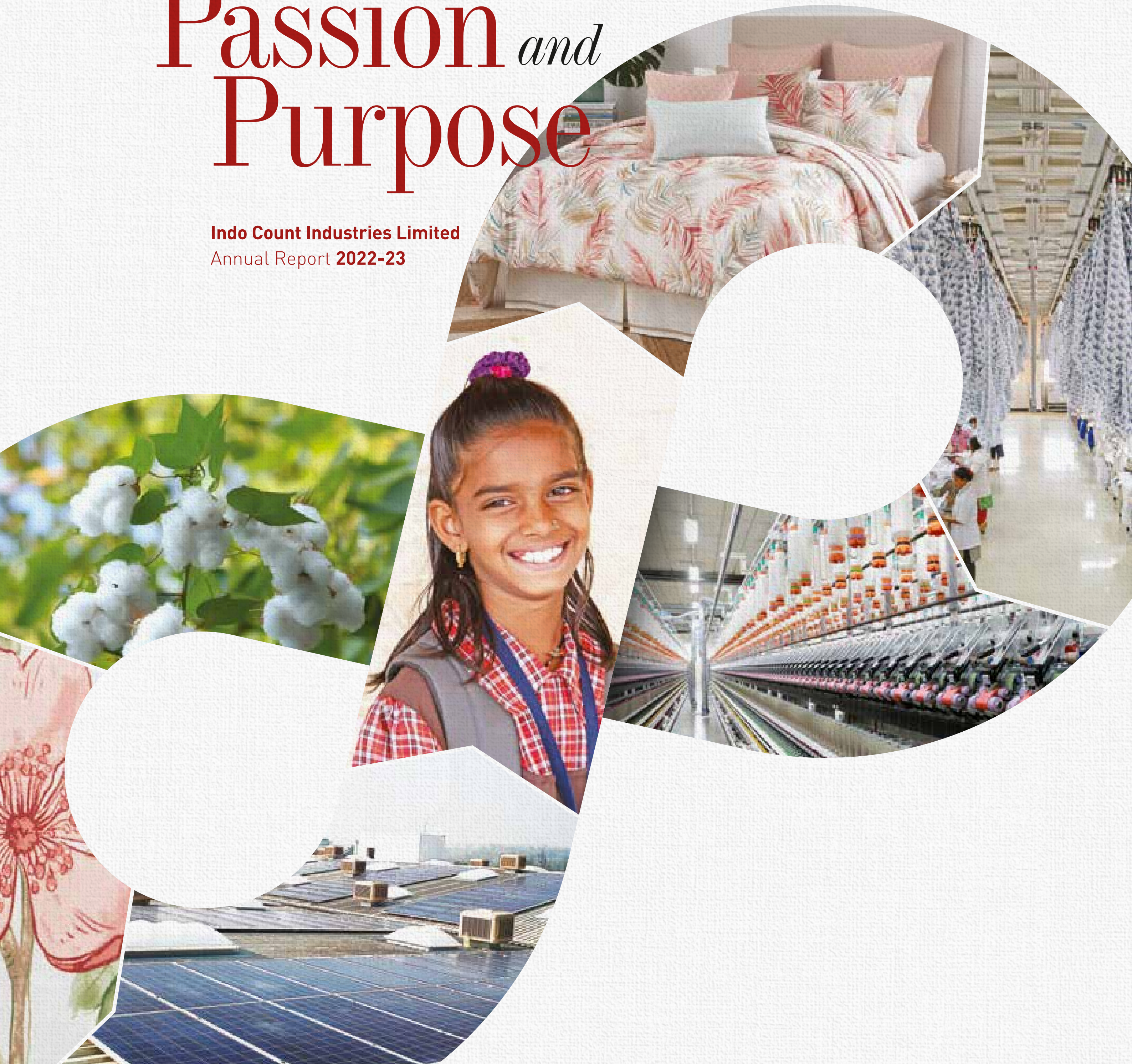
INDO COUNT

Complete Comfort

Passion *and* Purpose

Indo Count Industries Limited

Annual Report **2022-23**



INDO COUNT
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)
34th AGM through Video Conferencing/ OAVM	Date: August 21, 2023 Time: 12.00 Noon (IST)
VC Platform & E-voting	NSDL

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

Over the years, we have faithfully reinforced our business with purpose and passion. We have allowed our passion to become our purpose.

Intertwining these compelling forces we built a business model with the resilience to resist sectoral headwinds on the one hand and capitalise disproportionately on rebounds on the other.

The forceful collaboration of these diverse forces have and will continue to strengthen our ability to enhance value attractively for our stakeholders, validating our outlier positioning.

Disclaimer: This Annual Report contains statements about expected future events and financials of Indo Count Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

At Indo Count, all these years, we have persevered with a singular purpose – to strengthen the organisation's growth levers.

FY23 was the most glaring example of our resilience. In a period when home textile exports from India fell by more than 10%, our revenue (primarily export driven) grew by ~2%.

As India's progress gets progressively gridlocked with global diversities, resilience is the only shock absorber that cushions the fall against adversities and propels the rise on an upturn.

Cognizant of this reality, we have implemented strategic initiatives that will strengthen our ability to grow the organisation.

1

Our prudent capital allocation strategy has been an important pillar of success.

Over the last two years, we have built capacities through organic and inorganic routes by investing over ₹1,000 crore and positioned the Company as the largest global bed linen player.

Our prudent capital allocation strategy has helped us to be ready to achieve 2x revenues for the future.

And in spite of the massive capex spending, our strong free-cash generation was further utilised towards debt reduction, which reduced our net-debt from ₹900 crore in FY22 to ₹589 crore in FY23.

2

Our acquisition of GHCL's home textile business is one vital step in growing and de-risking the organisation.

The acquisition provides access to a great complementing product base, excellent people and strong customer relations – a potent combination that will spur the next level of market reach and growth prospects.

With the acquisition of this business, we get an access to Australian market. This market is a good home textile market, probably equivalent in size to the UK. This is especially significant as India has recently signed an FTA with Australia. This entry will help partially diversify Indo Count's global presence.

3

We amalgamated our subsidiary, PSML with the company for seamless integration of business operations. This strategy brings in assets like land and building. We are utilising these assets by adding ~68,000 spindles to spin special yarns to increase our captive consumption, thereby contributing to the overall margin.

4

We have drawn up a detailed blueprint for increasing the contribution of the value-added segment in our topline. Our emphasis is on promoting the fashion, utility, and the institutional bedding products which is gaining traction. We have invested in a state of the art Top of the Bed (TOB) unit which has started operations. We are strengthening the back end as well to deliver value-added goods, to export and domestic markets. We are optimistic that our endeavours will achieve the desired results. We intend to scale the share of value-added products to 30% of our revenue in the future.

5

With the successful launch of our brands Boutique living and Layers, our domestic business is generating traction and has marked presence in the Indian bed linen space. We expect the momentum will generate good growth numbers in a near term.

At Indo Count, we have passionately embedded responsibility into the organisational fabric.

As natural resources get dangerously depleted, we are consciously making efforts to embed sustainability considerations across all investments, business decisions and operational activities.

We diligently work towards extending our environmental stewardship much beyond complying with applicable laws and regulations for saving the Earth for our future generations.

We have maintained our CDP (Carbon Disclosure Project) performance on one of the world's largest global disclosure platform CDP. **We received 'B' score which is higher than the average 'C' for companies across the globe for taking co-ordinated actions on climate issues.**

The Higg Index delivers a holistic overview that empowers us to make meaningful improvements that protect the wellbeing of our factory workers, local communities, and the environment. **We have achieved the highest score for Higg Index FEM (Facility Environmental Module).**

Indo Count has contributed towards Project Gigaton of Walmart since inception for reducing GHG emissions through various initiatives. **In FY23, we have been awarded with the title of "Giga Guru" consecutively for the fourth year. We have reduced >25000 MT Green House Gas Emissions across various Gigaton Pillars.**

Indo Count has adopted a scientific approach in its journey for Climate action by joining global campaign led by SBTi (Science Based Target initiatives). **Aligned with Paris agreement, we have taken targets for GHG emission reduction till the year 2030. These targets are in-line with 2 degree Celsius trajectory.**

We are a member at United Nations Global Compact and are committed to integrating UNGC's Principles into the organisational culture and ensuring building a greener sustainable future. **We have developed a Business Plan 2030 which has identified SIX pillars of sustainability and also mapped our operational performance against NINE SDG goals.**

> "Being responsible is no longer a cost of doing business; it is a catalyst for innovation, growth, new market opportunities and wealth creation."
>
> **K R Lalpuria**, *Chief Executive Officer & Executive Director*

SIX Pillars of Sustainability

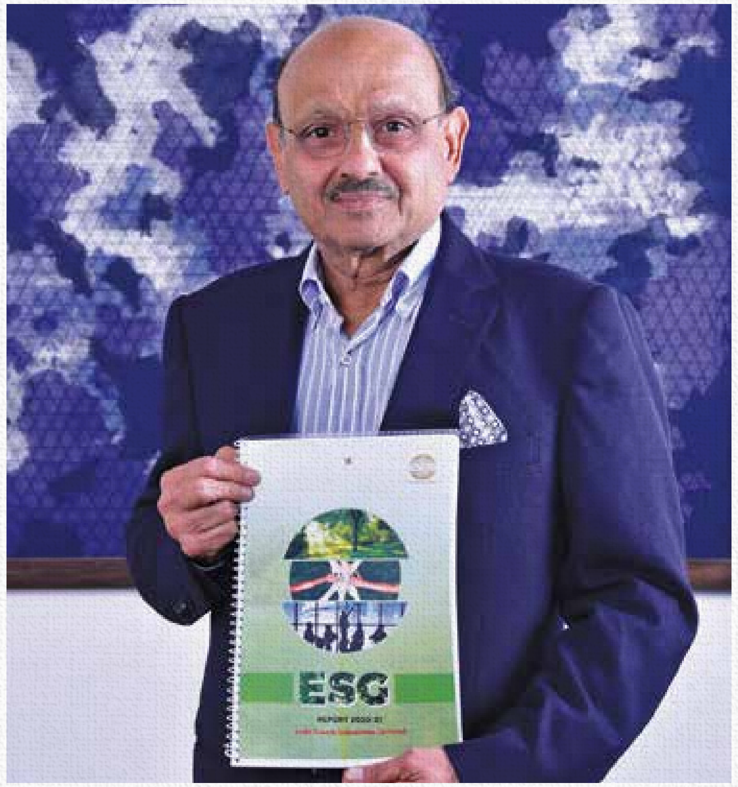
- Carbon Neutrality
- Sustainable RM sourcing
- Zero Waste to Landfill
- Shared Value Strategies
- Impacting Cotton Farmers
- Tree Plantation

NINE SDG Goals

3, 6, 8, 9, 17, 4, 7, 12, 13

From the Chairman's desk

> "We are optimistic about our prospects in the current year. The positivity in the external ecosystem, coupled with our strength in terms of our products and people, should help us to register healthy growth in years to come."



Dear Shareholders,

Year Under Review

We had a successful close to FY '23 as we continued to sustain our performance, despite numerous external challenges.

During the year, the industry has faced multiple headwinds, such as the demand slowdown in international markets due to high inflation, supply chain disruptions due to logistics, which affected inventory levels and a record high commodity cost. Inflation was a vital challenge because consumers concentrated their spending on essential products, putting discretionary purchases on the back burner. These factors severely hit profits and growth.

I am delighted that Indo Count has successfully navigated the challenges in FY23. Given the circumstances, we concentrated on expanding in value-added segments such as fashion, utility and institutional. We focused on brand-building initiatives.

We achieved our volume guidance for FY23 with a sales volume of 74.7 million meters. Total income increased by 2% to ₹3,043 crore against ₹2,982 crore in FY22. We experienced growth in the e-commerce side of the business, contributing 10% of revenue in FY23.

Inflationary headwinds impacted our profitability. EBITDA dropped marginally from ₹574 crore in FY22 to ₹486 crore in FY23. And EBITDA margin stood at 16% in FY23 versus 19.26% in FY22. We reported a Profit after Tax of ₹277 crore in FY23.

Having endured these headwinds, the sector is seeing signs of revival. We believe the worst is behind us. Lower raw material prices, a decrease in freight cost, and an improvement in the supply chain will improve our business's overall competitiveness.

In keeping with your Company's philosophy of rewarding shareholders, the Board has recommended a final dividend of ₹2 per equity share of ₹2 each, that is 100%.

I'm happy to share that CareEdge Ratings has upgraded our long-term bank facilities to CareEdge AA- with a stable outlook from CareEdge A+ with a positive outlook.

Rewards & Recognition

Your Company's superior performance continued to grab the spotlight. I am happy to share that our domestic brand Boutique Living received the Best Brand Award 2022 from the Economic Times at the fifth edition of the Economic Times Best Brands 2022 Conclave.

Indo Count was awarded the winner in the 'Within the Fence' category in CII's National Award for Excellence in Water Management.

Our domestic brand, Layers, was recognised as the FEMINA POWER BRANDS for 2022-23 for introducing exquisite designs wrapped in superior fabric at affordable prices.

Indo Count was awarded by the Federation of Indian Export Organisations, FIEO, as the highest foreign exchange earner in textiles in Maharashtra for two consecutive years, 2018-2019 and 2019-2020.

We are humbled by these recognitions from various respected bodies and remain committed to raising our performance bar a few notches higher over the coming year.

Capex & Growth Plans

Over the last two years, we embarked on multiple capacity and capability-enhancing projects. I am delighted to mention that we have successfully commissioned most of the projects in FY23.

We have successfully completed the modernisation of Gokul Shirgaon spinning capacity with compact spinning technology.The addition of the 68,000-spindle spinning capacity (erstwhile Pranavaditya Spinning Mills) with Compact spinning technology is also at its final leg and should commence operation in the current year.

Further, the increase in home textile capacity at our Kolhapur facility from 90 million meters to 108 million meters and the capex for commensurate sewing facilities and TOB (top of the bed) capacity have been completed; commercial production from this unit commenced in the fourth quarter of FY23. These additions will help us serve our customers better and increase the value-added quotient in our business.

The commissioning and integration of the facilities have happened seamlessly. We will build upon the efficiencies to service the customer more competitively and efficiently. As demand scales northward, we will benefit from the synergies.

Intertwining of synergies

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 in April 2022, elevating Indo Count to become the largest home textile bed linen company globally.

The acquisition will enable the company to achieve substantial growth in revenue and profitability and make it a dominant player in the Industry.

I am pleased to mention that the intertwining and integration are working very well for us. The team is excellent, the product range is excellent and the complementing of the product mix between our plants is working very well. Their customers have expressed confidence in embracing the expanded product basket and working with us. We are optimistic that the acquisition will play an important role in delivering our next level of growth.

Indo Count's net debt to equity was 0.47 as of 31st March 2023 against 0.82 for the previous year.

Brand, Marketing and Technology

We have ten strong, active brands which have performed exceedingly well. In keeping with evolving trends, market demand and customer requirements, we continue adding licensed brands to our existing repertoire.

We launched Jasper Conran last year, gaining good traction in the UK and some other nations. Other product brands like Infinity, Signature Sateen, and Pure Earth are also performing quite well.

To add to our basket, we launched GAIAM, a health & wellness global brand, at 2022 September Home Textiles Market Week in Indo Count's 5th Avenue showroom in New York City (September 19 - 22). We will launch the products in-store and online in the US, Canada, and Mexico with retail partners in Spring 2023.

We will continue to remain laser-focused on increasing our share in the e-commerce and branded business both locally and globally, for which we will strengthen our brand promotion initiatives in India and worldwide through our active brands.

Overall our brand strategy is working quite well. Going forward, we may add a couple of licensed brands to enhance our relevance to customers.

Macro Economy & Global Home Textile Industry

There is reasonable optimism in the global markets. The headwinds that persisted have largely waned off. There is positive optimism in the markets of our presence.

In the US, our largest market, inflation hit the consumers and shrunk their wallet size, forcing them to focus on essentials. Reducing inflation is restoring their wallet size. Green shoots of recovery are visible as inventory levels have normalised. There is a decent uptick in order booking, but retailers have adopted a cautious approach towards restocking. We are optimistic about our prospects in the US as we move forward.

In addition, the **'China Plus One'** strategy has led to several Western countries looking at alternate markets. This is opening up new growth avenues for the Indian textile industry.

We believe the medium-term demand recovery will be largely aided by the downward trend in pricing for the new cotton season, the resolution of supply chain concerns and the actions taken by the individual governments to combat inflation.

The Government, on its part, is working relentlessly to accelerate India's rise to the global podium. Free Trade Agreements with the UK, Canada, EU and GCC are in process, which, when finalised, will open interesting opportunities in these nations for Indian home textile exports and provide a level playing field.

Government initiatives such as Atmanirbhar Bharat, PLI schemes and Textile Parks are facilitating the Indian textile players to strengthen their capabilities to be future-ready for opportunities likely to unfold over the medium term.

More recently, the Government has released a draft of the second round of the production-linked incentive (PLI 2.0) scheme for the textile sector. The scheme promises to attract investment and reduce the import dependence on textile accessories. Also, the extension of RoSCTL will further support India's ambition to become a key supplier to the global textile market. These factors create immense positivity for the Indian textile sector going forward.

Over the last two years, we have focused on enhancing our capacities, capabilities, product offering and awareness. These efforts position us perfectly to ride the upturn when the tide turns favorable. In the future, we will intensify our efforts in spreading awareness of our products and capabilities across countries and customers.

Domestic market

India has retained its position as one of the fastest-growing major economies in the world once again. And is at an arm's length of reaching its aspirational target of becoming a US$ 5 trillion economy. This journey is a transformation playing out that promises to open significant opportunities for business enterprises.

Economic progress will continue to improve the Indian consumer's economic status and spending capability. We believe this will lead to an increase in household numbers and a consequent surge in demand for home products over the medium and long term. Additionally, the growing disposable income and aspiration of the Indian middle class should scale the demand for branded products, creating an immense opportunity to develop local brands in home textiles. This will see outstanding growth in overall consumption.

We see an opportunity to tap into this market. We anticipate our domestic brand, Boutique Living and Layers, will lead this growing demand, and in the next four or five years, we will have an almost double-digit percentage of our revenue coming from domestic sales.

Sustainability

Climate Change is the defining issue of our time, and we are at a defining moment. From shifting weather patterns that threaten food production to rising sea levels that increase the risk of catastrophic flooding, the impacts of climate change are global in scope and unprecedented in scale. The industrial world is largely responsible for indiscriminate pollution and the deterioration of the ecological balance. Hence, embracing sustainability in every aspect of business has become imperative.

Over the years, we have neatly woven sustainability into our business model. At Indo Count, we view every business strategy and investment from the sustainability prism to transform sustainability from a business practice into an organisational culture. Our endeavors are bearing results.

Indo Count achieved a 90.6% score for Higg Index versus Global Benchmark in Home Textiles verified score, which is 59%. Further, Hohenstein, Germany, a recognised world lab, has lauded our contribution and efforts towards water consumption, saving and recycling, and all of this happened on the event of the International Water Day. We have also received a Certificate of Merit from CITI Birla Sustainability Award under contribution towards zero carbon emission at a ceremony held in Jaipur.

We also participated in United Nations Global Compact India and Accenture Led CEO Study on Sustainability for 2022.

Going forward, we intend to build up the best practices to achieve traceability of raw materials across the supply chain.

Social responsibility

At Indo Count, we give priority to Social impact in all our business activities. We have created an impact across areas including health, education, environment and water sanitation. We currently employ well managed work force of around 5000 and have arranged skill development by taking various initiatives. As part of women empowerment, we aim to increase the presence of women employees across our business operations.

People Initiatives and Values

We understand the importance of core values and culture. We continue to provide opportunities to our manpower to develop and take bigger roles. Our HR provide training to our manpower on various aspects to make them more skillful and responsible to the emerging needs of the Society.

Outlook

We are optimistic about our prospects in the coming year. The positivity in the external ecosystem, coupled with our strength in terms of our products and people, should help us register healthy growth in the current year. Our strong order book position underpins our optimism.

Further, we aim to increase the revenue from the value-added business in our revenue mix by about 50% over the previous year. This should help in strengthening business value and delivering value to our stakeholders.

Over the long term, we will focus on sweating our assets at optimum levels to take our Company to the next level.

Acknowledgment

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

Warm regards

Anil Kumar Jain
Executive Chairman

Shri Anil Kumar Jain has been awarded with Industrial Excellence Award by The Textile Association of India. This award recognises his contribution towards promoting Indian textiles globally and achieving industrial excellence in this sector.

We are Indo Count Industries Limited

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 providing all our customers with 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 recognised among the top three global bed sheet suppliers in the US.

Having innovation in every fibre, the Company strive to provide ultimate comfort to consumers. In that endeavour, we produce high-quality, luxurious bedding solutions in our state-of-the-art manufacturing plant in Kolhapur, Maharashtra and Bhilad, Gujarat.

The product basket includes bed sheets, bed linen and quilts. It also includes premium sheet sets, fashion bedding, utility bedding and institutional bedding. Certified by some of the most prestigious international quality standards the Company's products are testimony to its dedication towards customer satisfaction.

The Company maintains an omnichannel presence for its branded portfolio (owned and licensed). Recently, the Company has completed two licensed brand tie-ups (Jasper Conran and Gaiam) and is planning to add more such brands to its portfolio in future.

Despite its dominant presence in the US markets, the Company is working towards diversifying its geographical mix by having a deeper presence in the EU, UK & Australia.

Recently, Indo Count acquired the home textile division of GHCL, a prominent home textile player in India. The merged entity will have a much higher capacity and is likely to have a whole new avenue of untapped customer base.

Certifications & accreditations

ISO 9001:2015 Quality Management System	**ISO 14001:2015** Environmental Management System	**ISO 45001:2018** Occupational Health and Safety Management System
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	**OEKO-TEX STeP Certificate** By the International Association for Research and Testing in the Field of Textile and Leather Ecology

Credit ratings

LONG TERM RATING

ICRA: AA- with Stable outlook	**CAREEDGE: AA-** with Stable outlook

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

SHORT TERM RATING

ICRA: A1+	**CAREEDGE: A1+**

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

Our presence

ICIL exports to nearly 50+ countries with the US being the largest market (~75% of the revenue) where the Company commands ~20%+ market share in bed sheets. In overseas markets, the Company has a strong presence in Europe, Australia etc. via international subsidiaries and maintains a vibrant distribution channel through showrooms, design studios, e-commerce drop ship and warehouses in these countries. In India, we are present in the home textile market with our own domestic brands 'Boutique Living' and 'Layers'.

4
Manufacturing plants

153 MN MTS
Home Textile Manufacturing capacity

~1,40,000 SPINDLES
Spinning capacity

10,000+
Team Size (Direct and Indirect)

20+
Brands

50+
Export to nations

Our journey of many milestones

1990/91
Initial Public Offer in 1990

Commencement of operations in 1991

2007
Forayed into home textiles by setting up 36 million meters capacity

2008
Acquired Pranavaditya Spinning Mills Ltd. (Subsidiary)

2011
Established Subsidiary in the USA and Showroom and Design Studio at Fifth Avenue, New York

2012
Bed linen capacity increased to 45 million meters

2014/15
Established showroom and design studio in UK in 2014

Enhanced Capacity to 68 million meters in 2015

2017
Established Subsidiary in Dubai

Bed linen capacity increased to 90 million meters

Launched Brands in Indian market

2022
Acquisition of GHCL home textile business

Amalgamation of Pranavaditya Spinning Mills Ltd with the Company

Bed linen capacity increased to 108 million meters

2023
Bed linen capacity increased to 153 million meters

Our diversified brand portfolio

Existing Portfolio

- Boutique Living
- The Cotton Exchange
- Layers
- Color Sense
- Purity Home
- Sleep Rx
- Pure
- Wholistic
- Kids Corner
- Boutique Living Luxury

Addition of new Brands

- Maximix
- Hotel at Home
- Flip
- Earthology Eco Cotton
- Kneet non-iron Original
- Beyond Flannel
- Fabfit Original
- Weavestry
- Lazy Sunwashed
- Distinct Doom

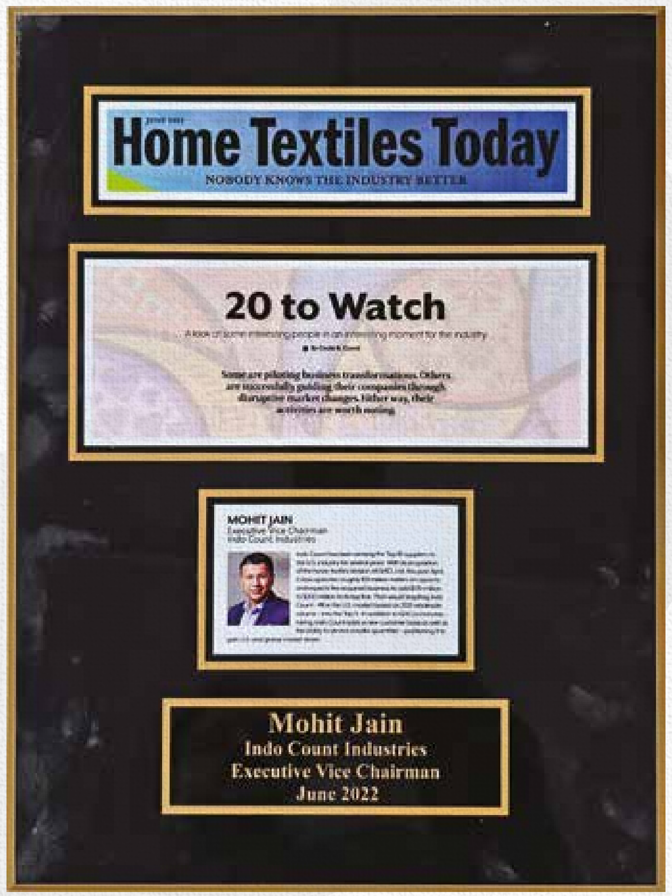
Our diverse technology expertise

- Bio-Oils
- AllerCot Ever Fresh
- Weavestry
- Natural Sheets
- Aero Balance
- Earthology
- Dura Shine
- Infinity
- Signature Sateen
- ProShield
- Jeanius
- Active Cooling sleep cool
- Aireolux
- Cirkularity
- Ecopress
- Duratec
- DryMax Complete Comfort
- Pure Earth
- Flip
- The Complete Sheet

Awards & Recognition

The Economic Times Best Brands

Awarded the 5th edition of **"The Economic Times Best Brands 2022 Conclave"** by the Economic Times for recognising and celebrating the best brands built by Indian business houses over the years.



One of the 20 successful people to watch, featured in Home Textiles Today magazine (June 2022 edition).

CII National Award

This award was conferred for Excellence in Water Management – 2022 and company's contribution in improving water use efficiency and integrated approach in wastewater management.

Mahatma Award 2022

The prestigious **"Mahatma Award for Lifetime Achievement in Corporate Social Responsibility, Sustainability and Social Impact"** was conferred on Indo Count Foundation for the impact made on society through CSR activities.

The Federation of Indian Export Organizations (FIEO)

Awarded by the Federation of Indian Export Organizations (FIEO) for being the highest Foreign Exchange Earner in Maharashtra for two consecutive years 2018-19 and 2019-20.

Niryat Shree Gold Trophy

"Niryat Shree Gold Trophy" for the year 2020-21 by the Federation of Indian Export Organizations (FIEO) in the non MSME category of the Textiles sector for achieving outstanding performance in the export of goods and services.

CITI Birla Sustainability Award

The 1st Runner Up in the Contribution towards Zero Carbon Emission category in CITI Birla Sustainability Award.

Integrated Reporting Parameters

RESOURCES WE RELY ON

Financial Capital

Our pool of funds

Total Equity:	₹39.61 crore
Networth:	₹1782 crore

Manufactured Capital

State-of-the-art facilities in and around Kolhapur and at Bhilad near Vapi

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	5000+ (Direct & Skilled)

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 during the last five years	₹15.40 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	₹3,011.55 crore
EBITDA	₹485.71 crore
PAT	₹276.78 crore
Debt to Equity Ratio	0.47x

Manufactured Capital

Sales volume:	74.70 million metres
Capacity:	153 million metres

Intellectual Capital

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

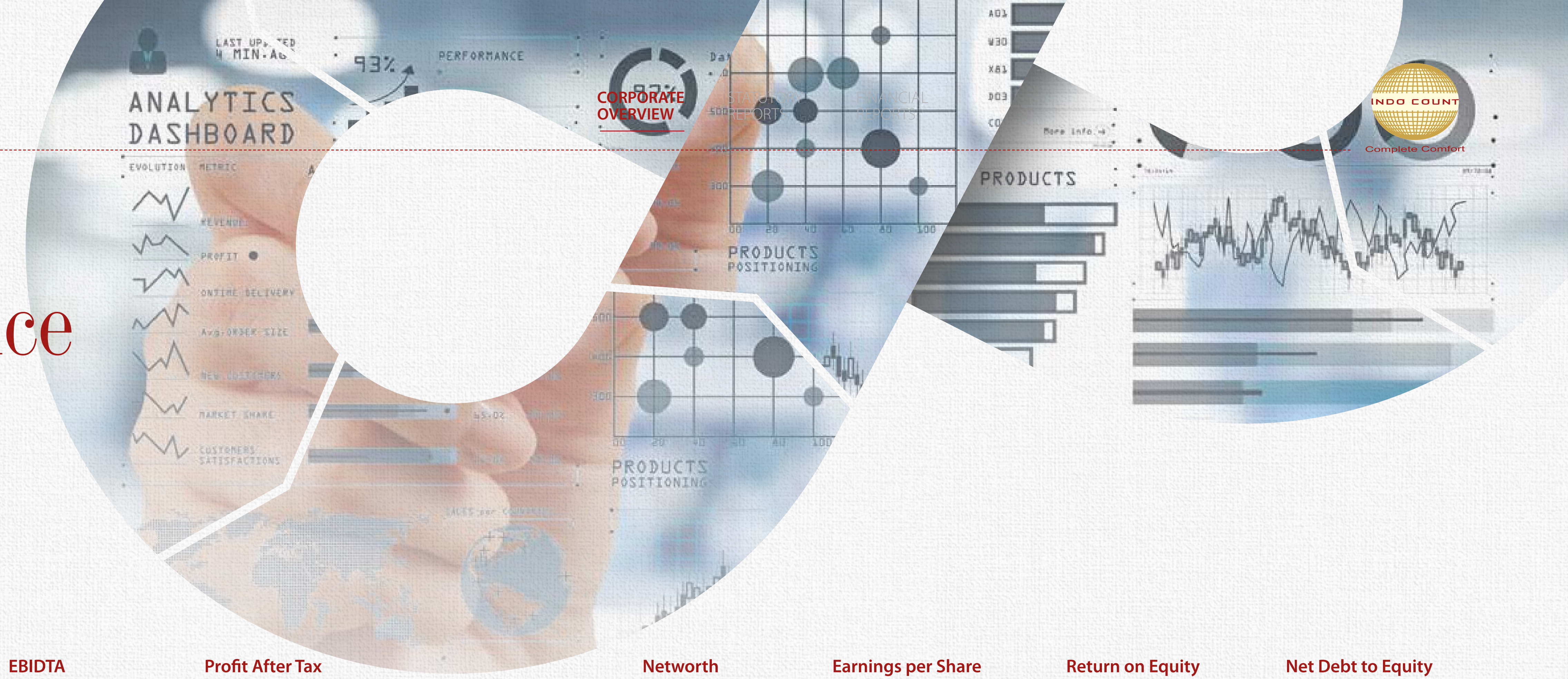
Zero accidents

Social and Relationship Capital

Patients Treated:	6,50,000+
Students Benefited:	55,000+
Farmers Benefited:	20,000+

Natural Capital

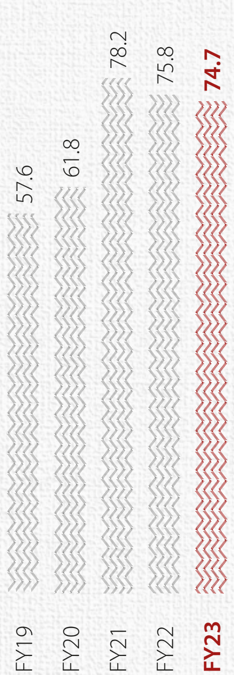
Improvement in cotton yield	36% against baseline
Reduction in fresh water	55%
Water recycled and reused	90%



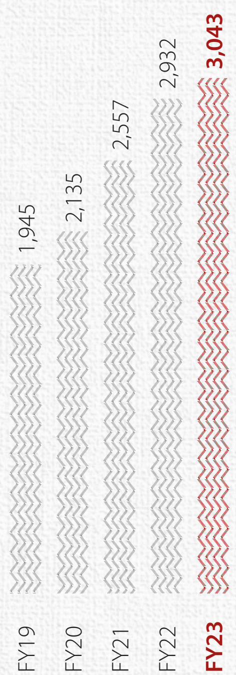
Key performance indicators

Based on Consolidated Financial Statements

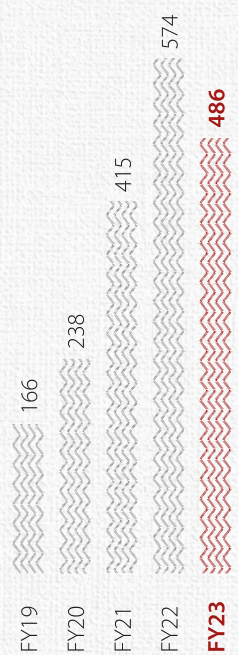
Sales Volume
(in million meters)



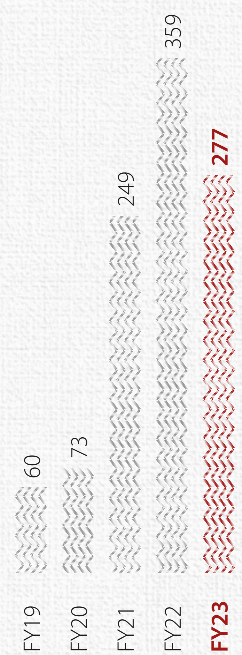
Total Income
(₹ crore)



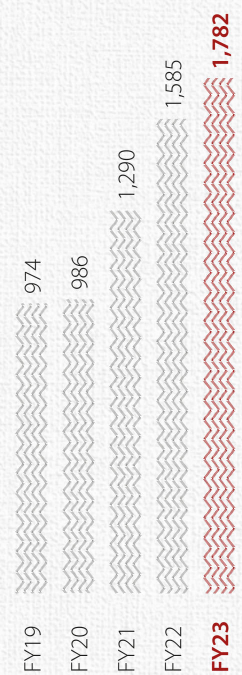
EBIDTA
(₹ crore)



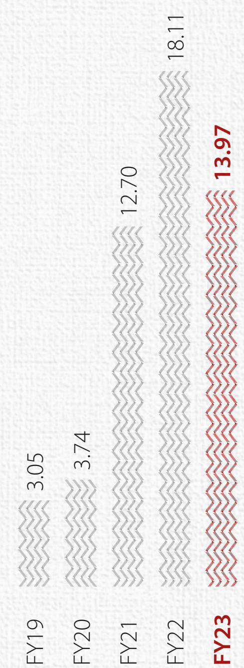
Profit After Tax
(₹ crore)



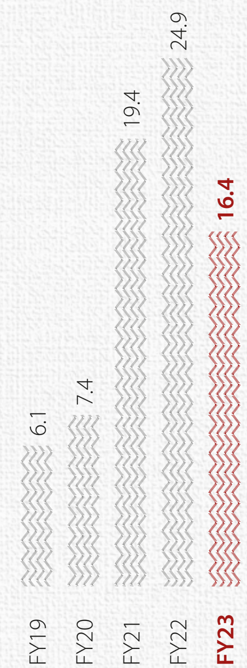
Networth
(₹ crore)



Earnings per Share
(₹)



Return on Equity
(%)



Net Debt to Equity
(x)

The Domestic Retail

'Boutique Living' and 'Layers' are our domestic brands that form the bedrock of our Indian retail portfolio. These brands are a testament to the innovation, diversity and comfortability of our entire collection.

Boutique Living is a premium brand with exquisitely crafted bed linen in inspired design. It attracts customers for its carefully selected range which at the same time is a combination of warmth and style.

Layers is an affordable bed linen offering with an massive array of products at unbelievable price points and quirky designs for India's burgeoning aspiring segment.

With the success of both these brands, Indo Count has already made a mark in the Indian bed linen space. But with a focus on brands, we are strategically penetrating deeper into B2C, B2B and D2C segments with a better margin and value proposition business. Here, we are focusing more on enhancing our presence across the digital marketplace and high-quality product offerings across the right price points. Owing to these factors, both these brands are gaining more traction in the domestic markets.

Boutique Living

Boutique Living is a brand for the well heeled Indian with superior aesthetic sense and who have refined taste both in the interiors and bed linens. With a robust R&D, technical know-how and in-house production, Boutique Living products are designed to cater to the personal choice of the customers with a promise of better sleep and experience and complete comfort.

Under the Boutique Living range, Indo Count offers bedsheet sets, comforters, bedding combos, towels, dohars and many more. Customers can buy these products from 500+ premium multi-brand retail outlets across India, including large format stores like Shoppers Stop, @ Home, etc. In terms of e-commerce presence, these products are available on most of the popular online e-commerce platforms like Flipkart, Amazon, etc. Other than these sites our products can also be bought from our own website www. boutiquelivingindia.com

Boutique Living in a short span is preferred by many best-known retail brands, hospitality players and fashion brands. It has been honoured with numerous awards in its short yet exicting journey. More recently, Boutique Living received the coveted e4m 'Pride of India – The Best of Bharat 2022' Award by exchange4media and impact connect. This award signifies the strategy, execution, creativity and business impacts of brands. It also received Best Brand Award 2022 by Economic Times for keeping customers' happiness at focus.

The Domestic Retail

Layers®

Dress Up Your Home

Developed using cutting-edge technologies, Layers boasts of designs with contemporary & elegant styles and with special anti-microbial & anti-fungal properties in the health and wellness space.

Layers is the perfect embodiment of Indo Count's rich experience in serving customers around the world and deep understanding of the aesthetically pleasing designs as far as bed linens are concerned.

With Layers, Indo Count marks a unique union of style and technology in the domestic bed linen industry for the smart customer. Layers represents a remarkable combination of global designs and value pricing enabling customers to decorate their homes the way they desire.

Awarded the prestigious 'Femina Power Brands 2022-23 of the year' Layers brand symbolises a unique story that creates an impact in the bed linen space in India which takes our business forward.

Layers hosts a range of smart bedding styles and designs in double bedsheets, reversible comforters, unique bed-in-a-bag (BIAB) and dohars. The availability of the entire collection in style and colour-coordinated sets makes it an ideal self-use or gifting option.

The Layers products are available across 1500+ MBO stores across India and many large home outlets like @ Home, Spar, Spencer's, Kurlon. Layers is present across multiple e-commerce domains like Amazon, Flipkart, Ajio, Myntra and Home Centre.

Environment, Social & Governance

Sustainability is an ever-changing and evolving issue that is becoming increasingly sophisticated in the demands it places on businesses and brands.

Today, sustainability has evolved beyond simply environmental protection to embrace an expanded definition that includes social, economic, moral, ethical, and environmental sustainability and reframe business leadership in terms of global stewardship for positive social change.

At Indo Count, we are doing our part by evaluating our impact using a holistic ESG lens. We are placing considerable emphasis towards this end, to shape our reporting priorities, strategy and goals. 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, innovate, and Inspire quality products, taking the sleep experience to the next level

Sustainability manifest in our operations

Sustainability is deeply rooted in our culture and business operations. We have institutionalised sustainable practices across our value chain and beyond. We extend this culture to our vendors. As such, sustainable procurement practices are an important part of sustainability culture. Our philosophy which transcends into policy and practices balances the aspiration of being a sectoral benchmark in value creation and corporate citizenship.

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

Sustainability at our facilities

Energy Management: Mindful that India's energy mix is skewed towards thermal energy and its carbon footprint, we have prioritised energy management as a critical element of our sustainability blueprint. We focus 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 4.92 mn units of electricity. We have also installed a biogas plant to generate energy for internal consumption. We continued to ideate and implement multiple energy conservation measures across our facilities with the objective of reducing our carbon footprint.

Water Management: Water crisis is looming large in our world today. As per the UNICEF, about two-third of the world population experience severe water crisis for at least one month each year. Experts believe the perils of climate change could make matters worse.

At Indo Count, we are cognizant of our water footprint owing to our business operations. To reduce the pressure of our operations on the world water table, we have implemented important water conservation measures:

- Installed an Effluent Treatment Plant (ETP) with three stage RO system.
- Installed a system for hot water re-use.
- Invested in Rain water harvesting solutions to replenish the water table around our facilities
- Installed a Multi Effect Evaporator for RO zero effluent discharge.
- Installed an Automatic Moisture Controller on VDR of PTR I, MERC I, CDR I & SOAPER and Booster Pumps for Steam Saving.
- Installed water meters which are calibrated at a defined frequency to track water consumption accurately.
- Streamline manufacturing processes to optimise our water consumption

GHG Emissions Management: Solid waste management is an universal issue. And more than 90% of waste openly dumped or burned in low-income countries, it is the most vulnerable who are disproportionately affected. Greenhouse gasses from waste are a key contributor to climate change. As a result, solid waste management is everyone's business.

Understanding the urgency of this issue we have gone beyond the realms of our business requirement to make a more meaningful difference in addressing this issue. We have adopted the following measures to reduce GHG Emissions:

- **'Environment Management Policy':** We have drawn up a detailed Policy document. We strictly adhere to its practices to ensure that we do not just match regulatory requirements, we create benchmarks that aspire others in our space.
- **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 customer, 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 last four consecutive years.
- We are a participant of the UNGC (United Nations Global Compact).
- We are a member of ZDHC (Zero Discharge of Hazardous Chemicals).
- We have reduced our coal consumption by installing a Back Pressure Turbine, Hot Water heat recovery system and Auto Blow down at boiler.

Sustainability beyond manufacturing

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

Farming practices

We continue to implement various cotton sustainability projects to promote social infrastructure and support system for the farming community. In addition, we provide training to farmers on sustainable methods of cotton cultivation.

Product development

We are focusing our product development strategy to increase the use of sustainable material. We endeavour to increase the use of Organic Cotton, Recycled Cotton and Polyester Fiber. We work to use plant-based dyes made from fully agricultural resources to manufacture sheets.

Packaging

We have converted our major packing materials from PVC polybags to self-fabric bags. We ship our products in Self-Fabric bags to marquee global brands which helps them meet their sustainability goals. Further, we have reduced paper consumption in cartons and stiffeners by optimising GSM (grams per meter square) & BF (burst factor) parameters.

Logistics

We have shifted a considerable quantity of greige fabric sourcing from far locations to nearer locations, reducing truck movement.

Office work

We are transitioning our corporate office and other establishment work and processes into a paperless environment where majority of the document flow and approvals happens through the system.

> We have been consistently maintaining the Giga Guru title for last four consecutive years.

Aiming higher

We aim to be Net Zero by the year 2050.

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

GHG Emission goals

33%
Reduce Scope 1 & Scope 2 GHG emissions by 33% in our operations by 2030.

14.8%
Reduce Scope 3 GHG emissions by 14.8% in our Supply chain by 2030.

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

Sustainability Metrics	Applicable SDGs
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

Our goals to achieve above vision

- Reporting our ESG Performance as per Science-Based Targets initiative (SBTi) requirements.
- Continuously invest in upgrading our equipment and technology to stay updated with the latest technology, ensure consistent better-quality products & optimise production.
- Continue to adopt MIG (Made in Green) labelling throughout our supply chain, including fabrics, dyes & packaging material.
- 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.
- Undertake R&D in partnership with leading Universities to continuously comply our products with US/Europe/ROW Sustainability Standards.

Corporate Social Responsibility

Passionate about communities

People's aspirations can be limitless, also transgressive. At Indo Count, we aim to play the role of a catalyst in enabling them to aspire and achieve. We believe that empowering the people means empowering the nation. Hence, we have initiated a grass-roots movement to develop and unlock the potential of the common man.

We remain committed to ensuring holistic and inclusive development of the communities and societies in which we operate. As a responsible organisation, Indo Count is striving to drive its business sustainably through focused action, collaboration, advocacy, and thought leadership. It is also building society and contributing to solving some of the societal problems faced by communities and the larger world alike, like climate change.

Since inception, we have been making constant investments through our CSR, in order to resolve some of the critical gaps in sustainable development. Our Commitment to the communities we serve remains steadfast, and so do our environment, social, and governance guidelines.

With the Indo Count Foundation, and our passionate belief "Every Smile Counts" we have created an impact across areas including health, education, water & sanitation, and the environment as well as compassionately assisted differently abled groups of people and organisations.

Governance of CSR

The CSR Committee of the Board is comprised of experienced board members who provide guidance and direction and recommend the plans and budget, after prioritising the different CSR projects for implementation. The Board also provides their input on CSR activities, and recommendations made by the CSR committee are finally approved by the Board of the Company.

Our CSR team remains in continuous engagement with the communities and undertakes need assessment exercises regularly, forming the platform for identifying projects congruent with our CSR policy.

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

Our CSR COVERAGE

Our CSR footprints cover important areas of Education, Healthcare, agricultural and livelihood improvement initiatives, water and sanitation, environment, and supporting the Differently abled. These CSR activities are carried out keeping in mind the preference for local areas where we operate. The activities revolve in and around the Kolhapur & Vidarbha areas of Maharashtra, and the Bhilad area of Valsad District in Gujarat.

Total CSR Expenses in the Year was ₹575.19 lakhs and more than 2.75 lac populations were directly impacted

Coverage of the Population under various heads is as follows

100,000+
HEALTH

55,000+
EDUCATION

20,000+
FARMERS

100,000+
WATER & SANITATION

20,000+
TREE PLANTATION

500+
DIFFERENTLY ABLED & OLD AGE CARE

300+
SPORTS PROMOTION

Education

Brightening India's Future

110 E-learning systems installed earlier in Government and Government aided schools were maintained & 26 New E-learning systems were installed in Ashram Sala schools at Kolhapur, and two at Handicapped schools.

We installed four E-learning systems in and around the Bhilad area in secondary schools. Digitisation has made a world of difference to deserving students as our e-learning initiatives have covered 140+ schools, resulting in improvement in attendance and academic scores of around 55,000 students, with 100% passing achievement in class 10th Board exam in these schools.

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

Healthcare

Bringing smiles to patients

The WHO constitution states: "Health is a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity." Good health is central to human happiness and well-being that contributes significantly to the prosperity & economic progress of any area/region/country.

At Indo Count, we have positioned "Healthcare" as one of the corner stones for extending our CSR services to the communities.

Health outreach: Our footprint coupled with four health vans running in and around 100 remote villages and slums, serves underprivileged communities in areas of Kolhapur. These vans provide doorstep access to preventative and curative healthcare, effectively addressing at least the basic health concerns of people in remote areas. The coverage of our health van in the year was more than 86,000 patients and to date, more than 6.5 lakh patients have been covered through this initiative.

Improving health infrastructure:
We have focused on infrastructure improvement of the Government hospitals in local areas as that has a multiplier effect on services rendered to the community. Our initiatives are focused on upgrading the public health facilities in hospitals viz. maternity wards, cardiology wards, and AIDS centers through the latest and modern medical equipment.

In the year 2022-23, we constructed and handed over a state of art vaccination center along with a big waiting hall at Kagal Rural Hospital at Kolhapur. ICF supported the Urology Department of CPR Hospital Kolhapur with modern diagnostic and procedural equipment & a water filter which are helping poor people get better and affordable health services.

We embarked on the journey of CSR in and around the Bhilad Plant. Nutrition kits, including Sukhri (local cheeky made by women SHGs), were distributed every month to Identify 300 TB patients as part of Pradhan Mantri TB Mukt Bharat Abhiyan in Valsad District of Gujarat.

We keep track of each patient, including organising an awareness program on TB elimination and better health. 50 patients after six months of Treatment were declared TB-free. we aim to make the entire Umargaon Block of TB Mukt TB-free in the coming years.

All CSR projects in the healthcare sector have brought smiles to the faces of close to 1,00,000 patients and have helped in reducing the associated morbidities/suffering amongst the community.

Agricultural Livelihood

Fostering sustainability

As India's textile sector is gaining the global spotlight, it becomes imperative to strengthen the primary producers of cotton which is the basic raw material for the textile industry. The sustainability of the textile sector is dependent on the farmer's ability to grow good quality cotton in substantive quantity which can generate a handsome income.

In response to this reality, we decided to improve sustainability in cotton farming for farmers. Considering "Farmers Upliftment and Agricultural Livelihood" as one of the key CSR focus areas, we launched our Gagan Project and Anant projects.

The aim of the above two projects is to improve the economic status of a cotton-growing farmer with a focus on sustainability:

Gagan & Anant Project

The project 'GAGAN', started in FY 2019-20 in Warora Taluka of Chandrapur District in Maharashtra, help the farmers to improve farming practices of cotton productivity through judicious use of water, pesticides and fertilizers. For this, we have allied with CITI-CDRA, a technical resource agency in the field of cotton production, and engaged local agri-graduates as scouts from local areas to implement this program and help farmers grow good quality cotton.

It also helps farmers follow sustainable means of cultivating cotton following the principles of the Better Cotton Initiative (BCI) and Good Agricultural Practices (GAP). Last year we further expanded the GAGAN project in Anjangaon (Amaravati), Malkapur (Buldhana) & Chikali areas. The project farmers were empowered with the latest production, plant protection, and nutrient management through continuous training and mass awareness programs on the field.

The GAGAN project has benefitted more than 6500+ farmers directly and a total of 20,000+ BCI farmers with an increase in yield of 16% over the previous year's yield and a rise in income by 17%.

Due to the constant engagement and follow-ups of scouts with farmers on the field, the fertilizer cost is reduced to 11% and its use is lowered to 34%. Pesticide cost was reduced to 18%, pesticide application quantity was reduced to 26%, and the application of organic manure increased by 29% against the previous year 2021-22.

Last year, we further expanded the concept and implemented a pilot ELS (Extra Long Staple) Cotton Project called- ANANT in the Alirajpur District of M.P. This project is implemented by a team of CITI CDRA as part of cotton collaborative project and covers 20,000 farmers in Alirajpur, Sondwa, Jobat,Udaigarh, CSA-Nagar, and Kattiwada blocks

There is a 31.37% improvement observed amongst the farmers with an average annual yield of cotton in comparison to non-project areas. The overall average income of Project farmers increased by ₹33,225/Ha over non-project farmers.

Centre for Excellence (COE) in Cotton Farming

Skills and knowledge are the driving forces of economic growth and social development for any country. Center of Excellence (CoE) is a body that provides leadership, best practices, research, support, training of trainers, and skill training for a specific sector. The literal meaning of a Center of Excellence is – 'A place where the highest standards are maintained.'

Indo Count has forged a tripartite partnership with the Government of Maharashtra and Dr. Punjabrao Deshmukh Krishi Vidyapeeth (PDKV-Akola), to create a center for excellence (COE) at Ek Arjuna campus of Dr. PDKV in Warora tehsil of Chandrapur District. This project is a multi-year one and various activities were initiated to develop this excellence center with 50% contributions from both Government of Maharashtra and Indo Count Industries Ltd.

All research-related works started including testing and demonstration and on-field training of farmers. The infrastructure development work is in progress and the Centre for Excellence in Cotton Farming will be fully functional in the coming days.

The project would provide various benefits to farmers including:

1. Increased profitability of farmers per unit area and time in cotton cultivation, including the research of new seeds and farming improvement techniques
2. Trained extension personnel and farmers for sustainable quality cotton production and quality seed production
3. Area expansion under organic cotton cultivation
4. Increased awareness among the farmers regarding IPM and INM
5. Judicious use of poisonous pesticides and chemical fertilizers
6. Vegetable seeds & organic Fertilizers support Farmers for better Livelihood

Our CSR team at Bhilad has been supporting the poor and marginalised farmers with good-quality vegetable seeds and organic fertilizers to help them generate better livelihoods. These smallholders also do contribute their resources to vegetable farming.

More than 550 such farmers including 50% women farmers were supported and distributed ₹5,00,000 worth of materials and after getting their crops sold in the market, the value generated was close to ₹8,00,000. This project has also helped them to adopt the organic approach to farming, which also helps their soil improve and contribute towards a better environment.

Environment

For a cleaner Earth

It is common knowledge that carbon dioxide in the atmosphere traps heat and therefore it is one of the main contributing factors for global warming. On the other hand, we have a proven example of research that suggests that the green foliage of the tree absorbs and sequesters the carbon, emitted in the air.

Carbon sequestration is the process by which carbon dioxide is captured from the atmosphere by trees for long-term storage.

Keeping the same in mind, Indo Count's Environmental initiatives revolve around planting and maintaining the Tree Plantation, both within the Plant and outside in the common/govt wasteland.

We started the multi-year project last year on Miyawaki plantation, on 5 acres of MIDC Waste Land, and Planted 15,000 tree saplings.

This plantation site is being maintained in the current year and we further planted more trees as replantation. The Miyawaki Technique has transformed it into a complete green land with the height of some of the Plants being 20-25 feet, eventually building a home for urban wildlife. Inside this, we also created a freshwater pond which helps in developing the natural ecosystem of flora and fauna, which is an essential component of the environment and biodiversity.

Life has come back to the dead patch of land and the area looks astonishingly green from the outside. This is an island of greenery amongst and between the industrial area and serves the purpose of bringing down heat and pollution in the local microclimate arena as well as sequestering carbon dioxide.

We also planted on the Road divider and traffic island in the Kagal MIDC area and maintained the greenery there. Altogether more than 20,000 trees were Planted and maintained in this zone breathing into it a fresh, green life.

Water and Sanitation

Securing the basics

While education, healthcare, farmer's livelihood, and environment remain the core focus areas, the Company has been maintaining the 3 Public RO systems installed earlier at public places for providing safe drinking water to communities. In the current year, we have moved from the approach of installing RO systems for safe drinking water and forged a partnership with N-Courage Foundation, the Social Enterprise of TATA Chemical, and installed more than 20 nonelectric and low maintenance 20 TATA SWATCH water filters in the schools in Bhilad area.

On the sanitation front, we are working with a clear-cut strategy that identified schools having sizeable girls' populations to construct good quality toilets. This will not only help increase attendance in the school but will also be beneficial from a health and hygiene point of view.

We created two community toilets in primary schools and four big and state of the art community toilet blocks in secondary schools both at the Kolhapur and Bhilad operational areas. Close to 4000 students are now getting the benefits of the same in the schools.

Inclusive development

A overall approach

Indo Count Foundation not only believes in social equity but gets actively engaged with prioritised contributions in the operation to include the socially excluded groups like the blind, and physically challenged youth.

We had worked on completely transforming the infrastructure of one of Government supported blind schools of Kolhapur and our employees volunteer their time in the school to boost their morale.

We are also engaged with Helpers of Handicapped schools and provided them with two E-learning systems and a good number of wheelchairs/ crutches to the needy for their greater mobility. This has helped more than 500 students to have a meaningful educational journey in comfort and confidence.

SPORTS Promotion

Infusing new energy

Organised, well-structured youth sports and ongoing physical activities can provide many benefits for children and adolescents. Positive experiences that sports and an active lifestyle bring play an important role in a young person's life.

Indo Count CSR is working closely with the Dept. of Sports, Government of Maharashtra to run a Sports Promotion program and is in the process to construct a special state of art, special Gymnasium for the budding sports person from Kolhapur to hone their skills, and fitness and develop their sporting acumen. Going forward we will be supporting the identified and selected budding sports personnel through a well-curated Sports Program to play different sports at the national level.

In the same year ICF supported the Dist. Sports Dept. and the Collector's Office of Kolhapur to organise a State/District level, Mud Wrestling competition in which more than 300 wrestlers (both men and women) participated and won awards. This activity was helpful to identify the potential sportsman to be nurtured and supported by a joint Project on Sports Promotion Program to play at the national level competitions.

Assistance to War Widow Families

Care for the brave hearts

Soldiers are the guardians of the nation. Moreover, they are a selfless lot who put the interest of the country above their personal interests. By bridging that divide between civilians and the military, the country can show military community members that the work they do on behalf of this country is valued and appreciated – boosting their morale and preparing them for yet another day in the field, where they are protecting us and our families.

Families of veer jawans who have lost their lives in rendering selfless services for the country or fighting various wars in line with their duty are called 'Killed in Action' soldiers. There was a strong need felt to support these brave women whose family members have been Killed in Action Soldiers.

Indo Count Foundation as part of its CSR this year added another color to its fold to support families of war widows of the Maharashtra region. Under the "KARENGE PURE SAPNE ADHURE" initiative we have extended education scholarship support to selected 27 students of the martyred families, by providing a one-time support of ₹25,000/- for each student. These 27 children are carefully chosen by Veer Senani Foundation (an ex-servicemen organisation) based on their involvement with the martyr's families. We are hopeful that this will help them build a stronger future.

Governance

On a strong footing

Corporate governance is an ethically-driven business process that is communed to values aimed at enhancing an organisation'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-recognised 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.

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-Independent Director

Mr. Dilip J. Thakkar

Mr. Prem Malik

Dr. Sanjay Kumar Panda

Dr. (Mrs.) Vaijayanti Pandit

Mr. Siddharth Mehta

Mr. Akash Kagliwal

Mr. L. Viswanathan

Board Tenure

The tenure of Independent Directors is restricted to two terms. Based on the performance evaluation of Directors, they 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.

Audit Committee

It comprises of 5 Directors of which 4 are Independent Directors, its Chairman being an Independent Director.

Nomination and Remuneration Committee

It comprises of 4 Directors of which 3 are Independent Directors, its Chairman being Independent Director.

Stakeholders Relationship Committee

Chairperson – Independent Director

Corporate Social Responsibility (CSR) Committee

Chairperson – Independent Director

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.

Whistle blower 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 victimisation 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 FICCI, CII, 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

Navigation through strong headwinds

The external environment in which Indo Count operates presents multiple opportunities and risks, which the Company is prepared to manage them proactively by taking adequate mitigating measures.

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 Company has established a comprehensive risk management framework for identifying and managing its key business risks. The comprehensive risk management helps to identify, assess, manage and escalate risks and opportunities to minimise exposure to unforeseen events and identified risks on the Company's operational and financial performance.

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 Risk

Mitigation Measures

Planning and implementing strategies to diversify its market presence in other geographies.

Continuously expand the customer base to maximise the potential sales volumes

Increasing our wallet share with existing clients.

Capacity Risk

Mitigation Measures

- Investing in increasing our capacities to capitalise on emerging opportunities.
- Exploring new markets to increase the overall order book

Credit Risks

Mitigation Measures

- Establishing Systems for assessment of creditworthiness of customers
- Obtain ECGC cover for probable credit risk.
- Appropriate recovery management and follow up.

Cyber Security Risk

Mitigation Measures

- Deploying contemporary cyber security framework for effective controls.
- Installing cyber security compliant tools/hardware to protect the system from cyber-attacks.

Raw material Risk

Mitigation Measures

- Development of Alternative sources for uninterrupted supply of raw materials.
- Proper inventory control system.
- Hedging adverse commodity (cotton/coal) price movements by availing hedge products in the commodity exchanges.

System Risks

Mitigation Measures

- Upgrading the systems on a continuous basis.
- Ensuring Data Security by institutionalising hierarchy-based access control
- Data Back up and redundancy to protect the data.

Foreign Exchange and Interest Rate Risk

Mitigation Measures

- Consistent monitoring of exposure to currency fluctuations.
- Protective management of forex measure in place
- 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
Dr. (Mrs.) Vaijayanti Pandit
Dr. Sanjay Kumar Panda
Mr. Siddharth Mehta
Mr. Akash Kagliwal (w.e.f. May 30, 2023)
Mr. L. Viswanathan (w.e.f. May 30, 2023)
Mr. Sushilkumar Jiwarajka (up to May 3, 2023)

Chief Financial Officer

Mr. K. Muralidharan

Company Secretary & Compliance Officer

Mr. Satnam Saini
(w.e.f. December 4, 2022)

Statutory Auditors

M/s. Price Waterhouse Chartered Accountants LLP

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

Office No. 1, Plot No. 268, Village Atle Kumbhoj Road, Taluka Hatkanangale, District Kolhapur 416109, Maharashtra, India.

191/192 Mahala Falia,
Village - Bhilad, Taluka –Umbergaon,
District – Valsad, Gujarat-396105, India.

Bankers

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

Corporate Identification Number
L72200PN1988PLC068972

Registrar & Share Transfer Agent

Link Intime India Private Ltd.

C-101, 247 Park L.B.S. Marg, Vikhroli (West),
Mumbai 400083, Maharashtra, India.
Email: info@indocount.com
Website: www.indocount.com

Management Discussion & Analysis

An Economic Overview

World Economy: IMF projected the global economy to have a soft landing amid high uncertainties in 2022. In their April 2023 World Economic Outlook, the agency hinted at GDP growth of 3.4% in CY22.

Amid the hopes of a strong rebound, the year witnessed a series of severe shocks, namely a war in Ukraine, significant supply-chain disruption due to the war, food and energy crises, surging inflation, debt tightening and much more.

Amid high inflation, trade in goods and services showed a positive uptick owing to the strong global demand. The trade in goods jumped 10% on a y-o-y basis to approximately $25 trillion, whereas services grew 15% to $7 trillion.

Towards the end of 2022, inflationary headwinds receded significantly, consequent to monetary tightening by the central banks worldwide; it is expected to trend lower during 2023.

Outlook: IMF has predicted that the global economic environment to remain muted in 2023. Advanced economies will likely face an economic downturn even in 2023, while significant improvements are expected in many emerging markets. Further, improving productivity and easing supply-chain constraints should be critical weapons to battle the price rise.

The U.S.: GDP increased by 2.1% in 2022 compared to last year's 5.9% from a very low base. It primarily reflects the increase in consumer spending, private inventory investment, and non-residential fixed investment. Within private-good producing industries, the growth was led by durable goods, manufacturing and mining. Among private-service producing industries, healthcare, retail trade, professional, scientific and technical services saw significant growth.

Outlook: With credit tightening slowing growth, a second-half recession seems likely in 2023. IMF has projected a slowdown in the US GDP in the same year with a 1.6% growth. Numerous factors, such as persistent inflation, federal reserve hawkishness, reduced government spending and banking crisis, are responsible for the outlook. But inflation will likely improve in 2023, while the labor shortage will moderate. Stronger-than-expected consumer demand may prevent the U.S. market from slipping further in CY23.

The European region: Both European Union (E.U.) and the eurozone grew by 3.5% in 2022. At the beginning of the CY22, the E.U./Europe faced one of the worst crises, a forced industrial shutdown due to a lack of supply of natural gas due to the Russia-Ukraine crisis. Warmer weather and new supplies from other friendly nations eased the supply situation, but gas prices remained appreciably elevated across the E.U. region.

Household final consumption negatively contributed to GDP growth in the E.U. and eurozone area. Contributions from both final government expenditure and external balance were positive in 2022. Also, employment showed healthy growth in the year.

Outlook: Notwithstanding high inflation and ascending interest rates, the E.U. is expected to grow at an average of 1% in 2023 from a previous estimate of 0.8%. With fears of recession easing, consumer spending stabilising and recovery of economic sentiment, E.U. growth is likely to be stronger in 2023. Moreover, with price growth expected to average 5.8% in 2023 and 2.8% in 2024, the GDP growth forecast for 2024 is 1.6%.

Indian Economy: India was the shining star in an otherwise dull economic ecosystem worldwide. The real GDP of 2022-23 is estimated to be 7.2%, which is among the world's fast-growing economies. The sharp upside displays the resilience of the Indian economy in the face of a challenging global geopolitical backdrop.

Growth was driven primarily by robust private consumption and a sustained increase in capital formation. Increased capex thrust by the Central Government also significantly contributed to this strong performance. Case in point, the Indian economy experienced a 24.2% expansion in capex in FY23.

GVA forms a bulk of GDP and grew by 7% in FY23. The GVA growth in the manufacturing sector accelerated to 4.5% in the March quarter of FY23. It was 0.6% a year ago. GVA in agriculture grew by 5.5% in FY23 compared to 4.1% last year. The electricity, gas, water supply and other utility services grew 6.9% in the fourth quarter compared to 6.7% a year ago.

High inflationary pressure has been experienced almost throughout the entire FY23 fiscal. To tame inflation, RBI hiked the repo rate by 250 basis points six times in a row within FY23. It worked, and by the end of FY23, inflation had subsided to settle closer to RBI's upper tolerance limit.

Total revenue collection was ₹24.65 lakh crore in FY23, 101% of the revised estimate. Among this, ₹20.97 lakh crore is tax revenue (Net to center) which witnessed a 15.2% upside compared to 2020-21. It brings the fiscal deficit down to 6.4% from 6.71% in the last fiscal. Higher tax revenue indicates India's ability to spend more on infrastructure which is vital to long-term prospects for the country.

Merchandise exports hit an all-time high of US$447.46 billion, registering a growth of 6.03% in FY23. India's overall export growth has exhibited a growth of 13.84%, primarily due to an upsurge in service export.

Most major currencies saw high volatility in the last fiscal year because of global geopolitical turmoil. The rupee closed FY23 at 82.18 to a dollar against 75.79 a year ago. The RBI intervened, and India's forex reserves fell to US$525 billion by the end of October 2022 against US$606 billion on 1 April 2022. But reserves increased later to US$579 billion by the end of March 2023.

A sustained increase in the private capex has been seen with the strengthening of the balance sheets of the corporates and the resulting increase in credit financing it has been able to generate.

Outlook: Robust growth in agriculture, construction and service sector, plus a rebound in manufacturing in the March quarter, raised the expectation high for 2023-24. However, despite impressive growth and development last fiscal year, weak global demand and the effect of further monetary policy tightening may constrain economic growth in FY24, limiting the growth rate to 6-6.5%.

The Textile Industry

Global textile market

The global textile industry was valued at US$ 959.87 Billion in 2022 and is projected to reach US$ 1371.84 Billion by 2030, growing at a CAGR (compounded annual growth rate) of 4.05% from 2023 to 2030. Increasing demand from the fashion industry and the explosion of e-commerce are accelerating market growth.

The U.S. is the largest market for textile products in the North American region. U.S. imports of textiles and apparel rose by 16.03% on a year-on-year basis to US$132.201 billion in 2022. Here, China continues to be the largest supplier, followed by Vietnam.

A growing trend of buying clothes online in APAC countries bolstered the demand for textiles. Besides, rising income, increasing organised retail and favorable government policies are boosting the demand for textiles in this region. Asia Pacific is expected to possess more than 50% of the global textile market share in recent future.

The textile companies in APAC are increasingly using organic fibers for apparel and home textiles as demand for such products is rising.

Indian textile market

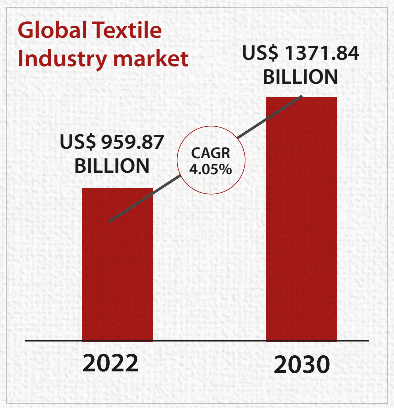
India is the second largest producer of textiles and clothing after China. It is also the third-largest exporter of textiles and apparel in international markets. India's textile industry is exceptionally varied in terms of technology and a wide range of applications. The textile sector accounts for over two percent of the total GDP and over 12% of the manufacturing sector's gross domestic product (GDP). It is also the largest source of employment in the nation after agriculture.

Performance in FY23: Despite several global macro headwinds, the Indian textile industry reported healthy revenue growth with a significant margin decline. A sharp hike in cotton prices and sluggish demand in overseas markets seem to be the primary reasons that affected the industry last fiscal. But the price rise impacted smaller players more because large companies can benefit from cost savings due to bulk purchases. The flat performance can also be attributable to the debt-funded capex undertaken by most companies in H1 of the financial year.

Domestic demand: Domestic sales remained sluggish due to high costs and cheap garment imports. The manufacturers found it difficult to pass on the cotton price surge to consumers. Smaller players were forced to postpone their operations to manage operating losses.

Export: The growth and demand for the textiles sector have reduced last fiscal year from pandemic highs. Exports have slowed due to the global geopolitical conflict, high inflation, and the potential for an impending recession in important markets like the U.S. and Europe.

After a boom in FY21 and FY22, the overall textile exports from India contracted by 13.4% y-o-y at $23.1 billion during April-November 2022. Exports have fallen for five months - declining over 15% y-o-y in November to $3.1 billion. Domestic sales are sluggish despite solid growth in the overall economy because of high costs and cheap imported garments.

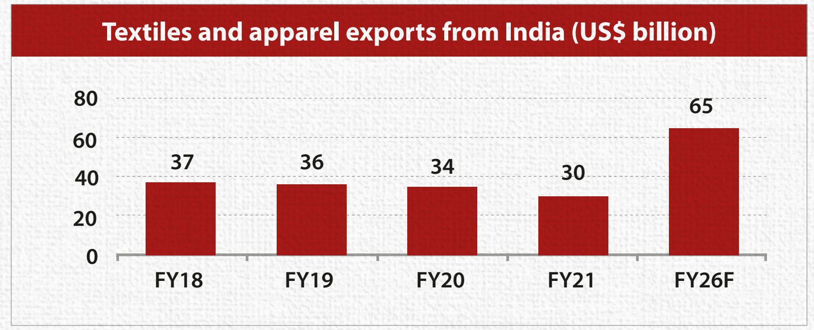


Source: Centre for Monitoring Indian Economy (CMIE) and CareEdge

India's exports of readymade garments of all textiles increased by 1.10% to $16,191.47 million in fiscal 2022-23, as per the data released by the Department of Commerce under India's Ministry of Commerce & Industry.

The exports of cotton yarn, fabrics, made-ups, and handloom products declined by 28.45% to $10,946.20 million in 2022-23 from $15,298.02 million in the corresponding period of the previous fiscal. Man-made yarn, fabrics and made-up exports decreased by 11.86% y-o-y to $4,948.88 million from $5,614.63 million in the same period.

Outlook: The textile industry is expected to experience moderate revenue growth in 2023–2024 (FY24), with domestic demand growing steadily. However, the industry remains upbeat about export in FY24. Despite a slowdown in demand for various sectors, including textiles, Indian exporters are optimistic about a strong performance in 2023-24.

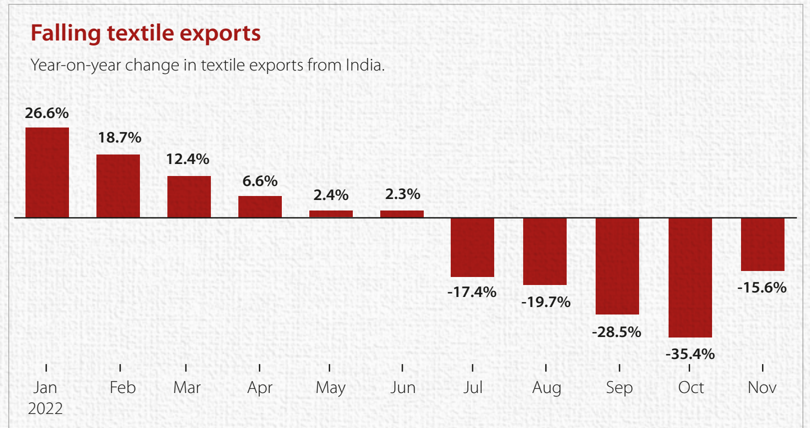


They expect exports to rise by 11-13%, with cotton textile and apparel exporters expecting 8-10% y-o-y growth. The industry is hopeful for a full recovery in business after July.

Further, to overcome the cost disadvantages and regain its position in the global market, India aims to achieve a 9% CAGR in textile exports by 2026, with a target of $65 billion in textile exports.

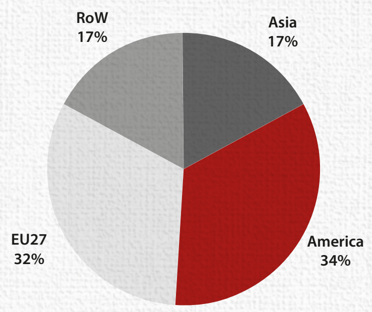
The Ministry of Textiles has set an even more ambitious target of $100 billion in exports over the next five years. India must address cost disadvantages, negotiate free trade agreements, and invest in critical areas to achieve these goals.

Nearly 70% of the industry's output is based on cotton, as opposed to the global average, where goods made of man-made fibers have a more significant share. Due to the technical textiles' low cost, long lifespan, and versatility, India is another important market for the sector's growth. The healthcare and infrastructure sectors primarily drive the technical textile business.

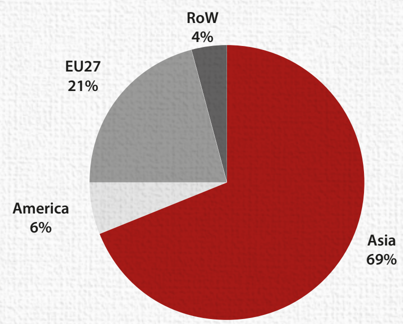


Source: Ministry of Commerce and Industry, India | Reuters, Dec. 15, 2022 | By Riddhima Talwani

Home textile market



Top importers of home textiles in 2021 (region-wise)



Top exporters of home textiles in 2021 (region-wise)

Global scenario: During Covid, people were forced to stay indoors because of lockdowns. It created an urge to take care of and transform their homes, which resulted in massive demand for home textile products. Covid is now over, but the process is still going on, and households across the globe are going through makeovers. Naturally, it is safe to say that, yesterday, home textiles were a mere luxury, but today it has become a necessity. Today, the idea of home has become more eclectic and aspirational, combined with comfort, convenience, cleanliness and hygiene. These factors have propelled a sharp surge in demand, and the momentum is expected to sustain even in the future.

The home textiles market has emerged as a significant segment in the textile sector as its growth is constantly being supported by growing household income, increasing population and rising income levels. The products linked to this growth are bed and bath linen, carpets, blankets, curtains and other furnishing segments.

Manufacturers use artificial and natural fabrics in the home textile market. Also, various products are available in the market that is made up by mixing both natural & artificial textiles. Increasing attraction towards home decor coupled with the changing lifestyle of people supports the market growth.

In-home textiles in Asia Pacific dominated the market in 2022, owing to the availability of cheap labor, raw material, products, etc. Asia Pacific is divided into four regions: China, India, Japan and the Rest of Asia Pacific.

The U.S. is expected to be the largest and fastest-growing region in North America. However, in Europe, Germany holds the majority of the share of the market. Germany's home textile market is expected to grow as Germany is also the largest importer of home textiles in Europe.

FY24 trend: Inflationary pressure and a recessionary environment around the globe will prevent the home textile segment from growing in FY24. But decreasing raw material prices and the dissipation of a gloomy economic scenario from the year's second half may permeate industry confidence.

Mid-term trend: The global home textile market in 2022 was valued at US$125.58 billion. The market is expected to reach US$174.14 billion by 2028. Factors such as rising income levels, expanding real estate industry, increase in consumer spending on home renovation and decoration, rapid urbanisation, growth in E-commerce, upsurge in fabric demand for lightweight products and many other factors would eventually result in the increasing demand for home textiles as textiles are an easy and often sustainable way to create change.

Indian scenario: Home textile is the most significant export contributor in the textile industry after readymade garments. India contributes almost 7% of the world's home textile trade. It is also one of the top suppliers in the world's biggest home textile-consuming market, the U.S.

Further, continuous efforts in quality improvement, innovations through R&D programs, and other value-added features have allowed India's home textile products to gain more popularity in the global market. Naturally, such superior quality products make Indian companies a leader in the U.S. and the U.K., contributing almost two-thirds to their exports.

Domestic demand: Indian consumers are moving towards ready-to-use products like readymade sofas, cushion covers, curtains, bed sheets, etc., instead of customising them. A large portion of the domestic consumption in home textiles is of the bed & bath category alone. Still, most of this demand is met by unorganised or MSME sectors. Changing the definition of furnishing would also include furniture and home décor accessories, and these numbers would get bigger.

TOP 10 COUNTRIES EXPORTING HOME TEXTILES IN 2021

Country	Market share (%)
China	43.93
India	8.61
Turkey	5.90
Pakistan	5.35
Germany	4.54
Netherlands	3.56
United States	3.53
Belgium	2.74
Poland	2.09
France	1.50

TOP 10 COUNTRIES IMPORTING HOME TEXTILES IN 2021

Country	Market share (%)
United States	24.56
Germany	8.38
United Kingdom	4.79
Japan	4.48
France	4.08
Netherlands	3.26
Canada	2.92
Italy	2.25
Spain	2.18
Australia	2.14

Performance in FY23: After an ecstatic performance in FY21 and FY22, the overall textile exports from India contracted in 2022. An estimated 16-18% degrowth is seen in home textile export in FY23, impacted by the recessionary trend in Europe and cut down on non-essential expenses in the U.S. amid high inflation. The depreciating rupee against the dollar and China+1 policy across the globe restricted the turnover fall for Indian home textile players, but margins were poorly impacted due to lower operating leverage attributed by lower capacity utilisation.

The trend in FY24: Demand momentum is expected to recover from the first half of FY24 as freight and cotton costs show moderation and inventory exhausts with retailers. Further, falling commodity and crude prices will bolster margins and enhance India's competitiveness in export markets while successfully gaining market share in the garments and home textile categories in key export markets.

Future trend: Growth in home textiles in India seems quite positive in coming years, driven by healthy export demand with benefits from reciprocal FTAs (free trade agreements). Increased hygiene consciousness, rising consumer spending on home renovation, expansion in the real estate market, and fashion sensitivity towards domestic furniture will also contribute to the industry's steady rise. The India Home Textile Market size is estimated at US$ 8.74 billion in 2023 and is expected to reach US$ 13.98 billion by 2028, growing at a CAGR of 9.84% during the forecast period (2023-2028).

	Size	% contribution
Exports to USA	US$ 2.65 billion	55%
Exports to EU	US$ 1.2 billion	25%
Exports to other countries	US$ 0.96 billion	20%

FY22E	Siize	Contribution
Revenue from Exports	US$ 4.8 billion	60%
Domestic Revenue	US$ 3.2 billion	40%

The Cotton Season

2022-23: As per a report by the U.S. Department of Agriculture (USDA), global cotton production in 2022-23 is projected to be down by 3,00,000 bales to 115.9 million, mainly due to lower yields in India. Cotton consumption is forecast to decrease globally, attributed to lower use in India, Indonesia, and Vietnam.

The global cotton area is forecast at 31.6 million hectares in 2022-23, 3% lower than 2021-22 and below the 5-year average of 33.1 million hectares.

U.S.: 2022-23 exports have declined by 2,50,000 bales compared to 12 million bales in the previous month. This is because of lower global demand, with the global consumption forecast having dropped more than 8,00,000 bales compared with the previous month to 110.9 million.

Major consumer nations like India, China, and Pakistan are facing several headwinds, including a downward trend in profit margins and yarn orders, resulting in moderate buying practices for cotton lint.

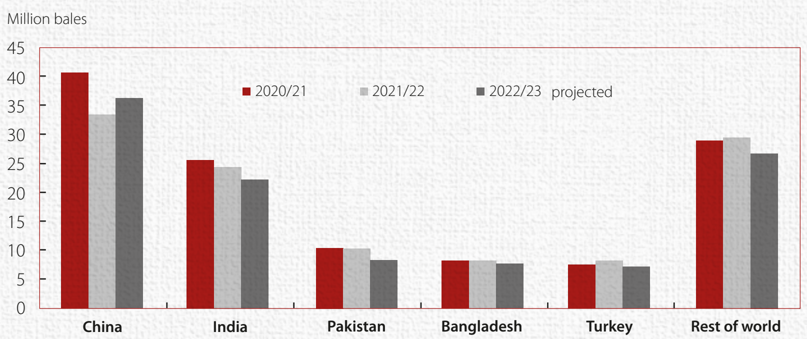
Lower projected U.S. exports are expected to increase U.S. ending stocks to 4.2 million bales, 700,000 bales higher compared with last month and symbolic of lower global consumption prospects.

2023-24: World cotton production is predicted to touch a four-year high of 116.7 million bales in 2023-24 (FY24), according to USDA. The expected growth in production represents a slight increase of 400,000 bales from the previous year.

Most of the increase is because of rising demand for major cotton-producing countries, with the U.S. and Pakistan leading the charge. Both countries are expected to significantly increase by around 2 million bales in the global yield. Indian demand is also likely to surge with an additional half a million bales. However, these gains will be partially offset by Chinese production, which is expected to contract by 3.7 million bales in 2023-24.

Over the next decade: World cotton mill use is expected to grow by about 17.1 million bales over the next ten years and reach about 141.3 million bales by 2031/32. Gains in cotton production are predicted to come from increased area and improved yields. World cotton production is projected to track the growth of cotton mill use, increasing by 14.8 million bales to around 141.3 million bales in 2031/32, at an average growth rate of 1.6%.

Leading global cotton consumers



Note: 1 bale = 480 pounds.
Source: USDA, Economic Research Service based on USDA, *World Agricultural Supply and Demand Estimates reports.*

Indian overview: Cotton is one of India's most important commercial crops, accounting for about 25% of the global crop production. It is crucial in sustaining the livelihood of around 6 million cotton farmers and 40-50 million people engaged in related activity.

Session 2022-23: Cotton Association of India (CAI) lowered its 2022-23 (October-September) cotton crop estimate to 298.35 lakh bales. At the beginning of the season, the estimate was 344 lakh bales compared with 307 lakh bales last season.

The downward revision is due to the decline in production in states like Maharashtra, Telangana, Tamil Nadu and Odisha. Every season, at least 3-4 pickings occur in these states, compared to only two pickings this season.

Further, due to less attractive prices, farmers are anticipated to hold their stocks, hoping for better value. In 2021-22 price of raw cotton was very high, but since then, there has been a rationalisation of price.

Cotton import projection by CAI is around 15 lakh bales compared with 14 lakh bales last year. The estimated domestic consumption for FY23 is 311 lakh bales as against 318 lakh bales in the previous year. The exports for the season have been estimated at 20 lakh bales.

The estimated domestic availability of cotton is projected to be 345 lakh bales, including an opening stock of 32 lakh bales and imports of 15 lakh bales.

In states like Maharashtra, the price of raw cotton with seeds sold by farmers has fallen to 7,000-7,200 per quintal.

Cotton Balance Sheet – 2021-22 and 2022-23 (Cotton Year – October to September)

Particulars	2021-22 (P)*		2022-23 (P)*	
	(In lakh bales of 170 kg. Each)	(in Thousand Tons)	(In lakh bales of 170 kg. Each)	(in Thousand Tons)
SUPPLY				
Opening	71.84	1221.28	45.25	769.25
Crop	311.17	5289.89	337.23	5732.91
Imports	21.13	359.21	10.00	170.00
TOTAL	**404.14**	**6870.38**	**392.48**	**6672.16**
DEMAND				
Mill Consumption	279.57	4752.69	275.00	4675.00
S.S.I Consumption	21.07	358.19	20.00	340.00
Non-Textile Consumption	16.00	272.00	16.00	272.00
Export	42.25	718.25	35.00	595.00
TOTAL	**358.89**	**6101.13**	**346.00**	**5882.00**
Closing Stock.	45.25	769.25	46.48	790.16

** Provisional*
** - As estimated by Committee on Cotton Production and Consumption (COCPC) in its meeting held on 20.02.2023*

Operational and Financial Performance

Indo Count improved its performance yet again in FY 23. The Company is on the growing path wherein the financial parameters are getting stronger.

Standalone performance

Highlights

- Delivered sales volume of 74.70 Mn meters for FY23
- Achieved total revenue of ₹2,818 crores for FY 2022-23
- EBIDTA stood at ₹443.61 crores for FY 2022-23 as against ₹537.84 crores in previous year
- Achieved net profit of ₹238.17 crores for the year ended March 31, 2023
- EPS stood at ₹12.03

Consolidated Performance

Highlights

- Achieved total revenue of 3,042.98 crores for FY 2022-23 as against 2,982.23 crores in previous year
- EBIDTA stood at ₹485.71 crores for FY 2022-23
- Achieved net profit of ₹276.78 crores for the year ended March 31, 2023
- EPS stood at ₹13.97

The Company has declared highest dividend percentage of 100% on face value of Rs. 2/- per equity share by way of Final Dividend for 2022-23. The Company has been consistently declaring dividend from past 8 years.

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

Performance Highlights

Particulars	Standalone 2022-23	Standalone 2021-22	Consolidated 2022-23	Consolidated 2021-22
Revenue from operations	2,783.59	2,805.95	3,011.55	2,842.02
Other Income	34.14	140.73	31.43	140.21
Total Revenue	**2,817.73**	**2,946.68**	**3,042.98**	**2,982.23**
EBIDTA	443.61	537.84	485.70	574.31
Less: Finance Cost	57.65	42.14	62.38	47.36
Less: Depreciation	62.55	39.96	64.73	40.91
Profit before Exceptional Items and Tax	**323.41**	**455.74**	**358.59**	**486.04**
Profit before Tax	**323.41**	**455.74**	**358.59**	**486.04**
Tax Expenses / (Credit)	85.24	116.93	81.81	127.43
Net Profit	**238.17**	**338.81**	**276.78**	**358.61**
Other comprehensive Income (net of tax)	(15.43)	(15.02)	(40.34)	(26.79)
Total Comprehensive Income	222.74	323.79	236.44	331.82
Basic & Diluted EPS (in ₹)	12.03	17.11	13.97	18.11

Key Financial Parameters

Particulars	Standalone 2022-23	Standalone 2021-22	Consolidated 2022-23	Consolidated 2021-22
Current ratio	1.77	1.52	1.79	1.50
Debt-Equity Ratio	0.48	0.76	0.47	0.82
Interest Coverage ratio	6.61	11.81	6.75	11.26
Net Profit Margin (%)	8.56	12.07	9.19	12.62
Return on Net Worth (%)	14.26	23.77	16.36	24.94
Operating Profit Margin (%)	13.45	16.78	13.77	17.77
Inventory Turnover Ratio	2.57	2.74	2.39	2.45
Debtors Turnover (Days)	69	71	59	71

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.

Human Resources

The Company believes that the quality of the employees is the key to its success and is committed to equip them with skills to seamlessly evolve with ongoing technological advancements.

The Company's Human Resource (HR) team plays a pivotal role in managing and retaining its intellectual capital in the textile industry. The Company ensures 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 6,531 as on March 31, 2023. Further, the Company has 3,005 personnel on a contractual basis as on March 31, 2023.

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.

Capacity Risk

Mitigation Measures: I) Exploring new markets to increase the overall order book and thereby increasing the Plant utilisation. II) Ensuring overall cost optimization plan. III) Utilisation of machines to manufacture alternate products.

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.

Cyber Security Risk:

Mitigation Measures: I) Placing of cyber security framework for effective controls. II) Installing cyber security compliant tools/hardware to protect the system from cyber attacks.

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 bedding 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' for contributions towards environmental sustainability.

Board's Report

Dear Members

On behalf of the Board of Directors ("the Board"), it gives me immense pleasure to present the Thirty Fourth Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2023.

FINANCIAL RESULTS:

(₹ in Crores, except EPS)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from operations	2,783.59	2,805.95	3,011.55	2,842.02
Other Income	34.14	140.73	31.43	140.21
Total Revenue	**2,817.73**	**2,946.68**	**3,042.98**	**2,982.23**
EBIDTA	443.61	537.84	485.70	574.31
Less: Finance Cost	57.65	42.14	62.38	47.36
Less: Depreciation	62.55	39.96	64.73	40.91
Profit before Exceptional Items and Tax	**323.41**	**455.74**	**358.59**	**486.04**
Profit before Tax	**323.41**	**455.74**	**358.59**	**486.04**
Tax Expenses / (Credit)	85.24	116.93	81.81	127.43
Net Profit	**238.17**	**338.81**	**276.78**	**358.61**
Other comprehensive Income (net of tax)	(15.43)	(15.02)	(40.34)	(26.79)
Total Comprehensive Income	222.74	323.79	236.44	331.82
Basic & Diluted EPS (in ₹)	12.03	17.11	13.97	18.11

OPERATIONAL AND FINANCIAL PERFORMANCE

Despite the challenging environment and rise in input costs, your Company has achieved growth in total revenue on consolidated basis. However, various factors such as increase in raw material cost, selling cost, employee benefit expenses and volatile exchange rate movements resulted in fall in EBITDA and Net Profit for the year ended March 31, 2023. The Company achieved sales volume of 74.7 million meters and turnover of ₹3,011.55 Crores on a consolidated basis during the year under review.

At a consolidated level, the total revenue increased by 2% to ₹3,042.98 Crores for FY 2022-23 as against ₹2,982.23 Crores in the previous year. Your Company reported EBIDTA and Net Profit of ₹485.70 Crores and ₹276.78 Crores respectively for the year ended March 31, 2023.

On a standalone basis, total revenue stood at ₹2,817.73 Crores for the year ended March 31, 2023 as against ₹2,946.68 Crores in the previous year. Further, your Company achieved EBIDTA and Net Profit of ₹443.61 Crores and ₹238.17 Crores respectively for the year ended March 31, 2023.

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

RESERVES & DIVIDEND

During the year under review, the Company has not transferred any amount to the General Reserves. As on March 31, 2023, Reserves and Surplus (other equity) of the Company were at ₹1,729.47 Crores including retained earnings of ₹1,710.23 Crores.

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 ₹39.61 Crores subject to the approval of members of the Company at the ensuing Annual General Meeting. The aforesaid dividend is in line with the Dividend Distribution Policy adopted by the Company.

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the Board has approved and adopted the Dividend Distribution Policy and the same has been displayed on the Company's website at the link - www.indocount.com/investors/corporate-governance

STATE OF COMPANY'S AFFAIRS

Discussion on state of Company's affairs has been covered as part of the Management Discussion and Analysis. Management Discussion and Analysis for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report.

SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2023 was ₹39,61,08,680/-. The increase in number of shares during the year is on account of allotment of 6,54,670 equity shares of ₹2/- each to the shareholders of Pranavaditya Spinning Mills Limited (PSML) pursuant to the Scheme of Amalgamation (by way of merger by absorption) between PSML and the Company. The said allotted equity shares were listed on BSE Limited and National Stock Exchange of India Limited.

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, credit rating assigned by ICRA is "AA-" (Double A minus) with Stable outlook and CareEdge revised credit rating to "AA-" (Double A minus) with Stable 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 CareEdge 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.

DECLARATION OF INDEPENDENT DIRECTORS

Pursuant to section 134(3)(d) of the Act, your Company confirm having received necessary declarations from all the Independent Directors under section 149(7) of the Companies Act, 2013 declaring that they meet the criteria of independence laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of the performance of the Board, its Committees and of individual Directors. Performance evaluation has been carried out as per the Nomination & Remuneration Policy of the Company.

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, 2023 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. As per Section 136 of the Companies Act, 2013, 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, 2023, your Company has 4 wholly owned subsidiaries viz. Indo Count Retail Ventures Private Limited, Indo Count Global Inc., Indo Count UK Limited and Indo Count Global DMCC.

Consequent upon effectiveness of the Scheme of Amalgamation (by way of merger by absorption) of Pranavaditya Spinning Mills Limited ("Transferor Company/ PSML") with the Company, PSML stands merged with the Company w.e.f. the effective date i.e. October 20, 2022.

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.

During the year under review, Indo Count Global Inc. has become a material subsidiary. Subsequently, Mr. Siddharth Mehta, Independent Director has been nominated as Director on the Board of the said subsidiary. 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 www.indocount.com/investors/corporate-governance

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

During FY 2022-23, the Scheme of Amalgamation (by way of merger by absorption) of Pranavaditya Spinning Mills Limited ('PSML') with the Company under Sections 230-232 of the Companies Act, 2013 was approved by the Hon'ble National Company Law Tribunal, Mumbai Bench ("Hon'ble NCLT") vide its order dated October 3, 2022. Consequently, the entire undertaking of PSML along with all its assets and liabilities as on October 1, 2020 (Appointed Date) got vested on the Company.

The appointed date for said amalgamation is October 1, 2020 as passed by Hon'ble NCLT. The amalgamation became effective from October 20, 2022 due to the filing of the order passed by 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 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.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Appointment / Reappointment

The Board of Directors at its meeting held on May 30, 2023, has

(i) appointed Mr. Akash Kagliwal (DIN: 01691724) and Mr. L. Viswanathan (DIN: 00193056) as Additional Directors (Non-Executive, Independent) of the Company for a period of 2 years w.e.f. May 30, 2023 to May 29, 2025, subject to the approval of the members at the ensuing General Meeting. Mr. Akash Kagliwal and Mr. L. Viswanathan fulfil the criteria and conditions specified in the Companies Act, 2013 for such appointment.

(ii) re-appointed Dr. Sanjay Kumar Panda (DIN: 02586135) and Mr. Siddharth Mehta (DIN: 03072352) as Non-Executive, Independent Directors of the Company for a second term of 5 consecutive years w.e.f. August 3, 2023 to August 2, 2028, subject to the approval of the members at the ensuing General Meeting. Dr. Sanjay Kumar Panda and Mr. Siddharth Mehta fulfil the criteria and conditions specified in the Companies Act, 2013 for such appointment.

All Independent Directors of the Company 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.

Retiring by rotation

Mr. Kailash R. Lalpuria (DIN: 00059758), Executive Director & CEO of the Company, retires by rotation and being eligible offers himself for re-appointment. The Board recommends his re-appointment and the same forms part of the notice of Annual General Meeting. The disclosures required regarding re-appointment of Mr. Kailash R. Lalpuria pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting issued by The Institute of Company Secretaries of India are given in the Notice of AGM, forming part of the Annual Report.

Cessation

Mr. Sushil Kumar Jiwarajka (DIN: 00016680) ceased to be Independent Director of the Company with effect from close of business hours of May 3, 2023 due to completion of tenure of appointment. The Board places on record its appreciation for the great contribution made by Mr. Sushil Kumar Jiwarajka in the progress of the Company.

Key Managerial Personnel

During the year under review, Mr. Satnam Saini has been appointed as Company Secretary and Compliance Officer w.e.f. December 4, 2022 in place of Mrs. Amruta Avasare who resigned from the said position w.e.f. December 3, 2022.

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company:

Mr. Kailash R. Lalpuria, Executive Director & CEO,
Mr. K. Muralidharan, President - Finance and CFO and
Mr. Satnam Saini, Company Secretary & GM - Legal

NUMBER OF BOARD MEETINGS

During the financial year ended March 31, 2023, Five (5) Board Meetings were held with a minimum of one meeting in each quarter and the gap between two consecutive Board meetings was less than one hundred and twenty days. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

Pursuant to Section 178(3) 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 www.indocount.com/investors/corporate-governance

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, 2023, 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, 2023 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, 2023 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, 2023 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 8 years, your Company had carried out CSR activities in the areas of Education, Healthcare, Women empowerment, cotton sustainability 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, 2023, 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.

AUDITORS

Statutory Auditors

In accordance with the provisions of Section 139 of the Companies Act, 2013, at the Annual General Meeting held on September 29, 2022, M/s. Price Waterhouse Chartered Accountants LLP (Firm Registration No. 012754N / N500016) were appointed as the Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of 33rd Annual General Meeting (AGM) till the conclusion of the ensuing 38th AGM of the Company to be held in the Financial year 2026-27.

The Auditors' Report on standalone and consolidated financial statements for the year ended March 31, 2023 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 Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rules thereunder, the Board had appointed Ms. Kala Agarwal, Practicing Company Secretaries as Secretarial Auditor to conduct Secretarial Audit of the Company for the year ended March 31, 2023. 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 remark.

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 Certificate from Practicing Company Secretary confirming compliance of corporate governance for the year ended March 31, 2023 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, 2023, is provided in a separate section forming integral part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

A separate section on Business Responsibility and Sustainability Reporting forms part of the Annual Report as required under Regulation 34(2)(f) of the Listing Regulations.

ANNUAL RETURN

In terms of Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at https://www.indocount.com/images/investor/Draft-Annual-Return-Form-MGT-7-FY-2022-23.pdf

SECRETARIAL STANDARDS

During the year under review, your Company has complied with all the applicable Secretarial Standards i.e. SS-1 and SS-2 relating to 'Meeting of the Board of Directors' and 'General Meetings' respectively. 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 2022-23 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, accordingly, 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 www.indocount.com/investors/corporate-governance

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 www.indocount.com/investors/corporate-governance

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, 2023.

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 2022-23 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 2022-23 and the date of this report.

AWARDS

During the year under review, the Company has received the following awards:

1. **National Award for Excellence in Water Management 2022** was given by Confederation of Indian Industry (CII) with respect to improving water use efficiency and have an integrated approach for wastewater management systems, which includes recycling, recovery and reuse of industrial effluents.
2. **'Best Brand Award 2022'** was given for our domestic brand Boutique Living by The Economic Times at the 5th edition of "The Economic Times Best Brands 2022 Conclave" with respect to keep customers' happiness at their focus and carve a niche for themselves.
3. Federation of Indian Export Organizations awarded highest **Foreign Exchange Earner in Maharashtra** for two consecutive years 2018-2019 and 2019-2020.
4. Awarded as first runner-up for **"Contribution towards Zero Carbon Emission"** under the CITI Textile Sustainability Awards towards dedication and commitment towards sustainability.

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.

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, business partners and other stakeholders.

On behalf of the Board of Directors

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Date: May 30, 2023
Place: Mumbai

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, 2023

PART A – SUBSIDIARIES

(₹ In Lakhs)

Sr. No.	Name of the Subsidiary	Reporting currency of the subsidiary concerned	Exchange Rate as on March 31, 2023	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Shareholding	Country
1	Indo Count Retail Ventures Pvt. Ltd.	INR	NA	1.00	(0.72)	0.34	0.06	NIL	NIL	(0.60)	NIL	(0.60)	NIL	100	India
2	Indo Count Global Inc.	USD	82.17	446.19	4,669.36	23,843.95	18,728.41	NIL	55,321.36	1,726.65	(324.09)	2,050.74	NIL	100	USA
3	Indo Count UK Limited	GBP	101.65	79.62	224.97	3,053.46	2,748.88	NIL	4,084.46	(56.98)	(19.28)	(37.70)	NIL	100	UK
4	Indo Count Global DMCC	AED	22.37	530.65	234.35	1,065.32	300.32	NIL	689.69	183.97	NIL	183.97	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

Satnam Saini
Company Secretary

Date: May 30, 2023
Place: Mumbai

ANNEXURE 2

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2022-23

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 and Healthcare supported by CSR Activities in the areas of Women Empowerment, Water and Sanitation and Rural Development. Going forward, the Company will continue to focus on Education, Healthcare 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)	3	3
2.	Mr. Anil Kumar Jain	Member (Executive Chairman)	3	3
3.	Mr. Kailash R. Lalpuria	Member (Executive Director & CEO)	3	3
4.	Mr. Kamal Mitra	Member (Executive Director)	3	2
5.	Dr. Sanjay Kumar Panda	Member (Independent Director)	3	3

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-Committee-of-the-Board.pdf

The web-link for CSR Policy: www.indocount.com/investors/corporate-governance

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

4. Provide the executive summary along with web-link(s) 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):

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

(a) Average net profit of the Company for last 3 financial years is ₹28,723.35 Lakhs

(b) Two percent of average net profit of the company as per section 135(5): ₹574.47 Lakhs

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(d) Amount required to be set off for the financial year, if any: ₹9.41 Lakhs

(e) Total CSR obligation for the financial year (5b+5c- 5d): ₹565.06 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing project and other than ongoing projects):

(i) Ongoing Project: ₹79.27 Lakhs

(ii) Other Ongoing Project: ₹495.92 Lakhs

(b) Amount spent in Administrative Overheads: NIL

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

(d) Total amount spent for the Financial Year (6a+6b+6c): ₹575.19 Lakhs

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	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.
575.19	NIL	NA	NA	NIL	NA

(f) 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) (₹9.41 Lakhs of excess amount set off during the year)	565.06
(ii)	Total amount spent for the Financial Year	575.19
(iii)	Excess amount spent for the financial year [(ii)-(i)]	10.13
(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)]	10.13

7. 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)	Balance Amount in Unspent CSR Account under section 135 (6) (₹ in Lakhs)	Amount Spent in the Financial Year (₹ in Lakhs)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(6), if any.		Amount remaining to be spent in succeeding financial years.(₹ in Lakhs)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	2021-22	NIL	NIL	382.43	NIL	NA	NIL	NA
2.	2020-21	37.43	NIL	367.65	NIL	NA	NIL	NA
3.	2019-20	169.87	NIL	261.00	NIL	NA	NIL	NA

8. 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

9. 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 30, 2023

ANNEXURE 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended on March 31, 2023

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

To,
The Members,
Indo Count Industries Limited
Office No. 1, Plot No. 266,
Village Alte Kumbhoj Road,
Taluka Hatkanangale, Kolhapur,
Maharashtra- 416109

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 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, 2023**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and Compliance mechanisms 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 the Company for the financial year ended on March 31, 2023 according to the provisions of:

A. The Companies Act, 2013 (the Act) and the rules made there under;

B. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;

C. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

D. 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015

(b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(g) 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;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

E. Other Applicable Acts,

(a) Factories Act, 1948,

(b) Payment of Wages Act, 1936, and rules made thereunder,

(c) The Minimum Wages Act, 1948, and rules made thereunder,

(d) Employees' State Insurance Act, 1948, and rules made thereunder,

(e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder,

(f) The Payment of Bonus Act, 1965, and rules made thereunder,

(g) Payment of Gratuity Act, 1972, and rules made thereunder,

(h) Standards of Weights and Measurement Act, 1976,

(i) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975,

(j) Air (Prevention & Control of Pollution) Act, 1981,

(k) Hazardous Wastes (Management, Handling & Transboundry Movement) Rules, 2008,

(l) Food Safety and Standards Act, 2006, and rules made there under.

(m) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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 National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd.

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,

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

b) 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.

c) Majority of the decisions being carried through were captured and recorded as part of the minutes.

d) The scheme of amalgamation of Pranavaditya Spinning Mills Limited (the Transferor Company) with Indo Count Industries Limited (the Transferee Company) was sanctioned by Hon'ble National Company Law Tribunal (NCLT) vide its Order dated October 03, 2022. The appointed date of the scheme was fixed as October 01, 2020.

e) Pursuant to the Scheme of Amalgamation, 2 (Two) fully paid Equity Shares of Face Value of ₹2/- each of Transferee Company were proposed to be issued and allotted for 15 (Fifteen) Equity Shares of Face Value of ₹10/- each held in Transferor Company.

f) Accordingly, the Company has issued and allotted 6,54,404 Equity Shares of ₹2/- each to the Shareholders of the Transferor Company on November 02, 2022 and an additional 266 Equity Shares of ₹2/- each on December 02, 2022 as per the determined Swap Ratio of 2:15.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Kala Agarwal
Practising Company Secretary
CP No. 5356
UDIN: F005976E000428607

Place: Mumbai
Date: May 30, 2023

__Note:__ This report is to be read with our letter of event date which is annexed as **'ANNEXURE A'** and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Indo Count Industries Limited
Office No. 1, Plot No. 266,
Village Alte Kumbhoj Road,
Taluka Hatkanangale, Kolhapur,
Maharashtra- 416109

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. Where ever 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.

Kala Agarwal
Practising Company Secretary
CP No. 5356
UDIN: F005976E000428607

Place: Mumbai
Date: May 30, 2023

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, 2023 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) New Cooling towers installed near to processing area for recycling of cooling cylinder water which in-turn helped us reduce power consumption of the water distribution pumps

2. Water:

a) Caustic Recovery Plant's vapor condensate water quality has been optimized and reused now for processing activities. Earlier this water was being discharged to ETP.

b) New Cooling tower installed close to processing department to prevent line losses occurring during recycled water transportation.

c) We have increased number of steam traps to increase the condensate recovery by 15%.

3. Steam / Coal (Fuel):

a) Completed replacement of insulation on Steam & Oil header line at boiler house to reduce radiation losses there-by reducing energy requirement & coal consumption (Scope 1 emissions reduction).

b) 30 TPH Boiler deaerator modification done to reduce steam consumption.

c) Increased Boiler feed water temperature by 30 deg C there by reducing fuel quantity required at boiler (Scope 1 emissions reduced).

d) Steam pressure optimization done in header line successfully thereby reducing steam consumption at boiler.

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

Header line steam pressure at processing section has been optimized which has resulted into increased turbine back pressure thereby generating more power than earlier.

(iii) Capital investment on conservation of Energy

To utilize more natural resources and reduce Scope 2 GHG emissions, we have added another 1.25 MW Solar power plant in one our manufacturing site.

(B) TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption & benefits derived: Not Applicable

(ii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

(iii) The expenditure incurred on Research and Development:

Capital expenditure incurred on Research and Development during the financial year 2022-23 is ₹45.48 Lakhs.

(C)FOREIGN EXCHANGE EARNINGS AND OUTGO:

₹ In Lakhs

Particulars	2022-23	2021-22
Foreign Exchange earned	2,42,429.70	2,38,267.99
Foreign Exchange outgo	30,583.74	23,387.89

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 30, 2023
Place: Mumbai

INDO COUNT
Complete Comfort

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 Director	Designation	Remuneration of Directors / KMP for the year ended March 31, 2023 (₹ In Lakhs)	Ratio to Median Remuneration	% increase in remuneration for the year ended March 31, 2023
Mr. Anil Kumar Jain	Executive Chairman	1,257.18	359.19	-8.83
Mr. Mohit Jain	Executive Vice Chairman	966.41	276.12	-11.48
Mr. Kailash R. Lalpuria	Executive Director & CEO	318.00	90.86	40.71
Mr. Kamal Mitra	Director (Works)	67.42	19.26	21.81
Mr. Dilip J. Thakkar	Non-Executive Independent Director	14.00	4.00	NA (Refer Note 1)
Mr. Sushil Kumar Jiwarajka	Non-Executive Independent Director	7.75	2.21	
Mr. Prem Malik	Non-Executive Independent Director	8.25	2.36	
Dr. (Mrs.) Vaijayanti Pandit	Non-Executive Independent Director	12.00	3.43	
Dr. Sanjay Kumar Panda	Non-Executive Independent Director	11.00	3.14	
Mr. Siddharth Mehta	Non-Executive Independent Director	12.00	3.43	
Mr. K. Muralidharan	Chief Financial Officer	69.99	19.99	9.38
Mr. Satnam Saini*	Company Secretary	18.75	NIL	NA
Mrs. Amruta Avasare*	Company Secretary	26.99	NIL	NA

**Mr. Satnam Saini was appointed w.e.f. December 4, 2022 in place of Mrs. Amruta Avasare who resigned from the said position w.e.f. December 3, 2022.*

Note:

1. During the year under review, pursuant to the approval of Board of Directors, the sitting fees paid to Independent Directors for attending the Committee Meetings held after May 29, 2022 was increased from ₹50,000/- to ₹75,000/- per meeting. 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 2022-23** – (-1.44%).

(iii) **The number of permanent employees on the rolls of company** – 3,502 as on March 31, 2023

(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 6.66% whereas percentile increase in the managerial remuneration is 13.16%. 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 2022-23 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 30, 2023
Place: Mumbai

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, 2023 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. Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

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, 2023, 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, 2023 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)	1	2	NIL	1. Margo Finance Limited – C & NENID
Mr. Mohit 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	NIL	NIL	NIL	NIL
Mr. Dilip J. Thakkar	00007339	NEID	2	2	2	1. Black Box Limited (Previously known as AGC Networks Limited) - NEID

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. Prem Malik	00023051	NEID	3	2	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	1	1	NIL	NIL
Mr. Siddharth Mehta	03072352	NEID	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.

**With effect from May 3, 2023, Mr. Sushil Kumar Jiwarajka ceased to be an Independent Director of the Company.*

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 and all the Directors have made necessary disclosures regarding their directorships as required under Section 184 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 March 17, 2023 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 2022-23 are uploaded on the website of the Company www.indocount.com and can be accessed through web-link: www.indocount.com/investors/corporate-governance

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, 2023 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

Name	Qualifications	Years of Experience	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	60+	Finance, FEMA and Taxation, Accounts & Audit
Mr. Prem Malik	Master in Arts (MA Hons.)	55+	Textile and Clothing industry, Business strategies
Mr. Sushil Kumar Jiwarajka*	Prominent Industrialist	37+	Business Development
Dr. (Mrs.) Vaijayanti Pandit	PhD. in Management Studies, Diploma in Journalism and Mass Communications Masters in Political Science	37+	Management Studies, Political Science, Journalism and Mass Communications, CSR
Dr. Sanjay Kumar Panda	Retired IAS Officer. Diploma in Forestry, PhD in Economics	38+	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	19+	Legal, Taxation, Financing, Merger & Acquisitions, Capital Markets & Regulatory Areas.

**With effect from May 3, 2023, Mr. Sushil Kumar Jiwarajka ceased to be an Independent Director of the Company.*

e) **Board Meetings**

During the financial year 2022-23, Five (5) Board Meetings were held on May 29, 2022, August 1, 2022, November 14, 2022, December 3, 2022 and February 6, 2023 through Video Conferencing. The maximum time gap between any two consecutive Board Meetings of the Company did not exceed 120 days.

Annual General Meeting

The Ministry of Corporate Affairs ("MCA") had, vide its circular no. 02/2022 dated May 5, 2022 read together with circular nos. 20/2020 and 21/2020 dated May 5, 2020 and December 14, 2021 respectively, permitted convening the Annual General Meeting ("AGM") during the calendar year 2022 through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue till December 31, 2022. Accordingly, 33rd AGM of the Company was held on September 29, 2022 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	No. of Meetings held during the tenure of directorship	No. of Meetings attended	Attendance at last AGM held on September 29, 2022 through VC
Mr. Anil Kumar Jain	5	5	Yes
Mr. Mohit Jain	5	4	Yes
Mr. Kailash R. Lalpuria	5	5	Yes
Mr. Kamal Mitra	5	5	No
Mr. Dilip J. Thakkar	5	5	Yes
Mr. Prem Malik	5	3	No
Mr. Sushil Kumar Jiwarajka	5	5	Yes
Dr. (Mrs.) Vaijayanti Pandit	5	5	Yes
Dr. Sanjay Kumar Panda	5	5	No
Mr. Siddharth Mehta	5	5	Yes

Mr. Dilip J. Thakkar and Dr. (Mrs.) Vaijayanti Pandit, who are also the Chairperson of Audit Committee and Stakeholders' Relationship Committee respectively, were present at the last AGM held through VC/OAVM on September 29, 2022. Due to health issues, Mr. Prem Malik, Chairperson of the Nomination and Remuneration Committee were unable to attend the last AGM held on September 29, 2022.

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 Section 173(2) of the Act read together with Rule 3 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 Regulation 18(3) read with 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, 2023, the Audit Committee comprises of 4 Directors / Members out of which 3 are Independent Directors and 1 is Executive Director. Mr. Dilip Thakkar, Non-Executive Independent Director as 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, five (5) Audit Committee Meetings were held on May 24, 2022, May 29, 2022, August 1, 2022, November 14, 2022 and February 6, 2023 through Video conferencing. 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 March 31, 2023 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	No. of Meetings held during the tenure of directorship	No. of Meetings attended
Mr. Dilip J. Thakkar (Chairman)	Non-Executive Independent	5	5
Mr. Prem Malik	Non-Executive Independent	5	3
Mr. Kailash R. Lalpuria	Executive	5	5
Mr. Siddharth Mehta	Non-Executive Independent	5	5

All members of Audit Committee were also present at the last AGM held through VC/OAVM on September 29, 2022 except Mr. Prem Malik who were not able to attend due to health issues.

The representatives/partner of the Statutory Auditors, Internal Auditors and Chief Financial Officer were invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary of the Audit Committee.

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, 2023, 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.

Name of the Director	Category	No. of Meetings held during the tenure of directorship	No. of Meetings attended
Dr. (Mrs.) Vaijayanti Pandit, Chairperson	Non-Executive Independent	2	2
Mr. Kailash R. Lalpuria	Non-Executive Independent	2	2
Mr. Anil Kumar Jain#	Executive	2	2

 # Executive Chairman of the Company

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, 2 (Two) meetings of Stakeholders' Relationship Committee was held on October 13, 2022 and November 2, 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 2022-23, 9 (nine) complaints were received from the shareholders of the Company and the same were duly resolved. No complaint was pending as on March 31, 2023. The said complaints were received from BSE Limited on BSE Portal and SEBI.

d) Compliance Officer

Mr. Satnam Saini, 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, 2023, 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, 2 (Two) meetings of NRC were held through VC on May 23, 2022 and December 3, 2022.

Composition of NRC as on March 31, 2023 and Attendance of members at the NRC Meetings held through VC during the year under review is as under:

Name of the Director	Category	No. of Meetings held during the tenure of directorship	No. of Meetings attended
Mr. Prem Malik, Chairman	Non-Executive Independent	2	1
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 www.indocount.com/investors/corporate-governance

(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, 2023 is as under:

Name of the Director	Tenure	Remuneration for the financial year ended March 31, 2023 (₹ in Lakhs)					
		Basic Salary	Perquisites & Allowances	Provident Fund	Sitting Fees	Commission#	Total
Mr. Anil Kumar Jain	3 years (upto September 30, 2025)	274.43	463.37	32.93	NA	486.45	1,257.18
Mr. Mohit Jain	3 years (upto June 30, 2025)	202.92	284.08	24.35	NA	455.06	966.41
Mr. Kailash R. Lalpuria	3 years (upto May 3, 2024)	127.20	190.80	NIL	NA	NIL	318.00
Mr. Kamal Mitra	3 years (upto September 30, 2025)	32.68	30.82	3.92	NA	NIL	67.42
Mr. Dilip J. Thakkar	5 years (upto August 15, 2024)	NA	NA	NA	12.50	1.50	14.00
Mr. Prem Malik		NA	NA	NA	6.75	1.50	8.25
Dr. (Mrs.) Vaijayanti Pandit		NA	NA	NA	10.50	1.50	12.00
Mr. Sushil Kumar Jiwarajka	5 years (upto May 3, 2023)	NA	NA	NA	6.25	1.50	7.75
Dr. Sanjay Kumar Panda	5 years (upto August 2, 2023*)	NA	NA	NA	9.50	1.50	11.00
Mr. Siddharth Mehta		NA	NA	NA	10.50	1.50	12.00

 # Commission for FY 2022-23 which will be paid in FY 2023-24. Further, Commission of ₹670.14 Lakhs and ₹ 626.90 Lakhs of FY 2021-22 was paid to Mr. Anil Kumar Jain and Mr. Mohit Jain in FY 2021-22 respectively.

**The resolution for the re-appointment of Dr. Sanjay Kumar Panda and Mr. Siddharth Mehta for a further period of 5 years for second term as an Independent Director w.e.f. August 3, 2023 is placed for approval of members of the Company at the ensuing AGM.*

Notes:

1. During the year under review, the sitting fees of Independent Directors for attending the Committee Meetings (including Independent Directors Meeting) held after May 29, 2022 was increased from ₹50,000/- to ₹75,000/- 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 Company.
2. As on March 31, 2023, none of the Non-Executive Independent Directors are holding equity shares or convertible instruments 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 of 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:
www.indocount.com/investors/corporate-governance

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, 3 (Three) meetings of CSR Committee were held on May 20, 2022, October 17, 2022 and February 3, 2023 through VC/OAVM.

Composition of CSR Committee as on March 31, 2023 and Attendance of members at the CSR Committee Meetings held during the year under review is as under:

Name of the Director	Category	No. of Meetings held during the tenure of directorship	No. of Meetings attended
Dr. (Mrs.) Vaijayanti Pandit, Chairperson	Non-Executive, Independent	3	3
Mr. Anil Kumar Jain	Executive	3	3
Mr. Kamal Mitra	Executive	3	2
Mr. Kailash R. Lalpuria	Executive	3	3
Dr. Sanjay Kumar Panda	Non-Executive, Independent	3	3

A Report on CSR Activities carried out by the Company during FY 2022-23 is provided as **Annexure 2** to the Board's Report.

8. Risk Management Committee

The role of the Risk Management Committee ("RMC") inter alia includes terms of reference as specified in Point C of Part D of Schedule II of Listing Regulations as under:

1. Formulation of a detailed risk management policy which shall include:
   a. Framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by RMC;
   b. Measures for risk mitigation including systems and processes for internal control of identified risks; and
   c. Business continuity plan.
2. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems.
4. Periodically reviewing the risk management policy (at least once in two years) including by considering the changing industry dynamics and evolving complexity.
5. Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

During the year under review, there was no change in the composition of Risk Management Committee (RMC). As on March 31, 2023, 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) read with Part D of Schedule II of the 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 September 27, 2022 and March 21, 2023 through VC/ OVAM.

Name of the Director	Category	No. of Meetings held during the tenure of directorship	No. of Meetings attended
Mr. Kailash R. Lalpuria	Executive	2	2
Mr. Prem Malik	Non-Executive, Independent	2	1
Mr. Siddharth Mehta	Non-Executive, Independent	2	2
Mr. K. Muralidharan	Chief Financial Officer	2	2

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 & CEO and Mr. Satnam Saini, Company Secretary when it is not possible to hold Share Transfer Committee Meeting.

During FY 2022-23, 15 (fifteen) meetings of Share Transfer Committee were held on April 1, 2022, April 28, 2022, May 17, 2022, July 8, 2022, August 4, 2022, September 29, 2022, October 10, 2022, October 31, 2022, November 9, 2022, December 3, 2022, December 28, 2022, January 21, 2023, February 16, 2023, March 8, 2023 and March 24, 2023.

(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 2022-23, 5 (five) meetings of Finance and Corporate Affairs Committee were held on April 4, 2022, June 28, 2022, July 28, 2022, September 29, 2022 and November 17, 2022.

The Composition of FCA as on March 31, 2023 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	No. of Meetings held during the tenure of directorship	No. of Meetings attended
Mr. Anil Kumar Jain	Executive	5	5
Mr. Mohit Jain	Executive	5	5
Mr. Kailash Lalpuria	Executive	5	5
Mr. Dilip J Thakkar	Non-Executive Independent	5	5

(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, 2023, 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
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
2021-22	Thursday, September 29, 2022 through VC/OAVM at 12:00 Noon (IST)	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") VC Platform – provided by NSDL

The Ministry of Corporate Affairs ("MCA") had, vide its circular no. 02/2022 dated May 5, 2022 read together with circular nos. 20/2020 and 21/2020 dated May 5, 2020 and December 14, 2021 respectively, permitted convening the Annual General Meeting ("AGM") during the calendar year 2022 through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue till December 31, 2022. Accordingly, 33rd AGM of the Company was held on September 29, 2022 through VC.

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

1. At the AGM held on July 30, 2020, no special resolution was passed.
2. 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.
3. At the AGM held on September 29, 2022 - 3 special resolutions were passed as under:
   (i) 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.
   (ii) 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.
   (iii) 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.

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

(d) Postal Ballot: During the year under review, No Postal Ballot was passed by the Company.

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 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 2022-23 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 www.indocount.com/investors/corporate-governance

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, 2023 as per Regulation 24A of Listing Regulations from Ms. Kala Agarwal, 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 www.indocount.com/investors/corporate-governance

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, Indo Count Global Inc., a wholly owned subsidiary of the Company in USA was the 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 www.indocount.com/investors/corporate-governance

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 www.indocount.com/investors/corporate-governance

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, 2023. 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 2022-23.

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, 2023 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 30, 2023.

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. Vikas R. Chomal & Associates, Practicing Company Secretaries have certified that for the financial year ended March 31, 2023, 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. Vikas R. Chomal & Associates, Practicing Company Secretaries to that effect is attached as **Annexure II** forming part of this report.

l) **Recommendations of the committees**

During FY 2022-23, 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 2022-23, ₹49.47 Lakhs were paid to M/s. Price Waterhouse Chartered Accountants LLP, 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
Statutory Audit	38.35
quarterly review Reports	8.00
For any other services including reimbursement of expenses	3.12
Total	**49.47**

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, 2023.

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, 2023 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, 2023 given by M/s. Vikas R. Chomal & Associates, Practicing Company Secretaries is given as **Annexure III** to this Report.

14. General Shareholders' information

Annual General Meeting

Day & Date: Monday, August 21, 2023
Time: 12:00 Noon (IST)

Financial Year: April 1 to March 31

Tentative Financial Calendar (for Financial Year 2023-24) for approval of:

Financial Results for Quarter ending June 30, 2023 (Unaudited)	On or before August 14, 2023
Financial Results for Quarter and half year ending September 30, 2023 (Unaudited)	On or before November 14, 2023
Financial Results for Quarter and nine months ending December 31, 2023 (Unaudited)	On or before February 14, 2024
Financial Results for Quarter and year ending March 31, 2024 (Audited)	On or before May 30, 2024

Date of Book Closure

August 14, 2023 to August 21, 2023 (both days inclusive)

Dividend Payment Date

During the year under review, final dividend for FY 2021-22 was paid on October 11, 2022.

The Final Dividend for FY 2022-23, 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 2022-23 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 2022-23.

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 Identification Number (CIN):
L72200PN1988PLC068972

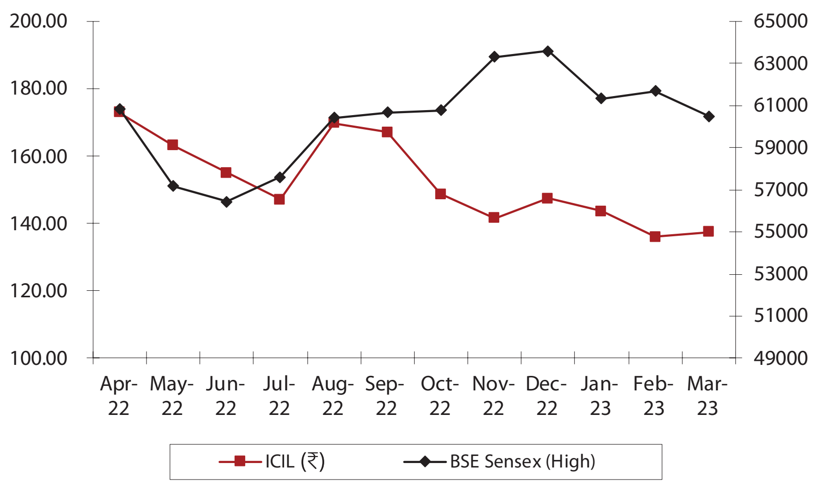
Market Price Data

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, 2022 to March, 2023 are as under:

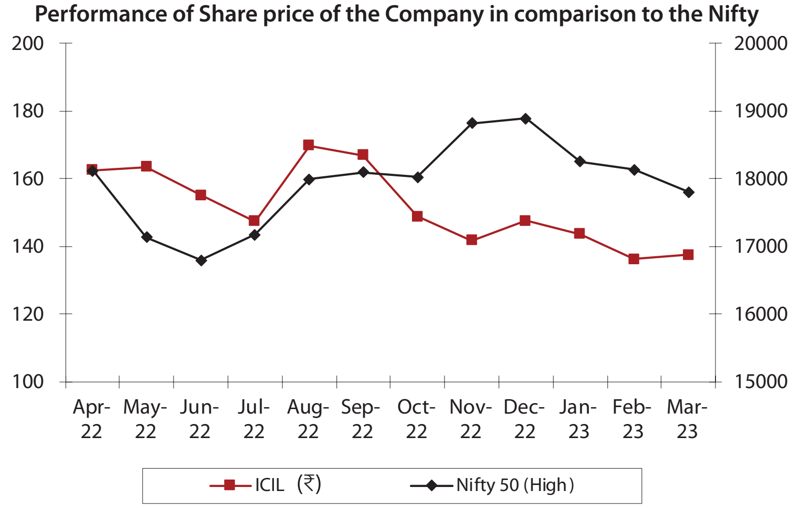
Month	BSE			NSE		
	High (in ₹)	Low (in ₹)	Total number of equity shares traded	High (in ₹)	Low (in ₹)	Total number of equity sharestraded
April-22	189.40	155.20	9,61,539	189.50	155.00	1,22,510
May-22	163.15	123.65	12,99,512	163.45	123.40	1,59,375
June-22	155.00	119.70	9,36,249	155.20	119.55	1,40,784
July-22	147.15	128.00	7,27,211	147.40	128.00	91,000
August-22	169.75	136.35	11,16,168	169.80	136.00	1,59,622
September-22	167.05	132.75	12,40,856	167.00	134.10	1,28,142
October-22	148.75	127.25	20,34,964	148.90	127.25	1,20,596
November-22	141.60	130.40	4,36,882	141.70	130.20	79,947
December-22	147.40	120.00	3,90,037	147.55	120.05	71,469
January-23	143.70	122.50	4,37,063	143.70	122.55	68,143
February-23	136.05	124.90	3,31,391	136.30	124.95	59,485
March-23	137.50	101.15	4,58,580	137.50	101.25	93,000

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 2022-23, transfer of shares was only allowed only in dematerialized mode and the same is done through the depositories. Further, pursuant to SEBI Circular dated January 25, 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, 2023

No. of equity shares of face value of ₹2/- each	No. of Shareholders*	% of Shareholders	No. of shares held	% of shareholding
Upto 500	58,097	84.6846	63,55,433	3.2089
501 – 1000	6,181	9.0097	45,43,382	2.2940
1001 – 2000	2,078	3.0290	31,20,041	1.5753
2001 – 3000	745	1.0859	18,91,305	0.9549
3001 – 4000	319	0.4650	11,46,153	0.5787
4001 – 5000	296	0.4315	14,00,717	0.7072
5001 – 10000	404	0.5889	29,38,816	1.4838
Above 10000	484	0.7055	17,66,58,493	89.1970
Total	**68,604**	**100.0000**	**19,80,54,340**	**100.0000**

*No. of shareholders are not consolidated as per PAN No. The Number of shareholders consolidated as per PAN are 67,263 as on March 31, 2023.

Shareholding Pattern as on March 31, 2023

Category of Shareholder	As on March 31, 2023	
	No. of Equity shares (Face value of ₹2/- each)	As a percentage of total paid-up Share Capital
A. Promoter and Promoter Group	**11,63,46,767**	**58.74**
B. Public Shareholding		
Institutions		
Mutual Funds	24,000	0.01
Alternative Investment Funds	48,275	0.02
Financial Institutions / Banks	2,350	0.00
NBFCs registered with RBI	7,500	0.00
Other Financial Institutions	12,500	0.01
Foreign Portfolio Investors Category I	1,81,47,352	9.16
Foreign Portfolio Investors Category II	2,43,065	0.12

Category of Shareholder	As on March 31, 2023	
	No. of Equity shares (Face value of ₹2/- each)	As a percentage of total paid-up Share Capital
Non-Institutions		
Directors and their relatives (excluding independent directors and nominee directors)	1,33,469	0.07
Investor Education and Protection Fund (IEPF)	16,96,033	0.86
Individuals	3,97,62,521	20.09
Trusts	40,698	0.02
Hindu Undivided Family (HUF)	13,10,090	0.66
Non-Resident Indians (NRI)	36,03,399	1.82
Clearing Members	25,681	0.01
Unclaimed or Suspense or Escrow Account	3,38,118	0.17
Limited Liability Partnership (LLP)	30,26,673	1.53
Bodies Corporate	1,32,85,849	6.71
Sub-Total (B)	**8,17,07,573**	**41.26**
Total (A+B)	**19,80,54,340**	**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, 2023, 19,56,59,323 Equity Shares of the Company constituting 98.79% of the paid-up share capital of the Company are held in dematerialized form and 1.21% 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, 2023 is as under:

Category	Number of		% to total equity
	Shareholders	Shares	
Demat Mode			
NSDL	23,885	12,89,83,183	65.12
CDSL	37,692	6,66,76,140	33.67
Total Demat	**61,577**	**19,56,59,323**	**98.79**
Physical Mode	7,027	23,95,017	1.21
Grand Total	**68,604**	**19,80,54,340**	**100.00**

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

As on March 31, 2023, 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

(3) 191/192 Mahala Falia, Village- Bhilad,
Taluka –Umbergaon,
District –Valsad, Gujarat-396105

(4) Plot No. 268, Kumbhoj Road, Alte,
Hatkanangale, Kolhapur, Maharashtra – 416109

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, 2023, for long term bank facilities of your Company, credit rating assigned by ICRA is "AA-" (Double A minus) with Stable outlook and CareEdge revised credit rating is "AA-" (Double A minus) with Stable 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 CareEdge 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	Link Intime India Private Limited
301, 3rd Floor, "Arcadia",	C-101, 247 Park, L B S Marg, Vikhroli (West),
Nariman Point, Mumbai – 400 021	Mumbai – 400 083
Phone: 022 - 4341 9500 / 501	Tel No: 022 - 49186270
Fax: 022 - 2282 3098	Fax No: 022 - 49186060
Email: satnam.saini@indocount.com/ icilinvestors@indocount.com	Email: rnt.helpdesk@linkintime.co.in

On behalf of the Board of Directors

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Date: May 30, 2023
Place: Mumbai

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 for the year ended March 31, 2023.

On behalf of the Board of Directors

Kailash R. Lalpuria
Executive Director & CEO
DIN: 00059758

Date: May 30, 2023
Place: Mumbai

Annexure II

CERTIFICATE

We, Vikas R. Chomal and Associates, Practising Company Secretaries, hereby certify pursuant to the provisions of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended on 31st March, 2023 that, none of the following Directors of **Indo Count Industries Limited**, viz.:

Sr. No	Name	Designation	Date of Appointment in Company
1.	Mr. Anil Kumar Jain	Executive Chairman	22/08/1990
2.	Mr. Mohit Anilkumar Jain	Executive Vice Chairman	09/05/2016
3.	Mr. Kailash Ramniwas Lalpuria	Executive Director & CEO	04/05/2018
4.	Mr. Kamal Sukhamoy Mitra	Director (Works)	01/10/2008
5.	Mr. Dilip Jayantilal Thakkar	Independent Director	28/01/2003
6.	Mr. Sushilkumar Jiwarajka	Independent Director	04/05/2018
7.	Mr. Prem Sardarilal Malik	Independent Director	30/10/2009
8.	Dr. Sanjay Kumar Panda	Independent Director	03/08/2018
9.	Mr. Siddharth Saumil Mehta	Independent Director	03/08/2018
10.	Dr. (Mrs.) Vaijayanti Ajit Pandit	Independent Director	25/11/2013

have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs (MCA) or any such statutory authority.

FOR VIKAS R. CHOMAL AND ASSOCIATES

VIKAS R. CHOMAL
PROPRIETOR
MEMBERSHIP NO.: F11623
COP. NO.: 12133
UDIN: F011623E000418911

Date: 30/05/2023
Place: Thane, Maharashtra

Annexure III

Certificate of Compliance of Conditions of Corporate Governance

Under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Members of 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 March 31, 2023, as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

We state that the compliance of conditions of Corporate Governance is the responsibility of the Management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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 with the conditions of Corporate Governance as stipulated in the aforesaid provisions of LODR.

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.

FOR VIKAS R CHOMAL AND ASSOCIATES

VIKAS R CHOMAL
PRACTICING COMPANY SECRETARIES
FCS NO.: 11623
COP: 12133

Date: 30/05/2023
Place: Thane, Maharashtra

ICSI Firm Peer Review Reg No: S2013MH216500
ICSI UDIN: F011623E000417479

Business Responsibility & Sustainability Reporting FY 2022-23

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of Company**	L72200PN1988PLC068972
2.	**Name of the Company**	Indo Count Industries Limited
3.	**Year of Incorporation**	1988
4.	**Registered address**	Office No. 1, Plot No. 266, Village Alte Kumbhoj Road, Taluka Hatkanangale, Kolhapur – 416109
5.	**Corporate address**	301, "Arcadia" 3rd Floor, Nariman Point, Mumbai - 400 021
6.	**E- mail ID**	info@indocount.com
7.	**Telephone**	+91 (0) 22 – 43419500
8.	**Website**	www.indocount.com
9.	**Financial year for which reporting is being done**	Financial year 2022-23 (April 1, 2022 to March 31, 2023)
10.	**Name of the Stock Exchange(s) where shares are listed**	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11.	**Paid-up Capital**	39,61,08,680
12.	**Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**	Name: Satnam Saini Designation: Company Secretary & GM - Legal Contact: +91 (0) 22 – 43419500 E-mail: satnam.saini@indocount.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Disclosures under this report are made on a standalone basis, i.e., Indo Count Industries Limited.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing – Textiles	Bed Sheets, Mattress Pads, Comforters, Duvet Covers, Pillows Etc.	100

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	We deal in Textile business segment, which is also reported in the balance sheet.	13924 - Manufacture of bedding, quilts, pillows and sleeping bags etc.	100

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4	5	9
International	Nil	4	4

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	20
International (No. of Countries)	50+

b.W hat is the contribution of exports as a percentage of the total turnover of the entity?

94.23%

The Indo Count group of companies are strategically placed in every corner of the world to optimize access and services across key important locations in US, Europe, Asia, Australia.

c.A brief on types of customers -

Indo Count is a premier company specializing in offering comprehensive bedding solutions, catering to the diverse needs of customers seeking exceptional sleep experiences. We at Indo Count strive to amplify our global footprint, establishing a strong presence for our brand on an international scale, this allows us to bring our exceptional bedding products to a wider consumer network, ensuring that individuals around the world can experience the unparalleled comfort and quality synonymous with our brand. Key categories of customers include big box retailers, B2B, B2C, institutional and hospitality customers, etc., Direct-to-customer Companies, e-commerce, Hospitality Suppliers, Specialty Stores etc.

IV. Employees

18. Details as at the end of Financial Year:

We prioritize equity, diversity, and inclusion across our entire value chain in the textile industry. Our strong roadmap aims to achieve reasonable gender balance at the managerial level by 2035. We are actively working to enhance the representation of women in our factories and salesforce.

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	979	897	91.62%	82	8.38%
2.	Other than Permanent (E)	77	69	89.61%	8	10.39%
3.	Total employees (D + E)	1,056	966	91.48%	90	8.52%
WORKERS						
4.	Permanent (F)	2,547	2,362	92.74%	185	7.26%
5.	Other than Permanent (G)	2,928	2,257	77.08%	671	22.92%
6.	Total workers (F + G)	5,475	4,619	84.37%	856	15.63%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	3	2	66.67%	1	33.33%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	**Total differently abled employees (D + E)**	3	2	66.67%	1	33.33%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	10	9	90%	1	10%
5.	Other than permanent (G)	11	10	90.91%	1	9.09%
6.	**Total differently abled workers (F + G)**	21	19	90.48%	2	9.52%

** As differently abled is a personal information, this data is voluntary for employees to report to the Company. The above information is based on the disclosures available with the Company.*

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10.00
Key Management Personnel	3	-	-

NOTE: Key Management Personnel (KMP) are Executive Director and CEO, Chief Financial Officer (CFO) and Company Secretary (CS).

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3.45%	1.10%	4.55%	4.32%	1.15%	5.47%	3.58%	0.77%	4.34%
Permanent Workers	5.67%	1.05%	6.72%	0.33%	-	0.33%	0.88%	-	0.88%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Indo Count Retail Ventures Private Limited	Wholly owned subsidiary	100%	No
2	Indo Count Global Inc.	Wholly owned subsidiary	100%	No
3	Indo Count UK Limited	Wholly owned subsidiary	100%	No
4	Indo Count Global DMCC	Wholly owned subsidiary	100%	No

VI. CSR Details

22.

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013:

Yes, CSR provisions are applicable as per Section 135 of the Companies Act, 2013.

(ii) Turnover (₹ In Lakhs): ₹2,78,359.20 Lakhs

(iii) Net worth (₹ In Lakhs): ₹1,72,824.13 Lakhs

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	The Company does not have investors other than equity shareholders						
Shareholders	Yes As per SEBI Listing Regulations and Internal Grievance Mechanism adopted by the Company	9	-	-	10	-	-
Employees and workers	Yes	-	-	-	-	-	-
Customers	Yes	12	-	-	16	-	-
Value Chain Partners	Escalation matrix are defined in individual client contracts.	-	-	-	-	-	-
Other (please specify)	No	-	-	-	-	-	-

If Yes, then provide web-link for grievance redress policy - https://www.indocount.com/investors/corporate-governance

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format.

Sustainability challenges are the most crucial to our business and stakeholders in today's VUCA (volatile, uncertain, complex, and adaptive) world, which necessitates us to have a methodical framework in place to identify them.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implicatio-ns)
1	GHG Emissions	Risk	The expansion of manufacturing capacity to accommodate increase in demand can potentially result in a subsequent rise in greenhouse gas (GHG) emissions	The adoption of new and efficient technologies and the transition towards greener options, such as onsite solar projects and the purchase of renewable energy through power purchase agreements (PPAs), will lead to a reduction in greenhouse gas (GHG) emissions. Additionally, we have committed for science based targets near term and net zero by 2050.	Negative
2	Energy management	Opportunity	Robust processes and meticulously designed systems are in place to optimize energy efficiency, and an unwavering commitment to continuously improve them to enhance our energy-saving initiatives	For efficient energy management, solar panels and LEDs are installed at various facilities. Additionally, we have installed "Back Pressure Turbine" – to reuse excess steam in a turbine to generate electricity for internal usage and also, optimized usage of Steam pressure in wet processing machines.	Positive
3	Sustainable Sourcing	Opportunity	We use many different raw materials to make our products and we are continuously working to source most of them sustainably to produce eco-friendly product and reduce impact on environment	Maintain continuous connect with suppliers to motivate and drive them to adapt sustainable practices. Additionally, sustainability is one of the important factors which we consider in shortlisting our suppliers	Positive
4	Health & Safety	Risk	We place utmost priority on the health and safety of our human resources including contractual workforce. Resources in specific at our plants may have health concerns due to the complexities involved in the manufacturing processes	In order to uphold ethical standards for human rights and health and safety all our plants are accredited with global standards such as SA 8000 and ISO 45001-2018. Additionally, we provide regular safety training on topics including fire safety, disaster readiness etc. to our resources including contractual.	Positive
5	Business Ethics and Integrity and Code of Conduct	Risk	Our brand and reputation are of utmost priority and as we engage with customers around the globe, they are invaluable asset for us. In order to protect our brand, we are committed to conduct our operations ethically and establishing good governance across organization.	Company has well defined Code of Conduct, grievance redressal and whistle-blower mechanism in place.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1 Ethics and Integrity	P2 Sustainable Products	P3 Employee Well-being	P4 Stakeholders	P5 Human Rights	P6 Environment	P7 Regulatory Requirement	P8 Inclusive Growth	P9 Consumer and IT
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.indocount.com/investors/corporate-governance								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• UNGC	• ISO 9001 • GOTS • Oekotex STeP • ISO/IEC 17025 • BSCI • Supima Cotton • Egyptian Cotton • OCS – Organic Content Standard • GRS – Global Recycled Standard • RCS – Recycled Claim Standard	• Health and safety framework ISO 45001	• ISO 14001	• ISO 9001	• Indo Count Environment Management systems are aligned to ISO 14001 standards • HIGG FEM	• Code of Conduct • GRI Standards • Tax Policy	• CSR disclosures pursuant to Section 35 of the Company's Act 2013 • GRI Standards	• Fairtrade • ISO/IEC 17025

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Indo Count, a responsible and forward-thinking company, has set ambitious sustainability goals and targets to make a positive impact on the environment and society. Here are the key goals and the corresponding targets they have undertaken: 1. Carbon Neutrality in Energy Emissions: Goal: Achieve carbon neutrality in energy emissions. • Reduce energy emissions by 15% through the use of renewable energy sources by 2025 • Further reduce energy emissions by 18% through increased reliance on renewable energy by 2030 2. Sustainable Procurement of Raw Materials (Fabric): Goal: Procure raw materials sustainably to minimize environmental impact. • Increase the share of sustainably procured material to 60% by 2025 • 100% material sustainably procured by 2030 3. Water Neutrality: Goal: Achieve water neutrality to conserve this precious resource. • Reduce water usage to 30 kiloliters per metric ton (KL/MT) with a Zero Liquid Discharge approach by 2030 4. Zero Waste to Landfill: Goal: Eliminate waste to landfills, promoting a circular economy. • Achieve zero waste to landfills, adopting effective waste management strategies by 2025 • Continue the commitment to zero waste, ensuring all waste is responsibly managed by 2030 5. Inclusive Growth: Improve community and lives by creating shared value. • Positively impact 3,50,000 lives by creating shared value by 2025 and 5,00,000 by 2030 • Empower 75,000 farmers and enhance their livelihood through sustainable cotton projects covering 60,000 acres by 2025. Extending the reach to 1,00,000 farmers by extending the projects to cover 1,00,000 acres of land by 2030 • Contribute to afforestation efforts to combat climate change by planting 50,000 trees by 2025 and 100,000 trees by 2030. 6. Health & Safety: Continue to have Zero Fatalities 7. Business Ethics and Integrity and Code of Conduct: Increase the coverage of employees including workers that are given training for POSH, Code of Conduct, Whistle-blower to 100% by 2025
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	1. Carbon Neutrality in Energy Emissions: Goal: Achieve carbon neutrality in energy emissions. • FY'22-23: Continued efforts brought emissions down to 3.9% from baseline at 0.06% (FY'18-19), making significant strides towards the target 2. Sustainable Procurement of Raw Materials (Fabric): Goal: Procure raw materials sustainably to minimize environmental impact. • FY'22-23: Maintained progress at ~40% from baseline at 17.4% (FY'18-19), continuing efforts to reach the 2030 target. 3. Water Neutrality: Goal: Achieve water neutrality to conserve this precious resource. • FY'22-23: Improved water efficiency, using 45.4 KL/MT in the current financial year as compared to 53.8 KL/MT in FY 2021-22.. 4. Zero Waste to Landfill: Goal: Eliminate waste to landfills, promoting a circular economy. • FY'22-23: Continued efforts resulted in waste reduction from 1591.2 in FY 2021-22 to 988 MT in current financial year. 5. Our commitment to Creating Shared Value (CSV) has resulted in a significant positive impact on communities. In FY'22-23, we improved the lives of 298,304 individuals, building on the initial impact of 121,019 lives in FY'18-19. 6. Empowering cotton farmers and supporting sustainable cotton projects remain a priority. By FY'22-23, our efforts positively impacted 27,959 farmers, signifying substantial progress. 7. Enhancing sustainability in cotton projects, we covered 59,995 acres under sustainable practices in FY'22-23, making commendable strides towards responsible farming. 8. As part of our contribution to combat climate change, our tree plantation initiative successfully planted 24,722 trees in FY'22-23, further demonstrating our dedication to reforestation since its inception in FY'18-19.

Governance, leadership and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The Company is committed to make the business sustainable and socially responsible. We have always believed in driving business with purpose and operating responsibly and aligning business with sustainability goals. We would like to communicate that we are progressing well on Environmental, Social and Corporate Governance parameters which are marked by several projects undertaken, with focus on sustainability across our factory locations and value chain. We have been working towards reducing carbon footprints and consumption of fresh water for our operations, investing in products and processes that are energy efficient; promoting products and services that help in lowering environmental impact. We are committed to protect our employees' health and well-being and support the weaker and underprivileged sections of our society through our CSR initiatives.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Anil Kumar Jain Executive Chairman Telephone number - 022 43419500 E-mail id - info@indocount.com
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Vice Chairman (Mr. Mohit Jain) and Executive Director & CEO (Mr. Kailash R. Lalpuria) are key drivers of sustainability at Indo Count. They not only take all decisions with reference to sustainability matters but also oversee their implementation.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	As a practice, BRSR policies of the Company are reviewed periodically or on a need basis by respective Department Heads, Business Heads and Executive Directors. During this assessment, the efficacy of the policies are reviewed and necessary changes to policies and procedures are implemented.									Need based review or review driven by statutory requirements/ amendments depending on the nature of the policy								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company is in compliance with the extant regulations as applicable and the same are reviewed by the Board of Directors on quarterly basis. Further, Statutory Compliance Certificate on applicable laws is provided by the Executive Director & CEO, Director (Works) and the Company Secretary & Compliance Officer to the Board of Directors on quarterly basis.									Need based review or quarterly review depending on the nature of the policy								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

    Our policies are reviewed internally on periodic basis by the Department Heads and the same is complemented by our Internal Audit Process which covers all key policies. Internal Audit is conducted by an external independent agency during the year.

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated: Not Applicable.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Essential Indicators

Our directors, Key Management Personnel (KMPs), employees, and workers receive priority training and education on operationally pertinent principles. To improve comprehension and compliance, we ran a number of training and awareness programmes throughout the financial year. The information below offers details on the scope and effect of various programmes

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total Number of Training and Awareness Programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Code of Conduct, Awareness on the provisions of SEBI (Prohibition of Insider Trading Regulations) and SEBI (LODR) Listing Regulations	90%
Key Managerial Personnel	2	Code of Conduct, POSH Act Awareness, firefighting Training	100%
Employees other than BoD and KMPs (including contractual and part-time employees)	49	Posh/Fire & Safety, SAP Training, POSH Act Awareness, Advance Excel & PowerPoint Training, Safety Training, 5S Training, Health Environment, First Aid, Step Audit Implementation, firefighting Training	100%
Workers (including contractual and part-time employees)	12	Posh/Fire & Safety, Health Environment, First Aid, firefighting Training, Safety Importance and Mock Drill	63%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

    During the year FY 2022-23, no material fines / penalties / punishments / award / compounding fees / settlement as per Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 were levied on the Company and its Directors / KMPs.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

   NA

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   Yes.

   The Company has Code of Conduct in place which prohibits from engaging in any activities for monetary gains, refraining from soliciting gifts from vendors, service providers, customers and other third-party agents (organizations or individuals) with whom the Company has an established or potential business relationship which conflicts or may conflict with the interest with the Company.

   This Code of Conduct is applicable to all individuals working at all levels and grades, including Board Members and Senior Managerial Personnel, other employees, consultants, interns, contractors, agency staff, agents or any other person associated with the Company and such person acting on behalf of the Company.
   web-link: https://www.indocount.com/investors/corporate-governance

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. – Not applicable, as there are no instances of corruption/conflicts of interest against Directors and KMPs.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

   The Company has in place a Code of Conduct for Supplier to emphasise its commitments in the areas of business integrity, human rights, labour practices, etc.

Total Number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
4	• Grievance Redressal mechanism • Quality • Traceability • Testing Parameters	100% of suppliers on boarded are covered through the Company's Code of Conduct for Suppliers.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

   Yes, the Company has Code of Conduct for Board of Directors and Senior Management Personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. In order to avoid/manage conflicts of interest, Company obtains annual declarations from the members of its Board and Senior management personnel and ensures requisite approvals as required under the applicable laws are taken prior to entering into transactions in which there is a potential conflict of interest arises. The policy is available on the Company's website at https://www.indocount.com/investors/corporate-governance

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impact
R&D	-	-	We have substantial expenditure with reference to Product Stewardship, however, in the current year the same is not recorded for ESG aspect separately. Going forward we will maintain these details and disclose the same.
Capex	11.40%	6%	We have built an Effluent Treatment Plant (ETP) at our Kagal (Kolhapur) manufacturing facility in order to increase our recycling capacity which is a key step as we plan to achieve Zero Liquid Discharge status by year 2030

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) – Yes.

   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. 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.

   b. If yes, what percentage of inputs were sourced sustainably?

   Around 40% of our material is sustainably sourced. This includes cotton, yarn & fabric, dyes & chemicals and packaging material. We are working to reach 100% sustainable sourcing for our raw material and packaging material by 2030.

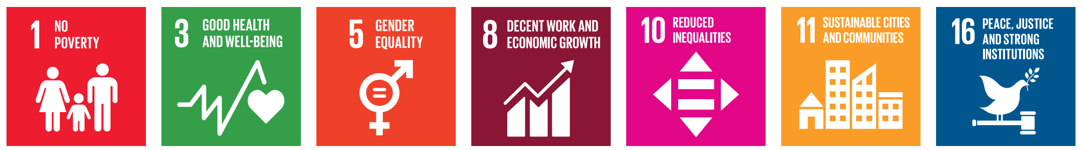
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste. –

Product	Process to safely reclaim the product
a. Plastics	We are in the process of replacing packaging material to sustainable alternatives. 79% of the packaging material used is sourced sustainably.
b. E-Waste	Transported to authorized recycler.
c. Hazardous Waste	Transported to MEPL (Maharashtra Enviro Power Limited) Pune and BEIL Infrastructure Limited, Bharuch for safe disposal.
d. Other Waste	Non-hazardous wastes are sold to recycler for further upcycling, disposal and relevant usage.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. –

   ICIL is a registered entity with the Central Pollution Control Board (CPCB) and its waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains



Essential Indicators

1. a. Details of measures for the well-being of employees:

   We place a high priority on the health and well-being of our workers and employees because we understand how crucial it is to offer complete support.

Category	Percentage of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Daycare Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	897	491	54.7%	897	100%	0	0%	0	0%	0	0%
Female	82	40	48.7%	82	100%	82	100%	0	0%	82	100%
Total	**979**	**531**	**54.2%**	**979**	**100%**	**82**	**8.4%**	**0**	**0%**	**82**	**8.4%**
Other than Permanent Employees											
Male	69	15	21.7%	69	100%	0	0%	0	0%	0	0%
Female	8	2	25%	8	100%	8	100%	0	0%	8	100%
Total	**77**	**17**	**22.1%**	**77**	**100%**	**8**	**10.4%**	**0**	**0%**	**8**	**10.4%**

   b. Details of measures for the well-being of workers:

Category	Percentage of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Daycare Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	2,362	672	28.5%	2,362	100%	0	0%	0	0%	0	0%
Female	185	0	0%	185	100%	185	100%	0	0%	185	100%
Total	**2,547**	**672**	**26.4%**	**2,547**	**100%**	**185**	**7.3%**	**0**	**0%**	**185**	**7.3%**
Other than Permanent Employees											
Male	2,257	0	0%	2,257	100%	0	0%	0	0%	0	0%
Female	671	0	0%	671	100%	671	100%	0	0%	671	100%
Total	**2,928**	**0**	**0%**	**2,928**	**100%**	**671**	**22.9%**	**0**	**0%**	**671**	**22.9%**

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

   We are cognizant of the significance of offering retirement benefits to our workers and employees in order to ensure their post-employment financial security and well-being.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted and deposited with the authority (Yes/No/N.A.)	No. of employees covered (as a % of total employees)	No. of workers covered (as a % of total workers)	Deducted and deposited with the authority (Yes/No/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others - WC (please specify)	100%	100%	Yes	100%	100%	Yes

3. Accessibility of workplaces

   Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   Yes, we understand how crucial it is to comply with the need of the Rights of Persons with Disabilities Act, 2016, and we are doing proactively to address the needs of people with disabilities. Our company has put in place a number of measures to provide accessible infrastructure, to the persons with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

   Yes, the Company provides equal opportunities for employment in the Company based on the merit and business needs irrespective of gender, caste, religion, race, etc. In addition to being required by state and local laws and regulations, we still believe that our policies on equal employment opportunities are essential because they are consistent with our core values and make a significant contribution to the communities where we live and work. web-link: https://www.indocount.com/investors/corporate-governance

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	100%	100%
Total*	100%	100%	100%	100%

Currently, we provide maternity leaves to our employees and workers, paternity leaves are in discussion; necessary benefit will be aligned going forward.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No	Brief Description of Mechanisms (if yes)
Permanent Employees	Yes	Employees raise their grievances to respective functional head / HOD who have it resolved through discussions. HOD/Reporting Manager informs HR on Grievances which need HR interventions. Grievances which need further attention is taken forward by HR to Management for final Redressal.
Non-Permanent Employees	Yes	
Permanent Workers	Yes	Permanent workers or their representatives can raise their grievances in areas like wages, discrimination, human rights related issues etc. under the grievance redressal mechanism of the Company. Contract Workmen can raise their grievances through their respective line managers or Plant Heads, if not resolved, they can escalate the same to the HR Department through their respective contractors.
Non-Permanent Workers	Yes	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Each employee and worker is free to exercise their legal right to establish and/or join a union, renounce that right, or engage in collective bargaining.

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employee / workers in respective category, who are part of association(s) of Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employee / workers in respective category, who are part of association(s) of Union (D)	% (C / D)
Total Permanent Employees	979	0	0%	715	0	0%
Male	897	0	0%	630	0	0%
Female	82	0	0%	85	0	0%
Total Permanent Workers	2,547	1,164	45.7%	1,501	1,125	74.9%
- Male	2,362	1,160	49.1%	1,497	1,121	74.9%
- Female	185	4	2.2%	4	4	100%

Note: No Union in Bhilad HT location.

8. Details of training given to employees and workers:

Through numerous training courses, we have a robust and varied agenda for transferring skills to employees and workers. However, we do not have a break-up in the employee training for health and safety measures and skill upgradation, thus consolidated numbers are reported for employees.

Category	FY 2022-23					FY 2021-22				
	Total (A)	Health and Safety Measures		Skill Upgradation		Total (D)	Health and Safety Measures		Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	897	-	-	-	-	630	-	-	-	-
Female	82	-	-	-	-	85	-	-	-	-
Total	979	979	100%	979	100%	715	715	100%	715	100%
Workers										
Male	2,362	1,444	61.1%	0	0%	1,497	922	61.6%	0	0%
Female	185	163	88.1%	0	0%	4	3	75%	0	0%
Total	**2,547**	**1,607**	**63.1%**	**0**	**0%**	**1,501**	**925**	**61.6%**	**0**	**0%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	897	897	100%	630	630	100%
Female	82	82	100%	85	85	100%
Total	**979**	**979**	**100%**	**715**	**715**	**100%**
Workers						
Male	2,362	0	0%	1,497	0	0%
Female	185	0	0%	4	0	0%
Total	**2,547**	**0**	**0%**	**1,501**	**0**	**0%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage such system?

Yes, for all workers and employees, a holistic health and safety management system has been established. Indo Count Industries Limited has implemented ISO 45001:2018 which is a globally approved standard for occupational health and safety management system.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

We have implemented ISO 45001:2018 and according to standard 6.2 clause, separate procedure is available for Hazard identification and Risk Assessment for routine and non-routine activities.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. **(Y/N)**

Yes, we have procedure for Hazard identification and risk assessment. This record is reviewed once in year by incident or when legal changes are warranted. Additionally, we conduct trainings, mock drills, safety talks and seminars for raising awareness of the workers.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the workers and employees are covered for health and accidental insurance. Additionally, we have 24 hours operational occupational health center with all resources/basic paramedical services, doctors, ambulance at our manufacturing plants. All the employees/ worker of the entity have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.61	1.58
	Workers	1.01	1.00
Total recordable work-related injuries	Employees	1	1
	Workers	5	6
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At our organization, we prioritize the seamless integration of safety into all aspects of our business processes. Our safety and health management system adheres to the principle of plan, do, check, and act, ensuring a comprehensive approach to risk assessment and mitigation. We diligently evaluate credible risks and take necessary actions to minimize their impact.

Additionally, regular awareness sessions on safety protocols, including fire safety and evacuation drills are conducted to ensure a comprehensive understanding of health and safety-related aspects. These initiatives demonstrate the company's commitment to creating a secure and healthy work environment.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-		-	-	
Health & Safety	-	-		-	-	

14. Assessments for the year:

As part of our commitment to maintaining a safe and hygienic workplace environment, the company conducts regular internal audits. These audits serve as a means of periodic assessment, allowing us to thoroughly evaluate various aspects of health and safety measures, as well as the working conditions of our employees. By conducting these audits, we ensure that our workplace consistently upholds the highest standards of safety, promoting the well-being and security of our valued workforce. This diligent approach enables us to identify any areas of improvement, implement necessary measures, and continuously enhance the overall safety and hygiene of our work environment.

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% Internal audit on Health and Safety practices is conducted on weekly basis. Statutory Authority i. e. Directorate Industrial Safety and health, Boiler Inspector, Electrical Inspector inspect the plant premises and ensure the health and safety practices on yearly basis. We are ISO 45001 certified which is for Health and Safety standard. The customer nominated external audit agency assess the entire premises based on their code of conduct and the number of the audits are two or three in a month..
Working Conditions	100%. Internal audit on working condition is conducted on weekly basis. Statutory authority i.e. Factory Inspector, Boiler Inspector, GPCB Authority, Gujarat Labour Officer, Assistant Labour Commissioner, Electrical Inspector inspect the factory premises when they have scheduled inspection We are ISO 9001, 14001, 45001, SMETA, BSCI approved. The customer nominated external audit agency assess the entire premises based on their code of conduct and the number of the audits are two or three in a month.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No corrective actions pertaining to above mentioned parameters was necessitated by the Company during the year under review. However, the Company provide safety training covering new employees and workers (including contractual) as well as periodic refresher training to inculcate safety awareness in employees and adopt the best practices. Company has also adopted processes designed to prevent serious or fatal accidents.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) employee (Y / N) (B) worker (Y / N)

Yes, the Company extends life insurance coverage for Work Related death and Accidental death of its employees and workers.

2. Provide the measures undertaken by the Company to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures through its robust mechanism that all TDS have been deducted and deposited by our value chain partners. Further, as per the business agreements/contracts and purchase orders, all vendors / contractors are obliged to make necessary statutory payments timely. The Company regularly verifies the payment made by vendors to various government authorities towards statutory payments. In case any deviation is observed, the Company issues notices or penalises them or ceases business dealing with habitually defaulting vendors.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes / No)

Yes, the Company has a Performance Improvement Plan (skill upgradation programs) across cadres right from junior level to senior management to improve before considering termination. The Company also provides support and guidance to the employees to enable them to improve their performance and to give them a chance to demonstrate that they can meet the required standards.

5. Details on assessment of value chain partners:

The Company has in place a Code of Conduct for Value Chain Partners wherein it is expected to provide a safe and healthy workplace for their employees and contractors. Further, Value Chain Partners must be compliant with local and national laws and regulations on Occupational Health and Safety, and have the required permits, licenses and permissions granted by local and national authorities.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	6%
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The stakeholders are critical to our business operations and their interests has a key influence on our business strategy. Based on the value chain for the business and interactions with the stakeholders, we group the stakeholders considering the expectations and requirement from the Company.

In order to understand the stakeholder expectation and to integrate the same into our business strategy, we have undertaken an end to end review of our business value chain to identify our key stakeholder groups.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

We use a strategic approach that prioritizes openness, cooperation, and the accomplishment of shared goals in order to build strong and productive relationships with our stakeholders. By using this strategy, we hope to develop an atmosphere of open communication and cooperation, strengthening the relationship between the business and its stakeholders.

Stakeholder Group	Identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customer	No	Email, meetings, website, Phone, conferences (if any), visit to manufacturing facility	Continuously	Product & service related
Employee	No	Email, meetings (including workshop and inductions), website, notice board	Continuously	HR & operation related
Community	Yes	Field visit, Focus Group discussions, CSR Projects & Engagements	Continuously	Community initiatives & service related
Regulatory Authorities	No	Industrial Forums, Email, meetings, website	Periodical	Working closely with Government/ Regulators can go long way in bringing positive changes in larger community
Shareholders and Investors	No	One-on-one meetings, Board presentations, Annual General Meetings, Reports, Investor Presentations	Quarterly	Continuous access to capital, enabling to make progress on strategies and goal. Shareholder voting rights
Business Partners	No	Meetings, Email, Phone	Adhoc (Need Based)	1. Service availability in remote locations 2. Service Manual and Training Guidelines 3. Customer reach and business sales targets strategy 4. Business risks and their mitigation strategies 5. IT related Integration; Data privacy and security
Suppliers and Vendors	No	Direct Interactions, Email, SMS, WhatsApp, Online Portal	Continuously	Procurement of materials & service related, Performance review on product and service as per the requirement

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

We are committed to uphold human rights, we recognize the importance of providing training to our employees and workers on human rights issues and our entity's policies. This proactive approach ensures that our workforce is well-informed and equipped to foster a culture of respect, dignity, and inclusivity.

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	979	979	100%	715	715	100%
Other than permanent	77	77	100%	88	88	100%
Total Employees	1,056	1,056	100%	803	803	100%
Workers						
Permanent	2,547	2,547	100%	1,497	1,497	100%
Other than permanent	2,928	2,864	97.8%	1	1	100%
Total Workers	5,475	5,411	98.8%	1,498	1,498	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	897	897	100%	0	0%	630	630	100%	0	0%
Female	82	82	100%	0	0%	85	85	100%	0	0%
Other than permanent										
Male	69	69	100%	0	0%	83	83	100%	0	0%
Female	8	8	100%	0	0%	5	5	100%	0	0%
Workers										
Permanent										
Male	2,362	0	0%	2,362	100%	1,497	0	0%	1,497	100%
Female	185	0	0%	185	100%	4	0	0%	4	100%
Other than permanent										
Male	2,257	2,198	97.4%	20	0.9%	0	0	0%	0	0%
Female	671	646	96.3%	0	0%	0	0	0%	0	0%

3. Details of remuneration/salary/wages, in the following format:

Category	Male		Female	
	Number	Median remuneration/ salary/wages	Number	Median remuneration/ salary/wages
Board of Directors (BoDs)	4	4,11,62,136	0	-
Key Managerial Personnel (KMPs)	2	70,00,000	1	40,00,000
Employees other than BoDs/KMPs	891	5,94,228	82	5,23,812
Workers	2,361	2,87,945	185	1,44,660

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) –

The HR head of the respective facility is responsible for addressing the human rights issue.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues. – The Company is committed to providing a safe and conducive work environment to all of its employees and workers. Employees are encouraged to share their concerns to their Reporting Manager or the members of the Senior Management and also can reach out independently to the Human Resource Department. In addition, the Code of Conduct for Employees and the Whistle Blower Policy allows all our employees to report any kind of suspected or actual misconduct, unethical behavior, actual or suspected fraud or violation of Code of Conduct in the organisation including grievances related to human rights issues.

6. Number of Complaints on the following made by employees and workers:

Category	FY 2022-2023			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases. –

   The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace and has an Internal Committee in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Committee takes concrete actions to ensure that every Complainant is protected. Further, the Company has also adopted a Whistle Blower Policy which enables the employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and provides direct access to the Chairman of the Audit Committee on concerns relating to financial matters.

8. Do human rights requirements form part of your business agreements and contracts? (Yes / No) – Yes, the Company undertakes necessary due diligence before entering any agreement/contract with the Supplier's to ensure that there are no violations of the Human Rights of the Supplier's employees.

9. Assessments for the year:

Category	% of plants and offices that were assessed (by entity/statutory authorities/third parties)
Child Labour	100%. All our manufacturing facilities are annually audited by Sedex Global
Forced/Involuntary Labour	
Sexual Harassment	
Discrimination at workplace	
Wages	
Others - please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

    No significant corrective actions have been highlighted in the assessment. However, we have implemented all necessary processes and controls to ensure all facilities are in alignment with required suitability parameters.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints.

   During the reporting period, no business processes have been modified or introduced for addressing human rights grievances/complaints.

2. Details of the scope and coverage of any human rights due diligence conducted.

   The Company is committed to safeguarding and respecting Human Rights in every stage of the value chain. The Company's goal is to identify any human rights violations anywhere in the value chain as early as possible and to mitigate identified risks responsibly. As an equal opportunity employer, no discrimination is tolerated on any aspect. Refer to the Company's Human Right Policy on our website at https://www.indocount.com/investors/corporate-governance

3. Is the premise / office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

   Most of the permanent facilities and office buildings are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Nil*
Discrimination at workplace	
Child labor	
Forced labor / involuntary labor	
Wages	
Others – please specify	

** In accordance with the Company's policy on Code of Conduct for Supplier, all Supplier must treat all employees with respect and dignity and exhibit zero tolerance towards workplace discrimination, child labour engagement, Forced Labour, etc. The Company ensure that they must provide safe and healthy workplace for their employees and contractors. Suppliers must be compliant with local and national laws and regulations on Occupational Health and Safety, and have the required permits, licenses and permissions granted by local and national authorities.*

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

   Not applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

We strive to foster sustainable growth, decoupling our environmental footprint from expansion while maximizing positive social impact. Through diligent monitoring of climate change, we actively mitigate our operational impact on the environment, emphasizing reduction and responsible practices.

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	44,52,38,262 MJ	28,39,37,029 MJ
Total fuel consumption (B)	1,54,08,68,086 MJ	1,01,56,81,027 MJ
Energy consumption through other sources (C)	17,57,555 MJ	13,37,644 MJ
Total energy consumption (A+B+C)	1,98,78,63,903 MJ	1,30,09.55,701 MJ
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	.0082 MJ/ Lakh ₹	.0053 MJ/ Lakh ₹
Energy intensity (optional) – the relevant metric may be selected by the entity		

*For year 2022-23- Includes data for plant located at Kagal (T3), Gokul (Home textile and Spinning division), Bhilad and office at Thane and Mumbai

*For year 2021-22- Includes data for plant located at Kagal (T3), Gokul (Home textile and Spinning division) and office at Thane and Mumbai

*Electricity: Total non-renewable purchase electricity+ Renewable Electricity + Renewable purchase electricity considered.
*Fuel: Coal, Lignite Coal, Propane,Natural Gas, Bio Gas.
*Other Sources: Diesel

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Yes, 3rd party verification of above base data is done for Calendar year by Bluwin agency. Calculations are done using standard norms/conversion factors.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. – Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

To combat water scarcity, we prioritize water conservation, restoration, recharge, and reuse efforts, recognizing their vital role in sustainable water management.

Parameters	FY 2022-23	FY 2021-22
Water Withdrawal by Source (in kilolitres)		
(i) Surface Water	-	-
(ii) Ground Water	-	-
(iii) Third Party Water (As per MIDC Bill)	15,70,066 KL	12,56,790 KL
(iv) Seawater/Desalinated Water	-	-
(v) Others	6,99,597 KL	418269 KL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**22,69,663 KL**	**16,75,059 KL**
Total volume of water consumption (in kilolitres)	**22,69,419 KL**	**16,75,059 KL**
Water intensity per rupee of turnover (Water consumed / turnover)	9.34 KL / Lakhs ₹ of Turnover	6.8 KL / Lakhs ₹ of Turnover
Water intensity ratio (optional) – the relevant metric may be selected by the entity		

*For year 2022-23 - The reported numbers includes information about our new manufacturing facility located at Bhilad.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, however, we have continuous monitoring and reporting about water withdrawal, utilization and recycling.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. –

As part of our commitment to responsible environmental stewardship, we have implemented a robust mechanism for Zero Liquid Discharge (ZLD). By adopting ZLD, we strive to minimize our environmental impact, conserve water resources, and promote sustainable practices in line with our commitment to environmental stewardship.

Our facility holds a consent allowing the discharge of up to 50% of processed treated water to the Common Effluent Treatment Plant (CETP). Taking a proactive stance towards environmental sustainability, we have embarked on a phased project to achieve Zero Liquid Discharge (ZLD) by 2030. As part of the initial phase, we have invested in expanding our Effluent Treatment Plant (ETP), Reverse Osmosis (RO), and Multiple Effect Evaporator (MEE) plants to enhance water recycling capabilities.

With these expansions in place, we anticipate a significant reduction in fresh water consumption from the current 50% to 25% by the end of the first quarter of the financial year 2023-2024. These strategic initiatives demonstrate our commitment to conserving water resources and advancing towards our ZLD objectives.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

As part of our commitment to environmental responsibility, we closely monitor and report on various air emissions, aside from greenhouse gas (GHG) emissions. In this section, we provide details of air emissions by our entity for the current and previous financial years. By transparently sharing this information, we aim to demonstrate our dedication to minimizing air pollution and continuously improving our environmental performance.

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	mg/Nm3	1.13	0.62
Sox	mg/Nm3	3.82	2.36
Particulate matter (PM)	mg/Nm3	6.11	6.15
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify Carbon Monoxide (CO)	mg/Nm3	1.67	0.96

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

We plan to conduct independent assessment in the subsequent years.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

We are making investments in cutting-edge technology, moving to renewable energy sources, and rethinking how we run our factories to lower our carbon footprint. In order to completely reduce carbon emissions from our operations, we have established aggressive goals.

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,47,948 MT CO2e 213.2 MT Biogenic CO2	91,548 MT
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	78,707 MT	61,035 MT
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent / per Lakhs of Turnover	0.32	0.24
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

For year 2022-23-Includes data for plant located at Kagal (T3), Gokul (Home textile and Spinning division), Bhilad and office at Thane and Mumbai.

For year 2021-22- Includes data for plant located at Kagal (T3), Gokul (Home textile and Spinning division) and office at Thane and Mumbai.

For Scope-2: Non-renewable purchased electricity considered.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, 3rd party verification of above base data is done for Calendar year by Bluwin agency.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details-

As part of our commitment to combat climate change and minimize our environmental impact, we have undertaken various projects aimed at reducing greenhouse gas (GHG) emissions. In this section, we provide details of these initiatives implemented by our entity. By actively addressing GHG emissions, we strive to contribute to global efforts in mitigating climate change and transitioning to a more sustainable future.

Following are the projects related to reducing Green House Gas Emissions within company for Scope 1 & 2 emission reduction:

a) Solar Plant Installations across the organization

b) Biogas plant capacity enhancement

c) Reducing Steam/Coal Consumption through numerous initiatives–

   a. Installation of latest technology compressors, pumps, heat recovery units etc.

   b. Optimized usage of Steam pressure in wet processing machines

   c. Installed automatic moisture controllers on various processing machines

   d. Reduced hot water requirement by suitable modifications in washer range

d) Installed "Back Pressure Turbine" – to reuse excess steam in a turbine to generate electricity for internal usage

e) Usage of LED lighting instead of regular halogen/sodium vapor lights

f) We also have a Green Building designed at one of our facilities which makes use of natural lighting

g) We are transitioning from Diesel operated forklifts to "Battery Operated Forklifts in warehouses and operations"

8. Provide details related to waste management by the entity, in the following format:

Through several programs, we are dedicated to creating a waste-free planet. Our goal is to build a world without waste, and we are actively taking steps to make this vision a reality. We prioritize using plastic as little as possible and work to cut down on the garbage our factories produce. We can improve the environment and work towards a more sustainable future if we band together.

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	167.80	162.90
E-waste **(B)**	1.1	2.40
Bio-medical waste **(C)**	0.02	0.016
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	4.5	1.99
Radioactive waste **(F)**	-	-
Other Hazardous waste. Please specify, if any. **(G)** 1. Used Oil 2. Sludge Waste	1. Used Oil: 4.7 2. Sludge Waste: 987.7	1. Used Oil: 0.90 2. Sludge Waste: 1,591.2
Other Non-hazardous waste generated **(H)**	1. Fly Ash: 7882.1 2. FRC/NFRC: 2059.5 3. Metal: 176.5 4. Paper: 950.1 5. Plastic: 484.5 6. Others: 336.1	1. Fly Ash: 3,412.4 2. FRC/NFRC: 801.4 3. Metal: 61.7 4. Paper: 639 5. Plastic: 225.8 6. Others: 285
Total (A+B + C + D + E + F + G + H)	**13,054.70**	**7,184.70**

Parameter	FY 2022-23	FY 2021-22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1,789.2	1,094.6
(ii) Re-used	9,941.6	4,213.9
(iii) Other recovery operations	-	-
Total	11,730.8	5,308.4
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	1,323.9	1,876.2
Total	**1,323.9**	**1,876.2**

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We are committed to implement effective waste management practices which aim to minimize environmental impact and promote sustainability. Additionally, our company has adopted a comprehensive strategy to reduce the usage of hazardous and toxic chemicals in both our products and processes. We prioritize the responsible management of such wastes to ensure the safety of our employees, communities, and the environment.

The biological sludge hazardous waste Cat.35.3 generated from our ETP treatment facility undergoes a carefully designed process to ensure its proper management. Initially, the sludge drained from the ETP is collected in a dedicated sludge tank before being directed to the Thickner tank. From the Thickner tank, the supernatant water is recycled back into the ETP process, while the thick sludge at the bottom is fed into a Screw press. Within the Screw press, the sludge is efficiently separated into two parts. The water portion, extracted from the screw press, is once again recycled within the ETP system. The remaining sludge, consisting of approximately 15% to 20% solid content and 80% water content, is carefully directed to a sludge dryer. This specialized equipment facilitates the drying process, resulting in sludge powder with a moisture content of 8%. It is important to note that we strictly adhere to environmentally responsible practices and refrain from utilizing any hazardous or toxic chemicals throughout our processes. The dried sludge, meeting the necessary moisture criteria, is disposed of through an Authorized CHWTSDF (Centralized Hazardous Waste Treatment, Storage, and Disposal Facility). By implementing these meticulous procedures, we ensure the safe and sustainable management of our biological sludge hazardous waste, minimizing any potential negative impacts on the environment.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations / offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
1	MIDC, Kagal- Hatkanangale, Kohlapur	Textile Manufacturing Unit	Environment Clearances and Consent to Establish and Operate have been obtained from designate government authorities
2	MIDC, Gokul Shirgaon, Kohlapur	Textile Manufacturing Unit	

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

    Yes, we have taken initiatives to carry our operations in sustainable manner. Also, our manufacturing facilities are ISO 14001 certified.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: -

    Yes, we guarantee adherence to pertinent environmental laws, rules, and directives in India. Coordinating the application of our site environmental management system is crucial, and it is done by our devoted and knowledgeable Environment, Health, and Safety experts at each site. They supervise environmental performance, support internal environmental coordination, advise line management, and keep open lines of communication with local communities and regulatory bodies. With this strategy, we can act ethically and fully solve environmental issues.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial year)
From renewable sources		
Total electricity consumption (A)	4,61,57,050 MJ	95,48,301 MJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	4,61,57,050 MJ	95,48,301 MJ
From non-renewable sources		
Total electricity consumption (D)	39,90,81,211 MJ	27,43,88,727 MJ
Total fuel consumption (E)	1,54,08,68,086 MJ	1,01,56,81,027 MJ
Energy consumption through other sources (F)	17,57,555 MJ	13,37,644 MJ
Total energy consumed from non-renewable sources (D+E+F)	1,94,17,06,852 MJ	1,29,14,07,398 MJ

**For year 2022-23- Includes data for plant located at Kagal (T3), Gokul (Home textile and Spinning division), Bhilad and office at Thane and Mumbai.*

**For year 2021-22- Includes data for plant located at Kagal (T3), Gokul (Home textile and Spinning division) and office at Thane and Mumbai*

**Fuel: Coal, Lignite Coal, Propane, Natural Gas, Bio Gas.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, 3rd party verification of above base data is done for Calendar year by Bluwin agency. Calculations are done using standard norms/conversion factors.

2. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Increasing capacity of ETP/RO/MEE	We have initiated a project (in progress) of expanding capacities of ETP/RO/MEE for water recycling. Water recycling capacity has been increased by almost 50%.	Fresh Water Consumption reduction from 50% to 25%
2	Solar Panels Installation	Close to 1.25 MW Solar Power Plant capacity has been added in the facility	Increased generation of Renewable Electricity
3	Biogas plant installation	50% Increase in Biogas Plant capacity capex in progress.	Reduced external electricity consumption

PRINCIPLE 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations – 7 (Seven)

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	TEXPROCIL (The Cotton Textile Export Promotion Council)	National
2	Confederation of Indian Textile Industry (CITI)	National
3	Federation of Indian Export Organization (FIEO)	National
4	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
5	The Confederation of Indian Industry (CII)	National
6	The Associated Chambers of Commerce & Industry of India (ASSOCHAM)	National
7	The Bombay Textile Research Association (BITRA)	State

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities. –

   There were no adverse orders regarding anti-competitive behaviour issued by regulatory agencies throughout the year. We are committed in our dedication to upholding honest and moral business practices, and we constantly work to uphold the highest norms of compliance and rivalry.

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

Leadership Indicators

1. Details of public policy positions advocated by the Company:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
	Engagement on 'Ease of Doing Business' initiatives on harmonising State, Central laws and compliances to DPIIT, TEXPROCIL and other trade bodies. Inputs on Free Trade Agreement with EU, UK, Canada to FICCI, CII, TEXPROCIL on home textile business aspects. Fixation of Export benefits norms to TEXPROCIL and FEIO. Suggestions to Textile and Industries Ministries, GoM on making Maharashtra business friendly and more competitive. Recommendations given on sustainable and inclusive growth of manufacturing sector in India to FICCI/ CII. Provided inputs for making manufacturing more competitive in India to FICCI. Branding of Indian cotton viz. Kasturi cotton	The Company represents itself through membership with Trade and Industry associations and/or directly at the Government forums in a responsible and transparent manner. Also, Company provides its feedback from time to time to Government on issues related to ease of doing business, Sustainability through its authorised representatives on various forums / Government Department.	No	Reviewed by relevant business management as and when basis required.	https://www.indocount.com/investors/corporate-governance

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. –

   We have performed an internal assessment in line with our CSR strategy and framework to ascertain the impact made to the community through our CSR initiatives . However, we plan to conduct Social Impact Assessment in the year ahead.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			-		

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

   Not Applicable, we did not start any initiatives that needed Rehabilitation and Resettlement (R&R) during the fiscal year 2022–2023.

3. Describe the mechanisms to receive and redress grievances of the community. –

   Our commitment to responsible corporate citizenship includes the improvement of the community and the resolution of issues. We support open contact to better understand the problems of the local community living close to our locations. We make sure that correct documentation, investigation, and suitable action are taken in situations when particular grievances are raised. Our commitment to proactive community involvement and responsive actions is a reflection of our ongoing work to establish trusting bonds and make a positive difference in the well-being of the communities where we operate.
   web link: https://www.indocount.com/investors/corporate-governance

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	37.86%	29.03%
Sourced directly from within the district and neighboring districts	21.45%	12.09%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above):

   Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

   The current locations do not fall under aspirational districts, however, the Company is committed to its CSR and sustainable development efforts including addressing basic needs of the community predominantly in and around its plants.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes / No)

   No, the Company does not have a preferential procurement policy where preference is given to purchase from supplies comprising marginalized / vulnerable groups. A common sourcing policy that is based on attributes, quality, costs and capability is followed. However, the eco-friendly cotton produced is bought back from the marginal farmers under the Gagan project.

   (b) From which marginalized / vulnerable groups do you procure?

   Not applicable

   (c) What percentage of total procurement (by value) does it constitute?

   Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

   Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

   Not Applicable

6. Details of beneficiaries of CSR projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Education (E-learning Program)	55,000	100%
2	Health care	86,890	100%
3	Water & Sanitation	3,000+	100%
4	Agriculture & livelihood (Gagan Cotton Programme)	20,000	100%
5	Sports promotion (Sports at Kolhapur)	300	100%
	Total	**1,65,190**	**100%**

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

2 ZERO HUNGER | 4 QUALITY EDUCATION | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback. –

   At our company, we place a high value on effective communication and superior customer service. We have provided a number of ways for consumers and customers to contact us in order to voice their complaints, offer comments, or request assistance. We pledge to respond to their issues right away and in a timely manner. Customers can contact our specialised email support to register inquiries, suggestions, or complaints.

   - We provide 48 hours window to respond to customer emails/queries.
   - Customer support Email: we have dedicated email support where customers register their questions/feedback/ grievance etc.
   - CRM: It is an automated ticketing system, where all e-com related queries are being registered and addressed.
   - Others: Also we have dedicated link/support contact details on our corporate website to serve our customers.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about: -

	As a Percentage to total Turnover
Environmental and Social parameters to the product	25%
Safe and responsible usage	8%
Recycling and/or safe disposal	2%

3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	12	-	E-commerce + Retail	16	-	E- commerce +Retail

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy. –

   Yes, the Company has a framework/ policy on cyber security and risks related to data privacy, available at https://www.indocount.com/investors/corporate-governance

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services;

cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

There were no actions underway with reference to issues in the past years 2021-22 and 2022-23.

Leadership Indicators

1. Channels / platforms where information on products and services of the Company can be accessed (provide web link, if available).

   The information relating to various Company's product offerings including brand details are available on the website: https://www.indocount.com/our-brands. Company's products are also listed on various e-commerce marketplace platforms. Moreover, enhanced information, content, benefits and educational details are being provided on the E-Commerce pages as well.

2. Steps taken to inform and educate consumers, especially vulnerable and marginalised consumers, about safe and responsible usage of products and/or services.

   The Company has a mechanism to inform its customers on usage of products offered. Appropriate care instructions label / symbol is provided on the products and packaging. Continuous communication across the customers directly or through social media to explain about Company's products, innovations and new technology that are implemented to enhance product quality not limited to educating and creating awareness amongst our customers and society at large.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

   Not Applicable, as the Company is not in the business of providing essential services.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/ Not applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of the entity or the entity as a whole? (Yes / No)

   Yes. Indo Count does display product information & its relevant details on the product that is over and above mandated as per local law. It entails product features & benefits, testing certificates, care instruction, product specs, accreditations etc.

5. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along-with impact - Nil

   b. Percentage of data breaches involving personally identifiable information of customers. - Nil

Standalone Financial Statements

Independent Auditor's Report

To the Members of Indo Count Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Indo Count Industries Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss (including Other Comprehensive loss), the Standalone Statement of Changes in Equity and the Standalone Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. 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, 2023, and total comprehensive income (comprising of profit and other comprehensive loss), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to note 45 (a) to the Standalone Financial Statements in respect of Scheme of Amalgamation (the "Scheme") between the Company and its subsidiary, namely Pranavaditya Spinning Mills Limited, from the appointed date of October 1, 2020, as approved by National Company Law Tribunal vide its order dated October 3, 2022. Accordingly, the figures for the period ended March 31, 2022, have been restated to give effect to the aforesaid merger.

   Our conclusion is not modified in respect of this matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Assessment of litigations and related disclosure of contingent liabilities Refer note 3.21 and 39 to the Standalone Financial Statements "Contingent liabilities and commitments". As at March 31, 2023, the Company has exposure towards litigations amounting to ₹8,159.22 Lakhs relating to various matters as set out in the aforesaid Note. Significant management judgement is required to assess such matters to estimate the possible outcome in these cases and determine the probability of outflow of economic resources, and whether a provision should be recognised, or a disclosure should be made. The management judgement is also supported with expert's advice in certain cases as considered appropriate. We considered this a key audit matter as the eventual outcome of these matters is uncertain and the position taken by the management is based on its significant judgement, supported by expert's advice where applicable.	As part of our audit, our procedures included the following: a) We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations; b) We inquired with the management for recent developments and the status of the material litigations which were also reviewed and noted by the Audit Committee; c) We performed our assessment on a test basis on the underlying supporting the contingent liabilities/other significant litigations disclosed in the Standalone Financial Statements; d) We used auditor's experts to gain an understanding and to evaluate some of the disputed matters and provisioning of current tax expenses; e) We considered management expert's note, obtained by management; f) We evaluated management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management; and g) We assessed the adequacy of the Company's disclosures. Based on the above work performed, the assessment in respect of litigations and related disclosures relating to contingent liabilities/other significant litigations in the Standalone Financial Statements is considered to be reasonable.
Assessment of Purchase Price Allocation (PPA) in case of acquisition of Home Textile Unit at Bhilad in accordance with Ind-AS 103 - Business Combination Refer to note 3.24 to the Standalone Financial Statements "Business combinations" and note 45 (b) to the Standalone Financial Statements. The Company acquired a Home Textile unit located at Bhilad as a going concern on April 2, 2022 by way of slump sale for a consideration of ₹56,230 Lakhs. The Company determined the acquisition to be business combination in accordance with Ind AS 103 'Business Combinations', which requires the identified assets and liabilities to be recognised at fair value at the date of acquisition with the excess of identified fair value of recognised assets and liabilities over the acquisition cost as capital reserve. An independent external professional valuation expert was engaged by the Management to perform valuation of tangible and intangible assets. Such valuation was performed as a part of PPA. Consequently, the Company has recognised tangible and intangible assets (excluding capital reserve) of ₹34,480 Lakhs and Capital reserve of ₹478.19 Lakhs. Significant assumptions and estimates were used by the Management and the external professional valuation expert in areas such as determination of the fair values of the identified assets acquired and liabilities assumed in the acquisition transaction, resultant impact on deferred taxes, discounted fair value of the consideration and thus we consider this to be a key audit matter.	As part of our audit, our procedures included the following: a) We understood and evaluated the design and testing of operating effectiveness of controls over the accounting of business combinations; b) We reviewed the business transfer agreement and other documents related to acquisition to obtain an understanding of the transaction and to confirm the consideration; c) We evaluated the competence, capabilities and objectivity of the Management's expert; d) We understood the work of the expert, and evaluated the appropriateness of the expert's work; e) We involved auditor's expert to review the PPA reports to assess the reasonableness of the underlying key assumptions used in determining the fair value of assets and liabilities as at the acquisition date; and f) We assessed the adequacy of relevant disclosures in the standalone financial statements. Based on our procedures performed above, the management's assessment of PPA in case of acquisition of Home Textile Unit at Bhilad in accordance with the Ind AS 103 'Business Combinations' is considered to be reasonable.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

   Responsibilities of management and those charged with governance for the standalone financial statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone 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 standalone financial statements

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the standalone 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 Matter

14. The standalone financial statements of the Company for the year ended March 31, 2022, were audited by another firm of chartered accountants under the Act, who, vide their report dated May 29, 2022, expressed an unmodified opinion on the standalone financial statements.

Report on other legal and regulatory requirements

15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

16. 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive loss), the Standalone Statement of Changes in Equity and the Standalone 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.

    (e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

    i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 39 to the standalone financial statements.

    ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2023 for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts 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 its knowledge and belief, as disclosed in the notes to the standalone financial statements, 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 persons or entities, 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 54 (a) vii to the standalone financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the standalone financial statements, no funds have been received by the Company from any persons or entities, 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 54 (a) vii to the standalone financial statements); and

(c) Based on such audit procedures that we 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 misstatement.

v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

17. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNOA2118

Place: Mumbai
Date: May 30, 2023

Annexure A to Independent Auditor's Report Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of Indo Count Industries Limited on the standalone financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Indo Count Industries Limited ("the Company") as of March 31, 2023 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

2. 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing 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 with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management

override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, 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 ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNOA2118

Place: Mumbai
Date: May 30, 2023

Annexure B to Independent Auditor's Report Referred to in paragraph 15 of the Independent Auditor's Report of even date to the members of Indo Count Industries Limited on the standalone financial statements as of and for the year ended March 31, 2023.

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 2 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 5 to the standalone financial statements, are held in the name of the Company, except for the following:

(Amounts in Lakhs)

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Free hold Land at Alte, Kolhapur	21.35	Pranavaditya Spinning Mills Limited	No	Since 2022-2023	The title deeds are held in the name of Pranavaditya Spinning Mills Limited which has subsequently been amalgamated with the Company. The Company is in name changing process. (Refer note 54(b)(i) to the standalone financial statements).
	3.07	Pranavaditya Spinning Mills Limited	No	Since 2022-2023	
	31.29	Pranavaditya Spinning Mills Limited	No	Since 2022-2023	
	29.03	Pranavaditya Spinning Mills Limited	No	Since 2022-2023	
Bhilad	80.03	GHCL Limited	No	Since 2022-2023	The title deeds are held in the name of GHCL Limited. It was acquired during the current year as part of a business purchase and the process will start soon. (Refer note 54(b)(i) to the standalone financial statements).

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹5 Crores, in aggregate, from banks and financial institutions on the basis of security of current assets. The Company had filed quarterly returns or statements with such banks and financial institutions, which were not in agreement with the unaudited books of account, however, the Company has filed revised returns or statement with such banks and financial institutions subsequent to the year end which are in agreement with the unaudited books of account.

iii. (a) The Company has made investments in 2 mutual funds schemes, 6 Bonds and 1 corporate deposits. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties during the year. Therefore, the reporting under clause (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

(c) In respect of the loans granted in earlier years, the schedule of repayment of principal and payment of interest has been stipulated, and are also regular in payment of interest. During the year, principal amounts was not due and therefore, the question of our commenting on the regularity of repayment of principal does not arise.

(d) In respect of the granted in earlier years, there is no amount which is overdue for more than ninety day.

(e) There were no loans which fell due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/advances in nature of loan.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it. The company has not granted any loans or provided any guarantees or securities to the parties covered under section 185 of the Act.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, profession tax, and labour welfare fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including income tax, duty of customs, duty of excise, value added tax, sales tax, service tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of provident fund, employees' state insurance, profession tax, labour welfare fund, duty of customs, cess and other material statutory dues which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ Lakhs)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Income Tax Act, 1961	Income tax	5,688.55	2016 to 2019	Commissioner of Income Tax (Appeals)	Net of ₹1302.74 Lakhs paid under protest
Goods and Service Tax Act, 2017	Goods and service tax	1,865.75	2017-2019	Deputy Commissioner of State Tax	Net of ₹97.34 Lakhs paid under protest
Central Excise Act, 1944	Central excise	47.11	2010-2012	Commissioner Of Customs (Appeals)	Net of ₹ Nil paid under protest
Central Excise Act, 1944	Central excise	34.23	2012	Commissioner Of Appeals	Net of ₹34.23 Lakhs paid under protest
The Maharashtra Value Added Tax Act, 2002	Value Added Tax	4.39	2011-2012	Commissioner of Appeals, Pune Bench	Net of ₹ Nil paid under protest

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions which are not recorded in the books of account, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 22 to the financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company. Also Refer Note 47 to the standalone financial statements.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group has 5 CICs in the group. CICs as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 53 to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNOA2118

Place: Mumbai
Date: May 30, 2023

Standalone Balance Sheet

as at 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	5	103,921.62	59,368.90
(b) Right-of-Use assets	6	2,727.30	3,003.80
(c) Capital Work-In-Progress	5	17,079.79	2,105.60
(d) Intangible Assets	7	290.35	292.24
(e) Intangible Assets under Development	7	355.14	226.20
(f) Financial Assets			
(i) Investments	8	1,057.45	1,057.45
(ii) Loans	9	3,697.66	3,423.79
(iii) Other Financial Assets	10	397.46	322.64
(g) Non-Current Tax Assets (Net)	11	2,476.21	1,895.27
(h) Other Non-Current Assets	12	2,135.00	34,151.31
Total Non-Current Assets		**134,137.98**	**105,847.20**
(2) Current Assets			
(a) Inventories	13	77,794.09	92,503.01
(b) Financial Assets			
(i) Investments	14	14,349.25	150.43
(ii) Trade Receivables	15	49,379.50	47,061.61
(iii) Cash and Cash Equivalents	16	6,545.52	34,657.02
(iv) Bank Balances other than (iii) above	17	1,221.54	1,155.36
(v) Other Financial Assets	18	1,036.38	2,685.89
(c) Current Tax Assets (Net)	19	152.40	321.11
(d) Other Current Assets	20	14,791.32	24,667.48
Total Current Assets		**165,270.00**	**203,201.91**
TOTAL ASSETS		**299,407.98**	**309,049.11**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	21A	3,961.08	3,947.99
(b) Other Equity	21B	172,506.39	153,714.84
Total Equity		**176,467.47**	**157,662.83**
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	19,842.55	8,538.21
(ii) Lease Liabilities	40	665.79	1,056.80
(b) Provisions	23	918.11	218.62
(c) Deferred Tax Liabilities (Net)	24B	7,397.08	6,638.19
(d) Other Non-Current Liabilities	25	810.05	856.27
Total Non Current Liabilities		**29,633.58**	**17,308.09**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	64,245.51	111,176.75
(ii) Lease Liabilities	40	566.63	584.56
(iii) Trade Payables			
- Total outstanding dues of Micro & Small Enterprises	27	4,418.29	2,990.55
- Total outstanding dues of other than Micro & Small Enterprises	27	17,252.29	12,761.48
(iv) Other Financial Liabilities	28	5,535.59	5,356.71
(b) Other Current Liabilities	29	1,101.51	1,191.02
(c) Provisions	30	187.11	17.12
Total Current Liabilities		**93,306.93**	**134,078.19**
Total Liabilities		**122,940.51**	**151,386.28**
TOTAL EQUITY AND LIABILITIES		**299,407.98**	**309,049.11**
SIGNIFICANT ACCOUNTING POLICIES	3		

The accompanying notes form an integral part of Standalone Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached

For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Standalone Statement of Profit and Loss

for the year ended 31st March, 2023

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(₹ in Lakhs)

	Particulars	Note No	For the year ended 31st March, 2023	For the year ended 31st March, 2022
I	**INCOME**			
	Revenue from Operations	31	278,359.20	280,595.12
	Other Income	32	3,413.57	14,072.74
	TOTAL INCOME		**281,772.77**	**294,667.86**
II	**EXPENSES**			
	Cost of Materials Consumed	33	134,732.26	123,869.58
	Purchase of Stock-In-Trade		3,072.42	16,598.99
	Changes in Inventories of Work-In-Progress, Stock-In-Trade and Finished Goods	34	(9,178.34)	1,664.09
	Employee Benefits Expense	35	23,463.42	17,098.90
	Finance Cost	36	5,765.27	4,214.14
	Depreciation and Amortisation Expense	37	6,255.34	3,995.87
	Other Expenses	38	85,321.15	81,651.95
	TOTAL EXPENSES		**249,431.52**	**249,093.52**
III	**Profit before Tax (I-II)**		**32,341.25**	**45,574.34**
IV	**Tax Expense**	24		
	a) Current Tax		7,246.99	12,568.75
	b) Deferred Tax		1,277.58	(875.70)
	Total Tax Expense		**8,524.57**	**11,693.05**
V	**Profit for the Year (III-IV)**		**23,816.68**	**33,881.29**
VI	**Other Comprehensive Income**			
	A Items that will not be reclassified to Profit and Loss:			
	(i) Remeasurement of post-employment benefit obligations	47	(172.00)	76.64
	(ii) Income tax related to above	24B	43.29	(19.29)
	B Items that will be reclassified to Profit and Loss:			
	(i) Net Loss on cash flow hedges		(1,888.92)	(2,083.41)
	(ii) Income tax related to above	24B	475.40	524.35
	Total Other Comprehensive Loss		**(1,542.23)**	**(1,501.71)**
VII	**Total Comprehensive Income for the Year (V+VI)**		**22,274.45**	**32,379.58**
VIII	**Earnings per Equity Share of ₹2 each**			
	a) Basic (₹)	44	12.03	17.11
	b) Diluted (₹)		12.03	17.11
	SIGNIFICANT ACCOUNTING POLICIES	3		

The accompanying notes form an integral part of Standalone Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached

For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Standalone Statement of Changes in Equity

for the year ended 31st March, 2023

A. EQUITY SHARE CAPITAL

Particulars	Note No.	(₹ in Lakhs)
As at 1st April, 2021		**3,947.99**
Changes in Equity Share Capital	21A	-
As at 31st March, 2022		**3,947.99**
Changes in Equity Share Capital	21A	13.09
As at 31st March, 2023		**3,961.08**

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves & Surplus					Other Reserves	
	Capital Reserve	Share pending issue	Securities Premium Reserve	Retained Earnings	Other items of Other Comprehensive Income (Remeasurement of defined benefit obligations)	Effective Portion of Cash Flow Hedges	Total
Balance as at 01.04.2021	**(207.63)**	**13.09**	**1,653.72**	**120,234.25**	**47.45**	**2,555.38**	**124,296.26**
Profit for the Year	-	-	-	33,881.29	-	-	33,881.29
Other Comprehensive Income for the Year	-	-	-	-	57.35	(1,559.06)	(1,501.71)
Dividend on Equity Shares	-	-	-	(2,961.00)	-	-	(2,961.00)
Balance as at 31.03.2022	**(207.63)**	**13.09**	**1,653.72**	**151,154.54**	**104.80**	**996.32**	**153,714.84**
On account of acquisition (Refer note 45 (b))	478.19	-	-	-	-	-	478.19
On Merger of Pranavaditya Spinning Mills Limited	(0.01)	-	-	-	-	-	(0.01)
Alloted during the year		(13.09)	-	-	-	-	(13.09)
Profit for the Year	-	-	-	23,816.68	-	-	23,816.68
Other Comprehensive Income for the Year	-	-	-	-	(128.71)	(1,413.52)	(1,542.23)
Dividend on Equity Shares	-	-	-	(3,947.99)	-	-	(3,947.99)
Balance as at 31.03.2023	**270.55**	**-**	**1,653.72**	**171,023.23**	**(23.91)**	**(417.20)**	**172,506.39**

The accompanying notes form an integral part of Standalone Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Standalone Cash Flow Statement

for the year ended 31st March, 2023

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax		32,341.25		45,574.34
Adjustments for:-				
Depreciation and Amortisation Expense		6,255.34		3,995.87
Gain on disposal of Property, Plant and Equipments		(144.57)		(162.08)
Finance Cost		5,765.27		4,214.14
Interest Income		(1,453.78)		(1,709.27)
Mark to Market Loss / (Gain) on Forward Contracts (Net)		978.64		899.27
Provision for Doubtful Advances		(1,888.23)		3,212.30
Unrealised Forex Gain		(697.74)		(835.00)
Loss on Sale of Assets		113.34		380.84
Profit on Redemption of Mutual Funds		(26.57)		(486.91)
Loss/(Profit) in value of NAV of Mutual Funds		(5.40)		91.02
		41,237.55		**55,174.52**
Changes in Operating Assets and Liabilities:				
Adjustment for (increase)/decrease in operating assets				
Non-Current Financial Assets	(348.69)		(3,504.56)	
Other Non-Current Assets	140.59		140.59	
Inventories	14,708.92		(24,770.29)	
Trade Receivables	(1,620.17)		5,715.54	
Current Financial Assets	(259.56)		7,098.09	
Other Current Assets	12,497.35	**25,118.44**	(15,288.44)	**(30,609.07)**
Adjustment for Increase/(Decrease) in Operating Liabilities:				
Non-Current Provisions	527.49		19.02	
Other Non-Current Liabilities	(46.22)		97.71	
Trade Payables	5,918.55		(7,224.44)	
Other Current Financial Liabilities	(864.01)		4,192.22	
Other Current Liabilities	(89.50)		(8,142.44)	
Current Provisions	169.99	5,616.30	17.12	(11,040.81)
Net Taxes (paid)/refund received		(7,659.22)		(14,053.08)
Net Cash flow generated from/(used in) Operating Activities (A)		**64,313.07**		**(528.44)**

Standalone Cash Flow Statement (Contd.)

for the year ended 31st March, 2023

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022
B) CASH FLOW FROM INVESTING ACTIVITIES			
Capital Expenditure on Property, Plant & Equipment and Intangible Assets		(33,274.38)	(45,087.81)
Proceeds from Sale of Property, Plant & Equipment		266.35	746.36
(Purchase)/Proceeds of Current Investments (Net)		(14,166.85)	16,938.94
Interest Received		782.96	1,709.27
Net Cash Flow used in Investing Activities (B)		**(46,391.92)**	**(25,693.24)**
C) CASH FLOW FROM FINANCING ACTIVITIES.			
Repayment of Long Term Borrowings		(3,186.22)	(1,516.08)
Proceeds from Long Term Borrowings		14,490.55	8,119.04
Proceeds/(Repayment) in Short Term Borrowings (Net)		(46,931.24)	58,996.24
Finance Cost Paid		(5,809.17)	(4,044.83)
Lease Liabilities Paid		(648.58)	(519.64)
Final Dividend on Equity Shares		(3,947.99)	(2,961.00)
Net Cash Flow generated from/(used in) Financing Activities (C)		**(46,032.65)**	**58,073.73**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**(28,111.50)**	**31,852.05**
Cash and Cash Equivalents at the beginning of the year		**34,657.02**	**2,804.97**
Cash and Cash Equivalents at the end of the year		**6,545.52**	**34,657.02**
Reconciliation of Cash and Cash Equivalents as per the Cash Flow Statement:			
Cash and Cash Equivalents as per Balance Sheet		**6,545.52**	**34,657.02**
Non-Cash Financing and Investing Activities:			
- Acquisition of RoU Assets		(308.76)	(1,649.52)
- Equity Shares issued in pursuance of Merger		13.09	-
Cash and Cash Equivalents at the end of the year comprises of:			
(a) Cash in Hand		19.68	4.43
(b) Balance with Banks			
(i) In Current Accounts		6,525.84	34,652.59
(ii) In Fixed Deposits		-	-

The accompanying notes form an integral part of Standalone Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Notes to the Standalone Financial Statements

for the year ended 31st March, 2023

1. CORPORATE INFORMATION

Indo Count Industries Limited 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 mainly deals in Textiles. The Company has its wide network of operations in local as well as in foreign market.

The Financial statements of the Company for the year ended 31 March, 2023 were authorized for issue in accordance with a resolution of the Board of Directors on May 30, 2023.

2. BASIS OF PREPARATION

(i) Compliance with Ind AS

The standalone 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, 2015 as amended from time to time and other relevant provisions of the Act.

(ii) Historical cost convention:

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)
- defined benefit plans – plan assets measured at fair value

In addition, for financial reporting purposes, fair value measurements are regorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Above levels of fair values are applied consistently and generally, there are no transfers between the levels of fair value hierarchy unless the circumstances change warranting such transfer.

Operating Cycle:

Assets and liabilities other than those relating to long-term contracts (i.e. supply or construction contracts) are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

(iii) Rounding off:

The financial statements are presented in Indian Rupees ('₹') and all values are rounded to the nearest Lakhs as per requirement of Schedule III, unless otherwise indicated.

(iv) New and amended standards adopted by the Company:

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(v) New and amended standards issued but not effective:

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

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. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

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Notes to the Standalone Financial Statements

for the year ended 31st March, 2023

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, plant and equipment and right-of-use assets:

Freehold land is carried at historical cost. All other items of 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred..

Capital work-in-progress includes cost of property, plant and equipment under installation / under development or any direct expenditure as at the balance sheet date. Cost includes purchase price, taxes and duties and other directly attributable costs including borrowing cost incurred upto the date the asset is ready for its intended use. Such property, plant and equipmentare classified to the appropriate categories when completed and ready for intended use.

Depreciation commences when the assets are ready for their intended use. Depreciation on Property, Plant and Equipment has been provided on the straight-line method as per the useful life specified in Schedule II to the Companies Act, 2013, except in the case of assets where the useful life was determined based on technical advice. The estimate of the useful life of the assets has been based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, etc. The estimated useful life of these Property, Plant and Equipment is mentioned below:

Particulars	Estimated useful life (in years)
Building	5 to 60 years
Plant and Machinery	3 to 40 years
Furniture and Fixtures	2 to 10 years
Factory and Office equipments	1 to 15 years
Vehicles	5 to 10 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

3.2 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. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Separately acquired patents, copyrights and trademarks are shown at historical cost. In case of option of renewal, patents, copyrights and trademarks are capitalized once the option of renewal at the end of this period is exercised. The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Patents and copyrights acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

The Company amortises intangible assets using the straight-line method over the following periods:

Software	Over the period of 3 years
Patents	4 to 20 years

Notes to the Standalone Financial Statements

for the year ended 31st March, 2023

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.

3.3 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are charged to the statement of profit and loss in the period of their accrual.

3.4 Financial assets: Investments and other financial assets

Investments

Investment in equity shares of subsidiaries are measured at cost. Investments in equity instruments are measured at fair value through other comprehensive income.

The Company classifies its financial assets in the measurement categories as those to be measured subsequently at fair value (through other comprehensive income or through profit and loss) and those measured at amortised cost. The classification depends on the Company's business model for managing the financial asset and the contractual terms of the cash flows.

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(iv) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/ (losses). Impairment losses are presented as separate line item in the statement of profit and loss as and when occured.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are

Notes to the Standalone Financial Statements

for the year ended 31st March, 2023

recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(v) Equity instruments

The Company subsequently measures all equity instruments at fair value. Where the Company's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(vi) Impairment of investments in subsidiaries:

Investment in subsidiaries are carried at cost and are tested for Impairment in accordance with Ind AS 36, 'Impairment of assets'. The carrying amount of investment is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount, any impairment loss recognised reduces the carrying amount of investment.

(vii) Impairment of financial assets:The Company recognizes loss allowances on a forward looking basis using the expected credit loss (ECL) model for all the financial assets except for trade receivables. Loss allowance for all financial assets is measured at an amount equal to lifetime ECL. The Company recognizes impairment loss on trade receivables using expected credit loss model which involves use of a provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information as permitted under Ind AS 109. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the Statement of Profit and Loss.

(viii) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

3.5 Financial liabilities:

(i) 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.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Notes to the Standalone Financial Statements

for the year ended 31st March, 2023

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.

(iii) Loans and borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are

subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(iv) 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. The Financial guarantees issued to third parties on behalf of subsidiaries are recorded at fair value.

(v) 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.

(vi) 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.

3.6 Impairment

Intangible assets (including goodwill) that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

3.7 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at

Notes to the Standalone Financial Statements

for the year ended 31st March, 2023

amortised cost using the effective interest method, less loss allowance.

3.8 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, traded goods packing 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:

The cost comprises of raw materials, direct labour, other direct costs and related production overheads allocated on the basis of normal capacity. Cost is determined on weighted average basis.

c) 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.

3.9 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

3.10 Foreign currency translations

a. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company financial statements are presented in Indian Rupee (₹), which is also functional and presentation currency of the Company.

b. Transactions and balances

Foreign currency transactions are translated and recorded into the functional currency using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges (refer note 21B). All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other expenses or other income, as applicable.

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).

3.11 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 realized 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

3.12 Revenue Recognition

a) Sale of Goods and Services

The Company derives revenues primarily from sale of manufactured goods and related services. The Company has assessed revenue contracts and revenue is recognized upon satisfying performance obligations in accordance with provisions of contract with the customer.

It recognizes revenue when control over the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange of those goods or services. This is generally determined when documents of title/goods are delivered/shipped to the customer in accordance with the agreed terms, following which the customer has full discretion over responsibility, manner of distribution and price to sell the goods and bears the risks of obsolescence and loss in relation to the goods and there is no unfulfilled obligation that would affect customer's acceptance of the product. All the foregoing occurs at a point in time upon shipment or delivery of the documents of title/product or goods.

The Company considers terms of the contract in determining the transaction price. The Company considers freight, insurance and handling activities as costs to fulfil the promise to transfer the related products depending upon the terms of contracts and the customer payments for such activities are recorded as a component of revenue. Revenue excludes any taxes and duties collected on behalf of the government.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration based on various factors including customer performance and sales volume to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal.

For volume discounts and pricing incentives / concessions offered to the customers, the Company makes estimates and provide for based on customer performance and sales volume, which is recorded as deductions from Revenue. Revenue from sale of by-products are included in revenue.

Accumulated experience is used to estimate and provide for the sales return and liquidated damages, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) is recognised for expected sales return/ liquidated damages in relation to sales made.

The Company enters into contracts with certain customers where the customer enjoys additional credit period and as a consequence, the Company adjusts the transaction prices for the time value of money.

b) Export incentives

Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Export benefits arising from duty drawback scheme, remission of duties and taxes on export products are recognised on shipment for export at the rate at which they accrue and is included in other operating income.

3.13 Other Income

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:

Dividends are recognised when the Company's right to

Notes to the Standalone Financial Statements

for the year ended 31st March, 2023

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.

Other income:

All other income is accounted on accrual basis when no significant uncertainty exist regarding the amount that will be received.

3.14 Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

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 in proportion to the expected lives of the related assets and presented within other income.

3.15 Earnings per share

Basic 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 adjusted for bonus elements in equity shares issued during the year excluding treasury shares, if any.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

3.16 Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and

Notes to the Standalone Financial Statements

for the year ended 31st March, 2023

liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The board of directors of the Indo Count Industries Limited assesses the financial performance and position of the Company and makes strategic decisions. The board of directors has been identified as being the CODM.

3.18 Leases

The Company as a lessee:

The Compnay's lease asset classes primarily consist of leases for land, buildings and Plant and machinery. 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.

Assets and liabilities arising from a lease are initially measured on a present value of the future lease payments. Lease liabilities include the net present value of the following lease payments (as applicable):

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date. Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

The Company as a lessor:

Lease 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.

3.19 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

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for the year ended 31st March, 2023

3.20 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

Central 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 expenses in the period in which they are incurred.

3.21 Provisions, Contingent liabilities, Contingent assets and Commitments

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.

The amount recognised as a provision is the management's best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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;

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

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.

Notes to the Standalone Financial Statements
for the year ended 31st March, 2023

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.

3.22 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.

3.23 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.

Derivatives are only used for economic hedging purposes and not as speculative investments.

The accounting for subsequent changes in fair value of derivatives depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as either hedges of a particular risk associated with the cash flows of recognised assets and liabilities or highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether the changes in the cash flows of the hedging instrument are expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss. For cash flow hedging relationships that span multiple reporting periods, the ineffectiveness for the period is calculated as the difference between the cumulative ineffectiveness as at reporting date (based on the 'lesser of' the cumulative change in the fair value of the hedging instrument and the hedged item), and the cumulative ineffectiveness reported in prior periods.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

When option contracts are used to hedge forecast transactions, the Company designates only the intrinsic value of the options as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedging reserve within equity. The changes in the time value of the options that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging

Notes to the Standalone Financial Statements

for the year ended 31st March, 2023

that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

3.24 Business combination

The acquisition method of accounting is used to account for all business combinations. The acquisition related cost are recognized under the statement of profit and loss as incurred. The Acquiree's identifiable assets, liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of the net assets acquired is recognized as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised as capital reserve.

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 and tax adjustments as per the applicable statute. The difference between consideration and the carrying value is recognized as capital reserve.

The Company recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Company's accounting policies, which are described in Note 3, the Management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates

- Variable consideration Revenue recognition (refer note 31 and 3.12)
- Income Tax and deferred tax (refer note 24 and 3.16)
- Estimation of Defined benefit obligation (refer note 47 and 3.20)
- Contingent liabilities (refer note 39 and 3.21)

Notes to the Standalone Financial Statements

5. PROPERTY, PLANT AND EQUIPMENT

FY 22-23 (₹ in Lakhs)

Particulars	Land - Freehold	Buildings*	Plant & Machinery**	Furniture & Fixtures	Office Equipment	Vehicles	Total
Gross Carrying Amount							
As at 01.04.2022	**1,066.66**	**18,058.98**	**84,125.95**	**913.48**	**1,784.71**	**531.18**	**106,480.96**
Additions	11,047.74	9,370.20	28,637.27	464.23	551.69	147.46	50,218.59
Disposals/Transfers	-	-	1,855.26	2.05	0.77	9.57	1,867.65
As at 31.03.2023	**12,114.40**	**27,429.18**	**110,907.96**	**1,375.66**	**2,335.63**	**669.07**	**154,831.90**
Accumulated Depreciation							
As at 01.04.2022	**-**	**5,920.68**	**38,883.74**	**587.79**	**1,358.65**	**361.20**	**47,112.06**
Depreciation charged for the year	-	776.90	4,240.20	111.50	252.70	49.47	5,430.77
Disposals/Transfers	-	-	1,622.60	0.12	0.74	9.09	1,632.55
As at 31.03.2023	**-**	**6,697.58**	**41,501.34**	**699.17**	**1,610.61**	**401.58**	**50,910.28**
Net Carrying Amount							
As at 31.03.2022	**1,066.66**	**12,138.30**	**45,242.21**	**325.69**	**426.06**	**169.98**	**59,368.90**
As at 31.03.2023	**12,114.40**	**20,731.60**	**69,406.62**	**676.49**	**725.02**	**267.49**	**103,921.62**

* 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 ₹ Nil (previous year ₹ 3.41 Lakhs).

For details of Property, Plant & Equipment pledged as security against borrowings refer note no. 22.

Capital work in progress

FY 22-23

Particulars	(₹ in Lakhs)
Balance as at 01.04.2022	**2,105.60**
Addition during the year	30,955.83
Capitalised during the year	15,981.64
Balance as at 31.03.2023* **	**17,079.79**

***Does not include Capital Advances of ₹2,097.13 Lakhs (previous year ₹33,972.84 Lakhs).

c) Capital work-in-progress ageing schedule

FY 22-23

Projects in Progress

(₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2022	2,041.09	36.61	27.90	-	2,105.60
As at 31.03.2023	10,196.49	6,883.30	-	-	17,079.79

Notes to the Standalone Financial Statements

Details of Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Project in progress					
Project A	16,070.42	-	-	-	16,070.42
(ii) Project temporarily suspended	-	-	-	-	-

PROPERTY, PLANT AND EQUIPMENT

FY 21-22 (₹ in Lakhs)

Particulars	Land - Freehold	Buildings*	Plant & Machinery**	Furniture & Fixtures	Office Equipment	Vehicles	Total
Gross Carrying Amount							
As at 01.04.2021	**1,066.66**	**17,453.70**	**79,006.53**	**890.53**	**1,625.92**	**497.73**	**100,541.07**
Additions	-	605.28	8,986.02	22.95	185.01	52.16	9,851.42
Disposals/Transfers	-	-	3,866.60	-	26.22	18.71	3,911.53
As at 31.03.2022	**1,066.66**	**18,058.98**	**84,125.95**	**913.48**	**1,784.71**	**531.18**	**106,480.96**
Accumulated Depreciation							
As at 01.04.2021	**-**	**5,351.65**	**39,215.02**	**530.21**	**1,242.68**	**326.86**	**46,666.42**
Depreciation charged for the year	-	569.03	2,685.71	57.58	140.89	50.48	3,503.69
Disposals/Transfers	-	0.00	3,016.99	-	24.92	16.14	3,058.05
As at 31.03.2022	**-**	**5,920.68**	**38,883.74**	**587.79**	**1,358.65**	**361.20**	**47,112.06**
Net Carrying Amount							
As at 31.03.2021	**1,066.66**	**12,102.05**	**39,791.51**	**360.32**	**383.24**	**170.87**	**53,874.65**
As at 31.03.2022	**1,066.66**	**12,138.30**	**45,242.21**	**325.69**	**426.06**	**169.98**	**59,368.90**

* 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).
For details of Property, Plant & Equipment pledged as security against borrowings refer note no. 22.

Capital work in progress

FY 21-22

Particulars	(₹ in Lakhs)
Balance as at 01.04.2021	**543.24**
Addition during the year	6,267.30
Capitalised during the year	4,704.94
Balance as at 31.03.2022*	**2,105.60**

***Does not include Capital Advances of ₹33,972.84 Lakhs (previous year ₹400.53 Lakhs).

Capital work-in-progress ageing schedule

Projects in Progress (₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2021	513.11	30.13	-	-	543.24
As at 31.03.2022	2,041.09	36.61	27.90	-	2,105.60

Notes to the Standalone Financial Statements

Details of Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Project in progress	-	-	-	-	-
(ii) Project temporarily suspended	-	-	-	-	-

6. Right-of-Use (ROU) assets

FY 22-23 (₹ in Lakhs)

Particulars	Land - Leasehold	Buildings	Plant & Machinery	Total
Gross Carrying Amount				
As at 01.04.2022	**1,420.44**	**2,028.06**	**30.18**	**3,478.68**
Additions	220.45	308.76	-	529.21
Disposals / Transfers	-	171.76	30.18	201.94
As at 31.03.2023	**1,640.89**	**2,165.06**	**-**	**3,805.95**
Accumulated Depreciation				
As at 01.04.2022	**67.19**	**404.61**	**3.08**	**474.88**
Depreciation charged for the year	19.98	709.28	7.32	736.58
Disposals / Transfers	-	122.41	10.40	132.81
As at 31.03.2023	**87.17**	**991.48**	**-**	**1,078.65**
Net Carrying Amount				
As at 31.03.2022	**1,353.25**	**1,623.45**	**27.10**	**3,003.80**
As at 31.03.2023	**1,553.72**	**1,173.58**	**-**	**2,727.30**

Refer Note No. 40 for information about Leases

FY 21-22 (₹ in Lakhs)

Particulars	Land - Leasehold	Buildings	Plant & Machinery	Total
Gross Carrying Amount				
As at 01.04.2021	**1,420.44**	**1,194.41**	**-**	**2,614.85**
Additions	-	1,619.33	30.18	1,649.51
Disposals / Transfers	-	785.68	-	785.68
As at 31.03.2022	**1,420.44**	**2,028.06**	**30.18**	**3,478.68**
Accumulated Depreciation				
As at 01.04.2021	**56.42**	**677.72**	**-**	**734.14**
Depreciation charged for the year	10.77	400.93	3.08	414.78
Disposals / Transfers	-	674.04	-	674.04
As at 31.03.2022	**67.19**	**404.61**	**3.08**	**474.88**
Net Carrying Amount				
As at 31.03.2021	**1,364.02**	**516.69**	**-**	**1,880.71**
As at 31.03.2022	**1,353.25**	**1,623.45**	**27.10**	**3,003.80**

Refer Note No. 40 for information about Leases

Notes to the Standalone Financial Statements

7. INTANGIBLE ASSETS

FY 22-23 (₹ in Lakhs)

Particulars	Software	Patents	Total
Gross Carrying Amount			
As at 01.04.2022	**632.45**	**289.55**	**922.00**
Additions	47.66	38.44	86.10
Disposals / Transfers	-	-	-
As at 31.03.2023	**680.11**	**327.99**	**1,008.10**
Accumulated Depreciation			
As at 01.04.2022	**523.90**	**105.86**	**629.76**
Amortization charged for the year	62.35	25.64	87.99
Disposals / Transfers	-	-	-
As at 31.03.2023	**586.25**	**131.50**	**717.75**
Net Carrying Amount			
As at 31.03.2022	**108.55**	**183.69**	**292.24**
As at 31.03.2023	**93.86**	**196.49**	**290.35**

Intangible Assets under Development

FY 22-23

Particulars	(₹ in Lakhs)
Balance as at 01.04.2022	**226.20**
Addition during the year	172.98
Capitalised during the year	44.04
Balance as at 31.03.2023	**355.14**

a) Intangible assets under Development ageing schedule

(₹ in Lakhs)

Particulars	Amount in Intangible assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2023	160.50	27.33	40.75	126.56	355.14
As at 31.03.2022	43.30	56.88	77.90	48.12	226.20

No Intangible under Development mentioned above is overdue or exceeded its cost compared to its original plan

Notes to the Standalone Financial Statements

FY 21-22 (₹ in Lakhs)

Particulars	Software	Patents	Total
Gross Carrying Amount			
As at 01.04.2021	**552.27**	**265.03**	**817.30**
Additions	80.18	24.52	104.70
Disposals / Transfers	-	-	-
As at 31.03.2022	**632.45**	**289.55**	**922.00**
Accumulated Depreciation			
As at 01.04.2021	**470.39**	**81.97**	**552.36**
Amortization charged for the year	53.51	23.89	77.40
Disposals / Transfers	-	-	-
As at 31.03.2022	**523.90**	**105.86**	**629.76**
Net Carrying Amount			
As at 31.03.2021	**81.88**	**183.06**	**264.94**
As at 31.03.2022	**108.55**	**183.69**	**292.24**

Intangible Assets under Development

FY 21-22

Particulars	(₹ in Lakhs)
Balance as at 01.04.2021	**229.17**
Addition during the year	21.55
Capitalised during the year	24.52
Balance as at 31.03.2022	**226.20**

a) Intangible assets under Development ageing schedule

(₹ in Lakhs)

Particulars	Amount in Intangible assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2022	43.30	56.88	77.90	48.12	226.20
As at 31.03.2021	84.05	91.54	34.01	19.57	229.17

No Intangible under Development mentioned above is overdue or exceeded its cost compared to its original plan

Notes to the Standalone Financial Statements

8. NON-CURRENT INVESTMENTS

Particulars	No. of Shares		(₹ in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Unquoted				
Investment in Equity Instruments: (measured at cost)				
Subsidiary Company - wholly owned				
In fully paid up equity shares				
Indo Count Global Inc, USA (face value USD 1000 per share)	800	800	446.19	446.19
Indo Count UK Limited (face value GBP 1 per share)	86,000	86,000	79.61	79.61
Indo Count Retail Ventures Pvt. Ltd. (face value ₹10 per share)	10,000	10,000	1.00	1.00
Indo Count Global DMCC, UAE (face value AED 1000 per share)	2,750	2,750	530.65	530.65
TOTAL			**1,057.45**	**1,057.45**
Aggregate amount of:				
Unquoted Investments			1,057.45	1,057.45
Impairment in the value of Investments			-	-

9. NON-CURRENT FINANCIAL LOANS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured - Considered good:		
Loans to Subsidiaries (Refer note 41)	3,697.66	3,423.79
	3,697.66	**3,423.79**
Break-up:		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	3,697.66	3,423.79
Loans which have significant increase in credit risk	-	-
Loans - Credit Impaired	-	-
TOTAL	**3,697.66**	**3,423.79**
Less: Allowance for Doubtful Loans	-	-
TOTAL	**3,697.66**	**3,423.79**

9.1 The Company has provided long term loan to wholly owned subsidiary for the purpose of purchase of Inventory and Intellectual Property Rights in relation to acquisition. These loans are given at rates comparable to the average external borrowing rate of interest.

9.2 Disclosure required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(i) Loans and advances in the nature of loans given to wholly owned subsidiary.

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Name of the Subsidiary	Loan (interest bearing) outstanding	Maximum amount outstanding during the year
Indo Count Global Inc., (USA)		
As at 31.03.2023	3,697.66	3,697.66
As at 31.03.2022	3,423.79	3,423.79

10. OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured - Considered good:		
Security Deposits	397.46	322.64
TOTAL	**397.46**	**322.64**

11. NON-CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Income Tax (Net of Provisions)	2,476.21	1,895.27
TOTAL	**2,476.21**	**1,895.27**

12. OTHER NON-CURRENT ASSETS

(Unsecured-considered good)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Advances*	2,097.13	33,972.84
Subsidy Receivable	37.87	178.47
TOTAL	**2,135.00**	**34,151.31**

*Includes ₹ Nil (previous year ₹31,857.00 Lakhs) advance given for purchase of Home Textile business of GHCL Ltd. under Slump Sale

Notes to the Standalone Financial Statements

13. INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials*	21,469.21	44,869.57
Work-in-Progress	24,979.10	18,561.90
Finished Goods		
- Manufactured Goods**	26,464.79	18,880.07
- Traded Goods	-	4,777.64
Waste	130.02	175.96
Stores & Spares***	4,033.91	4,173.85
Dyes and Chemicals****	717.06	1,064.02
TOTAL	**77,794.09**	**92,503.01**

*Includes goods in transit ₹2,187.41 Lakhs (previous year ₹260.00 Lakhs)

**Includes goods in transit ₹8,348.15 Lakhs (previous year ₹11,681.13 Lakhs)

***Includes goods in transit ₹1,017.13 Lakhs (previous year ₹554.00 Lakhs)

****Includes goods in transit ₹20.22 Lakhs (previous year ₹13.57 Lakhs)

Write down of inventories to net realisable value amounted to ₹536.39 Lakhs (previous year ₹ Nil) .These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in trade and finished goods' and 'consumption of stores, spares, dyes and packing materials' in the statement of profit and loss.

14. CURRENT INVESTMENTS

Particulars	No. of Units		₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Investments carried at Fair Value through Profit and Loss				
QUOTED				
In Mutual Funds:				
Union Hybrid Equity-Regular-Growth	99,985	99,985	12.22	12.39
Avendus Absolute Return Fund	-	-	143.61	138.04
In Bonds:				
9.15% ICICI Bank Ltd Perpetual Bond	300	-	3,050.73	-
6.50% National Bank for Agri & Rural Development	100	-	999.99	-
5.40% HDFC Bank Perpetual Bond	100	-	989.13	-
9.56% SBI Bank Ltd Perpetual Bond	350	-	3,577.75	-
6.79% & 6.49% TATA Capital Limited	350	-	3,465.46	-
7.55% HDFC Corporate Fixed Deposit			1,100.00	-
8.85% Bajaj Finance Limited	100	-	1,010.36	-
TOTAL			**14,349.25**	**150.43**
Aggregate Value of:				
Quoted Investments			14,349.25	150.43
Market Value of Quoted Investments			14,349.25	150.43
Impairment in the value of Investments			-	-

Notes to the Standalone Financial Statements

15. CURRENT TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured:		
(a) Considered good		
Receivables - Others	35,919.06	35,259.50
Receivables from Related Parties (Refer Note No. 41)	13,460.44	11,802.11
(b) Receivables which have significant increase in Credit Risk	-	-
(c) Receivables - Credit Impaired	-	-
Less: Expected credit loss allowance	-	-
TOTAL	**49,379.50**	**47,061.61**

Refer Note No. 50 for information about Credit Risk and Market Risk of Trade Receivables

Notes:

a) Trade Receivable Ageing Schedule

(₹ in Lakhs)

Particulars	Not due	Outstanding for following years from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
Undisputed Trade receivables							
considered good	43,352.80	5,971.82	31.15	4.76	-	18.97	49,379.50
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Total	**43,352.80**	**5,971.82**	**31.15**	**4.76**	**-**	**18.97**	**49,379.50**
As at March 31, 2022							
Undisputed Trade receivables							
considered good	37,992.06	8,980.04	69.47	20.04	-	-	47,061.61
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-
Total	**37,992.06**	**8,980.04**	**69.47**	**20.04**	**-**	**-**	**47,061.61**

Notes to the Standalone Financial Statements

16. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash in Hand	19.68	4.43
Balances with Banks :		
- In Current Accounts	5,953.38	29,555.78
- In EEFC Accounts	572.46	5,096.81
TOTAL	**6,545.52**	**34,657.02**

17. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks		
In Current Accounts	244.61	181.35
- Held as Margin / Fixed Deposits (Refer note 1 below)	976.93	974.01
TOTAL	**1,221.54**	**1,155.36**

Note 1 :

a) Includes receipts for ₹291.84 Lakhs (previous year ₹286.55 Lakhs) held with bank as margin money against bank guarantees for Letter of Credit facilities

b) Includes receipts for ₹0.05 Lakhs (previous year ₹0.05 Lakhs) lodged with Excise Department

c) Includes receipts for ₹282.32 Lakhs (previous year ₹99.58 Lakhs) held with bank as margin money against guarantee given to Maharashtra State Electricity Board

d) Includes receipts for ₹5.00 Lakhs (previous year ₹Nil) lodged with Maharashtra Pollution Control Board

18. OTHER CURRENT FINANCIAL ASSETS

(Unsecured-considered good) (₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security Deposits	123.25	146.24
Derivative Asset	-	1,780.74
Interest accrued on Loans & Deposits*	670.83	-
Others**	544.94	1,013.30
TOTAL	**1,339.02**	**2,940.28**
Less: Expected credit loss allowance	302.64	254.39
TOTAL	**1,036.38**	**2,685.89**

*Includes ₹180.43 Lakhs (previous year ₹ Nil) receivable from a foreign subsidiary (Refer Note No. 41)

**includes ₹42.10 Lakhs (previous year ₹ Nil) receivable from a foreign subsidiary (Refer Note No. 41)

Notes to the Standalone Financial Statements

19. CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance Income Tax including tax deducted at source (Net of provision)	152.40	321.11
TOTAL	**152.40**	**321.11**

20. OTHER CURRENT ASSETS

(Unsecured-considered good) (₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Export Incentives / Claims Recoverable	7,546.97	20,610.71
Balances with Excise / Service Tax Authorities	70.84	70.84
Balances with VAT / GST Authorities	5,479.74	3,896.34
Advance to Suppliers	1,194.03	1,653.36
Subsidy Receivable	805.69	665.10
Others	464.19	1,162.47
TOTAL	**15,561.46**	**28,058.82**
Less: Allowance for Doubtful loans (Expected Credit loss)*	770.14	3,391.34
TOTAL	**14,791.32**	**24,667.48**

*Movement in the Allowance for Doubtful loans (Expected Credit loss)

Particulars	(₹ in Lakhs)
Balance as at March 31, 2021	**433.43**
Add: Created during the year	3,391.34
Less: Released during the year	433.43
Balance as at March 31, 2022	**3,391.34**
Add: Created during the year	770.14
Less: Released during the year	3,391.34
Balance as at March 31, 2023	**770.14**

21(A). SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised:		
Equity Shares		
371,350,000 Shares (previous year 275,000,000) of ₹2 each	7,427.00	5,500.00
Preference Shares		
5,000,000 Shares of ₹10 each	500.00	500.00
TOTAL	**7,927.00**	**6,000.00**

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Issued, Subscribed and Fully Paid-Up:		
Equity Shares		
198,054,340 Equity Shares (previous year 197,399,670) of ₹2 each (Refer note 45a)	3,961.08	3,947.99
TOTAL	**3,961.08**	**3,947.99**

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	Number of shares	₹ in Lakhs
Equity shares outstanding as at April 01, 2021	197,399,670	3,947.99
Add: Shares issued during the year	-	-
Equity shares outstanding as at March 31, 2022	197,399,670	3,947.99
Add: Issuance of shares on account of amalgmation of subsidiary (Refer note 45(a))	654,670	13.09
Equity shares outstanding as at March 31, 2023	198,054,340	3,961.08

(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 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.

(c) Details of equity shares in the company held by each shareholder holding more than 5% of shares is as under:

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Percentage	No. of Shares	Percentage
Indo Count Securities Limited	31,041,385	15.67%	31,041,385	15.73%
Sandridge Investments Limited	62,002,455	31.31%	62,002,455	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 31st March, 2023		As at 31st March, 2022		Percentage change during the year
	No. of Shares	Percentage	No. of Shares	Percentage	
Sandridge Investments Limited	62,002,455	31.31%	62,002,455	31.41%	0.00%
Indocount Securities Limited	31,041,385	15.67%	31,041,385	15.73%	0.00%
Gayatri Devi Jain	6,685,855	3.38%	6,685,855	3.39%	0.00%
Shikha Mohit Jain	5,248,825	2.65%	5,248,825	3.66%	0.00%
Yarntex Exports Ltd.	2,312,500	1.17%	2,312,500	1.17%	0.00%
Neha Singhvi	2,279,137	1.15%	2,279,130	1.15%	0.00%
Shivani Patodia	2,173,750	1.10%	2,173,750	1.10%	0.00%
Anil Kumar Jain	1,867,565	0.94%	1,867,555	0.95%	0.00%
Margo Finance Limited	1,520,020	0.77%	1,520,020	0.77%	0.00%
Mohit Anilkumar Jain	692,850	0.35%	692,850	0.35%	0.00%
Slab Promoters Private Limited	308,325	0.16%	308,325	0.16%	0.00%
Rini Investment and Finance Private Limited	119,100	0.06%	119,100	0.06%	0.00%
Anil Kumar Jain	75,000	0.04%	75,000	0.04%	0.00%
Sunita Jaipuria	20,000	0.01%	20,000	0.01%	0.00%
TOTAL	**116,346,767**	**58.76%**	**116,346,750**	**59.95%**	**0.00%**

(f) Dividend paid and proposed

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Dividends not recognised at the end of the reporting period		
Final Dividend for F.Y. 2020-21: ₹1.50 per share (face value of ₹2 each)	-	2,961.00
Final Dividend for F.Y. 2021-22: ₹2.00 per share (face value of ₹2 each)	3,947.99	-
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, subsequent to the year end the directors have recommended the payment of a final dividend of ₹2.00 per fully paid equity share (previous year ₹2.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	3,961.08	3,947.99

21(B). Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Reserves and Surplus	172,923.59	152,718.52
Other Reserve	(417.20)	996.32
Total	**172,506.39**	**153,714.84**

Notes to the Standalone Financial Statements

RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Reserve (Refer note i below)	270.55	(207.63)
Share pending issue (Refer note ii below)	-	13.09
Retained Earnings (Refer note iv below)	171,023.23	151,154.54
Securities Premium (Refer note iii below)	1,653.72	1,653.72
Other items of Other Comprehensive Income (Remeasurement of defined benefit obligations) (Refer note vi below)	(23.91)	104.80
Total Reserves and Surplus	**172,923.59**	**152,718.52**
(i) Capital Reserve		
Opening Balance	(207.63)	(207.63)
Profit on account of acquisition (Refer note 45 (b))	478.19	-
Profit on Merger of Pranavaditya Spinning Mills Limited	(0.01)	-
Closing Balance	**270.55**	**(207.63)**
(ii) Share pending issue		
Opening Balance	13.09	13.09
Shares alloted during the year	(13.09)	-
Closing Balance	**-**	**13.09**
(iii) Retained Earnings		
Opening Balance	151,154.54	120,234.25
Profit for the Year	23,816.68	33,881.29
Final Dividend on Equity Shares	(3,947.99)	(2,961.00)
Closing Balance	**171,023.23**	**151,154.54**
(iv) Securities Premium		
Opening Balance	1,653.72	1,653.72
Addition during the year	-	-
Closing Balance	**1,653.72**	**1,653.72**
(v) Other items of Other Comprehensive Income (Remeasurement of defined benefit obligations) (Refer note vi below)		
Opening Balance	104.80	47.45
Addition during the year	(128.71)	57.35
Closing Balance	**(23.91)**	**104.80**

Notes to the Standalone Financial Statements

Other Reserve

(₹ in Lakhs)

Particulars	Other Comprehensive Income/Effective Portion of Cash Flow Hedges (Refer note v below)
As at 1 April 2021	**2,555.38**
Profit/(Loss) for the Year	(1,559.06)
As at 31 March 2022	**996.32**
Profit/(Loss) for the Year	(1,413.52)
As at 31 March 2023	**(417.20)**

Notes

(i) Capital Reserve:

Majorily consists of capital reserve standing in books against acquisition of business unit.

(ii) Share pending issue

Share pending issue is created in relation for issuance of shares for merger of Pranavaditya Spinning Mills Limited (Subsidiary) with the Company.

(iii) Securities Premium:

Securities Premium is created when shares issued at premium.

(iv) Retained Earning:

Retained earnings represents accumulated profit as on reporting date. The reserve can be utilised in accordance with the provision of the Companies Act, 2013.

(v) Effective Portion of Cash Flow Hedges:

The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges, as described in accounting policy Note 3.23.

(vi) Other Items of other Comprehensive Income (Remeasurement of defined benefit obligation):

Reserve for remeasurement of defined benefit obligations represents the effects of remeasurement of defined benefit obligations on account of actuarial gains and losses.

22. NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured (measured at amortised cost)		
1) Term Loan		
i) Rupee loans		
- From Banks (a)	10,700.67	9,420.50
- From Financial Institutions (a)	13,776.05	1,921.05
Less: Current maturity of long term debt	(4,634.17)	(2,803.34)
TOTAL	**19,842.55**	**8,538.21**

Notes to the Standalone Financial Statements

a) Non-Current Borrowings Repayment Schedule

(₹ in Lakhs)

Particulars	Outstanding as at 31st March, 2023			
	As at 31st March, 2023	As at 31st March, 2022	Repayment Schedule	Security*
1) TERM LOAN				
Rupee loans				
- From Banks				
a) Loan 1	6,200.67	3,420.50	Qtrly. Repayments from Dec. 2022 to Sept. 2027	a) First Pari passu charge with existing term lenders on both present and future movable and certain immovable assets of Home Textile division located at Kolhapur. b) A second pari passu charge on all current assets and cash-flows, present and future.
b) Loan 2	4,500.00	6,000.00	Monthly Repayments from April 2022 to March 2026	a) Second charge of entire current asset of the Company - inventory / receivables b) Second charge on the fixed assets of the company excluding Mumbai office, Thane office and spinning units of the Company.
- From Financial Institutions				
a) Loan 1	781.05	1,921.05	Qtrly. Repayments from April 2019 to Jan. 2024	a) First pari passu charge in the entire fixed assets of the company located at kolhapur location, for present and future b) Second pari passu charge on the entore current assets of the Company at kolhapur, for present and future.
b) Loan 2	12,995.00	-	Qtrly. Repayments from July 2023 to April 2028	a) Exclusive charge over the fixed assets of spinning unit at Kolhapur, financed under this loan. b) Exclusive charge over the factory building pertaining to the spinning unit at Kolhapur, Maharashtra financed under this loan. c) Exclusive charge over the land of spinning unit at Hatkanangale .
TOTAL	**24,476.72**	**11,341.55**		

*Loan against which security is issued included current borrowings of long term debts of ₹4,634.17 Lakhs (previous year ₹2,803.34 Lakhs)

Notes to the Standalone Financial Statements

b) Coupan rates for the above borrowings ranged between 6.60% to 9.25% (previous year 6.60% to 8.60%).

23. NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employees' Benefits		
- Gratuity (Refer Note No 47)	918.11	218.62
TOTAL	**918.11**	**218.62**

24.(A) INCOME TAX

The major components of Income Tax expense for the years ended 31 March, 2023 and 31 March, 2022 are:

Income Tax expenses recognised in the Statement of Profit and Loss

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Income Tax:		
Current Income Tax charge	7,899.01	12,552.75
Adjustments in respect of Income Tax of previous years	(652.02)	16.00
Deferred Tax:		
Relating to origination and reversal of temporary differences	1,277.58	(875.70)
Income Tax expense reported in the Statement of Profit and Loss	**8,524.57**	**11,693.05**

Income Tax expense recognised in Other Comprehensive Income

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Net gain on remeasurements of Defined Benefit Plan and change in Forex	(518.69)	(505.06)
Income Tax charged to OCI	**(518.69)**	**(505.06)**

Notes to the Standalone Financial Statements

(B) DEFERRED TAX (LIABILITIES)/ASSETS (NET))

Significant components of deferred tax liabilities (net) of the Company are as follows :

(₹ in Lakhs)

Particulars	Opening Balance (As at April 01, 2022)	Recognised in Standalone Statement of Profit and Loss	Recognised in Other Comprehensive Income (OCI)	Closing Balance (As at March 31, 2023)
Deferred tax (liabilities)/Assets recognised in relation to:				
Property, Plant and Equipment and Intangible assets (including Right of Use assets)	(8,420.93)	(226.20)	-	(8,647.13)
Incomes credited to the Standalone Statement of Profit and Loss of the Company taxable in subsequent years	(0.68)	(1.36)	-	(2.04)
Allowance for doubtful debts, loans and advances	917.56	(647.56)	-	270.00
Expenses debited to the Standalone Statement of Profit and Loss of the Company allowable in subsequent years	144.09	199.01	43.29	386.39
Unabsorbed Tax Losses and Depreciation	756.43	(756.43)	-	-
Deferred tax on account of IND AS 116	413.52	(91.34)	-	322.18
Net (Gain) / Losses on Cash flow hedges	(448.18)	246.30	475.40	273.52
Deferred Tax (Liabilities)/Assets (net)	**(6,638.19)**	**(1,277.58)**	**518.69**	**(7,397.08)**

(₹ in Lakhs)

Particulars	Opening Balance (As at April 01, 2021)	Recognised in Standalone Statement of Profit and Loss	Recognised in Other Comprehensive Income (OCI)	Closing Balance (As at March 31, 2022)
Deferred tax (liabilities)/Assets recognised in relation to:				
Property, plant and equipment and Intangible assets (including Right of Use assets)	(8,011.90)	(409.03)	-	(8,420.93)
Incomes credited to the Standalone Statement of Profit and Loss of the Company taxable in subsequent years	-	(0.68)	-	(0.68)
Allowance for doubtful debts, loans and advances	109.19	808.37	-	917.56
Expenses debited to the Standalone Statement of Profit and Loss of the Company allowable in subsequent years	158.65	4.73	(19.29)	144.09
Unabsorbed Tax Losses and Depreciation	794.81	(38.38)	-	756.43
Deferred tax on account of IND AS 116	129.16	284.36	-	413.52
Net (Gain) / Losses on Cash flow hedges	(1,198.86)	226.33	524.35	(448.18)
Deferred Tax (Liabilities)/Assets (net)	**(8,018.95)**	**875.70**	**505.06**	**(6,638.19)**

Notes to the Standalone Financial Statements

Reflected in the Balance Sheet:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Assets	1,252.10	2,231.60
Deferred Tax Liabilities	(8,649.18)	(8,869.79)
Deferred Tax Liabilities (Net)	**(7,397.08)**	**(6,638.19)**

(C) The reconciliation of estimated income tax expense at Indian Statutory income tax rate to income tax expense reported in Statement of Profit and loss is as follow:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit before income tax expense	32,341.25	45,574.34
Tax at Indian Tax rate 25.168%	8,139.65	11,470.15
Income Tax with respect to previous year	652.02	16.00
Deferred Tax on Unabsorbed Tax Losses and Depreciation utilised	(756.43)	-
Corporate social responsibility expenses	144.63	86.36
Others	344.70	120.54
Income Tax Expense	**8,524.57**	**11,693.05**

25. OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Government Grants related to Property, Plant & Equipment (Refer note 46)	810.05	856.27
TOTAL	**810.05**	**856.27**

***Movement in Deferred Government Grant**

Particulars	(₹ in Lakhs)
Balance as at April 01, 2021	**758.56**
Add: Received during the year	171.34
Less: Recognised as income during the year (transferred to Current liabilities)	73.63
Balance as at March 31, 2022	**856.27**
Add: Received during the year	-
Less: Recognised as income during the year (transferred to Current liabilities)	46.22
Balance as at March 31, 2023	**810.05**

Notes to the Standalone Financial Statements

26. CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans repayable on Demand:		
Secured		
From Banks (a)		
- In Rupees	59,611.34	107,258.08
Current Maturities of Long Term Borrowings	4,634.17	2,803.34
Unsecured		
From Banks		
- In Rupees	-	1,115.33
TOTAL	**64,245.51**	**111,176.75**

a) Current Borrowings Repayment Schedule (₹ in Lakhs)

Particulars	Outstanding as at 31st March, 2023			
	As at 31st March, 2023	As at 31st March, 2022	Repayment Schedule	Security
1) PACKING CREDIT LOAN				
Rupee loans				
- From Banks				
a) Loan 1	13,636.90	7,461.58	Upto 180 Days	First pari passu charge on the entire current assets of the Company, both present and future
b) Loan 2	11,461.66	11,356.70	Upto 180 Days	First pari passu charge on the entire current assets of the Company, both present and future
c) Loan 3	11,500.00	17,631.40	Upto 180 Days	First pari passu charge on the entire current assets of the Company, both present and future
d) Loan 4	9,022.17	16,427.21	Upto 180 Days	First pari passu charge on the entire current assets of the Company, both present and future
e) Loan 5	10,530.84	16,693.41	Upto 180 Days	First pari passu charge on the entire current assets of the Company, both present and future
f) Loan 6	2,085.37	18,751.49	Upto 180 Days	First pari passu charge on the entire current assets of the Company, both present and future
g) Loan 7	-	16,614.53	Upto 180 Days	First pari passu charge on the entire current assets of the Company, both present and future

Notes to the Standalone Financial Statements

a) Current Borrowings Repayment Schedule (₹ in Lakhs)

Particulars	Outstanding as at 31st March, 2023			
	As at 31st March, 2023	As at 31st March, 2022	Repayment Schedule	Security
2) POST SHIPMENT CREDIT LOAN				
Rupee loans				
- From Banks				
a) Loan 1	1,374.40	-	Upto 180 Days	First pari passu charge on the entire current assets of the Company, both present and future
b) Loan 2	-	2,321.76	Upto 180 Days	First pari passu charge on the entire current assets of the Company, both present and future
3) Others				
Rupee loans				
- From Banks				
a) Loan 1	-	1,115.33	Upto 180 Days	No security as the loan is Unsecured.
TOTAL	**59,611.34**	**108,373.41**		

b) Coupan rates for the above borrowings ranged between 1.50% to 7.50% (previous year 1.50% to 8.05%).

27. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade payables		
(i) Total outstanding dues of micro and small enterprises (Refer note 27.1)	4,418.29	2,990.55
(ii) Total outstanding dues of creditors other than micro and small enterprises	17,252.29	12,761.48
TOTAL	**21,670.58**	**15,752.03**

a) Includes payable to a Foreign Subsidiary ₹42.76 Lakhs (previous year ₹447.67 Lakhs). Refer Note No. 41 for Related Party Disclosures.

Note 27.1: Following disclosures required for Micro and small enterprises has been determined on the basis of information available with the Company:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) The principal amount remaining unpaid to supplier as at the end of accounting year	4,418.29	2,990.55
(b) The interest due thereon remaining unpaid to supplier as at the end of accounting year	5.89	0.95

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(c) The amount of interest paid in terms of section 16, along with the amounts of the payments made to supplier beyond the appointed day during the year	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(e) The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	5.89	0.95
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises, for the purpose of disallowance as a deductible expenditure	6.85	-

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, 2023							
Undisputed Trade payables							
(i) Micro & Small Enterprise	377.77	3,266.37	771.25	2.90	-	-	4,418.29
(ii) Others	2,306.20	8,664.04	6,209.78	39.06	15.91	17.30	17,252.29
TOTAL	**2,683.97**	**11,930.41**	**6,981.03**	**41.96**	**15.91**	**17.30**	**21,670.58**
As at March 31, 2022							
Undisputed Trade payables							
(i) Micro & Small Enterprise	-	2,134.42	850.22	5.91	-	-	2,990.55
(ii) Others	3,254.34	3,524.60	5,906.98	58.17	3.06	14.33	12,761.48
TOTAL	**3,254.34**	**5,659.02**	**6,757.20**	**64.08**	**3.06**	**14.33**	**15,752.03**

28. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest Accrued but not due on Borrowings	125.40	169.31
Security deposit	-	240.40
Unpaid Dividend*	244.61	181.35
Derivative Liabilities (Refer note 50)	1,086.82	-
Directors' Remuneration Payable (Refer note 41)	1,008.70	1,323.57
Commission Payable**	424.46	379.93
Contractual Liability	1,574.34	2,203.32
Employee Benefits Payable	1,028.22	797.42
Other Payables	43.04	61.41
TOTAL	**5,535.59**	**5,356.71**

*There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

**Commission payable amounting to ₹142.69 Lakhs pertains to Related party. For details refer note 41

29. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance from Customers	233.49	208.08
Deferred Government Grants related to Property, Plant & Equipment (Refer note 46)	46.22	46.22
Other Payables		
- Statutory dues (Contribution to PF and ESIC, withholding tax, VAT, TDS, GST, Service Tax, etc.)	648.61	759.64
- Rates and Taxes	15.08	22.27
- Others	158.11	154.81
	821.80	**936.72**
TOTAL	**1,101.51**	**1,191.02**

***Movement in Deferred Government Grant**

(₹ in lakhs)

Particulars	As at 31st March, 2023
Balance as at April 01, 2021	**39.37**
Add: Transferred from other non current financial liabilities (Refer note 25)	73.63
Less: Recognised as income during the year	66.78
Balance as at March 31, 2022	**46.22**
Add: Transferred from other non current financial liabilities (Refer note 25)	46.22
Less: Recognised as income during the year	46.22
Balance as at March 31, 2023	**46.22**

Notes to the Standalone Financial Statements

30. CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employees Benefits		
-Compensated absences (Refer note 47)	187.11	17.12
TOTAL	187.11	17.12

31. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
1) Sale of Products*		
- Manufactured	242,759.84	244,344.63
- Stock-In-Trade	10,820.45	13,020.76
2) Sale of Services	1,839.96	-
3) Other Operating Revenue		
- Export Incentives/Benefits	22,938.95	23,229.73
REVENUE FROM OPERATIONS	278,359.20	280,595.12

*a) Includes sale to an Indian Subsidiary ₹ Nil (previous year ₹0.79 Lakhs) (Refer Note No. 41)

b) Includes sale to Foreign Subsidiaries ₹36,481.47 Lakhs (previous year ₹59,417.22 Lakhs).(Refer Note 41)

Disaggregation of Revenue

Revenue based on Geography

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Domestic	16,049.89	21,955.35
Export	262,309.31	258,639.77
REVENUE FROM OPERATIONS	278,359.20	280,595.12

Reconciliation of Revenue from Operations with Contract Price

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Contract Price	285,597.66	290,564.41
Less:		
Rebates & Discounts	3,263.84	3,208.84
Embedded Interest	492.84	652.17
Others	3,481.78	6,108.28
REVENUE FROM OPERATIONS	278,359.20	280,595.12

Notes to the Standalone Financial Statements

Critical judgements in recognising revenue

The Company has recognised revenue for sale of goods to its various customers. The buyer has the right to rescind the sale if there is any quality issue. The company has made an estimate with respect to sales returns/rebates/discounts considering the volume intake and future business commitments.

32. OTHER INCOME

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on Bank Deposits at Amortised Cost	153.89	708.59
Interest Income from Financial Assets measured at FVTPL*	1,299.89	1,000.68
Government Grants related to Property, Plant & Equipment (Refer note 46)	46.22	66.78
Miscellaneous Receipts and Incomes**	155.56	219.10
Profit on changes in NAV of Mutual Funds	5.40	-
Profit on Redemption of Mutual funds	26.57	486.91
Profit on Sale of Assets	144.57	162.08
Exchange Rate Difference (Net)	1,316.28	11,041.39
Lease Rent Income	96.79	92.78
Provision for Doubtful Debts Written Back	-	5.34
Sundry balances/Excess provision written back (Net)	0.98	6.52
Liability no longer payable written back	167.42	282.57
TOTAL	3,413.57	14,072.74

*Includes income from Foreign Subsidiary ₹237.82 Lakhs (previous year ₹1.82 Lakhs) (Refer Note No. 41).

**Includes income from Foreign Subsidiary ₹55.49 Lakhs (previous year ₹50.60 Lakhs) (Refer Note No. 41).

33. COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Raw material at the beginning of the year	44,869.57	18,383.75
Add: Purchases	111,331.90	150,355.40
Less : Raw material at the end of the year	21,469.21	44,869.57
Total Cost of Materials Consumed	134,732.26	123,869.58

34. CHANGES IN INVENTORIES OF WORK IN PROGRESS, STOCK IN TRADE AND FINISHED GOODS

(₹ in Lakhs)

Particulars		For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Balance			
Finished Goods			
- Manufactured Goods		18,880.07	19,069.84
- Traded Goods		4,777.64	-
Work-in-Progress		18,561.90	24,920.88
Waste		175.96	68.94
Total Opening Balance	A	42,395.57	44,059.66

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Particulars		For the year ended 31st March, 2023	For the year ended 31st March, 2022
Less: Closing Stock			
Finished Goods			
- Manufactured Goods		26,464.79	18,880.07
- Traded Goods		-	4,777.64
Work-in-Progress		24,979.10	18,561.90
Waste		130.02	175.96
Total Closing Balance	**B**	**51,573.91**	**42,395.57**
Total changes in inventories of Work-in-Progress, Stock-in-Trade and Finished Goods	**A-B**	**(9,178.34)**	**1,664.09**

35. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, Wages and Bonus	19,340.11	13,191.00
Directors' Remuneration (Refer Note No. 41)	2,547.80	2,696.11
Contribution to Provident & Other Funds	1,061.51	713.56
Gratuity (Refer Note No. 47)	187.89	152.76
Staff Welfare Expenses	291.73	303.71
Recruitment & Training Expenses	34.38	41.76
TOTAL	**23,463.42**	**17,098.90**

36. FINANCE COST

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest Expense for Financial Liability not classified as FVTPL:		
- On Term Loans	847.90	632.88
- Banks	4,085.73	2,392.35
- Others	32.10	23.06
Interest expense on lease liability	131.03	58.47
Bank Charges	623.89	1,054.33
Finance Procurement Charges	44.62	53.05
TOTAL	**5,765.27**	**4,214.14**

Notes to the Standalone Financial Statements

37. DEPRECIATION & AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation on Property, plant and equipments	5,430.77	3,503.69
Depreciation on Right of Use assets	736.58	414.78
Amortisation on Intangible assets	87.99	77.40
TOTAL	**6,255.34**	**3,995.87**

Refer Note No. 40 for information about Leases.

38. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Consumption of Stores, Dyes and Packing Materials	22,218.09	22,381.31
Jobwork Charges	18,845.52	23,715.45
Power & Fuel	17,063.99	8,727.31
Rent	313.89	420.62
Rates, Taxes & Fees	240.46	121.86
Legal & Professional Expenses	1,894.48	1,948.41
Insurance	979.12	712.19
Repairs to Plant and Equipments	792.28	574.02
Repairs to Buildings	176.88	160.93
Commission & Brokerage	1,157.88	1,115.32
Freight Outward	11,574.83	13,769.12
Other Selling Expenses	5,277.91	2,643.99
Loss on Sale of Assets	113.34	380.84
Loss in value of NAV of Mutual Funds	-	91.02
Bad Debts / Advances written off	0.06	23.30
Provision for Doubtful Debts/Advances	48.25	254.39
Mark to Market on Forward Contracts	-	899.27
Corporate Social Responsibility (Refer Note No. 43)	574.66	345.00
Payment to Auditors (Refer (b) below)	49.47	27.65
Miscellaneous Expenses	4,000.04	3,339.95
TOTAL	**85,321.15**	**81,651.95**

(a) Refer Note No. 40 for information about Leases.

Notes to the Standalone Financial Statements

(b) Includes Payment to Auditors

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
As Statutory Audit Fees	38.35	13.00
As Quarterly Audit / Limited Review Fees	8.00	9.00
As Tax Audit Fees	-	3.00
For Certification Work	-	0.15
In Other Capacity	-	2.50
For Reimbursement of Expenses	3.12	-
TOTAL	**49.47**	**27.65**

39. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

A. Contingent Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1) Claims against Company not acknowledged as Debt:		
i) Excise duty / Custom duty / Service Tax / Income Tax demands disputed in appeals	7,119.97	6,048.05
ii) VAT / GST demands disputed in appeals	979.46	491.70
iii) Other litigation claims (Including Pending Labour cases)	59.79	59.42
2) Guarantee given by the Company:		
i) Bank Guarantees	2,318.54	584.76
ii) Corporate Guarantee given to a Foreign Bank outside India for securing financial assistance to a Foreign Subsidiary	5,341.05	4,926.51

(a) In terms of EPCG Licences issued, the company has export obligation for ₹34,983 Lakhs (previous year ₹80,349 Lakhs), which is to be fulfilled over an average period of 6 years. The Company has completed the export obligation to the extent of ₹24,116 Lakhs (previous year ₹77,810 Lakhs) till the current year and are under process of redemption. Further, there are licenses issued by the DGFT amounting to ₹10,779 Lakhs (previous year ₹2,539 Lakhs) for which capital goods are under imports.

(b) On account of a dispute in relation with Electricity Duty on electricity generated for captive use between 01.04.2000 and 30.04.2005 amounting to ₹292.07 Lakhs (previous year ₹292.07 Lakhs) excluding interest , the Honourable Bombay high court vide its order dated 07.11.2009 passed a judgement in favour of the Company. The MSEDCL has further challenged the same at the Honourable Supreme court . The matter is yet to be heard by the Honourable supreme court. Management is confident on the positive outcome in this matter.

Significant Estimates: The Company has litigations in respect of certain matters. The management does assessment of all outstanding matters and whenever required, further obtain legal advices including those relating to interpretation of law. Based on such assessment, it concludes whether a provision should be recognised or a disclosure should be made.

Notes to the Standalone Financial Statements

B. Commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for against Tangible Assets	5,653.77	22,424.29
b) Letter of credits opened for which the material has not yet been shipped	1,787.48	2,685.79

40. LEASES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) The Balance sheet shows the following amounts relating to leases:		
Right of Use assets		
Building	1,173.58	1,623.45
Plant & Machinery	-	27.10
Land	1,553.72	1,353.25
Lease Liabilities		
Current	566.63	584.56
Non-Current	665.79	1,056.80
(ii) Amount recognised in statement of Profit & Loss		
Depreciation Charge on Right of Use assets		
Building	709.28	400.93
Plant & Machinery	7.32	3.08
Land	19.98	10.77
(iii) Interest expense included in finance cost	131.03	58.47
(iv) Expense relating to short-term leases (included in other expenses)	313.89	420.62
(v) Expense relating to leases of low-value assets that are not shown above as short -term leases	-	-
(vi) Expense relating to variable lease payments not included in lease liability	-	-
(vii) Amount recognised in profit and loss arising from rent concessions	-	-

(a) Total cash outflow for leases during current financial year is ₹1,083.12 Lakhs (previous year ₹887.70 Lakhs).

(b) Additions to the Right-of-Use assets during the current financial year is ₹529.21 Lakhs (previous year ₹1,649.51 Lakhs).

(c) There are no sale & leaseback transactions.

(d) Payments associated with short-term leases of equipment, vehicles and all leases of low-value assets are recognised on straight line bases as an expense in profit or loss.

(e) Short term leases are leases with a lease of 12 months or less. There are no low value assets taken on lease during the current year.

(f) When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate. The weighted average incremental borrowing rate applied is @8.55% (Previous year @8.55%)

Notes to the Standalone Financial Statements

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

iii) Parties where Control/Significant Influence Exists

A. Subsidiaries

1. Indo Count Retail Ventures Pvt. Ltd.
2. Indo Count Global Inc., (USA)
3. Indo Count UK Ltd., (United Kingdom) *
4. Indo Count Global DMCC, UAE

B. Entities where control/significant influence by KMPs & their relatives exists

1. A. K. Jain HUF
2. Kids Creation

C. Others

1. Indo Count Foundation

(₹ In Lakhs)

Particulars	Subsidiary	Entities where control/ significant influence by KMPs & their relatives exists and Others
Transactions during the year		
Sale of Goods	**36,481.47**	**-**
- Indo Count Global Inc., (USA)	33,432.81	-
- Indo Count UK Ltd., (United Kingdom)	3,048.66	-
	(59,418.01)	**(-)**
- Indo Count Global Inc., (USA)	(57,368.81)	(-)
- Indo Count UK Ltd., (United Kingdom)	(2,048.41)	(-)
- Indo Count Retail Ventures Pvt. Ltd.	(0.79)	(-)
Service Charges Paid	**693.01**	**-**
- Indo Count Global DMCC, UAE	689.69	-
- Indo Count UK Ltd., (United Kingdom)	3.32	-
	(486.86)	**(-)**
- Indo Count Global DMCC, UAE	(425.23)	(-)
- Indo Count UK Ltd., (United Kingdom)	(61.63)	(-)
Interest Recovered on Loan	**237.82**	**-**
- Indo Count Global Inc., (USA)	237.82	-
	(1.82)	**(-)**
- Indo Count Global Inc., (USA)	(1.82)	(-)
Guarantee Commission Received	**55.49**	**-**
- Indo Count Global Inc., (USA)	55.49	-
	(50.60)	**(-)**
- Indo Count Global Inc., (USA)	(50.60)	(-)
Lease Rent Paid	**-**	**40.61**
- A. K. Jain HUF	-	40.61
	(-)	**(68.82)**
- A. K. Jain HUF	(-)	(68.82)
Reimbursement of Expenes	**0.18**	**-**
- Indo Count Retail Ventures Pvt. Ltd.	0.18	-
	(0.18)	**(-)**
- Indo Count Retail Ventures Pvt. Ltd.	(0.18)	(-)
Design Charges Paid	**-**	**5.35**
- Kids Creation	-	5.35
	(-)	**(-)**
CSR Expenses	**-**	**527.14**
- Indo Count Foundation	-	527.14
	(-)	**(226.69)**
- Indo Count Foundation	(-)	(226.69)

Notes to the Standalone Financial Statements

(₹ In Lakhs)

Particulars	Subsidiary	Entities where control/ significant influence by KMPs & their relatives exists and Others
Commission Paid	**128.10**	**-**
- Indo Count UK Ltd., (United Kingdom)	128.10	-
	(320.24)	**(-)**
- Indo Count UK Ltd., (United Kingdom)	(320.24)	(-)
Balance Outstanding at the end of year		
a) Investments	**1,057.45**	**-**
- Indo Count Global Inc., (USA)	446.19	-
- Indo Count UK Ltd., (United Kingdom)	79.61	-
- Indo Count Global DMCC, UAE	530.65	-
- Indo Count Retail Ventures Pvt. Ltd.	1.00	-
	(1,057.45)	**(-)**
- Indo Count Global Inc., (USA)	(446.19)	(-)
- Indo Count UK Ltd., (United Kingdom)	(79.61)	(-)
- Indo Count Global DMCC, UAE	(530.65)	(-)
- Indo Count Retail Ventures Pvt. Ltd.	(1.00)	(-)
b) Sundry Debtors	**13,460.44**	**-**
- Indo Count Global Inc., (USA)	11,023.23	-
- Indo Count UK Ltd., (United Kingdom)	2,437.21	-
	(11,802.11)	**(-)**
- Indo Count Global Inc., (USA)	(10,701.71)	(-)
- Indo Count UK Ltd., (United Kingdom)	(1,100.40)	(-)
c) Deposit - Rent	**-**	**15.60**
- A. K. Jain HUF	-	15.60
	(-)	**(15.60)**
- A. K. Jain HUF	(-)	(15.60)
d) Interest on Loan Receivable	**180.43**	**-**
- Indo Count Global Inc., (USA)	180.43	-
	(-)	**(-)**
e) Guarantee Commission Receivable	**42.10**	**-**
- Indo Count Global Inc., (USA)	42.10	-
	(-)	**(-)**
f) Unsecured Loan	**3,697.66**	**-**
- Indo Count Global Inc., (USA)	3,697.66	-
	(3,423.79)	**(-)**
- Indo Count Global Inc., (USA)	(3,423.79)	(-)

Notes to the Standalone Financial Statements

(₹ In Lakhs)

Particulars	Subsidiary	Entities where control/ significant influence by KMPs & their relatives exists and Others
Other Payables		
g) Service Charges Payable	**134.59**	**-**
- Indo Count Global DMCC, UAE	134.59	-
	(444.67)	**(-)**
- Indo Count Global DMCC, UAE	(444.67)	(-)
h) Lease Rent Payable	**-**	**0.61**
- A. K. Jain HUF	-	0.61
	(-)	**(3.65)**
- A. K. Jain HUF	(-)	(3.65)
i) Commission Payable	**42.76**	**-**
- Indo Count UK Ltd., (United Kingdom)	42.76	-
	(16.71)	**(-)**
- Indo Count UK Ltd., (United Kingdom)	(16.71)	(-)

Particulars	Key Management Personnel	Relatives of Key Management Personnel
Transactions during the year		
Commission Paid	9.00	-
	(9.00)	**(-)**
Remuneration Paid	2,547.80	48.00
	(2,696.11)	**(55.94)**
Sitting fees	56.00	-
	(47.50)	**(-)**
Balance outstanding during the year		
Commission Payable	8.10	-
	(8.10)	**(-)**
Remuneration Payable	1,008.70	-
	(1,323.57)	**(-)**

*represents entity where the Company has issued a letter of support for assessment of their going concern.

a) Previous year figures are given in brackets.

b) Related parties enlisted above are those having transactions with the company.

Notes to the Standalone Financial Statements

42. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. Chairman, Vice Chairman and Chief Executive Officer of the Company are the chief operating decision makers. The Company operates only in one Business Segment i.e. 'Textile Business' which constitutes a single reporting segment.

43. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITIES (CSR)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
a) Gross amount required to be spent by the company during the year	578.76	335.59
b) Amount approved by Board to be spent during the year	603.75	335.59
c) Amount spent during the year on:		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	574.66	345.00
d) Details of Contribution		
Contribution to related party - Indo Count Foundation	527.14	226.69
Other than above	47.52	118.31

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing project

In case of Section 135(5) unspent amount (₹ in Lakhs)

For the year ended	Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
31.03.2023	-	-	-	-	-
31.03.2022	-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act (₹ in Lakhs)

For the year ended	Opening Balance	Amount required to be spent during the year	Amount spent during the year*	Closing Balance
31.03.2023	9.41	578.76	574.66	5.31
31.03.2022	-	335.59	345.00	9.41

*The unspent CSR amount of the previous year has been utilised first during the year as approved by the board.

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Details of ongoing CSR projects under Section 135(6) of the Act the for year ended March 31, 2023							
For the year ended	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
31.03.2023	Not applicable						
31.03.2022	Not applicable						

44. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 33 "EARNINGS PER SHARE"

(₹ Per Share)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(a) Basic earnings per share	12.03	17.11
(b) Diluted earnings per share	12.03	17.11

Basic/diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic/diluted earnings per share are as follows:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Profit for the year attributable to the equity share holders of the Company	23,816.68	33,881.29
Earnings used in the calculation of basic/diluted earnings per share	23,816.68	33,881.29

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Weighted average number of equity shares for the purposes of basic/diluted earnings per share	198,054,340	198,054,340

*includes 654,670 equity shares pending for allotment as on 31.03.2022 which were alloted during FY 2022-23 (Refer Note No.45 (a)).

45. a) (i) The Hon'ble National Company Law Tribunal (NCLT), Mumbai bench vide its order dated October 3, 2022 approved the scheme of amalgamation of Pranavaditya Spinning Mills Limited (PSML) (Transferor Company) with Indo Count Industries Limited (the Company) under section 230-232 of the Companies Act, 2013. Thereafter, the certified copy of the said order was filed with Registrar of Companies and the effective date of the amalgamation is October 20, 2022 while the appointed date for the amalgamation is October 1, 2020. Both the entities have the similar nature of business and they mainly deal in Textiles.

To give effect of the approved Scheme, the Company has, inter alia, accounted for:

a) Amalgamation of PSML, a subsidiary under common control, using 'the pooling of interest method', as per (Ind AS 103 – Business Combination). The assets, liabilities and reserves of erstwhile Pranavaditya Spinning Mills Limited (PSML) have been taken over at book value.

Notes to the Standalone Financial Statements

b) Elimination of inter-company transactions, including cancellation of 1,43,41,280 (nos.) Equity Shares of face value of ₹10 each held by the Company in PSML.

Accordingly, the Standalone Financial statements have been restated from the beginning of the preceding period presented i.e. April 1. 2021. The net difference between the consideration and the value of net identifiable assets acquired was ₹388.01 Lakhs.

(ii) Further, pursuant to the scheme, 654,670 Equity Shares of the Company having face value of ₹2/- each are allotted to the shareholders of Transferor Company, in the swap ratio of 2:15, and the listing and trading permission for the same have been received. The relevant impact has been given while computing EPS of the prior period covered under the Standalone Financial Statements.

b) Business combinations

The Company has successfully completed the acquisition of Home Textile Business of GHCL Limited (""GHCL"") including its manufacturing facility at Bhilad (Vapi), Gujarat, on a going concern basis, by way of a slump sale, on April 2, 2022 in accordance with the terms of Business Transfer Agreement (""BTA"") dated December 6, 2021 as amended. The asset price allocation is done on the basis of valuation report provided by the Registered Valuer as approved by management.

(i) Summary of acquisition

Indo Count Industries Limited (ICIL) (acquirer) entered into a business transfer agreement with GHCL Limited (seller) to acquire GHCL's home textile (HT) business. The HT business has a fully operational manufacturing facility of 45 million metres annually. The plant is located at Bhilad near Vapi in Gujarat. ICIL has acquired home textile business of GHCL on slump sale basis for an aggregate consideration of ₹56,230 Lakhs. The Business Transfer Agreement (BTA) between ICIL and GHCL was signed on 07 December 2021 and an amendment agreement was signed on 30 March 2022. The effective date of acquisition was 02 April 2022. Post the acquisition, the said plant has become an integral part of the business of the Company and entire operation of the Company (along with the said plant) is considered as one Cash Generating Unit (CGU). Accordingly, revenue and profit or loss of the said plant since the acquisition date can not be measured

Details of the purchase consideration, the net assets acquired and capital reserve are as follows:

Purchase consideration	(₹ in Lakhs)
Cash paid	56,230.00
Equity shares issued	-
Total purchase consideration	56,230.00

(₹ in Lakhs)

Particulars of Assets and Liabilities acquired	Fair value
Assets	
Land	10,820.00
Building	5,000.00
Plant & Machinery	18,020.00
Office equipment	30.00
Electrification equipment	260.00
Furnitures & Fixures	200.00
Computer	90.00
Vehicles	20.00
Softwares	40.00
Loans	50.00
Inventories	13,940.00
Other current assets	1,280.00
Other current financial assets	360.00
Trade receivables	13,618.19
Cash	1,850.00
Liabilities	
Trade payables	(6,230.00)
Short term provisions	(550.00)
Other financial liabilities	(10.00)
Borrowings	(1,790.00)
Other contract liabilities	(120.00)
Interest	(60.00)
Other current liabilites	(110.00)
Net identifiable assets acquired	**56,708.19**

Calculation of Capital reserve	(₹ in Lakhs)
Consideration transferred	56,230.00
Less: Net identifiable assets acquired	56,708.19
Capital Reserve	478.19

There were no acquisitions in the year ended 31 March 2022.

(ii) Significant judgement:

(1) Fair valuation of Property, Plant and Equipment, Land and Building

The fair valuation of land, property plant and equipment and Building is carried out by the registered valuer which is a significant judgement with respect to fair valuation of land, property plant and equipment and Building for purchase price allocation.

(2) Acquired receivables

The fair value of acquired trade receivables is ₹13,620.00 Lakhs. The gross contractual amount for trade receivables due is ₹1,930.00 Lakhs, with a loss allowance of ₹40.00 Lakhs.

(iii) Purchase consideration

Cash outflow

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Outflow of cash to acquire subsidiaries, net of cash acquired	As at 31st March, 2023	As at 31st March, 2022
Cash consideration	56,230.00	-
Less: Balances acquired	-	-
Cash	1,850.00	-
Bank overdraft	(1,790.00)	-
Net outflow of cash investing activities	56,170.00	-

Acquisition-related costs

Acquisition-related costs of ₹22.00 Lakhs that were not directly attributable to the issue of shares are included in other expenses in the statement of profit and loss and in operating cash flows in the statement of cash flows.

Amounts recognized in other comprehensive income is Nil.

There were certain job work related transaction with GHCL prior to acquisition, however same was not material considering long term view of relationship.

c) Reclassificaiton/Regrouping

The figures for the corresponding previous year have been regrouped/reclassified wherever necessary after considering Company's contractual rights, historical trends and the said disclosure being more relevant to the users of the financial statements and this being more consistent with peers. This change doesn't result in any material quantitative and qualitative impact on the overall financial statements.

(₹ in Lakhs)

Particulars	Balances as at March 31, 2022 (Reported)		Balances as at March 31, 2022 (after Reclassification/Regrouping)	
Capital Work-In-Progress	2,331.80		2,105.60	
Intangible Assets under Development	-		226.20	
Right of Use	2,946.40		3,003.80	
Other Non Current Financial Assets	379.35		321.95	
Total (Part of Non-Current Assets)		**5,657.55**		**5,657.55**
Cash and Cash Equivalents	34,801.74		34,620.39	
Bank Balances other than above	297.85		1,067.03	
Other Current Financial Assets	2,784.13		2,196.30	
Total (Part of Current Assets)		**37,883.72**		**37,883.72**
Provisions	235.75		218.62	
Total (Part of Non-Current Liabilities)		**235.75**		**218.62**
Trade Payables				
- Micro & Small Enterprises	2,990.55		2,990.55	
- Other than Micro & Small Enterprises	11,109.12		12,761.49	
Other Financial Liabilities	884.52		5,116.30	
Other Current Liabilities	6,921.04		1,036.90	
Provisions	-		17.12	
Total (Part of Current Liabilities)		**21,905.23**		**21,922.36**

Notes to the Standalone Financial Statements

Further, in addition to the above, Pursuant to the scheme of amalgamation of Pranavaditya Spinning Mills Limited with the Company with effect from October 1, 2020, the figures for the period ended March 31, 2022 have been restated to give effect to the aforesaid merger.

Previous year figures of cash flow used in investing activities/operating activities have been reclassified on account of capital advances. Further, necessary regrouping/reclassification has been done to give impact of the above.

46. During the year, the Company has not received any grant. The Company has amortised the grant based on useful life of the plant and machinery and recognised income for current year of ₹46.22 Lakhs (Previous year ₹66.78 Lakhs) under other income (Refer Note No. 32).The balance amount of grant is shown as "Deferred Government Grants related to Property, Plant & Equipment" in non-current liability ₹810.05 Lakhs (Previous year ₹856.27 Lakhs) (Refer Note 25) and other current liability of ₹46.22 Lakhs (₹46.22 Lakhs) (Refer Note 29). The company doesn't have any unfulfilled conditions and other contingencies attaching to same.

47. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 19 "EMPLOYEE BENEFITS"

Defined Contribution Plans:

Amount of ₹1,061.51 Lakhs (previous year ₹713.56 Lakhs) is recognised as an expense and included in Employee Benefits Expense under the following defined contribution plans (Refer Note 35):

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Benefits:		
Provident Fund	1,019.18	651.42
Employee State Insurance Scheme	40.78	60.89
Labour Welfare Scheme	1.55	1.25
TOTAL	**1,061.51**	**713.56**

Defined contribution plans

Provident Fund: The Company makes contribution to respective regional provident fund commissioners in relation to the workers employed at various location of the Company (as applicable). The Company recognises such contributions as an expense when incurred. The Company has no further obligations beyond its yearly contribution.

Employee State Insurance Scheme: The Company makes contribution towards Employees State Insurance scheme operated by ESIC Corporation (as applicable) . The contributions payable to these plans by the Company are at rates specified in the rules of the scheme. The Company recognises such contributions as an expense when incurred. The Company has no further obligations beyond its yearly contribution.

Labour Welfare Scheme: The Company makes contribution to state government in relation to labour employed at various location of the Company (as applicable). The Company recognises such contributions as an expense when incurred. The Company has no further obligations beyond its yearly contribution.

Defined Benefit Plans:

Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The said plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount as per Payment of Gratuity Act, 1972.

Leave Encashment Benefit

The Company provides for leave encashment, a defined benefit retirement plan covering eligible employees. The said plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount computed as per Company policy.

Notes to the Standalone Financial Statements

Risk exposure to defined benefit plans

The plans typically expose the Company to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below:

Asset volatility

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at March 31, 2023. 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.

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	
		2022-23 (funded)	2021-22 (funded)	2022-23 (funded)	2021-22 (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	2,162.17	2,127.76	563.59	549.28
2	Interest Cost	147.19	136.51	32.68	30.86
3	Current Service Cost	175.07	168.78	76.65	80.13
4	Liability Transferred out / Divestment	461.82	-	112.89	-
5	Benefits Paid	(119.41)	(192.09)	(33.08)	(25.43)
6	Actuarial Changes Arising from Changes in Financial Assumptions	(73.79)	(78.09)	(15.45)	(14.59)
7	Actuarial Changes Arising from Changes in Experience Adjustments	242.72	(0.71)	56.19	(56.66)
8	Present Value of Defined Benefit Obligation at the end of the Year	2,995.77	2,162.16	793.47	563.59

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Sr. No.	Particulars	GRATUITY		LEAVE ENCASHMENT	
		2022-23 (funded)	2021-22 (funded)	2022-23 (funded)	2021-22 (funded)
II	**Change in Fair Value of Plan Assets during the Year**				
1	Fair Value of Plan Assets at the beginning of the Year	1,943.54	1,905.07	546.47	495.72
2	Interest Income	140.32	129.54	39.46	33.71
3	Contributions Paid by the Employer	90.34	103.33	31.95	41.75
4	Benefits Paid from the Fund	(119.41)	(192.09)	(33.09)	(25.43)
5	Assets Transferred Out / Divestments	25.94	-	21.22	-
6	Actuarial Losses / (Gains)	(3.07)	(2.31)	0.36	0.72
7	Fair Value of Plan Assets at the end of the Year	2,077.66	1,943.54	606.37	546.47
III	**Net Asset / (Liability) recognised in the Balance Sheet**				
1	Present Value of Defined Benefit Obligation at the end of the Year	2,995.78	2,162.17	793.47	563.59
2	Fair Value of Plan Assets at the end of the Year	2,077.66	1,943.55	606.37	546.47
3	Amount recognised in the Balance Sheet	918.11	218.62	187.11	17.12
4	Net (Liability) / Asset - Current	-	-	(187.11)	(17.12)
5	Net (Liability) / Asset - Non-Current	(918.11)	(218.62)	-	-
IV	**Expenses recognised in the Statement of Profit and Loss for the Year**				
1	Current service Cost	175.07	168.78	76.65	80.13
2	Interest Cost on Benefit Obligation (Net)	6.87	6.97	(6.77)	(2.85)
3	Actuarial Changes Arising from Changes in Demographic Assumptions	-	-	-	-
4	Actuarial Changes Arising from Changes in Financial Assumptions	-	-	(15.45)	(14.59)
5	Actuarial Changes Arising from Changes in Experience Adjustments	-	-	56.19	(56.66)
6	Return on Plan Assets excluding amount included in 'Net Interest on net Defined Liability / (Asset)' above	-	-	(0.36)	(0.72)
7	Adjustment in relation to gratuity expenses	5.95	(22.99)		
8	Total Expenses included in Employee Benefits Expense	187.89	152.76	110.26	5.31
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	(73.79)	(78.09)	-	-

Notes to the Standalone Financial Statements

(₹ in Lakhs)

Sr. No.	Particulars	GRATUITY		LEAVE ENCASHMENT	
		2022-23 (funded)	2021-22 (funded)	2022-23 (funded)	2021-22 (funded)
3	Actuarial Changes Arising from Changes in Experience Adjustments	242.72	(0.86)	-	-
4	Return on Plan Assets excluding Interest Income	3.07	2.31	-	-
5	Recognised in Other Comprehensive Income	172.00	(76.64)	-	-
VI	**Maturity Profile of Defined Benefit Obligation**				
1	Within the next 12 Months (Next Annual Reporting Period)	350.92	247.04	282.50	221.87
2	Between 2 and 5 Years	832.09	526.96	166.29	106.37
3	Between 6 and 10 Years	1,549.17	1,113.35	257.85	177.95
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	(3,253.81)	(2,355.78)	(847.61)	(599.74)
	(ii) One Percentage Point decrease in Discount Rate	2,769.83	1,993.03	746.29	531.96
	(i) One Percentage Point increase in Rate of Salary Increase	2,769.59	1,992.69	744.80	531.05
	(ii) One Percentage Point decrease in Rate of Salary Increase	(3,249.09)	(2,352.11)	(848.44)	(600.18)

VIII The major categories of plan assets as a percentage of total (₹ in Lakhs)

Particulars	GRATUITY		LEAVE ENCASHMENT	
	2022-23	2021-22	2022-23	2021-22
Insurer Managed Funds	100%	100%	100%	100%

IX Actuarial Assumptions (₹ in Lakhs)

Particulars	GRATUITY		LEAVE ENCASHMENT	
	2022-23 (funded)	2021-22 (funded)	2022-23 (funded)	2021-22 (funded)
Discount Rate (p.a.)	7.52% p.a.	7.22% p.a.	7.52% p.a.	7.22% p.a.
Expected Return on Plan Assets	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 (2006-08)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

These assumptions translate into an average life expectancy in years for an employee retiring at age of 58 years.

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, 2023. 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.

Sensitivity analysis method

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumption may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years and same data, method and assumptions have been used in preparing the sensitivity analysis which are used to determine period end defined benefit obligation.

Contribution expected to be paid for the Plan of the Company during the year ended March 31, 2024 - ₹196.06 Lakhs.

Weighted Average duration of the Plan is 12.64 years (previous year 13.16 years)

48. DETAILS OF CAPITAL EXPENDITURE INCURRED DURING THE YEAR FOR RESEARCH AND DEVELOPMENT

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Plant and Machinery	45.48	4.27
TOTAL	**45.48**	**4.27**

49. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

A Fair value measurement

(₹ in lakhs)

Particulars	Carrying amount	
	As at 31st March, 2023	As at 31st March, 2022
Financial Assets at Amortised Cost:		
Investments	1,057.45	1,057.45
Trade Receivables	49,379.50	47,061.61
Loans (Non Current)	3,697.66	3,423.79
Other non current financial assets (Security deposit)	397.46	322.64
Other current financial assets	1,036.38	905.15
Cash and bank balance	7,767.06	35,812.38
Total	**63,335.51**	**88,583.02**
Financial Assets at Fair Value through Profit and Loss:		
Investments	14,349.25	150.43
Derivative Instruments	-	449.34
Total	**14,349.25**	**599.77**

Notes to the Standalone Financial Statements

(₹ in lakhs)

Particulars	Carrying amount	
	As at 31st March, 2023	As at 31st March, 2022
Financial Assets at Fair Value through Other Comprehensive Income:		
Derivative Instruments	-	1,331.40
Total	-	**1,331.40**
Financial Liabilities at Amortised Cost:		
Non-Current Borrowings	19,842.55	8,538.21
Current Borrowings	64,245.51	111,176.75
Lease Liability (Non Current)	665.79	1,056.80
Lease Liability (Current)	566.63	584.56
Trade and Other Payables	21,670.58	15,752.03
Other Financial Liabilities (Current)	4,448.78	5,356.71
Total	**111,439.84**	**142,465.06**
Financial Liabilities at Fair Value through Profit and Loss:		
-Derivative instruments	494.85	-
Total	**494.85**	**-**
Financial Liabilities at Fair Value through Other Comprehensive Income:		
-Derivative instruments	591.96	-
Total	**591.96**	**-**

II. Assets and Liabilities which are measured at amortised cost for which fair values are disclosed

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.

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Fair value	Carrying value	Fair value	Carrying value
Non-current financial assets				
Loans	3,697.66	3,697.66	3,423.79	3,423.79
Current financial assets				
Investment	14,349.25	14,349.25	150.43	150.43
Current financial liabilities				
Borrowings	64,245.51	64,245.51	111,176.75	111,176.75
Non Current financial liabilities				
Borrowings	19,842.55	19,842.55	8,538.21	8,538.21

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy

Notes to the Standalone Financial Statements

III. Assets and Liabilities which are measured at FVPL or FVOCI

This note provides information about how the Group determines fair values of various financial assets and financial liabilities measured at FVPL or FVOCI. Fair value of the Company's financial assets and financial liabilities are measured on a recurring basis. Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

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.

(₹ in Lakhs)

Financial Assets/ Financial Liabilities	Fair value		Fair value hierarchy	Valuation technique
	As at 31st March, 2023	As at 31st March, 2022		
Financial Assets at Fair Value through Profit and Loss:				
Investments	14,349.25	150.43	Level 2	Based on quoted market prices or dealer quotes for similar instruments
Derivative Instruments	-	449.34	Level 2	Discounted Cash Flow: Future Cash Flows are estimated based on maturity converted at banker's closing rates and discounted at a rupee funding rate.
Total	14,349.25	599.77		
Financial Assets at Fair Value through Other Comprehensive Income:				
Derivative Instruments	-	1,331.40	Level 2	Same as above
Total				
Financial Liabilities at Fair Value through Profit and Loss:				
-Derivative instruments	494.85	-	Level 2	Same as above
Total				
Financial Liabilities at Fair Value through Other Comprehensive Income:				
-Derivative instruments	591.96	-	Level 2	Same as above

Notes to the Standalone Financial Statements

50. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest rate risk and equity security price risk), credit risk and liquidity risk.

Market Risk

The Company's seeks to minimise the effects of currency risk by using derivative and non derivative financial instruments to hedge risk exposures. The Group has Risk Management Policies to mitigate the risks in commodity prices and foreign exchange. The use of financial derivatives and non-derivatives is governed by the Group's policies approved by the Board of Directors (BOD), which provide principles to use financial derivatives and non-derivative financial instruments, to hedge currency risk and commodity price risk. The Group does not enter into or trade financial instruments, including derivative financial instruments and non-derivative financial instruments for speculative purposes.

The periodical forex management report and commodity risk report as reviewed and approved by the management is placed before the Board of Directors for review.

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. Majority of the Group's borrowings are linked to variability in Bank MCLR rate, repo rate, T Bills and SOFR rate .

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 31st March, 2023	As at 31st March, 2022
Total Borrowings	84,088.06	119,714.96
% of Borrowings out of above bearing Variable Rate of Interest	94.65%	94.99%

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following impact on Profit before Tax:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
50 bps increase would decrease the Profit before Tax by	397.94	568.57
50 bps decrease would increase the Profit before Tax by	(397.94)	(568.57)

Foreign Currency Risk

The Company operates internationally and portion of the business is transacted in several 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.

Notes to the Standalone Financial Statements

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.

Particulars	USD (in Lakhs)	EUR (in Lakhs)	GBP (in Lakhs)	CHF (in Lakhs)	(₹ In Lakhs)
Foreign Currency Exposure as at 31 March, 2022					
Trade and Other Receivables	575.09	6.42	11.06	0.34	45,268.42
Non-Current Loan	45.02	-	-	-	3,413.14
Current Borrowings	(30.50)	-	-	-	(2,312.31)
Bank Balances	(67.23)	-	-	-	5,096.81
Trade and Other Payables	(66.03)	(0.14)	(0.17)	-	(5,034.04)
Foreign Currency Exposure as at 31 March, 2023					
Trade and Other Receivables	561.62	5.43	24.05	0.07	49,017.38
Non-Current Loan	45.00	-	-	-	3,697.65
Current Borrowings	(17.34)	-	-	-	(1,374.40)
Bank Balances	(6.97)	-	-	-	572.46
Trade and Other Payables	(47.25)	(0.14)	(0.42)	-	(3,935.25)

Receivables hedged against forward contracts - USD 266.90 Lakhs (₹21,448.88 Lakhs).

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 31.03.2023	173	1,437.90	118,361.69	Sell
As at 31.03.2022	386	2,763.50	216,045.79	Sell

Foreign Currency Sensitivity

5 % increase or decrease in foreign exchange rates will have the following impact on profit before tax:

Particulars	2022-23		2021-22	
	5 % Increase	5 % decrease	5 % Increase	5 % decrease
USD	2,786.27	(2,786.27)	2,970.63	(2,970.63)
EUR	24.90	(24.90)	27.59	(27.59)
GBP	124.38	(124.38)	55.86	(55.86)
CHF	0.29	(0.29)	1.40	(1.40)
INCREASE / (DECREASE) IN PROFIT AND LOSS	**2,935.84**	**(2,935.84)**	**3,055.48**	**(3,055.48)**

Notes to the Standalone Financial Statements

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.

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.

Expected credit loss on financial assets:

Cash and cash equivalent (including term deposits with Banks)

The Company has balances in cash and cash equivalents, term deposits with banks, loans to related parties, investments in debt securities security deposit, interest receivable on loans to related parties and investments. The Company is having balances in cash and cash equivalents, term deposits with banks which are nationalised and scheduled banks having high credit rating At each reporting date management assesses if there are any risk involved on account of adverse credit ratings, media events, regulator such as RBI updates on the bank etc. and hence perceive low credit risk of default.

Loans to related parties

Loans and interest receivable from related parties have low credit risk and the same has low credit risk as the borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and adverse changes in economic and business conditions in the longer term might, but will not necessarily, reduce the ability of the borrower to fulfil its obligations hence no risk of default is perceived on them.

Trade receivables

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 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.

The Company has customers with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, based on management estimate, unimpaired amounts that are past due by more than 30 days are collectible in full, considering the minimal historical default rate and analysis of customer credit risk. Based on the assessment the future market conditions and macro environment of the business is not adverse/negative and hence no impairment loss has been recognised during the reporting periods in respect of trade receivables.

Other financial assets

Based on the credit risk assessment, the ECL is provided on a forward looking basis using the expected credit loss (ECL) model.

Notes to the Standalone Financial Statements

Concentration risk

a) Information about Major Customers

During the year ended on March 31, 2023, Revenue arising from following customers contributing to more than 10% of the revenue individually (in any of the reporting period):

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Customer A	36,597.53	@
Indo Count Global Inc., (USA)	33,432.81	57,368.81
Customer B	@	50,737.62
Customer C	@	31,715.00

@ not contributing more than 10% in the respective year

b) Information about Major Receivables

As at year ended on March 31, 2023, Receivables outstanding from following customers contributing to more than 10% of total receivables individually (in any of the reporting period):

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Indo Count Global Inc., (USA)	11,023.23	10,701.71
Customer B	6,661.87	@
Customer C	@	9,503.55

@ not contributing more than 10% in the respective year

Exposure to Credit Risk

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Financial Assets for which loss allowance is measured using 12-months' Expected Credit Losses (ECL)		
Non-Current Loans and Advances	3,697.66	3,423.79
Cash and Bank Balances	6,790.13	34,838.37
Bank Deposits	976.93	974.01
Current Loans and Advances	1,194.03	1,653.36

Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables	49,379.50	47,061.61

Balance with banks is subject to low credit risks due to good credit ratings assigned to these banks.

Notes to the Standalone Financial Statements

The ageing analysis of the Trade Receivables and Export Incentives (gross of provision) has been considered from the date the invoice falls due.

(₹ in Lakhs)

Particulars	Trade Receivables	Expected Credit Loss %	Expected Credit Loss
As at 31.03.2023			
Not Due	43,352.78	-	-
0-30 Days	4,291.88	-	-
31-60 Days	615.37	-	-
61-90 Days	703.82	-	-
91-120 Days	84.85	-	-
More than 120 Days	330.80	-	-
	49,379.50	**-**	**-**
As at 31.03.2022			
Not Due	37,992.07	-	-
0-30 Days	6,066.75	-	-
31-60 Days	2,257.34	-	-
61-90 Days	401.59	-	-
91-120 Days	293.13	-	-
More than 120 Days	50.73	-	-
	47,061.61	**-**	**-**

Significant estimates and judgements: Impairment of financial assets. The impairment provision for financial assets disclosed above are based on assumption about risk of default and expected loss rates. The Company uses judgement in marking these assumptions and selecting the imputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

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. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of the financial assets and liabilities.

Notes to the Standalone 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:

Particulars	(₹ in Lakhs)					
As at 31-03-2023	**Less than 6 months**	**6-12 months**	**between 1-2 years**	**between 2-5 years**	**Over 5 Years**	**Total**
Lease Liability (Non Current)	-	-	385.14	280.65	-	665.79
Lease Liability (Current)	298.19	268.44	-	-	-	566.63
Non Current Borrowings	2,315.81	2,315.81	5,152.62	14,042.73	649.75	24,476.72
Current Borrowings	59,611.34	-	-	-	-	59,611.34
Trade Payables	21,670.58	-	-	-	-	21,670.58
Other Current Financial Liabilities	5,535.59	-	-	-	-	5,535.59

Particulars	(₹ in Lakhs)					
As at 31-03-2022	**Less than 6 months**	**6-12 months**	**between 1-2 years**	**between 2-5 years**	**Over 5 Years**	**Total**
Lease Liability (Non Current)	-	-	486.35	570.45	-	1,056.80
Lease Liability (Current)	289.14	295.42	-	-	-	584.56
Non Current Borrowings	1,397.86	1,397.86	3,146.15	5,056.87	342.81	11,341.55
Current Borrowings	108,373.41	-	-	-	-	108,373.41
Trade Payables	15,752.03	-	-	-	-	15,752.03
Other Current Financial Liabilities	5,356.71	-	-	-	-	5,356.71

The amount of unused borrowing facilities (fund and non-fund based) available for future operating activities and to settle commitments is ₹80,519 Lakhs as at March 31, 2023 (Previous year ₹32,673 Lakhs)

Derivative Financial instruments

The Company has adopted a Risk Management policy approved by the Board of Directors of the Company for managing foreign currency exposure. The policy enumerates the mechanism for Risk Identification, Risk Measurement and Risk Monitoring. The policy has approved a set of financial instruments for hedging foreign currrency risk. The Company mainly uses forward contracts to manage the foreign currency risk.

(a) The Company has designated following forward contracts as cash flow hedges which are outstanding as under:

Outstanding Contracts	Foreign Currency (FC in Lakhs)		Nominal amounts (₹ In Lakhs)		Change in fair value assets/ (liabilities) (₹ in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Sell USD/INR						
Less than 12 months	917.90	2,673.50	74,932.35	208,893.94	(1,121.27)	1,752.33
More than 12 months	-	90.00	-	7,151.85	-	28.41

The line item in the balancesheet that include the above instruments are "Other Financial Assets" and "Other financial Liabilities"

Notes to the Standalone Financial Statements

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follow:

(₹ in Lakhs)

Risk hedged	Change in the value of hedging instrument recognised in other comprehensive income*	Hedges ineffectiveness recognised in profit and (loss)/gain	Amount reclassified from cash flow hedging reserve to statement of profit and (loss)/gain	Line item affected in statement of profit and loss because of the reclassification
Foreign exchange risk				
March 31, 2023	(1,888.92)	-	(529.30)	Revenue
March 31, 2022	(2,083.41)	-	449.34	Other Income

*excluding the amount reclassified to statement of profit and loss

Disclosure of effects of hedge accounting on financial position (₹ in Lakhs)

Types of hedge and risks	Nominal value - Liabilities	Carrying value - Liabilities	Maturity date	Hedge ratio	Weighted average strike rate for outstanding hedging instruments	Change in intrinsic value of outstanding hedging instruments since inception of the hedge	Change in the value of hedged item used to determine hedge ineffectiveness
FY 2022-23							
Cash flow hedge							
Foreign exchange risk							
(i) Foreign exchange forward contracts	917.90	(442.98)	April 2023 - March 2024	1:1	81.63	(442.98)	-
(ii) Foreign currency options	520.00	25.78	July 2023 - March 2024	1:1	*	25.78	-
FY 2021-22							
Cash flow hedge							
Foreign exchange risk							
(i) Foreign exchange forward contracts	2,763.50	996.32	April 2022 - June 2023	1:1	78.18	996.32	-
(ii) Foreign currency options	-	-	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

*this is based on various combinations and conditions, hence, weighted average cannot be determined

Notes to the Standalone Financial Statements

Movements in cash flow hedging reserve and costs of hedging reserve (₹ in Lakhs)

Derivative instruments	Foreign exchange forward contracts	Foreign currency options	Total
(i) Cash flow hedging reserve			
As at 1st April 2021	**2,555.38**	**-**	**2,555.38**
Add: Changes in discounted spot element of foreign exchange forward contracts	(1,634.07)	-	(1,634.07)
Add: Changes in intrinsic value of foreign currency options	-	-	-
Less: Amounts reclassified to profit or loss	(449.34)	-	(449.34)
Less: Deferred tax relating to above (net)	524.35	-	524.35
As at 31st March 2022	**996.32**	**-**	**996.32**
Add: Changes in discounted spot element of foreign exchange forward contracts	(2,443.65)	-	(2,443.65)
Add: Changes in intrinsic value of foreign currency options	-	34.45	34.45
Less: Amounts reclassified to profit or loss	520.30	-	520.30
Less: Deferred tax relating to above (net)	484.05	(8.67)	475.38
As at 31st March 2023	**(442.98)**	**25.78**	**(417.20)**

51 Capital Management

(a) Risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity. The Company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

The capital structure of the Company consists of net debt (borrowings as detailed in Notes 22 and 26 offset by cash and cash equivalents in Note 16) and total equity of the Group. The Company is not subject to any externally imposed capital requirements.

Notes to the Standalone Financial Statements

Gearing ratio

The gearing ratio at end of the reporting period is as follows.

(₹ in Lakhs)

	Particulars	As at 31st March, 2023	As at 31st March, 2022
A	Debt*	85,445.88	121,525.63
B	Cash and cash equivalents	6,545.52	34,657.02
C	**Net debt (A-B)**	**78,900.36**	**86,868.61**
D	**Total equity**	**176,467.47**	**157,662.83**
	Net Debt to equity ratio (C/D)	**0.45**	**0.55**

*Debt is defined as long-term and short-term borrowings (excluding derivative and financial guarantee contracts), as described in Notes 22 and 26 and includes interest accrued thereon as per Note 28 and lease liabilities as per Note 40.

During the year ended March 31, 2023, the Company has paid the final dividend of ₹2 per equity share for the year ended March 31, 2022 amounting to ₹3,947.99 Lakhs.

51 A. NET DEBT RECONCILIATION

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash and Cash Equivalents	6,545.52	34,657.02
Non-Current Borrowings (including Current Maturities)	(24,476.72)	(11,341.55)
Current Borrowings	(59,611.34)	(108,373.41)
Lease Liabilities	(1,232.42)	(1,641.36)
Interest Accrued but not Due	(125.40)	(169.31)
NET DEBT	**(78,900.36)**	**(86,868.61)**

(₹ in Lakhs)

Particulars	Cash and Cash Equivalents	Non Current Borrowings (including Current Maturities)	Current Borrowings	Lease Liabilities	Total
As at 31.03.2022					
Opening Net Debt	2,804.97	(3,529.55)	(50,586.33)	(511.48)	(51,822.39)
Cash Flows	31,852.05	(7,812.00)	(57,787.20)	519.64	(33,227.51)
New Leases	-	-	-	(1,649.52)	(1,649.52)
Finance Cost	-	(632.88)	(2,392.35)	58.47	(2,966.76)
Interest Paid	-	632.88	2,223.16	(58.47)	2,797.57
CLOSING NET DEBT	**34,657.02**	**(11,341.55)**	**(108,542.72)**	**(1,641.36)**	**(86,868.61)**
As at 31.03.2023					
Opening Net Debt	34,657.02	(11,341.55)	(108,542.72)	(1,641.36)	(86,868.61)
Cash Flows	(28,111.50)	(13,135.17)	48,762.07	648.58	8,163.98
New Leases	-	-	-	(239.64)	(239.64)
Finance Cost	-	(847.90)	(4,085.73)	131.03	(4,802.60)
Interest Paid	-	847.90	4,129.63	(131.03)	4,846.50
CLOSING NET DEBT	**6,545.52**	**(24,476.72)**	**(59,736.74)**	**(1,232.42)**	**(78,900.36)**

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, 2023:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Indo Count Global Inc., USA	5,341.05	4,926.51
TOTAL	**5,341.05**	**4,926.51**

53. ANALYTICAL RATIOS

S. No.	Ratio	Times/ %	Numerator	Denominator	March 2023	March 2022	Variance	Reasons for the Variances
(a)	Current Ratio	Times	Current Assets	Current Liabilities	1.77	1.52	16.87%	
(b)	Debt-Equity Ratio	Times	Total Debt (Refer note 8)	Shareholders' Equity	0.48	0.76	-37.24%	decrease in Short Term Debts due to current year profits applied for repayments and increase in Long Term Debts due to Capital Expenditure.
(c)	Debt Service Coverage Ratio	Times	Earning for Debt Service (Refer note 1)	Debt Service (Refer note 2)	4.05	6.53	-37.98%	due to decrease in Profit after tax and increase in Finance Cost
(d)	Return on Equity Ratio	%	Profit for the year	Average Shareholder's Equity	14.26%	23.77%	-40.02%	due to decrease in Profit after tax and increase in Shareholders Fund
(e)	Inventory Turnover Ratio	Times	Cost of Goods Sold (Refer note 3)	Average Inventories	2.57	2.74	-6.22%	
(f)	Trade Receivable Turnover Ratio	Times	Net Revenue from Opertions (Refer note 4)	Average Trade Receivables	5.30	5.17	2.47%	
(g)	Trade Payable Ratio	Times	Net Purchases (Refer note 5)	Average Trade Payables	7.28	9.78	-25.57%	due to decrease in Net Purchases and increase in Trade Payables
(h)	Net Capital Turnover Ratio	Times	Revenue from Operations	Average Working Capital	3.87	4.06	-4.71%	

Notes to the Standalone Financial Statements

S. No.	Ratio	Times/ %	Numerator	Denominator	March 2023	March 2022	Variance	Reasons for the Variances
(i)	Net Profit Ratio	%	Profit for the year	Revenue from Operations	8.56%	12.07%	-29.14%	due to product mix and sales realisation
(j)	Return on Capital Employed	%	Earning before Interest and Taxes (Refer note 6)	Capital Employed (Refer note 7)	14.22%	17.53%	-18.87%	
(k)	Return on Investment	%	Earning before Interest and Taxes	Closing Total Assets	12.73%	16.11%	-21.00%	Due to decrease in Earning before interest and taxes due to lower sales and increase in fixed cost.

Notes

1 Earning for Debt Service - Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets - profit on sale of Fixed assets

2 Debt Service - Finance Cost + Lease expense + Long term borrowings paid during the year

3 Cost of goods sold - Cost of Materials Consumed + Purchase of Stock-In-Trade + Changes in Inventories of Work-In-Progress, Stock-In-Trade and Finished Goods + Employee costs excluding Director's remuneration + Depreciation + Other expenses (exclusion in other expenses - Commission, freight outwards, other selling expenses, loss on sale of assets, Provision for doubtful debts and miscellaneous expenses)

4 Net Revenue from operations - Revenue from Operations - Other Operating Revenue

5 Net Purchases - Total purchases of Raw material & components, Purchase of Stock-In-Trade and Purchases of Stores, Dyes and Packing Materials

6 Earning before Interest and Taxes - Profit before taxes + Finance Charges

7 Capital Employed - Equity + Non Current borrowings + Current Borrowings + Deferred Tax Liabilities

8 Total Debt - Long term borrowings + Short term borrowings

54(a) Additional regulatory information required by Schedule III

i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) Borrowing secured against current assets

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 group with banks and financial institutions were not in agreement with the unaudited books of account, however, the Company has filed revised returns or statement with such banks and financial institutions subsequent to the year end which are in agreement with the unaudited books of account.

iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

Notes to the Standalone Financial Statements

iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year except for scheme of amalgmation reported under note no 45 of the Financial Statements.

vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund 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:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

x) Valuation of Property, plant and equipments, right-of-use assets and intangible asset

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.

54(b) Other regulatory information

i) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties other than mentioned below are in the name of the Company. (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note(s) [6]

S. N.	Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/ director	Property held since which date	Reason for not being in the name of the Company
(a)	Land situated at Plot no. 266, bearing Gut no. 268, 269, 270 & 272/2 Village Alte, Tal. Hathkanangle, Dist. Kolhapur, Maharashtra	Freehold Land	21.35 3.07 31.29 29.03	Pranavaditya Spinning Mills Limited	No	October 20, 2022	The title deeds are held in the name of Pranavaditya Spinning Mills Limited which has been subsequently been amalgmated with the Company. The Company is in name changing process.
(b)	Freehold land situated at bearing survey no. 194/2 situated at revenue estate of Village Bhilad and Valvada, Taluka Umergoan, Gujarat	Freehold Land	80.03	GHCL Limited	No	December 6, 2021	The title deeds are held in the name of GHCL Limited. It was acquired during the current year as part of a business purchase and the process will start soon.

ii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

iii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

55 The Company has approved its Financial Statements in its board meeting dated May 30, 2023.

Signatures to Note 1 to 55 which form an integral part of Financial Statements

The accompanying notes form an integral part of Standalone Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Consolidated Financial Statements

Independent Auditor's Report

To the Members of Indo Count Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. 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") (refer Note 3 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. 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 the consolidated state of affairs of the Group as at March 31, 2023, and consolidated total comprehensive income (comprising of profit and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 sub-paragraph 16 of the Other Matters section below, other than the unaudited financial information as certified by the management and referred to in sub-paragraph 17 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to note 45 (a) to the consolidated financial statement in respect of Scheme of Amalgamation (the "Scheme") between the Holding Company and its subsidiary, namely Pranavaditya Spinning Mills Limited, from the appointed date of October 1, 2020, as approved by National Company Law Tribunal vide its order dated October 3, 2022. Accordingly, the figures for the period ended March 31, 2022, have been restated to give effect to the aforesaid merger.

   Our conclusion is not modified in respect of this matter.

Key Audit Matters

5. 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.

Key audit matter	How our audit addressed the key audit matter
Assessment of litigations and related disclosure of contingent liabilities Refer note 4.22 and note 39 to the Consolidated Financial Statements As at March 31, 2023, the Group has exposure towards litigations amounting to ₹8,159.22 Lakhs relating to various matters as set out in the aforesaid Note. Significant management judgement is required to assess such matters to estimate the possible outcome in these cases and determine the probability of outflow of economic resources, and whether a provision should be recognised, or a disclosure should be made. The management judgement is also supported with expert's advice in certain cases as considered appropriate. We considered this a key audit matter as the eventual outcome of these matters is uncertain and the position taken by the management is based on its significant judgement, supported by expert's advice where applicable.	As part of our audit, our procedures included the following: a) We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations; b) We inquired with the management for recent developments and the status of the material litigations which were also reviewed and noted by the Audit Committee; c) We performed our assessment on a test basis on the underlying supporting the contingent liabilities/other significant litigations disclosed in the Consolidated Financial Statements; d) We used auditor's experts to gain an understanding and to evaluate some of the disputed matters and provisioning of current tax expenses; e) We considered management expert's note, obtained by management; f) We evaluated management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management; and g) We assessed the adequacy of the Group's disclosures. Based on the above work performed, the assessment in respect of litigations and related disclosures relating to contingent liabilities/other significant litigations in the Consolidated Financial Statements is considered to be reasonable.
Assessment of Purchase Price Allocation (PPA) in case of acquisition of Home Textile Unit at Bhilad in accordance with Ind-AS 103 - Business Combination Refer note 4.25 and note 45 (b) to the Consolidated Financial Statements. The Group acquired a Home Textile unit located at Bhilad as a going concern on April 2, 2022 by way of slump sale for a consideration of ₹56,230 Lakhs. The Group determined the acquisition to be business combination in accordance with Ind AS 103 'Business Combinations', which requires the identified assets and liabilities to be recognised at fair value at the date of acquisition with the excess of identified fair value of recognised assets and liabilities over the acquisition cost as capital reserve. An independent external professional valuation expert was engaged by the Management to perform valuation of tangible and intangible assets. Such valuation was performed as a part of PPA. Consequently, the Group has recognised tangible and intangible assets (excluding capital reserve) of ₹34,480 Lakhs and Capital reserve of ₹478.19 Lakhs.	As part of our audit, our procedures included the following: a) We understood and evaluated the design and testing of operating effectiveness of controls over the accounting of business combinations; b) We reviewed the business transfer agreement and other documents related to acquisition to obtain an understanding of the transaction and to confirm the consideration; c) We evaluated the competence, capabilities and objectivity of the Management's expert; d) We understood the work of the expert, and evaluated the appropriateness of the expert's work; e) We involved auditor's expert to review the PPA reports to assess the reasonableness of the underlying key assumptions used in determining the fair value of assets and liabilities as at the acquisition date; and f) We assessed the adequacy of relevant disclosures in the consolidated financial statements. Based on our procedures performed above, the management's assessment of PPA in case of acquisition of Home Textile Unit at Bhilad in accordance with the Ind AS 103 'Business Combinations' is considered to be reasonable.

Key audit matter	How our audit addressed the key audit matter
Significant assumptions and estimates were used by the Management and the external professional valuation expert in areas such as determination of the fair values of the identified assets acquired and liabilities assumed in the acquisition transaction, resultant impact on deferred taxes, discounted fair value of the consideration and thus we consider this to be a key audit matter.	

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our and other auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

   Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. 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 Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity 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 consolidated 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.

8. 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.

9. 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

10. 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.

11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the 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 Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements 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.

12. 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.

13. 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.

14. 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

15. The consolidated financial statements of the Company for the year ended March 31, 2022, were audited by another firm of chartered accountants under the Act,who, vide their report dated May 29, 2022, expressed an unmodified opinion on the consolidated financial statements.

16. The financial statements of 3 subsidiaries located outside India, included in the consolidated financial statements, which constitute total assets of ₹27,962.72 Lakhs and net assets of ₹6,185.12 Lakhs as at March 31, 2023, total revenue of ₹60,095.51 Lakhs, total net profit after tax of ₹2,196.04 Lakhs, total comprehensive loss (comprising of profit after tax and other comprehensive loss) of ₹294.67 Lakhs and net cash outflows amounting to ₹1,199.20 Lakhs for the year then ended, have been prepared in accordance with

accounting principles generally accepted in their respective countries and have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. One of the auditor of a subsidiary company has reported a matter 0n change in accounting principle in relation to accounting for lease, the impact on the consolidated financial statement is not material to the group. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from the accounting principles generally accepted in their respective countries to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India, including other information, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

17. We did not audit the financial information of 1 subsidiary whose financial information reflect total assets ₹0.34 Lakhs as at March 31, 2023, total revenue of ₹ NIL, total net loss after tax of ₹0.55 Lakhs, and total comprehensive loss (comprising of loss after tax) of ₹0.55 Lakhs, and cash outflows of ₹0.70 Lakhs for the year then ended, as considered in the consolidated financial statements. This financial information is unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, the financial information is 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 information certified by the Management.

Report on Other Legal and Regulatory Requirements

18. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in the CARO 2020 report issued in respect of the standalone financial statements of the Holding Company. According to the information and explanations given to us, CARO 2020 is not applicable to any of the subsidiaries included in these Consolidated Financial Statements.

19. 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 other comprehensive loss), the 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 and records 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 March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2023 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 with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) 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, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 39 to the consolidated financial statements.

ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2023 for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. (a) The Management of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the consolidated financial statement, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, 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 Holding Company ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary. (Refer note 54 (a) vii to the consolidated financial statement.)

(b) The Management of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the notes to the consolidated financial statement, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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 Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary. (Refer note 54 (a) vii to the consolidated financial statement.)

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group is applicable to the Group only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

20. The Holding Company have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNOC7224

Place: Mumbai
Date: May 30, 2023

Annexure A to Independent Auditor's Report Referred to in paragraph 19(f) of the Independent Auditor's Report of even date to the members of Indo Count Industries Limited on the consolidated financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Indo Count Industries Limited (hereinafter referred to as "the Holding Company") (excluding three subsidiaries which are not companies incorporated in India) as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to a subsidiary incorporated in India namely Indo Count Retail Ventures Private Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, is responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("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 the Holding company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to Consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing 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 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 with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, 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 **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Priyanshu Gundana
Partner
Membership Number: 109553
UDIN: 23109553BGWNOC7224

Place: Mumbai
Date: May 30, 2023

Consolidated Balance Sheet

as at 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	6	103,934.11	59,387.54
(b) Right-of-Use assets	7	5,727.58	3,413.14
(c) Capital Work-In-Progress	6	17,956.16	2,105.60
(d) Intangible Assets	8	1,385.36	292.25
(e) Intangible Assets under development	8	355.15	288.80
(f) Financial Assets			
(i) Other Financial Assets	9	574.44	469.14
(g) Non-Current Tax Assets (Net)	10	2,476.21	1,895.27
(h) Other Non-Current Assets	11	2,220.99	34,151.30
Total Non-Current Assets		**134,630.00**	**102,003.04**
(2) Current Assets			
(a) Inventories	12	89,468.48	106,803.86
(b) Financial Assets			
(i) Investments	13	14,349.25	150.43
(ii) Trade Receivables	14	40,888.93	49,417.86
(iii) Cash and Cash Equivalents	15	9,165.72	38,488.74
(iv) Bank balances other than (iii) above	16	1,632.39	1,534.32
(v) Other Financial Assets	17	813.85	2,685.89
(c) Current Tax Assets (Net)	18	216.89	321.11
(d) Other Current Assets	19	14,805.84	24,836.85
Total Current Assets		**171,341.35**	**224,239.06**
TOTAL ASSETS		**305,971.35**	**326,242.10**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	20A	3,961.08	3,947.99
(b) Other Equity	20B	175,308.51	155,147.64
Total Equity		**179,269.59**	**159,095.63**
LIABILITIES			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	19,842.54	8,538.20
(ii) Lease Liabilities	40	2,406.68	1,056.80
(b) Provisions	22	932.93	231.86
(c) Deferred Tax Liabilities (Net)	23	6,938.58	6,644.26
(d) Other Non-Current Liabilities	24	810.05	856.27
Total Non Current Liabilities		**30,930.78**	**17,327.39**
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	64,245.52	121,607.92
(ii) Lease Liabilities	40	1,137.61	736.52
(iii) Trade Payables			
- Total outstanding dues of Micro & Small Enterprises	26	4,418.29	2,990.55
- Total outstanding dues of other than Micro & Small Enterprises	26	18,078.20	13,555.64
(iv) Other Financial Liabilities	27	5,531.22	8,489.19
(b) Other Current Liabilities	28	2,156.59	1,500.47
(c) Provisions	29	203.55	17.12
(d) Current Tax Liabilities (Net)	30	-	921.67
Total Current Liabilities		**95,770.98**	**149,819.08**
Total Liabilities		**126,701.76**	**167,146.47**
TOTAL EQUITY AND LIABILITIES		**305,971.35**	**326,242.10**
SIGNIFICANT ACCOUNTING POLICIES	4		

The accompanying notes form an integral part of Consolidated Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2023

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(₹ in Lakhs)

	Particulars	Note No	For the year ended 31st March, 2023	For the year ended 31st March, 2022
I	**INCOME**			
	Revenue from Operations	31	301,155.44	284,201.78
	Other Income	32	3,142.72	14,021.33
	TOTAL INCOME		**304,298.16**	**298,223.11**
II	**EXPENSES**			
	Cost of Materials Consumed	33	137,265.91	127,269.62
	Purchase of Stock-In-Trade		5,356.25	16,598.99
	Changes in Inventories of Work-In-Progress, Stock-In-Trade and Finished Goods	34	(6,551.91)	(8,565.70)
	Employee Benefits Expense	35	26,776.33	19,112.28
	Finance Cost	36	6,237.71	4,735.90
	Depreciation and Amortisation Expense	37	6,473.21	4,090.80
	Other Expenses	38	92,881.79	86,376.89
	TOTAL EXPENSES		**268,439.29**	**249,618.78**
III	**Profit before Tax (I-II)**		**35,858.87**	**48,604.33**
IV	**Tax Expense**	23		
	a) Current Tax		7,368.19	13,557.85
	b) Deferred Tax		813.01	(814.80)
	Total Tax Expense		**8,181.20**	**12,743.05**
V	**Profit for the Year (III-IV)**		**27,677.67**	**35,861.28**
VI	**Other Comprehensive Income**			
	A Items that will not be reclassified to Profit and Loss:			
	(i) Remeasurement of post-employment benefit obligations	47	(172.00)	76.64
	(ii) Income tax related to above	23B	43.29	(19.29)
	B Items that will be reclassified to Profit and Loss:			
	(i) Net Losses on cash flow hedges	20B	(1,888.92)	(2,083.41)
	(ii) Income tax related to above	23B	475.40	524.35
	(iii) Exchange Difference on translation of Foreign Operations	20B	(2,491.67)	(1,177.90)
	Total Other Comprehensive Loss		**(4,033.90)**	**(2,679.61)**
VII	**Total Comprehensive Income for the Year (V+VI)**		**23,643.77**	**33,181.67**
VIII	**Earnings per Equity Share of ₹ 2 each**	44		
	a) Basic (₹)		13.97	18.11
	b) Diluted (₹)		13.97	18.11
	SIGNIFICANT ACCOUNTING POLICIES	4		

The accompanying notes form an integral part of Consolidated Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2023

A. EQUITY SHARE CAPITAL

Particulars	Note No.	(₹ in Lakhs)
As at 1st April, 2021		**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)	13.09
As at 31st March, 2023		**3,961.08**

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserves & Surplus				Other Reserves			
	Capital Reserve	Share pending issue	Securities Premium Reserve	Retained Earnings	Other items of Other Comprehensive Income (Remeasurement of defined benefit obligations)	Effective Portion of Cash Flow Hedges	Exchange Differences on translating the Financial Statements of Foreign Operations	Total
Balance as at 01.04.2021	**593.18**	**13.09**	**1,653.72**	**118,700.56**	**23.60**	**2,555.38**	**1,363.59**	**124,903.12**
Profit for the Year	-	-	-	35,861.28	-	-	-	35,861.28
Other Comprehensive Income for the Year	-	-	-	-	57.35	(1,559.06)	(1,177.90)	(2,679.61)
Other Adjustments	-	-	-	-	23.85	-	-	23.85
Dividend on Equity Shares	-	-	-	(2,961.00)	-	-	-	(2,961.00)
Balance as at 31.03.2022	**593.18**	**13.09**	**1,653.72**	**151,600.84**	**104.80**	**996.32**	**185.69**	**155,147.64**
On account of acquisition (Refer note 45 (b))	478.19	-	-	-	-	-	-	478.19
On Merger of Pranavaditya Spinning Mills Limited	(0.01)	-	-	-	-	-	-	(0.01)
Alloted during the year	-	(13.09)	-	-	-	-	-	(13.09)
Profit for the Year	-	-	-	27,677.67	-	-	-	27,677.67
Other Comprehensive Income for the Year	-	-	-	-	(128.71)	(1,413.52)	(2,491.67)	(4,033.90)
Final Dividend on Equity Shares	-	-	-	(3,947.99)	-	-	-	(3,947.99)
Balance as at 31.03.2023	**1,071.36**	**-**	**1,653.72**	**175,330.52**	**(23.91)**	**(417.20)**	**(2,305.98)**	**175,308.51**

The accompanying notes form an integral part of Consolidated Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Consolidated Cash Flow Statement

for the year ended 31st March, 2023

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
A) CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax		35,858.87		48,604.33
Adjustments for:-				
Depreciation and Amortisation Expense		6,473.21		4,090.80
Gain on disposal of Property, Plant and Equipments		(144.58)		(162.08)
Finance Cost		6,237.71		4,735.90
Interest Income		(1,215.97)		(1,707.45)
Mark to Market Loss / (Gain) on Forward Contracts (Net)		978.66		899.30
Provision for Doubtful Debts/Advances		(1,203.51)		3,212.30
Unrealised Forex Gain		(697.72)		(835.00)
Loss on Sale of Assets		113.34		380.84
Profit on Redemption of Mutual Funds		(26.57)		(486.91)
Loss/(Profit) in value of NAV of Mutual Funds		(5.40)		91.02
		46,368.04		**58,823.05**
Changes in Operating Assets and Liabilities:				
Adjustment for (Increase) / Decrease in Operating Assets:				
Non-Current Financial Assets	(105.30)		(34.87)	
Other Non-Current Assets	140.59		140.59	
Inventories	17,335.36		(35,000.08)	
Trade Receivables	8,541.93		2,983.20	
Current Financial Assets	435.37		7,152.92	
Other Current Assets	11,967.48	**38,315.44**	(15,227.90)	**(39,986.14)**
Adjustment for Increase / (Decrease) in Operating Liabilities:				
Non Current Provisions	529.07		32.26	
Other Non-Current Liabilities	(46.22)		97.71	
Trade Payables	3,458.62		(8,070.31)	
Other Current Financial Liabilities	(4,000.88)		7,352.03	
Other Current Liabilities	656.14		(7,856.81)	
Current Provisions	186.43	783.16	17.12	(8,428.00)
Net Taxes (paid) / refund received		(8,766.57)		(14,121.17)
Net Cash Flow generated from / (used in) Operating Activities (A)		**76,700.07**		**(3,712.26)**
B) CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure on Property, Plant & Equipment and Intangible Assets		(35,407.13)		(45,157.06)
Proceeds from Sale of Property, Plant & Equipment		266.35		746.17
(Purchase)/Proceeds of Current Investments (Net)		(14,166.85)		16,938.95
Interest Received		725.57		1,707.45
Net Cash Flow used in Investing Activities (B)		**(48,582.06)**		**(25,764.49)**

Consolidated Cash Flow Statement (Contd.)

for the year ended 31st March, 2023

(₹ In Lakhs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
C) CASH FLOW FROM FINANCING ACTIVITIES.		
Repayment of Long Term Borrowings	(3,186.22)	(1,516.08)
Proceeds from Long Term Borrowings	14,490.55	8,119.04
Proceeds / (Repayment) in Short Term Borrowings (Net)	(57,362.41)	66,305.78
Finance Cost Paid	(6,281.61)	(4,566.60)
Lease Liabilities Paid	(1,153.35)	(733.30)
Final Dividend on Equity Shares	(3,947.99)	(2,961.00)
Net Cash Flow generated from / (used in) Financing Activities (C)	**(57,441.03)**	**64,647.84**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**(29,323.02)**	**35,171.09**
Cash and Cash Equivalents at the beginning of the year	**38,488.74**	**3,317.65**
Cash and Cash Equivalents at the end of the year	**9,165.72**	**38,488.74**
Reconciliation of Cash and Cash Equivalents as per the Cash Flow Statement:		
Cash and Cash Equivalents as per Balance Sheet	**9,165.72**	**38,488.74**
Non-Cash Financing and Investing Activities:		
- Acquisition of RoU Assets	(2,973.44)	(2,015.14)
- Equity Shares issued in pursuance of Merger	13.09	-
Cash and Cash Equivalents at the end of the year comprises of:		
(a) Cash in Hand	19.68	4.43
(b) Balance with Banks		
(i) In Current Accounts	9,146.04	38,484.31
(ii) In Fixed Deposits	-	-

For and on behalf of Board of Directors

As per our report of even date attached
For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2023

1. CORPORATE INFORMATION

Indo Count Industries Limited ('The Holding 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 including its subsidiaries (as detailed in note 3) is herein after together referred to as the 'Group'.

The Group mainly deals in Textiles. The Group has its wide network of operations in local as well as in foreign market.

2. BASIS OF PREPARATION

(i) Compliance with Ind AS

The consolidated 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, 2015 as amended from time to time and other relevant provisions of the Act.

(ii) Basis of consolidation

Subsidiaries are all entities over which the group has control. The group controls an entity where 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 Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides 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.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

(iii) Historical cost convention:

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)
- defined benefit plans – plan assets measured at fair value

In addition, for financial reporting purposes, fair value measurements are regorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Above levels of fair values are applied consistently and generally, there are no transfers between the levels of fair value hierarchy unless the circumstances change warranting such transfer.

Operating Cycle:

Assets and liabilities other than those relating to long-term contracts (i.e. supply or construction contracts) are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

Notes to the Consolidated Consolidated Statements

for the year ended 31st March, 2023

(iv) Rounding off:

The financial statements are presented in Indian Rupees ('₹') and all values are rounded to the nearest Lakhs as per requirement of Schedule III, unless otherwise indicated.

(v) New and amended standards adopted by the Group:

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(vi) New and amended standards issued but not effective:

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

3. List of Subsidiries

Name of Subsidiary	% of Share-holding	Place of operation
Indo Count Global Inc.	100%	United States
Indo Count UK Limited	100%	United Kingdom
Indo Count Global DMCC	100%	Dubai
Indo Count Retail Ventures Pvt. Ltd.	100%	India

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Property, plant and equipment and right-of-use assets:

Freehold land is carried at historical cost. All other items of 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.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred..

Capital work-in-progress includes cost of property, plant and equipment under installation / under development and any direct expenditure as at the balance sheet date. Cost includes purchase price, taxes and duties and other directly attributable costs including borrowing cost incurred upto the date the asset is ready for its intended use. Such property, plant and equipment are classified to the appropriate categories when completed and ready for intended use.

Depreciation commences when the assets are ready for their intended use. Depreciation on Property, Plant and Equipment has been provided on the straight-line method over its estimated useful life. The estimate of the useful life of the assets has been based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, etc. The estimated useful life of thes.e Property, Plant and Equipment is mentioned below:

Particulars	Estimated useful life (in years)
Building	5 to 60 years
Plant and Machinery	3 to 40 years
Furniture and Fixtures	2 to 10 years
Factory and Office equipments	1 to 15 years
Vehicles	5 to 10 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying

amount of the asset and is recognised in the Statement of Profit and Loss.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

4.2 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. Amortisation is recognised on a straight-line basis over their estimated useful lives.

Separately acquired patents, copyrights and trademarks are shown at historical cost. In case of option of renewal, patents, copyrights and trademarks are capitalized once the option of renewal at the end of this period is exercised. The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Patents and copyrights acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

The Group amortises intangible assets using the straight-line method over the following periods:

Software	Over the period of 3 years
Patents	4 to 20 years

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.

4.3 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill is not amortised but it is tested for impairment. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Consolidated Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

In case of acquisition of an asset or a group of assets that does not constitute a business, the Group identifies and recognises individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets under Ind AS 38, Intangible Assets) and liabilities assumed. The Purchase Consideration shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill or gain on bargain purchase.

4.4 Borrowing costs

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, such as new projects and / or specific assets created in the existing business, are capitalized up to the date of completion and ready for their intended use.

Income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are charged to the statement of profit and loss in the period of their accrual.

4.5 Financial assets: Investments and other financial assets

Investments

Investments in equity instruments are measured at fair value through other comprehensive income.

The Group classifies its financial assets in the measurement categories as those to be measured subsequently at fair value (through other comprehensive income or through profit and loss) and those measured at amortised cost. The classification depends on the Group's business model for managing the financial asset and the contractual terms of the cash flows.

Notes to the Consolidated Consolidated Statements

for the year ended 31st March, 2023

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset.

(iii) Initial Measurement

At initial recognition, the Group measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(iv) Subsequent measurement

` Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/ (losses). Impairment losses are presented as separate line item in the statement of profit and loss as and when occurred.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(v) Equity instruments

The Group subsequently measures all equity instruments at fair value. Where the Group's management has elected to present fair value gains and losses on equity instruments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognized in profit or loss as other income when the Group's right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2023

(vi) Impairment of financial assets The Group recognizes loss allowances on a forward looking basis using the expected credit loss (ECL) model for all the financial assets except for trade receivables. Loss allowance for all financial assets is measured at an amount equal to lifetime ECL. The Group recognizes impairment loss on trade receivables using expected credit loss model which involves use of a provision matrix constructed on the basis of historical credit loss experience and adjusted for forward looking information as permitted under Ind AS 109. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in the Statement of Profit and Loss.

(vii) Derecognition of financial assets

A financial asset is derecognised only when

- the group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is recognized if the group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

4.6 Financial liabilities:

(i) 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.

(ii) 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.

(iii) Loans and borrowings

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

(iv) 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. The Financial guarantees issued to third parties on behalf of subsidiaries are recorded at fair value.

Notes to the Consolidated Consolidated Statements

for the year ended 31st March, 2023

(v) 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.

(vi) 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.

4.7 Impairment

Intangible assets (including goodwill) that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4.8 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

4.9 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, traded goods packing 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:

The cost comprises of raw materials, direct labour, other direct costs and related production overheads allocated on the basis of normal capacity. Cost is determined on weighted average basis.

c) 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.

4.10 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

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Notes to the Consolidated Financial Statements

for the year ended 31st March, 2023

4.11 Foreign currency translations

a. Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

For each subsidiary situated outside India, the Holding Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency of that respective subsidiary. The functional and presentation currency of the Group is Indian Rupees (₹). The financial statements are presented in Indian rupees (₹).

b. Transactions and balances

Foreign currency transactions are translated and recorded into the functional currency using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Statement of Profit and Loss. They are deferred in equity if they relate to qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other expenses or other income, as applicable.

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).

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities, both monetary and nonmonetary are translated at the rates prevailing at the end of each reporting period and all resulting exchange differences are accumulated in the exchange differences on translation of foreign operations in the statement of changes in equity.
- Income and expense items are translated at the exchange rates at the dates of the transactions and all resulting exchange differences are accumulated in the exchange differences on translation of foreign operations in the statement of changes in equity.

On the disposal of a foreign operation all of the exchange differences accumulated in other comprehensive income relating to that particular foreign operation attributable to the owners of the Group is reclassified in the consolidated statement of profit and loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

4.12 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 realized 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.

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

4.13 Revenue Recognition

a) Sale of Goods and Services

The Group derives revenues primarily from sale of manufactured goods and related services. The Group has assessed revenue contracts and revenue is recognized upon satisfying performance obligations in accordance with provisions of contract with the customer.

It recognizes revenue when control over the promised goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange of those goods or services. This is generally determined when documents of title/goods are delivered/shipped to the customer in accordance with the agreed terms, following which the customer has full discretion over responsibility, manner of distribution and price to sell the goods and bears the risks of obsolescence and loss in relation to the goods and there is no unfulfilled obligation that would affect customer's acceptance of the product. All the foregoing occurs at a point in time upon shipment or delivery of the documents of title/product or goods.

The Group considers terms of the contract in determining the transaction price. The Group considers freight, insurance and handling activities as costs to fulfil the promise to transfer the related products depending upon the terms of contracts and the customer payments for such activities are recorded as a component of revenue. Revenue excludes any taxes and duties collected on behalf of the government.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration based on various factors including customer performance and sales volume to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal.

For volume discounts and pricing incentives / concessions offered to the customers, the Group makes estimates and provide for based on customer performance and sales volume, which is recorded as deductions from Revenue. Revenue from sale of by-products are included in revenue.

Accumulated experience is used to estimate and provide for the sales return and liquidated damages, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in other current liabilities) is recognised for expected sales return/ liquidated damages in relation to sales made.

The Group enters into contracts with certain customer where the customer enjoys additional credit period and as a consequence, the Group adjusts the transaction prices for the time value of money.

b) Export incentives:

Export incentives and subsidies are recognized when there is reasonable assurance that the Group will comply with the conditions and the incentive will be received. Export benefits arising from duty drawback scheme, remission of duties and taxes on export products are recognised on shipment for export at the rate at which they accrue and is included in other operating income.

4.14 Other Income

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:

Dividends are recognised when the Group'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.

Other income:

All other income is accounted on accrual basis when no significant uncertainty exist regarding the amount that will be received.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2023

4.15 Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

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 in proportion to the expected lives of the related assets and presented within other income.

4.16 Earnings per share

Basic 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 adjusted for bonus elements in equity shares issued during the year excluding treasury shares, if any.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

4.17 Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Group generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

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for the year ended 31st March, 2023

4.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM").

The board of directors of the Indo Count Industries Limited assesses the financial performance and position of the Group and makes strategic decisions. The board of directors has been identified as being the CODM.

4.19 Leases

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for land, buildings and Plant and machinery. 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 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.

Assets and liabilities arising from a lease are initially measured on a present value of the future lease payments. Lease liabilities include the net present value of the following lease payments (as applicable) :

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the lessee's incremental borrowing rate. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets:

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability and lease payments made before the commencement date. Right-of-use assets are depreciated over the lease term on a straight-line basis. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, and lease payments made at or before the commencement date less any lease incentives received.

The Group as a lessor:

Lease 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.

4.20 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within credit period. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

4.21 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

Central 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.

Notes to the Consolidated Financial Statements

for the year ended 31st March, 2023

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.

4.22 Provisions, Contingent liabilities, Contingent assets and Commitments

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.

The amount recognised as a provision is the management's best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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;

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

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.

4.23 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 (if

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for the year ended 31st March, 2023

any) and accordingly, disclosed in the notes accompanying the financial statements (if any).

4.24 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 positive and as financial liabilities when the fair value is negative.

Derivatives are only used for economic hedging purposes and not as speculative investments.

The accounting for subsequent changes in fair value of derivative depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either hedges of a particular risk associated with the cash flows of recognised assets and liabilities or highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether the changes in the cash flows of the hedging instrument are expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss. For cash flow hedging relationships that span multiple reporting periods, the ineffectiveness for the period is calculated as the difference between the cumulative ineffectiveness as at reporting date (based on the 'lesser of' the cumulative change in the fair value of the hedging instrument and the hedged item), and the cumulative ineffectiveness reported in prior periods.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

When option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the options as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedging reserve within equity. The changes in the time value of the options that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

4.25 Business combination

The acquisition method of accounting is used to account for all business combinations. The acquisition related cost are recognized under the statement of profit and loss as incurred. The Acquiree's identifiable assets, liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of the net assets acquired is recognized as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised as capital reserve.

Notes to the Consolidated Financial Statements
for the year ended 31st March, 2023

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 and tax adjustments as per the applicable statute. The difference between consideration and the carrying value is recognized as capital reserve.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

In case of acquisition of an asset or a group of assets that does not constitute a business, the Group identifies and recognises individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets under Ind AS 38, Intangible Assets) and liabilities assumed. The Purchase Consideration shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill or gain on bargain purchase.

5. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Group's accounting policies, which are described in Note 4, the Management of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates

- Variable consideration Revenue recognition (refer note 31 and 4.13)
- Income Tax and deferred tax (refer note 24 and 4.16)
- Estimation of Defined benefit obligation (refer note 47 and 4.21)
- Contingent liabilities (refer note 39 and 4.22)

Notes to the Consolidated Financial Statements

6. PROPERTY, PLANT AND EQUIPMENT

FY 22-23 (₹ in Lakhs)

Particulars	Land - Freehold	Buildings*	Plant & Machinery**	Furniture & Fixtures	Office Equipment	Vehicles	Total
Gross Carrying Amount							
As at 01.04.2022	**1,066.66**	**18,058.98**	**84,125.95**	**953.62**	**1,795.39**	**531.18**	**106,531.78**
Additions	11,047.74	9,370.20	28,637.27	465.28	554.43	147.46	50,222.38
Disposals/Transfers	-	-	1,855.26	2.05	0.77	9.57	1,867.65
As at 31.03.2023	**12,114.40**	**27,429.18**	**110,907.96**	**1,416.85**	**2,349.05**	**669.07**	**154,886.51**
Accumulated Depreciation							
As at 01.04.2022	**-**	**5,920.68**	**38,883.74**	**613.88**	**1,364.74**	**361.20**	**47,144.24**
Depreciation charged for the year	-	776.90	4,240.20	119.06	255.08	49.47	5,440.71
Disposals/Transfers	-	-	1,622.60	0.12	0.74	9.09	1,632.55
As at 31.03.2023	**-**	**6,697.58**	**41,501.34**	**732.82**	**1,619.08**	**401.58**	**50,952.40**
Net Carrying Amount							
As at 31.03.2022	**1,066.66**	**12,138.30**	**45,242.21**	**339.74**	**430.65**	**169.98**	**59,387.54**
As at 31.03.2023	**12,114.40**	**20,731.60**	**69,406.62**	**684.03**	**729.97**	**267.49**	**103,934.11**

* 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 ₹ Nil (previous year ₹ 3.41 Lakhs).
For details of Property, Plant & Equipment pledged as security against borrowings refer note no. 21.

Capital work in progress

FY 22-23

Particulars	(₹ in Lakhs)
Balance as at 01.04.2022	**2,105.60**
Addition during the year	31,832.20
Capitalised during the year	15,981.64
Balance as at 31.03.2023***	**17,956.16**

***Does not include Capital Advances of ₹2,183.12 Lakhs (previous year ₹33,972.84 Lakhs).

c) Capital work-in-progress ageing schedule

FY 22-23

Projects in Progress

(₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2022	2,041.08	36.61	27.91	-	2,105.60
As at 31.03.2023	11,072.86	6,883.30	-	-	17,956.16

Notes to the Consolidated Financial Statements

Details of Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Project in progress					
Project A	16,070.42	-	-	-	16,070.42
(ii) Project temporararily suspended	-	-	-	-	-

PROPERTY, PLANT AND EQUIPMENT

FY 21-22 (₹ in Lakhs)

Particulars	Land - Freehold	Buildings*	Plant & Machinery**	Furniture & Fixtures	Office Equipment	Vehicles	Total
Gross Carrying Amount							
As at 01.04.2021	**1,066.66**	**17,530.21**	**79,006.53**	**990.12**	**1,644.17**	**497.73**	**100,735.42**
Additions	-	605.28	8,986.02	23.50	191.11	52.16	9,858.07
Disposals/Transfers	-	76.51	3,866.60	60.00	39.89	18.71	4,061.71
As at 31.03.2022	**1,066.66**	**18,058.98**	**84,125.95**	**953.62**	**1,795.39**	**531.18**	**106,531.78**
Accumulated Depreciation							
As at 01.04.2021	**-**	**5,493.99**	**39,215.02**	**545.53**	**1,243.78**	**326.86**	**46,825.18**
Depreciation charged for the year	-	569.03	2,685.71	68.35	153.91	50.48	3,527.48
Disposals/Transfers	-	142.34	3,016.99	-	32.95	16.14	3,208.42
As at 31.03.2022	**-**	**5,920.68**	**38,883.74**	**613.88**	**1,364.74**	**361.20**	**47,144.24**
Net Carrying Amount							
As at 31.03.2021	**1,066.66**	**12,036.22**	**39,791.51**	**444.59**	**400.39**	**170.87**	**53,910.24**
As at 31.03.2022	**1,066.66**	**12,138.30**	**45,242.21**	**339.74**	**430.65**	**169.98**	**59,387.54**

* 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).
For details of Property, Plant & Equipment pledged as security against borrowings refer note no. 21.

Capital work in progress

FY 21-22

Particulars	(₹ in Lakhs)
Balance as at 01.04.2021	**543.24**
Addition during the year	1,562.36
Capitalised during the year	-
Balance as at 31.03.2022***	**2,105.60**

***Does not include Capital Advances of ₹33,972.84 Lakhs (previous year ₹400.53 Lakhs).

Notes to the Consolidated Financial Statements

c) Capital work-in-progress ageing schedule

Projects in Progress

(₹ in Lakhs)

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2021	513.10	30.14	-	-	543.24
As at 31.03.2022	2,041.08	36.61	27.91	-	2,105.60

Details of Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

(₹ in Lakhs)

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Project in progress					
(ii) Project temporarily suspended	-	-	-	-	-

7. Right-of-Use (ROU) assets

FY 22-23 (₹ in Lakhs)

Particulars	Land - Leasehold	Buildings	Plant & Machinery	Total
Gross Carrying Amount				
As at 01.04.2022	**1,420.44**	**2,484.19**	**30.18**	**3,934.81**
Additions	220.45	2,973.44	-	3,193.89
Disposals / Transfers	-	171.75	30.18	201.93
As at 31.03.2023	**1,640.89**	**5,285.88**	**-**	**6,926.77**
Accumulated Depreciation				
As at 01.04.2022	**67.19**	**451.40**	**3.08**	**521.67**
Depreciation charged for the year	19.98	783.03	7.32	810.33
Disposals / Transfers	-	122.41	10.40	132.81
As at 31.03.2023	**87.17**	**1,112.02**	**-**	**1,199.19**
Net Carrying Amount				
As at 31.03.2022	**1,353.25**	**2,032.79**	**27.10**	**3,413.14**
As at 31.03.2023	**1,553.72**	**4,173.86**	**-**	**5,727.58**

Refer Note No. 40 for information about Leases

Notes to the Consolidated Financial Statements

FY 21-22 (₹ in Lakhs)

Particulars	Land - Leasehold	Buildings	Plant & Machinery	Total
Gross Carrying Amount				
As at 01.04.2021	**1,420.44**	**1,908.48**	**-**	**3,328.92**
Additions	-	1,984.95	30.18	2,015.13
Disposals / Transfers	-	1,409.24	-	1,409.24
As at 31.03.2022	**1,420.44**	**2,484.19**	**30.18**	**3,934.81**
Accumulated Depreciation				
As at 01.04.2021	**56.42**	**1,276.93**	**-**	**1,333.35**
Depreciation charged for the year	10.77	472.07	3.08	485.92
Disposals / Transfers	-	1,297.60	-	1,297.60
As at 31.03.2022	**67.19**	**451.40**	**3.08**	**521.67**
Net Carrying Amount				
As at 31.03.2021	**1,364.02**	**631.55**	**-**	**1,995.57**
As at 31.03.2022	**1,353.25**	**2,032.79**	**27.10**	**3,413.14**

Refer Note No. 40 for information about Leases

8. INTANGIBLE ASSETS

FY 22-23 (₹ in Lakhs)

Particulars	Software	Patents	Total
Gross Carrying Amount			
As at 01.04.2022	**632.46**	**289.55**	**922.01**
Additions	47.64	1,267.64	1,315.28
Disposals / Transfers	-	-	-
As at 31.03.2023	**680.10**	**1,557.19**	**2,237.29**
Accumulated Depreciation			
As at 01.04.2022	**523.90**	**105.86**	**629.76**
Amortization charged for the year	62.35	159.82	222.17
Disposals / Transfers	-	-	-
As at 31.03.2023	**586.25**	**265.68**	**851.93**
Net Carrying Amount			
As at 31.03.2022	**108.56**	**183.69**	**292.25**
As at 31.03.2023	**93.85**	**1,291.51**	**1,385.36**

Notes to the Consolidated Financial Statements

Intangible Assets under Development

FY 22-23

Particulars	(₹ in Lakhs)
Balance as at 01.04.2022	**288.80**
Addition during the year	110.39
Capitalised during the year	44.04
Balance as at 31.03.2023	**355.15**

a) Intangible assets under Development ageing schedule

(₹ in Lakhs)

Particulars	Amount in Intangible assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As At 31.03.2022	105.90	56.88	77.90	48.12	288.80
As at 31.03.2023	160.51	27.33	40.75	126.56	355.15

No Intangible under Development mentioned above is overdue or exceeded its cost compared to its original plan

FY 21-22 (₹ in Lakhs)

Particulars	Software	Patents	Total
Gross Carrying Amount			
As at 01.04.2021	**552.28**	**265.03**	**817.31**
Additions	80.18	24.52	104.70
Disposals / Transfers	-	-	-
As at 31.03.2022	**632.46**	**289.55**	**922.01**
Accumulated Depreciation			
As at 01.04.2021	**470.39**	**81.97**	**552.36**
Amortization charged for the year	53.51	23.89	77.40
Disposals / Transfers	-	-	-
As at 31.03.2022	**523.90**	**105.86**	**629.76**
Net Carrying Amount			
As at 31.03.2021	**81.89**	**183.06**	**264.95**
As at 31.03.2022	**108.56**	**183.69**	**292.25**

Intangible Assets under Development

FY 21-22

Particulars	(₹ in Lakhs)
Balance as at 01.04.2021	**226.20**
Addition during the year	62.60
Capitalised during the year	-
Balance as at 31.03.2022	**288.80**

Notes to the Consolidated Financial Statements

a) Intangible assets under Development ageing schedule

(₹ in Lakhs)

Particulars	Amount in Intangible assets under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2021	81.08	91.54	34.01	19.57	226.20
As at 31.03.2022	105.90	56.88	77.90	48.12	288.80

No Intangible under Development mentioned above is overdue or exceeded its cost compared to its original plan

9. OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured - Considered good:		
Security Deposits	574.44	469.14
TOTAL	**574.44**	**469.14**

10. NON-CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Income Tax Paid (Net of Provisions)	2,476.21	1,895.27
TOTAL	**2,476.21**	**1,895.27**

11. OTHER NON-CURRENT ASSETS

(Unsecured-considered good) (₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Advances*	2,183.12	33,972.84
Subsidy Receivable	37.87	178.46
TOTAL	**2,220.99**	**34,151.30**

*Includes ₹ Nil (previous year ₹31,857.00 Lakhs) advance given for purchase of Home Textile business of GHCL Ltd. under Slump Sale

Notes to the Consolidated Financial Statements

12. INVENTORIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Raw Materials*	21,469.21	44,869.57
Work-in-Progress	24,979.10	18,561.90
Finished Goods		
- Manufactured Goods**	38,139.18	33,180.90
- Traded Goods	-	4,777.64
Waste	130.02	175.97
Stores & Spares***	4,033.91	4,173.85
Dyes and Chemicals****	717.06	1,064.03
TOTAL	**89,468.48**	**106,803.86**

*Includes goods in transit ₹2,187.41 Lakhs (previous year ₹260.00 Lakhs)

**Includes goods in transit ₹8,348.15 Lakhs (previous year ₹11,681.13 Lakhs)

***Includes goods in transit ₹1,017.13 Lakhs (previous year ₹554.00 Lakhs)

****Includes goods in transit ₹20.22 Lakhs (previous year ₹13.57 Lakhs)

Write down of inventories to net realisable value amounted to ₹1,227.62 Lakhs (previous year ₹ Nil). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress, stock-in trade and finished goods' and 'consumption of stores, spares, dyes and packing materials' in the statement of profit and loss.

13. CURRENT INVESTMENTS

Particulars	No. of Units		₹ in Lakhs	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Investments carried at Fair Value through Profit and Loss				
QUOTED				
In Mutual Funds:				
Union Hybrid Equity-Regular-Growth	99,985	99,985	12.22	12.39
Avendus Absolute Return Fund	-	-	143.61	138.04
In Bonds:				
9.15% ICICI Bank Ltd Perpetual Bond	300	-	3,050.73	-
6.50% National Bank for Agri & Rural Development	100	-	999.99	-
5.40% HDFC Bank Perpetual Bond	100	-	989.13	-
9.56% SBI Bank Ltd Perpetual Bond	350	-	3,577.75	-
6.79% & 6.49% TATA Capital Limited	350	-	3,465.46	-
7.55% HDFC Corporate Fixed Deposit	-	-	1,100.00	-
8.85% Bajaj Finance Limited	100	-	1,010.36	-
TOTAL			**14,349.25**	**150.43**
Aggregate Value of:				
Quoted Investments			14,349.25	150.43
Market Value of Quoted Investments			14,349.25	150.43
Impairment in the value of Investments			-	-

Notes to the Consolidated Financial Statements

14. CURRENT TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured:		
(a) Considered good	40,888.93	49,417.86
(b) Receivables which have significant increase in Credit Risk	-	-
(c) Receivables - Credit Impaired	684.72	-
Less: Expected credit loss allowance*	(684.72)	-
TOTAL	40,888.93	49,417.86
Break-up of Security Details:		
Secured, Considered Good	-	-
Unsecured, Considered Good	40,888.93	49,417.86
Doubtful	684.72	-
TOTAL	41,573.65	49,417.86
Less: Expected credit loss allowance	684.72	-
TOTAL	**40,888.93**	**49,417.86**

*Movement to the Expected Credit loss allowance

Particulars	(₹ in Lakhs)
Balance as at March 31, 2021	**-**
Add: Created during the year	-
Less: Released during the year	-
Balance as at March 31, 2022	-
Add: Created during the year	684.72
Less: Released during the year	-
Balance as at March 31, 2023	**684.72**

Notes:

i) Trade Receivable Ageing Schedule

(₹ in Lakhs)

Particulars	Not due	Outstanding for following years from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
Undisputed Trade receivables							
considered good	33,912.30	6,921.75	31.15	4.76	-	18.97	40,888.93
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	684.72	-	-	-	-	-	684.72
Total	**34,597.02**	**6,921.75**	**31.15**	**4.76**	**-**	**18.97**	**41,573.65**

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Particulars	Not due	Outstanding for following years from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
Undisputed Trade receivables							
considered good	35,165.36	14,162.99	69.47	20.04	-	-	49,417.86
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-
Total	**35,165.36**	**14,162.99**	**69.47**	**20.04**	**-**	**-**	**49,417.86**

ii) Refer Note No. 50 for information about Credit Risk and Market Risk of Trade Receivables

15. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks :		
- In Current Accounts	9,146.04	38,484.31
Cash in Hand	19.68	4.43
TOTAL	**9,165.72**	**38,488.74**

16. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with Banks		
In Current Accounts	244.61	181.35
Held as margin / Fixed deposits (Refer note 1 below)	1,387.78	1,352.97
TOTAL	**1,632.39**	**1,534.32**

Note 1 :

a) Includes receipts for ₹291.84 Lakhs (previous year ₹286.55 Lakhs) held with bank as margin money against bank guarantees for Letter of Credit facilities

b) Includes receipts for ₹0.05 Lakhs (previous year ₹0.05 Lakhs) lodged with Excise Department

c) Includes receipts for ₹282.32 Lakhs (previous year ₹99.59 Lakhs) held with bank as margin money against guarantee given to Maharashtra State Electricity Board

d) Includes receipts for ₹0.05 Lakhs (previous year ₹ Nil) lodged with Maharashtra Pollution Control Board

e) Includes receipts for ₹410.85 Lakhs (previous year ₹378.96 Lakhs) held with bank as margin money against guarantee for cash credit facility by a Foreign Subsidiary

Notes to the Consolidated Financial Statements

17. OTHER CURRENT FINANCIAL ASSETS

(Unsecured-considered good) (₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security Deposits	123.25	146.23
Derivative Asset	-	1,780.74
Interest accrued on Loans & Deposits	490.40	-
Others	502.84	1,013.31
TOTAL	**1,116.49**	**2,940.28**
Less: Expected credit loss allowance	302.64	254.39
TOTAL	**813.85**	**2,685.89**

18. CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance Income Tax including tax deducted at source (Net of provision)	216.89	321.11
TOTAL	**216.89**	**321.11**

19. OTHER CURRENT ASSETS

(Unsecured-considered good) (₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Export Incentives / Claims Recoverable	7,546.97	20,610.71
Balances with Excise / Service Tax Authorities	70.84	70.84
Balances with VAT / GST Authorities	5,479.74	3,896.34
Subsidy Receivable	1,194.03	1,653.36
Advance to Suppliers	805.69	665.10
Others	478.71	1,331.84
TOTAL	**15,575.98**	**28,228.19**
Less: Allowance for Doubtful loans (Expected Credit loss)*	770.14	3,391.34
TOTAL	**14,805.84**	**24,836.85**

*Movement in the Allowance for Doubtful loans (Expected Credit loss)

Particulars	(₹ in Lakhs)
Balance as at March 31, 2021	**433.43**
Add: Created during the year	3,391.34
Less: Released during the year	433.43
Balance as at March 31, 2022	**3,391.34**
Add: Created during the year	770.14
Less: Released during the year	3,391.34
Balance as at March 31, 2023	**770.14**

Notes to the Consolidated Financial Statements

20(A). SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised:		
Equity Shares		
371,350,000 Shares (previous year 275,000,000) of ₹2 each	7,427.00	5,500.00
Preference Shares		
50,00,000 Shares of ₹10 each	500.00	500.00
TOTAL	**7,927.00**	**6,000.00**
Issued, Subscribed and Fully Paid-Up:		
Equity Shares		
198,054,340 Equity Shares of ₹2 each (previous year 197,399,670) of ₹2 each (Refer note 45a)	3,961.08	3,947.99
TOTAL	**3,961.08**	**3,947.99**

Notes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	Number of shares	₹ in Lakhs
Equity shares outstanding as at April 01, 2021	197,399,670	3,947.99
Add: Shares issued during the year	-	-
Equity shares outstanding as at March 31, 2022	197,399,670	3,947.99
Add: Issuance of shares on account of amalgmation of subsidiary (Refer note 45(a))	654,670	13.09
Equity shares outstanding as at March 31, 2023	198,054,340	3,961.08

(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 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 31st March, 2023		As at 31st March, 2022	
	No. of Shares	Percentage	No. of Shares	Percentage
Indo Count Securities Limited	31,041,385	15.67%	31,041,385	15.73%
Sandridge Investments Limited	62,002,455	31.31%	62,002,455	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 31st March, 2023		As at 31st March, 2022		Percentage change during the year
	No. of Shares	Percentage	No. of Shares	Percentage	
Sandridge Investments Limited	62,002,455	31.31%	62,002,455	31.41%	0.00%
Indocount Securities Limited	31,041,385	15.67%	31,041,385	15.73%	0.00%
Gayatri Devi Jain	6,685,855	3.38%	6,685,855	3.39%	0.00%
Shikha Mohit Jain	5,248,825	2.65%	5,248,825	3.66%	0.00%
Yarntex Exports Ltd.	2,312,500	1.17%	2,312,500	1.17%	0.00%
Neha Singhvi	2,279,137	1.15%	2,279,130	1.15%	0.00%
Shivani Patodia	2,173,750	1.10%	2,173,750	1.10%	0.00%
Anil Kumar Jain	1,867,565	0.94%	1,867,555	0.95%	0.00%
Margo Finance Limited	1,520,020	0.77%	1,520,020	0.77%	0.00%
Mohit Anilkumar Jain	692,850	0.35%	692,850	0.35%	0.00%
Slab Promoters Private Limited	308,325	0.16%	308,325	0.16%	0.00%
Rini Investment and Finance Private Limited	119,100	0.06%	119,100	0.06%	0.00%
Anil Kumar Jain	75,000	0.04%	75,000	0.04%	0.00%
Sunita Jaipuria	20,000	0.01%	20,000	0.01%	0.00%
TOTAL	**116,346,767**	**58.76%**	**116,346,750**	**59.95%**	**0.00%**

(f) Dividend paid and proposed

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Dividends not recognised at the end of the reporting period		
Final Dividend for F.Y. 2020-21: ₹1.50 per share (face value of ₹2 each)	-	2,961.00
Final Dividend for F.Y. 2021-22: ₹2.00 per share (face value of ₹2 each)	3,947.99	-
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, subsequent to the year end the directors have recommended the payment of a final dividend of ₹2.00 per fully paid equity share (previous year ₹2.00). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting..	**3,961.08**	**3,947.99**

20(B). Other Equity

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Reserves and Surplus	178,031.69	153,965.63
Other Reserve	(2,723.18)	1,182.01
Total	**175,308.51**	**155,147.64**

Notes to the Consolidated Financial Statements

RESERVES AND SURPLUS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Reserve (Refer note i below)	1,071.36	593.18
Share pending issue (Refer note ii below)	-	13.09
Retained Earnings (Refer note iv below)	175,330.52	151,600.84
Securities Premium (Refer note iii below)	1,653.72	1,653.72
Other Items of other comprehensive income (Remeasurement of defined benefit obligation) (Refer note vii below)	(23.91)	104.80
Total Reserves and Surplus	**178,031.69**	**153,965.63**
(i) Capital Reserve		
Opening Balance	593.18	593.18
Profit on account of acquisition (Refer note 45 (b))	478.19	-
Profit on Merger of Pranavaditya Spinning Mills Limited	(0.01)	-
Closing Balance	**1,071.36**	**593.18**
(ii) Share pending issue		
Opening Balance	13.09	13.09
Shares alloted during the year	(13.09)	-
Closing Balance	-	**13.09**
(iii) Retained Earnings		
Opening Balance	151,600.84	118,700.56
Profit for the Year	27,677.67	35,861.28
Final Dividend on Equity Shares	(3,947.99)	(2,961.00)
Closing Balance	**175,330.52**	**151,600.84**
(iv) Securities Premium		
Opening Balance	1,653.72	1,653.72
Addition during the year	-	-
Closing Balance	**1,653.72**	**1,653.72**
(v) Other items of Other Comprehensive Income (Remeasurement of defined benefit obligations)		
Opening Balance	104.80	23.60
Addition during the year	(128.71)	57.35
Other Adjustments	-	23.85
Closing Balance	**(23.91)**	**104.80**

Notes to the Consolidated Financial Statements

Other Reserve

(₹ in Lakhs)

Particulars	Other Comprehensive Income/Effective Portion of Cash Flow Hedges (Refer note v below)	Exchange Differences on translating the Financial Statements of Foreign Operations (Refer note vi below)	Total
As at 1st April 2021	**2,555.38**	**1,363.59**	**3,918.97**
Profit/(Loss) for the Year	(1,559.06)	(1,177.90)	(2,736.96)
Other Adjustments	-	-	-
As at 31st March 2022	**996.32**	**185.69**	**1,182.01**
Profit/(Loss) for the Year	(1,413.52)	(2,491.67)	(3,905.19)
As at 31st March 2023	**(417.20)**	**(2,305.98)**	**(2,723.18)**

Nature and purpose of Reserves:

(i) Capital Reserve:

Majorily consists of capital reserve standing in books against acquisition of business unit.

(ii) Share pending issue

Share pending issue is created in relation for issuance of shares for merger of Pranavaditya Spinning Mills Limited (Subsidiary) with the Holding Company which was alloted on November 02, 2022.

(iii) Securities Premium Reserve:

Securities Premium Reserve is created when shares issued at premium.

(iv) Retained earning:

Retained earnings represents accumulated profit as on reporting date. The reserve can be utilised in accordance with the provision of the Companies Act, 2013.

(v) Effective Portion of Cash Flow Hedges:

The cash flow hedge reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges, as described in accounting policy Note 3.21.

(vi) Exchanges Differences on translation of foreign operations:

Foreign currency translation reserve pertains to exchange difference arising on translation of the foreign operation are recognised in other comprehensive income as described in accounting policy Note 3.7 and accumulated in as separate reserve within equity. The cumulative amount reclassified to profit or loss when the net investment is disposed-off..

(vii) Other Items of other Comprehensive Income (Remeasurement of defined benefit obligation):

Reserve for remeasurement of defined benefit obligations represents the effects of remeasurement of defined benefit obligations on account of actuarial gains and losses.

Notes to the Consolidated Financial Statements

21. NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured (measured at amortised cost)		
1) Term Loan		
i) Rupee loans		
- From Banks (a)	10,700.67	9,420.50
- From Financial Institutions (a)	13,776.04	1,921.04
Less: Current maturity of long term debt	(4,634.17)	(2,803.34)
TOTAL	**19,842.54**	**8,538.20**

a) Non-Current Borrowings Repayment Schedule

(₹ in Lakhs)

Particulars	Outstanding as at 31st March, 2023			
	As at 31st March, 2023	As at 31st March, 2022	Repayment Schedule	Security
1) TERM LOAN				
Rupee loans				
- From Banks				
a) Loan 1	6,200.66	3,420.50	Qtrly. Repayments from Dec. 2022 to Sept. 2027	a) First Pari passu charge with existing term lenders on both present and future movable and certain immovable assets of Home Textile division located at Kolhapur. b) A second pari passu charge on all current assets and cash-flows, present and future.
b) Loan 2	4,500.00	6,000.00	Monthly Repayments from April 2022 to March 2026	a) Second charge of entire current asset of the Holding Company - inventory / receivables b) Second charge on the fixed assets of the Holding company excluding Mumbai office, Thane office and spinning units of the Holding Company.
- From Financial Institutions				
a) Loan 1	781.05	1,921.04	Qtrly. Repayments from April 2019 to Jan. 2024	a) First pari passu charge in the entire fixed assets of the Holding company located at kolhapur location, for present and future b) Second pari passu charge on the entire current assets of the Holding Company at kolhapur, for present and future.
b) Loan 2	12,995.00	-	Qtrly. Repayments from July 2023 to April 2028	a) Exclusive charge over the fixed assets of spinning unit at Kolhapur, financed under this loan. b) Exclusive charge over the factory building pertaining to the spinning unit at Kolhapur, Maharashtra financed under this loan. c) Exclusive charge over the land of spinning unit at Hatkanangale .
TOTAL	**24,476.71**	**11,341.54**		

*Loan against which security is issued included current borrowings of long term debts of ₹4,634.17 Lakhs (previous year ₹2,803.34 Lakhs)

b) Coupan rates for the above borrowings ranged between 6.60% to 9.25% (previous year 6.60% to 8.60%).

22. NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employees' Benefits		
- Gratuity (Refer Note No 47)	932.93	231.86
TOTAL	**932.93**	**231.86**

Notes to the Consolidated Financial Statements

23.(A) INCOME TAX

The major components of Income Tax expense for the years ended 31 March, 2023 and 31 March, 2022 are:

Income Tax expenses recognised in the Statement of Profit and Loss

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Income Tax:		
Current Income Tax charge	8,020.21	13,541.85
Adjustments in respect of Income Tax of previous years	(652.02)	16.00
Deferred Tax:		
Relating to origination and reversal of temporary differences	813.01	(814.80)
Income Tax expense reported in the Statement of Profit and Loss	**8,181.20**	**12,743.05**

Income Tax expense recognised in Other Comprehensive Income

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Net loss/(gain) on remeasurements of Defined Benefit Plan and change in Forex	(518.69)	(505.06)
Income Tax charged to OCI	**(518.69)**	**(505.06)**

(B) DEFERRED TAX (LIABILITIES)/ASSETS (NET))

Significant components of deferred tax liabilities (net) of the Group and its subsidiaries are as follows :

(₹ in Lakhs)

Particulars	Opening Balance (As at 1st April, 2022)	Recognised in Consolidated Statement of Profit and Loss	Recognised in Other Comprehensive Income (OCI)	Closing Balance (As at 31st March, 2023)
Deferred tax (Liabilities)/Assets recognised in relation to:				
Property, Plant and Equipment and Intangible assets (including Right of Use assets)	(8,427.00)	238.37	-	(8,188.63)
Incomes credited to the Consolidated Statement of Profit and Loss of the Group taxable in subsequent years	(0.68)	(1.36)	-	(2.04)
Allowance for doubtful debts, loans and advances	917.56	(647.56)	-	270.00
Expenses debited to the Consolidated Statement of Profit and Loss of the Group allowable in subsequent years	144.09	199.01	43.29	386.39
Unabsorbed Tax Losses and Depreciation	756.43	(756.43)	-	-
Deferred tax on account of IND AS 116	413.52	(91.34)	-	322.18
Net (Gain) / Losses on Cash flow hedges	(448.18)	246.30	475.40	273.52
Deferred Tax (Liabilities)/Assets (Net)	**(6,644.26)**	**(813.01)**	**518.69**	**(6,938.58)**

(₹ in Lakhs)

Particulars	Opening Balance (As at 1st April, 2021)	Recognised in Consolidated Statement of Profit and Loss	Recognised in Other Comprehensive Income (OCI)	Closing Balance (As at 31st March, 2022)
Deferred tax (Liabilities)/Assets recognised in relation to:				
Property, Plant and Equipment and Intangible assets (including Right of Use assets)	(7,957.07)	(469.93)	-	(8,427.00)
Incomes credited to the Consolidated Statement of Profit and Loss of the Group taxable in subsequent years	-	(0.68)	-	(0.68)
Allowance for doubtful debts, loans and advances	109.19	808.37	-	917.56
Expenses debited to the Consolidated Statement of Profit and Loss of the Group allowable in subsequent years	158.65	4.73	(19.29)	144.09
Unabsorbed Tax Losses and Depreciation	794.81	(38.38)	-	756.43
Deferred tax on account of IND AS 116	129.16	284.36	-	413.52
Net (Gain) / Losses on Cash flow hedges	(1,198.86)	226.33	524.35	(448.18)
Deferred Tax (Liabilities)/Assets (Net)	**(7,964.12)**	**814.80**	**505.06**	**(6,644.26)**

Reflected in the Balance Sheet:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Assets	1,252.09	2,231.60
Deferred Tax Liabilities	(8,190.67)	(8,875.86)
Deferred Tax Liabilities (Net)	**(6,938.58)**	**(6,644.26)**

(C) The reconciliation of estimated income tax expense at Indian Statutory income tax rate to income tax expense reported in Statement of Profit and loss is as follow:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Profit before income tax expense	35,858.85	48,604.34
Tax at Indian Tax rate 25.168%	9,024.96	12,232.74
Income Tax with respect to previous year	652.02	(15.99)
Deferred Tax on Unabsorbed Tax Losses and Depreciation utilised	(756.43)	(38.38)
Corporate social responsibility expenses	144.61	86.37
Tax effect of amounts taxable at different Tax Rates	(1,228.66)	287.40
Others	344.70	190.91
Income Tax Expense	**8,181.20**	12,743.05

Notes to the Consolidated Financial Statements

24. OTHER NON-CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Government Grants related to Property, Plant & Equipment (Refer note 46)*	810.05	856.27
TOTAL	**810.05**	**856.27**

*Movement in Deferred Government Grant

Particulars	(₹ in Lakhs)
Balance as at April 01, 2021	**758.56**
Add: Received during the year	171.34
Less: Recognised as income during the year (transferred to Current liabilities)	73.63
Balance as at March 31, 2022	**856.27**
Add: Received during the year	-
Less: Recognised as income during the year (transferred to Current liabilities)	46.22
Balance as at March 31, 2023	**810.05**

25. CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans repayable on Demand:		
Secured		
From Banks (a)		
- In Rupees	59,611.35	117,689.25
Current Maturities of Long Term Borrowings	4,634.17	2,803.34
Unsecured		
From Banks		
- In Rupees	-	1,115.33
TOTAL	**64,245.52**	**121,607.92**

Notes to the Consolidated Financial Statements

a) Current Borrowings Repayment Schedule (₹ in Lakhs)

Particulars	Outstanding as at 31st March, 2023			
	As at 31st March, 2023	As at 31st March, 2022	Repayment Schedule	Security
1) PACKING CREDIT LOAN				
Rupee loans				
- From Banks				
a) Loan 1	13,636.90	7,461.58	Upto 180 Days	First pari passu charge on the entire current assets of the Holding Company, both present and future
b) Loan 2	11,461.67	11,356.70	Upto 180 Days	First pari passu charge on the entire current assets of the Holding Company, both present and future
c) Loan 3	11,500.00	17,631.40	Upto 180 Days	First pari passu charge on the entire current assets of the Holding Company, both present and future
d) Loan 4	9,022.17	16,427.21	Upto 180 Days	First pari passu charge on the entire current assets of the Holding Company, both present and future
e) Loan 5	10,530.84	16,693.41	Upto 180 Days	First pari passu charge on the entire current assets of the Holding Company, both present and future
f) Loan 6	2,085.37	18,751.49	Upto 180 Days	First pari passu charge on the entire current assets of the Holding Company, both present and future
g) Loan 7	-	16,614.53	Upto 180 Days	First pari passu charge on the entire current assets of the Holding Company, both present and future
2) POST SHIPMENT CREDIT LOAN				
Rupee loans				
- From Banks				
a) Loan 1	1,374.40	-	Upto 180 Days	First pari passu charge on the entire current assets of the Holding Company, both present and future
b) Loan 2	-	2,321.76	Upto 180 Days	First pari passu charge on the entire current assets of the Holding Company, both present and future
3) Others				
Rupee loans				
- From Banks				
a) Loan 1	-	1,115.33	Upto 180 Days	No security as the loan is Unsecured.
b) Loan 2	-	10,431.17		Substantially all the assets of Indo Count Global Inc., (USA), subsidiary of the Holding Company.
TOTAL	**59,611.35**	**118,804.58**		

b) Coupan rates for the above borrowings ranged between 1.50% to 7.50% (previous year 1.50% to 8.05%).

Notes to the Consolidated Financial Statements

26. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade payables		
(i) Total outstanding dues of micro and small enterprises (Refer note 26.1)	4,418.29	2,990.55
(ii) Total outstanding dues of creditors other than micro and small enterprises	18,078.20	13,555.64
TOTAL	22,496.49	16,546.19

Note 26.1: Following disclosures required for Micro and small enterprises has been determined on the basis of information available with the Group:

(₹ in Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
(a)	The principal amount remaining unpaid to supplier as at the end of accounting year	4,418.29	2,990.55
(b)	The interest due thereon remaining unpaid to supplier as at the end of accounting year	5.89	0.95
(c)	The amount of interest paid in terms of section 16, along with the amounts of the payments made to supplier beyond the appointed day during the year	-	-
(d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(e)	The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	5.89	0.95
(f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises, for the purpose of disallowance as a deductible expenditure	6.84	-

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, 2023							
Undisputed Trade payables							
(i) Micro & Small Enterprise	377.77	3,266.37	771.25	2.90	-	-	4,418.29
(ii) Others	2,306.20	9,358.97	6,340.76	39.06	15.91	17.30	18,078.20
TOTAL	2,683.97	12,625.34	7,112.01	41.96	15.91	17.30	22,496.49

Notes to the Consolidated Financial Statements

(₹ 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							
Undisputed Trade payables							
(i) Micro & Small Enterprise	-	2,134.41	850.23	5.91	-	-	2,990.55
(ii) Others	3,254.33	4,285.89	5,939.86	58.17	3.06	14.33	13,555.64
TOTAL	3,254.33	6,420.30	6,790.09	64.08	3.06	14.33	16,546.19

27. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest Accrued but not due on Borrowings	125.40	169.31
Security Deposits	-	240.40
Unpaid Dividend*	244.61	181.35
Derivative Liabilities (Refer note 50)	1,086.82	-
Director's Remuneration Payable (Refer note 41)	1,008.70	1,323.57
Commission Payable**	424.46	379.93
Contractual Liability	1,612.72	5,313.47
Employee Benefits Payable	1,028.22	797.42
Other Payables	0.29	83.74
TOTAL	5,531.22	8,489.19

*There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

**Commission payable amounting to ₹8.10 Lakhs pertains to Related party. For details refer note 41

28. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance from Customers	1,095.44	208.05
Deferred Government Grants related to Property, Plant & Equipment (Refer note 46)*	46.22	46.22
Other Payables		
- Statutory dues (Contribution to PF and ESIC, withholding tax, VAT, TDS, GST, Service Tax, etc.)	841.74	1,069.12
- Rates and Taxes	15.08	22.27
- Others	158.11	154.81
	1,014.93	1,246.20
TOTAL	2,156.59	1,500.47

*Movement in Deferred Government Grant

Notes to the Consolidated Financial Statements

(₹ in lakhs)

Particulars	As at 31st March, 2023
Balance as at April 01, 2021	**39.37**
Add: Transferred from other non current financial liabilities (Refer note 24)	73.63
Less: Recognised as income during the year	66.78
Balance as at March 31, 2022	**46.22**
Add: Transferred from other non current financial liabilities (Refer note 24)	46.22
Less: Recognised as income during the year	46.22
Balance as at March 31, 2023	**46.22**

29. CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Employees Benefits		
-Compensated absences (Refer note 47)	203.55	17.12
TOTAL	**203.55**	**17.12**

30. CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Provision for Income Tax (Net of Advance Taxes)	-	921.67
TOTAL	**-**	**921.67**

31. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
1) Sale of Products		
- Manufactured	265,556.09	247,951.30
- Stock-In-Trade	10,820.45	13,020.76
2) Sale of Services	1,839.96	-
3) Other Operating Revenue		
- Export Incentives/Benefits	22,938.94	23,229.72
REVENUE FROM OPERATIONS	**301,155.44**	**284,201.78**

Notes to the Consolidated Financial Statements

Disaggregation of Revenue

Revenue based on Geography

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Domestic	16,049.86	21,956.36
Export	285,105.58	262,245.42
REVENUE FROM OPERATIONS	**301,155.44**	**284,201.78**

Reconciliation of Revenue from Operations with Contract Price

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Contract Price	316,709.26	304,943.88
Less:		
Sales Returns	2,656.88	-
Rebates & Discounts	4,487.12	3,208.84
Embedded Interest	4,928.04	652.17
Others	3,481.78	16,881.09
REVENUE FROM OPERATIONS	**301,155.44**	**284,201.78**

Critical judgements in recognising revenue

The Group has recognised revenue for sale of goods to its various customers. The buyer has the right to rescind the sale if there is any quality issue. The Group has made an estimate with respect to sales returns/rebates/discounts considering the volume intake and future business commitments.

32. OTHER INCOME

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Interest on Bank Deposits at Amortised Cost	153.89	708.59
Interest Income from Financial Assets measured at FVTPL	1,062.08	998.86
Government Grants related to Property, Plant & Equipment (Refer note 46)	46.22	66.78
Miscellaneous Receipts and Incomes	122.52	171.21
Profit on changes in NAV of Mutual funds	5.40	-
Profit on Redemption of Mutual funds	26.57	486.91
Profit on Sale of Assets	144.57	162.08
Exchange Rate Difference (Net)	1,316.28	11,039.68
Lease Rent Income	96.79	92.78
Provision for Doubtful Debts Written Back	-	5.34
Sundry balances / Excess provision written back (Net)	0.98	6.52
Liability no longer payable written back	167.42	282.58
TOTAL	**3,142.72**	**14,021.33**

Notes to the Consolidated Financial Statements

33. COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Raw Material Consumed		
Raw material at the beginning of the year	44,869.57	18,383.75
Add: Purchases	113,865.55	153,755.44
Less : Raw material at the end of the year	21,469.21	44,869.57
Total Cost of Materials Consumed	**137,265.91**	**127,269.62**

34. CHANGES IN INVENTORIES OF WORK IN PROGRESS, STOCK IN TRADE AND FINISHED GOODS

(₹ in Lakhs)

Particulars		For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Opening Balance			
Finished Goods			
- Manufactured Goods		33,180.90	23,140.87
- Traded Goods		4,777.64	-
Work-in-Progress		18,561.90	24,920.88
Waste		175.96	68.95
Total Opening Balance	A	**56,696.40**	**48,130.70**
Less: Closing Stock			
Finished Goods			
- Manufactured Goods		38,139.18	33,180.90
- Traded Goods		-	4,777.64
Work-in-Progress		24,979.10	18,561.90
Waste		130.03	175.96
Total Closing Balance	B	**63,248.31**	**56,696.40**
Total changes in inventories of Work-in-Progress, Stock-in-Trade and Finished Goods	A-B	**(6,551.91)**	**(8,565.70)**

35. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Salaries, Wages and Bonus	22,597.99	15,078.24
Directors' Remuneration (Refer Note No. 41)	2,547.80	2,696.11
Contribution to Provident & Other Funds	1,061.51	839.70
Gratuity (Refer Note No. 47)	187.89	152.76
Staff Welfare Expenses	346.77	303.72
Recruitment & Training Expenses	34.37	41.75
TOTAL	**26,776.33**	**19,112.28**

Notes to the Consolidated Financial Statements

36. FINANCE COST

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Interest Expense for Financial Liability not classified as FVTPL:		
- On Term Loans	847.90	632.88
- Banks	4,311.33	2,693.71
- Others	32.52	23.06
Interest expense on lease liability	131.03	58.47
Bank Charges	870.30	1,274.74
Finance Procurement Charges	44.63	53.04
TOTAL	**6,237.71**	**4,735.90**

37. DEPRECIATION & AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Depreciation on Property, plant and equipments	5,440.71	3,527.48
Depreciation on Right of Use assets	810.33	485.92
Amortisation on Intangible assets	222.17	77.40
TOTAL	**6,473.21**	**4,090.80**

Refer Note No. 40 for information about Leases.

38. OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Consumption of Stores, Dyes and Packing Materials	22,218.09	22,381.31
Jobwork Charges	18,845.52	23,715.45
Power & Fuel	17,063.99	8,727.31
Rent (Refer (a) below)	3,709.64	3,204.07
Rates, Taxes & Fees	280.63	141.97
Legal & Professional Expenses	2,354.40	2,677.46
Insurance	2,021.98	757.56
Repairs to Plant and Equipments	792.28	574.02
Repairs to Buildings	176.88	160.93
Commission & Brokerage	1,382.30	1,150.81
Freight Outward	11,897.88	14,004.41
Other Selling Expenses	4,921.05	2,487.05
Loss on Sale of Assets	113.34	380.84
Loss in value of NAV of Mutual Funds	-	91.02

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Bad Debts / Advances written off	0.06	23.30
Exchange Rate Difference (Net)	5.31	-
Provision for Doubtful Debts/Advances	732.97	254.39
Mark to Market on Forward Contracts	-	899.27
Corporate Social Responsibility (Refer Note No. 43)	574.66	343.13
Payment to Auditors (Refer (b) below)	49.47	27.65
Miscellaneous Expenses	5,741.34	4,374.94
TOTAL	**92,881.79**	**86,376.89**

(a) Refer Note No. 40 for information about Leases.

(b) Includes Payment to Auditors

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
As Statutory Audit Fee	38.35	13.00
As Quarterly Audit/Limited Review Fees	8.00	9.00
As Tax Audit Fee	-	3.00
For Certification Work	-	0.15
In Other Capacity	-	2.50
For Reimbursement of Expenses	3.12	-
TOTAL	**49.47**	**27.65**

39. CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

A. Contingent Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
1) Claims against Group not acknowledged as Debt:		
i) Excise duty/Custom duty/Service Tax/Income Tax demands disputed in Appeals	7,119.97	6,048.05
ii) VAT/GST demands disputed in appeals	979.46	491.70
iii) Other Litigation Claims (including Pending Labour Cases)	59.79	59.42
2) Guarantee given by the Group:		
i) Bank Guarantee	2,318.55	584.76
ii) Corporate Guarantee given to a Foreign Bank outside India for securing financial assistance	5,341.05	4,926.51

Notes to the Consolidated Financial Statements

(a) In terms of EPCG Licence issued, the Holding Company has an export obligation for ₹34,983 Lakhs (previous year ₹80,349 Lakhs), which is to be fulfilled over an average period of 6 years. The Holding Company has completed the export obligation to the extent of ₹24,116 Lakhs (previous year ₹77,810 Lakhs) till the current year and are under process of redemption. Further, there are licenses issued by the DGFT amounting to ₹10,779 Lakhs (previous year ₹2,539 Lakhs) for which capital goods are under imports.

(b) On account of a dispute in relation with Electricity Duty on electricity generated by the Holding Company for captive use between 01.04.2000 and 30.04.2005 amounting to ₹292.07 Lakhs (previous year ₹292.07 Lakhs) excluding interest , the Honourable Bombay high court vide its order dated 07.11.2009 passed a judgement in favour of the Holding Company. The MSEDCL has further challenged the same at the Honourable Supreme court . The matter is yet to be heared by the Honourable supreme court. Management is confident on the positive outcome in this matter.

Significant Estimates: The Group has litigations in respect of certain matters. The management does assessment of all outstanding matters and whenever required, further obtain legal advices including those relating to interpretation of law. Based on such assessment, it concludes whether a provision should be recognised or a disclosure should be made.

B. Commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
a) Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for against Tangible Assets	5,653.77	22,424.29
b) Letter of credits opened for which the material has not yet been shipped	1,787.48	2,685.79

40. LEASES

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) The Balance sheet shows the following amounts relating to leases:		
Right of Use assets		
Building	4,173.86	2,032.79
Plant & Machinery	-	27.10
Land	1,553.72	1,353.25
Lease Liabilities		
Current	1,137.61	736.52
Non-Current	2,406.68	1,056.80
(ii) Amount recognised in statement of Profit & Loss		
Depreciation Charge on Right of Use assets		
Building	783.03	472.07
Plant & Machinery	7.32	3.08
Land	19.98	10.77
(iii) Interest expense included in finance cost	131.03	58.47
(iv) Expense relating to short-term leases (included in other expenses)	3,709.64	3,204.07
(v) Expense relating to leases of low-value assets that are not shown above as short -term leases	-	-
(vi) Expense relating to variable lease payments not included in lease liability	-	-
(vii) Amount recognised in profit and loss arising from rent concessions	-	-

Notes to the Consolidated Financial Statements

(a) Total cash outflow for leases during current financial year is ₹4,478.86 Lakhs (previous year ₹3,671.15 Lakhs).

(b) Additions to the Right-of-Use assets during the current financial year is ₹3,193.89 Lakhs (previous year ₹2,015.14 Lakhs).

(c) There are no sale & leaseback transactions.

(d) Payments associated with short-term leases of equipment, vehicles and all leases of low-value assets are recognised on straight line bases as an expense in profit or loss.

(e) Short term leases are leases with a lease of 12 months or less. There are no low value assets taken on lease during the current year.

(f) When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate. The weighted average incremental borrowing rate applied is @8.55% in case of Holding Company and @3.25% on case of a Foreign Subsidiary (Previous year @8.55% in case of Holding Company and N.A. in case of a Foreign Subsidiary).

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

iii) Parties where Control/Significant Influence Exists

A. Subsidiaries

1. Indo Count Retail Ventures Pvt. Ltd.
2. Indo Count Global Inc., (USA)
3. Indo Count UK Ltd., (United Kingdom) *
4. Indo Count Global DMCC, UAE

B. Entities where control/significant influence by KMPs & their relatives exists

1. A. K. Jain HUF
2. Kids Creation

C. Others

1. Indo Count Foundation

Notes to the Consolidated Financial Statements

(₹ In Lakhs)

Particulars	Subsidiary	Entities where control/ significant influence by KMPs & their relatives exists and Others
Transactions during the year		
Lease Rent Paid	**(-)**	**40.61**
- A. K. Jain HUF	(-)	40.61
	(-)	**(68.82)**
- A. K. Jain HUF	-	(68.82)
Design Charges Paid	**-**	**5.35**
- Kids Creation	-	5.35
	(-)	**(-)**
CSR Expenses	**-**	**527.14**
- Indo Count Foundation	-	527.14
	(-)	**(226.69)**
- Indo Count Foundation	(-)	(226.69)
Balance Outstanding at the end of year		
a) Deposit - Rent	**-**	**15.60**
- A. K. Jain HUF	-	15.60
	(-)	**(15.60)**
- A. K. Jain HUF	(-)	(15.60)
Other Payables		
b) Lease Rent Payable	**-**	**0.61**
- A. K. Jain HUF	-	0.61
	(-)	**(3.65)**
- A. K. Jain HUF	(-)	(3.65)

Particulars	Key Management Personnel	Relatives of Key Management Personnel
Transactions during the year		
Commission Paid	9.00	-
	(9.00)	**(-)**
Remuneration Paid	2,547.80	48.00
	(2,696.11)	**(55.94)**
Sitting fees	56.00	-
	(47.50)	**(-)**
Balance outstanding during the year		
Commission Payable	8.10	-
	(8.10)	**(-)**
Remuneration Payable	1,008.70	-
	(1,323.57)	**(-)**

a) Previous year figures are given in brackets.
b) Related parties enlisted above are those having transactions with the Group.

Notes to the Consolidated Financial Statements

42. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. Chairman, Vice Chairman and Chief Executive Officer of the Holding Company are the chief operating decision makers. The Group operates only in one Business Segment i.e. 'Textile Business' which constitutes a single reporting segment.

43. EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITIES (CSR)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) Gross amount required to be spent by the Holding company during the year	578.76	335.59
(b) Amount approved by Board to be spent during the year	603.75	335.59
(c) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	574.66	345.00
(d) Details of Contribution	-	-
Contribution to related party - Indo Count Foundation	527.14	226.69
(e) Other than above	47.52	118.31

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing project

(₹ in Lakhs)

For the year ended	Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year	Closing Balance
31.03.2023	-	-	-	-	-
31.03.2022	-	-	-	-	-

Details of excess CSR expenditure under Section 135(5) of the Act (₹ in Lakhs)

For the year ended	Opening Balance	Amount required to be spent during the year	Amount spent during the year*	Closing Balance
31.03.2023	9.41	578.76	574.66	5.31
31.03.2022	-	335.59	345.00	9.41

*The unspent CSR amount of the previous year has been utilised first during the year as approved by the board.

(₹ in Lakhs)

Details of ongoing CSR projects under Section 135(6) of the Act for the year ended March 31, 2023

For the year ended	Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
	With Holding Company	In Separate CSR Unspent A/c		From Holding Company's bank A/c	From Separate CSR Unspent A/c	With Holding Company	In Separate CSR Unspent A/c
31.03.2023	Not applicable						
31.03.2022	Not applicable						

Notes to the Consolidated Financial Statements

44. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 33 "EARNINGS PER SHARE"

(₹ Per Share)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
(a) Basic earnings per share	13.97	18.11
(b) Diluted earnings per share	13.97	18.11

Basic/diluted earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic/diluted earnings per share are as follows:

(₹ in Lakhs)

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Profit for the year attributable to the equity share holders of the Holding Company	27,677.67	35,861.28
Earnings used in the calculation of basic/diluted earnings per share	27,677.67	35,861.28

Particulars	For the year 1st April, 2022 to 31st March, 2023	For the year 1st April, 2021 to 31st March, 2022
Weighted average number of equity shares for the purposes of basic/ diluted earnings per share	198,054,340	198,054,340

*includes 654,670 equity shares pending for allotment as on 31.03.2022 which were alloted during FY 2022-23 (Refer Note No.45 (a)).

45.a) (i) The Hon'ble National Company Law Tribunal (NCLT), Mumbai bench vide its order dated October 3, 2022 approved the scheme of amalgamation of Pranavaditya Spinning Mills Limited (PSML) (Transferor Company) with Indo Count Industries Limited (the Holding Company) under section 230-232 of the Companies Act, 2013. Thereafter, the certified copy of the said order was filed with Registrar of Companies and the effective date of the amalgamation is October 20, 2022 while the appointed date for the amalgamation is October 1, 2020. Both the entities have the similar nature of business and they mainly deal in Textiles. To give effect of the approved Scheme, the Group has, inter alia, accounted for:

a) Amalgamation of PSML, a subsidiary of the Holding Company under common control, using 'the pooling of interest method', as per (Ind AS 103 – Business Combination). The assets, liabilities and reserves of erstwhile Pranavaditya Spinning Mills Limited (PSML) have been taken over at book value.

b) Elimination of inter-company transactions, including cancellation of 14,341,280 (nos.) Equity Shares of face value of ₹10 each held by the Company in PSML.

Accordingly, the Consolidated Financial statements have been restated from the beginning of the preceding period presented i.e. April 1, 2021. The net difference between the consideration and the value of net identifiable assets acquired was ₹388.01 Lakhs.

(ii) Further, pursuant to the scheme, 654,670 Equity Shares of the Holding Company having face value of ₹2/- each are allotted to the shareholders of Transferor Company, in the swap ratio of 2:15, and the listing and trading permission for the same have been received. The relevant impact has been given while computing EPS of the prior period covered under the Consolidated Financial Statements.

b) Business combinations

The Group has successfully completed the acquisition of Home Textile Business of GHCL Limited ("GHCL") including its manufacturing facility at Bhilad near Vapi in Gujarat, on a going concern basis, by way of a slump sale, on April 2, 2022 in accordance with the terms of Business Transfer Agreement ("BTA") dated December 6, 2021 as amended. The asset price allocation is done on the basis of valuation report provided by the Registered Valuer as approved by management.

Notes to the Consolidated Financial Statements

(i) Summary of acquisition

Indo Count Industries Limited (ICIL) (acquirer), the Holding Company entered into a business transfer agreement with GHCL Limited (seller) to acquire GHCL's home textile (HT) business. The HT business has a fully operational manufacturing facility of 45 million metres annually. The plant is located at Vapi in Gujarat. ICIL has acquired home textile business of GHCL on slump sale basis for an aggregate consideration of ₹56,230 Lakhs. The Business Transfer Agreement (BTA) between ICIL and GHCL was signed on 7th December, 2021 and an amendment agreement was signed on 30th March, 2022. The effective date of acquisition was 2nd April, 2022. Post the acquisition, the said plant has become an integral part of the business of the Holding Company and entire operation of the Holding Company (along with the said plant) is considered as one CGU. Accordingly, revenue and profit or loss of the said plant since the acquisition date can not be measured.

Details of the purchase consideration, the net assets acquired and capital reserve are as follows:

Purchase consideration	(₹ in Lakhs)
Cash paid	56,230.00
Equity shares issued	-
Total purchase consideration	56,230.00

(₹ in Lakhs)

Particulars of Assets and Liabilities acquired	Fair value
Assets	
Land	10,820.00
Building	5,000.00
Plant & Machinery	18,020.00
Office equipment	30.00
Electrification equipment	260.00
Furnitures & Fixures	200.00
Computer	90.00
Vehicles	20.00
Softwares	40.00
Loans	50.00
Inventories	13,940.00
Other current assets	1,280.00
Other current financial assets	360.00
Trade receivables	13,618.19
Cash	1,850.00
Liabilities	
Trade payables	(6,230.00)
Short term provisions	(550.00)
Other financial liabilities	(10.00)
Borrowings	(1,790.00)
Other contract liabilities	(120.00)
Interest	(60.00)
Other current liabilites	(110.00)
Net identifiable assets acquired	**56,708.19**

Notes to the Consolidated Financial Statements

Calculation of Capital reserve	(₹ in Lakhs)
Consideration transferred	56,230.00
Less: Net identifiable assets acquired	(56,708.19)
Capital Reserve	(478.19)

There were no acquisitions in the year ended 31st March, 2022.

(ii) Significant judgement:

(1) Fair valuation of Property, Plant and Equipment, Land and Building

The fair valuation of land, property plant and equipment and Building is carried out by the registered valuer which is a significant judgement with respect to fair value of land, property plant and equipment and Building for purchase price allocation.

(2) Acquired receivables

The fair value of acquired trade receivables is ₹13,620.00 Lakhs. The gross contractual amount for trade receivables due is ₹1,930.00 Lakhs, with a loss allowance of ₹40.00 Lakhs.

(iii) Purchase consideration

Cash outflow

(₹ in Lakhs)

Outflow of cash to acquire subsidiaries, net of cash acquired	As at 31st March, 2023	As at 31st March, 2022
Cash consideration	56,230.00	-
Less: Balances acquired		
Cash	1,850.00	-
Bank overdraft	(1,790.00)	-
Net outflow of cash investing activities	56,170.00	-

Acquisition-related costs

Acquisition-related costs of ₹22.00 Lakhs that were not directly attributable to the issue of shares are included in other expenses in the statement of profit and loss and in operating cash flows in the statement of cash flows.

Amounts recognized in other comprehensive income is Nil.

There were certain job work related transaction with GHCL prior to acquisition, however same was not material considering long term view of relationship.

(iv) Other Notes pertaining to Indo Count Global Inc., USA (ICGI), wholly owned subsidiary of the Holding Company included in their Financial Statements:

Notes to the Consolidated Financial Statements

Asset Acquisition:

The assets acquired are as follows:

Particulars	(₹ in Lakhs)
Inventories	2,326.83
Intangible	1,136.89
Fair market value of assets acquired	3,463.72

Under the acquisition method of accounting, the aggregate purchase price was allocated to the net tangible assets acquired based upon their fair values on the acquisition date. The ICGI engaged a third-party valuation specialist to assist in the valuation of the assets.

d) **Reclassification/Regrouping**

The figures for the corresponding previous year have been regrouped/reclassified wherever necessary after considering Group's contractual rights, historical trends and the said disclosure being more relevant to the users of the financial statements and this being more consistent with peers. This change doesn't result in any material quantitative and qualitative impact on the overall financial statements.

(₹ in Lakhs)

Particulars	Balances as at March 31, 2022 (Reported)		Balances as at March 31, 2022 (after Reclassification/Regrouping)	
Property, Plant and Equipment	59,796.90		59,387.52	
Capital Work-In-Progress	2,394.39		2,105.60	
Intangible Assets under Development	-		288.79	
Right of use	2,946.40		3,413.16	
Other Non Current Financial Assets	526.54		469.14	
Non Current Tax Assets (Net)	-		1,895.27	
Total (Part of Non-Current Assets)		**65,664.23**		**67,559.48**
Cash and Cash Equivalents	38,670.09		38,488.74	
Bank Balances other than above	765.14		1,534.32	
Other Current Financial Assets	3,273.72		2,685.89	
Current Tax Assets (Net)	2,216.31		321.11	
Total (Part of Current Assets)		**44,925.26**		**43,030.06**
Non current				
Provisions	248.99		231.86	
Total (Part of Non-Current Liabilities)		**248.99**		**231.86**
Trade Payables				
- Micro & Small Enterprises	2,990.55		2,990.55	
- Other than Micro & Small Enterprises	11,812.04		13,555.64	
Other Financial Liabilities	1,108.22		8,489.19	
Other Current Liabilities	10,625.00		1,500.38	
Provisions	-		17.12	
Total (Part of Current Liabilities)		**26,535.81**		**26,552.88**

Notes to the Consolidated Financial Statements

Further, in addition to the above, Pursuant to the scheme of amalgamation of Pranavaditya Spinning Mills Limited with the Holding Company with effect from October 1, 2020, the figures for the period ended March 31, 2022 have been restated to give effect to the aforesaid merger. (refer note 45(a) above).

Previous year figures of cash flow used in investing activities/operating activities have been reclassified on account of capital advances. Further, necessary regrouping/reclassification has been done to give impact of the above.

46. During the year, the Group has not received any grant. The Group has amortised the grant based on useful life of the plant and machinery and recognised income for current year of ₹46.22 Lakhs (previous year ₹66.78 Lakhs) under other income (Refer Note No. 32).The balance amount of grant is shown as "Deferred Government Grants related to Property, Plant & Equipment" in non-current liability ₹810.05 Lakhs (₹856.27 Lakhs) (Refer Note 24) and other current liability of ₹46.22 Lakhs (₹46.22 Lakhs) (Refer Note 28). The Group doesn't have any unfulfilled conditions and other contingencies attaching to same.

47. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (IND-AS) 19 "EMPLOYEE BENEFITS"

Defined Contribution Plans:

Amount of ₹1,061.51 Lakhs (previous year ₹839.70 Lakhs) is recognised as an expense and included in Employee Benefits Expense under the following defined contribution plans (Refer Note 35):

(₹ in Lakhs)

Particulars	For the year 1^{st} April, 2022 to 31^{st} March, 2023	For the year 1^{st} April, 2021 to 31^{st} March, 2022
Benefits:		
Provident Fund	1,019.18	777.34
Employee State Insurance Scheme	40.78	61.11
Labour Welfare Scheme	1.55	1.25
TOTAL	**1,061.51**	**839.70**

Defined contribution plans

Provident Fund: The Group makes contribution to respective regional provident fund commissioners in relation to the workers employed at various location of the Group (as applicable). The Group recognises such contributions as an expense when incurred. The Group has no further obligations beyond its yearly contribution.

Employee State Insurance Scheme: The Group makes contribution towards Employees State Insurance scheme operated by ESIC Corporation (as applicable) . The contributions payable to these plans by the Group are at rates specified in the rules of the scheme. The Group recognises such contributions as an expense when incurred. The Group has no further obligations beyond its yearly contribution.

Labour Welfare Scheme: The Group makes contribution to state government in relation to labour employed at various location of the Group (as applicable). The Group recognises such contributions as an expense when incurred. The Group has no further obligations beyond its yearly contribution.

Defined Benefit Plans:

Gratuity

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The said plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount as per Payment of Gratuity Act, 1972.

Leave Encashment Benefit

The Group provides for leave encashment, a defined benefit retirement plan covering eligible employees. The said plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount computed as per Group policy.

Notes to the Consolidated Financial Statements

Risk exposure to defined benefit plans

The plans typically expose the Group to actuarial risks such as: asset volatility, interest rate risk, longevity risk and salary risk as described below:

Asset volatility

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out at March 31, 2023. 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.

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	
		2022-23 (funded)	2021-22 (funded)	2022-23 (funded)	2021-22 (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	2,162.17	2,127.76	563.59	549.28
2	Interest Cost	147.19	136.51	32.68	30.86
3	Current Service Cost	175.07	168.78	76.65	80.13
4	Past Service Cost	-	-	-	-
5	Liability Transfer from other Company	-	-	-	-
6	Liability Transferred out / Divestment	461.82	-	112.89	-
7	Benefits Paid Directly by Employer	-	-	-	-
8	Benefits Paid	(119.41)	(192.09)	(33.08)	(25.43)
9	Actuarial Changes Arising from Changes in Demographic Assumptions	-	-	-	-
10	Actuarial Changes Arising from Changes in Financial Assumptions	(73.79)	(78.09)	(15.45)	(14.59)
11	Actuarial Changes Arising from Changes in Experience Adjustments	242.72	(0.71)	56.19	(56.66)
12	Present Value of Defined Benefit Obligation at the end of the Year	2,995.77	2,162.16	793.47	563.59
II	**Change in Fair Value of Plan Assets during the Year**				
1	Fair Value of Plan Assets at the beginning of the Year	1,943.54	1,905.07	546.47	495.72
2	Interest Income	140.32	129.54	39.46	33.71
3	Contributions Paid by the Employer	90.34	103.33	31.95	41.75
4	Benefits Paid from the Fund	(119.41)	(192.09)	(33.09)	(25.43)
5	Assets Transferred Out / Divestments	25.94	-	21.22	-
6	Return on Plan Assets Excluding Interest Income	-	-	-	-
7	Actuarial Losses / (Gains)	(3.07)	(2.31)	0.36	0.72
8	Fair Value of Plan Assets at the end of the Year	2,077.66	1,943.54	606.37	546.47
III	**Net Asset / (Liability) recognised in the Balance Sheet**				
1	Present Value of Defined Benefit Obligation at the end of the Year	2,995.78	2,162.17	793.47	563.59
2	Fair Value of Plan Assets at the end of the Year	2,077.66	1,943.55	606.37	546.47
3	Amount recognised in the Balance Sheet	918.12	218.62	187.10	17.12
4	Net (Liability) / Asset - Current	-	-	(187.10)	(17.12)
5	Net (Liability) / Asset - Non-Current	(918.12)	(218.62)	-	-
IV	**Expenses recognised in the Statement of Profit and Loss for the Year**				
1	Current service Cost	175.07	168.78	76.65	80.13
2	Interest Cost on Benefit Obligation (Net)	6.87	6.97	(6.77)	(2.85)
3	Actuarial Changes Arising from Changes in Demographic Assumptions	-	-	-	-
4	Actuarial Changes Arising from Changes in Financial Assumptions	-	-	(15.45)	(14.59)
5	Actuarial Changes Arising from Changes in Experience Adjustments	-	-	56.19	(56.66)
6	Return on Plan Assets excluding amount included in 'Net Interest on net Defined Liability / (Asset)' above	-	-	(0.36)	(0.72)
7	Adjustment in relation to gratuity expenses	5.95	(22.99)	-	-
8	Total Expenses included in Employee Benefits Expense	187.89	152.76	110.26	5.31

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Sr. No.	Particulars	GRATUITY		LEAVE ENCASHMENT	
		2022-23 (funded)	2021-22 (funded)	2022-23 (funded)	2021-22 (funded)
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	(73.79)	(78.09)	-	-
3	Actuarial Changes Arising from Changes in Experience Adjustments	242.72	(0.86)	-	-
4	Return on Plan Assets excluding Interest Income	3.07	2.31	-	-
5	Recognised in Other Comprehensive Income	172.00	(76.64)	-	-
VI	**Maturity Profile of Defined Benefit Obligation**	-	-	-	-
1	Within the next 12 Months (Next Annual Reporting Period)	350.92	247.04	282.50	221.87
2	Between 2 and 5 Years	832.09	526.96	166.29	106.37
3	Between 6 and 10 Years	1,549.17	1,113.35	257.85	177.95
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	(3,253.81)	(2,355.78)	(847.61)	(599.74)
	(ii) One Percentage Point decrease in Discount Rate	2,769.83	1,993.03	746.29	531.96
	(i) One Percentage Point increase in Rate of Salary Increase	2,769.59	1,992.69	744.80	531.05
	(ii) One Percentage Point decrease in Rate of Salary Increase	(3,249.09)	(2,352.11)	(848.44)	(600.18)

Long Term Provisions (refer Note 22) include non-funded Gratuity liability of ₹14.82 Lakhs (previous year ₹13.24 Lakhs) and Short Term Provisions (refer Note 29) include non-funded Leave Encashmnet liability of ₹16.44 Lakhs (previous year Nil) related to a Foreign Subsidiary.

VIII The major categories of plan assets as a percentage of total (₹ in Lakhs)

Particulars	GRATUITY		LEAVE ENCASHMENT	
	2022-23	2021-22	2022-23	2021-22
Insurer Managed Funds	100%	100%	100%	100%

Notes to the Consolidated Financial Statements

IX Actuarial Assumptions (₹ in Lakhs)

Particulars	GRATUITY		LEAVE ENCASHMENT	
	2022-23 (funded)	2021-22 (funded)	2022-23 (funded)	2021-22 (funded)
Discount Rate (p.a.)	7.52% p.a.	7.22% p.a.	7.52% p.a.	7.22% p.a.
Expected Return on Plan Assets	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 (2006-08)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)

These assumptions translate into an average life expectancy in years for an employee retiring at age of 58 years.

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, 2023. 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 for Holding Company.

(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.

Sensitivity analysis method

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumption may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years and same data, method and assumptions have been used in preparing the sensitivity analysis which are used to determine period end defined benefit obligation.

Contribution expected to be paid for the Plan of the Holding Company during the year ended March 31, 2024 - ₹196.06 Lakhs.

Weighted Average duration of the Plan is 12.64 years (previous year 13.16 years)

48. DETAILS OF CAPITAL EXPENDITURE INCURRED DURING THE YEAR FOR RESEARCH AND DEVELOPMENT

(₹ in Lakhs)

Particulars	2022-23	2021-22
Plant and Machinery	45.48	4.27
TOTAL	**45.48**	**4.27**

Notes to the Consolidated Financial Statements

49. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS

A Fair value measurement

(₹ in lakhs)

Particulars	Carrying amount	
	As at 31st March, 2023	As at 31st March, 2022
Financial Assets at Amortised Cost:		
Trade Receivables	40,888.93	49,417.86
Other non current financial assets (Security deposit)	574.44	469.14
Other current financial assets	813.85	905.15
Cash and bank balance	10,798.11	40,023.05
Total	**53,075.33**	**90,815.20**
Financial Assets at Fair Value through Profit and Loss:		
Investments	14,349.25	150.43
Derivative Instruments	-	449.34
Total	**14,349.25**	**599.77**
Financial Assets at Fair Value through Other Comprehensive Income:		
Derivative Instruments	-	1,331.40
Total	-	**1,331.40**
Financial Assets at Amortised Cost:		
Non Current Borrowings	19,842.54	8,538.20
Borrowings	64,245.52	121,607.92
Lease Liability (Non Current)	2,406.68	1,056.80
Lease Liability (Current)	1,137.61	736.52
Trade and Other Payables	22,496.49	16,546.19
Other Financial Liabilities (Current)	4,444.40	8,489.19
Total	**114,573.24**	**156,974.82**
Financial Liabilities at Fair Value through Profit and Loss:		
-Derivative instruments	494.85	-
Total	**494.85**	**-**
Financial Liabilities at Fair Value through Other Comprehensive Income:		
-Derivative instruments	591.97	-
Total	**591.97**	**-**

II. Assets and liabilities which are measured at amortised cost for which fair values are disclosed

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.

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Fair value	Carrying value	Fair value	Carrying value
Current financial assets				
Investment	14,349.25	14,349.25	150.43	150.43
Current financial liabilities				
Borrowings	64,245.52	64,245.52	121,607.92	121,607.92
Non Current financial liabilities				
Borrowings	19,842.54	19,842.54	8,538.20	8,538.20

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy

III. Assets and liabilities which are measured at FVPL or FVOCI

This note provides information about how the Group determines fair values of various financial assets and financial liabilities measured at FVPL or FVOCI. Fair value of the Group's financial assets and financial liabilities are measured on a recurring basis.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

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)

Financial assets/ financial liabilities	Fair value		Fair value hierarchy	Valuation technique
	31st March, 2023	31st March, 2022		
Financial Assets at Fair Value through Profit and Loss:				
Investments	14,349.25	150.43	Level 2	Based on quoted market prices or dealer quotes for similar instruments
Derivative Instruments	-	449.34	Level 2	Discounted Cash Flow: Future Cash Flows are estimated based on maturity converted at banker's closing rates and discounted at a rupee funding rate.
Total	**14,349.25**	**599.77**		

Notes to the Consolidated Financial Statements

(₹ in Lakhs)

Financial assets/ financial liabilities	Fair value 31st March, 2023	Fair value 31st March, 2022	Fair value hierarchy	Valuation technique
Financial Assets at Fair Value through Other Comprehensive Income:				
Derivative Instruments	-	1,331.40	Level 2	Same as above
Total	**-**	**1,331.40**		
Financial Liabilities at Fair Value through Profit and Loss:				
-Derivative instruments	494.85	-	Level 2	Same as above
Total	**494.85**	**-**		
Financial Liabilities at Fair Value through Other Comprehensive Income:				
-Derivative instruments	591.97	-	Level 2	Same as above
	591.97	**-**		

50. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These risks include market risk (including currency risk, interest rate risk and equity security price risk), credit risk and liquidity risk.

Market Risk

The Group's seeks to minimise the effects of currency risk by using derivative and non derivative financial instruments to hedge risk exposures. The Group has Risk Management Policies to mitigate the risks in commodity prices and foreign exchange. The use of financial derivatives and non-derivatives is governed by the Group's policies approved by the Board of Directors (BOD), which provide principles to use financial derivatives and non-derivative financial instruments, to hedge currency risk and commodity price risk. The Group does not enter into or trade financial instruments, including derivative financial instruments and non-derivative financial instruments for speculative purposes.

The periodical forex management report and commodity risk report as reviewed and approved by the management is placed before the Board of directors for review.

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. Majority of the Group's borrowings are linked to variability in Bank MCLR rate, repo rate, T Bills and SOFR rate .

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.

Notes to the Consolidated Financial Statements

Exposure to Interest Rate Risk

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Total Borrowings	84,088.06	130,146.12
% of Borrowings out of above bearing Variable Rate of Interest	94.65%	95.39%

Interest Rate Sensitivity

A change of 50 bps in interest rates would have following impact on Profit before Tax:

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
50 bps increase would decrease the Profit before Tax by	397.94	620.73
50 bps decrease would increase the Profit before Tax by	(397.94)	(620.73)

Foreign Currency Risk

The Group operates internationally and portion of the business is transacted in several 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.

Particulars	USD (in Lakhs)	EUR (in Lakhs)	GBP (in Lakhs)	CHF (in Lakhs)	(₹ In Lakhs)
Foreign Currency Exposure as at 31st March, 2022					
Trade and Other Receivables	392.22	6.42	-	0.34	33,466.32
Current Borrowings	(30.50)	-	-	-	(2,312.31)
Bank Balances	67.23	-	-	-	5,096.81
Trade and Other Payables	(60.22)	(0.14)	-	-	(4,572.66)
Foreign Currency Exposure as at 31st March, 2023					
Trade and Other Receivables	379.76	5.43	0.08	0.07	35,334.42
Current Borrowings	(17.34)	-	-	-	(1,374.40)
Bank Balances	6.97	-	-	-	572.46
Trade and Other Payables	(45.62)	(0.14)	-	-	(3,757.90)

Receivables hedged against forward contracts - USD 266.90 Lakhs (₹21,448.88 Lakhs).

Notes to the Consolidated Financial Statements

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 31.03.2023	173	1,437.90	118,361.69	Sell
As at 31.03.2022	386	2,763.50	216,045.79	Sell

Foreign Currency Sensitivity

5 % increase or decrease in foreign exchange rates will have the following impact on profit before tax: (₹ in Lakhs)

Particulars	2022-23		2021-22	
	5 % Increase	5 % decrease	5 % Increase	5 % decrease
USD	1,704.10	(1,704.10)	2,812.54	(2,812.54)
EUR	23.45	(23.45)	27.59	(27.59)
GBP	0.38	(0.38)	55.86	(55.86)
CHF	0.27	(0.27)	1.40	(1.40)
INCREASE / (DECREASE) IN PROFIT AND LOSS	**1,728.20**	**(1,728.20)**	**2,897.39**	**(2,897.39)**

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.

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.

Expected credit loss on financial assets:

Cash and cash equivalent (including term deposits with Banks)

The Group has balances in cash and cash equivalents, term deposits with banks, investments in debt securities security deposit and investments. The Group is having balances in cash and cash equivalents, term deposits with banks which are nationalised and scheduled banks having high credit rating At each reporting date management assesses if there are any risk involved on account of adverse credit ratings, media events, regulator such as RBI updates on the bank etc. and hence perceive low credit risk of default.

Trade receivables:

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.

Notes to the Consolidated Financial Statements

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.

The Group has customers with capacity to meet the obligations and therefore the risk of default is negligible or nil. Further, based on management estimate, unimpaired amounts that are past due by more than 30 days are collectible in full, considering the minimal historical default rate and analysis of customer credit risk. Based on the assessment the future market conditions and macro environment of the business is not adverse/negative and hence no impairment loss has been recognised during the reporting periods in respect of trade receivables.

Other financial assets: Based on the credit risk assessment the ECL is provided on a forward looking basis using the expected credit loss (ECL) model

Concentration risk

a) Information about Major Customers

During the year ended on March 31, 2023, revenue arising from following customers contributing to more than 10% of the revenue individually (in any reporting period):

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Customer A	36,999.64	@
Customer B	36,776.57	49,821.96
Customer C	@	54,720.72
Customer D	@	35,123.48

@ not contributing more than 10% in the respective year

b) Information about Major Receivables

As at year ended on March 31, 2023, Receivables outstanding from following customers contributing to more than 10% of total receivables individually (in any of the reporting period):

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Customer A	6,661.87	@
Customer B	@	9,503.55

@ not contributing more than 10% in the respective year

Notes to the Consolidated Financial Statements

Exposure to Credit Risk

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Financial Assets for which loss allowance is measured using 12-months' Expected Credit Losses (ECL)		
Non-Current Loans and Advances	574.44	469.14
Cash and Bank Balances	9,410.33	38,670.09
Bank Deposits	1,387.78	1,352.97
Current Loans and Advances	813.85	905.15

Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables	40,888.93	49,417.86

Balance with banks is subject to low credit risks due to good credit ratings assigned to these banks.

The ageing analysis of the Trade Receivables and Export Incentives (gross of provision) has been considered from the date the invoice falls due.

(₹ in Lakhs)

Particulars	Trade Receivables	Expected Credit Loss %	Expected Credit Loss
As at 31.03.2023			
Not Due	33,912.29	-	-
0-30 Days	3,707.00	-	-
31-60 Days	1,445.75	-	-
61-90 Days	900.56	-	-
91-120 Days	845.05	-	-
More than 120 Days	78.28	-	-
	40,888.93	**-**	**-**
As at 31.03.2022			
Not Due	35,165.35	-	-
0-30 Days	9,599.60	-	-
31-60 Days	3,298.06	-	-
61-90 Days	878.47	-	-
91-120 Days	425.65	-	-
More than 120 Days	50.73	-	-
	49,417.86	**-**	**-**

Significant estimates and judgements: Impairment of financial assets. The impairment provision for financial assets disclosed above are based on assumption about risk of default and expected loss rates. The Company uses judgement in marking these assumptions and selecting the imputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to the Consolidated Financial Statements

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 reasonable 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. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of the financial assets and liabilities.

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:

Particulars	(₹ in Lakhs)					
As at 31-03-2023	**Less than 6 months**	**6-12 months**	**between 1-2 years**	**between 2-5 years**	**Over 5 Years**	**Total**
Lease Liability (Non Current)	-	-	741.54	1,404.21	260.93	2,406.68
Lease Liability (Current)	712.20	425.41	-	-	-	1,137.61
Non Current Borrowings	2,315.80	2,315.81	5,152.62	14,042.73	649.75	24,476.71
Current Borrowings	59,611.35	-	-	-	-	59,611.35
Trade Payables	22,496.49	-	-	-	-	22,496.49
Other Current Financial Liabilities	5,531.22	-	-	-	-	5,531.22

Particulars	(₹ in Lakhs)					
As at 31-03-2022	**Less than 6 months**	**6-12 months**	**between 1-2 years**	**between 2-5 years**	**Over 5 Years**	**Total**
Lease Liability (Non Current)	-	-	486.35	570.45	-	1,056.80
Lease Liability (Current)	365.12	371.40	-	-	-	736.52
Non Current Borrowings	1,397.85	1,397.86	3,146.15	5,056.87	342.81	11,341.54
Current Borrowings	118,804.58	-	-	-	-	118,804.58
Trade Payables	16,546.19	-	-	-	-	16,546.19
Other Current Financial Liabilities	8,489.19	-	-	-	-	8,489.19

The amount of unused borrowing facilities (fund and non-fund based) available for future operating activities and to settle commitments is ₹80,519 Lakhs as at March 31, 2023 (₹32,673 Lakhs as at March 31, 2022)

Derivative Financial instruments

The Group has adopted a Risk Management policy approved by the Board of Directors of the Group for managing foreign currency exposure. The policy enumerates the mechanism for Risk Identification, Risk Measurement and Risk Monitoring. The policy has approved a set of financial instruments for hedging foreign currrency risk. The Group mainly uses forward contracts to manage the foreign currency risk.

Notes to the Consolidated Financial Statements

(a) The Group has designated following forward contracts as cash flow hedges which are outstanding as under:

Outstanding Contracts	Foreign Currency (FC in Lakhs)		Nominal amounts (₹ In Lakhs)		Change in fair value assets/ (liabilities) (₹ in Lakhs)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Sell USD/INR						
Less than 12 months	917.90	2,673.50	74,932.35	208,893.94	(1,121.27)	1,752.33
More than 12 months	-	90.00	-	7,151.85	-	28.41

The line item in the balance sheet that include the above instruments are "Other Financial Assets" and "Other financial Liabilities"

The effect of cash flow hedge in the statement of profit and loss and other comprehensive income is as follow:

(₹ in Lakhs)

Risk hedged	Change in the value of hedging instrument recognised in other comprehensive income*	Hedges ineffectiveness recognised in profit and (loss)/gain	Amount reclassified from cash flow hedging reserve to statement of profit and (loss)/gain	Line item affected in statement of profit and loss because of the reclassification
Foreign exchange risk				
March 31, 2023	(1,888.94)	-	(529.30)	Revenue
March 31, 2022	(2,083.43)	-	449.34	Other Income

*excluding the amount reclassified to statement of profit and loss

Disclosure of effects of hedge accounting on financial position: (₹ in Lakhs)

Types of hedge and risks	Nominal value - Liabilities	Carrying value - Liabilities	Maturity date	Hedge ratio	Weighted average strike rate for outstanding hedging instruments	Change in intrinsic value of outstanding hedging instruments since inception of the hedge	Change in the value of hedged item used to determine hedge ineffectiveness
FY 2022-23							
Cash flow hedge							
Foreign exchange risk							
(i) Foreign exchange forward contracts	917.90	(442.98)	April 2023 - March 2024	1:1	81.63	(442.98)	-
(ii) Foreign currency options	520.00	25.78	July 2023 - March 2024	1:1	*	25.78	-
FY 2021-22							
Cash flow hedge							
Foreign exchange risk							
(i) Foreign exchange forward contracts	2,763.50	996.32	April 2022 - June 2023	1:1	78.18	996.32	-
(ii) Foreign currency options	-	-	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

*this is based on various combinations and conditions, hence, weighted average cannot be determined

Notes to the Consolidated Financial Statements

Movements in cash flow hedging reserve and costs of hedging reserve (₹ in Lakhs)

Derivative instruments	Foreign exchange forward contracts	Foreign currency options	Total
(i) Cash flow hedging reserve			
As at 1st April, 2021	**2,555.38**	**-**	**2,555.38**
Add: Changes in discounted spot element of foreign exchange forward contracts	(1,634.07)	-	(1,634.07)
Add: Changes in intrinsic value of foreign currency options	-	-	-
Less: Amounts reclassified to profit or loss	(449.34)	-	(449.34)
Less: Deferred tax relating to above (Net)	524.35	-	524.35
As at 31st March, 2022	**996.32**	**-**	**996.32**
Add: Changes in discounted spot element of foreign exchange forward contracts	(2,443.65)	-	(2,443.65)
Add: Changes in intrinsic value of foreign currency options	-	34.45	34.45
Less: Amounts reclassified to profit or loss	520.30	-	520.30
Less: Deferred tax relating to above (Net)	484.05	(8.67)	475.38
As at 31st March, 2023	**(442.98)**	**25.78**	**(417.20)**

51. Capital Management

(a) Risk management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity. The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the group monitors capital on the basis of the following gearing ratio:

net debt (total borrowings and lease liabilities net of cash and cash equivalents) divided by total 'equity' (as shown in the balance sheet)

The capital structure of the Group consists of net debt (borrowings as detailed in Notes 21 and 25 offset by cash and cash equivalents in Note 15) and total equity of the Group. The Group is not subject to any externally imposed capital requirements.

Notes to the Consolidated Financial Statements

Gearing ratio

The gearing ratio at end of the reporting period is as follows.

(₹ in Lakhs)

	Particulars	As at 31st March, 2023	As at 31st March, 2022
A	Debt*	87,757.75	132,108.75
B	Cash and cash equivalents	9,165.72	38,488.74
C	**Net debt (A-B)**	**78,592.03**	**93,620.01**
D	**Total equity**	**179,269.65**	**159,095.65**
	Net Debt to equity ratio (C/D)	**0.44**	**0.59**

*Debt is defined as long-term and short-term borrowings (excluding derivative and financial guarantee contracts), as described in Notes 21 and 25 and includes interest accrued thereon as per Note 27 and lease liabilities as per Note 40.

During the year ended March 31, 2023, the Group has paid the final dividend of ₹2 per equity share for the year ended March 31, 2022 amounting to ₹3,947.99 Lakhs.

51A. NET DEBT RECONCILIATION

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Cash and Cash Equivalents	9,165.72	38,488.74
Non-Current Borrowings (including Current Maturities)	(24,476.71)	(11,341.54)
Current Borrowings	(59,611.35)	(118,804.58)
Lease Liabilities	(3,544.29)	(1,793.32)
Interest Accrued but not Due	(125.40)	(169.31)
NET DEBT	**(78,592.03)**	**(93,620.01)**

(₹ in Lakhs)

Particulars	Cash and Cash Equivalents	Non Current Borrowings (including Current Maturities)	Current Borrowings	Lease Liabilities	Total
As at 31.03.2022					
Opening Net Debt (01.04.2021)	3,317.65	(3,529.54)	(53,707.97)	(511.49)	(54,431.35)
Cash Flows	35,171.09	(7,812.00)	(65,096.73)	733.31	(37,004.33)
New Leases	-	-	-	(2,015.14)	(2,015.14)
Finance Cost	-	(632.88)	(2,693.71)	58.47	(3,268.12)
Interest Paid	-	632.88	2,524.52	(58.47)	3,098.93
CLOSING NET DEBT (31.03.2022)	**38,488.74**	**(11,341.54)**	**(118,973.89)**	**(1,793.32)**	**(93,620.01)**

(₹ in Lakhs)

Particulars	Cash and Cash Equivalents	Non Current Borrowings (including Current Maturities)	Current Borrowings	Lease Liabilities	Total
As at 31.03.2023					
Opening Net Debt (01.04.2022)	38,488.74	(11,341.54)	(118,973.89)	(1,793.32)	(93,620.01)
Cash Flows	(29,323.02)	(13,135.17)	59,193.23	1,153.35	17,888.39
New Leases	-	-	-	(2,904.32)	(2,904.32)
Finance Cost	-	(847.90)	(4,311.33)	131.03	(5,028.20)
Interest Paid	-	847.90	4,355.24	(131.03)	5,072.11
CLOSING NET DEBT (31.03.2023)	**9,165.72**	**(24,476.71)**	**(59,736.75)**	**(3,544.29)**	**(78,592.03)**

52. Other Notes pertaining to Indo Count Global Inc., USA (ICGI), wholly owned subsidiary of the Holding Company included in their Financial Statements:

Due to / from Factor:

As of March 31, 2023, the ICGI had outstanding factored balance due from the credit facility in the amount of ₹3,704.93 Lakhs. As of March 31, 2022, the ICGI had outstanding borrowings against the credit facility in the amount of ₹11,307.31 Lakhs, and outstanding factored balances due from the facility in the amount of ₹11,203.92 Lakhs for a net balance due from the factor in the amount of ₹103.39 Lakhs.

The ICGI's largest customer filed for bankruptcy protection on April 23, 2023. The ICGI received approximately ₹3,064.94 Lakhs of payments during the 90-day period immediately preceding the bankruptcy filing date. The ICGI believes that they have good defenses to any potential preference payment actions taken by the bankruptcy estate. Therefore, the ICGI has not recorded any adjustments relating to this matter.

53. Additional Information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to division ii to schedule iii to the companies act, 2013

As at March 31, 2023 (₹ in Lakhs)

Name of the entity in Consolidated Financial Statements of Indo Count Industries Limited, its subsidiary companies (together 'Group')	Net Assets i.e. Total Assets-Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As a % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in Lakhs)	As a % of Consolidated OCI	Amount (₹ in Lakhs)	As % of Consolidated TCI	Amount (₹ in Lakhs)
Parent								
Indo Count Industries Limited	98.44%	176,467.47	86.05%	23,816.68	38.23%	(1,542.23)	94.21%	22,274.45
Subsidiaries								
Foreign								
Indo Count Global Inc., (USA)	2.85%	5,115.54	7.41%	2,050.74	62.80%	(2,533.32)	-2.04%	(482.58)
Indo Count UK Ltd., (United Kingdom)	0.17%	304.58	-0.14%	(37.70)	0.20%	(7.97)	-0.19%	(45.67)
Indo Count Global DMCC, UAE	0.43%	765.00	0.66%	183.97	-1.23%	49.62	0.99%	233.59

Notes to the Consolidated Financial Statements

As at March 31, 2023 (₹ in Lakhs)

Name of the entity in Consolidated Financial Statements of Indo Count Industries Limited, its subsidiary companies (together 'Group')	Net Assets i.e. Total Assets-Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As a % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in Lakhs)	As a % of Consolidated OCI	Amount (₹ in Lakhs)	As % of Consolidated TCI	Amount (₹ in Lakhs)
Indian								
Indo Count Retail Ventures Pvt. Ltd.	0.00%	0.28	0.00%	(0.60)	0.00%	-	0.00%	(0.60)
Subtotal	101.89%	182,652.87	93.99%	26,013.09	100.00%	(4,033.90)	92.96%	21,979.20
Consolidation adjustment	-1.89%	(3,383.28)	6.01%	1,664.58	0.00%	0.00	7.04%	1,664.57
Total	100.00%	179,269.59	100.00%	27,677.67	100.00%	(4,033.90)	100.00%	23,643.77

As at March 31, 2022 (₹ in Lakhs)

Name of the entity in Consolidated Financial Statements of Indo Count Industries Limited, its subsidiary companies (together 'Group')	Net Assets i.e. Total Assets-Total Liabilities		Share in Profit or Loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As a % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated Profit or Loss	Amount (₹ in Lakhs)	As a % of Consolidated OCI	Amount (₹ in Lakhs)	As % of Consolidated TCI	Amount (₹ in Lakhs)
Parent								
Indo Count Industries Limited	87.95%	157,662.83	122.41%	33,881.29	37.23%	(1,501.71)	136.95%	32,379.58
Subsidiaries								
Foreign								
Indo Count Global Inc., (USA)	3.12%	5,598.12	15.52%	4,294.67	28.94%	(1,167.35)	13.23%	3,127.32
Indo Count UK Ltd., (United Kingdom)	0.20%	350.25	0.81%	225.01	0.13%	(5.29)	0.93%	219.72
Indo Count Global DMCC, UAE	0.30%	531.41	0.35%	96.38	0.13%	(5.26)	0.39%	91.12
Indian								
Indo Count Retail Ventures Pvt. Ltd.	0.00%	0.88	0.00%	0.10	0.00%	-	0.00%	0.10
Subtotal	91.56%	164,143.49	139.09%	38,497.45	66.43%	(2,679.61)	151.49%	35,817.84
Consolidation adjustment	-2.82%	(5,047.86)	-9.52%	(2,636.17)	0.00%	0.00	-11.15%	(2,636.17)
Total	**88.75%**	**159,095.63**	**129.57%**	**35,861.28**	**66.43%**	**(2,679.61)**	**140.34%**	**33,181.67**

Notes to the Consolidated Financial Statements

54. ANALYTICAL RATIOS

S. No.	Ratio	Times/ %	Numerator	Denominator	March 2023	March 2022	Variance	Reasons for the Variances
(a)	Current Ratio	Times	Current Assets	Current Liabilities	1.79	1.50	19.53%	
(b)	Debt-Equity Ratio	Times	Total Debt (Refer note 8)	Shareholders' Equity	0.47	0.82	-42.66%	decrease in Short Term Debts due to current year profits applied for repayments and increase in Long Term Debts due to Capital Expenditure.
(c)	Debt Service Coverage Ratio	Times	Earning for Debt Service (Refer note 1)	Debt Service (Refer note 2)	3.18	4.58	-30.70%	due to decrease in Profit after tax and increase in Finance Cost
(d)	Return on Equity Ratio	%	Profit for the year	Average Shareholder's Equity	16.36%	24.94%	-34.41%	due to decrease in Profit after tax and increase in Shareholders Fund
(e)	Inventory Turnover Ratio	Times	Cost of Goods Sold (Refer note 3)	Average Inventories	2.39	2.45	-2.20%	
(f)	Trade Receivable Turnover Ratio	Times	Net Revenue from Opertions (Refer note 4)	Average Trade Receivables	6.16	5.17	19.21%	
(g)	Trade Payable Ratio	Times	Net Purchases (Refer note 5)	Average Trade Payables	7.22	9.63	-25.04%	due to decrease in Net Purchases and increase in Trade Payables
(h)	Net Capital Turnover Ratio	Times	Revenue from Operations	Average Working Capital	3.99	3.82	4.35%	
(i)	Net Profit Ratio	%	Profit for the year	Revenue from Operations	9.19%	12.62%	-27.16%	due to product mix and sales realisation
(j)	Return on Capital Employed	%	Earning before Interest and Taxes (Refer note 6)	Capital Employed (Refer note 7)	15.57%	18.03%	-13.61%	
(k)	Return on Investment	%	Earning before Interest and Taxes	Closing Total Assets	13.76%	16.35%	-15.85%	

Notes

1 Earning for Debt Service - Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets - profit on sale of Fixed assets

Notes to the Consolidated Financial Statements

2 Debt Service - Finance Cost + Lease expense + Long term borrowings paid during the year

3 Cost of goods sold - Cost of Materials Consumed + Purchase of Stock-In-Trade + Changes in Inventories of Work-In-Progress, Stock-In-Trade and Finished Goods + Employee costs excluding Director's remuneration + Depreciation + Other expenses (exclusion in other expenses - Commission, freight outwards, other selling expenses, loss on sale of assets, Provision for doubtful debts and miscellaneous expenses)

4 Net Revenue from operations - Revenue from Operations - Other Operating Revenue

5 Net Purchases - Total purchases of Raw material & components, Purchase of Stock-In-Trade and Purchases of Stores, Dyes and Packing Materials

6 Earning before Interest and Taxes - Profit before taxes + Finance Charges

7 Capital Employed - Equity + Non Current borrowings + Current Borrowings+ Deferred Tax Liabilities

8 Total Debt - Long term borrowings + Short term borrowings

55(a) Additional regulatory information required by Schedule III

i) Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii) Borrowing secured against current assets

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 Holding Company with banks and financial institutions were not in agreement with the unaudited books of account, however, the Holding Company has filed revised returns or statement with such banks and financial institutions subsequent to the year end which are in agreement with the unaudited books of account.

iii) Wilful defaulter

The group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv) Relationship with struck off companies

The group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v) Compliance with number of layers of companies

The group has complied with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017.

vi) Compliance with approved scheme(s) of arrangements

The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year except for scheme of amalgmation reported under note no 45 of the Financial Statements.

vii) Utilisation of borrowed funds and share premium

The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. 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

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

Notes to the Consolidated Financial Statements

The group has not received any fund 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:

a. 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

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix) Details of crypto currency or virtual currency

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

x) Valuation of Property, plant and equipments, right-of-use assets and intangible asset

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.

55(b) Other regulatory information

i) Title deeds of immovable properties not held in name of the group

The title deeds of all the immovable properties other than mentioned below are in the name of the group.
(other than properties where the group is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note(s) [6]

S. No.	Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/ director	Property held since which date	Reason for not being in the name of the Holding Company
(a)	Land situated at Plot no. 266, bearing Gut no. 268, 269, 270 & 272/2 Village Alte, Tal. Hathkanangle, Dist. Kolhapur, Maharashtra	Freehold Land	21.35 3.07 31.29 29.03	Pranavaditya Spinning Mills Limited	No	October 20, 2022	The title deeds are held in the name of Pranavaditya Spinning Mills Limited which has been subsequently been amalgmated with the Holding Company. The Holding Company is in name changing process.
(b)	Freehold land situated at bearing survey no. 194/2 situated at revenue estate of Village Bhilad and Valvada, Taluka Umergoan, Gujarat	Freehold Land	80.03	GHCL Limited	No	December 6, 2021	The title deeds are held in the name of GHCL Limited. It was acquired during the current year as part of a business purchase and the process will start soon.

Notes to the Consolidated Financial Statements

ii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

56. The Group has approved its Financial Statements in its board meeting dated May 30, 2023.

Signatures to Note 1 to 56 which form an integral part of Financial Statements

The accompanying notes form an integral part of Consolidated Financial Statements

For and on behalf of Board of Directors

As per our report of even date attached
For Price Waterhouse Chartered Accountants LLP.
Firm Registration Number: 012754N/N500016

Anil Kumar Jain
Executive Chairman
DIN: 00086106

Kailash R. Lalpuria
Executive Director & C.E.O.
DIN: 00059758

Priyanshu Gundana
Partner
Membership No.: 109553
Mumbai, May 30, 2023

K. Muralidharan
Chief Financial Officer

Satnam Saini
Company Secretary

Mumbai, May 30, 2023

Notes:

Notes:

Complete Comfort

Indo Count Industries Limited

CIN: L72200PN1988PLC068972

Corp. Office: 301. 3rd Floor, Arcadia, Nariman Point, Mumbai - 400021, India

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