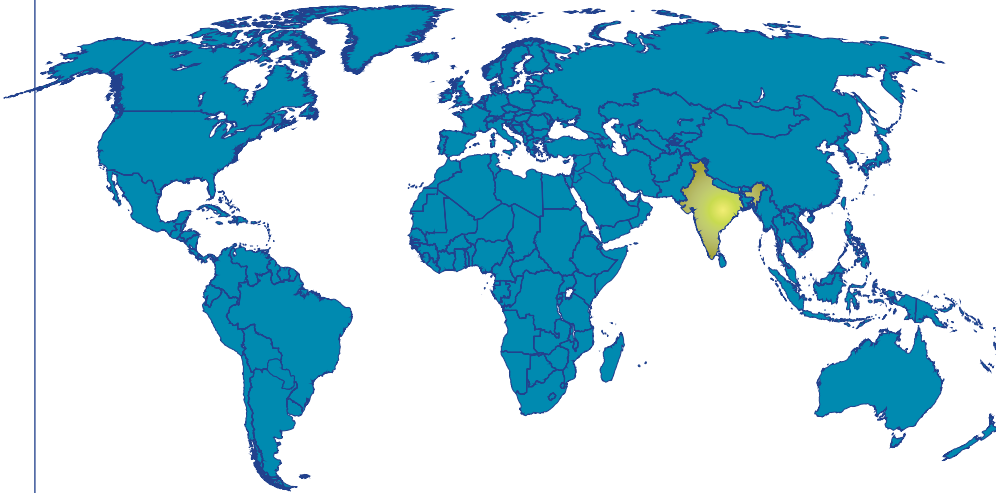


Alok Industries Limited



Alok Industries Ltd. (Alok) is a mid-sized Indian company and one of the country's largest textile companies. The company consists of five core divisions: cotton yarn, apparel fabric, home textiles, garments and polyester yarn with integrated high-tech production lines.

COUNTRY

India

SECTOR

Textiles

EMPLOYEES 2010

Over 20.000 employees

TOTAL ASSETS / NET PROFIT / EXPORT

2009: USD 586m / USD 37m / USD 209m

2010: USD 960m / USD 55m / USD 347m

BETTER BUSINESS

- Alok's strategy is to become the leading textile company in India, and acknowledges the relevance of integrating environmental and social measures in their day-to-day practices.
- Therefore, implementation of certification is a top priority for Alok. In 2009, Alok completed implementation of SA 8000, OHSAS 18001 and ISO 14001 in all their production units. Furthermore, Alok obtained ISO 9001 certification and as a result is the only Indian textile company to have an Integrated Management System with all four certifications. Alok reports that investments made for certification have been paid back in three years.
- An important part of Alok's strategy is 'Doing more with less'. By investing in innovative technology, the company optimized the use of resources to improve productivity as well as sustainability.

BUSINESS RESULTS

- **Increased market share** – Alok's environmentally friendly approach has resulted in several ECO certificates, including the EU flower, KRAV and SWAN certifications. Alok's certified products have helped the company to cater to the growing needs of international clients. Exports increased by more than 45% in 2009-2010.
- **Increased productivity** – Technical training of Alok's employees and the use of high-quality products have led to a rapid growth in productivity.

- **Cost reduction through energy efficiency** – State-of-the-art, highly automated plants consume less energy, produce fewer emissions, and less waste. This has led to a significant reduction in energy costs on a per unit basis for 2009-2010.
- **Cost reduction through efficient water use** – Alok substantially reduced costs by reusing up to 70% of the water used in their manufacturing processes, which is recycled in high-tech treatment plants.

RISKS

- **Reduced labor risks** – By implementing SA 8000 and OHSAS certifications Alok has mitigated major labor risks associated with the textile sector in India.
- **Reduced accidents or fatalities** – The training programs and systems set up by the company have reduced the number of accidents.
- **Reduced environmental risks** – Alok's efficient energy and water use have reduced the environmental impact of the company.

Through its financing, FMO promotes the implementation of best practices in environmental, social and good governance (ESG) standards.

FMO

P.O. Box 93060

2509 AB The Hague - NL

www.fmo.nl - info@fmo.nl

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