



GLOSTER LIMITED

(Formerly Kettlewell Bullen & Company Limited)

21, Strand Road, Kolkata-700 001 (India)

Phone : +91 (33) 2230-9601 (4 Lines), Fax : +91(33)2231 4222/2210 6167, E-mail : info@glosterjute.com, Web : www.glosterjute.com
CIN: L17100WB1923PLC004628

Ref: GL/AA/2021-2022/ 0231
August 7, 2021

The Secretary
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001
Scrip Code - 542351

Dear Sir,

Re: **Annual Report for 2020-2021**

As required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial year 2020-2021.

Thanking you,

Yours faithfully,
For Gloster Limited

Manager Finance & Company Secretary

Encl: As above



GLOSTER LIMITED



ENDURING RESILIENCE

BOUNCING BACK BETTER

ANNUAL
REPORT
2020-21

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CORPORATE INFORMATION

Board of Directors:

Hemant Bangur – Executive Chairman
Pushpa Devi Bangur – Non Executive Director
D.C. Baheti - Managing Director
S.N. Bhattacharya – Independent Director
Dr. Prabir Ray – Independent Director
Ishani Ray – Independent Director
Rohit Bihani - Independent Director
Priti Panwar – Non Executive Director

Company Secretary:

Ajay Kumar Agarwal

Chief Financial Officer:

Shankar Lal Kedia

Bankers:

State Bank of India
Yes Bank Ltd.
Bank of Baroda
HDFC Bank
ICICI Bank Ltd.

Auditors:

Price Waterhouse & Co. Chartered Accountants LLP
Kolkata

Registrar & Share Transfer Agents:

Maheshwari Datamatics Pvt.Ltd.
23, R.N. Mukherjee Road. 5th Floor
Kolkata – 700 001
Phone : +91 33 2248 2248; 2243 5029
Fax : +91 33 2248 4787
E-mail : mdpldc@yahoo.com

Registered & Administrative Office:

21, Strand Road
Kolkata – 700 001 (India)
Corporate Identity No. L17100WB1923PLC004628
Phone : +91 33 2230 9601 (4 lines)
Fax : +91 2210 6167, 2231 4222
E-mail : info@glosterjute.com
Website : www.glosterjute.com

Mills:

P.O. Fort Gloster
Bauria, Howrah – 711 310
West Bengal (India)
Phone : +91 33 2661 8327 / 8271
Fax : +91 33 2661 8940



NOTICE

TO THE MEMBERS

NOTICE is hereby given that the Ninety Ninth Annual General Meeting of the Members of Gloster Limited will be held on Tuesday the 31st August, 2021 at 11 A.M through Video Conferencing / Other Audio Visual Means ("VC/OAVM") , to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements including Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2021, and the Reports of the Board of Directors and the Auditors' thereon.
2. To declare dividend on Equity Shares for the financial year 2020-2021. The Board recommends a dividend of ₹25/- per Equity share of ₹10/- each.
3. To appoint a Director in place of Sri D.C. Baheti (DIN 00040953) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Resolutions:

4. AS A SPECIAL RESOLUTION:

Re-Appointment of Sri Hemant Bangur as Executive Chairman

"RESOLVED THAT based on the recommendation of the Nomination & Remuneration Committee and approval of the Board and pursuant to provisions of Sections 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rules made there under, (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to Regulation 17(6)(e) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and all applicable guidelines issued by the Central Government from time to time, consent of the members of the Company be and is hereby accorded for re-appointment of Sri Hemant Bangur (DIN: 00040903) as the Managing Director designated as Executive Chairman of the Company for a period of three years with effect from 1st April, 2021 and whose period of office shall be liable to determination by retirement of directors by rotation and also on the terms and conditions and remuneration as set out in the Explanatory Statement annexed to this Notice and as per the Agreement dated 12th February 2021, entered into between the Company and Sri Hemant Bangur."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the said Agreement in such manner as may be agreed to between the Board of Directors and Sri Hemant Bangur from time to time and the terms of the aforesaid Agreement shall be suitably modified to give effect to such alteration and/or variation."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors and Company Secretary of the Company be and are hereby authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents including making the appropriate e-filings with the Registrar of Companies, West Bengal and for the purpose of giving effect to the aforesaid resolution."

5. AS AN ORDINARY RESOLUTION:

Ratification of Remuneration of Cost Auditors

"RESOLVED THAT in terms of Section 148(3) and other applicable provisions if any, of the Companies Act, 2013 read with rule 14 of the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Company be and is hereby accorded for payment of remuneration of ₹60,000/- plus applicable taxes to M/s. D. Radhakrishnan & Company, Cost Accountants, for conducting Audit of Cost Accounting records maintained by the Company as applicable, for the financial year 2021-2022."

Registered Office:

21, Strand Road
Kolkata – 700 001

Dated: 12th June 2021

By Order of the Board

Ajay Kumar Agarwal
Company Secretary

Membership No. -FCS6723

NOTES:

1. In view of the massive outbreak and continuing COVID-19 pandemic, social distancing is a norm to be followed and therefore Ministry of Corporate Affairs relaxed the provisions of Companies Act, 2013 (the Act) and allowed conducting Annual General Meeting through Video Conferencing (VC)/Other Audio Visual Means (OAVM) and dispensed personal presence of the members at a common venue. Accordingly, the Ministry of Corporate Affairs issued Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated 13th January 2021 (collectively referred to as "said Circulars") and the Securities and Exchange Board of India vide its circulars dated May 12, 2020 and January 15, 2021 prescribed the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circular, the 99th AGM of the members will be held through VC/ OAVM from its Registered Office, i.e, 21, Strand Road. Kolkata - 700001 which shall be deemed to be venue of the meeting. Hence, members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is annexed herewith and available at the Company's website www.glosterjute.com.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since, the AGM is being conducted through VC/OAVM, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and

hence the Proxy Form and Attendance Slip are not annexed to this Notice.

3. Pursuant to Section 113 of the Act, Institutional / Corporate Shareholders (i.e. Shareholders other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to scrutiniser@rediffmail.com with a copy marked to helpdesk.evoting@cdslindia.com.
4. Those shareholders whose email ID(s) are not registered can get their Email Id registered as follows;
 - Members holding shares in demat forms can get their email id registered by contacting their respective Depository participants
 - Members holding shares in the physical form can get their e-mail registered by providing the same to Registrar and Share Transfer Agents, Maheshwari Datamatics Private Limited by visiting the link <http://mdpl.in/form/email-update> or by filing up the form available on the website of the Company i.e. www.glosterjute.com and sending it to ajay@glosterjute.com.
5. The Shareholders can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis. Instruction and other information for members for attending the AGM through VC / OAVM are given in this Notice.
6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM.
7. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
8. Messrs Price Waterhouse & Co. Chartered Accountants LLP, (FRN 304026E/E-300009), have been appointed as the Statutory Auditors at the 95th Annual General Meeting of the Company for a period of five years upto the conclusion of 100th Annual General Meeting. As per Companies (Amendment) Act, 2017 (Section 139 of the Companies Act, 2013), notified on 07 May, 2018, the requirement of ratification of appointment of the Statutory Auditor at every Annual General Meeting has been done away with. As such, resolution for ratification of appointment of Auditor is no longer required to be passed at the Annual General Meeting.
9. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Items of Special Business is annexed hereto.
10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote electronically during the AGM.
11. Pursuant to section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 25th August, 2021 to 31st August, 2021 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend declared at the meeting.
12. The Record date fixed for the purpose of determining entitlement of the members to Dividend is 24th August, 2021.
13. Pursuant to SEBI (Listing Obligations & Disclosure Requirements) 2015 all Companies mandatorily have to use Bank Account details furnished by the Depositories for depositing dividend. Dividend will be credited to the Members Bank Account through NECS where complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrant will be dispatched to the members with Bank details printed thereon as per details available with the Company.
14. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the members.
15. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/ Registrar and Share Transfer Agent.
16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Act and all other documents referred to in this Notice will remain available for inspection through electronic mode during the AGM and Members can inspect the same by sending an email to the Company at ajay@glosterjute.com.

17. Unpaid or unclaimed dividend have been transferred for the years prior to and including the financial year 2012-13, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Unclaimed dividend in respect of Financial Year 2013-14 is due for transfer to the Investor Education & Protection Fund (IEPF), in September 2021. It may be noted that once the unpaid / unclaimed dividend is transferred to IEPF no claim shall lie against the Company in respect of such amount by the Member.

Pursuant to the provisions of Investor Education & Protection Fund Rules, 2012, (uploading of information regarding unpaid and unclaimed amounts lying with Companies) the Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on 26th September, 2020 (date of last AGM) on the website of the Company and also on the website of the Ministry of Corporate Affairs. Members of the Company who have not yet encashed their dividend warrant(s) for the financial year ended 31.03.2014 and onwards as applicable, are requested to contact the Company forthwith.

18. Pursuant to the enforcement of the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the "Rules"), the Company is required to transfer the shares in respect of which dividends have remained unpaid/unclaimed for a period of seven consecutive years or more to the Investor Education and Protection Fund (IEPF) Demat Account established by the Central Government. In case no claim is received from the shareholders, the Company will transfer the shares in favour of IEPF authority in the prescribed manner. However, once transferred, the shareholders can still claim the shares from IEPF authority by filing Form No. IEPF-5 in the prescribed manner.

19. Members who have neither received nor encashed their dividend warrant(s) so far, are requested to write to the Company, mentioning the relevant Folio Number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).

20. Disclosure pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard 2 on General Meeting regarding the Directors seeking appointment/re-appointment at the meeting is annexed.

21. Trading in Equity Shares of the Company is under compulsory demat trading. Pursuant to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed unless the securities are held in dematerialized form with a depository. Therefore, members are requested to consider dematerializing shares held by them in physical form.

22. In compliance with the aforesaid MCA Circulars and SEBI Circular Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.glosterjute.com and website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL i.e. www.evotingindia.com.

23. As the Annual General meeting of the Company is held through VC/OAVM, we therefore request the members to submit queries relating to the business specified in the Notice of AGM at least 7 (seven) days before the date of the meeting at ajay@glosterjute.com so as to enable the management to keep the information ready at the AGM.

24. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar & Share Transfer Agents.

25. Shareholders holding shares in identical order of names in more than one Folio, are requested to write to the Company or to the office of the Registrar & Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd., 23, R.N. Mukherjee Road, 5th Floor, Kolkata-700001 enclosing their share certificates to enable the company to consolidate their holdings in one single Folio.

26. Pursuant to section 72 of the Companies Act, 2013 members holding shares in physical form are advised to file nomination in prescribed form SH-13 with RTA. In respect of shares held in Electronic / Demat form members may please contact their respective Depository Participants.

27. In all correspondence with the Company or the RTA, Members are requested to quote their Folio Number and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID Number.

28. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

29. Pursuant to the Income Tax Act 1961, as amended, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders w.e.f. 1st April, 2020. The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company. A Communication providing information and detailed instructions with respect to tax on Dividend is being sent separately to the members.

30. CDSL e-Voting System – For e-voting and joining virtual meeting

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State

or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.glosterjute.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13, 2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on 28th August, 2021 at 9 a.m. and ends on 30th August, 2021 at 5 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 24th August, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable

e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL / NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - 6) If you are a first-time user follow the steps given below:
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

For physical Shareholders and other than individual shareholders holding shares in Demat	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Gloster Limited > on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password.

The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address scrutiniser@rediffmail.com and to the Company at the email address viz; ajay@glosterjute.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at ajay@glosterjute.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name,

demat account number/folio number, email id, mobile number at ajay@glosterjute.com. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time for smooth conduct of the AGM.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ajay@glosterjute.com / mdpldc@yahoo.com
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

- III. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24th August, 2021. Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and is holding shares

as on the cut-off date i.e. 24th August, 2021 may obtain login ID and password by sending a request at mdpldc@yahoo.com.

- IV. Ms. Sweety Kapoor, Practicing Company Secretary, (Membership No. FCS:6410; CP No. 5738) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. The Scrutinizer shall after the conclusion of Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company. The scrutinizer shall submit the consolidated scrutinizer's report within 2 working days to the Chairman or any other person authorized by the Board. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.glosterjute.com and on the website of CDSL www.evotingindia.com immediately after the results are declared.

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item No. 4

The Board of Directors of the Company based on recommendation of Nomination & Remuneration Committee ("NRC") at their meeting held on 12th February 2021, re-appointed Shri Hemant Bangur as the Managing Director designated as Executive Chairman of the Company, for a period of 3 years w.e.f 1st April 2021 subject to approval of the shareholders.

For the purpose an Agreement has been entered into by the Company with Shri Hemant Bangur on 12th February 2021. The main terms and conditions of appointment in the said Agreement dated 12th February 2021 are furnished below:

The said Agreement, inter alia, contains the following terms and conditions:

- a) Salary: ₹ 8,50,000/- per month in the range of ₹ 8,50,000/- to ₹ 25,00,000/- per month.
- b) Commission: Such commission on net profits, as may be decided by the Board of Directors including a Committee thereof in its absolute discretion for each financial year or part thereof subject to section 197 read with Schedule V.
- c) The Managing Director shall also be entitled to perquisites and allowances in accordance with the rules of the Company, as approved by the Board of Directors including a Committee thereof.
- d) Sri Hemant Bangur shall not be paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.
- e) The Company shall indemnify Sri Hemant Bangur and keep him indemnified against all costs, expenses, losses, damages, penalties that he may incur or suffer in the course of attending or performing the Company's work.

- f) He will be liable to retire by rotation so long as he functions as Executive Chairman of the Company provided that if he vacates office by retirement by rotation under the provisions of the Companies Act 2013 at any Annual General Meeting and is re-appointed as a Director at the same meeting, he shall not, by reason only of such vacation, cease to be the Executive Chairman. He shall cease to be Executive Chairman of the Company if he ceases to hold the office as a director of the Company for any reason whatsoever.
- g) In the event of absence or inadequacy of profits in any financial year during his tenure Sri Hemant Bangur shall be entitled to receive remuneration including allowances, perquisites etc, as stated in this agreement excluding commission on net profits, as Minimum Remuneration, as approved by the Board of Directors including a Committee thereof subject to compliance with Schedule V of the Companies Act, 2013 as amended from time to time.

Sri Hemant Bangur satisfies all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act, neither debarred from holding the office of director pursuant to any SEBI order.

The Board of Directors recommends the resolution at Item No. 4 for your approval in the interest of the Company.

Copy of the Agreement dated 12th February, 2021 will be available for inspection during the course of meeting.

Details of Sri Hemant Bangur is provided in the Notice pursuant to the provisions of (i) the Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Apart from Sri Hemant Bangur Executive Chairman and Smt Pushpa Devi Bangur, Director, along with their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

Your Directors seek your approval to the said resolution as set out in the Notice.

Item No. 5

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. D.Radhakrishnan & Co. Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022 at a remuneration of ₹ 60,000 (Rupees Sixty Thousand only).

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be approved by the shareholders of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interest in the Resolution.

Your Directors seek your approval to the said resolution as set out in the Notice.

Disclosure relating to Directors, seeking appointment / re-appointment, pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standards on General Meetings

Name	Sri Hemant Bangur
DIN	00040903
Nationality	Indian
Date of Birth / Age	21.04.1972 / 49 years
Date of First Appointment on the Board	28.02.2018
Qualifications	Post Graduate in International Trade
Brief Resume / Experience / Expertise in specific functional areas	Rich & wide experience in Jute, Plantation, Fertilizer, Paper, Real Estate and Financial Services industry with expertise in operations, corporate governance & restructuring, finance, taxation and legal matters. Presently non-executive Chairman of Joonktollee Tea & Industries Limited. In the past he has been President of Tea Association of India and Chairman of Merchant Chamber of Commerce.
Directorships in other Companies	<ol style="list-style-type: none"> i. Joonktollee Tea & Industries Limited ii. Madhav Trading Corporation Limited iii. The Cambay Investment Corporation Limited iv. Laxmi Asbestos Products Limited v. Madhu Corporate Park Limited vi. The Phosphate Co. Limited vii. The Cochin Malabar Estates & Industries Limited viii. Gloster Nuvo Limited ix. Fort Gloster Industries Limited x. The Marwar Textiles (Agency) Pvt. Ltd. xi. Bombay Agency Company Pvt. Limited xii. Credwyn Holdings (I) Pvt. Limited
Terms and conditions of appointment/ reappointment	Sri Hemant Bangur is Executive Chairman of the Company and is seeking re-appointment for a period of 3 years.
Details of remuneration sought to be paid	As stated in Explanatory Statement of this Notice
Remuneration last drawn	₹ 287.16 lakhs
Chairman/Member of Committees of the Board of other Companies of which he is a Director	<u>Audit Committee</u> Joonktollee Tea & Industries Limited (Member) <u>Stakeholders Relationship Committee</u> Joonktollee Tea & Industries Limited (Member) Phosphate Company Limited (Member)
Shareholding in the Company	3,76,139 shares
Relationship with other Directors & Key Managerial Personnel	Son of Smt. Pushpa Devi Bangur, Non-Executive Director
No. of Board Meetings attended during the year 2020-2021	5 of 5

Name	Sri D.C. Baheti
DIN	00040953
Nationality	Indian
Date of Birth/ Age	02.10.1947 / 73 years
Date of First Appointment on the Board	28.02.2018
Qualifications	B.Com
Brief Resume / Experience / Expertise in specific functional areas	Sri D.C. Baheti, has wide experience in the jute industry & marketing. He is Council member of Indian Jute Industries Research Association (IJIRA) and Committee Member of Indian Jute Mills Association. In the past he has been Chairman of IJIRA, Chairman of Jute Products Development & Export Promotion Council; Chairman, Consultative Board of International Jute Study Group, Member of the High Powered Technical Textile Committee Committee for the 12th Five Year Plan constituted under Ministry of Textiles, Government of India.
Directorships in other Companies	<ul style="list-style-type: none"> i. Gloster Lifestyle Limited ii. Gloster Specialities Limited iii. Gloster Nuvo Limited iv. Jagdishpur Company Limited v. Network Industries Limited vi. Fort Gloster Industries Limited vii. Indian Jute Mills Association
Terms and conditions of appointment/ reappointment	Sri D.C. Baheti is Managing Director of the Company, who is retiring by rotation and being eligible offers himself for re-appointment.
Details of remuneration sought to be paid	In accordance with agreement passed by the shareholders in the Extra Ordinary General Meeting held on 27th March , 2018.
Remuneration last drawn	₹ 310.86 lakhs
Chairman/Member of Committees of the Board of other Companies of which he is a Director	None
Shareholding in the Company	2,128 shares
Relationship with other Directors & Key Managerial Personnel	None
No. of Board Meetings attended during the year 2020-2021	5 of 5

Note: Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 membership/chairmanship of only two Committees viz. Audit Committee and Stakeholder's Relationship Committee have been considered.

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors take pleasure in presenting the Ninety Ninth Annual Report of your Company together with the Audited Financial Statements Accounts for the financial year ended 31st March, 2021.

FINANCIAL RESULTS

The highlights of the financial results of the Company for the year ended 31st March, 2021 are as under:

(₹ lakhs)

Particulars	Standalone		Consolidated	
	Year Ended 31.3.2021	Year Ended 31.3.2020	Year Ended 31.3.2021	Year Ended 31.3.2020
Revenue from operations	49,308.68	49,490.85	49,308.68	49,490.85
Other Income	2,242.03	1,025.14	2,408.43	1,111.28
Total Income	51,550.71	50,515.99	51,717.11	50,602.13
Profit before Tax	6,454.90	2,812.42	6,129.88	2,861.56
Tax Expense	1,994.32	883.77	2,003.69	904.34
Profit for the year	4,460.58	1,928.65	4,126.19	1,957.22
Other Comprehensive Income (net of tax)	2,945.17	(2,525.67)	3,040.46	(2,539.44)
Total Comprehensive Income	7,405.75	(597.02)	7,166.65	(588.22)

DIVIDEND AND RESERVES

Your Directors are pleased to recommend for your approval a dividend of 250% i.e ₹25/- per equity share of face value of ₹10/- each for the year ended 31st March, 2021, payable to those Shareholders whose names appear in the Register of Members as on the Book Closure / Record Date. The total outflow for dividend will be ₹1,367.91 lakhs.

During the year under review, a sum of ₹2,000 lakhs was transferred to General Reserve.

OPERATIONS & STATE OF COMPANY'S AFFAIRS

A. The production during the year under review has been 40,310 MT in comparison to 48,222 MT in the previous year. Sales and turnover for the year under review stood at 39,567 MT & ₹48,739.31 lakhs as against 47,633 MT & ₹48,605.46 lakhs respectively in the previous year. For the year under review, net profit of the Company stood at ₹4,460.58 lakhs as against ₹1,928.65 lakhs in the previous year.

Exports of the Company for the year under review stood at ₹13,423.80 lakhs as against ₹10,062.09 lakhs in the year 2019-2020.

The raw jute crop in the previous season had been badly impacted because of the affect of Cyclone Amphan in month of May 2020 followed by continuous heavy rains. This resulted into crop shortage and all time high prices of Raw Jute during the year. In the ensuing season because of good weather conditions the crop is expected to be good and availability of Raw Jute throughout the year will be normal at reasonable prices.

Demand from Government, domestic & export markets have been stable and the Company is continuously exploring newer markets for traditional and diversified jute products.

B. The spread of COVID-19 had severely impacted businesses due to lock-down, disruptions in supply chain, transportations and travel bans, etc in the first 2 quarters of the financial year 2020-2021. The Company is in the business of manufacturing jute & allied products and jute is a labour intensive industry. Despite manpower availability constraints the company tried to run the operations in the most efficient manner taking all precautions in view of the COVID – 19 pandemic.

The Company has made a detailed assessment and has concluded that there are no material adjustments required in the financial statements. The impact of assessment of COVID 19 is a continuous process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes in future economic conditions.

CREDIT RATING

Various bank facilities of the Company are rated by CRISIL Limited based on Basel II norms followed by the banks under the guidelines of Reserve Bank of India.

All existing & proposed bank facilities have been reviewed and reaffirmed by CRISIL Limited vide its letter dated 28th April 2021, and rating for long-term bank facilities is 'CRISIL A+/Stable' and for short-term bank facilities is 'CRISIL A1+.'



GLOSTER LIMITED

CHANGE IN NATURE OF BUSINESS, IF ANY

During the year, there was no change in the nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

SUBSIDIARY COMPANIES

Gloster Lifestyle Limited, Gloster Specialities Limited, Gloster Nuvo Limited, and Network Industries Limited continue to be wholly owned subsidiaries of your Company.

During the year under the review Fort Gloster Industries Limited has become wholly owned subsidiary of the Company.

None of the companies have ceased to be subsidiary during the year.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, and IND AS 110 Consolidated Financial Statements presented by the Company include the financial statement of its subsidiaries.

Further, a separate statement containing the salient features of the financial statements of subsidiaries of the Company in the prescribed Form AOC 1 is attached with this Report.

The Annual accounts of the subsidiary companies and other related detailed information will be kept at the Registered Office of the Company and also at the Registered Office of the subsidiary companies and will be available to the investors seeking information at any time during the working hours except Saturdays, Sundays and other holidays. Further as per section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of the subsidiaries are available at Company's website at the weblink <https://www.glosterjute.com/acctsubco>. None of the subsidiaries mentioned above is a material subsidiary as per the thresholds laid down under the Listing Regulation. A Policy has been formulated for determining the Material Subsidiaries of the Company pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The said Policy has been posted on the Company's website at the weblink <https://www.glosterjute.com/policies>.

PERFORMANCE OF SUBSIDIARY COMPANIES

Gloster Lifestyle Limited

The Gross revenue of the Company stood at ₹40.07 lakhs (Previous Year ₹38.50 lakhs). Profit after tax for the year stood at ₹29.07 Lakhs (Previous Year ₹24.02 lakhs) and Total Comprehensive Income stood at ₹76.67 lakhs (Previous Year ₹17.36 lakhs).

Gloster Specialities Limited

The Gross revenue of the Company stood at ₹42.35 lakhs (Previous Year ₹49.85 lakhs). Profit after tax for the year stood at ₹26.31 lakhs (Previous Year ₹14.05 lakhs) and Total Comprehensive Income

stood at ₹74.00 lakhs (Previous Year ₹6.94 lakhs).

Gloster Nuvo Limited

The Gross revenue of the Company stood at ₹ Nil, Loss for the year stood at ₹(107.56) lakhs and Total Comprehensive Loss stood at ₹(107.56) lakhs. The Company was incorporated on 27th January 2020 and first financial statements of the Company have been drawn for the period 27th January 2020 to 31st March 2021. The Company is setting up a green field jute mill on infrastructure taken from Network Industries Limited (fellow subsidiary) and project work is in progress.

Fort Gloster Industries Limited

The Gross revenue of the Company stood at ₹79.54 lakhs (Previous Year ₹6.33 lakhs). Loss for the year stood at ₹(385.86) lakhs [Previous Year Loss ₹(171.21) lakhs] and Total Comprehensive loss stood at ₹(385.86) lakhs [Previous Year Loss ₹(171.21) lakhs]. As envisaged in the Resolution Plan revival of existing Cable manufacturing unit is being undertaken and development / modification of infrastructure and up gradation / refurbishment of machineries are in progress.

Network Industries Limited

The Gross revenue of the Company stood at ₹35.21 Lakhs (Previous Year Nil). Loss for the year stood at ₹(1.39) lakhs [Previous Year Loss ₹(18.99) lakhs] .

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company for the year ended 31st March 2021 are prepared in compliance with the applicable provisions of the act including the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Consolidated Financial Statements forms part of the Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report, for the year under review is attached as Annexure –I forming part of the Annual Report.

CORPORATE GOVERNANCE

The Company practices principles of good corporate governance and lays strong emphasis on transparency, accountability and integrity.

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the detailed report on Corporate Governance and a certificate from the practising Company Secretary, confirming compliance with the requirements of the Corporate Governance is separately attached and forms part of this Annual Report.

SHARE CAPITAL

The Paid-up share capital of the Company continues to stand at 31st March, 2021 at ₹ 547.16 lakhs. During the year under review, the Company has not granted any stock options or sweat equity. As on 31st March, 2021, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

NUMBER OF BOARD MEETINGS HELD

During the year under review 5 (five) Board Meetings were held on 21st July 2020, 28th July 2020, 14th September 2020, 12th November 2020 and 12th February 2021. The maximum time interval between any two meetings was within the maximum time allowed pursuant to the Companies Act, 2013 and SEBI Regulations read with the Circulars issued by MCA and SEBI with respect to increase in the interval and extension for holding meetings pursuant to COVID-19 pandemic.

The details of and number of meetings attended by Directors forms part of Corporate Governance Report.

MEETINGS OF INDEPENDENT DIRECTORS

During the financial year 2020-21, the Independent Directors met on 12th February, 2021, and inter-alia discussed the following:

- Evaluation of performance of Non- Independent Directors and the Board of Directors as a whole.
- Evaluation of performance of the Executive Chairman and Managing Director of the Company, taking into account the views of Executive and Non-Executive Directors.
- Evaluation of the quality, contents and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have carried out an annual evaluation of its own performance, of the directors individually along with that of its various committees and details of such evaluation has been mentioned in the Corporate Governance Report.

The Board of Directors expressed their satisfaction with the evaluation process.

COMMITTEES OF THE BOARD

Audit Committee: The composition, terms of reference and other details of the Audit Committee have been furnished in the Corporate Governance Report forming a part of this Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

Nomination and Remuneration Committee: The composition, terms of reference and other details of the Nomination and Remuneration committee have been furnished in the Corporate Governance Report forming part of this Annual Report.

Stakeholders Relationship Committee: The composition, terms of reference and other details of the Stakeholder Relationship committee have been furnished in the Corporate Governance Report forming part of this Annual Report.

Corporate Social Responsibility Committee: The composition and other details of the Corporate Social Responsibility Committee have been furnished in the Corporate Governance Report forming part of this Annual Report.

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Company's Articles of Association Sri D.C. Baheti, Director (DIN -00040953) retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment.

The Company has on 21st July 2020 appointed the following Directors:

- Sri Rohit Bihani (DIN - 00179927) has been appointed as Independent Director with effect from 21.07.2020 for a period of 5 years.
- Ms. Ishani Ray (DIN - 08800793) has been appointed as Independent Women Director with effect from 21.07.2020 for a period of 5 years.
- Ms. Priti Panwar (DIN - 08072073) has been appointed as Non Executive Director with effect from 21.07.2020.

The Directors have re-appointed Sri Hemant Bangur as Managing Director designated as Executive Chairman for a period of 3 years with effect from 01.04.2021 subject to approval in the General Meeting. Appropriate resolution seeking shareholders approval in this regard is appearing in the Notice convening 99th AGM.

The independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and also Code of Conduct for Directors and senior management personnel.

A Formal Letter setting out the terms and conditions of appointment has been issued to all the Independent Directors as per the provisions of Companies Act, 2013 and the Listing Regulation. The same has been hosted on the Company's website and can be accessed at <https://www.glosterjute.com/independentdirectors>.

None of the Directors of the Company are disqualified for being continuing as Directors, as specified in section 164(2) of the Companies Act, 2013 and rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules 2014.

The Company has also received from Independent Directors declaration of compliance of Rule 6(1) and 6 (2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, regarding online registration with the "Indian Institute of Corporate Affairs" at Manesar for inclusion of name in the data bank of Independent Directors.

With regard to integrity, expertise and experience (including the proficiency) of the Independent Director appointed/re-appointed, the Board of Directors are of the opinion that all the Independent Directors are persons of integrity and possess relevant expertise and experience and their continued association as Directors will be of immense benefit and in the best interest of the Company. With regard to proficiency of the Independent Directors, ascertained from the online proficiency self assessment test conducted by the Institute, as notified under Section 50 of the Act, the Board of Directors have taken on record that they are exempt from appearing in the test or that they will comply with the applicable law before the prescribed time

During the year the Company had four Key Managerial Personnel, Shri Hemant Bangur - Executive Chairman, Shri Dharam Chand Baheti - Managing Director, Shri Ajay Kumar Agarwal - Company Secretary and Shri Shankar Lal Kedia - CFO.

NOMINATION & REMUNERATION POLICY

The Nomination and Remuneration Committee has formulated a policy relating to the remuneration for the Directors, Key Managerial Personnel and Senior Managerial Personnel. The philosophy for remuneration is based on the commitment of fostering a culture of leadership with trust. The remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013, Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination & Remuneration Policy is attached as Annexure-II and forms part of this report. The said Policy has been posted on the Company's website at the weblink <https://www.glosterjute.com/policies>.

FAMILIARIZATION PROGRAMME

The Independent Directors have been familiarized with the nature of operations of the Company & the industry in which it operates, business model of the Company. Periodical Board Meeting generally once a year is held at the factory, preceded by visit of various processes, operations and general tour of the factory by the Directors. On an ongoing basis as part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of familiarization programme have been posted in the website of the Company and can be accessed at <https://www.glosterjute.com/policies>.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism / Whistle Blower Policy and has established the necessary mechanism, for employees to report concerns about unethical behavior or suspected fraud in violation of Company's Code of Conduct or any other point of concern. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The policy has been uploaded in the website of the Company and can be accessed at <https://www.glosterjute.com/policies>.

RELATED PARTY TRANSACTIONS

The contracts/arrangements/transactions entered into by the Company with the related parties during the financial year under reporting were in ordinary course of business and were negotiated on an arms' length basis. No material Contracts or arrangements with related parties were entered into during the year under review. There are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. Accordingly, no transactions are being reported in Form No. AOC – 2 in terms of section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014.

All Related Party Transactions are placed before the Audit Committee as also to the Board for approval. Where required, prior omnibus approval of the Audit Committee is obtained for transactions which are foreseen and repetitive in nature and the corresponding actual transactions become a subject of review at subsequent Audit Committee Meetings.

The policy on Related Party Transactions has been uploaded on the website of the Company and can be accessed at <https://www.glosterjute.com/policies>.

The details of the transactions with related parties during 2020-21 are provided in the accompanying financial statements.

Smt. Pushpa Devi Bangur is mother of Sri Hemant Bangur. Except for this there is no other pecuniary relationship amongst Directors.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a CSR Committee and has simultaneously approved and adopted a CSR policy based on the recommendations of the CSR Committee. The said policy is available on the website of your Company and can be accessed at <https://www.glosterjute.com/policies>.

The Committee consists of four Members, comprising:

Name of the Members	Category
Smt Pushpa Devi Bangur	Non-Executive Director (Chairperson)
Sri Dharam Chand Baheti	Managing Director
Sri Rohit Bihani	Independent Director
Ms. Priti Panwar	Non-Executive Director

The Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is given in Annexure III and forms part of this Report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has effective internal controls in place which are constantly reviewed. The Company's internal control system is commensurate with its size, scale and operations. Detailed procedures are in place to ensure that all assets are safeguarded and protected against loss.

The Internal Audit is carried on by M/s. R B S C & Co. Chartered Accountants. The Internal Audit function gives thrust to test and review controls and systems that are in place. The Audit Committee of the Board also reviews the Internal Audit functions.

The Audit Committee of the Board reviews the Internal Audit Report and corrective actions taken on the findings are also reported to the Audit Committee.

Necessary certification by the Statutory Auditors in relation to Internal Financial Control u/s 143(3) (i) of the Companies Act, 2013 forms part of the Audit Report.

RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns.

The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. The Company has a Risk Management procedure in place. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

AUDITORS & AUDITOR'S REPORT

Messrs, Price Waterhouse & Co. Chartered Accountants LLP (Firm Registration No.- 304026E/E-300009) Statutory Auditors of the Company hold office up to the conclusion of 100th Annual General Meeting of the Company.

The Auditor's Report on the financial statements for the financial year 2020-21 does not contain any qualifications, reservations or adverse remarks.

The auditors have not reported any fraud during the year.

COST AUDITORS

In accordance with Section 148 of the Companies Act, 2013 read

with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors have appointed M/s D. Radhakrishnan & Co., Cost Accountants as the Cost Auditors of the Company for the Financial Year 2021-2022 at a remuneration of ₹60,000 plus reimbursement of out of pocket expenses at actuals and applicable taxes. The remuneration needs to be ratified by the shareholders at the forthcoming Annual General Meeting and a resolution regarding ratification of remuneration payable to the cost auditor forms part of the notice convening the Annual General Meeting of the Company.

The Company is required to maintain cost records pursuant to an order of the Central Government and accordingly such records and accounts are maintained

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013, and rules made there under, M/s. M K B & Associates, Company Secretaries, are Secretarial Auditors of the Company for the financial year 2020-21.

The Secretarial Audit Report for the financial year ended 31st March, 2021 is attached as Annexure IV and forms part of this Report.

The exception in Secretarial Audit Report and its response is as under:

- As regards Secretarial Auditors' observations relating to Regulation 17(1)(a) & Regulation 17(1)(c) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 01.04.2020 to 20.07.2020, it is stated that the due to Covid 19 Pandemic the appointment of Directors including Independent Women Director got delayed. However, the Board of Directors at its meeting held on 21.07.2020, have appointed 2 Independent Directors including 1 Women Independent Director and 1 Non-Executive Director. Accordingly, the Board of Directors consists of 8 Directors, in compliance with the requirements of Regulation 17(1)(a) & Regulation 17(1)(c) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- As regards Secretarial Auditors' observations relating to Section 134(3)(f) of Companies Act, 2013, it is submitted that since the exceptions were already complied with before the



GLOSTER LIMITED

date of signing of Directors Report, no further explanation was provided in the Directors' Report dated 28th July 2020.

SECRETARIAL STANDARDS

The company has complied with Secretarial Standards relating to General Meetings and Board Meetings as issued by Institute of Company Secretaries of India.

ANNUAL RETURN

Pursuant to the provisions of Section 92 (3) read with section 134(3) (a) of the Companies Act, 2013 the draft copy of the annual return for the F.Y. 2020-21 is uploaded on the website of the Company at web link <https://www.glosterjute.com/annualreturn> and the same can be viewed by the members and stakeholders.

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

Information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as **Annexure V** and forms part of this Report.

PARTICULARS OF EMPLOYEES

The information required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure VI A** and forms part of this Report.

The details of employees who are in receipt of remuneration exceeding the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure VIB** and forms part of this Report.

In terms of Section 136 of the Companies Act, 2013, the annual report is being sent to the members excluding the statement relating to top 10 employees of the Company. The said information is readily available for inspection by the members at the Company's registered office during the business hours on all working days up to the date of ensuing Annual General Meeting and shall also be provided to any member of the Company, who sends a written request to the Company Secretary.

DEPOSITS

Your company has not accepted any deposits as envisaged under Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. The loans have been advanced by the Company for normal business purposes of the borrower.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators/Courts that would impact the going concern status of

the Company and its future operations.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(3)(c) of the Companies Act, 2013 your Directors confirm that :

- i) In the preparation of Annual Accounts, the applicable Standards have been followed and that there are no material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) The Directors have taken proper and sufficient care 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;
- iv) The annual accounts have been prepared on a going concern basis;
- v) The Directors have laid down internal financial controls for the Company which are adequate and are operating effectively;
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

BUSINESS RESPONSIBILITY REPORT

A separate section on Business Responsibility Report forms part of this Annual Report as required under Regulation 34(2)(f) of the Listing Regulations as **Annexure VII**.

ENVIRONMENT AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned, compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

TRADE RELATIONS

The Board desires to place on record its appreciation for the support and co-operation that the Company has received from suppliers, brokers, customers and others associated with the Company as its enterprise partners. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be Company's endeavor to build and nurture strong links with trade, based on mutuality, respect and co-operation with each other.

DEPOSITORY SYSTEM

The Company's shares are now tradable compulsorily in electronic form. In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility

of dematerialization of the Company's shares either in National Securities Depository Ltd or Central Depository Services (India) Ltd.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

The Company has zero tolerance for sexual harassment at work place and has adopted a policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the Rules thereunder for prevention, prohibition and redressal of complaints of sexual harassment at workplace. The company has complied with the provision relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaint was lodged with the Internal Complaints Committee.

DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016(IBC) DURING THE YEAR ALONG WITH THE STATUS AT THE END OF THE YEAR

The Company has not made or received any application under the IBC during the Financial Year

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT TIME OF ONETIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANKS/FI (S) ALONG WITH REASONS

The Company has not made any one time settlement with the Banks

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the contribution made by the employees at all levels but for whose hard work, solidarity and support, your Company's achievements would not have been possible. Your Directors also wish to thank its customers, brokers dealers, agents, suppliers, investors and bankers for their continued support and faith reposed in the Company.

The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the industry despite increased competition from several existing and new playe

Your Directors take this opportunity to thank all investors, customers, vendors, bankers, regulatory and government authorities and stock exchanges, for their continued support and faith reposed in the Company.

For & on behalf of the Board

Hemant Bangur

Executive Chairman

Dharam Chand Baheti

Managing Director

Place : Kolkata

Dated : 12th June 2021

ANNEXURE-I TO THE DIRECTOR'S REPORT

MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry structure and developments

The compulsory packing norms for food grains and sugar under Jute Packaging Materials (Compulsory use for Packing Commodities) Act, 1987 (JPMA) stands at the 100% & 20% of production of food grains & sugar respectively and the said notification is valid up to 30th June 2021.

b) Opportunities and Threats/Risks & Concerns

Opportunities

- More & more concerns are being shown for reducing carbon foot prints world over and this opens doors for use of more bio degradable & sustainable products made from natural fibers
- Demand for Company's industrial as well as promotional Jute goods like Hessian & Sacking, lifestyle products & other made ups have grown over the years and is expected to see further increase;

Risk & Concern/Threat

- The Government incentives for export would be reduced substantially on introduction of Remission of Duties and Taxes on Exported Products (RoDTEP) Scheme effective from 1st January 2021 replacing Merchandise Exports from India

Scheme (MEIS) and Rebate of State and Central Taxes and Levies (RoSCTL).

- Restricting Raw Jute Stock to be maintained by jute mills thereby hindering the mills to procure future delivery orders
- Unstable global economic outlook due to Covid-19 scenario
- Further dilution of compulsory Jute Packing Order and lower order from government quarters can adversely affect the market of jute products;
- Ever increasing employee cost may overall result into higher conversion cost;
- Stiff competition from Bangladesh jute goods and synthetic packaging materials;

c) Segment-wise or product-wise performance

The Company is engaged in the business of manufacturing Jute goods and is managed organizationally as a single unit. Accordingly the company has only one business. However, the Company has customers in India as well as outside India and thus segment reporting on the Geographical location of its customers is as below:

(₹ lakhs)

Particulars	Inside India		Outside India		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Segment revenue by location of customers	35,315.51	38,543.37	13,423.80	10,062.09	48,739.31	48,605.46

d) Outlook

The raw jute crop in the previous season had been badly impacted because of the affect of Cyclone Amphan in month of May 2020 followed by continuous heavy rains. This resulted into crop shortage and all time high prices of Raw Jute during the year. In the ensuing season because of good weather conditions the crop is expected to be good and availability of Raw Jute throughout the year will be normal at reasonable prices.

Demand from Government, domestic & export markets have been stable and the Company is continuously exploring newer markets for traditional and diversified jute products.

Your management is sustaining its efforts to improve the efficiency and productivity resulting into better performance.

e) Internal control systems and their adequacy

The Company has adequate internal control system commensurate with the size, scale and complexity of its operations which provides reasonable assurance with regard to safeguarding the Company's assets, promoting operational efficiency by cost control, preventing revenue leakages and

ensuring adequate financial and accounting controls and compliance with various statutory provisions. An independent Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

A summary of Internal Audit observations and Action Taken Reports are placed before the Audit Committee on a periodical basis, for review.

f) Discussion on financial performance with respect to operational performance

The following are the significant areas of financial performance:

(₹ lakhs)

Particulars	2020-21	2019-2020	Increase/ (Decrease)
Revenue from operations	49,308.68	49,490.85	(182.17)
Raw material cost	27,906.38	26,203.60	1,702.78
Finance costs	199.93	288.72	(88.79)
Profit for the year	4,460.58	1,928.65	2,531.93

g) Human Resources & Industrial Relations

The Company is continuing its efforts through training to enhance competence of its manpower to make them more resourceful in their present job and also to prepare them for future roles. The Company has also introduced staff welfare schemes under which benefits are provided to deserving members of staff.

h) Key Financial Ratios

Of the Key financial ratios specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 Interest Coverage Ratio, Debt Equity Ratio and Net Profit margin have changed beyond the 25% threshold due to reduction in debt, reduction in finance cost and better profitability and consequently return on Net Worth has also

changed beyond the specified threshold. Inventory Turnover Ratio has decreased beyond the 25% threshold due to lower quantum of sales because of reduced economic activity in financial year 2020-2021 marred by Covid-19 pandemic and higher base of material cost built in sales and inventory.

i) Cautionary statement

Statements made in this section of the report are based on assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference include finished goods prices, raw material cost and its availability, change in Government regulations, tax laws, economic developments within the country, currency fluctuation and other factors such as litigation.

ANNEXURE-II TO THE DIRECTORS REPORT

NOMINATION & REMUNERATION POLICY

1. Preamble

1.1 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors ("Board") Key Managerial Personnel ("KMP") and Senior Managerial Personnel ("SMP"). The expression 'Senior Management Personnel' means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive Directors, including the functional heads. In terms of Section 178 of the Companies Act, 2013 this Policy is being framed and formulated for laying down criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of Executives.

2. Aims & Objectives

The aims and objectives of this nomination & remuneration policy ("Policy") may be summarized as follows:

- 2.1 The Policy aims to enable the company to attract, retain and motivate highly qualified members for the Board, KMP and SMP.
- 2.2 The Policy aims to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.
- 2.3 The Policy seeks to ensure that the interests of Board members, KMP and SMP are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.
- 2.4 The policy will ensure that remuneration to Directors involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

3. Principles of remuneration

- 3.1 **Support for Strategic Objectives:** Remuneration and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- 3.2 **Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- 3.3 **Internal equity:** The Company shall remunerate the Board members, KMP and SMP in terms of their roles within the organisation.
- 3.4 **External equity:** The Company shall strive to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Reference to external market norms will be made

using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.

3.5 Flexibility: Remuneration shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.

3.6 Performance-Driven Remuneration: The Company shall entrench a culture of performance driven remuneration.

3.7 Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

4. Policy for selection and appointment of the Board Members and determining Directors' independence

4.1 Board membership criteria

- 4.1.1 The Nomination & Remuneration Committee, along with the Board shall review on an annual basis, appropriate skills, characteristics and experience required of the Board Members for the better management of the Company. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.
- 4.1.2 In evaluating the suitability of individual Board members, the Committee will take into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements.
- 4.1.3 The policy seeks to ensure that Directors should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency. The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance.
- 4.1.4 The Directors must devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- 4.1.5 The proposed appointee shall also fulfill the following requirements:
 - 4.1.5.1 Shall not be disqualified under the Companies Act, 2013;
 - 4.1.5.2 Shall give his written consent to act as a Director;
 - 4.1.5.3 Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

- 4.1.5.4 Shall abide by the Code of Conduct established by the Company for Directors, KMP and SMP;
- 4.1.5.5 Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals.
- 4.1.6 The Nomination and Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.
- 4.1.7 The Nomination and Remuneration Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2 Selection of Board Members/ extending invitation to a potential director to join the Board

The Nomination & Remuneration Committee will periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Nomination & Remuneration Committee shall also identify suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board will evaluate the candidate(s) and decide on the selection of the appropriate member.

5. Compensation Structure

5.1 Remuneration to Non-Executive Directors:

The Non-executive Directors of the Company will be paid remuneration by way of sitting fees for attending the meetings

of the Board of Directors and its Committees. The said sitting fees paid to the Non-executive Directors for the Board Meetings and Committee meetings will be fixed by the Board and reviewed from time to time in accordance with applicable law. The Non-executive Directors may be paid such commission as the Board may approve from time to time subject to limits prescribed from time to time in the Act or Rules made thereunder.

5.2 Remuneration to Executive Directors, KMPs & SMP:

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), KMP and SMP. Their remuneration are governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards.

The remuneration for Managing Director / Whole Time Directors (MD/WTDs), is determined by the Board of Directors based on the appointment agreement approved, by the members in the general meeting of the Company and by the Central Government if required.

6. Supplementary provisions

6.1 Any matters not provided for in this Policy shall be handled in accordance with relevant State laws and regulations and the Company's Articles of Association. If this Policy conflict with any laws or regulations subsequently promulgated by the state or with the Company's Articles of Association as amended pursuant to lawful procedure, the relevant State laws and regulations and the Company's Articles of Association shall prevail, and this Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption.

6.2 The right to interpret this Policy vests in the Board of Directors of the Company.

ANNEXURE-III TO THE DIRECTORS REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company

The Company is conscious of its social responsibilities and acts as a responsible corporate citizen. The Company believes that integrating social, environmental and ethical responsibilities into the governance of businesses ensures their long term success, competitiveness and sustainability.

The CSR Committee has developed a CSR Policy which lays down basic principles and the general framework of action for the Company to fulfill its CSR obligations in accordance with the framework of the Companies Act, 2013.

2. The Composition of the CSR Committee as at 31st March 2021 is as under

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	Smt Pushpa Devi Bangur	Chairperson / Non Executive Director	1	1
2	Shri Dharam Chand Baheti	Member / Managing Director	1	1
3	Shri Rohit Bihani	Member / Independent Director	1	1
4	Ms. Priti Panwar	Member / Non Executive Director	1	1

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

- Composition of CSR committee – <https://www.glosterjute.com/assets/pdf/committee/Committee.pdf>
- CSR Policy – <https://www.glosterjute.com/policies>
- CSR projects approved by the board - <https://www.glosterjute.com/policies>

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social

responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Not Applicable

6. Average net profit of the company as per section 135(5) ₹5,706.10 lakhs

7.a. Two percent of average net profit of the company as per section 135(5) - ₹114.12 lakhs

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

c. Amount required to be set off for the financial year, if any – Not Applicable

d. Total CSR obligation for the financial year (7a+7b-7c).
– ₹ 114.12 lakhs

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of transfer
₹152.47 lakhs	NIL				

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

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

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Gloster - Arogya Jeevan	Eradicating hunger, poverty, malnutrition, promoting health care including preventive health care and sanitation	Yes	West Bengal	Bauria	₹42.24 lakhs	Yes	-	-
			No	New Delhi	-	₹100 lakhs	No	Pushpawati Singhanian Hospital & Research Institute	-
2	Gloster - Swach Vatavaran	Ensuring environment Sustainability, protection of flora & fauna, conservation of natural resources	No	West Bengal	Kolkata	₹7.73 lakhs	Yes	-	-
3	Gloster - Vidya Prachar	Promotion of Education	No	West Bengal	Kolkata	₹2.50 lakhs	Yes	-	-

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable – Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹152.47 lakhs

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹)
1	Two percent of average net profit of the company as per section 135(5)	₹114.12 lakhs
2	Total amount spent for the Financial Year	₹152.47 lakhs
3	Excess amount spent for the financial year [2-1]	₹38.35 lakhs
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5	Amount available for set off in succeeding financial years (3-4)	₹38.35 lakhs

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2019-20	NA	NIL	NA	NA	NA	NIL
2	2018-19	NA	NIL	NA	NA	NA	NIL
3	2017-18	NA	NIL	NA	NA	NA	NIL

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) –

Not Applicable

Dharam Chand Baheti
Managing Director

Pushpa Devi Bangur
(Chairperson - CSR Committee)

ANNEXURE-IV TO THE DIRECTORS REPORT

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[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,
GLOSTER LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GLOSTER 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.

The Company's Management is responsible for preparation and maintenance of secretarial and other records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period for the financial year ended on 31st March, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, to the extent applicable, according to the provisions of:

- i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 and Rules made thereunder;
- iii) The Depositories Act, 1996 and Regulations and Bye-laws framed thereunder;
- iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings;
- v) The Regulations and Guidelines prescribed under the Securities & Exchange Board of India Act, 1992 ("SEBI Act") or by SEBI, to the extent applicable:
 - a) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011
 - b) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations 2015
 - c) The Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
 - e) The Securities & Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008
 - f) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - g) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
 - h) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998
 - i) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi) Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws/acts are also, inter alia, applicable to the Company:
 - a) The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act, 1987
 - b) The Jute Manufactures Cess Act, 1983
 - c) The Essential Commodities Act, 1955
 - d) The National Jute Board Act, 2008

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- a) as required under Regulation 17(1)(a) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has not appointed independent women director from 01.04.2020 to 20.07.2020 during the review period. However independent women director has been appointed with effect from 21.07.2020;
- b) as required under Regulation 17(1)(c) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company does not consist of minimum six directors from 01.04.2020 to 20.07.2020 during the review period. However the Board of Directors at its meeting held on 21.07.2020 have appointed 2 Independent Directors and 1 Non-Executive Director and thereby the Board of Directors consisted of 8 Directors;
- c) as required under Section 134(3)(f) of Companies Act, 2013, the company has not provided explanations or comments by the Board in the Board's Report on qualification made by the secretarial auditors in the secretarial audit report for the year ended 31.03.2020. However, since the company has already complied with the qualifications mentioned in the secretarial audit report for the year ended 31.03.2020 before the approval of Board's Report for the said year, explanations or comments in the Board's Report were not given.

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 The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

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.

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

- a) payment of remuneration as approved by the shareholders at their meeting held on 27.03.2018 as minimum remuneration to Sri Hemant Bangur for the period 01.04.2019 to 31.03.2021;
- b) payment of remuneration as approved by the shareholders at their meeting held on 27.03.2018 as minimum remuneration to Sri Dharam Chand Baheti for the period 01.04.2019 to 31.03.2022;
- c) approval and ratification for Inter Corporate Loans to be given/given under Section 185 of Companies Act, 2013.

This report is to be read with our letter of even date which is annexed as **Annexure – 1** which forms an integral part of this report.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 12.06.2021
Place: Kolkata
UDIN: A011470C000453076

Annexure – 1

To
The Members,
GLOSTER LIMITED

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

1. It is management's responsibility to identify the Laws, Rules, Regulations, Guidelines and Directions which are applicable to the Company depending upon the industry in which it operates and to comply and maintain those records with same in letter and in spirit. Our responsibility is to express an opinion on those records based on our audit.
2. We have followed the audit practices and process 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 process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of Laws, Rules, Regulations, Guidelines and Directions and happening events, etc.
5. 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.

Note: Due to continuing Covid-19 pandemic, for carrying on and completion of the Audit, documents /details have been provided by the Company through electronic mode only and the same have been verified by us

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner
Membership no. 11470
COP no. 7596

Date: 12.06.2021
Place: Kolkata
UDIN: A011470C000453076

ANNEXURE-V TO THE DIRECTORS REPORT

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014:

A. Conservation of Energy

The steps taken towards Conservation of Energy are enumerated below:

- i) Implemented suggestions / recommendations of Energy Audit conducted by TERI for optimization of energy conservation & usage
- ii) Installed HVLS fans, energy efficient looms and efficient driving arrangement at spreader machines
- iii) Further replaced balance 40 watt lights with energy efficient LED lights

The steps taken by the Company for utilizing alternate sources of energy:

- i) Improvement in usage of jute Waste in Boiler as a Fuel.
- ii) Optimum utilization of sky light for maximizing usage of day light and air circulation

The capital investment on energy conservation equipment

- I. ₹ 82.19 lakhs

B. Technology Absorption

Efforts made towards technology absorption

- i) Replacement of existing boiler with clean fuel feed boiler (from diesel fired to gas fired)
- ii) 51 old conventional looms replaced with modern automatic energy efficient looms.

Benefits derived

- I. Improvement in productivity & efficiency
- II. Cost Reduction
- III. Minimization of energy wastage

C. Foreign exchange earnings and outgo :

- (i) Foreign exchange earned in terms of actual inflow : ₹ 13,423.80 lakhs
- (ii) Foreign exchange outgo in terms of actual outflow : ₹ 971.87 lakhs

ANNEXURE-VI A TO THE DIRECTORS REPORT

PARTICULARS OF EMPLOYEES

The information required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(a) **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year :**

Executive Directors	Ratio to median remuneration
Sri Hemant Bangur – Executive Chairman	118.03
Sri Dharam Chand Baheti – Managing Director	127.77

Non-Executive Directors	Ratio to median remuneration
Smt Pushpa Devi Bangur	2.47
Sri S.N. Bhattacharya	2.47
Sri Prabir Ray	2.47
Ms. Ishani Ray	2.47
Sri Rohit Bihani	2.47
Ms. Priti Panwar	2.47

Median salary computation is based on a total employee head count of 4,103 employees out of which approximately 3,821 employees are within collective bargaining process.

(b) **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

Name	% increase / (decrease) in remuneration in the financial year 2020-2021
Sri Hemant Bangur – Executive Chairman	98.73
Sri Dharam Chand Baheti – Managing Director	71.73
Smt Pushpa Devi Bangur	-
Sri S.N. Bhattacharya	-
Sri Prabir Ray	-
Ms. Ishani Ray*	N.A.
Sri Rohit Bihani*	N.A.
Ms. Priti Panwar*	N.A.
Sri Ajay Kumar Agarwal - Company Secretary	6.20
Sri S.L. Kedia – CFO	-

*Appointed w.e.f 21st July 2020

(c) The percentage increase in the median remuneration of employees in the financial year 2020-2021 - 6.99%

(d) The number of permanent employees on the rolls of company as on 31st March, 2021 is -4,103

(e) 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 percentage increase for other than managerial personnel works to around – 6.51%; average percentage increase for managerial personnel works out to around 9.20% ; average percentage increase for all employees works out to 7.05% Percentage increase for different categories / grades are made based on market trends and performance criteria

(f) **Affirmation that the remuneration is as per the remuneration policy of the company**

The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

ANNEXURE-VI B TO THE DIRECTORS REPORT

Information pursuant to Rule 5(2) of Chapter XIII of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The following persons were employed during the financial year and were in receipt of remuneration for that year which, in the aggregate was not less than 1.02 crores (one crore and two lakh rupees) :-

Name	Designation	Remuneration Received (₹ lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age (Years)	Last employment held	% of equity shares held	Relationship with any other Director / Manager with name of such Director / Manager
Shri Hemant Bangur	Executive Chairman	287.16	Contractual	Post Graduate in International Trade, 21 Years	01.09.2015	49	Joonktolee Tea & Industries Limited, Executive Vice-Chairman	6.88%	Son of Smt Pushpa Devi Bangur
Shri Dharam Chand Baheti	Managing Director	310.87	Contractual	B.Com, 53 years	01.04.1992	73	Fort Gloster Industries Limited, Works manager	0.04%	None

Notes:

- (a) All appointment are contractual and terminable by notice on either side.
- (b) Remuneration shown above is subject to tax and comprises of basic salary, allowances & monetary value of perquisites
- (c) Information about qualification and last employment is based on particulars furnished by the concerned employee.

There are no employees in the company who have been employed for a part of the financial year and are in receipt of remuneration for any part of the year which is not less than eight lakh and fifty thousand rupees per month.

ANNEXURE-VII TO THE DIRECTORS REPORT

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company - L17100WB1923PLC004628
2. Name of the Company – Gloster Limited
3. Registered address – 21, Strand Road. Kolkata - 700001
4. Website – www.glosterjute.com
5. E-mail id – ajay@glosterjute.com
6. Financial Year reported – 01.04.2020 to 31.03.2021
7. Sector(s) that the Company is engaged in (industrial activity code-wise) - NIC Code of the products/services - 131,139 – Manufacturing of Jute Products
8. List three key products/services that the Company manufactures/provides (as in balance sheet) – Jute & allied products
9. Total number of locations where business activity is undertaken by the Company - Jute Mill at Bauria and Registered Office at Kolkata in West Bengal, India
10. Markets served by the Company – Local/State/National/International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) – 547.16 Lakhs
2. Total Turnover (INR) - 48,739.31 Lakhs
3. Total profit after taxes (INR) - 4,460.58 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) - 2.56 %
5. List of activities in which expenditure in 4 above has been incurred:-
 - (a) Eradicating hunger, poverty, malnutrition, promoting health care including preventive health care and sanitation
 - (b) Ensuring environment Sustainability, protection of flora & fauna, conservation of natural resources
 - (c) Promoting education

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? - Yes
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%] – Not Applicable

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR
 - a) Details of the Director/Directors responsible for implementation of the BR policy/policies:
 1. DIN Number - 00040953
 2. Name - Sri D.C. Baheti
 3. Designation – Managing Director

b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00040953
2	Name	Sri D.C. Baheti
3	Designation	Managing Director
4	Telephone Number	03322309601
5	e-mail id	dcb@glosterjute.com

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

- Principle 1: Ethics, Transparency and Accountability [P1]
- Principle 2: Products Lifecycle Sustainability [P2]
- Principle 3: Employees' Well-being [P3]
- Principle 4: Stakeholder Engagement [P4]
- Principle 5: Human Rights [P5]
- Principle 6: Environment [P6]
- Principle 7: Policy Advocacy [P7]
- Principle 8: Inclusive Growth [P8]
- Principle 9: Customer Value [P9]

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

No.	Questions	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	9
1	Do you have a policy/policies for	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	
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/Owner/CEO/appropriate Board Director	Y	Y	Y	Y	Y	Y	Y	Y	
5	Does the company have a specified committee of the Board/Director/Officials to oversee the implementation of the policy?	The CSR committee of the Board inter-alia oversees the implementation of the BR policies.								
6	Indicate the link for the policy to be viewed online?	https://www.glosterjute.com/policies								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company.								
8	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	BR Policies and its implementation are evaluated internally.								

(b) If answer to the question at serial number 1 against any principle, is "No", please explain why: (Tick upto 2 options)

No.	Questions	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8
1	The company has not understood the Principles								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.								
3	The company does not have financial or manpower resources available for the task								
4	It is planned to be done within next 6 months								
5	It is planned to be done within the next 1 year								
6	Any other reason (please specify)								

NOT APPLICABLE

3. Governance related to BR.

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assesses the BR, performance of the Company, within 3 months, 3-6 months, Annually, More than 1 year.

Business Responsibility performance of the Company is assessed 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?

The Company annually publishes its Business Responsibility Report in its Annual Report. The Business Responsibility Report and Sustainability Report can be accessed at www.glosterjute.com.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Business 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?

The policy extends to all the employees of the Company. Members of the Board of directors and senior management of the Company abide by the Code of Conduct. Whistle Blower Policy/Vigil Mechanism is also in place, which provides opportunity to report any concern about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policies. We encourage ethical behaviour as an essential part of the work culture for all our stakeholders.

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.

The Company has not received any complaints under the Vigil Mechanism / Whistle Blower Policy during the year 2020-2021. During the financial year 2020-2021, the Company had received 5 complaints from shareholders relating to Dividend, Share Certificate and Annual Report all of which were satisfactorily resolved by the management.

Principle 2 - Business 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.

All jute products manufactured by the Company are environment friendly, natural and bio-degradable. With growing environment-consciousness, jute is regaining its status as a preferred packaging material on one hand and finding application in value-added segments like technical textile and lifestyle products, on the other. Adequate measures are taken for conservation of energy and minimization of wastage in the manufacturing process.

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?

Company has taken several measures to conserve energy such as installation of multi-fuel boilers using jute process waste as fuel for boilers thereby reducing carbon foot print, installation of electrostatic precipitator for boiler, installation of Voltaic Solar Panel System on the rooftop to tap abundant solar energy, energy efficient motors etc. Installed dust suppression & humidification system for providing better working environment at the shop floor.

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

The Company is continuously modernizing and upgrading its machines and equipments to reduce energy consumption. The Company has installed effluent treatment plant having re-cycling system for the effluents. The processing system therefore does not release any type of effluents to drains / streams etc.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Raw Jute the basic raw material used by the company is a agricultural crop. The manufacturing unit of the company is located in the state of West Bengal which has the highest area under jute cultivation in India. Raw jute is transported through roadways and stocks are maintained in a sustainable manner. The raw materials are available throughout the year.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company mostly procure raw material from local dealers and suppliers. The minimum support price (MSP) of raw jute is regulated by the Government.

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.

The Company believes in reducing waste and recycles waste materials to the maximum possible extent . The products of the company such as jute bags are used multiple times by the ultimate end use

Principle 3 Business should promote the wellbeing of all employees

1. Please indicate the Total number of employees – 4,103
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis - 921
3. Please indicate the Number of permanent women employees – 21
4. Please indicate the Number of permanent employees with disabilities – 28
5. Do you have an employee association that is recognized by management.

There is Industry wide Jute Trade Unions. A committee having representatives of these Unions which represent all the employees of our organisation.

6. What percentage of your permanent employees is members of this recognized employee association?

There is no such survey done but all the employees are associated with Central Jute Trade Unions. The representatives of these Central Jute Trade Unions represent the employees of our Company.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour/ forced labour/involuntary labour	Nil	Not Applicable
2	Sexual harassment	Nil	Not Applicable
3	Discriminatory employment	Nil	Not Applicable

8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?

- | | |
|--|------------|
| <p>(a) Permanent Employees –</p> <p>(b) Permanent Women Employees -</p> <p>(c) Casual/Temporary/Contractual Employees -</p> <p>(d) Employees with Disabilities -</p> | <p>16%</p> |
|--|------------|

Principle 4 - Business should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. Has the company mapped its internal and external stakeholders? Yes/No

Yes

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

Yes the Company has identified disadvantaged, vulnerable & marginalized stakeholders

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.

The Company runs a school, provides mid day meal, distributes free ration, carries out sanitisation activities, supports local organizations for carrying out medical support camps in the vicinity of its plant premises

Principle 5 Business 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?

The policy covers all the employees of the Company. The Company believes in equality and awareness about human rights is promoted within the organization and beyond the workplace. Whistle Blower Policy/Vigil Mechanism is also in place.

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

None

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

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

The Policy covers only the company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

No.

3. Does the company identify and assess potential environmental risks? Y/N

Yes

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Presently the Company does not have any project related to clean development mechanism.

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.

Yes. Company has taken several measures to conserve energy such Energy Audit conducted by TERI for optimization of energy conservation and usage; Installed HVLS fans, energy efficient looms and efficient driving arrangement at spreader machines ; Replaced 40 watt lights with energy efficient LED lights ; Using 100% Jute Waste in Boiler as a Fuel ; optimum utilization of sky light for maximizing usage of day light

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 emission/waste generated by the Company during the financial year 2020-2021 are within the permissible limits of Central Pollution Control Board/ State Pollution Control Board.



GLOSTER LIMITED

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

None

Principle 7 Business, 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:

- a. Indian Jute Mills Association
- b. Indian Jute Industries Research Association
- c. Federation of Indian Exporters Organisation
- d. The South India Textile Research Association (SITRA)
- e. Confederation of India Industry (CII)
- f. India Chamber of Commerce (ICC)
- g. The Bengal Chamber of Commerce & Industry
- h. Indo German Chamber of Commerce
- i. Indo American Chamber of Commerce

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas

(drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company promotes use of eco-friendly, bio degradable jute goods for environmental sustainability.

Principle 8 - Business 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 a CSR policy.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

Programmes/projects are undertaken by the Company itself and through external NGO & government structures.

3. Have you done any impact assessment of your initiative?

The CSR committee analyses the activities / projects to be undertaken and monitors the same.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The details for the same are available in CSR report which forms part of this Annual Report.

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.

The CSR committee ensures that the projects / activities are implemented in the best possible manner so as to deliver the benefits of the same to the society.

Principle 9 Business should engage with and provide value to their customers in a responsive 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)**

Yes. We also provide all informations as are asked by individual Customer on each bale / roll / packet of the products.

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?**

Yes. These can be seen in our Sustainability Report.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and affairs. The Company firmly believes that Corporate Governance is a powerful tool to serve the long term growth of the Company and it continues to give priority to the principles and practice of Corporate Governance. The Company lays great emphasis on the broad principles of Corporate Governance and views corporate governance in its widest sense, almost like trusteeship. The Company's philosophy on corporate governance is to enhance the long-term economic value of the company, sustainable return to its stakeholders i.e. the society at large, by adopting best corporate practices in fair and transparent manner and by aligning interest of the company with that of its shareholders/ other key stakeholders. Corporate governance is not merely compliance and not simply creating checks and balances, it is an ongoing measure of superior delivery of company's objects with a view to translate opportunities into reality.

All details in the Corporate Governance Report have been updated up to the date of signing of Directors Report unless otherwise specifically mentioned in the Corporate Governance Report.

The names and category of the Directors on the Board, the number of Directorships and Committee memberships / Chairmanships held by them in other Companies during the year ended 31st March 2021 are given below:

Name of Director	Category of Directorship	Directorship in Other Companies [#]	No. of Board Committees (other than Gloster Ltd) in which Chairman / Chairperson/ Member		Shareholding as at 31.03.2021
			Chairman/ Chairperson [§]	Member @	
Sri Hemant Bangur	Promoter Executive Director	9	Nil	3	3,76,139
Smt Pushpa Devi Bangur	Promoter Non-Executive Director	3	1	3	7,89,636
Sri Dharam Chand Baheti	Non-Promoter Managing Director	5	Nil	Nil	2,128
Sri Satyendra Nath Bhattacharya	Independent Non-Executive	Nil	Nil	Nil	Nil
Dr. Prabir Ray	Independent Non-Executive	Nil	Nil	Nil	Nil
Sri Rohit Bihani	Independent Non-Executive	Nil	Nil	Nil	Nil
Ms. Ishani Ray	Independent Non-Executive	Nil	Nil	Nil	Nil
Ms. Priti Panwar	Non-Executive	1	Nil	Nil	Nil

[#]Other Directorships do not include Directorships of private limited companies, section 8 companies and foreign companies and Alternate Directorships.

2. BOARD OF DIRECTORS

COMPOSITION AND CATEGORY

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors having requisite knowledge and expertise in business & industry, corporate finance, taxation, legal matters, risk management and marketing.

The Board of Directors comprises of 8 Directors that include one Independent Woman Director whose composition is given below:

- one Promoter, Executive Chairman
- one Promoter, Non-Executive Director
- one Non-Executive Director
- one Non-Promoter, Managing Director
- four Independent, Non-Executive Directors

⁵Only membership of Audit Committee and Stakeholders Relationship Committee is considered.

@Member includes Chairman/Chairperson

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

No Director is related to any other Director on the Board in terms of the definition of Relative given under the Companies Act, 2013 except Smt Pushpa Devi Bangur & Sri Hemant Bangur.

The names of the listed companies where Directors of the Company are Directors are as follows:

Name of the Director	Name of the listed company	Category
Sri Hemant Bangur	1. Joonktollee Tea & Industries Ltd. 2. The Cochin Malabar Estates & Industries Ltd. 3. The Phosphate Company Ltd.	Non Executive & non-Independent
Smt Pushpa Devi Bangur	1. Joonktollee Tea & Industries Ltd. 2. Port Shipping Co. Ltd.	Non Executive & non-Independent

INDEPENDENT DIRECTORS

The Non-Executive Independent Directors fulfill the conditions of Independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulation and are independent of the management. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulation is issued and disclosed on website of the Company and can be accessed at <https://www.glosterjute.com/independentdirectors>.

An Independent Director inducted on the Board is briefed about the Company's culture and are also introduced to the organization structure, Board procedures and business strategy. No Independent Director has resigned from the Board during the year.

During Financial Year 2020-2021, Independent Directors met separately in compliance with Regulation 25(3) of the Listing Regulation and Schedule IV of the Act.

BOARD PROCEDURE

The Board meets at least once a quarter to review the quarterly business and the financial performance of the company. The yearly calendar of the meetings is finalized before the beginning of the year and additional meetings are held whenever necessary. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. The Board papers, comprising the agenda backed by comprehensive background information are circulated to the Directors in advance and in exceptional cases, the same is tabled at the Board Meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. The Audit Committee and the Board periodically reviews the status of the compliances with the applicable laws.

The Directors of the Company do not serve as Independent Directors in more than seven listed Companies.

Smt. Pushpa Devi Bangur is mother of Sri Hemant Bangur. Except for this there is no other pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company and inter-se among themselves.

Particulars about Directors retiring by rotation and eligible for re-appointment and seeking re-appointment are annexed to the Notice.

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulation to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting, on the overall performance of the Company.

The Board's function is not limited to matters requiring statutorily the Board's approval. The Board is involved in all the important decisions relating to the company and policy matters, strategic business plans, new avenues of investment and expansion, compliance with statutory/regulatory requirements, major accounting provisions and write-offs are considered by the Board.

The Minutes of the Board Meetings are circulated to all Directors and are signed at subsequent Meeting.

The Minutes of Audit Committee and other Committees of the Board are regularly placed before the Board. The Minutes of the Board Meetings of the subsidiary companies are also regularly placed before the Board.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING

During the financial year ended 31st March, 2021, 5 (five) Board Meetings were held on 21st July 2020, 28th July 2020, 14th September 2020, 12th November 2020 and 12th February 2021. The maximum time interval between any two meetings was within the maximum time allowed pursuant to the Companies Act, 2013 and SEBI Regulations read with the Circulars issued by MCA and SEBI with respect to increase in the interval and extension for holding meetings pursuant to COVID-19 pandemic.

The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Director	No. of Board Meetings attended	Attendance at last AGM held on 26th September, 2020
Sri Hemant Bangur	5	Yes
Smt Pushpa Devi Bangur	5	Yes
Sri Dharam Chand Baheti	5	Yes
Sri Satyendra Nath Bhattacharya	5	Yes
Dr Prabir Ray	5	Yes
Sri Rohit Bihani	5	Yes
Ms. Ishani Ray	5	Yes
Ms. Priti Panwar	4	Yes

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The Board Evaluation policy provides a framework and set standards for the evaluation of the Board as a whole, its committees and individual directors.

Following are the major criteria applied for performance evaluation of the Independent Directors:

- I. Professional qualification & experience
- II. Level of integrity & confidentiality
- III. Availability for meetings and preparedness
- IV. Understanding of governance, regulatory, legal, financial, fiduciary, ethical requirements.
- V. Knowledge of the Company's key activities, financial condition and key developments
- VI. Contributions to strategic planning process and value addition to the Company
- VII. Ability to work as a team
- VIII. Independence & conflict of interest
- IX. Adherence to ethical standards & code of conduct
- X. Voicing of opinion freely and independently

FAMILIARISATION PROGRAMME

The Independent Directors have been familiarized with the nature of operations of the Company & the industry in which it operates, business model of the Company. The details of familiarization programme have been posted in the website of the Company and can be accessed at <https://www.glosterjute.com/policies>.

The skills / expertise / competence of the Board of Directors identified by Board of Directors as required for the Company can be broadly categorized as follows:

- Knowledge of Industry
- Financial Experience
- Risk Management
- Effective Leadership
- Corporate Sustainability & Responsibility
- Innovation Research & Development

The Board is skill based comprising of Directors who collectively have the skills, knowledge and competencies to effectively govern and direct the organization.

The skills, knowledge and competencies required on the Board will change as the organization evolves.

The skill / expertise / competence of Directors are as below:

Name of the Director	Skills / Expertise / Competence
Sri Hemant Bangur	Rich & wide experience in Jute, Plantation, Fertilizer, Paper, Real Estate and Financial Services industry with expertise in operations, corporate governance & restructuring, finance, taxation and legal matters.
Smt Pushpa Devi Bangur	Corporate Management
Sri D.C. Baheti	Rich and wide experience in jute industry with expertise in jute manufacturing & marketing
Sri S.N.Bhattacharya	Marketing and Corporate Risk Management
Sri Prabir Ray	Rich & Considerable experience in Jute & Textile industry
Sri Rohit Bihani	Finance, Business Management, Education
Ms. Ishani Ray	Strategic planning and financial management
Ms. Priti Panwar	Fund Management

3. AUDIT COMMITTEE COMPOSITION

The Audit Committee comprises of 4 Non-Executive Independent Directors, and one Executive Director. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation. All the members of the committee are well versed with finance & accounts, legal matters, company law, corporate affairs and general business practices.

The composition of the Committee is as follows:

Name of the Director	Position	Category
Ms. Ishani Ray	Chairperson	Independent, Non-Executive
Sri S.N. Bhattacharya	Member	Independent, Non-Executive
Sri Prabir Ray	Member	Independent, Non-Executive
Sri Rohit Bihani	Member	Independent, Non-Executive
Sri Hemant Bangur	Member	Promoter, Executive

The Company Secretary acts as a Secretary to the Committee.

The Chairperson of the Audit Committee is an Independent Director.

The Committee is empowered, pursuant to its terms of reference, inter-alia to:

- investigate any activity within its terms of reference or referred to it by the Board
- seek information from any employee
- obtain outside legal or other professional advice
- secure attendance of outsiders with relevant expertise, if it considers necessary
- have full access to information contained in the records of the Company

The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meetings.

BROAD TERMS OF REFERENCE

The Audit Committee assists the Board in discharging its responsibilities regarding compliance with legal and regulatory requirements, the quality and integrity of the accounting, auditing, reporting practices & financial disclosures of the company and broadly performs the following functions:

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board the appointment, remuneration, and terms of appointment of auditors of the company.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors’ Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - Changes if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- a) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 - b) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - c) Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
 - d) Approval or any subsequent modification of transactions of the Company with related parties;
 - e) Scrutiny of inter-corporate loans and investments;
 - f) Valuation of undertakings or assets of the Company, wherever it is necessary;
 - g) Evaluation of internal financial controls and risk management systems;
 - h) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - i) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - j) Discussion with internal auditors of any significant findings and follow up there on;
 - k) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- l) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - m) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - n) To review the function of the Whistle Blower mechanism;
 - o) Approval of appointment of CFO (i.e. the Wholtime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
 - p) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- The Audit Committee also reviews the following –
- Management discussion and analysis of financial condition and result of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee.
 - statement of deviations, if any

MEETINGS AND ATTENDANCE

During the financial year ended 31st March, 2021, four Audit Committee Meetings were held 28th July 2020, 14th September 2020, 12th November 2020 and 12th February 2021. The maximum time interval between any two meetings was within the maximum time allowed pursuant to the Companies Act,2013 and SEBI Regulations read with the Circulars issued by MCA and SEBI with respect to increase in the interval and extension for holding meetings pursuant to COVID-19 pandemic. The Audit Committee also met prior to the finalization of accounts for the year ended 31st March, 2021.

The attendance at the Audit Committee Meetings during the financial year ended 31st March, 2021 is as under:

Name of the Director	No. of meetings attended
Ms. Ishani Ray	4
Sri S.N. Bhattacharya	4
Sri Prabir Ray	4
Sri Rohit Bihani	4
Sri Hemant Bangur	4

The Company Secretary was present at all the above meetings.

INTERNAL AUDITORS

The Company has appointed M/s. R B S C Chartered Accountants as Internal Auditors to review the internal control systems of the Company and to report thereon. The report of the Internal Auditors is reviewed by the Audit Committee.

Name of the Director	Position	Category
Sri Prabir Ray	Chairman	Independent, Non-Executive
Sri S.N. Bhattacharya	Member	Independent, Non-Executive
Sri Rohit Bihani	Member	Independent, Non-Executive
Sri Hemant Bangur	Member	Promoter, Executive

The Composition of Nomination & Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation.

The Company Secretary acts as a Secretary to the Committee.

BROAD TERMS OF REFERENCE

The Terms of Reference of Nomination & Remuneration Committee inter-alia includes following:

- Reviewing the overall compensation policy, service agreements and other employment conditions including Annual increments and Commission of Whole-time Directors & Managing Directors
- Approving the minimum remuneration payable to Whole-time Directors & Managing Directors in accordance with Schedule V of the Companies Act, 2013, in the event of loss or inadequacy of profits
- Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board their appointment, removal & a policy, relating to the remuneration of the Directors, Key Managerial personnel and other employees and evaluating every Director's performance
- Formulating the criteria for evaluation of Independent Directors and the Board
- Identifying persons who can be appointed as Directors, Key/Senior Managerial personnel & recommend to the Board their appointment & removal
- Devising a policy for Board diversity
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable

MEETINGS AND ATTENDANCE

During the financial year ended 31st March, 2021, two Nomination and Remuneration Committee Meetings were held on 21st July 2020 and 12th February, 2021.

The attendance at the Nomination and Remuneration Committee Meetings during the financial year ended 31st March, 2021 is as under:

4. NOMINATION AND REMUNERATION COMMITTEE: COMPOSITION

The Nomination & Remuneration Committee comprised of three Non-Executive Independent Directors, and one Executive Director. The composition of the Committee is as follows:

Name of the Director	No. of meetings attended
Sri Prabir Ray	2
Sri S.N. Bhattacharya	2
Sri Rohit Bihani	1
Sri Hemant Bangur	2

The Company Secretary was present at all the above meetings.

NOMINATION & REMUNERATION POLICY

The Company has formulated a remuneration policy which determines the compensation structure of the Executive/Non Executive Directors. The Company's remuneration policy is in consonance with the existing industry practice and aims at attracting and retaining high calibre talent.

The policy is provided in annexure to the Board's Report and is available on the website of the Company at <https://www.glosterjute.com/policies>.

A. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Commission and Sitting fees. Non-Executive Directors are paid sitting fees - ₹ 20,000 for each meeting of the Board and ₹10,000 for each Committee meeting thereof.

B. Remuneration to Whole-time Directors / Managing Directors

The Whole-time Directors & Managing Directors are appointed by the Board at such remuneration as recommended by Nomination & Remuneration Committee and approved by the Board subject to approval of the Shareholders in a General Meeting. The remuneration package of Whole-time Directors & Managing Directors comprises of salary, perquisites and allowances, commission and contributions to Provident and other Funds as approved by the shareholders at General Meetings. Annual increments are recommended by the Nomination & Remuneration Committee and recommended to the Board for approval thereof.

Presently, the Company does not have any stock option plan or performance linked incentives for its Directors.

DETAILS OF REMUNERATION TO ALL THE DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 2021

NON-EXECUTIVE DIRECTORS

Name of the Director	Sitting Fees (₹)	Commission (₹)
Smt Pushpa Devi Bangur	1,00,000	6,00,000
Sri Satyendra Nath Bhattacharya	2,00,000	6,00,000
Dr Prabir Ray	2,00,000	6,00,000
Ms. Ishani Ray	1,40,000	6,00,000
Sri Rohit Bihani	1,50,000	6,00,000
Ms. Priti Panwar	1,10,000#	6,00,000#

Amount paid/payable to LIC of India

WHOLE-TIME DIRECTORS

Name of the Director	Salary & Benefits ₹	Commission ₹	Service Contract	Notice Period	Severance Fees
Sri Hemant Bangur Executive Chairman	1,37,16,040	1,50,00,000	3 years w.e.f. 01.04.2021*	3 months	Nil
Sri Dharam Chand Baheti, Managing Director	1,60,86,180	1,50,00,000	5 Years w.e.f 01.04.2018	3 months	Nil

*Re-appointed w.e.f. from 01.04.2021 subject to approval of shareholders.

The company has not issued any stock options.

Relationship of Non-Executive Directors with the Company and inter-se: Smt. Pushpa Devi Bangur is mother of Sri Hemant Bangur. Except for this and commission and sitting fees paid / payable to her for attending the Board and Committee meetings there is no other pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company and among inter-se themselves.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE COMPOSITION

The Stakeholders Relationship Committee comprises of two Non-Executive Independent Directors, one Non-executive Director and one Executive Director.

The composition of the Committee is as follows:

Name of the Director	Position	Category
Sri S.N. Bhattacharya	Chairman	Independent, Non-Executive
Sri Prabir Ray	Member	Independent, Non-Executive
Ms. Priti Panwar	Member	Non-Executive
Sri Hemant Bangur	Member	Promoter, Executive

The Company Secretary acts as a Secretary to the Committee.

BROAD TERMS OF REFERENCE

The terms of reference of the Stakeholders Relationship Committee inter alia includes following:

- i. transfer/transmission/transposition of shares;
- ii. consolidation/splitting of folios;
- iii. issue of share certificates for lost, sub-divided, consolidated, rematerialised, defaced, etc;
- iv. review of shares dematerialised and all other related matters;
- v. investors' grievances and redressal mechanism and recommend measures to improve the level of investor services.
- vi. over seeing performance of the Company's Registrars and Share Transfer Agents.
- vii. carrying out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

The Committee has delegated its functions to its Registrar & Share Transfer Agents, M/s. Maheshwari Datamatics Pvt Ltd to redress shareholders grievances and provide a periodical report to the said committee at every meeting about the grievances received, solved and pending in addition to their existing functions as follows: -

- i. to approve share transfers;
- ii. to issue duplicate shares against lost or mutilated share certificates;
- iii. to issue shares against consolidation and sub-division;
- iv. to send a summary of complaints redressed on fortnightly basis;
- v. to send periodical report on transfers & transmission processed, duplicate share certificates issued.

Share transfer formalities are done within the stipulated time period by the Registrars, M/s. Maheshwari Datamatics Pvt. Ltd. The Compliance Officer is authorised to give effect to share transfers as approved by the Registrars & Share Transfer Agents.

The Share Department of the company and the Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. attend to all grievances of the shareholders and investors received directly or through SEBI including SEBI Complaints Redress System (SCORES), Stock Exchanges, Department of Company Affairs, Registrar of Companies etc.

The Minutes of the Stakeholders Relationship Committee are noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investo Shareholders are requested to furnish their telephone numbers and e-mail addresses to facilitate prompt action.

MEETING AND ATTENDANCE

During the financial year ended 31st March, 2021, four Stakeholders Relationship Committee Meetings were held on 28th July 2020, 14th September 2020, 12th November 2020 and 12th February 2021.

The attendance of the Stakeholders Relationship Committee meetings during the financial year ended 31st March, 2021 is as under:

Name of the Director	No. of meetings attended
Sri Prabir Ray	4
Sri S.N. Bhattacharya	4
Ms. Priti Panwar	3
Sri Hemant Bangur	4

DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED, NOT SOLVED AND PENDING SHARE TRANSFERS

The total number of complaints received during the year ended 31st March, 2021 was 5 and the same was replied to the satisfaction of the shareholders. There were no complaints outstanding as on 31st March, 2021.

The number of share transfers and requests for dematerialization pending as on 31st March, 2021 were Nil.

Name, Designation & Address of the Compliance Officer:

Sri Ajay Kumar Agarwal, Company Secretary
Gloster Limited
21, Strand Road
Kolkata-700001
Telephone 033-22309601(4 lines)
E-mail id – shares@glosterjute.com

Shareholders'/ Investors' complaints and other correspondence are attended to within the stipulated time period except where constrained by disputes or legal impediments.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a CSR Committee and has simultaneously approved and adopted a CSR policy based on the recommendations of the CSR Committee.

The CSR Committee's composition is as below :

Name of the Director	Category
Smt Pushpa Devi Bangur, Chairperson	Promoter Non-Executive
Sri Dharam Chand Baheti	Managing Director
Sri Rohit Bihani	Independent Director
Ms. Priti Panwar	Non-Executive Director

During the financial year ended 31st March 2021 a CSR Committee meeting was held on 28th July 2020.

The attendance at the CSR Committee meeting during the financial year ended 31st March 2021 is as under:

Name of the Director	No. of meeting attended
Smt Pushpa Devi Bangur	1
Sri Dharam Chand Baheti	1
Sri Rohit Bihani	1
Ms. Priti Panwar	1

6. SUBSIDIARY COMPANIES

The Company does not have any material Subsidiary Company as defined under Listing Regulation.

The Company has formulated the Policy for determining material subsidiaries which is uploaded on the website of the Company and can be accessed at <https://www.glosterjute.com/policies>.

7. Risk Management

The Company has a Risk Management Policy to strengthen its financial position, safeguarding interest of stakeholders and enhancing its ability to continue as a going concern and maintain a sustainable growth.

8. GENERAL BODY MEETINGS

A. Location and time, where last three Annual General Meetings (AGM) were held is given below:

Financial Year	Day, Date & Time	Venue of the Meeting	Special resolution passed
2017-18	Saturday 22nd September, 2018 At 11.00 A.M	Bhasha Bhawan Auditorium National Library Belvedere Road, Kolkata 700 027	Consent under Section 180(1) (a) of the Companies Act, 2013 to create mortgage/ charges/hypothecation for amount not exceeding ₹250 crore. Consent under Section 180(1) (c) of the Companies Act, 2013 for borrowing not exceeding ₹250 crore. Amendment in Memorandum of Association
2018-19	Tuesday 13th August 2019 At 11.00 A.M.	Shripati Singhania Hall, Rotary Sadan, 94/2, Chowringhee Road, Kolkata – 700020	None
2019-20	Saturday 26th September, 2020 at 3.00 P.M.	Video Conferencing (VC)/Other Audio Visual Means (OAVM)	<ul style="list-style-type: none"> • Payment of Remuneration to Sri Hemant Bangur for the period 01.04.2019 to 31.03.2021 • Payment of Remuneration to Sri Dharam Chand Baheti for the period 01.04.2019 to 31.03.2022 • Approval and Ratification for Inter Corporate Loans under section 185 of the Companies Act, 2013

A. Passing of Resolutions by Postal Ballot

During the year under review no Special Resolution has been passed through postal ballot process. No resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

9. CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management. The said Code has been communicated to the Directors and the members of the Senior Management. The Code has also been displayed on the Company's website-www.glosterjute.com. All the members of the Board and the senior management personnel have affirmed compliance with the Code for the year ended 31st March, 2021 and a declaration to this effect signed by Sri Dharam Chand Baheti, Managing Director forms part of this report.

10. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In compliance with the Securities & Exchange Board of India (Prevention of Insider Trading) Regulations, 2015, the Company has adopted a "Code of Practices for Fair Disclosure" and "Code of Conduct for Insider Trading" for prevention of Insider Trading by Company insiders.

11. DISCLOSURES

a. All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year. Transactions with related parties as per requirements of Indian Accounting Standard are disclosed in Note No.36 to the Accounts in the Annual Report.

A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval. As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions.

There were no materially significant related party transactions, which may have potential conflict with the interest of the Company at large.

The policy on Related Party Transactions has been uploaded on the website of the Company and can be accessed at <https://www.glosterjute.com/policies>.

All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis.

- b. Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct any other point of concern. The policy has been uploaded in the website of the Company and can be accessed at <https://www.glosterjute.com/policies>. No personnel has been denied access to the Audit Committee.
- c. The Company has adopted sexual harassment policy and has established necessary mechanism for protection of women from sexual harassment at work place. No complaints were received during the financial year.
- d. The financial statements for the year 2020-2021 have been prepared in accordance with the applicable accounting standards prescribed by the Institute of Chartered Accountants of India and there are no deviations.
- e. There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three financial years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India or any other statutory authority in this regard.
- f. The Company has complied with all applicable mandatory requirements of the Listing Regulations during the financial year 2020-21. Quarterly compliance report on Corporate Governance, in the prescribed format, duly signed by the compliance officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed.
- g. The Company has received declaration from all the Directors on the Board of the Company that they are not debarred or disqualified from being appointed or continuing as directors of companies by SEBI/MCA or any other such statutory authority. A certificate received from Mrs. Sweety Kapoor, Practising Company Secretary in this regard forms part of this report.
- h. The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 and Para C of Schedule V of the Listing Regulations, except for the delay in appointment of Independent Woman Director and requirement of having minimum six Directors due to resignation of one Independent Director with effect from 15.02.2020. However the Board of Directors at its meeting held on 21.07.2020 have appointed 2 Independent Directors including 1 Independent Woman Director and 1 Non-Executive Director and thereby the Board of Directors consists of 8 Directors.

- a. The Board has accepted all the recommendation of the committees of the board which is mandatorily required, in the relevant financial year.
- b. The Company is exposed to the foreign exchange risk for import of raw material, stores & Capital Goods and export of finished goods and engages in foreign currency hedging with Banks / Stock Exchanges by way of currency forward contracts and currency futures in order to protect its foreign currency exposure from exchange fluctuations.
- c. Total fees for all services paid by the Company on a consolidated basis to the statutory auditor and all entities on the network / firm /network entity of which statutory auditor is a part, is given in note 30 to the Standalone Financial Statements and Note 28 to the Consolidated Financial Statements.
- d. Disclosure of Compliance of Non-mandatory requirements as specified in Part 3 of Schedule II of Listing Regulations are as under:
 - Non-Executive Chairman's Office: The Company has an Executive Chairman.
 - Shareholder's Rights: As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders separately.
 - Modified opinion in Auditors Report: Company's financial statement for the year 2020-21 does not contain any modified audit opinion.
 - Separate posts of Chairperson and Chief Executive Officer: Company is having separate posts of Chairman designated as Executive Chairman and Chief Executive Officer designated as Managing Director.

- Reporting of Internal Auditors: The Internal Auditors of the Company submit reports to the Audit Committee.

12. MEANS OF COMMUNICATION

- (i) The Unaudited quarterly/ half yearly results are announced within forty-five days of the close of the quarter or such extended time as allowed. The audited annual results are announced within sixty days from the closure of the financial year or such extended time as allowed as per the requirement of the Listing Regulation.
- (ii) The approved Unaudited quarterly/ half yearly results and Audited financial results are forthwith sent to the Stock Exchanges and are generally published in Economic Times & Ei Samay. Presently the same are not sent to the shareholders separately.
- (iii) The Company's Annual Reports, financial results and official news releases are displayed on the Company's website www.glosterjute.com.
- (iv) No formal presentations were made to the institutional investors and analysts during the year under review.
- (v) Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the Company.
- (vi) The Company has an exclusive e-mail id for Shareholders/ Investors and they may write to the Company at shares@glosterjute.com.

13. GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in the section 'Shareholder Information' which forms part of this Annual Report.

SHAREHOLDER INFORMATION

REGISTERED OFFICE

21, Strand Road, Kolkata – 700 001.
CIN – L17100WB1923PLC004628
Telephone no : +91 33-2230-9601(4 lines)

ANNUAL GENERAL MEETING

Date and Time: 31st August, 2021 at 11.00 A.M.

Venue: The meeting shall be held by Video Conferencing/ Other Audio Video Means from the Registered office of the company situated at 21, Strand Road, Kolkata - 700001, which shall be the deemed venue of the meeting

FINANCIAL YEAR

1st April, 2021 to 31st March, 2022

TENTATIVE FINANCIAL CALENDAR

Financial reporting for the quarter ending June 30, 2021 :
By 14th August, 2021

Financial reporting for the half year ending September 30, 2021 :
By 14th November, 2021

Financial reporting for the quarter ending December 31, 2021 :
By 14th February, 2022

Financial reporting for the year ending March 31, 2022 :
By 30th May, 2022

DATE OF BOOK CLOSURE

25th August 2021 to 31st August 2021 (both days inclusive)

Dividend Payment date - On or after the date of AGM

LISTING ON STOCK EXCHANGE

The Equity shares of the Company are listed at BSE Ltd., P J Towers, Dalal Street, Mumbai 400001 with effect from 30th January, 2019 and The Calcutta Stock Exchange Ltd., 7, Lyons Range, Kolkata-700001 with effect from 29th March, 2019.

Annual Listing Fees as prescribed have been paid to BSE Ltd. and The Calcutta Stock Exchange Ltd.

STOCK MARKET INFORMATION

STOCK CODE : CSE –17435
BSE-- 542351
Demat ISIN No. For NSDL and CDSL -
INE350Z01018

STOCK

DEPOSITORY CONNECTIVITY : National Securities Depository Limited

Central Depository Services (India) Limited

STOCK MARKET DATA

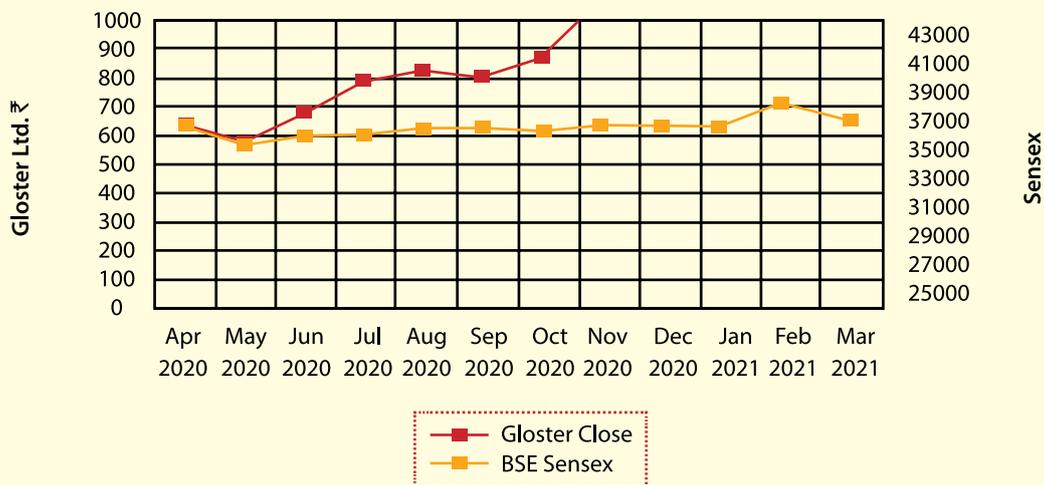
The Equity shares of the Company are listed at BSE Ltd. and The Calcutta Stock Exchange Ltd. There were no transactions in the equity shares of the Company listed at the Calcutta Stock Exchange Ltd., Monthly high and low quotations and volume of shares traded on the BSE Ltd. are given below:

MONTH	BSE		
	HIGH (₹)	LOW (₹)	VOLUME (NO OF SHARES)
April, 2020	545.00	363.20	18,109
May, 2020	500.00	375.00	58,183
June, 2020	497.95	390.10	55,788
July, 2020	475.00	411.00	77,099
August, 2020	528.00	425.00	31,518
September, 2020	519.00	430.00	40,857
October, 2020	489.95	431.05	37,090
November, 2020	525.00	423.00	20,676
December, 2020	524.35	431.00	80,420
January, 2021	513.00	466.00	82,264
February, 2021	673.95	477.00	94,282
March, 2021	670.00	490.00	41,441

PERFORMANCE AT BSE DURING THE FINANCIAL YEAR 2020-2021

No. of Shares traded	6,37,727
Highest Share Price (₹)	673.95
Lowest Share Price (₹)	363.20
Closing share price as on 31st March, 2021 (₹)	580.00
Market Capitalisation as on 31st March, 2021 (₹)	31,735.45 lakhs

Gloster vs Sensex



REGISTRAR AND SHARE TRANSFER AGENTS

Maheshwari Datamatics Pvt. Ltd.

23,R.N.Mukherjee Road, 5th floor,

Kolkata 700 001

Tel : +91 33 2243 5029

Fax : +91 33 2248 4787

e-mail : mdpldc@yahoo.com

SHARE TRANSFER SYSTEM

As notified by SEBI, effective from 1st April, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities of the Company are not processed unless the same are held in dematerialized form with a depository.

The Company, on receipt of proper documentation, registers transmission of its securities in the name of the nominee/ legal heir and issue certificates or receipts or advices, as applicable, of the same; or issue any valid objection or intimation to them, as the case may be, within a period of fifteen days from the date of receipt of request.

The transfer of shares in physical form is processed and completed by M/s. Maheshwari Datamatics Pvt. Ltd. within the stipulated time period, provided all the documents are in order. In case of shares in electronic form, the transfers are processed by National Securities Depository Limited and Central Depository Services (India) Limited through respective Depository Participants. In compliance with the Listing Regulation, a practicing Company Secretary carries out audit of the System of Transfer and a Certificate to that effect is issued.

INVESTOR GRIEVANCE REDRESSAL SYSTEM

The Investor grievances / shareholders complaints are handled by the Company’s Registrars and Share Transfer Agent M/s Maheshwari Datamatics Pvt. Ltd. Kolkata, in consultation with the Secretarial department of the Company.

Periodical review meetings are held between the officials of the Registrar and Share Transfer Agents and the Company to discuss the various issues relating to share transfer and other allied matters, dematerialization of shares, Investor complaints, etc.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2021

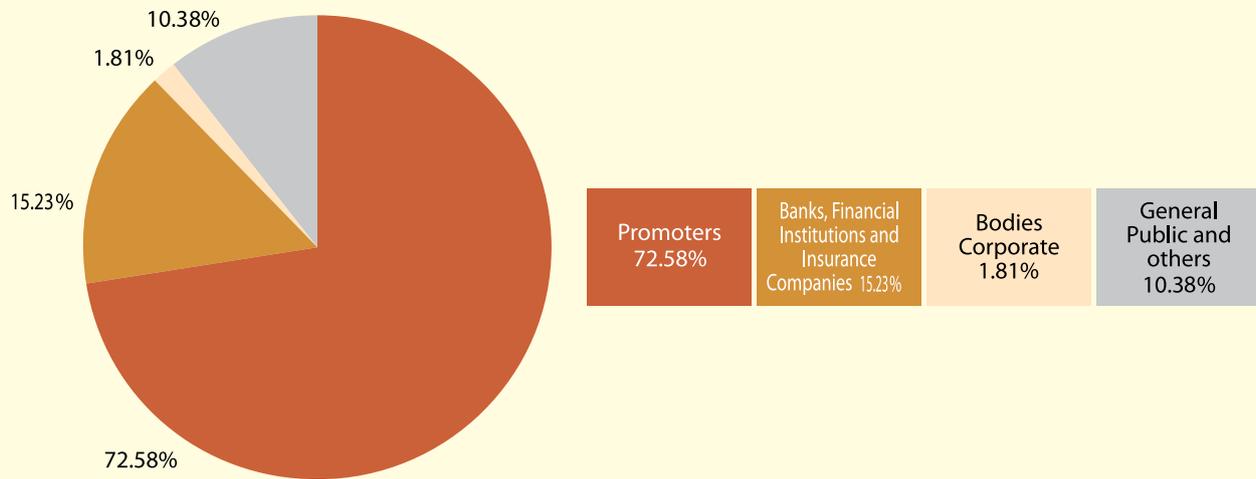
NO. OF EQUITY SHARES HELD	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES HELD	% OF SHAREHOLDING
Upto 500	3,365	93.24	2,20,361	4.03
501 to 1000	118	3.27	82,349	1.50
1001 to 2000	61	1.69	87,872	1.61
2001 to 3000	24	0.67	60,591	1.11
3001 to 4000	9	0.25	31,620	0.58
4001 to 5000	3	0.08	12,701	0.23
5001 to 10000	7	0.19	52,713	0.96
10001 and above	22	0.61	49,23,423	89.98
GRAND TOTAL	3,609	100.00	54,71,630	100.00

RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This Audit is carried out every quarter and the report thereon is submitted to the Stock Exchange/s. The Audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2021

CATEGORY	NO. OF SHARES HELD	% OF SHARE CAPITAL
A. PROMOTER'S HOLDING		
Promoters		
a. Indian Promoters	39,71,354	72.58
b. Foreign Promoters	--	--
Sub-total	39,71,354	72.58
B. NON-PROMOTER'S HOLDING		
a. Banks, Financial Institutions, Insurance Companies	8,33,646	15.23
b. Individuals holding nominal capital upto ₹2 lakhs	4,88,373	8.93
c. Bodies Corporate	99,297	1.81
d. Investor Education & Protection Fund Authority	18,819	0.35
e. Non-Resident Individual	8,434	0.15
f. Trusts	7,011	0.13
g. Others	44,696	0.82
Sub-total	15,00,276	27.42
GRAND TOTAL	54,71,630	100.00



DEMATERIALIZATION OF SHARES AND LIQUIDITY

98.08% of the equity shares of the Company have been dematerialized as on 31st March, 2021. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) whereby shareholders have the option to dematerialize their shares with either of the depositories.

STATUS OF DEMATERIALIZATION AS ON 31ST MARCH, 2021

PARTICULARS	NO. OF SHARES	% TO TOTAL CAPITAL	NO. OF ACCOUNTS
National Securities Depository Limited	38,13,318	69.69	2,058
Central Depository Services (India) Limited	15,53,585	28.39	1,400
Total Dematerialised	53,66,903	98.08	3,458
Physical	1,04,727	1.92	226
Grand Total	54,71,630	100.00	3,684

OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY

- NOT APPLICABLE

CREDIT RATING

Various bank facilities of the Company are rated by CRISIL Limited based on Basel II norms followed by the banks under the guidelines of Reserve Bank of India.

All existing & proposed bank facilities have been reviewed and reaffirmed by CRISIL Limited vide its letter dated 28th April 2021, and rating for long-term bank facilities is 'CRISIL A+/Stable' and for short-term bank facilities is 'CRISIL A1+'.

UNCLAIMED DIVIDENDS

Dividends that are unpaid / unclaimed for a period of seven years from the date they became due for payment are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Given below are the dates of declaration of dividend and corresponding dates when unpaid/unclaimed dividends are due for transfer to IEPF:

Financial Year	Date of declaration of dividend	Due Date for transfer to IEPF
2013-2014	6th September, 2014	12th October, 2021
2014-2015	26th September, 2015	1st November, 2022
2015-2016	30th August, 2016	5th October, 2023
2016-2017	21st September, 2017	27th October, 2024
2017-2018	22nd September, 2018	28th October, 2025
2018-2019	13th August 2019	19th September, 2026
2019-2020	26th September 2020	1st November, 2027

Members who have so far not encashed their dividend warrants are requested to have the same revalidated to avoid transfer to IEPF.

DETAILS PERTAINING TO SHARES HELD IN SECURITIES SUSPENSE ACCOUNT

Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as at 1st April, 2020	Number of Shareholders who approached the Company for transfer of shares from Unclaimed Suspense Account during the year	Number of Shareholders to whom shares were transferred from Unclaimed Suspense Account during the year	Aggregate Number of Shareholders and the Outstanding Shares in the Unclaimed Suspense Account lying as at 1st April, 2021
34 shareholders holding 3,687 shares	None	None	34 shareholders holding 3,687 shares

Note:

The voting rights on the shares outstanding in Unclaimed Suspense Account shall remain frozen till rightful owner claims these shares.

TRANSFER OF SHARES TO UNCLAIMED TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY

Pursuant to section 124 of the Companies Act 2013 read with rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, shares in respect of which dividends have not been claimed for 7 (seven) consecutive years were required to be transferred to Investor Education and Protection Fund Authority. Accordingly 18,819 equity shares of face value of ₹10/- each are lying in Investor Education and Protection Fund Authority.

Sri Ajay Kumar Agarwal, Company Secretary is the Nodal officer for IEPF related matters.

NOMINATION

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the by-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agents.

ELECTRONIC CLEARING SERVICE

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for crediting dividends through National Electronic Clearing Services (NECS) to the investors wherever NECS and bank details are available. In the absence of NECS facility, the Company is required to print the bank account details on the dividend warrants. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. However, members who wish to receive dividend in an account other than the one specified while opening the Depository Account, may notify their DPs about any change in the Bank Account details.

PLANT LOCATION

P.O Fort Gloster

Bauria, Howrah-711310
West Bengal



GLOSTER LIMITED

ADDRESS FOR CORRESPONDENCE

Registrar & Share Transfer Agents	Registered Office
<p>Maheshwari Datamatics Pvt. Ltd. 23, R.N. Mukherjee Road, 5th floor Kolkata 700 001. Tel : +91 33 2243 5029 Fax : +91 33 2248 4787 e-mail : mdpldc@yahoo.com</p>	<p>The Company Secretary Gloster Limited 21, Strand Road, Kolkata-700 001 Tel :- +91 33 2230 9601 (4 lines) Fax : -+91 33 2210 6167, 2231 4222 E-mail : - info@glosterjute.com shares@glosterjute.com</p>

CERTIFICATE OF COMPLIANCE WITH CODE OF CONDUCT

ANNUAL DECLARATION UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I declare that in terms of Schedule V under Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company has received affirmation of Compliance with Code of Conduct from all Board Members and Senior Management Personnel of the Company for the financial year ended 31st March, 2021.

Place : Kolkata
Date : 12.06.2021

For Gloster Limited
Dharam Chand Baheti
Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Gloster Limited
21, Strand Road, Kolkata-700001

I have examined the relevant registers, records, forms, returns and disclosure received from the Directors of Gloster Limited having CIN: L17100WB1923PLC004628 and having registered office at 21, Strand Road, Kolkata-700 001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para – C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below as on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, West Bengal or any such other Statutory Authority.

SL. NO.	DIN	Name of the Director	Date of appointment in Company
1	00040903	Hemant Bangur	28/02/2018
2	00040953	Dharam Chand Baheti	28/02/2018
3	00179927	Rohit Bihani	21/07/2020
4	00695640	Pushpa Devi Bangur	18/08/2015
5	00698779	Prabir Ray	17/04/2018
6	06758088	Satyendra Nath Bhattacharya	27/03/2018
7	08072073	Priti Panwar	21/07/2020
8	08800793	Ishani Ray	21/07/2020

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

Place : Kolkata
Date : 12.06.2021

Sweety Kapoor
Practising Company Secretary
Membership No. FCS 6410, CP No.5738
UDIN: F006410C000451096

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To
**The Members of
Gloster Limited**

I have examined the compliance of the conditions of Corporate Governance by Gloster Limited for the financial year ended 31st March, 2021 as per relevant provisions of Securities and Exchange Board of India (Listing Obligation & Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company. In my opinion and based on the relevant records and documents maintained by the Company and furnished to me for the review and information and explanations given to me by the Company and considering the relaxations granted by SEBI and MCA due to COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations *except that the Company has complied with the requirements of Regulation 17(1)(a) for appointment of Independent Woman Director and Regulation 17(1) (c) for having minimum 6 (Six) Directors on the Board w.e.f 21st July, 2021.*

I 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.

Place : Kolkata
Date : 12.06.2021

Sweety Kapoor
Practising Company Secretary
Membership No. FCS 6410, CP No. 5738
UDIN: F006410C000451052

INDEPENDENT AUDITOR'S REPORT

To the Members of Gloster Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Gloster Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
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, 2021, and total comprehensive income (comprising of profit and other comprehensive income), 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of the valuation of certain investments</p> <p>Refer to Note 2.6 – "Investments in subsidiaries", Note 2.7 – "Financial Assets" Note 2A – "Critical estimates and judgements" and Note 32 – "Fair value measurements".</p> <p>The Company has investments amounting to ₹ 17,976.24 lakhs in various securities. Out of these investments, other than those in subsidiary companies which are carried at cost, all others are measured at fair value. The fair value of the investments are determined by the Company as per Ind AS 113 Fair Value.</p> <p>Of these, equity investments in certain unlisted companies and investments in certain funds have been categorized as Level 2 and Level 3 in the fair value hierarchy, which is inherently subjective and their valuation involves using inputs other than quoted prices in an active market in certain cases. For the purpose of valuation, Management has engaged independent valuation experts and for the funds, obtained valuation reports from the respective fund houses.</p> <p>Valuation of investments is determined to be a key audit matter because of its inherently subjective nature and involvement of significant judgements by Management in assessing the carrying value thereof.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We understood, assessed and tested the design and operating effectiveness of key controls over fair valuation of investments. • We evaluated the competency and capabilities of valuation experts of the management and the fund houses. • We tested the reasonableness of management's fair value estimates on test basis by obtaining corroborative pricing from independent sources, where available. • We obtained direct confirmations from the respective fund houses for the valuation of investments and on a test basis obtained the underlying valuation reports to corroborate the details in the confirmation. • We used auditors' experts to assess the methodology and the appropriateness of the valuation models and inputs used by management's valuation experts. • We validated the source data on sample basis and tested the arithmetical accuracy of the calculations of valuation of investments. • We assessed the adequacy of the Company's disclosures. <p>Based on the above work performed, we did not identify any significant exceptions in management's assessment in respect of valuation of investments.</p>

Emphasis of matter

5. We draw your attention to Note 40 to the standalone financial statements which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact of the events in the subsequent period on the balance sheet as of the year end is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the 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 read with the National Company Law Tribunal (NCLT), Kolkata, order as stated in Note 2.4 to the standalone financial statements. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
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 financial statements of the current period and are therefore the key audit matter. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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.
15. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law

have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the National Company Law Tribunal (NCLT), Kolkata, order as stated in Note 2.4 to the standalone financial statements.
- (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 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, 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 financial statements – Refer Note 38 to the standalone financial statements;
 - ii. The Company has long-term contracts including derivative contracts as at March 31, 2021 for which there were no 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. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.
16. 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 & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number: 55000

UDIN:21055000AAAAFV3957

Place: Kolkata

Date: June 12, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Gloster Limited on the standalone financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to 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 financial statements of Gloster Limited ("the Company") as of March 31, 2021 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an

understanding of internal financial controls with reference to 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 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 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 financial statements and such internal financial controls with

reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also, refer paragraph 5 of the main audit report.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number: 55000

UDIN:21055000AAAAFV3957

Place: Kolkata

Date: June 12, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Gloster Limited on the standalone financial statements as of and for the year ended March 31, 2021

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three 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 fixed assets 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 immovable properties, as disclosed in Note 3 on fixed assets to the standalone financial statements, are held in the name of the Company.
- ii. The physical verification of inventory have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has granted unsecured loans, to companies covered in the register maintained under Section 189 of the Act.
- (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
- (b) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- 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 income tax and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Further, for the month of April 2020 and May 2020, the company has paid Goods and Service Tax and filed GSTR-3B (after the due date but) within the timelines allowed by Central Board of Indirect Taxes and Customs under the Circular no: 136/06/2020-GST dated April 3, 2020 on fulfilment of conditions specified therein. Also refer note 38 to the standalone financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax, service-tax, duty of customs, duty of excise as at March 31, 2021, which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax and value added tax as at March 31, 2021 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In lakhs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales tax	312.08	2014-15 to 2016-17	Appellate Authority
		34.62	2012-13, 2017-18	Appellate & Revisional Board
West Bengal Value Added Tax Act, 2003	Value Added Tax	45.71	2008-09	West Bengal Taxation Tribunal
Income Tax Act, 1961	Income Tax	775.52	AY 2018-19 & AY 2019-20	Commissioner of Income-Tax (Appeals)

- viii. 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 borrowings to any financial institution or bank or Government or dues to debenture holders, as applicable, as at the balance sheet date.
- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).
- x. 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. 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. Also, refer paragraph 16 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are 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 (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number: 55000

UDIN:21055000AAAAFV3957

Place: Kolkata**Date:** June 12, 2021



GLOSTER LIMITED

Standalone Balance Sheet as at 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2021	31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	30,987.82	30,872.16
Capital work in progress	3(a)	1,394.67	1,222.57
Goodwill	3(b)	22,914.95	24,581.50
Other intangible assets	3(c)	6,473.38	6,939.81
Right of use asset	4	272.36	-
Investments in subsidiaries	5	7,163.00	2,322.00
Financial assets			
(i) Investments	6(a)	10,003.51	9,181.05
(ii) Loans	6(b)	112.04	147.70
(iii) Other financial assets	6(c)	-	885.62
Other non-current assets	7	750.60	647.65
Total non-current assets		80,072.33	76,800.06
Current assets			
Inventories	8	14,993.11	11,613.52
Financial assets			
(i) Investments	9(a)	809.73	2,126.33
(ii) Trade receivables	9(b)	3,089.87	2,893.84
(iii) Cash and cash equivalents	9(c)	25.09	2,688.44
(iv) Bank balances other than (iii) above	9(d)	1,429.92	23.95
(v) Loans	9(e)	8,602.97	6,090.37
(vi) Other financial assets	9(f)	445.12	85.16
Current tax assets (net)	10	3,533.42	3,648.35
Other current assets	11	1,526.86	851.89
Total current assets		34,456.09	30,021.85
Total assets		1,14,528.42	1,06,821.91
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	547.16	547.16
Other equity	13	98,723.58	92,138.57
Total equity		99,270.74	92,685.73
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	-	119.83
Provisions	15	1,219.38	1,602.35
Deferred tax liabilities (net)	16	6,141.97	4,824.42
Lease liabilities	17	234.14	-
Other non-current liabilities	18	227.59	238.11
Total non-current liabilities		7,823.08	6,784.71
Current liabilities			
Financial liabilities			
(i) Borrowings	19(a)	2,312.10	2,622.32
(ii) Lease liabilities	17	14.08	-
(iii) Trade payables	19(b)		
a) Total outstanding dues of Micro and Small Enterprises		5.86	2.84
b) Total outstanding dues of creditors other than Micro and Small Enterprises		638.55	983.38
(iv) Other financial liabilities	19(c)	1,794.03	1,572.73
Other current liabilities	20	1,718.27	1,547.94
Provisions	21	139.91	136.61
Current tax liabilities (net)	22	811.80	485.65
Total current liabilities		7,434.60	7,351.47
Total liabilities		15,257.68	14,136.18
Total equity and liabilities		1,14,528.42	1,06,821.91

Corporate Information 1

Significant Accounting Policies 2

The accompanying notes are an integral part of these Standalone Financial Statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E-300009

Sunit Kumar Basu

Partner

Membership No. 55000

Place : Kolkata

Date : 12th June 2021

66 | Gloster Limited

For & on behalf of the Board

Hemant Bangur (DIN: 00040903)

Executive Chairman

D. C. Baheti (DIN: 00040953)

Managing Director

Ishani Ray (DIN: 08800793)

Director

Pushpa Devi Bangur

(DIN: 00695640)

Director

Prabir Ray (DIN: 00698779)

Director

Rohit Bihani (DIN: 00179927)

Director

S. N. Bhattacharya

(DIN: 06758088)

Director

Priti Panwar (DIN: 08072073)

Director

Shankar Lal Kedia

Chief Financial Officer

Ajay Kumar Agarwal

Company Secretary

Standalone Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2021	31 March 2020
INCOME			
Revenue from operations	23	49,308.68	49,490.85
Other Income	24	2,242.03	1,025.14
Total Income		51,550.71	50,515.99
EXPENSES			
Cost of materials consumed	25	27,906.98	26,203.60
Changes in inventories of finished goods and work-in-progress	26	(2,738.93)	(1,557.01)
Employee benefits expense	27	8,682.22	8,958.97
Finance costs	28	199.93	288.72
Depreciation and amortization expense	29	3,173.23	3,114.75
Other expenses	30	8,222.38	9,194.54
Total Expenses		45,445.81	46,203.57
Profit before exceptional item and tax	(A)	6,104.90	4,312.42
Exceptional Items- Charge / (Credit)	(B) 44	(350.00)	1,500.00
Profit before tax	(A-B)	6,454.90	2,812.42
Income tax expense	31		
Current tax		1,249.37	388.40
Deferred tax		744.95	495.37
Total Tax expenses		1,994.32	883.77
Profit for the year	(C)	4,460.58	1,928.65
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(a) Remeasurement gains/(losses) on post employment defined benefit plans		909.34	(615.69)
(b) Changes in fair value of FVOCI equity instruments		2,608.43	(2,298.26)
(c) Income tax relating to above items		(572.60)	388.28
Other comprehensive income for the year, net of tax	(D)	2,945.17	(2,525.67)
Total comprehensive income for the year	(C+D)	7,405.75	(597.02)

Earnings per equity share

[Nominal Value per Share ₹10] (Previous Year - ₹10)

Basic and Diluted	37	81.52	35.27
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Corporate Information

1

Significant Accounting Policies

2

The accompanying notes are an integral part of these Standalone Financial Statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E-300009

Sunit Kumar Basu

Partner

Membership No. 55000

Shankar Lal Kedia
Chief Financial Officer

Ajay Kumar Agarwal
Company Secretary

For & on behalf of the Board

Hemant Bangur (DIN: 00040903)
Executive Chairman

D. C. Baheti (DIN: 00040953)
Managing Director

Ishani Ray (DIN: 08800793)
Director

Pushpa Devi Bangur
(DIN: 00695640)
Director

Prabir Ray (DIN: 00698779)
Director

Rohit Bihani (DIN: 00179927)
Director

S. N. Bhattacharya
(DIN: 06758088)
Director

Priti Panwar (DIN: 08072073)
Director

Place : Kolkata

Date : 12th June 2021

Standalone Statement of Changes in Equity for the year ended 31 March 2021

A. Share capital

(All amounts in INR lakhs, unless otherwise stated)

Description	Notes	Amount
As at 31 March 2019	12	547.16
Changes in equity share capital	12	-
As at 31 March 2020	12	547.16
Changes in equity share capital	12	-
As at 31 March 2021	12	547.16

B. Other equity

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium	Retained earnings		
Balance as at 01 April 2020	13	6,619.10	78,146.39	6,003.12	1,369.96	92,138.57
Profit for the year	13	-	-	4,460.58	-	4,460.58
On issue of equity shares	13	-	-	-	-	-
Other Comprehensive income for the year	13	-	-	591.58	2,353.59	2,945.17
Total comprehensive income for the year		-	-	5,052.16	2,353.59	7,405.75
Transfer to general reserve	13	2,000.00	-	(2,000.00)	-	-
Transfer of gain on FVOCI equity investments, net of tax	13	-	-	1,080.16	(1,080.16)	-
Dividends paid	13	-	-	(820.74)	-	(820.74)
Taxes on dividend	13	-	-	-	-	-
Balance at 31 March 2021		8,619.10	78,146.39	9,314.70	2,643.39	98,723.58

Standalone Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium	Retained earnings		
Balance as at 01 April 2019	13	5,119.10	78,146.39	6,784.00	3,345.73	93,395.22
Profit for the year	13	-	-	1,928.65	-	1,928.65
On issue of equity shares	13	-	-	-	-	-
Other Comprehensive income for the year	13	-	-	(400.54)	(2,125.13)	(2,525.67)
Total comprehensive income for the year		-	-	1,528.11	(2,125.13)	(597.02)
Transfer to general reserve	13	1,500.00	-	(1,500.00)	-	-
Transfer of gain on FVOCI equity investments, net of tax	13	-	-	(149.36)	149.36	-
Dividends paid	13	-	-	(547.16)	-	(547.16)
Taxes on dividend	13	-	-	(112.47)	-	(112.47)
Balance at 31 March 2020		6,619.10	78,146.39	6,003.12	1,369.96	92,138.57

The accompanying notes are an integral part of these Standalone Financial Statements.

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E-300009

Sunit Kumar Basu
Partner
Membership No. 55000

Place : Kolkata
Date : 12th June 2021

Shankar Lal Kedia
Chief Financial Officer

Ajay Kumar Agarwal
Company Secretary

For & on behalf of the Board

Hemant Bangur
(DIN: 00040903)
Executive Chairman

D. C. Baheti(DIN: 00040953)
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Director

S. N. Bhattacharya
(DIN: 06758088)
Director

Priti Panwar (DIN: 08072073)
Director

Standalone Statement of Cash Flow for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
(A) Cash flows from operating activities:		
Profit before tax	6,454.90	2,812.42
Adjustments for:		
Depreciation and amortisation expense	3,173.23	3,114.75
Interest and finance charges	199.93	288.72
Net (gain)/loss on disposal of property, plant and equipment (PPE)	(4.78)	(37.75)
Net (gain)/loss on fair value changes on investments classified at FVTPL	25.93	-
Net gain on sale of investments	(26.82)	(213.13)
Interest Receivable written off	19.15	108.99
Intercorporate Deposit written off	75.69	1,500.00
Realisation of Intercorporate Deposit written off earlier	(350.00)	-
Fair value losses on derivatives not designated as hedges	(443.50)	64.49
Provision no longer required written back	(147.76)	(11.98)
Interest income	(665.51)	(527.74)
Dividend income	(13.61)	(103.90)
Foreign Exchange difference (net)	(11.98)	-
Operating profit before changes in operating assets and liabilities	8,284.87	6,994.87
Adjustments for:		
(Increase) / decrease in Non-Current/Current financial and other assets	(1,053.55)	(860.33)
(Increase) / decrease in Inventories	(3,379.59)	(2,072.76)
(Decrease) / Increase in Non-current/ Current financial and other liabilities/ provisions	775.78	1,371.38
Cash generated from operations	4,627.51	5,433.16
Income taxes paid (net)	(808.29)	(652.83)
Net cash inflow / (outflow) from operating activities	3,819.22	4,780.33
(B) Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	45.58	69.31
Payments for acquisition of property, plant and equipment/ intangible assets	(1,412.04)	(2,383.41)
Term Deposit made/(redeemed)	(1,404.01)	-
Intercorporate Deposit (made)/refunded (net)	1,117.15	22.77
Loan to Subsidiary Companies -Receipt/(Paid)	(2,345.74)	(2,620.20)
(Purchase) of non current/current investments (gross)	(749.44)	(1,409.35)
Sale of non current/current investments (gross)	3,852.90	5,039.91
Acquisition of a subsidiary	(4,841.00)	(1,280.00)
Interest received	689.09	523.16
Dividend received	13.61	103.90
Net cash inflow / (outflow) from investing activities	(5,033.90)	(1,933.91)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
(C) Cash flows from financing activities:		
Repayment of long-term borrowings	(245.37)	(117.57)
Proceeds from long-term borrowings	126.53	98.50
Short-term borrowings - receipts / (payments)	(310.22)	366.10
Interest paid	(163.49)	(235.47)
Other borrowing costs paid	(36.44)	(53.25)
Dividend paid inclusive of Dividend Distribution Tax	(819.68)	(661.76)
Net cash inflow / (outflow) from financing activities	(1,448.67)	(603.45)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(2,663.35)	2,242.97
Cash and cash equivalents- Opening Balance	2,688.44	445.47
Cash and cash equivalents - Closing Balance	25.09	2,688.44

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. Refer note 41 for debt reconciliation.

The accompanying notes are an integral part of these Standalone Financial Statements.

This is the Standalone Statement of Cash Flow referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E-300009

Sunit Kumar Basu

Partner

Membership No. 55000

Place : Kolkata

Date : 12th June 2021

Shankar Lal Kedia

Chief Financial Officer

Ajay Kumar Agarwal

Company Secretary

For & on behalf of the Board

Hemant Bangur

(DIN: 00040903)

Executive Chairman

D. C. Baheti (DIN: 00040953)

Managing Director

Ishani Ray (DIN: 08800793)

Director

Pushpa Devi Bangur

(DIN: 00695640)

Director

Prabir Ray (DIN: 00698779)

Director

Rohit Bihani (DIN: 00179927)

Director

S. N. Bhattacharya

(DIN: 06758088)

Director

Priti Panwar (DIN: 08072073)

Director

Notes to the Standalone Financial Statements

Note: 1 Corporate Information

Gloster Limited is a public company within the meaning of Companies Act, 2013. The Company is a leading manufacturer & exporter of all types of Jute & Jute allied products, Woven & Non-Woven Jute Geotextiles, Treated Fabric-Rot Proof, Fire Retardant, Jute products for Interior Decoration & Packaging of Industrial & Agricultural Produce. The Company also produces Jute & Cotton Shopping Bags & Made Ups. Gloster exports Jute goods to various countries spread over the World. The Company's manufacturing facilities are located at Bauria on the banks of Holy Ganges in West Bengal. The equity shares of the Company are listed on the BSE Ltd. & The Calcutta Stock Exchange Ltd.

Note: 2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

(i) Compliance with Ind AS

These standalone financial statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Classification of current and non-current

All asset and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Ind AS 1 - Presentation of Financial Statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

(iii) New and amended standards adopted by the company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103
- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) Historical cost convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- certain financial assets and liabilities those are measured at fair value
- defined benefit plans - plan assets measured at fair value

2.2 Use of estimates

The preparation of financial statements in conformity with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

2.3 Property, Plant and Equipment and Depreciation

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- b) Subsequent costs are included in the asset's carrying amount or recognized 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.
- c) Depreciation is provided on straight line method over the estimated useful lives of the assets. Pursuant to Notification of Schedule II of the Companies Act, 2013 becoming effective, the Company has adopted the useful lives as per the lives specified for the respective fixed assets in the Schedule II of the Companies Act, 2013. No depreciation is provided on freehold land.
- d) Gains and losses on disposal of Property, Plant and Equipment is recognized in the statement of profit and loss.
- e) An impairment loss is recognized where applicable when the carrying amount of Property, Plant and Equipment exceeds its recoverable amount.

2.4 Intangible assets and amortization

- a) Intangible assets are stated at cost of acquisition including duties, taxes and expenses incidental to acquisition and installation, net of accumulated depreciation. Recognition of costs as an asset is ceased when the asset is complete and available for its intended use.
- b) Intangible assets comprising of Trademark and computer software are amortized on straight line method over a period of twenty years and five years respectively.
- c) Goodwill acquired on account of amalgamation is being amortized in the Statement of Profit and Loss in keeping with National Company Law Tribunal, Kolkata ("NCLT") order dated 19 January 2018 on the basis of management's estimated useful life of 20 years.

Notes to the Standalone Financial Statements

d) Gains and Losses on disposal of Intangible assets is recognized in the statement of profit and loss.

2.5 Impairment of assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (Property, Plant and Equipment) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to their recoverable amount.

Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased /increased. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount. Where an impairment loss subsequently reverses, the carrying value of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

2.6 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

2.7 Financial assets

The financial assets are classified in the following categories:

- financial assets measured at amortised cost,
- financial assets measured at fair value through profit and loss (FVTPL), and
- financial assets measured at fair value through other comprehensive income (FVOCI).

The classification of financial assets depends on the Company's business model for managing financial assets and the contractual terms of the cash flow.

At initial recognition, the financial assets are measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the profit or loss. Financial assets are not reclassified subsequent to their recognition except

if and in the period the Company changes its business model for arranging financial assets.

Financial assets measured at 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. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the statement of profit and loss.

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment, if any.

Financial instruments measured at FVTPL

Financial instruments included within FVTPL category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss.

Investments in units of mutual funds, alternate investment funds (AIF) other than equity and debentures are accounted for at fair value and the changes in fair value are recognised in the statement of profit and loss.

Financial assets at FVOCI

Financial assets are measured at FVOCI if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments

The Company measures all equity investments at fair value. The Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, and accordingly there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

De-recognition of financial asset

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and such transfer qualifies for de-recognition under Ind AS 109 : Financial Instruments.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Only for Trade

Notes to the Standalone Financial Statements

Receivables, the simplified approach of lifetime expected credit losses is recognised from initial recognition of the receivables as required by Ind AS 109: Financial Instruments.

Impairment loss allowance recognised /reversed during the year is charged/written back to statement of profit and loss.

2.8 Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Borrowings are initially recognized at fair value, 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 profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. For Trade and Other Payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments. A financial liability (or a part of financial liability) is de-recognised from Company's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

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 the agreed credit terms with the vendors. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.9 Subsidy / Government Grant

Subsidy/ Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment

are included in other liabilities as deferred income and are credited to statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.10 Inventories

Raw materials, Stores and Spares parts and components are valued at cost (cost being determined on weighted average basis) or at net realizable value whichever is lower. Semi-finished goods and stock-in-process are valued at raw materials cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion or at net realizable value whichever is lower. Finished goods are valued at cost or at net realizable value whichever is lower. Cost includes all direct cost and applicable manufacturing and administrative overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

2.11 Employee Benefit

a) Defined Contribution Plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution benefit scheme.

b) Defined Benefit Plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs. Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

c) Compensated absences

Accrued liability in respect of leave encashment benefit on retirement is accounted for on the basis of actuarial valuation as at the year end and charged in the statement of profit and loss every year. Compensated absences benefits comprising of entitlement to accumulation of Sick Leave is provided for based on actuarial valuation at the end of the year. Actuarial gains and losses are recognized immediately in the statement of profit and loss. Accumulated Compensated Absences and Gratuity liability, which are expected to be availed or encashed or contributed within the 12 months from the end of the year are treated as short term employee benefits and the balance expected to be availed or encashed or contributed beyond 12 months from the year end are treated as long term liability.

Notes to the Standalone Financial Statements

d) Other short term employee benefits

Short Term Employee Benefits are recognized as an expense as per the Company's schemes based on expected obligation on an undiscounted basis.

2.12 Revenue Recognition

Revenue from contracts with customers are recognised when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognised depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods and services.

Revenue from sale of products is recognised when the control over such goods have been transferred, being when the goods are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, risks of loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract or the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales are recognized based on the price specified in the contract, which is fixed. No element of significant financing is deemed present as the sales are made against the receipt of advance or with an agreed credit period (in a very few cases) of upto 90 days, which is consistent with the market practices. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only passage of time is required before payment is done.

Other Income

Interest Income is recognized on a time proportion basis taking in to account the amount outstanding and the effective interest rate applicable. Dividend income is recognized when the right to receive dividend is established.

Export incentives are accounted as income in the statement of profit and loss when no significant uncertainty exists regarding the collectability. Insurance claims are accounted to the extent the Company is reasonably certain of their ultimate collection.

2.14 Foreign Currency Transaction

(i) Initial Recognition

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction.

(ii) Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions. All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate. Gains/losses arising out of fluctuations in the exchange rates are recognised in the statement of profit and loss in the period in which they arise.

2.15 Derivative Instruments

The Company uses derivative financial instruments such as foreign exchange contracts to hedge its exposure to movements in foreign exchange rates relating to the underlying transactions. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value and resulting gain or loss is recognized in the statement of profit and loss at the end of each reporting period. Any profit or loss arising on cancellation of derivative instruments is recognized as income or expense for the period.

2.16 Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year based on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

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 financial statements. 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 assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when 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.

2.17 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

Notes to the Standalone Financial Statements

2.18 Provisions and Contingent Liabilities Provisions:

Provisions are recognized when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value, except where the effect of the time value of money is material.

Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.19 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.20 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, and balance with bank in current and fixed deposit account.

2.21 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.22 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or

bankruptcy of the Company or the counterparty.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company has been identified as being the chief operating decision maker. Refer note 35 for segment information presented.

2.24 Leases

As a lessee

Leases are recognised as right of use assets and a correspondence liability at the date at which the leased asset is available for use by the Company. Contract may contain both lease and non lease components. The Company allocates the consideration in the contract to the lease and non lease components based on their relative standalone prices. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment:-

- a) Fixed payments (including in substance fixed payments) less any lease incentive receivable.
- b) Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.
- c) Amount expected to be paid by the Company as under residual value guarantees.
- d) Exercise price of a purchase option if the Company is reasonably certain to exercise that option.
- e) Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- a) Where possible, use recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received.
- b) use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by Gloster Limited, which does not have recent third party financing.

Notes to the Standalone Financial Statements

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the company uses that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and 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 are measured at cost comprising the following:-

- i) the amount of the initial measurement of lease liability
- ii) any lease payment made at or before the commencement date less any lease incentive received
- iii) any initial direct cost and
- iv) restoration costs.

Right of use of assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis. Payment associated with short-term leases of equipment and all the leases of low value assets are recognised on a straight line basis as an expenses in the statement of profit and loss. Short term leases are leases with a lease term of less than 12 months or less.

As a Lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis

as lease income. The respective leased assets are included in the balance sheet based on their nature.

2.25 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

2A Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

- (i) Estimation of defined benefit obligation- Refer note 27 of the financial statements
- (ii) Estimated fair value of unlisted securities –Refer note 32 of the financial statements
- (iii) Recognition of deferred tax assets for MAT Credit entitlements Refer note 31 of the financial statements
- (iv) Useful life of property, plant and equipments and intangible assets – Refer note 2.3 and 2.4 above.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to the Standalone Financial Statements

Note: 3(a) Property, plant, equipment and capital work in progress

Particulars	Gross carrying amount				Accumulated depreciation				Impairment				Net carrying amount	
	01 April 2020	Additions	Transfer from CWIP	Disposals/adjustments	31 March 2021	01 April 2020	For the year	Disposals/adjustments	31 March 2021	For the year	Reversals	31 March 2021	31 March 2021	31 March 2020
Freehold land	21,015.05	-	-	-	21,015.05	-	-	-	-	-	-	-	21,015.05	21,015.05
Buildings	5,936.81	186.65	367.66	-	6,491.12	826.20	230.46	1,056.66	-	-	-	-	5,434.46	5,110.61
Roads	45.06	1.71	13.15	-	59.92	30.34	0.01	30.35	-	-	-	-	29.57	14.72
Plant and equipment	6,731.49	548.94	24.29	85.13	7,219.59	2,535.38	662.55	44.31	3,153.62	110.27	-	110.27	3,955.70	4,085.84
Electric installation	314.71	25.84	-	-	340.55	131.75	33.06	-	164.81	-	-	-	175.74	182.96
Furniture & fixtures	285.33	4.51	-	-	289.84	176.24	40.32	-	216.56	-	-	-	73.28	109.09
Office equipment	68.70	2.20	-	-	70.90	43.54	3.49	-	47.03	-	-	-	23.87	25.16
Launches	0.01	-	-	-	0.01	-	-	-	-	-	-	-	0.01	0.01
Vehicles	454.67	4.94	-	-	459.61	125.95	53.52	-	179.47	-	-	-	280.14	328.72
Capital work in progress	1,222.57	577.20	(405.10)	-	1,394.67	-	-	-	-	-	-	-	1,394.67	1,222.57
	36,074.40	1,351.99	-	85.13	37,341.26	3,869.40	1,023.41	44.31	4,848.50	110.27	-	110.27	32,382.49	32,094.73

Particulars	Gross carrying amount				Accumulated depreciation				Impairment				Net carrying amount	
	01 April 2019	Additions	Transfer from CWIP	Disposals/adjustments	31 March 2020	01 April 2019	For the year	Disposals/adjustments	31 March 2020	For the year	Reversals	31 March 2020	31 March 2020	31 March 2019
Freehold land	21,015.05	-	-	-	21,015.05	-	-	-	-	-	-	-	21,015.05	21,015.05
Buildings	5,630.20	75.43	231.18	-	5,936.81	607.96	218.24	-	826.20	-	-	-	5,110.61	5,022.24
Roads	45.06	-	-	-	45.06	23.93	6.41	-	30.34	-	-	-	14.72	21.13
Plant and equipment	5,672.11	1,006.40	96.51	43.53	6,731.49	1,927.70	623.38	15.70	2,535.38	110.27	-	110.27	4,085.84	3,634.14
Electric installation	302.81	11.90	-	-	314.71	100.56	31.19	-	131.75	-	-	-	182.96	202.25
Furniture & fixtures	280.83	4.50	-	-	285.33	135.17	41.07	-	176.24	-	-	-	109.09	145.66
Office equipment	62.20	6.50	-	-	68.70	39.85	3.69	-	43.54	-	-	-	25.16	22.35
Launches	0.01	-	-	-	0.01	-	-	-	-	-	-	-	0.01	0.01
Vehicles	340.01	146.42	-	31.76	454.67	110.49	43.49	28.03	125.95	-	-	-	328.72	229.52
Capital work in progress	598.10	952.16	(327.69)	-	1,222.57	-	-	-	-	-	-	-	1,222.57	598.10
	33,946.38	2,203.31	-	75.29	36,074.40	2,945.66	967.47	43.73	3,869.40	110.27	-	110.27	32,094.73	30,890.45

(i) The title deed of immovable properties as set out in the above table are held in the name of the Company.

(ii) Capital work-in-progress mainly comprises of construction of factory building.

Notes to the Standalone Financial Statements

Note: 3(b) Goodwill

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	01 April 2020	Additions	Disposals/ adjustments	31 March 2021	For the year	Disposals/ adjustments	31 March 2021	31 March 2020
Goodwill	31,247.66	-	-	31,247.66	1,666.55	-	8,332.71	24,581.50
	31,247.66	-	-	31,247.66	1,666.55	-	8,332.71	24,581.50

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	01 April 2019	Additions	Disposals/ adjustments	31 March 2020	For the year	Disposals/ adjustments	31 March 2020	31 March 2019
Goodwill	31,247.66	-	-	31,247.66	1,666.54	-	6,666.16	26,248.04
	31,247.66	-	-	31,247.66	1,666.54	-	6,666.16	26,248.04

Note: 3(c) Other intangible assets

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	1 April 2020	Additions	Disposals/ adjustments	31 March 2021	For the year	Disposals/ adjustments	31 March 2021	31 March 2020
Trademark	8,782.90	-	-	8,782.90	468.42	-	2,342.10	6,909.22
Computer Software	73.01	16.27	-	89.28	14.28	-	56.70	30.59
	8,855.91	16.27	-	8,872.18	482.70	-	2,398.80	6,939.81

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	01 April 2019	Additions	Disposals/ adjustments	31 March 2020	For the year	Disposals/ adjustments	31 March 2020	31 March 2019
Trademark	8,782.90	-	-	8,782.90	468.42	-	1,873.68	7,377.64
Computer Software	60.88	12.13	-	73.01	12.32	-	42.42	30.78
	8,843.78	12.13	-	8,855.91	480.74	-	1,916.10	7,408.42

Note: 4 Right of Use Asset

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	1 April 2020	Additions	Disposals/ adjustments	31 March 2021	For the year	Disposals/ adjustments	31 March 2021	31 March 2020
Land (Refer Note 42)	-	272.93	-	272.93	0.57	-	0.57	-
	-	272.93	-	272.93	0.57	-	0.57	272.36

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 5 Investments in subsidiaries

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
Investments carried at cost					
Investments in equity instruments					
Investments in subsidiaries - Unquoted					
Gloster Lifestyle Ltd.	10	40,00,000	513.41	40,00,000	513.41
Gloster Specialities Ltd.	10	40,00,000	528.59	40,00,000	528.59
Gloster Nuvo Ltd.	10	20,00,000	200.00	20,00,000	200.00
Network Industries Ltd.	10	1,08,00,000	1,080.00	1,08,00,000	1,080.00
Fort Gloster Industries Ltd.	10	4,84,10,000	4,841.00	-	-
Total			7,163.00		2,322.00
Aggregate carrying value of unquoted investments			7,163.00		2,322.00
Aggregate amount of Impairment in the value of investments			Nil		Nil

Note: 6(a) Investments (Non-current)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
I. Mandatorily measured at FVTPL					
Mutual Fund (Debt) - Fully paid up - Quoted (Investment through PMS)					
Invesco India Liquid Fund - Direct Plan Growth	1,000	-	-	54	1.46
Investment in Alternative Investment Funds (Debt) - Fully paid up - Unquoted					
Peninsula Brookfield India Real Estate Fund	46,611	188	29.11	188	58.31
IIFL Real Estate Fund (Domestic) - Series 2	6	18,66,885	86.22	18,66,885	109.06
IIFL Real Estate Fund (Domestic) - Series 3	7	20,00,000	108.21	20,00,000	142.98
India Realty Excellence Fund III	100	4,27,593	514.49	4,64,407	547.98
India Realty Excellence Fund IV	100	3,00,000	321.13	3,25,000	339.11
II. Designated at FVOCI:					
Investment in Alternative Investment Funds (Equity) Fully paid up - Unquoted					
IIFL Special Opportunities Fund Class A1	8	18,60,518	216.61	18,60,518	167.65
IIFL Re Organize India Equity Fund Class A1	10	-	-	21,90,117	108.03
IIFL Focussed Equity Strategies Fund :-					
Class A1	10	-	-	8,08,475	101.12
Class B1	10	-	-	8,51,451	54.94
IIFL Select Series II Class A1	10	28,79,327	384.74	28,79,327	258.12
Abakkus Growth Fund I Class B1	1,000	19,782	325.31	19,782	148.06
Ask India 2025 Equity Fund	1,000	20,728	281.40	20,728	175.59
India Business Excellence Fund III	1,000	49,107	790.13	49,107	254.37
Malabar Value Fund	100	88,511	170.81	88,511	63.26

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
Sundaram Alternative Opportunities Fund- Nano Cap Series I	1,00,000	-	-	92	39.16
Baring Private Equity India	1,00,000	200	316.63	200	229.93
White Oak India Equity Fund	10	-	-	9,59,429	90.60
Motilal Oswal Focused Emergence Fund	10	18,49,634	192.68	21,24,325	105.08
Quoted Equity Instruments- Fully paid-up (Investment through PMS)					
Aegis Logistics Ltd.	1	5,023	15.00	9,937	13.86
Aavas Financiers Ltd.	10	725	17.54	340	4.03
Aditya Birla Fashion And Retail Ltd.	10	-	-	1,837	2.81
Alkem Laboratories Ltd.	2	306	8.48	969	22.56
APL Apollo Tubes Ltd.	10	323	4.52	254	3.17
Aia Engineering Ltd.	2	-	-	259	3.68
Apollo Hospitals Enterprises Ltd.	5	-	-	685	7.80
Aarti Industries Ltd.	5	690	9.08	-	-
Asian Paints Ltd.	1	281	7.13	474	7.90
Astral Poly Technik Ltd.	1	561	9.08	655	6.06
AU Small Finance Bank	10	3,379	41.43	3,944	20.01
Axis Bank Ltd.	2	-	-	2,468	9.36
Bajaj Finance Ltd.	2	1,038	53.48	1,330	29.47
Bajaj Finserv Ltd.	5	406	39.25	399	18.31
Bayer Cropsience Ltd.	10	189	10.10	262	9.05
Bharat Forge Ltd.	2	1,996	11.90	2,833	6.66
Bharat Petroleum Corporation Ltd.	10	-	-	855	2.85
Bharti Airtel Ltd.	5	-	-	989	4.36
Birla Corporation Ltd.	10	851	8.08	1,709	7.09
Britannia Industries Ltd.	1	175	6.35	280	7.53
Bosch Ltd.	10	106	14.93	106	9.96
Blue Star Ltd.	2	-	-	982	4.51
Canfin Homes Ltd.	2	-	-	2,054	5.73
Central Depository Services India Ltd.	10	-	-	1,202	2.58
City Union Bank Ltd.	1	-	-	10,850	14.00
Cholamandalam Investment and Finance Company Ltd.	2	5,944	33.22	7,910	12.10
Colgate Palmolive (India) Ltd.	1	938	14.62	938	11.75
Cipla Ltd.	2	-	-	1,471	6.28
Container Corporation of India Ltd.	5	2,510	15.01	3,188	10.57
Cummins India Ltd.	2	1,488	13.68	1,488	4.86
Dabur India Ltd.	1	1,244	6.73	1,796	8.09
DCB Bank Ltd.	10	-	-	8,266	7.84

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
Dhanuka Agritech Ltd.	2	-	-	682	2.22
Dalmia Bharat Ltd.	2	-	-	195	0.95
Divi's Laboratories Ltd.	2	310	11.25	402	7.99
Dr Lal Pathlabs Ltd.	10	-	-	607	8.51
Dixon Technologies India Ltd.	10	-	-	98	3.51
Eicher Motors Ltd.	10	1,297	33.77	105	13.75
Emami Ltd.	1	3,386	16.46	2,786	4.73
Equitas Holdings Ltd.	10	-	-	4,883	2.08
Exide Industries Ltd.	1	-	-	2,235	3.00
Engineers India Ltd.	5	-	-	2,979	1.79
Federal Bank Ltd.	2	-	-	12,190	5.00
Gabriel India Ltd.	1	-	-	5,454	2.91
Gland Pharma Ltd.	1	977	24.21	-	-
Glaxo Smithkline Consumer Healthcare Ltd. (merged with Hindustan Unilever Ltd. of face value ₹1/-)	10	-	-	202	20.15
Gujarat State Petronet Ltd.	10	-	-	2,379	4.10
Godrej Industries Ltd.	1	3,269	17.84	3,269	9.26
Havells India Ltd.	1	825	8.66	1,233	5.92
HDFC Asset Management Company Ltd.	5	-	-	468	9.88
HDFC Bank Ltd.	1	1,630	24.34	1,630	14.05
HDFC Life Insurance Company Ltd.	10	2,448	17.03	2,448	10.81
Hindustan Petroleum Corporation Ltd.	10	4,816	11.29	4,816	9.16
Ipca Lab Ltd.	2	1,237	23.55	1,557	21.68
Isgec Heavy Engineering Ltd.	1	-	-	441	1.13
Indusind Bank Ltd.	10	-	-	171	0.60
Infosys Ltd.	5	-	-	702	4.50
ICICI Bank Ltd.	2	10,283	59.82	10,936	35.43
ICICI Securities Ltd.	5	-	-	538	1.49
ITC Ltd.	1	5,230	11.43	-	-
ITD Cementation India Ltd.	1	-	-	3,460	1.03
IIFL Finance Ltd. (Formerly IIFL Holdings Ltd.)	2	-	-	721	0.53
IIFL Securities Ltd.	2	-	-	721	0.22
ICICI Lombard General Insurance Company Ltd.	10	1,263	18.13	1,439	15.49
Jammu Kashmir Bank Ltd.	1	-	-	7,144	0.89
Jubilant Foodworks Ltd.	10	-	-	122	1.80
Kotak Mahindra Bank Ltd.	5	5,119	89.75	5,607	72.67
Kajaria Ceramics Ltd.	1	-	-	1,392	5.23
KNR Constructions Ltd.	2	-	-	1,304	2.57
Larsen & Toubro Infotech Ltd.	1	287	11.64	-	-
Larsen & Toubro Ltd.	2	533	7.56	-	-

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
L&T Technology Services Ltd.	2	1,281	34.00	1,281	14.88
Mahindra Logistics Ltd.	10	-	-	703	1.59
Mahindra & Mahindra Fin Services Ltd.	2	-	-	919	1.35
Mahanagar Gas Ltd.	10	-	-	951	7.78
Mas Financial Services Ltd.	10	2,429	20.74	2,099	11.05
Max Financial Services Ltd.	2	4,134	35.53	4,134	15.90
M R F Ltd.	10	-	-	11	6.41
Minda Industries Ltd.	2	-	-	890	2.13
Motherson Sumi Systems Ltd.	1	-	-	3,749	2.29
Motilal Oswal Financial Services Ltd.	1	-	-	230	1.14
Music Broadcast Ltd.	2	-	-	6,797	1.01
Orient Electric Ltd.	1	-	-	1,212	2.39
Page Industries Ltd.	10	119	36.08	204	34.59
P I Industries Ltd.	1	447	10.08	650	7.60
Pidilite Industries Ltd.	1	300	5.43	579	7.86
Qess Corp Ltd.	10	-	-	900	1.92
Reliance Industries Ltd.	10	380	7.61	951	10.59
Ratnamani Metals And Tubes Ltd.	2	-	-	319	2.93
Shriram Transport Finance Co Ltd.	10	-	-	281	1.86
Shree Cement Ltd.	10	27	7.96	29	5.10
SBI Life Insurance Company Ltd.	10	2,023	17.81	2,023	12.97
State Bank of India	1	3,979	14.50	2,868	5.65
Suprajit Engineering Ltd.	1	-	-	1,305	1.47
TTK Prestige Ltd.	10	-	-	165	8.03
Timken India Ltd.	10	-	-	347	2.66
Tata Consultancy Services Ltd.	1	595	18.91	-	-
Tata Metaliks Ltd.	10	-	-	437	1.45
Tata Steel Ltd.	10	-	-	584	1.57
Torrent Pharmaceuticals Ltd.	5	-	-	247	4.95
Tech Mahindra Ltd.	5	2,182	21.63	2,874	16.32
Titan Company Ltd.	1	426	6.63	476	4.44
Torrent Power Ltd.	10	282	7.17	667	1.86
TVS Motor Company Ltd.	1	-	-	681	2.04
United Spirits Ltd.	2	-	-	718	3.48
United Breweries Ltd.	1	-	-	197	1.81
Voltas Ltd.	1	7,312	73.26	7,312	34.87
V-Mart Retail Ltd.	10	-	-	56	0.80

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
VIP Industries Ltd.	2	-	-	596	1.43
Wonderla Holidays Ltd.	10	-	-	772	1.09
Whirlpool of India Ltd.	10	-	-	111	2.02
Investment in Equity Instruments - Fully paid up					
Unquoted					
Fine Worthy Software Solutions Private Ltd.	10	91,411	214.76	91,411	214.77
Blackberry Properties Pvt. Ltd.	10	10,00,000	510.90	10,00,000	781.90
Cambay Investment Corporation Ltd.	10	38,000	838.87	38,000	663.58
Credwyn Holdings India Pvt. Ltd.	100	30,000	1,244.98	30,000	1,326.91
Laxmi Asbestos Products Ltd.	100	5,000	5.00	5,000	5.00
Sudipta Traders Pvt.Ltd.	10	3,08,000	1,026.16	1,54,000	1,300.98
The Oriental Company Ltd.	100	845	626.05	845	466.00
Woodland Multispeciality Hospital Ltd.	10	4,290	0.21	4,290	0.21
Investment in Equity Instruments - Fully paid up					
Quoted (Direct investment)					
The Cochin Malabar Estates & Industries Ltd.	10	98,939	50.95	98,939	57.38
Joonktollee Tea & Industries Ltd.	10	5,38,838	583.02	5,38,838	367.76
ABB India Ltd.	2	-	-	200	1.87
ABB Power And Systems India Ltd.	2	-	-	40	0.30
Amar Remedy Ltd.	10	200	0.02	200	0.01
Barak Valley Cements Ltd.	10	-	-	303	0.02
Bank of Baroda	2	-	-	550	0.29
Himachal Futuristic Communications Ltd.	1	-	-	16,900	1.53
Himatsingka Seide Ltd.	5	-	-	900	0.54
Indian Overseas Bank	10	-	-	1,000	0.07
Interglobe Aviation Ltd.	10	-	-	100	1.07
Jaiprakash Power Ventures Ltd.	10	-	-	16,900	0.10
Penta Media Graphics Ltd.	1	11,070	0.03	11,070	0.03
Port Shipping Co. Ltd.	10	1,64,330	16.43	1,64,330	16.43
The Phosphate Co. Ltd.	10	1,70,000	104.98	1,70,000	140.08
UCO Bank	10	-	-	3,000	0.27
Total			10,003.51		9,181.05
Aggregate amount of quoted investments and market value thereof			1,799.11		1,428.35
Aggregate amount of unquoted investments			8,204.40		7,752.70

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 6(b) Loans (Non-current)

Particulars	31 March 2021	31 March 2020
Unsecured, considered good (unless otherwise stated)		
Security Deposits	112.04	147.70
Total	112.04	147.70

Note: 6(c) Other financial assets (Non-current)

Particulars	31 March 2021	31 March 2020
Unsecured, considered good (unless otherwise stated)		
Advance to Body Corporate	-	885.62
	-	885.62

Note: 7 Other non-current assets

Particulars	31 March 2021	31 March 2020
Unsecured, considered good (unless otherwise stated)		
Capital Advances	660.41	525.51
Deposits with Government Authorities	90.19	122.14
Total	750.60	647.65

Note: 8 Inventories

Particulars	31 March 2021	31 March 2020
Raw materials	6,406.90	5,768.22
Stock-in-process	2,769.81	1,631.34
Semi Finished Goods	855.82	598.37
Finished Goods (includes goods in transit ₹2,051.00 lakhs; 31 March 2020 - ₹845.48 lakhs)	3,859.64	2,516.63
Stores and Spares	1,100.94	1,098.96
Total	14,993.11	11,613.52

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 9(a) Investments (Current)

Particulars	Face Value	No. of units	31 March 2021	No. of units	31st March 2020
I. Designated at FVOCI					
Quoted Equity Instruments- Fully paid-up (Direct investment)					
J K Paper Ltd.	10	-	-	3,25,000	242.20
Larsen & Toubro Ltd.	2	-	-	3,500	28.24
Magma Fincorp Ltd.	2	-	-	6,174	1.06
National Aluminium Company Ltd.	5	-	-	70,000	20.41
NBCC (India) Ltd.	1	1,50,000	70.10	1,50,000	24.48
HEG Ltd.	10	1,000	14.64	63,654	308.30
Century Textiles Industries Ltd.	10	2,000	9.29	2,000	5.92
Bombay Dyeing & Mfg. Co. Ltd.	2	1,45,000	101.78	1,45,000	66.41
Usha Martin Ltd.	1	-	-	1,50,000	24.00
HBL Power Systems Ltd.	1	-	-	1,00,000	11.01
Shree Cements Ltd.	10	-	-	3,000	527.25
State Bank of India	1	-	-	50,000	98.46
SBI Cards And Payment Services Ltd.	10	-	-	6,118	37.85
Maharashtra Seamless Ltd.	5	4,300	11.86	4,300	8.31
Bombay Burmah Trading Corpn. Ltd.	2	5,000	55.52	15,000	109.88
Oberoi Realty Ltd.	10	-	-	9,000	29.86
HDFC Asset Management Company Ltd.	5	-	-	1,403	29.64
Ultra Tech Cement Ltd.	10	-	-	249	8.10
Investment in Alternative Investment Funds (Equity) - Fully paid up - Unquoted					
Orios Venture Partners Fund	100	2,00,000	249.19	2,00,000	197.00
White Oak India Equity Fund	10	9,59,429	165.62	-	-
Sundaram Alternative Opportunities Fund- Nano Cap Series I	1,00,000	92	82.49	-	-
Investment in Alternative Investment Funds (Debt) - Fully paid up - Unquoted					
Indiareit Apartment Fund	1,00,000	31	49.24	32	58.91
Investments in Mutual Fund (Debt) - Fully paid up - Quoted					
HDFC FMP Growth Series 37	10	-	-	10,00,000	134.76
Baroda Equity Savings Fund	10	-	-	2,50,000	24.90
Nippon India Fixed Horizon Fund XXXI Series 15 - Growth (formerly Reliance Fixed Horizon Fund XXXI Series 15 - Growth)	10	-	-	10,00,000	129.38
Total			809.73		2,126.33
Aggregate amount of quoted investments and market value thereof			263.19		1,870.42
Aggregate amount of unquoted investments			546.54		255.91

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 9(b) Trade receivables

Particulars	31 March 2021	31 March 2020
Trade Receivables - Considered good - Unsecured (refer note below)	3,145.23	2,949.20
Less: Credit impaired	(55.36)	(55.36)
Total	3,089.87	2,893.84

Note - Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to Bill Discounting. Under this arrangement, the Company has transferred the relevant receivables to the bank in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the Bill Discounting is presented as secured borrowing.

The relevant carrying amounts are as follows:

Particulars	31 March 2021	31 March 2020
Total transferred receivables	367.20	308.68
Associated secured borrowing [refer note 19(a)]	(367.20)	(308.68)

Note: 9(c) Cash and cash equivalents

Particulars	31 March 2021	31 March 2020
Cash and cash equivalents		
Cash on hand	4.18	6.29
Balances with banks :		
In current accounts	20.91	177.15
In fixed deposit account (Maturity of less than 3 months)	-	2,505.00
Total	25.09	2,688.44

Note: 9(d) Other bank balances

Particulars	31 March 2021	31 March 2020
Other Bank balances		
Unpaid dividend account	24.22	23.16
Fractional share entitlement	0.52	0.52
Margin money deposits	1.17	0.27
Fixed deposit accounts (Maturity within 3 - 12 months)	1,404.01	-
Total	1,429.92	23.95

Note: 9(e) Loans (Current)

Particulars	31 March 2021	31 March 2020
Unsecured, considered good		
Security Deposits	96.39	96.39
Employee loans and advances	404.94	356.55
Loans to Body Corporates	2,250.08	3,017.23
Loans to Subsidiaries (refer note 36)	5,851.56	2,620.20
Total	8,602.97	6,090.37

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 9(f) Other financial assets - current

Particulars	31 March 2021	31 March 2020
Derivatives not designated as hedges - Foreign-exchange forward contracts	195.71	-
Interest accrued on Loans to Body Corporates	61.58	85.16
Others (refer note below)	187.83	-
Total	445.12	85.16

Note:

Includes insurance claim receivable ₹43.96 lakhs.

Note: 10 Current tax assets (net)

Particulars	31 March 2021	31 March 2020
Advance for taxation (Net of provision of ₹8,000.50 lakhs (31 March 2020 - ₹6,751.13 lakhs)	3,533.42	3,648.35
Total	3,533.42	3,648.35

Note: 11 Other current assets

Particulars	31 March 2021	31 March 2020
Unsecured, considered good (unless otherwise stated)		
Prepaid Expenses [refer note (b) below]	113.31	58.24
Balances with Government Authorities	64.36	210.45
Advances for goods and services - Considered Good	1,289.75	525.20
Dividend distribution tax (DDT) refundable [refer note (a) below]	49.14	49.14
Other Advances		
Considered Good	10.30	8.86
Credit impaired	148.17	148.17
Less : Allowance for credit impaired	(148.17)	(148.17)
Total	1,526.86	851.89

Notes:

(a) Pertains to DDT paid by erstwhile Gloster Limited for payment of dividend to erstwhile Kettlewell Bullen & Company Limited now refundable, post merger in keeping with scheme of amalgamation.

(b) Includes CSR prepaid expenses of ₹38.36 lakhs [refer note 30 (b)]

Note: 12 Equity share capital

(a) Authorised share capital

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2019	2,75,00,000	2,750.00
Changes during the year	-	-
As at 31 March 2020	2,75,00,000	2,750.00
Changes during the year	-	-
As at 31 March 2021	2,75,00,000	2,750.00

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

(b) Issued, subscribed and fully paid-up shares

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2019	54,71,630	547.16
Changes during the year	-	-
As at 31 March 2020	54,71,630	547.16
Changes during the year	-	-
As at 31 March 2021	54,71,630	547.16

(c) Details of the shareholders holding more than 5% of equity shares of the Company

Name of the equity shareholder	31 March 2021		31 March 2020	
	Number of Shares	% holding	Number of Shares	% holding
Life Insurance Corporation of India	7,16,825	13.10	8,40,174	15.36
Pushpa Devi Bangur	7,89,636	14.43	7,89,636	14.43
The Oriental Company Limited	6,04,006	11.04	6,04,006	11.04
Madhav Trading Corporation Limited	5,93,246	10.84	5,93,246	10.84
Vinita Bangur	4,46,352	8.16	4,46,352	8.16
Hemant Bangur	3,76,139	6.87	3,76,139	6.87

(d) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their shareholding.

(e) Details of bonus shares issued

The Company has issued 16,00,000 number of equity shares allocated as fully paid up by way of bonus shares of ₹10 each on 07 March, 2016.

Note: 13 Other equity

A. Reserve and Surplus

Particulars	31 March 2021	31 March 2020
(i) Securities Premium	78,146.39	78,146.39
(ii) General reserve	8,619.10	6,619.10
(iii) Retained earnings	9,314.70	6,003.12
Total reserves and surplus	96,080.19	90,768.61

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2021	31 March 2020
(i) Securities Premium		
Balance at the beginning of the year	78,146.39	78,146.39
Changes during the year	-	-
Balance at the end of the year	78,146.39	78,146.39
(ii) General reserve		
Balance at the beginning of the year	6,619.10	5,119.10
Transferred from retained earnings	2,000.00	1,500.00
Balance at the end of the year	8,619.10	6,619.10
(iii) Retained earnings		
Balance at the beginning of the year	6,003.12	6,784.00
Profit for the year	4,460.58	1,928.65
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	591.58	(400.54)
- Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	1,080.16	(149.36)
Deduct : Appropriations		
Dividend paid during the year	(820.74)	(547.16)
Tax on dividend paid during the year	-	(112.47)
Transferred to general reserve	(2,000.00)	(1,500.00)
Balance at the end of the year	9,314.70	6,003.12

Particulars	31 March 2021	31 March 2020
B. Other reserves - Equity instruments through Other comprehensive income		
Balance at the beginning of the year	1,369.96	3,345.73
Changes in fair value of FVOCI equity instruments (Realised + Unrealised)	2,608.43	(2,298.26)
Deferred tax	(254.84)	173.13
Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	(1,080.16)	149.36
Balance at the end of the year	2,643.39	1,369.96
Total (A+B)	98,723.58	92,138.57

(i) General reserve

General reserve is created and utilised in compliance with provisions of the Companies Act, 2013.

(ii) Equity instruments through OCI

The Company has elected to recognise changes in the fair value of all investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 14 Borrowings (Non-current)

Particulars	31 March 2021	31 March 2020
Unsecured		
Term loan from banks [refer note (a) below]	118.65	237.49
Less: Current maturities of long term debts [refer note 19(c)]	(118.65)	(117.66)
Total	-	119.83

Nature of security	Terms of repayment
(a) Unsecured term loan from bank amounting to ₹118.65 lakhs (31 March 2020 - ₹237.49 lakhs)	Repayable in 4 equal quarterly instalments beginning from June 2021 bearing interest at a rate linked to Bank's one year MCLR.

Note: 15 Provisions (Non-current)

Particulars	31 March 2021	31 March 2020
Provision for compensated absences of employees	536.71	538.42
Provision for Gratuity (refer note 27)	680.50	1,061.76
Other non-current provisions	2.17	2.17
Total	1,219.38	1,602.35

Note: 16 Deferred tax liabilities (net)

Particulars	31 March 2021	31 March 2020
Deferred tax liabilities		
Investment in financial instruments at FVTPL	-	4.40
Investment in financial instruments at FVOCI	844.07	589.24
Property, plant and equipment	8,265.09	9,122.25
	9,109.16	9,715.89
Deferred tax assets		
Investment in financial instruments at FVTPL	19.86	-
Provision for leave encashment	151.74	149.07
Provision for doubtful advances & receivables	71.12	71.12
Deferred government grant	86.30	89.76
MAT credit entitlement	2,606.60	4,218.82
Others	31.57	362.70
	2,967.19	4,891.47
Net deferred tax liabilities [refer note below]	6,141.97	4,824.42

Note:

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws. Refer note 31 for details pertaining to income taxes and note 47 for measurement of deferred tax.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 17 Lease Liabilities

Particulars	31 March 2021	31 March 2020
Non-Current Lease Liabilities (refer note 42)	234.14	-
Current Lease Liabilities (refer note 42)	14.08	-
Total	248.22	-

Note: 18 Other non-current liabilities

Particulars	31 March 2021	31 March 2020
Deferred government grant	227.59	238.11
Total	227.59	238.11

Note: 19(a) Borrowings (Current)

Particulars	31 March 2021	31 March 2020
Secured :		
Loans from banks (refer note below)	1,944.90	2,313.64
Liability on bill discounting [refer note below & note 9(b)]	367.20	308.68
Total	2,312.10	2,622.32

Note:

Secured by hypothecation of stock of raw material, stock -in-process, finished goods, stores & consumables, book debts and other current assets of the Company.

Note: 19(b) Trade payables

Particulars	31 March 2021	31 March 2020
Trade Payables - Micro and Small Enterprises (refer note 43 for details of dues to Micro, Small and Medium Enterprises)	5.86	2.84
Trade payables - Other than Micro and Small Enterprises	638.55	983.38
Total	644.41	986.22

Note: 19(c) Other financial liabilities - Current

Particulars	31 March 2021	31 March 2020
Current maturities of long-term debt (refer note 14)	118.65	117.66
Unpaid dividends [refer note(a) below]	24.22	23.16
Unclaimed fractional share entitlement	0.52	0.52
Capital creditors	264.97	173.85
Derivatives not designated as hedges - Foreign-exchange forward contracts	-	247.27
Other payables [refer note(b) below]	1,385.67	1,010.27
Total	1,794.03	1,572.73

Notes:

(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125C of the Companies Act, 2013 as at the end of the year.

(b) Other payables include employee related liability of ₹582.13 lakhs (31March 2020 - ₹469.02 lakhs.)

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 20 Other current liabilities

Particulars	31 March 2021	31 March 2020
Advances received from customers*	948.58	711.72
Statutory dues	717.92	756.24
Deferred Government Grant	19.61	19.30
Other payables	32.16	60.68
Total	1,718.27	1,547.94

* Advances from customers appearing at the beginning of the year has been entirely adjusted against revenue recognised during the year.

Note: 21 Provisions (Current)

Particulars	31 March 2021	31 March 2020
Provision for employee benefits		
Provision for compensated absences of employees	139.91	136.61
Total	139.91	136.61

Note: 22 Current tax liabilities (net)

Particulars	31 March 2021	31 March 2020
Provision for taxation [Net of advance tax ₹3,882.03 lakhs (31 March 2020 ₹4,208.18 lakhs)].	811.80	485.65
Total	811.80	485.65

Note: 23 Revenue from operations

Particulars	31 March 2021	31 March 2020
Revenue from Contracts with Customers		
Sale of finished goods	48,739.31	48,605.46
Other operating revenues		
Export incentive	569.37	885.39
Total	49,308.68	49,490.85

Note:

Revenue recognised represents contracted prices with the customers and did not include any adjustment to the contracted price.

Note: 24 Other income

Particulars	31 March 2021	31 March 2020
Interest income from financial assets measured at amortised cost	516.57	421.83
Interest income from financial assets measured at FVTPL	148.94	105.91
Dividend income from investments designated at FVOCI (refer note (a) below)	13.61	103.90
Rental income	2.94	4.11
Net gain on disposal of property, plant and equipment	4.78	37.75
Profit on sale of long term investments	23.76	13.73
Profit on sale of short term investments	3.06	199.40
Liabilities no longer required written back	147.76	11.98
Insurance policy matured	591.79	-
Net foreign exchange gains / (losses)	495.99	-
Government grants (refer note (b) below)	19.38	18.77
Miscellaneous income (refer note (c) below)	273.45	107.76
Total	2,242.03	1,025.14

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Notes:

- (a) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting year except dividend income amounting to ₹ 4.86 lakhs (31 March 2020 - ₹ 10.09 lakhs) pertaining to investments derecognised during the year.
- (b) Government grants are related to investments in property, plant and equipment. There are no unfulfilled conditions or other contingencies attaching to these grants.
- (c) Miscellaneous income include insurance claim realised amounting to ₹ 159.89 lakhs (31 March 2020 - ₹ 0.22 lakh).

Note: 25 Cost of materials consumed

Particulars	31 March 2021	31 March 2020
Inventory at the beginning of the year	5,768.22	5,261.39
Add : Purchases (net)	28,545.66	26,710.43
	34,313.88	31,971.82
Less : Inventory at the end of the year	6,406.90	5,768.22
Total	27,906.98	26,203.60

Note: 26 Changes in inventories of finished goods and work-in-progress

Particulars	31 March 2021	31 March 2020
Inventories at the end of the year		
Stock-in-process	2,769.81	1,631.34
Semi - Finished Goods	855.82	598.37
Finished Goods	3,859.64	2,516.63
Total (A)	7,485.27	4,746.34
Inventories at the beginning of the year		
Stock-in-process	1,631.34	800.51
Semi - Finished Goods	598.37	635.44
Finished Goods	2,516.63	1,753.38
Total (B)	4,746.34	3,189.33
(Increase)/decrease in inventories (B-A)	(2,738.93)	(1,557.01)

Note: 27 Employee benefits expense

Particulars	31 March 2021	31 March 2020
Salaries, wages & bonus	7,318.13	7,533.35
Contribution to provident and other funds [Refer notes below]	1,344.48	1,366.01
Workmen and staff welfare expenses	19.61	59.61
Total	8,682.22	8,958.97

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Notes:

(A) Post-employment obligations

(i) Defined contribution plans

The total expenses recognised in the standalone statement of profit and loss during the year on account of defined contribution plans amounts to:

Particulars	31 March 2021	31 March 2020
Employer's contribution to pension fund	359.37	398.39
Employer's contribution to superannuation fund	70.01	99.41
	429.38	497.80

(ii) Defined benefit plan

(a) Gratuity:

The employees' gratuity fund scheme is managed by a Trust and is a defined benefit plan. The funds of the trust are managed by approved insurance companies. Every employee is entitled to a benefit equivalent to fifteen day's salary last drawn for each completed year of service in line with Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. Gratuity benefit vests after five year of continuous service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation (Gratuity) over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
01 April 2019	6,445.45	(6,399.44)	46.01
Current service cost	396.61	-	396.61
Interest expense/(income)	476.01	(472.56)	3.45
Total amount recognised in profit or loss	872.62	(472.56)	400.06
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	415.14	415.14
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	545.85	-	545.85
Actuarial (gain)/loss from unexpected experience	(345.30)	-	(345.30)
Total amount recognised in other comprehensive income	200.55	415.14	615.69
Benefit payments	(197.27)	197.27	-
31 March 2020	7,321.35	(6,259.59)	1,061.76

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
01 April 2020	7,321.35	(6,259.59)	1,061.76
Current service cost	456.94	-	456.94
Interest expense/(income)	486.33	(415.19)	71.14
Total amount recognised in profit or loss	943.27	(415.19)	528.08
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(751.09)	(751.09)
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	74.66	-	74.66
Actuarial (gain)/loss from unexpected experience	(232.91)	-	(232.91)
Total amount recognised in other comprehensive income	(158.25)	(751.09)	(909.34)
Benefit payments	(125.37)	125.37	-
31 March 2021	7,981.00	(7,300.50)	680.50

Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March 2021	31 March 2020
Discount rate	6.60%	6.70%
Rate of salary increase	9.00%	9.00%
Mortality rate	Indian assured lives mortality (2006-08) (modified)	Indian assured lives mortality (2006-08) (modified)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risks of assets management, historical results of the return on plan assets, and other relevant factors.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumptions	Change in assumption	Impact on scheme liabilities
31 March 2021		
Discount rate	Increase by 1.00%, Decrease by 1.00%	Decrease by ₹ 694.31 lakhs, Increase by ₹820.03 lakhs
Rate of salary increase	Increase by 1.00%, Decrease by 1.00%	Increase by ₹ 792.66 lakhs, Decrease by ₹686.11 lakhs
31 March 2020		
Discount rate	Increase by 1.00%, Decrease by 1.00%	Decrease by ₹ 671.58 lakhs, Increase by ₹793.51 lakhs
Rate of salary increase	Increase by 1.00%, Decrease by 1.00%	Increase by ₹767.80 lakhs, Decrease by ₹664.22 lakhs

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Major categories of plan assets

The defined benefit plan is funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies. Thus the composition of each major category of plan assets has not been disclosed.

Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:

The defined benefit plans are funded with insurance company of India. The Company does not have any liberty to manage the funds provided to insurance company. The fund is managed by the insurance company and the assets are invested in their conventional group gratuity product. The fund is subject to market risk as the price of units may go up or down. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest rate risk:

The defined benefit obligation is calculated using a discount rate based on government bonds. If the bond yields fall, the defined benefit obligation will tend to increase.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. Higher than expected increases in salary will increase the defined benefit obligation.

Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2022 are ₹ 681.00 lakhs. The weighted average duration of the defined benefit obligation is 10 years (2020 - 10 years).

(b) Provident fund

The Provident fund is managed by the Company in line with the Employees Provident Fund and Miscellaneous Provision Act, 1952. The Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Condition for grant of exemption stipulate that the employer shall make good deficiency, if any, in the interest declared by the trust vis-a-vis statutory rate. The contribution by the employer and employees together with the interest accumulated there on are payable to the employees at the time of their separation from the company or retirement, whichever is earlier. In view of the Company's obligation to meet the shortfall, this is a defined benefit plan.

(B) Other long term employee benefit plan

The Company provides benefits in the nature of compensated absences which can be accumulated. The compensated absences are other long term employee benefits plan. The plan is unfunded. Based on actuarial valuation, a provision is recognised in full for the projected obligation and are classified as current since the Company does not have an unconditional right to defer settlement for any of these obligations. Expenses recognised in the Statement of Profit and loss towards compensated absences includes re-measurement gains and losses.

Note: 28 Finance costs

Particulars	31 March 2021	31 March 2020
Interest and finance charges on financial liabilities measured at amortised cost	162.52	235.47
Other borrowing costs	36.44	53.25
Interest on Lease liabilities	0.97	-
Total	199.93	288.72

Note: 29 Depreciation and amortisation expense

Particulars	31 March 2021	31 March 2020
Depreciation of property, plant and equipment	1,023.41	967.47
Amortisation of Goodwill	1,666.55	1,666.54
Amortisation of Trademark	468.42	468.42
Amortisation of other intangible assets	14.28	12.32
Depreciation of Right of use of asset	0.57	-
Total	3,173.23	3,114.75

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 30 Other expenses

Particulars	31 March 2021	31 March 2020
Consumption of stores and spare parts (net)	2,571.06	3,171.43
Power and fuel	1,684.44	2,048.13
Rent	116.39	117.60
Repairs to building	140.53	75.55
Repairs to machinery	1.87	3.59
Repairs - others	44.92	28.66
Insurance	240.32	220.74
Rates and Taxes	16.30	20.50
Processing charges	1,133.78	1,254.29
Freight and Delivery Charges	573.85	333.72
Export Dock and Toll Charges	166.09	150.90
Brokerage and Commission	375.69	378.29
Net foreign exchange losses / (gains)	-	64.49
Net losses on fair value changes on investments classified at FVTPL	25.93	59.63
Corporate social responsibility expenses [refer note (b) below]	114.12	73.80
Loan to body corporate written off	75.69	-
Interest receivable written off	19.15	108.99
Miscellaneous expenses [refer note (a) below]	922.25	1,084.23
Total	8,222.38	9,194.54

Notes:

(a) Miscellaneous expenses includes remuneration to auditors for :

Particulars	31 March 2021	31 March 2020
Audit Fees	26.00	22.00
Other Services	8.00	9.00
Reimbursement of expenses	0.65	1.54
Total	34.65	32.54

(b) Corporate social responsibility expenditure:

Particulars	31 March 2021	31 March 2020
Contribution towards Gloster - Arogya Jeevan	103.89	40.50
Contribution towards Gloster - Swach Vatavaran	7.73	33.30
Contribution towards Gloster - Vidya Prachar	2.50	-
Accrual towards unspent obligations in relation to:		
-Ongoing projects	-	-
-Other than ongoing projects	-	-
Total	114.12	73.80
Amount required to be spent as per section 135 of the Act	114.12	130.26
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	152.48	130.26

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Details of excess CSR expenditure under section 135(5) of the Act

Balance excess spent as at 01 April 2020	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 31 March 2021
-	114.12	152.48	38.36

Note: 31 Income tax expense

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions.

(a) Income tax expense

Particulars	31 March 2021	31 March 2020
Current tax		
Current tax on profits for the year	1,249.37	388.40
Total current tax expense	1,249.37	388.40
Deferred tax		
Decrease / (Increase) in deferred tax assets	1,606.52	177.26
(Decrease) / Increase in deferred tax liabilities	(861.57)	318.11
Total deferred tax expense/(benefit)	744.95	495.37
Income tax expense	1,994.32	883.77

(b) Amounts recognised directly in other comprehensive income

Particulars	31 March 2021	31 March 2020
The amount of income tax relating to each component of other comprehensive income		
(i) Remeasurements of post-employment benefit obligations - Current tax	(317.76)	215.15
(ii) FVOCI equity instruments		
- Current tax	-	-
- Deferred tax	(254.84)	173.13
	(572.60)	388.28

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	31 March 2021	31 March 2020
Profit before tax	6,454.90	2,812.42
Tax at the Indian tax rate of 34.944% (2019-20 – 34.944%)	2,255.60	982.77
Add / (deduct) -		
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	(4.76)	(36.31)
Tax effect of certain temporary differences measured at lower rates (refer note 47)	(241.00)	-
Others	(15.52)	(62.69)
Total income tax expense/(credit)	1,994.32	883.77

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2021	31 March 2020
MAT credit balance		
Expiry		
AY 2030-31	-	130.26
AY 2031-32	-	977.97
AY 2032-33	1,123.51	1,627.49
AY 2033-34	1,483.10	1,483.10
	2,606.61	4,218.82

Note: 32 Fair value measurements

Financial instruments by category

Particulars	31 March 2021			31 March 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	1,108.40	16,867.84	-	1,520.51	12,108.87	-
Loans to body corporates	-	-	2,250.08	-	-	3,017.23
Loan to Subsidiary	-	-	5,851.56	-	-	2,620.20
Security deposits	-	-	208.43	-	-	244.09
Derivative assets	195.71	-	-	-	-	-
Other financial assets	-	-	187.83	-	-	-
Trade receivables	-	-	3,089.87	-	-	2,893.84
Cash & cash equivalents	-	-	25.09	-	-	2,688.44
Bank balances	-	-	1,429.92	-	-	23.95
Employee advances	-	-	404.94	-	-	356.55
Interest accrued on intercorporate deposits	-	-	61.58	-	-	85.16
Total financial assets	1,304.11	16,867.84	13,509.30	1,520.51	12,108.87	11,929.46
Financial liabilities						
Borrowings	-	-	2,430.75	-	-	2,859.81
Lease Liability	-	-	248.22	-	-	-
Unclaimed fractional share entitlement	-	-	0.52	-	-	0.52
Trade payables	-	-	644.41	-	-	986.22
Derivative liabilities	-	-	-	247.27	-	-
Unpaid dividends	-	-	24.22	-	-	23.16
Capital creditors	-	-	264.97	-	-	173.85
Other payables	-	-	1,385.67	-	-	1,010.27
Total financial liabilities	-	-	4,998.76	247.27	-	5,053.83

Notes to the Standalone Financial Statements

The investments in equity instruments are not held for trading. Instead, they are held for medium or long term investment purposes. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments at FVOCI as the management believe that this provides a more meaningful presentation for medium or long-term investments, than reflecting changes in fair value immediately in profit or loss.

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	2062.30	-	-	2062.30
- Unquoted investments	-	2,926.42	5824.52	8750.94
Derivative financial assets	195.71	-	-	195.71
Total financial assets	2,258.01	2,926.42	5824.52	11,008.95
Financial liabilities				
Derivative financial liabilities (not designated as hedges)	-	-	-	-
Total financial liabilities	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	3,298.77	-	-	3,298.77
- Unquoted investments	-	1,795.91	6,212.70	8,008.61
Derivative financial assets	-	-	-	-
Total financial assets	3,298.77	1,795.91	6,212.70	11,307.38
Financial liabilities				
Derivative financial liabilities (not designated as hedges)	247.27	-	-	247.27
Total financial liabilities	247.27	-	-	247.27

Level 1 [Quoted prices in an active market]

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price available. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 [Fair values determined using valuation techniques with observable inputs]

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Level 3 [Fair values determined using valuation techniques with significant unobservable inputs]

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March 2021		31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposits	112.04	112.04	147.70	147.70
Total financial assets	112.04	112.04	147.70	147.70
Financial liabilities				
Borrowings	118.65	118.65	237.49	237.49
Total financial liabilities	118.65	118.65	237.49	237.49

- a) The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.
- (b) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- (c) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the Standalone Financial Statements

Note: 33 Financial Risk Management

The Company's activities expose it to credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of it in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Diversification of customer base and approved counter parties.
Liquidity risk	Borrowings and other liabilities	Cash flow forecast	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecast Sensitivity analysis	Forward exchange contract
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Diversified debt portfolio Regular monitoring of borrowings
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments carried at amortised cost.

i) Trade receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 to 60 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, domestic trade receivables are backed by security deposits. Export receivables are backed by letters of credit. Financial assets are considered to be of good quality and there is no significant increase in credit risk.

Provision for expected credit loss

The requirement for impairment is analysed at each reporting date. For impairment, individual debtors are identified and assessed specifically. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. There has been no material default history in the past and accordingly no provision is considered necessary. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus fund in portfolio management services, mutual funds, alternate investment funds, direct equity and in private companies are made only with approved counterparties and within credit limits assigned to each counterparty, if any. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Balances with banks and deposits are placed only with highly rated banks/financial institution.

The Company's maximum exposure to credit risk for the components of the balance sheet is the carrying amounts as disclosed.

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity group based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2021	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Borrowings	2,430.75	-	-	-	2,430.75
Other financial liabilities	1,675.38	-	-	-	1,675.38
Trade payables	644.41	-	-	-	644.41
Lease Liabilities	-	30.00	45.00	581.53	656.53
Total non-derivative financial liabilities	4,750.54	30.00	45.00	581.53	5,407.07
Foreign exchange forward contracts	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-

Contractual maturities of financial liabilities 31 March 2020	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Borrowings	2,739.98	119.83	-	-	2,859.81
Other financial liabilities	1,207.80	-	-	-	1,207.80
Trade payables	986.22	-	-	-	986.22
Total non-derivative financial liabilities	4,934.00	119.83	-	-	5,053.83
Foreign exchange forward contracts	247.27	-	-	-	247.27
Total derivative liabilities	247.27	-	-	-	247.27

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

(C) Market risk

(i) Foreign currency risk

The Company undertakes transactions (e.g. sale of goods and purchases of raw materials or capital goods) denominated in foreign currencies and thus is exposed to exchange rate fluctuations. The Company evaluates its exchange rate exposure arising from foreign currency transactions and manages the same based upon approved risk management policies which inter-alia includes entering into forward foreign exchange contracts.

Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs (foreign currency amount multiplied by closing rate), are as follows:

Particulars	31 March 2021		31 March 2020	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	924.69	93.85	963.43	70.59
Derivative assets				
Foreign exchange forward contracts - Sell foreign currency	(924.69)	(93.85)	(963.43)	(70.59)
Net exposure to foreign currency risk (assets)	-	-	-	-
Financial liabilities				
Trade payables	-	0.37	-	-
Derivative liabilities				
Foreign exchange forward contracts - Buy foreign currency	-	-	-	-
Net exposure to foreign currency risk (liabilities)	-	0.37	-	-

The Company also has exposures in below currencies :

Particulars	31 March 2021		31 March 2020	
	GBP	JPY	GBP	JPY
Financial assets				
Trade receivables	22.21	70.02	47.47	-
Derivative assets				
Foreign exchange forward contracts - Sell foreign currency	(22.21)	(70.02)	(47.47)	-

Sensitivity has not been disclosed as all exposures are largely hedges.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

(a) Interest rate risk exposure on financial liabilities

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	31 March 2021	31 March 2020
Variable rate borrowings	2,063.55	2,551.13
Fixed rate borrowings	367.20	308.68
Total borrowings	2,430.75	2,859.81

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

Particulars	Impact on profit before tax		Impact on equity	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Interest expense rates – increase by 70 basis points (70 bps)*	(14.44)	(17.86)	(9.40)	(11.62)
Interest expense rates – decrease by 70 basis points (70 bps)*	14.44	17.86	9.40	11.62

* holding all other variables constant

Note: 34 Capital Management

(a) Risk management

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.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants. The Company has complied with the debt covenants throughout the reporting period.

(b) Dividends paid and proposed

Particulars	31 March 2021	31 March 2020
i) Equity shares		
Final dividend paid for the year ended 31 March 2020 - ₹ 15/- (31 March 2019 - ₹ 10/-) per fully paid share	820.74	547.16
Dividend distribution tax	-	112.47
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the board has recommended the payment of a final dividend of ₹ 25/- per fully paid equity share (31 March 2020- ₹ 15/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,367.91	820.74

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 35 Segment information

(a) Description of segments and principal activities

Gloster is a leading manufacturer & exporter of all types of jute & jute allied products, woven & non-woven jute geotextiles, treated fabric-rot proof, fire retardant, jute products for interior decoration & packaging of industrial & agricultural produce. The Company also produces jute & cotton shopping bags & made ups. Gloster exports jute goods to various countries spread over the world and is having its manufacturing facilities located in India. The performance of the Company is assessed and reviewed by the Chief Operating Decision Maker ('CODM') as a single operating segment and accordingly manufacture and sale of jute goods is the only operating segment.

Geographical information

The company is domiciled in India, however also sells its products outside India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	31 March 2021	31 March 2020
India	35,315.51	38,543.37
Outside India:		
Americas	2,549.05	2,219.89
Europe	6,619.07	4,166.73
Asia	2,068.14	994.86
Australia	526.55	767.87
Others	1,660.99	1,912.74
Total revenue	48,739.31	48,605.46
Assets [refer note (a)]	31 March 2021	31 March 2020
India	69,956.78	66,585.69
Total assets	69,956.78	66,585.69

There are no single customer directly or indirectly from whom more than 10% of the revenue is derived.

Note (a) Represents non-current assets excluding financial assets.

Note: 36 Related party transactions

a) Set out below are the subsidiaries of the Company as at 31 March 2021. These investments are carried at cost. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Particulars	Ownership interest in percentage 31 March 2021	Ownership interest in percentage 31 March 2020
Subsidiaries		
Gloster Lifestyle Limited	100%	100%
Gloster Specialities Limited	100%	100%
Network Industries Limited	100%	100%
Gloster Nuvo Limited	100%	100%
Fort Gloster Industries Limited	100%	-

All the Companies are incorporated in India.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

b) Key Management Personnel

- Shri Hemant Bangur
- Shri D C Baheti

c) Enterprise over which Key Management Personnel (KMP) & relatives of KMP have significant influence

- The Oriental Company Limited

(d) Transactions with related parties are as follows:

Particulars	Year Ended	Key Management Personnel	The Oriental Company Limited	Network Industries Limited	Gloster Nuvo Limited	Fort Gloster Industries Limited
Transactions during the year						
Dividend paid	2020-21	56.74	90.60	-	-	-
	2019-20	37.83	60.40	-	-	-
Rent paid	2020-21	-	60.00	-	-	-
	2019-20	-	60.00	-	-	-
Investment in equity shares	2020-21	-	-	-	-	4,841.00
	2019-20	-	-	1,080.00	200.00	-
Loan given	2020-21	-	-	216.71	327.93	2,701.82
	2019-20	-	-	2,620.20	-	-
Repayment of loan received	2020-21	-	-	5.00	10.11	-
	2019-20	-	-	-	-	-
Security Deposits Given *	2020-21	-	-	30.00	-	-
	2019-20	-	-	-	-	-
Outstanding balances at year end						
Commission payable	2020-21	300.00	-	-	-	-
	2019-20	-	-	-	-	-
Deposits	2020-21	-	100.00	-	-	-
	2019-20	-	100.00	-	-	-
Security Deposit*	2020-21	-	-	30.00	-	-
	2019-20	-	-	-	-	-
Loan	2020-21	-	-	2,831.91	317.82	2,701.82
	2019-20	-	-	2,620.20	-	-

*The security deposit balance represents the amount actually paid by the company without impact of fair valuation. (fair value of security deposit is ₹ 4.34 lakhs)

During the year the company has entered into a lease arrangement with its subsidiary Network Industries Limited pertaining to which finance cost amounting to ₹ 0.97 lakh & depreciation amounting to ₹ 0.57 lakh has been recognised in the standalone financial statements. The closing balance of lease liabilities as on 31st March,2021 is ₹ 234.14 lakhs (Non current) and ₹ 14.08 lakhs (Current).

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Key management personnel compensation	31 March 2021	31 March 2020
a. Short-term employee benefits	557.09	252.84
b. Post-employment benefits	40.93	72.68
	598.02	325.52

Terms and conditions of the transactions

All outstanding balances are unsecured and are repayable in cash.

Note: 37 Earnings per equity share

Key management personnel compensation	31 March 2021	31 March 2020
(I) Basic		
a. Net profit after tax	4,460.58	1,928.65
b. (i) Number of equity shares at the beginning of the year	54,71,630	54,71,630
(ii) Number of equity shares at the end of the year	54,71,630	54,71,630
(iii) Weighted average number of equity shares outstanding during the year	54,71,630	54,71,630
c. Face value of equity share (₹)	10	10
d. Basic earning per share (₹)	81.52	35.27
(II) Diluted		
a. Dilutive potential equity shares	-	-
b. Weighted average number of equity shares for computing diluted earnings per share	54,71,630	54,71,630
c. Diluted earning per share (₹)	81.52	35.27

Note: 38 Contingent liabilities

Particulars	31 March 2021	31 March 2020
Claims against the Company not acknowledged as debts		
Sales tax matter	464.76	722.12
ESI matter	50.31	50.31

(i) The future cash outflow, if any, cannot be ascertained, pending resolution of the proceedings.

(ii) The Company does not expect any reimbursement in respect of the above contingent liabilities.

(iii) The Hon'ble Supreme Court Judgement in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organization has been evaluated, assessed and applied by the Management from 2019-20. The Company has determined that there is no material impact of this matter relating to its retrospective application and accordingly, no provision towards that has been considered.

Note: 39 Commitments

Particulars	31 March 2021	31 March 2020
Estimated amounts of contracts remaining to be executed on capital account and not provided for property, plant and equipment	1,818.22	1,941.04
Uncalled Capital Commitment towards investments	263.84	386.16

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 40 Impact of COVID-19

The spread of COVID-19 has severely impacted businesses due to lock-down, disruptions in supply chain, transportations, travel bans, etc. The Company is in the business of manufacturing jute & allied products and jute is a labour intensive industry. Despite manpower availability constraints the company is trying to run the operations in the most efficient manner taking all precautions in view of the COVID – 19 pandemic. The Company is well positioned to fulfill its business obligations and does not foresee any major liquidity crunch for regular day-to-day operations.

The Company has made a detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Trade Receivables, Inventory and Investments at the balance sheet date, and has concluded that there are no material adjustments required in the standalone financial statements.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the standalone financial statements. However, the impact of assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.

Note : 41 Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt

Particulars	31 March 2021	31 March 2020
Current borrowings	2,312.10	2,622.32
Non-current borrowings [including current maturity portion of ₹ 118.65 lakhs (31 March 2020 : ₹ 117.66 lakhs)]	118.65	237.49
Net debt	2,430.75	2,859.81

Particulars	Liabilities from financing activities	
	Non-current borrowings	Current borrowings
Net debt as at 01 April 2019	256.56	2,256.22
Net Proceeds from borrowings during the year	98.50	57.42
Net Repayment of borrowings during the year	(117.57)	-
Net Proceeds from bills discounted	-	308.68
Net debt as at 01 April 2020	237.49	2,622.32
Net Proceeds from borrowings during the year	-	-
Net Repayment of borrowings during the year	(118.84)	(677.42)
Net Proceeds from bills discounted	-	367.20
Net debt as at 31 March 2021	118.65	2,312.10

Note : 42 Lease

- I. The Company has entered into lease agreement for a term of thirty years commencing from March 09 2021 for land situated at Bauria, West Bengal with it's wholly owned subsidiary. The lease payments are on fixed rental basis along with an incremental clause every 5 years with an option to renew at the end of lease period.

The changes in the carrying value of right of use assets for the period ended 31st March, 2021 are disclosed in note 4.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

II. Expenses recognised in the Statement of Profit and Loss:

Rent	Current borrowings
Expense relating to short-term or low value leases	-
Finance cost	
Interest expense on lease liabilities	0.97
Depreciation and impairment losses	
Depreciation of right-of-use assets	0.57

Total cash outflow for leases for the year ended March 31, 2021 is ₹ Nil.

III. Contractual maturities of lease liabilities

As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under Liquidity risk (Refer note 33). The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

Particulars	31 March 2021
Within one year	-
After one year but not more than five years	75.00
More than five years	581.53
	656.53

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

The Company also has short term leases amounting to ₹ 82.67 lakhs during the year.

Note: 43 Dues to micro and small enterprises

The Company has certain dues to Suppliers registered under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are:

Sl. no.	Particulars	31 March 2021	31 March 2020
1	The principal amount remaining unpaid to any supplier as at the year end	5.86	2.84
	The interest remaining unpaid to any supplier as at the year end	2.54	2.15
2	Principal amounts paid to suppliers beyond the appointed day during the year.	5.20	26.22
	Interest paid under Section 16 of the MSMED Act, to suppliers during the year.	-	-
3	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
4	The amount of interest accrued and remaining unpaid at the end of the year	0.39	0.17
5	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 small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	2.54	2.15

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small & Medium" enterprises on the basis of information available with the Company.

Notes to the Standalone Financial Statements

Note: 44

The exceptional item in the current year pertains to the partial recovery of inter corporate deposit which was written off in the previous year.

Note: 45

The National Company Law Tribunal, Kolkata Bench vide its order dated 27th September, 2019, has approved the terms of the Resolution Plan submitted by the Company, to acquire Fort Gloster Industries Limited (FGIL) pursuant to Corporate Insolvency Resolution Process, under the Insolvency & Bankruptcy Code 2016. Management and control of FGIL has been handed over to the Company on 5th August 2020 and FGIL is now a wholly owned subsidiary of the Company.

Note: 46

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note: 47

Pursuant to the Taxation Laws (Amendment) Act, 2019, a new section 115BAA is inserted in the Income Tax Act, 1961 which provides an option to the domestic companies to pay income tax at lower rate subject to the giving up of certain incentives and deductions. The Company is continuing to provide for Income tax at the old rates, based on various tax incentive and deductions. However, the Company has applied the lower income tax rates on the deferred tax liabilities on account of temporary differences to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E-300009

Sunit Kumar Basu

Partner

Membership No. 55000

Place : Kolkata

Date : 12th June 2021

Shankar Lal Kedia

Chief Financial Officer

Ajay Kumar Agarwal

Company Secretary

For & on behalf of the Board

Hemant Bangur

(DIN: 00040903)

Executive Chairman

D. C. Baheti (DIN: 00040953)

Managing Director

Ishani Ray (DIN: 08800793)

Director

Pushpa Devi Bangur

(DIN: 00695640)

Director

Prabir Ray (DIN: 00698779)

Director

Rohit Bihani (DIN: 00179927)

Director

S. N. Bhattacharya

(DIN: 06758088)

Director

Priti Panwar (DIN: 08072073)

Director

INDEPENDENT AUDITOR'S REPORT

To the Members of Gloster Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Gloster Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), (refer Note 1 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated Statement of Profit and Loss including Other Comprehensive Income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (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, 2021, of consolidated total comprehensive income (comprising of profit and other

comprehensive income), 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 ICAI 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 Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. 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

Assessment of the valuation of certain investments
Refer to Note 2.7 – "Financial assets", Note 2A – "Critical estimates and judgements" and Note 30 – "Fair value measurements".

The Holding Company has investments aggregating to ₹ 10,813.24 lakhs which are measured at fair value. The fair value of the investments are determined by the Holding Company as per Ind AS 113 Fair Value.

Of these, equity investments in certain unlisted companies and investments in certain funds have been categorized as Level 2 and Level 3 in the fair value hierarchy, which is inherently subjective and their valuation involves using inputs other than quoted prices in an active market in certain cases. For the purpose of valuation, Management has engaged independent valuation experts and for the funds, obtained valuation reports from the respective fund houses.

Valuation of investments is determined to be a key audit matter because of its inherently subjective nature and involvement of significant judgements by Management in assessing the carrying value thereof.

How our audit addressed the key audit matter

Our procedures included the following:

- We understood, assessed and tested the design and operating effectiveness of key controls over fair valuation of investments.
- We evaluated the competency and capabilities of valuation experts of the management and the fund houses.
- We tested the reasonableness of management's fair value estimates on test basis by obtaining corroborative pricing from independent sources, where available.
- We obtained direct confirmations from the respective fund houses for the valuation of investments and on a test basis, obtained the underlying valuation reports to corroborate the details in the confirmation.
- We used auditors' experts to assess the methodology and the appropriateness of the valuation models and inputs used by management's valuation experts.
- We validated the source data on sample basis and tested the arithmetical accuracy of the calculations of valuation of investments.
- We assessed the adequacy of the Company's disclosures.

Based on the above work performed, we did not identify any significant exceptions in management's assessment in respect of valuation of investments.

Emphasis of matter

- We draw your attention to Note 38 to the consolidated financial statements which explains the uncertainties and the management's assessment of the financial impact due to the lock-downs and other restrictions and conditions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact of the events in the subsequent period on the balance sheet as of the year end is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Other Information

- The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 17 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

- The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the 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 read with the National Company Law Tribunal (NCLT), Kolkata, order as stated in Note 2.5 to the consolidated financial statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and

maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

- In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
- The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

- Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
- As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our

opinion on whether the Holding company has adequate internal financial controls with reference to 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.
14. 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.
15. 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.

16. 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

17. We did not audit the financial statements of five subsidiaries whose financial statements reflect total assets of ₹15,273.08 lakhs and net assets of ₹7,344.17 lakhs as at March 31, 2021, total income of ₹ 201.64 lakhs, total comprehensive income (comprising of loss and other comprehensive income) of ₹ (282.78) lakhs and net cash flows amounting to ₹ 402.96 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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.

Report on Other Legal and Regulatory Requirements

18. 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 income), Consolidated Statement of Changes in Equity and the

Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account 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, read with the National Company Law Tribunal (NCLT), Kolkata, order as stated in Note 2.5 to the consolidated financial statements.
- (e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2021 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 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 36 to the consolidated financial statements.
 - ii. The Group has long-term contracts including derivative contracts as at March 31, 2021 for which there were no 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 and its subsidiary companies incorporated in India.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2021.
19. The Group 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 & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number: 55000

UDIN:21055000AAAAFW2775

Place: Kolkata

Date: June 12, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 18(f) of the Independent Auditors' Report of even date to the members of Gloster Limited on the consolidated financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to 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, 2021, we have audited the internal financial controls with reference to financial statements of Gloster Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary companies, to whom 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 applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to 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 and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls

system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Also, refer paragraph 5 of the main audit report.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to five subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not qualified in respect of this matter.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number: 55000

UDIN:21055000AAAAFW2775

Place: Kolkata

Date: June 12, 2021



GLOSTER LIMITED

Consolidated Balance Sheet as at 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2021	31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	40,072.04	34,559.82
Capital work in progress	3(a)	1,718.64	1,222.57
Goodwill	3(b)	22,914.95	24,581.50
Other intangible assets	3(c)	7,916.79	6,945.02
Right of use asset	4	42.38	-
Financial assets			
(i) Investments	5(a)	10,140.05	9,336.32
(ii) Loans	5(b)	110.33	148.87
(iii) Other financial assets	5(c)	-	885.62
Other non-current assets	6	1,165.89	647.65
Total non-current assets		84,081.07	78,327.37
Current assets			
Inventories	7	15,211.39	11,613.52
Financial assets			
(i) Investments	8(a)	1,012.15	2,327.86
(ii) Trade receivables	8(b)	3,089.87	2,893.84
(iii) Cash and cash equivalents	8(c)	443.34	2,693.21
(iv) Bank balances other than (iii) above	8(d)	2,685.10	1,167.95
(v) Loans	8(e)	2,801.41	3,620.17
(vi) Other financial assets	8(f)	454.76	100.60
Current tax assets (net)	9	3,555.15	3,668.09
Other current assets	10	1,584.17	851.89
Total current assets		30,837.34	28,937.13
Total assets		1,14,918.41	1,07,264.50
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	547.16	547.16
Other equity	12	98,883.56	92,578.95
Total equity		99,430.72	93,126.11
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13	-	119.83
Provisions	14	1,219.38	1,602.35
Deferred tax liabilities (net)	15	6,146.43	4,820.02
Other non-current liabilities	16	227.59	238.11
Total non-current liabilities		7,593.40	6,780.31
Current liabilities			
Financial liabilities			
(i) Borrowings	17(a)	2,312.10	2,622.32
(ii) Trade payables	17(b)		
a) Total outstanding dues of Micro and Small Enterprises		5.86	2.84
b) Total outstanding dues of creditors other than Micro and Small Enterprises		690.97	983.38
(iii) Other financial liabilities	17(c)	2,148.66	1,574.22
Other current liabilities	18	1,770.47	1,548.53
Provisions	19	150.02	136.61
Current tax liabilities (net)	20	816.21	490.18
Total current liabilities		7,894.29	7,358.08
Total liabilities		15,487.69	14,138.39
Total equity and liabilities		1,14,918.41	1,07,264.50

Corporate Information

1

Significant Accounting Policies

2

The accompanying notes are an integral part of these Consolidated Financial Statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E-300009

Sunit Kumar Basu

Partner

Membership No. 55000

Place : Kolkata

Date : 12th June 2021

Shankar Lal Kedia

Chief Financial Officer

Ajay Kumar Agarwal

Company Secretary

For & on behalf of the Board

Hemant Bangur (DIN: 00040903)

Executive Chairman

D. C. Baheti (DIN: 00040953)

Managing Director

Ishani Ray (DIN: 08800793)

Director

Pushpa Devi Bangur

(DIN: 00695640)

Director

Prabir Ray (DIN: 00698779)

Director

Rohit Bihani (DIN: 00179927)

Director

S. N. Bhattacharya

(DIN: 06758088)

Director

Priti Panwar (DIN: 08072073)

Director

Consolidated Statement of Profit and Loss for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2021	31 March 2020
INCOME			
Revenue from operations	21	49,308.68	49,490.85
Other Income	22	2,408.43	1,111.28
Total Income		51,717.11	50,602.13
EXPENSES			
Cost of materials consumed	23	27,906.98	26,203.60
Changes in inventories of finished goods and work-in-progress	24	(2,738.93)	(1,557.01)
Employee benefits expense	25	8,718.47	8,959.17
Finance costs	26	199.40	288.72
Depreciation and amortization expense	27	3,266.37	3,120.88
Other expenses	28	8,584.94	9,225.21
Total Expenses		45,937.23	46,240.57
Profit before exceptional items and tax	(A)	5,779.88	4,361.56
Exceptional Items	(B) 41	(350.00)	1,500.00
Profit before tax	(A-B)	6,129.88	2,861.56
Income tax expense			
Current tax	29	1,262.37	405.50
Deferred tax		741.32	498.84
Total Tax expenses		2,003.69	904.34
Profit for the year	(C)	4,126.19	1,957.22
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(a) Remeasurement gains/(losses) on post employment defined benefit plans		909.34	(615.69)
(b) Changes in fair value of FVOCI equity instruments		2,716.09	(2,313.36)
(c) Income tax relating to above items		(584.97)	389.61
Other comprehensive income for the year, net of tax	(D)	3,040.46	(2,539.44)
Total comprehensive income for the year	(C+D)	7,166.65	(582.22)

Earnings per equity share

[Nominal Value per Share ₹10] (Previous Year - ₹10)

Basic and Diluted	35	75.41	35.77
Corporate Information	1		
Significant Accounting Policies	2		

The accompanying notes are an integral part of these Consolidated Financial Statements.
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sunit Kumar Basu
Partner
Membership No. 55000
Place : Kolkata
Date : 12th June 2021

Shankar Lal Kedia
Chief Financial Officer
Ajay Kumar Agarwal
Company Secretary

For & on behalf of the Board

Hemant Bangur
(DIN: 00040903)
Executive Chairman
D. C. Baheti (DIN: 00040953)
Managing Director
Ishani Ray (DIN: 08800793)
Director
Pushpa Devi Bangur
(DIN: 00695640)
Director

Prabir Ray (DIN: 00698779)
Director
Rohit Bihani (DIN: 00179927)
Director
S. N. Bhattacharya
(DIN: 06758088)
Director
Priti Panwar (DIN: 08072073)
Director

Consolidated Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

A. Share capital

Description	Notes	Amount
As at 31 March 2019	11	547.16
Changes in equity share capital	11	-
As at 31 March 2020	11	547.16
Changes in equity share capital	11	-
As at 31 March 2021	11	547.16

B. Other equity

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium	Retained earnings		
Balance as at 01 April 2020	12	7,187.48	78,146.39	5,862.05	1,383.03	92,578.95
Profit for the year	12	-	-	4,126.19	-	4126.19
On issue of equity shares	12	-	-	-	-	-
Other Comprehensive income for the year	12	-	-	550.43	2,448.73	2,999.16
Total comprehensive income for the year		-	-	4,676.62	2,448.73	7,125.35
Transfer to general reserve	12	2,055.38	-	(2,055.38)	-	-
Transfer of gain on FVOCI equity investments, net of tax	12	-	-	1,080.16	(1,080.16)	-
Dividends paid	12	-	-	(820.74)	-	(820.74)
Taxes on dividend	12	-	-	-	-	-
Balance at 31 March 2021		9,242.86	78,146.39	8,742.71	2,751.60	98,883.56

Consolidated Statement of Changes in Equity for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium	Retained earnings		
Balance as at 01 April 2019	12	5,658.91	78,146.39	6,642.93	3,372.57	93,820.80
Profit for the year	12	-	-	1,957.22	-	1,957.22
On issue of equity shares	12	-	-	-	-	-
Other Comprehensive income for the year	12	-	-	(400.54)	(2,138.90)	(2,539.44)
Total comprehensive income for the year		-	-	1,556.68	(2,138.90)	(582.22)
Transfer to general reserve	12	1,528.57	-	(1,528.57)	-	-
Transfer of gain on FVOCI equity investments, net of tax	12	-	-	(149.36)	149.36	-
Dividends paid	12	-	-	(547.16)	-	(547.16)
Taxes on dividend	12	-	-	(112.47)	-	(112.47)
Balance at 31 March 2020		7,187.48	78,146.39	5,862.05	1,383.03	92,578.95

The accompanying notes are an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sunit Kumar Basu
Partner
Membership No. 55000
Place : Kolkata
Date : 12th June 2021

Shankar Lal Kedia
Chief Financial
Officer
Ajay Kumar Agarwal
Company Secretary

For & on behalf of the Board

Hemant Bangur
(DIN: 00040903)
Executive Chairman

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Rohit Bihani (DIN: 00179927)
Director

S. N. Bhattacharya
(DIN: 06758088)
Director

Priti Panwar (DIN: 08072073)
Director

Statement of Cash Flow for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
	Audited	Audited
(A) Cash flows from operating activities:		
Profit before tax	6,131.37	2,861.56
Adjustments for:		
Depreciation and amortisation expense	3,266.36	3,120.88
Interest and finance charges	198.46	288.72
Net (gain)/loss on disposal of property, plant and equipment (PPE)	(69.97)	(37.75)
Net (gain)/loss on fair value changes on investments classified at FVTPL	34.90	21.72
Net gain on sale of investments	(25.04)	(211.82)
Interest Receivable written off	19.15	108.99
Intercorporate Deposit written off	75.69	1,500.00
Realisation of Intercorporate Deposit written off earlier	(350.00)	-
Unrealised Foreign Exchange Loss/(Gain) (net)	-	64.49
Fair value losses on derivatives not designated as hedges	(443.50)	-
Provision no longer required written back	(147.76)	(11.98)
Interest income classified as investing cash flows	(746.88)	(612.41)
Dividend income	(16.79)	(106.67)
Foreign Exchange difference (net)	(11.98)	-
Operating profit before changes in operating assets and liabilities	7,914.01	6,985.73
Adjustments for:		
(Increase) / decrease in Non-Current/Current financial and other assets	283.65	(3,959.14)
(Increase) / decrease in Inventories	(3,597.87)	(2,072.76)
(Decrease) / Increase in Non-current/ Current financial and other liabilities/ provisions	537.86	1,372.31
(Increase) / decrease in other financial assets	(0.11)	(793.93)
Cash generated from operations	5,137.54	1,532.21
Income taxes paid (net)	(822.76)	(676.01)
Net cash inflow / (outflow) from operating activities	4,314.78	856.20
(B) Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	358.71	69.31
Payments for acquisition of property, plant and equipment/ intangible assets	(9,298.65)	(2,383.41)
Payments for acquisition of Right of use assets	(42.66)	-
Term Deposit made/(redeemed)	(1,404.01)	-
Intercorporate Deposit (made)/refunded (net)	1,217.15	22.77
Decrease/(Increase) in Bank Balances other than Cash and Cash Equivalents	43.75	(442.25)
(Purchase) of other non current/current investments (gross)	(745.73)	(956.32)
Sale of other non current/current investments (gross)	3,963.43	4,949.83

Statement of Cash Flow for the year ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31 March 2021	Year Ended 31 March 2020
	Audited	Audited
Interest received	774.49	627.35
Dividend received	16.79	106.67
Net cash inflow / (outflow) from investing activities	(5,116.73)	1,993.95
(C) Cash flows from financing activities:		
Repayment of long-term borrowings	(245.37)	(117.57)
Proceeds from long-term borrowings	126.78	98.50
Short-term borrowings - receipts / (payments)	(310.22)	366.10
Interest paid	(163.49)	(235.47)
Other borrowing costs paid	(36.19)	(53.25)
Dividend paid inclusive of Dividend Distribution Tax	(819.43)	(661.76)
Net cash inflow / (outflow) from financing activities	(1,447.92)	(603.45)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(2,249.87)	2,246.70
Cash and cash equivalents- Opening Balance	2,693.21	446.51
Cash and cash equivalents - Closing Balance	443.34	2,693.21

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. Refer note 39 for debt reconciliation.

The accompanying notes are an integral part of these Consolidated Financial Statements.

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E-300009

Sunit Kumar Basu

Partner

Membership No. 55000

Place : Kolkata

Date : 12th June 2021

For & on behalf of the Board**Hemant Bangur**

(DIN: 00040903)

Executive Chairman

D. C. Baheti

(DIN: 00040953)

Managing Director

Ishani Ray

(DIN: 08800793)

Director

Pushpa Devi Bangur

(DIN: 00695640)

Director

Prabir Ray

(DIN: 00698779)

Director

Rohit Bihani

(DIN: 00179927)

Director

S. N. Bhattacharya

(DIN: 06758088)

Director

Priti Panwar

(DIN: 08072073)

Director

Shankar Lal Kedia

Chief Financial

Officer

Ajay Kumar Agarwal

Company Secretary

Notes to the Consolidated Financial Statements

Note: 1 Corporate Information

Gloster Limited (the “Holding Company” or the “Parent Company”) is a public company within the meaning of Companies Act, 2013. The Parent Company is a leading manufacturer & exporter of all types of Jute & Jute allied products, Woven & Non-Woven Jute Geotextiles, Treated Fabric- Rot Proof, Fire Retardant, Jute Products for Interior Decoration & Packaging of Industrial & Agricultural

Produce. The Parent Company also produces Jute & Cotton Shopping Bags & Made Ups. Gloster exports Jute goods to various countries spread over the World.

The Parent’s Company’s manufacturing facilities are located at Bauria on the banks of Holy Ganges in West Bengal. The equity shares of the Parent Company are listed on the BSE Ltd. & The Calcutta Stock Exchange Ltd.

The Subsidiary Companies considered in the preparation of consolidated financial statements are:

Name of the company	Country of Incorporation	%of Holding as at 31st March, 2021
Gloster Lifestyle Limited	India	100%
Gloster Specialities Limited	India	100%
Network Industries Limited	India	100%
Gloster Nuvo Limited	India	100%
Fort Gloster Industries Limited	India	100%

The consolidated financial statement comprises of financial statements of Gloster Limited (the “Parent Company”) and its subsidiary companies (hereinafter referred to as the “Group”) as described in above.

Note: 2 Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

(i) Compliance with Ind AS

These Consolidated Financial Statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Classification of current and non-current

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in the Ind AS 1 - Presentation of financial statements and Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

(iii) New and amended standards adopted by the Group

The Group has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- Definition of a Business – amendments to Ind AS 103

- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) Historical cost convention

These Consolidated Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:

- certain financial assets and liabilities those are measured at fair value
- defined benefit plans - plan assets measured at fair value

2.2 Basis of Consolidation

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions

Notes to the Consolidated Financial Statements

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.

2.3 Use of estimates

The preparation of Consolidated Financial Statements in conformity with the Ind AS specified under Section 133 of the Act, requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future periods.

2.4 Property, Plant and Equipment and Depreciation

- a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.
- b) Subsequent costs are included in the asset's carrying amount or recognized 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. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.
- c) Depreciation is provided on straight line method over the estimated useful lives of the assets. Pursuant to Notification of Schedule II of the Companies Act, 2013 becoming effective, the Group has adopted the useful lives as per the lives specified for the respective fixed assets in the Schedule II of the Companies Act, 2013. No depreciation is provided on freehold land.
- d) Gains and losses on disposal of Property, Plant and Equipment is recognized in the statement of profit and loss.
- e) An impairment loss is recognized where applicable when the carrying amount of Property, Plant and Equipment exceeds its recoverable amount.

2.5 Intangible assets and amortization

- a) Intangible assets are stated at cost of acquisition including duties, taxes and expenses incidental to acquisition and installation, net of accumulated depreciation. Recognition of costs as an asset is ceased when the asset is complete and available for its intended use.
- b) Intangible assets comprising of Trademark and Computer Software are amortized on straight line method over a period of twenty years and five years respectively.
- c) Goodwill acquired on account of amalgamation is being amortized in the statement of profit and loss in keeping with National Company Law Tribunal, Kolkata ("NCLT") order dated 19 January 2018 on the basis of management's estimated useful life of 20 years.
- d) Gains and Losses on disposal of Intangible assets is recognized in the statement of profit and loss.

2.6 Impairment of assets

Assessment is done at each balance sheet date as to whether there is any indication that an asset (Property, Plant and Equipment) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased /increased. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount. Where an impairment loss subsequently reverses, the carrying value of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

2.7 Financial assets

The financial assets are classified in the following categories:

- a) financial assets measured at amortised cost,
- b) financial assets measured at fair value through profit and loss (FVTPL), and
- c) financial assets measured at fair value through other comprehensive income (FVOCI).

Notes to the Consolidated Financial Statements

The classification of financial assets depends on the Group's business model for managing financial assets and the contractual terms of the cash flow. At initial recognition, the financial assets are measured at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the Profit or Loss. Financial assets are not reclassified subsequent to their recognition except if and in the period the Group changes its business model for arranging financial assets.

Financial assets measured at 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. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate method. The losses arising from impairment are recognised in the statement of profit and loss. Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment, if any.

Financial instruments measured at FVTPL

Financial instruments included within FVTPL category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss. Investments in units of mutual funds, alternate investment funds (AIF's) other than equity and debentures are accounted for at fair value and the changes in fair value are recognised in the statement of profit and loss.

Financial assets at FVOCI

Financial assets are measured at FVOCI if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity instruments

The Group measures all equity investments at fair value. The Parent Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, and accordingly there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Parent Company's right to receive payments is established.

De-recognition of financial asset

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and such transfer qualifies for derecognition under Ind AS 109 : Financial Instruments.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Only for Trade Receivables, the simplified approach of lifetime expected credit losses is recognised from initial recognition of the receivables as required by Ind AS 109: Financial Instruments. Impairment loss allowance recognised /reversed during the year is charged/written back to statement of profit and loss.

2.8 Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Borrowings are initially recognized at fair value, 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 profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction cost of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the Consolidated Financial Statements for issue, not to demand payment as a consequence of the breach.

For Trade and Other Payables maturing within one year from the balance sheet date, the carrying amount approximates fair value to short-term maturity of these instruments. A financial liability (or a part of financial liability) is de-recognised from Group's balance sheet when obligation specified in the contract is discharged or cancelled or expired.

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 the agreed credit terms with the vendors. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and

Notes to the Consolidated Financial Statements

subsequently measured at amortised cost using the effective interest method.

2.9 Subsidy / Government Grant

Subsidy/ Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to income are deferred and recognized in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income. Government grants relating to the purchase of property, plant and equipment are included in other liabilities as deferred income and are credited to statement of profit and loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.10 Inventories

Raw materials, Stores and Spares parts and components are valued at cost (cost being determined on weighted average basis) or at net realizable value whichever is lower. Semi-finished goods and stock-in-process are valued at raw materials cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion or at net realizable value whichever is lower. Finished goods are valued at cost or at net realizable value whichever is lower. Cost includes all direct cost and applicable manufacturing and administrative overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

2.11 Employee Benefit

a) Defined Contribution Plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution benefit scheme.

b) Defined Benefit Plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised,

whichever is earlier. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value plan assets.

c) Compensated absences

Accrued liability in respect of leave encashment benefit on retirement is accounted for on the basis of actuarial valuation as at the year end and charged in the statement of profit and loss every year. Compensated absences benefits comprising of entitlement to accumulation of Sick Leave is provided for based on actuarial valuation at the end of the year. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

Accumulated Compensated Absences and Gratuity liability, which are expected to be availed or encashed or contributed within the 12 months from the end of the year are treated as short term employee benefits and the balance expected to availed or encashed or contributed beyond 12 months from the year end are treated as long term liability.

d) Other short term employee benefits

Short Term Employee Benefits are recognized as an expense as per the schemes based on expected obligation on an undiscounted basis.

2.12 Revenue Recognition

Revenue from contracts with customers are recognised when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognized depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Group is entitled to in exchange for the goods and services. Revenue from sale of products is recognised when the control over such goods have been transferred, being when the goods are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, risks of loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract or the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales are recognized based on the price specified in the contract, which is fixed. No element of significant financing is deemed present as the sales are made against the receipt of advance or with an agreed credit period (in a very few cases) of upto 90 days, which is consistent with the market practices. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only passage of time is required before payment is done.

Notes to the Consolidated Financial Statements

2.13 Other Income

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate applicable. Dividend income is recognized when the right to receive dividend is established. Export incentive are accounted as income in the statement of profit and loss when no significant uncertainty exists regarding the collectability. Insurance claims are accounted to the extent the Group is reasonably certain of their ultimate collection.

2.14 Foreign Currency Transaction

(i) Initial Recognition

On initial recognition, all foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction.

(ii) Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions. All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate. Gains/losses arising out of fluctuations in the exchange rates are recognised in the statement of profit and loss in the period in which they arise.

2.15 Derivative Instruments

The Parent Company uses derivative financial instruments such as foreign exchange contracts to hedge its exposure to movements in foreign exchange rates relating to the underlying transactions. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value and resulting gain or loss is recognized in the statement of profit and loss at the end of each reporting period. Any profit or loss arising on cancellation of derivative instruments is recognized as income or expense for the period.

2.16 Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year based on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

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 Consolidated Financial Statements. 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 assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when 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 recognized in other comprehensive income or directly in equity, respectively.

2.17 Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

2.18 Provisions and Contingent Liabilities Provisions:

Provisions are recognized when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are not discounted to its present value, except where the effect of the time value of money is material.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Notes to the Consolidated Financial Statements

2.19 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.20 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, and balance with bank in current and fixed deposit account.

2.21 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Parent Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.22 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in event of default, insolvency or bankruptcy of the Group or the Counter party.

Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement. Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal

group classified as held for sale are presented separately from other liabilities in the balance sheet.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Parent Company has been identified as being the chief operating decision maker. Refer note 33 for segment information presented.

2.24 Leases

As a lessee

Leases are recognised as right of use assets and a correspondence liability at the date at which the leased asset is available for use by the Group. Contract may contain both lease and non lease components. The Group allocates the consideration in the contract to the lease and non lease components based on their relative standalone prices. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment:-

- a) Fixed payments (including in substance fixed payments) less any lease incentive receivable.
- b) Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.
- c) Amount expected to be paid by the Group as under residual value guarantees.
- d) Exercise price of a purchase option if the Group is reasonably certain to exercise that option.
- e) Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- a) Where possible, use recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received.

Notes to the Consolidated Financial Statements

b) use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by Gloster Limited, which does not have recent third party financing.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the company uses that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and 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 are measured at cost comprising the following :-

- i) the amount of the initial measurement of lease liability
- ii) any lease payment made at or before the commencement date less any lease incentive received
- iii) any initial direct cost and
- iv) restoration costs.

Right of use of assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis. Payment associated with short-term leases of equipment and all the leases of low value assets are recognised on a straight line basis as an expenses in the statement of profit and loss. Short term leases are leases with a lease term of less than 12 months or less.

As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating

lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

2.25 Rounding of amounts

All amounts disclosed in the Financial Statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.

2A Critical estimates and judgements

The preparation of Consolidated Financial Statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

- (i) Estimation of defined benefit obligation- Refer note 25 of the financial statements
- (ii) Estimated fair value of unlisted securities –Refer note 30 of the financial statements
- (iii) Recognition of deferred tax assets for MAT credit entitlements - Refer note 29 of the financial statements
- (iv) Useful life of property, plant and equipments and intangible assets – Refer note 2.4 and 2.5

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 3(a) Property, plant and equipment

Particulars	Gross carrying amount			Accumulated depreciation			Impairment			Net carrying amount			
	01 April 2020	Additions	Transfer from CWIP	Disposals/adjustments	31 March 2021	01 April 2020	For the year	Disposals/adjustments	31 March 2021	For the year	Reversals	31 March 2021	31 March 2020
Freehold land	24,250.79	3,551.97	-	-	27,802.76	-	-	-	-	-	-	27,802.76	24,250.79
Buildings	6,394.86	1,861.93	367.66	-	8,624.45	832.33	313.50	-	1,145.83	-	-	7,478.62	5,562.53
Roads	45.06	1.71	13.15	-	59.92	30.34	0.01	-	30.35	-	-	29.57	14.72
Plant and equipment	6,731.49	810.92	24.29	85.13	7,481.57	2,535.38	673.19	44.31	3,164.26	110.27	-	4,207.04	4,085.84
Electric installation	314.71	25.84	-	-	340.55	131.75	33.06	-	164.81	-	-	175.74	182.96
Furniture & fixtures	285.33	5.17	-	-	290.50	176.24	40.33	-	216.57	-	-	73.93	109.09
Office equipment	68.70	2.57	-	-	71.27	43.54	3.50	-	47.04	-	-	24.23	25.16
Launches	0.01	-	-	-	0.01	-	-	-	-	-	-	0.01	0.01
Vehicles	454.67	4.94	-	-	459.61	125.95	53.52	-	179.47	-	-	280.14	328.72
Capital work in progress	1,222.57	901.17	(405.10)	-	1,718.64	3,875.53	1,117.11	44.31	4,948.33	110.27	-	1,718.64	1,222.57
	39,768.19	7,166.22	-	85.13	46,849.28	3,875.53	1,117.11	44.31	4,948.33	110.27	-	41,790.68	35,782.39

Particulars	Gross carrying amount			Accumulated depreciation			Impairment			Net carrying amount			
	01 April 2019	Additions	Transfer from CWIP	Disposals/adjustments	31 March 2020	01 April 2019	For the year	Disposals/adjustments	31 March 2020	For the year	Reversals	31 March 2020	31 March 2019
Freehold land	21,015.05	3,235.74	-	-	24,250.79	-	-	-	-	-	-	24,250.79	21,015.05
Buildings	5,630.20	533.48	231.18	-	6,394.86	607.96	224.37	-	832.33	-	-	5,562.53	5,022.24
Roads	45.06	-	-	-	45.06	23.93	6.41	-	30.34	-	-	14.72	21.13
Plant and equipment	5,672.11	1,006.40	96.51	43.53	6,731.49	1,927.70	623.38	15.70	2,535.38	110.27	-	4,085.84	3,634.14
Electric installation	302.81	11.90	-	-	314.71	100.56	31.19	-	131.75	-	-	182.96	202.25
Furniture & fixtures	280.83	4.50	-	-	285.33	135.17	41.07	-	176.24	-	-	109.09	145.66
Office equipment	62.20	6.50	-	-	68.70	39.85	3.69	-	43.54	-	-	25.16	22.35
Launches	0.01	-	-	-	0.01	-	-	-	-	-	-	0.01	0.01
Vehicles	340.01	146.42	-	31.76	454.67	110.49	43.49	28.03	125.95	-	-	328.72	229.52
Capital work in progress	598.10	952.16	(327.69)	-	1,222.57	2,945.66	973.60	43.73	3,875.53	110.27	-	1,222.57	598.10
	33,946.38	5,897.10	-	75.29	39,768.19	2,945.66	973.60	43.73	3,875.53	110.27	-	35,782.39	30,890.45

(i) The title deed of immovable properties as set out in the above table are held in the name of the respective Company. However title deeds of one godown in Gujarat and offices in Secunderabad and Chennai of Fort Gloster Industries Limited have not been handed over by the Resolution Professional.

(ii) Capital work-in-progress mainly comprises of construction of factory building.

Directors' Report

Corporate Governance

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Standalone Financials

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(All amounts in INR lakhs, unless otherwise stated)

Notes to the Consolidated Financial Statements

Note: 3(b) Goodwill

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount		
	01 April 2020	Disposals/ adjustments	31 March 2021	01 April 2020	For the year	31 March 2021	31 March 2021	31 March 2020	31 March 2020
Goodwill	31,247.66	-	31,247.66	6,666.16	1,666.55	8,332.71	22,914.95	24,581.50	24,581.50
	31,247.66	-	31,247.66	6,666.16	1,666.55	8,332.71	22,914.95	24,581.50	24,581.50

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount		
	01 April 2019	Disposals/ adjustments	31 March 2020	01 April 2019	For the year	31 March 2020	31 March 2020	31 March 2019	31 March 2019
Goodwill	31,247.66	-	31,247.66	4,999.62	1,666.54	6,666.16	24,581.50	26,248.04	26,248.04
	31,247.66	-	31,247.66	4,999.62	1,666.54	6,666.16	24,581.50	26,248.04	26,248.04

Note: 3(c) Other intangible assets

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount		
	1 April 2020	Disposals/ adjustments	31 March 2021	1 April 2020	For the year	31 March 2021	31 March 2021	31 March 2020	31 March 2020
Trademark*	8,788.11	1,438.20	10,226.31	1,873.68	468.42	2,342.10	7,884.21	6,914.43	6,914.43
Computer Software	73.01	16.27	89.28	42.42	14.28	56.70	32.58	30.59	30.59
	8,861.12	1,454.47	10,315.59	1,916.10	482.70	2,398.80	7,916.79	6,945.02	6,945.02

*This includes Trademark acquired by Fort Gloster Industries Limited which was fraudulently transferred by the erstwhile management has been held to be the Trademark of the Company by NCLT vide its Order dated 27th September 2019 and consequently is an asset of the Company. Application has been filed against the above NCLT Order at Hon'ble NCLAT, New Delhi.

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount		
	01 April 2019	Disposals/ adjustments	31 March 2020	01 April 2019	For the year	31 March 2020	31 March 2020	31 March 2019	31 March 2019
Trademark	8,782.90	5.21	8,788.11	1,405.26	468.42	1,873.68	6,914.43	7,377.64	7,377.64
Computer Software	60.88	12.13	73.01	30.10	12.32	42.42	30.59	30.78	30.78
	8,843.78	17.34	8,861.12	1,435.36	480.74	1,916.10	6,945.02	7,408.42	7,408.42

Note: 4 Right of Use Asset

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount		
	1 April 2020	Disposals/ adjustments	31 March 2021	1 April 2020	For the year	31 March 2021	31 March 2021*	31 March 2020	31 March 2020
Land	-	42.67	42.67	-	0.29	0.29	42.38	-	-
	-	42.67	42.67	-	0.29	0.29	42.38	-	-

The company also has short term leases amounting to ₹ 82.67 lakhs during the year.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 5(a) Investments (Non-current)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
I. Mandatorily measured at FVTPL					
Mutual Fund (Debt) - Fully paid up - Quoted (Investment through PMS)					
Invesco India Liquid Fund - Direct Plan Growth	1,000	-	-	54	1.46
Investment in Alternative Investment Funds (Debt) - Fully paid up - Unquoted					
Peninsula Brookfield India Real Estate Fund	46,611	188	29.11	188	58.31
IIFL Real Estate Fund (Domestic) - Series 2	6	18,66,885	86.22	18,66,885	109.06
IIFL Real Estate Fund (Domestic) - Series 3	7	20,00,000	108.21	20,00,000	142.98
IIFL Real Estate Fund (Domestic) - Series 4	9	19,93,859	136.54	19,93,859	155.27
India Realty Excellence Fund III	100	4,27,593	514.49	4,64,407	547.98
India Realty Excellence Fund IV	100	3,00,000	321.13	3,25,000	339.11
II. Designated at FVOCI:					
Investment in Alternative Investment Funds (Equity) - Fully paid up - Unquoted					
IIFL Special Opportunities Fund Class A1	8	18,60,518	216.61	18,60,518	167.65
IIFL Re Organize India Equity Fund Class A1	10	-	-	21,90,117	108.03
IIFL Focussed Equity Strategies Fund :-					
Class A1	10	-	-	8,08,475	101.12
Class B1	10	-	-	8,51,451	54.94
IIFL Select Series II Class A1	10	28,79,327	384.74	28,79,327	258.12
Abakkus Growth Fund I Class B1	1,000	19,782	325.31	19,782	148.06
Ask India 2025 Equity Fund	1,000	20,728	281.40	20,728	175.59
India Business Excellence Fund III	1,000	49,107	790.13	49,107	254.37
Malabar Value Fund	100	88,511	170.81	88,511	63.26
Sundaram Alternative Opportunities Fund- Nano Cap Series I	1,00,000	-	-	92	39.16
Baring Private Equity India	1,00,000	200	316.63	200	229.93
White Oak India Equity Fund	10	-	-	9,59,429	90.60
Motilal Oswal Focused Emergence Fund	10	18,49,634	192.68	21,24,325	105.08

Notes to the Consolidated Financial Statements (All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
Quoted Equity Instruments-					
Fully paid-up (Investment through PMS)					
Aegis Logistics Ltd.	1	5,023	15.00	9,937	13.86
Aavas Financiers Ltd.	10	725	17.54	340	4.03
Aditya Birla Fashion And Retail Ltd.	10	-	-	1,837	2.81
Alkem Laboratories Ltd.	2	306	8.48	969	22.56
APL Apollo Tubes Ltd.	10	323	4.52	254	3.17
Aia Engineering Ltd.	2	-	-	259	3.68
Apollo Hospitals Enterprises Ltd.	5	-	-	685	7.80
Aarti Industries Ltd.	5	690	9.08	-	-
Asian Paints Ltd.	1	281	7.13	474	7.90
Astral Poly Technik Ltd.	1	561	9.08	655	6.06
AU Small Finance Bank	10	3,379	41.43	3,944	20.01
Axis Bank Ltd.	2	-	-	2,468	9.36
Bajaj Finance Ltd.	2	1,038	53.48	1,330	29.47
Bajaj Finserv Ltd.	5	406	39.25	399	18.31
Bayer Cropscience Ltd.	10	189	10.10	262	9.05
Bharat Forge Ltd.	2	1,996	11.90	2,833	6.66
Bharat Petroleum Corporation Ltd.	10	-	-	855	2.85
Bharti Airtel Ltd.	5	-	-	989	4.36
Birla Corporation Ltd.	10	851	8.08	1,709	7.09
Britannia Industries Ltd.	1	175	6.35	280	7.53
Bosch Ltd.	10	106	14.93	106	9.96
Blue Star Ltd.	2	-	-	982	4.51
Canfin Homes Ltd.	2	-	-	2,054	5.73
Central Depository Services India Ltd.	10	-	-	1,202	2.58
City Union Bank Ltd.	1	-	-	10,850	14.00
Cholamandalam Investment and Finance Company Ltd.	2	5,944	33.22	7,910	12.10
Colgate Palmolive (India) Ltd.	1	938	14.62	938	11.75
Cipla Ltd.	2	-	-	1,471	6.28
Container Corporation of India Ltd.	5	2,510	15.01	3,188	10.57
Cummins India Ltd.	2	1,488	13.68	1,488	4.86
Dabur India Ltd.	1	1,244	6.73	1,796	8.09
DCB Bank Ltd.	10	-	-	8,266	7.84
Dhanuka Agritech Ltd.	2	-	-	682	2.22
Dalmia Bharat Ltd.	2	-	-	195	0.95
Divi's Laboratories Ltd.	2	310	11.25	402	7.99
Dr Lal Pathlabs Ltd.	10	-	-	607	8.51
Dixon Technologies India Ltd.	10	-	-	98	3.51
Eicher Motors Ltd.	10	1,297	33.77	105	13.75

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
Emami Ltd.	1	3,386	16.46	2,786	4.73
Equitas Holdings Ltd.	10	-	-	4,883	2.08
Exide Industries Ltd.	1	-	-	2,235	3.00
Engineers India Ltd.	5	-	-	2,979	1.79
Federal Bank Ltd.	2	-	-	12,190	5.00
Gabriel India Ltd.	1	-	-	5,454	2.91
Gland Pharma Ltd.	1	977	24.21	-	-
Glaxo Smithkline Consumer Healthcare Ltd. (merged with Hindustan Unilever Ltd. of face value ₹1/-)	10	-	-	202	20.15
Gujarat State Petronet Ltd.	10	-	-	2,379	4.10
Godrej Industries Ltd.	1	3,269	17.84	3,269	9.26
Havells India Ltd.	1	825	8.66	1,233	5.92
HDFC Asset Management Company Ltd.	5	-	-	468	9.88
HDFC Bank Ltd.	1	1,630	24.34	1,630	14.05
HDFC Life Insurance Company Ltd.	10	2,448	17.03	2,448	10.81
Hindustan Petroleum Corporation Ltd.	10	4,816	11.29	4,816	9.16
Ipca Lab Ltd.	2	1,237	23.55	1,557	21.68
Isgec Heavy Engineering Ltd.	1	-	-	441	1.13
Indusind Bank Ltd.	10	-	-	171	0.60
Infosys Ltd.	5	-	-	702	4.50
ICICI Bank Ltd.	2	10,283	59.82	10,936	35.43
ICICI Securities Ltd.	5	-	-	538	1.49
ITC Ltd.	1	5,230	11.43	-	-
ITD Cementation India Ltd.	1	-	-	3,460	1.03
IIFL Finance Ltd. (Formerly IIFL Holdings Ltd.)	2	-	-	721	0.53
IIFL Securities Ltd.	2	-	-	721	0.22
ICICI Lombard General Insurance Company Ltd.	10	1,263	18.13	1,439	15.49
Jammu Kashmir Bank Ltd.	1	-	-	7,144	0.89
Jubilant Foodworks Ltd.	10	-	-	122	1.80
Kotak Mahindra Bank Ltd.	5	5,119	89.75	5,607	72.67
Kajaria Ceramics Ltd.	1	-	-	1,392	5.23
KNR Constructions Ltd.	2	-	-	1,304	2.57
Larsen & Toubro Infotech Ltd.	1	287	11.64	-	-
Larsen & Toubro Ltd.	2	533	7.56	-	-
L&T Technology Services Ltd.	2	1,281	34.00	1,281	14.88
Mahindra Logistics Ltd.	10	-	-	703	1.59
Mahindra & Mahindra Fin Services Ltd.	2	-	-	919	1.35
Mahanagar Gas Ltd.	10	-	-	951	7.78
Mas Financial Services Ltd.	10	2,429	20.74	2,099	11.05
Max Financial Services Ltd.	2	4,134	35.53	4,134	15.90

Notes to the Consolidated Financial Statements (All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
M R F Ltd.	10	-	-	11	6.41
Minda Industries Ltd.	2	-	-	890	2.13
Motherson Sumi Systems Ltd.	1	-	-	3,749	2.29
Motilal Oswal Financial Services Ltd.	1	-	-	230	1.14
Music Broadcast Ltd.	2	-	-	6,797	1.01
Orient Electric Ltd.	1	-	-	1,212	2.39
Page Industries Ltd.	10	119	36.08	204	34.59
P I Industries Ltd.	1	447	10.08	650	7.60
Pidilite Industries Ltd.	1	300	5.43	579	7.86
Quess Corp Ltd.	10	-	-	900	1.92
Reliance Industries Ltd.	10	380	7.61	951	10.59
Ratnamani Metals And Tubes Ltd.	2	-	-	319	2.93
Shriram Transport Finance Co Ltd.	10	-	-	281	1.86
Shree Cement Ltd.	10	27	7.96	29	5.10
SBI Life Insurance Company Ltd.	10	2,023	17.81	2,023	12.97
State Bank of India	1	3,979	14.50	2,868	5.65
Suprajit Engineering Ltd.	1	-	-	1,305	1.47
TTK Prestige Ltd.	10	-	-	165	8.03
Timken India Ltd.	10	-	-	347	2.66
Tata Consultancy Services Ltd.	1	595	18.91	-	-
Tata Metaliks Ltd.	10	-	-	437	1.45
Tata Steel Ltd.	10	-	-	584	1.57
Torrent Pharmaceuticals Ltd.	5	-	-	247	4.95
Tech Mahindra Ltd.	5	2,182	21.63	2,874	16.32
Titan Company Ltd.	1	426	6.63	476	4.44
Torrent Power Ltd.	10	282	7.17	667	1.86
TVS Motor Company Ltd.	1	-	-	681	2.04
United Spirits Ltd.	2	-	-	718	3.48
United Breweries Ltd.	1	-	-	197	1.81
Voltas Ltd.	1	7,312	73.26	7,312	34.87
V-Mart Retail Ltd.	10	-	-	56	0.80
VIP Industries Ltd.	2	-	-	596	1.43
Wonderla Holidays Ltd.	10	-	-	772	1.09
Whirlpool of India Ltd.	10	-	-	111	2.02
Investment in Equity Instruments -					
Fully paid up Unquoted					
Fine Worthy Software Solutions Private Ltd.	10	91,411	214.76	91,411	214.77
Blackberry Properties Pvt. Ltd.	10	10,00,000	510.90	10,00,000	781.90
Cambay Investment Corporation Ltd.	10	38,000	838.87	38,000	663.58
Credwyn Holdings India Pvt. Ltd.	100	30,000	1,244.98	30,000	1,326.91

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2021	No. of units	31 March 2020
Laxmi Asbestos Products Ltd.	100	5,000	5.00	5,000	5.00
Sudipta Traders Pvt.Ltd.	10	3,08,000	1,026.16	1,54,000	1,300.98
The Oriental Company Ltd.	100	845	626.05	845	466.00
Woodland Multispeciality Hospital Ltd.	10	4,290	0.21	4,290	0.21
Investment in Equity Instruments -					
Fully paid up Quoted (Direct investment)					
The Cochin Malabar Estates & Industries Ltd.	10	98,939	50.95	98,939	57.38
Joonktollee Tea & Industries Ltd.	10	5,38,838	583.02	5,38,838	367.76
ABB India Ltd.	2	-	-	200	1.87
ABB Power And Systems India Ltd.	2	-	-	40	0.30
Amar Remedy Ltd.	10	200	0.02	200	0.01
Barak Valley Cements Ltd.	10	-	-	303	0.02
Bank of Baroda	2	-	-	550	0.29
Himachal Futuristic Communications Ltd.	1	-	-	16,900	1.53
Himatsingka Seide Ltd.	5	-	-	900	0.54
Indian Overseas Bank	10	-	-	1,000	0.07
Interglobe Aviation Ltd.	10	-	-	100	1.07
Jaiprakash Power Ventures Ltd.	10	-	-	16,900	0.10
Penta Media Graphics Ltd.	1	11,070	0.03	11,070	0.03
Port Shipping Co. Ltd.	10	1,64,330	16.43	1,64,330	16.43
The Phosphate Co. Ltd.	10	1,70,000	104.98	1,70,000	140.08
UCO Bank	10	-	-	3,000	0.27
Total			10,140.05		9,336.32
Aggregate amount of quoted investments and market value thereof			1,799.11		1,428.35
Aggregate amount of unquoted investments			8,340.94		7,907.97

Note: 5(b) Loans (Non-current)

Particulars	31 March 2021	31 March 2020
Unsecured, considered good (unless otherwise stated)		
Security Deposits	110.33	148.87
Total	110.33	148.87

Note: 5(c) Other financial assets (Non-current)

Particulars	31 March 2021	31 March 2020
Unsecured, considered good (unless otherwise stated)		
Advance to Body Corporate	-	885.62
Total	-	885.62

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 6 Other non-current assets

Particulars	31 March 2021	31 March 2020
Unsecured, considered good (unless otherwise stated)		
Capital Advances	1,074.14	525.51
Deposits with Government Authorities	91.75	122.14
Total	1,165.89	647.65

Note: 7 Inventories

Particulars	31 March 2021	31 March 2020
Raw materials	6,406.90	5,768.22
Stock-in-process	2,769.81	1,631.34
Semi Finished Goods	855.82	598.37
Finished Goods (includes goods in transit ₹ 2,051.00 lakhs; 31st March, 2020 - ₹ 845.48 lakhs)	3,859.64	2,516.63
Stores and Spares	1,115.04	1,098.96
Scrap	204.18	-
Total	15,211.39	11,613.52

Note: 8(a) Investments (Current)

Particulars	Face Value	No. of units	31 March 2021	No. of units	31st March 2020
I. Designated at FVOCI					
Quoted Equity Instruments- Fully paid-up (Direct investment)					
Infosys Limited	5	14,800	202.42	14,800	94.76
J K Paper Ltd.	10	-	-	3,25,000	242.20
Larsen & Toubro Ltd.	2	-	-	3,500	28.24
Magma Fincorp Ltd.	2	-	-	6,174	1.06
National Aluminium Company Ltd.	5	-	-	70,000	20.41
NBCC (India) Ltd.	1	1,50,000	70.10	1,50,000	24.48
HEG Ltd.	10	1,000	14.64	63,654	308.30
Century Textiles Industries Ltd.	10	2,000	9.29	2,000	5.92
Bombay Dyeing & Mfg. Co. Ltd.	2	1,45,000	101.78	1,45,000	66.41
Usha Martin Ltd.	1	-	-	1,50,000	24.00
HBL Power Systems Ltd.	1	-	-	1,00,000	11.01
Shree Cements Ltd.	10	-	-	3,000	527.25
State Bank of India	1	-	-	50,000	98.46
SBI Cards And Payment Services Ltd.	10	-	-	6,118	37.85
Maharashtra Seamless Ltd.	5	4,300	11.86	4,300	8.31
Bombay Burmah Trading Corpn. Ltd.	2	5,000	55.52	15,000	109.88
Oberoi Realty Ltd.	10	-	-	9,000	29.86
HDFC Asset Management Company Ltd.	5	-	-	1,403	29.64
Ultra Tech Cement Ltd.	10	-	-	249	8.10

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face Value	No. of units	31 March 2021	No. of units	31st March 2020
Investment in Alternative Investment Funds (Equity) - Fully paid up - Unquoted					
Orios Venture Partners Fund	100	2,00,000	249.19	2,00,000	197.00
White Oak India Equity Fund	10	9,59,429	165.62	-	-
Sundaram Alternative Opportunities Fund- Nano Cap Series I	1,00,000	92	82.49	-	-
Investment in Alternative Investment Funds (Debt) - Fully paid up - Unquoted					
Indiareit Apartment Fund	1,00,000	31	49.24	32	58.91
Investments in Mutual Fund (Debt) - Fully paid up - Unquoted					
ICICI Prudential Liquid Fund - Growth	100	-	-	36,501	106.77
Investments in Mutual Fund (Debt) - Fully paid up - Quoted					
HDFC FMP Growth Series 37	10	-	-	10,00,000	134.76
Baroda Equity Savings Fund	10	-	-	2,50,000	24.90
Nippon India Fixed Horizon Fund XXXI Series 15 - Growth (formerly Reliance Fixed Horizon Fund XXXI Series 15 - Growth)	10	-	-	10,00,000	129.38
Total			1,012.15		2,327.86
Aggregate amount of quoted investments and market value thereof			465.61		2,071.95
Aggregate amount of unquoted investments			546.54		255.91

Note: 8(b) Trade receivables

Particulars	31 March 2021	31 March 2020
Trade Receivables - Considered good - Unsecured (refer note below)	3,145.23	2,949.20
Less: Credit impaired	(55.36)	(55.36)
Total	3,089.87	2,893.84

Note - Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to Bill Discounting. Under this arrangement, the parent company has transferred the relevant receivables to the bank in exchange for cash and is prevented from selling or pledging the receivables. However, the parent company has retained late payment and credit risk. The Group Company therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the Bill Discounting is presented as secured borrowing.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 8(c) Cash and cash equivalents

Particulars	31 March 2021	31 March 2020
Cash and cash equivalents		
Cash on hand	5.12	6.31
Balances with banks :		
In current accounts	438.22	181.90
In fixed deposit account (Maturity of less than 3 months)	-	2,505.00
Total	443.34	2,693.21

Note: 8(d) Other bank balances

Particulars	31 March 2021	31 March 2020
Other Bank balances		
Unpaid dividend account	24.22	23.16
Fractional Share Entitlement	0.52	0.52
Earmarked balance with bank (refer note below)	350.18	-
Margin money deposits	1.17	0.27
Fixed deposit accounts (Maturity within 3 - 12 months)	2,309.01	1,144.00
Total	2,685.10	1,167.95

Note:

Earmarked balance with bank pertains to Escrow Account of FGIL maintained at Punjab National Bank.

Note: 8(e) Loans (Current)

Particulars	31 March 2021	31 March 2020
Unsecured, considered good		
Security Deposits	96.39	96.39
Employee loans and advances	404.94	356.55
Loans to Body Corporates	2,300.08	3,167.23
Total	2,801.41	3,620.17

Note: 8(f) Other financial assets - current

Particulars	31 March 2021	31 March 2020
Derivatives not designated as hedges - Foreign-exchange forward contracts	195.71	-
Interest accrued on Loans to Body Corporates	61.58	85.16
Interest accrued on Investments	4.39	15.44
Others (refer note below)	193.08	-
Total	454.76	100.60

Note:

Includes insurance claim receivable ₹ 43.96 lakhs.

Note: 9 Current tax assets (net)

Particulars	31 March 2021	31 March 2020
Advance for taxation (Net of provision of ₹ 8,000.50 lakhs (31 March 2020 - ₹ 6,755.66 lakhs)	3,555.15	3,668.09
Total	3,555.15	3,668.09

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 10 Other current assets

Particulars	31 March 2021	31 March 2020
Unsecured, considered good (unless otherwise stated)		
Prepaid Expenses [refer note (b) below]	113.31	58.24
Balances with Government Authorities	78.54	210.45
Advances for goods and services - Considered Good	1,289.75	525.20
Dividend distribution tax (DDT) refundable [refer (a) below]	49.14	49.14
Asset held for Sale	43.13	-
Other Advances		
Considered Good	10.30	8.86
Credit impaired	148.17	148.17
Less : Allowance for credit impaired	(148.17)	(148.17)
Total	1,584.17	851.89

Notes:

- (a) Pertains to DDT paid by erstwhile Gloster Limited for payment of dividend to erstwhile Kettlewell Bullen & Company Limited now refundable, post merger in keeping with scheme of amalgamation.
- (b) Includes CSR prepaid expenses of ₹38.36 lakhs [refer note 28 (b)]

Note: 11 Equity share capital (a) Authorised share capital

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2019	2,75,00,000	2,750.00
Changes during the year	-	-
As at 1 April 2020	2,75,00,000	2,750.00
Changes during the year	-	-
As at 31 March 2021	2,75,00,000	2,750.00

(b) Issued, subscribed and fully paid-up shares

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2019	54,71,630	547.16
Changes during the year	-	-
As at 1 April 2020	54,71,630	547.16
Changes during the year	-	-
As at 31 March 2021	54,71,630	547.16

Notes to the Consolidated Financial Statements (All amounts in INR lakhs, unless otherwise stated)

(c) Details of the shareholders holding more than 5% of equity shares of the parent company

Name of the equity shareholder	31 March 2021		31 March 2020	
	Number of Shares	% holding	Number of Shares	% holding
Life Insurance Corporation of India	7,16,825	13.10	8,40,174	15.36
Pushpa Devi Bangur	7,89,636	14.43	7,89,636	14.43
The Oriental Company Limited	6,04,006	11.04	6,04,006	11.04
Madhav Trading Corporation Limited	5,93,246	10.84	5,93,246	10.84
Vinita Bangur	4,46,352	8.16	4,46,352	8.16
Hemant Bangur	3,76,139	6.87	3,76,139	6.87

(d) Rights, preferences and restrictions attached to equity shares

The parent company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The parent company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the parent company, the holders of equity shares are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their shareholding.

(e) Details of bonus shares issued

The parent company has issued 16,00,000 number of equity shares allocated as fully paid up by way of bonus shares of ₹ 10 each on 07 March, 2016.

Note: 12 Other equity

A. Reserve and Surplus

Particulars	31 March 2021	31 March 2020
(i) Securities Premium	78,146.39	78,146.39
(ii) General reserve	9,242.86	7,187.48
(iii) Retained earnings	8,742.71	5,862.05
Total reserves and surplus	96,131.96	91,195.92

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2021	31 March 2020
(i) Securities Premium		
Balance at the beginning of the year	78,146.39	78,146.39
Changes during the year	-	-
Balance at the end of the year	78,146.39	78,146.39
(ii) General reserve		
Balance at the beginning of the year	7,187.48	5,658.91
Transferred from retained earnings	2,055.38	1,528.57
Balance at the end of the year	9,242.86	7,187.48
(iii) Retained earnings		
Balance at the beginning of the year	5,862.05	6,642.93
Profit for the year	4,126.19	1,957.22
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	550.43	(400.54)
- Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	1,080.16	(149.36)
Deduct : Appropriations		
Dividend paid during the year	(820.74)	(547.16)
Tax on dividend paid during the year	-	(112.47)
Transferred to general reserve	(2,055.38)	(1,528.57)
Balance at the end of the year	8,742.71	5,862.05
B. Other reserves - Equity instruments through Other comprehensive income		
Balance at the beginning of the year	1,383.03	3,372.57
Changes in fair value of FVOCI equity instruments	2,716.09	(2,313.36)
Deferred tax	(267.36)	174.46
Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	(1,080.16)	149.36
Balance at the end of the year	2,751.60	1,383.03
Total (A+B)	98,883.56	92,578.95

(i) General reserve

General reserve is created and utilised in compliance with provisions of the Companies Act, 2013.

(ii) Equity instruments through OCI

The parent company has elected to recognise changes in the fair value of all investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity. The parent company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 13 Borrowings (Non-current)

Particulars	31 March 2021	31 March 2020
Unsecured		
Term loan from banks [refer note (a) below]	118.65	237.49
Less: Current maturities of long term debts [refer note 17(c)]	(118.65)	(117.66)
Total	-	119.83

Nature of security	Terms of repayment
(a) Unsecured term loan from bank amounting to ₹ 118.65 lakhs (31 March 2020 - ₹ 237.49 lakhs)	Repayable in 4 equal quarterly instalments beginning from June 2021 bearing interest at a rate linked to Bank's one year MCLR.

Note: 14 Provisions (Non-current)

Particulars	31 March 2021	31 March 2020
Provision for compensated absences of employees	536.71	538.42
Provision for Gratuity (refer note 25)	680.50	1,061.76
Other non-current provisions	2.17	2.17
Total	1,219.38	1,602.35

Note: 15 Deferred tax liabilities (net)

Particulars	31 March 2021	31 March 2020
Deferred tax liabilities		
Investment in financial instruments at FVOCI	858.07	590.86
Property, plant and equipment	8,265.09	9,122.25
	9,123.16	9,713.11
Deferred tax assets		
Investment in financial instruments at FVTPL	29.40	1.62
Provision for leave encashment	151.74	149.07
Provision for doubtful advances and receivables	71.12	71.12
Deferred government grant	86.30	89.76
MAT credit entitlement	2,606.60	4,218.82
Others	31.57	362.70
	2,976.73	4,893.09
Net deferred tax liabilities [refer note below]	6,146.43	4,820.02

Note:

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws. Refer note 29 for details pertaining to income taxes and note no 44 for measurement of deferred tax.

Note: 16 Other non-current liabilities

Particulars	31 March 2021	31 March 2020
Deferred government grant	227.59	238.11
Total	227.59	238.11

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 17(a) Borrowings (Current)

Particulars	31 March 2021	31 March 2020
Secured :		
Loans from banks [refer note below]	1,944.90	2,313.64
Liability on bill discounting [refer note below & 8(b)]	367.20	308.68
Total	2,312.10	2,622.32

Note:

Secured by hypothecation of stock of raw material, stock -in-process, finished goods, stores & consumables, book debts and other current assets of the parent company.

Note: 17(b) Trade payables

Particulars	31 March 2021	31 March 2020
Trade Payables - Micro and Small Enterprises (refer note 40 for details of dues to Micro, Small and Medium Enterprises)	5.86	2.84
Trade payables - Other than Micro and Small Enterprises	690.97	983.38
Total	696.83	986.22

Note: 17(c) Other financial liabilities - Current

Particulars	31 March 2021	31 March 2020
Current maturities of long-term debt (refer note 13)	118.65	117.66
Unpaid dividends [refer note(a) below]	24.22	23.16
Unclaimed Fractional Entitlement	0.52	0.52
Capital creditors	264.97	173.85
Derivatives not designated as hedges - Foreign-exchange forward contracts	-	247.27
Other payables [refer note(b) below]	1,740.30	1,011.76
Total	2,148.66	1,574.22

Notes:

(a) There are no amounts due for payment to the Investor Education and Protection Fund under Section 125C of the Companies Act, 2013 as at the end of the year.

(b) Other payables include employee related liability of ₹ 589.14 lakhs (31 March 2020 - ₹ 469.22 lakhs.)

Note: 18 Other current liabilities

Particulars	31 March 2021	31 March 2020
Advances received from customers*	948.58	711.72
Statutory dues	749.37	756.24
Deferred Government Grant	19.61	19.30
Other payables	52.91	61.27
Total	1,770.47	1,548.53

* Advances from customers appearing at the beginning of the year has been entirely adjusted against revenue recognised during the year.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 19 Provisions (Current)

Particulars	31 March 2021	31 March 2020
Provision for employee benefits		
Provision for Gratuity (refer note 25)	9.20	-
Provision for compensated absences of employees	140.82	136.61
Total	150.02	136.61

Note: 20 Current tax liabilities (net)

Particulars	31 March 2021	31 March 2020
Provision for taxation [Net of advance of tax ₹ 3,882.03 lakhs (31 March 2020 ₹ 4,227.92 lakhs)].	816.21	490.18
Total	816.21	490.18

Note: 21 Revenue from operations

Particulars	31 March 2021	31 March 2020
Revenue from Contracts with Customers		
Sale of Finished goods	48,739.31	48,605.46
Other operating revenues		
Export incentive	569.37	885.39
Total	49,308.68	49,490.85

Note:

Revenue recognised represents contracted prices with the customers and did not include any adjustment to the contracted price.

Note: 22 Other income

Particulars	31 March 2021	31 March 2020
Interest income from financial assets measured at amortised cost	598.26	506.51
Interest income from financial assets measured at FVTPL	148.94	105.91
Dividend income from investments designated at FVOCI [refer note (a) below]	16.79	103.90
Dividend income from investments measured at FVTPL	-	2.77
Rental income	6.45	4.11
Net gain on disposal of property, plant and equipment	4.78	37.75
Profit on sale of long term investments	28.25	12.42
Profit on sale of short term investments	3.06	199.40
Liabilities no longer required written back	147.76	11.98
Insurance policy matured	591.79	-
Net foreign exchange gains / (losses)	495.99	-
Government grants [refer note (b) below]	19.38	18.77
Miscellaneous income (refer note (c) below)	346.98	107.76
Total	2,408.43	1,111.28

Notes:

- (a) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting year except dividend income amounting to ₹ 4.86 lakhs (31 March 2020 - ₹ 10.09 lakhs) pertaining to investments derecognised during the year.
- (b) Government grants are related to investments in property, plant and equipment. There are no unfulfilled conditions or other contingencies attaching to these grants.
- (c) Miscellaneous income include insurance claim realised amounting to ₹ 159.89 lakhs (31 March 2020 - ₹ 0.22 lakh).

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 23 Cost of materials consumed

Particulars	31 March 2021	31 March 2020
Inventory at the beginning of the year	5,768.22	5,261.39
Add : Purchases (net)	28,545.66	26,710.43
	34,313.88	31,971.82
Less : Inventory at the end of the year	6,406.90	5,768.22
Total	27,906.98	26,203.60

Note: 24 Changes in inventories of finished goods and work-in-progress

Particulars	31 March 2021	31 March 2020
Inventories at the end of the year		
Stock-in-process	2,769.81	1,631.34
Semi - Finished Goods	855.82	598.37
Finished Goods	3,859.64	2,516.63
Total (A)	7,485.27	4,746.34
Inventories at the beginning of the year		
Stock-in-process	1,631.34	800.51
Semi - Finished Goods	598.37	635.44
Finished Goods	2,516.63	1,753.38
Total (B)	4,746.34	3,189.33
(Increase)/decrease in inventories (B-A)	(2,738.93)	(1,557.01)

Note: 25 Employee benefits expense

Particulars	31 March 2021	31 March 2020
Salaries, Wages & Bonus	7,351.67	7,533.55
Contribution to Provident and Other Funds [refer notes below]	1,345.76	1,366.01
Workmen and Staff Welfare expenses	21.04	59.61
Total	8,718.47	8,959.17

Notes:

(A) Post-employment obligations

(i) Defined contribution plans

The total expenses recognised in the consolidated statement of profit and loss during the year on account of defined contribution plans amounts to:

Particulars	31 March 2021	31 March 2020
Employer's contribution to pension fund	359.94	398.39
Employer's contribution to superannuation fund	70.01	99.41
	429.95	497.80

(ii) Defined benefit plan

(a) Gratuity:

The employees' gratuity fund scheme is managed by a Trust and is a defined benefit plan. The funds of the trust are managed by approved insurance companies. Every employee is entitled to a benefit equivalent to fifteen day's salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. Gratuity benefit vests after five year of continuous service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Notes to the Consolidated Financial Statements (All amounts in INR lakhs, unless otherwise stated)

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation (Gratuity) over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2019	6,445.45	(6,399.44)	46.01
Current service cost	396.61	-	396.61
Interest expense/(income)	476.01	(472.56)	3.45
Total amount recognised in profit or loss	872.62	(472.56)	400.06
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	415.14	415.14
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	545.85	-	545.85
Actuarial (gain)/loss from unexpected experience	(345.30)	-	(345.30)
Total amount recognised in other comprehensive income	200.55	415.14	615.69
Employer contributions/ premium paid			
Benefit payments	(197.27)	197.27	-
31 March 2020	7,321.35	(6,259.59)	1,061.76

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2020	7,321.35	(6,259.59)	1,061.76
Current service cost	457.25	-	457.25
Interest expense/(income)	486.33	(415.19)	71.14
Past Service Cost	8.89	-	8.89
Total amount recognised in profit or loss	952.47	(415.19)	537.28
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(751.09)	(751.09)
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	74.66	-	74.66
Actuarial (gain)/loss from unexpected experience	(232.91)	-	(232.91)
Total amount recognised in other comprehensive income	(158.25)	(751.09)	(909.34)
Employer contributions/ premium paid			
Benefit payments	(125.37)	125.37	-
31 March 2021	7,990.20	(7,300.50)	689.70

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March 2021	31 March 2020
Discount rate	6.60%	6.70%
Rate of salary increase	9.00%	9.00%
Mortality rate	Indian assured lives mortality (2006-08) (modified)	Indian assured lives mortality (2006-08) (modified)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors. The expected return on plan assets is determined after taking into consideration composition of the plan assets held, assessed risks of assets management, historical results of the return on plan assets, and other relevant factors.

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumptions	Change in assumption	Impact on scheme liabilities
31 March 2021		
Discount rate	Increase by 1.00%, Decrease by 1.00%	Decrease by ₹ 694.31 lakhs, Increase by ₹820.03 lakhs
Rate of salary increase	Increase by 1.00%, Decrease by 1.00%	Increase by ₹ 792.66 lakhs, Decrease by ₹686.11 lakhs
31 March 2020		
Discount rate	Increase by 1.00%, Decrease by 1.00%	Decrease by ₹ 671.58 lakhs, Decrease by ₹793.51 lakhs
Rate of salary increase	Increase by 1.00%, Decrease by 1.00%	Increase by ₹ 767.80 lakhs, Decrease by ₹664.22 lakhs

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied while calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Major categories of plan assets

The defined benefit plan is funded with insurance companies of India. The Group does not have any liberty to manage the funds provided to insurance companies. Thus the composition of each major category of plan assets has not been disclosed.

Risk exposure

Through its defined benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

Investment risk

The defined benefit plans are funded with insurance company of India. The Group does not have any liberty to manage the funds provided to insurance company. The Fund is managed by the insurance company and the the assets are invested in their conventional group gratuity product. The fund is subject to market risk as the price of units may go up or down. The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Notes to the Consolidated Financial Statements (All amounts in INR lakhs, unless otherwise stated)

Interest rate risk

The defined benefit obligation is calculated using a discount rate based on government bonds. If the bond yields fall, the defined benefit obligation will tend to increase.

Demographic risk

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. Higher than expected increases in salary will increase the defined benefit obligation.

Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2022 are ₹ 681.00 lakhs.

The weighted average duration of the defined benefit obligation is 10 years (2020 - 10 years).

(b) Provident fund

The Provident fund is managed by the parent company in line with the Employees Provident Fund and Miscellaneous Provision Act, 1952. The Fund is exempted under section 17 of Employees' Provident Fund and Miscellaneous Provision Act, 1952. Condition for grant of exemption stipulate that the employer shall make good deficiency, if any, in the interest declared by the trust vis-a-vis statutory rate. The contribution by the employer and employees together with the interest accumulated there on are payable to the employees at the time of their separation from the company or retirement, whichever is earlier. In view of the parent company's obligation to meet the shortfall, this is a defined benefit plan.

(B) Other long term employee benefit plan

The parent company provides benefits in the nature of compensated absences which can be accumulated. The compensated absences are other long term employee benefits plan. The plan is unfunded. Based on actuarial valuation, a provision is recognised in full for the projected obligation and are classified as current since the Company does not have an unconditional right to defer settlement for any of these obligations. Expenses recognised in the Statement of Profit and loss towards compensated absences includes re-measurement gains and losses.

Note: 26 Finance costs

Particulars	31 March 2021	31 March 2020
Interest and finance charges on financial liabilities measured at amortised cost	162.52	235.47
Other borrowing costs	36.44	53.25
Interest on Lease liabilities	0.44	-
Total	199.40	288.72

Note: 27 Depreciation and amortization expense

Particulars	31 March 2021	31 March 2020
Depreciation of property, plant and equipment	1,117.12	973.60
Amortisation of Goodwill	1,666.55	1,666.54
Amortisation of Trademark	468.42	468.42
Amortisation of other intangible assets	14.28	12.32
Total	3,266.37	3,120.88

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 28 Other expenses

Particulars	31 March 2021	31 March 2020
Consumption of stores and spare parts (net)	2,571.06	3,171.43
Power and fuel	1,684.44	2,048.16
Rent	116.39	117.60
Repairs to building	140.83	75.55
Repairs to machinery	115.04	3.59
Repairs - others	92.84	28.66
Insurance	240.32	220.74
Rates and Taxes	51.64	20.62
Processing Charges	1,133.78	1,254.29
Freight and Delivery Charges	573.85	333.72
Export Dock and Toll Charges	166.09	150.90
Brokerage and Commission	375.69	378.29
Net foreign exchange losses / (gains)	-	64.49
Net losses on fair value changes on investments classified at FVTPL	38.11	81.35
Corporate social responsibility expenses [refer note (b) below]	114.12	73.80
Loan to body corporate written off	75.69	-
Interest receivable written off	19.15	108.99
Miscellaneous expenses [refer note (a) below]	1,075.90	1,093.03
Total	8,584.94	9,225.21

Notes:

(a) Miscellaneous expenses includes remuneration to auditors for :

Particulars	31 March 2021	31 March 2020
Audit Fees	30.10	23.09
Other Services	8.70	9.60
Reimbursement of expenses	0.65	1.74
Total	39.45	34.43

(b) Corporate social responsibility expenditure:

Particulars	31 March 2021	31 March 2020
Contribution towards Gloster - Arogya Jeevan	103.89	40.50
Contribution towards Gloster - Swach Vatavaran	7.73	33.30
Contribution towards Gloster - Vidya Prachar	2.50	-
Accrual towards unspent obligations in relation to:		
-Ongoing projects	-	-
-Other than ongoing projects	-	-
Total	114.12	73.80
Amount required to be spent as per section 135 of the Act	114.12	130.26
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	152.48	130.26

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Details of excess CSR expenditure under section 135(5) of the Act

Balance excess spent as at 01 April 2020	Amount required to be spent during the year	Amount spent during the year	Balance excess spent as at 31 March 2021
-	114.12	152.48	38.36

Note: 29 Income tax expense

This note provides an analysis of the Group's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions.

(a) Income tax expense

Particulars	31 March 2021	31 March 2020
Current tax		
Current tax on profits for the year	1,262.37	405.50
Total current tax expense	1,262.37	405.50
Deferred tax		
Decrease / (Increase) in deferred tax assets	1,606.52	180.58
(Decrease) / Increase in deferred tax liabilities	(865.20)	318.26
Total deferred tax expense/(benefit)	741.32	498.84
Income tax expense	2,003.69	904.34

(b) Amounts recognised directly in other comprehensive income

Particulars	31 March 2021	31 March 2020
The amount of income tax relating to each component of other comprehensive income		
(i) Remeasurements of post-employment benefit obligations - Current tax	(317.76)	215.15
(ii) FVOCI equity instruments		
- Current tax	-	-
- Deferred tax	(267.21)	174.46
	(584.97)	389.61

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate

Particulars	31 March 2021	31 March 2020
Profit before tax	6,129.88	2,861.56
Tax at the Indian tax rate of 34.944% (2019-20 – 34.944%)	2,142.03	999.94
Tax effect on CSR Expenses		
Add / (deduct)		
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	(4.76)	(36.31)
Tax effect of certain temporary differences measured at lower rates	(241.00)	-
Deductible temporary differences on which no deferred tax is recognised	81.67	-
Difference in tax rates applicable for subsidiaries	(12.94)	-
Others	38.69	(59.29)
Total income tax expense/(credit)	2,003.69	904.34

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

(d) Details of MAT credit balance available with expiry date

Particulars	31 March 2021	31 March 2020
MAT credit balance		
Expiry		
AY 2030-31	-	130.26
AY 2031-32	-	977.97
AY 2032-33	1,123.51	1,627.49
AY 2033-34	1,483.10	1,483.10
	2,606.61	4,218.82

Note: 30 Fair value measurements Financial instruments by category

Particulars	31 March 2021			31 March 2020		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	1,244.94	9,907.26	-	1,782.55	9,881.63	-
Loans to body corporates	-	-	2,300.08	-	-	3,167.23
Security deposits	-	-	206.72	-	-	245.26
Derivative assets	195.71	-	-	-	-	-
Other financial assets	-	-	193.08	-	-	-
Trade receivables	-	-	3,089.87	-	-	2,893.84
Cash & cash equivalents	-	-	443.34	-	-	2,693.21
Bank balances	-	-	2,685.10	-	-	1,167.95
Employee advances	-	-	404.94	-	-	356.55
Interest accrued on intercorporate deposits	-	-	61.58	-	-	85.16
Total financial assets	1,440.65	9,907.26	9,384.71	1,782.55	9,881.63	10,609.20
Financial liabilities						
Borrowings	-	-	2,430.75	-	-	2,859.81
Unclaimed Fractional Entitlement	-	-	0.52	-	-	0.52
Trade payables	-	-	696.83	-	-	986.22
Derivative liabilities	-	-	-	247.27	-	-
Unpaid dividends	-	-	24.22	-	-	23.16
Capital creditors	-	-	264.97	-	-	173.85
Other payables	-	-	1,740.30	-	-	1,011.76
Total financial liabilities	-	-	5,157.59	247.27	-	5,055.32

Notes to the Consolidated Financial Statements

The investments in equity instruments are not held for trading. Instead, they are held for medium or long term investment purposes. Upon the application of Ind AS 109, the Group has chosen to designate these investments in equity instruments at FVOCI as the management believe that this provides a more meaningful presentation for medium or long-term investments, than reflecting changes in fair value immediately in profit or loss.

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	2,264.72	-	-	2,264.72
- Unquoted investments	-	2,926.42	5,961.06	8,887.48
Derivative financial assets	195.71	-	-	195.71
Total financial assets	2,460.43	2,926.42	5,961.06	11,347.91
Financial liabilities				
Derivative financial liabilities (not designated as hedges)	-	-	-	-
Total financial liabilities	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	3,500.30	-	-	3,500.30
- Unquoted investments	-	1,795.91	6,367.97	8,163.88
Derivative financial assets	-	-	-	-
Total financial assets	3,500.30	1,795.91	6,367.97	11,664.18
Financial liabilities				
Derivative financial liabilities (not designated as hedges)	247.27	-	-	247.27
Total financial liabilities	247.27	-	-	247.27

Notes to the Consolidated Financial Statements (All amounts in INR lakhs, unless otherwise stated)

Level 1 [Quoted prices in an active market]

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price available. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 [Fair values determined using valuation techniques with observable inputs]

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 [Fair values determined using valuation techniques with significant unobservable inputs]

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is generally the case for unlisted equity securities.

There are no transfers between levels 1 and 2 during the year.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Fair value of financial assets and liabilities measured at amortised cost

Particulars	31 March 2021		31 March 2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposits	110.33	110.33	148.87	148.87
Total financial assets	110.33	110.33	148.87	148.87
Financial liabilities				
Borrowings	118.65	118.65	237.49	237.49
Total financial liabilities	118.65	118.65	237.49	237.49

a) The carrying amounts of trade receivables, loans, cash and cash equivalents, other bank balances, other financial assets, security deposits, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

(b) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(c) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Notes to the Consolidated Financial Statements

Note: 31 Financial Risk Management

The Group's activities expose it to credit risk, liquidity risk and market risk (i.e. foreign currency risk, interest rate risk and price risk).

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of it in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost	Ageing analysis	Diversification of customer base and approved counter parties.
Liquidity risk	Borrowings and other liabilities	Cash flow forecast	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecast Sensitivity analysis	Forward exchange contract
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Diversified debt portfolio Regular monitoring of borrowings
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

(A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments carried at amortised cost.

i) Trade receivables

Customer credit risk is managed by the parent company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying 30 to 60 days credit terms. The parent company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, domestic trade receivables are backed by security deposits. Export receivables are backed by letters of credit.

Financial assets are considered to be of good quality and there is no significant increases in credit risk.

Provision for expected credit loss

The requirement for impairment is analysed at each reporting date. For impairment, individual debtors are identified and assessed specifically. The parent company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. There has been no material default history in the past and accordingly no provision is considered necessary. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables.

ii) Financial instruments and cash deposits

Credit risk from balances with banks and investments is managed by the respective Company's finance department in accordance with the Group's policy. Investments of surplus fund in portfolio management services, mutual funds, alternate investment funds, direct equity and in private companies are made only with approved counterparties and within credit limits assigned to each counterparty, if any. Counterparty credit limits are reviewed by the respective Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the respective Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Balances with banks and deposits are placed only with highly rated banks/financial institution.

The Group's maximum exposure to credit risk for the components of the balance sheet is the carrying amounts as disclosed.

Notes to the Consolidated Financial Statements (All amounts in INR lakhs, unless otherwise stated)

(B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

(i) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity group based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2021	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Borrowings	2,430.75	-	-	-	2,430.75
Other financial liabilities	2,030.01	-	-	-	2,030.01
Trade payables	696.83	-	-	-	696.83
Total non-derivative financial liabilities	5,157.59	-	-	-	5,157.59
Foreign exchange forward contracts	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-

Contractual maturities of financial liabilities 31 March 2020	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Borrowings	2,739.98	119.83	-	-	2,859.81
Other financial liabilities	1,209.29	-	-	-	1,209.29
Trade payables	986.22	-	-	-	986.22
Total non-derivative financial liabilities	4,935.49	119.83	-	-	5,055.32
Foreign exchange forward contracts	247.27	-	-	-	247.27
Total derivative liabilities	247.27	-	-	-	247.27

(C) Market risk

(i) Foreign currency risk

The Group undertakes transactions (e.g. sale of goods and purchases of raw materials or capital goods) denominated in foreign currencies and thus is exposed to exchange rate fluctuations. The Group evaluates its exchange rate exposure arising from foreign currency transactions and manages the same based upon approved risk management policies which inter-alia includes entering into forward foreign exchange contracts.

Notes to the Consolidated Financial Statements (All amounts in INR lakhs, unless otherwise stated)

Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs (foreign currency amount multiplied by closing rate), are as follows:

Particulars	31 March 2021		31 March 2020	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	924.69	93.85	963.43	70.59
Derivative assets				
Foreign exchange forward contracts - Sell foreign currency	(924.69)	(93.85)	(963.43)	(70.59)
Net exposure to foreign currency risk (assets)	-	-	-	-
Financial liabilities				
Trade payables	-	0.37	-	-
Derivative liabilities				
Foreign exchange forward contracts - Buy foreign currency	-	-	-	-
Net exposure to foreign currency risk (liabilities)	-	0.37	-	-

The Group also has exposures in below currencies:

Particulars	31 March 2021		31 March 2020	
	GBP	JPY	GBP	JPY
Financial assets				
Trade receivables	22.21	70.02	47.47	-
Derivative assets				
Foreign exchange forward contracts - Sell foreign currency	(22.21)	(70.02)	(47.47)	-

Sensitivity has not been disclosed as all exposures are largely hedged.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure on financial liabilities

The exposure of the Group's financial liabilities to interest rate risk is as follows:

Particulars	31 March 2021	31 March 2020
Variable rate borrowings	2,063.55	2,551.13
Fixed rate borrowings	367.20	308.68
Total borrowings	2,430.75	2,859.81

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

Particulars	Impact on profit before tax		Impact on equity	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Interest expense rates – increase by 70 basis points (70 bps)*	(14.44)	(17.86)	(9.40)	(11.62)
Interest expense rates – decrease by 70 basis points (70 bps)*	14.44	17.86	9.40	11.62

* holding all other variables constant

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 32 Capital Management

(a) Risk management

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.

The capital structure of the respective Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The respective Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

In order to maintain or adjust the capital structure, the respective Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Loan covenants

Under the terms of the major borrowing facilities, the respective Company is required to comply with certain financial covenants. The respective Company has complied with the debt covenants throughout the reporting period.

(a) Dividends paid and proposed

Particulars	31 March 2021	31 March 2020
i) Equity shares		
Final dividend paid for the year ended 31 March 2020 - ₹ 15/- (31 March 2019 - ₹ 10/-) per fully paid share	820.74	547.16
Dividend distribution tax	-	112.47
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, since year end the board has recommended the payment of a final dividend of ₹25/- per fully paid equity share (31 March 2020 - ₹ 15/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	1,367.91	820.74

Note: 33 Segment information

(a) Description of segments and principal activities

The parent company is a leading manufacturer & exporter of all types of jute & jute allied products, woven & non-woven jute geotextiles, treated fabric-rot proof, fire retardant, jute products for interior decoration & packaging of industrial & agricultural produce. The parent company also produces jute & cotton shopping bags & made ups. The parent company exports jute goods to various countries spread over the world and is having its manufacturing facilities located in India. The performance of the parent company is assessed and reviewed by the Chief Operating Decision Maker ('CODM') as a single operating segment and accordingly manufacture and sale of jute goods is the only operating segment.

Notes to the Consolidated Financial Statements (All amounts in INR lakhs, unless otherwise stated)

Geographical information

The Group is domiciled in India, however also sells its products outside India. The amount of its revenue from external customers broken down by location of the customers is shown in the table below.

Revenue from external customers	31 March 2021	31 March 2020
India	35,315.51	38,543.37
Outside India:		
Americas	2,549.05	2,219.89
Europe	6,619.07	4,166.73
Asia	2,068.14	994.86
Australia	526.55	767.87
Others	1,660.99	1,912.74
Total revenue	48,739.31	48,605.46

Assets [refer note (a)]	31 March 2021	31 March 2020
India	73,830.69	67,956.56
Outside India	-	-
Total assets	73,830.69	67,956.56

There are no single customer directly or indirectly from whom more than 10% of the revenue is derived.

Note (a) Represents non-current assets excluding financial assets.

Note: 34 Related party transactions

(a) Key Management Personnel

- Shri Hemant Bangur
- Shri D C Baheti

(b) Enterprise over which Key Management Personnel (KMP) & relatives of KMP have significant influence

- The Oriental Company Limited

Particulars	Year / Period Ended	Key Management Personnel	The Oriental Company Limited
Transactions during the year			
Dividend paid	2020-21	56.74	90.60
	2019-20	37.83	60.40
Rent paid	2020-21	-	60.00
	2019-20	-	60.00
Outstanding balances at year end			
Commission payable	2020-21	300.00	-
	2019-20	-	-
Deposits	2020-21	-	100.00
	2019-20	-	100.00

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Key management personnel compensation	31 March 2021	31 March 2020
a. Short-term employee benefits	557.09	252.84
b. Post-employment benefits	40.93	72.68
	598.02	325.52

Terms and conditions of the transactions

All outstanding balances are unsecured and are repayable in cash.

Note: 35 Earnings per equity share

Particulars	31 March 2021	31 March 2020
(I) Basic		
a. Net profit after tax	4,126.19	1,957.22
b. (i) Number of equity shares at the beginning of the year	54,71,630	54,71,630
(ii) Number of equity shares at the end of the year	54,71,630	54,71,630
(iii) Weighted average number of equity shares outstanding during the year	54,71,630	54,71,630
c. Face value of equity share (₹)	10.00	10.00
d. Basic earning per share (₹)	75.41	35.77
(II) Diluted		
a. Dilutive potential equity shares	-	-
b. Weighted average number of equity shares for computing diluted earnings per share	54,71,630	54,71,630
c. Diluted earning per share (₹)	75.41	35.77

Note: 36 Contingent liabilities

Particulars	31 March 2021	31 March 2020
Claims against the parent company not acknowledged as debts		
Sales tax matter	464.76	722.12
ESI matter	50.31	50.31

(i) The future cash outflow, if any, cannot be ascertained, pending resolution of the proceedings.

(ii) The parent company does not expect any reimbursement in respect of the above contingent liabilities.

(iii) The Hon'ble Supreme Court Judgement in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organization has been evaluated, assessed and applied by the Management from 2019-20. The parent company has determined that there is no material impact of this matter relating to its retrospective application and accordingly, no provision towards that has been considered.

(iv) In relation to Fort Gloster Industries Limited, the Resolution Plan was approved by Hon'ble NCLT Kolkata Bench vide its Order dated 27.09.2019 (certified true copy was received on 17.10.2019). In accordance with Resolution Plan, Monitoring Committee was formed with representative of Resolution Professional, Financial Creditors and Successful Resolution Applicant on 22.10.2019. Thereafter, some applications have been filed against the above NCLT Order at Hon'ble NCLAT, New Delhi by ex-workers, Gloster Cables Ltd., West Coast Paper Mills Ltd. and Orbit Udyog Limited. The Group is contesting these matters. The Parent Company has also filed an application with Hon'ble NCLAT, New Delhi for modification in the Order of Hon'ble NCLT. The Group does not perceive any future cash outflow, pending resolution of the proceedings.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 37 Commitments

Particulars	31 March 2021	31 March 2020
Estimated amounts of contracts remaining to be executed on capital account and not provided for property, plant and equipment	2,429.54	1,941.04
Uncalled Capital Commitment towards investments	263.84	386.16

Note: 38 Impact of COVID-19

The spread of COVID-19 has severely impacted businesses due to lock-down, disruptions in supply chain, transportations, travel bans, etc. The parent company is in the business of manufacturing jute & allied products and jute is a labour intensive industry. Despite manpower availability constraints the Group is trying to run the operations in the most efficient manner taking all precautions in view of the COVID – 19 pandemic. The Group is well positioned to fulfill its business obligations and does not foresee any major liquidity crunch for regular day-to-day operations.

The Group has made a detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Trade Receivables, Inventory and Investments at the balance sheet date, and has concluded that there are no material adjustments required in the consolidated financial statements.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic in the preparation of the consolidated financial statements. However, the impact of assessment of COVID-19 is a continuous process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions.

Note : 39 Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt

Particulars	31 March 2021	31 March 2020
Current borrowings	2,312.10	2,622.32
Non-current borrowings [including current maturity portion of ₹ 118.65 lakhs]	118.65	237.49
(31 March 2020 : ₹ 117.66 lakhs)]		
Net debt	2,430.75	2,859.81

Particulars	Liabilities from financing activities	
	Non-current borrowings	Current borrowings
Net debt as at 01 April 2019	256.56	2,256.22
Net Proceeds from borrowings during the year	98.50	57.42
Net Repayment of borrowings during the year	(117.57)	-
Net Proceeds from bills discounted	-	308.68
Net Settlement of bills discounted	-	-
Effect of changes in foreign exchange rates	-	-
Changes in fair values	-	-
Net debt as at 01 April 2020	237.49	2,622.32
Net Proceeds from borrowings during the year	-	-
Net Repayment of borrowings during the year	(118.84)	(310.22)
Net Proceeds from bills discounted	-	-
Net Settlement of bills discounted	-	-
Effect of changes in foreign exchange rates	-	-
Changes in fair values	-	-
Net debt as at 31 March 2021	118.65	2,312.10

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 40 Dues to micro and small enterprises

The Group has certain dues to Suppliers registered under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are:

Sl. no.	Particulars	31 March 2021	31 March 2020
1	The principal amount remaining unpaid to any supplier as at the year end	5.86	2.84
	The interest remaining unpaid to any supplier as at the year end	2.54	2.15
2	Principal amounts paid to suppliers beyond the appointed day during the year.	5.20	26.22
	Interest paid under Section 16 of the MSMED Act, to suppliers during the year.	-	-
3	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
4	The amount of interest accrued and remaining unpaid at the end of the year	0.39	0.17
5	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 small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	2.54	2.15

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small & Medium" enterprises on the basis of information available with the Group.

Note: 41

The exceptional item in the current year pertains to the partial recovery of inter corporate deposit by the parent company, which was written off in the previous year.

Note: 42

The National Company Law Tribunal, Kolkata Bench vide its order dated 27th September, 2019, has approved the terms of the Resolution Plan submitted by the parent company, to acquire Fort Gloster Industries Limited (FGIL) pursuant to Corporate Insolvency Resolution Process, under the Insolvency & Bankruptcy Code 2016. Management and control of FGIL has been handed over to the parent company on 5th August 2020 and FGIL is now a wholly owned subsidiary of the parent company.

The Resolution Plan of successful Resolution Applicant i.e. Gloster Limited was approved by Hon'ble NCLT Kolkata Bench vide its Order dated 27.09.2019 (certified true copy was received on 17.10.2019). In accordance with Resolution Plan, Monitoring Committee was formed with representative of Resolution Professional, Financial Creditors and Successful Resolution Applicant on 22.10.2019.

Thereafter, some applications have been filed against the above NCLT Order at Hon'ble NCLAT, New Delhi by ex-workers, Gloster Cables Limited, West Coast Paper Mills Ltd and Orbit Udyog Limited. The Group is contesting these matters. The Successful Resolution Applicant i.e. Gloster Limited has also filed an application with Hon'ble NCLAT, New Delhi for modification in the Order of Hon'ble NCLT.

The group does not perceive any future cash outflow, pending resolution of the proceedings.

Note: 43

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India and subsequently on November 13, 2020 draft rules were published and invited for stakeholders' suggestions. However, the date on which the code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes to the Consolidated Financial Statements

Note: 44

Pursuant to the Taxation Laws (Amendment) Act, 2019, a new section 115BAA is inserted in the Income Tax Act, 1961 which provides an option to the domestic companies to pay income tax at lower rate subject to the giving up of certain incentives and deductions. The Group is continuing to provide for Income tax at the old rates, based on various tax incentive and deductions. However, the Group has applied the lower income tax rates on the deferred tax liabilities on account of temporary differences to the extent these are expected to be realised or settled in the future period when the Group may be subjected to lower tax rate.

Note: 45

The Parent Company paid a consideration of ₹7,200 lakhs to acquire Fort Gloster Industries Limited. Such consideration has been transferred in cash of which ₹4,841 lakhs in the form of equity infusion and ₹2,359 lakhs in the form of loan. The assets acquired by the parent entity have been recognised in the consolidated financial statements by allocating the cost to the group of assets, using the relative fair values of the individual assets at the date on which control was obtained i.e. 05 August 2020. The assets recognised as a result of the acquisition as at 5 August 2020 include land, building, plant & equipment, trademarks, inventories, etc. and have been disclosed as part of additions in note 3 and note 4.

Notes to the Consolidated Financial Statements

46. Statement providing additional information, as required under Schedule III to the Companies Act, 2013, of enterprises considered for preparation of the Consolidated Financial Statements. (All amounts in INR lakhs, unless otherwise stated)

Name of the Entity (Refer Note (a) below)	31st March 2021		31st March 2020		31st March 2021		31st March 2020		31st March 2021		31st March 2020	
	Net Assets	As a % of Consolidated Net Assets	Net Assets	As a % of Consolidated Net Assets	Net Profit	As a % of Net Profit	Other Comprehensive Income	As a % of Other Comprehensive Income	Total Comprehensive Income	As a % of Total Comprehensive Income	Total Comprehensive Income	As a % of Total Comprehensive Income
Parent												
Gloster Limited	99,028.74	99.60	92,443.73	99.27	4,461.57	108.13	1,928.65	98.54	2,945.17	96.86	7,406.74	103.35
Subsidiaries												
Gloster Lifestyle Limited	419.44	0.42	342.87	0.37	29.03	0.70	24.02	1.23	47.60	1.57	76.63	1.07
Gloster Specialties Limited	422.96	0.43	348.96	0.37	38.47	0.93	14.05	0.72	47.69	1.57	86.16	1.20
Gloster Nuvo Limited	(107.56)	(0.11)	(2.51)	0.00	(84.26)	(2.04)	(2.51)	(0.13)	-	-	(84.26)	(1.18)
Network Industries Limited	(8.38)	(0.01)	(6.99)	(0.01)	(48.74)	(1.18)	(6.99)	(0.36)	-	-	(48.74)	(0.68)
Fort Gloster Industries Limited	(324.48)	(0.33)	-	-	(269.88)	(6.54)	-	-	-	-	(269.88)	(3.77)
TOTAL	99,430.72	100.00	93,126.06	100.00	4,126.19	100.00	1,957.22	100.00	3,040.46	100.00	7,166.65	100.00

(a) All entities specified above have been incorporated in India.

(b) The Net Asset position / Net Profit of the Company considered above is after considering elimination if any, for determining the Profit for the Year in the Consolidated Statement of Profit and Loss.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E-300009

Sunit Kumar Basu
Partner
Membership No. 55000

Place : Kolkata
Date : 12th June 2021

For & on behalf of the Board

Hemant Bangur
(DIN: 00040903)
Executive Chairman

D. C. Baheti
(DIN: 00040953)
Managing Director

Ishani Ray
(DIN: 08800793)
Director

Pushpa Devi Bangur
(DIN: 00695640)
Director

Shankar Lal Kedia
Chief Financial Officer
Ajay Kumar Agarwal
Company Secretary

Prabir Ray
(DIN: 00698779)
Director

Rohit Bihani
(DIN: 00179927)
Director

S. N. Bhattacharya
(DIN: 06758088)
Director

Priti Panwar
(DIN: 08072073)
Director

Directors' Report

Corporate Governance

Shareholder Information

Standalone Financials

Consolidated Financials



GLOSTER LIMITED

GLOSTER LIMITED

CIN - L17100WB1923PLC004628

21 Strand Road, Kolkata 700001, West Bengal, India

T +91 33 2230 9601 | F +91 33 2210 6167, 2231 4222

E info@glosterjute.com | W glosterjute.com