (vi) Capital Work In Process (Tangible)

(₹ in Lakhs)

Description	Opening Balance	Addition	Capitalised	Closing Balance
Plant & Machinery	894.50	1,069.48	1,214.04	749.94
Electric Instalations	61.99	103.03	117.38	47.64
Factory Buildings	111.32	140.49	121.38	130.43
Freight	2.40	5.00	4.53	2.87
<b>Total</b>	<b>1,070.21</b>	<b>1,318.01</b>	<b>1,457.33</b>	<b>930.89</b>

## (vii) CWIP AGEING : TANGIBLE

(₹ in Lakhs)

CWIP	< 1 Year	1-2 Years	2-3- Years	> 3 Years	Total
Projects In Progress	527.05	286.95	56.51	60.38	930.89
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>527.05</b>	<b>286.95</b>	<b>56.51</b>	<b>60.38</b>	<b>930.89</b>

## (viii) Capital Work In Process (Intangible)

(₹ in Lakhs)

Description	Opening Balance	Addition	Capitalised	Closing Balance
Software in Progress	814.08	0.00	714.08	100.00

\*During the earlier years Company had capitalized the expenditure pertaining to SAP software. During the current year the management believes that the economic benefit derived from use of SAP is not as expected and accordingly as required by para 24.13 of Ind-AS 38 "Intangible Assets" company has de-recognised the excess balance of SAP being the difference between the carrying amount and the expected realisable value while re-implementing.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## CWIP INTANGIBLE ASSETS :

(₹ in Lakhs)

Intangible Assets under developments	< 1 Year	1-2 Years	2-3- Years	> 3 Years	Total
Projects In Progress	100.00	0.00	0	0.00	100.00
Projects temporarily suspended	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>100.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>100.00</b>

## Note No. : II

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>a) Other Investments : (Carried at FVTOCI)</b>		
i) Investment in Essix Biosciences Limited		
12,35,000 Equity Share of ₹10/- each fully paid up	536.24	536.24
ii) Investment in Nimbua Green Field (Punjab) Ltd		
1,40,625 Equity Share of ₹10/- each fully paid	14.06	14.06
iii) Investment in Mohali green investment Pvt. Ltd		
1,85,000 shares of ₹10 each	18.50	18.50
iv) Investment in Hackim Fariyand Chemi Company	-	586.57
<b>b) Investments by Domestic subsidiaries: (Carried at Cost)</b>		
in Shares	580.55	580.55
in 0% Debentures	1,756.93	1,816.93
<b>Total</b>	<b>2,906.27</b>	<b>3,552.84</b>

## Calculation of capital reserves on acquisition

Particulars	Fortune (india) cosntructions Ltd
Investment	7,248.40
Less: Fair value of identifiable net assets/ (net liabilities) acquired	7,071.07
Capital reseve arising on acquisition	177.33

## Note No. : III

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Non-Current Financial Assets</b>		
(a) Security Deposits	290.90	611.43
	<b>290.90</b>	<b>611.43</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : IV

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Deferred Tax:</b>		
The Break Up of Deferred Tax Liabilities/(Assets)		
as at March 31, 2022 is as under:		
Deferred Tax Liabilities		
Taxable Temporary Difference on account of :		
Depreciation	4,924.67	7,340.35
<b>Total</b>	<b>4,924.67</b>	<b>7,340.35</b>
<b>Deferred Tax Assets</b>		
Taxable Temporary Difference on account of :		
Provision for Gratuity/Bonus/EL Encashment/commission	666.51	603.07
Interest disallowed under section 43B	-	-
Investment at FVTOCI	72.15	72.15
NCD valuation difference as per IND AS	6,133.59	7,501.71
<b>Total Deferred Tax Assets</b>	<b>6,872.25</b>	<b>8,176.93</b>
MAT Credit entitlement	3,242.25	5,199.29
<b>Deferred Tax Assets /(Liability) net</b>	<b>5,189.83</b>	<b>6,035.87</b>
<b>Deferred Tax Assets /(Liabilities) Charged to OCI</b>	<b>(19.29)</b>	<b>68.88</b>
<b>Deferred Tax Assets /(Liabilities) Charged to P&amp;L A/c</b>	<b>(1,091.69)</b>	<b>947.60</b>

## Note No. : V

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Non - Current Assets</b>		
<b>(Unsecured but Considered Good)</b>		
<b>Capital Advances</b>		
Related Party	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Note No. : VI

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>(a) Inventories</b>		
(As per inventories taken, valued & certified by the Management)		
Raw Materials	8,928.77	8,504.33
Work in Process	19,142.25	16,566.80
Finished Goods*	11,713.08	10,663.63
Goods-in-Transit (Raw material)	1,920.46	914.32
Stores & Consumables	1,145.48	917.59
<b>Total</b>	<b>42,850.03</b>	<b>37,566.66</b>

\*Finished Goods inventory includes material lying at port

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : VII

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Trade Receivables</b>		
- Unsecured Considered good*	45,478.40	43,238.79
<b>Total</b>	<b>45,478.40</b>	<b>43,238.79</b>
*Includes Amounts due from Related Parties	23,504.24	25,281.44

## Note No. : VIII

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Cash and Cash equivalents</b>		
Cash balance in hand	20.41	52.21
<b>Bank balances with Scheduled Banks :</b>		
Fixed Deposits With Banks*	1,002.68	994.76
Interest accrued	15.55	17.05
Current Accounts	1,109.12	96.05
<b>Total</b>	<b>2,147.76</b>	<b>1,160.06</b>

\*Fixed Deposits With Banks include Margin monies against LC and margin monies against liquid funds for public deposits.

## Note No. : IX

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
Other current Financial assets		
(a) Advance Custom Duty Paid /Export Incentive Scheme	661.97	618.58
(b) GST refund receivable	3,057.94	3,965.48
(c) Financial Guarantee to related party	1,189.00	830.22
<b>Total</b>	<b>4,908.91</b>	<b>5,414.29</b>

## Note No. : X

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Current Assets</b>		
<b>(a) Loans and advances (Unsecured but considered good)</b>		
-Related Parties -Subsidiary	(0.00)	(0.00)
-Related Parties	5,276.80	227.95
-Others Advances to Creditors	4,913.20	5,112.77
<b>(b) Others</b>		
-Indirect Taxes Recoverable - Cenvat/Vat /GST	866.10	619.51
-Advance Tax/TDS	454.69	406.19
-Prepaid Expenses	502.82	218.16
-Advances recoverable in cash or in kind or value to be received	38.52	224.11
<b>Total</b>	<b>12,052.13</b>	<b>6,808.69</b>

\* Loans/advances represents advances to Related parties for Business purpose only.

\* In the month of March 2022, company has provided ₹49.94 crores loan to its group company Ind-swift Ltd at 10% Rate of interest.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XI

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Share Capital</b>		
<b>a) Authorised</b>		
Balance as per Last Balance Sheet:	6,000.00	6,000.00
Addition during the year	-	-
Nil (Previous Year NIL) Equity share of ₹10/- Each	-	-
6,00,00,000 (Previous Year 6,00,00,000) Equity Shares of ₹10/- Each	6,000.00	6,000.00
<b>b) Issued, Subscribed &amp; Paid Up</b>		
Balance as per Last Balance Sheet:	5,908.69	5,908.69
Addition during the year :-	-	-
5,908,69,18 (Previous Year 5,908,69,18) Equity Shares of ₹10/-each fully called up and paid up.	5,908.69	5,908.69
<b>c) Share Forfeited</b>		
Share Warrants Forfeited Account	63.23	63.23
Equity Share Forfeited Account (1,75,900 shares )	8.67	8.67
	<b>71.90</b>	<b>71.90</b>
<b>Total</b>	<b>5,980.58</b>	<b>5,980.58</b>

## d) Shares held by promoters at the end of the year :-

Shares held by promoters & Persons Acting in Concert (PAIC) at the end of the year	No. of Shares held	% of total shares
<b>i) Promoter</b>		
Ind-Swift Limited	9,499,720	16.08
Essix Biosciences Limited	12,827,787	21.71
N. R. Munjal	920,724	1.55
Himanshu Jain	406,961	0.68
Rishav Mehta	454,545	0.77
Sanjeev Rai Mehta	233,600	0.4
Gopal Munjal	60,900	0.1
Vikrant Rai Mehta	52,900	0.09
<b>ii) PAIC</b>		
Neera Mehta	249,000	0.41
Sunita Jain	46,100	0.08
Meenakshi Mehta	12,000	0.02
Neeta Munjal	12,000	0.02
Nidhi Munjal	12,000	0.02
Ravi Mehta	12,000	0.02
Sahil Munjal	6,766	0.01
Bhanavi Mehta	3,000	0.01
Divya Munjal	3,000	0.01
Ishav Mehta	3,000	0.01
Annie Mehta	2,780	0.01
<b>TOTAL</b>	<b>24,818,783</b>	<b>42</b>

During the Financial year 2021-22 there is no change of the promoters holding

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## e) List of Shareholders holding more than 5 % shares

Name	No. of shares	No. of shares
	As on 31st March, 2022	As on 31st March, 2021
Ind Swift Ltd	9,499,720	9,499,720
	16%	16%
Essix Biosciences Ltd	12,827,787	12,827,787
	22%	22%
EC Special Situations Fund	4,031,184	4,031,184
	7%	7%
Edelweiss India Special Situations Fund II	6,160,802	6,160,802
	10%	10%

## Note No. : XII

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Equity</b>		
<b>(A) Reserves &amp; surplus</b>		
(a) Capital Redemption Reserve	0.02	0.02
(b) Securities Premium		
Opening Balance	30,731.01	30,731.01
Addition during the year	-	-
	<b>30,731.01</b>	<b>30,731.01</b>
(c) Revaluation Reserve		
Opening balance	21,075.12	22,507.12
Addition (decrease) during the year	-	-
Less: Depreciation charges on revalued assets trf to General reserve	1,425.91	1,432.00
	<b>19,649.21</b>	<b>21,075.12</b>
(d) General Reserve		
As per Last Balance Sheet	13,758.78	12,326.78
Add: Trf from ESOP	-	-
Add: Dep on revalued assets Deducted from Revaluation Reserves	1,425.91	1,432.00
	<b>15,184.69</b>	<b>13,758.78</b>
(e) Retained Earnings		
As per Last Balance Sheet	(7,624.22)	(7,402.43)
Profit/(loss) of Associates	-	-
Profit/(loss) adjustemt in pursuance of purchase of controlling interest in associate	(112.30)	92.93
Add: Profit(Loss) for the year closing	(68.53)	(314.72)
<b>Closing</b>	<b>(7,805.05)</b>	<b>(7,624.22)</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

Particulars	As At 31st March, 2022	As At 31st March, 2021
(f) Capital reserve		
As per Last Balance Sheet	-	-
Add: Pursuant to acquisition of controlling interest	(3,369.27)	(3,339.26)
<b>Closing</b>	<b>(3,369.27)</b>	<b>(3,339.26)</b>
<b>Total (A)</b>	<b>54,390.61</b>	<b>54,601.45</b>
<b>(B) Items of other Comprehensive Income</b>		
a) Remeasurement of the defined benefits liabilities /(assets)		
Opening balance	(231.42)	(79.52)
Add/(Less): Movement during the year(net of Tax)	(42.54)	(151.90)
<b>Closing Balance</b>	<b>(273.96)</b>	<b>(231.42)</b>
<b>Total (B)</b>	<b>(273.96)</b>	<b>(231.42)</b>
<b>Other Equity Attributable to equity holders of the Company (A+B)</b>	<b>54,116.65</b>	<b>54,370.03</b>
<b>(C) Non-Controlling interest</b>		
As per Last Balance Sheet		
Add: Pursuant to acquisition of controlling interest	(11.02)	(8.97)
<b>Closing</b>	<b>(11.02)</b>	<b>(8.97)</b>

## Nature and purpose of each reserve

**Securities premium** - The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium. It is utilised in accordance with the provisions of the Companies Act, 2013.

**Revaluation reserves** - This reserve has been created at the time of re-valuation of Fixed assets of the company. The same is getting utilised in accordance with provisions of Ind-AS.

**General reserve** - The reserve arises on transfer portion of the net profit pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

**Retained Earnings** - Retained earnings are the profits that the company has earned till date, less any transfers to other reserves, dividends or other distribution paid to its equity shareholders general reserve is not required under the Companies Act, 2013.

**Remeasurement of the defined benefit liabilities /(asset)** - The cumulative balances of actuarial gain or loss arising on remeasurements of defined benefit plan is accumulated and recognised with in this component of other comprehensive income. Items included in actuarial gain or loss reserve will not be reclassified subsequently to statement of profit and loss.



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XIII

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Non-current liabilities</b>		
<b>Financial Liabilities</b>		
(a) Borrowings		
Secured Loans		
a) Debentures		
(i) Non Convertible debenture *	78,792.73	79,356.40
(ii) 0% Optionally Convertible Redeemable Debentures	871.62	871.62
b) Term Loans		
(i) From ARCs	4,986.92	8,184.63
Unsecured Loans:-		
(i) Public Deposits	-	-
c) Vehicle Loans	127.09	-
<b>Total</b>	<b>84,778.35</b>	<b>88,412.65</b>
* NCDs of ₹787.93 crore is depicting the fair value of debentures in accordance with accounting standards whereas the actual liability payable as on 31-March-2022 is ₹666.26 crores		
(b) Lease Liability:-		-
(i) Land Lease	50.62	48.21
	<b>50.62</b>	<b>48.21</b>
<b>Provisions</b>		-
(i) Gratuity Payable	1,400.49	1,254.72
(ii) Compensated absences	302.40	317.94
<b>Total</b>	<b>1,702.89</b>	<b>1,572.66</b>
<b>Other Non current Liabilities</b>		
(i) Deferred Income - Capital Subsidy	14.87	17.41
<b>Total</b>	<b>14.87</b>	<b>17.41</b>

## Note No. : XIV

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Current Liabilities</b>		
<b>(a) Financial Liabilities</b>		
Borrowings		
Secured Loan		
(i) Borrowings for working capital	5,948.59	6,080.76
(ii) Current Maturity of Term Loans from Banks/Fl	3,067.25	2,728.96
Unsecured Loan & others		
(i) Public Deposits	437.01	468.38
(ii) Others -IFCI	17.08	724.66
(iii) Interest accrued on bank borrowing & Others	999.97	2,069.05
<b>Total</b>	<b>10,469.89</b>	<b>12,071.81</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## (a) Maturity profile of term Loans:-

### Secured loan from Banks /ARC outstanding as on 31st March, 2022

Particulars & Interest Rate	Amount (in Lakhs)	Instalment Due F.Y 2022-23	After F.Y 2022-23
NCD (Edelweiss)	78,792.73	-	78,792.73
Asset Reconstruction Company (India ) Ltd	555.16	555.16	-
Edelweiss Asset Reconstruction Company Ltd (Trustee)	7,499.00	2,500.00	4,999.00
Vehicle Loans	127.09	12.08	115.00
<b>Total</b>	<b>86,973.97</b>	<b>3,067.25</b>	<b>83,906.73</b>

- (b) The NCDs amounting to ₹424.50 crores raised through private placement of 10% Secured Listed Rated Redeemable. It consists of 4245 Numbers of Non- Convertible Debentures @ ₹10 Lacs each redeemable at premium at the end of 6 years so that the total IRR on the amount so raised shall be 20%.
- (c) Edelweiss Assets Reconstruction Company Limited (EARCL) Term loan of ₹132 Crores @ 9% p.a payable in 23 quarterly instalments starting from 30.09.18. The current outstanding amount is ₹74.99 crores.
- (d) During the year under review the Company has made re-payment of Fixed Deposits amounting to ₹31.37 Lakhs. The Company has completed the re-payment of the Deposits as per the re-payment scheme approved by the Hon'ble Company Law Board vide its order dated 30th March, 2013. Few of the fixed deposits holders have however not encashed their Fixed Deposits repayments due to which the amount due to them remain unclaimed as at the year end . The Company is committed to make those repayments as and when the valid claim for the same is filed by the respective Deposit holder.

## e) Detail Of Charges On Assets

- (1) The Non Convertible Debenture ( NCD) of ₹424.50 crores ; Asset Reconstruction Company India limited (ARCIL) debt of ₹5.55 crores (P.Y ₹9.15 crores) ; Edelweiss Assets Reconstruction Company limited debt of ₹74.99 crores (P.Y ₹99.99 crores) is secured as under:
- a first ranking pari passu charge over the entire fixed assets ( both present and future ) of the borrower by way of an equitable mortgage, in favour of "Security trustee 1" for the benefit of the respective lenders and
  - a second ranking pari passu charge over the entire current assets on the borrower in favour of "Security trustee 2" for the benefit of the respective lenders and
  - unconditional and irrevocable on demand personal guarantee from each promoter to the extent of their respective net worth in the form acceptable to the lenders and the security Trustee 1 in the favour of the "Security Trustee 1" for benefit of the respective lenders and
  - unconditional and irrevocable on the demand corporate guarantee from each of the affiliate companies in the form acceptable to the lenders and the "Security Trustee 1" in the favour of the "Security Trustee 1" for the benefit of the respective lenders and
  - Pledge of Promoters Group Shareholding in the borrower (2,15,56,851 no of shares out of the fully diluted equity share capital of the borrower as on the effective date), free of all encumbrances.

Note: The Company has appointed M/s Vistra ( ITCL) Limited as Debenture Trustee for the benefit of the NCDs & M/s IDBI Trusteeship Services limited as the Security Trustee to hold the Security on behalf of all the lenders including the NCD holders.

- 2) Bank borrowings for working capital ₹59.49 crores (P.Y. ₹60.81 Crores) from Bank of India & I.D.B.I., are secured by :-

- a first ranking pari passu charge over the entire current assets on the borrower in favour of "Security trustee" for the benefit of the respective lenders and

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

- (ii) a second ranking pari passu charge over the entire fixed assets (both present and future) of the borrower by way of an equitable mortgage, in favour of "Security trustee" for the benefit of the respective lenders and
- (iii) unconditional and irrevocable on demand personal guarantee from each promoter to the extent of their respective net worth in the form acceptable to the lenders and the security Trustee in the favour of the "Security Trustee" for benefit of the respective lenders and
- (iv) unconditional and irrevocable on the demand corporate guarantee from each of the affiliate companies in the form acceptable to the lenders and the "Security Trustee" in the favour of the "Security Trustee" for the benefit of the respective lenders and
- (v) Pledge of Promoters Group Shareholding in the borrower (2,15,56,851 no of shares out of the fully diluted equity share capital of the borrower as on the effective date), free of all encumbrances.

## Note No. : XV

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Trade Payable:</b>		
(i) MSME	186.83	88.96
(ii) Other Creditors	17,408.44	13,793.12
<b>Total</b>	<b>17,595.27</b>	<b>13,882.08</b>

(i) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006. There are no material dues owed by the Group to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at March 31, 2021. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group and has been relied upon by the auditors.

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each year		
- Principal amount due to micro and small enterprises	88.96	29.44
- Interest due on the above	-	-
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(iv) The amount of interest accrued and remaining un-paid at the end of each accounting year	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

Particulars	As At 31st March, 2022	As At 31st March, 2021
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-
The above disclosures are provided by the Group based on the information available with the Group in respect of the registration status of its vendors/suppliers.		
All trade payables are current. The Group's exposure to the currency and liquidity risks related to trade payables is disclosed in note no 51.		

## Note No. : XVI

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Financial Liabilities</b>		
(i) Land Lease	2.70	2.72
(i) Financial Guarantee to Related party	1,189.00	830.22
<b>Total</b>	<b>1,191.70</b>	<b>832.94</b>

## Note No. : XVII

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Other Current Liabilities:</b>		
(i) Advances from Customers	1,471.33	1,782.27
(ii) Statutory Liabilities	575.99	525.17
(iii) Expenses Payable	1,286.65	1,510.39
(iv) Current Maturity of Government Grants	2.53	2.53
<b>Total</b>	<b>3,336.49</b>	<b>3,820.37</b>
i) Statutory Liabilities include TDS/TCS payable, ESI Payable, PF payable, Labour welfare Payable, GST Payable, professional tax etc.		
ii) Expenses payable include Salary, wages, Bonus, Short term compensated absences and gratuity payable, Audit Fees, Electricity Exp payable etc.		
<b>Current Provisions</b>		
(i) Income Tax	538.82	98.01
<b>Total</b>	<b>538.82</b>	<b>98.01</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XVIII

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Revenue From Operations</b>		
<b>1) Disaggregated revenue information</b>		
Set out below is the disaggregation of the Company's revenue from contracts with customers:		
Type of goods or service		
Sales of APIs		
Sale of manufactures Products	103,749.31	89,078.44
Sale of Services	14.27	56.01
Sale of traded Products	109.78	-
<b>Total</b>	<b>103,873.36</b>	<b>89,134.45</b>
Revenue within India	24,993.25	21,885.79
Revenue Outside India	78,880.11	67,248.66
<b>Total</b>	<b>103,873.36</b>	<b>89,134.45</b>
Timing of revenue recognition		
Goods transferred at a point in time	103,873.36	89,134.45
<b>Total</b>	<b>103,873.36</b>	<b>89,134.45</b>
<b>2) Contract balances</b>		
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
Contract Assets		
Trade receivables	48,918.41	43238.79
Contract liabilities		
Advances from customers	1,471.33	1782.27
<b>3) Reconciling the amount of revenue recognised in the statement of P&amp;L with the contracted price</b>		
Revenue as per contracted price	1,04,823.00	89,815.74
Adjustments		
Sales return	949.64	681.29
<b>NET TOTAL</b>	<b>1,03,873.36</b>	<b>89,134.45</b>
<b>4) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at 31st March, 2022 are, as follows</b>		
Advances from customers	1,471.33	1,782.27
	<b>1,471.33</b>	<b>1,782.27</b>

## Note No. : XIX

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Other Income</b>		
Export Incentive & other Operating Income	1,339.27	1,543.18
Forex Fluctuations-gain (Expenses)	1,476.32	327.24
Interest Income	56.21	51.28
Other Non operating Income	1,399.62	348.04
<b>Total</b>	<b>4,271.43</b>	<b>2,269.74</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XX

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Expenses</b>		
<b>Cost of material consumed/sold</b>		
Opening Stock	8,975.69	7,525.33
Add :-		
Purchases	58,025.66	46,488.23
	<b>67,001.34</b>	<b>54,013.56</b>
Less: Closing Stock	10,395.84	8,621.07
<b>Total</b>	<b>56,605.50</b>	<b>45,392.49</b>

## Note No. : XXI

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Increase /Decrease In Inventory</b>		
<b>Opening Stock</b>		
Work in Process	16,565.42	17,118.65
Finished Goods	8,894.93	8,094.06
<b>Total</b>	<b>25,460.35</b>	<b>25,212.70</b>
<b>Closing Stock</b>		
Work in Process	19,142.25	16,565.42
Finished Goods/Stock in Trade	10,264.75	8,894.93
	<b>29,407.00</b>	<b>25,460.35</b>
<b>Total</b>	<b>(3,946.65)</b>	<b>(247.65)</b>

## Note No. : XXII

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Employee Benefits Expenses</b>		
<b>Directors Remuneration</b>		
--Salary & Allowances	968.68	868.47
--Contribution to P.F.	0.86	0.86
Salary & Allowance	2,183.51	2,376.50
Salary & Wages	7,590.38	6,754.57
P.F. & Other Funds	352.49	344.74
Staff Welfare Expenses	125.07	107.36
Recruitment Expenses	1.28	2.12
Gratuity Premium	212.33	198.76
Training & Development Expenses	0.73	1.64
<b>Total</b>	<b>11,435.33</b>	<b>10,655.03</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXIII

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Finance Cost</b>		
Interest on Term Loans	883.06	1,171.39
Interest on Debentures	7,970.69	7,874.90
Interest on Working Capital	291.53	289.03
Bank Charges & Others	408.07	686.37
<b>Total</b>	<b>9,553.35</b>	<b>10,021.69</b>

## Note No. : XXIV

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Depreciation &amp; Amortisation Expenses</b>		
Depreciation	13,103.87	8,729.17
<b>Total</b>	<b>13,103.87</b>	<b>8,729.17</b>

## Note No. : XXV

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>Other Expenses</b>		
<b>Manufacturing Expenses</b>		
Job Work Charges	480.60	437.84
Power, Fuel & Water Charges	5,754.08	3,731.36
Stores & Spares	1,331.31	1,441.81
Repair & Maint. :		
Plant & Machinery	352.07	328.96
Buildings	192.56	267.76
Electrical	175.43	152.97
Other Manufacturing Expenses	127.53	118.45
<b>Total</b>	<b>8,413.58</b>	<b>6,479.17</b>
<b>Administrative &amp; Other Expenses</b>		
Travelling & Conveyance	44.51	22.45
<b>Auditors Remuneration :</b>		
--Audit Fees	4.59	4.00
--Certification Fees	1.00	1.00
--Out of Pocket Exp.	0.65	0.67
Lease Rent - Short Term	51.58	53.71
Rate Fee & Taxes	170.32	86.17
Insurance Charges	430.09	427.17
Legal & Professional Charges	435.70	189.32
Printing & Stationary	99.85	95.72
Vehicle Running & Maint.	251.15	193.12



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Telephone & Postage	46.27	38.05
Office Expenses	585.69	419.86
Charity & Donation	3.77	32.72
Listing Fees	5.70	6.01
Books & Periodicals	0.88	0.86
Meeting, Membership & Subscription Fees	43.78	42.21
Security Expenses	115.08	107.40
Repair & Maintenance-General	279.04	128.00
Corporate Social Responsibility Expenses, (Refer Note No XXXVI)	22.27	129.67
Other Expenses	24.03	23.67
<b>Total</b>	<b>2,615.94</b>	<b>2,001.77</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Publicity	0.98	0.65
Business Promotion	22.60	75.93
Commission on Sales	2,108.41	1,577.04
Packing Material	494.65	342.67
Freight Outward	1,603.94	1,211.39
Insurance Charges	92.14	53.75
ECGC Premium	6.08	8.22
Other Expenses	143.58	0.72
<b>Total</b>	<b>4,472.37</b>	<b>3,270.34</b>
<b>Research &amp; Development Expenses (DB)</b>		
Salary & Wages (R&D)	215.58	199.47
Consumables, Chemicals & Regents	429.78	437.65
Technical Study & Consultancy & Product Registration	28.80	10.88
<b>Total</b>	<b>674.15</b>	<b>647.99</b>
<b>Research &amp; Development Expenses (Mohali)</b>		
Raw Material, Consumables, Lab Chemicals & Reagents	1,294.87	1,401.15
Salary & Wages	1,058.25	998.02
Utility & Running/Maint Expenses	99.42	93.63
Analytical Fees & Study	15.55	18.19
Finance & Interest Charges	(76.89)	(1.65)
Patent Filling	2.82	2.83
Corporate Social Responsibility Expenses, (Refer Note No XXXVI)	-	14.89
Administrative Expenses	203.45	126.27
<b>Total</b>	<b>2,597.46</b>	<b>2,653.34</b>
Loss/(Profit) on Sale of Fixed Assets	656.55	-
Intangible Assets Written off	710.08	-
<b>Total</b>	<b>1,366.63</b>	<b>-</b>
<b>Grand Total-Note No XXV</b>	<b>20,140.14</b>	<b>15,052.60</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXVI

### Contingent liabilities not provided for:

(₹ in Lakhs)

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>a. Letter of Credit against purchase of raw material:</b>		
Domestic	1152.80	1004.43
Import	2332.82	2702.62
<b>b. Bank Guarantees</b>		
Inland	4.25	20.00
<b>c. Export obligation in respect of custom duty :</b>	77.73	281.55
d. Contingent Liabilities in respect of unassessed/assessed (Pending in Appeal) cases of Income Tax, Excise Duty, Sales Tax, Service Tax and Bonus Act.	Unascertained	Unascertained

## Note No. : XXVII

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances) ₹374.63 Lacs (P.Y. ₹582.43 lac )

## Note No. : XXVIII

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

## Note No. : XXIX

Other expenses under head administrative expenses includes ₹4,35,000.00 (Previous Year ₹3,42,500.00) paid to directors as sitting fee.

## Note No. : XXX

Earning per share is calculated as shown below:-

Particulars	As At 31st March, 2022	As At 31st March, 2021
<b>Profit available for Basic EPS (A)</b>	<b>(214.90)</b>	<b>(314.72)</b>
Interest on OCDs (net of Tax) (B)	0.00	423.92
<b>Profit available for Diluted EPS (A+B)</b>	<b>(214.90)</b>	<b>109.20</b>
For Basic Earning		
No of weighted average equity shares	5,90,86,860	5,90,86,860
For Diluted Earning		
No of weighted average of Diluted Equity Shares	5,90,86,860	5,90,86,860
Nominal Value of Equity Share	10.00	10.00
<b>Earning Per Share (₹)</b>		
Basic	(0.36)	(0.53)
Diluted	(0.36)	(0.53)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXXI

In accordance with IND-AS 24, 'Related Party Disclosures', issued by the Institute of Chartered Accountants of India, the Company has compiled the following information :

### a. List of related parties and their relationship

<b>Key Management personnel/Directors</b>	Sh. N.R. Munjal, Chairman cum Managing Director
	Sh. Himanshu Jain, Jt. Managing Director
	Sh. Rishav Mehta, Director
	Sh. Sahil Munjal, Director
	Sh. Sunil Deshmukh, CEO
	Sh. Gagan Aggarwal, Chief Financial Officer
	Sh. Pardeep Verma, AVP- Compliance & CS
<b>Joint ventures/Associates</b>	Indis Healthcare LLP
<b>Others (Entities in which KMP or their relative is a Director; or KMP or their relative exercises control)</b>	Dashmesh Medicare Private Limited
	Essix Biosciences Limited
	Ind Swift Limited
	Nimbua Green Field (Punjab) Limited
	Mohali Green Environment Private Limited
	Punjab Renewable Energy Pvt Ltd.
	Saidpura Envirotech Private Limited
	Swift Fundamental Research & Education Society
	Sislax Pharma Pvt. Ltd.
	Vibrant Agro Industries Limited

(₹ in Lakhs)

Particulars	Others (Entities in which KMP or their relative is a Director; or KMP or their relative exercises control)		Associates	
Nature of Transactions	2021-22	2020-21	2021-22	2020-21
<b>1) Transactions during the year</b>				
Purchase	5,922.05	6,191.97	-	-
Sales	5,966.80	6,259.63	-	-
Salary	1,167.27	930.62	-	-
Expenses	598.06	491.50	-	-
Service taken/Capital Exp.			-	-
<b>2) Outstanding Balances</b>				
Investment	568.80	568.80	-	-
Loan & Advances Given	5,276.80	227.95	-	-
Debtors	23,504.23	25,281.44	-	-
Advances Received	-	-	-	-
Capital Advances	-	-	-	-

\* Related party balances of similar nature are grouped in accordance with para 24 of Ind-AS 24 "Related Party Disclosures"

\* Related Party Transaction during the year are considered without taxes.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXXII

The balance in the parties accounts whether in debit or credit are subject to confirmation, reconciliation and adjustment. The impact of the same on the accounts at the year end is not ascertained.

## Note No. : XXXIII

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

(Amount in ₹)

Particulars	Year Ended 2021-22	Year Ended 2020-21
Statutory Audit Fees	4,00,000	4,00,000
Certification Fees	1,00,000	1,00,000
	<b>5,00,000</b>	<b>5,00,000</b>

## Note No. : XXXIV

**Other Current Assets include due from**

(₹ in Lakhs)

	Year Ended 2021-22	Year Ended 2020-21	Maximum amount due during the year	
	2021-22	2020-21	2021-22	2020-21
CFO	12.76	12.76	12.76	12.76
CS	8.21	8.21	8.21	12.67

## Note No. : XXXV

**Foreign Currency Expenditure & Income :-**

(₹ in Lakhs)

	2021-22	2020-21
<b>1 Expenditure in Foreign Currency :</b>		
Commission on Sales	1851.37	1054.12
Others	89.54	105.21
<b>Total</b>	<b>1940.91</b>	<b>1159.33</b>
<b>2 Earnings in Foreign Currency</b>		
Sale of Goods	74525.74	63772.05
Sale of Services	14.27	0.00

## Note No. : XXXVI

**Expenditure on corporate Responsibility :**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds were primarily allocated to activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	(₹ in Lakhs)
(a) Gross amount required to be spent during the year	51.74
(b) Amount Spent During the year	22.27
(i) Construction /acquisition of any asset	0.00
(ii) on Purpose other than (i) above	22.27
Balance carried forward to Next Years from current year	0.00
Opening Balance brought forwarded from prevoius year	87.60
Balance Lapse during the year	0.00
Closing Balance carried forward to Next Year	58.13

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XXXVII

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Ratios as on</b>		
(a) Current Ratio	3.22	3.00
(b) Debt-Equity Ratios	2.35	2.56
(c) Debt service coverage ratio	1.75	1.32
(d) Return on equity ratio	(3.64)	(5.33)
(e) Inventory turnover ratio	2.70	2.48
(f) Trade receivable turnover ratio	2.34	2.15
(g) Trade payables turnover ratio	3.69	3.39
(h) Net capital turnover ratio	17.58	15.09
(i) Net profit ratio	(0.21)	(0.35)
(j) Return on capital employed	(0.53)	(0.80)
(k) Return on Investment	(2.05)	(4.01)

## Note No. : XXXVIII

### Impact of COVID-19

The company believes strongly that it has a rich portfolio of goods to partner with the customers, yet the future revenue streams could be impacted given the current crisis situation resulting in erratic supply of imported Raw Material from the foreign suppliers, particularly from China.

The Company has considered such impact to the extent known and available to us currently. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration.

The Company has taken steps to assess the cost budgets required to complete its performance obligations in respect of fixed price contracts and also has incorporated the impact of likely delays/increased cost in meeting its obligations, if any. The Company has also assessed the impact of any delays/inability to meet contractual commitments and has taken actions in light of the current crisis to ensure that revenue recognition in such cases reflect realizable values.

The impact assessment of COVID-19 is dynamic, no one knows if any disruption might happen due to any reason of COVID-19. It may also further impact the contractual commitments beyond anticipations.

## Note No. : XXXIX

### Lease Liability in accordance with Ind-AS 116

The incremental borrowing rate applied to lease liabilities is 10%.

The movement in ROU - Asset during the year ended 31st March, 2022 is as follows :-

(₹ in Lakhs)

Particulars	ROU Assets -Land
Balance as at April, 2021	189.68
Addition	0.00
Depreciation	2.31
<b>Balance as at 31st March, 2022</b>	<b>187.37</b>

The aggregate depreciation expenses on ROU assets is included under depreciation and amortisation expenses in statement of profit & loss account.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

The break up of current & non current lease liabilities as at 31st March, 2022 is as under.

(₹ in Lakhs)

Particulars	As at 31st March, 2022
Non Current Liability	50.62
Current Liability	2.70
<b>Total</b>	<b>53.32</b>

The movement in lease liabilities during the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Year ended 31st March, 2022
Balance at the beginning	50.93
Finance cost accrued during the period	5.09
Payments of Lease Liabilities	2.70
Balance at the end	53.32

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows :

Particulars	Year ended 31st March, 2022
Less than one year	2.70
One to five years	12.47
More than five years	2,616.53

## Note No. : XL

### Segment Reporting

The Company operates only in one business segment viz. Bulk Drugs & Pharmaceuticals. However the figures in Segment Reporting is based on geographical location of its customers.

(₹ in Lakhs)

	In India	Outside India	Total
Revenue	24,269	79,604	1,03,873
	(21,886)	(67,249)	(89,134)
Results	8,565	28,859	37,424
	(8,061)	(25,351)	(33,412)
Less: Financial Expenses			9,553
			(10,022)
Less: Unallocated Expenses			30,967
			(23,859)
Add: Operating Income			4,271
			(2,270)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

	In India	Outside India	Total
Add: Exceptional Items			-
Less: Income Tax Provision			593,78
			133.31
Add: Mat Credit Entitlement			(69.28)
Add: Mat Utiliastion			1,888
			(1,104)
Add: Deferred Tax			-1,092
			(948)
Profit\ (Loss) After Tax			(284.01)
			(314.72)
Other Information			
Segment Assets	27,514	20,735	48,249
	(36,495)	(13,632)	(50,127)
Unallocated Assets			1,31,834
			(1,31,718)
<b>Total Assets</b>			<b>1,80,083</b>
			<b>(1,81,845)</b>
Segment Liabilities	12,398	5,196	17,594
	(9,571)	(4,309)	(13,880)
Unallocated Liabilities			1,62,489
			(1,78,801)
<b>Total Liabilities</b>			<b>1,80,083</b>
			<b>(1,92,681)</b>
Capital Expenditure			1,841
			(391)
Depreciation			13,104
			(8,729)
Non Cash Expenses Other Than Depreciation			-
			-

## Notes:-

### 1 Geographical Segments

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

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

### 2 Segment assets & liabilities

Segment assets consists of debtors, other non-current assets and the segment liabilities consists of creditors.

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



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XLI

Statement containing salient features of the financial statement of Subsidiaries.

(₹ in Lakhs)

Particulars	Year	Ind Swift Laboratories Inc	Fortune India Construction	Halcyon Life Science	Meteoric Life Sciences Pte Ltd	Ind-Swift Middle East FZE (UAE)
		31st March, 2022	31st March, 2022	31st March, 2022	31st March, 2022	31st March, 2022
Capital	2021-22	864	7,354	4,648	0	0
	2020-21	629	1,010	4,648	140.16	383.81
Reserves	2021-22	318	(283)	(5,257)	0	0
	2020-21	310	(252)	(5,143)	234.82	202.76
Total Liabilities	2021-22	5,168	861	1,924	0	0
	2020-21	2,833	10,043	2,533	0	0
Total Assets	2021-22	6,350	7,932	1,924	0	0
	2020-21	3,772	10,800	2,058	374.98	586.57
Turnover Net	2021-22	15,885	714	11	0	0
	2020-21	9,262	95	2	0	0
Provision For Tax	2021-22	98	0	0	0	0
	2020-21	64	0	0	0	0
Profit /(Loss before Tax)	2021-22	234	(32)	(114)	0	0
	2020-21	168	(31)	(35)	0	0
Proposed dividend	2021-22	0	0	0	0	0
	2020-21	0	0	0	0	0
<b>Reporting Currency:-</b>						
<b>Currency</b>		\$				
Exchange Rate as on 31st March, 2022		75.81				
Exchange Rate as on 31st March, 2021		73.50				

Notes:-

- 1) In Compliance with provisions of SEBI (LODR) regulations 2015, audited consolidated financial statements form part of this Annual reports.
- 2) The company has consolidated the audited results of its 100 % subsidiary Ind Swift Laboratories Inc for the financial Year Ended Dec 21 and adjusted for 3 months of the Subsidiary company.
- 3) The company has consolidated the unaudited results of 100 % subsidiary "Fortune (India) Constructions Ltd" for the financial year ended March 2022.
- 4) The company has consolidated the unaudited results of subsidiary "Halcyon Life Sciences Pvt Ltd" for the financial year ended March 2022.
- 5) Full accounts of the aforesaid subsidiary are available for inspection at the registered office of the Company and on request will be sent to the members free of cost.
- 6) During FY 2021-22, M/s Meteoric Life Sciences Pte. Ltd., Singapore a Wholly Owned Subsidiary (WOS) of Company was voluntarily closed down by the Company as there was no operations for the last many years.
- 7) During the FY 2021-22, the Company has sold its entire holding in M/s. Ind-Swift Middle East FZ-LLC ("ISME") (Wholly Owned Subsidiary in Dubai ). Thus ISME has ceased to be the WOS of the Company.

Additional information pursuant to para 2 of general instructions for the preparations of Consolidated financial statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

Name of the entity	Net Assets (Total Assets minus total Liability)		Share in profit or Loss		Share in Other comprehensive Income		Share in Total comprehensive Income	
Parent Subsidiaries Indian	% of consolidated assets	Amount (In Lakhs)	% of consolidated Profit & Loss	Amount (In Lakhs)	% of consolidated OCI	Amount (In Lakhs)	% of consolidated CCI	Amount (In Lakhs)
Ind Swift Laboratories Ltd	95.40%	171,291	265.67%	(570.92)	100.00%	42.54	238.30%	(613.46)
<b>Foreign</b>								
IndSwiftLaboratoriesInc.USA	0.66%	1,182	(109.09)%	234.43	0.00%	-	(91.06)%	234.43
Meteoric Life Science Pte Ltd.				210.10	0.00%		(81.61)%	210.10
Ind-Swift Middle East FZE (UAE)				57.87	0.00%			57.87
<b>Indian</b>								
Fortune(India) Constructions Ltd.	3.94%	7,071	14.89%	(32.00)	0.00%	-	12.43%	(32.00)
Halcyon Life Sciences Pvt Ltd.	0.00%	(0)	53.22%	(114.37)	0.00%	-	44.43%	(114.37)
<b>Sub Total</b>	<b>100.00%</b>	<b>179,544</b>	<b>224.69%</b>	<b>(214.90)</b>	<b>100.00%</b>	<b>42.54</b>	<b>122.48%</b>	<b>(257.44)</b>

## Note No. : XLII

### Post employment Benefits

#### (i) Defined Contribution Plans:

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

#### (ii) Defined Benefit Plan:

A) The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC, a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

- On normal retirement/early retirement/withdrawal/resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- On death in service:

The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at the Balance Sheet date:

B) The said benefit plan is exposed to actuarial risks such as longevity risk, salary risk, Interest rate risk, liquidity risk, demographic risk, regulatory risk, Investment risk and asset/liability mismatching risk.

#### Amount of Expenses Recognized is as follows:

(Amount in ₹)

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
In Income Statement	2,18,85,813	1,98,75,975
In Other Comprehensive Income	61,82,960	(10,48,281)
<b>Total Expenses Recognized during the period</b>	<b>2,80,68,773</b>	<b>1,88,27,694</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

**Movements in the present value of the defined benefit obligation are as follows:**

(Amount in ₹)

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
Present Value of Obligation as at the beginning	14,60,03,548	13,20,50,379
Current Service Cost	1,31,46,741	1,20,81,040
Interest Expense or Cost	90,45,835	83,79,281
<b>Re-measurement (or Actuarial) (gain) / loss arising from :</b>		
- change in demographic assumptions	0	0
- change in financial assumptions	(32,25,271)	12,43,157
experience variance (i.e. Actual experience vs. assumptions)	85,97,636	(30,43,877)
- others		
<b>Past Service Cost</b>		
<b>Effect of change in foreign exchange rates</b>		
Benefits Paid	(54,54,901)	(47,06,432)
<b>Acquisition Adjustment</b>		
<b>Effect of business combinations or disposals</b>		
<b>Present Value of Obligation as at the end</b>	<b>16,81,13,588</b>	<b>14,60,03,548</b>

**Bifurcation of Present Value of Obligation at the end of the year as per revised Schedule III of the Companies Act, 2013**

(Amount in ₹)

Particulars	As At 31st March, 2022	As At 31st March, 2021
Current Liability (Short term)	2,80,64,998	2,05,31,368
Non-Current Liability (Long term)	14,00,48,590	12,54,72,180
Present Value of Obligation	16,81,13,588	14,60,03,548

**Movements in the fair value of the plan assets are as follows:**

(Amount in ₹)

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
Fair Value of Plan Assets as at the beginning	49,51,288	92,08,800
Investment Income	3,06,763	5,84,346
Employer's Contribution	16,48,276	6,17,013
<b>Employee's Contribution</b>		
Benefits Paid	(48,02,361)	(47,06,432)
Return on plan assets, excluding amount recognised in net interest expense	(8,10,595)	(7,52,439)
<b>Acquisition Adjustment</b>		
Fair Value of Plan Assets as at the end	12,93,371	49,51,288

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Expenses Recognised in the Income Statement is as follows

(Amount in ₹)

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
Current Service Cost	1,31,46,741	1,20,81,040
Past Service Cost		
Loss / (Gain) on settlement		
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	87,39,072	77,94,935
<b>Expenses Recognised in the Income Statement</b>	<b>2,18,85,813</b>	<b>1,98,75,975</b>

## Expenses Recognised in the Other comprehensive income is as follows

(Amount in ₹)

Particulars	For the period ending	
	31st March, 2022	31st March, 2021
<b>Actuarial (gains) / losses</b>		
- change in demographic assumptions	0	0
- change in financial assumptions	(32,25,271)	12,43,157
- experience variance (i.e. Actual experience vs. assumptions)	85,97,636	(30,43,877)
- others		
Return on plan assets, excluding amount recognised assumptions)	8,10,595	7,52,439
Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling		
<b>Components of defined benefit costs recognised in because of change in effect of asset ceiling</b>	<b>61,82,960</b>	<b>(10,48,281)</b>

## The principal financial assumptions used in the valuation are shown in the table below:

Particulars	As At 31st March, 2022	As At 31st March, 2021
Discount rate (per annum)	6.55%	6.20%
Salary growth rate (per annum)	7.00%	7.00%
Retirement age	58 years	58 years
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, seniority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows: (Amount in ₹)

Particulars	As At 31st March, 2022	As At 31st March, 2021
Present Value of Obligation	16,81,13,588	14,60,03,548
Fair Value of Plan Assets	12,93,371	49,51,288
<b>Surplus / (Deficit)</b>	(16,68,20,217)	(14,10,52,260)
Effects of Asset Ceiling, if any		
<b>Net Asset / (Liability)</b>	(16,68,20,217)	(14,10,52,260)

## iii) Compensatory absences

Actuarial Valuation for Compensated Absences is done as at the year end and the provision is made as per Company rules with corresponding charge to the Statement of Profit and Loss amounting to ₹2.44 Lacs (Previous Year ₹40.85 Lacs ) and it covers all regular employees. Major drivers in actuarial assumptions, typically, are years of service and employee compensation.

## Note No. : XLIII

Previous year figures have been regrouped, rearranged wherever considered necessary for comparison.

### AS PER OUR SEPARATE REPORT OF EVEN DATE

For **Avishkar Singhal & Associates**

Chartered Accountants  
(Regd.No 017362N)

**CA Avishkar Singhal**

Partner  
M.No. 098689

Place: Chandigarh  
Date : 28th May, 2022

For and on behalf of the Board of Directors

**N. R. Munjal**

Chairman  
and Managing Director  
DIN-00015096

**CA L.K. Mahajan**

Chief Accounts Officer

**Pardeep Verma**

AVP - Compliance & CS

**Himanshu Jain**

Joint Managing Director  
DIN-00014533

**Gagan Aggarwal**

Chief Financial Officer

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

## Note No. : XLIV

### SIGNIFICANT ACCOUNTING POLICIES :

#### 1 BACKGROUND

Headquartered in Chandigarh, India, Ind-Swift Laboratories Ltd is a public limited company incorporated on 04 Jan, 1995 under the provision of companies Act, 2013. Company is global manufacturer of APIs, Intermediates and formulations (through group collaboration). Having commenced operations in 1997 as an API manufacturer, the Company continued to focus on this business domain as its key business driver.

#### 2.0 STATEMENT OF COMPLIANCE

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP').

##### 2.1 BASIS OF MEASUREMENT

The Consolidated Financial Statements have been prepared on the historical cost basis except for: - certain financial assets and liabilities. These Consolidated Financial Statements and jointly controlled entity have been prepared in accordance with the recognition and measurement principles laid down in.

These Consolidated Financial Statements of the Company and its subsidiaries and its Jointly controlled entity have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards as notified under section 133 of the Companies Act, 2013 read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

##### 2.2 BASIS OF PREPARATION

a) Company has wholly owned subsidiary in USA which was incorporated on Jan 2, 2004. The financial year of Parent Company from April 21 to March 21 whereas the financial year

of Subsidiary Company is from Jan 21 to Dec 21. Accordingly, subsidiary's Audited financial statements for the year ended 31.12.21 adjusted for next three months in compliance with Ind-AS 110 are considered for the purpose of consolidation.

- b) Company has another wholly owned subsidiary in Singapore which was incorporated on Nov 20, 2009. The financial year of the Parent company is from April 21 to March 22 whereas the financial year of Subsidiary Company is from Nov to Oct . 1. During FY 2021-22, M/s Meteoric Life Sciences Pte. Ltd., Singapore a Wholly Owned Subsidiary (WOS) of Company was voluntarily closed down by the Company as there was no operations for the last many years and consolidation was done accordingly for last year.
- c) Company has another wholly owned subsidiary in Dubai which in the name of Ind-Swift Middle East FZ-LLC. The financial year of the Parent company & financial year of Subsidiary Company are same. During the FY 2021-22, the Company has sold its entire holding in M/s. Ind-Swift Middle East FZ-LLC ("ISME") (Wholly Owned Subsidiary in Dubai) Thus ISME has ceased to be the WOS of the Company and effect of that is taken in consolidated balance sheet accordingly.
- d) Company has Indian wholly owned subsidiary in name of Fortune(India) Constructions Ltd . Accordingly, subsidiary's unaudited financial statements for the year ended on 31-03-2022 are considered for the purpose of consolidation.
- e) Company has Indian subsidiary in name of Halcyon Life sciences Pvt Ltd. Accordingly, subsidiary's unaudited financial statements for the year ended on 31-03-2022 are considered for the purpose of consolidation.
- f) The Parent Company maintains its records and prepares its financial statements under the historical cost convention, in accordance with Generally accepted Principles in India, While the foreign subsidiary maintain their records and prepare their financial statements in conformity with Generally Accepted Principles prevalent in

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

the country of their domicile. No adjustments are made in these Consolidated Financial Statements for inconsistencies in accounting policies.

## 2.3 USE OF ESTIMATES

The preparation of the Consolidated Financial Statements in conformity with Ind AS requires Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates used in preparation of the Consolidated Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise. Estimates and underlying assumptions are reviewed on an ongoing basis.

## 2.4 PROPERTY PLANT & EQUIPMENT

### 2.4.1 COST OF PROPERTY PLANT & EQUIPMENT

All Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are valued at cost/ revalued cost net of tax credit wherever eligible. Cost includes all expenses and borrowing cost attributable to the project till the date of commercial production / ready to use. Any asset transferred to assets held for sale is value at cost or NRV whichever is lower.

### 2.4.2 DEPRECIATION /AMORTIZATION

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation is provided on straight line method at the rates specified in Schedule II of the Companies Act 2013 on pro rata basis and the assets having the value up to ₹ 5000

have been depreciated at the rate of 100%. The policy of company is to provide depreciation on the Buildings , Plant & Machinery and Other Fixed assets from the date of commercial production/ ready to use.

### 2.4.3 INVESTMENT PROPERTY

Properties that is held for long-term rentals or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of the investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property are depreciated using the straight line method over their estimated useful lives.

On transition to Ind AS, the Group has elected to continue with the carrying value of its investment property recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

### 2.4.4 INTANGIBLE ASSETS (OTHER ASSETS)

Intangible Assets with definite useful lives are subject to amortization and are reviewed to determine whether there is any indication that carrying value of these assets may not be recoverable . Management judgment is required in the area of intangible assets loss particularly in assessing :

Whether an event has occurred that may indicate that the related assets values may not be recoverable or Whether the carrying value



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

of an intangible assets can be supported by the recoverable amount, being the fair value less costs to sell or net present value of future cash flows which are estimated based upon the continued use of the asset in the group.

## **USEFUL LIVES OF INTANGIBLE ASSETS:**

intangible assets related to r&d are amortised over the period of 8 years on straight line method.

### **2.4.5 LEASES**

The Company's lease asset classes consist primarily of land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether : (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases.

For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the

lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases.

Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### **2.5 BORROWING COSTS**

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

### **2.6 INVENTORIES**

Inventories are valued at lower of cost and net realisable value, Cost includes all charges in bringing the goods to point of sale. Cost is determined as follows.

2.6.1 Raw materials and stores and spares are valued on weighted average basis.

2.6.2 Work in process is valued at estimated cost basis and an appropriate share of production overheads or net realisable value whichever is less.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31st March, 2022

2.6.3 Finished goods are valued at cost and an appropriate share of production overheads or net realisable value whichever is less.

2.6.4 Stock in trade are valued at weighted average basis.

## 2.7 FOREIGN CURRENCY TRANSACTIONS

### In relation to the parent company

Transactions in foreign currencies are recorded at the exchange rates prevailing at the date of the transactions. The gain or loss arising from forward transactions have been recognised in the year in which the contract has been cancelled/ matured. Monetary assets & current liabilities are translated at year end exchange rates. The resulting gain or loss on translation or settlement is recognised in the Profit & Loss Account except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

In translating the financial statement of representative foreign offices for incorporation in main financial statements, the monetary assets and liabilities are translated at the closing rates non monetary assets and liabilities are translated at exchange rates prevailing at the dates of the transactions and income and expenses items are converted at the yearly average rate.

### In relation to the subsidiary company

In case of foreign subsidiary, the local accounts are maintained in the local and functional currency. The

financial statements of such subsidiary, which are integral foreign operations for the parent company, have been translated to Indian currency on the following basis:

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

## 2.8 TRADE RECEIVABLES & ADVANCES

Sundry debtors outstanding for more than three years at the end of Balance Sheet date will be written off from the books of accounts except disputed debtors having matters pending under different Courts.

Other advances and related party balances outstanding for more than 3 years are reviewed by the management at the end of every financial year and are written off as per the judgment of the management.

## 2.9 OTHER SIGNIFICANT ACCOUNTING POLICIES

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

### AS PER OUR SEPARATE REPORT OF EVEN DATE

For **Avishkar Singhal & Associates**  
Chartered Accountants  
(Regd.No 017362N)

**CA Avishkar Singhal**  
Partner  
M.No. 098689

Place: Chandigarh  
Date : 28th May, 2022

For and on behalf of the Board of Directors

**N. R. Munjal**  
Chairman  
and Managing Director  
DIN-00015096

**CA L.K. Mahajan**  
Chief Accounts Officer

**Pardeep Verma**  
AVP - Compliance & CS

**Himanshu Jain**  
Joint Managing Director  
DIN-00014533

**Gagan Aggarwal**  
Chief Financial Officer

# NOTICE

Notice is hereby given that the 27th Annual General Meeting of the members of Ind-Swift Laboratories Limited will be held on Friday, the 30th September, 2022 at 11.30 A.M. through Video Conference ("VC")/Other Audio Visual means("OAVM") to transact the following business:

## Ordinary business

1. To receive, consider, approve and adopt the Audited Financial Statements (including Consolidated Financial Statements) for the financial year ended 31st March, 2022 together with the Directors' and Auditors' Reports thereupon.
2. To appoint a Director in place of Mr. Rishav Mehta (DIN: 03028663), who retires by rotation and being eligible, offers himself for re-appointment.

### 3. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Audit Committee, M/s. Avishkar Singhal & Associates, Chartered Accountants, having Firm Registration No. 017362N be and are hereby reappointed as the Statutory Auditors of the Company for the second consecutive term of five years, from the conclusion of this 27th Annual General Meeting till the conclusion of the 32nd Annual General Meeting to be held in the year 2027, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

## Special business

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

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s V. Kumar & Associates, Cost Accountants, having Firm Registration No. 100137, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of

the cost records of the Company for the financial year 2022-23, amounting to ₹ 2.00 Lakhs (Rupees Two Lakhs only) per annum plus applicable taxes and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified, confirmed and approved."

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("the Act") read with rules made thereunder, other applicable laws / statutory provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company's Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions and basis the approval of the Audit Committee and recommendation of the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Company to enter into and / or continue the related party transaction(s) / contract(s) / arrangement(s) / agreement(s) (in terms of Regulation 2(1)(zc)(i) of the SEBI Listing Regulations, 2015) pursuant to the terms & conditions as set out in the explanatory statement to this resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may

arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) read with Companies (Appointment and Remuneration of Managerial Personnel Rules), 2014 and subject to all such approvals as may be required, the consent

of the Shareholders of the Company be and is hereby accorded to the re-appointment of Sh. N.R. Munjal (DIN 00015096), as Whole Time Director designated as Chairman and Managing Director, not liable to retire by rotation for a period of five years with effect from 23rd March, 2023 upto 22nd March, 2028 and payment of the remuneration (for a period of 3 years) to Sh. N.R. Munjal (DIN: 00015096), as detailed below, w.e.f. 23rd March, 2023, notwithstanding that such remuneration may exceed the individual/overall limits specified under Section 197 and Schedule V of the Act, with the liberty to the Board of Directors including any committee thereof (the "Board") to revise, amend, alter and vary the terms and conditions of his appointment in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 as may be agreed to, by and between the Board and Sh. N.R. Munjal:

1. Gross Salary	Min : ₹ 30,00,000/- per month Max: ₹ 60,00,000/- per month
2. Commission	Subject to availability of profit, at the rate of not more than 1% of the net profit for the year.
3. Perquisites and Allowances	<ol style="list-style-type: none"> <li>1. Fully furnished rent free accommodation/House.</li> <li>2. Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family.</li> <li>3. Leave Travel Assistance - Once a year for self &amp; family as per rules of the Company.</li> <li>4. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.</li> <li>5. Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee.</li> <li>6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company.</li> <li>7. Gratuity - Upto half a month's salary for each completed year of service.</li> <li>8. Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service</li> <li>9. Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses.</li> <li>10. Telephone, Telefax and other communication facilities.</li> <li>11. Security- The Company shall provide for round the clock security at the Director's residence.</li> <li>12. Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.</li> </ol>
4. Other terms	<ol style="list-style-type: none"> <li>1. The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof.</li> <li>2. The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.</li> </ol>

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

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary the terms and conditions of the appointment of Sh. N R Munjal including his remuneration.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and are hereby authorized to do all such acts, things and deeds as required to give effect to the aforesaid resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory

modification(s) or reenactment(s) thereof, for the time being in force) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to all such approvals as may be required, the consent of the Shareholders of the Company be and is hereby accorded to the re-appointment of Sh. Himanshu Jain (DIN 00014533), as Whole Time Director Designated as Jt. Managing Director, liable to retire by rotation for a period of five years with effect from 23rd March, 2023 upto 22nd March, 2028 and payment of the remuneration (for a period of 3 years) to Sh. Himanshu Jain, as detailed below, w.e.f. 23rd March, 2023, notwithstanding that such remuneration may exceed the individual/overall limits specified under Section 197 and Schedule V of the Act with the liberty to the Board of Directors including any committee thereof (the "Board") to revise, amend, alter and vary the terms and conditions of his appointment in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 as may be agreed to by and between the Board and Sh. Himanshu Jain:

1. Gross Salary	Min : ₹ 24,00,000/- per month Max: ₹ 50,00,000/- per month
2. Commission	Subject to availability of profit, at the rate of not more than 1% of the net profit for the year.
3. Perquisites and Allowances	<ol style="list-style-type: none"> <li>1. Fully furnished rent free accommodation/House.</li> <li>2. Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family.</li> <li>3. Leave Travel Assistance - Once a year for self &amp; family as per rules of the Company.</li> <li>4. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.</li> <li>5. Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee.</li> <li>6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company.</li> <li>7. Gratuity - Upto half a month's salary for each completed year of service.</li> <li>8. Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service.</li> <li>9. Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses.</li> <li>10. Telephone, Telefax and other communication facilities.</li> <li>11. Security- The Company shall provide for round the clock security at the Director's residence.</li> <li>12. Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.</li> </ol>
4. Other terms	<ol style="list-style-type: none"> <li>1. The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof.</li> <li>2. The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.</li> </ol>

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

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to vary the terms and conditions of the appointment of Sh. Himanshu Jain including his remuneration.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and are hereby authorized to do all such acts, things and deeds as required to give effect to the aforesaid resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any

statutory modification(s) or reenactment(s) thereof, for the time being in force) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to all such approvals as may be required, the consent of the Shareholders of the Company be and is hereby accorded to the re-appointment of Sh. Rishav Mehta (DIN 03028663), as Whole Time Director, liable to retire by rotation for a period of five years with effect from 23rd March, 2023 upto 22nd March, 2028 and payment of the remuneration (for a period of 3 years) to Sh. Rishav Mehta, Whole time Director (DIN: 03028663) of the Company, as detailed below, w.e.f. 23rd March, 2023, notwithstanding that such remuneration may exceed the individual/overall limits specified under Section 197 and Schedule V of the Act, with the liberty to the Board of Directors including any committee thereof (the "Board") to revise, amend, alter and vary the terms and conditions of his appointment in such manner as may be permitted in accordance with the provisions of the Companies Act, 2013 as may be agreed to by and between the Board and Sh. Rishav Mehta:

1. Gross Salary	Min : ₹ 12,00,000/- per month Max : ₹ 30,00,000/- per month
2. Commission	Subject to availability of profit, at the rate of not more than 1% of the net profit for the year.
3. Perquisites and Allowances	<ol style="list-style-type: none"> <li>1. Fully furnished rent free accommodation/House.</li> <li>2. Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family.</li> <li>3. Leave Travel Assistance - Once a year for self &amp; family as per rules of the Company.</li> <li>4. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.</li> <li>5. Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee.</li> <li>6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company.</li> <li>7. Gratuity - Upto half a month's salary for each completed year of service.</li> <li>8. Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service.</li> <li>9. Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses.</li> <li>10. Telephone, Telefax and other communication facilities.</li> <li>11. Security- The Company shall provide for round the clock security at the Director's residence.</li> <li>12. Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.</li> </ol>
4. Other terms	<ol style="list-style-type: none"> <li>1. The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof.</li> <li>2. The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.</li> </ol>

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

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

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and are hereby authorized to do all such acts, things and deeds as required to give effect to the aforesaid resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 197, 198, 200, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to all such approvals as may be required, the consent of the Shareholders of the Company be and is hereby accorded to approve the remuneration of Sh. Sahil Munjal, Whole time Director (DIN: 00015407) of the Company, as detailed below, for a period of two years i.e. from 13th February, 2023 to 12th February, 2025 notwithstanding that such remuneration may exceed the individual/overall limits specified under Section 197 and Schedule V of the Act:

1. Gross Salary	Min : ₹ 14,00,000/- per month Max : ₹ 25,00,000/- per month
2. Commission	Subject to availability of profit, at the rate of not more than 1% of the net profit for the year.
3. Perquisites and Allowances	<ol style="list-style-type: none"> <li>1. Fully furnished rent free accommodation/House.</li> <li>2. Medical Reimbursement - Reimbursement of actual medical expenses incurred in India and/or abroad including hospitalization, nursing home and surgical charges for self and family.</li> <li>3. Leave Travel Assistance - Once a year for self &amp; family as per rules of the Company.</li> <li>4. Insurance - Payment of Insurance Premium for Life insurance, Group Insurance, Personal Accident Insurance for such amount as may be considered appropriate by the Board.</li> <li>5. Club fees - Membership fee of such clubs as may be considered appropriate including admission and life membership fee.</li> <li>6. Contribution to Provident Fund, Superannuation Fund or Annuity Fund - As per rules of the Company.</li> <li>7. Gratuity - Upto half a month's salary for each completed year of service.</li> <li>8. Leave encashment - As per rules of the Company but not exceeding one month's leave for every 11 months of service.</li> <li>9. Conveyance - The Company shall provide one fully insured car with driver and reimbursement of the operational expenses.</li> <li>10. Telephone, Telefax and other communication facilities.</li> <li>11. Security- The Company shall provide for round the clock security at the Director's residence.</li> <li>12. Pension- The appointee or his nominees shall be entitled to receive 50% of the last drawn salary as pension in case of superannuation or in case of death during the tenure of appointment.</li> </ol>
4. Other terms	<ol style="list-style-type: none"> <li>1. The Director shall not be paid any sitting fee for attending the meetings of the board of directors or Committees thereof.</li> <li>2. The Director shall not become interested or otherwise concerned directly or through his relative(s) in any selling agency of the company without the prior approval of the Central Government.</li> </ol>

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

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors be and are hereby

authorized to do all such acts, things and deeds as required to give effect to the aforesaid resolution."

By Order of the Board  
Sd/-

**Pardeep Verma**  
AVP-Corporate Affairs &  
Company Secretary

Place: Chandigarh  
Date: 10th August, 2022



## NOTES

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts in respect Item No. 3 to 9 is annexed hereto and forms part of this notice.
2. The Ministry of Corporate Affairs, Government of India ("MCA"), and the Securities and Exchange Board of India ("SEBI"), have allowed companies to conduct Annual General Meetings through video conference ("VC")/ other audiovisual means ("OAVM"), without the physical presence of Members and, therefore, pursuant to General Circular Nos. 20/2020 dated 5th May, 2020, 02/2021 dated January 13, 2021, 19/2021 dated 8th December, 2021, 21/2021 dated 14th December, 2021 and 02/2022 dated 5th May, 2022 issued by the MCA ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May 2022 issued by the SEBI ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the company is convening the 27th Annual General Meeting ("AGM") through VC/OAVM Facility, which does not require physical presence of members at a common venue.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through Central Depository Services (India) Limited ("CDSL") in respect of the business to be transacted at AGM. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL. Members of the Company holding shares as on the cut-off date i.e. Friday, 23rd September, 2022 may cast their vote either by remote e-voting or e-voting system as on date of AGM. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.  
  
The information with respect to voting process and other instructions regarding e-voting are detailed in Note no. 20.
6. IN TERMS OF THE MCA CIRCULARS, SINCE THE PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH, THERE IS NO REQUIREMENT OF APPOINTMENT OF PROXIES. ACCORDINGLY, THE FACILITY OF APPOINTMENT OF PROXIES BY MEMBERS UNDER SECTION 105 OF THE ACT WILL NOT BE AVAILABLE FOR THE 27TH AGM.  
  
However, in pursuance of Section 113 of the Act, Institutional/ Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are mandatorily required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 26th September, 2022 to 30th September, 2022, both days inclusive.
8. In compliance with the aforesaid MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/11 dated 15th January, 2021, the Notice calling the AGM inter-alia indicating the process and manner of e-voting along with the Annual Report 2021-22 containing Board's Report, Auditor's Report, Audited Financial Statements and other documents is being sent only through electronic mode to those members whose e-mail addresses are registered with Company/Depositories. Members may note that the notice calling the AGM along with the Annual Report for FY 2021-22 has been uploaded on the website of the Company at [www.indswiftlabs.com](http://www.indswiftlabs.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

9. The AGM will be convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
10. The members are requested to inform changes, if any, in their Registered Address along with Pin Code Number to the Company Secretary at the Registered Office address.
11. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution/authorization letter to the Company on investor@indswiftlabs.com.
12. Attention of members is hereby invited towards provisions of Section 188 (1) of the Companies Act 2013 wherein under second proviso thereto, no member of the Company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.
13. Electronic copy of the Annual Report and Notice of the 27th Annual General Meeting of the Company along with instructions for e-voting is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes. Since the AGM will be held through VC/OAVM Facility, the Route Map of the AGM venue, proxy form and attendance slip is not annexed in this Notice.
14. In terms of section 107 and 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the Company is providing the facility to its Members holding shares in physical and dematerialized form as on the cutoff date 23rd September, 2022 to exercise their right to vote by electronic means on any or all of the business specified in the accompanying notice. Necessary information and instructions for e-voting is also enclosed.
15. In case of joint holders attending the meeting, only such joint holders who are higher in the order of names will be entitled to vote.
16. The members holding shares in the same name or same order of names under different folios are requested to send the share certificate for consolidation of such shares to the Company.
17. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number (PAN), bank mandate, nomination, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and for shares held in physical form pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, the Company has sent individual letters to all the Members holding shares in physical form for furnishing their PAN, KYC details and Nomination forms, to the Company's Registrar and Transfer Agent, Alankit Assignments Limited in case the shares are held by them in physical form.
- Members who wish to register their email address/ bank account mandate may follow the below instructions-
- |                        |  |
|------------------------|--|
| Dematerialized Holding | Register/update the details in your demat account, as per process advised by your Depository Participant (DP)  |
| Physical Holding       | Register/update the details in prescribed form <b>ISR-1</b> and other relevant forms with Registrar and Transfer Agents of the Company, Alankit Assignments Limited at 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi- 110055 or through email at kycupdate@alankit.com. Member may download the prescribed forms from the Company's website. |
18. SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by March 31, 2023, and linking PAN with Aadhaar by March 31, 2022 vide its circular dated November 3, 2021 and December 15, 2021. In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the registrar/the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or the Prevention of Money Laundering Act, 2002.

19. Members desirous of seeking any information relating to the accounts of the Company may write to the Company at Registered Office address for the attention of Mr. Pardeep Verma, AVP-Corporate Affairs & CS at least 7 days in advance of the meeting so that requisite information can be made available at the meeting.

**20. The Instructions of Shareholders for E-Voting and Joining Virtual Meetings are as under:**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system will be provided by Central Depository Services Limited (CDSL).

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

- (i) The voting period commences at 9:00 A.M on 27th September, 2022 and ends at 5:00 P.M on 29th September, 2022 . 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. 23rd September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated **09.12.2020**,

under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.  If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>3) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4) Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

### NSDL Mobile App is available on

App Store



Google Play



## Type of shareholders Login Method

Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

## Login type Helpdesk details

Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

## For Physical shareholders and other than individual shareholders holding shares in Demat.

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN 220824053 for IND SWIFT LABORATORIES LIMITED to vote on the resolutions..
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investor@indswiftlabs.com](mailto:investor@indswiftlabs.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation



in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor@indswiftlabs.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company email id i.e. investor@indswiftlabs.com
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an

email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

- II. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- III. Mr. Vishal Arora, Company Secretary (Membership No. 4566) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the entire e- voting process in a fair and transparent manner.
- IV. The Scrutinizer shall after the conclusion of AGM, shall unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- V. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.indswiftlabs.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

By Order of the Board  
Sd/-

**Pardeep Verma**

AVP-Corporate Affairs &  
Company Secretary

Place: Chandigarh  
Date: 10th August, 2022

**Registered Office:**

SCO 850, Shivalik Enclave,  
NAC, Manimajra,  
Chandigarh - 160001  
investor@indswiftlabs.com  
www.indswiftlabs.com



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 READ TOGETHER WITH REGULATION 17(11) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

### Item No. 3

This Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Act. The Members at the 22nd Annual General Meeting ('AGM') of the Company held on September 26, 2017, had approved appointment of M/s. Avishkar Singhal & Associates, Chartered Accountants (Firm Registration No.017362N) as the Statutory Auditors of the Company to hold office from the conclusion of the 22nd AGM till the conclusion of the 27th AGM of the Company to be held in the year 2022. So the term of current auditors expires on the conclusion of current AGM.

Accordingly, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the reappointment of M/s. Avishkar Singhal & Associates, Chartered Accountants, as the Statutory Auditors of the Company, for the second consecutive term of five years from the conclusion of 27th AGM till the conclusion of 32nd AGM of the Company to be held in the year 2027, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s. Avishkar Singhal & Associates have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

M/s. Avishkar Singhal & Associates was paid a fee of ₹ 4 Lakhs for the audit of standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022 and ₹ 0.65 Lakhs for out-of-pocket expenses. The fee proposed to be paid to M/s. Avishkar Singhal & Associates for the financial year ending March 31, 2023 will be mutually agreed, basis the efforts involved. The Board, in consultation with the Audit Committee shall approve the remuneration of the Statutory Auditors.

Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory

authorities, audit related services and other permissible non audit services as required from time to time.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.3 of the Notice for approval by the Members.

### Item No. 4

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s V. Kumar & Associates, Cost Accountants, to conduct the Cost audit of the cost records of the Company for the financial year ended 31st March, 2023.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors for audit of cost records of the Company for the financial year 2022-23 as set out in the resolution for the aforesaid services to be rendered by them.

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

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the members.

### Item No. 5

In furtherance of its business activities, the Company has entered into/will enter into transactions/contract(s)/agreement(s)/arrangement(s) with related parties in terms of Regulation 2(1)(zc)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

All related party transactions of the Company are at arm's length and in the ordinary course of business. Further, all related party transactions are undertaken after obtaining prior approval of the Audit Committee of the Board. The Audit Committee of the Company currently comprises of majority of independent directors. All related party transactions have been unanimously approved by the Audit Committee after satisfying itself that the related party transactions are at arm's length and in the ordinary course of business. Audit Committee of the Company reviews on a quarterly basis, the details of all related party transactions entered into by the Company during the previous quarter, pursuant to its approvals.

Regulation 23 of the Listing Regulations has been amended effective April 1, 2022 to provide that shareholders' approval should be obtained for related party transactions which, in a financial year, exceed the lower of (i) ₹ 1,000 Crore; and (ii) 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

The material related party transactions for which the approval of the shareholders is being sought are as follows:

1. Transactions between the company and Ind Swift Limited (Promoter Group Company), for supply of goods and services.
2. Transactions between the company and Essix Biosciences Limited (Promoter Group Company), for supply of goods and services

In addition to the transactions set out in the Tables below, approval of the shareholders is also being sought for any other transactions between the parties for transfer of resources, services and obligations in the ordinary course of business, on arm's length basis and in compliance with applicable laws, as approved by the Audit Committee. The value of such additional transactions is included in the values set out in each of the Tables below.

The approval of the shareholders pursuant to Resolution No. 5 is being sought for the following related party transactions / contracts / agreements / arrangements set out in Table nos. 1 to 2.

The information pursuant SEBI Circular No SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021 is as follows:

#### **1. Transactions between Ind Swift Laboratories Limited (ISLL) and Ind Swift Limited (ISL)**

<b>S No</b>	<b>Particulars</b>	<b>Details</b>
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Name- Ind-Swift Limited (ISL) Nature of relationship- Promoter Group Company Group Company ISL holds 16.08% shares in ISLL.
2	Name of Director(s) or Key Managerial Personnel who is related, if any	Sh. N R Munjal, Sh. Himanshu Jain, Sh. Sahil Munjal, Sh. Rishav Mehta
3	Type, tenure, material terms and particulars	Contracts in terms of section 188(1)(a) to 188(1)(g) of Companies Act, 2013 mainly being Sale/purchase of pharmaceutical products. The above arrangements are continuing business transactions. Approval of the shareholders is being sought for transactions for a period of 5 financial years i.e from FY 2022-23 to FY 2026-27. The pricing of the goods shall be the negotiated prices at an arm's length basis.
4	Value of the transaction	Not exceeding ₹ 120 Cr
5	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year that is represented by the value of the proposed transaction	11.09 %
6	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
7	Justification as to why the RPT is in the interest of the listed entity	The approval of the members is being sought for the sale/purchase transaction, which mainly consists of the sale of APIs to the Group Company (ISL). ISL has some long term contracts for supply of finished Dosages to its customers (mainly foreign entities). The supply to ISL ensures long term supply of the Company's API contributing thus to turnover and EBITDA of the Company.

S No	Particulars	Details
8	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Transactions are continuing and based on market conditions.
9	Any other information that may be relevant	All relevant information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

## 2. Transactions between Ind Swift Laboratories Limited (ISLL) and Essix Biosciences Limited (EBL)

S No	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Name- Essix Biosciences Limited (EBL) Nature of relationship- Promoter Group Company EBL holds 21.71 % shares in ISLL.
2	Name of Director(s) or Key Managerial Personnel who is related, if any	Sh. N R Munjal, Sh. Himanshu Jain, Sh. Rishav Mehta
3	Type, tenure, material terms and particulars	Contracts in terms of section 188(1)(a) to 188(1)(g) of Companies Act, 2013 mainly being Sale/purchase of pharmaceutical products. The above arrangements are continuing business transactions. Approval of the shareholders is being sought for transactions for a period of 5 financial years i.e from FY 2022-23 to FY 2026-27. The pricing of the goods shall be the negotiated prices at an arm's length basis.
4	Value of the transaction	Not exceeding ₹ 150 Cr
5	Percentage of the Company's annual consolidated turnover for the immediately preceding financial year that is represented by the value of the proposed transaction	13.86%
6	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
7	Justification as to why the RPT is in the interest of the listed entity	Though a Related party yet Essix Biosciences limited has an intermediate manufacturing facility, which dedicatedly caters to the API-intermediates requirements of the ISLL. The Essix's manufacturing facility carries out manufacturing of key intermediates for the Company's product. The transaction is in the interest of the Company, as ISLL can exercise full control over the operations of the Essix's manufacturing facility and meet all the demands for timely supply of its products.
8	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Transactions are continuing and based on market conditions.
9	Any other information that may be relevant	All relevant information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

The Board recommends the Ordinary Resolution set out at Item No. 5 for the approval of Members. Pursuant to Regulation 23 of the Listing Regulations, Members may also note that no related party of the Company shall vote to approve the Ordinary Resolution set out at Item No. 5 whether the entity is a related party to the particular transaction or not.

Except Sh. N R Munjal, Sh. Himanshu Jain, Sh. Sahil Munjal and Sh. Rishav Mehta, and relatives of these directors, none of the other Directors or Key Managerial Personnel are concerned or interested in this Resolution.

### Item No. 6

Sh. N R Munjal was appointed as Vice-Chairman & Managing Director of the Company by the members of the Company in their Extra-Ordinary General Meeting held on 28th March, 2018 for a period of 5 years w.e.f 23rd March, 2018. He was subsequently re-designated as the Chairman and Managing Director of the Company by the Board on 23rd April, 2019.

The current term of office of Sh. N.R. Munjal as the Chairman & Managing Director of the Company is going to expire on 22nd March, 2023. Keeping in view the exceptional services rendered by Sh. N R Munjal as Chairman & Managing Director, the Nomination and Remuneration Committee and Board of Directors in their respective meetings held on 10th August, 2022 have approved/recommended reappointment of Sh. N.R. Munjal as Chairman & Managing Director and payment of remuneration for a further period of three years from 23rd March, 2023 to 22nd March, 2026 even in case the said remuneration exceeds the limits specified in the Schedule V or the relevant provisions of the Companies Act, 2013.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at item no.6 is annexed hereto as **Annexure-A**.

The said remuneration to Sh. N.R. Munjal is justified having regard to the nature of services required from him and the responsibility which he is called upon to bear as Chairman & Managing Director of the Company.

The Board recommends acceptance of the resolution. This may also be considered and treated as Abstract and Memorandum setting out terms of contract of service under Section 190 of the Companies Act, 2013.

Except Sh. Navrattan Munjal (the appointee) and Sh. Sahil Munjal (being relative of the appointee) and relatives of these directors none of the other Directors or key managerial personnel of the

Company or their relatives are concerned or interested in the said resolution.

### Item No. 7

Sh. Himanshu Jain was re-appointed as the Jt. Managing Director of the Company by the shareholders of the Company in the Extra-ordinary General Meeting of the Company held on 28th Day of March, 2018.

The current term of office of Sh. Himanshu Jain as the Jt. Managing Director of the Company is going to expire on 22nd March, 2023. Keeping in view the exceptional services rendered by Mr. Himanshu Jain as Jt. Managing Director, the Nomination and Remuneration Committee and Board of Directors in their respective meetings held on 10th August, 2022 have approved/recommended reappointment of Sh. Himanshu Jain as Jt. Managing Director and payment of remuneration for a further period of three years from 23rd March, 2023 to 22nd March, 2026 even in case the said remuneration exceeds the limits specified in the Schedule V or the relevant provisions of the Companies Act, 2013.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at item no. 7 is annexed hereto as **Annexure-A**.

The said remuneration to Sh. Himanshu Jain is justified having regard to the nature of service required from him and the responsibility which he is called upon to bear as Jt. Managing Director of the Company.

The Board recommends acceptance of the resolution. This may also be considered and treated as Abstract and Memorandum setting out terms of contract of service under Section 190 of the Companies Act, 2013.

None of the Directors of the Company except Sh. Himanshu Jain, is interested in the Resolution no. 7

### Item No. 8

Sh. Rishav Mehta was re-appointed as the Whole Time Director of the Company by the shareholders of the Company in the Extra-ordinary General Meeting of the Company held on 28th Day of March, 2018.

The current term of office of Sh. Rishav Mehta as the Whole Time Director of the Company is going to expire on 22nd March, 2023. Keeping in view the exceptional services rendered by Sh. Rishav Mehta as Whole Time Director, the Nomination and Remuneration Committee and Board of Directors in their respective meetings held on 10th August, 2022 have approved/recommended

reappointment of Sh. Rishav Mehta Whole Time Director and payment of remuneration for a further period of three years from 23rd March, 2023 to 22nd March, 2026 even in case the said remuneration exceeds the limits specified in the Schedule V or the relevant provisions of the Companies Act, 2013.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at item no. 8 is annexed hereto as Annexure-A.

The said remuneration to Sh. Rishav Mehta is justified having regard to the nature of service required from him and the responsibility which he is called upon to bear as a Whole time Director of the Company.

The Board recommends acceptance of the resolution. This may also be considered and treated as Abstract and Memorandum setting out terms of contract of service under Section 190 of the Companies Act, 2013.

None of the Directors of the Company except Sh. Rishav Mehta is interested in the Resolution no. 8

#### Item No. 9

Keeping in view the rich experience and knowledge in pharmaceutical industry, Sh. Sahil Munjal was re-appointed as the Whole Time Director for a period of five years from 13th February, 2020 to 12th February, 2025, by the shareholders of the Company in the Annual General Meeting of the Company held

on 29th Day of September, 2020. As the Shareholders approved remuneration of Sh. Sahil Munjal only for a period of three years from 13th February, 2020 to 12th February, 2023, the Nomination and Remuneration Committee and Board of Directors in their respective meetings held on 10th August, 2022 have approved/recommended payment of remuneration for remaining period from 13th February, 2023 to 12th February, 2025 to Sh. Sahil Munjal even in case the said remuneration exceeds the limits specified in the Schedule V or the relevant provisions of the Companies Act, 2013.

The statement as required under Section II, Part II of the Schedule V of the Companies Act, 2013 with reference to Special Resolution at item no. 9 is annexed hereto as Annexure-A. The said remuneration to Sh. Sahil Munjal is justified having regard to the nature of service required from him and the responsibility which he is called upon to bear as Whole Time Director of the Company.

The Board recommends acceptance of the resolution. This may also be considered and treated as Abstract and Memorandum setting out terms of contract of service under Section 190 of the Companies Act, 2013

Except Sh. Sahil Munjal and Sh. N.R. Munjal none of the other Directors or Key Managerial personnel of the Company are concerned or interested in the said resolution.

By Order of the Board  
Sd/-

**Pardeep Verma**

AVP-Corporate Affairs &  
Company Secretary

Place: Chandigarh

Date: 10th August, 2022

## Annexure-A

Statement as required under Clause 3 of Section II, Part II of the Schedule V of the Companies Act, 2013 and Rule 6 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are as follows:

### I. General Information: -

- (1) Nature of Industry: Pharmaceuticals
- (2) Date or expected date of commencement of commercial production: Existing Company, already commenced from 1995.
- (3) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Existing Company, not applicable.
- (4) Financial performance based on given indicators:

(₹ in Lakhs)

Sr. No.	Particulars	Audited Figure for 12 months period ended 31.03.2022	Audited Figure for 12 months period ended 31.03.2021	Audited Figure for 12 months period ended 31.03.2020
1.	Turnover	98809.00	85657.84	75183.74
2.	Profit/(Loss) before tax	799.55	1611.71	(1956.05)
3.	Net Profit/(Loss)	(570.92)	(439.83)	(2078.73)
4.	Paid-up Share Capital	5908.69	5908.69	5908.69
5.	Reserves & Surplus (Excluding Revaluation Reserve)	37625.85	36813.40	35973.13

- (5) Foreign Investments & Collaboration (if any): Company has a subsidiary in US (relevant details are given in Directors' Report). There are no foreign collaborations.

### II. (a) Information about the Appointee Sh. N.R. Munjal

#### 1. Background details:

Sh. N.R. Munjal, Chairman and Managing Director is a key part of the 34 years old Ind-Swift Group, having more than 30 years of vast experience in the area of long term strategy formulation, leading and monitoring the senior management in implementation of Business plans for the company, exploring new and innovative avenues for business growth of the group, Mentoring and ensuring the setting up of a conducive culture for the Company.

#### 2. Past Remuneration:

Financial Years	Amount (In Lakhs)
2021-22	361.53
2020-21	327.36
2019-20	300.00

#### 3. Recognition or awards:

- Member of CII National Committee on Pharmaceuticals 2017-18
- Ex-Chairman of Pharmaceuticals Export Promotion Council (PHARMEXCIL); a statutory body set up by the Ministry of Commerce & Industry, Govt. of India; for promoting the Exports of Indian Pharmaceutical Industries.
- Ex-President of Indian Drugs Manufacturers' Association (IDMA), a premier National Association of the Indian Pharmaceutical Industry.
- He was Vice President (North) of Bulk Drugs Manufacturers Association, an autonomous body set up to deal with the day-to-day affairs of its members with different Government agencies.
- He was Co-Chair of the Pharma Committee - Federation of Indian Chambers of Commerce and Industry (FICCI), New Delhi
- Ex-Member of the Managing Committee - Federation of Indian Export Organization (FIEO)

- Ex-Member of Board of Trade (BOT), Ministry of Commerce & Industry, Government of India.
- Ex-Member of Board of Governors of National Institute of Pharmaceutical Education and Research (NIPER), S.A.S. Nagar Mohali.

Apart from the above, Sh. Munjal has also received number of awards for his contribution towards the pharmaceutical industry. Few of the major awards received by him are as under: -

- Udyog Ratna Award presented by Sh. Virbhadr Singh, the then Chief Minister of Himachal Pradesh for his valuable contribution to the Economic Development of Himachal Pradesh in the year 2005.
- Udyog Rattan Award presented by the Institute of Economic Studies for his contribution towards industrial development in the year 2009.
- Award presented by Indian Drug Manufacturer's Association, Tamil Nadu State Board for his dedicated contribution to the Indian Pharmaceutical Industry in the year 2010.
- Lifetime Achievement Award 2012 presented on 5th Annual Pharmaceutical Leadership Summit & Business Leadership Awards 2012 by Sh. Satya Brahma, the then Chairman and Editor-in-Chief, Pharmaleaders and Sh. K. Shankaranarayanan, the then Hon. Governor of Maharashtra for his outstanding and remarkable achievement in business leadership in the year 2012.

#### 4. Job profile and his suitability:

- Sh. N.R. Munjal, Chairman and Managing Director has been looking after the overall affairs and operations of the Company under the supervision and control of the Board of Directors. The Company has made enormous progress under the stewardship of Sh. N.R. Munjal, who has the vast management experience to handle diverse nature of businesses of the Company and the vision to take the business forward. He has been instrumental in taking various strategic and key decisions which strengthened and broadened the area of operations of the Company and eventually brightened the future growth prospects of the company.

#### 5. Remuneration proposed: As stated in the Resolution/Explanatory Statement at Item No. 6 of the Notice.

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

#### 7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: Sh. N.R. Munjal is a Promoter-Director, and holds 9,20,724 equity shares of ₹10/- each representing 1.56% of the total paid-up capital of the Company.

## II. (b) Information about the Appointee Mr. Himanshu Jain

### 1. Background details:

Sh. Himanshu Jain, Jt. Managing Director, Ind-Swift Laboratories Ltd. is having over nineteen years experience in pharmaceutical industry and project planning & control and taking care of all long term strategy in finance and accounts.

### 2. Past Remuneration:

Financial Years	Amount (In Lakhs)
2021-22	289.30
2020-21	261.92
2019-20	240.00



3. **Recognition or awards:** Nil
4. **Job profile and his suitability:** Mr. Himanshu Jain, Jt. Managing Director has been entrusted with substantial powers of the management of the business and affairs of the Company. The Company has been substantially benefitted by his professional knowledge and managerial expertise and has made enormous progress. Mr. Himanshu Jain plays a major role in providing thought leadership and strategic inputs to the Company.
5. **Remuneration proposed:** As stated in the Resolution/Explanatory Statement at Item No. 7 of the Notice..
6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):** Remuneration as proposed of Mr. Himanshu Jain is comparable to that drawn by the peers in the similar capacity in the similar industry and is commensurate with the size of the Company and diverse nature of its businesses
7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Mr. Himanshu Jain is a Promoter-Director, holding 4,06,961 equity shares of ₹ 10/- each representing 0.69% of the total paid-up capital of the Company.

## II. (c) Information about the Appointee Mr.Rishav Mehta

### 1. Background details:

Mr. Rishav Mehta, Whole time Director, Ind-Swift Laboratories Ltd. is having over twelve years of experience in pharmaceutical industry, project planning & control. He is playing active role in production management and development of new generic products.

### 2. Past Remuneration:

Financial Years	Amount (In Lakhs)
2021-22	144.76
2020-21	130.96
2019-20	120.00

3. **Recognition or awards:** Nil
4. **Job profile and his suitability:** Subject to the supervision and control of the Board of Directors, Mr. Rishav Mehta is playing active role in production management and development of new generic products. He looks after efficient running of the plants, production planning, control expansion development activities, timely completion of the projects and general administration of the plant. Mr. Rishav Mehta is instrumental in the development of the Company and for maintaining cordial atmosphere and relationship in the factories.
5. **Remuneration proposed:** As stated in the Resolution/Explanatory Statement at Item No. 8 of the Notice..
6. **Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):** Remuneration as proposed of Mr. Rishav Mehta is comparable to that drawn by the peers in the similar capacity in the similar industry and is commensurate with the size of the Company and diverse nature of its businesses.
7. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Mr. Rishav Mehta is a Promoter-Director of the Company holds 4,54,545 equity shares of ₹ 10/- each representing 0.77% of the total paid-up capital of the Company.

## II. (d) Information about the Appointee Mr. Sahil Munjal

### 1. Background details:

Mr. Sahil Munjal, Whole Time Director is having over 18 years of experience in pharmaceutical industry, Information Technology (IT) Systems, Instrumental Development. Mr. Sahil Munjal has been associated with the Company since 1st July, 2004.

### 2. Past Remuneration:

Financial Years	Amount (In Lakhs)
2021-22	173.91
2020-21	149.09
2019-20	139.47

**3. Recognition or awards:** Sh. Sahil Munjal is the Chairman of Pharmaceutical Export Promotion Council of India (Pharmexcil) a trade Promotion council set up by the Ministry of Commerce and Industry, Government of India.

**4. Job profile and his suitability:** Mr. Sahil Munjal who looks after the Information Technology (IT) and coordinates with the Global Business Unit of Ind-Swift Limited which works in close association with Ind-Swift Laboratories Limited.

**5. Remuneration proposed:** As stated in the Resolution/Explanatory Statement at Item No. 9 of the Notice.

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

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:** Mr. Sahil Munjal is a Director, holding 6,766 equity shares of ₹ 10/- each of the total paid-up capital of the Company.

## III. Other information:

### 1. Reasons of loss or inadequate profits:

The Companies performance is becoming stellar with each passing year. The EBITDA of the Company has grown from ₹ 157 crores in 2018 to ₹ 236 crores in 2022. Company is meeting all its financial commitment in time and there is no default of the Banks and Financial Institutions. The payment is being made in the compliance to the provisions of the Companies Act, 2013.

### 2. Steps taken or proposed to be taken for improvement:

- Production of key intermediates in-house
- Developing high margin products
- Entering new territory, increasing the sales.
- Focusing on the API business with the launching of the 4-5 news products in regulated and soft regulated markets.

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

Company is exploring the new avenues for growth and expects growth in its productivity and profitability to rise by 15-20% annually. The company expects that the productivity and profitability may improve and would be comparable with the industry average.

## IV. Disclosures:

**1. Remuneration package of the managerial person:** Fully described in the respective explanatory statement as stated above.

**2. Disclosures in the Board of Directors' report under the heading 'Corporate Governance' attached to the Annual Report:** The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of the Company.

**INFORMATION REGARDING DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 (3) OF THE LISTING REGULATIONS, 2015 AND SECRETARIAL STANDARDS-2 FOR ITEM NO 6 TO 8 ARE AS FOLLOWS**

Sl. No.	Particulars			
1	<b>Name of Director</b>	Sh. N.R. Munjal	Sh. Himanshu Jain	Sh. Rishav Mehta
2	<b>Date of First (Original) Appointment on the Board</b>	04/01/1995	31/07/2003	23/03/2010
3	<b>Date of Birth, Age</b>	09/02/1952 (70 Years)	17/08/1982 (40 Years)	06/01/1991 (31 Years)
4	<b>Designation</b>	Chairman & Managing Director	Jt. Managing Director	Executive Director
5	<b>Qualification</b>	Graduate	Graduate	Graduate
6	<b>Experience</b>	More than 34 Years	More than 19 Years	More than 12 years
7	<b>Nature of Expertise in Specific Functional Area and experience</b>	Experience in the area of long term strategy formulation, leading and monitoring the senior management in implementation of Business plans for the company, Exploring new and innovative avenues for business growth of the group, Mentoring and ensuring the setting up of a conducive culture for the Company.	Experience in Project Planning and Control and taking care of all long term strategy in Finance and Accounts	Production Management and Development of New Generic Products.
8	<b>Terms and Conditions of Re-appointment and Remuneration, if any</b>			
	<b>Term</b>	Only terms of payment is being considered as per details given in Item No. 6 of this Notice	Only terms of payment is being considered as per details given in Item No. 7 of this Notice	Only terms of payment is being considered as per details given in Item No. 8 of this Notice
	<b>Remuneration last drawn, if applicable</b>	₹ 30,11,250/- per month	₹ 24,09,000/- per month	₹ 12,04,500/- per month
	<b>Remuneration sought to be paid</b>	As per Resolution No. 6 of this Notice	As per Resolution No. 7 of this Notice	As per Resolution No. 8 of this Notice
9	<b>List of Other Directorships</b>	<ul style="list-style-type: none"> <li>• IND SWIFT LIMITED</li> <li>• NIMBUA GREENFIELD (PUNJAB) LIMITED</li> <li>• ESSIX BIOSCIENCES LIMITED</li> <li>• MOHALI GREEN ENVIRONMENT PRIVATE LIMITED</li> </ul>	<ul style="list-style-type: none"> <li>• IND SWIFT LIMITED</li> <li>• ESSIX BIOSCIENCES LIMITED</li> <li>• FORTUNE (INDIA) CONSTRUCTIONS LIMITED</li> <li>• MJM REMEDIES PRIVATE LIMITED</li> <li>• DASHMESH MEDICARE PRIVATE LIMITED</li> </ul>	<ul style="list-style-type: none"> <li>• IND SWIFT LIMITED</li> <li>• VIBRANT AGRO INDUSTRIES LIMITED</li> <li>• DASHMESH MEDICARE PRIVATE LIMITED</li> <li>• ESSIX BIOSCIENCES LIMITED</li> </ul>
	<b>Names of Listed Entities in which the person also holds the directorship</b>	• Ind Swift Limited	• Ind Swift Limited	• Ind Swift Limited

Sl. No.	Particulars		
	Chairmanship/Membership of the Committees of the Board of Directors of Ind Swift Laboratories Ltd*	2	NIL
	Chairmanship/Membership of the Committees of the Board of Directors of other Companies*	NIL	3
	Names of listed entities from which the person has resigned in the past three years	NIL	NIL
10	Shareholding in the Company	9,20,724	4,06,961
11	Relationship between directors inter-se and relationship with Manager and other Key Managerial Personnel of the Company	Sh. N R Munjal is Father of Sh. Sahil Munjal, Executive Director of the Company.	No Director, Manager or KMP is related to Sh. Himanshu Jain.
12	No. of Meetings of Board attended during the FY 2021-22	Seven	Seven

\*Represents Chairmanships/Memberships of Audit and Stakeholders Relationship Committees only.

Place: Chandigarh  
Date: 10th August, 2022

By Order of the Board  
Sd/-  
**Pardeep Verma**  
AVP-Corporate Affairs &  
Company Secretary

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### Cautionary statement

Statements in this Management and discussion and Analysis describing the Ind-Swift's objectives, projections, estimates and expectations might be construed as forward looking statement within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company operations include a downward trend in the pharmaceutical industry, rise in input costs, exchange rate fluctuation and significant changes in political and economic environment, operating ecosystems, regulatory standards, tax laws, litigations and labour relations.



**Ind-Swift Laboratories Ltd.**

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Chandigarh – 160101, India

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