INDO COUNT

Complete Comfort

September 6, 2022

National Stock Exchange of India Ltd.
Listing Department
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051.
Company Symbol: ICIL

BSE Limited
Department of Corporate Services
Floor 25, Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001.
Scrip Code No.: 521016

Sub.: Annual Report 2021-22 along with Notice of 33rd Annual General Meeting of the Company to be held on September 29, 2022 through VC/OAVM

Dear Sir/Madam,

The Ministry of Corporate Affairs ("MCA") has, vide its Circular no 02/2022 dated May 5, 2022 read together with circular nos. 20/2020 and 21/2021 dated May 5, 2020 and December 14, 2021 respectively (collectively referred to as "MCA Circulars"), permitted the holding of the Annual General Meeting ("AGM") due in the year 2022 through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue till 31st December, 2022.

As intimated to the stock exchange on September 3, 2022, Thirty Third (33rd) Annual General Meeting (AGM) of Indo Count Industries Limited ("the Company") will be held on Thursday, September 29, 2022 at 12:00 Noon (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) in compliance with aforesaid MCA circulars.

Pursuant to Regulation 34(1)(a) of Listing Regulations, we are enclosing herewith the Annual Report for the Financial Year 2021-22 along with the Notice of 33rd AGM. The said Annual Report and Notice of AGM are also available on the website of the Company at www.indocount.com. The web-links to the same are given below:

Annual Report 2021-22: https://www.indocount.com/images/investor/Annual-Report-for-2021-22.pdf

Notice of 33rd AGM: https://www.indocount.com/images/investor/AGM-Notice-2021-22.pdf

The Record Date for Final Dividend of Rs. 2/- per Equity Share of Rs. 2/- each for FY 2021-22 is Tuesday, September 20, 2022. The dividend, if declared at the 33rd AGM will be paid to the members holding shares as on close of business hours of Tuesday, September 20, 2022 within 30 days of the date of 33rd AGM. Members are requested to refer Annexure III of AGM notice for tax on dividend and submission of requisite documents.

The Company is providing remote e-voting & e-voting at AGM facility to the members through electronic voting platform of National Securities Depository Limited (NSDL). Members holding shares either in physical form or dematerialized form as on cut-off date i.e. Friday, September 23, 2022 may cast their votes electronically on the resolutions included in the Notice of 33rd AGM. The remote e-voting shall commence from 9.00 a.m. (IST) on Monday, September 26, 2022 and shall end at 5.00 p.m. (IST) on Wednesday, September 28, 2022.

Kindly take same on record.

Yours faithfully,
For **Indo Count Industries Limited**

AMRUTA NIHAR AVASARE
Digitally signed by AMRUTA NIHAR AVASARE
Date: 2022.09.06 17:11:34 +05'30'

Amruta Avasare
Company Secretary & Compliance Officer
Membership No.: A18844

Encl.: A/a

Azadi Ka Amrit Mahotsav

INDO COUNT
Complete Comfort

Indo Count Industries Limited

Annual Report 2021-22

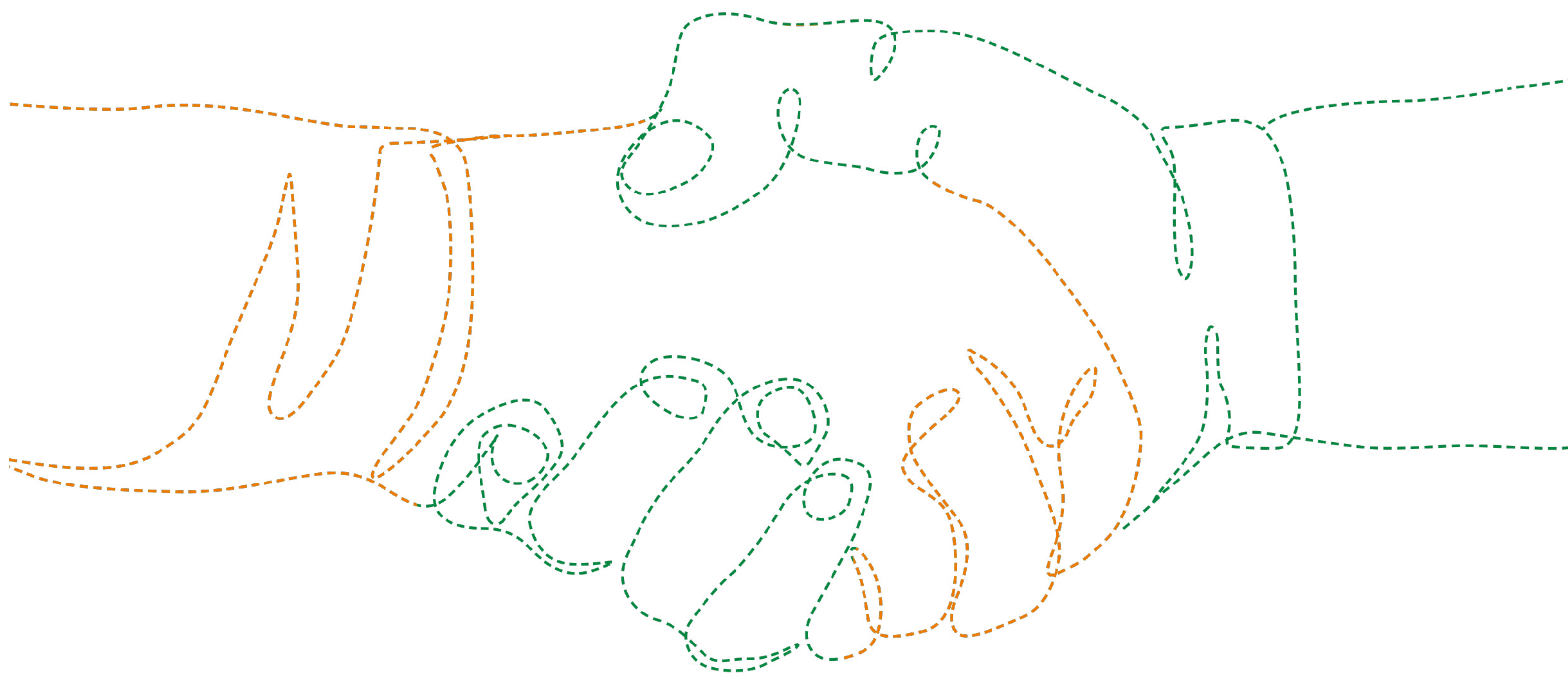
Complete Comfort

Inside the Report

Company Information & AGM Details	
CIN	L72200PN1988PLC068972
BSE Code	521016
NSE Symbol	ICIL
Dividend Recommended	100% (₹2 per equity share of ₹2/- each)
33rd AGM through Video Conferencing/ OAVM	Date: September 29, 2022 Time: 12.00 Noon (IST)
VC Platform & E-voting	NSDL

https://www.indocount.com/investors/financial-reporting/annual-reports

Count on us



For...

Consistent performance and profitable growth over the years

Customer centric approach, innovative products, unmatched quality and providing "Complete Comfort"

Our focus on ESG Principles and Sustainability Initiatives, contributing to Green Earth

Indo Count Industries Ltd wins Gold Trophy for the Third Consecutive Year at Texprocil Export Awards

Gold Trophy For The Highest Export Performance In Cotton Madeups - Bed Linen/Bed Sheets/Quilts (2020-21)

Awards and Recognitions

GLOBAL SUSTAINABILITY LEADERSHIP AWARD

Honoured with "Sustainable Business of the Year" Award under Global Sustainability Leadership Awards 2021 by world sustainability for various sustainability initiatives taken from time to time.

GREENTECH FOUNDATION'S ENVIRONMENT AWARD

Received Annual Environmental Award -2021 from Greentech Foundation. The award aims to promote environmental improvements and recognize exemplary operations and evidence of their impact on the company.

CII NATIONAL AWARD

This award was conferred for excellence in Water Management-2021 and company's contribution in improving water use efficiency and integrated approach in wastewater management.

VASUNDHARA AWARD

Winner of the prestigious "Vasundhara Award" from the Government of Maharashtra for 2018-19

JALBINDU AWARD

Indo Count was honoured with Jalbindu Award in 2020 for their best performance in Water Management by State Level Organization.

MAHATMA AWARD 2021

Mahatma Award honor organizations that leverage their resources, expertise, and talent to make a positive impact for larger good. It recognizes impact leaders and change makers across the globe, who are making social impact and leading the way to a sustainable future. The prestigious "Mahatma Award 2021" under the CSR Excellence Category was conferred on Indo Count Foundation for demonstrating excellence in its CSR activities which is making an enormous social impact.

PRIDE OF MAHARASHTRA AWARD

Recognising outstanding performance of the Company in Export, Export Excellence Award in Gold category was conferred on the Company by Govt. of Maharashtra.

HEALTHCARE CSR OF THE YEAR AWARD -2021

The Company was honoured with the "Healthcare CSR of the Year -2021" Award for exemplary services and contribution in the area of health care services by Navbharat Group.

TEXPROCIL EXPORT AWARD 2020-21

Gold Trophy for the Special Achievement Award in Cotton Made-ups for 2019-20

ET ICONIC BRAND OF 2021

'e4m PRIDE OF INDIA – THE BEST OF BHARAT' Award for "Boutique Living"

THE FEMINA POWER BRAND

The Femina Power Brand of the year 2021 for our Domestic Brand "Layers"

Certificate of appreciation and Platinum Certification from JCPenney for our commitment to the business and contribution to recent reforms.

Awarded 'Best Collaboration in Design & Product development' by KOHL's, a large retailer in the US.

From the Chairman's desk

FY22 was also one of the best consecutive year of highest performance for the Company

Dear Shareholders

Year Under Review

We are in a phase during which the global textile industry is experiencing an evolution that has and will continue to create interesting opportunities for textile hubs across the world. Textile players made the most of this change in FY22 as evidenced by increased activity and exports. Indo Count too reaped the benefits of these opportunities.

I am pleased to inform you that FY22 was also one of the best consecutive year of highest performance for the Company. Despite the pandemic in the early months of FY22, we achieved sales volume of 75.8 mn metres for the year ended 31st March 2022. Our total revenue touched ₹ 2982.23 crores showing an increase by 17% as compared to the previous year; EBITDA and Profit after Tax grew by 39% and 44% respectively over the previous year. Our consistent and highest export performance was recognised with Gold Trophy from TEXPROCIL for 3rd consecutive year.

Your Company has maintained track record of rewarding shareholders with dividend and I am once again happy to share that the Board has declared highest dividend of 100% (ie ₹2 per face value of ₹2/- each) for FY 22.

CAPEX & Growth plans

We believe to prepare ourselves in capturing future opportunities and we never rest on our achievements. To maintain consistent performance for coming years, we were looking at building capacities and strategic investments. I am delighted to share that in April 2022, your Company successfully completed the acquisition of the Home Textile Business of GHCL including its manufacturing facility at Bhilad, Gujarat on a Slump Sale basis. With this addition, Indo Count becomes the largest home textile bed linen company globally with an annual capacity of ~ 153 million meters. As a part of the deal, Indo Count Global Inc, acquired inventory and IPs of Grace Home Fashions LLC. We have added new brands to our existing portfolio, and we believe with the innovation and technological capabilities of the acquired brand, patent and trademark will further strengthen our brand portfolio and offering.

Moreover, with our announced brownfield projects expected to commence operations in H2FY23, we have initiated a new capex to modernise and enhance our spinning capacity at our subsidiary, Pranavaditya Spinning Mills Limited, which is in the process of amalgamation with the Company. The proposed capex will involve 68,000 spindles that will generate value-added specialized yarn to cater our captive needs.

The CAPEX and acquisition are being funded with Internal accruals and debt.

Brands, Marketing and Technology

During the year, Indo Count also partnered with UK brand Jasper Conran for an exclusive bed and bath collection which was launched in Spring 22 as scheduled. The range is marketed internationally under the Jasper Conran London brand, exclusively through Indo Count. The partnership will support Indo Count's long-term vision to be in niche segment for home textile across the globe.

We being a global company has to always scale up our customer services by investing into technology, digitalisation, supply chain and various other product solutions, in which we are constantly focusing to see that we meet the expectations of our esteemed customers. Our world class state of art assets provides us the means to deliver quality product which we are well known for in the market and our continuous aim of improving our facilities help us meeting the global competition. Our focus on offering an integrated bedding solution with innovation and keeping trends of the future in mind has resonated well with all our customers. Robust supply chain and handling the logistic challenges in a proper way has helped us to deliver the goods on time to Customers.

To maintain consistent performance for coming years, we were looking at building capacities and strategic investments

Macro Economy and Global Home Textile Industry

Global companies have stepped up their efforts to implement the 'China plus one' strategy of diversifying their supply chain in the wake of COVID-19-induced disruptions and the US-China trade tensions. Also, the trade conflict between China and the developed countries has further intensified due to the banning of cotton coming out of the Xinjiang area. This has opened up a world of opportunities for India as it enjoys a comparative advantage in terms of skilled manpower and production cost related to major textile producers in Southeast Asia. Also, its proven capabilities to innovate new-age products and adhere to customer commitments position India ahead of others in the race to ride this global wave. Further, government support by the introduction of Aatmanirbhar Bharat and the PLI scheme will help India to maximise gains from the ongoing global opportunity.

Additionally, free trade agreements with Australia and UAE will further open up opportunities for Indian textile. Similar discussions with the UK, Canada, and EU are progressing well. More importantly, the discussions with UK textile are part of the early harvest discussion and therefore quick resolutions for Indian textiles can be expected.

The recent government notification of the extension of RoSCTL benefits up to March 2024 is a big boost to the textile exporters which will further help increase the competitiveness of Indian products and provide stability and predictability to the industry players. The other textile products which are not covered under the RoSCTL are eligible to avail of RoDTEP benefits which will further boost the industry.

The government considers this as 'the best of times' to be the harbinger of revolutionary change in the Indian industrial and economic ecosystem. As is evident, the Government's clear thrust is not only to support the textile sector but to propel its exponential growth. The Government has targeted to increase textile exports three times from the present export value of US$44 billion to US$100 billion of textile exports over the next few years.

Indo Count sees these opportunities as seeds of growth germinating, just a matter of time for rooted growth that has the potential to grow sky high. Standing at such a crucial juncture, where the only step forward is profit and prosperity, we are readying ourselves for this surge. We are building our capability, developing new products and intensifying our awareness initiatives. On marketing, we will continue to remain laser-focused on increasing our share in the e-commerce and branded business both locally and globally. We have chosen to increase our investments in brand building rather than sacrificing the long-term health of our brand equities to manage short-term challenges. Our keen focus onto building good governance initiatives is helping us mitigating various risks evolving from time to time.

I am confident that we are ready to seize every opportunity that comes our way banking on our diverse capabilities, financial prudence and focused approach.

I am confident that we are ready to seize every opportunity that comes our way banking on our diverse capabilities, financial prudence and focused approach

Domestic Retail

With Indian economy growing with a vision of becoming a 5 USD trillion economy, we foresee a good run in our products offering thus providing on brands to scale up with sales and distribution PAN India. We see a good growth in domestic market and E-commerce going forward.

FY 22 also saw Indo Count gaining spotlight in India. Our brands "Boutique Living" and "Layers" are well accepted by Indian consumers and both brands are available in various MBO, LFS and on E-commerce platform, increasing its reach to wide customers and channelizing itself towards B2C, B2B and D2C segments. Going forward, we expect these brands to develop more traction and contribute increased share to total revenue.

ESG, Sustainability & CSR

Corporates in India are remodelling their businesses around ESG factors and sustainability. Indo Count is also not an exception to this. We are committed to delivering sustainable and responsible growth. Over the past 2 years, your Company initiated various sustainability initiatives right from sustainable sourcing to reduction of GHG emissions, carbon footprints, energy conservation, water recycling, developing sustainable products etc. However, this was just beginning. Valuing our ESG pledges, we continue to remain committed to the cause with well-defined principles, roadmap, and targets. I am pleased to inform that we released our first ESG Report for 2020-21.

I am pleased to state that Indo Count is now a member of the United Nations global compact. We are committed to integrating UNGC principles into the organizational culture with the mission of building a greener and sustainable future. We have developed a sustainability plan 2030, which has identified six pillars of sustainability and has also mapped our operational performance against nine SDG goals.

Your Company continuously works towards improving the quality of life of communities. Over a past few years, the Company has systematically focused on CSR activities in Education, Healthcare, Environment, Agricultural Livelihood, Disaster Relief based on assessment of needs. It gives me immense joy that the statistics of lives touched by CSR initiatives by Indo Count are increasing every year. During this year, we started 2 multi-year projects; the Company partnered with PDKV, Maharashtra for CSR program of center of excellence for cotton farming. Considering climate change impact, Indo Count has undertook a massive Miyawaki plantation project towards greener environment in future. The Company was also recipient of prestigious "Mahatma Award" and "Healthcare of the CSR award" during the year.

We are committed to delivering sustainable and responsible growth

People Initiatives and Values

We remain firmly rooted to the ground in terms of our core values and culture. Our foundation is strong. Our HR initiatives has helped us developing our team to shoulder the continuous growth. Our focus on skill development is in the forefront towards developing desired talent to tackle on the volatility and customer services.

Acknowledgments

I would like to thank the Board for guiding me to execute my responsibilities in the best possible manner. I would like to extend my gratitude and appreciation to every member of our team for their relentless efforts in making Indo Count to achieve its vision. I would also like to thank all our stakeholders, Bankers, customers, vendors, suppliers and Government authorities for their support and assistance throughout our journey.

We all celebrated "Azadi ka Amrit Mahotsav" on India's 75th Independence day. Together as a Team, we can work more better than individual. I solicit continued support of all of you for your Company and Country going forward.

Warm regards,

Jai Hind

Anil Kumar Jain

Executive Chairman

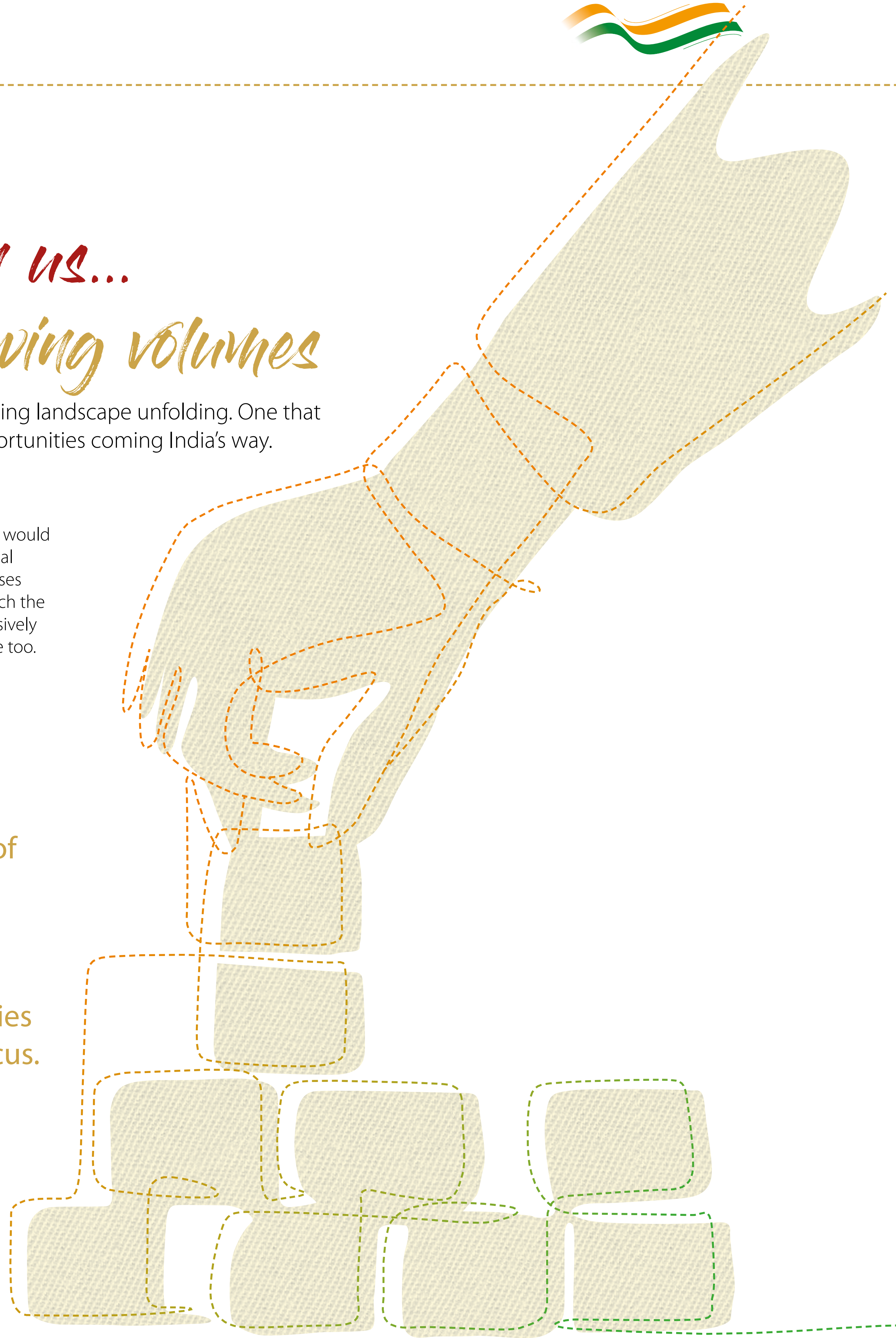
Count on us...
For growing volumes

We envision an interesting landscape unfolding. One that promises multiple opportunities coming India's way.

Over the medium term, India would emerge as an important global sourcing hub. Indian enterprises would therefore need to match the global scale. This will progressively happen in our business space too.

At Indo Count, we have geared ourselves for an exciting journey and next phase of growth.

Strategic Investments and Building Capacities would be our focus.



ACQUISITION

AMALGAMATION

CAPEX

Acquired Home Textile Business of GHCL

In order to meet the growing demand and capture the business opportunities, in April 2022, the Company acquired Home Textile Business of GHCL Limited including its manufacturing facility of 45 Mn Mtrs located at Bhilad, Gujarat on a Slump Sale basis. With this acquisition, Indo Count becomes one of the world's largest Home Textile bedding manufacturer, with an annual capacity of 153 million meters. Further, there would be potential addition of ~ ₹1,300 – 1,500 Crores p.a. to the topline of the Company at peak capacity. Acquisition will de-risk manufacturing facilities with twin state geographical diversity.

CAPEX for modernisation of spinning and increase in capacity

The Company had announced CAPEX Plan of ₹200 crores for Brownfield Investment and Spinning Modernization. We completed modernization of spinning capacity at Gokul Shirgaon involving capex of ₹50 crores. The increase in Home Textile capacity by 18 Mn Mtrs would be operational by Q3FY23 and commensurate addition in cut/sew facilities and additional Top of the Bed (TOB) capacity would be operational in H2FY23.

Amalgamation of our Subsidiary, Pranavaditya Spinning Mills Limited (PSML) with the Company and enhancement of spinning capacity

The amalgamation of our subsidiary PSML with the Company is in process. Post amalgamation, the land and resources of PSML will be available for utilisation by the Company. Considering the same, the Board approved capex of ₹270 crores for modernisation of existing spindles and enhancing the spinning capacity to ~ 68,000 spindles. The Phase I of 24,192 spindles is expected to be operational by December, 2022 and Phase II of 43,776 spindles is expected to be operational by March, 2023.

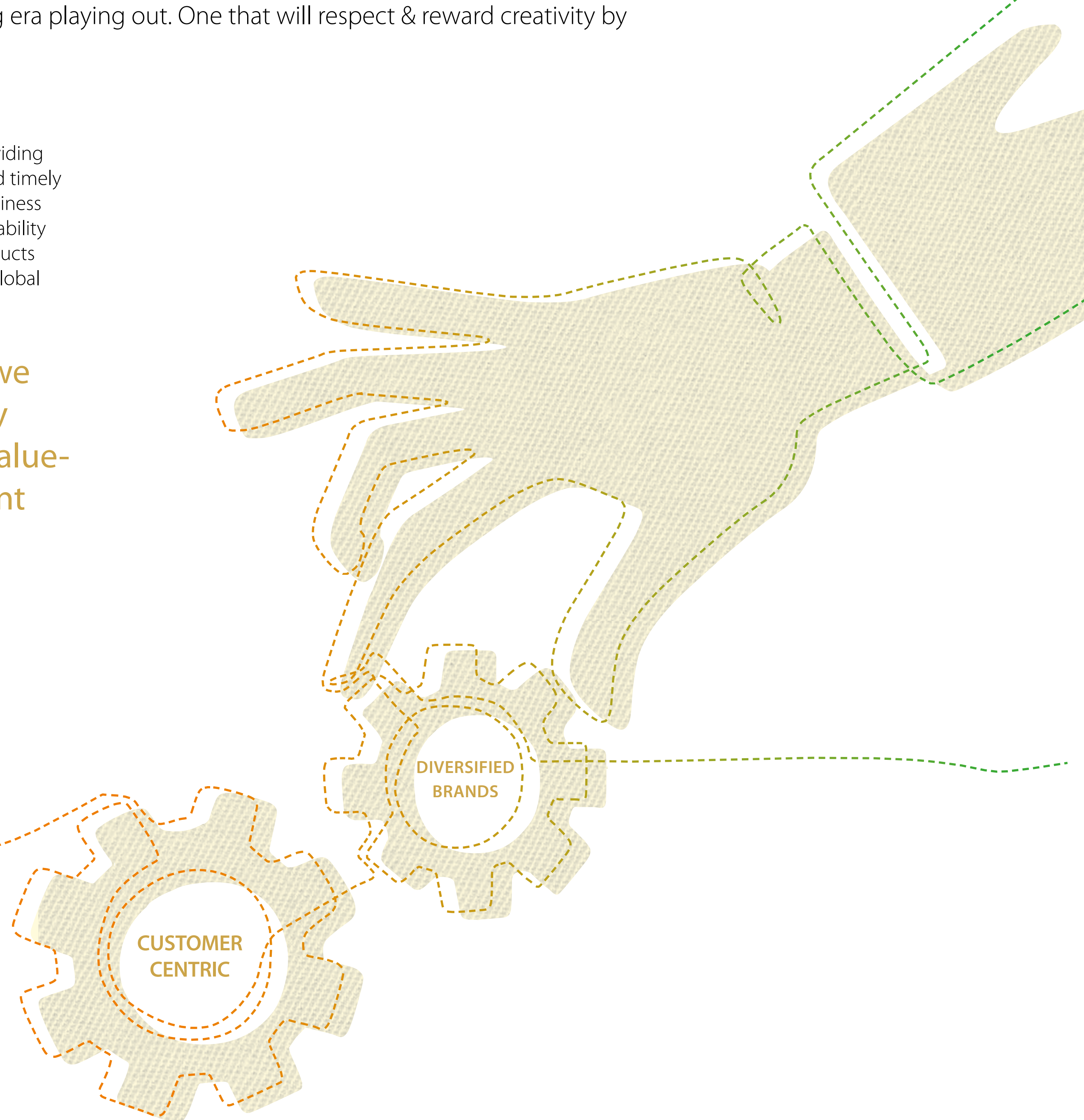
All the above Capex investments will help to cater the growing demand in the Textile Industry.

Count on us...
For delivering value

We foresee an exciting era playing out. One that will respect & reward creativity by all enterprises.

Customers satisfaction, providing superior product quality and timely service is key to growth. Business houses always bolster their ability to ideate and innovate products to uplift their standards to global aspirations.

At Indo Count, we have proactively enhanced our value-addition quotient for our global customers.



Broad basket of In-house brands

Our product basket comprises of sheet sets, fashion bedding, utility bedding and institutional bedding.

We have created 17 Brands in our business space – each brand possesses distinct attributes, is offered exclusively in particular geographies, caters to specific user segments and is available at multiple price points. In doing so, we have created one of the widest product baskets where there is something for everyone.

Acquired a product basket that complements ours

With the acquisition of Home Textile Business of GHCL and IPs of Grace Home Fashion LLC, US subsidiary of GHCL, we have added 9 New Brands & Technologies to our existing portfolio. Further, this acquisition has added a whole new avenue of untapped customer base that will help us gain more global market share.

Additionally, we will leverage joint capabilities of design, innovation, and products to sharpen our go-to-market strategy.

Partnered with global brands to gain insights into Western world aspirations

We partnered with the UK brand Jasper Conran for an exclusive bed and bath collection. The first collection was launched in Spring 22. The range is marketed internationally under the Jasper Conran London brand, exclusively through Indo Count. The partnership will support our long-term vision to be the Conran Store for home textile across the globe.

We have 3 licensed brands apart from our own in-house brands.

Count on us...
For being responsible

We are already witnessing a new thought process firming up across the globe. One where ESG and sustainability will be the true measure of success.

ESG and Sustainability is an imperative brought on by a constellation of events in time - the pandemic, climate change, the rising demands for equality and inclusion. As a result, investors will be analyzing sustainable practices in all respects adopted by the Corporates.

At Indo Count, we have woven sustainability into our business well before the global ask.

Focus on ESG Principles

ESG Plan Mapped against SDG Goals

Focus on Sustainability Initiatives

Modeled sustainability in our inputs

We source sustainable fiber and fabric from some of the leading brands in the world. We partnered with Global major 'Archroma' for manufacturing Home textiles in India for our PureEarth Organic cotton brand which uses plant-based dyes. We source dyes and chemicals from other products from globally-respected corporates who align with our passion for sustainability.

Reduced the load of our processes on the Earth

We remain focused on reducing our energy and water consumption every year. We have invested in technology, sophisticated equipment and processes that help us achieve our goals. We have deployed renewable solutions that allow us to effectively harness the bounties of the Earth.

Recognised by global brands

We are now an official member of the US Cotton Trust protocol. They are approved supply chain partners for brands and retailers who are sourcing more sustainability-grown cotton.

Part of a global sustainability drive

We are proud to be part of Project Gigaton. Globally, the Project aims to reduce one Gigaton (one billion metric tons) of CO2 emissions from the global supply chains of Walmart by 2030. We have collaborated with Walmart in this endeavour and are taking meaningful steps to achieve this goal. Additionally, we have been recognised by WalMart Corporation as a top performer at Wal-Mart's Global Sourcing Sustainability Summit.

ESG plan

We remain steadfast in our drive to assist our customers to reduce their carbon footprint. We have developed a Business Plan 2030 which has identified six pillars of sustainability and also mapped our operational performance against nine SDG goals. We have identified short and long-term goals which we will pursue with dogged determination.

A Corporate Snapshot

The Largest Global Home Textile Bed Linen Company

Vision

To be one of the leading players in the global home textiles industry on the strengths of technology, experience and innovation.

Mission

We are committed to provide all our customers superior product quality, timely services and value for money through our technological and organisational strengths.

Principles

- Complete Comfort to customers
- Focus on customer satisfaction
- Foster stability and sustainability

With a presence of more than three decades, Indo Count is a largest manufacturer and exporter of bed sheets, bed linen, and quilts from India. It is recognized among the top three global bed sheet suppliers in the US. The product basket of the Company includes sheet sets, fashion bedding, utility bedding and institutional bedding. Indo Count is 4 star export house and has state of art manufacturing facilities at Kolhapur, Maharashtra. With the successful acquisition of Home Textile Business of GHCL at Bhilad, the Company has now presence in twin states geographies viz. Gujarat and Maharashtra.

Starting with a capacity of 36 million meters, the Company has enhanced its capacity to 135 million meters and 18 million meters is under progress. The Company has three divisions namely Spinning, Home Textiles and Retail.

The Company's equity is listed on the BSE Limited and the National Stock Exchange of India Limited.

Spearheaded by Mr. Anil Kumar Jain, Executive Chairman at the helm, and under the leadership and guidance of Mr. Mohit Jain, Executive Vice Chairman the Company's business operations are managed by a team of experienced and enthusiastic professionals.

Twin States presence

Capacity of 135 mn mtrs and 18 mn mtrs underway

4 star Export House

Credit Ratings

Long term Bank facilities

ICRA: AA- with Stable outlook
CARE: A+ with Positive outlook

This credit rating signifies strong degree of safety regarding timely servicing of financial obligations. Such facilities carry low credit risk.

Short term Bank facilities

ICRA: A1+
CARE: A1+

This credit rating signifies very strong degree of safety regarding timely payment of financial obligations. Such facilities carry lowest credit risk.

Accreditations

ISO/IEC 17025:2017

By National Accreditation Board for Testing and Calibration Laboratories (NABL) Certification for Kagal facility, Kolhapur

Green Building Certification

By LEED (Leadership in Energy and Environmental Design) Green Building Council, USA

ISO Certifications

INTEGRATED MANAGEMENT SYSTEM
ISO 9001:2015 | ISO 14001:2015 | ISO 45001:2018

ISO 9001:2015
Quality Management System

ISO 14001:2015
Environmental Management System

ISO 45001:2018
Occupational Health and Safety Management System

Our Presence

We export to 50+ nations globally across six continents. USA accounts for the Company's largest market generating around 70% Total Revenue. The Company has presence in US, UK and UAE through international subsidiaries. We have also created a distribution chain comprising showrooms, design studios and warehouse in various countries. The Company has also established its presence in Domestic Market through "Boutique Living" and "Layers".

Brands and Technologies

17 In-house Brands

- Boutique Living
- Heirlooms of India
- Layers
- Haven
- simply→put
- The Cotton Exchange
- Purity Home
- Color Sense
- Revival New York City
- Atlas Resort
- Pure
- Sleep Rx
- Linen Closet
- True Grip
- Kids Corner
- whole comfort
- Wholistic

Acquired Brands

- Rekoop – Recycled with certainty
- Fabfit – The world's most adaptable fit technology
- Distinct Doom
- Meditasi – Sleep and heal

Innovations & Technologies

- Bio-Oils
- AllerCot Ever Fresh
- Natural Sheets
- Aero Balance
- Dura Shine
- Infinity
- Signature Sateen
- ProShield shield & clear
- Active Cooling sleep cool
- Aireolux
- Ecopress
- Pure Earth
- Duratec
- DryMax Complete Comfort
- The Complete Sheet

Acquired Technologies

- Weavestry
- earthology
- Jeanius
- Cirkularity
- Flip – Totally reversible bedding

Integrated Reporting Parameters

RESOURCES WE RELY ON

Financial Capital

Our pool of funds

Total Equity	₹39.47 crore
Net Worth	₹1,574.05 crore

Manufactured Capital

State-of-the-art facilities in and around Kolhapur

Showroom and design studios at New York (USA), Manchester (UK) and Dubai (UAE)

Warehouses for retail and e-commerce fulfillment in USA, UK and India

Intellectual Capital

Continuous R&D activities and Innovation to develop relevant products and bedding solutions

Human Capital

Our employees and their collective knowledge and skills form the backbone of our organisation

Team Size	5,000+

Social and Relationship Capital

We rely upon the relationships with our consumers, distributors and vendors. Further we contribute to our society through our social welfare and CSR activities.

CSR spend over 6 years	₹18.96 crore

Natural Capital

We undertake various sustainability initiatives to ensure optimum utilisation of natural resources and reduce our environmental footprint

FOR THE BEST OUTPUTS

Financial Capital

Revenue	₹2,842 crore
EBITDA	₹574 crore
PAT	₹359 crore
Debt to Equity Ratio	0.82x

Manufactured Capital

Sales volume during the year	75.8 million metres
Capacity	90 million metres

Intellectual Capital

17 In-House brands developed

Boutique Living	Haven
Revival	Pure Collection
Linen Closet	Simply-put
Whole Comfort	Purity Home
The Cotton Exchange	Color sense
Kids Corner	True Grip
Heirlooms of India	Atlas
Wholistic	SleepRx
Layers	

Human Capital

Enhancement of employee skillsets
Health & Safety training
Zero accidents

Social and Relationship Capital

Patients Treated Till Date	6,00,000+
Students Benefited	50,000+
Farmers Benefited	11,500+

Natural Capital

Improvement in cotton yield	31% against baseline
Reduction in fresh water consumption	55%
Water recycled and reused	90%

Key Performance Indicators (consolidated)

17% Total Revenue (YoY)

39% EBIDTA (YoY)

44% PAT (YoY)

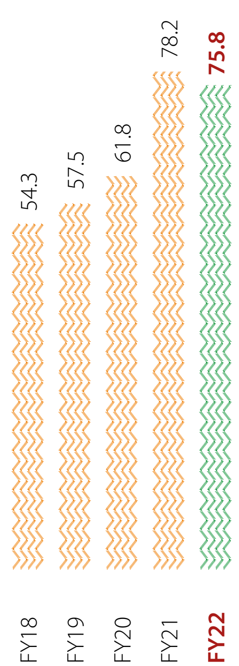
23% New Worth (YoY)

₹18.16 EPS

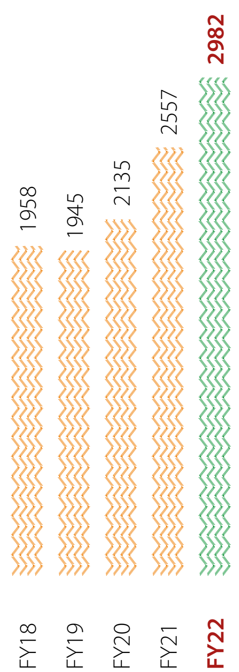
16% Return on Equity (YoY)

104% Net Debt to Equity (YoY)

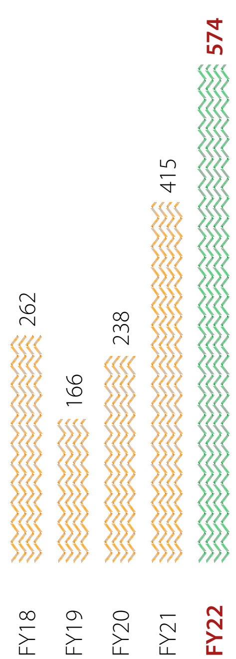
Sales Volume
(in million meters)



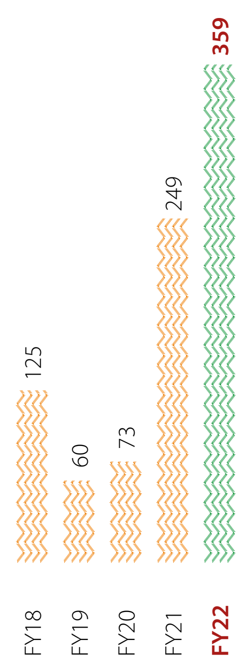
Total Revenue
(₹ crore)



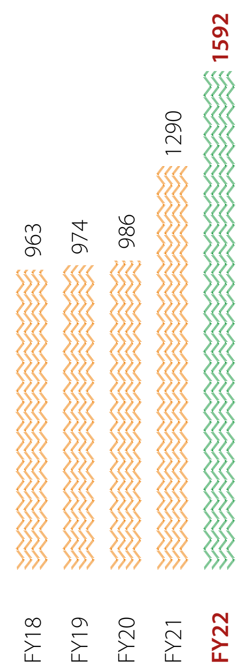
EBIDTA
(₹ crore)



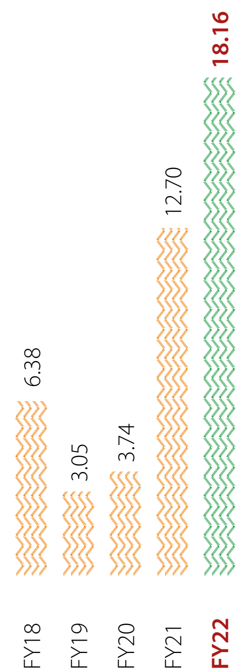
Profit After Tax
(₹ crore)



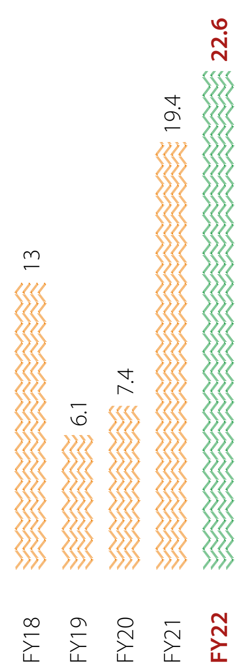
Networth
(₹ crore)



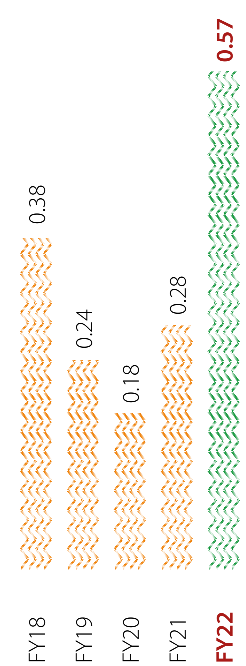
Earnings per Share
(₹)



Return on Equity
(%)



Net Debt to Equity
(x)



The Domestic Retail

Our domestic brands "Boutique Living" and "Layers" are the pillars of strength for the Company. While "Boutique Living" is an aspirational brand, which over the years is proving to be a game-changer for premium customers of home accessories, Layers is our value-driven brand, which has a consolidated acceptance in the Indian marketplace.

The Company banking on these two brands is eyeing a larger pie of the promising and expanding Indian textile market. On this line, the Company is channelising itself towards B2C, B2B and D2C segments through high-quality product offerings across a variety of price points, building visibility through digital campaigns and also leveraging omnichannel and e-commerce distribution. Parallelly, the Company remains focused on increasing e-commerce for which we have already committed to enhancing our branded business too.

Encouraging for us, the E-commerce business and the Indian home textile business is growing.

BOUTIQUE
LIVING

Boutique Living's range of products was introduced by the Company eyeing to cater to Indian customers inclined towards a refined quality of bed linen.

During a span of five years, "Boutique Living" has come a long way winning laurels and accolades for its quality and brand value. It was felicitated by The Economic Times as 'ET Iconic Brand of 2021'. Not stopping there, "Boutique Living" has been chosen as a winner of e4m Pride of India, the Best of Bharat Awards 2022 by the Editorial Board of Exchange for Media and Impact Connect. This award was given to the brands that have demonstrated leadership, strategic accomplishment, creativity, and constant innovation in their product, processes, and marketing practices.

The product range includes Bed Sheet sets, Dohars, Towels, Pillows and Comforters. The products have a strong presence across e-commerce channels including Amazon, Flipkart. Customers also have the option to buy directly from our Company's website www.boutiquelivingindia.com. On the ground, it has a diverse and rooted presence in over 500 premium Multi Brand Outlets across India including large format stores like Shoppers Stop, @Home.

ET Iconic Brand of 2021

Presence in MBO, LFS, E-Commerce

INDO COUNT
Complete Comfort

The Domestic Retail

Layers®
Dress Up Your Home

Layers offers quality and aesthetically appealing smart home furnishing range of products achieved through innovation, technology and experience. The Layers bouquet consists of contemporary designs executed through cutting-edge technology. The products also offer special antimicrobial and anti-fungal protection thereby helping customers maintain a healthy life.

Through Layers, Indo Count filled the marketplace gap with the introduction of a first-of-its-kind affordable Bed Linen range for India's emerging and aspiring sections, who constantly upgrade their lifestyles parameters and home.

Felicitation by Femina Power Brands for unmatched quality and exceptional designs reaffirmed our belief that Layers will lead by example in future. Layers range of products are available across 1500+ stores in MBOs and large retail outlets like @Home, Spar, Spencer's, Kurlon. In the e-commerce domain too, Layers has a strong presence on Amazon, Flipkart, Ajio and Myntra and Home Centre.

Layers is the manifestation of Indo Count's three decades of rich experience in the global domain. Layers range of Bed Sheet Sets, Dohars, Comforters and Pillows are the embodiment of beautiful prints and vibrant colours that add elegance to homes. Our deep understanding of the industry and market has given Layers wings to fly high in the domestic market in the future.

The Indo Count Retail team has excelled in their field to come up with its own bouquet of standout design, fabric range and texture. Matching today's trend of beddings becoming a style statement, the product range of Boutique Living and Layers has been developed to sound synonymous with uniqueness and finesse.

Femina Power Brands

Presence in MBO, LFS, E-Commerce

Environment, Social and Governance

Sustainability is deeply rooted in our culture which balances the aspiration of being a sectoral benchmark in value creation and corporate citizenship.

We aspire to accomplish a state of Cultural Excellence by continuing to transform our business by:

- Being more responsible to the planet we thrive in
- Being more compassionate towards the community with whom we share our highs and lows
- Maintaining high standards of integrity in our business practices as well as enhancing transparency amongst our stakeholders
- Being more resilient as a business by continuously reviewing and transforming our approaches
- Being able to Imagine, Ingrate, and Inspire quality products, taking the sleep experience to the next level

Developing a sustainable Value Chain

We ensure sustainability across our value chain right from procurement to packaging. Sustainable procurement practices are an important part of sustainability initiatives. Our procurement practices are governed by our sustainable governed policy which includes the formation of sustainable supply chain and focus on procurement from local suppliers.

Fiber & Yarn
Sourcing Sustainable Fiber/ Yarn Usage – BCI Cotton, Oekotex, GRS, Fair Trade, Organic

Fabric
Sourcing Sustainable Fabric– BCI Cotton, Oekotex, GRS, Fair Trade, Organic

Dyes & Chemical
STeP, Oekotex, ZDHC, GOTS, Compliant dyes & chemicals

Packaging
Sustainably sourced Packaging, Self-Fabric Bags, FSC certified packaging products.

Stitching & Trims
Recycled Labels, Trims, Sewing Threads

Process optimisation
Focus on reducing, recycling and reusing finite utilities – Water and Electricity

Sustainable Practices across Value Chain

We believe that success is fleeting, whereas sustainability is lasting. With this in mind, we have extended sustainable practices in our material usage.

- We have converted our major packing materials from PVC polybags to self-fabric bags. We ship our products in Self-Fabric bags to global brands such as Walmart, Kohl's, ASDA, BBB Costco among others.
- We have reduced paper consumption in cartons and stiffeners by optimising GSM (grams per meter square) & BF (burst factor) parameters.
- We are moving toward paperless documentation like Purchase Orders, Comparative Statements and Purchase Requisition. All approvals are routed through SAP
- We use plant-based dyes on organic cotton for our PureEarth collection. These dyes are synthesised from non-edible waste by-products from agriculture and herbal industries, such as turmeric, tamarind and residues from plants, leaving the edible part still available for food consumption.
- We have shifted a considerable quantity of greige fabric sourcing from far locations to nearer locations, reducing truck movement.
- Sustainable Sourcing - The Company has implemented various cotton sustainability projects. These projects promote sustainable social infrastructure and support system for farming community, give training to farmers on sustainable methods of cotton cultivations.
- Sustainability in Product Development - We have manufactured products using Organic Cotton, Recycled Cotton and Polyester Fiber. We manufacture sheets based on plant based dyes made from fully agricultural resources.

Sustainability at Operations

Energy Management

India primarily uses thermal energy. When industries and enterprises expand their operations, they add to the carbon emission . We believe that renewable energy is the future for business sustainability.

Mindful of this , we have focused our effort on optimising our energy consumption, adopting a dual approach – reduce and recycle and moving towards renewable energy.

We have moved part of our energy source from thermal to renewable sources. We have installed solar panels which generate about 2 mn units of electricity. We have also installed a biogas plant to generate energy for internal consumption.

For reducing our energy consumption, we have implemented various initiatives over the recent past. They include:

- Replaced lower energy efficiency motors with higher energy efficiency motors.
- Provided Variable Frequency Drive (VFD) system for induced draught (ID)/forced-draft (FD) fan of Boiler.
- Implemented a condensate recovery system.
- Light Emitting Diode (LED) installation across production and stitching line.
- Installation of latest technology pumps and compressors to reduce power loss and consumption.

GHG Emissions Management

Waste and effluent management is a burning issue in today's world. Carbon emissions contribute to climate change which is one of the top line risks that requires immediate global attention for our sustenance on earth. We recognise the impending impacts of climate change as an organisation and strive to contribute in a holistic manner. Following measures were adopted to reduce GHG Emissions:

- Adoption of **'Environment Management Policy'**
- **CDP (Carbon Disclosure Project):** We endeavour to align our GHG emission reduction target with the goals of the Paris Agreement which aims to limit global warming well-below 2°C to achieve the said objective we have collaborated with Science Based Targets Initiative.
- **Higg Index:** We are associated and certified with SAC (Sustainable Apparel Coalition) for two of our facilities at Gokul Shirgaon and Kagal. Using the Higg Index suite of tools, we assess and score our supply chain and our products' sustainability performance periodically.
- **Project Gigaton & Giga Guru:** This is project launched by Walmart, our key client, in 2017 to inspire suppliers to reduce upstream and downstream greenhouse gas (GHG) emissions from the global supply chain. Globally the Project aims to reduce one Gigaton (one billion metric tons) of CO2 emissions from the global supply chains of Walmart by 2030.

  We have collaborated with Walmart in this endeavour and have made our contribution by continuing to implement projects that promise to reduce our carbon footprint. We have been consistently maintaining the Giga Guru title since the inception of Gigaton program since 2017.
- We are a participate of UNGC (United Nations Global Compact).
- We are a member of ZDHC (Zero Discharge of Hazardous Chemicals).
- Coal consumption reduction by installation of Back Pressure Turbine, Hot Water heat recovery system and Auto Blow down at boiler.

Water Management

Water is a burning issue owing to the fast-depleting water table across the world. Experts believe that despite water covering more than 60% of the Earth's surface, a water crisis can affect in years to come. Significant volumes of water is consumed in our operating process. Some of the major initiatives are undertaken to conserve water are as under:

- Installation of an Effluent Treatment Plant (ETP) with three stage RO system.
- Installation of system for hot water re-use.
- Rain water harvesting.
- Installation of Multi Effect Evaporator for RO zero effluent discharge.
- Installation of Automatic Moisture Controller on VDR of PTR I, MERC I, CDR I & SOAPER and Booster Pumps for Steam Saving.
- Water meters are installed and calibrated at a defined frequency to track water consumption accurately.

We continue to improve our systems and processes which have helped us in making continuous progress in this area.

ESG & Sustainability Strategy

We aim to be Net Zero by the year 2050

To achieve the above vision:

We have developed a Business Plan 2030 which has identified six pillars of sustainability and also mapped our operational performance against nine SDG goals.

Sustainability Metrics	Applicable SDGs
Carbon Neutrality (Scope 1, 2)	7 Affordable and Clean Energy; 9 Industry, Innovation and Infrastructure; 13 Climate Action
Sustainable Raw Material Sourcing Capability	3 Good Health and Well-Being; 12 Responsible Consumption and Production; 17 Partnerships for the Goals
Impacting the Local Community through Creating Shared Value (CSV) Strategies	3 Good Health and Well-Being; 4 Quality Education; 6 Clean Water and Sanitation; 7 Affordable and Clean Energy; 8 Decent Work and Economic Growth
Zero Waste to Landfill	12 Responsible Consumption and Production; 13 Climate Action
Impacting Cotton Farmers	6 Clean Water and Sanitation; 7 Affordable and Clean Energy
Tree Plantation	3 Good Health and Well-Being; 13 Climate Action

GHG Emissions

- Reduce Scope 1 & Scope 2 GHG emissions by 30% in our Operations by 2030.
- Reduce Scope 3 GHG emissions by 14.8% in our Supply chain by 2030.

Our goals to achieve above vision:

- Reporting our ESG Performance as per Science-Based Targets initiative (SBTi) requirements.
- Continuously innovate our products to provide complete comfort to our customers by providing better customer solutions, we develop products to be energy efficient even at the consumer's end.
- Continue to adopt MIG (Made in Green) labelling throughout our supply chain, including fabrics, dyes & packaging material.
- Continuously invest in upgrading our equipment and technology to stay updated with the latest technology, ensure consistent better quality products & optimise production.
- Undertake R&D in partnership with leading Universities to continuously comply our products with US/Europe/ROW Sustainability Standards.

Social CSR

Business success in today's corporate society is something more than just manufacturing and marketing. It is about building the society ground up. While that has been our business ethos since inception, we resolved to invest in social and sustainable development. We remain committed to ensuring holistic and inclusive development of the communities and society in which we operate.

HEALTHCARE
600000+ Patients

EDUCATION
50000+ Students

AGRICULTURAL LIVELIHOOD
11500+ Farmers

ENVIRONMENT
15000+ Trees

WATER & SANITATION
100000+ Beneficiaries

EVERY SMILE COUNTS...

Our Philosophy

Our passion for community development is driven by a simple belief 'Every Smile Counts…' Our CSR policy encompasses this philosophy and lays down the guidelines and mechanism for undertaking socially useful interventions for the welfare & sustainable development of the community at large.

CSR Committee & Governing body

We undertake need assessment exercises regularly which forms the platform for identifying projects that align with our CSR policy.

The CSR Committee is comprised of experienced board members viz.

1. Dr. (Mrs.) Vaijayanti Pandit, Chairperson
2. Mr. Anil Kumar Jain
3. Mr. Kailash R. Lalpuria
4. Mr. Kamal Mitra
5. Dr. Sanjay Kumar Panda.

CSR Committee spearheads our CSR strategy, recommends the budget and plans, and prioritise CSR projects. The Board also provides their inputs on CSR activities and recommendations made by CSR committee.

The CSR team at Indo Count Foundation, CSR arm of the Company executes the CSR projects in a focussed and timely manner.

Our CSR Coverage

Our CSR footprints covers important areas of Education, Healthcare, agricultural livelihood initiatives, enviroment, women empowerment, water and sanitation and disaster relief activities. These CSR activities are carried out keeping in mind preference to local areas where we operate. Majority of the activities revolve in and around Kolhapur.

EDUCATION

Bringing smiles to students and children...

E-learning

Digitisation, especially during the pandemic, made a world of difference to students. Despite the lockdown, education has to continue and E-learning has played a vital role in online education. Our e-learning initiatives have covered 100+ schools, resulting in improvement in academic score with 100% passing of 50000+ students in class 10th Board exam in these schools.

Infrastructure Improvement

Indo Count also caters to the educational needs of specially abled children and extend all possible support to make them inclusive part of the society. It was observed that infrastructure facilities at the schools were very poor and ICF completely transformed the infrastructure and provided conducive environment for specially abled students to learn and explore their skills and live a life of dignity in the schools.

HEALTHCARE

Bringing smile to patients...
Good health is central to human happiness and well-being that contributes significantly to prosperity, wealth and economic progress, Hence, we have positioned "Healthcare" as a critical and focus CSR area.

Mobile Medical Vans: We started the 'Health outreach' through the Medical Vans to serve underprivileged communities in rural areas. Starting with one van in 2016, ICF widened its footprint in this area with 4 medical vans running in around 100 remote villages and slums. These vans provide doorstep access to preventative and curative healthcare, effectively addressing the health concerns of people in remote villages. More than 5 lakh lives have been touched through this initiative.

Improving health infrastructure: We are actively focused on infrastructure development of the district hospitals in local areas. Our initiatives are focused on upgrading the public health facilities in hospitals viz. maternity wards, cardiology wards and AIDS centers through latest and modern medical equipment.

All CSR projects in healthcare sector have brought smiles on faces of more than 6 lakhs patients and have translated in reducing the associated morbidities amongst the community.

AGRICULTURAL LIVELIHOOD

Bringing Smiles to farmers...

The textile sector's success is based on the sustainability of its raw material source. With India's textile sector gaining the global spotlight, it becomes an immediate imperative to strengthen cotton availability.

In response to this reality, we decided to improve sustainability in cotton farming for farmers and to consider "Farmers upliftment and Agricultural Livelihood" as one of the key CSR focus area.

Following projects are undertaken by the Company for improving the economic status of cotton growing farmer with a focus on cotton sustainability:

GAGAN: We started project 'GAGAN' in FY 2019-20 in Warora Taluka of Chandrapur District in Maharashtra . The main thrust of this program is to help cotton farmers in increasing the productivity of their farms by judicious use of water, pesticides, and fertilisers and educating them on farming practices. We have also tied up with CITI-CDRA, a technical resource agency in the field of cotton production and engaged agri-graduates as scouts from local areas to implement this program.

It also helps farmers follow sustainable means of cultivating cotton following the principles of Better Cotton Initiative (BCI) and Good Agricultural Practices (GAP).

We further expanded GAGAN project in Anjangaon (Amarvati), Malkapur (Buldhana).

GAGAN project has benefitted more than 3,000 farmers with increase in yield by 9.86% over previous year and rise in income by 23%.

Based on the successful implementation experience of Gagan Project, We further expanded the concept and implemented a pilot ELS(Extra Long Staple) Cotton Project called- Anant in Alirajpur District of M.P which is predominantly tribal area.

This project is Implemented by a team of CITI CDRA and covered more than 11,500 farmers in the year in Alirajpur, Sondwa, Jobat, Udaigarh, CSA Nagar, Kattiwada blocks. There is fantastic result of this pilot and there is a 22.5% improvement in farmers income from the cotton yield in comparison to non-project areas.

Above projects will be expanded further along with multi-year project of PDKV, Akola which has taken kick off in this year.

PDKV Multi year Project

The Company, in collaboration with Government of Maharashtra is undertaking Centre of excellence of cotton project for cotton sustainability. The project cost is around ₹3.10 crores wherein Indo count and Govt of Maharashtra have funded their shares of 50% contribution. The project would provide various benefits to farmers including below:

1. Increased profitability of farmers per unit area and time in cotton cultivation
2. Trained extension personnel and farmers for sustainable quality cotton production and for quality seed production.
3. Area expansion under organic cotton cultivation.
4. Increased awareness among the farmers regarding IPM and INM.
5. Judicious use of poisons pesticides and chemical fertilizers.

DISASTER RELIEF

ICF always remains committed and extend the CSR support in some way for disaster relief. Pandemic was also not an exception. The second wave of the pandemic was increasingly intense. Loss of lives and livelihood was immense. In these challenging times, we stood by communities and extended support for immediate needs of local Govt. requirements, the Health department, the Police and the local community.

Support during the Pandemic

Our COVID support activities included donation to PM Cares Fund, giving ventilators and oxygen concentrators, face masks, donation of bed sheets and grocery distribution.

We also organized the vaccination camp for Covid prevention and covered more than 1,000 local casual workers.

ENVIRONMENT

Miyawaki Plantation Multi-year Project

Another multi-year project undertaken by the Company this year is Miyawaki plantation. On 5 acre of MIDC Waste Land, Indo Count has undertaken a massive Plantation activity using Miyawaki Technique and transformed it into green land.This will help in huge amount of carbon sequestration and balance local micro climate imbalances. Around 15000 plants planted and is being maintained with 100% survival. Inside this we also created a freshwater pond which helps in developing natural ecosystem of Flora and Fauna, which is essential component of Environment.

Bio Gas Plant

Company partnered with Isckon for installation of Bio Gas Plant at Talasari Village. Cow Dung of 450 rescued cows was used to generate Bio Gas which is equivalent to 2 big gas cylinders every day. This Bio Gas is supplied to 10 tribal villages in Talasari.

WATER AND SANITATION

Apart from new CSR activities, it is always important to sustain the existing projects. ICF always follows this approach. While Education, Healthcare, Farmers livelihood and Environment remains the core Focus areas, the Company has been maintaining the RO and Purified water and sanitation facilities created earlier. The said facilities continue to benefit around 1 lakh people.

WOMEN EMPOWERMENT

We support and encourage youth and women to participate in vocational training programmes. Such training is aimed at developing vocational skills required in the textile industry which ultimately help women earn a source of livelihood and contribute to the family, earn respect in the family and uplift the standard of living of the household.

CSR Way Forward...

We would be sustaining all our existing projects. Further, considering the alignment with SDG Goals and CSR needs, the Company would be undertaking new CSR projects in the area of animal care, sports promotion and healthcare.

With the acquisition of Home-textile facilities at Bhilad, Gujarat, the Company would be expanding the CSR projects in the areas of Education, Healthcare and Women Empowerment.

Company would be monitoring the existing Multi-year Projects.

Governance

Corporate governance is an ethically-driven business process that is committed to values aimed at enhancing an organization's wealth-creating ability.

Our corporate governance reflects our value system, encompassing our culture, policies, and relationships with our stakeholders. Our corporate governance edifice is platformed on two critical pillars, Integrity and Transparency, which allows us to reinforce our stakeholders' trust in us with every passing year.

We are committed to defining, following and practicing the highest level of corporate governance across all our business functions. Our Corporate Governance ethos focuses on achieving premier levels of integrity,

compliance, transparency and accountability. For this, we have adopted internationally-recognized corporate governance guidelines and have set high standards for abiding by them.

Our Board

Our Board is the primary upholder of our Governance framework. Its primary role is that of trusteeship – to protect and enhance shareholder value. As trustees, the Board has a fiduciary responsibility to ensure that the Company has clear goals aligned to shareholder value and its growth.

Our Board of Directors comprises 10 eminent personalities who bring to the table immense skill, expertise and hands-on experience in various fields.

Composition of Board

The Board has optimal combination of Executive and Independent Directors including one Woman Director.

Executive/Non-Independent Directors
• Mr. Anil Kumar Jain
• Mr. Mohit Jain
• Mr. Kailash R. Lalpuria
• Mr. Kamal Mitra

Independent/Non-Executive Director
• Mr. Dilip J. Thakkar
• Mr. Prem Malik
• Mr. Sushil Kumar Jiwarajka
• Dr. (Mrs.) Vaijayanti Pandit
• Dr. Sanjay Kumar Panda
• Mr. Siddharth Mehta

Board Tenure

The tenure of Independent Directors is restricted to two terms of 5 years based on the performance evaluation of Directors, who are elected for second term. This practice has ensured that the board always functions effectively, retains a fresh perspective on matters and is up to date with the latest global and industry trends.

Board Committees

We have Board Committees which discharge their role and responsibilities in an effective manner. These committees, in turn formally report to the Board following each meeting to ensure that the Board remains fully updated on their activities.

01	**Audit Committee** 3 out 4 Independent Directors. Chairman being Independent Director
02	**Nomination and Remuneration Committee** 3 out 4 Independent Directors. Chairman being Independent Director
03	**Stakeholders Relationship Committee** Chairperson- Independent Director
04	**Corporate Social Responsibility (CSR) Committee** Chairperson- Independent Director
05	**Risk Management Committee** Majority being Independent Directors

Policies that foster ethical practices

- **Code of Conduct**

Integrity, transparency and trust form part of the core beliefs of all activities at Indo Count, which has been the basis of its growth and development. The Company has adopted a Code of Conduct applicable to all its Directors and members of the Senior Management and all the employees of the Company. The Code is available on the website of the Company.

- **Whistleblower policy**

Your Company has formulated Vigil Mechanism / Whistle Blower Policy to enable Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct, that could adversely impact the Company's operations, business performance and / or reputation, in a secure and confidential manner. The said policy provides adequate safeguards against victimization of Directors/employees and direct access to Chairman of Audit Committee, in exceptional cases. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company.

- **POSH policy**

Your company always endeavours and provide conductive work environment that is free from discrimination and harassment including sexual harassment. Your Company has zero tolerance towards sexual harassment at workplace and has adopted a policy for prevention of Sexual Harassment of Women at workplace. In order to prevent sexual harassment of women at workplace, your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace. The Company has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into complaints relating to sexual harassment at workplace. The Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace is available on the website of the Company.

- **Advocacy**

Your Company is a member of various trade bodies, chambers or association like TEXPROCIL, CITI, FIEO, ASSOCHAM and BITRA. The Company, through the various industry associations, participates in advocating matters for advancement of textile sector, policies, economic reforms and public good. It supports various initiatives which includes aspect of textile industry which is a progressive step towards inclusive development.

We do not make political contributions and there are no instances of monetary or non-monetary sanctions for non-compliance with laws and regulations in the current year.

Stakeholder grievance mechanism

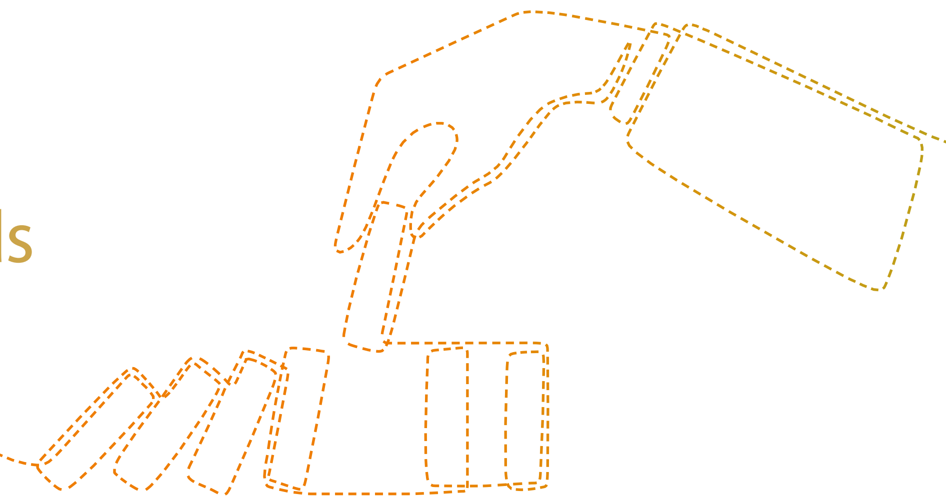
The Company has in place investor grievance mechanism and any complaints / queries received from shareholders are resolved within timelines.

- **Anti-corruption policy and Anti-bribery policy**

The Company has laid down Anti-corruption policy and Anti-bribery policy in place. This policy prevents employees, suppliers and vendors to receive any illegal or improper payments or comparable benefits intended or perceived to obtain undue favours for the conduct of our business. Everyone involved in our business embraces the policy commitment. Any breach of this policy is regarded as a serious matter by the Company and is likely to result in disciplinary action.

Risk management

Count on us to sail through headwinds



The external environment in which Indo Count operates presents multiple opportunities and risks, which the Company is prepared to manage proactively. Its robust risk governance structure not just evaluates the nature of risks, it also dynamically assesses their likelihood and significance. The Management closely monitors the impact of these risks on the value-creation ability of the Company. The Company has laid down Risk Management Policy approved by the Board. This Policy forms an integral part of the internal control and corporate governance framework of the Company.

The prime objective of this Risk Management Policy and Procedure is to ensure sustainable business growth with stability and establish a structured approach to Risk Management. It also ensures risk identification, assessment and mitigation. The Company also has in place Risk Management Committee to assess the risks and to review risk management plans of the Company. The Internal Audit Reports and Risk Management Framework are reviewed by the Audit Committee.

Some of the key risks and ICILs mitigation methods are given below:

Business Dynamics Risks

Mitigation Measures: I) Planning and implementing strategies to diversify its market presence in other geographies. II) Continuously expand the customer base to maximise the potential sales volumes and at the same time securing additional volumes from existing customers on the basis of our record of satisfactory performance in our earlier dealings.

Credit Risks

Mitigation Measures: I) Establishing Systems for assessment of creditworthiness of customers. II) Obtain ECGC cover for probable credit risk. III) Appropriate recovery management and follow up.

Market Risks / Industry Risks

Mitigation Measures: I) Development of Alternative sources for uninterrupted supply of raw materials. II) Raw materials procurement from different sources at competitive prices. III) Proper inventory control system. IV) Hedging adverse commodity (cotton/coal) price movements by availing hedge products in the commodity exchanges.

System Risks

Mitigation Measures: I) Upgrading the systems on a continuous basis. II) Ensuring the "Data Security", by having access control/ restrictions. III) Data Back up and redundancy to protect the data.

Foreign Exchange and Interest Rate Risk Management

Mitigation Measures: I) Consistent monitoring of exposure to currency fluctuations. II) Protective management of forex measure. III) Using structured and systematic hedging mechanism.

Corporate Information

Board of Directors
Mr. Anil Kumar Jain
Executive Chairman

Mr. Mohit Jain
Executive Vice Chairman

Mr. Kailash R. Lalpuria
Executive Director & CEO

Mr. Kamal Mitra
Director (Works)

Independent Directors
Mr. Dilip J. Thakkar
Mr. Prem Malik
Mr. Sushilkumar Jiwarajika
Dr. (Mrs.) Vaijayanti Pandit
Dr. Sanjay Kumar Panda
Mr. Siddharth Mehta

Chief Financial Officer
Mr. K. Muralidharan

Company Secretary & Compliance Officer
Mrs. Amruta Avasare

Auditors
Suresh Kumar Mittal & Co.

Registrar & Share Transfer Agent
Link Intime India Pvt. Ltd.
C-101, 247 Park L.B.S. Marg, Vikhroli (West),
Mumbai 400083, Maharashtra, India.

Registered Office
Office No. 1, Plot No. 266, Village Atle Kumbhoj Road,
Taluka Hatkanangale, District Kolhapur 416109,
Maharashtra, India.

Corporate Office
301, 3rd Floor, "Arcadia", Nariman Point,
Mumbai 400021, Maharashtra, India.

Plant Locations
D-1, MIDC
Gokul Shirgaon, Kolhapur 416234,
Maharashtra, India.

T-3, MIDC
Kagal-Hatkananngale, Kolhapur 416216,
Maharashtra, India

Bankers
Union Bank of India
HDFC Bank Ltd.
Bank of Baroda
CITI Bank
HSBC
JPMorgan Chase Bank, N.A.
Axis Bank Limited

Corporate Identification Number
L72200PN1988PLC068972

Email
info@indocount.com

Website
www.indocount.com

Management Discussion & Analysis

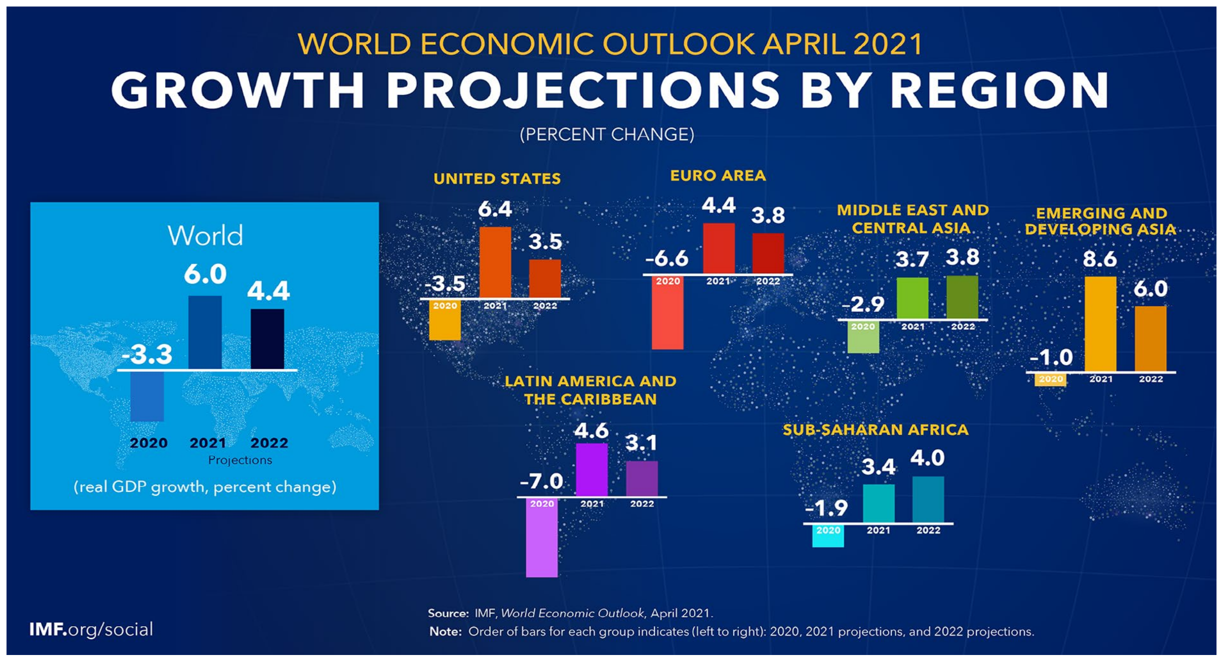
An Economic Overview

World economy: The steep economic recovery in 2021 was supported by household expenditure and some uptake in investment with trade in goods surpassing pre-pandemic levels — marking the highest growth rate in more than four decades. However, the growth momentum – especially in China, the United States and the European Union – slowed considerably by the end of 2021, as the effects of monetary and fiscal stimuli, began to lose their relevance and major supply-chain disruptions emerged.

Production in developing and emerging industrial economies has recorded a notable increase of 4.3% albeit with greater volatility over time. Industrialised economies, on the other hand, have exceeded their pre-pandemic production level since the first quarter of 2021 and registered a growth of 3.2%.

Outlook: As per estimates of the International Monetary Fund, global growth is expected to decelerate from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. Beyond, 2023 global growth is estimated to decline to 3.3% over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7% in advanced economies and 8.7% in emerging market and developing economies.

The US: The economy registered a better-than-expected growth to end 2021 with a 5.7% GDP growth, the strongest pace since 1984. Gains came from increases in private inventory investment, and strong consumer activity as reflected in personal consumption expenditures, exports, and business spending as measured by non-residential fixed investment. Towards the close of 2021, the GDP growth tailed off owing to the dissipating impact of the fiscal stimulus.



Outlook: The United States is expected to reach its pre-pandemic trend output path by 2022. GDP growth is anticipated to normalise to 3.7% in 2022 and 2.3% in 2023. Wage growth is expected to stay strong as the labour market is likely to remain tight, despite an increase in labour force participation as receding health risks and higher wages prompt workers to return to the labour force. Inflation will remain above the Federal Reserve's 2% target at the end of 2023. To control inflation the Fed has started raising the interest rates. This has resulted in an increased conversation around the possibility of the US slipping into a recession. Reputed consultancies though do not expect the likelihood of a recession in 2022.

European Union Region: For the year 2021 as a whole, GDP increased by 5.3% in both the euro area and EU. Households responded to the improving epidemiological situation and the gradual relaxation of containment measures with a spending spree that propelled EU private consumption growth to 3.3% q-o-q (3.5% in the euro area) in the second quarter of 2021. The economic progress however tapered down in the last quarter of 2021. In the fourth quarter of 2021, seasonally adjusted GDP increased by 0.3% in the euro area (2.3% in the third quarter) and 0.4% in the EU (2.2% in the third quarter) compared with the previous quarter.

Outlook: The GDP is projected to grow by 2.6% in 2022 and 1.6% in 2023. Growth is set to be significantly damped in the first half of 2022 by the war in Ukraine and the lockdowns in China. These factors are also pushing inflation up further, to a projected 7% this year. This is weighing on households' consumption and increasing uncertainty. With the Russian oil embargo from 2023 pushing oil prices up, growth is expected to remain subdued in 2023, while inflation is set to decline only gradually.

Indian economy: India rebounded with vigor – from 6.6% GDP contraction in FY21 to 8.7% GDP growth in FY22 – progress that has demonstrated India's inherent resilience and determined efforts to get back to winning ways despite the second wave that threatened to derail progress once again.

The Government's push for inoculation and the mass vaccination drives across the Indian landmass helped allay fears which provided the much-needed impetus to private consumption. Also, increased capital expenditure from the government on infrastructure and defence boosted the fortunes of India Inc. As a result, 19 of 22 High-Frequency economic Indicators were higher than the pre-Covid levels.

Industrial India reported a healthy double-digit growth over the previous year, the services sectors grew by more than 8% while the agriculture segment improved from 3.6% in FY21 to 3.9% in FY22.

The Centre beat all its estimates of revenue collection in the financial year ended on March 31, aided by better indirect tax mop-up, strict compliance measures, and recovery in most sectors.

India's gross revenue collection soared to a record high of ₹27.07 trillion in FY22, 34% more than the ₹20.27 trillion collected in FY21. The tax-to-GDP ratio jumped to an over two-decade high of 11.7%

The fiscal deficit, an indication of total borrowings by the government to make up for higher expenditure, stood at 6.7% of the gross domestic product (GDP) as against the revised budget estimate of 6.9%.

New investment and capex announcements by the private sector saw a 145% year-on-year rise in FY22 over the previous year. New project announcements in the manufacturing sector have improved significantly to ₹6.2 trillion in FY22, a rise of 93.75%, as against ₹3.2 trillion in FY20.

Despite pandemic-related uncertainties, India remains a favourable destination for foreign investment. In 2021, around 44% of 1,200 global business heads in developed economies were planning to make first-time or additional investments in India. Gross Foreign Direct Investment (FDI) inflows increased, from US$82 billion in FY 2021 to US$83.6 billion in FY 2022.

The close of FY22 was not as expected owing to heightened geopolitical tensions which are expected to cast a shadow on India's economic prospects for FY23. In keeping with these realities, the Reserve Bank of India has suggested that India's GDP would grow by about 7.2% in FY23 (a slight downward revision from its earlier estimate of 7.8%.

The Textile Industry

Global textile industry: The global textile market size was valued at USD 993.6 billion in 2021 and is anticipated to grow at a compound annual growth rate (CAGR) of 4.0% from 2022 to 2030. Increasing demand for apparel from the fashion industry coupled with the growth of e-commerce platforms is expected to drive the market growth over the forecast period.

The fashion application segment led the market and accounted for more than 73% of the global revenue share in 2021 owing to the increased consumer spending on clothing and apparel. In addition, high consumer demand for crease-free suiting & shirting fabrics, as well as quality-dyed & printed fabrics across the globe will drive the segment growth further.

Asia Pacific dominated the market and accounted for over 48% share of global revenue in 2021 owing to the increased sales volume of clothing and apparel goods. In addition, the presence of a high number of customers on e-commerce platforms buying clothing and related accessories in developing economies is adding positive growth to the regional market. Increased penetration of organized retail, favorable demographics, rising disposable income levels, and favorable government policies are also expected to drive the market in APAC, especially in countries, such as India, Bangladesh, and Pakistan.

(source: https://www.grandviewresearch.com/industry-analysis/textile-market)

Indian textile industry: India's textile sector is the second largest employment generator, both skilled and unskilled. The sector is also important for India's economic progress as it contributes ~5% to the country's GDP, 7% of industry output in value terms, and 12% of the country's export earnings. India is the 6th largest exporter of textiles and apparel in the world. Consumers across the globe import textiles from India due to the high-quality fabric and the affordable cost. The Indian textile market is expected to be worth more than US$ 209 billion by 2029.

Performance of the sector: The textile industry recovered smartly, overcoming the pandemic-related challenges quite well. After a few years of sluggishness, the sector saw a fortunes turnaround. Domestic and international demand remained buoyant throughout the year in almost every segment of the textile value chain.

Domestic demand: Demand from domestic consumers resurfaced as the lockdown restrictions were relaxed. The work-from-home culture which continued well into FY22 resulted in a shift in preference – from formals to casuals. Owing to this change, demand for knitted fabrics and garments surged, at the cost of woven fabrics and garments.

Exports: After three disappointing years from a global trade perspective, India's textile exports vaulted to US$44 billion in FY22 (against US$33 billion in 2020-21), fueled by new high-priced orders. The dry pipeline across the globe and in India owing to a dismal FY21 created pent-up demand which spiked demand. Also, the China-plus-one sourcing strategy adopted by a majority of the western world resulted in a surge in demand for products across the textile value chain for the global textile hubs.

India being a major player in the global textile market received a good share of the shift in sourcing. This reversal in fortunes has cheered the sector since textile exports had been declining at a compound annual rate of 9.6% between 2018-19 and 2020-21.

As per the Ministry of Textiles, the US was the top export destination for the nation's textiles and apparel shipments and accounted for 27% share. European Union stood second with 18% shipments, Bangladesh was in the third position with 12% and UAE stands in fourth place with 6%. In terms of product categories, the export of cotton textiles was $17.2 billion with 39% share registering a growth of 54% and 67% during 2021-22 over FY21 and FY20, respectively.

Going forward: India's exports of textiles and apparel are expected to reach $100 bn in the next 5 years, growing at a CAGR of 11%. The domestic technical textile market for synthetic polymer was valued at $7.1 bn in 2020 and is projected to reach $11.6 bn by 2027, growing at a CAGR of 7.2%, while the technical textile market for woven is expected to grow at a CAGR of 7.4% to $15.7 bn by 2027, up from $9.5 bn in 2020.

The Home Textile Industry

Global Scenario: When it comes to products, curtains remain the largest sub-category of home textiles, followed by textile flooring, bed linen, towels, table and toilet and kitchen linen. The primary fabrics being used in global home textile manufacturing include cotton, polyester, silk, and some natural fibres such as bamboo and viscose silk.

The home textile market includes a variety of decorative and functional products. Both natural, as well as artificial fabric, can be used to manufacture home textile products.

Currently, China, the US and Europe are dominating the global home textiles market while Asian countries such as China, India and Pakistan are some of the largest suppliers of the global textiles market.

The demand for handwoven home textile in European countries is very high and customers are willing to pay a huge amount to purchase this product. Additionally, a great scope in increased sales can be expected from North America in the future. Most home textile products record significant sales from both vendors or third-party brick-and-mortar stores. Although the growth of offline sales is much slower than that of online sales. This market has a great potential to grow.

According to the Fibre2Fashion analysis, global home textiles demand is expected to witness steady growth shortly. Economic recovery is expected to increase consumers' purchasing power, generate GDP growth and strengthen the housing market, all of which will boost sales of home textiles and furnishings products.

Trend for FY23: Global demand for home textiles is expected to be impacted in the near term by inflationary headwinds, with big-box retailers pruning inventory and consumers cutting down on discretionary spends.

Medium-term trend: Technavio expects the global home textile retail market value to increase by USD 52.43 billion between 2020 and 2025. The market observed a YOY growth of 4.72% in 2021 and growth momentum is expected to accelerate at a CAGR of 6% during the forecast period.

Indian Scenario: India's home textile sector is primarily dependent on international buyers with exports accounting for 60-70% of the Indian home textile industry's revenue. The US, the world's largest market for home textiles, accounts for a sizeable 58% of these exports.

In recent times though, domestic demand is also gaining momentum. The Indian middle class is evolving owing to the growth of retailing (physical and digital), an increase in the purchasing power of Indian people and growing consumerism. The young working couples of urban India take pride in giving a trendy look to their homes by picking up the best home textile items from large retail stores/multi-brand outlets.

Performance in FY22: In FY22, India's total home textile exports fetched US$8.898 billion. Of this, the share of cotton home textile was 41.19%, while that of man-made fibre home textile was 18.65%. The going was good through the year owing to the Plus-One trend playing out. But the momentum was thwarted in the last quarter of FY22 owing to a sharp increase in cotton prices (above international rates) and Supply-chain disruptions leading to volatility in ocean freight rates. As a result, the value of India's home textiles export declined during the January-March 2022 quarter to US$2.189 billion from US$2.333 billion in the October-December 2021 quarter.

The trend for FY23: Overall, the Indian home textile industry's revenue is expected to grow 11-12% this fiscal (FY23), primarily owing to higher price realisations. Domestic demand (comprising

30-40% of the Indian home textile industry's revenue) is expected to grow at a healthy 13%, driven by a sharp demand recovery in the domestic hospitality industry and a continued focus on health and hygiene. Growth in export demand will moderate to 10% from 25% last fiscal (FY22) due to a slower recovery in the international travel and hospitality segments globally. Operating profitability could moderate, hemmed in by lower export demand and a sharp increase in raw material and transportation costs.

Medium-term trend: Despite near-term headwinds, sector participants are positive about the demand over the medium and long term owing to the expansion of export opportunities on account of Free Trade Agreements signed by India with Australia and the UAE. An FTA with the UK and EU is under discussion, which when finalised will open interesting opportunity windows for the Indian players.

The Cotton Season

Global overview: Season 2021/22: As the 2021/22 season comes to an end in about three months, the industry posted gains in most major categories vs the previous season, with the area, production and consumption all increasing vs 2020/21. One of the few exceptions is world trade, which suffered from the many disruptions experienced throughout the supply chain due to transportation and logistics challenges.

Global production is projected to be 26.13 million tonnes

Global consumption season is currently projected at 26.09 million tonnes

Decreases in the crop size of some top cotton-producing countries — including India, Argentina and South Africa — have resulted in consumption outpacing production as the 2021/22 season comes to a close.

Season 2022/23: Global production is lowered by 1.2 million bales to just over 120 million bales with a marked decline in the U.S. crop and a slight decline for Brazil. Global use is down 1.6 million bales due primarily to declines in Bangladesh, China, India, and Vietnam, and ending stocks are increased by 1.5 million bales. Global trade is down, with imports and exports decreasing by 1.1 million bales each.

Over the next decade: World cotton production is projected to grow 1.5% p.a. to reach 28 Mt in 2030. This growth will come from an expansion of the cotton area (0.5% p.a.) and growth in average global yields (1% p.a.). The global trade in raw cotton is projected to surpass 11 Mt by 2030, 25% higher than during the base period. Global trade is therefore expected to grow slightly faster than overall consumption given the demand growth in countries without much domestic cotton production, such as Bangladesh and Vietnam.

Indian overview: Over the years, the country has achieved a significant quantitative increase in cotton production. Till the 1970s, the country used to import massive quantities of cotton. Currently, India is one of the largest producers, consumers and exporters of cotton in the world.

Season 2021/22: Lower yield, unseasonal rains during the initial months of harvest coupled with the reduced acreage have led the cotton trade body, Cotton Association of India (CAI) to reduce its crop estimate to 315.32 lakh bales (each of 170 kg) for the season 2021-22. The latest crop estimate is about 12% lower from its first estimate of 360.13 lakh bales at the start of the season in October 2021. In the year-ago season (2020-21), the country's total cotton production stood at 353 lakh bales.

The CAI Crop Committee has estimated the total cotton supply till the end of the cotton season 2021-22 at 402.16 lakh bales, which is 11.47 lakh bales less compared to 413.63 lakh bales estimated previously. The domestic consumption is now estimated at 315 lakh bales, while the exports for the season have been estimated at 40 lakh bales. The export estimate for the previous cotton season 2020-21 was 78 lakh bales

Estimates suggest that in 2021-22, farmers got ₹13,000 per quintal, which was more than double the MSP of ₹6,025 per quintal fixed by the Indian government.

Season 2022/23: Lured by higher prices, farmers are seen shifting to cotton from other summer crops this Kharif season expanding acreage. The agriculture experts claimed that the sowing area would expand by 20-25% in 10 cotton-growing states in the country.

Operational & Financial Performance

Indo Count improved its performance yet again in FY 22. The Company is on the growing path wherein the financial parameters are getting stronger.

Standalone Performance Highlights

- Delivered sales volume of 75.8 Mn meters for FY22
- Achieved total revenue of ₹2,945 crores for FY 2021-22
- EBIDTA stood at ₹535 crores for FY 2021-22 as against ₹419 crores in previous year
- Achieved net profit of ₹338 crores for the year ended March 31, 2022
- EPS stood at 17.13

Consolidated Performance Highlights

- Achieved total revenue of ₹2,982 crores for FY 2021-22 as against ₹2,557 crores in previous year
- EBIDTA rose by 39% to ₹574 crores versus ₹415 crores in 2020-21
- Net profit increased by 44% to ₹358 crores in 2021-22 as against ₹249 crores in 2020-21

The Company has declared highest dividend percentage of 100% on face value of ₹2/- per equity share by way of Final Dividend for 2021-22. The Company has been consistently declaring dividend from past 7 years.

The Company operates only in a single segment i.e. Textile Segment.

Internal Control Systems

The Company's well-established internal control systems ensure the achievement of its operational, compliance as well as reporting objectives. The company has suitable policies and procedures in place, commensurate with its current size as well as for future growth. A broader system of internal controls and external audits has been defined and deployed to effect continuous improvements and protect the business from potential vulnerabilities. Policies and procedures play a critical role in the operationalisation of internal controls. The Company also makes appropriate use of its systems and various applications to put checks and controls for strengthening this internal control framework. All such internal controls and their adequacy, financial and risk management policies, significant audit findings, and compliance with accounting standards, are regularly reviewed by the Audit Committee.

Key Financial Parameters

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Current Ratio	1.53	1.94	1.51	1.92
Debt-Equity Ratio	0.76	0.42	0.82	0.45
Interest Coverage Ratio	11.79	14.09	11.26	13.23
Net Profit Margin (%)	12.05	10.35	12.62	9.89
Return on Net Worth (%)	21.60	20.40	22.60	19.40
Operating Profit Margin (%)	16.78	15.06	17.77	14.70
Inventory Turnover Ratio	2.71	3.41	2.39	3.24
Debtors Turnover (Days)	59	70	60	69

Reason for variation (>25%): The Debt- Equity Ratio has increased because of the increase in Long Term Debts due to ongoing Capital Expenditure and increase in Short term Debts due to increase in Inventory and funds blocked in Export Incentives. The Net Profit Ratio has increased due to better product mix and sales realisation.

COVID-19 Pandemic

Pursuant to order of the District Disaster Management, Kolhapur, the Company's plant at Kolhapur was temporarily closed for 8 days from May 15, 2021 to May 23, 2021. The Company had followed all necessary protocols regarding COVID-19 Pandemic to ensure health and safety of employees. There was no impact on the Business of the Company.

Human Resources

People have been the cornerstone of Indo Count's success. Their unwavering passion and disciplined perseverance have fueled the Company's growth aspiration to challenge the status quo and go beyond perceived boundaries.

Indo Count, on its part, continues to invest in its people – building their capability, sharpening their expertise and nurturing the spirit of leadership – which positions the Company as a learning and knowledge-building institution.

The Company's Human Resource (HR) team plays a pivotal role in managing and retaining its intellectual capital from the textile industry.

The Company ensured that safety is given utmost attention – for a safe mind leads to a more productive body. Hence, the Company conducted thorough safety audits of its facilities. Additionally, plant safety committees have been formed for monitoring safety aspects.

The Company takes pride in building a culture of rewarding the merits and strongly emphasises building a healthy work environment.

The Company's employee strength stood at 2,215 as on March 31, 2022. Further, the Company has 2,430 personnel on a contractual basis as on March 31, 2022.

Risk Management

Indo Count's risk strategy is determined by a risk appetite defined by a series of risk criteria. The criteria are based on sectoral circumstances, sectoral realities, liquidity available and its earnings target within accepted volatility limits. These criteria provide a reference for its business operating.

The Company's risk management framework encompasses strategy and operations and seeks to proactively identify, address and mitigate existing and emerging risks. The risk management framework goes beyond traditional boundaries and seeks to involve all our key managers.

There is a formal monitoring process at the unit and company level, wherein new risks are identified, categorised as per impact and probability, mapped to key responsibilities of select managers and managed with an appropriate mitigation plan.

To ensure transparency and critical assessment, we have a Risk Management Committee that coordinates the risk management system. The risk management framework is reviewed annually by the Audit Committee on behalf of the Board.

Some of the key risks and ICILs mitigation methods are given below:

Business Dynamics Risks
Mitigation Measures: I) Planning and implementing strategies to diversify its market presence in other geographies. II) Continuously expand the customer base to maximise the potential sales volumes and at the same time securing additional volumes from existing customers on the basis of our record of satisfactory performance in our earlier dealings.

Credit Risks
Mitigation Measures: I) Establishing Systems for assessment of creditworthiness of customers. II) Obtain ECGC cover for probable credit risk. III) Appropriate recovery management and follow up.

Market Risks / Industry Risks
Mitigation Measures: I) Development of Alternative sources for uninterrupted supply of raw materials. II) Raw materials procurement from different sources at competitive prices. III) Proper inventory control system. IV) Hedging adverse commodity (cotton/coal) price movements by availing hedge products in the commodity exchanges.

System Risks
Mitigation Measures: I) Upgrading the systems on a continuous basis. II) Ensuring the "Data Security", by having access control/ restrictions. III) Data Back up and redundancy to protect the data.

Foreign Exchange and Interest Rate Risk Management
Mitigation Measures: I) Consistent monitoring of exposure to currency fluctuations. II) Protective management of forex measure. III) Using structured and systematic hedging mechanism.

Economic Risk
Mitigation Measures: I) Geographical diversification of the revenues to mitigate risk of adverse impact.

Competition Risk
Mitigation Measures: I) Offering end-to-end solutions under the home textile value chain. II) Persistent focus to capture market share through strong R&D and value-added solutions

Environmental Risk
Mitigation Measures: I) Adherence to a diverse set of regulatory guidelines charted out at local, state, national and transnational level. II) Consistent monitoring regulatory changes ensuring compliance with all applicable regulations. III) Frequent upgradation of technological equipment. IV) Achievement of 'Giga Guru' status for contributions towards environmental sustainability.

'Force Majeure' Risk
Mitigation Measures: I) Effective long-term business continuity plan to reduce impact on the business.

Cost Risk
Mitigation Measures: I) Ensuring raw materials booking instantly after order confirmation. II) Maintaining adequate inventory levels to safeguard from short-term price volatility.

Board's Report

Board's Report

Dear Members

On behalf of the Board of Directors ("the Board"), it gives me immense pleasure to present the Thirty Third Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2022.

FINANCIAL RESULTS:

(₹ in crores, except EPS)

Particulars	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Revenue from operations	2,805.95	2,514.75	2,842.02	2,519.19
Other Income	139.22	37.74	140.21	37.83
Total Revenue	2,945.17	2,552.49	2,982.23	2,557.02
EBIDTA	535.90	419.82	574.31	414.51
Less: Finance Cost	42.13	26.93	47.36	28.08
Less: Depreciation	39.12	40.31	40.91	43.15
Profit before Exceptional Items and Tax	454.65	352.58	486.04	343.28
Less: Exceptional Items	-	-	-	3.65
Profit before Tax	454.65	352.58	486.04	339.63
Tax Expenses / (Credit)	116.56	92.32	127.43	90.50
Net Profit	338.09	260.26	358.61	249.13
Other comprehensive Income (net of tax)	(15.02)	61.79	(26.80)	60.16
Total Comprehensive Income	323.07	322.05	331.81	309.29
Basic & Diluted EPS (in ₹)	17.13	13.18	18.16	12.70

OPERATIONAL AND FINANCIAL PERFORMANCE

Despite the challenging environment and uncertainties posed by second wave of COVID-19 pandemic and rise in input cost, your Company has achieved growth in all financial parameters viz. revenue, EBITDA and net profit for the year ended March 31, 2022. The Company achieved sales volume of 75.8 million meters and turnover of ₹ 2,842.02 crores on a consolidated basis during the year under review.

At a consolidated level, the total revenue increased by 17% to ₹ 2,982.23 crores for FY 2021-22 as against ₹ 2,557.02 crores in the previous year. The EBIDTA of your Company registered substantial growth of 39% from ₹ 414.51 crores in the previous year to ₹ 574.31 crores for FY 2021-22. The net profit increased by 44% from ₹ 249.13 crores to ₹ 358.61 crores for the year ended March 31, 2022.

On a standalone basis, revenue from operations increased by 12%. The other financial parameters viz. EBIDTA and Net Profit increased by 28% and 30% respectively for FY 2021-22.

The financial and operational performance overview and outlook is provided in detail in the Management Discussion and Analysis forming part of this Annual Report.

DIVIDEND

Continuing the past trend of declaring dividend, your Directors are pleased to recommend a Final Dividend @ 100% i.e. ₹ 2/- per equity share of face value of ₹ 2/- each amounting to ₹ 39.48 crores subject to the approval of members of the Company at the ensuing Annual General Meeting. The aforesaid dividend is the highest dividend declared by the Company and is in line with the Dividend Distribution Policy adopted by the Company.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the Final Dividend after deduction of tax at source. For further about TDS on Final Dividend, members are requested to refer Annexure III of the Notice of Annual General Meeting.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), the Board of Directors of your Company had approved Dividend Distribution Policy. The Dividend Distribution Policy is also uploaded on the website of the Company at https://www.indocount.com/images/investor/Dividend-Distribution-Policy1.pdf

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for FY 2021-22 in the statement of profit & loss.

SHARE CAPITAL

As on March 31, 2022, the Authorised Share Capital of your Company was ₹ 60 crore comprising of 27,50,00,000 equity shares of ₹ 2/- each and 50,00,000 preference shares of ₹ 10/- each. Further, the total issued, subscribed and paid up share capital of your Company stood at ₹ 39,47,99,340/- comprising of 19,73,99,670 Equity Shares of ₹ 2/- each.

During the year under review, there has been no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of your Company. Your Company has not issued any equity shares with differential voting rights, convertible securities, warrants or sweat equity shares. Further, your Company does not have any employee stock option scheme or employee stock purchase scheme.

CREDIT RATING

During the year under review, for long term bank facilities of your Company, ICRA upgraded the credit rating to "AA-" (Double A minus) with Stable outlook and CARE revised credit rating to "A+" (Single A Plus) with Positive outlook. This credit rating signifies strong degree of safety regarding timely servicing of financial obligations. Such facilities carry low credit risk.

Further, for the Company's short term bank facilities, credit rating assigned by ICRA and CARE is "A1+" (A One Plus). This credit rating signifies very strong degree of safety regarding timely payment of financial obligations. Such facilities carry lowest credit risk.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. The Audited Consolidated Financial Statements of the Company for the year ended March 31, 2022 along with the Auditors' Report forms part of this Annual Report.

The Audited Financial Statements of the Company and subsidiaries are available on the website of the Company at www.indocount.com. Further, a copy of the Audited Financial Statements of the subsidiaries shall be made available for inspection at the registered office of the Company during business hours on any working day upto the date of Annual General Meeting. Any shareholder interested in obtaining a copy of separate Financial Statements of the subsidiaries shall make specific request in writing to the Company Secretary.

SUBSIDIARIES

As on March 31, 2022, your Company has 5 direct subsidiaries viz. Pranavaditya Spinning Mills Limited, Indo Count Retail Ventures Private Limited, Indo Count Global Inc., Indo Count UK Limited and Indo Count Global DMCC.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("The Act") read with rules made thereunder, a statement containing salient features of the financial position of subsidiaries is given in Form AOC-1 attached as "**Annexure 1**" forming integral part of this Report. As required under Section 134 of the Companies Act, 2013, the said form also highlights performance of the subsidiaries.

Your Company does not have any Associate Company as defined under the Companies Act, 2013 and has not entered into any joint venture agreement during the year under review.

Pursuant to Regulation 16 of the Listing Regulations, your Company does not have any material subsidiary. However, the

Company has adopted a policy on material subsidiaries, which can be accessed at https://www.indocount.com/images/investor/Policy-on-Material-Subsidiaries.pdf

AMALGAMATION OF PRANAVADITYA SPINNING MILLS LIMITED, SUBSIDIARY OF THE COMPANY WITH THE COMPANY

During FY 2021-22, an application was filed with Hon'ble National Company Law Tribunal, Mumbai bench ("Hon'ble NCLT") for the amalgamation of Pranavaditya Spinning Mills Limited ("PSML"), Subsidiary of the Company with the Company under sections 230-232 of the Companies Act, 2013. Pursuant to the directions given by Hon'ble NCLT vide its order dated August 18, 2021, a meeting of equity shareholders of the Company was held on November 15, 2021 through video-conferencing for consideration and approval of the scheme of amalgamation and the resolution for the amalgamation of PSML with the Company was passed with requisite majority. Thereafter, a petition was filed with Hon'ble NCLT and as on the date of this report, petition is yet to be heard.

The appointed date for said amalgamation is October 1, 2020 or such other date as may be fixed by of Hon'ble NCLT. The amalgamation shall be effective upon filing of the order of Hon'ble NCLT with the Registrar of Companies.

Pursuant to the aforesaid Scheme of Amalgamation and the Share Exchange Ratio approved by the Board, 2 (Two) fully paid up equity shares of ₹2/- each of the Company would be issued to the equity shareholders of PSML, as on Record Date, for every 15 (Fifteen) fully paid up equity shares of ₹ 10/- each held by them in PSML.

CAPEX

In March, 2021, capex of ₹200 crores was approved viz. ₹ 150 crores for expansion of Company's bed linen capacity by 20% from its existing annual capacity of 90 Mn meters to 108 Mn meters and for adding commensurate cut & sew facilities & enhancing the capacity of Top of the Bed (TOB) products via brownfield investment and capex of ₹ 50 crores for modernization of existing spinning unit of the Company with compact spinning technology.

The modernisation of existing spinning facilities has been completed and expansion of capacity will be operational by Q3FY23. Further, the commensurate addition in cut/sew facilities and additional TOB capacity is in process and will be operational in H2FY23.

In May 2022, CAPEX of ₹ 270 crores was approved for modernising and enhancing spinning capacity at Hatkanangale, Kolhapur of Pranavaditya Spinning Mills Limited, our company which is at the advanced stage of amalgamation with the Company.

ACQUISITION OF HOME TEXTILES BUSINESS OF GHCL LIMITED

During the year under review, the Company signed Business Transfer Agreement (BTA) with GHCL Limited (GHCL) for acquisition of Home Textile Business of GHCL including its manufacturing facility at Bhilad, Gujarat by way of Slump Sale. Further, Asset Transfer Agreement (ATA) was signed between the Company, Indo Count Global Inc, GHCL and Grace Home Fashions LLC, for acquisition of inventory and Intellectual property rights (IPRs) of Grace Home Fashions LLC.

The said acquisition was successfully completed on April 2, 2022. This acquisition is a significant step towards our strategic vision of achieving a formidable leadership position in the Home Textile Bedding business globally. With this acquisition, the Company becomes the world's largest Home Textile bedding manufacturer, with an annual capacity of 153 million meters.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there has been no change in the composition of the Board of Directors of the Company.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Kamal Mitra (DIN: 01839261), Director (Works) of the Company, retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for the re-appointment. The Board recommends his re-appointment for consideration at the ensuing AGM.

Pursuant to the recommendation of Nomination and Remuneration Committee (NRC) at its meeting held on May 23, 2022 and subject to the approval of the members of the Company in the ensuing annual general meeting, the Board of Directors of the Company at its meeting held on May 29, 2022, approved and recommended to the members of the Company, following re-appointments:

a. Re-appointment of Mr. Anil Kumar Jain (DIN: 00086106) as a Whole-Time Director designated as "Executive Chairman" of the Company for a further period of 3 years w.e.f. October 1, 2022

b. Re-appointment of Mr. Mohit Jain (DIN: 01473966) as a Whole-Time Director designated as "Executive Vice Chairman" of the Company, for a further period of 3 years w.e.f. July 1, 2022.

c. Re-appointment of Mr. Kamal Mitra (DIN: 01839261), as a Whole-Time Director designated as "Director (Works)" of the Company, for a further period of 3 years w.e.f. October 1, 2022.

The resolutions for the said re-appointment(s) are included in the Notice of ensuing Annual General Meeting for approval of members of the Company.

As per Secretarial Standard – 2 of ICSI and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), brief profile and other related information of Mr. Anil Kumar Jain, Mr. Mohit Jain and Mr. Kamal Mitra is provided in the Notice of ensuing AGM.

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence. In the opinion of the Board, all Independent Directors are independent of the management and has no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any.

Pursuant to Rule 6 of Companies (Appointment and qualification of Directors) Rules, 2014, all Independent Directors of the Company viz. Mr. Dilip J. Thakkar, Mr. Prem Malik, Mr. Sushil Kumar Jiwarajka, Dr. (Mrs.) Vaijayanti Pandit, Dr. Sanjay Kumar Panda and Mr. Siddharth Mehta have registered themselves in the Independent Directors databank maintained with the Indian Institute of Corporate Affairs (IICA). Further, in the opinion of the Board of Directors of the Company, all Independent Directors possess requisite integrity, expertise and experience including the proficiency required to discharge the duties and responsibilities as Directors of the Company.

There has been no change in the Key Managerial Personnel of the Company during the year under review. As on March 31, 2022, Mr. Kailash R. Lalpuria, Executive Director & CEO, Mr. K. Muralidharan, Chief Financial Officer and Mrs. Amruta Avasare, Company Secretary are the Key Managerial Personnel of the Company in terms of Section 203 of the Companies Act, 2013.

NUMBER OF BOARD MEETINGS

During the financial year 2021-22, Five (5) Board Meetings were held on May 17, 2021, August 3, 2021, October 26, 2021, December 6, 2021 and February 7, 2022 through Video conferencing in accordance with MCA Notifications and SEBI circulars issued from time to time. More details are provided in Corporate Governance Report forming part of this Annual Report.

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

Pursuant to Section 178 of the Companies Act, 2013, NRC has formulated "Nomination and Remuneration Policy" which deals inter-alia with appointment and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees. The said policy is uploaded on the website of the Company and web-link thereto is https://www.indocount.com/images/investor/Nomination-Remuneration-Policy-%E2%80%93-w.e.f.-17.05.2021.pdf

The salient features of the policy are as under:

I) Criteria for Directors

a) Appointment:

i. NRC shall identify, ascertain and consider the integrity, qualification, expertise and experience of the person for the appointment as a Director of the Company and recommend to the Board his / her appointment. The Directors shall uphold ethical standards of integrity and probity and shall exercise their duties and responsibilities in the interest of the Company.

ii. A person proposed to be appointed as Director should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. They shall possess appropriate core skills/expertise/competencies/ knowledge in one or more fields of finance, law, management, sales and marketing, administration, CSR, research and in the context of business and/or the sector in which the Company operates. The NRC has the discretion to decide whether qualifications, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

iii. Independent Director shall satisfy criteria of Independence specified under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulations and shall give declaration that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his / her duties with an objective independent judgment and without any external influence. The NRC and the Board shall assess veracity of the said declaration and determine whether the directors are independent of the management.

iv. The Company shall comply with the provisions of the Act and Listing Regulations and any other laws if applicable for appointment of Director of the Company. The Company shall ensure that provisions relating to limit of maximum directorships, age, term etc. are complied with.

b) Remuneration of the Whole-Time/Executive Director(s) / Managing Director:

i. The remuneration including commission payable to the Whole-Time /Executive Director(s) / Managing Director shall be determined and recommended by the NRC to the Board for approval.

ii. While determining the remuneration of the Executive Directors, following factors shall be considered by the NRC/Board:

- Role played by the individual in managing the Company including responding to the challenges faced by the Company
- Individual performance and company performance so that remuneration meets appropriate performance benchmarks
- Reflective of size of the Company, complexity of the sector/ industry/company's operations and the Company's financial position
- Consistent with recognized best industry practices
- Peer remuneration
- Remuneration involves balance between fixed and incentive pay reflecting performance objectives appropriate to the working of the Company and its goals
- Remuneration is reasonable and sufficient to retain and motivate directors to run the Company successfully.

c) Remuneration to Non-Executive / Independent Directors:

i. Sitting Fees: Non Executive Independent Directors ("NEID's") shall be entitled to receive fees for attending meetings of the Board or Committee of the Board or for any other purposes as may be decided by the Board, of such sum as may be approved by the Board of Directors of the Company within the overall limits prescribed under the Companies Act, 2013 and the rules made thereunder, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") or other applicable law.

ii. Remuneration to Non-Executive Directors: The Non-Executive Directors of the Company may be entitled to receive remuneration by way of commission or reimbursement of expenses as may be recommended by NRC and approved by the Board of Directors of the Company. The said remuneration will be within the limits specified in the Companies Act, 2013, Schedule V and rules made thereunder and Listing Regulations. The approval of shareholders be obtained, if required and in that case remuneration shall be within the overall limits approved by the shareholders of the Company.

iii. Reimbursement of actual expenses incurred: NEIDs may also be paid / reimbursed such sums incurred as actual for travel, incidental and / or actual out of pocket expenses incurred by such Director for attending Board / Committee Meetings.

II) Criteria for Key Managerial Personnel, Senior Management and other Employees

This section applies to the KMP (other than Managing Director, Whole-Time Directors/Executive Directors)

a) Appointment:

i. The NRC shall ascertain and consider the integrity, qualification, background and experience of the person for appointment as a KMP and at senior management position of the Company and recommend to the Board his / her appointment. The NRC has the discretion to decide whether qualifications, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

b) Remuneration of Key Managerial Personnel and Senior Management and other employees

i. The NRC shall decide and recommend to the Board, remuneration of KMP & Senior Management Personnel to ensure that it is competitive, reasonable and sufficient to motivate and retain the employee.

ANNUAL EVALUATION OF BOARD PERFORMANCE AND ITS COMMITTEES AND DIRECTORS

Criteria of performance evaluation of the Board & Directors are laid down by Nomination and Remuneration Committee (NRC) of the Company. Pursuant to the provisions of Companies (Amendment) Act 2017, NRC decided to continue existing method of performance evaluation through circulation of performance evaluation sheets based on SEBI Guidance Note dated January 5, 2017 and that only Board should carry out performance evaluation of Board, Committees and Individual Directors.

An assessment sheet based on SEBI Guidance Note dated January 5, 2017, containing the parameters of performance evaluation along with rating scale was circulated to all the Directors. The Directors rated the performance against each criteria. Thereafter, consolidated score was arrived. Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out performance evaluation of its own, evaluation of working of the Committees and performance evaluation of all Directors in aforesaid manner. The performance of the Board, committees and individual directors was found satisfactory.

During the year under review, a Meeting of Independent Directors of the Company was held on February 17, 2022 through Video conferencing wherein all Independent Directors attended the meeting. At the said meeting, Independent Directors discussed and evaluated performance of Executive Chairman and other Whole-Time Directors, the Board and its various committees as a whole and also assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state and confirm that:

1. In the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. Such accounting policies as mentioned in the notes to the Financial Statements for the year ended March 31, 2022 have been selected and applied consistently and judgments 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;
3. 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;
4. The annual financial statements for the year ended March 31, 2022 have been prepared on a going concern basis;
5. Internal financial controls to be followed by the Company have been laid down and that the said financial controls were adequate and were operating effectively;
6. Proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The key philosophy of all our Corporate Social Responsibility (CSR) initiatives is guided by our belief "Every Smile Counts..." your Company implements the CSR projects primarily through 'Indo Count Foundation' and has also collaborated with other non-profits for carrying out various CSR Activities. Our CSR projects focusses on participatory and collaborative approach with the community and responds proactively to various emerging needs from time to time in the socio economic & environment space. Over a period of more than 5 years, your Company is carrying out CSR activities in the areas of Education, Healthcare, Cotton sustainability, Environment, Women empowerment and Water and Sanitation. Apart from these areas, your Company has always responded positively towards various challenges arisen due to disasters being faced in the country including COVID-19 pandemic.

Pursuant to provisions of Section 135 of the Companies Act, 2013, the Company had formulated a Corporate Social Responsibility (CSR) policy. The said CSR Policy of the Company was amended in lines with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and the updated CSR policy is available on the website of the Company.

The Report on CSR activities implemented by the Company during the year under review is provided as "**Annexure 2**" to this Report.

AUDIT COMMITTEE

During the year under review, there has been no change in the composition of the Audit Committee. As on March 31, 2022, the Audit Committee comprises of 4 Directors / Members out of which 3 are Independent Directors. The said Composition is as per Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. More details on Audit Committee are given in Corporate Governance Report. All the recommendations made by the Audit Committee during the year under review were accepted by the Board.

STATUTORY AUDITORS

In accordance with the provisions of Section 139 of the Companies Act, 2013, at the Annual General Meeting held on August 21, 2017, M/s. Suresh Kumar Mittal & Co., Chartered Accountants (Firm Registration No. 500063N) were appointed as the Statutory Auditors of the Company for a period of 5 consecutive years commencing from the conclusion of 28th Annual General Meeting (AGM) till the conclusion of the ensuing 33rd AGM of the Company.

Accordingly, the first term of M/s. Suresh Kumar Mittal & Co., Chartered Accountants as the Statutory Auditors is ending at the conclusion of ensuing 33rd AGM of the Company. However, due to professional pre-occupations, M/s. Suresh Kumar Mittal & Co., have expressed their unwillingness to continue as Statutory Auditors of the Company for a second term starting from ensuing AGM, vide their letter dated May 13, 2022.

Based on the recommendation of Audit Committee, the Board of Directors of the Company at their meeting held on May 29, 2022 approved and recommended to the members of the Company, appointment of M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration Number: 012754N/N500016), as Statutory Auditors of the Company from the conclusion of the 33rd Annual General Meeting of the Company till the conclusion of the 38th Annual General Meeting of the Company, in place of M/s. Suresh Kumar Mittal & Co., retiring statutory auditors. The resolution for the appointment of M/s. Price Waterhouse Chartered Accountants LLP, as Statutory Auditors of the Company is placed at the ensuing AGM for approval of members of the Company.

The Company has received consent letter and eligibility certificate under sections 139 and 141 of the Companies Act, 2013 from M/s. Price Waterhouse Chartered Accountants LLP, confirming that they are eligible for appointment as Statutory Auditors of the Company. Further, as required under Regulation 33(1)(d) of Listing Regulations, they hold a valid Peer Review Certificate issued by the Institute of Chartered Accountants of India.

AUDITORS' REPORT

The Auditors' Report on standalone and consolidated financial statements for the year ended March 31, 2022 forms integral part of this Annual Report. The Auditors' Report does not contain any qualifications, reservations, adverse remarks and disclaimer. Notes to the Financial Statements are self-explanatory and do not call for any further comments. The Statutory Auditors of the Company have not reported any fraud under Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rules thereunder, the Board had appointed M/s. Kothari H. & Associates, Practicing Company Secretaries as Secretarial Auditors to conduct Secretarial Audit of the Company for the year ended March 31, 2022. The Secretarial Audit Report issued by Secretarial Auditors in Form No. MR-3 is provided as "**Annexure 3**" to this Report. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

SEGMENT

The Company operates only in a single segment i.e. Textile Segment.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposits from public, under Chapter V of the Companies Act, 2013.

CORPORATE GOVERNANCE REPORT

As per Regulation 34(3) read with Schedule V of the Listing Regulations, your Company has complied with the requirements of corporate governance. A Corporate Governance Report along with Statutory Auditors' Certificate confirming compliance of corporate governance for the year ended March 31, 2022 is provided separately and forms integral part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the Listing Regulations, Management Discussion and Analysis containing Information inter-alia on industry trends, your company's performance, future outlook, opportunities and threats for the year ended March 31, 2022, is provided in a separate section forming integral part of this Annual Report.

BUSINESS RESPONSIBILITY REPORT

Pursuant to the Regulation 34 of the Listing Regulations, Business Responsibility Report (BRR) for the year ended March 31, 2022, is provided separately and forms integral part of this Annual Report.

ANNUAL RETURN

Pursuant to amendments in Section 92(3) of the Companies Act, 2013 read with Rules thereunder and provisions of Section 134(3)(a) of the Act, Annual Returns of the Company for FY 2020-21 & FY 2021-22 are hosted on the website of the Company www.indocount.com and web-links thereto are given below:

Annual Return for FY 2020-21:

https://www.indocount.com/images/investor/Annual-Return_Form-MGT-7-FY-2020-21.pdf

Annual Return for FY 2021-22:

https://www.indocount.com/images/investor/Draft-Annual-Return-Form-MGT-7-FY-2021-22.pdf

SECRETARIAL STANDARDS

During the year under review, your Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. The same has also been confirmed by Secretarial Auditors of the Company in the Secretarial Audit Report.

RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPT) entered during FY 2021-22 were on arm's length basis and in the ordinary course of business and in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. During the year under review, your Company did not enter into any material RPT under the provisions of Section 188 of the Act and Listing Regulations. Hence, the disclosure of related party transactions, as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to the Company and hence does not form part of this report.

The prior approval of the Audit Committee is obtained for all Related Party Transactions. A statement of all Related Party Transactions is reviewed by the Audit Committee on a quarterly basis. Your Company has adopted a policy on Related Party Transactions and it has been uploaded on the Company's website at https://www.indocount.com/images/investor/Policy-on-Related-Party-Transactions-Approved-on-7th-February-2022.pdf

PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES, SECURITIES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review, your Company has neither given loan to any bodies corporates or any other persons nor provided any corporate guarantee or security under Section 186 of the Companies Act, 2013. Particulars of investments and disclosure required under Section 186(4) of the Companies Act, 2013 are provided in the notes to the standalone financial statements.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of the business and is committed to manage the risks in a proactive and efficient manner. Your Company has adopted Risk Management Policy for risk identification, assessment and mitigation. Major risks identified by the Company are systematically addressed through mitigating actions on a continuous basis. Some of the risks that the Company is exposed to are financial risks, raw material price risk, regulatory risks, Forex risks and economy risks. Risk factors and its mitigation are covered extensively in the Management Discussion and Analysis. The Internal Audit Reports and Risk Management Framework are reviewed by the Audit Committee. Further, the Company also has in place Risk Management Committee to assess the risks and to review risk management plans of the Company.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, your Company has established a vigil mechanism for the Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected incidents of fraud or violation of Code of Conduct. The details of Vigil Mechanism/Whistle Blower Policy are provided in the Corporate Governance Report. The Vigil Mechanism/Whistle Blower Policy may be accessed on the Company's website at https://www.indocount.com/images/investor/Whistle-Blower-Policy-Vigil-Mechanism.pdf

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your company always endeavours and provide conductive work environment that is free from discrimination and harassment including sexual harassment. Your Company has zero tolerance towards sexual harassment at workplace and has adopted a policy for prevention of Sexual Harassment of Women at workplace. The Company has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into complaints relating to sexual harassment at workplace of any woman employee. During the year under review, no complaints pertaining to sexual harassment were received and no complaint was pending as on March 31, 2022.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

Information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required under Section 134(3)(m) of the Companies Act, 2013 read with rules thereunder is given as **"Annexure 4"** forming part of this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration of Directors, Key Managerial Personnel and other related disclosure is given as **"Annexure 5"** to this Report.

Information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 viz. Details of top ten employees of the Company in terms of remuneration drawn during FY 2021-22 and particulars of employees drawing remuneration in excess of the limits specified in Rule 5(2) of the said rules is provided in Annexure forming part of this Report. As per the provisions of Section 136 of the Companies Act, 2013, the Annual Report and Accounts are being sent to the members of the Company excluding the said Annexure. Any member interested in obtaining a copy of said Annexure may write to the Company Secretary at the Registered Office of the Company. The said annexure will be available for inspection by the members at the Registered Office of the Company twenty-one days before and upto the date of ensuing Annual General Meeting during the business hours on working day.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company maintains adequate internal control system and procedures commensurate with its size and nature of operations. The internal control systems are designed to provide a reasonable assurance over reliability in financial reporting, ensure appropriate authorisation of transactions, safeguarding the assets of the Company and prevent misuse/ losses and legal compliances.

The internal control system includes a well-defined delegation of authority and a comprehensive Management Information System coupled with quarterly reviews of operational and financial performance, a well-structured budgeting process with regular monitoring of expenses and Internal audit. The Internal Audit reports are periodically reviewed by the management and the Audit Committee and necessary improvements are undertaken, if required.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS/COURTS

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2021-22 and the date of this report.

GENERAL

Your Directors state that:

1. During the year under review, there was no change in the nature of business of the Company.
2. Cost audit was not applicable to the Company during the year under review. However, pursuant to the Order made by the Central Government for the maintenance of cost records under section 148(1) of the Act, the prescribed accounts and records have been made and maintained.
3. As required in terms of Secretarial Standard (SS)-4, it is hereby confirmed that there is no corporate insolvency resolution process initiated under the Insolvency and Bankruptcy Code, 2016 and no proceeding is pending under the said code.

ACKNOWLEDGEMENTS AND APPRECIATION

Your Directors wish to place on record their appreciation for dedicated service and contribution made by the employees of the Company at all levels.

Your Directors would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from its customers, suppliers, bankers, financial institutions, central and state government business partners and other stakeholders.

On behalf of the Board of Directors

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Date: May 29, 2022
Place: UAE

ANNEXURE 1

FORM NO. AOC-1

Statement Containing Salient Features of the Financial Statements of Subsidiaries/ Associates/ Joint Ventures
(Pursuant to the first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) for year ended March 31, 2022

PART A – SUBSIDIARIES (₹ In Lakhs)

Sr. No.	Name of the Subsidiary	Reporting currency of the subsidiary concerned	Exchange Rate as on March 31, 2022	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation expenses/ (credit)	Profit After Taxation	Proposed Dividend	% of Shareholding	Country
1	Pranavaditya Spinning Mills Limited	INR	NA	1,924.13	546.52	3,535.82	1,065.17	NIL	NIL	109.64	37.40	72.24	NIL	74.53	India
2	Indo Count Retail Ventures Pvt. Ltd.	INR	NA	1.00	(0.12)	1.03	0.15	NIL	1.01	(0.22)	NIL	(0.22)	NIL	100	India
3	Indo Count Global Inc.	USD	75.92	446.19	5,151.93	35,254.79	29,656.67	NIL	60,957.71	5,292.09	997.42	4,294.67	NIL	100	USA
4	Indo Count UK Limited	GBP	99.81	79.62	270.64	2,101.70	1,751.44	NIL	2,447.82	277.58	52.57	225.01	NIL	100	UK
5	Indo Count Global DMCC	AED	20.68	530.65	0.76	564.51	33.10	NIL	425.23	96.38	NIL	96.38	NIL	100	UAE

Notes:

1. Reporting period of the Subsidiaries is April to March.
2. During the year under review, there are no subsidiaries which are sold or liquidated.

PART B - ASSOCIATES / JOINT VENTURES – NIL

For and on behalf of Board of Directors

Anil Kumar Jain
Executive Chairman
DIN : 00086106

Kailash R. Lalpuria
Executive Director & CEO
DIN : 00059758

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

May 29, 2022

ANNEXURE 2

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2021-22

1. Brief outline on CSR Policy of the Company.

Pursuant to the requirements of the Companies Act, 2013 and the rules made thereunder (as amended from time to time), your Company has framed a CSR Policy. The key philosophy of Company's CSR initiatives is guided by the belief "Every Smile Counts ...". The CSR policy of the Company encompasses its philosophy as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large.

Our Vision is to improve the quality of life of communities and create a positive impact on Environment through interventions in the areas of Socio Economic development, Education, Health and Sustainability. Our Mission envisages the aim to work with communities with an inclusive and integrated approach in which everyone can realize their full potential of development and growth, as an Individual/Group/Community/Society. Our mission therefore is to help create a healthy and caring society capable of contributing towards greater good for everyone.

The focus areas for CSR are Education, Agricultural Livelihood and Healthcare supported by CSR Activities in the areas of Environment, Water and Sanitation and Rural Development. Going forward, the Company will continue to focus on Education, Healthcare, Agricultural Livelihood and Environment. The Company primarily undertakes CSR activities through its own trust "Indo Count Foundation" and collaborates with other associations/trusts/NGO as well.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. (Mrs.) Vaijayanti Pandit	Chairperson (Independent Director)	4	4
2.	Mr. Anil Kumar Jain	Member (Executive Director)	4	4
3.	Mr. Kailash R. Lalpuria	Member (Executive Director)	4	4
4.	Mr. Kamal Mitra	Member (Executive Director)	4	4
5.	Dr. Sanjay Kumar Panda	Member (Independent Director)	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The web-link for Composition of CSR committee: https://www.indocount.com/images/investor/Board-of-Directors-and-Committees-of-the-Board.pd

The web-link for CSR Policy: https://www.indocount.com/images/investor/ICIL-CSR-Policy-w.e.f.-May-17-2021.pdf

The web-link for CSR projects: https://www.indocount.com/about-us/csr

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 (attach the report): Your Company has been conducting internal impact assessments to monitor and evaluate its CSR programs. The provisions of impact assessment in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are 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:

Sl. 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 ₹)
-	-	Nil	Nil

6. Average net profit of the company as per section 135(5):

Average net profit of the Company for last 3 financial years is ₹ 21,489.74 lakhs

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 335.59 lakhs

(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: Nil

(d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 373.02 lakhs (This includes prescribed CSR expenditure of ₹ 335.59 lakhs of FY 2021-22 and carried forward unspent CSR amount of ₹ 37.43 Lakhs of FY 2019-20 allocated towards multi-year / ongoing project).

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

Total Amount Spent for the Financial Year (in ₹ lakhs)	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
₹ 382.43 Lakhs	NIL	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
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		Project duration	Amount allocated for the project (in ₹ lakhs)	Amount spent in the current financial Year (in ₹ lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ lakhs)	Mode of Implementation Direct (Yes / No)	Mode of Implementation – Through Implementation Agency	
				State	District						Name	CSR Registration number
1	Indo Count PDKV-Centre for Excellence Project on Cotton Farming	Education & Livelihood Improvement	Yes	Maharashtra	Chandrapur	3 years	153.96	116.45	N.A	Yes	Dr. PDKV –Akola	N.A
2	MIYAWAKi Plantation Project	Environmental Sustainability	Yes	Maharashtra	Kolhapur	3 years	60.00	42.85	N.A.	Yes	Indo Count Foundation	CSR00006829
Total							**213.96**	**159.30**				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
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 (in ₹ lakhs)	Mode of implementation Direct (Yes/No)	Mode of implementation Through implementing agency	
				State	District			Name	CSR registration number
1	Promoting Education by implementation of E-learning systems in schools and infrastructure support	Education	Yes	Maharashtra	Kolhapur	17.65	No	Indo Count Foundation	CSR00006829
2	Providing medical facilities, through medical vans reaching to distant villages. Providing infrastructure support & giving medical equipments at certain hospital(s)	Healthcare	Yes	Maharashtra	Kolhapur	130.34	No	As above	As Above
3	Promoting sanitation by building/ maintaining toilet blocks. Making available pure and safe drinking water to the community through installation/ maintenance of Aquaguard/ RO system in schools and public places	Water & Sanitation	Yes	Maharashtra	Kolhapur	4.79	No	As above	As Above
4	Clean Environment MIDC Beautification, and Rural upliftment (bio-gas installation)	Rural Development & Environment	Yes	Maharashtra	Kolhapur / Talasari	31.15	No	As above	As above
5	GAGAN Project (For sustainability initiative for Upliftment of farmers)	Environment agricultural livelihood & education	Yes No	Maharashtra Madhya Pradesh	Chandrapur Alirajpur	19.40	No	As above	As above
6	Supply of Oxygen Concentrators and Mask & medicine	COVID-19 - Disaster Relief	Yes	Maharashtra	Kolhapur	9.27	No	As above	As above
	TOTAL					**212.60**			

(d) Amount spent in Administrative Overheads: ₹ 10.53 Lakhs

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 382.43 Lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 335.59
(ii)	Total amount spent for the Financial Year	₹ 345.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 9.41
(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)]	₹ 9.41

9 (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹ Lakhs)	Amount spent in the reporting Financial Year (in ₹ lakhs)	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 ₹ Lakhs)
				Name of the Fund	Amount (in ₹ lakhs)	Date of transfer	
1.	2019-20	37.43	37.43	NA			NIL
	TOTAL	**37.43**	**37.43**	**NA**			**NIL**

There is no unspent CSR amount for FY 2020-21. Further, there is no unspent CSR Amount for FY 2018-19 which was carried forward to next financial years.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project. / Project ID.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹ Lakhs)	Amount spent on the project in the reporting Financial Year (in ₹ Lakhs)	Cumulative amount spent at the end of reporting Financial Year. (in ₹ Lakhs)	Status of the project -Completed /Ongoing.
1	Indo Count PDKV-Centre for Excellence Project on Cotton Farming	2021-22	3 years	153.96	116.45	116.45	Ongoing
2	MIYAWAKI Plantation Project	2021-22	3 years	60	42.85	42.85	Ongoing

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 (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) : None

(b) Amount of CSR spent for creation or acquisition of capital asset : NIL

(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

Sd/-	Sd/-	Sd/-
Dr. (Mrs.) Vaijayanti Pandit	**Mr. Anil Kumar Jain**	**Mr. Kailash R. Lalpuria**
Chairperson, CSR Committee	Member of CSR Committee	Member of CSR Committee
DIN : 06742237	DIN: 00086106	DIN : 00059758

Date: May 29, 2022

ANNEXURE 3

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 Personnel) Rules, 2014]

To,
The Members,
INDO COUNT INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indo Count Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 ('Audit period') 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 Indo Count Industries Limited for the financial year ended on March 31, 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 Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-

     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; (Not applicable to the Company during the Audit Period)

     d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period)

     e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit Period)

     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, 2009; (Not applicable to the Company during the Audit Period) and

     h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)

We have relied on the mechanism formed by the Company for compliances under other Acts, Laws and Regulations as applicable specifically to the Company. The list of major head/ groups of Acts, Laws and Regulations as applicable specifically to the Company is:

1. Textiles (Development and Regulation) Order, 2001

   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 Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Amendment made thereunder;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with balance of Executive Directors and Non-Executive Independent Directors. During the year under review, there was no change in the composition of Board of Directors of the Company.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that based in our opinion, 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.

We further report that during the Audit period, the Company has passed following resolutions:

a. Approval of the Scheme of Amalgamation of Pranavaditya Spinning Mills Limited ("PSML") with the Company, in the NCLT Convened Meeting of the equity shareholders of the Company.

b. Authority to the Board of Directors under Section 180 (1) (c) of the Companies Act, 2013 for borrowings upto the revised limit of ₹ 2500 crores.

c. Authority to the Board of Directors under Section 180 (1) (a) of the Companies Act, 2013 for creation of charge upto the revised limit of ₹ 2500 crores.

We further report that during the audit period, the Company has not passed any resolution for:

i. Public/Right/Preferential issue of shares / debentures/ sweat equity, etc.

ii. Redemption / buy-back of securities.

iii. Foreign technical collaborations.

For **KOTHARI H. & ASSOCIATES**
Company Secretaries

Hitesh Kothari
Membership No. 6038
Certificate of Practice No. 5502
UDIN: F006038D000374692

Place: Mumbai
Date: May 27, 2022

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

ANNEXURE- A

To,

The Members

Indo Count Industries Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record 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 the Secretarial records. The verification was done on test basis to ensure that 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. Wherever 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 is the responsibility of management. Our examination was limited to the 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.

For **KOTHARI H. & ASSOCIATES**
Company Secretaries

Hitesh Kothari
Membership No. 6038
Certificate of Practice No. 5502

ANNEXURE 4

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information on Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 for the year ended March 31, 2022 is provided hereunder:

(A) CONSERVATION OF ENERGY:

(i) Steps taken or impact on conservation of energy

Our Company makes continuous efforts for conservation of energy through various practices. Some of the measures for conservation of energy implemented in the areas of spinning and Home Textiles are captured below:

1. Power:

a) Compressed Air audit done to identify the potential of air saving. Implemented the air saving measures in Weaving & processing. Due to which we can reduced the Pressure set point there by saving in power.

b) Used the energy efficient lubrication in gear box of PTR 1 to save on energy.

c) Installed VFD on pumps to adjust the duty point as per load to save on Energy.

d) Replaced in-efficient blower by high efficient blower with VFD in Non colour ETP.

2. Water:

a) On PAD STEAM, provided lower temperature inlet water through chilled water heat exchanger resulting in reduction of fresh water inlet quantity.

b) Recycling of water on Washing range by using counter current technique.

c) Recycled the weak lye instead of fresh water in Merceriser pre-wetting trough there by saving in water.

d) Split of water dosing system on Washer to save fresh water consumption.

e) On PTR Drum type filters are used instead of Rotary filter to save on water.

3. Steam:

a) Recycled the condensate in the last cylinder of VDR on PTR machine there by saving of one-cylinder steam energy.

b) Replaced weak Insulation on steam line and Oil line by new insulation.

c) On Pad Steam 1 only one stack of VDR is used for drying instead of two stacks there by.

d) Saving in steam.

e) Coal additive is used to improve the boiler combustion efficiency there by boiler increase in boiler efficiency.

(ii) Steps taken by the company for utilizing alternate sources of energy

a) Started using Rice Husk upto 10% with coal as an alternate fuel.

(iii) Capital investment on conservation of Energy

a) On RO Roof top Solar Power plant - power from solar radiations and feedback in power system.

(B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption & benefits derived:

a) We are developing products across categories viz. Bed Sheets, Utility Bedding, Institutional Bedding etc. With holistic approach towards sustainability, the Company is developing sustainable products which are having lower environmental footprints. Some of the key product initiatives are DuraTec-Proprierty Dyeing & Processing technology for everlasting performance without compromising the feel of the product. An innovative Pure Earth colour technology is developed where colours are derives from Herbal/ agricultural waste.

b) The benefit derived: We have developed an innovative range of products to new requirements of customers. This has been possible due to R&D done in our Company on a continuous basis. The feedback also helps us to reach consumers with products satisfying their needs.

ii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): NA

(iii) The expenditure incurred on Research and Development:

Capital expenditure incurred on Research and Development during the financial year 2021-22 is ₹ 4.27 lakhs.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

₹ In Lakhs

Particulars	2021-22	2020-21
Foreign Exchange earned	2,38,267.99	2,31,789.94
Foreign Exchange outgo	23,389.89	15,194.57

More details are provided in Notes to financial statements.

On behalf of the Board of Directors

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Date: May 29, 2022
Place: UAE

ANNEXURE 5

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014

(i)

Name of the Directors/ KMP	Designation	Remuneration of Directors / KMP for the year ended March 31, 2022 (₹ In Lakhs)	Ratio to Median Remuneration	% increase in remuneration for the year ended March 31, 2022
Mr. Anil Kumar Jain	Executive Chairman	1,378.88	388.42	20.50
Mr. Mohit Jain	Executive Vice Chairman	1,091.77	307.54	17.32
Mr. Kailash R. Lalpuria	Executive Director & CEO	226.00	63.66	10.78
Mr. Kamal Mitra	Director (Works)	55.35	15.59	5.13
Mr. Dilip J. Thakkar	Non-Executive Independent Director	12.25	3.45	NA (Refer Note 1)
Mr. Sushil Kumar Jiwarajka	Non-Executive Independent Director	6.50	1.83	
Mr. Prem Malik	Non-Executive Independent Director	10.00	2.82	
Dr. (Mrs.) Vaijayanti Pandit	Non-Executive Independent Director	9.50	2.68	
Dr. Sanjay Kumar Panda	Non-Executive Independent Director	9.00	2.54	
Mr. Siddharth Mehta	Non-Executive Independent Director	9.25	2.61	
Mr. K. Muralidharan	Chief Financial Officer	63.99	18.03	11.77
Mrs. Amruta Avasare	Company Secretary	35.00	9.86	9.89

Note:

1. During the year under review, pursuant to the approval of Board of Directors, the sitting fees paid to Independent Directors for attending board meeting was increased from ₹ 50,000/- to ₹ 1,00,000/- per meeting and for the Committee Meetings was increased from ₹ 25,000/- to ₹ 50,000/- per meeting with effect from May 18, 2021. The remuneration of Independent Directors has varied due to this change in the amount of sitting fees and on account of number of meetings attended by them.

(ii) The percentage increase in the median remuneration of employees in the financial year 2021-22 – 3.39%.

(iii) The number of permanent employees on the rolls of company - 2215 as on March 31, 2022

(iv) 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 – Average percentile increase in salaries of employees other than managerial personnel is 5.51%, whereas percentile increase in the managerial remuneration is 18.03%. The increase in remuneration is determined based on the performance by the employees of the Company.

(v) We affirm that the remuneration paid during the year 2021-22 is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

ANIL KUMAR JAIN
Executive Chairman
DIN: 00086106

Date: May 29, 2022
Place: UAE

Corporate Governance Report

In compliance with Regulation 34(3) read with Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a report on Corporate Governance for the year ended March 31, 2022 is given below:

1. Company's Philosophy on Code of Governance

Your Company is committed to the adoption of best governance practices and their adherence in true spirit at all times. Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and ethical behavior in all spheres of its operations and in communications with stakeholders. Your Company continuously strives for the betterment of its Corporate Governance mechanisms to improve efficiency, transparency and accountability of its operations.

2. Board of Directors

a) Composition

The Board is headed by Mr. Anil Kumar Jain, Executive Chairman of the Company. During the year under review, there has been no change in the composition of the Board of Directors of the Company. As on March 31, 2022, the Board comprises of 10 Directors out of which 4 are Executive Directors and 6 are Non-Executive Independent Directors including one Woman Director. The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations. All Directors are competent and experienced personalities in their respective field.

The composition of the Board, details of other Directorships and Committee positions as on March 31, 2022 are given below:

Name of the Director	DIN	Category	Number of Directorships held in other public companies#	Number of Membership/ Chairmanship of Board Committees@		Number of Directorships held in other listed companies along with nature of Directorship
				Member	Chairman	
Mr. Anil Kumar Jain Executive Chairman	00086106	Executive (Promoter)	2	3	NIL	1. Pranavaditya Spinning Mills Limited - NENID 2. Margo Finance Limited – C & NENID
Mr. Mohit Anilkumar Jain Executive Vice Chairman	01473966	Executive (Promoter)	NIL	NIL	NIL	NIL
Mr. Kailash R. Lalpuria Executive Director & CEO	00059758	Executive	NIL	2	NIL	NIL
Mr. Kamal Mitra Director (Works)	01839261	Executive	1	2	NIL	1. Pranavaditya Spinning Mills Limited - NENID
Mr. Dilip J. Thakkar	00007339	NEID	4	3	3	1. Poddar Housing and Development Limited - NENID 2. Walchandnagar Industries Limited -NEID 3. Black Box Limited (Previously known as AGC Networks) Limited - NEID
Mr. Prem Malik	00023051	NEID	3	2	1	1. Lahoti Overseas Limited - NEID
Mr. Sushil Kumar Jiwarajka	00016680	NEID	NIL	NIL	NIL	NIL
Dr. (Mrs.) Vaijayanti Pandit	06742237	NEID	7	6	1	1. Banswara Syntex Ltd - NEID 2. Automobile Corporation of Goa Limited - NEID 3. I G Petrochemicals Limited - NEID 4. Everest Kanto Cylinder Limited – NEID
Dr. Sanjay Kumar Panda	02586135	NEID	NIL	NIL	NIL	NIL
Mr. Siddharth Mehta	03072352	NEID	1	1	1	1. TCI Industries Limited - NEID

Abbreviations:

C = Chairman

NENID = Non-Executive Non-Independent Director

NEID = Non-Executive Independent Director

#Number of Directorships held in other public companies excludes Directorship of Indo Count Industries Limited, Directorships in private companies, deemed public companies, foreign companies and companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956) and alternate Directorships.

@Only Membership / Chairmanship of Audit Committee and Stakeholders' Relationship Committee of listed and unlisted public limited companies including Indo Count Industries Limited are considered. Further, number of Memberships does not include number of Chairmanships.

Memberships or Chairmanships of the stipulated Board Committees held by all Directors are within the limit specified under Regulation 26 (1) of the Listing Regulations. None of the Directors hold Directorships in more than 20 Companies including 10 Public Companies pursuant to the provisions of Section 165 of the Companies Act, 2013. Further, the other directorships held by all Directors including Independent Directors are within the limit prescribed under Listing Regulations.

During the year under review, all Independent Directors of the Company fulfill the criteria of Independence as specified under Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and have furnished declaration of independence to that effect pursuant to Section 149 (7) of the Companies Act, 2013 and Regulation 25(8) of the Listing Regulations. The said declarations of independence were reviewed and taken on record by the Board and in the opinion of the Board, all Independent Directors of the Company fulfill the criteria of independence and all conditions specified in the Listing Regulations and are independent of the management.

Inter – se relationship among directors

There is no inter-se relationship amongst any of the Directors of the Company except Mr. Mohit Jain, Executive Vice Chairman who is son of Mr. Anil Kumar Jain, Executive Chairman of the Company.

b) Independent Directors Meeting

During the year under review, a Meeting of Independent Directors of the Company was held on February 17, 2022 through VC/OAVM wherein all Independent Directors attended the meeting. At the said meeting, Independent Directors discussed and evaluated performance of Executive Chairman and other Whole-Time Directors, the Board and its various committees as a whole and also assessed the quality, quantity and timeliness of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

c) Familiarisation Programme

Your Company has in place Familiarisation Programme for the Independent Directors to familiarize them about the

Company and their role, rights and responsibilities in the Company. At the time of appointment of Directors (including Independent Directors), a formal letter of appointment is given to them, which inter alia explains the role, function, duties and responsibilities expected from them as Directors of the Company. The draft letter of appointment containing terms and conditions of their appointment is available on the website of the Company www.indocount.com. The Directors are also explained about the compliances required from him/her under the Companies Act, 2013, Listing Regulations and other applicable laws. The Chairman also does one to one discussion with the newly appointed Directors to familiarise them with the Company's operations. On the request of the individual director, site visits to plant locations are also organized by the Company for the Directors to enable them to understand the operations of the Company. Further, on an ongoing basis, as a part of Agenda of Board Meetings, discussions are made on various matters *inter alia* covering the Company's business and operations, Industry and regulatory updates etc.

The Familiarisation Programme and details of Familiarisation Programme imparted during FY 2021-22 are uploaded on the website of the Company www.indocount.com and can be accessed through web-link: https://www.indocount.com/images/investor/ICIL-Familiarisation-Program.pdf and https://www.indocount.com/images/investor/Familiarisation-Program-imparted-2021-2022.pdf

d) Matrix of skills/competence/expertise of Directors

The following matrix summarises list of core skills/expertise/competencies identified by the Board as required in the context of its business and the sector in which the Company operates.

Board Competency Matrix

Industry Knowledge/Experience	Technical Skills/Expertise/Competencies	
Industry Experience	Finance & Accounting	Leadership
Knowledge of Sector (Textiles)	Legal & Governance	Business Administration
Knowledge of broad public policy direction	Sales and Marketing	Corporate Restructuring
Understanding of government legislation/legislative process	Information Technology	Human Resource Management
Global Business	Public Relation	Strategy and Business Development
Supply Chain Management	Risk Management	Corporate Social Responsibility

The Company's Board comprises of qualified members, who possesses aforesaid knowledge, experience, technical skills, expertise and competencies for effective contribution to the Board and its committee. Details of the skills/expertise/ competencies possesses by the Directors who were part of the Board as on March 31, 2022 are as follows:

Name	Qualifications	Years of Experience	Expertise
Mr. Anil Kumar Jain	B.Com (Hons.)	40+	Business & Corporate Strategy, Industry Experience, Textile field expertise
Mr. Mohit Jain	Graduate from Babson College, USA	20+	Global Marketing, Economics, Finance and Entrepreneurship
Mr. Kamal Mitra	Bachelor Degree in Textile Engineering	30+	Production and Technical, Textile field expertise
Mr. Kailash R Lalpuria	Chartered Accountant	35+	Textile Sector, Strategic growth, Planning Joint Ventures, Developing Overseas Sales Team, Business Development, Sales and Marketing.
Mr. Dilip J. Thakkar	Chartered Accountant. Fellow Member of Institute of Chartered Accountants of India	59+	Finance, FEMA and Taxation, Accounts & Audit
Mr. Prem Malik	Master in Arts (MA Hons.)	54+	Textile and Clothing industry, Business strategies
Mr. Sushil Kumar Jiwarajka	Prominent Industrialist	36+	Business Development
Dr. (Mrs.) Vaijayanti Pandit	PhD. in Management Studies and Diploma in Journalism and Mass Communications and Masters in Political Science.	36+	Management Studies, Political Science, Journalism and Mass Communications, CSR
Dr. Sanjay Kumar Panda	Retired IAS Officer. Diploma in Forestry, PhD in Economics	37+	Textile sector, Economics, CSR
Mr. Siddharth Mehta	L.L.M. degree from Columbia University School Of Law, New York; General Course on Intellectual Property, World Intellectual Property Organization, Geneva.	18+	Legal, Taxation, Financing, Merger & Acquisitions, Capital Markets & Regulatory Areas.

e) Board Meetings

During the year under review, due to second wave of novel coronavirus (COVID-19) pandemic, Ministry of Corporate Affairs (MCA) vide its notification dated June 15, 2021 amended Companies (Meetings of Board and its Powers) Rules, 2014 ("rules") and allowed the meetings on all matters referred under rule 4(1) of said rules to be held through video conferencing or other audio visual means. Further, exemption was granted from observing the maximum stipulated time gap of 120 days between two consecutive Board & Audit Committee Meetings vide aforesaid MCA Circular no. 08/2021 dated May 3, 2021.

During the financial year 2021-22, Five (5) Board Meetings were held on May 17, 2021, August 3, 2021, October 26, 2021, December 6, 2021 and February 7, 2022 through Video conferencing in accordance with aforesaid MCA Notifications and SEBI Circulars. The maximum time gap between any two consecutive Board Meetings of the Company did not exceed 120 days.

Annual General Meeting

Due to second wave of novel coronavirus (COVID-19) pandemic and measures to contain the spread of COVID-19, MCA vide General Circular No.02/2021 dated January 13, 2021 allowed Companies to conduct their Annual General Meetings (AGMs) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2021 subject to certain conditions specified in said circular. Accordingly, 32nd AGM of the Company was held on September 3, 2021 through VC.

Attendance of Directors at Board Meetings and AGM

Attendance of Directors at the Board Meetings and the Annual General Meeting ("AGM") held through VC/OAVM during the year under review is as under:

Name of the Director	Number of Board Meetings Attended through VC	Attendance at last AGM held on September 3, 2021 through VC
Mr. Anil Kumar Jain	5/5	Yes
Mr. Mohit Jain	5/5	Yes
Mr. Kailash R. Lalpuria	5/5	Yes
Mr. Kamal Mitra	5/5	Yes
Mr. Dilip J. Thakkar	5/5	Yes
Mr. Prem Malik	5/5	Yes
Mr. Sushil Kumar Jiwarajka	5/5	No
Dr. (Mrs.) Vaijayanti Pandit	5/5	Yes
Dr. Sanjay Kumar Panda	5/5	Yes
Mr. Siddharth Mehta	5/5	Yes

Mr. Dilip J. Thakkar, Mr. Prem Malik and Dr. (Mrs.) Vaijayanti Pandit, who are also the Chairperson of Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee respectively, were present at the last AGM held through VC/OAVM on September 3, 2021.

f) Board Meetings Procedure

In order to ensure maximum presence of all Directors in the Board Meeting, dates of the Board Meetings are fixed in advance after consultation with individual directors and consideration of their convenience. The agenda papers along with relevant explanatory notes and supporting documents are circulated within prescribed time to all Directors. All the provisions of rules 3 and 4 of the Companies (Meetings of the Board and its powers) Rules, 2014 were complied with while holding all Board Meetings/Committee Meetings through VC.

Apart from any specific matter, the Board periodically reviews routine business items which includes approval of financial results along with Auditors Review Report, operational performance of the Company, minutes of committee meetings, quarterly corporate governance report, statement of investor complaints, shareholding pattern, compliance report on all laws applicable to the Company, annual financial statements, annual budget, capital expenditure and other matters placed before the Board pursuant to Part A of Schedule II of Listing Regulations.

3. Audit Committee

(a) Terms of reference

The terms of reference of the Audit Committee covers matters specified under Part C of Schedule II of Listing Regulations and Section 177 of the Companies Act, 2013 as amended from time to time. The terms of reference of Audit Committee *inter alia* includes following matters:

Financial Reporting and Related Processes

- Oversight of the Company's financial reporting process and disclosure of its financial information
- Reviewing with the Management the quarterly unaudited financial results and Auditors Review Report thereon and make necessary recommendation to the Board
- Reviewing with the Management audited annual financial statements and Auditors' Report thereon and make necessary recommendation to the Board. This would, *inter alia,* include reviewing changes in the accounting policies, if any, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements arising out of audit findings, disclosure of related party transactions, compliance with legal and other regulatory requirements with respect to the financial statements.
- Reviewing the Management Discussion & Analysis of financial and operational performance and Board's Report.
- Scrutiny of inter-corporate loans and investments.
- 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.

Internal Controls and Governance Processes

- Review the adequacy and effectiveness of the Company's internal control system. Evaluation of Internal Financial Controls and Risk Management Systems, Review and discuss with management, the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- Review adequacy of internal audit function, internal audit reports and discussion with Internal Auditors on significant findings and follow-up thereon.
- To oversee and review the functioning of a Vigil Mechanism / Whistle Blower Policy.
- Approval of Related Party Transactions (RPT) or any subsequent modifications of RPT and review of RPT on quarterly basis.
- Approval of appointment of Chief Financial Officer.

Audit & Auditors

- Review and monitor Auditor's Independence and performance and effectiveness of Audit process.
- Reviewing with the management, performance of internal and statutory auditors, adequacy of internal control systems.
- Review the scope of the Statutory Auditor, the Internal Audit Plan with a view to ensure adequate coverage.
- Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.
- Review and recommend to the Board, appointment, remuneration and terms of appointment of the Auditors including Internal Auditors.
- Approval of such other services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.

(b) Composition and Meetings

During the year under review, there has been no change in the composition of the Audit Committee. As on March 31, 2022, the Audit Committee comprises of 4 Directors / Members out of which 3 are Independent Directors and 1 is Executive Director. Mr. Dilip Thakkar, Chairman of the Audit Committee is a Chartered Accountant and all members of the Audit Committee are professionals, experienced and possess sound knowledge of finance, accounting practices and internal controls.

During the year under review, Four (4) Audit Committee Meetings were held on May 17, 2021, August 3, 2021, October 26, 2021 and February 7, 2022 through Video conferencing in accordance with aforesaid MCA Notifications and SEBI Circulars. The maximum time gap between any two consecutive Audit Committee Meetings of the Company did not exceed 120 days.

The Composition of Audit Committee as on 31st March, 2022 and attendance of Directors at the Audit Committee Meetings held through VC during the year under review is as under:

Name of the Director	Category	Attendance at Audit Committee Meetings through VC
Mr. Dilip J. Thakkar (Chairman)	Non-Executive Independent	4/4
Mr. Prem Malik	Non-Executive Independent	4/4
Mr. Kailash R. Lalpuria	Executive	4/4
Mr. Siddharth Mehta	Non-Executive Independent	4/4

All members of Audit Committee were also present at the last AGM held through VC/OAVM on September 3, 2021.

The representatives/partner of the Statutory Auditors, Internal Auditors and Chief Financial Officer were invitees to the Audit Committee Meetings. Mrs. Amruta Avasare, Company Secretary is Secretary to the Audit Committee and she attends the meetings.

4. Stakeholders' Relationship Committee

a) Composition and Meetings

There was no change in the composition of Stakeholders' Relationship Committee during the year under review. As on March 31, 2022, the Stakeholders' Relationship Committee (SRC) consists of 3 Directors/Members viz. Dr. (Mrs.) Vaijayanti Pandit, Non-Executive Independent Director as Chairperson, Mr. Anil Kumar Jain, Executive Chairman and Mr. Kailash R. Lalpuria, Executive Director & CEO as Members.

Pursuant to the provisions of Regulation 20(3A) of Listing Regulations, with effect from April 1, 2019, it is mandatory to hold atleast one SRC Meeting in a financial year. During the year under review, 1 (One) meeting of Stakeholders' Relationship Committee was held on January 15, 2022 through VC/OVAM and the said meeting was attended by all members of the Committee.

b) Terms of Reference

The role of the Stakeholders Relationship Committee ("SRC") *inter alia* includes terms of reference as specified in Point B of Part D of Schedule II of Listing Regulations as under:

- Resolving the grievances of the security holders of the Company
- Review of measures taken for effective exercise of voting rights by shareholders
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

c) Investor Complaints

Your Company takes all effective steps to resolve complaints from shareholders of the Company. The Complaints are duly attended by the Company/ Registrar & Transfer Agent and the same are resolved within prescribed time.

During the year 2021-22, 10 (ten) complaints were received from the shareholders of the Company and the same were duly resolved. No complaint was pending as on March 31,

2022. The said complaints were received from BSE Limited on BSE Portal and SEBI on SCORES platform.

d) Compliance Officer

Mrs. Amruta Avasare, Company Secretary is Compliance Officer of the Company.

5. Nomination and Remuneration Committee

(a) Brief description of terms of reference

The terms of reference of the Nomination and Remuneration Committee ("NRC") includes the matters stipulated in Point A of Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013 as under:

- 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 (KMP) and other employees
- Lay down criteria for identifying and selection of candidates for appointment as Directors/ Independent Directors and KMP and other Senior Management positions
- Recommendation to the Board about appointment, re-appointment, removal of Directors, Senior Management Personnel and KMP in accordance with the criteria laid down
- Recommendation to the Board on remuneration payable to the Directors of the Company
- Formulation of the criteria for evaluation of performance of every Director and carry out performance evaluation of Directors and to recommend to the Board on whether to extend or continue the term of appointment of Independent Director
- Devising a policy on Board Diversity
- Recommendation to the board, all remuneration, in whatever form, payable to senior management

(b) Composition, Meetings and Attendance

During the year under review, there has been no change in the composition of Nomination and Remuneration Committee. As on March 31, 2022, NRC comprises of 4 Directors/Members headed by Mr. Prem Malik, Non-Executive Independent Director as Chairman.

Pursuant to the provisions of Regulation 19(3A) of Listing Regulations, with effect from April 1, 2019, it is mandatory to hold atleast one NRC Meeting in a financial year. During the year under review, two meetings of NRC were held through VC on May 15, 2021 and February 7, 2022.

Composition of NRC as on March 31, 2022 and Attendance of members at the NRC Meetings held through VC during the year under review is as under:

Name of the Director	Category	Attendance at the Nomination and Remuneration Committee Meetings through VC
Mr. Prem Malik, Chairman	Non-Executive Independent	2/2
Dr. (Mrs.) Vaijayanti Pandit	Non-Executive Independent	2/2
Mr. Anil Kumar Jain#	Executive	2/2
Dr. Sanjay Kumar Panda	Non-Executive Independent	2/2

Executive Chairman of the Company

(c) Nomination and Remuneration Policy

Pursuant to Section 178 of the Companies Act, 2013, NRC has formulated "Nomination and Remuneration Policy" which deals *inter alia* with nomination and remuneration of Directors, Key Managerial Personnel, Senior Management. The said policy is uploaded on the website of the Company and web-link thereto is https://www.indocount.com/images/investor/Nomination-Remuneration-Policy-%E2%80%93-w.e.f.-17.05.2021.pdf

(d) Criteria for evaluation of Independent Directors

NRC has formulated following criteria for Performance of Independent Directors:

1. Participation at Board /Committee Meetings
2. Contributions at Meetings
3. Knowledge and skills
4. Discharging Role, Functions and Duties
5. Personal Attributes

More information on performance evaluation is given in the Board's Report.

6. Remuneration of Directors

Details of remuneration paid/payable to all Directors of the Company for the financial year ended March 31, 2022 is as under:

Name of the Director	Tenure	Remuneration for the financial year ended March 31, 2022 (₹ in Lakhs)					
		Basic Salary	Perquisites & Allowances	Provident Fund	Sitting Fees	Commission#	Total
Mr. Anil Kumar Jain	3 years (upto September 30, 2022*)	249.48	429.32	29.94	NA	670.14	1,378.88
Mr. Mohit Jain	3 years (upto June 30, 2022**)	184.47	258.26	22.14	NA	626.90	1,091.77
Mr. Kailash R. Lalpuria	3 years (upto May 3, 2024)	90.40	135.60	NIL	NA	NIL	226.00
Mr. Kamal Mitra	3 years (upto September 30, 2022*)	31.80	19.74	3.81	NA	NIL	55.35
Mr. Dilip J. Thakkar	5 years (upto August 15, 2024)	NA	NA	NA	10.75	1.50	12.25
Mr. Prem Malik		NA	NA	NA	8.50	1.50	10.00
Dr. (Mrs.) Vaijayanti Pandit		NA	NA	NA	8.00	1.50	9.50
Mr. Sushil Kumar Jiwarajka	5 years (upto May 3, 2023)	NA	NA	NA	5.00	1.50	6.50
Dr. Sanjay Kumar Panda	5 years (upto August 2, 2023)	NA	NA	NA	7.50	1.50	9.00
Mr. Siddharth Mehta	5 years (upto August 2, 2023)	NA	NA	NA	7.75	1.50	9.25

 # Commission for FY 2021-22 which will be paid in FY 2022-23. Further, Commission of ₹10.16 crores of FY 2020-21 was paid to Mr. Anil Kumar Jain and Mr. Mohit Jain in FY 2021-22.

**The resolutions for re-appointment of Mr. Anil Kumar Jain and Mr. Kamal Mitra for a further period of three years w.e.f. October 1, 2022 are placed for approval of members of the Company at the ensuing AGM.*

*** The resolution for the re-appointment of Mr. Mohit Jain for a further period of three years w.e.f. July 1, 2022 is placed for approval of members of the Company at the ensuing AGM.*

Notes:

1. During the year under review, with effect from May 18, 2021, the sitting fees of Independent Directors for attending Board Meetings was increased from ₹50,000/- to ₹1,00,000/- per meeting. Further, for the Committee Meetings (including Independent Directors Meeting), the sitting fees was increased from ₹25,000/- to ₹50,000/- per meeting. They are also entitled to receive commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the NRC within the limit of 1% of net profits u/s 198 of the Companies Act, 2013 as approved by the shareholders of the Company.
2. As on March 31, 2022, none of the Non-Executive Independent Directors are holding equity shares or convertible instruments of the Company except Mr. Prem Malik who is holding 3,250 Equity Shares of ₹. 2/- each of the Company.
3. There is no separate provision for payment of severance fees. The notice period for the Executive Directors is governed by the service rules of the Company.
4. Apart from commission, there are no variable components and performance linked incentives.
5. None of the Non-Executive Independent Directors have any pecuniary relationship or transaction with the Company during the year under review except sitting fees and commission.

Criteria of making payment to Non-Executive Directors

The criteria for making payment to Non-Executive Directors of the Company is disclosed under web-link given below:

https://www.indocount.com/images/investor/Criteria-of-making-payment-to-Non-Executive-Directors.pdf

Stock options

The Company does not have any Employee Stock Option Scheme.

7. Corporate Social Responsibility (CSR) Committee

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility ("CSR") Committee. The terms of reference of CSR Committee, *inter alia,* includes:

- formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013
- recommend the amount of expenditure to be incurred on the CSR activities, provide guidance on various CSR activities to be undertaken by the Company
- monitor the CSR Policy of the Company and review of CSR expenditure from time to time

During the year under review, 4 (Four) meetings of CSR Committee were held on April 29, 2021, July 30, 2021, October 26, 2021 and February 2, 2022 through VC/OAVM.

Composition of CSR Committee as on 31st March, 2022 and Attendance of members at the CSR Committee Meetings held during the year under review is as under:

Name of the Director	Category	Attendance at the CSR Committee Meetings through VC
Dr. (Mrs) Vaijayanti Pandit, Chairperson	Non-Executive, Independent	4/4
Mr. Anil Kumar Jain	Executive	4/4
Mr. Kamal Mitra	Executive	4/4
Mr. Kailash R. Lalpuria	Executive	4/4
Dr. Sanjay Kumar Panda	Non-Executive, Independent	4/4

A Report on CSR Activities carried out by the Company during FY 2021-22 is provided as Annexure 2 to the Board's Report.

8. Risk Management Committee

During the year under review, there was no change in the composition of Risk Management Committee (RMC). As on March 31, 2022, the Risk Management Committee consists of Mr. Kailash R. Lalpuria, Executive Director & CEO as Chairman, Mr. Prem Malik, Mr. Siddharth Mehta, Non-Executive Independent Directors and Mr. K. Muralidharan, Chief Financial Officer as its Members.

Pursuant to the provisions of Regulation 21(3A) of Listing Regulations, with effect from May 5, 2021, it is mandatory to hold RMC Meetings atleast twice in a financial year. During the year under review, 2 (Two) meetings of Risk Management Committee were held on January 28, 2022 and March 30, 2022 through VC/ OVAM. All members were present in both RMC meetings.

9. Other Committees

(a) Share Transfer Committee

The Committee deals with various matters relating to share transfers, transmission, issue of duplicate share certificates, change transposition/deletion of name, split and consolidation of shares, re-materialisation of shares. The Share Transfer Committee meetings are held as and when required to approve the said matters. Further, considering the increase in volume of shareholders requests and timelines involved for approval, the Board at its meeting held on August 3, 2018 delegated the powers related to share transfers/transmissions, name deletion and any other matter for which Share Transfer Committee was empowered, severally to Mr. Anil Kumar Jain, Executive Chairman, Mr. Kailash Lalpuria, Executive Director and Mrs. Amruta Avasare, Company Secretary when it is not possible to hold Share Transfer Committee Meeting.

During FY 2021-22, 11 (eleven) meetings of Share Transfer Committee were held on July 19, 2021, August 4, 2021, September 24, 2021, October 8, 2021, October 27, 2021, November 8, 2021, November 15, 2021, December 1, 2021, February 1, 2022, February 12, 2022 and March 21, 2022.

(b) Finance and Corporate Affairs Committee

The Company has constituted Finance and Corporate Affairs Committee (FCA) to deal with routine financial and administrative matters viz., *inter alia* opening & closing bank accounts of the Company, change in signatories of bank accounts of the Company, to consider and approve borrowings from banks upto certain limits, creation of charge on assets of the Company, authorize employees of the Company to represent before government authorities etc.

During FY 2021-22, 8 (eight) meetings of Finance and Corporate Affairs Committee were held on June 22, 2021, August 20, 2021, October 29, 2021, November 16, 2021, December 22, 2021, January 29, 2022, February 23, 2022 and March 21, 2022.

The Composition of FCA as on March 31, 2022 and attendance of members through VC/OAVM at the Finance and Corporate Affairs Committee Meetings held during the year under review is as under:

Name of the Director	Category	Attendance at the FCA Committee Meetings
Mr. Anil Kumar Jain	Executive	8/8
Mr. Mohit Jain	Executive	8/8
Mr. Kailash Lalpuria	Executive	8/8
Mr. Dilip J Thakkar	Non-Executive Independent	8/8

(c) Project Management Committee

The Company has in place Project Management Committee (PMC) to evaluate and approve proposals pertaining to CAPEX plan and to take decisions relating to implementation of CAPEX proposals. As on March 31, 2022, the PMC consists of 4 Directors/ Members viz. Mr. Anil Kumar Jain as Chairman, Mr. Kailash R. Lalpuria, Executive Director & CEO, Mr. Sushil Kumar Jiwarajka and Dr. Sanjay Kumar Panda, Independent Directors as Members.

10. General Body Meetings

(a) Annual General Meetings:

The details of last three Annual General Meetings (AGM) of the Company are given below:

Financial Year	Day, Date & Time	Venue
2018-19	Tuesday, August 13, 2019 at 12.30 p.m. (IST)	Hotel Vrishali Executive, Conference Hall, 39 A/2, Tarabai Park, District Kolhapur – 416 003, Maharashtra
2019-20	Thursday, July 30, 2020 through VC/ OAVM at 12.30 p.m. (IST)	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") VC Platform – provided by NSDL
2020-21	Friday, September 3, 2021 through VC/OAVM at 12.30 p.m. (IST)	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") VC Platform – provided by NSDL

Due to second wave of novel coronavirus (COVID-19) pandemic and measures to contain the spread of COVID-19, MCA vide General Circular No.02/2021 dated January 13, 2021 allowed Companies to conduct their Annual General meetings (AGMs) through Video Conferencing (VC) or other audio visual means (OAVM) during the calendar year 2021 subject to certain conditions specified in said circular. Accordingly, 32nd AGM of the Company was held on September 3, 2021 through VC.

(b) Special resolutions passed at the last three Annual General Meetings (AGM) of the Company:

1. At the AGM held on August 13, 2019 – 7 special resolutions were passed as under:

(i) Re-appointment of Mr. Anil Kumar Jain (DIN: 00086106) as "Executive Chairman" of the Company for a period of 3 years w.e.f. October 1, 2019.

(ii) Re-appointment of Mr. Kamal Mitra (DIN: 01839261), as a "Director (Works)" of the Company for a period of 3 years w.e.f. October 1, 2019.

(iii) Change in designation of Mr. Mohit Jain (DIN: 01473966) to "Executive Vice-Chairman" of the Company for a period of 3 years w.e.f. July 1, 2019.

(iv) Re-appointment of Mr. Dilip Jayantilal Thakkar (DIN: 00007339) as a Non-Executive Independent Director of the Company for a second term of five consecutive years w.e.f. August 16, 2019 to August 15, 2024.

(v) Re-appointment of Mr. Prem Malik (DIN: 00023051) as a Non-Executive Independent Director of the Company for a second term of five consecutive years w.e.f. August 16, 2019 to August 15, 2024.

(vi) Re-appointment of Dr. (Mrs.) Vaijayanti Pandit (DIN: 06742237) as a Non-Executive Independent Director of the Company for a second term of five consecutive years w.e.f. August 16, 2019 to August 15, 2024.

(vii) Giving Unsecured Loan / Corporate Guarantee to Pranavaditya Spinning Mills Limited, Subsidiary of the Company upto ₹10 Crores.

2. At the AGM held on July 30, 2020, no special resolution was passed.

3. At the AGM held on September 3, 2021 – One special resolution was passed for the Re-appointment of Mr. Kailash R. Lalpuria (DIN: 00059758) as a Whole-Time Director designated as "Executive Director & CEO" of the Company for a further period of 3 years w.e.f. May 4, 2021.

(c) Extraordinary General Meeting: No Extraordinary General Meeting was held during the year under review.

However, a meeting of the equity shareholders of the Company was held on Monday, November 15, 2021 at 2.30 p.m. (IST) pursuant to the directions contained in an order dated August 18, 2021 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench (Hon'ble NCLT) for considering and approving the scheme of amalgamation (by way of merger by absorption) of Pranavaditya Spinning Mills Limited (PSML) with the Company.

(d) Postal Ballot: During the year under review, 1 (one) postal ballot was conducted pursuant to the provisions of Sections 108, 110 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made thereunder, as amended from time to time, General Circulars No.14/2020, No.17/2020, No. 22/2020, No. 33/2020, No. 39/2020, No. 10/2021 and No. 20/2021 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020, June 23, 2021 and December 8, 2021 respectively issued by the Ministry of Corporate Affairs ("MCA"). In compliance with the said MCA Circulars, the notice of Postal Ballot was sent only through electronic mode and the communication of the assent or dissent of the members took place through the remote e-voting system only.

Following resolutions were passed by the members of the Company by postal ballot:

1) **Special Resolution - Authority to the Board of Directors under Section 180 (1) (c) of the Companies Act, 2013 for borrowings upto the revised limit of ₹ 2500 crores.**

	Total Valid Votes		
	Total number of Members who voted	**Total number of Shares for which votes cast**	**Percentage of votes to total number of valid votes cast**
Voted in favour of the resolution	434	13,78,53,554	99.73%
Voted against the resolution	32	3,74,214	0.27%
Total votes	**466**	**13,82,27,768**	**100.00%**

2) **Special Resolution - Authority to the Board of Directors under Section 180 (1) (a) of the Companies Act, 2013 for creation of charge upto the revised limit of ₹2500 crores.**

	Total Valid Votes		
	Total number of Members who voted	**Total number of Shares for which votes cast**	**Percentage of votes to total number of valid votes cast**
Voted in favour of the resolution	433	13,78,54,533	99.73%
Voted against the resolution	33	3,73,222	0.27%
Total votes	**466**	**13,82,27,755**	**100.00%**

3) **Ordinary Resolution - To approve remuneration of Mrs. Gayatri Devi Jain, Vice President (Head - Organizational Culture), holding office or place of profit.**

	Total Valid Votes		
	Total number of Members who voted	**Total number of Shares for which votes cast**	**Percentage of votes to total number of valid votes cast**
Voted in favour of the resolution	356	1,93,46,273	88.34%
Voted against the resolution	97	25,54,590	11.66%
Total votes	**453**	**2,19,00,863**	**100.00%**

The Company had engaged the services of National Securities Depository Limited ("NSDL") to provide e-voting facility to its members. Mr. Vikas R Chomal, Proprietor of M/s. Vikas R. Chomal & Associates, Practicing Company Secretaries (Membership No.: F11623; CP No: 12133), was appointed as the Scrutinizer for conducting the voting process of the postal ballot in a fair and transparent manner in compliance with the applicable laws and provisions.

Following were important dates of said postal ballot:

- Date of Dispatch of Postal Ballot Notice: February 25, 2022
- Remote E- Voting Period: February 27, 2022 to March 28, 2022
- Date of Declaration of Results: March 29, 2022
- Deemed date of passing of the resolutions / Date of approval of members: March 28, 2022

e) At present, there is no proposal to pass any resolution through postal ballot.

11. Means of Communication

- **Website**: The Company's website www.indocount.com contains *inter alia* updated information pertaining to quarterly, half-yearly and annual financial results, annual reports, press releases, investor presentations, details of investor calls and meets, shareholding pattern, important announcements. The said information is available in a user friendly and downloadable form in "Investor Section" of website.
- **Financial Results:** Pursuant to Regulation 33 of the Listing Regulations, the quarterly, half yearly and annual financial results of the Company are submitted to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") after approval of the Board of Directors of the Company. The results of the Company are published in one English daily newspaper (Business Standard) and one Marathi newspaper (Navshakti) within 48 hours of approval thereof and are also available on the website of the Company www.indocount.com
- **Annual Report:** Annual Report containing *inter alia* Standalone Financial Statements, Auditors' Report, Board's Report, Management discussion and Analysis Report, Corporate Governance Report is sent to all Members of the Company within the required time frame and is also made available on the website of the Company https://www.indocount.com/.
- **Designated Exclusive Email ID:** The Company has designated Email Id icilinvestors@indocount.com exclusively for shareholder / investor grievances redressal.
- **SCORES (SEBI Complaints Redressal System):** SEBI has commenced processing of investor complaints in a centralized web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.
- **Uploading on NEAPS & BSE Listing Centre:** The quarterly results, quarterly compliances and all other corporate communications to the Stock Exchanges are filed electronically on NEAPS / DIGITAL EXCHANGE for NSE and on BSE Listing Centre for BSE.
- **Investor Presentations:** The quarterly and annual Investor Presentations are uploaded on the website of the stock exchanges and the Company.

12. Disclosures

a) Related Party Transactions

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year 2021-22 were in the ordinary course of business and arm's length basis and omnibus approval of the Audit Committee was also obtained. During the financial year under review, there were no materially significant transactions with related parties having potential conflict with the interest of the Company at large. Necessary disclosures regarding Related Party Transactions are given in the notes to the Financial Statements.

The Company has formulated a policy for Related Party Transactions and the policy of RPT has been uploaded on the website of the Company. The web-link thereto is as under https://www.indocount.com/images/investor/Policy-on-Related-Party-Transactions-Approved-on-7th-February-2022.pdf

b) Statutory Compliance, Penalties and Strictures

The Company has complied with all the requirements of the Stock Exchanges / SEBI and other statutory authorities on all matters related to the capital markets during the last three years. There were no penalties or strictures imposed on the Company by the Stock Exchanges, the SEBI or any statutory authority on matters relating to capital markets during last three years. The Company has also obtained Secretarial Audit Report and Annual Compliance Certificate for the year ended March 31, 2022 as per Regulation 24A of Listing Regulations from M/s. Kothari H. & Associates, Practicing Company Secretaries. The said report & certificate does not contain any qualifications or adverse remarks.

c) Vigil Mechanism / Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, your Company has formulated Vigil Mechanism / Whistle Blower Policy to enable Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct, that could adversely impact the Company's operations, business performance and / or reputation, in a secure and confidential manner. The said policy provides adequate safeguards against victimization of Directors/employees and direct access to Chairman of Audit Committee, in exceptional cases. The Vigil Mechanism / Whistle Blower Policy is available on the website of the

Company under the web-link https://www.indocount.com/images/investor/Whistle-Blower-Policy-Vigil-Mechanism.pdf

Your Company affirms that no Director/Employee of the Company has been denied access to the Chairman of the Audit Committee and no complaint has been received under the Whistle Blower Policy during the year under review.

d) Subsidiaries

During the year under review, the Company does not have material subsidiary as per the criteria specified in the Listing Regulations. However, the Company has adopted a policy on material subsidiaries and the same is uploaded on the website of the Company which can be accessed through the web-link https://www.indocount.com/images/investor/Policy-on-Material-Subsidiaries.pdf

e) Code of Conduct

Integrity, transparency and trust form part of the core beliefs of all activities at Indo Count, which has been the basis of its growth and development. The Company has adopted a Code of Conduct applicable to all its Directors and members of the Senior Management which is in consonance with the requirements of the Listing Regulations. The said code is available on the website of the Company and can be accessed through web-link https://www.indocount.com/images/investor/Indo-Count-Code-of-Conduct_200428_062221.pdf

All the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct for Directors and Senior Management of the Company for the year ended March 31, 2022. A declaration to this effect signed by Mr. Kailash R. Lalpuria, Executive Director & CEO forms part of this Report as **Annexure I.**

f) Compliance with Indian Accounting Standards (Ind-AS)

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (IndAS) notified by Ministry of Corporate Affairs from time to time. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

There is no deviation in following the treatments prescribed in Indian Accounting Standards (Ind-AS) in the preparation of financial statements for the year 2021-22.

g) Risk Management

The risk assessment and minimisation procedures are in place and the Board is regularly informed about the business risks and the steps taken to mitigate the same. Further, the Board has constituted Risk Management Committee as per the details given in point 8 of this report. More details of Risk Management are included in Management Discussion and Analysis forming part of the Annual Report.

h) CEO & CFO Certification

Pursuant to Regulation 17(8) of the Listing Regulations, Mr. Kailash R. Lalpuria, Executive Director & CEO and Mr. K. Muralidharan, Chief Financial Officer have furnished certificate to the Board on financial statements for the year ended March 31, 2022 in the prescribed format. The certificate has been reviewed by the Audit Committee and taken on record by the Board at the meeting held on May 29, 2022.

i) Reconciliation of Share Capital Audit Report

In terms of the provisions of Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, Reconciliation of Share Capital Audit is carried out on a quarterly basis by a Practicing Company Secretary. The said report is also submitted to BSE Limited and National Stock Exchange of India Limited.

j) Code for Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, your Company has adopted a code of conduct to regulate, monitor and report trading by designated persons and their immediate relatives for prevention of Insider Trading in the shares of the Company. This code is applicable *inter-alia* to all Directors and Designated persons / employees of the Company who are expected to have access to unpublished price sensitive information. This code, *inter-alia*, prohibits purchase / sale / dealing in the equity shares of the Company by Designated persons and their immediate relatives while in possession of unpublished price sensitive information about the Company and during the time when trading window is closed. The Code also contains procedure for pre-clearance of trade, disclosure requirements etc. The Code is available on the website of the Company at www.indocount.com

k) Certificate on Non-disqualification of Directors

M/s. Kothari H. & Associates, Practising Company Secretaries have certified that for the financial year ended March 31, 2022, none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India (SEBI) or Ministry of Corporate Affairs (MCA) or any such authority. A certificate issued by M/s. Kothari H. & Associates to that effect is attached as **Annexure II** forming part of this report.

l) Recommendations of the committees

During FY 2021-22, the Board has accepted all recommendations made by the Audit Committee, Nomination and Remuneration Committee and other Board Committees.

m) Total fees paid to Statutory Auditors and all entities in network group

During FY 2021-22, ₹ 31.85 lakhs were paid to M/s. Suresh Kumar Mittal & Co., Statutory Auditors for all services availed by the Company and its subsidiaries on a consolidated basis as per details given below:

Particulars of Fees	₹ in Lakhs
For Statutory Audit	15.10
For quarterly review Reports	10.50
For Tax Audit services	3.50
For any other services including reimbursement of expenses	2.75
Total	**31.85**

The Statutory Auditors does not belong to any other network group.

n) Disclosure regarding Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In order to prevent sexual harassment of women at workplace, your Company has adopted a policy for prevention of Sexual Harassment of Women at workplace. The Company has set up an Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into complaints relating to sexual harassment at workplace. During the year under review, no complaints pertaining to sexual harassment were received and no complaint was pending as on March 31, 2022.

o) Compliance with Mandatory and Non-Mandatory Requirements

The Company has complied with all mandatory requirements of Corporate Governance specified in the Listing Regulations. The Company has adopted discretionary requirements specified in Part E of Schedule II of the Listing Regulations as given below:

The Board: Since the Company has an Executive Chairman, requirements regarding Non-Executive Chairman are not applicable.

Shareholder's Rights: Quarterly, half- yearly, annual financial results of the Company are published in English and Marathi newspapers and are also forwarded to BSE and NSE. The said results are also uploaded on the website of the Company www.indocount.com. Hence, the same are not sent to the shareholders of the Company.

Modified Opinion in Audit Report: There was no qualification or modified opinion in Independent Auditors' Report on Financial Statements of the Company for the year ended March 31, 2022 nor in the past 2 years.

Reporting of Internal Auditors: The representatives/partners of Internal Auditors of the Company are permanent invitee to the Audit Committee Meeting. They attend each Audit Committee Meeting and present their Internal Audit observations to the Audit Committee. They directly interact with Audit Committee Members during the meeting.

p) Compliance with the requirements of Corporate Governance

All the requirements of Corporate Governance specified in Regulation 17 to 27 of the Listing Regulations and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations have been complied with.

q) The Management Discussion and Analysis Report is given separately and forms part of this Annual Report.

13. Certificate on compliance with conditions of Corporate Governance

The certificate regarding compliance of the conditions of corporate governance for the year ended March 31, 2022 given by M/s. Suresh Kumar Mittal & Co., Statutory Auditors is given as **Annexure III** to this Report.

14. General Shareholders' information

Annual General Meeting

Day & Date: Thursday, September 29, 2022, through VC

Time: 12.00 Noon (IST)

Financial Year: April 1 to March 31

Tentative Financial Calendar (for Financial Year 2022-23) for approval of:

Financial Results for Quarter ending June 30, 2022 (Unaudited)	On or before August 14, 2022
Financial Results for Quarter and half year ending September 30, 2022 (Unaudited)	On or before November 14, 2022
Financial Results for Quarter and nine months ending December 31, 2022 (Unaudited)	On or before February 14, 2023
Financial Results for Quarter and year ending March 31, 2023 (Audited)	On or before May 30, 2023

Record Date

The Record date for the purpose of payment of Final Dividend for the financial year 2021-22 is Tuesday, September 20, 2022.

Dividend Payment Date

During the year under review, final dividend for FY 2020-21 was paid on September 14, 2021.

The Final Dividend for FY 2021-22, if declared at the ensuing Annual General Meeting, will be paid within thirty days from the date of Annual General Meeting.

Listing on Stock Exchanges

BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 521016	The National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 NSE Symbol: ICIL

Listing Fees

The Company has paid Listing Fees for FY 2021-22 to BSE and NSE.

Annual Custody Fees

The Company has paid the annual Custody Fees to Central Depository Services (India) Limited and National Securities Depository Limited for FY 2021-22.

International Securities Identification Number (ISIN)

The International Securities Identification Number (ISIN) for equity shares of the Company of face value of ₹2/- each is INE483B01026.

Corporate Identity Number (CIN): L72200PN1988PLC068972

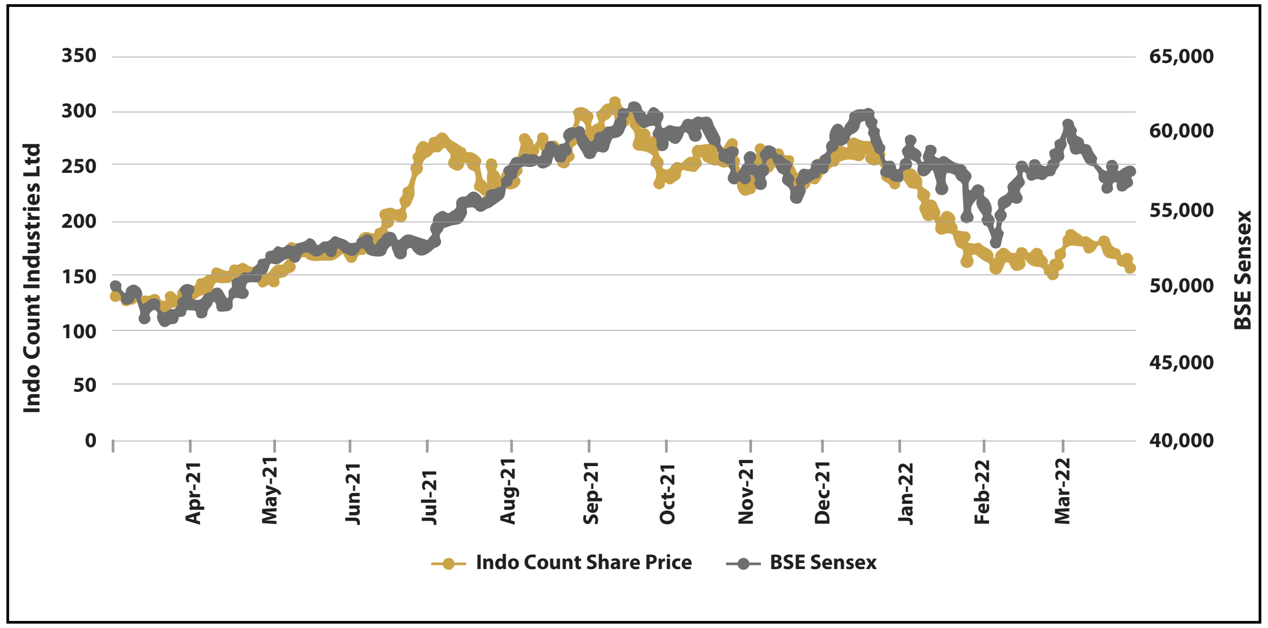
Market Price Data

The monthly high and low quotations of the closing price and volume of shares traded at BSE Ltd. (BSE) and National Stock Exchange of India Limited (NSE) from April, 2021 to March, 2022 are as under:

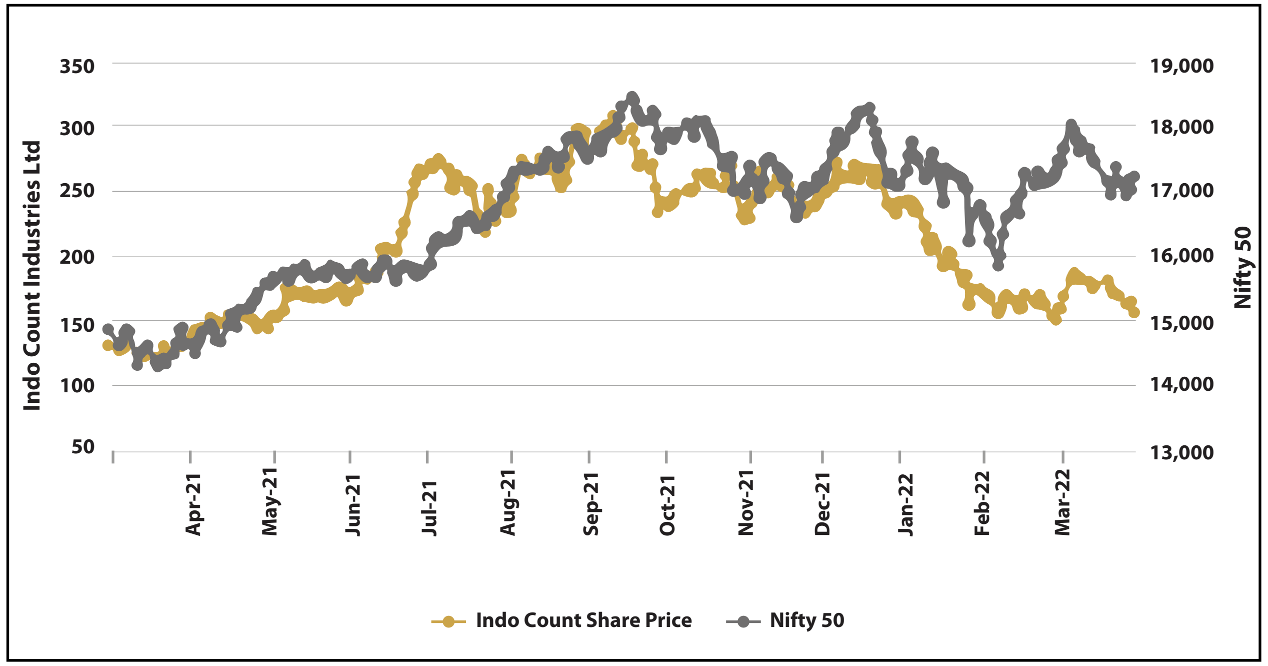
Month	BSE			NSE		
	High (in ₹)	Low (in ₹)	Total number of equity shares traded	High (in ₹)	Low (in ₹)	Total number of equity shares traded
April-21	139.65	117.85	9,55,429	139.90	117.00	33,84,849
May-21	160.85	128.50	16,10,697	161.00	128.35	1,18,31,152
June-21	180.90	142.45	20,37,821	181.25	141.90	1,68,38,171
July-21	273.90	165.75	23,31,094	273.90	165.65	2,47,55,442
August-21	285.00	216.05	8,28,001	285.00	215.10	1,08,04,117
September-21	305.30	231.25	18,09,606	304.90	230.00	1,97,29,884
October-21	314.80	228.65	13,97,541	315.00	228.85	1,29,56,723
November-21	274.55	224.10	7,74,561	274.50	223.95	93,50,384
December-21	279.80	227.00	7,83,439	278.20	226.95	1,14,19,491
January-22	275.00	229.75	7,73,545	275.05	229.25	80,92,101
February-22	248.50	159.50	8,28,003	248.65	159.65	76,43,179
March-22	177.85	149.15	17,28,055	178.00	148.50	1,05,80,282

Source: BSE & NSE website

Performance of Share price of the Company in comparison to the BSE Sensex



Performance of Share price of the Company in comparison to the Nifty



Registrar & Transfer Agents
Link Intime India Private Limited
C-101, 247 Park, L B S Marg, Vikhroli (West),
Mumbai - 400 083
Tel No: 022 - 49186270
Fax No: 022 - 49186060
Email: rnt.helpdesk@linkintime.co.in

Share Transfer System

During the Financial Year 2021-22, transfer of shares was only allowed only in dematerialised mode and the same is done through the depositories. Further, pursuant to SEBI Circular dated 25th January 2022, transmission, transposition & any endorsement shall be made only through demat mode. The Company had also sent intimation followed by 2 reminders to the shareholders holding shares in physical form to take necessary steps to dematerialize the shares at earliest.

Distribution of Shareholding as on March 31, 2022

No. of equity shares of face value of ₹2/- each	No. of Shareholders*	% of Shareholders	No. of shares held	% of shareholding
Upto 500	53,346	84.56	60,66,050	3.07
501 – 1000	5,790	9.18	43,12,039	2.18
1001 – 2000	1,831	2.90	27,75,968	1.41
2001 – 3000	671	1.06	17,13,410	0.87
3001 – 4000	284	0.45	10,18,015	0.52
4001 – 5000	287	0.46	13,65,318	0.69
5001 – 10000	395	0.63	29,14,673	1.48
Above 10000	481	0.76	17,72,34,197	89.78
Total	**63,085**	**100.00**	**19,73,99,670**	**100.00**

*No. of shareholders are not consolidated as per PAN No. The Number of shareholders consolidated as per PAN are 61,848 as on March 31, 2022.

Shareholding Pattern as on March 31, 2022

Category of Shareholder	As on March 31, 2022	
	No. of Equity shares (Face value of ₹2/- each)	As a percentage of total paid-up Share Capital
A. Promoter and Promoter Group	**11,63,46,750**	**58.94**
B. Public Shareholding		
Institutions		
Mutual Funds	85,582	0.04
Alternate Investment Funds	25,000	0.01
Foreign Portfolio Investors/ Foreign Institutional Investors	1,86,34,141	9.44
Financial Institutions / Banks	14,850	0.01
Non-Institutions		
Individuals	3,69,24,936	18.71
NBFCs registered with RBI	1,95,560	0.10
Trusts	7,82,888	0.40
Foreign Nationals	400	0.00
Hindu Undivided Family (HUF)	10,60,587	0.54
Non-Resident Indians (NRI)	35,86,709	1.82
Clearing Members	4,35,755	0.22
Limited Liability Partnership (LLP)	26,83,458	1.36
Bodies Corporate	1,66,23,054	8.42
Sub-Total (B)	**8,10,52,920**	**41.06**
Total (A+B)	**19,73,99,670**	**100.00**

Dematerialisation of shares and liquidity

The equity shares of the Company are available for dematerialisation with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2022, 19,47,27,413 Equity Shares of the Company constituting 98.65% of the paid-up share capital of the Company are held in dematerialized form and 1.35% of the paid-up share capital is held in Physical form. The Company's shares were regularly traded on the National Stock Exchange of India Limited and BSE Limited.

Shares held in demat and physical mode as on March 31, 2022 is as under:

Category	Number of		% to total equity
	Shareholders	Shares	
Demat Mode			
NSDL	23,372	12,82,30,507	64.96
CDSL	34,661	6,64,96,906	33.69
Total Demat	**58,033**	**19,47,27,413**	**98.65**
Physical Mode	5,052	26,72,257	1.35
Grand Total	**63,085**	**19,73,99,670**	**100.00**

Outstanding GDR/ADR/warrants or any convertible instruments, conversion date and likely impact on equity

As on March 31, 2022, there are no outstanding GDR / ADR / warrants or any convertible instruments.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activity

The details are provided in Management Discussion and Analysis Report.

Plant Locations

(1) D-1, MIDC, Gokul Shirgaon,
Kolhapur – 416234, Maharashtra

(2) T-3, MIDC, Kagal, Hatkanangale,
Kolhapur-416216, Maharashtra

Details of utilization of funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of SEBI Listing Regulations:

Not Applicable

Credit Rating

As on March 31, 2022, for long term bank facilities of your Company, credit rating assigned by ICRA is "AA-" (Double A minus) with Stable outlook and CARE has assigned credit rating of "A+" (Single A plus) with Positive outlook. This credit rating signifies strong degree of safety regarding timely servicing of financial obligations. Such facilities carry low credit risk.

Further, for the Company's short term bank facilities, credit rating assigned by ICRA and CARE is "A1+" (A One Plus). These credit rating signifies very strong degree of safety regarding timely payment of financial obligations. Such facilities carry lowest credit risk.

Address for correspondence

The Shareholders may contact Company or Registrar & Transfer Agent on below address:

The Company Secretary	**Registrar & Transfer Agents**
Indo Count Industries Limited 301, 3rd Floor, "Arcadia", Nariman Point, Mumbai – 400 021 Phone: 022 - 4341 9500 / 501 Fax: 022 - 2282 3098 Email: amruta.avasare@indocount.com/ icilinvestors@indocount.com	Link Intime India Pvt. Ltd. C-101, 247 Park, L B S Marg, Vikhroli (West), Mumbai – 400 083 Tel No: 022 - 49186270 Fax No: 022 - 49186060 Email: rnt.helpdesk@linkintime.co.in

On behalf of the Board of Directors
For INDO COUNT INDUSTRIES LIMITED

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Date: May 29, 2022
Place: UAE

ANNEXURE I

DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT

Pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board Members and Senior Management Personnel of Indo Count Industries Limited have affirmed compliance with the Code of Conduct of the Company for the year ended March 31, 2022.

For **INDO COUNT INDUSTRIES LIMITED**

Kailash R. Lalpuria
Executive Director & CEO
DIN: 00059758

Date: May 29, 2022
Place: Mumbai

ANNEXURE II

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

INDO COUNT INDUSTRIES LIMITED

OFFICE NO. 1, PLOT NO. 266,

VILLAGE ALTE KUMBHOJ ROAD,

TALUKA HATKANANGALE,

KOLHAPUR-416109, MAHARASHTRA.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **INDO COUNT INDUSTRIES LIMITED** having **L72200PN1988PLC068972** and having registered office at Office No. 1, Plot No. 266, Village Alte Kumbhoj Road, Taluka Hatkanangale, Kolhapur-416109, Maharashtra produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Anil Kumar Jain	00086106	22/08/1990
2.	Mr. Mohit Anilkumar Jain	01473966	09/05/2016
3.	Mr. Kailash Ramniwas Lalpuria	00059758	04/05/2018
4.	Mr. Kamal Sukhamoy Mitra	01839261	01/10/2008
5.	Mr. Dilip Jayantilal Thakkar	00007339	28/01/2003
6.	Mr. Prem Sardarilal Malik	00023051	30/10/2009
7.	Mr. Sushilkumar Jiwarajka	00016680	04/05/2018
8.	Dr. (Mrs.) Vaijayanti Ajit Pandit	06742237	25/11/2013
9.	Dr. Sanjay Kumar Panda	02586135	03/08/2018
10.	Mr. Siddharth Saumil Mehta	03072352	03/08/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Kothari H. & Associates**
Company Secretaries

Sonam Jain
(Partner)
Membership No.: F9871
CP No.: 12402
UDIN: F009871D000348044

Date: May 19, 2022
Place: Mumbai

ANNEXURE III

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To

The Members,

Indo Count Industries Limited

We have examined the compliance of conditions of Corporate Governance by Indo Count Industries Limited ("the Company"), for the financial year ended on 31st March, 2022, as stipulated in Regulations 17 to 27 and clause (b) to (i) of Regulations 46(2) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 ("Listing Regulations").

Managements' Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Auditor's Responsibility

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountant of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC)1, Quality Control for Firms that performs Audits & Reviews of Historical Financial information and other Assurance & related service engagements.

We further state that such compliance 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in the above mentioned Listing Regulations, as applicable.

For **Suresh Kumar Mittal & Co.**
Chartered Accountants
Reg. No.: 500063N

Ankur Bagla
Partner
Membership Number: 521915
UDIN: 22521915AJVKFL2489

Dated: May 29, 2022
Place: New Delhi

Business Responsibility Report

We are pleased to present Seventh Business Responsibility Report of the Company for the year ended March 31, 2022 as under:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN) of the Company:** L72200PN1988PLC068972
2. **Name of the Company:** Indo Count Industries Limited
3. **Registered address:** Office No. 1, Village -Alte, Taluka-Hatkanangale, District- Kolhapur, 416109, Maharashtra, India
4. **Website :** www.indocount.com
5. **E-mail id :** info@indocount.com
6. **Financial Year Reported:** April 1, 2021 to March 31, 2022
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Sector	Industrial Activity Code*			
	Group	Class	Sub-class	Description
Textiles	139	1392	13924	Manufacture of bedding, quilts pillows, sleeping bags
	131	1311	13111	Preparation and spinning of cotton fiber including blended cotton

**As per National Industrial Classification 2008 – Ministry of Statistics and Programme implementation*

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**

   Bed Sheets, Quilts and Comforters

9. **Total number of locations where business activity is undertaken by the Company**

   (a) **Number of International Locations** – The Company has 3 (three) foreign subsidiaries viz.in the USA, UK and Dubai. Further, the Company has 2 (two) showrooms in USA and UK. The Company does not have any manufacturing unit outside India.

   (b) **Number of National Locations:** The Company has 2 manufacturing facilities and 1 made-ups stitching unit at Kolhapur, Maharashtra. The Registered office of the Company is also situated at Kolhapur. The Corporate Office and Marketing Office are housed in Mumbai and Thane respectively.

10. **Markets served by the Company** – The Company exports to more than 50 countries across the globe and our majority of revenue is derived from international market. We also forayed in Indian Market in 2017.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. **Paid up Capital (INR) :** ₹39.48 crore
2. **Total Turnover (INR) :** ₹2,805.95 crore (Standalone) and ₹2,842.02 (Consolidated)
3. **Total profit after taxes (INR) :** ₹338.09 crore (Standalone) and ₹358.61 (Consolidated)
4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**

   The Company's total spending on CSR for the year ended March 31, 2022 was ₹3.82 Crore (This includes prescribed CSR expenditure of FY 2021-2022 i.e. ₹3.73 crores and ₹0.33 crores from unspent CSR amount of FY 2020-21) which is 1.13% of profit after tax.

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

   During FY 2021-22, CSR activities of your Company were carried out in the following areas with main focus on Education, Healthcare and Environment.

   (a) Education - Promoting education through E-learning and support to educational institutes

   (b) Healthcare - Medical facilities through 4 mobile medical vans and providing medical equipments to hospitals, renovation of infrastructure facilities in hospitals

   (c) Centre for excellence project with PDKV Akola in improving livelihood and education of farmers

   (d) Miya waki tree planation project

   (e) Water and sanitation

   (f) Project GAGAN for upliftment of farmers

   (g) CSR support during COVID-19 pandemic

   The details of above CSR activities are provided in **Annexure 2** to the Board's Report which is available on the website of the Company at www.indocount.com

SECTION C: OTHER DETAILS

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

   As on March 31, 2022, the Company has 5 direct subsidiaries.

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 subsidiaries are separate entities and they follow BR initiatives if applicable to them.

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? –**

   The Company has not presently mandated its suppliers/ distributors etc. to participate in the Company's BR initiatives. However, all business associates are encouraged to adopt BR initiatives and conduct their business ethically and in a transparent manner.

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** : 00059758
2. **Name** : Mr. Kailash R. Lalpuria
3. **Designation** : Executive Director & CEO

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

No.	Particulars	Details
1	DIN Number (if applicable)	00059758
2	Name	Mr. Kailash R. Lalpuria
3	Designation	Executive Director & CEO
4	Telephone Number	+91 22 43419500
5	e-mail id	kklalpuria@indocount.com

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

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

Sl. No.	Questions	Ethics	Product Life Cycle Sustainability	Employee Well-Being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Community Development	Customer Value
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies are broadly based on National Voluntary Guidelines issued by Ministry of Corporate Affairs.								

Sl. No.	Questions	Ethics	Product Life Cycle Sustainability	Employee Well-Being	Stakeholder Engagement	Human Rights	Environment	Policy Advocacy	Community Development	Customer Value
		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?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	The links on Code of Conduct, CSR Policy, are as under: https://www.indocount.com/investors/corporate-governance The view of policies under other principles are restricted to the respective stakeholders								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The BRR Policies are reviewed internally from time to time and are updated whenever required.								

(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	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	Not Applicable								
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									
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-

The Board of Directors of the Company or CEO assesses the BR performance of the Company 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?

This is the seventh Business Responsibility Report of the Company and it is published annually.

The BRR forms part of the Board's Report which is available on the website of the Company at www.indocount.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1– Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

This Principle is embodied in the Code of Conduct & Whistle Blower Policy.

1. Does the policy relating to ethics, bribery and corruption cover only the company? Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs /Others?

Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and equity in all spheres of its operations and in all its dealings with its stakeholders. Your Company has adopted Code of Conduct, which is applicable to the Board of Directors and Senior Management Personnel of the Company. This Code requires all Directors and Senior Management of the Company to act honestly, ethically and with integrity. The Code also provides for avoiding any conflict of interest and to act in the best interest of the Company. All Directors and Senior Management Personnel affirm compliance with the Code of Conduct annually. The Company also has similar HR Code of Conduct applicable to all employees of the Company. The Company has adequate control mechanism in place to address the issues relating to ethics, bribery and corruption. The supplier/ contractors dealing with the Company are also encouraged to maintain ethical standards in all their practices.

Your Company also has in place Vigil Mechanism / Whistle Blower Policy which serves as a mechanism for the Directors and all employees of the Company to report any genuine concerns about unethical behavior, actual or suspected fraud or violation of code of conduct. Further, Vendors, Channel Partners, Business Associates including contractors or Customers of the organization, can make Protected Disclosures regarding any unethical behavior or improper practices being followed under the Policy.

The Code of Conduct and Vigil Mechanism is also extended to subsidiaries of the Company to the extent applicable.

The Company's Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders ("Code"), ensures that the employees do not handle unpublished price sensitive information in an unethical manner and deal in securities of the Company when in possession of such information for unlawful gains. The Code conforms to the Company's values of ethics and transparency.

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.

There were 10 complaints received from the shareholders pertaining to shares of the Company during the year under review and all of them were resolved satisfactorily and as on March 31, 2022, no complaint is pending with the Company. The Company / Registrar & Transfer Agent responds to the queries/complaints received from the shareholders in a timely and appropriate manner. Further, the Company has in place, an effective mechanism for dealing with complaints received from various stakeholders.

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

The policy is part of your Company's Environment, Health and Safety (EHS) Policy.

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

Your Company is in the business of manufacturing of home textiles and its products broadly falls under the categories of Bed Sheets, Pillow Cover, Comforter and Top of the Bed products. The products are mostly made of cotton/sustainable fibers, hence eco-friendly, clean and leave no adverse impact on the mother earth.

Sustainability Performance/Achievements:

a) **Walmart Recognized Indo Count as one of the top supplier** in "Walmart's Global Sourcing Supplier Summit" under Project Gigaton for our contribution towards GHG Emission Reductions & various sustainability activities.

b) Received recognition from prestigious body **CII (Confederation of Indian Industries) as "Noteworthy Water Efficient Unit"** under "Within the Fence" category of CII National Awards for Excellence in Water Management 2021.

c) We have achieved one of the best scores in CDP (Carbon Disclosure Project), **"we achieved B Score"** while "**Global Textile average is C".**

d) Achieved **2nd position in 16th State Level Award for Excellence in Energy Conservation and Management from MEDA** (Maharashtra Energy Development Agency).

e) **HIGG Index** – We are portrayed sustainable performance in this key Sustainability Index accepted globally by all clients. **We scored 87 in HIGG Index Verified by 3rd party while the Global score average is at 58.3 in Home Textiles.**

f) We got recognized as **"Sustainable Business of the Year"** for Contribution towards various sustainability initiatives and SDG's by World Sustainability team.

g) Achieved winner award for **"Outstanding performance in Environment Protection"** by "Greentech Foundation"

Following are products relating to sustainability:

1. "Pure Complete Collection" has been introduced now like: Pure Earth Solids, Pure Earth Prints, Pure Revival Tencel, Pure Revival Blends, Pure Revival Cool. In addition to the existing feature of benefitting by using plant-based dyes synthesized from non-edible waste by-products from agriculture and herbal industries are used (Eco friendly products) here, we have focused to increase care for environment by using sustainably grown or manufactured fibers & yarns into our products making a larger contribution towards Sustainability.

2. "Health & Wellness" range of products has been added in our product gamut to provide a wholistic performance benefits to end consumers ensuring complete Health & Safety concerns of end consumers.

3. We have built capacity to manufacture largest quantity of "Made in Green" Product Range in our Sustainable Textile Production (STeP) approved facilities (Level 3).

4. Wrinkle Free/Easy Care/Quick Dry sheets product range require less energy for Home Laundering and Ironing, thereby reducing considerable environmental load for electricity and water requirement.

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

We are consistently working towards reduction of resource usage by online monitoring, analyzing our resource consumption and then implementing improvement actions by incorporating new techniques and innovative ideas.

We have state of the art ETP plant and RO plant for recycling for water re-use and Dryers for reduction of bio-sludge (waste) to reduce the quantity for landfill. Further, rain water harvesting system from entire factory rooftop and hot / cooling water is recycled back to the process gives an additional saving of water.

As consumption per unit depends on the product mix, there are no specific standards to ascertain reduction achieved at each product level.

With continuous innovation being our core strength in product development, we have been successful in harnessing resources and make products that are more efficient to use and consume lesser resources during manufacturing and also during usage by end consumers.

Pure Earth collection is a truly Sustainable product range which is developed by using extracts from waste of material like food, fruits, shells etc. thereby reducing demand of "Petrochemical based dyes" and making it environment friendly. With the addition of new product variants in this category we intend to percolate sustainability importance message to a larger consumer base across wider markets.

Our Sustainably Processed Bedlinen collection (collection in bedlinen and Utility bedding) are processed with lower amount of dyes/chemicals and still meet the functionality of an end consumer. These are aptly crafted and developed considering all finer details of utility and energy consumption during processing. These products consume almost half of chemical resources required to manufacture when compared to a regular sheet set.

Health & Wellness category of products have been introduced to provide ultimate health and safety to our esteemed consumers. These products provide health benefits to users, like they require lesser home laundering and prohibit growth of pathogens like bacteria/viruses etc.

Similarly wrinkle free/easy care category of products also need less or no ironing. This reduces electricity, time and cost required to be spend for maintaining these sheets by the consumers.

Made-In-Green products is a collection of products developed to give assurance to customers that the product they are buying is fully traceable across supply chain from Sustainability point of view. All raw material used in manufacturing and packaging of these products are compliant to the latest Oekotex norms in sustainable form. This keeps end consumers feel happy and confident for their spending towards right product that contributes directly to a Sustainable Eco system.

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

Our Health & Wellness category of product offers customers protection from pathogens growth and thereby assisting reduction of number of home launderings at end consumers this has assisted in reducing energy, water requirement. This reduces overall cost of usage of products.

We are one of the largest manufacturer of Bed Linen under Quick Dry & Wrinkle Free category. Quick dry & Wrinkle Free products helps end consumers widely by reducing their energy bills in home laundering and ironing, thereby reducing considerable environmental load for electricity and water requirement. This also economically benefits consumers. Overall, this helps to achieve sustainability on a wider perspective.

Further considering scope 3 in mind we design our packaging with "Self-fabric" bags in-place of PVC packaging. Every 1 ton of PVC bag causes ~5 MT of GHG emissions hence, using these Self-fabric bags contributes in a larger perspective towards Environment. Further, we have been actively working towards reducing our dependency on plastic packaging continuously.

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 one of the biggest facility with MIG labelling capability available across all the units.This is due to extended supply chain compliance to ensure sustainable practices across all sourcing chain.

We have aligned our chemicals/dyes procurement also as per ZDHC MRSL compliance guidelines. Close to 90% of our input is sourced sustainably with these guidelines.

Our complete value chain right from Fiber procurement to Packaging are aligned to consider Sustainability a key factor in sourcing. The sourcing of cotton being one of the voluminous activity, the Company has taken multiple steps to procure BCI grown cotton through farmers, we have been collaborating through various projects. In addition to this, we procure a considerable volume of other Sustainable fibers like Egyptian, Carbon Neutral Tencel GOTS, Fairtrade, GRS (Polyester) etc.

These all initiatives and actions keep us ahead in ensuring Sustainability across one of the largest supply chain in the country.

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?

The Company works with small producers to augment quality and design capability of the vendors. At present, small quantity of Cotton / yarn is procured from local producers in and around Kolhapur.

We have been developing many suppliers in local community continuously to provide raw materials and services seamlessly to our growing demands and market base under stringent quality norms.

A large quantum of our raw materials like fabrics are manufactured and sourced from communities surrounding our manufacturing hub. Also, vast majority of our services happen to be from local community which helps develop local community and create more opportunities in nearby areas.

This helps us in many ways – we are able to swiftly communicate changes in market demands or customer demands swiftly in a shorter lead time, we are able to control inventories and have high accuracy updates in real time. This activity of local vendor development has also contributed to reduction in transportation requirements to a large extent.

This is one of the key factor which makes us one of the most Sustainable Manufacturing Textile Company.

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 there of, in about 50 words or so.**

The Company has Installed state of the art ETP (Effluent Treatment Plant), RO Plant & MEE for recycling of waste water. More than 90% of processed water is recycled and used in a closed loop channel in processing. This reduces largely dependency on external water source by almost 50%.

All process effluents of sizing & pre-treatment are collected in the Equalization tank & treated through the UASBR & biological treatment system followed by PSF & ACF filtration system. 50% ETP treated effluents are recycled through the RO & MEE plants & rest of 50% ETP treated effluents are sent to CETP for further treatment. We are also generating the Methane gas from UASBR & it's being utilized to generate power from this gas. Further the sludge generated from the ETP is being dried in the dryer thus avoiding the disposal for hazardous waste.

We have state of art Caustic Recovery Plant installed inline at our processing to reduce need for fresh caustic and reduce wastages.

Other wastes like Plastic wastes & Corrugated wastes are taken for recycling by a government approved agency to recycle it further and use in alternate products manufacturing. All of our plastic wastes goes to recyclers and it's one of the key indicator that sustainability is well maintained in Waste Management too.

The Company had received the prestigious "VASUNDHARA AWARD" for 2018-19 from Maharashtra Pollution Control Board (MPCB) towards the protection of environment and implementation of innovative & cleaner technologies in water, air & waste in sustainable way. Maharashtra pollution Control Board awarded us Five Star rating for excellent work for Air Pollution control.

Principle 3–Businesses should promote the wellbeing of all employees.

This Principle is embodied in various policies for the benefit of the employees which are issued by the Human Resources function of the Company from time to time. The policies include Maternity Leave Policy, Employee Safety Policy, Group Mediclaim Policy, etc.

1. **Please indicate the Total number of employees.** – 2,215
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.** – 2,430
3. **Please indicate the Number of permanent women employees** – 84
4. **Please indicate the Number of permanent employees with disabilities** – NIL
5. **Do you have an employee association that is recognized by management?** – YES
6. **What percentage of your permanent employees is members of this recognized employee association?** - Around 51.56% of all workers at plants.
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 – Around 24.38%

(b) Permanent Women Employees – Around 39.29%

(c) Casual/Temporary/Contractual Employees – Around 5.19%

(d) Employees with Disabilities - NA

Health and safety is of paramount important to the Company. All employees of the Company including temporary employees and employees at plants are provided with safety training. Training is imparted in case of new safety device before putting it to use. Training is provided to workers for Chemical Handling, PPE Training, machine Handling and Waste Handling Training. Safety Boards are displayed and operative instructions are displayed and firefighting training is also imparted to selected employees of each shift. Safety meeting is conducted at every quarter and mock drills are also conducted at regular intervals.

Principle 4–Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Certain aspects of this principle forms part of the CSR Policy.

1. **Has the company mapped its internal and external stakeholders?**

Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanism to engage with various stakeholders to understand their concern and expectations. Individual departments within the organisation have roles and responsibility identified and defined to engage with various stakeholders.

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

Yes. Your Company recognizes the vital role played by society at large in its growth and development and strives to discharge its social responsibility as a corporate citizen. Our CSR projects focus on participatory and collaborative approach with the community. Over a period of last three years, your Company through Indo Count Foundation has identified disadvantaged, vulnerable & marginalized stakeholders in and around Kolhapur, local area in which the company operates. In order to improve their standard of living, your Company has emphasized on CSR projects in the areas of Education, Healthcare, Water and sanitation and farming projects.

Principle 5- Businesses should respect and promote human rights.

This Principle is embodied in the Code of Conduct.

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 Company remains committed to respect and protect human rights. The various aspects of the term "Human Rights" viz Freedom of Association, Collective Bargaining, Non-Discrimination, Gender Equality, Avoidance of Child and Forced Labour are covered in our Human Resource Policies/Practices and Code of Conduct. The HR practices extend to all subsidiaries of the Company.

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

No complaints relating to human rights have been received in the FY 2021-22.

Principle 6 - Business should respect, protect, and make efforts to restore the environment.

This Principle is embodied in the Environment Policy.

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

The Company strives to protect environment by adopting various eco-friendly measures. The subsidiaries are encouraged to adopt in sustainability initiatives of 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.**

UN SDG's are the key guidelines being followed on global level to achieve a sustainable future for all. We have taken strategic approach and collaborated with UNGC (United Nation Global Compact India) to align our goals with UN SDG's. From the 17 SDG's defined by UNGC, we have chosen 8 key SDG's aligned with the business we are into. We have done and are continually doing activities across the organization and outside of our organization too aligned to these SDG's.

Details of SDG wise actions have been published on our Company's Website "Sustainability Section".

https://www.indocount.com/sustainability/

Further for CLIMATE Change Control - We have adopted a Scientific Methodology to define our targets for GHG

(Green House Gas) Emissions reductions in phase wise manner.

We have joined with SBTi (Science Based Target Initiatives) and evaluated Scientifically our goals for GHG reduction for 2030.

Aligned with SBTi's scientific evaluation we have determined following targets to be achieved by 2030:

- Scope 1, 2 : GHG reduction by 30%
- Scope 3 : GHG reduction by 15%

Various actions are in progress across organization for GHG reduction, some are as below:

a) Our Company's Home Textile facility at Gokul Kagal received "LEED - Green Building Certification" from Green Building Council, USA which is the most well-known green building rating system in the world, and therefore a globally recognized symbol of sustainable achievement.

b) Further, our Company has adopted various sustainability measures viz. State of Art Zero discharge Effluent Treatment Plant (ETP) and Reverse Osmosis (RO) plant Multiple Effect Evaporator (MEE) for recycling of waste water, Rain Water Harvesting, Solar power etc.

c) We are strategically working to reduce our Carbon foot prints across Company by implementing various sustainable initiatives across all the pillars contributing GHG emissions likely – Electricity, Steam, Coal consumption, Wastes etc. Energy efficiency is a metric referred while installation of equipments to ensure contribution towards Carbon Reduction. Creative ideas are implemented across manufacturing to capture leakages, reduce losses and Optimal usage of resources. We have installed Solar Panel Set-up to reduce external power consumption needs.

d) We are working with our key customers to implement Sustainability across value chain. We partnered with Walmart in Project GIGATON and are contributing to Sustainability via HIGG Index, THESIS Survey and CDP (Carbon Disclosure Project).

e) We are one of the leading industries wherein sustainability is driven across organization as a part of its culture. From inception, this has been a part of our all decisions, as an organization we have installed best in class technology, machineries and abatement process in manufacturing line to make sure we have minimal or zero environmental risks. We have invested larger part of our CAPEX in Solar Power Generation, almost 10% of our Energy needs are fulfilled internally through these generators.

3. **Does the company identify and assess potential environmental risks?** - YES

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?**

The Company strives to preserve environment by striking a balance between economic growth and preservation of the environment. Both air and noise pollution have been greatly reduced with the new Acoustic systems that have been placed on our DG sets and Air compressors. Indo Count makes certain that no harmful substances are discharged into the environment by using state-of-the-art Italian Zero discharge ETP plant for the Primary, secondary and tertiary treatment of effluents, producing clean water. Water conservation efforts also include rainwater harvesting and hot water recycle process.

The Company files report with the appropriate government authorities in the manner as prescribed under applicable laws.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.**

All our process effluents are treated in highly scientific manner of biological treatment (Without any chemicals addition) followed by tertiary treatment of Reverse Osmosis plants & Multi Effect Evaporation systems. Some of our initiatives towards clean technology, energy efficiency include:

- Installed Effluent Treatment & RO Plant for recycling of waste water – This ensures zero discharge of effluents in to the environment (by reusing process water, utilization of natural water resources is minimized).
- Paddle Dryer – This eliminates the land pollution / contamination from the sludge treatment w.r.t. land fill treatment at land fill site.
- Installation of air pollution equipment like Bag filters followed by the dust collectors, Cyclomax and Electrostatic precipitators in the Boilers for controlling of suspended particulate matter of fine dust into the environment.
- Optimization of Compressed Air Consumption.
- We have initiated using energy efficient lubrication in gear box eg. in PTR 1 to save on energy.
- Installed VFD on pumps to adjust the duty point as per load to save on Energy.
- Replaced low-efficient blower by High-efficient blower with VFD in Non colour ETP section to reduce power consumption.
- Bio Gas to power generation - This power generation minimizes the natural recourses including thermal pollution.
- Installed Acoustic System and Electrostatic Precipitator for reduction of Noise and Air Pollution.
- Each Plant has been equipped with Rain Water Harvesting System and Sewage Treatment Plant.
- Adoption of LEDs by installation in all new projects and retrofitting some of the existing ones.
- Additional solar power system Installation having capacity of 1 MW power generation per hour and projected savings of 14 Lakhs KW/year.
- In boiler Oxygen analyzers provided for increasing fuel efficiency.
- Blow down TDS sensors and valves maintain optimal levels and save fuel by reducing heat loss.
- "Siren & Panel" gas leak detection provides greater fuel efficiency.
- Transparent roofing sheet to increase natural luminance in plant to reduce power consumption in day time.
- Installation of Back Pressure Turbine has been completed recently and it's a major breakthrough in reducing energy losses and convert this energy captured into electricity.

Apart from above, steps taken by the Company on conservation of energy are explained in Annexure 6 to the Board's Report.

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

The Emissions/Waste generated by the company are within the permissible limits given by CPCB/ SPCB.

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.**

As on 31st March, 2022, there are no show cause/ legal notices received from CPCB/ SPCB which are pending / unresolved.

Principle 7 – Businesses, when engaged in influencing public and regulatory policy, should do so 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:**

Your Company is a member of various trade bodies, chambers or association; major ones being:

(a) TEXPROCIL (The Cotton Textile Export Promotion Council)

(b) Confederation of Indian Textile Industry (CITI)

(c) Federation of Indian Export Organization (FIEO)

(d) The Associated Chambers of Commerce & Industry of India [ASSOCHAM]

(e) The Bombay Textile Research Association (BITRA)

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)**

The Company, through the various industry associations, participates in advocating matters for advancement of textile sector, policies, economic reforms and public good. It supports various initiatives which includes aspect of textile industry which is a progressive step towards inclusive development.

Principle 8 – Businesses should support inclusive growth and equitable development.

This Principle is embodied in the CSR Policy.

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

The Company has a well defined CSR policy which is line with the Companies Act, 2013. The key philosophy of all our Corporate Social Responsibility (CSR) initiatives is guided by our belief "Every Smile Counts ...". Our CSR projects focus on participatory and collaborative approach with the community. CSR projects of your Company focus on Education, Healthcare, Agricultural Livelihood, Water and Sanitation, Rural Upliftment & Environment, Women Empowerment and Disaster Management. The Company gives preference to Local Areas.The details of CSR activities are given in **Annexure 2** of the Board's Report.

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

   The Company primarily undertakes CSR activities through its own Trust "Indo Count Foundation". Further, Indo Count Foundation either on its own or by partnering with other trusts, NGO's or government implements CSR projects.

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

   Yes. Indo Count Foundation conducts impact assessment of its CSR initiatives through feedbacks collected from the beneficiaries of projects undertaken. Certain projects are undertaken in partnership with other trusts, NGO's, Government organisations that have their own monitoring mechanisms and impact assessment systems. The reports are collected from collaborating partners to understand impact.

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

   Your Company undertakes CSR activities through Indo Count Foundation. During the year, the Indo Count Foundation has spent ₹382.43 Lakhs on CSR projects in the areas of Education, Healthcare, Women Empowerment, COVID-19 Pandemic, Water and Sanitation, GAGAN and Rural upliftment. All CSR projects benefit to the community at large directly.

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. Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community.

   The Company adopts participatory approach with communities in deploying CSR projects. Before undertaking any CSR project, needs of communities are assessed. Once CSR project is implemented, follow up visits are given and feedback is obtained.

   The assessment reports, feedback and overwhelming response on all our projects suggest that the same are proactively welcomed and adopted by the communities.

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.**

   Customer Satisfaction is of utmost important for the Company. At Indo Count, we are committed to provide all our customers product quality, services and value for money through our technological and organizational strengths. As on March 31, 2022, no customer complaints are pending.

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).**

   The Company displays all the requisite information on product labels as per the applicable laws.

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

   There have been no cases relating to unfair trade practices, irresponsible advertising, and/or anti-competitive behavior against the Company during the last five years and pending as on end of the financial year 2021-22.

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

   Based on customer feedbacks and research, your Company makes innovations and delivers products that meet consumer needs. Surveys are conducted to assess the consumer satisfaction levels and consumer's trends. Feedback is also taken by the management during the visit of Customers at the manufacturing facilities.

FINANCIAL REPORTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Indo Count Industries Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Indo Count Industries Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and 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 financial statements give the information required by the Companies Act, 2013 ("the 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 and profit, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. The company operates internationally and portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk. Foreign currency exchange rate exposure through its sales are partly balanced by purchasing of goods, commodities and services in the respective currencies. The balance foreign currency exchange rate exposure is hedged through derivative like foreign exchange forward contracts. (Refer Note No. 50 to the standalone financial statements). We assessed the foreign exchange risk management policies adopted by the company. The company manages risk through a treasury department which formulates risk management objectives and policies which are reviewed by the senior management, Audit Committee and Board of Directors. Our audit approach was a combination of test of internal controls and substantive procedures to evaluate chances of minimizing the risk involved.
2. The company has material matters under dispute which involves significant judgement to determine the possible outcome of these disputes (Refer Note No. 39 to the standalone financial statements). We obtained the details of the disputes with their present status and documents. We made an in-depth analysis of the dispute. We also considered legal procedures and other rulings in evaluating managements position on these disputes to evaluate whether any change was required to management's position on these disputes.
3. As on 31st March 2022, current tax assets and other current assets includes amounts recoverable from government department for which efforts for recovery are being made (refer Note No. 18 and 19 to the standalone financial statements). Our audit procedures consisted of evaluating whether any change was required to management's position on these uncertainties and the likelihood of recoverability.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 financial statements of the current period 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Financial Statements - Refer Note No. 39 to the financial statements.

ii. The Company has made provision as required under the applicable law or accounting standards, for material foreseeable losses, if any, in respect of long term contracts including derivative contracts - Refer Note No. 50 to the financial statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, 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 entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in 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 - Refer Note No. 54 to the financial statements;

(b) The management has represented, that, 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 other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - Refer Note No. 54 to the financial statements; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. In our opinion and based on the information and explanation provided to us, the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

For **Suresh Kumar Mittal & Co.**
Chartered Accountants
Firm Registration No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915
UDIN: 22521915AJVKHI8287

Place: New Delhi
Date: May 29, 2022

Annexure A referred to in Paragraph (I) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Indo Count Industries Limited on the standalone Financial Statements for the year ended 31st March 2022.

(i) (a)(A)	The company is maintaining proper records showing full particulars including quantitative details and situation of property, plant and equipment.
(i) (a) (B)	The company is maintaining proper records showing full particulars of intangible assets.
(i) (b)	Property, plant and equipment have been physically verified by the management according to a regular program, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanation given to us, no material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.
(i) (c)	Based on our examination of the records held by the company and provided to us, we report that, the 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 are held in the name of the company.
(i) (d)	During the year, the company has not revalued any property, plant and equipment (including right to use assets) or intangible assets and hence provisions of clause (i) (d) are not applicable to the company.
(i) (e)	According to the information and explanation given to us and the records maintaining by the company no proceedings have been initiated or are pending as on 31st March,2022 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)	Physical verification of inventory (except material in transit or lying with third parties) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. Discrepancies of 10% or more in the aggregate for each class of inventory with respect to book records were not noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.
(ii)(b)	In our opinion and according to the information and explanation given to us and records maintained by the company, the quarterly returns or statements filed by the company with banks or financial institutions are in agreement with the books of account of the company.
(iii)(a)	In respect of investments made, guarantee or security provided and/or secured/unsecured loans or advances in the nature of loans granted to companies, firms, Limited liability partnerships or other parties, we report that -
(A)	According to the records of the company and information and explanations provided to us, The aggregate amount of such loans or advances, guarantees or security made/provided during the year to subsidiaries, joint ventures and associates amounted to ₹ 8350.30 lacs and the balance outstanding as on 31st March, 2022 was ₹ 8350.30 lacs.
(B)	According to the records of the company and information and explanations provided to us, no such loans or advances, guarantees or security has been made/ provided during the year to parties other than subsidiaries, joint ventures and associates.
(iii)(b)	According to the records of the company and information and explanations provided to us, the terms and conditions on which investments are made, guarantees are provided, security is given and loans and advances in the nature of loans are granted are not prejudicial to the interest of the company.
(iii)(c)	According to the records of the company and information and explanations provided to us, in respect of loans and advances in the nature of loans, the repayment of principal and receipt of interest are as per stipulation.
(iii)(d)	According to the records of the company and information and explanations provided to us, there are no overdue amounts.
(iii)(e)	According to the records of the company and information and explanations provided to us, during the year, loan or advances in the nature of loan granted fallen due for repayment.
(iii)(f)	According to the records of the company and information and explanations provided to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or not specifying any terms or period of repayment.
(iv)	In our opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, Investments, guarantees and security given.
(v)	According to the information and explanation given to us, the company has not accepted any deposit or amounts which are deemed to be deposits from the public. Therefore, the provisions of clause (v) of the order are not applicable to the company.
(vi)	We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such accounts and records.
(vii) (a)	The company is generally regular in depositing with the appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect thereof were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.
(vii)(b)	According to the records of the company, dues referred to in sub clause (a) which have not been deposited on account of any dispute are as under: -

Sl. No.	Name of the statute	Nature of the dues	Amount (Rs in lakh)	Period to which the amount relates	Forum where dispute is pending
1	Central Excise Act	Cenvat Credit availed on excise duty paid	40.30	2012-2013	Commissioner of Central Excise (A), Pune
2	Central Excise Act	Cenvat Credit availed on excise duty paid	34.24	2011-2012	CESTAT (Tribunal)
3	Central Excise Act	Excise Duty	1.40	2007-2008	Commissioner of Central Excise (A)
4	Central Excise Act	Rebate Claim	13.98	2012-2013	Commissioner of Central Excise (A)
5	Bombay Electricity Duty Act,1958	Electricity Duty	292.07	2000-2006	Supreme Court
6	Central Excise Act	Service tax on commission on Sales	23.54	2010-2013	Commissioner Appeal, Pune
7	MVAT	VAT Input Credit	93.89	2012-2013	Maharashtra Sales Tax Tribunal, Pune
8	GST	GST Demand	309.16	2019-2020	Jt. Comm. of SGST Appeal, Kolhapur Div.
9	Income Tax Act	Income Tax Demands	4,690.93	2016-17, 2017-18 and 2018-19	Commissioner of Income Tax (A)

(viii)	According to the records of the company and information and explanations provided to us, during the year no transaction other than the transactions recorded in the books of account have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961.
(ix)(a)	In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(ix) (b)	According to the records of the company and information or explanation given to us, during the year the company has not been declared a willful defaulter by any bank or financial institution or any other lender.
(ix)(c)	According to the records of the company and information and explanation given to us, term loans received during the year were applied for the purpose for which the loans were obtained.

(ix) (d)	According to the records of the company and information and explanation given to us, funds raised on short term basis have not been utilized for long term purposes.
(ix) (e)	According to the records of the company and information and explanation given 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 venture.
(ix) (f)	According to the records of the company and information and explanation given 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)	According to the records of the company and information and explanation given to us, during the year no money was raised by way of initial public offer or further public offer (including debt instruments) and hence provisions of clause (x) (a) of the order are not applicable to the company.
(x) (b)	According to the records of the company and information and explanation given to us, during the year the company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures and hence provisions of clause (x) (b) of the order are not applicable to the company.
(xi) (a)	According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
(xi) (b)	According to the records of the company and information and explanation given to us, the auditors have not filed any report under sub-section (12) of section 143 of the Companies Act in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(xi) (c)	According to the records of the company and information and explanation given to us, no whistle blower complaint has been received by the company during the year.
(xii)	According to the records of the company and information and explanation given to us, the company is not a Nidhi Company hence provisions of clause (xii) of the order are not applicable to the company.
(xiii)	In our opinion all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
(xiv) (a)	In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
(xiv) (b)	The reports of internal auditors for the period under audit issued to the company till date have been considered by us in determining our audit procedures.
(xv)	The company has not entered into any non cash transactions with directors or persons connected with him.
(xvi) (a)	In our opinion, the Company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 hence provisions of clause (xvi) (a) to (c) of the order are not applicable to the company.
(xvi) (b)	According to the records of the company and information and explanations given to us, the group has only one core investment company.
(xvii)	According to the records of the company and information and explanations given to us, the company has not incurred cash losses in the financial year under audit and in the immediately preceding financial year.
(xviii)	During the year there has been no resignation of the statutory auditors of the company and hence provisions of clause (xviii) of the order are not applicable to the company.
(xix)	On the basis of the financial ratio, ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditors knowledge of the Board of Directors and management plans we are of the opinion that no material uncertainty exists as on the date of audit report that the 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
(xx) (a)	According to the records of the company and information and explanations given to us, in our opinion, in respect of projects other than ongoing projects there was no unspent amount and therefore no amount was required to be transferred to a fund specified in schedule vii to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
(xx) (b)	According to the records of the company and information and explanations given to us, in our opinion, there are no amount remaining unspent under sub section (5) of section 135 of the Companies Act, pursuant to any ongoing project which are to be transferred to special account in compliance with the provisions of sub section (6) of section 135 of the said Act.
(xxi)	There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors' Report) Order (CARO) reports of the companies included in the consolidated financial statements provided to us. However, audit report of one subsidiary included in the consolidated financial statements was not available and unaudited statement duly certified by their Board of Directors has been included in consolidation.

For **Suresh Kumar Mittal & Co.**
Chartered Accountants
Firm Registration No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915
UDIN: 22521915AJVKHI8287

Place: New Delhi
Date: May 29, 2022

Annexure B referred to in Paragraph (II)(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Indo Count Industries Limited on the standalone Financial Statements for the year ended 31st March 2022.

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

We have audited the internal financial controls over financial reporting of Indo Count Industries Limited ("the Company") as of March 31st, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 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.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the 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 Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

b) 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

c) 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

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 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 issued by the ICAI".

For **Suresh Kumar Mittal & Co.**
Chartered Accountants
Firm Reg. No.: 500063N

Ankur Bagla
Partner
Membership Number: 521915
UDIN: 22521915AJVKHI8287

Place: New Delhi
Date: May 29, 2022

Standalone **Balance Sheet**

as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	5	57,038.86	51,460.68
(b) Capital Work-In-Progress	5	2,331.80	772.40
(c) Right-of-Use	6	2,946.40	1,823.30
(d) Other Intangible Assets	7	292.24	264.95
(e) Financial Assets			
(i) Investments	8	2,491.57	2,491.57
(ii) Loans	9	3,423.79	-
(iii) Others	10	379.35	298.58
(f) Other Non-Current Assets	11	34,151.31	719.59
(2) Current Assets			
(a) Inventories	12	92,498.86	67,728.46
(b) Financial Assets			
(i) Investments	13	150.43	16,693.48
(ii) Trade Receivables	14	47,634.04	52,514.59
(iii) Cash and Cash Equivalents	15	34,801.74	2,772.56
(iv) Bank Balances other than (iii) above	16	297.85	223.97
(v) Others	17	2,784.13	13,962.34
(c) Current Tax Assets (Net)	18	2,185.47	718.00
(d) Other Current Assets	19	24,574.14	12,222.48
TOTAL ASSETS		**3,07,981.98**	**2,24,666.95**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	20	3,947.99	3,947.99
(b) Other Equity		1,52,835.89	1,23,489.67
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	8,538.22	1,935.26
(ii) Lease Liabilities		1,056.80	156.33
(b) Provisions	22	235.75	276.25
(c) Deferred Tax Liabilities (Net)	23	6,844.51	8,262.71
(d) Other Non-Current Liabilities	24	856.27	758.56
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	1,11,176.75	52,180.51
(ii) Lease Liabilities		584.56	355.16
(iii) Trade Payables			
- Micro & Small Enterprises	26	2,990.55	4,065.26
- Other than Micro & Small Enterprises	27	11,109.13	18,911.20
(iv) Other Financial Liabilities	28	884.52	1,063.18
(b) Other Current Liabilities	29	6,921.04	9,264.87
TOTAL EQUITY AND LIABILITIES		**3,07,981.98**	**2,24,666.95**
CONTINGENT LIABILITIES AND COMMITMENTS	30, 39		
SIGNIFICANT ACCOUNTING POLICIES	3		

The accompanying notes form an integral part of Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915

New Delhi, May 29, 2022

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

UAE / Mumbai, May 29, 2022

Standalone Statement of **Profit & Loss**

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
CONTINUING OPERATIONS			
I INCOME			
Revenue from Operations	31	2,80,595.12	2,51,474.72
Other Income	32	13,922.05	3,773.95
TOTAL INCOME		**2,94,517.17**	**2,55,248.67**
II EXPENSES			
Cost of Materials Consumed	33	1,23,869.58	1,33,280.43
Purchase of Stock-In-Trade		16,598.99	7,315.17
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	34	1,664.09	(11,461.82)
Employee Benefits Expense	35	16,974.53	14,527.44
Finance Cost	36	4,213.45	2,693.41
Depreciation and Amortisation Expense	37	3,911.91	4,031.10
Other Expenses	38	81,819.93	69,604.68
TOTAL EXPENSES		**2,49,052.48**	**2,19,990.41**
III Profit before Exceptional Items and Tax (I-II)		**45,464.69**	**35,258.26**
IV Exceptional Items		-	-
V Profit before Tax (III-IV)		**45,464.69**	35,258.26
VI Tax Expense			
a) Current Tax		12,552.75	8,739.54
b) Previous Year Tax		16.00	113.64
c) Deferred Tax		(913.10)	379.06
VII Profit for the Year (V-VI)		**33,809.04**	**26,026.02**
VIII Other Comprehensive Income			
A Items that will not be reclassified to Profit and Loss:			
(i) Remeasurement of the Net Defined Benefit Liability / Asset		76.50	79.07
(ii) Income Tax relating to items that will not be reclassified to Profit and Loss		(19.25)	(19.90)
B Items that will be reclassified to Profit and Loss:			
(i) Remeasurement of the Net Defined Benefit Liability / Asset		(2,083.42)	8,177.89
(ii) Income Tax relating to items that will be reclassified to Profit and Loss		524.35	(2,058.21)
IX Total Comprehensive Income for the Year (VII+VIII)		**32,307.22**	**32,204.87**
X Earnings per Equity Share	44		
a) Basic (₹)		17.13	13.18
b) Diluted (₹)		17.13	13.18
SIGNIFICANT ACCOUNTING POLICIES	3		

The accompanying notes form an integral part of Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915

New Delhi, May 29, 2022

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

UAE / Mumbai, May 29, 2022

Standalone Statement of **Changes in Equity**

for the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL

Particulars	Note No.	(₹ in Lakhs)
As at 31st March, 2020		**3,947.99**
Changes in Equity Share Capital	20(a)	-
As at 31st March, 2022		**3,947.99**
Changes in Equity Share Capital	20(a)	-
As at 31st March, 2022		**3,947.99**

B. OTHER EQUITY

(₹ in lakhs)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings		
Balance as at 31.03.2020	**198.81**	**1,653.72**	**98,999.19**	**(7,563.07)**	**93,288.65**
Loss on Purchase of Business	(819.45)	-	-	-	(819.45)
Profit / (Loss) for the Year	-	-	26,026.02	6,178.85	32,204.87
Final Dividend on Equity Shares	-	-	(1,184.40)	-	(1,184.40)
Balance as at 31.03.2021	**(620.64)**	**1,653.72**	**1,23,840.81**	**(1,384.22)**	**1,23,489.67**
Profit / (Loss) for the Year	-	-	33,809.04	(1,501.82)	32,307.22
Final Dividend on Equity Shares	-	-	(2,961.00)		(2,961.00)
Balance as at 31.03.2022	**(620.64)**	**1,653.72**	**1,54,688.85**	**(2,886.04)**	**1,52,835.89**

Nature and purpose of Reserves:

i) **Capital Reserve:**
Capital Reserve standing in books against capital subsidy received against establishing manufacturing unit.

ii) **Securities Premium Reserve:**
Securities Premium Reserve is created when shares issued at premium.

The accompanying notes form an integral part of Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Ankur Bagla
Partner
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New Delhi, May 29, 2022

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Amruta Avasare
Company Secretary

UAE / Mumbai, May 29, 2022

Standalone **Cash Flow Statement**

for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Exceptional Items and Tax		45,464.69		35,258.26
Adjustments for:				
Depreciation and Amortisation		3,911.91		4,031.10
Profit on Sale of Assets		(162.08)		(49.94)
Finance Cost		4,213.45		2,693.41
Interest Income		(1,688.38)		(998.89)
Other Comprehensive Income		(2,006.92)		8,256.96
Loss on Sale of Assets		380.84		199.00
Loss/(Profit) on Redemption of Mutual Funds		(486.91)		(8.22)
Loss in value of NAV of Mutual Funds		91.02		(94.16)
Operating Profit before Working Capital changes		**49,717.62**		**49,287.52**
Changes in Working Capital:				
Adjustment for (Increase) / Decrease in Operating Assets:				
Non-Current Financial Assets	(3,504.56)		141.60	
Other Non-Current Assets	(33,431.72)		(183.87)	
Inventories	(24,770.40)		(17,627.96)	
Trade Receivables	4,880.55		(26,722.49)	
Current Financial Assets	11,104.33		(5,145.74)	
Other Current Assets	(12,351.66)	**(58,073.46)**	3,588.97	**(45,949.49)**
Adjustment for Increase / (Decrease) in Operating Liabilities:				
Non Current Financial Liabilities	900.47		(432.38)	
Non-Current Provisions	(40.50)		(302.72)	
Other Non-Current Liabilities	97.71		(39.37)	
Trade Payables	(8,876.78)		11,354.09	
Other Current Financial Liabilities	50.74		(6,202.48)	
Other Current Liabilities	(2,343.82)	**(10,212.18)**	2,036.33	**6,413.47**
Net Taxes (paid) / refund received		(14,036.21)		(7,437.95)
Net Cash Flow from Operating Activities (A)		**(32,604.23)**		**2,313.55**
B) CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure		(13,165.02)		(3,508.13)
Proceeds from Sale of Assets		746.36		273.71
Change in Non-Current Investments		-		0.51
Purchase of Current Investments		16,938.94		(16,581.55)
Interest Income		1,688.38		998.89
Loss on Purchase of Business Activity		-		(819.45)
Net Cash Flow from Investing Activities (B)		**6,208.66**		**(19,636.02)**
C) CASH FLOW FROM FINANCING ACTIVITIES				
Net Increase / (Decrease) in Non-Current Borrowings		6,602.96		(1,674.47)
Net Increase / (Decrease) in Current Borrowings		58,996.24		21,401.62
Finance Cost		(4,213.45)		(2,693.41)

Standalone Cash Flow Statement (Contd.)

for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
Final Dividend on Equity Shares		(2,961.00)		(1,184.40)
Net Cash Flow from Financing Activities (C)		**58,424.75**		**15,849.34**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**32,029.18**		**(1,473.13)**
Cash and Cash Equivalents at the beginning of the year		2,772.56		4,245.69
Cash and Cash Equivalents at the end of the year		**34,801.74**		**2,772.56**
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:				
Cash and Cash Equivalents as per Balance Sheet		**34,801.74**		**2,772.56**
Cash and Cash Equivalents at the end of the year comprises of:				
(a) Cash in Hand		4.13		7.42
(b) Balance with Banks				
(i) In Current Accounts		34,797.61		2,765.14
(ii) In Fixed Deposits		-		-

As per our report of even date attached

For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915

New Delhi, May 29, 2022

For and on behalf of Board of Directors

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

UAE / Mumbai, May 29, 2022

Notes to the Standalone Financial Statements

for the year ended 31st March, 2022

1. CORPORATE INFORMATION

Indo Count Industries Limited (the 'Company') is a limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Office No.1, Plot No.266, Village Alte, Kumbhoj Road, Taluka Hatkanagale, Dist. Kolhapur-416109, Maharashtra, India.

The Company is one of India's leading Home Textiles manufacturer. The Company has focused in some of the world's finest fashion, institutional and utility bedding and has built significant presence across the globe. It exports to more than 54 countries.

The Financial statements of the Company for the year ended 31st March, 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 29th May, 2022.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lakhs, except otherwise indicated.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment and right-of-use assets:

The Company has opted to follow cost model for accounting of its entire property, plant and equipment. Property, plant and equipment are stated at original cost inclusive of incidental expenses related to acquisition net of tax / duty credit availed, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major repair is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work-in-progress includes cost of property, plant and equipment under installation /under development as at the balance sheet date.

Right-of-use (ROU) assets are stated at cost, less accumulated depreciation and impairment loss, if any. The carrying amount of ROU assets is adjusted for remeasurement of lease liability, if any, in future. Cost of ROU assets comprises the amount of initial measurement of lease liability, lease payments made before the commencement date (net of incentives received), initial direct costs and present value of estimated costs of dismantling and restoration, if any.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in Schedule II to the Companies Act, 2013. Property, plant and equipment which are added /disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

The Company, based on technical assessment made by technical expert and management estimate, depreciates the certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

In case of some items of plant, depreciation has been provided in range of 26 years (minimum) to 35 years (maximum) based on the technical evaluation of the remaining useful life which is different from the one specified in schedule II to the Companies Act, 2013.

Notes to the Standalone Financial Statements

ROU assets are depreciated on straight line basis from the commencement date to the end of useful life of asset or lease term whichever is earlier.

Leasehold lands forming part of ROU are amortised over the period of lease. Building constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other case, building constructed on leasehold lands are amortised over the primary lease period of the land.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.2 Investment properties

Investment properties comprise portions of freehold land and office building that are held for long-term rental yields and/or for capital appreciation. Investment properties are initially recognized at cost. Subsequently, investment property comprising of building is carried at cost less accumulated depreciation and impairment losses.

The cost includes the cost of replacing parts and borrowing cost for long term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit and loss as incurred.

Depreciation on building is provided over the estimated useful lives as specified in schedule II to the Companies Act,2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the change arise.

Though the company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognized when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of derecognition.

3.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Notes to the Standalone Financial Statements

The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Research and development cost:

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits.
- The availability of resources to complete the asset.
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss.

During the period of development, the asset is tested for impairment annually.

Patents and trade marks:

The Company made upfront payments to purchase patents and trade-marks. The patents have been granted for a period of 20 years by the relevant agency with the option of renewal at the end of this period. Trade-marks for the use of intellectual property are granted for a period of 10 years with the option of renewal at the end of this period.

A summary trade-marks of the policies applied to the Company's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Trade-Marks	Finite (10 years)	Amortised on a straight-line basis over the period of the trade-mark	Acquired
Patents	Finite (20 years)	Amortised on a straight-line basis over the period of the patent	Acquired

3.4 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

3.5 Impairment of non-financial assets:

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

Notes to the Standalone Financial Statements

In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued, with the revaluation taken to Other Comprehensive Income (the OCI). For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

3.6 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

a) Raw material, packing material, construction material, stores & spares:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

b) Finished goods and work in progress:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

c) Traded goods:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

d) Wastage and rejections are valued at estimated realizable value.

Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.8 Foreign currency transactions

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they are arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on transaction of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences on items whose gain or loss is recognized in other comprehensive income or the statement of profit

Notes to the Standalone Financial Statements

and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

3.9 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.10 Fair value measurement

The Company measures financial instruments, such as derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to the Standalone Financial Statements

3.11 Revenue Recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaced Ind AS 11 "Construction Contracts" and Ind AS 18 " Revenue" and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfill these contracts.

The Company has adopted Ind AS 115 w.e.f. 1 April, 2018 using the modified retrospective approach. However, the adoption of the standard did not have any impact on the financial statements.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services:

Revenue from sale of service is recongised as per terms of the contract with customers when the outcome of the transactions involving rendering of services can be estimated reliably.

Interest Income:

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividends:

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Lease Income:

Lease agreements where the risks and rewards incident to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals are recognized on straight-line basis as per the terms of the agreements in the statement of profit and loss.

3.12 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable

Notes to the Standalone Financial Statements

interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.13 Earnings per share

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

3.14 Taxes

Current Income Tax:

- Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.
- Current income tax relating to items recognized directly in equity and not in the statement of profit and loss. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

Deferred Tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss.Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

3.15 Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

a) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.

b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.

c) Income which relates to the Company as a whole and allocable to segments is included in unallocable income.

d) Segment result includes margins on inter-segment sales which are reduced in arriving at the profit before tax to the Company.

e) Segment assets and liabilities include those directly identifiable with respective segments. Unallocable assets and liabilities represent the assets and

Notes to the Standalone Financial Statements

liabilities that relate to the Company as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

3.16 Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for 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 include 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. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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.

The Company as a lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

3.17 Employee benefits

i) Short-term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, etc. and the excepted cost of bonus, ex-gratia, and incentives are recognized in the period during which the employee renders the related service.

Notes to the Standalone Financial Statements

ii) Post-employment benefits

a) Defined contribution plans

State Government Provident Scheme is a defined contribution plan. The contribution paid /payable under the scheme is recognized in the statement of profit and loss during the period in which the employee renders the related services.

b) Defined Benefit Plans

The employee Gratuity Fund scheme and Leave Encashment scheme managed by different trusts are defined benefit plans.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gain and loss, the effect of asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income.

Long-term employee benefit

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognized as an expenses in the period in which they are incurred.

3.18 Provisions, Contingent liabilities, Contingent assets and Commitments

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provision, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Warranty Provisions

Provision for warranty-related costs are recognized when the product is sold or service provided to the

Notes to the Standalone Financial Statements

customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Liquidated damages

Provision for liquidated damages are recognized on contracts for which delivery dates are exceeded and computed in reasonable manner.

Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

Onerous contracts

A provision for onerous contracts is measured at the present value lower of the expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets under the contract.

3.19 Exceptional Items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying the financial statements.

3.20 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Assets and liabilities classified as held for distribution are presented separately from other assets and liabilities in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of the Company that either has been disposed of, or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations,

or

- is a subsidiary acquired exclusively with a view to resale.

An entity shall not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

3.21 Financial Instruments

i) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial asset at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either;
  a) The Company has transferred substantially all the risks and rewards of the asset, or
  b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Investment in associates, joint venture and subsidiaries

The Company has accounted for its investment in associates, joint venture and subsidiaries at cost.

Notes to the Standalone Financial Statements

Impairment of financial assets

The Company assesses impairment based on Expected Credit Losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 – months' expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 – months' ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognize impairment loss allowance based on 12 – months' ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increase in credit risk to be identified on a timely basis.

ii) Financial liabilities:

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in Ind AS 109 are satisfied.

Notes to the Standalone Financial Statements

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms of an existing liability substantially modified, such as exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iv) Derivative financial instruments and hedge accounting

The company enters into derivative contracts to hedge foreign currency /price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognized at fair value on the date on which a derivate contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and presented as a separate component of equity which is later reclassified to statement of profit and loss when the hedge item affects profit or loss.

3.22 Business combination under common control

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

Notes to the Standalone Financial Statements

3.23 Preference Shares

i) Non-convertible Preference Shares

On issuance of non-convertible preference shares, the fair value is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

ii) Convertible Preference Shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

3.24 Ministry of Corporate Affairs ("MCA") has notified new standards or amendments to the existing standards. The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021.

- Extension of COVID-19 related concessions – amendments to Ind AS 116.
- Interest rate Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3.25 The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

3.26 Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021. Consequently, the Company has changed the classification/presentation of security deposits (assets), fixed deposits, lease liabilities and current maturities of long term debts in the current year.

Security deposits and fixed deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets', lease liabilities have been shown separately on the face of Balance Sheet and current maturities of long term debts have been included in 'short term borrowings'.

Previously, security deposits were included in 'loans / other assets', fixed deposits were included in 'cash and cash equivalents', lease liabilities and current maturities of long term debts were included in 'other financial liabilities'.

Notes to the Standalone Financial Statements

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

(₹ In Lakhs)

Balance Sheet (extract)	31st March, 2021 (as previously reported)	Increase / (decrease)	31st March, 2021 (restated)
Financial Loans (Non-Current)	191.46	(191.46)	-
Other Assets (Non-Current)	826.70	(107.11)	719.59
Other Financial Assets (Non-Current)	0.01	298.57	298.58
Financial Loans (Current)	169.87	(169.87)	-
Cash and Cash Equivalents	11,430.56	(8,658.00)	2,772.56
Other Current Assets	12,226.49	(4.01)	12,222.48
Other Financial Assets (Current)	5,130.46	8,831.88	13,962.34
Other Financial Liabilities (Non-Current)	156.33	(156.33)	-
Lease Liabilities (Non-Current)	-	156.33	156.33
Other Financial Liabilities (Current)	3,012.63	(1,949.45)	1,063.18
Lease Liabilities (Current)	-	355.16	355.16
Borrowings (Current)	50,586.22	1,594.29	52,180.51

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

Judgements

In the process of applying the Company's accounting policies, management has made judgements, which have the most significant effect on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share

Notes to the Standalone Financial Statements

prices for publicly traded companies or other available fair value indicators.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

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

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Company's operations and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Notes to the Standalone Financial Statements

5. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land - Leasehold	Land - Freehold	Buildings*	Plant & Machinery**	Furniture & Fixtures	Factory & Office Equipments	Vehicles	Total	Capital Work in Progress***
Gross Carrying Amount									
As at 01.04.2021	**-**	**220.45**	**16,436.74**	**74,927.75**	**836.73**	**1,493.06**	**483.02**	**94,397.75**	**772.40**
Additions	-	-	605.27	8,986.00	22.94	185.01	52.17	**9,851.39**	1,559.40
Disposals / Transfers	-	-	-	3,866.60	-	26.22	18.71	**3,911.53**	-
As at 31.03.2022	**-**	**220.45**	**17,042.01**	**80,047.15**	**859.67**	**1,651.85**	**516.48**	**100,337.61**	**2,331.80**
Accumulated Depreciation									
As at 01.04.2021	**-**	**-**	**4,964.83**	**36,054.80**	**478.92**	**1,119.54**	**318.98**	**42,937.07**	**-**
Depreciation charged for the year	-	-	551.46	2,622.41	57.58	138.93	49.35	**3,419.73**	-
Disposals / Transfers	-	-	-	3,017.02	-	24.90	16.13	**3,058.05**	-
As at 31.03.2022	**-**	**-**	**5,516.29**	**35,660.19**	**536.50**	**1,233.57**	**352.20**	**43,298.75**	**-**
Net Carrying Amount									
As at 31.03.2021	**-**	**220.45**	**11,471.91**	**38,872.95**	**357.81**	**373.52**	**164.04**	**51,460.68**	**772.40**
As at 31.03.2022	**-**	**220.45**	**11,525.72**	**44,386.96**	**323.17**	**418.28**	**164.28**	**57,038.86**	**2,331.80**

* a) Includes 10 shares of ₹50 each of Arcadia Premises Co-operative Society Limited.
b) Includes 10 shares of ₹50 each of Vardhman Industrial Complex Premises Co-operative Housing Society Limited.

** Includes addition on account of Foreign Exchange fluctuations of ₹3.41 lakhs (previous year ₹1.25 lakhs).

*** Does not include Capital Advances of ₹33,972.84 lakhs (previous year ₹400.53 lakhs).

c) CWIP ageing schedule

Projects in progress

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As At 31.03.2021	597.43	121.40	34.00	19.57	**772.40**
As At 31.03.2022	**2,111,12**	**90.30**	**82.26**	**48.12**	**2,331.80**

Notes to the Standalone Financial Statements

6. RIGHT-OF-USE (ROU)

(₹ in Lakhs)

Particulars	Land - Leasehold	Buildings	Plant & Machinery	Total
Gross Carrying Amount				
As at 01.04.2021	**1,420.44**	**1,136.99**	**-**	**2,557.43**
Additions	-	1,619.33	30.18	**1,649.51**
Disposals / Transfers	-	785.67	-	**785.67**
As at 31.03.2022	**1,420.44**	**1,970.65**	**30.18**	**3,421.27**
Accumalated Depreciation				
As at 01.04.2021	**56.41**	**677.72**	**-**	**734.13**
Depreciation charged for the year	10.77	400.93	3.08	**414.78**
Disposals / Transfers	-	674.04	-	**674.04**
As at 31.03.2022	**67.18**	**404.61**	**3.08**	**474.87**
Net Carrying Amount				
As at 31.03.2021	**1,364.03**	**459.27**	**-**	**1,823.30**
As at 31.03.2022	**1,353.26**	**1,566.04**	**27.10**	**2,946.40**

Refer Note No. 40 for information about Leases.

7. OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Software	Patents	Total
Gross Carrying Amount			
As at 01.04.2021	**552.28**	**265.04**	**817.32**
Additions	80.18	24.51	**104.69**
Disposals / Transfers	-	-	**-**
As at 31.03.2022	**632.46**	**289.55**	**922.01**
Accumulated Depreciation			
As at 01.04.2021	**470.39**	**81.98**	**552.37**
Depreciation charged for the year	53.51	23.89	**77.40**
Disposals / Transfers	-	-	**-**
As at 31.03.2022	**523.90**	**105.87**	**629.77**
Net Carrying Amount			
As at 31.03.2021	**81.89**	**183.06**	**264.95**
As at 31.03.2022	**108.56**	**183.68**	**292.24**

Notes to the Standalone Financial Statements

8. NON-CURRENT INVESTMENTS

Particulars		No. of Shares		₹ in lakhs	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
QUOTED					
Subsidiary Company					
In fully paid up Equity Shares of ₹10 each					
Pranavaditya Spinning Mills Limited		1,43,41,280	1,43,41,280	1,434.13	1,434.13
SUB-TOTAL	A			**1,434.13**	**1,434.13**
UNQUOTED					
Subsidiary Company					
In fully paid up Equity Shares					
Indo Count Global Inc., USA		800	800	446.18	446.18
Indo Count UK Limited		86,000	86,000	79.62	79.62
Indo Count Retail Ventures Pvt. Ltd.		10,000	10,000	1.00	1.00
Indo Count Global DMCC, UAE		2,750	2,750	530.64	530.64
SUB-TOTAL	B			**1,057.44**	**1,057.44**
TOTAL	A+B			**2,491.57**	**2,491.57**
Aggregate Value of:					
Quoted Investments				1,434.13	1,434.13
Unquoted Investments				1,057.44	1,057.44
Market Value of Quoted Investments				3,391.71	2,308.95

(a) The Company entered into a Business Transfer Agreement with ICRVPL, wholly owned subsidiary (WOS) on March 30, 2020, whereby the domestic home textile business of the WOS was acquired by the Company on 'slump sale' basis w.e.f April 1, 2020. The assets and liabilities transferred pursuant to the arrangement are dealt with by the Company in its books in financial year 2020-21.

9. NON-CURRENT FINANCIAL LOANS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Loans to Subsidiaries	3,423.79	-
TOTAL	**3,423.79**	**-**
Break-up:		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	3,423.79	-
Loans which have significant increase in credit risk	-	-
Loans - Credit Impaired	-	-
TOTAL	**3,423.79**	**-**
Less: Allowance for Doubtful Loans	-	-
TOTAL	**3,423.79**	**-**

Refer Note No. 41 for Related Party Disclosures and Note No. 50 for information about Credit Risk and Market Risk of Loans.

Notes to the Standalone Financial Statements

10. OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Security Deposits	321.95	277.27
Deferred Expenditure	57.40	21.30
Balances with Banks		
Held as Margin / Fixed Deposits (a)	-	0.01
TOTAL	**379.35**	**298.58**
Break-up:		
Loans considered good - Secured	-	0.01
Loans considered good - Unsecured	379.35	298.57
Loans which have significant increase in Credit Risk	-	-
Loans - Credit Impaired	-	-
TOTAL	**379.35**	**298.58**
Less: Allowance for Doubtful Loans	-	-
TOTAL	**379.35**	**298.58**

a) Includes receipts for ₹ NIL (previous year ₹ 0.01 lakhs) lodged with Sales Tax Department.
Refer Note No. 50 for information about Credit Risk and Market Risk of Loans.

11. OTHER NON-CURRENT ASSETS

(Unsecured-considered good)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Capital Advances	33,972.84	400.53
Others	178.47	319.06
TOTAL	**34,151.31**	**719.59**

12. INVENTORIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Raw Materials *	44,869.57	18,383.75
Work-in-Progress	18,561.90	24,920.88
Finished Goods:		
- Manufactured Goods	18,880.07	19,069.84
- Traded Goods	4,777.64	-
Waste	175.96	68.94
Stores & Spares **	4,169.70	4,309.99
Dyes and Chemicals ***	1,064.02	975.06
TOTAL	**92,498.86**	**67,728.46**

* Includes goods in transit ₹554.00 lakhs (previous year ₹1,862.26 lakhs).

** Includes goods in transit ₹260.00 lakhs (previous year ₹135.97 lakhs).

*** Includes goods in transit ₹13.57 lakhs (previous year ₹44.19 lakhs).

Notes to the Standalone Financial Statements

13. CURRENT INVESTMENTS

Particulars		No. of Units		₹ in lakhs	
		As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Investments carried at Fair Value through Profit and Loss					
QUOTED					
In Mutual Funds:					
Aditya Birla SL Arbitrage Fund Growth		-	49,17,570	-	1,023.58
IDFC Arbitrage Fund Growth		-	40,14,907	-	1,022.81
KOTAK Arbitrage Fund-Growth		-	17,66,184	-	513.13
ICICI Equity Arbitrage Fund-Growth.		-	38,16,997	-	1,022.96
INVESCO Mutual Fund		-	20,59,536	-	509.50
Union Hybrid Equity-Regular-Growth		99,985	99,985	12.39	10.70
Aditya Birla Sunlife Saving Fund		-	47,508	-	200.82
Avendus Absolute Return Fund				138.04	499.98
TOTAL	A			**150.43**	**4,803.48**
In Short Term Investments:					
HDFC Corporate Fixed Deposit				-	3,400.00
LIC Housing Finance Limited Fixed Deposit				-	7,990.00
Bajaj Finance Limited				-	500.00
TOTAL	B			**-**	**11,890.00**
TOTAL	A+B			**150.43**	**16,693.48**
Aggregate Value of:					
Quoted Investments				150.43	4,803.48
Unquoted Investments				-	11,890.00
Market Value of Quoted Investments				150.43	4,803.48

14. CURRENT TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Receivables - Others	35,259.50	47,543.09
Receivables from Related Parties (Refer Note No. 41)	12,374.54	4,971.50
Receivables which have significant increase in Credit Risk	-	-
Receivables - Credit Impaired	-	-
Allowance for Doubtful Receivables	-	-
TOTAL	**47,634.04**	**52,514.59**
Current Portion	47,634.04	52,514.59

Notes to the Standalone Financial Statements

Particulars	As at 31.03.2022	As at 31.03.2021
Non-Current Portion	-	-
Break-up of Security Details:		
Secured, Considered Good	-	-
Unsecured, Considered Good	-	-
Doubtful	-	-
TOTAL	**47,634.04**	**52,514.59**
Less: Allowance for Doubtful Receivables	-	-
TOTAL	**47,634.04**	**52,514.59**

Refer Note No. 50 for information about Credit Risk and Market Risk of Trade Receivables.

Note:

Trade Receivable ageing schedule

(₹ in Lakhs)

Particulars	Not due	Outstanding for following years from due date of payment					
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2022	37,992.06	8,980.04	69.47	39.78	552.69	-	**47,634.04**
As at March 31, 2021	48,794.19	2,725.07	407.51	587.82	-	-	**52,514.59**

15. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash in Hand	4.13	7.42
Balances with Banks :		
- In Current Acounts	34,797.61	2,765.14
TOTAL	**34,801.74**	**2,772.56**

16. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Balances with Banks		
- Held as Margin / Fixed Deposits	297.85	223.97
TOTAL	**297.85**	**223.97**

a) Includes receipts for ₹286.55 lakhs (previous year ₹212.67 lakhs) held with bank as margin money against bank guarantees for Letter of Credit facilities / Corporate Credit Cards.

b) Includes receipts for ₹0.05 lakhs (previous year ₹0.05 lakhs) lodged with Excise Department.

c) Includes receipts for ₹11.25 lakhs (previous year ₹11.25 lakhs) held with bank as margin money against guarantee given to MSEB.

Notes to the Standalone Financial Statements

17. OTHER CURRENT FINANCIAL ASSETS

(Unsecured-considered good) (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Bank Deposits	-	8,658.00
Security Deposits	244.47	173.88
Derivative Asset	1,780.74	4,763.42
Others	1,013.31	367.04
TOTAL	**3,038.52**	**13,962.34**
Less: Allowance for Doubtful Advances	254.39	-
TOTAL	**2,784.13**	**13,962.34**

18. CURRENT TAX ASSETS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advance Income Tax (including Tax Deducted at Source)	290.20	29.92
Income Tax Paid Under Protest	1,172.74	-
Refund Due	722.53	688.08
TOTAL	**2,185.47**	**718.00**

19. OTHER CURRENT ASSETS

(Unsecured-considered good) (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Export Incentives / Claims Recoverable	20,610.71	2,889.05
Balances with Excise / Service Tax Authorities	70.84	70.83
Balances with VAT / GST Authorities	3,889.39	6,789.57
Interest Accrued on Loans & Deposits	8.34	221.09
Advance to Suppliers	1,653.21	1,611.30
Others	1,732.99	1,074.07
TOTAL	**27,965.48**	**12,655.91**
Less: Allowance for Doubtful Loans	3,391.34	433.43
TOTAL	**24,574.14**	**12,222.48**

Notes to the Standalone Financial Statements

20. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Authorised:		
Equity Shares		
27,50,00,000 Shares of ₹2 each	5,500.00	5,500.00
Preference Shares		
50,00,000 Shares of ₹10 each	500.00	500.00
TOTAL	**6,000.00**	**6,000.00**
Issued, Subscribed and Paid-Up:		
Equity Shares		
19,73,99,670 Shares of ₹2 each	3,947.99	3,947.99
TOTAL	**3,947.99**	**3,947.99**

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Authorised:				
Equity Shares of ₹2 each				
Balance at the beginning of the year	27,50,00,000	5,500.00	27,50,00,000	5,500.00
Balance at the end of the year	**27,50,00,000**	**5,500.00**	**27,50,00,000**	**5,500.00**
Preference Shares of ₹10 each				
Balance at the beginning of the year	50,00,000	500.00	50,00,000	500.00
Balance at the end of the year	**50,00,000**	**500.00**	**50,00,000**	**500.00**
TOTAL	**28,00,00,000**	**6,000.00**	**28,00,00,000**	**6,000.00**
Issued, Subscribed and Paid-Up:				
Equity Shares of ₹2 each				
Balance at the beginning of the year	19,73,99,670	3,947.99	19,73,99,670	3,947.99
Balance at the end of the year	**19,73,99,670**	**3,947.99**	**19,73,99,670**	**3,947.99**

(b) Terms/Rights attached to Equity Shares:

(i) The Company has only one class of Equity Shares having a par value of ₹2 each. Each holder of Equity Shares is entitled to one vote per share and pro-rata dividend on the shares held.

(ii) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

Notes to the Standalone Financial Statements

(c) Details of Equity Shares in the Company held by each shareholder holding more than 5% of shares is as under:

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Indo Count Securities Limited	3,10,41,385	15.73%	3,10,41,385	15.73%
Sandridge Investments Limited	6,20,02,455	31.41%	6,20,02,455	31.41%

(d) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

(e) Disclosure of Shareholding of Promoters:

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Sandridge Investments Limited	6,20,02,455	31.41%	6,20,02,455	31.41%
Indocount Securities Limited	3,10,41,385	15.73%	3,10,41,385	15.73%
Gayatri Devi Jain	66,85,855	3.39%	66,85,855	3.39%
Shikha Mohit Jain	52,48,825	3.66%	52,48,825	3.66%
Yarntex Exports Ltd.	23,12,500	1.17%	23,12,500	1.17%
Neha Singhvi	22,79,130	1.15%	22,79,130	1.15%
Shivani Patodia	21,73,750	1.10%	21,73,750	1.10%
Anil Kumar Jain	18,67,555	0.95%	18,67,555	0.95%
Margo Finance Limited	15,20,020	0.77%	15,20,020	0.77%
Mohit Anilkumar Jain	6,92,850	0.35%	6,92,850	0.35%
Slab Promoters Private Limited	3,08,325	0.16%	3,08,325	0.16%
Rini Investment and Finance Private Limited	1,19,100	0.06%	1,19,100	0.06%
Anil Kumar Jain	75,000	0.04%	75,000	0.04%
Sunita Jaipuria	20,000	0.01%	20,000	0.01%
TOTAL	**11,63,46,750**	**59.95%**	**11,63,46,750**	**59.95%**

(f) Dividend paid: (₹ in Lakhs)

Particulars	2021-22	2020-21
Final Dividend for F.Y. 2019-20: ₹0.60 per share (face value of ₹2 each)	-	1,184.40
Final Dividend for F.Y. 2020-21: ₹1.50 per share (face value of ₹2 each)	2,961.00	-

21. NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
1) Term Loan		
i) Rupee loans		
- From Banks (a)	7,577.69	-
- From Financial Institutions (a)	960.53	1,935.26
TOTAL	**8,538.22**	**1,935.26**

a) Secured by first pari-passu charge by way of mortgage of immovable properties of the Company situated at Kolhapur and by second pari-passu charge on hypothecation of all movable properties and current assets of the Company both present and future. Loans include amounts appearing in current borrowings of long term debts of ₹2,803.34 lakhs, (previous year ₹1,594.29 lakhs).

Notes to the Standalone Financial Statements

b) Non-Current Borrowings Repayment Schedule (₹ in Lakhs)

Particulars	Maturity Profile				
	1-2 Years	2-3 Years	3-4 Years	4-5 Years	5-6 Years
1) TERM LOAN					
Rupee loans					
From Banks	2,185.62	2,185.62	2,185.62	685.62	335.21
From Financial Institutions	960.53	-	-	-	-
TOTAL	**3,146.15**	**2,185.62**	**2,185.62**	**685.62**	**335.21**

22. NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits	235.75	276.25
TOTAL	**235.75**	**276.25**

23. INCOME TAX

The major components of Income Tax expense for the years ended 31 March, 2022 and 31 March, 2021 are:

STATEMENT OF PROFIT AND LOSS

Profit and Loss section (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Current Income Tax:		
Current Income Tax charge	12,552.75	8,739.54
Adjustments in respect of Current Income Tax of previous years	16.00	113.64
Deferred Tax:		
Relating to origination and reversal of temporary differences	(913.10)	379.06
Income Tax expense reported in the Statement of Profit and Loss	**11,655.65**	**9,232.24**

Other Comprehensive Income (OCI) section (₹ in Lakhs)

Particulars	31.03.2022	31.03.2021
Net loss / (gain) on remeasurements of Defined Benefit Plan and change in Forex	(505.10)	2,078.11
Income Tax charged to OCI	**(505.10)**	**2,078.11**

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Particulars	Balance Sheet		Profit & Loss	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Deferred Tax relates to the following:				
Expenses allowable on payment basis	1,288.26	466.08	(822.18)	1,407.06
Incomes allowable on receipt basis	(448.85)	(1,198.86)	(750.01)	1,198.86
Accelerated Depreciation for Tax purpose	(7,683.92)	(7,529.93)	153.99	(148.75)
	(6,844.51)	**(8,262.71)**	**(1,418.20)**	**2,457.17**
Deferred Tax Expenses / (Income):				
- Recognised in Profit and Loss	-	-	(913.10)	379.06
- Recognised in OCI	-	-	(505.10)	2,078.11
Deferred Tax Assets / (Liabilities)	(6,844.51)	(8,262.71)	-	-
	(6,844.51)	**(8,262.71)**	**(1,418.20)**	**2,457.17**

Reflected in the Balance Sheet : (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax Assets	1,288.26	466.08
Deferred Tax Liabilities	(8,132.77)	(8,728.79)
Deferred Tax Liabilities (Net)	**(6,844.51)**	**(8,262.71)**

Reconciliation of Deferred Tax Liabilities (Net) (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance as of 1 April	(8,262.71)	(5,805.54)
Tax Income / (Expense) during the period recognised in Profit and Loss	913.10	(379.06)
Income / (Expense) during the year recognised in OCI	505.10	(2,078.11)
Closing Balance as at 31 March	**(6,844.51)**	**(8,262.71)**

24. OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Government Grants related to Property, Plant & Equipment	856.27	758.56
TOTAL	**856.27**	**758.56**

25. CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Loans repayable on Demand :		
Secured		
From Banks *		
- In Rupees	1,07,258.08	50,586.22
Current Maturities of Long Term Borrowings	2,803.34	1,594.29
Unsecured		
From Banks *		
- In Rupees	1,115.33	-
TOTAL	**1,11,176.75**	**52,180.51**

* Secured by first pari-passu charge by way of hypothecation on all current assets and movable assets and further secured by second pari-passu charge on immovable properties of the Company situated at Kolhapur, both present and future.

Notes to the Standalone Financial Statements

26. TRADE PAYABLES DUE TO MICRO & SMALL ENTERPRISES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Payables	2,990.55	4,065.26
TOTAL	**2,990.55**	**4,065.26**

Note:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows: (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
a) The principal amount remaining unpaid to any supplier at the end of the year	2,990.55	4,065.26
b) Interest accrued and due to suppliers under the Act, on the above amount	0.95	24.76
c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	3,377.38
d) Interest paid to suppliers under the Act	-	-
e) Interest due and payable to suppliers under the Act, for payments already made	-	21.91
f) Interest accrued and remaining unpaid at the end of the year under the Act	0.95	24.76
g) The amount of further interest remaining due and payable even in the succeeding years for the purpose of disallowances under Section 23 of the Act	-	-

Disclosure of payable to vendors as defined under the MSMED Act is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

27. TRADE PAYABLES OTHER THAN MICRO & SMALL ENTERPRISES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Payables	11,109.13	18,911.20
TOTAL	**11,109.13**	**18,911.20**

a) Includes payable to a Foreign Subsidiary ₹444.67 lakhs (previous year ₹14.62 lakhs). Refer Note No. 41 for Related Party Disclosures.

Note:

Trade Payables ageing schedule (₹ in Lakhs)

Particulars	Unbilled dues	Not due	Outstanding for following years from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31,2022							
(i) MSME	-	2,134.41	850.23	5.91	-	-	**2,990.55**
(ii) Others	-	3,201.37	7,871.22	33.35	3.06	0.13	**11,109.13**
TOTAL	**-**	**5,335.78**	**8,721.45**	**39.26**	**3.06**	**0.13**	**14,099.68**
As at March 31,2021							
(i) MSME	-	2,726.09	1,339.00	0.17	-	-	**4,065.26**
(ii) Others	-	9,565.98	9,219.61	110.60	2.01	13.00	**18,911.20**
TOTAL	**-**	**12,292.07**	**10,558.61**	**110.77**	**2.01**	**13.00**	**22,976.46**

Notes to the Standalone Financial Statements

28. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest Accrued but not due on Borrowings	-	0.12
Unpaid Dividend *	181.35	132.09
Other Payables	703.17	930.97
TOTAL	**884.52**	**1,063.18**

* There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

29. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advance from Customers	112.45	208.48
Deferred Government Grants related to Property, Plant & Equipment	46.22	39.37
Other Payables	6,762.37	9,017.02
TOTAL	**6,921.04**	**9,264.87**

30. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 37 "PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS"

(i) Movement in Provisions: (₹ in Lakhs)

Particulars	Bank Guarantees		Excise Duty / Customs Duty / Service Tax / Income Tax		VAT/ GST	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Carrying amount at the beginning of the year *	**469.51**	**960.69**	**182.84**	**182.84**	**104.32**	**-**
Add: Provision made during the year **	26.91	-	5,863.67	-	343.51	104.32
Less: Amounts used during the year	-	491.18	-	-	-	-
Carrying amount at the end of the year *	**469.42**	**469.51**	**6,046.51**	**182.84**	**447.83**	**104.32**

(₹ in Lakhs)

Particulars	Other Litigation Claims		Corporate Guarantee		Total	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Carrying amount at the beginning of the year *	**47.89**	**47.51**	**4,752.15**	**7,188.18**	**5,556.71**	**8,379.22**
Add: Provision made during the year **	1.36	0.38	174.36	-	6,409.81	104.70
Less: Amounts used during the year	-	-	-	2,436.03	-	2,927.21
Carrying amount at the end of the year *	**49.25**	**47.89**	**4,926.51**	**4,752.15**	**11,966.52**	**5,556.71**

*Carrying amounts comprise of non-current and current provisions.

**Additional provision made during the year and reversal of unused amounts are included in the respective head of accounts.

Notes to the Standalone Financial Statements

(ii) **Nature of Provisions:**

(a) Bank guarantee amount represents Company's performance obligation to the holder of guarantee.

(b) Provision for excise duty/customs duty/service tax represents the differential duty liability that may be expected to materialise in respect of matters in appeal.

(c) Provision for litigation represents liabilities that may be expected to materialise in respect of matters in appeal.

(d) Corporate guarantee amount represents guarantee given to a foreign bank on behalf of a foreign subsidiary.

31. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
1) Sale of Products *		
- Manufactured	2,44,344.63	2,27,193.01
- Stock-In-Trade	13,020.76	7,268.71
2) Other Operating Revenue		
- Export Incentives / Benefits	23,229.73	17,013.00
REVENUE FROM OPERATIONS	**2,80,595.12**	**2,51,474.72**

* a) Includes sale to an Indian Subsidiary and Associate ₹0.79 lakhs (previous year ₹0.62 lakhs).
b) Includes sale to Foreign Subsidiaries ₹59,417.22 lakhs (previous year ₹13,214.01 lakhs).

Disaggregation of Revenue

Revenue based on Geography (₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Domestic	21,955.35	12,963.18
Export	2,58,639.77	2,38,511.54
REVENUE FROM OPERATIONS	**2,80,595.12**	**2,51,474.72**

Reconciliation of Revenue from Operations with Contract Price (₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Contract Price	2,90,564.41	2,64,827.52
Less:		
Sales Returns	-	575.02
Rebates & Discounts	3,208.84	1,651.94
Embedded Interest	652.17	155.92
Others	6,108.28	10,969.92
REVENUE FROM OPERATIONS	**2,80,595.12**	**2,51,474.72**

Notes to the Standalone Financial Statements

32. OTHER INCOME

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Interest - Banks	691.26	728.27
Interest - Others	997.12	270.62
Government Grants related to Property, Plant & Equipment	66.78	39.37
Government Grants Received	-	80.00
Miscellaneous Receipts and Incomes	196.67	106.05
Cash Discount Received	0.84	0.63
Insurance Claim Received	-	4.31
Profit on changes in NAV of Mutual Funds	-	94.18
Profit on Redumption of Mutual funds	486.91	8.22
Profit on Sale of Assets	162.08	49.94
Exchange Rate Difference (Net)	11,041.39	-
Lease Rent Income	1.20	1.10
Mark to Market on Forward Contracts	-	2,224.53
Provision for Doubtful Debts Written Back	5.34	-
Sundry balances / Excess provision written back (Net)	6.52	6.48
Liability no longer payable written back	265.94	160.25
TOTAL	**13,922.05**	**3,773.95**

33. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Raw Material & Components Consumed		
Opening Stock	**18,383.75**	**13,666.45**
Add: Purchases *	1,50,355.40	1,37,997.73
SUB-TOTAL	**1,68,739.15**	**1,51,664.18**
Less: Closing Stock	44,869.57	18,383.75
COST OF MATERIALS CONSUMED	**1,23,869.58**	**1,33,280.43**

*Includes purchases from an Indian Subsidiary ₹ NIL (previous year ₹198.67 lakhs).

34. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Lakhs)

Particulars		For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Opening Stock			
Finished Goods			
- Manufactured Goods		19,069.84	12,265.10
- Traded Goods		-	-
Stock in Process		24,920.88	20,259.43
Waste		68.94	73.31
SUB-TOTAL	A	**44,059.66**	**32,597.84**

Notes to the Standalone Financial Statements

Particulars		For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Less: Closing Stock			
Finished Goods			
- Manufactured Goods		18,880.07	19,069.84
- Traded Goods		4,777.64	-
Stock in Process		18,561.90	24,920.88
Waste		175.96	68.94
SUB-TOTAL	**B**	**42,395.57**	**44,059.66**
(INCREASE) / DECREASE IN STOCK	**A-B**	**1,664.09**	**(11,461.82)**

35. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Salaries & Wages	13,077.54	11,229.00
Directors' Remuneration	2,696.11	2,280.44
Contribution to Provident & Other Funds	707.01	654.25
Gratuity	149.30	162.59
Staff Welfare Expense	302.82	171.40
Recruitment & Training Expense	41.75	29.76
TOTAL	**16,974.53**	**14,527.44**

36. FINANCE COST

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Interest Expense:		
- On Term Loans	632.88	394.99
- Banks	2,392.35	1,404.58
- Others	80.91	110.68
Bank Charges	1,054.27	710.69
Finance Procurement Charges	53.04	72.47
TOTAL	**4,213.45**	**2,693.41**

37. DEPRECIATION & AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Depreciation	3,911.91	4,031.10
TOTAL	**3,911.91**	**4,031.10**

Refer Note No. 40 for information about Leases

Notes to the Standalone Financial Statements

38. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Consumption of Stores, Dyes and Packing Materials	22,381.31	18,432.64
Jobwork Charges	23,715.45	29,280.32
Power & Fuel	8,710.43	6,386.59
Rent (a)	621.30	208.88
Rates, Taxes & Fees	110.59	108.76
Insurance	704.85	494.45
Repairs to Machinery	573.43	572.72
Repairs to Buildings	160.28	85.69
Commission & Brokerage	1,106.77	1,309.65
Freight Outward	13,769.12	4,382.19
Other Selling Expenses	2,643.99	1,804.53
Loss on Sale of Assets	380.84	199.00
Loss on Sale of Investments	-	0.51
Loss in value of NAV of Mutual Funds	91.02	-
Bad Debts / Advances written off	23.30	13.82
Provision for Doubtful Debts / Advances	254.39	433.43
Exchange Rate Difference (Net)	-	296.62
Mark to Market on Forward Contracts	899.27	-
Miscellaneous Expenses (b)	5,673.59	5,594.88
TOTAL	**81,819.93**	**69,604.68**

(a) Refer Note No. 40 for information about Leases.

(b) Includes Payment to Auditors

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
As Statutory Audit Fees	13.00	13.00
As Quarterly Audit / Limited Review Fees	9.00	9.00
As Tax Audit Fees	3.00	3.00
For Certification Work	0.15	0.28
In Other Capacity	2.50	3.52
For Reimbursement of Expenses	-	0.70
TOTAL	**27.65**	**29.50**

Notes to the Standalone Financial Statements

39. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

A. Contingent Liabilities (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
i) Bank Guarantees	496.42	469.51
ii) Excise duty/Custom duty/Service Tax/Income Tax demands disputed in appeals	6,046.51	182.84
iii) VAT/GST demands disputed in appeals	447.83	104.32
iv) Other litigation claims (Including Pending Labour cases)	49.25	47.89
v) Corporate Guarantee given to a Foreign Bank outside India for securing financial assistance to a Foreign Subsidiary	4,926.51	4,752.15

(a) In terms of EPCG Licence issued, the Company has undertaken an export obligation for ₹80,349 lakhs, which is to be fulfilled over a period of 6 years. The Company has completed the export obligation to the extent of ₹77,810 lakhs till the year end, of which licenses having Export Obligation of ₹51,014 lakhs redeemed by the DGFT and balance licenses having completed Export Obligation value of ₹26,796 lakhs are under redemption at DGFT. Further, there are licenses issued by the DGFT amounting to ₹2,539 lakhs for which capital goods are under imports.

(b) The Company does not have any Advance Authorization (Advance Import Licenses) at the year end.

(c) Under the package scheme of incentives of Government of Maharashtra for Mega Projects, the Company was eligible for VAT and Electricity duty refund benefits. However, if it contravenes any of the conditions of the scheme or eligibility certificate of entitlement, it shall repay forthwith the entire benefits drawn / availed alongwith interest thereon together with costs, charges and expenses.

(d) No provision has been made in the accounts towards Electricity Duty on electricity generated for captive use during the period 01.04.2000 to 30.04.2005 amounting to ₹292.07 lakhs (previous year ₹292.07 lakhs) excluding interest, as the Company has won the case against MSEDCL vide order number 2204 of 2007 dated 07.11.2009 of the Hon'ble High Court of Mumbai whereby it was decided that no such duty is payable. MSEDCL has appealed before the Hon'ble Supreme Court with condonation of delay and matter is yet to be heard. As the matter is subjudice, the management feels that no provision is necessary.

B. Commitments (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	22,424.29	3,266.02
b) Letter of credits opened for which the material has not yet been shipped	2,685.79	7,170.65

40. LEASES

a) The effect of Ind AS 116 is as follows:

The following is the summary of practical expedients:

i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

ii) Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term.

iii) Excluded the direct costs from the measurement of the ROU asset.

Notes to the Standalone Financial Statements

The weighted average incremental borrowing rate applied to lease liabilities is 8.55%.

b) The changes in the carrying value of ROU assets for the year ended March 31, 2022 are as follows: (₹ in Lakhs)

Particulars	Gross Carrying Amount	Depreciation	Net Carrying Amount
Land	1,420.44	67.18	1,353.26
Building	1,970.65	404.61	1,566.04
Plant and Machinery	30.18	3.08	27.10
TOTAL	**3,421.27**	**474.87**	**2,946.40**

c) The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

d) Expense relating to short-term leases and leases of low value assets amounted to ₹ 621.30 lakhs has been disclosed under Note 38 to the financial statements.

e) Carrying value of Right-of-Use (ROU) assets amounted to ₹2,946.40 lakhs are disclosed under Note 6 to the financial statements.

f) The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
A) The total of future minimum lease payments under non-cancellable leases for each of the following years:		
i) Not later than one year	886.88	625.95
ii) Later than one year and not later than five years	2,379.16	268.39
B) Lease payments recognized in the Statement of Profit and Loss	621.30	208.88

g) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

41. RELATED PARTY DISCLOSURES

Related party disclosures as required by IND-AS 24 "Related Party Disclosures" are given below:

i) Key Management Personnel

1.	Shri Anil Kumar Jain	Executive Chairman
2.	Shri Mohit Jain	Executive Vice Chairman
3.	Shri K. R. Lalpuria	Executive Director & C.E.O.
4.	Shri Kamal Mitra	Director (Works)
5.	Shri Dilip Thakkar	Independent Director
6.	Shri Prem Malik	Independent Director
7.	Shri Sushil Kumar Jiwarajka	Independent Director
8.	Dr. (Mrs.) Vaijayanti Pandit	Independent Director
9.	Shri Sanjay Kumar Panda	Independent Director
10.	Shri Siddharth Mehta	Independent Director

ii) Relatives of Key Management Personnel

1. Smt. G. D. Jain
2. Smt. Shikha Jain

Notes to the Standalone Financial Statements

iii) Parties where Control Exists

A. Subsidiaries

1. Pranavaditya Spinning Mills Ltd.
2. Indo Count Retail Ventures Pvt. Ltd.
3. Indo Count Global Inc., (USA)
4. Indo Count UK Ltd., (United Kingdom)
5. Indo Count Global DMCC, UAE

B. Associates

1. A. K. Jain HUF

C. Others

1. Indo Count Foundation

(₹ in Lakhs)

Particulars	Associates / Subsidiaries	Relatives of Key Management Personnel	Key Management Personnel	Others	Total
Remuneration Paid	-	55.94	2,696.11	-	2,752.05
	(-)	(40.08)	(2,280.44)	(-)	(2,320.52)
Commission Paid	320.24	-	9.00	-	329.24
	(232.49)	(-)	(6.00)	(-)	(238.49)
Sitting Fees	-	-	47.50	-	47.50
	(-)	(-)	(20.45)	(-)	(20.45)
Service Charges Paid	486.86	-	-	-	486.86
	(-)	(-)	(-)	(-)	(-)
Interest Recovered on Loan	1.82	-	-	-	1.82
	(-)	(-)	(-)	(-)	(-)
Commission Received	50.60	-	-	-	50.60
	(58.00)	(-)	(-)	(-)	(58.00)
Sale of Goods	59,418.01	-	-	-	59,418.01
	(13,214.63)	(-)	(-)	(25.00)	(13,239.63)
Lease Rent Paid	269.50	-	-	-	269.50
	(80.75)	(-)	(-)	(-)	(80.75)
Reimbursemt of Expenes	0.18	-	-	-	0.18
	(0.20)	(-)	(-)	(-)	(0.20)
Services Charges against Deputation of Staff	44.97	-	-	-	44.97
	(11.60)	(-)	(-)	(-)	(11.60)
Business Purchase under Slump Sale from ICRVPL	-	-	-	-	-
	(1.00)	(-)	(-)	(-)	(1.00)
CSR Expenses	-	-	-	226.69	226.69
	(-)	(-)	(-)	(336.23)	(336.23)
Purchase of Goods	-	-	-	-	-
	(198.67)	(-)	(-)	(-)	(198.67)
Purchase of Stores, Spares & Packing Material	-	-	-	-	-
	(8.86)	(-)	(-)	(-)	(8.86)

Notes to the Standalone Financial Statements

Particulars	Associates / Subsidiaries	Relatives of Key Management Personnel	Key Management Personnel	Others	Total
Balance outstanding at the end of the year:					
a) Investments	2,491.58	-	-	-	2,491.58
	(2,491.58)	(-)	(-)	(-)	(2,491.58)
b) Sundry Debtors	12,374.54	-	-	-	12,374.54
	(4,971.50)	(-)	(-)	(-)	(4,971.50)
c) Deposit - Rent	83.85	-	-	-	83.85
	(15.60)	(-)	(-)	(-)	(15.60)
d) Deposit - Lease Machinery	30.00	-	-	-	30.00
	(30.00)	(-)	(-)	(-)	(30.00)
e) Loan to Foreign Subsidiary	3,423.79	-	-	-	3,423.79
	(-)	(-)	(-)	(-)	(-)
f) Other Payables:					
Remuneration Payable	-	-	1,323.57	-	1,323.57
	(-)	(-)	(1,048.48)	(-)	(1,048.48)
Commission Payable	16.71	-	8.10	-	24.81
	(95.58)	(-)	(5.40)	(-)	(100.98)
Service Charges Payable	444.67	-	-	-	444.67
	(14.62)	(-)	(-)	(-)	(14.62)
Lease Rent Payable	3.65	-	-	-	3.65
	(1.17)	(-)	(-)	(-)	(1.17)

a) Previous year figures are given in brackets.

b) Related parties enlisted above are those having transactions with the Company.

42. It is Management's opinion that since the Company is exclusively engaged in the activity of manufacture of textile products which constitutes a single reportable segment in the context of Indian Accounting Standard (Ind-AS) 108 on "Operating Segments" issued by the Institute of Chartered Accountants of India.

43. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITIES (CSR)

Corporate social responsibility expenditure (₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Amount of cumulative shortfall at the beginning of the year (a)	37.43	169.87
Amount required to be spent by the Company during the year	335.59	235.21
Amount of expenditure incurred (b)	382.43	367.65
Amount of shortfall for the year	-	37.43
Amount of cumulative shortfall at the end of the year	-	37.43

a) Unspent CSR amount of ₹169.87 lakhs of FY 2019-20 was approved by the Board for carrying forward in next FY 2020-21. Out of the said amount, ₹132.44 lakhs was incurred in FY 2020-21 and ₹37.43 lakhs has been allocated towards on-going project. Hence, the amount of ₹37.43 lakhs was transferred to unspent CSR account.

Notes to the Standalone Financial Statements

b) Represents amount incurred through Indo Count Foundation and directly through the Company. Amount debited in books of accounts included in Note No. 38 is ₹343.13 lakhs (previous year ₹390.34 lakhs).

Disclosures in relation to corporate social responsibility expenditure (₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Education- Promoting Education by implementation of E-learning systems in schools and support to educational institutions	17.65	64.21
Healthcare- Providing medical facilities through 4 medical vans reaching to distant villages. Providing infrastructure support & giving medical equipments at certain hospital(s)	130.34	167.38
Enhancing vocational skills- Skill Development Centre for training women in sewing and stitching skills, enabling them to get employment and be independent,therebyimproving standard of living	-	2.03
Water & Sanitation- Making available pure and safe drinking water to the community through installation/maintenance of Water Filters/ RO system in schools and public places. Building/ maintaining toilet blocks	4.79	3.98
Rural Development & Environment- Clean Environment/ Plantation and Rural upliftment	42.85	9.35
Environment- GAGAN Project (sustainability initiative for economic Upliftment of farmers)	19.40	5.93
Disaster Management- Support during COVID-19 pandemic (Supply of Ventilators/ Mask/ distribution of food packets)	9.27	96.30
Funds specified in Schedule VII- Contribution to PM Cares Fund	-	11.00
Administrative Overheads	10.53	7.47
Environment - MIDC Green area maintenance, Establishment of Bio gas Plant with Iskon	31.15	-
Improving livelihood & Education - Contribution made to PDKV for Centre for excellence project on cotton farming	116.45	-
Total	**382.43**	**367.65**
Amount required to be spent as per Section 135 of the Act		
Amount spent during the year on:		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	382.43	367.65

44. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 33 "EARNINGS PER SHARE"

Particulars	UOM	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Face Value of Equity Shares	₹	2.00	2.00
Weighted Average number of Equity Shares outstanding	Nos.	19,73,99,670	19,73,99,670
Profit for the year (Continuing Operations)	₹ In lakhs	33,809.04	26,026.02
Weighted Average Earnings Per Share (Basic and Diluted)	₹	17.13	13.18

Notes to the Standalone Financial Statements

45. Pursuant to the scheme of amalgamation of Pranavaditya Spinning Mills Limited, subsidiary of the Company, with the Company approved by the Board and No-objection received from BSE Limited, NSE Limited and SEBI for the scheme, the application has been filed for said amalgamation with Hon'ble National Company Law Tribunal (NCLT). As directed by The NCLT, vide its order dated 18th August 2021, the Company convened a meeting of its equity shareholders on November 15, 2021 and the scheme of amalgamation was approved with requisite majority. Thereafter, the Company has filed a petition on December 14, 2021 before The NCLT seeking sanction to the scheme and the petition is yet to be heard. The appointed date for the amalgamation is 1st October, 2020 or such other date as may be approved by NCLT and the scheme will be effective upon filing of order of The (NCLT) approving the scheme with Registrar of Companies.

Upon the Scheme becoming effective, with effect from appointed date, the Business (along with all assets and liabilities thereof) of the transferor Company i.e. Pranavaditya Spinning Mills Limited shall be transferred and vested with the Company on a going concern basis. As a consideration for the amalgamation, the Company will issue its equity shares to the shareholders of the Company as on the record date in a share exchange ratio of 2:15 (i.e. 2 (Two) fully paid up equity shares of ₹2/- each of the Company would be issued to the Equity Shareholders of transferor Company, for every 15 (Fifteen) equity shares of ₹10/- each, fully paid up).

46. OTHER INFORMATION

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
CIF Value of Imports:		
- Capital Goods	4,325.96	729.47
- Raw Materials	1,322.56	7,067.56
- Stores, Dyes and Packing Materials	9,187.98	1,855.40
Expenditure in Foreign Currency:		
- Travelling	152.71	24.38
- Selling Commission / Claims	75.17	1,288.41
- Others	8,323.51	4,229.35
Earnings in Foreign Currency:		
- FOB Value of Exports	2,38,267.99	2,31,789.94

47. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 19 "EMPLOYEE BENEFITS"

Defined Contribution Plans:

Amount of ₹707.01 lakhs (previous year ₹654.25 lakhs) is recognised as an expense and included in Employee Benefits Expense under the following defined contribution plans (Refer Note 35, supra): (₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Benefits:		
Provident Fund	645.67	589.44
Employee State Insurance Scheme	60.09	62.51
Labour Welfare Scheme	1.25	2.30
TOTAL	**707.01**	**654.25**

Notes to the Standalone Financial Statements

Defined Benefit Plans:

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Company makes annual contributions to the Life Insurance Corporation of India, which is funded defined benefit plan for qualifying employees.

Leave Encashment Benefit

The Company provides for leave encashment, a defined benefit retirement plan covering eligible employees. The leave encashment plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 12 days salary for each completed year of service till retirement, subject to maximum of 90 days.

The Company makes annual contributions to the Life Insurance Corporation of India, which is funded defined benefit plan for qualifying employees.

(₹ in Lakhs)

Sr. No.	Particulars	GRATUITY		LEAVE ENCASHMENT	
		2021-22 (funded)	2020-21 (funded)	2021-22 (funded)	2020-21 (funded)
I	**Change in Present Value of Defined Benefit Obligation during the Year**				
1	Present Value of Defined Benefit Obligation at the beginning of the Year	2,127.76	2,026.01	549.28	500.35
2	Interest Cost	136.51	127.27	30.86	27.05
3	Current Service Cost	168.78	168.23	80.13	74.05
4	Past Service Cost	-	-	-	-
5	Liability Transfer from other Company	-	-	-	-
6	Liability Transferred out / Divestment	-	-	-	-
7	Benefits Paid Directly by Employer	-	-	-	-
8	Benefits Paid	(192.09)	(126.59)	(25.43)	(28.58)
9	Actuarial Changes Arising from Changes in Demographic Assumptions	-	-	-	-
10	Actuarial Changes Arising from Changes in Financial Assumptions	(78.09)	(14.16)	(14.59)	(2.68)
11	Actuarial Changes Arising from Changes in Experience Adjustments	(0.71)	(53.00)	(56.66)	(20.90)
12	Present Value of Defined Benefit Obligation at the end of the Year	2,162.17	2,127.76	563.59	549.28
II	**Change in Fair Value of Plan Assets during the Year**				
1	Fair Value of Plan Assets at the beginning of the Year	1,905.07	1,485.32	495.72	462.07
2	Interest Income	129.54	99.96	33.71	31.10
3	Contributions Paid by the Employer	103.33	434.47	41.75	30.59

Notes to the Standalone Financial Statements

Sr. No.	Particulars	GRATUITY		LEAVE ENCASHMENT	
		2021-22 (funded)	2020-21 (funded)	2021-22 (funded)	2020-21 (funded)
4	Benefits Paid from the Fund	(192.09)	(126.59)	(25.43)	(28.58)
5	Assets Transferred Out / Divestments	-	-	-	-
6	Return on Plan Assets Excluding Interest Income	-	-	-	-
7	Actuarial Losses / (Gains)	(2.31)	11.91	0.72	0.55
8	Fair Value of Plan Assets at the end of the Year	1,943.55	1,905.07	546.47	495.72
III	**Net Asset / (Liability) recognised in the Balance Sheet**				
1	Present Value of Defined Benefit Obligation at the end of the Year	2,162.17	2,127.76	563.59	549.28
2	Fair Value of Plan Assets at the end of the Year	1,943.55	1,905.07	546.47	495.72
3	Amount recognised in the Balance Sheet	218.63	222.69	17.12	53.56
4	Net (Liability) / Asset - Current	-	-	-	-
5	Net (Liability) / Asset - Non-Current	(218.63)	(222.69)	(17.12)	(53.56)
IV	**Expenses recognised in the Statement of Profit and Loss for the Year**				
1	Current service Cost	168.78	168.23	80.13	74.05
2	Interest Cost on Benefit Obligation (Net)	6.97	6.97	(2.85)	(2.85)
3	Actuarial Changes Arising from Changes in Demographic Assumptions	-	-	-	-
4	Actuarial Changes Arising from Changes in Financial Assumptions	-	-	(14.59)	2.68
5	Actuarial Changes Arising from Changes in Experience Adjustments	-	-	(56.66)	(20.90)
6	Return on Plan Assets excluding amount included in 'Net Interest on net Defined Liability / (Asset)' above	-	-	(0.72)	(0.55)
7	Total Expenses included in Employee Benefits Expense	175.75	175.20	5.31	52.42
V	**Recognised in Other Comprehensive Income for the Year**				
1	Actuarial Changes Arising from Changes in Demographic Assumptions	-	-	-	-
2	Actuarial Changes Arising from Changes in Financial Assumptions	(78.10)	(14.16)	-	-
3	Actuarial Changes Arising from Changes in Experience Adjustments	(0.71)	(53.00)	-	-
4	Return on Plan Assets excluding Interest Income	2.31	(11.91)	-	-
5	Recognised in Other Comprehensive Income	(76.50)	(79.07)	-	-

Notes to the Standalone Financial Statements

Sr. No.	Particulars	GRATUITY		LEAVE ENCASHMENT	
		2021-22 (funded)	2020-21 (funded)	2021-22 (funded)	2020-21 (funded)
VI	**Maturity Profile of Defined Benefit Obligation**				
1	Within the next 12 Months (Next Annual Reporting Period)	247.04	240.38	221.87	190.94
2	Between 2 and 5 Years	526.96	467.82	106.37	96.71
3	Between 6 and 10 Years	1,113.35	1,036.78	177.95	182.93
VII	**Quantitative Sensitivity Analysis for Significant Assumption is as below:**				
	Increase / (Decrease) on Present Value of Defined Benefits Obligation at the end of the Year				
	(i) One Percentage Point increase in Discount Rate	(2,355.78)	(2,329.13)	(599.74)	(590.35)
	(ii) One Percentage Point decrease in Discount Rate	1,993.03	1,954.63	531.96	513.81
	(i) One Percentage Point increase in Rate of Salary Increase	1,992.69	1,964.07	531.05	515.38
	(ii) One Percentage Point decrease in Rate of Salary Increase	(2,352.11)	(2,313.21)	(600.18)	(587.89)

VIII Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

IX The major categories of plan assets as a percentage of total

Particulars	GRATUITY		LEAVE ENCASHMENT	
	2021-22	2020-21	2021-22	2020-21
Insurer Managed Funds	100%	100%	100%	100%

X Actuarial Assumptions

Particulars	GRATUITY		LEAVE ENCASHMENT	
	2021-22 (funded)	2020-21 (funded)	2021-22 (funded)	2020-21 (funded)
Discount Rate (p.a.)	7.22% p.a.	6.80% p.a.	7.22% p.a.	6.80% p.a.
Salary Escalation (p.a.)	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.
Mortality Rate during Employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Mortality Post Retirement Rate	NA	NA	NA	NA
Employee Turnover Rate (p.a.)	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.
Future Benefit Cost Inflation	NA	NA	NA	NA

Notes to the Standalone Financial Statements

Expected contribution to the defined benefit plan for the next annual reporting period:

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out at March 31, 2022. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

48. DETAILS OF CAPITAL EXPENDITURE INCURRED DURING THE YEAR FOR RESEARCH AND DEVELOPMENT

(₹ in Lakhs)

Particulars	2021-22	2020-21
Plant and Machinery	4.27	-
TOTAL	**4.27**	**-**

49. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a) Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

b) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected lossess of these instruments.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Particulars	Carrying Amount As at 31.03.2021	Fair value Level 1	Level 2	Level 3
Financial Assets at Amortised Cost:				
Trade Receivables	52,514.59	-	-	-
Other Receivables (Non-Current)	298.58	-	-	298.58
Other Receivables (Current)	9,198.92	-	-	9,198.92
Cash and Bank Balances	2,772.56	-	-	-
Bank Deposits	223.97	-	-	-
TOTAL	**65,008.62**	**-**	**-**	**9,497.50**
Financial Assets at Fair Value through Profit and Loss:				
Investments	16,693.48	16,693.48	-	-
TOTAL	**16,693.48**	**16,693.48**	**-**	**-**
Financial Assets at Fair Value through Other Comprehensive Income:				
Derivative Instruments	4,763.42			4,763.42
TOTAL	**4,763.42**	**-**	**-**	**4,763.42**
Financial Liabilities at Amortised Cost:				
Non-Current Borrowings	1,935.26	-	-	-
Current Borrowings	52,180.51	-	-	-
Lease Liability (Non Current)	156.33	-	-	156.33
Lease Liability (Current)	355.16	-	-	355.16
Trade and Other Payables	22,976.46	-	-	-
Other Financial Liabilities (Current)	1,063.18	-	-	1,063.06
TOTAL	**78,666.90**	**-**	**-**	**1,574.55**

(₹ in Lakhs)

Particulars	Carrying Amount As at 31.03.2022	Fair value Level 1	Level 2	Level 3
Financial Assets at Amortised Cost:				
Financial Loans (Non-Current)	3,423.79	-	-	-
Trade Receivables	47,634.04	-	-	-
Other Receivables (Non-Current)	379.35	-	-	379.35
Other Receivables (Current)	1,003.39	-	-	1,003.39
Cash and Bank Balances	34,801.74	-	-	-
Bank Deposits	297.85	-	-	-
TOTAL	**84,116.36**	**-**	**-**	**1,382.74**

Notes to the Standalone Financial Statements

Particulars	Carrying Amount As at 31.03.2022	Fair value Level 1	Level 2	Level 3
Financial Assets at Fair Value through Profit and Loss:				
Investments	150.43	150.43	-	-
TOTAL	**150.43**	**150.43**	**-**	**-**
Financial Assets at Fair Value through Other Comprehensive Income:				
Derivative Instruments	1,780.74	-	1,780.74	-
TOTAL	**1,780.74**	**-**	**1,780.74**	**-**
Financial Liabilities at Amortised Cost:				
Non-Current Borrowings	8,538.22	-	-	-
Current Borrowings	1,11,176.75	-	-	-
Lease Liability (Non Current)	1,056.80	-	-	1,056.80
Lease Liability (Current)	584.56	-	-	584.56
Trade and Other Payables	14,099.68	-	-	-
Other Financial Liabilities (Current)	884.52	-	-	884.52
TOTAL	**1,36,340.53**	**-**	**-**	**2,525.88**

During the reporting period ending March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

Description of significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for financial instruments:

Particulars	As at 31.03.2022	As at 31.03.2021
Non-Current Security Deposits	Discounted Cash Flow method using current interest rate.	
Derivative Instruments	Based on quotes from banks.	
Other Financial Liabilities (Non-Current)	Discounted Cash Flow method using risk adjusted discount rate.	

50. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board of Directors.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies.

Notes to the Standalone Financial Statements

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise the Company's position with regard to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, an analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. Above 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Exposure to Interest Rate Risk (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Total Borrowings	1,19,714.97	54,115.77
% of Borrowings out of above bearing Variable Rate of Interest	100%	100%

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following impact on Profit before Tax: (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
50 bps increase would decrease the Profit before Tax by	598.57	270.58
50 bps decrease would increase the Profit before Tax by	(598.57)	(270.58)

Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in serveral currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Foreign Currency in lakhs

Particulars	USD	EUR	GBP	CHF	Total
Foreign Currency Exposure as at 31 March, 2021					
Trade and Other Receivables	694.48	0.68	3.12	1.09	699.37
Non-Current Borrowings	-	-	-	1.37	1.37
Current Borrowings	37.72	-	-	-	37.72
Bank Balances	10.34	-	-	-	10.34
Trade and Other Payables	79.69	0.01	0.97	-	80.67
Foreign Currency Exposure as at 31 March, 2022					
Trade and Other Receivables	575.09	6.42	11.06	0.34	592.91
Non-Current Loan	45.02	-	-	-	45.02
Non-Current Borrowings	-	-	-	-	-
Current Borrowings	30.50	-	-	-	30.50
Bank Balances	67.23	-	-	-	67.23
Trade and Other Payables	66.03	0.14	0.17	-	66.34

Notes to the Standalone Financial Statements

Forward Contracts

Foreign currency hedges taken by the Company against export trade receivables are as under:

Particulars	Number of Contracts	Foreign Currency in lakhs (USD)	₹ in lakhs	Buy / Sell
As at 31.03.2022	386	2,763.50	216,045.79	Sell
As at 31.03.2021	268	2,595.00	199,822.59	Sell

Foreign Currency Sensitivity

5 % increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Name of the Shareholder	2021-22		2020-21	
	5 % Increase	5 % decrease	5 % Increase	5 % decrease
USD	2,970.63	(2,970.63)	3,005.65	(3,005.65)
EUR	27.59	(27.59)	2.93	(2.93)
GBP	55.86	(55.86)	20.60	(20.60)
CHF	1.40	(1.40)	9.55	(9.55)
INCREASE / (DECREASE) IN PROFIT AND LOSS	**3,055.48**	**(3,055.48)**	**3,038.73**	**(3,038.73)**

Market Risk - Price Risk

Exposure

The Company's exposure to equity securities' price risk arises from investments held by the Company and classified in the Balance Sheet at fair value through Profit and Loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

Sensitivity

The table below summarises the impact of increase / decrease of the BSE index on the Company's equity and gain / loss for the period. The analysis is based on the assumption that the index has increased by 5% or decreased by 5% with all other variables held constant and that all the Company's equity instruments moved in line with the index.

Impact on Profit before Tax

Particulars	As at 31.03.2022	As at 31.03.2021
BSE Sensex 30 - Increase 5%	7.52	834.67
BSE Sensex 30 - Decrease 5%	(7.52)	(834.67)

Above referred sensitivity pertains to quoted equity investment (Refer Note No. 13). Profit for the year would increase / decrease as a result of gains / losses on equity securities at fair value through profit and loss.

Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward looking information such as:

Notes to the Standalone Financial Statements

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, they are recognised in profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industrial practices and the business envionment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on historical data, loss on collection of receivable is not material, hence, no additional provision considered.

Exposure to Credit Risk (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Financial Assets for which loss allowance is measured using 12-months' Expected Credit Losses (ECL)		
Financial Loans (Non-Current)	3,423.79	-
Investments in Debentures or Bonds	150.43	16,693.48
Non-Current Loans and Advances	379.35	298.58
Cash and Bank Balances	34,801.74	2,772.56
Bank Deposits	297.85	223.97
Current Loans and Advances	1,003.39	9,198.92

Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL) (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Trade Receivables	47,634.04	52,514.59

Balance with banks is subject to low credit risks due to good credit ratings assigned to these banks.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due:

Particulars	₹ in lakhs
As at 31.03.2022	
Not Due	37,992.06
Up to 3 months	8,725.69
3 to 6 months	254.35
More than 6 months	661.94
TOTAL	**47,634.04**
As at 31.03.2021	
Not Due	48,794.19

Notes to the Standalone Financial Statements

Particulars	₹ in lakhs
Up to 3 months	2,523.66
3 to 6 months	201.41
More than 6 months	995.33
TOTAL	**52,514.59**

Financial assets are considered to be of good quality and there is no significant increase in credit risk.

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity Profile of Financial Liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments: (₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
As at 31.03.2022			
Lease Liability (Non Current)	-	1,056.80	1,056.80
Lease Liability (Current)	584.56	-	584.56
Non-Current Borrowings	-	8,538.22	8,538.22
Current Borrowings	1,11,176.75	-	1,11,176.75
Trade Payables	14,099.68	-	14,099.68
Other Current Financial Liabilities	884.52	-	884.52
As at 31.03.2021			
Lease Liability (Non Current)	-	156.33	156.33
Lease Liability (Current)	355.16	-	355.16
Non-Current Borrowings	-	1,935.26	1,935.26
Current Borrowings	52,180.51	-	52,180.51
Trade Payables	22,976.46	-	22,976.46
Other Financial Liabilities	1,063.18	-	1,063.18

Capital Management

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

Notes to the Standalone Financial Statements

The Company monitors capital using Gearing Ratio, which is total debt divided by total capital plus debt. (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Exposure to Credit Risk		
Total Debt	1,19,714.97	54,115.77
Equity	1,56,783.88	1,27,437.66
Capital and Debt	**2,76,498.85**	**1,81,553.43**
GEARING RATIO	**43.30%**	**29.81%**

51. NET DEBT RECONCILIATION

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash and Cash Equivalents	34,801.74	2,772.56
Non-Current Borrowings	(8,538.22)	(1,935.26)
Current Borrowings	(1,11,176.75)	(52,180.51)
Interest Accrued but not Due	-	(0.12)
NET DEBT	**(84,913.23)**	**(51,343.33)**

(₹ in Lakhs)

Particulars	Cash and Cash Equivalents	Non Current Borrowings	Current Borrowings	Interest Accrued but not Due	Total
As at 31.03.2022					
Opening Net Debt	2,772.56	(1,935.26)	(52,180.51)	(0.12)	(51,343.33)
Cash Flows	32,029.18	(6,602.96)	(58,996.24)	-	(33,570.02)
Finance Cost	-	-	-	(4,213.45)	(4,213.45)
Interest Paid	-	-	-	4,213.57	4,213.57
CLOSING NET DEBT	**34,801.74**	**(8,538.22)**	**(1,11,176.75)**	**-**	**(84,913.23)**
As at 31.03.2021					
Opening Net Debt	12,563.67	(5,600.68)	(29,184.60)	(1.35)	(22,222.96)
Cash Flows	(9,791.11)	3,665.42	(22,995.91)	-	(29,121.60)
Finance Cost	-	-	-	(2,693.41)	(2,693.41)
Interest Paid	-	-	-	2,694.64	2,694.64
CLOSING NET DEBT	**2,772.56**	**(1,935.26)**	**(52,180.51)**	**(0.12)**	**(51,343.33)**

Notes to the Standalone Financial Statements

52. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

There are no loans given, which are covered under section 186(4) of the Companies Act, 2013. Investments made are given under the respective heads.

Corporate guarantee given by the Company in respect of loans as at 31 March, 2022: (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Indo Count Global Inc., USA	4,926.51	4,752.15
TOTAL	**4,926.51**	**4,752.15**

53. ANALYTICAL RATIOS

S.N.	Ratio	Numerator	Denominator	March 2022	March 2021	Variance	Reasons for the Variances
(a)	Current Ratio	Current Assets	Current Liabilities	1.53	1.94	-21.12%	N.A.
(b)	Debt-Equity Ratio	Total Debt	Shareholders' Equity	0.76	0.42	79.81%	increase in Long Term Debts due to ongoing Capital Expenditure and increase in Short Term Debts due to increase in Inventory and funds blocked in Export Incentives.
(c)	Debt Service Coverage Ratio	Earning for Debt Service	Debt Service	6.52	6.69	-2.55%	N.A.
(d)	Return on Equity Ratio	Net Profits after Taxes	Average Shareholder's Equity	23.79%	23.17%	2.69%	N.A.
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	2.71	3.41	-20.49%	N.A.
(f)	Trade Receivable Turnover Ratio	Net Sales	Average Trade Receivable	5.14	5.99	-14.17%	N.A.
(g)	Trade Payable Ratio	Net Purchases	Average Trade Payables	10.30	9.55	7.83%	N.A.
(h)	Net Capital Turnover Ratio	Net Sales	Average Working Capital	3.69	3.84	-4.09%	N.A.
(i)	Net Profit Ratio	Net Profit	Net Sales	12.05%	10.35%	16.42%	N.A.
(j)	Return on Capital Employed	Earning before Interest and Taxes	Capital Employed	17.97%	20.90%	-14.05%	N.A.
(k)	Return on Investment	Earning before Interest and Taxes	Closing Total Assets	16.13%	16.89%	-4.51%	N.A.

Notes to the Standalone Financial Statements

54. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

i) The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, where any proceeding has been initiated or pending against the Company.

ii) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Compnay with banks and financial institutions are in agreement with the books of accounts.

iii) During the year the Company was not declared as a wilful defaulter by any bank or financial institution or any other lender.

iv) During the year there are no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

v) During the year the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

vi) During the year no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 except reported in Note 45 of the Financial Statements.

vii) During the year the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in 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 to or on behalf of the Ultimate Beneficiaries.

viii) During the year the Company has not received funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix) During the year no amount has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

x) There was no trade or investment in Crypto currency or Virtual Currency during the Financial Year.

xi) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

xii) During the year no registration or satisfaction of charge was pending to be registered with ROC.

55. IMPACT OF COVID PANDEMIC AND RELATED LOCKDOWN MEASURES

The Company has been taking steps, proactively, to protect the health of employees and the working environment from the spread of Covid-19. The Company's operations and revenue during year ended March 31, 2022 were marginally impacted due to the pandemic. The Company has assessed, and is continuously reviewing, its liquidity, future cash flow projections and the probability of occurrence of the forecasted transactions underlying the hedges based on orders in hand and current indicators of future economic conditions. The financial statements takes into consideration such assessment of the possible effects of the Covid 19 and the recoverability of the carrying value of its assets. However, the impact of pandemic in the subsequent period may be different from the estimations used at the time of preparation of these financial statements.

As per our report of even date attached
For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N
Ankur Bagla
Partner
Membership No.: 521915
New Delhi, May 29, 2022

For and on behalf of Board of Directors

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

UAE / Mumbai, May 29, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of Indo Count Industries Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Indo Count Industries Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, and the consolidated statement of Profit and Loss(including consolidated other comprehensive income), the consolidated statement of changes in equity and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs as at March 31, 2022, consolidated profit(including consolidated other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. The group operates internationally and portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk. Foreign currency exchange rate exposure through its sales are partly balanced by purchasing of goods, commodities and services in the respective currencies. The balance foreign currency exchange rate exposure is hedged through derivative like foreign exchange forward contracts. (Refer Note No. 50 to the consolidated financial statements). We assessed the foreign exchange risk management policies adopted by the group. The group manages risk through a treasury department which formulates risk management objectives and policies which are reviewed by the senior management, Audit Committee and Board of Directors of the holding company. Our audit approach was a combination of test of internal controls and substantive procedures to evaluate chances of minimizing the risk involved.

2. The group has material matters under dispute which involves significant judgement to determine the possible outcome of these disputes (Refer Note No. 40 to the consolidated financial statements). We obtained the details of the disputes with their present status and documents. We made an indepth analysis of the dispute. We also considered legal procedures and other rulings in evaluating managements position on these disputes to evaluate whether any change was required to management's position on these disputes.

3. As on 31st March 2022, current tax assets and other current assets includes amounts recoverable from government department for which efforts for recovery are being made (refer Note No. 17 and 18 to the consolidated financial

statements). Our audit procedures consisted of evaluating whether any change was required to management's position on these uncertainties and the likelihood of recoverability.

4. The Board of a subsidiary approved VRS/Separation Scheme on July 15, 2020 which resulted in production stoppage. Thereafter, the Board at its meeting held on 21st October 2020 approved the scheme of amalgamation of the Company with M/s. Indo Count Industries Limited, the holding company from the appointed date i.e., 1st October,2020 or such other date as directed by the Mumbai Bench of the National Company Law Tribunal (NCLT). No-objection to the said scheme was received from BSE limited and SEBI. Application for amalgamation was filed with Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT). As directed by the NCLT, a meeting of equity shareholders was called and the scheme of amalgamation was approved with requisite majority. A petition was filed before the NCLT seeking sanction to the scheme. The petition is yet to be heard. Consequently, the accounts of the subsidiary company have been prepared without giving effect of amalgamation on a going concern basis. (refer note 46 to the financial statements).

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The holding company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 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 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, which have been used for the purpose of preparation of the consolidated 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.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 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 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 to express an opinion on the consolidated 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 financial statements of which we are the independent auditors. For the other entities included in the consolidated 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated 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 financial statements of the current period 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

(a) We did not audit the financial statements / financial information of two subsidiaries whose financial statements / financial information reflect total assets of Rs. 35,825.36 lakhs as at 31st March, 2022, total revenues of Rs. 61,385.83 lakhs and net cash flows amounting to Rs. 3,156.50 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated 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) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(b) We did not audit the financial statements / financial information of one subsidiary whose financial statements / financial information reflect total assets of Rs. 2,105.43 lakh as at 31st March, 2022, total revenues of Rs. 2,447.83 lakhs and net cash flows amounting to Rs. 162.80 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated 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 / financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including Consolidated Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the group'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 remuneration paid by the holding company to its directors during the year is in accordance with the provisions of section 197 of 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note No. 40 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note No. 50 to the consolidated financial statements in respect of such items as it relates to the Group.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India.

iv. (a) The management of the Holding Company has represented that, 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 Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - Refer Note No. 54 to the financial statements;

iv. (b) The management of the Holding Company has represented, that, 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 Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries - Refer Note No. 54 to the financial statements; and

iv. (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. In our opinion and based on the information and explanation provided to us, the dividend declared or paid during the year by the Group is in compliance with section 123 of the Companies Act,2013.

(i) With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditors' Report) Order,2020 issued by the Central Government in terms of section 143(11) of the Companies Act,2013 to be included in the Auditors' Report, we report that there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors' Report) order (CARO) reports of the companies included in the consolidated financial statements provided to us. However, audit report of one subsidiary included in the consolidated financial statements was not available and unaudited statement duly certified by their Board of Directors has been included in consolidation

For **Suresh Kumar Mittal & Co.**
Chartered Accountants
Firm Registration No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915
UDIN: 22521915AJVKIC4608

Place: New Delhi
Date: May 29, 2022

Annexure A referred to in Paragraph 6(I)(f) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date on the consolidated financial statements of Indo Count Industries Limited and its subsidiary companies incorporated in India for the year ended 31st March 2022.

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 the Company as of and for the year ended March 31 2022, we have audited the internal financial controls over financial reporting of Indo Count Industries Limited (hereinafter referred to as "the Holding Company") and received audit report of the statutory auditor of its subsidiary company incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the of the Holding company and its subsidiary company incorporated in India, are 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 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 Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(b) 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

(c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 **Suresh Kumar Mittal & Co.**
Chartered Accountants
Firm Registration No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915
UDIN: 22521915AJVKIC4608

Place: New Delhi
Date: May 29, 2022

Consolidated **Balance Sheet**

as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	6	59,796.90	54,025.11
(b) Capital Work-In-Progress	6	2,394.39	772.40
(c) Right-of-Use	7	2,946.40	1,823.30
(d) Other Intangible Assets	8	292.24	264.95
(e) Financial Assets			
(i) Others	9	526.54	491.67
(f) Other Non-Current Assets	10	34,151.30	719.59
(2) Current Assets			
(a) Inventories	11	1,06,803.84	71,803.75
(b) Financial Assets			
(i) Investments	12	150.43	16,693.48
(ii) Trade Receivables	13	49,417.40	51,566.06
(iii) Cash and Cash Equivalents	14	38,670.09	3,317.65
(iv) Bank Balances other than (iii) above	15	765.14	677.86
(v) Others	16	3,273.72	13,932.35
(c) Current Tax Assets (Net)	17	2,373.96	898.99
(d) Other Current Assets	18	24,837.31	12,566.84
TOTAL ASSETS		**3,26,399.66**	**2,29,554.00**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	19	3,947.99	3,947.99
(b) Other Equity		1,54,735.23	1,24,509.12
NON CONTROLLING INTEREST		570.00	551.57
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	8,538.21	1,935.26
(ii) Lease Liabilities		1,056.80	156.33
(b) Provisions	21	248.99	276.25
(c) Deferred Tax Liabilities (Net)	22	6,644.25	7,964.12
(d) Other Non-Current Liabilities	23	856.27	758.56
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	1,21,607.92	55,302.14
(ii) Lease Liabilities		736.52	355.16
(iii) Trade Payables			
- Micro & Small Enterprises	25	2,990.55	4,065.26
- Other than Micro & Small Enterprises	26	11,812.04	19,397.18
(iv) Other Financial Liabilities	27	1,108.22	967.85
(b) Other Current Liabilities	28	10,625.00	9,357.19
(c) Current Tax Liabilities (Net)	29	921.67	10.02
TOTAL EQUITY AND LIABILITIES		**3,26,399.66**	**2,29,554.00**
CONTINGENT LIABILITIES AND COMMITMENTS	30, 40		
SIGNIFICANT ACCOUNTING POLICIES	4		

The accompanying notes form an integral part of Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached

For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Ankur Bagla
Partner
Membership No.: 521915

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

New Delhi, May 29, 2022

UAE / Mumbai, May 29, 2022

Consolidated Statement of **Profit & Loss**

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Note No.	For the year ended 31st March, 2022	For the year ended 31st March, 2021
CONTINUING OPERATIONS			
I INCOME			
Revenue from Operations	31	2,84,201.78	2,51,918.58
Other Income	32	14,021.33	3,783.02
TOTAL INCOME		**2,98,223.11**	**2,55,701.60**
II EXPENSES			
Cost of Materials Consumed	33	1,27,269.62	1,33,438.23
Purchase of Stock-In-Trade		16,598.99	7,071.09
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	34	(8,565.70)	(13,525.00)
Employee Benefits Expense	35	19,112.28	15,904.44
Finance Cost	36	4,735.90	2,807.90
Depreciation and Amortisation Expense	37	4,090.80	4,314.92
Other Expenses	38	86,376.88	71,362.80
TOTAL EXPENSES		**2,49,618.77**	**2,21,374.38**
III Profit before Exceptional Items and Tax (I-II)		**48,604.34**	**34,327.22**
IV Exceptional Items	39	-	(365.04)
V Profit before Tax (III-IV)		**48,604.34**	**33,962.18**
VI Tax Expense			
a) Current Tax		13,541.85	8,809.21
b) Previous Year Tax		16.00	113.64
c) Deferred Tax		(814.81)	126.66
VII Profit for the Year (V-VI)		**35,861.30**	**24,912.67**
VIII Other Comprehensive Income			
A Items that will not be reclassified to Profit and Loss:			
(i) Remeasurement of the Net Defined Benefit Liability/Asset		76.65	120.67
(ii) Income Tax relating to items that will not be reclassified to Profit and Loss		(19.29)	(31.47)
B Items that will be reclassified to Profit and Loss:			
(i) Remeasurement of the net change in Forex Liability / Asset		(2,083.42)	8,177.90
(ii) Income Tax relating to items that will be reclassified to Profit and Loss		524.35	(2,058.21)
(iii) Exchange Difference on translation of Foreign Operations		(1,177.90)	(192.44)
IX Total Comprehensive Income for the Year (VII+VIII)		**33,181.69**	**30,929.12**
X Profit attributable to:			
Owners of the Company		35,842.90	25,063.14
Non-Controlling Interests		18.40	(150.47)
XI Total Comprehensive Income attributable to:			
Owners of the Company		33,163.26	31,071.94
Non-Controlling Interests		18.43	(142.82)
XII Earnings per Equity Share	45		
a) Basic (₹)		18.16	12.70
b) Diluted (₹)		18.16	12.70
SIGNIFICANT ACCOUNTING POLICIES	4		

The accompanying notes form an integral part of Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached

For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Ankur Bagla
Partner
Membership No.: 521915

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

New Delhi, May 29, 2022

UAE / Mumbai, May 29, 2022

Consolidated Statement of **Changes in Equity**

for the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL

Particulars	**Note No.**	**(₹ in Lakhs)**
As at 31st March, 2020		**3,947.99**
Changes in Equity Share Capital	19(a)	-
As at 31st March, 2021		**3,947.99**
Changes in Equity Share Capital	19(a)	-
As at 31st March, 2022		**3,947.99**

B. OTHER EQUITY

(₹ in lakhs)

Particulars	**Reserves & Surplus**			**Preliminary Expenses**	**Exchange Differences on translating the Financial Statements of Foreign Operations**	**Other Comprehensive Income**	**Total**
	Capital Reserve	**Securities Premium Reserve**	**Retained Earnings**				
Balance as at 31.03.2020	**198.81**	**1,653.72**	**1,01,511.19**	**(0.53)**	**194.08**	**(8,903.46)**	**94,653.81**
Profit for the Year	-	-	25,063.14	-	-	6,008.80	**31,071.94**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	-	**-**
Creation during the period for Balance Sheet items	-	-	-	-	(224.67)	-	**(224.67)**
Creation during the period for Profit and Loss items	-	-	-	-	192.44	-	**192.44**
Amortised during the year	-	-	(0.53)	0.53	-	-	**-**
Final Dividend on Equity Shares	-	-	(1,184.40)	-	-	-	**(1,184.40)**
Balance as at 31.03.2021	**198.81**	**1,653.72**	**1,25,389.40**	**-**	**161.85**	**(2,894.66)**	**1,24,509.12**
Profit for the Year	-	-	35,842.90	-	-	(2,679.64)	**33,163.26**
Creation during the period for Balance Sheet items	-	-	-	-	(1,154.05)	-	**(1,154.05)**
Creation during the period for Profit and Loss items	-	-	-	-	1,177.90	-	**1,177.90**
Final Dividend on Equity Shares	-	-	(2,961.00)			-	**(2,961.00)**
Balance as at 31.03.2022	**198.81**	**1,653.72**	**1,58,271.30**	**-**	**185.70**	**(5,574.30)**	**1,54,735.23**

Nature and purpose of Reserves:

i) **Capital Reserve:**
Capital Reserve standing in books against capital subsidy received against establishing manufacturing unit.

ii) **Securities Premium Reserve:**
Securities Premium Reserve is created when shares issued at premium.

The accompanying notes form an integral part of Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached

For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Ankur Bagla
Partner
Membership No.: 521915

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

New Delhi, May 29, 2022

UAE / Mumbai, May 29, 2022

Consolidated **Cash Flow Statement**

for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	**For the year ended 31st March, 2022**		**For the year ended 31st March, 2021**	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before Exceptional Items and Tax		48,604.34		34,327.22
Adjustments for:				
Depreciation and Amortisation		4,090.80		4,314.92
Profit on Sale of Assets		(162.08)		(49.93)
Finance Cost		4,735.90		2,807.90
Interest Income		(1,707.45)		(1,012.14)
Other Comprehensive Income		(2,006.77)		8,298.57
Loss on Sale of Assets		380.84		199.00
Loss/(Profit) on Redemption of Mutual Funds		(486.91)		(8.22)
Loss in value of NAV of Mutual Funds		91.02		(94.18)
Exceptional Items		-		(365.04)
Operating Profit before Working Capital changes		**53,539.69**		**48,418.10**
Changes in Working Capital:				
Adjustment for (Increase) / Decrease in Operating Assets:				
Non-Current Financial Assets	(34.87)		12.11	
Other Non-Current Assets	(33,431.72)		(183.87)	
Inventories	(35,000.08)		(19,432.13)	
Trade Receivables	2,148.66		(27,332.76)	
Current Financial Assets	10,571.34		(4,724.64)	
Other Current Assets	(12,270.44)	**(68,017.11)**	3,481.74	**(48,179.55)**
Adjustment for Increase / (Decrease) in Operating Liabilities:				
Other Non Current Financial Liabilities	900.47		(432.38)	
Non Current Provisions	(27.26)		(369.71)	
Other Non-Current Liabilities	97.71		(39.37)	
Trade Payables	(8,659.86)		10,542.62	
Other Current Financial Liabilities	521.73		(6,255.79)	
Other Current Liabilities	1,267.77	**(5,899.44)**	1,854.34	**5,299.71**
Net Taxes (paid) / refund received		(14,121.17)		(7,508.44)
Net Cash Flow from Operating Activities (A)		**(34,498.03)**		**(1,970.18)**
B) CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure		(13,599.88)		(3,583.77)
Proceeds from Sale of Assets		746.17		280.11
Purchase of Current Investments		16,938.95		(16,581.54)
Interest Income		1,707.45		1,012.14
Net Cash Flow from Investing Activities (B)		**5,792.69**		**(18,873.06)**
C) CASH FLOW FROM FINANCING ACTIVITIES				
Net Increase / (Decrease) in Non-Current Borrowings		6,602.95		(1,674.47)
Net Increase / (Decrease) in Current Borrowings		66,305.78		24,434.40

Consolidated Cash Flow Statement (Contd.)

for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
Finance Cost		(4,735.90)		(2,807.90)
Final Dividend on Equity Shares		(2,961.00)		(1,184.40)
Transitional Reserve of Balance Sheet Items		(1,154.05)		(224.67)
Net Cash Flow from Financing Activities (C)		**64,057.78**		**18,542.96**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		**35,352.44**		**(2,300.28)**
Cash and Cash Equivalents at the beginning of the year		3,317.65		5,617.93
Cash and Cash Equivalents at the end of the year		**38,670.09**		**3,317.65**
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:				
Cash and Cash Equivalents as per Balance Sheet		**38,670.09**		**3,317.65**
Cash and Cash Equivalents at the end of the year comprises of:				
(a) Cash in Hand		4.43		7.46
(b) Balance with Banks				
- In Current Accounts		38,665.66		3,310.19
- In Fixed Deposits		-		-

As per our report of even date attached

For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915

New Delhi, May 29, 2022

For and on behalf of Board of Directors

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

UAE / Mumbai, May 29, 2022

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2022

1. CORPORATE INFORMATION

Indo Count Industries Limited is a limited Group incorporated and domiciled in India whose shares are publicly traded. The registered office is located at Office No.1, Plot No.266, Village Alte, Kumbhoj Road, Taluka Hatkanagale, Dist. Kolhapur-416109, Maharashtra, India.

The Group mainly deals in Textiles. The Group has its wide network of operations in local as well as in foreign market. The group is also the preferred partner for some of the best known retail, hospitality and fashion brands in the world. It is fast, agile and responds to the needs of clients with solutions that make a difference in consumers' lives.

The Financial statements of the Group for the year ended 31 March, 2022 were authorized for issue in accordance with a resolution of the Board of Directors on 29 May, 2022.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest lakhs, except otherwise indicated.

3. PRINCIPLES OF CONSOLIDATION

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns, from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity income and expenses. Inter-Company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provided evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, plant and equipment and right-of-use assets:

The Group has opted to follow cost model for accounting of its entire property, plant and equipment. Property, plant and equipment are stated at original cost inclusive of incidental expenses related to acquisition net of tax / duty credit availed, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major repair is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria is satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

Right-of-use (ROU) assets are stated at cost, less accumulated depreciation and impairment loss, if any.

Notes to the Consolidated Financial Statements

The carrying amount of ROU assets is adjusted for remeasurement of lease liability, if any, in future. Cost of ROU assets comprises the amount of initial measurement of lease liability, lease payments made before the commencement date (net of incentives received), initial direct costs and present value of estimated costs of dismantling and restoration, if any.

Depreciation on the property, plant and equipment is provided over the useful life of assets as specified in schedule II to the Companies Act, 2013. Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition / deletion.

The Group, based on technical assessment made by technical expert and management estimate, depreciates the certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

In case of some items of plant, depreciation has been provided in range of 3 years (minimum) to 35 years (maximum) based on the technical evaluation of the remaining useful life which is different from the one specified in schedule II to the Companies Act, 2013.

ROU assets are depreciated on straight line basis from the commencement date to the end of useful life of asset or lease term whichever is earlier.

Leasehold lands forming part of ROU are amortised over the period of lease. Buildings constructed on leasehold land are depreciated based on the useful life specified in schedule II to the Companies Act, 2013, where the lease period of land is beyond the life of the building. In other case, buildings constructed on leasehold lands are amortised over the primary lease period of the land.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

4.2 Investment properties

Investment properties comprise portions of freehold land and office building that are held for long-term rental yields and/or for capital appreciation. Investment properties are initially recognized at cost. Subsequently, investment property comprising of building is carried at cost less accumulated depreciation and impairment losses.

The cost includes the cost of replacing parts and borrowing cost for long term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit and loss as incurred.

Depreciation on building is provided over the estimated useful lives as specified in schedule II to the Companies Act, 2013. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted on prospective basis as appropriate, at each financial year end. The effects of any revision are included in the statement of profit and loss when the change arise.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognized when either they have been disposed off or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss in the period of derecognition.

Notes to the Consolidated Financial Statements

4.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalized and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Research and development cost:

Research costs are expensed as incurred. Development expenditures on an individual project are recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss.

During the period of development, the asset is tested for impairment annually.

Patents and trade marks:

The Group made upfront payments to purchase patents and trade-marks. The patents have been granted for a period of 20 years by the relevant agency with the option of renewal at the end of this period. Trade-marks for the use of intellectual property are granted for a period of 10 years with the option of renewal at the end of this period.

A summary trade-marks of the policies applied to the Group's intangible assets is, as follows:

Intangible assets	Useful lives	Amortisation method used	Internally generated or acquired
Trade-Marks	Finite (10 years)	Amortised on a straight-line basis over the period of the trade-mark	Acquired
Patents	Finite (20 years)	Amortised on a straight-line basis over the period of the patent	Acquired

4.4 Borrowing costs

Borrowing costs consist of interest and other costs that an Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Notes to the Consolidated Financial Statements

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

4.5 Impairment of non-financial assets:

As at each balance sheet date, the Group assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognized in the previous periods. If any indication exists or when annual impairment testing for an asset is required, if any, the Group determines the recoverable amount and impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in profit and loss section of the statement of profit and loss, except for properties previously revalued, with the revaluation taken to other Comprehensive Income (the OCI). For Such properties, the impairment is recognized in OCI up to the amount of any previous revaluation.

4.6 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition is accounted for as follows:

a) Raw material, packing material, construction material, stores & spares:
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

b) Finished goods and work in progress:
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

c) Traded goods:
Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

d) Wastage and rejections are valued at estimated realizable value.
Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at net realisable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Notes to the Consolidated Financial Statements

4.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits with banks which are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

4.8 Foreign currency transactions

The Group's financial statements are presented in INR, which is also the Group's functional currency.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognized as income or expenses in the period in which they are arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on transaction of non-monetary items is recognized in line with the gain or loss of the item that gave rise to the translation difference (i.e. translation differences on items whose gain or loss is recognized in other comprehensive income or the statement of profit and loss is also recognized in other comprehensive income or the statement of profit and loss respectively).

4.9 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

4.10 Fair value measurement

The Group measures financial instruments, such as derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

4.11 Revenue Recognition

The Companies (Indian Accounting Standards) Amendment Rules, 2018 issued by the Ministry of Corporate Affairs (MCA) notified Ind AS 115 "Revenue from Contracts with Customers" related to revenue recognition which replaced Ind AS 11 "Construction Contracts" and Ind AS 18 " Revenue" and provide a single, comprehensive model for all contracts with customers. The revised standard contains principles to determine the measurement of revenue and timing of when it is recognized. The amendment also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in those judgments as well as assets recognized from costs incurred to fulfill these contracts.

The Group has adopted Ind AS 115 w.e.f. 1st April, 2018 using the modified retrospective approach. However, the adoption of the standard did not have any impact on the financial statements.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods:

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Rendering of Services:

Revenue from sale of service is recongised as per terms of the contract with customers when the outcome of the transactions involving rendering of services can be estimated reliably.

Interest Income:

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividends:

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Notes to the Consolidated Financial Statements

Lease Income:

Lease agreements where the risks and rewards incident to the ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals are recognized on straight-line basis as per the terms of the agreements in the statement of profit and loss.

4.12 Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

4.13 Earnings per share

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

4.14 Taxes

Current Income Tax:

- Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.
- Current income tax relating to items recognized directly in equity and not in the statement of profit and loss. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

Deferred Tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws)that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group have a legally enforceable right to set-off assets against liabilities and where such

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assets and liabilities relate to taxes on income levied by the same governing taxation laws.

4.15 Segment accounting

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

a) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.

b) Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure.

c) Income which relates to the Group as a whole and allocable to segments is included in unallocable income.

d) Segment result includes margins on inter-segment sales which are reduced in arriving at the profit before tax to the Group.

e) Segment assets and liabilities include those directly identifiable with respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

Inter-Segment transfer pricing

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

4.16 Leases

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for land and buildings. The Group 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 Group assesses whether:

(i) the contract involves the use of an identified asset,

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease, and

(iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group 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 Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include 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. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

Notes to the Consolidated Financial Statements

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 Group 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.

The Group as a lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

4.17 Employee benefits

i) Short-term employee benefits

All employee benefits payable only within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, etc. and the excepted cost of bonus, ex-gratia, and incentives are recognized in the period during which the employee renders the related service.

ii) Post-employment benefits

a) Defined contribution plans

State Government Provident Scheme is a defined contribution plan. The contribution paid /payable under the scheme is recognized in the statement of profit and loss during the period in which the employee renders the related services.

b) Defined Benefit Plans

The employee Gratuity Fund scheme and Leave Encashment scheme managed by different trusts are defined benefit plans.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Remeasurements, comprising of actuarial gain and loss, the effect of asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods. Past service cost is recognized in the statement of profit and loss in the period of plan amendment.

Net Interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognizes the following changes in the net defined benefit obligation under employee benefit expenses in the statement of profit and loss.

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.

- Net interest expense or income.

Long-term employee benefit

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Termination benefits

Termination benefits are recognized as expenses in the period in which they are incurred.

4.18 Provisions, Contingent liabilities, Contingent assets and Commitments

General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement

Notes to the Consolidated Financial Statements

is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provision, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Warranty Provisions

Provision for warranty-related costs are recognized when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Liquidated damages

Provision for liquidated damages are recognized on contracts for which delivery dates are exceeded and computed in reasonable manner.

Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialize in respect of matters in appeal.

Onerous contracts

A provision for onerous contracts is measured at the present value lower of the expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Group recognizes impairment on the assets under the contract.

4.19 Exceptional Items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Group is such that its disclosure improves the understanding of the performance of the Group. Such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying the financial statements.

4.20 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

Assets and liabilities classified as held for distribution are presented separately from other assets and liabilities in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of the that either has been disposed of, or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations,

or

- is a subsidiary acquired exclusively with a view to resale.

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A Group shall not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

4.21 Financial Instruments

i) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial asset at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Group's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The Financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the Group has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or

Notes to the Consolidated Financial Statements

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either;

  a) The Group has transferred substantially all the risks and rewards of the asset, or

  b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Investment in associates, joint venture and subsidiaries

The Group has accounted for its investment in associates, joint venture and subsidiaries at cost.

Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months' expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

  The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months' ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognize impairment loss allowance based on 12-months' ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increase in credit risk to be identified on a timely basis.

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ii) Financial liabilities:

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms of an existing liability are substantially modified, such as exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iv) Derivative financial instruments and hedge accounting

The Group enters into derivative contracts to hedge foreign currency /price risk on unexecuted firm commitments and highly probable forecast transactions. Such derivative financial instruments are initially recognized at fair value on the date on which a derivate contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is

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positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income and presented as a separate component of equity which is later reclassified to statement of profit and loss when the hedge item affects profit or loss.

4.22 Business combination under common control

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. Under pooling of interest, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

The difference, if any, between the amount recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

4.23 Preference Shares

i) Non-convertible Preference Shares

On issuance of non-convertible preference shares, the fair value is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

ii) Convertible Preference Shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised.

4.24 Ministry of Corporate Affairs ("MCA") has notified new standards or amendments to the existing standards. The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing April 1, 2021.

- Extension of COVID-19 related concessions – amendments to Ind AS 116.
- Interest rate Interest rate benchmark reform – amendments to Ind AS 109, Financial Instruments, Ind AS 107, Financial Instruments: Disclosures, Ind AS 104, Insurance Contracts and Ind AS 116, Leases.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

4.25 The Ministry of Corporate Affairs has vide notification dated March 23, 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective April 1, 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

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4.26 Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from April 1, 2021. Consequently, the Company has changed the classification/presentation of security deposits (assets), fixed deposits, lease liabilities and current maturities of long term debts in the current year.

Security deposits and fixed deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets', lease liabilities have been shown separately on the face of Balance Sheet and current maturities of long term debts have been included in 'short term borrowings'.

Previously, security deposits were included in 'loans / other assets', fixed deposits were included in 'cash and cash equivalents', lease liabilities and current maturities of long term debts were included in 'other financial liabilities'.

The Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

(₹ In Lakhs)

Balance Sheet (extract)	31st March, 2021 (as previously reported)	Increase / (decrease)	31st March, 2021 (restated)
Financial Loans (Non-Current)	383.86	(383.86)	-
Other Assets (Non-Current)	827.39	(107.80)	719.59
Other Financial Assets (Non-Current)	0.01	491.66	491.67
Financial Loans (Current)	139.88	(139.88)	-
Cash and Cash Equivalents	11,975.65	(8,658.00)	3,317.65
Other Current Assets	12,570.85	(4.01)	12,566.84
Other Financial Assets (Current)	5,130.46	8,801.89	13,932.35
Other Financial Liabilities (Non-Current)	156.33	(156.33)	-
Lease Liabilities (Non-Current)	-	156.33	156.33
Other Financial Liabilities (Current)	2,917.30	(1,949.45)	967.85
Lease Liabilities (Current)	-	355.16	355.16
Borrowings (Current)	53,707.85	1,594.29	55,302.14

5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

Judgements

In the process of applying the Group's accounting policies, management has made judgements, which have the most significant effect on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Notes to the Consolidated Financial Statements

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

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

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the Group's operations and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts.

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The Group has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements.

Notes to the Consolidated Financial Statements

6. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Land - Freehold	Buildings*	Plant & Machinery**	Furniture & Fixtures	Factory & Office Equipments	Vehicles	Total	Capital Work in Progress***
Gross Carrying Amount								
As at 01.04.2021	**1,066.66**	**17,530.21**	**79,006.54**	**1,664.61**	**1,683.76**	**497.72**	**1,01,449.50**	**772.40**
Additions	-	605.28	8,986.02	388.57	191.66	52.16	**10,223.69**	**1,621.99**
Disposals / Transfers	-	76.51	3,866.60	683.56	39.89	18.71	**4,685.27**	-
As at 31.03.2022	**1,066.66**	**18,058.98**	**84,125.96**	**1,369.62**	**1,835.53**	**531.17**	**1,06,987.92**	**2,394.39**
Accumulated Depreciation								
As at 01.04.2021	-	**5,493.99**	**39,215.00**	**1,126.98**	**1,261.57**	**326.85**	**47,424.39**	-
Depreciation charged for the year	-	569.03	2,685.71	131.17	162.23	50.48	**3,598.62**	-
Disposals / Transfers	-	142.33	3,017.00	623.57	32.95	16.14	**3,831.99**	-
As at 31.03.2022	-	**5,920.69**	**38,883.71**	**634.58**	**1,390.85**	**361.19**	**47,191.02**	-
Net Carrying Amount								
As at 31.03.2021	**1,066.66**	**12,036.22**	**39,791.54**	**537.63**	**422.19**	**170.87**	**54,025.11**	**772.40**
As at 31.03.2022	**1,066.66**	**12,138.29**	**45,242.25**	**735.04**	**444.68**	**169.98**	**59,796.90**	**2,394.39**

* a) Includes 10 shares of ₹50 each of Arcadia Premises Co-operative Society Limited.

b) Includes 10 shares of ₹50 each of Vardhman Industrial Complex Premises Co-operative Housing Society Limited.

** Includes addition on account of Foreign Exchange fluctuations of ₹3.41 lakhs (previous year ₹1.25 lakhs).

*** Does not include Capital Advances of ₹33,972.84 lakhs (previous year ₹400.53 lakhs).

c) CWIP ageing schedule

Projects in progress

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As At 31.03.2021	2,173.71	90.30	82.26	48.12	**2,394.39**
As At 31.03.2022	**597.43**	**121.40**	**34.00**	**19.57**	**772.40**

Notes to the Consolidated Financial Statements

7. RIGHT-OF-USE (ROU)

(₹ in Lakhs)

Particulars	Land - Leasehold	Buildings	Plant & Machinery	Total
Gross Carrying Amount				
As at 01.04.2021	1,420.44	1,136.99	-	2,557.43
Additions	-	1,619.34	30.18	1,649.52
Disposals / Transfers	-	785.68	-	785.68
As at 31.03.2022	1,420.44	1,970.65	30.18	3,421.27
Accumulated Depreciation				
As at 01.04.2021	56.41	677.72	-	734.13
Depreciation charged for the year	10.77	400.93	3.08	414.78
Disposals / Transfers	-	674.04	-	674.04
As at 31.03.2022	67.18	404.61	3.08	474.87
Net Carrying Amount				
As at 31.03.2021	1,364.03	459.27	-	1,823.30
As at 31.03.2022	1,353.26	1,566.04	27.10	2,946.40

Refer Note No. 41 for information about Leases.

8. OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Particulars	Software	Patents	Total
Gross Carrying Amount			
As at 01.04.2021	552.29	265.03	817.32
Additions	80.17	24.52	104.69
Disposals / Transfers	-	-	-
As at 31.03.2022	632.46	289.55	922.01
Accumulated Depreciation			
As at 01.04.2021	470.39	81.98	552.37
Depreciation charged for the year	53.51	23.89	77.40
Disposals / Transfers	-	-	-
As at 31.03.2022	523.90	105.87	629.77
Net Carrying Amount			
As at 31.03.2021	81.90	183.05	264.95
As at 31.03.2022	108.56	183.68	292.24

Notes to the Consolidated Financial Statements

9. OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Security Deposits	469.14	470.36
Deferred Expenditure	57.40	21.30
Balances with Banks		
Held as margin / Fixed deposits	-	0.01
TOTAL	**526.54**	**491.67**
Break-up:		
Loans considered good - Secured	-	0.01
Loans considered good - Unsecured	526.54	491.66
Loans which have significant increase in Credit Risk	-	-
Loans - Credit Impaired	-	-
TOTAL	**526.54**	**491.67**
Less: Allowance for Doubtful Loans	-	-
TOTAL	**526.54**	**491.67**

Refer Note No. 50 for information about Credit Risk and Market Risk of Loans.

10. OTHER NON-CURRENT ASSETS

(Unsecured-considered good)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Capital Advances	33,972.84	400.53
Others	178.46	319.06
TOTAL	**34,151.30**	**719.59**

11. INVENTORIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Raw Materials *	44,869.57	18,383.75
Work-in-Progress	18,561.90	24,920.88
Finished Goods		
- Manufactured Goods	33,180.90	23,140.87
- Traded Goods	4,777.64	-
Waste	175.96	68.94
Stores & Spares **	4,173.85	4,314.25
Dyes and Chemicals ***	1,064.02	975.06
TOTAL	**1,06,803.84**	**71,803.75**

* Includes goods in transit ₹554.00 lakhs (previous year ₹1,862.26 lakhs).
** Includes goods in transit ₹260.00 lakhs (previous year ₹135.97 lakhs).
*** Includes goods in transit ₹13.57 lakhs (previous year ₹44.19 lakhs).

Notes to the Consolidated Financial Statements

12. CURRENT INVESTMENTS

Particulars		No. of Shares As at 31.03.2022	No. of Shares As at 31.03.2021	₹ in lakhs As at 31.03.2022	₹ in lakhs As at 31.03.2021
Investments carried at Fair Value through Profit and Loss					
QUOTED					
In Mutual Funds:					
Aditya Birla SL Arbitrage Fund Growth		-	49,17,570	-	1,023.58
IDFC Arbitrage Fund Growth		-	40,14,907	-	1,022.81
KOTAK Arbitrage Fund-Growth		-	17,66,184	-	513.13
ICICI Equity Arbitrage Fund-Growth		-	38,16,997	-	1,022.96
INVESCO Mutual Fund		-	20,59,536	-	509.50
Union Hybrid Equity-Regular-Growth		99,985	99,985	12.39	10.70
Aditya Birla Sunlife Saving Fund		-	47,508	-	200.82
Avendus Absolute Return Fund				138.04	499.98
TOTAL	A			**150.43**	**4,803.48**
In Short Term Investments:					
HDFC Corporate Fixed Deposit				-	3,400.00
LIC Housing Finance Limited Fixed Deposit				-	7,990.00
Bajaj Finance Limited				-	500.00
TOTAL	B			**-**	**11,890.00**
TOTAL	A+B			**150.43**	**16,693.48**
Aggregate Value of:					
Quoted Investments				150.43	4,803.48
Unquoted Investments				-	11,890.00
Market Value of Quoted Investments				150.43	4,803.48

13. CURRENT TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Receivables - Others	49,417.40	51,566.06
Receivables from Related Parties (Refer Note No. 42)	-	-
Receivables which have significant increase in Credit Risk	-	-
Receivables - Credit Impaired	-	-
Allowance for Doubtful Receivables	-	-
TOTAL	**49,417.40**	**51,566.06**
Current Portion	49,417.40	51,566.06
Non-Current Portion	-	-
Break-up of Security Details:		
Secured, Considered Good	-	-
Unsecured, Considered Good	49,417.40	51,566.06
Doubtful	-	-
TOTAL	**49,417.40**	**51,566.06**
Less: Allowance for Doubtful Receivables	-	-
TOTAL	**49,417.40**	**51,566.06**

Notes to the Consolidated Financial Statements

a) Trade Receivables include ₹10,334.34 lakhs (previous year ₹3,972.98 lakhs) for which credit risk is retained by the Group under a factoring arrangement. The Group retains interest liability upto an agreed date on the entire amount, the costs for which are recognised as part of finance costs.

b) Refer Note No. 50 for information about Credit Risk and Market Risk of Trade Receivables.

Note:

Trade Receivable ageing schedule

Particulars	Note due	Outstanding for following years from due date of payment					
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31,2022	35,164.90	14,162.99	69.47	20.04	-	-	**49,417.40**
As at March 31,2021	**48,030.38**	**3,032.32**	**487.98**	**15.38**	**-**	**-**	**51,566.06**

14. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash in Hand	4.43	7.46
Balances with Banks :		
- In Current Acounts	38,665.66	3,310.19
TOTAL	**38,670.09**	**3,317.65**

15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Balances with Banks		
- Held as Margin / Fixed Deposits	765.14	677.86
TOTAL	**765.14**	**677.86**

a) Includes receipts for ₹286.55 lakhs (previous year ₹212.67 lakhs) held with bank as margin money against bank guarantees for Letter of Credit facilities / Corporate Credit Cards.

b) Includes receipts for ₹0.05 lakhs (previous year ₹0.05 lakhs) lodged with Excise Department.

c) Includes receipts for ₹99.59 lakhs (previous year ₹99.59 lakhs) held with bank as margin money against guarantee given to MSEB.

d) Includes receipts for ₹378.95 lakhs (previous year ₹756.65 lakhs) held with bank as margin money against guarantee for cash credit facility by a Foreign Subsidiary.

16. OTHER CURRENT FINANCIAL ASSETS

(Unsecured-considered good) (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Bank Deposits	587.83	8,658.00
Security Deposits	146.23	143.89
Derivative Asset	1,780.74	4,763.42
Others	1,013.31	367.04
TOTAL	**3,528.11**	**13,932.35**
Less: Allowance for Doubtful Advances	254.39	-
TOTAL	**3,273.72**	**13,932.35**

Notes to the Consolidated Financial Statements

17. CURRENT TAX ASSETS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advance Income Tax (including Tax Deducted at Source)	312.83	45.05
Income Tax Paid Under Protest	1,181.02	-
Refund Due	722.53	696.36
MAT Credit Entitlement	157.58	157.58
TOTAL	**2,373.96**	**898.99**

18. OTHER CURRENT ASSETS

(Unsecured-considered good)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Export Incentives / Claims Recoverable	20,610.71	2,889.05
Balances with Excise / Service Tax Authorities	70.84	70.83
Balances with VAT / GST Authorities	3,896.34	6,818.49
Interest Accrued on Loans & Deposits	21.79	222.00
Advance to Suppliers	1,653.36	1,611.45
Others	1,975.61	1,388.45
TOTAL	**28,228.65**	**13,000.27**
Less: Allowance for Doubtful Loans	3,391.34	433.43
TOTAL	**24,837.31**	**12,566.84**

19. SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Authorised:		
Equity Shares		
27,50,00,000 Shares of ₹2 each	5,500.00	5,500.00
Preference Shares		
50,00,000 Shares of ₹10 each	500.00	500.00
TOTAL	**6,000.00**	**6,000.00**
Issued, Subscribed and Paid-Up:		
Equity Shares		
19,73,99,670 Shares of ₹2 each	3,947.99	3,947.99
TOTAL	**3,947.99**	**3,947.99**

Notes to the Consolidated Financial Statements

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	₹ in lakhs	No. of Shares	₹ in lakhs
Authorised:				
Equity Shares of ₹2 each				
Balance at the beginning of the year	27,50,00,000	5,500.00	27,50,00,000	5,500.00
Balance at the end of the year	**27,50,00,000**	**5,500.00**	**27,50,00,000**	**5,500.00**
Preference Shares of ₹10 each				
Balance at the beginning of the year	50,00,000	500.00	50,00,000	500.00
Balance at the end of the year	**50,00,000**	**500.00**	**50,00,000**	**500.00**
TOTAL	**28,00,00,000**	**6,000.00**	**28,00,00,000**	**6,000.00**
Issued, Subscribed and Paid-Up:				
Equity Shares of ₹2 each				
Balance at the beginning of the year	19,73,99,670	3,947.99	19,73,99,670	3,947.99
Balance at the end of the year	**19,73,99,670**	**3,947.99**	**19,73,99,670**	**3,947.99**

(b) Terms/Rights attached to Equity Shares:

(i) The Group has only one class of Equity Shares having a par value of ₹2 each. Each holder of Equity Shares is entitled to one vote per share and pro-rata dividend on the shares held.

(ii) In the event of liquidation of the Group, the holders of Equity Shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(c) Details of Equity Shares in the Group held by each shareholder holding more than 5% of shares is as under:

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Indo Count Securities Limited	3,10,41,385	15.73%	3,10,41,385	15.73%
Sandridge Investments Limited	6,20,02,455	31.41%	6,20,02,455	31.41%

(d) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

Notes to the Consolidated Financial Statements

(e) Disclosure of Shareholding of Promoters:

Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	Percentage	No. of Shares	Percentage
Sandridge Investments Limited	6,20,02,455	31.41%	6,20,02,455	31.41%
Indocount Securities Limited	3,10,41,385	15.73%	3,10,41,385	15.73%
Gayatri Devi Jain	66,85,855	3.39%	66,85,855	3.39%
Shikha Mohit Jain	52,48,825	3.66%	52,48,825	3.66%
Yarntex Exports Ltd.	23,12,500	1.17%	23,12,500	1.17%
Neha Singhvi	22,79,130	1.15%	22,79,130	1.15%
Shivani Patodia	21,73,750	1.10%	21,73,750	1.10%
Anil Kumar Jain	18,67,555	0.95%	18,67,555	0.95%
Margo Finance Limited	15,20,020	0.77%	15,20,020	0.77%
Mohit Anilkumar Jain	6,92,850	0.35%	6,92,850	0.35%
Slab Promoters Private Limited	3,08,325	0.16%	3,08,325	0.16%
Rini Investment and Finance Private Limited	1,19,100	0.06%	1,19,100	0.06%
Anil Kumar Jain	75,000	0.04%	75,000	0.04%
Sunita Jaipuria	20,000	0.01%	20,000	0.01%
TOTAL	**11,63,46,750**	**59.95%**	**11,63,46,750**	**59.95%**

(f) Dividend paid :

(₹ in Lakhs)

Particulars	2021-22	2020-21
Final Dividend for F.Y. 2019-20: ₹0.60 per share (face value of ₹2 each)	-	1,184.40
Final Dividend for F.Y. 2020-21: ₹1.50 per share (face value of ₹2 each)	2,961.00	-

20. NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
Term Loan		
i) Rupee loans		
- From Banks (a)	7,577.69	-
- From Financial Institutions (a)	960.52	1,935.26
TOTAL	**8,538.21**	**1,935.26**

a) Secured by first pari-passu charge by way of mortgage of immovable properties of the Holding Company situated at Kolhapur and by second pari-passu charge on hypothecation of all movable properties and current assets of the Holding Company, both present and future. Loans include amounts appearing in current borrowings of long term debts of ₹2,803.34 lakhs, (previous year ₹1,594.29 lakhs).

Notes to the Consolidated Financial Statements

b) Non-Current Borrowings Repayment Schedule (₹ in Lakhs)

Particulars	Maturity Profile				
	1-2 Years	2-3 Years	3-4 Years	4-5 Years	5-6 Years
TERM LOAN					
Rupee loans					
From Banks	2,185.63	2,185.62	2,185.62	685.62	335.20
From Financial Institutions	960.52	-	-	-	-
TOTAL	**3,146.15**	**2,185.62**	**2,185.62**	**685.62**	**335.20**

21. NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for Employee Benefits	248.99	276.25
TOTAL	**248.99**	**276.25**

22. INCOME TAX

The major components of Income Tax expense for the years ended 31 March, 2022 and 31 March, 2021 are:

STATEMENT OF PROFIT AND LOSS

Profit and Loss Section (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Current Income Tax:		
Current Income Tax charge	13,541.85	8,809.21
Adjustments in respect of Current Income Tax of previous years	16.00	113.64
Deferred Tax:		
Relating to origination and reversal of temporary differences	(814.81)	126.66
Income Tax expense reported in the Statement of Profit and Loss	**12,743.04**	**9,049.51**

Other Comprehensive Income (OCI) section (₹ in Lakhs)

Particulars	31.03.2022	31.03.2021
Net loss / (gain) on remeasurements of Defined Benefit Plan and change in Forex	(505.06)	2,089.69
Income Tax charged to OCI	**(505.06)**	**2,089.69**

Notes to the Consolidated Financial Statements

Deferred Tax (₹ in Lakhs)

Particulars	Balance Sheet As at 31.03.2022	Balance Sheet As at 31.03.2021	Profit & Loss As at 31.03.2022	Profit & Loss As at 31.03.2021
Deferred Tax relates to the following:				
Expenses allowable on payment basis	1,289.22	469.10	(820.12)	1,433.53
Incomes allowable on receipt basis	(454.92)	(1,198.86)	(743.94)	1,198.86
Unused Tax Losses / Depreciation	756.43	849.64	93.21	(244.46)
Accelerated Depreciation for Tax purpose	(8,234.98)	(8,084.00)	150.98	(171.58)
	(6,644.25)	**(7,964.12)**	**(1,319.87)**	**2,216.35**
Deferred Tax Expenses / (Income):				
- Recognised in Profit and Loss	-	-	(814.81)	126.66
- Recognised in OCI	-	-	(505.06)	2,089.69
Deferred Tax Assets / (Liabilities)	(6,644.25)	(7,964.12)	-	-
	(6,644.25)	**(7,964.12)**	**(1,319.87)**	**2,216.35**

Reflected in the Balance Sheet : (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Tax Assets	2,045.65	1,318.74
Deferred Tax Liabilities	(8,689.90)	(9,282.86)
Deferred Tax Liabilities (Net)	**(6,644.25)**	**(7,964.12)**

Reconciliation of Deferred Tax Liabilities (Net) (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Balance as of 1 April	(7,964.12)	(5,747.77)
Tax Income / (Expense) during the period recognised in Profit and Loss	814.81	(126.66)
Income / (Expense) during the year recognised in OCI	505.06	(2,089.69)
Closing Balance as at 31 March	**(6,644.25)**	**(7,964.12)**

23. OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Deferred Government Grants related to Property, Plant & Equipment	856.27	758.56
TOTAL	**856.27**	**758.56**

Notes to the Consolidated Financial Statements

24. CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Loans repayable on Demand :		
Secured		
i) From Banks		
- In Rupees*	1,17,689.25	53,707.85
Current Maturities of Long Term Borrowings	2,803.34	1,594.29
Unsecured		
i) From Banks		
- In Rupees*	1,115.33	-
TOTAL	**1,21,607.92**	**55,302.14**

* Secured by first pari-passu charge by way of hypothecation on all current assets and movable assets and further secured by second pari-passu charge on immovable properties of the Group, both present and future.

25. TRADE PAYABLES DUE TO MICRO & SMALL ENTERPRISES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Payables	2,990.55	4,065.26
TOTAL	**2,990.55**	**4,065.26**

Note:

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows: (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
a) The principal amount remaining unpaid to any supplier at the end of the year	2,990.55	4,065.26
b) Interest accrued and due to suppliers under the Act, on the above amount	0.95	24.76
c) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	3,377.38
d) Interest paid to suppliers under the Act	-	-
e) Interest due and payable to suppliers under the Act, for payments already made	-	21.91
f) Interest accrued and remaining unpaid at the end of the year under the Act	0.95	24.76
g) The amount of further interest remaining due and payable even in the succeeding years for the purpose of disallowances under Section 23 of the Act	-	-

Disclosure of payable to vendors as defined under the MSMED Act is based on the information available with the Group regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Group.

Notes to the Consolidated Financial Statements

26. TRADE PAYABLES OTHER THAN MICRO & SMALL ENTERPRISES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Payables	11,812.04	19,397.18
TOTAL	**11,812.04**	**19,397.18**

Note:

Trade Payables ageing schedule (₹ in Lakhs)

Particulars	Unbilled dues	Note due	Outstanding for following years from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31,2022							
(i) MSME	-	2,134.41	850.23	5.91	-	-	**2,990.55**
(ii) Others	-	4,348.95	7,440.82	19.08	3.06	0.13	**11,812.04**
TOTAL	**-**	**6,483.36**	**8,291.05**	**24.99**	**3.06**	**0.13**	**14,802.59**
As at March 31,2021							
(i) MSME	-	2,726.09	1,339.00	0.17	-	-	**4,065.26**
(ii) Others	-	10,066.58	9,204.99	110.60	2.01	13.00	**19,397.18**
TOTAL	**-**	**12,792.67**	**10,543.99**	**110.77**	**2.01**	**13.00**	**23,462.44**

27. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Interest Accrued but not due on Borrowings	-	0.12
Security Deposits	240.40	0.25
Unpaid Dividend *	181.35	132.09
Other Payables	686.47	835.39
TOTAL	**1,108.22**	**967.85**

* There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

28. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Advance from Customers	208.05	208.47
Deferred Government Grants related to Property, Plant & Equipment	46.22	39.37
Other Payables	10,370.73	9,109.35
TOTAL	**10,625.00**	**9,357.19**

Notes to the Consolidated Financial Statements

29. CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for Income Tax	921.67	10.02
TOTAL	**921.67**	**10.02**

30. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 37 "PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS"

(i) Movement in Provisions: (₹ in Lakhs)

Particulars	Bank Guarantees		Excise Duty / Customs Duty / Service Tax / Income Tax		VAT/ GST	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Carrying amount at the beginning of the year *	557.86	1,049.04	182.84	182.84	148.19	-
Add: Provision made during the year **	26.91	-	5,864.81	-	343.51	148.19
Less: Amounts used during the year	-	491.18	-	-	-	-
Carrying amount at the end of the year *	**584.77**	**557.86**	**6,047.65**	**182.84**	**491.70**	**148.19**

(₹ in Lakhs)

Particulars	Other Litigation Claims		Corporate Guarantee		Total	
	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	As at 31.03.2021
Carrying amount at the beginning of the year*	60.54	58.86	4,752.15	7,188.18	5,701.58	8,478.92
Add: Provision made during the year**	2.03	1.68	174.36	-	6,411.62	149.87
Less: Amounts used during the year	2.75	-	-	2,436.03	2.75	2,927.21
Carrying amount at the end of the year*	**59.82**	**60.54**	**4,926.51**	**4,752.15**	**12,110.45**	**5,701.58**

*Carrying amounts comprise of non-current and current provisions.

**Additional provision made during the year and reversal of unused amounts are included in the respective head of accounts.

(ii) Nature of Provisions:

(a) Bank guarantee amount represents Group's performance obligation to the holder of guarantee.

(b) Provision for excise duty/customs duty/service tax represents the differential duty liability that may be expected to materialise in respect of matters in appeal.

(c) Provision for litigation represents liabilities that may be expected to materialise in respect of matters in appeal.

(d) Corporate guarantee amount represents guarantee given to a foreign bank on behalf of a foreign subsidiary.

From 1st April 2020, Business activities of Indo Count Retail Ventures Pvt Ltd (ICRVPL) alongwith its business assets and liabilities were taken over by the Holding Company Indo Count Industries Limited (ICIL) under slump sale for a consideration of ₹1,00,000. In this slump sale, ICRVPL gained ₹8,19,44,930 which has been included in these accounts as capital reserve. ICRVPL being wholly owned subsidiary of ICIL no capital gain tax is payable in view of the provisions of section 47(v) of the Income Tax Act, 1961. However, in case ICIL's shareholding in ICRVPL is reduced or ICRVPL ceases to exist before a period of eight years, the capital gain of ₹8,19,44,930 shall be deemed to be the income of that year and capital gain tax shall be payable on that amount.

Notes to the Consolidated Financial Statements

31. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
1) Sale of Products		
- Manufactured	2,47,951.30	2,27,636.27
- Stock-In-Trade	13,020.76	7,268.71
2) Other Operating Revenue		
- Export Incentives / Benefits	23,229.72	17,013.60
REVENUE FROM OPERATIONS	**2,84,201.78**	**2,51,918.58**

Disaggregation of Revenue

Revenue based on Geography

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
India	21,956.36	13,444.56
Rest of World	2,62,245.42	2,38,474.02
REVENUE FROM OPERATIONS	**2,84,201.78**	**2,51,918.58**

Reconciliation of Revenue from Operations with Contract Price

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Contract Price	3,04,943.88	2,66,530.28
Less:		
Sales Returns	-	575.02
Rebates & Discounts	3,208.84	1,651.94
Embedded Interest	652.17	155.92
Others	16,881.09	12,228.82
REVENUE FROM OPERATIONS	**2,84,201.78**	**2,51,918.58**

32. OTHER INCOME

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Interest - Banks	708.59	737.25
Interest - Others	998.86	274.89
Government Grants related to Property, Plant & Equipment	66.78	39.37
Government Grants Received	-	107.88
Miscellaneous Receipts	170.37	54.77
Cash Discount Received	0.84	0.63
Insurance Claim Received	-	4.31
Profit on changes in NAV of Mutual funds	-	94.18
Profit on Redemption of Mutual funds	486.91	8.22
Profit on Sale of Assets	162.08	49.94
Exchange Rate Difference (Net)	11,039.68	-
Lease Rent Income	92.78	1.10
Mark to Market on Forward Contracts	-	2,224.53
Provision for Doubtful Debts Written Back	5.34	-
Sundry balances / Excess provision written back (Net)	6.52	6.51
Liability no longer payable written back	282.58	179.44
TOTAL	**14,021.33**	**3,783.02**

Notes to the Consolidated Financial Statements

33. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Raw Material & Components Consumed		
Opening Stock	18,383.75	13,916.07
Add: Purchases	1,53,755.44	1,38,021.65
SUB-TOTAL	**1,72,139.19**	**1,51,937.72**
Less : Material Returned out of Opening Stock	-	115.74
Less: Closing Stock	44,869.57	18,383.75
COST OF MATERIALS CONSUMED	**1,27,269.62**	**1,33,438.23**

34. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(₹ in Lakhs)

Particulars		For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Opening Stock			
Finished Goods			
- Manufactured Goods		23,140.87	14,085.65
- Traded Goods		-	-
Stock in Process		24,920.88	20,423.65
Waste		68.95	96.40
SUB-TOTAL	A	**48,130.70**	**34,605.70**
Less: Closing Stock			
Finished Goods			
- Manufactured Goods		33,180.90	23,140.87

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Particulars		For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
- Traded Goods		4,777.64	-
Stock in Process		18,561.90	24,920.88
Waste		175.96	68.95
SUB-TOTAL	**B**	**56,696.40**	**48,130.70**
(INCREASE) / DECREASE IN STOCK	**(A-B)**	**(8,565.70)**	**(13,525.00)**

35. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Salaries & Wages	15,078.24	12,476.78
Directors' Remuneration	2,696.11	2,371.58
Contribution to Provident & Other Funds	839.70	668.94
Gratuity	152.76	185.34
Staff Welfare Expense	303.72	172.03
Recruitment & Training Expense	41.75	29.77
TOTAL	**19,112.28**	**15,904.44**

36. FINANCE COST

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Interest Expense:		
- On Term Loans	632.88	394.99
- Banks	2,693.71	1,434.33
- Others	81.53	114.65
Bank Charges	1,274.74	791.46
Finance Procurement Charges	53.04	72.47
TOTAL	**4,735.90**	**2,807.90**

37. DEPRECIATION & AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Depreciation	4,090.80	4,314.92
TOTAL	**4,090.80**	**4,314.92**

Refer Note No. 41 for information about Leases

Notes to the Consolidated Financial Statements

38. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Consumption of Stores, Dyes and Packing Materials	22,381.31	18,435.66
Jobwork Charges	23,715.45	29,280.32
Power & Fuel	8,727.31	6,466.30
Rent (a)	758.23	578.43
Rates, Taxes & Fees	141.97	140.63
Insurance	757.56	538.10
Repairs to Machinery	574.02	573.45
Repairs to Buildings	160.93	85.74
Commission & Brokerage	1,150.81	1,133.01
Freight Outward	14,004.41	4,384.12
Other Selling Expenses	4,932.89	2,481.44
Loss on Sale of Assets	380.84	199.00
Loss on sale of Investments	-	0.51
Loss in value of NAV of Mutual Funds	91.02	-
Bad Debts / Advances written off	23.30	13.82
Exchange Rate Difference (Net)	-	296.69
Provision for Doubtful Debts / Advances	254.39	433.43
Mark to Market on Forward Contracts	899.27	-
Miscellaneous Expenses (b)	7,423.15	6,322.15
TOTAL	**86,376.88**	**71,362.80**

(a) Refer Note No. 41 for information about Leases.

(b) Includes Payment to Auditors

(₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
As Statutory Audit Fees	68.29	59.90
As Quarterly Audit / Limited Review Fees	10.50	10.50
As Tax Audit Fees	3.50	3.50
For Certification Work	0.15	0.28
In Other Capacity	2.60	3.65
For Reimbursement of Expenses	-	0.70
TOTAL	**85.04**	**78.53**

39. EXCEPTIONAL ITEMS

Exceptional Item for the Year ended March 31, 2021 represents the expenditure incurred on account of VRS / Separation Scheme approved by the Board of an Indian Subsidiary on July 15, 2020

Notes to the Consolidated Financial Statements

40. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

A. Contingent Liabilities (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
i) Bank Guarantees	584.77	557.86
ii) Excise duty/Custom duty/Service Tax/Income Tax demands disputed in appeals	6,047.65	182.84
iii) VAT/GST demands disputed in appeals	491.70	148.19
iv) Other litigation claims (Including Pending Labour Cases)	59.82	60.54
v) Corporate Guarantee given to a Foreign Bank outside India for securing financial assistance	4,926.51	4,752.15

(a) In terms of EPCG Licences issued, the Group has undertaken an export obligation for ₹80,349 lakhs, which is to be fulfilled over a period of 6 years. The Group has completed the export obligation to the extent of ₹77,810 lakhs, till the year end, of which licenses having Export Obligation of ₹51,014 lakhs redeemed by the DGFT and balance licenses having completed Export Obligation value of ₹26,796 lakhs are under redemption at DGFT. Further, there are licenses issued by the DGFT amounting to ₹2,539 lakhs for which capital goods are under imports.

(b) The Group does not have any Advance Authorization (Advance Import Licenses) at the year end.

(c) Under the package scheme of incentives of Government of Maharashtra for Mega Projects, the Group was eligible for VAT and Electricity duty refund benefits. However, if it contravenes any of the conditions of the scheme or eligibility certificate of entitlement, it shall repay forthwith the entire benefits drawn/availed alongwith interest thereon together with costs, charges and expenses.

(d) No provision has been made in the accounts towards Electricity Duty on electricity generated for captive use during the period 01.04.2000 to 30.04.2005 amounting to ₹292.07 lakhs (previous year ₹292.07 lakhs) excluding interest, as the Group has won the case against MSEDCL vide order number 2204 of 2007 dated 07.11.2009 of the Hon'ble High Court of Mumbai whereby it was decided that no such duty is payable. MSEDCL has appealed before the Hon'ble Supreme Court with condonation of delay and matter is yet to be heard. As the matter is subjudice, the management feels that no provision is necessary.

B. Commitments (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	22,424.29	3,266.02
b) Letter of credits opened for which the material has not yet been shipped	2,685.79	7,170.65

41. LEASES

a) The effect of Ind AS 116 is as follows:

The following is the summary of practical expedients:

i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

ii) Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term.

iii) Excluded the initial direct costs from the measurement of the ROU asset.

The weighted average incremental borrowing rate applied to lease liabilities 8.55%.

Notes to the Consolidated Financial Statements

b) The changes in the carrying value of ROU assets for the year ended March 31, 2022 are as follows: (₹ in Lakhs)

Particulars	Gross Carrying Amount	Depreciation	Net Carrying Amount
Land	1,420.44	67.18	1,353.26
Building	1,970.65	404.61	1,566.04
Plant and Machinery	30.18	3.08	27.10
TOTAL	**3,421.27**	**474.87**	**2,946.40**

c) The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

d) Expense relating to short-term leases and leases of low value assets amounted to ₹758.23 lakhs has been disclosed under Note 38 to the financial statements.

e) Carrying value of Right-of-Use (ROU) assets amounted to ₹2,946.40 lakhs are disclosed under Note 7 to the financial statements.

f) The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows:

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
A) The total of future minimum lease payments under non-cancellable leases for each of the following years:		
i) Not later than one year	1,184.75	948.89
ii) Later than one year and not later than five years	3,823.01	1,498.11
iii) Later than five years	644.99	804.94
B) Lease payments recognized in the Statement of Profit and Loss	758.23	578.43

g) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

42. RELATED PARTY DISCLOSURES

Related party disclosures as required by IND-AS 24 "Related Party Disclosures" are given below:

i) Key Management Personnel

1.	Shri Anil Kumar Jain	Executive Chairman
2.	Shri Mohit Jain	Executive Vice Chairman
3.	Shri K. R. Lalpuria	Executive Director & C.E.O.
4.	Shri Kamal Mitra	Director (Works)
5.	Shri Dilip Thakkar	Independent Director
6.	Shri Prem Malik	Independent Director
7.	Shri Sushil Kumar Jiwarajka	Independent Director
8.	Dr. (Mrs.) Vaijayanti Pandit	Independent Director
9.	Shri Sanjay Kumar Panda	Independent Director
10.	Shri Siddharth Mehta	Independent Director

ii) Relatives of Key Management Personnel

1. Smt. G. D. Jain
2. Smt. Shikha Jain

Notes to the Consolidated Financial Statements

iii) Parties where Control Exists

A. Associates

1. A. K. Jain HUF

B. Others

1. Indo Count Foundation

(₹ in Lakhs)

Particulars	Associates / Subsidiaries	Relatives of Key Management Personnel	Key Management Personnel	Others	Total
Remuneration Paid	-	254.24	2,696.11	-	2,950.35
	(-)	(40.07)	(2,280.44)	(-)	(2,320.51)
Commission Paid	-	-	9.00	-	9.00
	(-)	(-)	(6.00)	(-)	(6.00)
Sitting Fees	-	-	47.50	-	47.50
	(-)	(-)	(20.45)	(-)	(20.45)
Sale of Goods	-	-	-	-	-
	(-)	(-)	(-)	(25.00)	(25.00)
Lease Rent Paid	68.82	-	-	-	68.82
	(50.59)	(-)	(-)	(-)	(50.59)
CSR Expenses	-	-	-	226.69	226.69
	(-)	(-)	(-)	(336.23)	(336.23)
Balance outstanding at the end of the year:					
a) Deposit - Rent	15.60	-	-	-	15.60
	(15.60)	(-)	(-)	(-)	(15.60)
b) Other Payables:					
Remuneration Payable	-	-	1,323.57	-	1,323.57
	(-)	(-)	(1,048.48)	(-)	(1,048.48)
Commission Payable	-	-	8.10	-	8.10
	(-)	(-)	(5.40)	(-)	(5.40)
Lease Rent Payable	3.65	-	-	-	3.65
	(1.17)	(-)	(-)	(-)	(1.17)

a) Previous year figures are given in brackets.

b) Related parties enlisted above are those having transactions with the Group.

43. It is Management's opinion that since the Group is exclusively engaged in the activity of manufacture of textile products which constitutes a single reportable segment in the context of Indian Accounting Standard (Ind-AS) 108 on "Operating Segments" issued by the Institute of Chartered Accountants of India.

Notes to the Consolidated Financial Statements

44. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITIES (CSR)

Corporate Social Responsibility Expenditure (₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Amount of cumulative shortfall at the beginning of the year (a)	37.43	169.87
Amount required to be spent by the Company during the year	335.59	235.21
Amount of expenditure incurred (b)	382.43	367.65
Amount of shortfall for the year	-	37.43
Amount of cumulative shortfall at the end of the year	-	37.43

a) Unspent CSR amount of ₹169.87 lakhs of FY 2019-20 was approved by the Board for carrying forward in next FY 2020-21. Out of the said amount, ₹132.44 lakhs was incurred in FY 2020-21 and ₹37.43 lakhs has been allocated towards on-going project. Hence, the amount of ₹37.43 lakhs was transferred to unspent CSR account.

b) Represents amount incurred through Indo Count Foundation and directly through the Group. Amount debited in books of accounts included in Note No. 38 is ₹ 343.13 lakhs (previous year ₹390.34 lakhs).

Disclosures in relation to corporate social responsibility expenditure

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Education- Promoting Education by implementation of E-learning systems in schools and support to educational institutions	17.65	64.21
Healthcare- Providing medical facilities through 4 medical vans reaching to distant villages. Providing infrastructure support & giving medical equipments at certain hospital(s)	130.34	167.38
Enhancing vocational skills- Skill Development Centre for training women in sewing and stitching skills, enabling them to get employment and be independent,therebyimproving standard of living	-	2.03
Water & Sanitation- Making available pure and safe drinking water to the community through installation/maintenance of Water Filters/ RO system in schools and public places. Building/ maintaining toilet blocks	4.79	3.98
Rural Development & Environment- Clean Environment/ Plantation and Rural upliftment	42.85	9.35
Environment- GAGAN Project (sustainability initiative for economic Upliftment of farmers)	19.40	5.93
Disaster Management- Support during COVID-19 pandemic (Supply of Ventilators/ Mask/ distribution of food packets)	9.27	96.30
Funds specified in Schedule VII- Contribution to PM Cares Fund	-	11.00
Administrative Overheads	10.53	7.47
Environment - MIDC Green area maintenance, Establishment of Bio gas Plant with Iskon	31.15	-
Improving livelihood & Education - Contribution made to PDKV for Centre for excellence project on cotton farming	116.45	-
Total	**382.43**	**367.65**
Amount required to be spent as per Section 135 of the Act		
Amount spent during the year on:		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	382.43	367.65

Notes to the Consolidated Financial Statements

45. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 33 "EARNINGS PER SHARE"

Particulars	UOM	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Face Value of Equity Shares	₹	2.00	2.00
Weighted Average number of Equity Shares outstanding	Nos.	197,399,670	197,399,670
Profit for the year (Continuing Operations)	₹ In lakhs	35,842.90	25,063.14
Weighted Average Earnings Per Share (Basic and Diluted)	₹	18.16	12.70

46. Pursuant to the scheme of amalgamation of Pranavaditya Spinning Mills Limited, subsidiary of the Company, with the Holding Company approved by the Board and No-objection received from BSE Limited, NSE Limited and SEBI for the scheme, the application has been filed for said amalgamation with Hon'ble National Company Law Tribunal (NCLT). As directed by The NCLT, vide its order dated 18th August 2021, the Companies convened a meeting of its equity shareholders on November 15, 2021 and the scheme of amalgamation was approved with requisite majority. Thereafter, the Companies have filed a petition on December 14, 2021 before The NCLT seeking sanction to the scheme and the petition is yet to be heard. The appointed date for the amalgamation is 1st October, 2020 or such other date as may be approved by NCLT and the scheme will be effective upon filing of order of The (NCLT) approving the scheme with Registrar of Companies.

Upon the Scheme becoming effective, with effect from appointed date, the Business (along with all assets and liabilities thereof) of the transferor Company i.e Pranavaditya Spinning Mills Limited shall be transferred and vested with the transferee Company i.e. Indo Count Industries Limited on a going concern basis. As a consideration for the amalgamation, the transferee Company will issue its equity shares to the shareholders of the transferor Company as on the record date in a share exchange ratio of 2:15 (i.e. 2 (Two) fully paid up equity shares of ₹2/- each of the transferee Company would be issued to the Equity Shareholders of transferor Company, for every 15 (Fifteen) equity shares of ₹10/- each, fully paid up).

47. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 19 "EMPLOYEE BENEFITS"

Defined Contribution Plans:

Amount of ₹839.70 lakhs (previous year ₹668.94 lakhs) is recognised as an expense and included in Employee Benefits Expense under the following defined contribution plans (Refer Note 35, supra): (₹ in Lakhs)

Particulars	For the year 1st April 2021 to 31st March, 2022	For the year 1st April 2020 to 31st March, 2021
Benefits:		
Provident Fund	777.34	601.23
Employee State Insurance Scheme	61.11	65.41
Labour Welfare Scheme	1.25	2.30
TOTAL	**839.70**	**668.94**

Defined Benefit Plans:

Gratuity

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Group makes annual contributions to the Life Insurance Corporation of India, which is funded defined benefit plan for qualifying employees.

Notes to the Consolidated Financial Statements

Leave Encashment Benefit

The Group provides for leave encashment, a defined benefit retirement plan covering eligible employees. The Leave Encashment Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 12 days salary for each completed year of service till retirement, subject to maximum of 90 days.

The Group makes annual contributions to the Life Insurance Corporation of India, which is funded defined benefit plan for qualifying employees.

(₹ in Lakhs)

Sr. No.	Particulars	GRATUITY		LEAVE ENCASHMENT	
		2021-22 (funded)	2020-21 (funded)	2021-22 (funded)	2020-21 (funded)
I	**Change in Present Value of Defined Benefit Obligation during the Year**				
1	Present Value of Defined Benefit Obligation at the beginning of the Year	2,146.58	2,219.93	556.72	531.84
2	Interest Cost	137.47	139.68	31.23	28.98
3	Current Service Cost	171.11	190.99	81.18	79.48
4	Past Service Cost	-	-	-	-
5	Liability Transfer from other Company	-	-	-	-
6	Liability Transferred out / Divestment	-	-	-	-
7	Benefits Paid Directly by Employer	-	-	-	-
8	Benefits Paid	(194.69)	(292.79)	(25.84)	(48.25)
9	Actuarial Changes Arising from Changes in Demographic Assumptions	-	-	-	-
10	Actuarial Changes Arising from Changes in Financial Assumptions	(78.79)	(13.67)	(14.85)	(2.50)
11	Actuarial Changes Arising from Changes in Experience Adjustments	(0.98)	(97.55)	(57.71)	(32.83)
12	Present Value of Defined Benefit Obligation at the end of the Year	2,180.70	2,146.58	570.74	556.72
II	**Change in Fair Value of Plan Assets during the Year**				
1	Fair Value of Plan Assets at the beginning of the Year	1,962.10	1,613.84	515.98	500.06
2	Interest Income	132.30	106.14	35.08	33.03
3	Contributions Paid by the Employer	103.33	523.00	41.75	30.59
4	Benefits Paid from the Fund	(194.69)	(292.79)	(25.84)	(48.25)
5	Assets Transferred Out / Divestments	(31.24)	-	-	-
6	Return on Plan Assets Excluding Interest Income	-	-	-	-
7	Actuarial Losses/(Gains)	(2.31)	11.91	21.94	0.55
8	Fair Value of Plan Assets at the end of the Year	1,969.49	1,962.10	567.69	515.98
III	**Net Asset / (Liability) recognised in the Balance Sheet**				
1	Present Value of Defined Benefit Obligation at the end of the Year	2,180.70	2,146.58	570.74	556.72
2	Fair Value of Plan Assets at the end of the Year	1,969.49	1,962.10	567.69	515.98
3	Amount recognised in the Balance Sheet	211.22	184.49	3.05	40.74
4	Net (Liability) / Asset - Current	-	-	-	-
5	Net (Liability) / Asset - Non-Current	(211.22)	(184.49)	(3.05)	(40.74)

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Sr. No.	Particulars	GRATUITY 2021-22 (funded)	GRATUITY 2020-21 (funded)	LEAVE ENCASHMENT 2021-22 (funded)	LEAVE ENCASHMENT 2020-21 (funded)
IV	**Expenses recognised in the Statement of Profit and Loss for the Year**				
1	Current service Cost	171.11	190.99	81.18	79.48
2	Interest Cost on Benefit Obligation (Net)	4.36	10.74	(3.74)	(3.47)
3	Actuarial Changes Arising from Changes in Demographic Assumptions	-	-	-	-
4	Actuarial Changes Arising from Changes in Financial Assumptions	-	-	(14.59)	2.68
5	Actuarial Changes Arising from Changes in Experience Adjustments	-	-	(57.71)	(32.83)
6	Return on Plan Assets excluding amount included in 'Net Interest on net Defined Liability / (Asset)' above	-	-	(1.08)	0.25
7	Total Expenses included in Employee Benefits Expense	175.47	201.73	4.07	46.11
V	**Recognised in Other Comprehensive Income for the Year**				
1	Actuarial Changes Arising from Changes in Demographic Assumptions	-	-	-	-
2	Actuarial Changes Arising from Changes in Financial Assumptions	(78.79)	(13.67)	-	-
3	Actuarial Changes Arising from Changes in Experience Adjustments	(0.98)	(97.55)	-	-
4	Return on Plan Assets excluding Interest Income	(1.50)	(9.45)	-	-
5	Recognised in Other Comprehensive Income	(76.65)	(120.67)	-	-
VI	**Maturity Profile of Defined Benefit Obligation**				
1	Within the next 12 Months (Next Annual Reporting Period)	253.62	247.49	224.41	193.87
2	Between 2 and 5 Years	530.97	471.19	108.28	98.17
3	Between 6 and 10 Years	1,121.61	1,043.53	180.47	185.38
VII	**Quantitative Sensitivity Analysis for Significant Assumption is as below:**				
	Increase / (Decrease) on Present Value of Defined Benefits Obligation at the end of the Year				
	(i) One Percentage Point increase in Discount Rate	(2,373.40)	(2,346.94)	(606.55)	(597.41)
	(ii) One Percentage Point decrease in Discount Rate	2,012.58	1,974.60	539.49	521.68
	(i) One Percentage Point increase in Rate of Salary Increase	2,012.13	1,983.93	538.57	523.24
	(ii) One Percentage Point decrease in Rate of Salary Increase	(2,369.81)	(2,331.09)	(606.99)	(594.95)

Notes to the Consolidated Financial Statements

VIII Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

IX The major categories of plan assets as a percentage of total

Particulars	GRATUITY 2021-22	GRATUITY 2020-21	LEAVE ENCASHMENT 2021-22	LEAVE ENCASHMENT 2020-21
Insurer Managed Funds	100%	100%	100%	100%

X Actuarial Assumptions

Particulars	GRATUITY 2021-22 (funded)	GRATUITY 2020-21 (funded)	LEAVE ENCASHMENT 2021-22 (funded)	LEAVE ENCASHMENT 2020-21 (funded)
Discount Rate (p.a.)	7.22% p.a.	6.80% p.a.	7.22% p.a.	6.80% p.a.
Salary Escalation (p.a.)	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.
Mortality Rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Mortality Post Retirement Rate	NA	NA	NA	NA
Employee Turnover Rate (p.a.)	5.00% p.a.	5.00% p.a.	5.00% p.a.	5.00% p.a.
Future Benefit Cost Inflation	NA	NA	NA	NA

Expected contribution to the defined benefit plan for the next annual reporting period:

(i) The actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out at March 31, 2022. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

(ii) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

48. DETAILS OF CAPITAL EXPENDITURE INCURRED DURING THE YEAR FOR RESEARCH AND DEVELOPMENT

(₹ in Lakhs)

Particulars	2021-22	2020-21
Plant and Machinery	4.27	-
TOTAL	**4.27**	**-**

Notes to the Consolidated Financial Statements

49. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

a) Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

b) Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected lossess of these instruments.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

(₹ in Lakhs)

Particulars	Carrying Amount	Fair value		
	As at 31.03.2021	Level 1	Level 2	Level 3
Financial Assets at Amortised Cost:				
Trade Receivables	51,566.06	-	-	-
Other Receivables (Non-Current)	491.67	-	-	491.67
Other Receivables (Current)	9,168.93	-	-	9,168.93
Cash and Bank Balances	3,317.65	-	-	-
Bank Deposits	677.86	-	-	-
TOTAL	**65,222.17**	**-**	**-**	**9,660.60**
Financial Assets at Fair Value through Profit and Loss:				
Investments	16,693.48	-	16,693.48	-
TOTAL	**16,693.48**	**-**	**16,693.48**	**-**
Financial Assets at Fair Value through Other Comprehensive Income:				
Derivative Instruments	4,763.42		4,763.42	
TOTAL	**4,763.42**	**-**	**4,763.42**	**-**
Financial Liabilities at Amortised Cost:				
Non-Current Borrowings	1,935.26	-	-	-
Current Borrowings	55,302.14	-	-	-
Lease Liability (Non Current)	156.33	-	-	156.33
Lease Liability (Current)	355.16	-	-	355.16
Trade and Other Payables	23,462.44	-	-	-
Other Financial Liabilities (Current)	967.85	-	-	967.73
TOTAL	**82,179.18**	**-**	**-**	**1,479.22**

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Particulars	Carrying Amount	Fair value		
	As at 31.03.2022	Level 1	Level 2	Level 3
Financial Assets at Amortised Cost:				
Trade Receivables	49,417.40	-	-	-
Other Receivables (Non-Current)	526.54	-	-	526.54
Other Receivables (Current)	1,492.98	-	-	1,492.98
Cash and Bank Balances	38,670.09	-	-	-
Bank Deposits	765.14	-	-	-
TOTAL	**90,872.15**	**-**	**-**	**2,019.52**
Financial Assets at Fair Value through Profit and Loss:				
Investments	150.43	-	150.43	-
TOTAL	**150.43**	**-**	**150.43**	**-**
Financial Assets at Fair Value through Other Comprehensive Income:				
Derivative Instruments	1,780.74	-	1,780.74	-
TOTAL	**1,780.74**	**-**	**1,780.74**	**-**
Financial Liabilities at Amortised Cost:				
Non-Current Borrowings	8,538.21	-	-	-
Current Borrowings	121,607.92	-	-	-
Lease Liability (Non Current)	1,056.80	-	-	1,056.80
Lease Liability (Current)	736.52	-	-	736.52
Trade and Other Payables	14,802.59	-	-	-
Other Financial Liabilities (Current)	1,108.22	-	-	1,108.22
TOTAL	**147,850.26**	**-**	**-**	**2,901.54**

During the reporting period ending March 31, 2022 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.

Description of significant unobservable inputs to valuation:

The following table shows the valuation techniques and inputs used for financial instruments:

Particulars	As at 31.03.2022	As at 31.03.2021
Non-Current Security Deposits	Discounted Cash Flow method using current interest rate.	
Derivative Instruments	Based on quotes from banks.	
Other Financial Liabilities (Non-Current)	Discounted Cash Flow method using risk adjusted discount rate.	

Notes to the Consolidated Financial Statements

50. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Group manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies, and ensuring compliance with market risk limits and policies.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Group, interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, an analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. Above 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Exposure to Interest Rate Risk (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Total Borrowings	130,146.13	57,237.40
% of Borrowings out of above bearing Variable Rate of Interest	100%	100%

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following impact on Profit before Tax: (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
50 bps increase would decrease the Profit before Tax by	650.73	286.19
50 bps decrease would increase the Profit before Tax by	(650.73)	(286.19)

Foreign Currency Risk

The Group operates internationally and portion of the business is transacted in serveral currencies and consequently the Group is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

Foreign currency exchange rate exposure is partly balanced by purchasing of goods, commodities and services in the respective currencies.

The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

Notes to the Consolidated Financial Statements

Foreign Currency in lakhs

Particulars	USD	EUR	CHF	GBP	Total
Foreign Currency Exposure as at 31 March, 2021					
Trade and Other Receivables	697.73	0.68	3.12	1.09	702.62
Non-Current Borrowings	-	-	-	1.37	1.37
Current Borrowings	37.72	-	-	-	37.72
Bank Balances	10.34	-	-	-	10.34
Trade and Other Payables	79.74	0.01	0.97	-	80.72
Foreign Currency Exposure as at 31 March, 2022					
Trade and Other Receivables	578.34	6.42	11.06	0.34	596.16
Non-Current Borrowings	-	-	-	-	-
Current Borrowings	30.50	-	-	-	30.50
Bank Balances	67.23	-	-	-	67.23
Trade and Other Payables	66.09	0.14	0.17	-	66.40

Forward Contracts

Foreign currency hedges taken by the Group against export trade receivables are as under:

Particulars	Number of Contracts	Foreign Currency in lakhs (USD)	₹ in lakhs	Buy / Sell
As at 31.03.2022	386	2,763.50	216,045.79	Sell
As at 31.03.2021	268	2,595.00	199,822.59	Sell

Foreign Currency Sensitivity

5 % increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Name of the Shareholder	2021-22		2020-21	
	5 % Increase	5 % decrease	5 % Increase	5 % decrease
USD	2,812.54	(2,812.54)	3,123.20	(3,123.20)
EUR	27.59	(27.59)	2.83	(2.83)
GBP	55.86	(55.86)	19.12	(19.12)
CHF	1.40	(1.40)	9.01	(9.01)
INCREASE / (DECREASE) IN PROFIT AND LOSS	**2,897.39**	**(2,897.39)**	**3,154.16**	**(3,154.16)**

Market Risk - Price Risk

Exposure

The Group's exposure to equity securities' price risk arises from investments held by the Group and classified in the Balance Sheet at fair value through Profit and Loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Notes to the Consolidated Financial Statements

Sensitivity

The table below summarises the impact of increases / decreases of the BSE index on the Group's equity and gain / loss for the period. The analysis is based on the assumption that the index has increased by 5% or decreased by 5% with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

Impact on Profit before Tax

Particulars	As at 31.03.2022	As at 31.03.2021
BSE Sensex 30 - Increase 5%	7.52	834.67
BSE Sensex 30 - Decrease 5%	(7.52)	(834.67)

Above referred sensitivity pertains to quoted equity investment (Refer Note No. 12). Profit for the year would increase / decrease as a result of gains / losses on equity securities at fair value through Profit and Loss.

Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Individual risk limits are set accordingly.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding looking information such as:

- Actual or expected significant adverse changes in business,
- Actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, there are recognised in profit and loss.

The Group measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industrial practices and the business enviornment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on historical data, loss on collection of receivable is not material, hence, no additional provision considered.

Notes to the Consolidated Financial Statements

Exposure to Credit Risk (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Financial Assets for which loss allowance is measured using 12-months' Expected Credit Losses (ECL)		
Investments in Debentures or Bonds	150.43	16,693.48
Non-Current Loans and Advances	526.54	491.67
Cash and Bank Balances	38,670.09	3,317.65
Bank Deposits	765.14	677.86
Current Loans and Advances	1,492.98	9,168.92

Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL) (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Trade Receivables	49,417.40	51,566.06

Balance with banks is subject to low credit risks due to good credit ratings assigned to these banks.

The ageing analysis of the receivables (gross of provision) has been considered from the date the invoice falls due:

Particulars	₹ in lakhs
As at 31.03.2022	
Not Due	35,164.90
Up to 3 months	13,792.82
3 to 6 months	370.17
More than 6 months	89.51
TOTAL	**49,417.40**
As at 31.03.2021	
Not Due	48,030.38
Up to 3 months	2,828.36
3 to 6 months	203.96
More than 6 months	503.36
TOTAL	**51,566.06**

Financial assets are considered to be of good quality and there is no significant increase in credit risk.

Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a resonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Notes to the Consolidated Financial Statements

Maturity Profile of Financial Liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments: (₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	Total
As at 31.03.2022			
Lease Liability (Non Current)	-	1,056.80	1,056.80
Lease Liability (Current)	736.52	-	736.52
Non-Current Borrowings	-	8,538.21	8,538.21
Current Borrowings	121,607.92	-	121,607.92
Trade Payables	14,802.59	-	14,802.59
Other Current Financial Liabilities	1,108.22	-	1,108.22
As at 31.03.2021			
Lease Liability (Non Current)	-	156.33	156.33
Lease Liability (Current)	355.16	-	355.16
Non-Current Borrowings	-	1,935.26	1,935.26
Current Borrowings	55,302.14	-	55,302.14
Trade Payables	23,462.44	-	23,462.44
Other Financial Liabilities	967.85	-	967.85

Capital Management

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using Gearing Ratio, which is total debt divided by total capital plus debt. (₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Total Debt	130,146.13	57,237.40
Equity	158,683.22	128,457.11
Capital and Debt	**288,829.35**	**185,694.51**
GEARING RATIO	**0.45**	**0.31**

51. NET DEBT RECONCILIATION

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Cash and Cash Equivalents	38,670.09	3,317.65
Non-Current Borrowings delete	(8,538.21)	(1,935.26)
Current Borrowings	(1,21,607.92)	(55,302.14)
Interest Accrued but not Due	-	(0.12)
NET DEBT	**(91,476.04)**	**(53,919.87)**

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Particulars	Cash and Cash Equivalents	Non Current Borrowings	Current Borrowings	Interest Accrued but not Due	Total
As at 31.03.2022					
Opening Net Debt	3,317.65	(1,935.26)	(55,302.14)	(0.12)	(53,919.87)
Cash Flows	35,352.44	(6,602.95)	(66,305.78)	-	(37,556.29)
Finance Cost	-	-	-	(4,735.90)	(4,735.90)
Interest Paid	-	-	-	4,736.02	4,736.02
CLOSING NET DEBT	**38,670.09**	**(8,538.21)**	**(1,21,607.92)**	**-**	**(91,476.04)**
As at 31.03.2021					
Opening Net Debt	5,617.93	(3,609.72)	(31,264.41)	(1.35)	(29,257.55)
Cash Flows	(2,300.28)	1,674.46	(24,037.73)	-	(24,663.55)
Finance Cost	-	-	-	(2,807.90)	(2,807.90)
Interest Paid	-	-	-	2,809.13	2,809.13
CLOSING NET DEBT	**3,317.65**	**(1,935.26)**	**(55,302.14)**	**(0.12)**	**(53,919.87)**

52. (a) Pursuant to the acquisition of remaining 17.50% shareholding Indo Count Retail Ventures Pvt Ltd (ICRVPL) became the Wholly Owned Subsidiary of the Holding Company with effect from March 9, 2020.

(b) The Holding Company entered into a Business Transfer Agreement with ICRVPL, wholly owned subsidiary (WOS) on March 30, 2020, whereby the domestic home textile business of the WOS was acquired by the Holding Company on 'slump sale' basis w.e.f April 1, 2020. The assets and liabilities transferred pursuant to the arrangement ware dealt with by the Holding Company in its books in financial year 2020-21.

53. ANALYTICAL RATIOS

S.N.	Ratio	Numerator	Denominator	March 2022	March 2021	Variance	Reasons for the Variances
(a)	Current Ratio	Current Assets	Current Liabilities	1.51	1.92	-21.19%	N.A.
(b)	Debt-Equity Ratio	Total Debt	Shareholders' Equity	0.82	0.45	84.07%	increase in Long Term Debts due to ongoing Capital Expenditure and increase in Short Term Debts due to increase in Inventory and funds blocked in Export Incentives.
(c)	Debt Service Coverage Ratio	Earning for Debt Service	Debt Service	6.30	5.96	5.82%	N.A.
(d)	Return on Equity Ratio	Net Profits after Taxes	Average Shareholder's Equity	24.98%	21.94%	13.83%	N.A.

Notes to the Consolidated Financial Statements

S.N.	Ratio	Numerator	Denominator	March 2022	March 2021	Variance	Reasons for the Variances
(e)	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	2.39	3.24	-26.32%	due to increase in Inventories
(f)	Trade Receivable Turnover Ratio	Net Sales	Average Trade Receivable	5.17	6.20	-16.61%	N.A.
(g)	Trade Payable Ratio	Net Purchases	Average Trade Payables	10.07	9.07	11.05%	N.A.
(h)	Net Capital Turnover Ratio	Net Sales	Average Working Capital	3.59	3.77	-4.90%	N.A.
(i)	Net Profit Ratio	Net Profit	Net Sales	12.62%	9.89%	27.60%	due to better product mix and sales realisation
(j)	Return on Capital Employed	Earning before Interest and Taxes	Capital Employed	18.47%	19.80%	-6.74%	N.A.
(k)	Return on Investment	Earning before Interest and Taxes	Closing Total Assets	16.34%	16.02%	2.02%	N.A.

54. ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

i) The Group does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, where any proceeding has been initiated or pending against the Group.

ii) The Group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Compnay with banks and financial institutions are in agreement with the books of accounts.

iii) During the year the Group was not declared as a wilful defaulter by any bank or financial institution or any other lender.

iv) During the year there are no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

v) During the year the Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

vi) During the year no Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 except reported in Note 46 of the Financial Statements.

vii) During the year the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Notes to the Consolidated Financial Statements

viii) During the year the Group has not received funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix) During the year no amount has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

x) There was no trade or investment in Crypto currency or Virtual Currency during the Financial Year.

xi) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

xii) During the year no registration or satisfaction of charge was pending to be registered with ROC.

55. IMPACT OF COVID PANDEMIC AND RELATED LOCKDOWN MEASURES

The Group has been taking steps, proactively, to protect the health of employees and the working environment from the spread of Covid-19. The Group's operations and revenue during year ended March 31, 2022 were marginally impacted due to the pandemic. The Group has assessed, and is continuously reviewing, its liquidity, future cash flow projections and the probability of occurrence of the forecasted transactions underlying the hedges based on orders in hand and current indicators of future economic conditions. The financial statements takes into consideration such assessment of the possible effects of the Covid 19 and the recoverability of the carrying value of its assets. However, the impact of pandemic in the subsequent period may be different from the estimations used at the time of preparation of these financial statements.

As per our report of even date attached

For Suresh Kumar Mittal & Co.,
Chartered Accountants
Firm Regd. No.: 500063N

Ankur Bagla
Partner
Membership No.: 521915

New Delhi, May 29, 2022

For and on behalf of Board of Directors

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

K. Muralidharan
Chief Financial Officer

Amruta Avasare
Company Secretary

UAE / Mumbai, May 29, 2022

Complete Comfort

Indo Count Industries Limited

CIN: L72200PN1988PLC068972

Corp. Office: 301. 3rd Floor, Arcadia, Nariman Point,
Mumbai - 400021, India

Tel: +91 22 43419500 / 501

Fax: +91 22 22823098

Email: icilinvestors@indocount.com

Website: www.indocount.com

INDO COUNT INDUSTRIES LIMITED
CIN: L72200PN1988PLC068972
Registered Office: Office No. 1, Plot No. 266, Village Alte, Kumbhoj Road, Taluka Hatkanangale,
District Kolhapur-416109, Maharashtra
Tel No: (0230) 2463100/2461929
Website: www.indocount.com; E-mail: icilinvestors@indocount.com

NOTICE

33RD ANNUAL GENERAL MEETING

Notice is hereby given that the Thirty Third (33rd) Annual General Meeting ("AGM") of the Members of Indo Count Industries Limited ("the Company") will be held on Thursday, September 29, 2022 at 12.00 Noon (IST), through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022, together with the Reports of the Board of Directors and the Auditors thereon; and

   b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022, together with the Report of the Auditors thereon.

2. To declare Final Dividend of ₹2/- per Equity Share of face value of ₹2/- each for the Financial Year ended March 31, 2022.

3. To appoint a Director in place of Mr. Kamal Mitra (DIN: 01839261), who retires by rotation and being eligible, offers himself for the re-appointment.

4. **To appoint M/s. Price Waterhouse Chartered Accountants LLP, as Statutory Auditors of the Company in place of M/s. Suresh Kumar Mittal & Co., retiring auditors.**

   To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all 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 and the Board of Directors of the Company, M/s Price Waterhouse Chartered Accountants LLP (Firm Registration Number: 012754N/ N500016) be and are hereby appointed as the Statutory Auditors of the Company to hold office for a first term of five consecutive years from the conclusion of 33rd Annual General Meeting till the conclusion of the 38th Annual General Meeting, in place of M/s Suresh Kumar Mittal & Co, existing retiring auditors, at such remuneration as may be decided by the Board of Directors of the Company in consultation with the Statutory Auditors;

   RESOLVED FURTHER THAT the Board of Directors of the Company or Audit Committee, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

SPECIAL BUSINESS:

5. **Re-appointment of Mr. Anil Kumar Jain (DIN: 00086106) as a Whole Time Director designated as "Executive Chairman" of the Company for a further period of 3 years w.e.f October 1, 2022.**

   To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 198 of the Companies Act, 2013 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of Memorandum and Articles of Association of the Company and pursuant to the recommendation of Nomination and Remuneration Committee (NRC) and approval of the Board of Directors of the Company ("Board"), the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Anil Kumar Jain (DIN:00086106) as a Whole-time Director designated as "Executive Chairman" of the Company for a further period of 3 years w.e.f. October 1, 2022, on the remuneration and other terms and conditions as set out below, with liberty to the Board to alter and vary the terms and conditions of the said re-appointment and remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197 of the Act;

(A) Salary and Perquisites:

Basic Salary: ₹23,95,800 – 26,35,380 -28,98,918 per month

Perquisites and Allowances:

Category I

1. Rent Free Fully Furnished Accommodation or House Rent Allowance equal to 100% of the Basic Salary.
2. Furnishing of residential accommodation with free use of all facilities, Repairs and House Maintenance, Medical Allowance, Servant / Helper Allowance, Re-imbursement of gas, electricity, water charges or any other utilities, Special Allowance or such other allowances as may be decided by the Board – Upto 40% of the Basic Salary.
3. Chauffer Driven Company Cars for both business and personal use. Fuel cost, repairs, maintenance and operating and running expenses for the cars.
4. Telephone, Mobile and Communication facilities, computers, laptops at the Residence for official purpose and expenses incurred thereof.
5. Payment of membership fees for maximum two clubs in India.
6. Leave Travel Allowance (LTA) & Medical Expenses - As per the policy of the Company for the Executive Chairman / Managing Director / Whole-Time Directors of the Company.
7. Medical / Health Insurance - As per the Medical Insurance policy of the Company for Executive Chairman / Managing Director / Whole-Time Directors of the Company.
8. Personal Accident Insurance – Premium for the Personal Accident Insurance Policy for Mr. Anil Kumar Jain, Executive Chairman shall be borne by the Company.
9. Any other allowances, benefits and perquisites, as per the rules and / or policy of the Company as are applicable to the Executive Chairman of the Company and / or which may become applicable in the future. Reimbursement of expenses as per the policy of the Company not forming part of perquisites.

   Total value of perquisites and allowances mentioned in point 6 and 9 shall not exceed 75% of basic salary.

Category II

The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

(B) Commission:

The Commission as may be approved by the Board (or a Committee thereof) for each financial year.

The above remuneration including commission of all Whole-time Directors / Executive Directors / Managing Director shall be within 10% of the Net profits, as prescribed under Section 197 of the Act, read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT any revision in remuneration payable to Mr. Anil Kumar Jain during his tenure of office be determined by the Board, pursuant to the recommendation of NRC provided overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profit, as prescribed under Section 197 of the Act read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT in accordance with the Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of NRC and approval of the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for aforesaid payment of remuneration to Mr. Anil Kumar Jain, Executive Chairman and Promoter of the Company during his term of office of 3 years w.e.f. 1st October, 2022 to 30th September, 2025 notwithstanding:

a) payment of annual remuneration to Mr. Anil Kumar Jain exceeds ₹5 Crores or 2.5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Act, whichever is higher; or

b) aggregate annual remuneration paid to Executive/ Whole-Time Directors who are in promoter or promoter group exceeds 5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Act.

(C) Overall Remuneration:

The aggregate of salary, allowances and total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed ten percent (10%) of the net profits of the Company for all Managing/ Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Act, read with Schedule V (including any statutory amendments, modifications or re-enactment(s) thereof, as may be made thereto and for the time being in force);

RESOLVED FURTHER THAT notwithstanding anything contained in Sections 197, 198 and Schedule V of the Act, or any amendment/re-enactment thereof and pursuant to recommendation of NRC and approval of the Board, in the event of absence of profits or inadequate profits in any financial year, during the tenure of office of Mr. Anil Kumar Jain, Executive Chairman, he shall be paid remuneration by way of salary, perquisites as mentioned above as Minimum Remuneration, notwithstanding the said minimum remuneration is in excess of the limits specified in Section II of Schedule V of the Act subject to the compliance of applicable provisions of Schedule V of the Act;

RESOLVED FURTHER THAT Mr. Anil Kumar Jain, Executive Chairman shall not be liable to retire by rotation."

6. **Re-appointment of Mr. Mohit Jain (DIN: 01473966) as a Whole Time Director designated as "Executive Vice Chairman" of the Company for a further period of 3 years w.e.f. July 1, 2022.**

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 198 of the Companies Act, 2013 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of Memorandum and Articles of Association of the Company and pursuant to the recommendation of Nomination and Remuneration Committee (NRC) and approval of the Board of Directors of the Company ("Board") and subject to any statutory approvals if required, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Mohit Jain (DIN: 01473966) as a Whole-time Director designated as "Executive Vice Chairman" of the Company for a further period of 3 years w.e.f. 1st July, 2022, on the remuneration and other terms and conditions as set out below, with liberty to the Board to alter and vary the terms and conditions of the said reappointment and remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197 of the Act;

(A) Salary and Perquisites:

Basic Salary: ₹17,30,300 – 19,03,330 – 20,93,633 per month

Perquisites and Allowances:

Category I

1. Rent Free Fully Furnished Accommodation or House Rent Allowance equal to 100% of the Basic Salary.
2. Furnishing of residential accommodation with free use of all facilities, Repairs and House Maintenance, Medical Allowance, Servant / Helper Allowance, Re-imbursement of gas, electricity, water charges or any other utilities, Special Allowance or such other allowances as may be decided by the Board – Upto 40% of the Basic Salary.

3. Chauffer Driven Company Cars for both business and personal use. Fuel cost, repairs, maintenance and operating and running expenses for the cars.
4. Telephone, Mobile and Communication facilities, computers, laptops at the Residence for official purpose and expenses incurred thereof.
5. Payment of membership fees for maximum two clubs in India.
6. Leave Travel Allowance (LTA) & Medical Expenses - As per the policy of the Company for the Executive Chairman / Managing Director / Whole-Time Directors of the Company.
7. Medical / Health Insurance - As per the Medical Insurance policy of the Company for Executive Chairman / Managing Director / Whole-Time Directors of the Company.
8. Personal Accident Insurance – Premium for the Personal Accident Insurance Policy for Mr. Mohit Jain, Executive Vice Chairman shall be borne by the Company.
9. Any other allowances, benefits and perquisites, as per the rules and / or policy of the Company as are applicable to the Executive Chairman of the Company and / or which may become applicable in the future. Reimbursement of expenses as per the policy of the Company not forming part of perquisites.

   Total value of perquisites and allowances mentioned in point 6 and 9 shall not exceed 75% of basic salary.

Category II

The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

(B) Commission:

The Commission as may be approved by the Board (or a Committee thereof) for each financial year.

The above remuneration including commission of all Whole-time Directors / Executive Directors / Managing Director shall be within 10% of the Net profits, as prescribed under Section 197 of the Act, read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT any revision in remuneration payable to Mr. Mohit Jain during his tenure of office be determined by the Board, pursuant to the recommendation of NRC provided overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profit, as prescribed under Section 197 of the Act read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

RESOLVED FURTHER THAT in accordance with the Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of NRC and approval of the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for aforesaid payment of remuneration to Mr. Mohit Jain, Executive Vice Chairman and Promoter of the Company during his term of office of 3 years w.e.f. 1st July, 2022 to 30th June, 2025 notwithstanding:

a. payment of annual remuneration to Mr. Mohit Jain exceeds ₹5 Crores or 2.5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Act, whichever is higher; or
b. aggregate annual remuneration paid to Executive/ Whole-Time Directors who are in promoter or promoter group exceeds 5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Act.

(C) Overall Remuneration:

The aggregate of salary, allowances and total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed ten percent (10%) of the net profits of the Company for all Managing/ Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Act, read with Schedule V (including any statutory amendments, modifications or re-enactment(s) thereof, as may be made thereto and for the time being in force);

RESOLVED FURTHER THAT notwithstanding anything contained in Sections 197, 198 and Schedule V of the Act, or any amendment/re-enactment thereof and pursuant to recommendation of NRC and approval of Board, in the event of absence of profits or inadequate profits in any financial year, during the tenure of office of Mr. Mohit Jain, Executive Vice Chairman, he shall be paid remuneration by way of salary, perquisites as mentioned above as Minimum Remuneration, notwithstanding the said minimum remuneration is in excess of the limits specified in Section II of Schedule V of the Act subject to the compliance of applicable provisions of Schedule V of the Act;

RESOLVED FURTHER THAT Mr. Mohit Jain, Executive Vice Chairman shall be liable to retire by rotation."

7. **Re-appointment of Mr. Kamal Mitra (DIN: 01839261) as a Whole-Time Director Designated as "Director (Works)" for a further period of 3 years w.e.f. October 1, 2022**

   To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 198 of the Companies Act, 2013 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and provisions of Memorandum and Articles of Association of the Company and pursuant to the recommendation of Nomination and Remuneration Committee (NRC) and approval of the Board of Directors of the Company ("Board"), the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Kamal Mitra as a Whole Time Director designated as "Director (Works)" of the Company for a further period of 3 years w.e.f. 1st October, 2022, on the remuneration and other terms and conditions as set out below, with liberty to the Board of Directors (hereinafter referred to as "the Board") to alter and vary the terms and conditions of the said re-appointment and remuneration as it may deem fit, subject to the same not exceeding the limits specified under Section 197 of the Companies Act, 2013;

(A) Salary and Perquisites:

Basic Salary: ₹2,65,000/- p.m. with an annual increment as may be approved by Nomination and Remuneration Committee and Board of Directors.

Perquisites and Allowances:

Category I

1. House Rent Allowance - Upto 50% of the Basic Salary.
2. Medical Reimbursement /conveyance allowance / medical allowance / special allowance - Upto 30% of the Basic Salary
3. Leave Travel Allowance (LTA) - As per the policy of the Company for the Executive Chairman / Managing Director / Whole-Time Directors of the Company.
4. Chauffer Driven Company Car for both business and personal use. Fuel cost, repairs, maintenance and operating and running expenses for the car.
5. Travelling Expenses – As per the policy of the Company for Directors of the Company.
6. Medical / Health Insurance - As per the Medical Insurance policy of the Company for Executive Chairman / Managing Director / Whole-Time Directors of the Company.
7. Personal Accident Insurance – Premium for the Personal Accident Insurance Policy taken for Mr. Kamal Mitra, Director (Works) shall be borne by the Company.

Category II

The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund, to the extent these singly or together are not taxable under the Income Tax Act, 1961, gratuity payable at a rate not exceeding half a month's salary for each completed year of service and encashment of leave shall not be included for the purpose of computation of the overall ceiling of remuneration.

(B) Commission:

The Commission as may be approved by the Board (or a Committee thereof) for each financial year.

The above remuneration including commission of all Whole-time Directors / Executive Directors / Managing Director shall be within 10% of the Net profits, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

RESOLVED FURTHER THAT any increment / revision in Basic salary and perquisites and remuneration by way of incentive / bonus / ex-gratia / performance linked incentives payable to Mr. Kamal Mitra during his tenure of office be determined by the Board, pursuant to the recommendation of Nomination and Remuneration Committee provided overall remuneration of all Executive Directors / Managing Director is within 10% of the Net profit, as prescribed under section 197 of the Companies Act, 2013 read with Schedule V of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force);

(C) Overall Remuneration:

The aggregate of salary, allowances and total remuneration payable in any financial year by way of salary, perquisites, commission and other allowances shall not exceed ten percent (10%) of the net profits of the Company for all Managing/ Whole-time Directors in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V including any statutory amendments, modifications or re-enactment thereof, as may be made thereto and for the time being in force;

RESOLVED FURTHER THAT notwithstanding anything contained in Section 197, 198 and Schedule V of the Companies Act, 2013 or any amendment/re-enactment thereof or any revised/new schedule thereof, in the event of absence of profits or inadequate profits in any financial year, during the tenure of office of Mr. Kamal Mitra, Director (Works), he shall be paid remuneration by way of salary, perquisites as mentioned above as Minimum Remuneration, notwithstanding the said minimum remuneration is in excess of the limits specified in Section II of Schedule V of the Act subject to the compliance of applicable provisions of Schedule V of the Act;

RESOLVED FURTHER THAT Mr. Kamal Mitra, Director (Works) shall be liable to retire by rotation.

By Order of the Board of Directors of
Indo Count Industries Limited

Amruta Avasare
Company Secretary & Compliance Officer
Membership No: ACS 18844

Date: May 29, 2022
Place: Mumbai

Notes:

1. The Ministry of Corporate Affairs ("MCA") has, vide its circular no 02/2022 dated May 5, 2022 read together with circular nos.20/2020 and 21/2021 dated May 5, 2020 and December 14, 2021 respectively (collectively referred to as "MCA Circulars"), permitted convening the Annual General Meeting ("AGM") due in the year 2022 through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without physical presence of the members at a common venue till 31st December, 2022. In compliance with the MCA Circulars, this 33rd AGM is being held through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the aforesaid MCA circulars and SEBI circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
3. In terms of the provisions of Section 112 and 113 of the Act read with the said aforesaid MCA Circulars, Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are entitled to appoint their authorized representatives to attend the AGM through VC/ OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately in this notice). Such Corporate Members are requested to refer 'General Guidelines for Shareholders' provided in this notice, for more information.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. The members, seeking any information with regard to the accounts or any matters placed at the AGM or having any questions in connection with the matter placed at AGM, are requested to send an email to the Company **on or before September 24, 2022**, on agm@indocount.com. The same will be replied suitably.
6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts in relation to the business under Item Nos. 4, 5, 6 and 7 of the Notice, is annexed hereto.

   Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings, relevant details of Mr. Anil Kumar Jain and Mr. Mohit Jain, Directors proposed for re-appointment and Mr. Kamal Mitra, Director retiring by rotation and proposed for re-appointment are provided in the Annexure I to this Notice.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members, whether holding shares in electronic/physical mode, are requested to quote their DP ID & Client ID or Folio No. for all correspondence with the Company / RTA.
9. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in physical form are requested to submit their PAN details to the Company / RTA. Members holding shares in dematerialized form are requested to submit their PAN to their respective DP.
10. The final dividend on equity shares as recommended by the Board of Directors, if approved by the members at the AGM, will be paid to those Equity Shareholders whose names appear in the Register of Members / Register of Beneficial Owners as at the close of business hours on Tuesday, September 20, 2022 ("Record Date"), subject to deduction of tax at source wherever applicable.
11. Members holding shares in electronic form may note that as per the circular issued by NSDL and CDSL, it is mandatory for the Company to print on the dividend warrants, bank details of beneficiary owners/ Members as furnished by these Depositories while making payment of dividend. The Company or its RTA cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Members are requested to advise such changes only to their respective DPs.

DIVIDEND:

12. Final Dividend of FY 2021-22, if approved by the Members at the ensuing AGM, will be paid within 30 days from the date of AGM to those:
    a) Members whose name appears in the Register of Members of the Company as on the closing hours of September 20, 2022 ("Record Date"); and
    b) Beneficial Owners whose name appears in the list of Beneficial Owners list as on the closing hours of September 20, 2022 furnished by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL).
13. In case of remittance of dividend in electronic form, an intimation of the dividend payment would be sent to the members. In case of members who are not covered by NECS facility, the dividend amount will be remitted by means of dividend warrants/demand drafts which will be posted to their respective registered address.
14. **TDS on Dividend**

    Pursuant to Finance Act, 2020, dividend income is taxable in the hands of shareholders effective April 1, 2020 and the Company is required to deduct tax at source from dividend paid to the Members at the prescribed rates. For the prescribed rates for various categories, the members are requested to refer to **Annexure III** of this Notice. In general, to enable compliance with TDS requirements, Members are requested to complete and / or update their Residential status, PAN, Category with their depository participants ('DPs') in case shares are held in Demat mode or in case shares are held in physical form, with the Company/ Registrars and Transfer Agents ('RTA') by sending documents/ following procedure given in **Annexure III** of this notice **on or before September 24, 2022.**
15. **Unclaimed Dividends**

    In terms of Section 124 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, the Interim Dividend for the FY 2015-16, Final Dividend for the FY 2015-16, Interim Dividend for the FY 2016-2017, Final Dividend for FY 2016-17, Interim Dividend for FY 2017-18, Final Dividend for FY 2017-18, Final Dividend for FY 2018-19, Final Dividend for FY 2019-20 and Final Dividend for FY 2020-21 are due for transfer to IEPF in the year 2022, 2023, 2024, 2025, 2026, 2027 and 2028 respectively. Members are requested to ensure that they claim the respective dividend(s) before transfer of the said amount to IEPF. Members who have not encashed their dividend warrants for said dividend(s) are requested to contact the Company or/Registrar and

Transfer Agent. Further, please note that pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('The Rules') notified by the Ministry of Corporate Affairs effective September 7, 2016, all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more would be transferred to the Investor Education and Protection Fund (IEPF) Account. The list of shareholder of Unclaimed dividend is available on Company's website i.e. www.indocount.com.

Pursuant to the provisions of the Act, read with Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('Rules'), **Unclaimed Interim Dividend for FY 2015-2016 and under lying shares will be due for transfer to IEPF on November 28, 2022. The transfer to the IEPF shall be made within a period of thirty days from November 28, 2022. Accordingly the shareholders are requested to claim their unpaid dividend on or before 21st November, 2022 by sending request to Registrar and Share Transfer Agent ("RTA") of the Company on iepf.shares@linkintime.co.in or to the Company at icilinvestors@indocount.com.**

16. NRI Members are requested to:

 (a) change their residential status on return to India permanently.

 (b) furnish particulars of bank account(s) maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code No., if not furnished earlier.

17. Members holding shares under different Folio Nos. in the same names are requested to apply for consolidation of folios and send relevant original share certificates to the Company's RTA for doing the needful.

18. In compliance with the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Notice of the 33rd AGM ("Notice") along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. as on September 2, 2022. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.indocount.com and website of the BSE Limited at www.bseindia.com and website of National Stock Exchange of India Limited (NSE) at www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com.

 Members of the Company holding shares either in physical form or in Dematerialised form as on Friday, September 2, 2022 will be sent Annual Report for the financial year 2021-22 and Notice of 33rd Annual General Meeting through electronic mode.

19. Members who wish to inspect statutory registers required to be made available/kept open for inspection at AGM and relevant documents referred to in this Notice of AGM can send an email to icilinvestors@indocount.com or agm@indocount.com. Copies of any documents referred to in the Notice and Explanatory Statement are also available for inspection at the Registered Office of the Company on all days except Saturdays, Sundays or Public holidays between 2.00 p.m. to 4.00 p.m. upto the date of the AGM.

20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The deemed venue for the AGM will be the Registered Office of the Company.

21. **Registration of E-mail ID**

 Shareholders who have still not registered their E-mail ID are requested to get their E-mail ID registered as follows:

 1. Shareholders holding Shares in Physical Mode: Such Shareholders are requested to register their E-mail ID with the Registrar and Share Transfer Agent ("RTA") of the Company viz. Link Intime India Private Limited by sending request to Company's RTA on rnt.helpdesk@linkintime.co.in or to the Company at icilinvestors@indocount.com. The said request be accompanied with Form ISR-1 for KYC updation.

 2. Shareholders holding Shares in Dematerialized Mode: Such Shareholders are requested to register their e-mail ID with the relevant Depository Participant(s). In case of any queries / difficulties in registering the e-mail address, Shareholders may write to RTA at rnt.helpdesk@linkintime.co.in or to the Company at icilinvestors@indocount.com.

 Those physical shareholders who have not yet submitted Form ISR-1, ISR-2, SH-13 / ISR-3 / SH-14 are requested to submit the same to RTA/ Company at earliest. Those shareholders who are holding shares in dematerialised mode are requested to ensure that aforesaid KYC details and nomination are updated with their depository participants.

22. **KYC UPDATION**

 Vide SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 read with SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021 ("SEBI Circulars"), it is mandatory for the physical shareholders to update PAN, Address, Email ID, Mobile No., Bank account details (KYC details) and Nomination details with Link Intime India Private Limited, Registrar and Transfer Agent (RTA) / Company. The RTA/ Company had sent Form ISR-1 for KYC Updation, ISR-2 for bank details, Form SH-13/ ISR-3 in respect of nomination to physical shareholders whose KYC were not updated and Form SH-14 to cancel the earlier nomination and record a fresh nomination. Please note that as per said SEBI circulars, from January, 1, 2022, the RTA shall not process any service requests or complaints received from the shareholders till PAN, KYC and Nomination documents/details are received.

 Form ISR-1, ISR-2, SH-13/ ISR-3/ SH-14 are also available on the website of the Company at https://www.indocount.com/investors/kyc-updation-and-demat and on the website of RTA i.e. https://web.linkintime.co.in/KYC-downloads.html

 Those physical shareholders who have not yet submitted Form ISR-1, ISR-2, SH-13/ ISR-3/ SH-14 are requested to submit the same to RTA/Company at earliest.

 Those shareholders who are holding shares in dematerialised mode are requested to ensure that aforesaid KYC details and nomination are updated with their depository participants.

 Non-updation of KYC details in Folios, wherein any one of the cited details/documents above (i.e. PAN, Bank Details, Nomination) are not available on or after April 01, 2023, shall be frozen by the RTA as per above SEBI Circulars. Further, the securities in the frozen folios shall be:

 a) eligible to lodge grievance or avail service request from the RTA only after furnishing the complete documents / details as aforesaid

 b) eligible for any payment including dividend, interest or redemption payment only through electronic mode and an intimation from the RTA to the holder that the aforesaid such payment is due and shall be made electronically upon complying with the requirements.

 c) referred by the RTA / listed company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

 The RTA shall revert the frozen folios to normal status upon:

 a) receipt of all the aforesaid documents / details mentioned above or

 b) dematerialization of all the securities in such folios

 The folios in which PANs is / are not valid as on the notified cut-off date of March, 31, 2022 or any other date as may be specified by the CBDT, shall also be frozen, as detailed above.

23. **Issue of securities in demat mode and Demat of shares**

 SEBI vide Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. **Accordingly, while making any service request, Members are requested to submit duly filled and signed Form ISR - 4, the format of which is available on the Company's website at https://www.indocount.com/investors/kyc-updation-and-demat and on the website of the Company's Registrar and Transfer Agents, Link Intime India Private Limited at https://linkintime.co.in/. It may be noted that any service request can be processed only after the folio is KYC Compliant. Hence, the members are once again requested to update their KYC details as specified in point 22 above.**

 As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, transfer of equity shares can be made only in dematerialised mode. Hence, members holding shares in physical form are requested to consider converting their holdings to dematerialized form at earliest. Members can contact the Company or Company's Registrars and Transfer Agent i.e. Link

Intime India Private Limited in case of any queries in this regard.

INSTRUCTIONS FOR REMOTE E-VOTING

Pursuant to the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2015 as amended from time to time, and Regulation 44 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing 'remote e-voting' facility through National Securities Depository Limited (NSDL) to all Members of the Company to enable them to cast their votes electronically, on all resolutions mentioned in the notice of the 33rd Annual General Meeting ("AGM") of the Company.

General Instructions:

a) **The remote e-voting period begins on Monday, September 26, 2022 at 9.00 a.m. (IST) and ends on Wednesday, September 28, 2022 at 5.00 p.m. (IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, September 23, 2022 may cast their votes by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting after 5.00 p.m. (IST) on Wednesday, September 28, 2022.**

b) Mr. Vikas R. Chomal, Proprietor of M/s. Vikas R. Chomal & Associates, Practicing Company Secretaries (Membership No.: F11623; CP No: 12133), has been appointed as a Scrutinizer to scrutinize the remote e-voting process and e-voting at AGM in a fair and transparent manner.

c) In accordance with Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed Friday, September 23, 2022 as the "cut-off date" to determine the eligibility to vote by remote e-voting or e-voting at the AGM. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Friday, September 23, 2022, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. Only those members, who will be present at the AGM through VC/ OAVM facility and who would not have cast their vote by remote e-voting prior to the AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.

d) The members who have cast their vote by remote e-voting may also attend the AGM through VC/ OAVM but shall not be entitled to cast their vote again.

e) Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-Voting then he /she can use his / her existing User ID and password for casting the vote. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under **"Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."**

f) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. Friday, September 23, 2022.

g) The Scrutinizer shall submit his consolidated report to the Chairman within 2 working days from the conclusion of the AGM.

h) The result declared along with the Scrutiniser's Report shall be placed on the website of the Company at www.indocount.com and on the website of NSDL at https://www.evoting.nsdl.com and shall simultaneously be communicated to the BSE Limited and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. Thursday, September 29, 2022.

Process and manner for members opting to vote through remote e-voting:

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

Step 1: Access to NSDL e-Voting system

A. Login method for Individual shareholders holding securities in demat mode is given below:

Pursuant to SEBI circular no. SEBI/HO/ CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 3. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.

	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. EVEN of the Company is 121821. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders/corporate shareholders (i.e. other than individuals, HUF's, NRI's, etc.) are required to send a scanned copy (PDF/JPG Format) of their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to csvrca@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF's, NRI's etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in/ pallavid@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 icilinvestors@indocount.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to icilinvestors@indocount.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be able to attend the AGM through VC/ OAVM provided by NSDL e-Voting system at https://www.evoting.nsdl.com by following the steps mentioned above for login to NSDL e-voting system. After successful login, you can see link of "VC/ OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice. Further, Members can also use the OTP based login for logging into the e-voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM.
5. 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.
6. **Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request by September 27, 2022 from their registered Email ID mentioning their name, DP ID and Client ID / Folio No, PAN, mobile number at** agm@indocount.com**. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. For ease of conduct, speakers should send the questions in advance by sending the email on** agm@indocount.com

   The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of commencement of the Meeting by following the procedure mentioned in the Notice and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

At the 28th Annual General Meeting of the Company held on August 21, 2017, M/s. Suresh Kumar Mittal & Co., Chartered Accountants (Firm Registration No. 500063N) were appointed as Statutory Auditors of the Company for a first term of 5 (Five) consecutive years, to hold office from conclusion of 28th AGM of the Company till the conclusion of 33rd AGM of the Company. However, due to professional pre-occupations, M/s. Suresh Kumar Mittal & Co., Chartered Accountants, existing statutory auditors have expressed their unwillingness to be appointed as statutory auditors of the Company for a second term at the ensuing AGM vide their letter dated May 13, 2022.

Hence, after considering the experience, expertise, competency, independence and credentials of the Auditors and other relevant aspects and based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on May 29, 2022 approved and recommended to the members of the Company, appointment of M/s. Price Waterhouse Chartered Accountants LLP, (Firm Registration Number: 012754N/ N500016), as Statutory Auditors of the Company for a first term of 5 (Five) consecutive years, to hold office from the conclusion of this 33rd AGM till conclusion of 38th AGM, in place of M/s. Suresh Kumar Mittal & Co., Chartered Accountants, existing retiring auditors of the Company.

M/s. Price Waterhouse Chartered Accountants LLP have given their consent to act as Auditors of the Company and confirmed that they are eligible for appointment under section 141 and other applicable provisions of the Act and Rules made thereunder. They also hold valid peer review certificate issued by the Institute of Chartered Accountants of India.

On the recommendation of Audit Committee, the Board has approved remuneration of ₹ 46.35 Lakhs p.a. plus applicable taxes and out of pocket expenses for Statutory Audit (Including Consolidated Financial Statements) and Limited Review. The remuneration of M/s. Suresh Kumar Mittal & Co., the existing retiring auditors of the Company was ₹22.00 lakhs for Statutory Audit and Limited Review Report. The remuneration of the auditors commensurate the services rendered by them. The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

This explanatory statement is also given in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board, accordingly, recommends the resolution as set out in Item No. 4 of the Notice by way of an ordinary resolution for approval of members of the Company.

None of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Resolution set out in Item No. 4 of the Notice.

ITEM NO. 5

At the Annual General Meeting of the Company held on 13th August, 2019, Mr. Anil Kumar Jain (DIN: 00086106) was re-appointed as a Whole Time Director of the Company designated as "Executive Chairman" of the Company for a period of 3 years from 1st October, 2019 to 30th September, 2022. Thus, the existing term of Mr. Anil Kumar Jain as Executive Chairman is ending on 30th September, 2022.

In order to continue to avail benefit of his rich knowledge, vast experience and effective leadership and pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 29th May, 2022, re-appointed Mr. Anil Kumar Jain as a Whole Time Director designated as "Executive Chairman" of the Company for a further period of 3 years from 1st October, 2022, on the terms and conditions including remuneration as stated in Item No. 5 of the Notice, subject to the approval of members of the Company.

Mr. Anil Kumar Jain has given his consent for the aforesaid re-appointment. He is not disqualified to act as Director under section 164, 196 of the Companies Act, 2013 ("the Act") read with Part I of Schedule V of the Act. He is not debarred from holding the office of Director by virtue of any SEBI Order or any other authority.

Effective from 1st April, 2019, pursuant to the Regulation 17(6) (e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the members by special resolution in general meeting, if

i. the annual remuneration payable to such executive director exceeds ₹5 Crores or 2.5 per cent of the net profits of the listed entity calculated as per the provisions of Section 198 of the Act, whichever is higher; or

ii. where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Act, and the rules framed thereunder read with Schedule V of the Act, the appointment and remuneration of Whole Time Director requires approval of the shareholders in General Meeting. Further, pursuant to SEBI (LODR) Regulations, 2015, approval of shareholders shall be obtained at next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The Company has received notice in writing from a Member under Section 160 of the Act proposing candidature of Mr. Anil Kumar Jain for the office of Director of the Company.

Further if a Whole-Time Director attained the age of 70 years, the approval of the shareholders is required by way special resolution.

The brief resume and other details of Mr. Anil Kumar Jain as per the Listing Regulations and Secretarial Standard - 2 are provided in "Annexure I" to the Notice.

The statement as required under Section II, Part II of the Schedule V of the Act, with reference to payment of minimum remuneration at Item No. 5 is annexed hereto as "Annexure II".

The Board of Directors recommends the resolution at Item No. 5 of the Notice for the approval of members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Anil Kumar Jain and Mr. Mohit Jain and their relatives are, in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 of the Notice.

ITEM NO. 6

At the Annual General Meeting held on 13th August, 2019, Mr. Mohit Jain (DIN: 01473966) was appointed as a Whole Time Director of the Company designated as "Executive Vice Chairman" of the Company for a period of 3 years from 1st July, 2019 to 30th June, 2022. Thus, the existing term of Mr. Mohit Jain as Executive Vice Chairman is ending on 30th June, 2022.

His rich experience in the textile industry, both in India and overseas, has endowed him with deep insights and expertise on the industry. Under the leadership of Mr. Mohit Jain, the Company has witnessed significant growth, both in terms of revenue and profits. Considering his knowledge, expertise and significant contribution in the overall growth of the Company and pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 29th May, 2022, re-appointed Mr. Mohit Jain as a Whole Time Director designated as "Executive Vice Chairman" of the Company for a further period of 3 years w.e.f. 1st July, 2022 on such remuneration and other terms and conditions as stated in Item No. 6 of the Notice, subject to the approval of members of the Company and any other authorities, if required.

Mr. Mohit Jain has given his consent for the aforesaid re-appointment. He is not disqualified to act as Director under section 164, 196 of the Companies Act, 2013 ("the Act"). He is not debarred from holding the office of Director by virtue of any SEBI Order or any other authority.

Effective from 1st April, 2019, pursuant to the Regulation 17(6) (e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the fees or compensation payable to Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the members by special resolution in general meeting, if

i. the annual remuneration payable to such executive director exceeds ₹5 Crores or 2.5 % of the net profits of the listed entity calculated as per the provisions of Section 198 of the Act, whichever is higher; or

ii. where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Act, and the rules framed thereunder read with Schedule V of the Act, the appointment and remuneration of Whole Time Director requires approval of the Members in General Meeting. Further pursuant to SEBI (LODR) Regulations, 2015 every listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The Company has received notice in writing from a Member under Section 160 of the Act proposing candidature of Mr. Mohit Jain for the office of Director of the Company.

The brief resume and other details of Mr. Mohit Jain as per the Listing Regulations and Secretarial Standard - 2 are provided in Annexure I to the Notice.

The statement as required under Section II, Part II of the Schedule V of the Act, with reference to payment of minimum remuneration at Item No. 6 is annexed hereto as Annexure II.

The Board of Directors recommends the resolution at Item No. 6 of the Notice for the approval of Members of the Company by way of Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Mohit Jain and Mr. Anil Kumar Jain and their relatives are, in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No. 6 of the Notice.

ITEM NO. 7

At the Annual General Meeting of the Company held on 13th August, 2019, Mr. Kamal Mitra (DIN: 01839261) was re-appointed as a Whole Time Director of the Company designated as "Director (Works)" of the Company for a period of 3 years from 1st October, 2019 to 30th September, 2022. Thus, the existing term of Mr. Kamal Mitra, Director (Works) is ending on 30th September, 2022.

Pursuant to the recommendation of Nomination and Remuneration Committee and considering rich experience and significant contributions made by Mr. Kamal Mitra at plant level to the overall growth of the Company, the Board of Directors of the Company at its meeting held on 29th May, 2022 re-appointed Mr. Kamal Mitra at the plant level and as Whole Time Director designated as "Director (Works)" for a further period of 3 years w.e.f. 1st October, 2022 on the terms and conditions including remuneration as stated in Item No. 7 of the Notice, subject to the approval of Members of the Company.

Mr. Kamal Mitra has given his consent for the aforesaid re-appointment. He is not disqualified to act as Director under section164, 196 of the Companies Act, 2013 ("the Act") read with Part I of Schedule V of the Act. He is not debarred from holding the office of Director by virtue of any SEBI Order or any other authority.

Pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions, if any, of the Act, and the rules framed thereunder read with Schedule V of the Act, the appointment and remuneration of Whole Time Director requires approval of the shareholders in General Meeting. Further pursuant to SEBI (LODR) Regulations, 2015 every listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The Company has received notice in writing from a Member under Section 160 of the Act proposing candidature of Mr. Kamal Mitra for the office of Director of the Company.

Further if a Whole-Time Director attained the age of 70 years, the approval of the shareholders is required by way special resolution.

The brief resume and other details of Mr. Kamal Mitra as per the Listing Regulations and Secretarial Standard - 2 are provided in "Annexure I" to the Notice.

The statement as required under Section II, Part II of the Schedule V of the Act, with reference to payment of minimum remuneration at Item No. 7 is annexed hereto as "Annexure II".

The Board of Directors recommends the resolution at Item No. 7 of the Notice for the approval of members of the Company by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Kamal Mitra and his relatives are, in any way, concerned or interested, financial or otherwise, in the resolution set out at Item No. 7 of the Notice.

Annexure - I

Additional Information of Directors seeking appointment/re-appointment as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 & Secretarial Standard-2

Name of the Director	**Mr. Anil Kumar Jain**
Age	69 years
DIN	00086106
Category	Executive & Non-Independent
Date of first appointment on the Board	22nd August, 1990
Brief Resume and nature of expertise in specific functional areas	Mr. Anil Kumar Jain, a B.Com (Hons.) from St. Xavier's College, Kolkata has more than 43 years of experience in the industry. He started his career from 1975 and held various key positions in the family business. He was instrumental in turning around BIFR / Sick Units by introducing innovative technology and export culture. In the year 1988, he promoted Indo Count Industries Ltd.
Terms & conditions of re-appointment	Mr. Anil Kumar Jain is proposed to be re-appointed as Whole-time Director designated as "Executive Chairman" of the Company for a further period of 3 years w.e.f 1st October, 2022 on the remuneration and terms and conditions specified in the resolution mentioned in Item No. 5 of the Notice.
Details of remuneration sought to be paid and remuneration last drawn.	Remuneration drawn for FY 2021-22 – ₹13.79 crores (includes commission of ₹6.70 crores). Remuneration sought to be paid for the term of 3 years w.e.f 1st October, 2022 is provided in resolution mentioned in Item No. 5 of the Notice.
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mr. Anil Kumar Jain is father of Mr. Mohit Jain, Executive Vice Chairman. Apart from this, Mr. Anil Kumar Jain does not have any relationship with other Directors and Key Managerial Personnel of the Company. The Company does not have Manager.
Number of Board Meetings attended during the year 2021-22	During the year 2021-22, Five (5) Board meetings were held and Mr. Anil Kumar Jain attended all the meetings.
Directorships held in other public Companies, including listed Companies [excluding foreign, deemed public companies and private Companies, Section 8 companies] as on 31st March, 2022	1. Pranavaditya Spinning Mills Limited 2. Margo Finance Limited
Memberships / Chairmanships of Audit and Stakeholders Relationship Committees of other Public Companies as on 31st March, 2022	1. Pranavaditya Spinning Mills Limited - Member of Stakeholders' Relationship Committee 2. Margo Finance Limited – Member of Stakeholders' Relationship Committee
Number of shares held in the Company as on 31st March, 2022	18,67,555 Equity Shares of ₹2/- each

Additional Information of Directors seeking appointment/re-appointment as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 & Secretarial Standard-2

Name of the Director	**Mr. Mohit Jain**
Age	45 years
DIN	01473966
Category	Executive & Non-Independent
Date of first appointment on the Board	9th May, 2016
Brief Resume and nature of expertise in specific functional areas	Mr. Mohit Jain has graduated from Babson College, United States of America and is specialized in the fields of Marketing, Economics, Finance and Entrepreneurial Studies. He has over more than 20 years of experience in Global Marketing and Entrepreneurship and vast expertise in overseas business.
Terms & conditions of re-appointment	Mr. Mohit Jain is proposed to be re-appointed as Whole-time Director designated as "Executive Vice Chairman" of the Company for a further period of 3 years w.e.f 1st July, 2022 on the remuneration and terms and conditions specified in the resolution mentioned in Item No. 6 of the Notice.
Details of remuneration sought to be paid and remuneration last drawn.	Remuneration drawn for FY 2021-22 – ₹10.92 crores (includes commission of ₹6.27 crores) Remuneration sought to be paid for a term of 3 years w.e.f 1st July, 2022 is provided in resolution mentioned in Item No. 6 of the Notice.
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mr. Mohit Jain is son of Mr. Anil Kumar Jain, Executive Chairman. Apart from this, Mr. Mohit Jain does not have any relationship with other Directors and Key Managerial Personnel of the Company. The Company does not have a Manager.
Number of Board Meetings attended during the year 2021-22	During the year 2021-22, Five (5) Board meetings were held and Mr. Mohit Jain attended all the meetings.
Directorships held in other public Companies, including listed Companies [excluding foreign and private Companies, Section 8 companies] as on 31st March, 2022	NIL
Memberships / Chairmanships of Audit and Stakeholders Relationship Committees of other Public Companies as on 31st March, 2022	NIL
Number of shares held in the Company as on 31st March, 2022	6,92,850 Equity Shares of ₹2/- each

Additional Information of Directors seeking appointment/re-appointment as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 & Secretarial Standard-2

Name of the Director	**Mr. Kamal Mitra**
Age	68 years
DIN	01839261
Category	Executive & Non-Independent
Date of first appointment on the Board	1st October, 2008
Brief Resume and nature of expertise in specific functional areas	Mr. Kamal Mitra holds a Bachelor Degree in Textile Engineering and has more than 41 years of experience in the Textile Industry.
Terms & conditions of appointment	Mr. Kamal Mitra is liable to retire by rotation and is also proposed to be re-appointed as Whole-time director designated as Director (Works) of the Company for a further period of 3 years w.e.f 1st October, 2022 on the terms and conditions mentioned in resolution at Item No. 7 of the notice.
Details of remuneration sought to be paid and remuneration last drawn.	Remuneration drawn for 2021-22 - ₹55.35 lakhs. Remuneration sought to be paid for a term of 3 years w.e.f 1st October, 2022 is provided in resolution mentioned in Item No. 7 of the Notice.
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mr. Kamal Mitra does not have any relationship with other Directors and Key Managerial Personnel of the Company. The Company does not have a Manager.
Number of Board Meetings attended during the year 2021-22	During the year 2021-22, (5) Five Board meetings were held, and Mr. Kamal Mitra attended all the meetings.
Directorships held in other public Companies, including listed Companies [excluding foreign and private Companies] as on March 31, 2022	Pranavaditya Spinning Mills Limited
Memberships / Chairmanships of Audit and Stakeholders Relationship Committees of other Public Companies as on March 31, 2022	Pranavaditya Spinning Mills Limited – Member of Audit Committee and Member of Stakeholders' Relationship Committee
Number of shares held in the Company as on March 31, 2022	Nil

Annexure II

STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE COMPANIES ACT, 2013:

I. General Information:

1) Nature of industry: Textiles
2) Date of commencement of commercial production: Operations started in the year 1988.
3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
4) Standalone Financial performance based on given indicators: (₹ in Crores)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations	2,805.95	2,514.75
Operating Profit (before interest, depreciation and tax)	535.90	419.82
Profit before Tax	454.65	352.58
Profit after Tax	338.09	260.26

5) Foreign investments or collaborations, if any: NIL

II-A- Information about Mr. Anil Kumar Jain:

Particulars	Mr. Anil Kumar Jain
Background details	Mr. Anil Kumar Jain, a B.Com (Hons.) from St. Xavier's College, Kolkata has acquired more than 43 years of experience in the industry. He started his career from 1975 and had held various key positions in the family business. He was instrumental in turning around BIFR / Sick Units by introducing innovative technology and export culture. In the year 1988, he has promoted Indo Count Industries Ltd.,
Past remuneration	FY 2021-22: ₹13.79 crores (includes commission of ₹6.70 crores) FY 2020-21: ₹11.44 crores (includes commission of ₹5.08 crores)
Recognition or awards	Mr. Anil Kumar Jain is honoured with Best CEO (Textiles & Apparel) Award – 2016 and Top 100 Best CEO -2017 by Business Today. Under the leadership of Mr. Anil Kumar Jain, Executive Chairman, the Company has received various awards and recognitions which includes Gold Trophy from TEXPROCIL for highest exports in cotton made ups for consecutive 3 years.
Job profile and his suitability	Mr. Anil Kumar Jain being Executive Chairman of the Company provides leadership, strategic vision and direction to the Company's business operations. He is steering the Company for more than 30 years and has rich and varied experience in the Textile Industry. Under his leadership, the Company has made enormous progress and today, the Company is amongst the leading manufacturers and exporters of bed linen from India.
Remuneration proposed	As stated in the Item No. 5 of this Notice.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The proposed remuneration of Mr. Anil Kumar Jain, Executive Chairman is in line with the nature of Industry, size of Company, responsibilities entrusted and peer remuneration. After considering all aforesaid factors, NRC has recommended the remuneration specified in Item No. 5 of the notice. Considering the background, competence, responsibilities, leadership skills and vast experience of Mr. Anil Kumar Jain, the terms of his remuneration as set out in the resolution are considered to be fair, just and reasonable.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Anil Kumar Jain is father of Mr. Mohit Jain and belongs to Promoter category. Apart from this, Mr. Anil Kumar Jain does not have any relationship with the Company, other Directors and Key Managerial Personnel of the Company.

II-B- Information about Mr. Mohit Jain:

Particulars	Mr. Mohit Jain
Background details	Mr. Mohit Jain has graduated from Babson College, United States of America and is specialized in the fields of Marketing, Economics, Finance and Entrepreneurial Studies. He has over 20 years' experience in Global Marketing and Entrepreneurship. He has vast experience on overseas business and has established networking with the global customers.
Past remuneration	FY 2021-22: ₹10.92 crores (includes commission of ₹6.27 crores) FY 2020-21: ₹9.30 crores (includes commission of ₹5.08 crores)
Recognition or awards	Mr. Mohit Jain is honoured with various awards, some of them being: The Economic Times Business Leader - Youth Icon Textiles Award 2021, "40 under 40 - India's hottest Young Business Leaders 2017 Award" by Economic Times, India's Most Trusted CEOs 2017 Award by World Consulting and Research Corporation (WCRC).
Job profile and his suitability	As an Executive Vice Chairman, Mr. Mohit Jain will be in-charge of the overall affairs and operations of the Company including marketing, planning and strategy. The Company has grown significantly under the overall guidance and leadership of Mr. Mohit Jain. Considering his knowledge and skills in managing the business, his re-appointment on the Board as Executive Vice Chairman will continue to immensely benefit the Company.
Remuneration proposed	As stated in the Item No. 6 of this Notice.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The proposed remuneration of Mr. Mohit Jain is in line with the nature of Industry, size of Company, responsibilities entrusted and peer remuneration. After considering all aforesaid factors, NRC has recommended the remuneration specified in Item No. 6 of the notice. Considering the background, competence, leader skill and experience of Mr. Mohit Jain, the terms of his remuneration as set out in the resolution are considered to be fair, just and reasonable.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Mohit Jain is son of Mr. Anil Kumar Jain and belongs to Promoter category. Apart from this, Mr. Mohit Jain does not have any relationship with the Company, other Directors and Key Managerial Personnel of the Company.

II-C- Information about Mr. Kamal Mitra:

Particulars	Mr. Kamal Mitra
Background details	Mr. Kamal Mitra holds a Bachelor Degree in Textile Engineering and has more than 41 years of experience in the Textile Industry.
Past remuneration	FY 2021-22: ₹55.35 Lakhs FY 2020-21: ₹52.65 Lakhs
Recognition or awards	Mr. Kamal Mitra, apart from the operational responsibilities, has been instrumental in Company's Corporate Social Responsibility Activities. Under his guidance, the Company has received various awards and certificate of appreciation from the Government and Local bodies for the CSR Activities carried out by the Company in the areas of Healthcare, Education, Women Empowerment, Water and Sanitation and Rural Upliftment. The awards includes Mahatma Award and Navbharat Group Healthcare of the year -2021 award.
Job profile and his suitability	Mr. Kamal Mitra is an occupier of Company's Spinning Division. He has rich and varied experience in textile industry. As a Whole-time Director of the Company, he is fully involved in the operations of the Company at plant level.
Remuneration proposed	As stated in the Item No. 7 of this Notice.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The proposed remuneration of Mr. Kamal Mitra, Director (Works) is in line with the nature of Industry, size of Company, responsibilities entrusted and peer remuneration. After considering all aforesaid factors, NRC has recommended the remuneration specified in Item No. 7 of the notice. Considering the background, competence and experience of Mr. Kamal Mitra, the terms of his remuneration as set out in the resolution are considered to be fair, just and reasonable.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any	Mr. Kamal Mitra has no pecuniary relationship directly or indirectly either with the Company or with the managerial personnel.

III. Other information:

1) Reasons of loss or inadequate profits:

The Company has adequate profits under Section 198 of the Companies Act, 2013 and does not envisage any loss or inadequate profits. However, as a matter of abundant caution, the Company proposes to obtain approval of the members of the Company for payment of minimum remuneration to Mr. Anil Kumar Jain, Mr. Mohit Jain and Mr. Kamal Mitra in case of situation of inadequate profits or loss. As a matter of compliance under Para A of Section II of Part II of Schedule V of Companies Act, 2013, this statement is given.

2) Steps taken or proposed to be taken for improvement:

Not Applicable. However, the Company constantly endeavors to take all such measures which shall improve the performance of the Company.

3) Expected increase in productivity and profits in measurable terms:

The Company is conscious about improvement in productivity and undertakes constant measures to improve the same. However, it is extremely difficult in present scenario to predict profits in measurable terms. For the year ended 31st March, 2022, net profit after tax stood at ₹338.09 Crores.

IV. Disclosures:

The information on remuneration package of Mr. Anil Kumar Jain, Executive Chairman, Mr. Mohit Jain, Executive Vice Chairman and Mr. Kamal Mitra, Director (Works) is provided in Corporate Governance Report forming part of the Annual Report for FY 2021-22.

Annexure III

INTIMATION ON DEDUCTION OF TAX ON FINAL DIVIDEND 2021-22:

In accordance with the provisions of the Income Tax Act, 1961 read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by the Company is taxable in the hands of shareholders. The Company shall therefore be required to comply with the provisions of deduction of tax at source (TDS) at the applicable rates at the time of payment of final dividend for the financial year ended on 31st March, 2022 to the shareholders in accordance with the provisions of the Income Tax Act ("IT" Act). The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. **Please note that all the details and declarations furnished should pertain to FY 2022-23.** The TDS for various categories of shareholders along with required documents are provided below:

I. For Resident Shareholders -

Tax is required to be deducted at source under Section 194 of the Act, at the rate of 10% on the amount of dividend where shareholders have registered their valid Permanent Account Number (PAN). In case, shareholders do not have PAN / have not registered their valid PAN details in their account, TDS at the rate of 20% shall be deducted under Section 206AA of the Act.

a. Resident Individuals:

No tax shall be deducted on the dividend payable to resident individuals if -

i. Total dividend amount to be received by them during the Financial Year 2022-23 does not exceed ₹5,000/; or

ii. The shareholders provides Form 15G (applicable to individual) / Form 15H (applicable to an Individual above the age of 60 years), provided that all the required eligibility conditions are met. Please note that all fields are mandatory to be filled up and Company may at its sole discretion reject the form if it does not fulfil the requirement of law.

Note:

1. **Recording of the Permanent Account Number (PAN) for the registered Folio/DP ID-Client ID is mandatory. In the absence of valid PAN, tax will be deducted at a higher rate of 20%, as per Section 206AA of the Act.**

2. **Shareholders are requested to ensure Aadhar number is linked with his/her PAN as provided under Section 139(AA)(2) of the Act, as per the timelines prescribed. In case of failure of linking Aadhar with PAN within the prescribed timelines, PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20% as provided under Section 206AA of the Act.**

b. Resident Non-Individuals:

No tax shall be deducted on the dividend payable to the following resident non-individuals if they provide details and documents as given below:

i. **Insurance Companies:** Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC.

ii. **Mutual Funds:** Self-declaration that it is registered with SEBI and is notified under Section 10(23D)) of the Act along with self-attested copy of PAN card and certificate of registration with SEBI.

iii. **Alternative Investment Fund (AIF):** Self-declaration that its income is exempt under Section10(23FBA)) of the Act and they are registered with SEBI as Category I or Category II AIF along with self-attested copy of the PAN card and certificate of AIF registration with SEBI.

iv. **New Pension System (NPS) Trust:** Self-declaration that it qualifies as NPS trust and income is eligible for exemption under section 10(44) of the Act and being regulated by the provisions of the Indian Trusts Act, 1882 along with self-attested copy of the PAN card.

v. **Other Non-Individual shareholders:** Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

c. In case, shareholders (both individuals or non-individuals) provide certificate under Section 197 of the Income-tax Act, 1961, for lower / NIL withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

d. Benefit under Rule 37BA - In case where shares are held by Clearing Member/ intermediaries/ stock brokers and TDS is to be applied by the Company in the PAN of the beneficial shareholders, then intermediaries/ stock brokers and beneficial shareholders will have to provide a declaration.

II. For Non-resident Shareholders -

Taxes are required to be withheld in accordance with the provisions of Section 195 and 196D of the Act, as per the rates as applicable. As per the relevant provisions of the Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. In case, non-resident shareholders provide a certificate issued under Section 197/195 of the Act, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

Further, as per Section 90 of the Act, the non-resident shareholder has an option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, i.e. to avail the DTAA benefits, the non-resident shareholders are required to provide the following:

i. Self-attested copy of the PAN card allotted by the Indian Income Tax authorities. In case, PAN is not available, the non-resident shareholder shall furnish (a) name, (b) email id, (c) contact number, (d) address in residency country, (f) Tax Identification Number of the residency country.

ii. Self-attested copy of Tax Residency Certificate (TRC) (for the period April 2022 to March 2023) obtained from the tax authorities of the country of which the shareholder is a resident.

iii. Self-declaration in Form 10F filed online in the Income Tax portal.

iv. Self-declaration by shareholder certifying the following:

- meeting the eligibility requirements under DTAA

- entitlement to receive the Dividend being a beneficial owner of the Shares for the period 1st April 2021 to 31st March 2022.

- Is and will continue to remain the tax resident of the country of its residence during the period 1st April 2021 to 31st March 2022.

- Does not have Permanent Establishment (PE) / Place of Effective Management in India

v. In case of Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs), copy of SEBI registration certificate.

It is recommended that shareholders should independently satisfy its eligibility to claim DTAA benefit including meeting of all conditions laid down by DTAA.

Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

III. TDS to be deducted at higher rate in case of non-filers of Return of Income -

The Finance Act, 2021, has *inter alia* inserted the provisions of section 206AB of the Act with effect from July 1, 2021. The provisions of section 206AB of the Act require the deductor to deduct tax at higher of the following rates from amount paid/ credited to 'specified person':

i. At twice the rate specified in the relevant provision of the Act; or

ii. At twice the rates or rates in force; or

iii. At the rate of 5%

The 'specified person' means a person who has:

a. not filed return of income for the previous year immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of section 139 has expired; and

b. subjected to tax deduction/collection at source in aggregate amounting to ₹50,000 or more in such previous years.

The non-resident shareholders who do not have the Permanent Establishment (PE) in India are excluded from the scope of a specified person. In case of a shareholder Section 206AA and Section 206AB both are applicable, then tax will be deducted at higher of the rates provided in these sections. The Central Board of Direct Taxes (CBDT) has vide Circular No. 11 dated June 21, 2021, has clarified that new functionality will be activated for compliance check under section 206AB of the Act. Accordingly, for determination of rate of TDS on Dividend payment, the Company will be using the said Functionality for the purpose of determination of rate of TDS under section 194.

PAYMENT OF DIVIDEND

The dividend on Equity Shares for FY 2021-22, once approved by the shareholders of the Company at the AGM, will be paid after deducting the tax at source as under:

A. FOR RESIDENT SHAREHOLDERS:

- No tax will be deducted in case the total dividend paid is up to ₹5,000/-.
- No tax will be deducted for resident shareholders in case Form 15G / Form 15H (as applicable) is submitted along with self-attested copy of the PAN linked to Aadhaar.
- NIL/ Lower withholding tax rate on submission of self-attested copy of the certificate issued under Section 197 of the Act.
- 10% for resident shareholders in case PAN is provided / available.
- 20% for resident shareholders in case PAN is not provided / not available/ non-filers of Return of Income.

B. FOR NON-RESIDENT SHAREHOLDERS:

- Tax treaty rate (based on tax treaty with India) for beneficial non-resident shareholders, as applicable will be applied on the basis of documents submitted by the non-resident shareholders.
- NIL/ Lower withholding tax rate on submission of self-attested copy of the certificate issued under Section 195/197 of the Act.
- 10% plus applicable surcharge and cess for GDR holders if they provide self-attested copy of the PAN card in accordance with provisions of Section 196C of the Act.
- 20% plus applicable surcharge and cess for non-resident shareholders in case the above mentioned documents are not submitted.

C. Higher rate as discussed in point III above in case of non-filers of Return of Income, as applicable.

D. FOR SHAREHOLDERS HAVING MULTIPLE ACCOUNTS UNDER DIFFERENT STATUS / CATEGORY:

Shareholders holding Equity shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

SUBMISSION OF TAX RELATED DOCUMENTS:

Kindly note that the documents as mentioned above are required to be submitted to the Registrar at email ID: indocount@linkintime.co.in or update the same by visiting the link https://web.linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before September 24, 2022 in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. Incomplete and/or unsigned forms and declarations will not be considered by the Company.

No communication/documents on the tax determination / deduction shall be considered post September 24, 2022.

If the requisite documents and details are not provided by the shareholders within the specified time, TDS would be regulated as per the provisions of the Act. In such a case, if TDS is deducted at a rate which is considered higher than the applicable rate of tax in a particular case, refund of such excess TDS may be claimed by the shareholder as provided under law. No claim shall, however, lie against the Company for such deduction of TDS. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at https://incometaxindiaefiling.gov.in.

Further, shareholders who have not registered their email address are requested to register the same with our RTA at weblink: https://web.linkintime.co.in/EmailReg/Email_Register.html. Shareholders are further requested to complete necessary formalities with regard to their Bank accounts updation for enabling the Company to make timely credit of dividend in respective bank accounts. For any queries related to the payment of dividend, shareholders can write on email Id's i.e. icilinvestors@indocount.com or indocount@linkintime.co.in