

# 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, 2021.

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 2020-21, Mr. Prabhat Khurana, Independent Director of Company, on the completion of his



second tenure as Independent Director ceased to be director w.e.f 24.03.2021. Further, 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 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 & 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 31-03-2021, there is no director above the age of 75 years.

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 & healthcare	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 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.

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.

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. Sahil Munjal, 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**

Independent Directors shall hold office for up to two terms of five years each. Mr. S.P. Sharma whose first tenure expired on 4th July, 2020 was re-appointed by the Board of Directors for the second tenure in its meeting held on 20th June, 2020 for a further period of 5 years and the Board further recommended the same to shareholders for its approval. The Shareholders in its meeting held on 29th September, 2020 had approved the re-appointment by passing special resolution for a term of 5 years w.e.f. 5th July, 2020.

During the year, Sh. Prabhat Khurana ceased to be the Independent Director consequent to his completion of second term of 5 years. In his place Sh. Rajinder Kumar Gupta were appointed as an Independent Director for five years.

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 31st March, 2021, the Board met six times on the following dates:-

20.06.2020	25.07.2020	31.08.2020
09.11.2020	12.02.2021	27.03.2021

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 Company provides Audio/Video conference facility to the Board Members, (if required) for participation by the Directors in Board/Committee meetings.

**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 2020-21 and the number of Directorships and Committee Chairmanships/ Memberships held by them in other Public Limited Companies as on 31st March, 2021 are as follows: -



Name of Director	Category	FY 2020-21 Attendance****		No. of Directorship(s)/Membership(s)/Chairmanship(s) held in other companies			Share-Holding	
		BM	Last AGM 29.09.20	Membership in other Listed Entities**	No. of D'ship* ittees***	Comm- Chairman		
Mr. N.R. Munjal	Executive Promoter Director	6	Yes	Ind-Swift Limited (Non-Executive Director)	3	Nil	Nil	9,20,724
Mr. Himanshu Jain	Executive Promoter Director	6	Yes	Ind-Swift Limited (Non-Executive Director)	3	3	Nil	4,06,961
Mr. Rishav Mehta	Executive Promoter Director	6	Yes	Ind-Swift Limited (Non-Executive Director)	3	Nil	Nil	4,54,545
Mr. Sahil Munjal	Executive Promoter Director	6	N.A.	Nil	2	Nil	Nil	2,000
Mr. Sri Prakash Sharma	Independent Director	6	Yes	Ind-Swift Limited (Independent Director)	1	1	Nil	Nil
Ms. Neerja Chathley	Independent Women Director	6	No	Nil	Nil	Nil	Nil	Nil
Dr. Ashwani Kumar Vig	Independent Director	6	N.A.	Nil	Nil	Nil	Nil	Nil
Sh. Prabhat Khurana#	Independent Director	5	Yes	Velox Industries Limited (Independent Director)	1	1	Nil	Nil
Mr. Rajinder Kumar Gupta##	Independent Director	N.A	N.A	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:-

- 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.
- # ceased to be Director w.e.f. 24.03.2021
- ##appointed as an independent director w.e.f. 23.06.2021

#### 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.indswiftlabs.com](http://www.indswiftlabs.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.
- 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 nonpayment 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 February 11th, 2021 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:

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

All the Independent Directors attended the said Meeting.

**Confirmation from the board**

The Board of Directors have taken on record 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 who has been appointed as the Independent Director on 23.06.2021 shall seek approval of the members in the forthcoming Annual General Meeting for regular appointment to the Board of the Company

Re-appointment : Sh. Sahil Munjal, Executive Director shall be retiring by rotation in the forthcoming Annual General Meeting and seek re-appointment. As required under Regulation 36 (3) of the Listing Regulations, particulars of the Directors seeking appointment / re-appointment are given in the Explanatory Statement to the Notice of the AGM.

**Committees of the board**

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

**A. Audit committee**

The terms of reference of Audit Committee have been adopted in line with the provisions of Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. 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.

Five meetings of audit committee were held during the period 1st April 2020 to 31st March, 2021 on 20.06.2020, 25.07.2020, 31.08.2020, 09.11.2020 and 12.02.2021. The necessary quorum was present at all the meetings. The then Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 29th September, 2020.

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	5
Mr. N R Munjal	Member	Executive, Promoter	5
Dr. Ashwani Vig**	Member	Non-Executive, Independent	N.A.
Mr. Prabhat Khurana***	Chairman	Non-Executive, Independent	5

\*Appointed as Chairman w.e.f 24.03.2021

\*\* Appointed as Member w.e.f 24.03.2021

\*\*\*ceased to be Chairman & Member of Committee w.e.f 24.03.2021

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, 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) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d) Internal audit reports relating to internal control weaknesses; and
  - e) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
  - f) Statement of deviations, if any.
- 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 then Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 29th September, 2020. The Committee met two times during the Financial Year 2020-21 i.e. on 29.08.2020 and 11.02.2021.

**I. Constitution and Attendance of the Committee**

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

\*appointed as Chairman in the Committee w.e.f 24.03.2021.  
 \*\*ceased to be Chairman & Member of Committee w.e.f 24.03.2021.

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.

### **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 2020-21 is given below:

(₹ in Lakhs)

Director	Designation	Remuneration for the year ended 31st March, 2021			
		Salary *	Contribution to Provident Fund	Perquisites	Total
Mr. N.R. Munjal	Chairman and Managing Director	327.14	0.22	Nil	327.36
Mr. Himanshu Jain	Jt. Managing Director	261.70	0.22	Nil	261.92
Mr. Rishav Mehta	Executive Director	130.74	0.22	Nil	130.96
Mr. Sahil Munjal	Executive Director	148.87	0.22	Nil	149.09

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 2020-21 is as follows:

Sr. No.	Director	Designation	Sitting Fees	Other	Total Expenses
1.	Sh. S P Sharma	Independent Director	1,22,500	--	1,22,500
2.	Sh. Prabhat Khurana*	Independent Director	107,500	-	1,07,500
3.	Mrs. Neerja Chathley	Independent Director	67,500	-	67,500
4.	Dr. Ashwani Kumar Vig	Independent Director	60,000	--	60,000
5.	Mr. Rajinder Kumar Gupta**	Independent Director	--	--	--

\* ceased to be Director w.e.f. 24.03.2021

\*\* Appointed as Independent Director w.e.f 23.06.2021

**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 2020-21..

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

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

\*appointed as Chairman in the Committee w.e.f 24.03.2021.

\*\*ceased to be Chairman & Member of Committee w.e.f 24.03.2021.

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

During the year, 2020-21, the Company has received few complaints from its FD holders / shareholders; 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 company has also received number of complaints from fixed deposits holders regarding repayment of deposits. The Hon'ble Company Law Board vide its order No. CP27/01/2013 dated 30th September, 2013 has granted extension of time in repayment of deposits. Now, the Company is making repayment of interest and Principal amount as due to the fixed deposit holders in terms of the aforesaid order of Hon'ble CLB.

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

**D. Risk management committee**

As the Market Capitalization of the Company as on 31st March, 2021 was within the top 1000 companies by Market Capitalization so the provisions related to Risk Management Committee became applicable on Company w.e.f., 05.05.2021. The Company however already has a Risk Management Committee in place.

Evaluation of business risk and managing the risk has always been an ongoing process in the Company. The Risk Assessment Committee assists the Board in fulfilling its corporate



governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks.

**I. Composition of the Committee**

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

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
Mr. Prabhat Khurana**	Chairman	Independent/Non-Executive Director

No meeting of the committee was held during the year.  
 \*appointed as Chairman in the Committee w.e.f 24.03.2021.  
 \*\*ceased to be Chairman & Member of Committee w.e.f 24.03.2021.

**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.

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
Mr. Prabhat Khurana**	Chairman	Independent/Non-Executive Director

\*appointed as chairman in the Committee w.e.f 24.03.2021.  
 \*\*ceased to be chairman of Committee w.e.f 24.03.2021.

**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.

**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 Committee Meeting held during their Tenure	No. of Committee Meeting attended
Mr. N.R Munjal	Chairman/ Member	Executive Director	8	8
Mr. Himanshu Jain	Member	Executive Director	8	8
Mr. S P Sharma	Member	Independent/ Non-Executive Director	8	8
Dr. Ashwani Vig*	Member	Independent/ Non-Executive Director	-	-
Mr. Prabhat Khurana**	Member	Independent/ Non-Executive Director	8	8

\*appointed as member w.e.f. 24.03.2021  
 \*\*ceased to be the member w.e.f 24.03.2021

**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

**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
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

may be prescribed from time to time. The composition of the Committee is as follows:

Name	Designation	Executive/ Non-Executive/ Independent
Mr. N.R Munjal	Chairman	Executive Director
Mr. Himanshu Jain	Member	Executive Director
Mr. S P Sharma*	Member	Independent/Non-Executive Director
Mr. Prabhat Khurana**	Member	Independent/Non-Executive Director

The committee met once during the year .

\* appointed as member w.e.f. 24.03.2021

\*\* Ceased to be the member w.e.f 24.03.2021

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

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

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

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



Date	Financial Year	Category	Venue	Time	Special Resolutions
30th September, 2019	2019-20	24th AGM	PHD Chamber of commerce & Industry, Sector-31 A, Chandigarh	10:30 A.M.	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.
11th February, 2019	2018-19	EGM	PHD Chamber of Commerce & Industry, Sector-31-A, Chandigarh	09:30 A.M.	Six Special Resolution w.r.t. to waiver of excess remuneration paid to executive directors i.e. Mr. N.R. Munjal, Mr. Himanshu Jain and Mr. Rishav Mehta for the period 23rd March, 2015 to 22nd March, 2018 and approval of payment of remuneration to executive directors for the period 23rd March, 2018 to up to 22nd March, 2021
28th September, 2018	2018-19	23rd AGM	PHD Chamber of Commerce & Industry, Sector-31-A, Chandigarh	10:30 AM	Five Special Resolutions w.r.t re-appointment of independent directors Dr. J K Kakkar, ratification of beneficial owner details of Allottees of Optionally Convertible Debentures(OCDs) and approval of payment of Remuneration to Executive Directors i.e Mr. N.R. Munjal, Mr. Himanshu Jain and Mr. Rishav Mehta for period of five years up to 22nd March, 2023
9th June, 2018	2018-19	EGM	PHD Chamber of Commerce & Industry, Sector-31-A, Chandigarh	10.30 AM	- Issuance of equity shares on preferential basis for restructuring of existing loan. - Issuance of optionally convertible debentures on preferential basis.

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

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

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

a) All price-sensitive information and matters that are material to shareholders are disclosed to the respective Stock Exchanges, where the securities of the Company are listed. All submissions

to the Exchanges are made through the respective electronic filing systems.

- 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).
- 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).
- 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 will be held on Thursday, 30.09.2021 through Video Conferencing or other Audio Visual Means at 11:30 A.M.
<b>Financial year of the Company</b>	April, 2021 to March, 2022
<b>Quarterly Results Calendar</b>	(i) First Quarter Results- on 12th August, 2021 (ii) Half-yearly Results- By 14th November, 2021 (iii) Third Quarter Results- By 14th February, 2022 (iv) Results for the year ending 31st March, 2022- By 30th May, 2022
<b>Date of Book Closure</b>	26th September, 2021 to 30th September, 2021 (both days inclusive).
<b>Dividend Payment</b>	The Board has not proposed any dividend for the Year ended 31st March, 2021.
<b>Listing on Stock Exchanges</b>	The Company's shares are listed at The Stock Exchange, Mumbai (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 The Stock Exchange, Mumbai (BSE) INDSWFTLAB on National Stock Exchange (NSE)
<b>Demat ISIN No. for NSDL and CDSL</b>	INE915B01019

**Monthly Share Price Movement during 2020-21 at BSE & NSE**

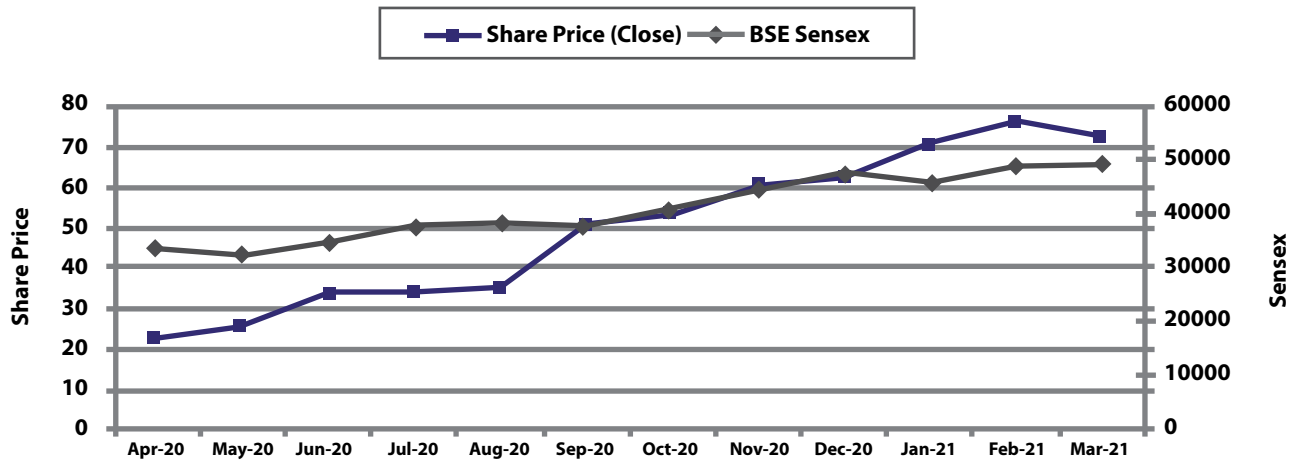
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April-20	27.00	20.80	88,337	26.95	20.10	3,82,452
May-20	26.95	19.75	47,486	27.35	19.25	3,55,423
June-20	42.05	24.50	2,80,131	42.2	24.45	16,16,474
July-20	37.60	32.35	1,38,675	37.85	31.85	7,81,980
August-20	42.00	34.45	1,68,422	41.90	34.10	10,91,370
September-20	51.95	32.60	2,36,179	52.10	32.55	17,49,600
October-20	61.45	43.80	3,52,095	60.00	44.00	19,42,489
November-20	71.85	47.35	4,65,752	72.90	47.75	23,86,552
December-20	67.30	55.35	2,76,911	67.45	55.30	18,93,414
January-21	89.00	62.25	4,95,265	87.45	61.05	39,80,138
February-21	82.50	68.90	4,94,112	82.25	67.60	29,52,277
March-21	90.40	71.00	6,89,836	90.00	71.10	23,39,048

(Source: www.bseindia.com)

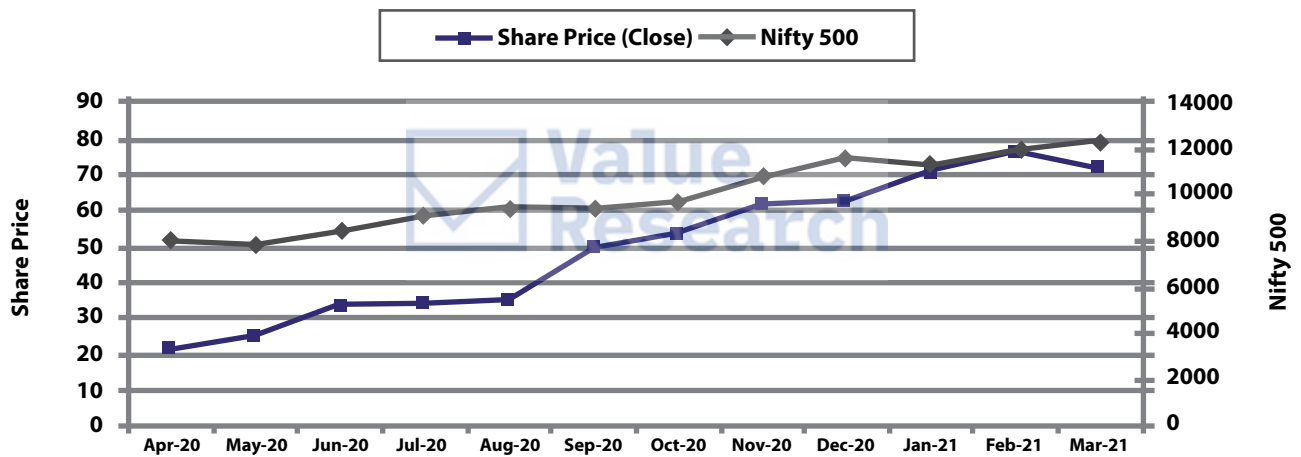
(Source: www.nseindia.com)



## STOCK PRICE MOVEMENT IN COMPARISON WITH BSE SENSEX



## STOCK PRICE MOVEMENT IN COMPARISON WITH NSE NIFTY



### 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, 2021, 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 2020-21, the Company has received few Complaints from its FD holders/Shareholders which has been resolved timely..

### Secretarial audit

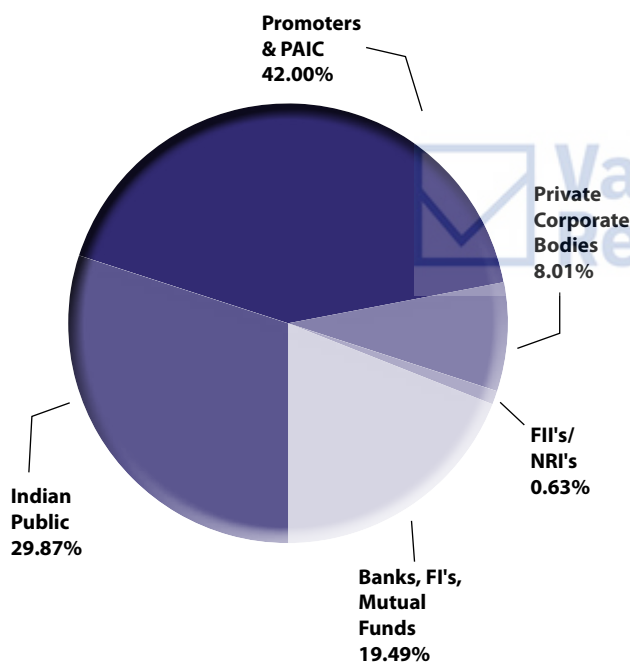
Mr. Vishal Arora, Practicing Company Secretary, has conducted the Secretarial Audit of the Company for financial year 2020-21. Their Audit Report confirms that the Company has complied with the applicable provisions of the Act and the Rules made there under,

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, 2021**

Category	No. of Shares Held	%age of Shareholding
Promoters & PAIC	2,48,14,017	42.00
Banks, FI's, Mutual Funds, AIF	1,15,17,670	19.49
FII's , NRI's & FPI	3,73,095	0.63
Private Corporate Bodies	47,39,988	8.01
Indian Public & Others	1,76,47,090	29.87
<b>Total</b>	<b>5,90,86,860</b>	<b>100.00</b>

**Shareholding pattern as on 31st March, 2021**



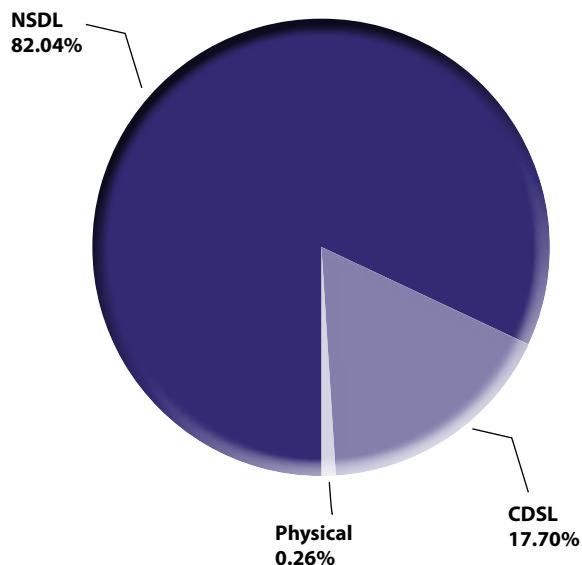
**Distribution schedule as on 31st March, 2021**

No. of shares held	No. of Share Holders	% age of Total Holders	No. of Shares	% age of Total Equity
1 to 100	7916	49.91	4,44,668	0.75
101 to 500	5137	32.39	14,59,621	2.47
501 to 1000	1300	8.20	10,83,521	1.83
1001 to 5000	1088	6.86	25,21,035	4.27
5001 to 10000	157	0.99	11,98,308	2.03
10001 to 20000	106	0.67	15,26,071	2.58
20001 to 30000	44	0.28	10,91,777	1.85
30001 to 40000	14	0.09	4,90,918	0.83
40001 to 50000	16	0.10	7,38,491	1.25
50001 to 100000	36	0.23	25,86,981	4.38
100001 to 500000	35	0.22	73,69,099	12.47
500001 to above	10	0.06	3,85,76,370	65.29
<b>TOTAL</b>	<b>15,859</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	%
NSDL	4,84,75,514	82.04
CDSL	1,04,58,062	17.70
Physical	1,53,284	0.26
Others	Nil	Nil
<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 getting the previous approval from the shareholders in the Extra-Ordinary general Meeting held on 27th April, 2005. These GDRs were listed at the Luxembourg Stock Exchange. As on 31/03/2021 there were no GDR outstanding.

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

The Company exports finished goods and imports 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 2020-21.

### Optionally Convertible Warrants

There are no outstanding Optionally Convertible 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 form 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

### 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  
Corporate Office  
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, 2020-21, the credit rating of the Company was revised from 'CARE C' to 'CARE B' 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 [http://www.indswiftlabs.com/pages/Related\\_Party\\_Transactions\\_Policy\\_Procedures.pdf](http://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, 2021 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.

**(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 Edelweiss Asset Reconstruction Company Limited ("EARC") to settle/discharge the secured debt through infusion of fresh funds for meeting the cash flow requirement of Company. 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. 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 2020-21 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.	0.67
<b>Total</b>		<b>5.67</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-1 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.



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

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

During the Financial Year 2020-21, 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:

- i. The Audit Committee reviews financial statements of the subsidiary companies, along with investments made by them.
- ii. 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.

(A subsidiary shall be considered as material if the investment of the Company in the subsidiary exceeds 20% of its consolidated net worth as per Audited Balance Sheet of the previous financial year or if the subsidiary has generated 20% of the consolidated income of the Company during the previous financial year)

Ind-Swift Laboratories Limited does not have a material non-listed Indian subsidiary. As per Regulation 24 of SEBI (LODR) Regulations, 2015 a "material non-listed Indian subsidiary" shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

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

[https://www.indswiflabs.com/wp-content/uploads/2018/07/Policy\\_for\\_determining\\_Material\\_Subsiidiaries.pdf](https://www.indswiflabs.com/wp-content/uploads/2018/07/Policy_for_determining_Material_Subsiidiaries.pdf)

**Risk Management**

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

**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.

**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 31.03.2021	As on 31.03.2020
a. Closing Price (BSE) (₹).	72.05	21.70
b. Market Capitalization (₹ In Lakhs)	42,572.08	12,821.85
c. Price-Earnings Ratio	(97.36)	(5.17)

**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, 2021.

Place: Chandigarh

**N.R. Munjal**

Date: 12th August, 2021

Chairman and Managing Director