

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY			
Corporate Identity Number (CIN) of the Company	L17110DN1986PLC000334		
Name of the Company	Alok Industries Limited (Alok / the Company)		
Registered address	Survey Nos.17/5/1 & 521/1, Village Rakholi/ Saily, Silvassa-396230 Union Territory of Dadra & Nagar Haveli Tel: 0260-6637000; Fax: 0260-2645289		
Website	www.alokind.com		
E-mail id	info@alokind.com		
Financial Year reported	2019-2020		
Sector(s) that the Company is engaged in (industrial activity code-wise)	S. No	Name and Description of main products / services	NIC Code of the Product/service
	1	Manufacturer and Seller of Textile products	2350, 2351, 2360, 2622, 2650, 2673, 3061 and 3062
List three key products/services that the Company manufactures/provides (as in balance sheet)	a) Apparel Fabrics, b) Home Textiles c) Polyester Yarn		
Total number of locations where business activity is undertaken by the Company:	International locations: Alok has undertaken business activities in 1 international location (on a standalone basis) i.e. Sri Lanka. National locations: Alok has carried out business activities in over 2 domestic locations. The Company's manufacturing divisions are at Silvassa and Vapi.		
(a) Number of International Locations (Provide details of major 5)	1 (One), Sri Lanka		
(b) Number of National Locations	2 (Two)		
Markets served by the Company – Local/State/ National/International/	In addition to serving Indian markets, Alok exported to 66 countries worldwide during FY 2019-20.		

SECTION B: FINANCIAL DETAILS OF THE COMPANY	
Paid-up capital (Rs.)	Equity Share Capital of Rs. 221.08 crore
Total Turnover (Rs.)	3166.34 crore
Total profit) after taxes (Rs.)	1224.55 crore
Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	As the average of net profits of the Company during the previous three financial years was negative, no amount was required to be spent on CSR mandatorily during 2019-2020.
List of activities in which expenditure in above has been incurred:-	NA

SECTION C: OTHER DETAILS		
1.	Does the Company have any Subsidiary Company/	The Company has 1 direct subsidiary and 11 step down subsidiaries (including 3 under liquidation).
2.	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary Company(s).	No.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Alok was under the Corporate Insolvency Resolution (CIR) process since 18th July 2017 as detailed elsewhere in this Annual Report. The resolution plan submitted by the resolution applicants, duly approved by the adjudicating authority, was under implementation during the financial year 2019-20. During the financial year 2020-2021, the new management is undertaking repairs, maintenance, upgradation and modernization of the textile operations at all plants and operations are still stabilizing. Hence, suppliers, distributors etc. who are associated with the Company have not yet participated in the BR initiatives of the Company.

SECTION D: BR INFORMATION	
1	Details of Director/ Directors responsible for BR (During the year under review, the powers of the Board of Directors, which was suspended upon admission of Alok to the CIR process, continued to remain suspended under the terms of the approved resolution plan. The Monitoring Committee, constituted in accordance with the approved resolution plan, managed the affairs of Alok as a going concern and supervised the implementation of the approved resolution plan during 2019-20.

	Details of Director/ Directors responsible for implementation of the BR policy/ policies:	i.	Name	:	NA					
		ii.	DIN	:	NA					
		iii.	Designation	:	NA					
		iv.	Tel. Number	:	NA					
		v.	Email id	:	NA					
	Details of BR head	K. H. Gopal								
2	Principle-wise (as per National Voluntary Guidelines) BR Policy/policies									
a)	Details of compliance (Reply in Y/N)									
Sr.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	\$ Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	# Does the policy conform to any national/ international standards? If yes, specify? (50 words)	The policies are based on NVG guidelines, in addition to conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	@ Indicate the link for the policy to be viewed online?	http://www.alokind.com/policy.htm								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The Company has communicated its above referred policies to key internal stakeholders. Besides, the BR policies are also being communicated through this report. The above referred policies are also available on website of the Company.								
8	Does the company have in- house structure to implement the policy/ policies.	Yes, the CSR Committee of the Board of Directors is responsible for the implementation of Alok's policies.								

9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, any grievance or feedback related to the policies can be sent to info@alok.com. The CSR Committee of the Board of Directors is responsible for addressing stakeholder concerns related to BR policies.								
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	The policy, on a voluntary basis, was framed prior to Alok being admitted to the CIR process and the new Board of Directors was re-constituted only on 14th September 2020 in accordance with the approved resolution plan. The re-constituted Board and the designated Committee will decide on revisions, if any to be incorporated in the policy and also carry out an independent audit/evaluation as it deems fit.								
b)										
If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)										
Sr.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principle	NOT APPLICABLE								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	<u>Any other reason (please specify)</u>									
3.										
Governance related to BR										
a.										
Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.										
SEBI vide its notification dated 26 December 2019 extended the applicability of Business Responsibility Reporting ("BRR") in the Annual Report from the present top 500 listed companies to the top 1000 listed entities based on market capitalization. The Company is covered under such top 1000 listed Companies.										

	The Company, under the new Board of Directors re-constituted in accordance with the approved resolution plan, proposes to assess the BR performance of the Company annually.
b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
	This is the first year where the Company is mandatorily required to publish a Business Responsibility Report as part of the Annual Report vide SEBI notification dated 26 December, 2019. This report is available at the website of the Company at https://www.alokind.com/ Investor Relations and same will be published annually.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1	Businesses should conduct and govern themselves with ethics, transparency and accountability
1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?
	<p>The Company (together with its subsidiaries and joint ventures of the Company) conducts and is committed to conducting all aspects of its business in keeping with the highest legal and ethical standards and expects all employees and other persons acting on its behalf to uphold this commitment. The relevant Policy is applicable to all directors, officers, employees, agents and other associated persons of the Company.</p> <p>The Vigil Mechanism and the Whistle Blower Policy of the Company provides a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or any other unethical or improper activity</p>
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
	<p>During the financial year 2019-2020, the Company has received 2 complaints/queries from shareholders of the Company and all of them were satisfactorily resolved. The Stakeholders Relationship Committee of the Company specifically looks into various aspects of interest of shareholders, and other security holders of the Company.</p> <p>During financial year 2019-2020 no complaints pertaining to sexual harassment were received or pending to be resolved by the Company. Similarly, the Company has not received any 'Protected Disclosure' or pending to be resolved under Whistle Blower Policy/Vigil Mechanism of the Company about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or any other unethical or improper activity.</p> <p>The Company has not received any other complaint from other stakeholders</p>

Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
	<p>The Company understands its obligations relating to social and environmental concerns, risks and opportunities. The Company ensures fulfillment of compliance obligations that relate to its products, environmental aspects and occupational health and safety. During the financial year under review, the Company was engaged in manufacturing of following main products; a) Apparel Fabrics b) Home Textiles c) Polyester Yarn.</p> <p>The products of the Company are manufactured in compliance with applicable laws, regulations and the products are supplied in the Business to Business segment. The Company’s manufacturing processes have adequate systems and processes which ensure protection of environmental factors like reduction of emissions, discharge of pollutants and hazardous waste and treatment thereof in systematic manner to minimize adverse environmental impact. The Company prioritizes domestic sourcing wherever possible. Efforts are also made to transport maximum cargo via ship/rail.</p> <p>The manufacturing process also takes care of other aspects like minimizing and treatment of occupational disease, safety measures to avoid accidents, fire / leakages by adopting certain measures including a) selecting right equipment, processes, inputs and tracking emissions b) organizing safety awareness programs, safety training, structural audit. The Company also provides employment opportunities to local people around its manufacturing plants.</p>
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):
a.	Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?
	<p>The Company is committed to environmental sustainability and constantly endeavors for reduction and optimal utilization of energy, water, raw material by incorporating new techniques and innovative ideas. The Company has its main manufacturing facilities at Silvassa and Vapi which are the major contributor to the overall revenue and production of the Company.</p> <p>During the year under review, the approved resolution plan was under implementation and the Monitoring Committee continued to manage the affairs of the Company as a going concern and supervise the implementation of the approved resolution plan. The Company has been functioning at around 25% of its capacity utilization over the past few years and hence no reduction during sourcing/production/distribution since the previous year throughout the value chain could be expected.</p>

b.	Reduction during usage by consumers (energy, water) has been achieved since the previous year?
	The Company operates in Business to Business segment therefore the Company's products do not have any broad-based impact in the reduction of consumption of energy and water by its consumers. The Company is generally committed to reduce waste, conservation of raw material, resources and energy through various initiatives, technological upgradation
3.	Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.
	The Company has a structured procedure for sourcing to ensure raw materials are sourced in an optimal and sustainable manner. The Company procures key raw material like raw cotton from Maharashtra, Gujarat and Madhya Pradesh, Cotton Yarn from Tamil Nadu, Maharashtra, PTA, MEG and Furnace Oil from Gujarat and Chemicals and Dyes from Maharashtra and Gujarat. The sourcing of raw materials like cotton, cotton yarn, PTA, MEG were made through rail wagons and road transport.
4.	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
	The Company believes in inclusive growth and encourages local sourcing wherever possible. The Company is promoting and encouraging surrounding areas local small suppliers, civil, housekeeping, horticulture contractors and transporters which help them in securing work contracts. Most of such local suppliers are categorized under MSME (Micro, Small & Medium Enterprises) sector. To ensure improvement of capacity and capability of such local suppliers the Company ensures the timely payments against the respective services rendered by them. The Company do avail/employ people residing in vicinity of plants of the Company, whenever required, for the purpose of its manufacturing activities. The Company is providing technical and safety training, as required in plant, which makes them more reliable and employable in safe ways.
5.	Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.
	Alok encourages the use of recycled products and has set up a recycled polyester unit to recycle polyester and polyester yarn waste and flakes to produce 100% recycled polyester fiber. In view, however of the reduced capacity utilization, over the past few years, the percentage of recycling is not significant. Solid waste at the processing plant is managed through an external solid waste management company. Alok also has an effluent treatment plant for primary, secondary and tertiary treatment of effluent.

Principle 3		Businesses should promote the well-being of all employees			
1.	Please indicate the total number of employees:			16731	
2.	Please indicate the total number of employees hired on temporary/contractual/casual basis:			6373	
3.	Please indicate the number of permanent women employees:			738	
4.	Please indicate the number of permanent employees with disabilities:			14	
5.	Do you have an employee association that is recognized by management: Yes/NO			No	
6.	What percentage of your permanent employees is members of this recognized employee association?			N.A.	
7.	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.				
	Category	No. of complaints pending at the beginning of the financial year	No. of complaints filed during the financial year	No. of complaints Resolved during the financial year	No. of complaints pending as on end of the financial year
	Child labor/ forced labor/ involuntary labor	Nil	Nil	Nil	Nil
	Sexual harassment	Nil	Nil	Nil	Nil
	Discriminatory employment	Nil	Nil	Nil	Nil
8.	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?				
	Sr. No	Category of employees	% of training given at Silvassa location	% of training given at Vapi location	
	a)	Permanent Employees	80%	75%	
	b)	Permanent Women Employees	85%	60%	
	c)	Casual/Temporary/ Contractual Employees	80%	70%	
	d)	Employees with Disabilities	Nil	Nil	

Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
1.	Has the company mapped its internal and external stakeholders? Yes/No
	<p>Yes. The stakeholders have been mapped and the key stakeholders are as follows: a) Government and regulatory authorities b) Investors and Shareholders c) Employees d) Customers e) Local Communities f) Suppliers/contractors. g) Lenders.</p> <p>The Stakeholders Relationship Committee of the Company specifically looks into various aspects of interest of shareholders, and other security holders of the Company.</p> <p>Also at plant locations the management engages with other stakeholders to understand and resolve any concern of the stakeholders.</p>
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.
	<p>During the year under review, the implementation of the approved resolution plan was underway and the Monitoring Committee continued to manage the affairs of the Company as a going concern and supervise the implementation of the approved resolution plan. The Company was therefore unable to take up the above activity. The new Board of Directors was re-constituted only on 14th September 2020 and the Company will now take up the above activity as directed by the re-constituted Board / its Committee.</p>
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.
	<p>During the year under review, the implementation of the approved resolution plan was underway and the Monitoring Committee continued to manage the affairs of the Company as a going concern and supervise the implementation of the approved resolution plan. The Company was therefore unable to take up the above activity. The new Board of Directors was re-constituted only on 14th September 2020 and the Company will now take up the above activity as directed by the re-constituted Board / its Committee.</p>
Principle 5 - Businesses should respect and promote human rights	
1.	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
	<p>The Company strictly follows highest ethics including protection of human rights while conducting its business activities. The Company's stand on human rights, including non-discrimination, prohibition of child and enforced labour, freedom of association and the right to engage in collective bargaining.</p> <p>The Company's Policy for Prevention of Sexual Harassment of Women at workplace is applicable to all the employees including contractual and also covers contractual, temporary, visitors.</p>

	<p>The Whistle Blower Policy/Vigil Mechanism of the Company also provides a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or any other unethical or improper activity.</p> <p>The Company has also extended strong support to manpower by covering them in Group Mediclaim policy. The Company abides by all the rules and regulations related to human rights which are applicable in the area of operations</p>
2.	<p>How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?</p> <p>The Company has not received any complaints pertaining to sexual harassment or principles related to human rights and there is no complaint pending to be resolved in this respect, during financial year 2019-2020.</p>
<p>Principle 6 - Business should respect, protect, and make efforts to restore the environment</p>	
1.	<p>Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.</p> <p>The Company has a Policy on Conservation and Preservation of the Environment. All the plants of the Company maintain the generation of emissions and waste within the permissible limits given by State Pollution Control Boards (SPCB) to minimize adverse impact on environment.</p> <p>The Company has adopted an integrated approach towards addressing biological diversity at various sites. There has been greenery developed in and around the manufacturing sites leading to reduced dust, improved micro-climate conditions, enhanced ambience for natural flora and fauna, reduction in evaporation losses of water, and so on.</p> <p>The Company while dealing with its suppliers/contractors and other concerned parties, always ensures to conduct its dealings in accordance with policy on Conservation and Preservation of the Environment.</p>
2.	<p>Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.</p> <p>The Company understands the global issue of climate change and aims to initiate maximum possible actions to address it. The Company is committed to;</p> <p>i) Addressing environmental issues through efficient use of natural resources, promote use of renewable energy, minimization of wastes, water management, protecting the biodiversity and reducing carbon footprint.</p> <p>ii) Effective implementation of environmental management system to prevent, mitigate and control environmental damages.</p>

3.	Does the company identify and assess potential environmental risks? Y/N
	Yes, the Company assesses the potential impacts of its operations on the environment through the implementation of measures for the conservation and preservation of the environment. Potential environmental risks are identified and suitable steps taken to measure and mitigate risk through a structured approach.
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?
	Owing to the CIR process and implementation of the approved resolution plan during the year under review, the Company could not take up any project related to Clean Development Mechanism (CDM).
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc
	No
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?
	Yes, the emissions/waste generated by the Company are within the permissible limits given by CPCB/SPCB for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal.
7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.
	As on 31 March, 2020, there was no pending show cause or legal notices received from CPCB or SPCB.
Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:
	The Company is a member of Apparel Export Promotion Council, Synthetic and Rayon Textiles Export Promotion Council and The Cotton Textiles Export Promotion Council.
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)
	No
Principle 8 - Businesses should support inclusive growth and equitable development	
1.	Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.
	The Company has adopted a Corporate Social Responsibility (CSR) policy which governs the CSR activities of the Company are governed as per the said policy. As the average net profit of the Company during the previous three financial years was negative, it was not mandated to spend any amount on CSR during 2019-2020.
2.	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?
	Not Applicable as no such programmes were undertaken for the reason stated in (2) above.

3.	Have you done any impact assessment of your initiative?
	No.
4.	What is your company's direct contribution to community development projects- Amount in Rs. and the details of the projects undertaken.
	As the average net profit of the Company during the previous three financial years was negative, it was not mandated to spend any amount on CSR during 2019-2020
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.
	Identification and prioritization of community initiatives is done through participatory exercise at village level . The Company regularly engages with nearby villagers to ensure results out of community development programs adopted by the respective beneficiaries are achieved with maximum possible benefits to the community
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner
1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year
	None.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)
	The Company displays product information on labels as mandated by law supplemented by additional information per requirements of the customer.
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.
	None
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?
	The Company proposes to examine the need to carry out consumer surveys basis the market segment and the products dealt in by the Company and act accordingly.