



COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.



Complete Comfort



INDO COUNT INDUSTRIES LTD.

COMMUNICATION ON PROGRESS 2021-22



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A LETTER TO OUR STAKEHOLDERS

Dear Stakeholders,

Iam pleased to confirm that Indo Count Industries Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this Annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,
Mr. K.K. Lalpuria

CEO & EXECUTIVE DIRECTOR



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ABOUT THE
COMPANY





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ABOUT THE COMPANY

Indo Count is the largest manufacturer and exporter of Bed Linen globally.

Our product basket includes Bedsheets, Fashion & Utility bedding and Institutional bedding.

Spearheaded by Mr. Anil Kumar Jain, Executive Chairman at the helm, and under his leadership and guidance, Mr. Mohit Jain, Executive vice Chairman and other team of experienced and enthusiastic professionals manage the Company.

We export to 50+ nations globally across five continents. We are recognised among the top three global bedsheet suppliers in the US which accounts for 70% of the Company's total revenue. We also enjoy a strong presence in the EU, the UK and UAE through international subsidiaries.

We are recognised by the Government of India as a 4-Star export house. We have manufacturing facilities at Kolhapur, Maharashtra and Bhilad, Gujarat.



Sitting: MR. ANIL KUMAR JAIN, EXECUTIVE CHAIRMAN
Standing: MR. MOHIT JAIN, EXECUTIVE VICE CHAIRMAN

153^{mn}
mtrs

Installed
capacity

4^{star}

Export
House

Twin state

Manufacturing
presence



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ABOUT THE COMPANY



VISION

To be one of the leading players in the global Home Textile industry on the strengths of innovation, technology and experience



MISSION

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



PRINCIPLES

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





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ESG- ENVIRONMENT SOCIAL & GOVERNANCE





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ENVIRONMENT, SOCIAL & GOVERNANCE



PHILOSOPHY

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

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

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





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ENVIRONMENT MANAGEMENT



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ENVIRONMENT MANAGEMENT

BUILDING A SUSTAINABLE VALUE-CHAIN



FIBRE, YARN & FABRIC

- We have implemented various cotton sustainability projects. These projects promote sustainable social infrastructure and support systems for the farming community and give training to farmers on sustainable methods of cotton cultivation
- We source Sustainable Fibres namely BCI, Organic, Fair Trade Cotton & Certified Oekotex, GRS Fabrics. We are an official member of the US Cotton Trust protocol, they are approved supply chain partners for brands and retailers who are sourcing more sustainably-grown cotton



DYES & CHEMICALS

- We use plant-based waste extract dyes on organic cotton for our Pure Earth collection. We partnered with Global major 'Archroma' for manufacturing Home textiles in India for our Pure Earth Organic brand which uses plant-based dyes
- These dyes are synthesised from non-edible waste by-products from agriculture and herbal industries, such as Saw Palmetto, Almond Shells, Beet, Bitter Orange, leaving the edible part still available for food consumption



PACKAGING

- We have redesigned our packaging and converted our major packing materials from PVC polybags to self-fabric bags. We ship our products in Self-Fabric bags to global brands such as Walmart, Kohl's, ASDA, BBB and Costco among others
- We have reduced paper consumption in cartons and stiffeners through various optimisation initiatives



ENVIRONMENT MANAGEMENT

MAKING OPERATIONS SUSTAINABLE



RENEWABLE ENERGY

We have moved part of our energy source from Non-renewable sources to renewable sources. We have installed solar panels which generate about 3 mn+ units of electricity annually. We have also installed a bio-gas plant to generate energy for internal consumption.



WATER MANAGEMENT

Driven by the philosophy of careful utilisation of finite natural resources and protection of the same, we have taken numerous initiatives to optimise consumption. Some of the major initiatives undertaken to conserve water were:

- 1 Installation of an Effluent Treatment Plant (ETP) with a three-stage RO system. Close to 650 mn ltrs processed water is being reused back annually.
- 2 Installation of Multi Effect Evaporator for RO zero effluent discharge.
- 3 Rainwater harvesting, Hot Water Reuse.
- 4 Installation of Water meters to monitor and control water consumption.



ENERGY OPTIMISATION

We take utmost efforts to optimise energy consumption and lower the Carbon footprint. Some of the initiatives are as below:

- 1 Replaced lower energy efficiency motors with higher energy efficiency motors.
- 2 Implemented a condensate recovery system.
- 3 Installation of Automatic moisture controllers on VDR's.
- 4 Light Emitting Diode (LED) installation across production and stitching line.

ENVIRONMENT MANAGEMENT

MAKING OPERATIONS SUSTAINABLE [CONTINUED]



GHG EMISSION MANAGEMENT

We recognise the impending impact of climate change as an organisation and strive to contribute holistically. With this objective we have implemented important measures to reduce GHG Emissions:

Adopted a comprehensive 'Environment Management Policy'.

UNGC (United Nations Global Compact): We are a participant member at UNGC and we have aligned our goals in line with UN SDG's.

CDP (Carbon Disclosure Project): Collaborated with Science Based Targets Initiative to align the Company's GHG emission reduction target with the goals of the Paris Agreement for "well below 2 deg cel" and defined targets till the year 2030 for Scope 1,2 & 3 emissions.

Higg Index: Associated and certified with SAC (Sustainable Apparel Coalition) for our facilities at Kagal, Gokul and Bhilad. Using the

Higg Index suite of tools, the Company assesses and scores its supply chain and products' sustainability performance periodically.

Project Gigaton & Giga Guru: This is a project launched by Walmart, a key client, in 2017 to inspire suppliers to reduce upstream and downstream greenhouse gas (GHG) emissions from the global supply chain. Globally the Project aims to reduce one Gigaton (one billion metric tons) of CO₂ emissions from the global supply chains of Walmart by 2030.

Indo Count has collaborated with Walmart in this endeavour and has made a healthy contribution by continuing to implement projects that reduce its carbon footprint. The Company has been consistently maintaining the Giga Guru title since the inception of the Gigaton program.

ZDHC (Zero Discharge of Hazardous Chemicals): We are an active member of ZDHC and all our dyes/chemicals being sourced are reviewed under the lens of ZDHC's MRSL.

ENVIRONMENT MANAGEMENT

OUR GOAL

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

Sustainability Metrics

Applicable SDGs

Sustainability Metrics

Applicable SDGs



Carbon Neutrality (Scope 1, 2)



Impacting Cotton Farmers



Sustainable Raw Material Sourcing Capability



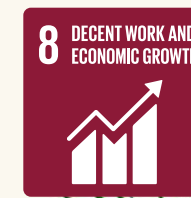
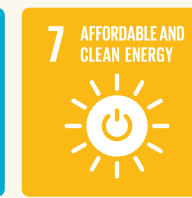
Tree Plantation



Zero Waste to Landfill



Impacting the Local Community through Creating Shared Value (CSV) Strategies



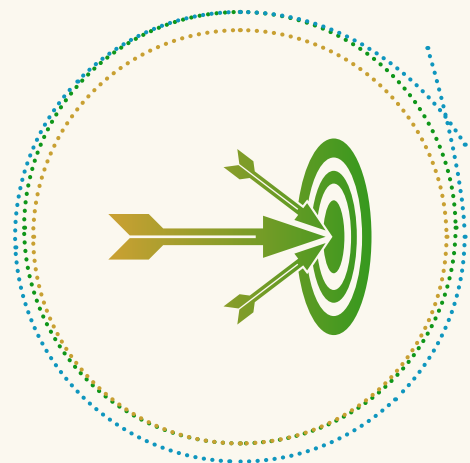


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ENVIRONMENT MANAGEMENT

GOALS TO ACHIEVE OUR VISION

WE AIM TO BE NET ZERO BY THE YEAR 2050



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





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SOCIAL ENDEAVOURS



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SOCIAL ENDEAVOURS

EVERY SMILE COUNTS



Our passion for community development is driven by a simple belief *'Every Smile Counts...'*

Our CSR policy encompasses this philosophy and lays down the guidelines and mechanism for undertaking socially useful interventions for the welfare & sustainable development of the community at large.

Our CSR footprints cover important areas of Education, Healthcare, agricultural livelihood initiatives, environment, women empowerment, water and sanitation and disaster relief activities.

FRAMEWORK

The CSR Committee spearheads our CSR strategy, recommends the budget and plans, and prioritises projects. The CSR team at Indo Count Foundation executes our social projects in a focused and timely manner.





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SOCIAL ENDEAVOURS

EDUCATION



E-learning: Our e-learning initiatives have covered 110+ schools, resulting in an improvement in academic scores with 100% pass results by all 3,000+ students who appeared for the exams in this year.

Infrastructure improvement: We cater to the educational needs of specially-abled children and extend all possible support to make them an inclusive part of society. We realised that the infrastructure facilities at certain schools for specially-abled children were very poor. We completely transformed the infrastructure and provided a conducive environment for them to learn and explore their skills.

50,000+
BENEFICIARIES (STUDENTS)



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SOCIAL ENDEAVOURS

HEALTHCARE



We have positioned Healthcare as a critical and focused CSR area. Good health is central to human happiness and well-being that contributes significantly to prosperity, wealth and economic progress.

Mobile Medical Vans: We started the 'Health outreach' through Medical Vans to serve underprivileged communities in rural areas. Starting with one van in 2016, we widened our footprint in this area with 4 medical vans running in around 100 remote villages and slums.

These vans provide doorstep access to preventative and curative healthcare, effectively addressing the health concerns of people in remote villages. More than 6 lakh lives have been touched through this initiative.

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

6,00,000+
BENEFICIARIES (PATIENTS)



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SOCIAL ENDEAVOURS

SUSTAINABLE COTTON INITIATIVES



We have decided to improve sustainability in cotton farming for BCI farmers and to consider “Farmers upliftment & Agriculture Livelihood” as one of the key CSR focus areas.

GAGAN: We started ‘GAGAN’ in 2019-20 in Warora Taluka of Chandrapur District in Maharashtra. Further, we have expanded the Gagan Initiative to Anjangaon (Amravati) in 2021-22 and Malkapur & Chikhali (Buldhana) in 2022-23. The main thrust of this program is to help cotton farmers in increasing the productivity of their farms by judiciously using water, pesticides and fertilizers and educating them on better cotton and good agricultural practices.

At present we have covered 6,000 farmers in three districts of Maharashtra.

We have tied up with CITI-CDRA, a technical resource agency in the field of cotton production and engaged Agri-graduates as scouts from local areas to implement this initiative.

The GAGAN project has benefited more than 4,000 farmers in the year 2021. Data analyzed of 515 sample farmers of the Warora & Anjangaon project area shows an increase in yield of 33% farmers and rise in income of 81% farmers against year 2019 & 2020.



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SOCIAL ENDEAVOURS

SUSTAINABLE COTTON INITIATIVES [CONTINUED]



Anant: Based on the successful implementation experience of the Gagan Project, we expanded the concept and implemented a pilot ELS (Extra Long Staple) Cotton Project called-Anant (2021-22) in the Alirajpur district of MP which is predominantly a tribal area. This project was implemented by a team of CITI-CDRA and covered more than 11,500 farmers in 6 blocks of Alirajpur district namely Alirajpur, Sondwa, Jobat, Uadigarh, CSA Nagar & Kattiwada with 13,000 Ha ELS cotton area.

Farmers are trained on different aspects of cotton cultivation at different crop stages with latest

crop technologies. Agriculture Department personnel and KVK scientists are engaged in farmer training and awareness of ELS cotton. Farmer level demonstrations are conducted on the farmer's field with the objective to assess potential yield of newly developed vs existing ELS hybrids/variety. As per 2021, results show that newly demonstrated hybrids has higher yield/hectare i.e 16-18% against existing varieties.

There are fantastic results of this pilot project with an increase in yield/hectare by 22.58% as compared to non-project areas.

SOCIAL ENDEAVOURS

SUSTAINABLE COTTON INITIATIVES [CONTINUED]



Avani: Organic Cotton Initiative started in the year 2021-22 in Yavatmal district of Maharashtra. Under this initiative 1,987 farmers registered under NPOP & USDA-NOP organic certification programme with 1,545 acres of organic cotton area which is located in Yavatmal & Ghatanji Taluka of Yavatmal district.

The project was implemented by Manager & Asst. Manager-Sustainable Cotton, under the supervision of GM-Cotton and headed by Executive Director/CEO. Organic farming experienced local staff engaged at field level execution of project activities.

This area is a major cotton producing area of Vidharbha region and mostly farmers are small holders and majority of farmers are tribal with rain-fed farming.

We support the project farmers to promote organic cotton cultivation, training and capacity building of farmers and field staff, free of cost distribution of organic non GMO seed, avail organic certification cost, purchase organic cotton from farmer's door/home and linking of the government schemes to farmers.

Objective of this initiative:

1. To improve the farm income & reduce cost in a sustainable way.
2. To develop and promote business model that are environmentally sustainable.
3. To develop system for organic integrity and traceability.
4. To conserve the biodiversity & natural resources.
5. To create sustainable social infrastructure and support system for farming community.



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SOCIAL ENDEAVOURS

CENTRE OF EXCELLENCE



PDKV Multi-year Project: In collaboration with the Government of Maharashtra, we are creating a Centre of Excellence for cotton sustainability at Agriculture Research Station Ekarjuna situated in Warora taluka of Chandrapur district. The project is headed by Director of Research, Dr. PDKV, Akola Agricultural University and engaged the agricultural scientist teams like Plant breeders, Agronomist, Entomologist to train the extension staff of Agriculture department and farmers on varietal suitability, selection of varieties, promote latest agricultural technologies, water harvesting, IPM based pest management & Integrated nutrient management, seed production etc. The Department of Agriculture is involved in extension activities and impart the trainings to farmers and also disseminate the standardised technologies developed

by PDKV scientist to cotton growers. The project cost is ₹3.10 crore wherein Indo Count and Govt. of Maharashtra have funded their respective contributions. The project would provide various benefits to farmers namely:

1. Standardize and demonstrate sustainable organic cotton production technologies for farmers.
2. Trained extension personnel and farmers for sustainable cotton production and production of quality seed of improved seed variety.
3. Judicious use of chemical pesticides and fertilizers also disseminate low cost cotton technologies to farmers.
4. Increase the profitability of cotton farmers per unit area.



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SOCIAL ENDEAVOURS

ENVIRONMENT



Miyawaki Plantation Multi-year Project: On 5 acres of MIDC Waste Land, we have undertaken a massive Plantation activity using Miyawaki Technique and transformed it into green land. This will help in an enormous amount of carbon sequestration and balance local micro-climate imbalances. Around 15,000 plants are planted and are being maintained with 100% survival. Inside this, we also created a freshwater pond which helps in developing the natural ecosystem of Flora & Fauna, which is an essential component of the environment.

Bio Gas Plant: The project is created at ISKCON's Talasari centre where more than 500 rescued cows are taken care and we also supported them for taking care of these cows. The gas generated is being supplied to 10 tribal families who stays close to the Plant and it helped them to stop cutting the tree for firewood. Gas is also used for preparing the meals which are distributed to needy children in nearby areas.

15,000+
TREES PLANTED

SOCIAL ENDEAVOURS

WATER & SANITATION



We have been maintaining the RO and Purified water and sanitation facilities created in earlier years. The said facilities continue to benefit around 1 lakh people.

WOMEN EMPOWERMENT



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





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GOVERNANCE





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GOVERNANCE

PHILOSOPHY



We are committed to defining, following and practicing the highest-level of corporate governance across all our business functions.

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

Our Board is the primary upholder of our Governance framework.

GOVERNANCE

THE BOARD



Our Board of Directors comprises 10 eminent personalities who bring in immense skill, expertise and hands-on experience in various fields. It has an optimal combination of Executive and Independent Directors including one Woman Director.

Board Committees: We have Board Committees that effectively discharge their role and responsibilities. These committees formally report to the Board following each meeting to ensure that the Board remains fully updated on their activities.

Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility (CSR) Committee	Risk Management Committee
3 out of 4 Independent Directors. Chairman being Independent Director	3 out of 4 Independent Directors. Chairman being Independent Director	Chairperson - Independent Director	Chairperson - Independent Director	Majority being Independent Directors





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GOVERNANCE

POLICIES



Code of Conduct: The Company has adopted a Code of Conduct applicable to all its Directors, Senior Management and all other employees.

Whistleblower Policy: We have formulated a Vigil Mechanism / Whistleblower Policy to enable Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Code of Conduct that could adversely impact the Company, securely and confidentially. The Vigil Mechanism / Whistleblower Policy are available on the website.

POSH Policy: We have adopted a policy for Preventing Sexual Harassment of Women in the workplace. We have 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 in the workplace.

Anti-corruption Policy & Anti-bribery Policy: The Company has articulated an Anti-corruption Policy and Anti-bribery Policy. This policy prevents employees, suppliers and vendors from receiving any illegal or improper payments or comparable benefits intended or perceived to obtain undue favours for the conduct of our business.



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THANK YOU

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