



# 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/20-21/0339  
4<sup>th</sup> September 2020

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

Dear Sir,

Re: **Annual Report for 2019-2020**

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 2019-2020.

Thanking you,

Yours faithfully,  
For Gloster Limited

Manager Finance & Company Secretary

Encl: As above



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**GLOSTER LIMITED**  
Annual Report 2019-20

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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

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### Company Secretary :

**Ajay Kumar Agarwal**

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### Chief Financial Officer :

**Shankar Lal Kedia**

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### Bankers :

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

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### Auditors :

**Price Waterhouse & Co. Chartered Accountants LLP**  
Kolkata

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### Registrar & Share Transfer Agents :

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

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### 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

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### Mills :

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





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## NOTICE

### TO THE MEMBERS

NOTICE is hereby given that the Ninety Eighth Annual General Meeting of the Members of Gloster Limited will be held on Saturday the 26th September, 2020 at 3.00 P.M. through Video Conferencing (VC)/Other Audio Visual Means (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, 2020, and the Reports of the Board of Directors and the Auditors' thereon.
2. To declare dividend on Equity Shares for the financial year 2019-20. The Board recommends a dividend of ₹15 per Equity share of ₹10 each.
3. To appoint a Director in place of Sri Hemant Bangur (DIN:00040903) 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 AN ORDINARY RESOLUTION:

##### Appointment of Sri Rohit Bihani as Independent Director

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any of the Companies Act, 2013 (the Act) read with schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company and on the recommendation of Nomination and Remuneration Committee, Sri Rohit Bihani (DIN:00179927) who was appointed as an Additional Director of the Company in the Independent category with effect from 21st July, 2020 and who holds the office up-to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 years w.e.f. 21st July, 2020 and whose office shall not be liable to retire by rotation."

#### 5. AS AN ORDINARY RESOLUTION:

##### Appointment of Ms. Ishani Ray as Independent Women Director

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any of the Companies Act, 2013 (the Act) read with schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and applicable provisions of SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the Articles of Association of the Company and on the recommendation of Nomination and Remuneration Committee, Ms. Ishani Ray (DIN: 08800793) who was appointed as an Additional Director of the Company in the Independent Category with effect from 21st July, 2020 and who holds the office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 years w.e.f. 21st July, 2020 and whose office shall not be liable to retire by rotation."

#### 6. AS AN ORDINARY RESOLUTION:

##### Appointment of Ms. Priti Panwar as Director

"RESOLVED THAT pursuant to provisions of Sections 152, 161 and other applicable provisions, if any of the Companies Act, 2013 (the Act) read with schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company and on the recommendation of Nomination and Remuneration committee, Ms. Priti Panwar (DIN:08072073) who was appointed as an Additional Director by the Board of Directors with effect from 21st July, 2020 and who holds the office up-to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company and whose office shall be liable to determination by rotation."

#### 7. 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 2020-2021."

#### 8. AS A SPECIAL RESOLUTION:

##### Payment of Remuneration to Sri Hemant Bangur for the period 01.04.2019 to 31.03.2021

"RESOLVED THAT the remuneration payable to Sri Hemant Bangur (DIN: 00040903), Executive Chairman of the Company for the year 2019-2020 and the remainder of his term till 31st March, 2021 in terms of the special resolution passed by

the shareholders at the Extraordinary General Meeting held on 27th March, 2018 and Agreement dated 1st April, 2018 entered into between the Company and Sri Hemant Bangur, and pursuant to the recommendations of the Nomination and Remuneration Committee, be paid to him as minimum remuneration notwithstanding that the Company has losses or its profits are inadequate during the said year and the remainder of his term, subject to compliance of conditions specified in the second proviso to item (B) of Section II of Part II of Schedule V of Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

#### 9. AS A SPECIAL RESOLUTION:

##### Payment of Remuneration to Sri Dharam Chand Baheti for the period 01.04.2019 to 31.03.2022

“RESOLVED THAT the remuneration payable to Sri Dharam Chand Baheti (DIN:00040953), Managing Director of the Company for the year 2019-2020 and remainder of his term till 31st March, 2022 in terms of the special resolution passed by the shareholders at the Extraordinary General Meeting held on 27th March, 2018 and Agreement dated 1st April, 2018 entered into between the Company and Sri Dharam Chand Baheti, and pursuant to the recommendations of the Nomination and Remuneration Committee, be paid to him as minimum remuneration notwithstanding that the Company has losses or its profits are inadequate during the said year and the remainder of his term till 31st March, 2022 thereof, subject to compliance of conditions specified in the second proviso to item (B) of Section II of Part II of Schedule V of Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

#### 10. AS A SPECIAL RESOLUTION :

##### Approval and Ratification for Inter Corporate Loans under section 185 of The Companies Act, 2013

“RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions of the Companies Act, 2013 (the `Act`) read with Companies (Meetings of Board and its Powers) Rules, 2014, and other laws as may be applicable, (including any amendment(s), statutory modification(s) or re-enactment thereof), and recommendation of the Audit Committee, and subject to the such other approvals, consents, permissions and sanctions from appropriate authorities as may be required, members of the Company do hereby confirm, ratify and approve the financial assistance granted to Joonktolee Tea & Industries Limited (JTIL), a related party of the Company within the meaning of Section 2(76) of the Companies Act, 2013, by way of providing loan in tranches for an aggregate amount not

exceeding INR 15 crores on the terms and conditions mutually agreed/to be agreed between the Company and JTIL.”

“RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution”.

#### Registered Office:

21, Strand Road  
Kolkata – 700 001

Dated: 28th July, 2020

By Order of the Board

**Ajay Kumar Agarwal**  
Company Secretary

#### 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 and Circular No. 20/2020 dated May 5, 2020 prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circular, the 98th AGM of the members will be held through Video Conferencing(VC)/Other Audio Visual Means (OAVM). 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](http://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](mailto:scrutiniser@rediffmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).





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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](http://www.glosterjute.com) and sending it to [ajay@glosterjute.com](mailto:ajay@glosterjute.com).
5. Members are requested to participate on first come first serve basis, as participation through video conferencing is limited and will be closed on expiry 15 minutes from the schedule time of AGM. Members can login and join 15 (Fifteen) minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted up to 1000 members only. Instruction and other information for members for attending the AGM through VC/OAVM are given in this Notice under Note No. 29.
6. 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.
7. Messrs Price Waterhouse & Co. LLP, Chartered Accountants, (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.
8. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Items of Special Business is annexed hereto.
9. 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.
10. Pursuant to section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2020 to 26th September, 2020 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend declared at the meeting.
11. Pursuant to provisions of Section 126 of the Companies Act, 2013, the dividend as recommended by the Board, if approved by the members at the meeting, will be payable subject to deduction of tax at source after 26th September, 2020 (date of AGM).
  - i. To all beneficial owners in respect of shares held in dematerialized form as per the data made available by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on 19th September, 2020.
  - ii. To all members in respect of shares held in physical form whose name appears in the Register of Members as on 19th September, 2020.
12. 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 available with the Company's record once the normalcy in postal services resumes.
13. 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.
14. 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.
15. 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 be available for inspection in electronic mode. Members can inspect the same by sending an email to the Company at [ajay@glosterjute.com](mailto:ajay@glosterjute.com).
16. Unpaid or unclaimed dividend have been transferred for the years prior to and including the financial year 2011-12, 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 2012-13 is due for transfer to the Investor Education & Protection Fund (IEPF), in August 2020. 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 13th August, 2019 (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 31.03.2013 and onwards as applicable, are requested to contact the Company forthwith.

17. 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.
18. 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).
19. 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.
20. Trading in Equity Shares of the Company is under compulsory demat trading. As per revised Regulation 40 of SEBI (LODR) 2015 shares are transferred only in dematerialized mode effective from 1st April, 2019 and therefore shareholders are requested to dematerialize their existing shares held in physical form.
21. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 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 2019-20 will also be available on the Company's website [www.glosterjute.com](http://www.glosterjute.com) and website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com).
22. 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](mailto:ajay@glosterjute.com) so as to enable the management to keep the information ready at the AGM.
23. 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.

24. 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.
25. 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.
26. 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.
27. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
28. Pursuant to the amendments introduced by the Finance Act, 2020 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. No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed ₹ 5,000. The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company.

### 29. Voting through electronic means

#### CDSL e-Voting System – For Remote e-voting and e-voting during AGM

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)/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 1,000 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](http://www.glosterjute.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://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](http://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.

**THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins on 23 rd September, 2020 at 9.00 A.M. (IST) and ends on 25 th September, 2020 at 5.00 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 19 th September, 2020, 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) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on “Shareholders” module.
- (v) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- 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.

OR

Alternatively, if you are registered for CDSL’s **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL’s **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
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"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details	<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>
OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>• 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 as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) 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.

- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Gloster Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

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 Company/RTA email id.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com>

[evotingindia.com](https://www.evotingindia.com) under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. 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 at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). 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 (company email id). These queries will be replied to by the company.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. 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.
3. 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.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**(xx) Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](https://www.evotingindia.com) and register themselves in the "Corporates" module.



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- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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 and to the Company at the email address [scrutiniser@rediffmail.com](mailto:scrutiniser@rediffmail.com) and [ajay@glosterjute.com](mailto:ajay@glosterjute.com) respectively, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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](mailto: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 19 th September, 2020 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. 19 th September, 2020 may obtain login ID and password by sending a request at [mdpldc@yahoo.com](mailto: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, not later than 48 hours of conclusion of the Meeting, 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](http://www.glosterjute.com) and also be displayed on the Notice board of the Company at its registered office and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the results are declared.

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

##### **Item No. 4**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 21st July, 2020, approved the appointment of Sri Rohit Bihani (DIN:00179927), as an Additional Director on the Board of the Company in Independent category with effect from 21st July, 2020 for a continuous period of five years, subject to regularization/ approval by the shareholders of the Company at the AGM.

In terms of Section 161(1) of the Companies Act, 2013, Sri Rohit Bihani holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as a Director, not liable to retire by rotation, subject to the approval of the shareholders. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Sri Rohit Bihani for the office of Independent Director of the Company.

The Company has received from Sri Rohit Bihani (i) consent to act as Director, if appointed, in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration to the effect that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act, Rules thereunder and under the Listing Regulations.

Copy of draft letter of appointment of Sri Rohit Bihani setting out the terms and conditions of appointment shall be open for inspection by the Members in electronic mode.

In terms of Section 152 of the Companies Act, 2013 read with Rules framed thereunder, the Board of Directors is of the opinion that Sri Rohit Bihani, proposed to be appointed as Director, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and Listing Regulations and that he is independent of the Company's management. He also possesses appropriate skills, experience and knowledge required for discharge of his duties as an Independent Director.

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

Except the appointee Director, 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.



Other details in respect of appointment of Directors in terms of Regulation 36(3) of the SEBI (LODR) Regulations, 2015, Companies Act, 2013 and Secretarial Standards on General Meetings is annexed to this notice.

#### **Item No. 5**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 21st July, 2020, approved the appointment of Ms. Ishani Ray (DIN: 08800793), as an Additional Director on the Board of the Company in Independent category with effect from 21st July, 2020 for a continuous period of five years, subject to regularization/ approval by the shareholders of the Company at the AGM.

In terms of Section 161(1) of the Companies Act, 2013, Ms. Ishani Ray holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as a Director, not liable to retire by rotation, subject to the approval of the shareholders. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Ishani Ray for the office of Independent Director of the Company.

The Company has received from Ms. Ishani Ray (i) consent to act as Director, if appointed, in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and (iii) declaration to the effect that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act, Rules thereunder and under the Listing Regulations.

Copy of draft letter of appointment of Ms. Ishani Ray setting out the terms and conditions of appointment shall be open for inspection by the Members in electronic mode.

In terms of Section 152 of the Companies Act, 2013 read with Rules framed thereunder, the Board of Directors is of the opinion that Ms. Ishani Ray, proposed to be appointed as Director, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and Listing Regulations and that she is independent of the Company's management. She also possesses appropriate skills, experience and knowledge required for discharge of her duties as an Independent Director.

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

Except the appointee Director, 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. 5.

Other details in respect of appointment of Directors in terms of Regulation 36(3) of the SEBI (LODR) Regulations, 2015, Companies Act, 2013 and Secretarial Standards on General Meetings is annexed to this notice.

#### **Item No. 6**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 21st July, 2020, approved the appointment of Ms. Priti Panwar (DIN: 08072073), as an Additional Director on the Board of the Company with effect from 21st July, 2020. Ms. Priti Panwar has been nominated as a Director by Life Insurance Corporation of India (LIC) to represent it on the Board of the Company.

In terms of Section 161(1) of the Companies Act, 2013, Ms. Priti Panwar holds office upto the date of the ensuing Annual General Meeting of the Company. The Company has received notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Priti Panwar for the office of Director of the Company.

The Company has received from Ms. Priti Panwar (i) consent to act as Director, if appointed, in writing in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) disclosure in Form DIR-8 pursuant to Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013.

In terms of Section 152 of the Companies Act, 2013 read with Rules framed thereunder, the Board of Directors is of the opinion that Ms. Priti Panwar, proposed to be appointed as Director, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and Listing Regulations. She also possesses appropriate skills, experience and knowledge required for discharge of her duties as a Director.

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

Except the appointee Director, 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. 6.

Other details in respect of appointment of Directors in terms of Regulation 36(3) of the SEBI (LODR) Regulations, 2015, Companies Act, 2013 and Secretarial Standards on General Meetings is annexed to this notice.

#### **Item No. 7**

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, 2021 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.



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

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. 7.

**Item No. 8**

Sri Hemant Bangur, Executive Chairman of the Company, has rich and 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. The remuneration paid to Sri Hemant Bangur for the Financial Year 2019-2020, is as per the terms of his appointment and remuneration approved by the Members at the EGM held on 27th March, 2018 and is within the overall limits approved by them.

Remuneration paid to Sri Hemant Bangur, Executive Chairman along with remuneration paid to Sri D.C. Baheti, Managing Director for the year 2019-2020 exceeds the limit of 10% of the

net profits of the Company as prescribed in section 197 of the Companies Act, 2013.

Accordingly, in view of the inadequacy of profits as aforesaid, approval of Members is being sought for the remuneration payable to Sri Hemant Bangur, Executive Chairman of the Company for the period 1st April, 2019 to 31st March, 2021 as minimum remuneration, pursuant to Section II of Part II of Schedule V of the Companies Act 2013 as amended from time to time.

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

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. 8.

The other information as required under Section II of Part II of Schedule V to the Companies Act. 2013 is given as under:-

<b>Nature of Industry</b>	<b>Jute</b>			
Date or expected date of commencement of commercial operation	The Company is an existing Company incorporated on 02.01.1923.			
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
Financial performance based on given indicators	₹ in lakhs			
	Particulars for the Financial Year ended	Total revenue	Profit before Tax	Profit after tax
	31st March 2020	50,515.99	2,812.42	1,928.65
	31st March 2019	51,751.31	6,764.37	4,415.35
	31st March 2018	47,858.81	6,520.24	4,128.54
Foreign Invesments or collaborations, If any:	Except investment in Equity Shares of the Company there are no other Foreign Invesments or collaborations			
Information about the appointees				
Name of the Director	Sri Hemant Bangur			
Background Details	Sri Hemant Bangur is Executive Chairman of the Company, has rich and 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.			

Past Remuneration	₹ 321.08 lakhs for the financial year 2018-19
Recognition & awards	None
Job profile & suitability	His expertise in operations, finance, taxation and legal matters has been instrumental in growth of the Company
Remuneration proposed	As per Resolution
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):	The remuneration was paid as per standard remuneration being drawn in similar positions in jute industry.
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel if any	None
<b>Other Information</b>	
Reasons of loss or inadequate profits	General business condition and exceptional items
Steps taken or proposed to be taken for improvement	Cost reduction measures, improvement measures for increased efficiency in production, modernization of machines
Expected increase in productivity and profits in measurable terms	The financial results of the company are expected to generate better profits in coming years due to cost reduction measures, improvement measures for increased efficiency in production, modernization of machines

**Item No. 9**

Sri D.C. Baheti, Managing Director of the Company, has rich and wide experience in jute industry and under his leadership the Company has witnessed phenomenal growth. The remuneration paid Sri D.C. Baheti for the Financial Year 2019-2020, is as per the terms of his appointment and remuneration approved by the Members at the EGM held on 27th March, 2018 and is within the overall limits approved by them.

Remuneration paid to Sri D.C. Baheti, Managing Director for the year 2019-2020 exceeds the limit of 5% of the net profits of the Company as prescribed in section 197 of the Companies Act, 2013.

Accordingly, in view of the inadequacy of profits as aforesaid, approval of Members is being sought for the remuneration payable to Sri D.C. Baheti, Managing Director of the Company for the period 1st April, 2019 to 31st March, 2022 pursuant to Section II of Part II of Schedule V of the Companies Act 2013 as amended from time to time.

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

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. 9.





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The other information as required under Section II of Part II of Schedule V to the Companies Act, 2013 is given as under:-

<b>Nature of Industry</b>	<b>Jute</b>																
Date or expected date of commencement of commercial operation	The company is an existing company incorporated on 02.01.1923.																
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																
Financial performance based on given indicators	₹ in lakhs																
	<table border="1"> <thead> <tr> <th>Particulars for the Financial Year ended</th> <th>Total revenue</th> <th>Profit before Tax</th> <th>Profit after tax</th> </tr> </thead> <tbody> <tr> <td>31st March 2020</td> <td>50,515.99</td> <td>2,812.42</td> <td>1,928.65</td> </tr> <tr> <td>31st March 2019</td> <td>51,751.31</td> <td>6,764.37</td> <td>4,415.35</td> </tr> <tr> <td>31st March 2018</td> <td>47,858.81</td> <td>6,520.24</td> <td>4,128.54</td> </tr> </tbody> </table>	Particulars for the Financial Year ended	Total revenue	Profit before Tax	Profit after tax	31st March 2020	50,515.99	2,812.42	1,928.65	31st March 2019	51,751.31	6,764.37	4,415.35	31st March 2018	47,858.81	6,520.24	4,128.54
Particulars for the Financial Year ended	Total revenue	Profit before Tax	Profit after tax														
31st March 2020	50,515.99	2,812.42	1,928.65														
31st March 2019	51,751.31	6,764.37	4,415.35														
31st March 2018	47,858.81	6,520.24	4,128.54														
Foreign Invesments or collaborations, If any:	Except investment in Equity Shares of the Company there are no other Foreign Investments or collaborations																
Information about the appointees																	
Name of the Director	Sri D.C. Baheti																
Background Details	Sri D.C. Baheti, Managing Director of the Company, has rich and wide experience in jute industry and under his leadership the Company has witnessed phenomenal growth.																
Past Remuneration	₹ 304.85 lakhs for the financial year 2018-19																
Recognition & awards	None																
Job profile & suitability	His in depth understanding of business has led to growth of the business and set high performance standards.																
Remuneration proposed	As per Resolution																
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):	The remuneration was paid as per standard remuneration being drawn in similar positions in jute industry.																
Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel if any	None																
Other Information																	
Reasons of loss or inadequate profits	General business condition and exceptional items																
Steps taken or proposed to be taken for improvement	Cost reduction measures, improvement measures for increased efficiency in production, modernization of machines																
Expected increase in productivity and profits in measurable terms	The financial results of the company are expected to generate better profits in coming years due to cost reduction measures, improvement measures for increased efficiency in production, modernization of machines																

**Item No. 10**

The Company had received a request from Joonktollee Tea & Industries Limited ('JTIL') to grant financial assistance of an aggregate amount of ₹ 15 crores. In view of the urgency, your Company has extended loan to JTIL for an amount of ₹ 2.50 crores carrying interest of 12% per annum in tranches. It is to be noted that the said loan is within the limits approved u/s 186 of the Companies Act, 2013 and after providing the said loan to JTIL, the Company have sufficient funds to meet its own business requirements. Such loan shall be utilised by the borrowing entity for its operational/working capital requirements / expansion of its activities, as may be required, for general corporate purposes and for the matters connected and incidental thereto.

However, since Sri Hemant Bangur and Smt. Pushpa Devi Bangur, being common directors in both Gloster Limited and JTIL and holding 25.82% of total paid up share capital of JTIL, any grant

of loan by Gloster Limited to JTIL would require approval of shareholders of Gloster Limited by way of special resolution under section 185 of Companies Act, 2013.

The above transaction has been approved by the Audit Committee and the Board as per the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Keeping in view the above, the Board recommends the resolution set out at Item No. 10 of the Notice for approval by the shareholders.

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

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. 10.

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:

<b>Name</b>	<b>Sri Hemant Bangur</b>
<b>DIN</b>	00040903
<b>Nationality</b>	Indian
<b>Date of Birth</b>	21.04.1972
<b>Date of First Appointment on the Board</b>	28.02.2018
<b>Qualifications</b>	Post Graduate in International Trade
<b>Experience &amp; Expertise in specific functional areas</b>	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.
<b>Directorships in other Companies</b>	<ul style="list-style-type: none"> <li>i. Joonktollee Tea &amp; Industries Limited</li> <li>ii. Madhav Trading Corporation Limited</li> <li>iii. The Cambay Investment Corporation Limited</li> <li>iv. Laxmi Asbestos Products Limited</li> <li>v. Madhu Corporate Park Limited</li> <li>vi. The Phosphate Co. Limited</li> <li>vii. The Cochin Malabar Estates &amp; Industries Limited</li> <li>viii. Network Industries Limited</li> <li>ix. Fort Gloster Industries Limited</li> <li>x. The Marwar Textiles (Agency) Pvt. Ltd.</li> <li>xi. Bombay Agency Company Pvt. Limited</li> <li>xii. Credwyn Holdings (I) Pvt. Limited</li> </ul>



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<b>Terms and conditions of appointment/ reappointment</b>	Sri Hemant Bangur is Executive Chairman of the Company, who retires by rotation and is seeking re-appointment. Sri Hemant Bangur is also seeking approval of shareholders for remuneration for period 01.04.2019 to 31.03.2021.
<b>Details of remuneration sought to be paid</b>	As stated in the Resolution no. 8
<b>Remuneration last drawn</b>	₹ 1,44,50,000
<b>Chairman/Member of Committees of the Board of other Companies of which he is a Director</b>	<b>Audit Committee</b> Joonktolee Tea & Industries Limited (Member) <b>Stakeholders Relationship Committee</b> Joonktolee Tea & Industries Limited (Member) The Phosphate Company Limited (Member)
<b>Shareholding in the Company</b>	3,76,139 shares
<b>Relationship with other Directors &amp; Key Managerial Personnel</b>	Son of Smt. Pushpa Devi Bangur, Non-Executive Director
<b>No. of Board Meetings attended during the year 2019-20</b>	4 of 4
<b>Name</b>	<b>Sri Rohit Bihani</b>
<b>DIN</b>	00179927
<b>Nationality</b>	Indian
<b>Date of Birth</b>	30.12.1972
<b>Date of First Appointment on the Board</b>	21.07.2020
<b>Qualifications</b>	MBA from Manchester Business School
<b>Experience &amp; Expertise in specific functional areas</b>	Finance, Business Management & Education
<b>Directorships in other Companies</b>	i. Bihani Steel Processors Private Limited ii. Balaji Abasan Private Limited iii. Sarvoday Promoters Pvt Ltd iv. Flawless Exports Pvt Ltd v. Vision Procon Pvt Ltd vi. Proctor Marketing Pvt Ltd vii. Dynasty Agents Pvt Ltd viii. Wrinkle Distributors Private Limited ix. Popular Commercial Private Limited x. Darpan Vinimay Private Limited xi. Giriraj Vyapaar Private Limited xii. Times Finance Pvt Ltd xiii. Purbachal Financial Services Pvt.Ltd. xiv. Shree kunj Promoters Pvt Ltd xv. Shivaangan Realtors Private Limited xvi. Starmark Properties Private Limited xvii. Bihani Educare Private Limited xviii. The Bengal Rowing Club xix. Madhuwan Together Forever Club



<b>Terms and conditions of appointment/ reappointment</b>	Sri Rohit Bihani has been appointed as an Independent Director by the Board of Directors w.e.f. 21.07.2020 and approval of the shareholders is being sought for appointment as an Independent Director
<b>Details of remuneration sought to be paid</b>	Sri Rohit Bihani would be appointed as an Independent Director
<b>Remuneration last drawn</b>	Not Applicable
<b>Chairman/Member of Committees of the Board of other Companies of which he is a Director</b>	None
<b>Shareholding in the Company</b>	None
<b>Relationship with other Directors &amp; Key Managerial Personnel</b>	None
<b>No. of Board Meetings attended during the year 2019-20</b>	Not Applicable
<b>Name</b>	<b>Ms. Ishani Ray</b>
<b>DIN</b>	08800793
<b>Nationality</b>	Indian
<b>Date of Birth</b>	04.01.1964
<b>Date of First Appointment on the Board</b>	21.07.2020
<b>Qualifications</b>	M.Com & Chartered Accountant
<b>Experience &amp; Expertise in specific functional areas</b>	Strategic planning and financial management
<b>Directorships in other Companies</b>	None
<b>Terms and conditions of appointment/ reappointment</b>	Ms. Ishani Ray has been appointed as an Independent Director by the Board of Directors w.e.f. 21.07.2020 and approval of the shareholders is being sought for appointment as an Independent Director
<b>Details of remuneration sought to be paid</b>	Ms. Ishani Ray would be appointed as an Independent Director
<b>Remuneration last drawn</b>	Not Applicable
<b>Chairperson/Member of Committees of the Board of other Companies of which she is a Director</b>	None
<b>Shareholding in the Company</b>	None
<b>Relationship with other Directors &amp; Key Managerial Personnel</b>	None
<b>No. of Board Meetings attended during the year 2019-20</b>	Not Applicable



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<b>Name</b>	<b>Ms. Priti Panwar</b>
<b>DIN</b>	08072073
<b>Nationality</b>	Indian
<b>Date of Birth</b>	21.04.1962
<b>Date of First Appointment on the Board</b>	21.07.2020
<b>Qualifications</b>	Bsc, M.A. Licentiate (III)
<b>Experience &amp; Expertise in specific functional areas</b>	Fund Management
<b>Directorships in other Companies</b>	LIC Pension Fund Ltd.
<b>Terms and conditions of appointment/ reappointment</b>	Ms. Priti Panwar has been appointed as a Non Executive Director by the Board of Directors w.e.f. 21.07.2020 and approval of the shareholders is being sought for appointment as a Non Executive Director
<b>Details of remuneration sought to be paid</b>	Ms. Priti Panwar would be appointed as a Non Executive Director
<b>Remuneration last drawn</b>	Not Applicable
<b>Chairperson/Member of Committees of the Board of other Companies of which she is a Director</b>	None
<b>Shareholding in the Company</b>	None
<b>Relationship with other Directors &amp; Key Managerial Personnel</b>	None
<b>No. of Board Meetings attended during the year 2019-20</b>	Not Applicable

<b>Name</b>	<b>Sri D.C. Baheti</b>
<b>DIN</b>	00040953
<b>Nationality</b>	Indian
<b>Date of Birth</b>	02.10.1947
<b>Date of First Appointment on the Board</b>	28.02.2018
<b>Qualifications</b>	B.Com
<b>Experience &amp; Expertise in specific functional areas</b>	Sri D.C. Baheti, has a wide experience in the jute industry & marketing. He is a special invitee for presentation of Sustainable operations of jute industry to Euro Jute members. In the past he has been Chairman of Indian Jute Industries Research Association, Chairman of Jute Products Development & Export Promotion Council; Chairman, Consultative Board of International Jute Study Group, Member of Technical Textile Committee and Member of the High Powered Committee for the 12th Five Year Plan constituted under Ministry of Textiles, Government of India.
<b>Directorships in other Companies</b>	<ul style="list-style-type: none"> <li>i. Gloster Lifestyle Limited</li> <li>ii. Gloster Specialities Limited</li> <li>iii. Gloster Nuvo Limited</li> <li>iv. Jagdishpur Company Limited</li> <li>v. Network Industries Limited</li> <li>vi. Fort Gloster Industries Limited</li> <li>vii. Indian Jute Mills Association</li> </ul>
<b>Terms and conditions of appointment/ reappointment</b>	Sri D.C. Baheti is seeking approval of shareholders for remuneration for period 01.04.2019 to 31.03.2022.
<b>Details of remuneration sought to be paid</b>	As stated in the Resolution
<b>Remuneration last drawn</b>	₹ 1,81,02,000
<b>Chairman/Member of Committees of the Board of other Companies of which he is a Director</b>	None
<b>Shareholding in the Company</b>	2,128 shares
<b>Relationship with other Directors &amp; Key Managerial Personnel</b>	None
<b>No. of Board Meetings attended during the year 2019-20</b>	4 of 4

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.





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## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors take pleasure in presenting the Ninety Eighth Annual Report of your Company together with the Audited Financial Statements Accounts for the financial year ended 31st March, 2020.

### FINANCIAL RESULTS

The highlights of the financial results of the Company for the year ended 31st March, 2020 are as under:

(₹ lakhs)

Particulars	Standalone		Consolidated	
	Year Ended 31.3.2020	Year Ended 31.3.2019	Year Ended 31.3.2020	Year Ended 31.3.2019
Revenue from operations	49,490.85	50,138.31	49,490.85	50,138.31
Other Income	1,025.14	1,613.00	1,111.28	1,707.43
Total Income	50,515.99	51,751.31	50,602.13	51,845.74
Profit before Tax	2,812.42	6,764.37	2,861.56	6,853.65
Tax Expense	883.77	2,349.02	904.34	2,358.48
Profit for the year	1,928.65	4,415.35	1,957.22	4,495.17
Other Comprehensive Income (net of tax)	(2,525.67)	(590.90)	(2,539.44)	(560.47)
<b>Total Comprehensive Income</b>	<b>(597.02)</b>	<b>3,824.45</b>	<b>(588.22)</b>	<b>3,934.70</b>

### DIVIDEND AND RESERVES

Your Directors are pleased to recommend for your approval a dividend of 150% i.e ₹ 15 per equity share of face value of ₹ 10 each for the year ended 31st March, 2020, 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 ₹ 820.74 lakhs.

During the year under review, a sum of ₹1,500 lakhs was transferred to General Reserve.

### OPERATIONS & STATE OF COMPANY'S AFFAIRS

A. The production during the year under review has been 48,222 MT in comparison to 49,985 MT in the previous year. Sales and turnover for the year under review stood at 47,633 MT & ₹ 48,605.46 lakhs as against 50,928 MT & ₹ 49,117.56 lakhs respectively in the previous year. For the year under review, net profit of the Company stood at ₹ 1,928.65 lakhs as against ₹ 4,415.35 lakhs in the previous year.

Exports of the Company for the year under review stood at ₹ 10,062.09 lakhs as against ₹ 12,666.43 lakhs in the year 2018-19.

The raw jute crop in the ongoing season has been badly impacted because of the affect of Cyclone Amphan followed by heavy monsoon rains. However the carryover stock of raw jute from the previous season is very high owing to production loss caused by lockdowns due to Covid pandemic.

Demand from Government Orders, domestic & export markets has been stable apart from the last quarter due to the impact of COVID-19. The Company is continuously exploring newer export markets for traditional and diversified jute products.

During the financial year under review the Company had submitted Resolution Plans for acquisition of 2 Companies namely Network Industries Ltd. and Fort Gloster Industries Ltd., through Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code ("IBC"). The Company was declared as the successful Resolution Applicant by National Company Law Tribunal, Kolkata Bench for both the Companies under CIRP i.e. for Network Industries Ltd. vide Order dated 4th July 2019 and for Fort Gloster Industries Ltd vide Order dated 27th September 2019. Network Industries Ltd had since become wholly owned subsidiary of the Company. The matter relating to Fort Gloster Industries Ltd. is sub-judice at National Company Law Appellate Tribunal, New Delhi.

During the financial year the Company has incorporated a wholly owned subsidiary namely Gloster Nuvo Ltd. on 27th January, 2020.

B. 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 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 to 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 13th April 2020, and rating for long-term bank facilities is 'CRISIL A+/Stable' and for short-term bank facilities is 'CRISIL A1+'.

**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 continue to be wholly owned subsidiaries of your Company.

During the year under review Network Industries Limited has become wholly owned subsidiaries of the Company.

Further during the year a new wholly owned subsidiary Gloster Nuvo Limited has been incorporated.

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

None of the companies have ceased to be associates and joint ventures 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 [www.glosterjute.com/Acctssubco.html/](http://www.glosterjute.com/Acctssubco.html/). 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 [www.glosterjute.com/documents/PDMS/pdf](http://www.glosterjute.com/documents/PDMS/pdf).

**PERFORMANCE OF SUBSIDIARY COMPANIES****Gloster Lifestyle Limited**

The Gross revenue of the Company stood at ₹ 38.50 lakhs (Previous

Year ₹47.92 lakhs). Profit after tax for the year stood at ₹ 24.02 lakhs (Previous Year ₹ 38.20 lakhs) and Total Comprehensive Income stood at ₹ 17.36 lakhs (Previous Year ₹53.42 lakhs).

**Gloster Specialities Limited**

The Gross revenue of the Company stood at ₹ 49.85 lakhs (Previous Year ₹ 64.25 lakhs). Profit after tax for the year stood at ₹ 14.05 lakhs (Previous Year ₹ 41.63 lakhs) and Total Comprehensive Income stood at ₹ 6.94 lakhs (Previous Year ₹ 56.85 lakhs).

**Network Industries Limited**

The Company became a wholly owned subsidiary of Gloster Limited pursuant to Order dated 4th July 2019 passed by the National Company Law Tribunal, Kolkata.

The Gross revenue of the Company stood at ₹ Nil and Loss for the period 04.07.2019 to 31.03.2020 stood at ₹ 6.99 lakhs.

**Gloster Nuvo Limited**

The Company was incorporated on 27th January 2020 and is yet to commence its business operations.

**CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company for the year ended 31st March 2020 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 form 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, 2020 at ₹ 547.16 lakhs. During the year under review, the Company has not granted any stock options or sweat equity. As on 31st March, 2020, 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 4 (four) Board Meetings were held on 14th May 2019, 13th August 2019, 13th November 2019 and 10th February 2020. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

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

**MEETINGS OF INDEPENDENT DIRECTORS**

During the financial year 2019-20, the Independent Directors met separately on 10th February, 2020, and inter-alia discussed the following:



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- 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 Hemant Bangur, Director (DIN -00040903) retires by rotation at the forthcoming Annual General Meeting and, being eligible offers herself for re-appointment.

Sri S.B. Mainak an Independent Director resigned from the Board of Company with effect from 15th February 2020, citing personal reasons.

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

- Sri Rohit Bihani (DIN - 00179927) who in the opinion of the Board is a person of integrity & experience and fulfills all the criteria of the Independence, has been appointed as an Additional Director in the Category of Independent Director with effect from 21.07.2020 for a period of 5 years.
- Ms. Ishani Ray (DIN - 08800793) who in the opinion of the Board is a person of integrity & experience and fulfills all the criteria of the Independence, has been appointed as an Additional Director in the Category of Independent Women Director with effect from 21.07.2020 for a period of 5 years.

- Ms. Priti Panwar (DIN - 08072073) who in the opinion of the Board is a person of integrity & experience, has been appointed as an Additional Director (Non Executive) with effect from 21.07.2020.

The above Directors are seeking appointment at the ensuing Annual General Meeting.

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 <http://www.glosterjute.com/documents/apntdir.pdf>.

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, Sri Hemant Bangur - Executive Chairman, Sri Dharam Chand Baheti - Managing Director, Sri Ajay Kumar Agarwal - Company Secretary and Sri Shankar Lal Kedia - CFO.

The Directors have recommended to the shareholders for approval that remuneration of Sri Hemant Bangur, Executive Chairman and Sri D.C. Baheti as Managing Director approved at the Extraordinary General Meeting held on 27th March 2018 be paid as the Minimum Remuneration.

#### **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.

#### FAMILIARIZATION PROGRAMME

The Independent Directors have been familiarized with the nature of operations of the Company & the industry in which it operates and 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 <http://www.glosterjute.com/documents/FPID.pdf>.

#### 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 <http://www.glosterjute.com/documents/WBPolicy.pdf>.

#### 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 with the intention to further the Company's interest. 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 <http://www.glosterjute.com/documents/RPTPolicy.pdf>.

The details of the transactions with related parties during 2019-20 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 amongs 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 <http://www.glosterjute.com/documents/CSRPolicy.pdf>.

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

\* Appointed with effect from 21.07.2020

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.

The Company has been judicious to choose the activities and also to identify the areas. During the year, applications were received from a few organizations activities of which were aligned to the CSR policy of Company. The amount earmarked for "Ensuring environment Sustainability, protection of flora & fauna, conservation of natural resources" could not be spent in full because regulatory clearances could not be received. The contributions made to the shortlisted organizations and the amount spent directly by the Company however fell short of the total obligation. The Company is committed to fulfill its CSR obligations during the coming financial years.

#### 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. LLP, Chartered Accountants, (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 2019-20 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 has appointed M/s D. Radhakrishnan & Co., Cost Accountants as the Cost Auditors of the Company for the Financial Year 2020-21 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 2019-20.

The Secretarial Audit Report for the financial year ended 31st March, 2020 is attached as **Annexure IV** and forms part of this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

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

#### EXTRACT OF ANNUAL RETURN

Extracts of the Annual return in Form MGT 9 pursuant to Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is attached as **Annexure V** and forms part of this Report.

#### 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 VI** 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 VII 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 VII B** 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 VIII**

#### **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.

#### **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 players.

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.

Place : Kolkata

Dated : 28th July, 2020

**For & on behalf of the Board**

**Hemant Bangur** - Executive Chairman

**Dharam Chand Baheti** - Managing Director





## ANNEXURE-I TO THE DIRECTOR'S REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS

#### a) Industry structure and developments

By a notification during the year under review, 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. The said notification is valid up to 30th June 2020.

#### 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 biodegradable & 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;
- The Government is incentivizing export through schemes such as Merchandise Exports from India Scheme (MEIS) and Rebate of State

and Central Taxes and Levies (RoSCTL) on export of garments and made ups.

##### Risk & Concern/ Threat

- 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	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment revenue by location of customers	38,543.37	36,451.13	10,062.09	12,666.43	48,605.46	49,117.56

#### d) Outlook

The raw jute crop in the ongoing season has been badly impacted because of the affect of Cyclone Amphan followed by heavy monsoon rains. However the carryover stock of raw jute from the previous season is very high owing to production loss caused by lockdowns due to Covid pandemic.

Demand from Government quarters, domestic & export markets have been strong and stable apart from the last quarter due to the impact of COVID-19. The Company is continuously exploring newer export markets for traditional and diversified jute products.

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

(₹ lakhs)

Particulars	2019-20	2018-19	Increase/ (Decrease)
Revenue from operations	49,490.85	50,138.31	(647.46)
Raw material cost	26,203.60	23,930.94	2,272.66
Finance costs	288.72	140.66	148.06
Profit for the year	1,928.65	4,415.35	(2,486.70)

#### 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:

#### 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

None of the Key financial ratios specified by in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 except Interest coverage ratio, Operating Profit margin and net Profit margin have changed beyond the 25% threshold. The Interest Coverage Ratio, Operating Profit margin and Net Profit margin has changed beyond 25% due to charge of ₹15 crores of exceptional item in the current financial year. Consequently return on Net Worth has also declined.

#### 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.
- 4.1.5.6 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.
- 4.1.5.7 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/ INITIATIVES

#### [Pursuant to Section 135 of the Act & Rules made thereunder]

1. 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. In terms of section 135 of the Companies Act, 2013, the Board of Directors of the Company has constituted a CSR Committee.

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. The CSR policy is available on the website of the Company and can be accessed at <http://www.glosterjute.com/documents/CSRPolicy.pdf>.

During the year the CSR activities of the Company focused on Eradicating hunger, poverty, malnutrition, promoting health care including preventive health care, Promoting education, including special education and Ensuring environment Sustainability, protection of flora & fauna, conservation of natural resources. The Company will continue to give thrust on the activities initiated during the year under review.

1. The Composition of the CSR Committee as at 31st March 2020 is as under:

Smt. Pushpa Devi Bangur : Chairperson  
Sri Dharam Chand Baheti : Member  
Sri Prabir Ray : Member

At Board Meeting held on 21.07.2020 the CSR Committee has been reconstituted as under :

Smt. Pushpa Devi Bangur : Chairperson  
Sri Dharam Chand Baheti : Member  
Sri Rohit Bihani : Member  
Ms. Priti Panwar : Member

2. Average net profit of the company for last three financial years - ₹ 6,454.53 lakhs

3. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) – ₹129.09 lakhs

4. Details of CSR spent during the financial year

- Total amount to be spent for the financial year - ₹ 130.26 lakhs
- Total Amount spent during the year - ₹73.80 lakhs
- Amount unspent, if any – ₹56.46 lakhs
- Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR Project or activity identified	Sector in which the project is covered (vide schedule VII to the Companies Act, 2013)	Projects or programs Local area or other Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹ in lakhs)	Amount spent on the projects or programs Sub heads (₹ in lakhs)	Cumulative expenditure up to the reporting period (₹ in lakhs)	Amount spent: Direct or through implementing agency
A	Eradicating hunger, poverty, malnutrition, promoting health care including preventive health care and sanitation	Eradicating hunger, poverty, malnutrition, promoting health care including preventive health care and sanitation	Kolkata & Bauria, Howrah, West Bengal	45.00	40.50	40.50	Direct
B	Ensuring environment Sustainability, protection of flora & fauna, conservation of natural resources	Ensuring environment Sustainability, protection of flora & fauna, conservation of natural resources	Kolkata, West Bengal	105.00	33.30	33.30	Direct

There is no unspent committed amount towards CSR activities.





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5. The Company has been judicious to choose the activities and also to identify the areas. During the year, applications were received from a few organizations activities of which were aligned to the CSR policy of Company. The amount earmarked for “Ensuring environment Sustainability, protection of flora & fauna, conservation of natural resources” could not be spent in full because regulatory clearances could not be received. The

contributions made to the shortlisted organizations and the amount spent directly by the Company however fell short of the total obligation. The Company is committed to fulfill its CSR obligations during the coming financial years.

6. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

**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 31<sup>ST</sup> MARCH, 2020

[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 31<sup>st</sup> March, 2020, 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 31<sup>st</sup> March, 2020, 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 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 on 31.03.2020 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 and 1 Non-Executive Director and thereby the Board of Directors consists of 8 Directors.

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 granted loan to a group company in which the directors of the Company are interested. The Company shall seek approval of shareholders as required under Section 185 of Companies Act, 2013 in the ensuing general meeting.

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

Manoj Kumar Banthia

[Partner]

Date: 28.07.2020

Place: Kolkata

UDIN: A011470B000518350

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

## 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: There was lockdown declared by the Central Government in the country due to COVID-19 pandemic since 24th March 2020. During the Lockdown, for carrying on and completion of the Audit, documents /details have been provided by the Company through electronic mode and the same have been verified by us.

For **MKB & Associates**

Company Secretaries

**Manoj Kumar Banthia**

[Partner]

Date: 28.07.2020

Place: Kolkata

UDIN: A011470B000518350

ACS no. 11470

COP no. 7596

FRN: P2010WB042700

## ANNEXURE-V TO THE DIRECTORS REPORT

FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31.03.2020

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of The Companies  
(Management & Administration) Rules, 2014)

#### 1. REGISTRATION & OTHER DETAILS :

1. CIN	L17100WB1923PLC004628
2. Registration Date	02.01.1923
3. Name of the Company	Gloster Limited
4. Category/Sub-category of the Company	Public Company limited by Shares
5. Address of the Registered Office & contact details	21, Strand Road, Kolkata 700 001 Phone nos. +91 33 22309601 (4 lines) Fax +91 33 22106167, +91 33 22314222
6. Whether listed company	Yes
7. Name, Address & contact details of the Registrar & Transfer Agent, if any,	Maheshwari Datamatics Pvt. Ltd. 23,R.N. Mukherjee Road, 5th floor, Kolkata 700 001 Phone +91 33 22435029 Email id – mdpldc@yahoo.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

Name and Description of main products/services	NIC Code of the products/services	% to total turnover of the Company
Jute Products	131, 139	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
1.	Gloster Lifestyle Limited 21, Strand Road. Kolkata - 700001	U18100WB2011PLC159678	Subsidiary Company	100%	Section2(87)
2.	Gloster Specialities Limited 21, Strand Road. Kolkata - 700001	U18109WB2011PLC159677	Subsidiary Company	100%	Section2(87)
3.	Network Industries Limited 21, Strand Road. Kolkata – 700001	U17111WB1989PLC046577	Subsidiary Company	100%	Section2(87)
4.	Gloster Nuvo Limited 21, Strand Road. Kolkata - 700001	U17299WB2020PLC236120	Subsidiary Company	100%	Section2(87)





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#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year [As on 1st April,2019]				No of Shares held at the end of the year [As on 31st March,2020]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	22,44,567	54,569	22,99,136	42.02	22,48,440	52,803	23,01,243	42.06	0.04
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	16,69,017	-	16,69,017	30.50	16,69,017	-	16,69,017	30.50	-
e) Banks/Fi	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>39,13,584</b>	<b>54,569</b>	<b>39,68,153</b>	<b>72.52</b>	<b>39,17,457</b>	<b>52,803</b>	<b>39,70,260</b>	<b>72.56</b>	<b>0.04</b>
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>39,13,584</b>	<b>54,569</b>	<b>39,68,153</b>	<b>72.52</b>	<b>39,17,457</b>	<b>52,803</b>	<b>39,70,260</b>	<b>72.56</b>	<b>0.04</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	1,993	4,828	6,821	0.12	1,993	4,828	6,821	0.12	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	9,21,277	1,10,000	10,31,277	18.85	9,40,174	10,000	9,50,174	17.36	(1.48)
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1):-</b>	<b>9,23,270</b>	<b>1,14,828</b>	<b>10,38,098</b>	<b>18.97</b>	<b>9,42,167</b>	<b>14,828</b>	<b>9,56,995</b>	<b>17.49</b>	<b>(1.48)</b>

Category of Shareholders	No of Shares held at the beginning of the year [As on 1st April,2019]				No of Shares held at the end of the year [As on 31st March,2020]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	53,202	2,874	56,076	1.02	92,168	2,209	94,377	1.72	0.70
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	3,19,897	39,620	3,59,517	6.57	3,43,888	35,431	3,79,319	6.93	0.36
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	12,032	-	12,032	0.22	37,391	-	37,391	0.68	0.46
c) Others (Specify)									
Non Resident Indians	7,796	-	7,796	0.14	7,191	-	7,191	0.13	(0.01)
Clearing Members	4,128	-	4,128	0.07	267	-	267	0.01	(0.06)
Trusts	7011	-	7011	0.13	7011	-	7011	0.13	-
Investor Education and Protection Fund Authority	18,819	-	18,819	0.34	18,819	-	18,819	0.34	-
<b>Sub-total(B)(2):-</b>	<b>4,22,885</b>	<b>42,494</b>	<b>4,65,379</b>	<b>8.50</b>	<b>5,06,735</b>	<b>37,640</b>	<b>5,44,375</b>	<b>9.94</b>	<b>1.44</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>13,46,155</b>	<b>1,57,322</b>	<b>15,03,477</b>	<b>27.48</b>	<b>14,48,902</b>	<b>52,468</b>	<b>15,01,370</b>	<b>27.44</b>	<b>(0.04)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>52,59,739</b>	<b>2,11,891</b>	<b>54,71,630</b>	<b>100</b>	<b>53,66,359</b>	<b>1,05,271</b>	<b>54,71,630</b>	<b>100</b>	<b>-</b>



ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April,2019]			Shareholding at the end of the year [As on 31st March,2020]			% Change in share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Pushpa Devi Bangur	7,89,636	14.43	-	7,89,636	14.43	-	-
2	The Oriental Company Limited	6,04,006	11.04	-	6,04,006	11.04	-	-
3	Madhav Trading Corporation Ltd	5,93,246	10.84	-	5,93,246	10.84	-	-
4	Vinita Bangur	4,46,352	8.16	-	4,46,352	8.16	-	-
5	Hemant Bangur	3,74,032	6.84	-	3,76,139	6.88	-	0.04
6	The Cambay Investment Corporation Ltd	2,66,953	4.88	-	2,66,953	4.88	-	-
7	Hemant Kumar Bangur HUF	2,61,179	4.77	-	2,61,179	4.77	-	-
8	Gopal Das Bangur HUF	2,24,348	4.10	-	2,24,348	4.10	-	-
9	Credwyn Holdings India Pvt Ltd	2,04,812	3.74	-	2,04,812	3.74	-	-
10	Pushpa Devi Bangur ( On Behalf of Purushottam Dass Bangur Family Trust)	97,700	1.79	-	97,700	1.79	-	-
11	Purushottam Dass Bangur	52,803	0.97	-	52,803	0.97	-	-
12	Purushottam Dass Bangur C/O Purushottam Dass Bangur HUF	51,766	0.95	-	51,766	0.95	-	-
13	Pushpa Devi Bangur(On Behalf of Pranov Bangur Benefit Trust)	1,000	0.02	-	1,000	0.02	-	-
14	Pranov Bangur	320	0.01	-	320	0.01	-	-
	<b>TOTAL</b>	<b>39,68,153</b>	<b>72.52</b>	<b>-</b>	<b>39,70,260</b>	<b>72.56</b>	<b>-</b>	<b>0.04</b>



### iii) Change in Promoters Shareholding

Sl. No.	Shareholder's Name	Shareholding/ Transaction Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>The Cambay Investment Corporation Ltd</b>					
	At the beginning of the year	01/04/2019	2,66,953	4.88	2,66,953	4.88
	At the end of the year	31/03/2020			2,66,953	4.88
2	<b>Pushpa Devi Bangur (on behalf of Purushottam Dass Bangur Family Trust)</b>					
	At the beginning of the year	01/04/2019	97,700	1.79	97,700	1.79
	At the end of the year	31/03/2020			97,700	1.79
3	<b>Credwyn Holdings India Pvt Ltd</b>					
	At the beginning of the year	01/04/2019	2,04,812	3.74	2,04,812	3.74
	At the end of the year	31/03/2020			2,04,812	3.74
4	<b>The Oriental Company Limited</b>					
	At the beginning of the year	01/04/2019	6,04,006	11.04	6,04,006	11.04
	At the end of the year	31/03/2020			6,04,006	11.04
5	<b>Gopal Das Bangur Huf</b>					
	At the beginning of the year	01/04/2019	2,24,348	4.10	2,24,348	4.10
	At the end of the year	31/03/2020			2,24,348	4.10
6	<b>Hemant Kumar Bangur HUF</b>					
	At the beginning of the year	01/04/2019	2,61,179	4.77	2,61,179	4.77
	At the end of the year	31/03/2020			2,61,179	4.77
7	<b>Madhav Trading Corporation Ltd</b>					
	At the beginning of the year	01/04/2019	5,93,246	10.84	5,93,246	10.84
	At the end of the year	31/03/2020			5,93,246	10.84
8	<b>Purushottam Dass Bangur HUF</b>					
	At the beginning of the year	01/04/2019	51,766	0.95	51,766	0.95
	At the end of the year	31/03/2020			51,766	0.95
9	<b>Pushpa Devi Bangur (On Behalf of Pranov Bangur Benefit Trust)</b>					
	At the beginning of the year	01/04/2019	1,000	0.02	1,000	0.02
	At the end of the year	31/03/2020			1,000	0.02
10	<b>Vinita Bangur</b>					
	At the beginning of the year	01/04/2019	4,46,352	8.16	4,46,352	8.16
	At the end of the year	31/03/2020			4,46,352	8.16
11	<b>Pushpa Devi Bangur</b>					
	At the beginning of the year	01/04/2019	7,89,636	14.43	7,89,636	14.43
	At the end of the year	31/03/2020			7,89,636	14.43
12	<b>Hemant Bangur</b>					
	At the beginning of the year	01/04/2019	3,74,032	6.84	3,74,032	6.84
	Acquisition	31/05/2019	218	0.00	3,74,250	6.84
	Acquisition	07/06/2019	884	0.01	3,75,134	6.85
	Acquisition	14/06/2019	1,005	0.02	3,76,139	6.87
	At the end of the year	31/03/2020			3,76,139	6.87
13	<b>PURUSHOTTAM DASS BANGUR</b>					
	At the beginning of the year	01/04/2019	52,803	0.97	52,803	0.97
	At the end of the year	31/03/2020			52,803	0.97
14	<b>PRANOV BANGUR</b>					
	At the beginning of the year	01/04/2019	320	0.01	320	0.01
	At the end of the year	31/03/2020			320	0.01



iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the top 10 shareholders	Shareholding/ transaction date	Shareholding at the beginning the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>United India Insurance Company Ltd</b>					
	At the beginning of the year	01/04/2019	10,000	0.18	10,000	0.18
	At the end of the year	31/03/2020			10,000	0.18
<b>2</b>	<b>The Oriental Insurance Company Ltd #</b>					
	At the beginning of the year	01/04/2019	1,00,000	1.83	1,00,000	1.83
	At the end of the year	31/03/2020			1,00,000	1.83
<b>3</b>	<b>Life Insurance Corporation of India</b>					
	At the beginning of the year	01/04/2019	9,21,277	16.84	9,21,277	16.84
	Disposal	16/08/2019	(131)	0.00	9,21,146	16.83
	Disposal	13/09/2019	(2,710)	0.05	9,18,436	16.79
	Disposal	20/09/2019	(5,396)	0.10	9,13,040	16.69
	Disposal	27/09/2019	(35)	0.00	9,13,005	16.69
	Disposal	04/10/2019	(707)	0.01	9,12,298	16.67
	Disposal	25/10/2019	(50)	0.00	9,12,248	16.67
	Disposal	08/11/2019	(2,460)	0.04	9,09,788	16.63
	Disposal	22/11/2019	(1,429)	0.03	9,08,359	16.60
	Disposal	29/11/2019	(627)	0.01	9,07,732	16.59
	Disposal	06/12/2019	(3,632)	0.07	9,04,100	16.52
	Disposal	13/12/2019	(261)	0.00	9,03,839	16.52
	Disposal	20/12/2019	(2,344)	0.04	9,01,495	16.48
	Disposal	27/12/2019	(187)	0.00	9,01,308	16.47

Sl. No.	For each of the top 10 shareholders	Shareholding/ transaction date	Shareholding at the beginning the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3.	Disposal	31/12/2019	(1,330)	0.02	899,978	16.45
	Disposal	03/01/2020	(7,971)	0.15	892,007	16.30
	Disposal	10/01/2020	(1,060)	0.02	890,947	16.28
	Disposal	17/01/2020	(7,953)	0.15	882,994	16.14
	Disposal	24/01/2020	(7,209)	0.13	875,785	16.01
	Disposal	07/02/2020	(11,344)	0.21	864,441	15.80
	Disposal	14/02/2020	(3,512)	0.06	860,929	15.73
	Disposal	21/02/2020	(11,494)	0.21	849,435	15.52
	Disposal	28/02/2020	(4,842)	0.09	844,593	15.44
	Disposal	06/03/2020	(4,419)	0.08	840,174	15.36
	At the end of the year	31/03/2020			840,174	15.36
4	<b>Mili Consultants &amp; Investment Pvt. Ltd. *</b>					
	At the beginning of the year	01/04/2019	-	-	-	-
	Acquisition	05/04/2019	313	0.01	313	0.01
	Disposal	02/08/2019	(313)	0.01	-	-
	Acquisition	22/11/2019	119	0.00	119	0.00
	Acquisition	29/11/2019	155	0.00	274	0.01
	Acquisition	06/12/2019	2,317	0.04	2,591	0.05
	Acquisition	13/12/2019	508	0.01	3,099	0.06
	Acquisition	20/12/2019	313	0.01	3,412	0.06
	Acquisition	03/01/2020	3,000	0.05	6,412	0.12
	Acquisition	10/01/2020	3,257	0.06	9,669	0.18
	Acquisition	17/01/2020	2,148	0.04	11,817	0.22
	Acquisition	24/01/2020	483	0.01	12,300	0.22
	Acquisition	31/01/2020	223	0.00	12,523	0.23
	Acquisition	07/02/2020	2,514	0.05	15,037	0.27
	At the end of the year	31/03/2020			15,037	0.27
5	<b>KB Capital Markets Pvt. Ltd.</b>					
	At the beginning of the year	01/04/2019	19,144	0.35	19,144	0.35
	At the end of the year	31/03/2020			19,144	0.35





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Sl. No.	For each of the top 10 shareholders	Shareholding/ transaction date	Shareholding at the beginning the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>6</b>	<b>Sheth Azam Hazi Aref Bham Wakaf #</b>					
	At the beginning of the year	01/04/2019	6,995	0.13	6,995	0.13
	At the end of the year	31/03/2020			6,995	0.13
<b>7</b>	<b>Jyoni Consultancy Private Limited #</b>					
	At the beginning of the year	01/04/2019	11,567	0.21	11,567	0.21
	Disposal	13/12/2019	( 2,700)	0.05	8,867	0.16
	At the end of the year	31/03/2020			8,867	0.16
<b>8</b>	<b>SKS Capital And Research Private Limited *</b>					
	At the beginning of the year	01/04/2019	-	-	-	-
	Acquisition	31/01/2020	2,160	0.04	2,160	0.04
	Acquisition	07/02/2020	7,840	0.14	10,000	0.18
	Acquisition	14/02/2020	300	0.01	10,300	0.19
	Acquisition	21/02/2020	2,200	0.04	12,500	0.23
	At the end of the year	31/03/2020			12,500	0.23
<b>9</b>	<b>Vijay Kumar Agarwala #</b>					
	At the beginning of the year	01/04/2019	7,080	0.13	7,080	0.13
	Acquisition	12/04/2019	260	0.00	7,340	0.14
	Acquisition	26/04/2019	450	0.01	7,790	0.14
	Acquisition	12/07/2019	141	0.00	7,931	0.14
	Acquisition	19/07/2019	14	0.00	7,945	0.15
	Acquisition	23/08/2019	45	0.00	7,990	0.15
	Acquisition	13/03/2020	20	0.00	8,010	0.15
	At the end of the year	31/03/2020			8,010	0.15
<b>10</b>	<b>Dinesh Kumar Jalan *</b>					
	At the beginning of the year	01/04/2019	3,720	0.07	3,720	0.07
	Acquisition	23/08/2019	981	0.02	4,701	0.09
	Acquisition	30/08/2019	250	0.00	4,951	0.09
	Acquisition	06/09/2019	277	0.01	5,228	0.10
	Acquisition	13/09/2019	850	0.02	6,078	0.11
	Acquisition	20/09/2019	2,900	0.05	8,978	0.16
	Acquisition	15/11/2019	650	0.01	9,628	0.18

Sl. No.	For each of the top 10 shareholders	Shareholding/ transaction date	Shareholding at the beginning the year		Cumulative shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Acquisition	03/01/2020	100	0.00	9,728	0.18
	Acquisition	06/03/2020	300	0.01	10,028	0.18
	At the end of the year	31/03/2020			10,028	0.18
<b>11</b>	<b>Bachh Raj Nahar *</b>					
	At the beginning of the year	01/04/2019	104	0.00	104	0.00
	Acquisition	07/02/2020	3,000	0.05	3,104	0.06
	Acquisition	14/02/2020	114	0.00	3,218	0.06
	Acquisition	21/02/2020	5,420	0.10	8,638	0.16
	Acquisition	28/02/2020	836	0.02	9,474	0.17
	Acquisition	06/03/2020	2,529	0.05	12,003	0.22
	At the end of the year	31/03/2020			12,003	0.22
<b>12</b>	<b>Lakshmi Niwas Bangur</b>					
	At the beginning of the year	01/04/2019	4,032	0.07	4,032	0.07
	At the end of the year	31/03/2020			4,032	0.07
<b>13</b>	<b>Harimohan Bangur</b>					
	At the beginning of the year	01/04/2019	12,032	0.22	12,032	0.22
	Acquisition	26/04/2019	3,328	0.06	15,360	0.28
	At the end of the year	31/03/2020			15,360	0.28
<b>14</b>	<b>Benu Gopal Bangur #</b>					
	At the beginning of the year	01/04/2019	6,246	0.11	6,246	0.11
	Disposal	12/04/2019	(2,918)	0.05	3,328	0.06
	Disposal	26/04/2019	(3,328)	0.06	-	-
	At the end of the year	31/03/2020			-	-
<b>15</b>	<b>Bharti Shroff</b>					
	At the beginning of the year	01/04/2019	4,166	0.08	4,166	0.08
	Disposal	30/08/2019	(4,166)	0.08	-	-
	At the end of the year	31/03/2020			-	-
<b>16</b>	<b>Investor Education and Protection Fund Authority Ministry of Corporate Affairs</b>					
	At the beginning of the year	01/04/2019	18,819	0.34	18,819	0.34
	At the end of the year	31/03/2020			18,819	0.34

\* Not in the list of Top 10 shareholders as on 01/04/2019 the same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2020.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2019.



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#### v) Shareholding of Directors and Key Managerial Personnel

Name	Shareholding/ transaction date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Pushpa Devi Bangur</b>					
At the beginning of the year	01/04/2019	7,89,636	14.43	7,89,636	14.43
At the end of the year	31/03/2020			7,89,636	14.43
<b>Hemant Bangur</b>					
At the beginning of the year	01/04/2019	3,74,032	6.84	3,74,032	6.84
Acquisition	31/05/2019	218	0.00	3,74,250	6.84
Acquisition	07/06/2019	884	0.02	3,75,134	6.86
Acquisition	14/06/2019	1,005	0.02	3,76,139	6.88
At the end of the year	31/03/2020			3,76,139	6.88
<b>Dharam Chand Baheti</b>					
At the beginning of the year	01/04/2019	2,128	0.04	2,128	0.04
At the end of the year	31/03/2020			2,128	0.04

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal amount	2,256.22	256.56	-	2,512.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2,256.22</b>	<b>256.56</b>	<b>-</b>	<b>2,512.78</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	366.10	98.50	-	464.60
Reduction	-	(117.57)	-	(117.57)
Net Change	366.10	(19.07)	-	347.03
<b>Indebtedness at the end of the financial year</b>				
i) Principal amount	2,622.32	237.49	-	2,859.81
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2,622.32</b>	<b>237.49</b>	<b>-</b>	<b>2,859.81</b>



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time-Director and/or Manager

(₹ In lakhs)

Sl.No.	Particulars of remuneration	Sri Hemant Bangur	Sri D.C. Baheti	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	131.90	141.98	232.85
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	12.60	39.04	51.64
	(c) Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>144.50</b>	<b>181.02</b>	<b>325.52</b>
	Ceiling as per the Act	(Being 10% of Net profits of the Company as calculated under section 198 of the Companies Act, 2013)		

### B. Remuneration to other Directors

(₹ In lakhs)

Sl. No.	Particulars of remuneration	Name of Directors		Total Amount
		Sri S.N. Bahattaaharya	Sri Prabir Ray	
1	<b>Independent Directors</b>			
	Fee for attending board/committee meeting	1.80	1.80	3.60
	Commission	6.00	6.00	12.00
	Others, please specify	-	-	-
	<b>Total B (1)</b>	<b>7.80</b>	<b>7.80</b>	<b>15.60</b>
		<b>Smt. Pushpa Devi Bangur</b>		<b>Total Amount</b>
2	<b>Other Non-Executive Directors</b>			-
	Fee for attending board/committee meeting	0.40	-	0.40
	Commission	6.00	-	6.00
	Others, please specify	-	-	-
	<b>Total B(2)</b>	<b>6.40</b>	<b>-</b>	<b>6.40</b>
	<b>Total B=(B1+B2)</b>	<b>-</b>	<b>-</b>	<b>22.00</b>
	<b>Total Managerial Remuneration = A+B</b>			<b>347.52</b>
	Overall Ceiling as per Act	(Being 11% of Net profits of the Company as calculated under section 198 of the Companies Act, 2013)		



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C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(₹ In lakhs)

Sl. No.	Particulars of remuneration	Sri Ajay Kumar Agarwal, Company Secretary	Sri Shankar Lal Kedia, CFO	Total Amount
1	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	42.04	29.09	71.13
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	6.07	4.20	10.27
	(c) Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961			
2	<b>Stock Option</b>	-	-	-
3	<b>Sweat Equity</b>	-	-	-
4	<b>Commission</b>	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	<b>Others, please specify</b>	-	-	-
	<b>Total</b>	<b>48.11</b>	<b>33.29</b>	<b>81.40</b>

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

(₹ In lakhs)

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment			NIL		
Compounding					

(₹ In lakhs)

Type	Section of the Companies Act	Brief description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
<b>B. DIRECTORS</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			NIL		
Compounding					

## ANNEXURE-VI 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) Replaced lime shaft motor by energy efficient 3 type motor (50HP to 100HP)
- ii) Installed energy efficient beaming and pre beaming machines
- iii) High efficiency energy efficient river water Pump installed at pump jetty

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

- i) Using 100% Jute Waste in Boiler as a Fuel.
- ii) Optimum utilization of sky light for maximizing usage of day light

**The capital investment on energy conservation equipment**

- I. ₹ 70.45 lakhs

### B. Technology Absorption

**Efforts made towards technology absorption**

- i) Installed PLC controlled with AC drives and PLC controlled attachment in machines at various departments
- ii) Installed electro mechanical doffing arrangement

**Benefits derived**

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

### C. Foreign exchange earnings and outgo :

- (i) Foreign exchange earned in terms of actual inflow : ₹ 10,062.09 lakhs
- (ii) Foreign exchange outgo in terms of actual outflow : ₹ 2,581.88 lakhs





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## ANNEXURE-VII 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	87.47
Sri Dharam Chand Baheti – Managing Director	109.57

Non-Executive Directors	Ratio to median remuneration
Smt Pushpa Devi Bangur	3.63
Sri S.N. Bhattacharya	3.63
Sri Prabir Ray	3.63

Median salary computation is based on a total employee head count of 4,165 employees out of which approximately 3,890 employees are within collective bargaining process.

(a) **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 2019-20
Sri Hemant Bangur – Executive Chairman	(55%)
Sri Dharam Chand Baheti – Managing Director	(40.62%)
Sri Ajay Kumar Agarwal - Company Secretary	10.73%
Sri S.L. Kedia – CFO	7.72%

(b) **The percentage increase in the median remuneration of employees in the financial year 2019-2020 - 5.66%**

(c) **The number of permanent employees on the rolls of company as on 31st March, 2020 is - 4,165**

(d) **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 6.46% average percentage increase for managerial personnel works out to around 17.79% ; average percentage increase for all employees works out to 9.43%. Percentage increase for different categories / grades are made based on market trends and performance criteria.

(e) **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-VII 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
Sri Hemant Bangur	Executive Chairman	144.50	Contractual	Post Graduate in International Trade, 20 Years	01.09.2015	48	Joonktollie Tea & Industries Limited, Executive Vice-Chairman	6.88%	Son of Smt Pushpa Devi Bangur
Sri Dharam Chand Baheti	Managing Director	181.02	Contractual	B.Com, 52 years	01.04.1992	72	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.



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## ANNEXURE VIII 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 – 01.04.2019 to 31.03.2020
7. Sector(s) that the Company is engaged in (industrial activity code-wise) - NIC Code of the products/services - 131,139
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 - Bauria , West Bengal
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) - 48,605.46 lakhs
3. Total profit after taxes (INR) - 1,928.65 lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) - 3.83%
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

#### 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/Director 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

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

No.	Questions	P	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	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If yes, specify? (50 words)	The policies are based on 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	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?	<a href="http://www.glosterjute.com/documents/BusinessResponsibilityPolicy.pdf">http://www.glosterjute.com/documents/BusinessResponsibilityPolicy.pdf</a>								
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	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	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	BR Policies are reviewed internally, wherever appropriate								

(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	P
		1	2	3	4	5	6	7	8	9
1	The company has not understood the Principles	NOT APPLICABLE								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 years									
6	Any other reason (please specify)									





### 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 publishes BR report in the Annual Report and Sustainability Report can be accessed at [www.glosterjute.com](http://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.

This is the first year of the Business Responsibility Reporting. The Company has not received any complaints under the Vigil Mechanism / Whistle Blower Policy during the year 2019-2020.

##### 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 minimisation 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 an 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 - 4,165
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis - 910
3. Please indicate the Number of permanent women employees - 20
4. Please indicate the Number of permanent employees with disabilities - 21
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

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?**

- |   |                            |
|---|----------------------------|
| <ul style="list-style-type: none"> <li>(a) Permanent Employees -</li> <li>(b) Permanent Women Employees -</li> <li>(c) Casual/Temporary/Contractual Employees -</li> <li>(d) Employees with Disabilities -</li> </ul> | <p>12% (644 employees)</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?

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 the 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.**

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.



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**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 as installation of multi-fuel boilers using jute process waste as fuel for boilers thereby reducing carbon foot print, 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.

**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 2019-2020 are within the permissible limits of Central Pollution Control Board/State Pollution control Board.

**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.

## 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.

Sri S.B. Mainak an Independent Director resigned from the Board of the Company with effect from 15.02.2020 due to personal reasons.

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

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, 2020 and as on 28.07.2020 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 31.03.2020
			Chairman/Chairperson <sup>§</sup>	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	6	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	N.A.
Ms. Ishani Ray*	Independent Non-Executive	Nil	Nil	Nil	N.A.
Ms. Priti Panwar*	Non-Executive	1	Nil	Nil	N.A.

\*Appointed with effect from 21.07.2020





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\*Other Directorships do not include Directorships of private limited companies, section 8 companies and foreign companies and Alternate Directorships.

§Only 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 Director.

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 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 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. 4. Fort Gloster Industries Limited	Non Executive & non-independent
Smt. Pushpa Devi Bangur	1. Joonktollee Tea & Industries Ltd. 2. Port Shipping Co. Ltd.	Non Executive & non-independent
Sri Dharam Chand Baheti	Fort Gloster Industries Limited	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 <http://www.glosterjute.com/documents/apntdir.pdf>.

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.

During Financial Year 2019-2020, 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 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, 2020, 4 (four) Board Meetings were held on 14th May, 2019, 13th August, 2019, 13th November, 2019 and 10th February, 2020. 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 13 <sup>th</sup> August, 2019
Sri Hemant Bangur	4	Yes
Smt. Pushpa Devi Bangur	4	Yes
Sri Dharam Chand Baheti	4	Yes
Sri Satyendra Nath Bhattacharya	4	Yes
Dr Prabir Ray	4	Yes
Sri S.B.Mainak*	3	Yes
Sri Rohit Bihani#	N.A.	N.A.
Ms. Ishani Ray#	N.A.	N.A.
Ms. Priti Panwar#	N.A.	N.A.

\*Resigned with effect from 15.02.2020

#Appointed with effect from 21.07.2020

### 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 <http://www.glosterjute.com/documents/FPID.pdf>.

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 Independent Directors are as below:



Independent Director	Skills / Expertise / Competence
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 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
Sri S.B. Mainak*	Chairman	Independent, Non-Executive

#Appointed with effect from 21.07.2020

\*Resigned with effect from 15.02.2020

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:

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.

- 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.
- Recommending to the Board the appointment, remuneration, and terms of appointment of auditors of the company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- 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.
- e) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- f) 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;
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the Company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the Company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) 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;
- n) Discussion with internal auditors of any significant findings and follow up there on;
- o) 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;
- p) 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;
- q) 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;
- r) To review the function of the Whistle Blower mechanism;
- s) Approval of appointment of CFO (i.e. the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;

- t) 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, 2020, four Audit Committee Meetings were held on 14th May, 2019, 13th August, 2019, 13th November, 2019 and 10th February, 2020. The Audit Committee also met prior to the finalization of accounts for the year ended 31st March, 2020.

The attendance at the Audit Committee Meetings during the financial year ended 31st March, 2020 is as under:

Name of the Director	No. of meetings attended
Sri S.N. Bhattacharya	4
Sri Prabir Ray	4
Sri Hemant Bangur	4
Sri S.B. Mainak	3

The Company Secretary was present at all the above meetings.

#### INTERNAL AUDITORS

The Company has appointed M/s. R B S C & CO. Chartered Accountants & Co. 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.

#### 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	Position	Category
Sri Prabir Ray	Chairman	Independent, Non-Executive
Sri S.N. Bhattaharya	Member	Independent, Non-Executive
Sri Hemant Bangur	Member	Promoter, Executive
Sri Rohit Bihani#	Member	Independent, Non-Executive
Sri S.B. Mainak*	Member	Independent, Non-Executive

#Appointed with effect from 21.07.2020

\*Resigned with effect from 15.02.2020.

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, 2020, two Nomination and Remuneration Committee Meetings were held on 14th May, 2019 and 10th February, 2020.

The attendance at the Nomination and Remuneration Committee Meetings during the financial year ended 31st March, 2020 is as under:

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

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 the detailed policy is available on the website of the Company at <http://www.glosterjute.com/documents/NRPolicy.pdf>.

#### 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 any 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, 2020

### NON-EXECUTIVE DIRECTORS

Name of the Director	Sitting Fees	Commission
Smt. Pushpa Devi Bangur	40,000	6,00,000
Sri Satyendra Nath Bhattacharya	1,80,000	6,00,000
Sri S.B.Mainak *	1,00,000	--
Dr Prabir Ray	1,80,000	6,00,000

\*Resigned with effect from 15.02.2020

### WHOLE-TIME DIRECTORS

Name of the Director	Salary & Benefits ₹	Commission ₹	Service Contract	Notice Period	Severance Fees
Sri Hemant Bangur Executive Chairman	1,44,50,000	--	3 years w.e.f. 01.04.2018	3 months	Nil
Sri Dharam Chand Baheti Managing Director	1,81,02,000	--	5 Years w.e.f. 01.04.2018	3 months	Nil

The company has not issued any stock options.

The Company is seeking shareholders approval in ensuing AGM for payment of above remuneration in terms of second proviso to Item (B) of Clause II of Part II of Schedule V of the Companies Act, 2013.

**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 sitting fees paid / payable to them 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. Bhattaharya	Chairman	Independent, Non-Executive
Sri Prabir Ray	Member	Independent, Non-Executive
Ms. Priti Panwar#	Member	Non-Executive
Sri Hemant Bangur	Member	Promoter, Executive

#Appointed with effect from 21.07.2020.

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 investors. 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, 2020, four Stakeholders Relationship Committee Meetings were held on 14th May, 2019, 13th August, 2019, 13th November, 2019 and 10th February, 2020.

The attendance of the Stakeholders Relationship Committee meetings during the financial year ended 31st March, 2020 is as under:

Name of the Director	No. of meetings attended
Sri Prabir Ray	4
Sri S.N. Bhattacharya	4
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, 2020 was 2 and the same was replied to the satisfaction of the shareholder. There were no complaints outstanding as on 31st March, 2020.

The number of share transfers and requests for dematerialization pending as on 31st March, 2020 were Nil.

### Name, Designation & Address of the Compliance Officer:

Mr. Ajay Kumar Agarwal, Company Secretary

Gloster Limited

21, Strand Road

Kolkata-700001

Telephone 033-22309601(4 lines)

E-mail id – [shares@glosterjute.com](mailto: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 Members	Category
Smt. Pushpa Devi Bangur, Chairperson	Promoter Non-Executive
Sri Dharam Chand Baheti, Member	Managing Director
Sri Rohit Bihani#	Independent Director
Ms. Priti Panwar#	Non-Executive Director

#Appointed with effect from 21.07.2020

During the financial year ended 31st March, 2020 a CSR Committee meeting was held on 14th May, 2019.

The attendance at the CSR Committee meeting during the financial year ended 31st March, 2020 is as under:

Name of the Director	No. of meeting attended
Smt. Pushpa Devi Bangur, Chairperson	1
Sri Dharam Chand Baheti, Member	1
Sri Prabir Ray, Member	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 <http://www.glosterjute.com/documents/PDMS.pdf>.

## 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
2016-17	Wednesday, 6th September 2017 At 01.30 P.M.	21, Strand Road. Kolkata - 700001	None
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 Sadon, 94/2, Chowringhee Road, Kolkata – 700020	None

B. 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](http://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, 2020 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.34 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.

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

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. The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three

years. Pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company was required to have an Independent Women Director in its Board by 1st April 2020. The Company was unable to comply with the timeline in this regard due Covid-19 restrictions and lock down declared in India. However post easing of lock down restrictions, the Company has appointed Independent Women Director in its Board on 21st July, 2020.

- c. 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 <http://www.glosterjute.com/documents/WBPolicy.pdf>. No personnel has been denied access to the Audit Committee.
- d. 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.
- e. The company has no materially significant related party transactions that may have potential conflict with the interests of listed entity at large.
- f. The financial statements for the year 2019-2020 have been prepared in accordance with the applicable accounting standards prescribed by the Institute of Chartered Accountants of India and there are no deviations.
- g. The Board has accepted all the recommendation of the committees of the board which is mandatorily required, in the relevant financial year.
- h. 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 2019-20 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](http://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](mailto: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.



GROW  
RESPONSIBLY

DELIVER  
PROGRESS

SUSTAINABLE  
FUTURE

## 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: 26th September, 2020 at 3.00 P.M.

Venue: Virtual Meeting

### FINANCIAL YEAR

1st April, 2019 to 31st March, 2020

### TENTATIVE FINANCIAL CALENDAR

Financial reporting for the quarter ending June 30, 2020 :  
By 15th September, 2020

Financial reporting for the half year ending September 30, 2020 :  
By 14th November, 2020

Financial reporting for the quarter ending December 31, 2020 :  
By 14th February, 2021

Financial reporting for the year ending March 31, 2021 :  
By 30th May, 2021

### DATE OF BOOK CLOSURE

21st September, 2020 to 26th September, 2020 (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:

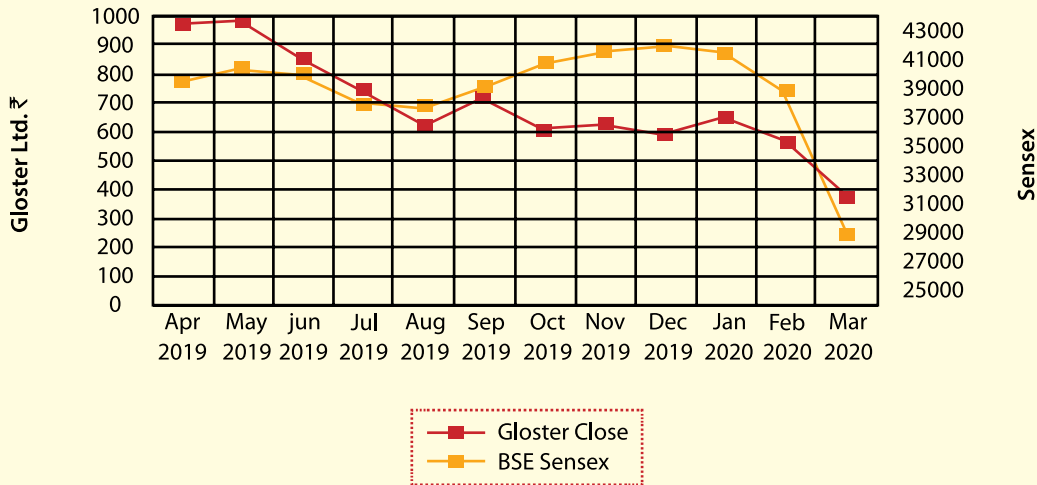
The Equity shares of the Company are listed at BSE Ltd. and The Calcutta Stock Exchange Ltd. There were no transactions in the equity shares of the Company listed at the Calcutta Stock Exchange Ltd. Monthly high and low quotations and volume of shares traded on the BSE Ltd. are given below:

MONTH	BSE		
	HIGH (₹)	LOW (₹)	VOLUME (NO OF SHARES)
APRIL, 2019	1,018.00	930.00	2,715
MAY, 2019	1,025.00	813.90	4,618
JUNE, 2019	1,010.00	815.80	4,212
JULY, 2019	855.05	675.00	3,144
AUGUST, 2019	784.00	555.05	6,142
SEPTEMBER, 2019	728.75	596.00	16,028
OCTOBER, 2019	760.50	582.00	4,187
NOVEMBER, 2019	733.00	610.00	22,074
DECEMBER, 2019	660.00	557.00	28,936
JANUARY, 2020	681.00	565.00	54,635
FEBRUARY, 2020	684.95	564.10	54,228
MARCH, 2020	589.00	306.00	16,996

**PERFORMANCE AT BSE DURING THE FINANCIAL YEAR 2019-20**

No. of Shares traded	2,17,915
Highest Share Price (₹)	1,025.00
Lowest Share Price (₹)	306.00
Closing share price as on 31st March, 2020 (₹)	374.10
Market Capitalisation as on 31st March, 2020 (₹)	20,469.37 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.





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#### DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2020

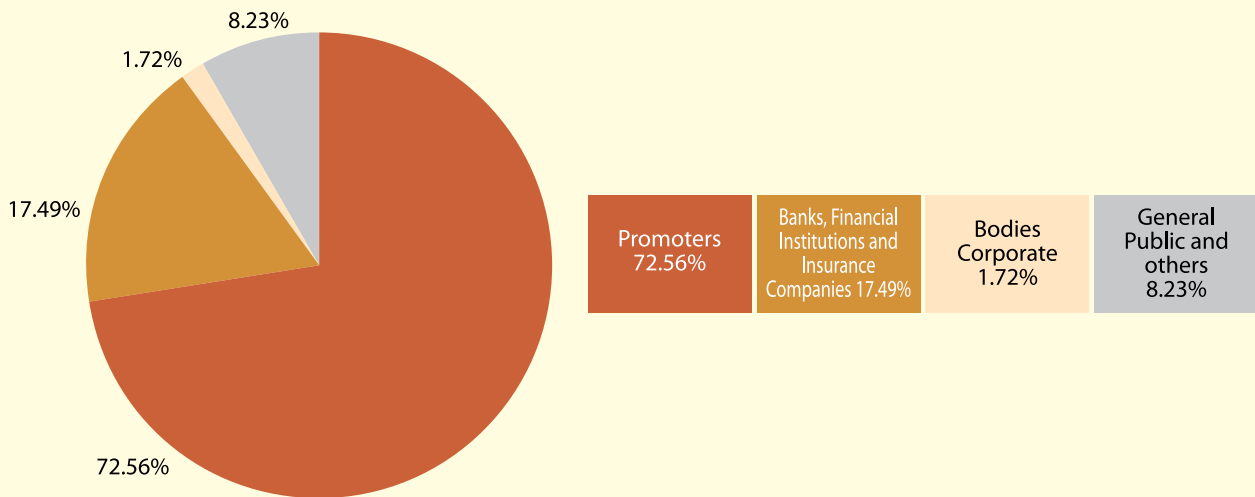
NO. OF EQUITY SHARES HELD	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES HELD	% OF SHAREHOLDING
Upto 500	3,274	94.27	2,06,509	3.77
501 to 1000	100	2.88	70,464	1.29
1001 to 2000	45	1.30	64,380	1.18
2001 to 3000	19	0.55	48,172	0.88
3001 to 4000	8	0.23	28,027	0.51
4001 to 5000	2	0.06	8,201	0.15
5001 to 10000	4	0.11	33,872	0.62
10001 and above	21	0.60	50,12,005	91.60
<b>GRAND TOTAL</b>	<b>3,473</b>	<b>100</b>	<b>54,71,630</b>	<b>100</b>

#### 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, 2020

CATEGORY	NO. OF SHARES HELD	% OF SHARE CAPITAL
<b>A. PROMOTER'S HOLDING</b>		
Promoters		
a. Indian Promoters	39,70,260	72.56
b. Foreign Promoters	--	--
<b>Sub-total</b>	<b>39,70,260</b>	<b>72.56</b>
<b>B. NON-PROMOTER'S HOLDING</b>		
a. Banks, Financial Institutions, Insurance Companies	9,56,995	17.49
b. Individuals holding nominal capital upto ₹ 2 lakh	4,16,710	7.62
c. Bodies Corporate	94,377	1.72
d. Investor Education & Protection Fund Authority	18,819	0.34
e. Non-Resident Individual	7,191	0.13
f. Trusts	7,011	0.13
g. Others	267	0.01
<b>Sub-total</b>	<b>15,01,370</b>	<b>27.44</b>
<b>GRAND TOTAL</b>	<b>54,71,630</b>	<b>100.00</b>



#### DEMATERIALIZATION OF SHARES AND LIQUIDITY

98.07% of the equity shares of the Company have been dematerialized as on 31st March, 2020. 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, 2020

PARTICULARS	NO. OF SHARES	% TO TOTAL CAPITAL	NO. OF ACCOUNTS
National Securities Depository Limited	38,70,197	70.73	2,154
Central Depository Services (India) Limited	14,96,162	27.34	1,162
<b>Total Dematerialised</b>	<b>53,66,359</b>	<b>98.07</b>	<b>3,316</b>
Physical	1,05,271	1.93	229
<b>Grand Total</b>	<b>54,71,630</b>	<b>100.00</b>	<b>3,545</b>

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

- NOT APPLICABLE

#### Commodity Price Risk/Foreign Exchange Risk & Hedging Activities

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.

Certificate from Mrs. Sweety Kapoor, Practising Company Secretary is attached confirming that none of the directors on the board of the company have been debarred or disqualified by the board/ministry of corporate affairs or any such statutory authority from having being appointed or continuing as directors.

There were no instances during financial year 2019-2020 when the board has not accepted any recommendations if any of audit committee of the board

Total fees for all services paid by the listed entity 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 notes to financial statement.

#### 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 13th April 2020, 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
2012-2013	25th July, 2013	30th August, 2020
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

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, 2019	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, 2020
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

## 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, 2020.

Place : Kolkata  
Date : 28th July, 2020

For Gloster Limited  
**Dharam Chand Baheti**  
Managing Director





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### **CERTIFICATE ON 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]

Based on our verification of the books, papers, minutes books, forms and returns filed and other records maintained by M/s. Gloster Ltd. having its registered office at 21, Strand Road, Kolkata 700001 and the information and explanation provided by the Company I hereby certify that during the financial year ended 31st March, 2020 none of the directors of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Board / Ministry of Corporate Affairs or any such Statutory authority.

Place : Kolkata  
Date : 28th July, 2020

**Sweety Kapoor**  
Practising Company Secretary  
Membership No. FCS 6410, C.P.No. 5738

### **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, 2020 as per relevant provisions of Securities and Exchange Board of India (Listing Obligation & Disclosure 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, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations as applicable, except to the following extent;-

1. As required under Regulation 17(1)(a) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company was required to appoint an Independent Women Director within 1st April, 2020. However, the Company has complied with the same by appointing an Independent Women Director with effect from 21st July, 2020.
2. As required under Regulation 17(1)(c) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the composition of Board of Directors of the Company had fallen below the minimum requirement of six directors on 31.03.2020 due to resignation of one Independent Director with effect from 15.02.2020. The same vacancy was filled by the Board of Directors at its next Board Meeting held on 21.07.2020 by appointing 2(Two) Independent Directors and 1(One) Non-Executive Director.

Place : Kolkata  
Date : 28th July, 2020

**Sweety Kapoor**  
Practising Company Secretary  
Membership No. FCS 6410, CP No.5738

## 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, 2020, 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, 2020, 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

##### Assessment of the valuation of certain investments

Refer to Note 2.6 – "Investments in subsidiaries", Note 2.7 – "Financial assets", Note 2A – "Critical estimates and judgements" and Note 30 – "Fair value measurements".

The Company has investments aggregating to Rs. 13629.38 lacs 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.

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. Accordingly, for the purpose of valuation, Management has engaged independent valuation expert / obtained confirmations from fund houses.

Valuation of investment carried at fair value is determined to be a key audit matter because of its inherently subjective nature and involvement of significant judgements.

#### 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 surrounding fair valuation of investments.
- We evaluated the competency and capabilities of management's valuation expert.
- 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 fund houses for investments in certain funds covered under level 2 and level 3.
- We used auditors' experts to assess the methodology and the appropriateness of the valuation models and inputs used by management's valuation expert.
- We validated the source data on sample basis and tested the arithmetical accuracy of the calculation 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

- Note 38 to the stand-alone 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 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

- 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.

- 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

- 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.
- 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 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.
  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 as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 36 to the standalone financial statements;
  - ii. The Company has long-term contracts including derivative contracts as at March 31, 2020 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, 2020.
16. As stated in the note 45 to the standalone financial statements, the Company has paid/ provided remuneration amounting to Rs. 36.37 lakhs to managing directors which is subject to approval of shareholder by way of special resolution in ensuing annual general meeting as required by 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:20055000AAAAEN7087

**Place:** Hyderabad

**Date:** July 28, 2020





## 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, 2020

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, 2020 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 control 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, 2020, 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:20055000AAAAEN7087

**Place:** Hyderabad

**Date:** July 28, 2020



## 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, 2020

- i.
- The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
  - 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.
  - The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the 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. There are no other companies / firms /LLPs/ other parties covered in the register maintained under Section 189 of the Act.
- In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
  - 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.
  - 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.
- The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
  - 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.
- 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, 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, income tax, 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 March 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 36 to the financial statements regarding management's assessment on certain matters relating to provident fund.
  - According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, service-tax, duty of customs, duty of excise, which have not been deposited on account of any dispute. The particulars of dues of sales tax and value added tax as at March 31, 2020 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales tax	437.44	2013-14 to 2016-17	Appellate Authority
		96.17	2007-08,2010-11 to 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
		78.85	2009-10 to 2010-11, 2012-13, 2017-18	Appellate & Revisional Board

- 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 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. Except for managerial remuneration aggregating to Rs. 36.37 lacs the managerial remuneration paid/ provided for by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. The Company has shall obtain necessary approval from the shareholders in this regard at the ensuing Annual

General Meeting. 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<sup>39</sup>. 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.

**Place:** Hyderabad  
**Date:** July 28, 2020

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

Chartered Accountants

**Sunit Kumar Basu**

Partner

Membership Number: 55000

UDIN:20055000AAAEN7087



GROW  
RESPONSIBLYDELIVER  
PROGRESSSUSTAINABLE  
FUTURE

## Standalone Balance Sheet as at 31 March 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2020	31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3(a)	30,872.16	30,292.35
Capital work in progress	3(b)	1,222.57	598.10
Goodwill	3(c)	24,581.50	26,248.04
Other intangible assets	3(d)	6,939.81	7,408.42
Investments in subsidiaries	4	2,322.00	1,042.00
<b>Financial assets</b>			
(i) Investments	5(a)	9,181.05	9,856.82
(ii) Loans	5(b)	147.70	117.59
(iii) Other financial assets	5(c)	885.62	-
Other non-current assets	6	647.65	276.95
<b>Total non-current assets</b>		<b>76,800.06</b>	<b>75,840.27</b>
<b>Current assets</b>			
Inventories	7	11,613.52	9,540.76
<b>Financial assets</b>			
(i) Investments	8(a)	2,126.33	7,166.24
(ii) Trade receivables	8(b)	2,893.84	3,375.50
(iii) Cash and cash equivalents	8(c)	2,688.44	445.47
(iv) Bank balances other than (iii) above	8(d)	23.95	25.50
(v) Loans	8(e)	6,090.37	4,964.73
(vi) Other financial assets	8(f)	85.16	279.66
Current tax assets (net)	9	3,648.35	3,421.41
Other current assets	10	851.89	391.08
<b>Total current assets</b>		<b>30,021.85</b>	<b>29,610.35</b>
<b>Total assets</b>		<b>1,06,821.91</b>	<b>1,05,450.62</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	11	547.16	547.16
Other equity	12	92,138.57	93,395.22
<b>Total equity</b>		<b>92,685.73</b>	<b>93,942.38</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	13	119.83	169.65
Provisions	14	1,602.35	499.09
Deferred tax liabilities (net)	15	4,824.42	4,717.32
Other non-current liabilities	16	238.11	230.20
<b>Total non-current liabilities</b>		<b>6,784.71</b>	<b>5,616.26</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	17(a)	2,622.32	2,256.22
(ii) Trade payables	17(b)		
a) Total outstanding dues of Micro and Small Enterprises		2.84	0.55
b) Total outstanding dues of creditors other than Micro and Small Enterprises		983.38	672.35
(iii) Other financial liabilities	17(c)	1,572.73	1,314.77
Other current liabilities	18	1,547.94	1,010.85
Provisions	19	136.61	114.10
Current tax liabilities (net)	20	485.65	523.14
<b>Total current liabilities</b>		<b>7,351.47</b>	<b>5,891.98</b>
<b>Total liabilities</b>		<b>14,136.18</b>	<b>11,508.24</b>
<b>Total equity and liabilities</b>		<b>1,06,821.91</b>	<b>1,05,450.62</b>

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 &amp; 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

Hemant Bangur (DIN: 00040903)

Executive Chairman

D.C. Baheti (DIN: 00040953)

Managing Director

Ishani Ray (DIN: 08800793)

Director

Place : Hyderabad

Date : 28th July, 2020

Place : Kolkata

Date : 28th July, 2020

## Standalone Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2020	31 March 2019
<b>INCOME</b>			
Revenue from operations	21	49,490.85	50,138.31
Other Income	22	1,025.14	1,613.00
<b>Total Income</b>		<b>50,515.99</b>	<b>51,751.31</b>
<b>EXPENSES</b>			
Cost of materials consumed	23	26,203.60	23,930.94
Changes in inventories of finished goods and work-in-progress	24	(1,557.01)	590.45
Employee benefits expense	25	8,958.97	8,641.05
Finance costs	26	288.72	140.66
Depreciation and amortization expense	27	3,114.75	3,092.37
Other expenses	28	9,194.54	8,591.47
<b>Total Expenses</b>		<b>46,203.57</b>	<b>44,986.94</b>
<b>Profit before exceptional item and tax (A)</b>		<b>4,312.42</b>	<b>6,764.37</b>
Exceptional Items (B)	41	1,500.00	-
<b>Profit before tax (A-B)</b>		<b>2,812.42</b>	<b>6,764.37</b>
Income tax expense	29		
Current tax		388.40	1,483.10
Deferred tax		495.37	865.92
<b>Total Tax expenses</b>		<b>883.77</b>	<b>2,349.02</b>
<b>Profit for the year ( C )</b>		<b>1,928.65</b>	<b>4,415.35</b>
<b>Other comprehensive income/(loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(a) Remeasurement gains/(losses) on post employment defined benefit plans		(615.69)	277.35
(b) Changes in fair value of FVOCI equity instruments		(2,298.26)	(931.24)
(c) Income tax relating to above items		388.28	62.99
<b>Other comprehensive income for the year, net of tax ( D )</b>		<b>(2,525.67)</b>	<b>(590.90)</b>
<b>Total comprehensive income for the year ( C+D )</b>		<b>(597.02)</b>	<b>3,824.45</b>

### Earnings per equity share

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

	35	35.27	80.70
Basic and Diluted			

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

**Hemant Bangur** (DIN: 00040903)  
Executive Chairman

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

**Ishani Ray** (DIN: 08800793)  
Director

Place : Hyderabad  
Date : 28th July, 2020

Place : Kolkata  
Date : 28th July, 2020



## Standalone Statement of Changes in Equity for the year ended 31 March 2020

### A. Share capital

(All amounts in INR lakhs, unless otherwise stated)

Description	Notes	Amount
<b>As at 31 March 2018</b>	11	200.00
Changes in equity share capital	11	347.16
<b>As at 31 March 2019</b>	11	547.16
Changes in equity share capital	11	-
<b>As at 31 March 2020</b>	11	547.16

### B. Other equity

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium	Retained earnings		
<b>Balance as at 1 April 2019</b>	12	<b>5,119.10</b>	<b>78,146.39</b>	<b>6,784.00</b>	<b>3,345.73</b>	<b>93,395.22</b>
Profit for the year	12	-	-	1,928.65	-	1,928.65
On issue of equity shares	12	-	-	-	-	-
Other comprehensive income for the year	12	-	-	(400.54)	(2,125.13)	(2,525.67)
<b>Total comprehensive income for the year</b>		-	-	<b>1,528.11</b>	<b>(2,125.13)</b>	<b>(597.02)</b>
Transfer to general reserve	12	1,500.00	-	(1,500.00)	-	-
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)
<b>Balance at 31 March 2020</b>		<b>6,619.10</b>	<b>78,146.39</b>	<b>6,003.12</b>	<b>1,369.96</b>	<b>92,138.57</b>

## Standalone Statement of Changes in Equity for the year ended 31 March 2020

(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		
<b>Balance as at 1 April 2018</b>	<b>12</b>	<b>3,119.10</b>	<b>-</b>	<b>4,852.12</b>	<b>4,112.80</b>	<b>12,084.02</b>
Profit for the year	12	-	-	4,415.35	-	4,415.35
On issue of equity shares	12	-	78,146.39	-	-	78,146.39
Other comprehensive income for the year	12	-	-	217.58	(808.49)	(590.91)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>78,146.39</b>	<b>4,632.93</b>	<b>(808.49)</b>	<b>81,970.83</b>
Transfer to general reserve	12	2,000.00	-	(2,000.00)	-	-
Transfer of gain on FVOCI equity investments, net of tax	12	-	-	(41.42)	41.42	-
Dividends paid	12	-	-	(547.16)	-	(547.16)
Taxes on dividend	12	-	-	(112.47)	-	(112.47)
<b>Balance at 31 March 2019</b>		<b>5,119.10</b>	<b>78,146.39</b>	<b>6,784.00</b>	<b>3,345.73</b>	<b>93,395.22</b>

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 : Hyderabad  
Date : 28th July, 2020

**Shankar Lal Kedia**  
Chief Financial Officer

**Ajay Kumar Agarwal**  
Company Secretary

Place : Kolkata  
Date : 28th July, 2020

**Hemant Bangur** (DIN: 00040903)  
Executive Chairman

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

**Ishani Ray** (DIN: 08800793)  
Director



## Standalone Statement of Cashflow for the year ended 31 March 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>(A) Cash flows from operating activities:</b>		
<b>Profit before tax</b>	<b>2,812.42</b>	<b>6,764.37</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	3,114.75	3,092.37
Interest and finance charges	288.72	140.66
Net (gain)/loss on disposal of property, plant and equipment (PPE)	(37.75)	(13.53)
Net gains/(losses) on fair value changes on investments classified at FVTPL	-	(152.62)
Net gain on sale of investments	(213.13)	(178.26)
Fair value losses on derivatives not designated as hedges	-	(24.46)
Interest receivable written off	108.99	-
Intercorporate deposit written off	1,500.00	-
Unrealised foreign exchange loss/(gain) (net)	64.49	-
Provision no longer required written back	(11.98)	(124.65)
Interest income classified as investing cash flows	(527.74)	(714.49)
Dividend income	(103.90)	(59.82)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>6,994.87</b>	<b>8,729.57</b>
<b>Adjustments for:</b>		
(Increase)/decrease in non-current/current financial and other assets	(64.80)	(2,464.85)
(Increase)/decrease in inventories	(2,072.76)	(791.78)
Increase/(decrease) in non-current/ current financial and other liabilities/ provisions	1,371.38	227.90
(Increase)/decrease in other financial assets	(795.53)	(90.09)
<b>Cash generated from operations</b>	<b>5,433.16</b>	<b>5,610.75</b>
Income taxes paid (net)	(652.83)	(1,788.50)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>4,780.33</b>	<b>3,822.25</b>
<b>(B) Cash flows from investing activities:</b>		
Proceeds from disposal of property, plant and equipment	69.31	39.36
Payments for acquisition of property, plant and equipment/ intangible assets	(2,383.41)	(1,340.96)
Intercorporate deposit (made)/refunded (net)	22.77	-
Loan to subsidiary company	(2,620.20)	-
Purchase of other non-current investments (net)	(1,409.35)	(1,431.68)
Sale / (purchase) of other current investments (net)	5,039.91	(1,971.73)
Acquisition of a subsidiary	(1,280.00)	-
Interest received	523.16	576.38
Dividend received	103.90	59.82
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(1,933.91)</b>	<b>(4,068.81)</b>

## Standalone Statement of Cashflow for the year ended 31 March 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>(C) Cash flows from financing activities:</b>		
Repayment of long-term borrowings	(117.57)	86.91
Proceeds from long-term borrowings	98.50	41.25
Short-term borrowings - receipts / (payments)	366.10	708.01
Interest paid	(235.47)	(88.69)
Other borrowing costs paid	(53.25)	(51.97)
Dividend paid inclusive of dividend distribution tax	(661.76)	(658.71)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(603.45)</b>	<b>36.80</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>2,242.97</b>	<b>(209.76)</b>
Cash and cash equivalents- opening balance	445.47	655.23
<b>Cash and cash equivalents - closing balance</b>	<b>2,688.44</b>	<b>445.47</b>

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 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

**Shankar Lal Kedia**  
Chief Financial Officer

**Ajay Kumar Agarwal**  
Company Secretary

Place : Hyderabad  
Date : 28th July, 2020

**Hemant Bangur** (DIN: 00040903)  
Executive Chairman

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

**Ishani Ray** (DIN: 08800793)  
Director

Place : Kolkata  
Date : 28th July, 2020



## 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 Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

##### ii) Classification of current and non-current

All asset and liabilities have been classified as current or non-current 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 standards and amendments for the first time for their annual reporting period commencing 1 April 2019:

(a) Ind AS 116, Leases

(b) Uncertainty over Income Tax Treatments - Appendix C to Ind AS 12, Income Taxes

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

##### (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 Indian GAAP 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 coverable 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 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.





## Notes to the Standalone Financial Statements

### 2.8 Financial Liabilities

Financial liabilities are measured at amortised cost using the effective interest method. Borrowings are initially recognised 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 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.

### 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.

#### 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.

## Notes to the Standalone Financial Statements

### 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.

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 33 for segment information presented.

### 2.24 Leases

#### As a lessee

From 1 April 2019, 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:-

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

#### To determine the incremental borrowing rate, the Company:

- 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
- 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.

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 :-

- the amount of the initial measurement of lease liability
- any lease payment made at or before the commencement date less any lease incentive received
- any initial direct cost and
- 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.



## Notes to the Standalone Financial Statements

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. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

### 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 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 carried forward tax losses - Refer note 29 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

(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		
	1 April 2019	Additions	Disposals/adjustments	31 March 2020	1 April 2019	For the year	Disposals/adjustments	31 March 2020	1 April 2019	For the year	Reversals	31 March 2020	31 March 2019
Freehold land	21,015.05	-	-	21,015.05	-	-	-	-	-	-	-	21,015.05	21,015.05
Buildings	5,630.20	306.61	-	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	1,102.91	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
	<b>33,348.28</b>	<b>1,578.84</b>	<b>75.29</b>	<b>34,851.83</b>	<b>2,945.66</b>	<b>967.47</b>	<b>43.73</b>	<b>3,869.40</b>	<b>110.27</b>	<b>-</b>	<b>-</b>	<b>30,872.16</b>	<b>30,292.35</b>

Particulars	Gross carrying amount			Accumulated depreciation				Impairment			Net carrying amount		
	1 April 2018	Additions	Disposals/adjustments	31 March 2019	1 April 2018	For the year	Disposals/adjustments	31 March 2019	1 April 2018	For the year	Reversals	31 March 2019	31 March 2018
Freehold land	21,015.05	-	-	21,015.05	-	-	-	-	-	-	-	21,015.05	21,015.05
Buildings	5,331.30	298.90	-	5,630.20	400.01	207.95	-	607.96	-	-	-	5,022.24	4,931.29
Roads	45.06	-	-	45.06	17.46	6.47	-	23.93	-	-	-	21.13	27.60
Plant and equipment	4,873.99	805.92	7.80	5,672.11	1,319.05	611.45	2.80	1,927.70	110.27	-	-	3,634.14	3,444.67
Electric installation	296.55	6.26	-	302.81	69.88	30.68	-	100.56	-	-	-	202.25	226.67
Furniture & fixtures	277.23	3.60	-	280.83	92.07	43.10	-	135.17	-	-	-	145.66	185.16
Office equipment	59.71	2.66	0.17	62.20	35.05	4.80	-	39.85	-	-	-	22.35	24.66
Launches	0.01	-	-	0.01	-	-	-	-	-	-	-	0.01	0.01
Vehicles	303.80	54.07	17.86	340.01	83.14	40.80	13.45	110.49	-	-	-	229.52	220.66
	<b>32,202.70</b>	<b>1,171.41</b>	<b>25.83</b>	<b>33,348.28</b>	<b>2,016.66</b>	<b>945.25</b>	<b>16.25</b>	<b>2,945.66</b>	<b>110.27</b>	<b>-</b>	<b>-</b>	<b>30,292.35</b>	<b>30,075.77</b>

(i) Refer to note 13(a) and note 17(a) for information on property, plant and equipment pledged as security by the Company.

(ii) The little deeds of immovable properties as set out in above table as held in the name of the Company.

### Note: 3(b) Capital work in progress

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

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Gross carrying amount		Accumulated amortisation			Net carrying amount	
	1 April 2019	31 March 2020	1 April 2019	For the year	31 March 2020	31 March 2020	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
	31,247.66	31,247.66	4,999.62	1,666.54	6,666.16	24,581.50	26,248.04
Particulars	Gross carrying amount		Accumulated amortisation			Net carrying amount	
	1 April 2018	31 March 2019	1 April 2018	For the year	31 March 2019	31 March 2019	31 March 2018
Goodwill	31,247.66	31,247.66	3,333.08	1,666.54	4,999.62	26,248.04	27,914.58
	31,247.66	31,247.66	3,333.08	1,666.54	4,999.62	26,248.04	27,914.58
Particulars	Gross carrying amount		Accumulated amortisation			Net carrying amount	
	1 April 2019	31 March 2020	1 April 2019	For the year	31 March 2020	31 March 2020	31 March 2019
Trademark	8,782.90	8,782.90	1,405.26	468.42	1,873.68	6,909.22	7,377.64
Computer Software	60.88	73.01	30.10	12.32	42.42	30.59	30.78
	8,843.78	8,855.91	1,435.36	480.74	1,916.10	6,939.81	7,408.42
Particulars	Gross carrying amount		Accumulated amortisation			Net carrying amount	
	1 April 2018	31 March 2019	1 April 2018	For the year	31 March 2019	31 March 2019	31 March 2018
Trademark	8,782.90	8,782.90	936.84	468.42	1,405.26	7,377.64	7,846.06
Computer Software	59.63	60.88	17.93	12.17	30.10	30.78	41.70
	8,842.53	8,843.78	954.77	480.59	1,435.36	7,408.42	7,887.76



## Notes to the Standalone Financial Statements

### Note: 4 Investments in subsidiaries

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
<b>Investments carried at cost</b>					
<b>Investments in equity instruments</b>					
<b>Investments in subsidiaries - Unquoted</b>					
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	-	-
Network Industries Ltd.	10	1,08,00,000	1,080.00	-	-
<b>Total</b>			<b>2,322.00</b>		<b>1,042.00</b>
<b>Aggregate carrying value of unquoted investments</b>			<b>2,322.00</b>		<b>1,042.00</b>
<b>Aggregate amount of Impairment in the value of investments</b>			<b>Nil</b>		<b>Nil</b>

### Note: 5(a) Investment (Non-current)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
<b>I. Mandatorily measured at FVTPL</b>					
<b>Investments in Mutual Fund (Debt) - Fully paid up - Quoted</b>					
Nippon India Fixed Horizon Fund XXXI Series 15 - Growth (formerly Reliance Fixed Horizon Fund XXXI Series 15 - Growth)	10	-	-	10,00,000	123.11
HDFC FMP Growth Series 37	10	-	-	10,00,000	122.91
<b>Mutual Fund (Debt) - Fully paid up - Quoted (Investment through PMS)</b>					
Invesco India Liquid Fund - Direct Plan Growth	1,000	54	1.46	231	5.97
<b>Investment in Alternative Investment Funds (Debt) - Fully paid up - Unquoted</b>					
Peninsula Brookfield India Real Estate Fund	46,611	188	58.31	188	89.30
IIFL Real Estate Fund (Domestic) - Series 2	6	18,66,885	109.06	18,66,885	147.46
Indiareit Apartment Fund	1,00,000	-	-	37	61.43
IIFL Real Estate Fund (Domestic) - Series 3	9	20,00,000	142.98	20,00,000	203.90
India Realty Excellence Fund III	100	4,64,407	547.98	4,22,450	523.84
India Realty Excellence Fund IV	100	3,25,000	339.11	1,75,000	175.00

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
<b>II. Designated at FVOCI:</b>					
<b>Investment in Alternative Investment Funds (Equity)</b>					
<b>Fully paid up - Unquoted</b>					
IIFL Special Opportunities Fund Class A1	9	18,60,518	167.65	18,60,518	215.02
IIFL Re Organize India Equity Fund Class A1	10	21,90,117	108.03	21,90,117	168.31
IIFL Focussed Equity Strategies Fund :-					
Class A1	10	8,08,475	101.12	8,08,475	122.88
Class B1	10	8,51,451	54.94	8,51,451	92.98
IIFL Select Series II Class A1	10	28,79,327	258.12	14,57,216	141.80
Abakkus Growth Fund I Class B1	1,000	19,782	148.06	19,782	218.13
Ask India 2025 Equity Fund	1,000	20,728	175.59	6,671	65.11
India Business Excellence Fund III	1,000	49,107	254.37	49,107	208.75
Malabar Value Fund	100	88,511	63.26	88,511	102.83
Sundaram Alternative Opportunities Fund- Nano Cap Series I	1,00,000	92	39.16	92	86.06
DSP Blackrock AIF Pharma Fund Class B	100	-	-	1,02,754	92.50
Baring Private Equity India	1,00,000	200	229.93	150	166.37
White Oak India Equity Fund	10	9,59,429	90.60	9,59,429	107.12
Motilal Oswal Focused Emergence Fund	10	21,24,325	105.08	21,24,325	171.21
Edelweiss Alternative Equity Scheme Class A	10	-	-	6,89,634	144.82
<b>Quoted Equity Instruments- Fully paid-up</b>					
<b>(Investment through PMS)</b>					
Aegis Logistics Ltd.	1	9,937	13.86	9,937	20.19
Aavas Financiers Ltd.	10	340	4.03	-	-
Aditya Birla Fashion And Retail Ltd.	10	1,837	2.81	711	1.57
Alkem Laboratories Ltd.	2	969	22.56	969	16.97
APL Apollo Tubes Ltd.	10	254	3.17	218	3.14
Aia Engineering Ltd.	2	259	3.68	259	4.65
Apollo Hospitals Enterprises Ltd.	5	685	7.80	755	9.27
Asian Paints Ltd.	1	474	7.90	528	7.88
Astral Poly Technik Ltd.	1	655	6.06	572	6.63
AU Small Finance Bank	10	3,944	20.01	1,697	10.11
Axis Bank Ltd.	2	2,468	9.36	740	5.75
Bajaj Finance Ltd.	2	1,330	29.47	2,159	65.31
Bajaj Finserv Ltd.	5	399	18.31	420	29.55
Bayer Cropscience Ltd.	10	262	9.05	216	9.51
Bharat Forge Ltd.	2	2,833	6.66	2,833	14.52
Bharat Petroleum Corporation Ltd.	10	855	2.85	-	-



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## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
Bharti Airtel Ltd.	5	989	4.36	-	-
Birla Corporation Ltd.	10	1,709	7.09	1,709	8.96
Britannia Industries Ltd.	1	280	7.53	255	7.86
Bosch Ltd.	10	106	9.96	106	19.28
Blue Star Ltd.	2	982	4.51	1,048	7.10
Canfin Homes Ltd.	2	2,054	5.73	2,054	7.17
Central Depository Services India Ltd.	10	1,202	2.58	-	-
City Union Bank Ltd.	1	10,850	14.00	12,768	26.16
Cholamandalam Investment and Finance Company Ltd.	2	7,910	12.10	1,728	25.01
Colgate Palmolive (India) Ltd.	1	938	11.75	938	11.80
Cipla Ltd.	2	1,471	6.28	1,471	7.78
Container Corporation of India Ltd.	5	3,188	10.57	3,188	16.75
Cummins India Ltd.	2	1,488	4.86	1,488	11.10
Dabur India Ltd.	1	1,796	8.09	875	3.58
DCB Bank Ltd.	10	8,266	7.84	8,266	16.92
Dhanuka Agritech Ltd.	2	682	2.22	682	2.66
Dalmia Bharat Ltd.	2	195	0.95	464	4.59
Dishman Carbogen Amcis Ltd.	2	-	-	2,549	5.31
Divi's Laboratories Ltd.	2	402	7.99	324	5.52
Dr Lal Pathlabs Ltd.	10	607	8.51	648	6.77
Dixon Technologies India Ltd.	10	98	3.51	156	3.67
Eicher Motors Ltd.	10	105	13.75	131	26.92
Emami Ltd.	1	2,786	4.73	2,786	11.14
Equitas Holdings Ltd.	10	4,883	2.08	6,294	8.62
Exide Industries Ltd.	1	2,235	3.00	1,935	4.23
Engineers India Ltd.	5	2,979	1.79	2,979	3.49
Federal Bank Ltd.	2	12,190	5.00	12,190	11.76
Gabriel India Ltd.	1	5,454	2.91	5,454	7.88
Glaxo Smithkline Consumer Healthcare Ltd.	10	202	20.15	202	14.64
Gujarat State Petronet Ltd.	10	2,379	4.10	4,723	9.01
Godrej Industries Ltd.	1	3,269	9.26	3,269	17.53
Gruh Finance Ltd.	2	-	-	5,989	16.53
Havells India Ltd.	1	1,233	5.92	1,056	8.14
HDFC Asset Management Company Ltd.	5	468	9.88	282	4.33
HDFC Bank Ltd.	1	1,630	14.05	929	21.52
HDFC Life Insurance Company Ltd.	10	2,448	10.81	2,709	10.25
Hindustan Petroleum Corporation Ltd.	10	4,816	9.16	4,816	13.67

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
Ipca Lab Ltd.	2	1,557	21.68	1,557	15.29
Isgec Heavy Engineering Ltd.	1	441	1.13	440	2.66
Indusind Bank Ltd.	10	171	0.60	1,935	34.48
Infosys Ltd.	5	702	4.50	790	5.88
ICICI Bank Ltd.	2	10,936	35.43	4,709	18.86
ICICI Securities Ltd.	5	538	1.49	-	-
ITC Ltd.	1	-	-	1,908	5.67
ITD Cementation India Ltd.	1	3,460	1.03	3,460	4.56
IIFL Finance Ltd. (Formerly IIFL Holdings Ltd.)	2	721	0.53	721	3.09
IIFL Securities Ltd.	2	721	0.22	-	-
ICICI Lombard General Insurance Company Ltd.	10	1,439	15.49	590	6.09
Jammu Kashmir Bank Ltd.	1	7,144	0.89	7,144	3.84
Jubilant Foodworks Ltd.	10	122	1.80	-	-
Kotak Mahindra Bank Ltd.	5	5,607	72.67	5,991	79.97
KEC International Ltd.	2	-	-	941	2.82
Kajaria Ceramics Ltd.	1	1,392	5.23	1,392	8.21
KNR Constructions Ltd.	2	1,304	2.57	1,515	3.96
L&T Technology Services Ltd.	2	1,281	14.88	1,323	20.80
L&T Finance Holdings Ltd.	10	-	-	5,787	8.83
Lakshmi Vilas Bank Ltd.	10	-	-	6,135	4.36
Mahindra Logistics Ltd.	10	703	1.59	620	3.26
Mahindra & Mahindra Fin Services Ltd.	2	919	1.35	1,215	5.12
Mahindra and Mahindra Ltd.	5	-	-	530	3.57
Mahanagar Gas Ltd.	10	951	7.78	951	10.03
Mas Financial Services Ltd.	10	2,099	11.05	1,900	10.77
Max Financial Services Ltd.	2	4,134	15.90	4,134	17.99
M R F Ltd.	10	11	6.41	10	5.81
Minda Industries Ltd.	2	890	2.13	1,128	3.68
Motherson Sumi Systems Ltd.	1	3,749	2.29	4,985	7.45
Motilal Oswal Financial Services Ltd.	1	230	1.14	1,167	7.00
Monsanto India Ltd. (amalgamated with Bayer Crop-science Ltd of face value ₹10/-)	10	-	-	70	1.82
Music Broadcast Ltd.	2	6,797	1.01	4,215	2.45
Orient Electric Ltd.	1	1,212	2.39	-	-
5Paisa Capital Ltd.	10	-	-	19	0.05
Page Industries Ltd.	10	204	34.59	207	51.67
Parag Milk Foods Ltd	10	-	-	1,573	4.10
PNB Housing Finance Ltd.	10	-	-	1,125	9.74
P I Industries Ltd.	1	650	7.60	727	7.50



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## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
Pidilite Industries Ltd.	1	579	7.86	579	7.19
Qess Corp Ltd.	10	900	1.92	900	6.72
Reliance Industries Ltd.	10	951	10.59	543	7.40
Ratnamani Metals And Tubes Ltd.	2	319	2.93	324	2.94
Shriram Transport Finance Co Ltd.	10	281	1.86	409	5.22
Shree Cements Ltd.	10	29	5.10	16	2.98
SBI Life Insurance Company Ltd.	10	2,023	12.97	1,725	10.00
State Bank of India	1	2,868	5.65	911	2.92
Suprajit Engineering Ltd.	1	1,305	1.47	1,305	3.19
TTK Prestige Ltd.	10	165	8.03	138	12.05
Timken India Ltd.	10	347	2.66	435	2.55
Tata Metaliks Ltd.	10	437	1.45	437	2.84
Tata Steel Ltd.	10	584	1.57	-	-
Torrent Pharmaceuticals Ltd.	5	247	4.95	249	4.85
Tech Mahindra Ltd.	5	2,874	16.32	2,829	21.95
Titan Company Ltd.	1	476	4.44	-	-
Torrent Power Ltd.	10	667	1.86	-	-
TVS Motor Company Ltd.	1	681	2.04	-	-
United Spirits Ltd.	2	718	3.48	605	3.35
United Breweries Ltd.	1	197	1.81	-	-
Voltas Ltd.	1	7,312	34.87	7,432	46.78
V-Mart Retail Ltd.	10	56	0.80	56	1.51
VIP Industries Ltd.	2	596	1.43	1,443	6.97
Wonderla Holidays Ltd.	10	772	1.09	772	2.39
Whirlpool of India Ltd.	10	111	2.02	-	-
<b>Investment in Equity Instruments - Fully paid up</b>					
<b>Unquoted</b>					
Fine Worthy Software Solutions Private Ltd.	10	91,411	214.77	91,411	214.76
Blackberry Properties Pvt. Ltd.	10	10,00,000	781.90	10,00,000	494.10
Cambay Investment Corporation Ltd.	10	38,000	663.58	38,000	812.75
Credwyn Holdings India Pvt. Ltd.	100	30,000	1,326.91	30,000	1,176.00
Laxmi Asbestos Products Ltd.	100	5,000	5.00	5,000	5.00
Sudipta Traders Pvt.Ltd.	10	1,54,000	1,300.98	1,54,000	786.22
The Oriental Company Ltd.	100	845	466.00	845	716.64
Woodland Multispeciality Hospital Ltd.	10	4,290	0.21	4,290	0.21
<b>Investment in Equity Instruments - Fully paid up</b>					
<b>Quoted (Direct investment)</b>					
The Cochin Malabar Estates & Industries Ltd.	10	98,939	57.38	98,939	58.18
Joonktollie Tea & Industries Ltd.	10	5,38,838	367.76	5,38,838	781.32
ABB India Ltd.	2	200	1.87	200	2.63

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
ABB Power And Systems India Ltd.	2	40	0.30	-	-
Amar Remedy Ltd.	10	200	0.01	200	0.01
Barak Valley Cements Ltd.	10	303	0.02	303	0.05
Bank of Baroda	2	550	0.29	-	-
Dena Bank	10	-	-	5,000	0.63
Himachal Futuristic Communications Ltd.	1	16,900	1.53	16,900	3.81
Himatsingka Seide Ltd.	5	900	0.54	900	1.96
Indian Overseas Bank	10	1,000	0.07	1,000	0.14
Interglobe Aviation Ltd.	10	100	1.07	100	1.43
Jaiprakash Power Ventures Ltd.	10	16,900	0.10	16,900	0.31
Penta Media Graphics Ltd.	1	11,070	0.03	11,070	0.05
Port Shipping Co. Ltd.	10	1,64,330	16.43	1,64,330	16.43
The Phosphate Co. Ltd.	10	1,70,000	140.08	1,70,000	98.94
UCO Bank	10	3,000	0.27	3,000	0.56
<b>Total</b>			<b>9,181.05</b>		<b>9,856.82</b>
<b>Aggregate amount of quoted investments and market value thereof</b>			<b>1,428.35</b>		<b>2,346.32</b>
<b>Aggregate amount of unquoted investments</b>			<b>7,752.70</b>		<b>7,510.50</b>





## Notes to the Standalone Financial Statements

### Note: 5(b) Loans (Non-current)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security Deposits	147.70	117.59
<b>Total</b>	<b>147.70</b>	<b>117.59</b>

### Note: 5(c) Other financial assets (Non-current)

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good (unless otherwise stated)</b>		
Advance to Body Corporate	885.62	-
	885.62	-

### Note: 6 Other non-current assets

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good (unless otherwise stated)</b>		
Capital Advances	525.51	183.69
Deposits with Government Authorities	122.14	93.26
<b>Total</b>	<b>647.65</b>	<b>276.95</b>

### Note: 7 Inventories

Particulars	31 March 2020	31 March 2019
Raw materials	5,768.22	5,261.39
Stock-in-process	1,631.34	800.51
Semi Finished Goods	598.37	635.44
Finished Goods (includes goods in transit ₹ 845.48 lakhs; 31 March 2019 - ₹ 157.69 lakhs)	2,516.63	1,753.38
Stores and Spares	1,098.96	1,090.04
<b>Total</b>	<b>11,613.52</b>	<b>9,540.76</b>

### Note: 8(a) Investments (Current)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
<b>I. Designated at FVOCI</b>					
<b>Quoted Equity Instruments- Fully paid up (Direct investment)</b>					
J K Paper Ltd.	10	3,25,000	242.20	3,25,000	464.43
Larsen & Toubro Ltd.	2	3,500	28.24	3,500	48.44
Magma Fincorp Ltd.	2	6,174	1.06	25,000	29.38
National Aluminium Company Ltd.	5	70,000	20.41	70,000	38.78
NBCC (India) Ltd.	1	1,50,000	24.48	1,50,000	99.45
HEG Ltd.	10	63,654	308.30	47,286	990.24
Century Textiles Industries Ltd.	10	2,000	5.92	2,000	18.65
Bombay Dyeing & Mfg. Co. Ltd.	2	1,45,000	66.41	1,45,000	195.82
Usha Martin Ltd.	1	1,50,000	24.00	2,50,000	100.75
Himadri Speciality Chemicals Ltd.	1	-	-	1,60,000	187.44
HBL Power Systems Ltd.	1	1,00,000	11.01	1,50,000	38.10
Shree Cements Ltd.	10	3,000	527.25	3,500	652.21

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
State Bank of India	1	50,000	98.46	50,000	160.40
SBI Cards And Payment Services Ltd.	10	6,118	37.85	-	-
Maharashtra Seamless Ltd.	5	4,300	8.31	4,300	21.37
Bombay Burmah Trading Corpn. Ltd.	2	15,000	109.88	15,000	194.90
Tamilnadu Newprint Papers Ltd.	10	-	-	10,000	20.60
Oberoi Realty Ltd.	10	9,000	29.86	9,000	47.55
Tata Steel Ltd.	10	-	-	80,000	416.80
HDFC Asset Management Company Ltd.	5	1,403	29.64	1,403	21.52
Ultra Tech Cement Ltd.	10	249	8.10	-	-
<b>Investment in Alternative Investment Funds (Equity) - Fully paid up - Unquoted</b>					
Orios venture Partners Fund	100	2,00,000	197.00	2,00,000	193.76
<b>Investment in Alternative Investment Funds (Debt) - Fully paid up - Unquoted</b>					
Indiareit Apartment Fund	1,00,000	32	58.91	-	-
<b>II. Mandatorily measured at FVTPL</b>					
<b>Investment in Compulsorily Convertible Preference Shares- Fully paid up - Unquoted</b>					
Tata Motors Finance Ltd.	100	-	-	1,00,000	100.00
<b>Investment in Mutual fund - Fully paid-up (Debt) - Unquoted</b>					
HDFC Liquid Fund Regular Plan - Growth	1,000	-	-	71,291	2,609.47
<b>Investments in Mutual Fund (Debt) - Fully paid up - Quoted</b>					
HDFC FMP Growth Series 37	10	10,00,000	134.76	-	-
ICICI Prudential FMP Series 78	10	10,00,000	-	10,00,000	129.67
Baroda Equity Savings Fund	10	2,50,000	24.90	-	-
Nippon India Fixed Horizon Fund XXX Series 14 - Growth (formerly Reliance Fixed Horizon Fund XXX Series 14 - Growth)	10	-	-	10,00,000	130.15
Nippon India Fixed Horizon Fund XXXI Series 15 - Growth (formerly Reliance Fixed Horizon Fund XXXI Series 15 - Growth)	10	10,00,000	129.38	-	-
<b>Investment in Debentures - Fully Paid up - Quoted</b>					
Aspire Home Finance Corporation Ltd.	10,00,000	-	-	20	256.36
<b>Total</b>			<b>2,126.33</b>		<b>7,166.24</b>
<b>Aggregate amount of quoted investments and market value thereof</b>			<b>1,870.42</b>		<b>6,872.48</b>
<b>Aggregate amount of unquoted investments</b>			<b>255.91</b>		<b>293.76</b>

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## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 8(b) Trade receivables

Particulars	31 March 2020	31 March 2019
Trade Receivables - Considered good - Unsecured (refer note below)	2,949.20	3,430.86
Less: Credit impaired	(55.36)	(55.36)
<b>Total</b>	<b>2,893.84</b>	<b>3,375.50</b>

### 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 2020	31 March 2019
Total transferred receivables	308.68	271.46
Associated secured borrowing (refer note 17(a))	(308.68)	(271.46)

### Note: 8(c) Cash and cash equivalents

Particulars	31 March 2020	31 March 2019
<b>Cash and cash equivalents</b>		
Cash on hand	6.29	6.88
Balances with banks :		
In current accounts	177.15	438.59
In fixed deposit account	2,505.00	-
<b>Total</b>	<b>2,688.44</b>	<b>445.47</b>

### Note: 8(d) Other bank balances

Particulars	31 March 2020	31 March 2019
<b>Other Bank balances</b>		
Unpaid dividend account	23.16	25.29
Fractional share entitlement	0.52	-
Margin money deposits	0.27	0.21
<b>Total</b>	<b>23.95</b>	<b>25.50</b>

### Note: 8(e) Loans (Current)

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good</b>		
Security Deposits	96.39	96.39
Employee loans and advances	356.55	328.34
Loans to Body Corporates	3,017.23	4,540.00
Loan to Subsidiary	2,620.20	-
<b>Total</b>	<b>6,090.37</b>	<b>4,964.73</b>

## Notes to the Standalone Financial Statements

### Note: 8(f) Other financial assets - current

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
Derivatives not designated as hedges - Foreign-exchange forward contracts	-	90.09
Interest accrued on Loans to Body Corporates	85.16	189.57
<b>Total</b>	<b>85.16</b>	<b>279.66</b>

### Note: 9 Current tax assets (net)

Particulars	31 March 2020	31 March 2019
Advance for taxation (Net of provision of ₹ 6,751.13 lakhs (31 March 2019 - ₹ 4,879.63 lakhs)	3,648.35	3,421.41
<b>Total</b>	<b>3,648.35</b>	<b>3,421.41</b>

### Note: 10 Other current assets

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good (unless otherwise stated)</b>		
Prepaid Expenses	58.24	54.17
Balances with Government Authorities	210.45	189.79
Advances for goods and services - Considered Good	525.20	80.18
Dividend distribution tax (DDT) refundable [refer (a) below]	49.14	49.14
<b>Other Advances</b>		
Considered Good	8.86	17.80
Credit impaired	148.17	148.17
Less : Allowance for credit impaired	(148.17)	(148.17)
<b>Total</b>	<b>851.89</b>	<b>391.08</b>

(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.

### Note: 11 Equity share capital

#### (a) Authorised share capital

Particulars	Equity shares	
	Number of shares	Amount
<b>As at 1 April 2018</b>	<b>2,75,00,000</b>	<b>2,750.00</b>
Changes during the year	-	-
<b>As at 31 March 2019</b>	<b>2,75,00,000</b>	<b>2,750.00</b>
Changes during the year	-	-
<b>As at 31 March 2020</b>	<b>2,75,00,000</b>	<b>2,750.00</b>

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

Particulars	Equity shares	
	Number of shares	Amount
<b>As at 1 April 2018</b>	<b>20,00,000</b>	<b>200.00</b>
Shares Issued during the year [refer note 11(f)]	34,71,630	347.16
<b>As at 31 March 2019</b>	<b>54,71,630</b>	<b>547.16</b>
Changes during the year	-	-
<b>As at 31 March 2020</b>	<b>54,71,630</b>	<b>547.16</b>



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## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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

Name of the equity shareholder	31 March 2020		31 March 2019	
	Number of Shares	% holding	Number of Shares	% holding
Equity Shares				
Life Insurance Corporation of India	8,40,174	15.36	9,21,277	16.84
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	3,74,032	6.83

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

The Company has only one class of equity shares having a par value of Rs 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.

(f) Pursuant to Scheme of Amalgamation of erstwhile Gloster Limited with the Company 34,71,630 Equity Shares of face value of ₹ 10 each were issued on 10 May 2018.

### Note: 12 Other equity

#### A. Reserve and Surplus

Particulars	31 March 2020	31 March 2019
(i) Securities Premium	78,146.39	78,146.39
(ii) General reserve	6,619.10	5,119.10
(iii) Retained earnings	6,003.12	6,784.00
<b>Total reserves and surplus</b>	<b>90,768.61</b>	<b>90,049.49</b>

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>(i) Securities Premium</b>		
Balance at the beginning of the year	78,146.39	-
On issue of equity shares [refer note 11(f) above]	-	78,146.39
<b>Balance at the end of the year</b>	<b>78,146.39</b>	<b>78,146.39</b>
<b>(ii) General reserve</b>		
Balance at the beginning of the year	5,119.10	3,119.10
Transferred from retained earnings	1,500.00	2,000.00
<b>Balance at the end of the year</b>	<b>6,619.10</b>	<b>5,119.10</b>
<b>(iii) Retained earnings</b>		
Balance at the beginning of the year	6,784.00	4,852.12
Profit for the year	1,928.65	4,415.35
<b>Items of other comprehensive income recognised directly in retained earnings</b>		
- Remeasurements of post-employment benefit obligation, net of tax	(400.54)	217.58
- Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	(149.36)	(41.42)
<b>Deduct : Appropriations</b>		
Dividend paid during the year	(547.16)	(547.16)
Tax on dividend paid during the year	(112.47)	(112.47)
Transferred to general reserve	(1,500.00)	(2,000.00)
<b>Balance at the end of the year</b>	<b>6,003.12</b>	<b>6,784.00</b>
Particulars	31 March 2020	31 March 2019
<b>B. Other reserves - Equity instruments through Other comprehensive income</b>		
Balance at the beginning of the year	3,345.73	4,112.80
Changes in fair value of FVOCI equity instruments ( Realised + Unrealised )	(2,298.26)	(931.25)
Deferred tax	173.13	122.76
Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	149.36	41.42
<b>Balance at the end of the year</b>	<b>1,369.96</b>	<b>3,345.73</b>
<b>Total (A+B)</b>	<b>92,138.57</b>	<b>93,395.22</b>

### (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.

### Note: 13 Borrowings (Non-current)

Particulars	31 March 2020	31 March 2019
Unsecured		
Term loan from banks [refer note (a) below]	237.49	256.56
Less: Current maturities of long term debts [refer note 17(c)]	(117.66)	(86.91)
<b>Total</b>	<b>119.83</b>	<b>169.65</b>

Nature of security	Terms of repayment
(a) Unsecured term loan from bank amounting to ₹ 237.49 lakhs ( 31 March 2019 - ₹ 256.56 lakhs)	Repayable in 12 equal quarterly instalments beginning from June 2019 bearing interest at a rate linked to Bank's One year MCLR.



## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 14 Provisions (Non-current)

Particulars	31 March 2020	31 March 2019
Provision for compensated absences of employees	538.42	450.91
Provision for Gratuity (refer note 25)	1,061.76	46.01
Other non-current provisions	2.17	2.17
<b>Total</b>	<b>1,602.35</b>	<b>499.09</b>

### Note: 15 Deferred tax liabilities (net)

Particulars	31 March 2020	31 March 2019
<b>Deferred tax liabilities</b>		
Investment in financial instruments at FVTPL	4.40	63.90
Investment in financial instruments at FVOCI	589.24	762.37
Property, plant and equipment	9,122.25	8,744.63
	<b>9,715.89</b>	<b>9,570.90</b>
<b>Deferred tax assets</b>		
Provision for leave encashment	149.07	118.19
Provision for doubtful advances & receivables	71.12	71.12
Deferred government grant	89.76	86.79
MAT credit entitlement	4,218.82	4,361.25
Unabsorbed depreciation	-	120.94
Others	362.70	95.29
	<b>4,891.47</b>	<b>4,853.58</b>
<b>Net deferred tax liabilities [refer note below]</b>	<b>4,824.42</b>	<b>4,717.32</b>

**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.

### Note: 16 Other non-current liabilities

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
Deferred government grant	238.11	230.20
<b>Total</b>	<b>238.11</b>	<b>230.20</b>

### Note: 17(a) Borrowings (Current)

Particulars	31 March 2020	31 March 2019
<b>Secured :</b>		
Loans from banks [refer note below]	2,313.64	1,984.76
Liability on bill discounting [refer note below & note 8(b)]	308.68	271.46
<b>Total</b>	<b>2,622.32</b>	<b>2,256.22</b>

**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.

## Notes to the Standalone Financial Statements

### Note: 17(b) Trade payables

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
Trade Payables - Micro and Small Enterprises (refer note 40 for details of dues to Micro, Small and Medium Enterprises)	2.84	0.55
Trade payables - Other than Micro and Small Enterprises	983.38	672.35
<b>Total</b>	<b>986.22</b>	<b>672.90</b>

### Note: 17(c) Other financial liabilities - Current

Particulars	31 March 2020	31 March 2019
Current maturities of long-term debt (refer note 13)	117.66	86.91
Unpaid dividends (refer note(a) below)	23.16	25.29
Unclaimed fractional share entitlement	0.52	-
Capital creditors	173.85	-
Derivatives not designated as hedges - Foreign-exchange forward contracts	247.27	-
Other payables [refer note(b) below]	1,010.27	1,202.57
<b>Total</b>	<b>1,572.73</b>	<b>1,314.77</b>

#### 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 ₹ 469.02 lakhs (31 March 2019 - ₹ 878.76 lakhs.)

### Note: 18 Other current liabilities

Particulars	31 March 2020	31 March 2019
Advances received from customers*	711.72	192.35
Statutory dues	756.24	757.37
Deferred Government Grant	19.30	18.16
Other payables	60.68	42.97
<b>Total</b>	<b>1,547.94</b>	<b>1,010.85</b>

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

### Note: 19 Provisions (Current)

Particulars	31 March 2020	31 March 2019
<b>Provision for employee benefits</b>		
Provision for compensated absences of employees	136.61	114.10
<b>Total</b>	<b>136.61</b>	<b>114.10</b>

### Note: 20 Current tax liabilities (net)

Particulars	31 March 2020	31 March 2019
Provision for taxation [Net of advance tax ₹ 4,208.18 lakhs ( 31 March 2019 ₹ 5,653.78 lakhs)].	485.65	523.14
<b>Total</b>	<b>485.65</b>	<b>523.14</b>





## Notes to the Standalone Financial Statements

### Note: 21 Revenue from operations

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>Revenue from Contracts with Customers</b>		
Sale of finished goods	48,605.46	49,117.56
<b>Other operating revenues</b>		
Export incentive	885.39	1,020.75
<b>Total</b>	<b>49,490.85</b>	<b>50,138.31</b>

(a) 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 2020	31 March 2019
Interest income from financial assets at amortised cost	421.83	636.17
Interest income from financial assets measured at FVTPL	105.91	78.32
Dividend income from investments designated at FVOCI (refer note (a) below)	103.90	59.82
Rental income	4.11	4.09
Net gains on fair value changes on investments classified at FVTPL	-	152.62
Net gain on disposal of property, plant and equipment	37.75	13.53
Profit on sale of long term investment	13.73	178.26
Profit on sale of short term investment	199.40	-
Liabilities no longer required written back	11.98	50.22
Provisions no longer required written back	-	74.43
Net foreign exchange gains / (losses)	-	117.11
Government grants (refer note (b) below)	18.77	18.16
Miscellaneous income (refer note (c) below)	107.76	230.27
<b>Total</b>	<b>1,025.14</b>	<b>1,613.00</b>

#### 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 ₹ 10.09 lakhs ( 31 March 2019 - ₹ 4.06 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 realized amounting to ₹ 0.22 lakhs (31 March 2019 - ₹ 135.80 lakhs )

### Note: 23 Cost of materials consumed

Particulars	31 March 2020	31 March 2019
Inventory at the beginning of the year	5,261.39	4,057.43
Add : Purchases ( net )	26,710.43	25,134.90
	<b>31,971.82</b>	<b>29,192.33</b>
Less : Inventory at the end of the year	5,768.22	5,261.39
<b>Total</b>	<b>26,203.60</b>	<b>23,930.94</b>

## Notes to the Standalone Financial Statements

### Note: 24 Changes in inventories of finished goods and work-in-progress

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>Inventories at the end of the year</b>		
Stock-in-process	1,631.34	800.51
Semi - Finished Goods	598.37	635.44
Finished Goods	2,516.63	1,753.38
<b>Total (A)</b>	<b>4,746.34</b>	<b>3,189.33</b>
<b>Inventories at the beginning of the year</b>		
Stock-in-process	800.51	825.93
Semi - Finished Goods	635.44	406.32
Finished Goods	1,753.38	2,547.53
<b>Total (B)</b>	<b>3,189.33</b>	<b>3,779.78</b>
<b>(Increase)/decrease in inventories (B-A)</b>	<b>(1,557.01)</b>	<b>590.45</b>

### Note: 25 Employee benefits expense

Particulars	31 March 2020	31 March 2019
Salaries, Wages & Bonus	7,533.35	7,272.20
Contribution to Provident and Other Funds [Refer notes below]	1,366.01	1,300.27
Workmen and Staff Welfare expenses	59.61	68.58
<b>Total</b>	<b>8,958.97</b>	<b>8,641.05</b>

#### 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 2020	31 March 2019
Employer's contribution to pension fund	398.39	381.87
Employer's contribution to superannuation fund	99.41	83.14
	<b>497.80</b>	<b>465.01</b>

##### (ii) Defined benefit plan

##### (a) Gratuity:

The employees' gratuity fund scheme managed by a Trust and is a defined benefit plan. The funds of the trust is 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:



## 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
<b>1 April 2018</b>	<b>6,072.32</b>	<b>(6,116.66)</b>	<b>(44.34)</b>
Current service cost	371.07	-	371.07
Interest expense/(income)	451.96	(455.33)	(3.37)
<b>Total amount recognised in profit or loss</b>	<b>823.03</b>	<b>(455.33)</b>	<b>367.70</b>
<b>Remeasurements</b>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(78.37)	(78.37)
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	62.99	-	62.99
Actuarial (gain)/loss from unexpected experience	(261.97)	-	(261.97)
<b>Total amount recognised in other comprehensive income</b>	<b>(198.98)</b>	<b>(78.37)</b>	<b>(277.35)</b>
Benefit payments	(250.92)	250.92	-
<b>31 March 2019</b>	<b>6,445.45</b>	<b>(6,399.44)</b>	<b>46.01</b>
Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>1 April 2019</b>	<b>6,445.45</b>	<b>(6,399.44)</b>	<b>46.01</b>
Current service cost	396.61	-	396.61
Interest expense/(income)	476.01	(472.56)	3.45
<b>Total amount recognised in profit or loss</b>	<b>872.62</b>	<b>(472.56)</b>	<b>400.06</b>
<b>Remeasurements</b>			
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)
<b>Total amount recognised in other comprehensive income</b>	<b>200.55</b>	<b>415.14</b>	<b>615.69</b>
Benefit payments	(197.27)	197.27	-
<b>31 March 2020</b>	<b>7,321.35</b>	<b>(6,259.59)</b>	<b>1,061.76</b>

### Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March 2020	31 March 2019
Discount rate	6.70%	7.50%
Rate of salary increase	9.00%	9.00%
Mortality rate	Indian assured lives mortality (2006-08) (modified)	Indian assured lives mortality (2006-08) (modified)

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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
<b>31 March 2020</b>		
Discount rate	Increase by 1.00%, Decrease by 1.00%	Increase 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
<b>31 March 2019</b>		
Discount rate	Increase by 1.00%, Decrease by 1.00%	Increase by ₹ 586.47 lakhs, Decrease by ₹ 690.63 lakhs
Rate of salary increase	Increase by 1.00%, Decrease by 1.00%	Increase by ₹ 673.73 lakhs, Decrease by ₹ 584.06 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 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. An increase in the salary of the plan participants will increase the plan liability.





## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2021 are ₹ 1,062.00 lakhs.

The weighted average duration of the defined benefit obligation is 10 years (2019 - 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: 26 Finance costs

Particulars	31 March 2020	31 March 2019
Interest and finance charges on financial liabilities at amortised cost	235.47	88.69
Other borrowing costs	53.25	51.97
<b>Total</b>	<b>288.72</b>	<b>140.66</b>

### Note: 27 Depreciation and amortisation expense

Particulars	31 March 2020	31 March 2019
Depreciation of property, plant and equipment	967.47	945.25
Amortisation of Goodwill	1,666.54	1,666.54
Amortisation of Trademark	468.42	468.42
Amortisation of other intangible assets	12.32	12.16
<b>Total</b>	<b>3,114.75</b>	<b>3,092.37</b>

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 28 Other expenses

Particulars	31 March 2020	31 March 2019
Consumption of stores and spare parts (net)	3,171.43	2,976.54
Power and fuel	2,048.13	2,102.50
Rent	117.60	113.55
Repairs to building	75.55	14.51
Repairs to machinery	3.59	0.60
Repairs - others	28.66	40.57
Insurance	220.74	216.70
Rates and Taxes	20.50	49.67
Processing Charges	1,254.29	1,182.59
Freight and Delivery Charges	333.72	418.29
Export Dock and Toll Charges	150.90	126.71
Brokerage and Commission	378.29	299.62
Net foreign exchange losses / (gains)	64.49	-
Net losses on fair value changes on investments classified at FVTPL	59.63	-
Corporate social responsibility expenses [Refer note ( b ) below]	73.80	85.93
Provision for Doubtful Debts & Advances	-	55.36
Interest Receivable Written Off	108.99	-
Miscellaneous expenses [Refer note (a) below]	1,084.23	908.33
<b>Total</b>	<b>9,194.54</b>	<b>8,591.47</b>

#### Notes:

#### (a) Miscellaneous expenses includes remuneration to auditors for :

Particulars	31 March 2020	31 March 2019
Audit Fees	22.00	16.00
Other Services	9.00	13.75
Reimbursement of expenses	1.54	0.30
<b>Total</b>	<b>32.54</b>	<b>30.05</b>

#### (b) Corporate social responsibility expenditure:

Particulars	31 March 2020	31 March 2019
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above (in cash)	73.80	85.93
(iii) Amount outstanding at year-end	-	-
<b>Total</b>	<b>73.80</b>	<b>85.93</b>
Amount required to be spent as per Section 135 of the Companies Act, 2013.	130.26	95.70



## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 29 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 2020	31 March 2019
<b>Current tax</b>		
Current tax on profits for the year	388.40	1,483.10
<b>Total current tax expense</b>	<b>388.40</b>	<b>1,483.10</b>
<b>Deferred tax</b>		
Decrease / (Increase) in deferred tax assets	177.26	268.77
(Decrease) / Increase in deferred tax liabilities	318.11	597.15
<b>Total deferred tax expense/(benefit)</b>	<b>495.37</b>	<b>865.92</b>
<b>Income tax expense</b>	<b>883.77</b>	<b>2,349.02</b>

#### (b) Amounts recognised directly in other comprehensive income

Particulars	31 March 2020	31 March 2019
The amount of income tax relating to each component of other comprehensive income		
(i) Remeasurements of post-employment benefit obligations - Current tax	215.15	(59.77)
(ii) FVOCI equity instruments		
- Current tax	-	-
- Deferred tax	173.13	122.76
	<b>388.28</b>	<b>62.99</b>

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

Particulars	31 March 2020	31 March 2019
Profit before tax	2,812.42	6,764.37
Tax at the Indian tax rate of 34.944% (2018-19 – 34.944%)	982.77	2,363.74
<b>Add / (deduct) -</b>		
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income	(36.31)	30.45
Impact of change in tax rate	-	(47.35)
Others	(62.69)	2.18
<b>Total income tax expense/(credit)</b>	<b>883.77</b>	<b>2,349.02</b>

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### (d) Details of MAT credit balance available with expiry date

Particulars	31 March 2020	31 March 2019
<b>MAT credit balance</b>		
<b>Expiry</b>		
AY 2030-31	130.26	272.69
AY 2031-32	977.97	977.97
AY 2032-33	1,627.49	1,627.49
AY 2033-34	1,483.10	1,483.10
	<b>4,218.82</b>	<b>4,361.25</b>

### Note: 30 Fair value measurements

#### Financial instruments by category

Particulars	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	1,520.51	12,108.87	-	4,672.59	12,350.47	-
Loans to body corporates	-	-	3,017.23	-	-	4,540.00
Loan to subsidiary	-	-	2,620.20	-	-	-
Security deposits	-	-	244.09	-	-	213.98
Derivative assets	-	-	-	90.09	-	-
Trade receivables	-	-	2,893.84	-	-	3,375.50
Cash & cash equivalents	-	-	2,688.44	-	-	445.47
Bank balances	-	-	23.95	-	-	25.50
Employee advances	-	-	356.55	-	-	328.34
Interest accrued on inter-corporate deposits	-	-	85.16	-	-	189.57
<b>Total financial assets</b>	<b>1,520.51</b>	<b>12,108.87</b>	<b>11,929.46</b>	<b>4,762.68</b>	<b>12,350.47</b>	<b>9,118.36</b>
<b>Financial liabilities</b>						
Borrowings	-	-	2,859.81	-	-	2,512.78
Trade payables	-	-	986.22	-	-	672.90
Derivative liabilities	247.27	-	-	-	-	-
Unpaid dividends	-	-	23.16	-	-	25.29
Capital creditors	-	-	173.85	-	-	-
Other payables	-	-	1,010.27	-	-	1,202.57
<b>Total financial liabilities</b>	<b>247.27</b>	<b>-</b>	<b>5,053.31</b>	<b>-</b>	<b>-</b>	<b>4,413.54</b>





## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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 2020	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
- Quoted investments	3,298.77	-	-	3,298.77
- Unquoted investments	-	1,795.91	6,212.70	8,008.61
Derivative financial assets	-	-	-	-
<b>Total financial assets</b>	<b>3,298.77</b>	<b>1,795.91</b>	<b>6,212.70</b>	<b>11,307.38</b>
<b>Financial liabilities</b>				
Derivative financial liabilities (not designated as hedges)	247.27	-	-	247.27
<b>Total financial liabilities</b>	<b>247.27</b>	<b>-</b>	<b>-</b>	<b>247.27</b>

Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
- Quoted investments	9,218.80	-	-	9,218.80
- Unquoted investments	-	2,290.53	5,513.73	7,804.26
Derivative financial assets	90.09	-	-	90.09
<b>Total financial assets</b>	<b>9,308.89</b>	<b>2,290.53</b>	<b>5,513.73</b>	<b>17,113.15</b>
<b>Financial liabilities</b>				
Derivative financial liabilities (not designated as hedges)	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Standalone 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 2020		31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposits	147.70	147.70	117.59	117.59
<b>Total financial assets</b>	<b>147.70</b>	<b>147.70</b>	<b>117.59</b>	<b>117.59</b>
Financial liabilities				
Borrowings	237.49	237.49	256.56	256.56
<b>Total financial liabilities</b>	<b>237.49</b>	<b>237.49</b>	<b>256.56</b>	<b>256.56</b>

- (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

(All amounts in INR lakhs, unless otherwise stated)

### Note: 31 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 forecasts	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 forecasting 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.

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### 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.

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 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
<b>Total non-derivative financial liabilities</b>	<b>4,934.00</b>	<b>119.83</b>	<b>-</b>	<b>-</b>	<b>5,053.83</b>
Derivatives (net settled)					
"Foreign exchange forward contracts"	247.27	-	-	-	247.27
<b>Total derivative liabilities</b>	<b>247.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>247.27</b>





## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Contractual maturities of financial liabilities 31 March 2019	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Borrowings	2,256.22	107.00	149.56	-	2,512.78
Other financial liabilities	1,314.77	-	-	-	1,314.77
Trade payables	672.35	-	-	-	672.35
<b>Total non-derivative financial liabilities</b>	<b>4,243.34</b>	<b>107.00</b>	<b>149.56</b>	<b>-</b>	<b>4,499.90</b>
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
<b>Total derivative liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### (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 2020		31 March 2019	
	USD	EUR	USD	EUR
<b>Financial assets</b>				
Trade receivables	963.43	70.59	389.43	142.97
<b>Derivative assets</b>				
Foreign exchange forward contracts - Sell foreign currency	(963.43)	(70.59)	(389.43)	(142.97)
Net exposure to foreign currency risk (assets)	-	-	-	-
<b>Financial liabilities</b>				
Trade payables	-	-	4.15	-
<b>Derivative liabilities</b>				
Foreign exchange forward contracts - Buy foreign currency	-	-	(4.15)	-
Net exposure to foreign currency risk (liabilities)	-	-	-	-

#### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. Net exposure being nil, no further disclosure has been given.

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Impact on profit before tax		Impact on equity	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>USD sensitivity</b>				
INR appreciates by 5% (31 March 2019 - 5%)*	-	-	-	-
INR Depreciates by 5% (31 March 2019 - 5%)*	-	-	-	-
<b>EUR sensitivity</b>				
INR appreciates by 5% (31 March 2019 - 5%)*	-	-	-	-
INR Depreciates by 5% (31 March 2019 - 5%)*	-	-	-	-

\* Holding all other variables constant

The Company also has exposures in below currencies for which no sensitivity is disclosed:

Particulars	31 March 2020		31 March 2019	
	GBP	JPY	GBP	JPY
Financial assets				
Trade receivables	47.47	-	52.48	23.80
<b>Derivative assets</b>				
Foreign exchange forward contracts - Sell foreign currency	(47.47)	-	(52.48)	(23.80)

### (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.

#### (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 2020	31 March 2019
Variable rate borrowings	2,551.13	2,241.32
Fixed rate borrowings	308.68	271.46
<b>Total borrowings</b>	<b>2,859.81</b>	<b>2,512.78</b>

#### (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 2020	31 March 2019	31 March 2020	31 March 2019
Interest expense rates – increase by 70 basis points (70 bps)*	( 17.86)	( 15.69)	(11.62)	( 10.21)
Interest expense rates – decrease by 70 basis points (70 bps)*	1 7.86	15.69	1 1.62	10.21

\* holding all other variables constant



## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 32 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 2020	31 March 2019
<b>i) Equity shares</b>		
Final dividend paid for the year ended 31 March 2019 - ₹ 10/- (31 March 2018 - ₹ 10/-) per fully paid share	547.16	547.16
Dividend distribution tax	112.47	112.47
<b>(ii) Dividends not recognised at the end of the reporting period</b>		
In addition to the above dividends, since year end the board has recommended the payment of a final dividend of ₹ 15/- per fully paid equity share (31 March 2019 – ₹ 10/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	820.74	547.16
Tax on proposed dividend	-	112.47

### Note: 33 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.

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### 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 2020	31 March 2019
India	38,543.37	36,451.13
Outside India:		
Americas	2,219.89	3,130.11
Europe	4,166.73	5,050.34
Asia	994.86	1,389.42
Australia	767.87	1,042.32
Others	1,912.74	2,054.24
<b>Total revenue</b>	<b>48,605.46</b>	<b>49,117.56</b>
Assets [refer note (a)]	31 March 2020	31 March 2019
India	66,585.69	65,865.86
Outside India	-	-
<b>Total assets</b>	<b>66,585.69</b>	<b>65,865.86</b>

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) Set out below are the subsidiaries of the Company as at 31 March 2020. 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	Ownership interest in percentage
	31 March 2020	31 March 2019
<b>Subsidiaries</b>		
Gloster Lifestyle Limited	100%	100%
Gloster Specialities Limited	100%	100%
Network Industries Limited	100%	-
Gloster Nuvo Limited	100%	-

All the Companies are incorporated in India.

### 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





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DELIVER  
PROGRESS

SUSTAINABLE  
FUTURE

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### (d) Transactions with related parties are as follows:

Particulars	Year	Key Management Personnel	The Oriental Company Limited	Network Industries Limited	Gloster Nuvo Limited
<b>Transactions during the year</b>					
Dividend paid	2019-20	37.83	60.40	-	-
	2018-19	37.62	60.40	-	-
Rent paid	2019-20	-	60.00	-	-
	2018-19	-	60.00	-	-
Security Deposit given	2019-20	-	-	-	-
	2018-19	-	100.00	-	-
Investment in equity shares	2019-20	-	-	1,080.00	200.00
	2018-19	-	-	-	-
Loan given	2019-20	-	-	2,620.20	-
	2018-19	-	-	-	-
<b>Outstanding balances at year end</b>					
Commission payable	2019-20	-	-	-	-
	2018-19	350.00	-	-	-
Deposits	2019-20	-	100.00	-	-
	2018-19	-	100.00	-	-
Loan	2019-20	-	-	2,620.20	-
	2018-19	-	-	-	-
<b>Key management personnel compensation</b>			<b>31 March 2020</b>	<b>31 March 2019</b>	
a. Short-term employee benefits			252.84	567.48	
b. Post-employment benefits			72.68	58.45	
			<b>325.52</b>	<b>625.93</b>	

### Terms and conditions of the transactions

All outstanding balances are unsecured and are repayable in cash.

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 35 Earnings per equity share

Particulars	31 March 2020	31 March 2019
<b>(I) Basic</b>		
a. Net profit after tax	1,928.65	4,415.35
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 (₹)	35.27	80.70
<b>(II) Diluted</b>		
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 (₹)	35.27	80.70

### Note: 36 Contingent liabilities

Particulars	31 March 2020	31 March 2019
<b>Claims against the Company not acknowledged as debts</b>		
Sales tax matter	722.12	576.36
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 Company has evaluated the impact of the recent 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-I (33) 2019/ Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact for the period until March 31, 2019.

### Note: 37 Commitments

Particulars	31 March 2020	31 March 2019
Estimated amounts of contracts remaining to be executed on capital account and not provided for property, plant and equipment	1,941.04	431.59
Other Commitment towards investments	386.16	1,032.59

### 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 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 mill of the company has already started operations, however it will take few months before the operations become normal. The supply chain is gradually returning to normalcy with states relaxing movement of goods. 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 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 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.



## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 39 Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt

Particulars	31 March 2020	31 March 2019
Current borrowings	2,622.32	2,256.22
Non-current borrowings [including current maturity portion of ₹ 117.66 lakhs (31 March 2019: ₹ 86.91 lakhs)]	237.49	256.56
<b>Net debt</b>	<b>2,859.81</b>	<b>2,512.78</b>

Particulars	Liabilities from financing activities	
	Non-current borrowings	Current borrowings
<b>Net debt as at 1 April 2019</b>	<b>256.56</b>	<b>2,256.22</b>
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
<b>Net debt as at 31 March 2020</b>	<b>237.49</b>	<b>2,622.32</b>

### Note: 40 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 2020	31 March 2019
1	The principal amount remaining unpaid to any supplier as at the year end	2.84	0.55
	The interest remaining unpaid to any supplier as at the year end	2.15	1.98
2	Principal amounts paid to suppliers beyond the appointed day during the year.	26.22	6.94
	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	0.17	0.23
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.	2.15	1.98

#### 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.

#### Note: 41

The exceptional item pertains to the charge on account of certain Inter Corporate Deposit being written off by the Company.

#### Note: 42

The National Company Law Tribunal, Kolkata Bench vide its order dated 27th September, 2019, certified copy received on 17th October, 2019, has approved the terms of the Resolution Plan submitted by the Company, to acquire Fort Gloster Industries Limited pursuant to Corporate Insolvency Resolution Process, under the Insolvency & Bankruptcy Code 2016. The said order is sub judice before National Company Law Appellate Tribunal and therefore pending implementation of the plan there is no impact on the standalone financial statements for the year ended 31 March, 2020.

## Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 43

The National Company Law Tribunal, Kolkata Bench vide its order dated 4th July 2019 has approved the terms of the Resolution Plan submitted by the Company, to acquire Network Industries Limited pursuant to Corporate Insolvency Resolution Process, under the Insolvency & Bankruptcy Code 2016 and the said Resolution Plan has been implemented.

### Note: 44

Cyclone "Amphan" had hit West Bengal on 20th May, 2020 causing damage to properties and stocks at manufacturing units of the Company. However there is coverage of insurance for the stocks / properties damaged.

### Note: 45

The Company has paid/provided remuneration to its Executive Director in accordance with the agreement approved by the shareholders. The amount of ₹ 36.37 lakhs paid/provided during the year ended 31 March, 2020, being in excess of the limit prescribed under Section 197 of the Companies Act, 2013, is subject to approval of shareholders by way of special resolution in ensuing annual general meeting as required by section 197 read with Schedule V to the Act.

This is the Notes to Accounts returns 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

Place : Hyderabad  
Date : 28th July, 2020

**Hemant Bangur** (DIN: 00040903)  
Executive Chairman

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

**Ishani Ray** (DIN: 08800793)  
Director

Place : Kolkata  
Date : 28th July, 2020





## 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, 2020, 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, 2020, 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 sub-paragraph 17 of the Other Matters paragraph below, other than the unaudited financial statements/ financial information as certified by the management and referred to in sub-paragraph 18 of the Other Matters paragraph below, 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 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 29 – "Fair value measurements".

The Holding Company has investments aggregating to Rs. 11307.38 lacs which are measured at fair value. The fair value of the investments are determined by the 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. Accordingly, for the purpose of valuation, Management has engaged independent valuation expert / obtained confirmations from fund houses.

Valuation of investment carried at fair value is determined to be a key audit matter because of its inherently subjective nature and involvement of significant judgements.

#### 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 surrounding fair valuation of investments.
- We evaluated the competency and capabilities of management's valuation expert.
- 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 fund houses for investments in certain funds covered under level 2 and level 3.
- We used auditors' experts to assess the methodology and the appropriateness of the valuation models and inputs used by management's valuation expert.
- We validated the source data on sample basis and tested the arithmetical accuracy of the calculation 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**

5. Note 37 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**

6. 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.
7. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
8. 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**

9. 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.

10. 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.

11. 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**

12. 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.
13. 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/financial information of three subsidiaries, whose financial statements/ financial information reflect total assets of Rs 5,187.29 lacs and net assets of Rs 2,564.84 lacs as at March 31, 2020, total income of Rs. 85.74 lacs, total comprehensive income (comprising of profit and other comprehensive income) of Rs 17.31 lacs and net

cash flows amounting to Rs 1.65 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information 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 insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

18. We did not audit the financial statements/financial information of one subsidiary whose financial statements/ financial information reflect total assets of Rs 197.49 lacs and net assets of Rs 197.49 lacs as at March 31, 2020, total income of Rs. 0.40 lacs, total comprehensive income (comprising of loss and other comprehensive income) of Rs (2.51) lacs and net cash flows amounting to Rs 2.09 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

#### Report on Other Legal and Regulatory Requirements

19. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive 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 as on March 31, 2020 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, 2020 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 35 to the consolidated financial statements.
- ii. The Group had long-term contracts including derivative contracts as at March 31, 2020 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, 2020.
20. As stated in the note 44 to the consolidated financial statements, the Parent Company has paid/ provided remuneration amounting to Rs. 36.37 lakhs to managing directors which is subject to approval of shareholder by way of special resolution in ensuing annual general meeting as required by section 197 read with Schedule V to the Act.

**Place:** Hyderabad  
**Date:** July 28, 2020

**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009

Chartered Accountants

**Sunit Kumar Basu**

Partner

Membership Number: 55000

UDIN:20055000AAAAE07481





## Annexure A to Independent Auditors' Report

Referred to in paragraph 19(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, 2020

### 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, 2020, 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, 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, 2020, 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 insofar as it relates to three 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:20055000AAAAE07481

Place: Hyderabad

Date: July 28, 2020

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## Consolidated Balance Sheet as at 31 March 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2020	31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3(a)	34,559.82	30,292.35
Capital work in progress	3(b)	1,222.57	598.10
Goodwill	3(c)	24,581.50	26,248.04
Other intangible assets	3(d)	6,945.02	7,408.42
Financial assets			
(i) Investments	4(a)	9,336.32	10,504.66
(ii) Loans	4(b)	148.87	117.59
(iii) Other financial assets	4(c)	885.62	-
Other non-current assets	5	647.65	276.95
<b>Total non-current assets</b>		<b>78,327.37</b>	<b>75,446.11</b>
<b>Current assets</b>			
Inventories	6	11,613.52	9,540.76
Financial assets			
(i) Investments	7(a)	2,327.86	7,276.10
(ii) Trade receivables	7(b)	2,893.84	3,375.50
(iii) Cash and cash equivalents	7(c)	2,693.21	446.51
(iv) Bank balances other than (iii) above	7(d)	1,167.95	532.25
(v) Loans	7(e)	3,620.17	4,964.73
(vi) Other financial assets	7(f)	100.60	464.73
Current tax assets (net)	8	3,668.09	3,431.47
Other current assets	9	851.89	392.68
<b>Total current assets</b>		<b>28,937.13</b>	<b>30,424.73</b>
<b>Total assets</b>		<b>1,07,264.50</b>	<b>1,05,870.84</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	10	547.16	547.16
Other equity	11	92,578.95	93,820.80
<b>Total equity</b>		<b>93,126.11</b>	<b>94,367.96</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	12	119.83	169.65
Provisions	13	1,602.35	499.09
Deferred tax liabilities (net)	14	4,820.02	4,710.77
Other non-current liabilities	15	238.11	230.20
<b>Total non-current liabilities</b>		<b>6,780.31</b>	<b>5,609.71</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	16(a)	2,622.32	2,256.22
(ii) Trade payables	16(b)		
a) Total outstanding dues of Micro and Small Enterprises		2.84	0.55
b) Total outstanding dues of creditors other than Micro and Small Enterprises		983.38	672.36
(iii) Other financial liabilities	16(c)	1,574.22	1,314.93
Other current liabilities	17	1,548.53	1,011.04
Provisions	18	136.61	114.10
Current tax liabilities (net)	19	490.18	523.97
<b>Total current liabilities</b>		<b>7,358.08</b>	<b>5,893.17</b>
<b>Total liabilities</b>		<b>14,138.39</b>	<b>11,502.88</b>
<b>Total equity and liabilities</b>		<b>1,07,264.50</b>	<b>1,05,870.84</b>

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 &amp; 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

Hemant Bangur (DIN: 00040903)

Executive Chairman

D.C. Baheti (DIN: 00040953)

Managing Director

Ishani Ray (DIN: 08800793)

Director

Place : Hyderabad

Date : 28th July, 2020

Place : Kolkata

Date : 28th July, 2020

## Consolidated Statement of Profit and Loss for the year ended 31 March 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2020	31 March 2019
<b>INCOME</b>			
Revenue from operations	20	49,490.85	50,138.31
Other Income	21	1,111.28	1,707.43
<b>Total Income</b>		<b>50,602.13</b>	<b>51,845.74</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	26,203.60	23,930.94
Changes in inventories of finished goods and work-in-progress	23	(1,557.01)	590.45
Employee benefits expense	24	8,959.17	8,641.05
Finance costs	25	288.72	140.66
Depreciation and amortization expense	26	3,120.88	3,092.37
Other expenses	27	9,225.21	8,596.62
<b>Total Expenses</b>		<b>46,240.57</b>	<b>44,992.09</b>
<b>Profit before exceptional items and tax ( A )</b>		<b>4,361.56</b>	<b>6,853.65</b>
<b>Exceptional Items ( B )</b>	<b>40</b>	<b>1,500.00</b>	-
<b>Profit before tax ( A-B )</b>		<b>2,861.56</b>	<b>6,853.65</b>
Income tax expense	28		
Current tax		405.50	1,500.95
Deferred tax		498.84	857.53
<b>Total Tax expenses</b>		<b>904.34</b>	<b>2,358.48</b>
<b>Profit for the year ( C )</b>		<b>1,957.22</b>	<b>4,495.17</b>
<b>Other comprehensive income/(loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(a) Remeasurement gains/(losses) on post employment defined benefit plans		(615.69)	277.35
(b) Changes in fair value of FVOCI equity instruments		(2,313.36)	(894.45)
(c) Income tax relating to above items		389.61	56.63
<b>Other comprehensive income for the year, net of tax ( D )</b>		<b>(2,539.44)</b>	<b>(560.47)</b>
<b>Total comprehensive income for the year ( C+D )</b>		<b>(582.22)</b>	<b>3,934.70</b>
Earnings per equity share			
[ Nominal Value per Share ₹10] (Previous Year - ₹10)			
Basic and Diluted	34	35.77	82.15
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

Shankar Lal Kedia  
Chief Financial Officer

Ajay Kumar Agarwal  
Company Secretary

Hemant Bangur (DIN: 00040903)  
Executive Chairman

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

Ishani Ray (DIN: 08800793)  
Director

Place : Hyderabad  
Date : 28th July, 2020

Place : Kolkata  
Date : 28th July, 2020



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## Consolidated Statement of Changes in Equity for the year ended 31 March 2020

### A. Share capital

(All amounts in INR lakhs, unless otherwise stated)

Description	Notes	Amount
As at 31 March 2018	10	200.00
Changes in equity share capital	10	347.16
As at 31 March 2019	10	547.16
Changes in equity share capital	10	-
As at 31 March 2020	10	547.16

### B. Other equity

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium Account	Retained earnings		
Balance as at 1 April 2019	11	5,658.91	78,146.39	6,642.93	3,372.57	93,820.80
Profit for the year	11	-	-	1,957.22	-	1,957.22
On issue of equity shares	11	-	-	-	-	-
Other Comprehensive income for the year	11	-	-	(400.54)	(2,138.90)	(2,539.44)
<b>Total comprehensive income for the year</b>		-	-	<b>1,556.68</b>	<b>(2,138.90)</b>	<b>(582.22)</b>
Transfer to general reserve	11	1,528.57	-	(1,528.57)	-	-
Transfer of gain on FVOCI equity investments, net of tax	11	-	-	(149.36)	149.36	-
Dividends paid	11	-	-	(547.16)	-	(547.16)
Taxes on dividend	11	-	-	(112.47)	-	(112.47)
<b>Balance at 31 March 2020</b>		<b>7,187.48</b>	<b>78,146.39</b>	<b>5,862.05</b>	<b>1,383.03</b>	<b>92,578.95</b>

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium Account	Retained earnings		
Balance as at 1 April 2018	11	3,658.91	-	4,631.23	4,109.20	12,399.34
Profit for the year	11	-	-	4,495.17	-	4,495.17
On issue of equity shares	11	-	78,146.39	-	-	78,146.39
Other Comprehensive income for the year	11	-	-	217.58	(778.05)	(560.47)
<b>Total comprehensive income for the year</b>		-	<b>78,146.39</b>	<b>4,712.75</b>	<b>(778.05)</b>	<b>82,081.09</b>
Transfer to general reserve	11	2,000.00	-	(2,000.00)	-	-
Transfer of gain on FVOCI equity investments, net of tax	11	-	-	(41.42)	41.42	-
Dividends paid	11	-	-	(547.16)	-	(547.16)
Taxes on dividend	11	-	-	(112.47)	-	(112.47)
<b>Balance at 31 March 2019</b>		<b>5,658.91</b>	<b>78,146.39</b>	<b>6,642.93</b>	<b>3,372.57</b>	<b>93,820.80</b>

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

Shankar Lal Kedia  
Chief Financial Officer

Ajay Kumar Agarwal  
Company Secretary

Hemant Bangur (DIN: 00040903)  
Executive Chairman

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

Ishani Ray (DIN: 08800793)  
Director

Place : Hyderabad  
Date : 28th July, 2020

Place : Kolkata  
Date : 28th July, 2020

## Consolidated Statement of Cashflow for the year ended 31 March 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>(A) Cash flows from operating activities:</b>		
<b>Profit before tax</b>	<b>2,861.56</b>	<b>6,853.64</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expense	3,120.88	3,092.37
Interest and finance charges	288.72	140.66
Net (gain)/loss on disposal of property, plant and equipment (PPE)	(37.75)	(13.53)
Net gains/(losses) on fair value changes on investments classified at FVTPL	21.72	(134.89)
Net gain on sale of investments	(211.82)	(178.32)
Fair value losses on derivatives not designated as hedges	-	(24.46)
Interest receivable written off	108.99	-
Intercorporate deposit written off	1,500.00	-
Unrealised foreign exchange loss/(gain) (Net)	64.49	-
Provision no longer required written back	(11.98)	(124.65)
Interest income classified as investing cash flows	(612.41)	(822.68)
Dividend income	(106.67)	(63.75)
<b>Operating profit before changes in operating assets and liabilities</b>	<b>6,985.73</b>	<b>8,724.39</b>
<b>Adjustments for:</b>		
(Increase) / decrease in Non-Current/Current financial and other assets	(3,959.14)	(2,555.41)
(Increase) / decrease in Inventories	(2,072.76)	(791.78)
Increase / (decrease) in Non-current/ current financial and other liabilities/ provisions	1,372.31	227.91
(Increase) / decrease in other financial assets	(793.93)	(90.09)
<b>Cash generated from operations</b>	<b>1,532.21</b>	<b>5,515.02</b>
Income taxes paid (net)	(676.01)	(1,806.60)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>856.20</b>	<b>3,708.42</b>
<b>(B) Cash flows from investing activities:</b>		
Proceeds from disposal of property, plant and equipment	69.31	39.36
Payments for acquisition of property, plant and equipment/ intangible assets	(2,383.41)	(1,340.96)
Intercorporate deposit (made) / refunded (net)	22.77	-
Decrease/(Increase) in Bank Balances other than Cash and Cash Equivalents	(442.25)	-
Proceeds on disposal of non-current investments (net)	453.04	6.21
Purchase of other non-current investments (net)	(1,409.36)	(1,431.68)
Sale / (purchase) of other current investments (net)	4,949.83	(1,973.33)
Interest received	627.35	681.62
Dividend received	106.67	63.75
<b>Net cash inflow / (outflow) from investing activities</b>	<b>1,993.95</b>	<b>(3,955.03)</b>



**GROW**  
RESPONSIBLY

**DELIVER**  
PROGRESS

**SUSTAINABLE**  
FUTURE

## Consolidated Statement of Cashflow for the year ended 31 March 2020

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
<b>(C) Cash flows from financing activities:</b>		
Repayment of long-term borrowings	(117.57)	86.91
Proceeds from long-term borrowings	98.50	41.25
Short-term borrowings - receipts / (payments)	366.10	708.01
Interest paid	(235.47)	(88.69)
Other borrowing costs paid	(53.25)	(51.97)
Dividend paid inclusive of dividend distribution tax	(661.76)	(658.71)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(603.45)</b>	<b>36.80</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>2,246.70</b>	<b>(209.82)</b>
Cash and cash equivalents- Opening Balance	446.51	656.33
<b>Cash and cash equivalents - Closing Balance</b>	<b>2,693.21</b>	<b>446.51</b>

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 38 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 : Hyderabad  
Date : 28th July, 2020

**Shankar Lal Kedia**  
Chief Financial Officer

**Ajay Kumar Agarwal**  
Company Secretary

Place : Kolkata  
Date : 28th July, 2020

**Hemant Bangur** (DIN: 00040903)  
Executive Chairman

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

**Ishani Ray** (DIN: 08800793)  
Director

## 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, 2020
Gloster Lifestyle Limited	India	100%
Gloster Specialities Limited	India	100%
Network Industries Limited	India	100%
Gloster Nuvo 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 Companies (Indian Accounting Standards) Amendment Rules, 2016] and other relevant provisions of the Act.

##### (ii) Classification of current and non-current

All asset 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 company

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2019:

(a) Ind AS 116, Leases

(b) Uncertainty over Income Tax Treatments - Appendix C to Ind AS 12, Income Taxes

The amendments listed above did not have any impact on the

amounts recognized in prior periods and are not expected to significantly affect the current period.

##### (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 unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries





## Notes to the Consolidated Financial Statements

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 Indian GAAP 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).

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

## Notes to the Consolidated Financial Statements

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 (AIFs) 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 de-recognition 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 recognised 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.

### 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 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



## Notes to the Consolidated Financial Statements

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 be 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 recognised 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.

### 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.



## Notes to the Consolidated Financial Statements

### 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 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.

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 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.

### 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.

### 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.





## Notes to the Consolidated Financial Statements

### 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 32 for segment information presented.

### 2.24 Leases

#### As a lessee

From 1 April 2019, 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.

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
- b) use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by Group, which does not have recent third party financing.

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. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

### 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 24 of the financial statements
- (ii) Estimated fair value of unlisted securities –Refer note 29 of the financial statements
- (iii) Recognition of deferred tax assets for carried forward tax losses - Refer note 28 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)

Particulars	Gross carrying amount			Accumulated depreciation			Impairment			Net carrying amount		
	1 April 2019	Additions	Disposals/adjustments	1 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	3,235.74	-	-	-	-	-	-	-	-	24,250.79	21,015.05
Buildings	5,630.20	764.66	-	607.96	224.37	-	832.33	-	-	-	5,562.53	5,022.24
Roads	45.06	-	-	23.93	6.41	-	30.34	-	-	-	14.72	21.13
Plant and equipment	5,672.11	1,102.91	43.53	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	-	100.56	31.19	-	131.75	-	-	-	182.96	202.25
Furniture & fixtures	280.83	4.50	-	135.17	41.07	-	176.24	-	-	-	109.09	145.66
Office equipment	62.20	6.50	-	39.85	3.69	-	43.54	-	-	-	25.16	22.35
Launches	0.01	-	-	-	-	-	-	-	-	-	0.01	0.01
Vehicles	340.01	146.42	31.76	110.49	43.49	28.03	125.95	-	-	-	328.72	229.52
	<b>33,348.28</b>	<b>5,272.63</b>	<b>75.29</b>	<b>2,945.66</b>	<b>973.60</b>	<b>43.73</b>	<b>3,875.53</b>	<b>110.27</b>	<b>-</b>	<b>110.27</b>	<b>34,559.82</b>	<b>30,292.35</b>

Particulars	Gross carrying amount			Accumulated depreciation			Impairment			Net carrying amount		
	1 April 2018	Additions	Disposals/adjustments	1 April 2018	For the year	Disposals/adjustments	31 March 2019	For the year	Reversals	31 March 2019	31 March 2019	31 March 2018
Freehold land	21,015.05	-	-	-	-	-	-	-	-	-	21,015.05	21,015.05
Buildings	5,331.30	298.90	-	400.01	207.95	-	607.96	-	-	-	5,022.24	4,931.29
Roads	45.06	-	-	17.46	6.47	-	23.93	-	-	-	21.13	27.60
Plant and equipment	4,873.99	805.92	7.80	1,319.05	611.45	2.80	1,927.70	110.27	-	110.27	3,634.14	3,444.67
Electric installation	296.55	6.26	-	69.88	30.68	-	100.56	-	-	-	202.25	226.67
Furniture & fixtures	277.23	3.60	-	92.07	43.10	-	135.17	-	-	-	145.66	185.16
Office equipment	59.71	2.66	0.17	35.05	4.80	-	39.85	-	-	-	22.35	24.66
Launches	0.01	-	-	-	-	-	-	-	-	-	0.01	0.01
Vehicles	303.80	54.07	17.86	83.14	40.80	13.45	110.49	-	-	-	229.52	220.66
	<b>32,202.70</b>	<b>1,171.41</b>	<b>25.83</b>	<b>33,348.28</b>	<b>945.25</b>	<b>16.25</b>	<b>2,945.66</b>	<b>110.27</b>	<b>-</b>	<b>110.27</b>	<b>30,292.35</b>	<b>30,075.77</b>

(i) Refer to note 12(a) and note 16(a) for information on property, plant and equipment pledged as security by the Parent Company.

(ii) The title deeds of immovable properties as set out in the above table are held in the name of the respective companies.

**Note: 3(b) Capital work in progress**

Capital work-in-progress mainly comprises of construction of factory building in the Holding Company's manufacturing facility at Bauria, Howrah.



## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 3(c) Goodwill

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	1 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
	<b>31,247.66</b>	-	-	<b>31,247.66</b>	<b>1,666.54</b>	-	<b>6,666.16</b>	<b>26,248.04</b>

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	1 April 2018	Additions	Disposals/ adjustments	31 March 2019	For the year	Disposals/ adjustments	31 March 2019	31 March 2018
Goodwill	31,247.66	-	-	31,247.66	1,666.54	-	4,999.62	27,914.58
	<b>31,247.66</b>	-	-	<b>31,247.66</b>	<b>1,666.54</b>	-	<b>4,999.62</b>	<b>27,914.58</b>

### Note: 3(d) Other intangible assets

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	1 April 2019	Additions	Disposals/ adjustments	31 March 2020	For the year	Disposals/ adjustments	31 March 2020	31 March 2019
Trademark	8,782.90	5.21	-	8,788.11	468.42	-	1,873.68	7,377.64
Computer Software	60.88	12.13	-	73.01	12.32	-	42.42	30.78
	<b>8,843.78</b>	<b>17.34</b>	-	<b>8,861.12</b>	<b>480.74</b>	-	<b>1,916.10</b>	<b>7,408.42</b>

Particulars	Gross carrying amount			Accumulated amortisation			Net carrying amount	
	1 April 2018	Additions	Disposals/ adjustments	31 March 2019	For the year	Disposals/ adjustments	31 March 2019	31 March 2018
Trademark	8,782.90	-	-	8,782.90	468.42	-	1,405.26	7,846.06
Computer Software	59.63	1.25	-	60.88	12.17	-	30.10	41.70
	<b>8,842.53</b>	<b>1.25</b>	-	<b>8,843.78</b>	<b>480.59</b>	-	<b>1,435.36</b>	<b>7,887.76</b>

## Notes to the Consolidated Financial Statements

### Note: 4 Investment (Non-current)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
<b>I. Mandatorily measured at FVTPL</b>					
<b>Investments in Mutual Fund (Debt) - Fully paid up - Quoted</b>					
Nippon India Fixed Horizon Fund XXXI Series 15 - Growth (formerly Reliance Fixed Horizon Fund XXXI Series 15 - Growth)	10	-	-	10,00,000	123.11
HDFC FMP Growth Series 37	10	-	-	10,00,000	122.91
National Highway Authority of India	1,000	-	-	42,072	458.59
<b>Mutual Fund (Debt) - Fully paid up - Quoted (Investment through PMS)</b>					
Invesco India Liquid Fund - Direct Plan Growth	1,000	54	1.46	231	5.97
<b>Investment in Alternative Investment Funds (Debt) - Fully paid up - Unquoted</b>					
Peninsula Brookfield India Real Estate Fund	46,611	188	58.31	188	89.30
IIFL Real Estate Fund (Domestic) - Series 2	6	18,66,885	109.06	18,66,885	147.46
Indiareit Apartment Fund	1,00,000	-	-	37	61.43
IIFL Real Estate Fund (Domestic) - Series 3	9	20,00,000	142.98	20,00,000	203.90
IIFL Real Estate Fund (Domestic) - Series 4	9	19,93,859	155.27	19,93,886	189.25
India Realty Excellence Fund III	100	4,64,407	547.98	4,22,450	523.84
India Realty Excellence Fund IV	100	3,25,000	339.11	1,75,000	175.00
<b>II. Designated at FVOCI:</b>					
<b>Investment in Alternative Investment Funds (Equity) Fully paid up - Unquoted</b>					
IIFL Special Opportunities Fund Class A1	9	18,60,518	167.65	18,60,518	215.02
IIFL Re Organize India Equity Fund Class A1	10	21,90,117	108.03	21,90,117	168.31
IIFL Focussed Equity Strategies Fund :-					
Class A1	10	8,08,475	101.12	8,08,475	122.88
Class B1	10	8,51,451	54.94	8,51,451	92.98
IIFL Select Series II Class A1	10	28,79,327	258.12	14,57,216	141.80
Abakkus Growth Fund I Class B1	1,000	19,782	148.06	19,782	218.13
Ask India 2025 Equity Fund	1,000	20,728	175.59	6,671	65.11
India Business Excellence Fund III	1,000	49,107	254.37	49,107	208.75
Malabar Value Fund	100	88,511	63.26	88,511	102.83
Sundaram Alternative Opportunities Fund- Nano Cap Series I	1,00,000	92	39.16	92	86.06
DSP Blackrock AIF Pharma Fund Class B	100	-	-	1,02,754	92.50
Baring Private Equity India	1,00,000	200	229.93	150	166.37
White Oak India Equity Fund	10	9,59,429	90.60	9,59,429	107.12
Motilal Oswal Focused Emergence Fund	10	21,24,325	105.08	21,24,325	171.21
Edelweiss Alternative Equity Scheme Class A	10	-	-	6,89,634	144.82





## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
<b>Quoted Equity Instruments- Fully paid-up (Investment through PMS)</b>					
Aegis Logistics Ltd.	1	9,937	13.86	9,937	20.19
Aavas Financiers Ltd.	10	340	4.03	-	-
Aditya Birla Fashion And Retail Ltd.	10	1,837	2.81	711	1.57
Alkem Laboratories Ltd.	2	969	22.56	969	16.97
APL Apollo Tubes Ltd.	10	254	3.17	218	3.14
Aia Engineering Ltd.	2	259	3.68	259	4.65
Apollo Hospitals Enterprises Ltd.	5	685	7.80	755	9.27
Asian Paints Ltd.	1	474	7.90	528	7.88
Astral Poly Technik Ltd.	1	655	6.06	572	6.63
AU Small Finance Bank	10	3,944	20.01	1,697	10.11
Axis Bank Ltd.	2	2,468	9.36	740	5.75
Bajaj Finance Ltd.	2	1,330	29.47	2,159	65.31
Bajaj Finserv Ltd.	5	399	18.31	420	29.55
Bayer Cropscience Ltd.	10	262	9.05	216	9.51
Bharat Forge Ltd.	2	2,833	6.66	2,833	14.52
Bharat Petroleum Corporation Ltd.	10	855	2.85	-	-
Bharti Airtel Ltd.	5	989	4.36	-	-
Birla Corporation Ltd.	10	1,709	7.09	1,709	8.96
Britannia Industries Ltd.	1	280	7.53	255	7.86
Bosch Ltd.	10	106	9.96	106	19.28
Blue Star Ltd.	2	982	4.51	1,048	7.10
Canfin Homes Ltd.	2	2,054	5.73	2,054	7.17
Central Depository Services India Ltd.	10	1,202	2.58	-	-
City Union Bank Ltd.	1	10,850	14.00	12,768	26.16
Cholamandalam Investment and Finance Company Ltd.	2	7,910	12.10	1,728	25.01
Colgate Palmolive (India) Ltd.	1	938	11.75	938	11.80
Cipla Ltd.	2	1,471	6.28	1,471	7.78
Container Corporation of India Ltd.	5	3,188	10.57	3,188	16.75
Cummins India Ltd.	2	1,488	4.86	1,488	11.10
Dabur India Ltd.	1	1,796	8.09	875	3.58
DCB Bank Ltd.	10	8,266	7.84	8,266	16.92
Dhanuka Agritech Ltd.	2	682	2.22	682	2.66
Dalmia Bharat Ltd.	2	195	0.95	464	4.59
Dishman Carbogen Amcis Ltd.	2	-	-	2,549	5.31
Divi's Laboratories Ltd.	2	402	7.99	324	5.52
Dr Lal Pathlabs Ltd.	10	607	8.51	648	6.77

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
Dixon Technologies India Ltd.	10	98	3.51	156	3.67
Eicher Motors Ltd.	10	105	13.75	131	26.92
Emami Ltd.	1	2,786	4.73	2,786	11.14
Equitas Holdings Ltd.	10	4,883	2.08	6,294	8.62
Exide Industries Ltd.	1	2,235	3.00	1,935	4.23
Engineers India Ltd.	5	2,979	1.79	2,979	3.49
Federal Bank Ltd.	2	12,190	5.00	12,190	11.76
Gabriel India Ltd.	1	5,454	2.91	5,454	7.88
Glaxo Smithkline Consumer Healthcare Ltd.	10	202	20.15	202	14.64
Gujarat State Petronet Ltd.	10	2,379	4.10	4,723	9.01
Godrej Industries Ltd.	1	3,269	9.26	3,269	17.53
Gruh Finance Ltd.	2	-	-	5,989	16.53
Havells India Ltd.	1	1,233	5.92	1,056	8.14
HDFC Asset Management Company Ltd.	5	468	9.88	282	4.33
HDFC Bank Ltd.	1	1,630	14.05	929	21.52
HDFC Life Insurance Company Ltd.	10	2,448	10.81	2,709	10.25
Hindustan Petroleum Corporation Ltd.	10	4,816	9.16	4,816	13.67
Ipca Lab Ltd.	2	1,557	21.68	1,557	15.29
Isgec Heavy Engineering Ltd.	1	441	1.13	440	2.66
Indusind Bank Ltd.	10	171	0.60	1,935	34.48
Infosys Ltd.	5	702	4.50	790	5.88
ICICI Bank Ltd.	2	10,936	35.43	4,709	18.86
ICICI Securities Ltd.	5	538	1.49	-	-
ITC Ltd.	1	-	-	1,908	5.67
ITD Cementation India Ltd.	1	3,460	1.03	3,460	4.56
IIFL Finance Ltd. (Formerly IIFL Holdings Ltd.)	2	721	0.53	721	3.09
IIFL Securities Ltd.	2	721	0.22	-	-
ICICI Lombard General Insurance Company Ltd.	10	1,439	15.49	590	6.09
Jammu Kashmir Bank Ltd.	1	7,144	0.89	7,144	3.84
Jubilant Foodworks Ltd.	10	122	1.80	-	-
Kotak Mahindra Bank Ltd.	5	5,607	72.67	5,991	79.97
KEC International Ltd.	2	-	-	941	2.82
Kajaria Ceramics Ltd.	1	1,392	5.23	1,392	8.21
KNR Constructions Ltd.	2	1,304	2.57	1,515	3.96
L&T Technology Services Ltd.	2	1,281	14.88	1,323	20.80
L&T Finance Holdings Ltd.	10	-	-	5,787	8.83
Lakshmi Vilas Bank Ltd.	10	-	-	6,135	4.36
Mahindra Logistics Ltd.	10	703	1.59	620	3.26
Mahindra & Mahindra Fin Services Ltd.	2	919	1.35	1,215	5.12

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## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
Mahindra and Mahindra Ltd.	5	-	-	530	3.57
Mahanagar Gas Ltd.	10	951	7.78	951	10.03
Mas Financial Services Ltd.	10	2,099	11.05	1,900	10.77
Max Financial Services Ltd.	2	4,134	15.90	4,134	17.99
M R F Ltd.	10	11	6.41	10	5.81
Minda Industries Ltd.	2	890	2.13	1,128	3.68
Motherson Sumi Systems Ltd.	1	3,749	2.29	4,985	7.45
Motilal Oswal Financial Services Ltd.	1	230	1.14	1,167	7.00
Monsanto India Ltd. (amalgamated with Bayer Crop-science Ltd of face value ₹10/-)	10	-	-	70	1.82
Music Broadcast Ltd.	2	6,797	1.01	4,215	2.45
Orient Electric Ltd.	1	1,212	2.39	-	-
5Paisa Capital Ltd.	10	-	-	19	0.05
Page Industries Ltd.	10	204	34.59	207	51.67
Parag Milk Foods Ltd	10	-	-	1,573	4.10
PNB Housing Finance Ltd.	10	-	-	1,125	9.74
P I Industries Ltd.	1	650	7.60	727	7.50
Pidilite Industries Ltd.	1	579	7.86	579	7.19
Qess Corp Ltd.	10	900	1.92	900	6.72
Reliance Industries Ltd.	10	951	10.59	543	7.40
Ratnamani Metals And Tubes Ltd.	2	319	2.93	324	2.94
Shriram Transport Finance Co Ltd.	10	281	1.86	409	5.22
Shree Cements Ltd.	10	29	5.10	16	2.98
SBI Life Insurance Company Ltd.	10	2,023	12.97	1,725	10.00
State Bank of India	1	2,868	5.65	911	2.92
Suprajit Engineering Ltd.	1	1,305	1.47	1,305	3.19
TTK Prestige Ltd.	10	165	8.03	138	12.05
Timken India Ltd.	10	347	2.66	435	2.55
Tata Metaliks Ltd.	10	437	1.45	437	2.84
Tata Steel Ltd.	10	584	1.57	-	-
Torrent Pharmaceuticals Ltd.	5	247	4.95	249	4.85
Tech Mahindra Ltd.	5	2,874	16.32	2,829	21.95
Titan Company Ltd.	1	476	4.44	-	-
Torrent Power Ltd.	10	667	1.86	-	-
TVS Motor Company Ltd.	1	681	2.04	-	-
United Spirits Ltd.	2	718	3.48	605	3.35
United Breweries Ltd.	1	197	1.81	-	-
Voltas Ltd.	1	7,312	34.87	7,432	46.78
V-Mart Retail Ltd.	10	56	0.80	56	1.51
VIP Industries Ltd.	2	596	1.43	1,443	6.97

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
Wonderla Holidays Ltd.	10	772	1.09	772	2.39
Whirlpool of India Ltd.	10	111	2.02	-	-
<b>Investment in Equity Instruments - Fully paid up</b>					
<b>Unquoted</b>					
Fine Worthy Software Solutions Private Ltd.	10	91,411	214.77	91,411	214.76
Blackberry Properties Pvt. Ltd.	10	10,00,000	781.90	10,00,000	494.10
Cambay Investment Corporation Ltd.	10	38,000	663.58	38,000	812.75
Credwyn Holdings India Pvt. Ltd.	100	30,000	1,326.91	30,000	1,176.00
Laxmi Asbestos Products Ltd.	100	5,000	5.00	5,000	5.00
Sudipta Traders Pvt.Ltd.	10	1,54,000	1,300.98	1,54,000	786.22
The Oriental Company Ltd.	100	845	466.00	845	716.64
Woodland Multispeciality Hospital Ltd.	10	4,290	0.21	4,290	0.21
<b>Investment in Equity Instruments - Fully paid up</b>					
<b>Quoted (Direct investment)</b>					
The Cochin Malabar Estates & Industries Ltd.	10	98,939	57.38	98,939	58.18
Joonktollee Tea & Industries Ltd.	10	5,38,838	367.76	5,38,838	781.32
ABB India Ltd.	2	200	1.87	200	2.63
ABB Power And Systems India Ltd.	2	40	0.30	-	-
Amar Remedy Ltd.	10	200	0.01	200	0.01
Barak Valley Cements Ltd.	10	303	0.02	303	0.05
Bank of Baroda	2	550	0.29	-	-
Dena Bank	10	-	-	5,000	0.63
Himachal Futuristic Communications Ltd.	1	16,900	1.53	16,900	3.81
Himatsingka Seide Ltd.	5	900	0.54	900	1.96
Indian Overseas Bank	10	1,000	0.07	1,000	0.14
Interglobe Aviation Ltd.	10	100	1.07	100	1.43
Jaiprakash Power Ventures Ltd.	10	16,900	0.10	16,900	0.31
Penta Media Graphics Ltd.	1	11,070	0.03	11,070	0.05
Port Shipping Co. Ltd.	10	1,64,330	16.43	1,64,330	16.43
The Phosphate Co. Ltd.	10	1,70,000	140.08	1,70,000	98.94
UCO Bank	10	3,000	0.27	3,000	0.56
<b>Total</b>			<b>9,336.32</b>		<b>10,504.66</b>
<b>Aggregate amount of quoted investments and market value thereof</b>			<b>1,428.35</b>		<b>2,804.91</b>
<b>Aggregate amount of unquoted investments</b>			<b>7,907.97</b>		<b>7,699.75</b>





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## Notes to the Consolidated Financial Statements

### Note: 4(b) Loans (Non-current)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good (unless otherwise stated)</b>		
Security Deposits	148.87	117.59
<b>Total</b>	<b>148.87</b>	<b>117.59</b>

### Note: 4(c) Other financial assets (Non-current)

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good (unless otherwise stated)</b>		
Advance to Body Corporate	885.62	-
<b>Total</b>	<b>885.62</b>	<b>-</b>

### Note: 5 Other non-current assets

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good (unless otherwise stated)</b>		
Capital Advances	525.51	183.69
Deposits with Government Authorities	122.14	93.26
<b>Total</b>	<b>647.65</b>	<b>276.95</b>

### Note: 6 Inventories

Particulars	31 March 2020	31 March 2019
Raw materials	5,768.22	5,261.39
Stock-in-process	1,631.34	800.51
Semi Finished Goods	598.37	635.44
Finished Goods (includes goods in transit ₹ 845.48 lakhs; 31 March 2019 - ₹ 157.69 lakhs)	2,516.63	1,753.38
Stores and Spares	1,098.96	1,090.04
<b>Total</b>	<b>11,613.52</b>	<b>9,540.76</b>

## Notes to the Consolidated Financial Statements

### Note: 7(a) Investments (Current)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
<b>I. Designated at FVOCI</b>					
<b>Quoted Equity Instruments- Fully paid-up (Direct investment)</b>					
Infosys Limited	5	14,800	94.76	14,800	109.86
J K Paper Limited	10	3,25,000	242.20	3,25,000	464.43
Larsen & Toubro Ltd.	2	3,500	28.24	3,500	48.44
Magma Fincorp Limited	2	6,174	1.06	25,000	29.38
National Aluminium Company Ltd	5	70,000	20.41	70,000	38.78
NBCC (India) Ltd	1	1,50,000	24.48	1,50,000	99.45
HEG Ltd.	10	63,654	308.30	47,286	990.24
Century Textiles Industries Ltd.	10	2,000	5.92	2,000	18.65
Bombay Dyeing & Mfg. Co. Ltd.	2	1,45,000	66.41	1,45,000	195.82
Usha Martin Limited	1	1,50,000	24.00	2,50,000	100.75
Himadri Speciality Chemicals Ltd.	1	-	-	1,60,000	187.44
HBL Power Systems Ltd.	1	1,00,000	11.01	1,50,000	38.10
Shree Cements Ltd.	10	3,000	527.25	3,500	652.21
State Bank of India	1	50,000	98.46	50,000	160.40
SBI Cards And Payment Services Ltd.	10	6,118	37.85	-	-
Maharashtra Seamless Ltd.	5	4,300	8.31	4,300	21.37
Bombay Burmah Trading Corpn. Ltd.	2	15,000	109.88	15,000	194.90
Tamilnadu Newprint Papers Ltd.	10	-	-	10,000	20.60
Oberoi Realty Ltd.	10	9,000	29.86	9,000	47.55
Tata Steel Ltd.	10	-	-	80,000	416.80
HDFC Asset Management Company Ltd.	5	1,403	29.64	1,403	21.52
Ultra Tech Cement Ltd.	10	249	8.10	-	-
<b>Investment in Alternative Investment Funds (Equity) - Fully paid up - Unquoted</b>					
Orios venture Partners Fund	100	2,00,000	197.00	2,00,000	193.76
<b>Investment in Alternative Investment Funds (Debt) - Fully paid up - Unquoted</b>					
Indiareit Apartment Fund	1,00,000	32	58.91	-	-
<b>II. Mandatorily measured at FVTPL</b>					
<b>Investment in Compulsorily Convertible Preference Shares- Fully paid up - Unquoted</b>					
Tata Motors Finance Ltd.	100	-	-	1,00,000	100.00



## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2020	No. of units	31 March 2019
<b>Investment in Mutual fund - Fully paid-up (Debt) - Unquoted</b>					
HDFC Liquid Fund Regular Plan - Growth	1,000	-	-	71,291	2,609.47
ICICI Prudential Liquid Fund - Growth	100	36,501	106.77	-	-
<b>Investments in Mutual Fund (Debt) - Fully paid up - Quoted</b>					
HDFC FMP Growth Series 37	10	10,00,000	134.76	-	-
ICICI Prudential FMP Series 78	10	10,00,000	-	10,00,000	129.67
Baroda Equity Savings Fund - MF	10	2,50,000	24.90	-	-
Nippon India Fixed Horizon Fund XXX Series 14 - Growth (formerly :Reliance Fixed Horizon Fund XXX Series 14 - Growth)	10	-	-	10,00,000	130.15
Nippon India Fixed Horizon Fund XXXI Series 15 - Growth (formerly Reliance Fixed Horizon Fund XXXI Series 15 - Growth)	10	10,00,000	129.38	-	-
<b>Investment in Debentures - Fully Paid up - Quoted</b>					
Aspire Home Finance Corporation Ltd.	10,00,000	-	-	20	256.36
<b>Total</b>			<b>2,327.86</b>		<b>7,276.10</b>
<b>Aggregate amount of quoted investments and market value thereof</b>			<b>2,071.95</b>		<b>6,982.34</b>
<b>Aggregate amount of unquoted investments</b>			<b>255.91</b>		<b>293.76</b>

### Note: 7(b) Trade receivables

Particulars	31 March 2020	31 March 2019
Trade Receivables - Considered good - Unsecured (refer note below)	2,949.20	3,430.86
Less: Credit impaired	(55.36)	(55.36)
<b>Total</b>	<b>2,893.84</b>	<b>3,375.50</b>

### 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, parent company has retained late payment and credit risk. The parent 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 2020	31 March 2019
Total transferred receivables	308.68	271.46
Associated secured borrowing (refer note 16(a))	(308.68)	(271.46)

## Notes to the Consolidated Financial Statements

### Note: 7(c) Cash and cash equivalents

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>Cash and cash equivalents</b>		
Cash on hand	6.31	6.89
Balances with banks :		
In current accounts	181.90	439.62
In fixed deposit account	2,505.00	-
<b>Total</b>	<b>2,693.21</b>	<b>446.51</b>

### Note: 7(d) Other bank balances

Particulars	31 March 2020	31 March 2019
<b>Other Bank balances</b>		
Unpaid dividend account	23.16	25.29
Fixed Deposit Accounts	1,144.00	506.75
Fractional share entitlement	0.52	-
Margin money deposits	0.27	0.21
<b>Total</b>	<b>1,167.95</b>	<b>532.25</b>

### Note: 7(e) Loans (Current)

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good</b>		
Security Deposits	96.39	96.39
Employee loans and advances	356.55	328.34
Loans to Body Corporates	3,167.23	4,540.00
<b>Total</b>	<b>3,620.17</b>	<b>4,964.73</b>

### Note: 7(f) Other financial assets - current

Particulars	31 March 2020	31 March 2019
Derivatives not designated as hedges - Foreign-exchange forward contracts	-	90.09
Interest accrued on Loans to Body Corporates	85.16	339.57
Interest accrued on Investments	15.44	35.07
<b>Total</b>	<b>100.60</b>	<b>464.73</b>

### Note: 8 Current tax assets (net)

Particulars	31 March 2020	31 March 2019
Advance for taxation (Net of provision ₹ 6,755.66 lakhs (31 March 2019 - ₹ 4,920.98 lakhs))	3,668.09	3,431.47
<b>Total</b>	<b>3,668.09</b>	<b>3,431.47</b>





## Notes to the Consolidated Financial Statements

### Note: 9 Other current assets

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>Unsecured, considered good (unless otherwise stated)</b>		
Prepaid Expenses	58.24	54.17
Balances with Government Authorities	210.45	189.79
Advances for goods and services - Considered Good	525.20	80.18
Dividend distribution tax (DDT) refundable [refer (a) below]	49.14	49.14
<b>Other Advances</b>		
Considered Good	8.86	19.40
Credit impaired	148.17	148.17
Less : Allowance for credit impaired	(148.17)	(148.17)
<b>Total</b>	<b>851.89</b>	<b>392.68</b>

(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.

### Note: 10 Equity share capital

#### (a) Authorised share capital

Particulars	Equity shares	
	Number of shares	Amount
<b>As at 1 April 2018</b>	<b>2,75,00,000</b>	<b>2,750.00</b>
Changes during the year	-	-
<b>As at 31 March 2019</b>	<b>2,75,00,000</b>	<b>2,750.00</b>
Changes during the year	-	-
<b>As at 31 March 2020</b>	<b>2,75,00,000</b>	<b>2,750.00</b>

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

Particulars	Equity shares	
	Number of shares	Amount
<b>As at 1 April 2018</b>	<b>20,00,000</b>	<b>200.00</b>
Shares Issued during the year [refer 10(f)]	34,71,630	347.16
<b>As at 31 March 2019</b>	<b>54,71,630</b>	<b>547.16</b>
Changes during the year	-	-
<b>As at 31 March 2020</b>	<b>54,71,630</b>	<b>547.16</b>

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

Name of the equity shareholder	31 March 2020		31 March 2019	
	Number of Shares	% holding	Number of Shares	% holding
Life Insurance Corporation of India	8,40,174	15.36	9,21,277	16.84
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	3,74,032	6.83

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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

The Holding 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 Holding 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 Holding 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 Holding 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.

(f) Pursuant to Scheme of Amalgamation of erstwhile Gloster Limited with the holding company 34,71,630 Equity Shares of face value of ₹10/- each were issued on 10 May 2018.

### Note: 11 Other equity

#### A. Reserve and Surplus

Particulars	31 March 2020	31 March 2019
(i) Securities Premium	78,146.39	78,146.39
(ii) General reserve	7,187.48	5,658.91
(iii) Retained earnings	5,862.05	6,642.93
<b>Total reserves and surplus</b>	<b>91,195.92</b>	<b>90,448.23</b>

Particulars	31 March 2020	31 March 2019
<b>(i) Securities Premium</b>		
Balance at the beginning of the year	78,146.39	-
On issue of equity shares	-	78,146.39
<b>Balance at the end of the year</b>	<b>78,146.39</b>	<b>78,146.39</b>
<b>(ii) General reserve</b>		
Balance at the beginning of the year	5,658.91	3,658.91
Transferred from retained earnings	1,528.57	2,000.00
<b>Balance at the end of the year</b>	<b>7,187.48</b>	<b>5,658.91</b>
<b>(iii) Retained earnings</b>		
Balance at the beginning of the year	6,642.93	4,631.23
Profit for the year	1,957.22	4,495.17
<b>Items of other comprehensive income recognised directly in retained earnings</b>		
- Remeasurements of post-employment benefit obligation, net of tax	(400.54)	217.58
- Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	(149.36)	(41.42)
<b>Deduct : Appropriations</b>		
Dividend paid during the year	(547.16)	(547.16)
Tax on dividend paid during the year	(112.47)	(112.47)
Transferred to general reserve	(1,528.57)	(2,000.00)
<b>Balance at the end of the year</b>	<b>5,862.05</b>	<b>6,642.93</b>



## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>B. Other reserves - Equity instruments through Other comprehensive income</b>		
Balance at the beginning of the year	3,372.57	4,109.20
Changes in fair value of FVOCI equity instruments	(2,313.36)	(894.45)
Deferred tax	174.46	116.40
Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	149.36	41.42
<b>Balance at the end of the year</b>	<b>1,383.03</b>	<b>3,372.57</b>
<b>Total (A+B)</b>	<b>92,578.95</b>	<b>93,820.80</b>

### (i) General reserve

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

### (ii) Equity instruments through OCI

The Holding 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 Holding Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

### Note: 12 Borrowings (Non-current)

Particulars	31 March 2020	31 March 2019
<b>Unsecured</b>		
Term loan from banks [refer note (a) below]	237.49	256.56
Less: Current maturities of long term debts [refer note 16(c)]	(117.66)	(86.91)
<b>Total</b>	<b>119.83</b>	<b>169.65</b>

Nature of security	Terms of repayment
(a) Unsecured term loan from bank amounting to ₹ 237.49 lakhs (31 March 2019 - ₹ 256.56 lakhs)	Repayable in 12 equal quarterly instalments beginning from June 2019 bearing interest at a rate linked to Bank's One year MCLR.

### Note: 13 Provisions (Non-current)

Particulars	31 March 2020	31 March 2019
Provision for compensated absences of employees	538.42	450.91
Provision for Gratuity (refer note 24)	1,061.76	46.01
Other non-current provisions	2.17	2.17
<b>Total</b>	<b>1,602.35</b>	<b>499.09</b>

## Notes to the Consolidated Financial Statements

### Note: 14 Deferred tax liabilities (net)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>Deferred tax liabilities</b>		
Investment in financial instruments at FVTPL	(1.62)	54.41
Investment in financial instruments at FVOCI	590.86	765.31
Property, plant and equipment	9,122.25	8,744.63
	<b>9,711.49</b>	<b>9,564.35</b>
<b>Deferred tax assets</b>		
Provision for leave encashment	149.07	118.19
Provision for doubtful advances and receivables	71.12	71.12
Deferred government grant	89.76	86.79
MAT credit entitlement	4,218.82	4,361.25
Unabsorbed depreciation	-	120.94
Others	362.70	95.29
	<b>4,891.47</b>	<b>4,853.58</b>
<b>Net deferred tax liabilities [Refer note below]</b>	<b>4,820.02</b>	<b>4,710.77</b>

#### Note:

Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws. Refer note 28 for details pertaining to income taxes.

### Note: 15 Other non-current liabilities

Particulars	31 March 2020	31 March 2019
Deferred government grant	238.11	230.20
<b>Total</b>	<b>238.11</b>	<b>230.20</b>

### Note: 16(a) Borrowings (Current )

Particulars	31 March 2020	31 March 2019
<b>Secured :</b>		
Loans from banks [refer note below]	2,313.64	1,984.76
Liability on bill discounting [refer note below & note 7(b)]	308.68	271.46
<b>Total</b>	<b>2,622.32</b>	<b>2,256.22</b>

#### Note:

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

### Note: 16(b) Trade payables

Particulars	31 March 2020	31 March 2019
Trade Payables - Micro and Small Enterprises (refer note 39 for details of dues to Micro, Small and Medium Enterprises)	2.84	0.55
Trade payables - Other than Micro and Small Enterprises	983.38	672.36
<b>Total</b>	<b>986.22</b>	<b>672.91</b>



## Notes to the Consolidated Financial Statements

### Note: 16(c) Other financial liabilities - Current

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
Current maturities of long-term debt (refer note 12)	117.66	86.91
Unpaid dividends (refer note(a) below)	23.16	25.29
Unclaimed fractional share entitlement	0.52	-
Capital creditors	173.85	-
Derivatives not designated as hedges - Foreign-exchange forward contracts	247.27	-
Other payables [refer note(b) below]	1,011.76	1,202.73
<b>Total</b>	<b>1,574.22</b>	<b>1,314.93</b>

#### 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 ₹ 469.22 lakhs (31 March 2019 - ₹ 878.76 lakhs.)

### Note: 17 Other current liabilities

Particulars	31 March 2020	31 March 2019
Advances received from customers*	711.72	192.35
Statutory dues	756.24	757.37
Deferred Government Grant	19.30	18.16
Other payables	61.27	43.16
<b>Total</b>	<b>1,548.53</b>	<b>1,011.04</b>

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

### Note: 18 Provisions (Current)

Particulars	31 March 2020	31 March 2019
<b>Provision for employee benefits</b>		
Provision for compensated absences of employees	136.61	114.10
<b>Total</b>	<b>136.61</b>	<b>114.10</b>

### Note: 19 Current tax liabilities (net)

Particulars	31 March 2020	31 March 2019
Provision for taxation [Net of advance of tax ₹ 4,227.92 lakhs ( 31 March 2019 ₹ 5,692.74 lakhs)].	490.18	523.97
<b>Total</b>	<b>490.18</b>	<b>523.97</b>

### Note: 20 Revenue from operations

Particulars	31 March 2020	31 March 2019
<b>Revenue from Contracts with Customers</b>		
Sale of finished goods	48,605.46	49,117.56
<b>Other operating revenues</b>		
Export incentive	885.39	1,020.75
<b>Total</b>	<b>49,490.85</b>	<b>50,138.31</b>

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

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 21 Other income

Particulars	31 March 2020	31 March 2019
Interest income from financial assets at amortised cost	506.51	744.35
Interest income from financial assets measured at FVTPL	105.91	80.31
Dividend income from investments designated at FVOCI (refer note (a) below)	103.90	59.82
Dividend income from investments measured at FVTPL	2.77	1.94
Rental income	4.11	4.09
Net gains on fair value changes on investments classified at FVTPL	-	134.88
Net gain on disposal of property, plant and equipment	37.75	13.53
Profit on sale of long term investment	12.42	178.32
Profit on sale of short term investments	199.40	-
Liabilities no longer required written back	11.98	50.22
Provisions no longer required written back	-	74.43
Net foreign exchange gains / (losses)	-	117.11
Government grants (refer note (b) below)	18.77	18.16
Miscellaneous income (refer note (c) below)	107.76	230.27
<b>Total</b>	<b>1,111.28</b>	<b>1,707.43</b>

#### 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 ₹ 10.09 lakhs ( 31 March 2019 - ₹ 4.06 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 realized amounting to ₹ 0.22 lakhs (31 March 2019 - ₹ 135.80 lakhs )

### Note: 22 Cost of materials consumed

Particulars	31 March 2020	31 March 2019
Inventory at the beginning of the year	5,261.39	4,057.43
Add : Purchases ( net )	26,710.43	25,134.90
	<b>31,971.82</b>	<b>29,192.33</b>
Less : Inventory at the end of the year	5,768.22	5,261.39
<b>Total</b>	<b>26,203.60</b>	<b>23,930.94</b>



## Notes to the Consolidated Financial Statements

### Note: 23 Changes in inventories of finished goods and work-in-progress

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>Inventories at the end of the year</b>		
Stock-in-process	1,631.34	800.51
Semi - Finished Goods	598.37	635.44
Finished Goods	2,516.63	1,753.38
<b>Total (A)</b>	<b>4,746.34</b>	<b>3,189.33</b>
<b>Inventories at the beginning of the year</b>		
Stock-in-process	800.51	825.93
Semi - Finished Goods	635.44	406.32
Finished Goods	1,753.38	2,547.53
<b>Total (B)</b>	<b>3,189.33</b>	<b>3,779.78</b>
<b>(Increase)/decrease in inventories (B-A)</b>	<b>(1,557.01)</b>	<b>590.45</b>

### Note: 24 Employee benefits expense

Particulars	31 March 2020	31 March 2019
Salaries, Wages & Bonus	7,533.55	7,272.20
Contribution to Provident and Other Funds [refer notes below]	1,366.01	1,300.27
Workmen and Staff Welfare expenses	59.61	68.58
<b>Total</b>	<b>8,959.17</b>	<b>8,641.05</b>

#### 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 2020	31 March 2019
Employer's contribution to pension fund	398.39	381.87
Employer's contribution to superannuation fund	99.41	83.14
	<b>497.80</b>	<b>465.01</b>

##### (ii) Defined benefit plan

###### (a) Gratuity:

The employees' gratuity fund scheme managed by a Trust and is a defined benefit plan. The funds of the trust is 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.

## 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
<b>1 April 2018</b>	<b>6,072.32</b>	<b>(6,116.66)</b>	<b>(44.34)</b>
Current service cost	371.07	-	371.07
Interest expense/(income)	451.96	(455.33)	(3.37)
<b>Total amount recognised in profit or loss</b>	<b>823.03</b>	<b>(455.33)</b>	<b>367.70</b>
<b>Remeasurements</b>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(78.37)	(78.37)
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	62.99	-	62.99
Actuarial (gain)/loss from unexpected experience	(261.97)	-	(261.97)
<b>Total amount recognised in other comprehensive income</b>	<b>(198.98)</b>	<b>(78.37)</b>	<b>(277.35)</b>
Employer contributions/ premium paid	-	-	-
Benefit payments	(250.92)	250.92	-
<b>31 March 2019</b>	<b>6,445.45</b>	<b>(6,399.44)</b>	<b>46.01</b>

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>1 April 2019</b>	<b>6,445.45</b>	<b>(6,399.44)</b>	<b>46.01</b>
Current service cost	396.61	-	396.61
Interest expense/(income)	476.01	(472.56)	3.45
<b>Total amount recognised in profit or loss</b>	<b>872.62</b>	<b>(472.56)</b>	<b>400.06</b>
<b>Remeasurements</b>			
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)
<b>Total amount recognised in other comprehensive income</b>	<b>200.55</b>	<b>415.14</b>	<b>615.69</b>
Employer contributions/ premium paid	-	-	-
Benefit payments	(197.27)	197.27	-
<b>31 March 2020</b>	<b>7,321.35</b>	<b>(6,259.59)</b>	<b>1,061.76</b>





## Notes to the Consolidated Financial Statements

### Significant estimates: actuarial assumptions

(All amounts in INR lakhs, unless otherwise stated)

The significant actuarial assumptions were as follows:

Particulars	31 March 2020	31 March 2019
Discount rate	6.70%	7.50%
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
<b>31 March 2020</b>		
Discount rate	Increase by 1.00%, Decrease by 1.00%	Increase 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
<b>31 March 2019</b>		
Discount rate	Increase by 1.00%, decrease by 1.00%	Increase by ₹ 586.47 lakhs, decrease by ₹ 690.63 lakhs
Rate of salary increase	Increase by 1.00%, decrease by 1.00%	Increase by ₹ 673.73 lakhs, decrease by ₹ 584.06 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.

#### Interest rate risk:

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

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### 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. An increase in the salary of the plan participants will increase the plan liability.

### Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2021 are ₹ 1,062.00 lakhs.

The weighted average duration of the defined benefit obligation is 10 years ( 2019 - 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 Parent 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 Parent 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: 25 Finance costs

Particulars	31 March 2020	31 March 2019
Interest and finance charges on financial liabilities at amortised cost	235.47	88.69
Other borrowing costs	53.25	51.97
<b>Total</b>	<b>288.72</b>	<b>140.66</b>

### Note: 26 Depreciation and amortisation expense

Particulars	31 March 2020	31 March 2019
Depreciation of property, plant and equipment	973.60	945.25
Amortisation of Goodwill	1,666.54	1,666.54
Amortisation of Trademark	468.42	468.42
Amortisation of other intangible assets	12.32	12.16
<b>Total</b>	<b>3,120.88</b>	<b>3,092.37</b>



## Notes to the Consolidated Financial Statements

### Note: 27 Other expenses

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
Consumption of stores and spare parts (net)	3,171.43	2,976.54
Power and fuel	2,048.16	2,102.50
Rent	117.60	113.55
Repairs to building	75.55	14.51
Repairs to machinery	3.59	0.60
Repairs - others	28.66	40.57
Insurance	220.74	216.70
Rates and Taxes	20.62	49.77
Processing Charges	1,254.29	1,182.59
Freight and Delivery Charges	333.72	418.29
Export Dock and Toll Charges	150.90	126.71
Brokerage and Commission	378.29	299.62
Net foreign exchange losses / (gains)	64.49	-
Net losses on fair value changes on investments classified at FVTPL	81.35	-
Corporate social responsibility expenses [Refer note ( b ) below]	73.80	85.93
Provision for Doubtful Debts & Advances	-	55.36
Interest Receivable Written Off	108.99	-
Miscellaneous expenses [Refer note (a) below]	1,093.03	913.38
<b>Total</b>	<b>9,225.21</b>	<b>8,596.62</b>

#### Notes:

#### (a) Miscellaneous expenses includes remuneration to auditors for :

Particulars	31 March 2020	31 March 2019
Audit Fees	23.09	16.30
Other Services	9.60	13.75
Reimbursement of expenses	1.74	0.30
<b>Total</b>	<b>34.43</b>	<b>30.35</b>

#### (b) Corporate social responsibility expenditure:

Particulars	31 March 2020	31 March 2019
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above (in cash)	73.80	85.93
(iii) Amount outstanding at year-end	-	-
<b>Total</b>	<b>73.80</b>	<b>85.93</b>
Amount required to be spent as per Section 135 of the Companies Act, 2013	130.26	95.70

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 28 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 Group's tax positions.

#### (a) Income tax expense

Particulars	31 March 2020	31 March 2019
<b>Current tax</b>		
Current tax on profits for the year	405.50	1,500.95
<b>Total current tax expense</b>	<b>405.50</b>	<b>1,500.95</b>
<b>Deferred tax</b>		
Decrease / (Increase) in deferred tax assets	180.58	268.78
(Decrease) / Increase in deferred tax liabilities	318.26	588.75
<b>Total deferred tax expense/(benefit)</b>	<b>498.84</b>	<b>857.53</b>
<b>Income tax expense</b>	<b>904.34</b>	<b>2,358.48</b>

#### (b) Amounts recognised directly in other comprehensive income

Particulars	31 March 2020	31 March 2019
The amount of income tax relating to each component of other comprehensive income		
(i) Remeasurements of post-employment benefit obligations - Current tax	215.15	(59.77)
(ii) FVOCI equity instruments		
- Current tax	-	-
- Deferred tax	174.46	116.40
	<b>389.61</b>	<b>56.63</b>

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

Particulars	31 March 2020	31 March 2019
Profit before tax	2,861.56	6,853.65
Tax at the Indian tax rate of 34.944% (2018-19 – 34.944%)	999.94	2,394.94
<b>Add / (deduct) -</b>		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	(36.31)	30.45
Impact of change in tax rate	-	(47.35)
Others	(59.29)	(19.56)
<b>Total income tax expense/(credit)</b>	<b>904.34</b>	<b>2,358.48</b>





## Notes to the Consolidated Financial Statements

### (d) Details of MAT credit balance available with expiry date

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
<b>MAT credit balance</b>		
Expiry		
AY 2030-31	130.26	272.69
AY 2031-32	977.97	977.97
AY 2032-33	1,627.49	1,627.49
AY 2033-34	1,483.10	1,521.61
	<b>4,218.82</b>	<b>4,399.76</b>

### Note: 29 Fair value measurements

#### Financial instruments by category

Particulars	31 March 2020			31 March 2019		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments	1,782.55	9,881.63	-	5,320.43	12,460.33	-
Loans to body corporates	-	-	3,167.23	-	-	4,540.00
Security deposits	-	-	245.26	-	-	213.98
Derivative assets	-	-	-	90.09	-	-
Trade receivables	-	-	2,893.84	-	-	3,375.50
Cash & cash equivalents	-	-	2,693.21	-	-	446.51
Bank balances	-	-	1,167.95	-	-	532.25
Employee advances	-	-	356.55	-	-	328.34
Interest accrued on inter-corporate deposits	-	-	85.16	-	-	339.57
<b>Total financial assets</b>	<b>1,782.55</b>	<b>9,881.63</b>	<b>10,609.20</b>	<b>5,410.52</b>	<b>12,460.33</b>	<b>9,776.15</b>
<b>Financial liabilities</b>						
Borrowings	-	-	2,859.81	-	-	2,512.78
Trade payables	-	-	986.22	-	-	672.91
Derivative liabilities	247.27	-	-	-	-	-
Unpaid dividends	-	-	23.16	-	-	25.29
Capital creditors	-	-	173.85	-	-	-
Other payables	-	-	1,011.76	-	-	1,202.73
<b>Total financial liabilities</b>	<b>247.27</b>	<b>-</b>	<b>5,054.80</b>	<b>-</b>	<b>-</b>	<b>4,413.71</b>

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.

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2020	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
- Quoted investments	3,500.30	-	-	3,500.30
- Unquoted investments	-	1,795.91	6,367.97	8,163.88
Derivative financial assets	-	-	-	-
<b>Total financial assets</b>	<b>3,500.30</b>	<b>1,795.91</b>	<b>6,367.97</b>	<b>11,664.18</b>
<b>Financial liabilities</b>				
Derivative financial liabilities (not designated as hedges)	247.27	-	-	247.27
<b>Total financial liabilities</b>	<b>247.27</b>	<b>-</b>	<b>-</b>	<b>247.27</b>

Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Investments				
- Quoted investments	9,787.25	-	-	9,787.25
- Unquoted investments	-	2,290.53	5,702.98	7,993.51
Derivative financial assets	90.09	-	-	90.09
<b>Total financial assets</b>	<b>9,877.34</b>	<b>2,290.53</b>	<b>5,702.98</b>	<b>17,870.85</b>
<b>Financial liabilities</b>				
Derivative financial liabilities (not designated as hedges)	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 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.



## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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

Particulars	31 March 2020		31 March 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Security deposits	148.87	148.87	117.59	117.59
<b>Total financial assets</b>	<b>148.87</b>	<b>148.87</b>	<b>117.59</b>	<b>117.59</b>
<b>Financial liabilities</b>				
Borrowings	237.49	237.49	256.56	256.56
<b>Total financial liabilities</b>	<b>237.49</b>	<b>237.49</b>	<b>256.56</b>	<b>256.56</b>

- 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.

### Note: 30 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 forecasts	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 forecasting 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

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### (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 Holding 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 Holding 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 Holding 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.

### (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 respective 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 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.





## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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
<b>Total non-derivative financial liabilities</b>	<b>4,935.49</b>	<b>119.83</b>	<b>-</b>	<b>-</b>	<b>5,055.32</b>
Derivatives (net settled)					
Foreign exchange forward contracts	247.27	-	-	-	247.27
<b>Total derivative liabilities</b>	<b>247.27</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>247.27</b>

Contractual maturities of financial liabilities 31 March 2019	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	2,256.22	107.00	149.56	-	2,512.78
Other financial liabilities	1,314.93	-	-	-	1,314.93
Trade payables	672.36	-	-	-	672.36
<b>Total non-derivative financial liabilities</b>	<b>4,243.51</b>	<b>107.00</b>	<b>149.56</b>	<b>-</b>	<b>4,500.07</b>
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
<b>Total derivative liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### (C) Market risk

#### (i) Foreign currency risk

The Parent 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 Parent 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 Parent 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:

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2020		31 March 2019	
	USD	EUR	USD	EUR
<b>Financial assets</b>				
Trade receivables	963.43	70.59	389.43	142.97
Derivative assets				
Foreign exchange forward contracts - Sell foreign currency	(963.43)	(70.59)	(389.43)	(142.97)
<b>Net exposure to foreign currency risk (assets)</b>	-	-	-	-
<b>Financial liabilities</b>				
Trade payables	-	-	4.15	-
Derivative liabilities				
Foreign exchange forward contracts - Buy foreign currency	-	-	(4.15)	-
<b>Net exposure to foreign currency risk (liabilities)</b>	-	-	-	-

### Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. Net exposure being nil, no further disclosure has been given.

Particulars	Impact on profit before tax		Impact on equity	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
<b>USD sensitivity</b>				
INR appreciates by 5% (31 March 2019 - 5%)*	-	-	-	-
INR Depreciates by 5% (31 March 2019 - 5%)*	-	-	-	-
<b>EUR sensitivity</b>				
INR appreciates by 5% (31 March 2019 - 5%)*	-	-	-	-
INR Depreciates by 5% (31 March 2019 - 5%)*	-	-	-	-

\* Holding all other variables constant

The Parent Company also has exposures in below currencies for which no sensitivity is disclosed:

Particulars	31 March 2020		31 March 2019	
	GBP	JPY	GBP	JPY
<b>Financial assets</b>				
Trade receivables	47.47	-	52.48	23.80
<b>Derivative assets</b>				
Foreign exchange forward contracts - Sell foreign currency	(47.47)	-	(52.48)	(23.80)

### (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.

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### (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 2020	31 March 2019
Variable rate borrowings	2,551.13	2,241.32
Fixed rate borrowings	308.68	271.46
<b>Total borrowings</b>	<b>2,859.81</b>	<b>2,512.78</b>

### (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 2020	31 March 2019	31 March 2020	31 March 2019
Interest expense rates – increase by 70 basis points (70 bps)*	(17.86)	(15.69)	(11.62)	(10.21)
Interest expense rates – decrease by 70 basis points (70 bps)*	17.86	15.69	11.62	10.21

\* Holding all other variables constant

### Note: 31 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 2020	31 March 2019
i) Equity shares		
Final dividend paid for the year ended 31 March 2019 - ₹ 10/- (31 March 2018 - ₹ 10/-) per fully paid share	547.16	547.16
Dividend distribution tax	112.47	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 ₹ 15/- per fully paid equity share (31 March 2019 - ₹ 10/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	820.74	547.16
Tax on proposed dividend	-	112.47

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 32 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.

#### Geographical information

The Parent 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 2020	31 March 2019
India	38,543.37	36,451.13
<b>Outside India:</b>		
Americas	2,219.89	3,130.11
Europe	4,166.73	5,050.34
Asia	994.86	1,389.42
Australia	767.87	1,042.32
Others	1,912.74	2,054.24
<b>Total revenue</b>	<b>48,605.46</b>	<b>49,117.56</b>

Assets [refer note (a) ]	31 March 2020	31 March 2019
India	67,956.56	64,823.86
Outside India	-	-
<b>Total assets</b>	<b>67,956.56</b>	<b>64,823.86</b>

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: 33 Related party transactions

a) Set out below are the subsidiaries of the Holding Company as at 31 March 2020. 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	Ownership interest in percentage
	31 March 2020	31 March 2019
<b>Subsidiaries</b>		
Gloster Lifestyle Limited	100%	100%
Gloster Specialities Limited	100%	100%
Network Industries Limited	100%	-
Gloster Nuvo Limited	100%	-

All the Companies are incorporated in India.

#### 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

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## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### (d) Transactions with related parties are as follows:

Particulars	Year	Key Management Personnel	The Oriental Company Limited
<b>Transactions during the year</b>			
Dividend paid	2019-20	37.83	60.40
	2018-19	37.62	60.40
Rent paid	2019-20	-	60.00
	2018-19	-	60.00
Security Deposit given	2019-20	-	-
	2018-19	-	100.00
Investment in equity shares	2019-20	-	-
	2018-19	-	-
Loan given	2019-20	-	-
	2018-19	-	-
<b>Outstanding balances at year end</b>			
Commission payable	2019-20	-	-
	2018-19	350.00	-
Deposits	2019-20	-	100.00
	2018-19	-	100.00
Loan	2019-20	-	-
	2018-19	-	-

Key management personnel compensation	31 March 2020	31 March 2019
a. Short-term employee benefits	252.84	567.48
b. Post-employment benefits	72.68	58.45
	<b>325.52</b>	<b>625.93</b>

### Terms and conditions of the transactions

All outstanding balances are unsecured and are repayable in cash.

### Note: 34 Earnings per equity share

Particulars	31 March 2020	31 March 2019
<b>(I) Basic</b>		
a. Net profit after tax	1,957.22	4,495.17
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 (₹)	35.77	82.15
<b>(II) Diluted</b>		
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 (₹)	35.77	82.15



## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 35 Contingent liabilities

Particulars	31 March 2020	31 March 2019
<b>Claims against the Holding Company not acknowledged as debts</b>		
Sales tax matter	722.12	576.36
ESI matter	50.31	50.31

(i) The future cash outflow, if any, cannot be ascertained, pending resolution of the proceedings.

(ii) The Holding Company does not expect any reimbursement in respect of the above contingent liabilities.

(iii) The Holding Company has evaluated the impact of the recent 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 (33) 2019/ Vivekananda Vidya Mandir/284) dated March 20,2019 issued by the Employees Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Fund & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact for the period until March 31, 2019.

### Note: 36 Commitments

Particulars	31 March 2020	31 March 2019
Estimated amounts of contracts remaining to be executed on capital account and not provided for property, plant and equipment	1,941.04	431.59
Other Commitment towards investments	386.16	1,032.59

### Note: 37 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. 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 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 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 : 38 Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt

Particulars	31 March 2020	31 March 2019
Current borrowings	2,622.32	2,256.22
Non-current borrowings [including current maturity portion of ₹ 117.66 lakhs ( 31 March 2019 : ₹ 86.91 lakhs )]	237.49	256.56
<b>Net debt</b>	<b>2,859.81</b>	<b>2,512.78</b>

Particulars	Liabilities from financing activities	
	Non-current borrowings	Current borrowings
<b>Net debt as at 1 April 2019</b>	<b>256.56</b>	<b>2,256.22</b>
Proceeds from borrowings during the year	98.50	57.42
Repayment of borrowings during the year	(117.57)	-
Proceeds from bills discounted	-	308.68
Settlement of bills discounted	-	-
<b>Net debt as at 31 March 2020</b>	<b>237.49</b>	<b>2,622.32</b>

## Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

### Note: 39 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 2020	31 March 2019
1	The principal amount remaining unpaid to any supplier as at the year end	2.84	0.55
	The interest remaining unpaid to any supplier as at the year end	2.15	1.98
2	Principal amounts paid to suppliers beyond the appointed day during the year.	26.22	6.94
	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	0.17	0.23
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.	2.15	1.98

#### 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.

### Note: 40

The exceptional item pertains to the charge on account of certain Inter Corporate Deposit being written off by the Parent Company.

### Note: 41

The National Company Law Tribunal, Kolkata Bench vide its order dated 27th September, 2019, certified copy received on 17th October, 2019, has approved the terms of the Resolution Plan submitted by the Parent Company, to acquire Fort Gloster Industries Limited pursuant to Corporate Insolvency Resolution Process, under the Insolvency & Bankruptcy Code 2016. The said order is sub-judice before National Company Law Appellate Tribunal and therefore pending implementation of the plan there is no impact on the consolidated financial statements for the year ended 31 March, 2020.

### Note: 42

The National Company Law Tribunal, Kolkata Bench vide its order dated 4th July 2019 has approved the terms of the Resolution Plan submitted by the Parent Company, to acquire Network Industries Limited pursuant to Corporate Insolvency Resolution Process, under the Insolvency & Bankruptcy Code 2016 and the said Resolution Plan has been implemented.

The Parent Company paid a consideration of ₹ 3,699 lakhs to acquire Network Industries Limited. Such consideration has been transferred in cash of which ₹ 1,080 lakhs in the form of equity infusion and ₹ 2,619 lakhs in the form of loan.

The assets acquired by the parent entity has 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 of purchase, i.e. 04 July 2019.

**The assets recognised as a result of the acquisition as at 4 July 2019 are as follows:**

Land	3,235.74
Building and Office	458.05
Trademark	5.21
<b>Total</b>	<b>3,699.00</b>

### Note: 43

Cyclone "Amphan" had hit West Bengal on 20th May, 2020 causing damage to properties and stocks at manufacturing units of the Parent Company. However there is coverage of insurance for the stocks / properties damaged.

### Note: 44

The Parent Company has paid/provided remuneration to its Executive Director in accordance with the agreement approved by the shareholders. The amount of ₹ 36.37 lakhs paid/provided during the year ended March 31, 2020, being in excess of the limit prescribed under Section 197 of the Companies Act, 2013, is subject to approval of shareholders by way of special resolution in ensuing annual general meeting as required by section 197 read with Schedule V to the Act.

# Notes to the Consolidated Financial Statements

45. 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 2020		31st March 2019		31st March 2020		31st March 2019		31st March 2020		31st March 2019	
	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	Net Profit	As a % of Net Profit	Other Comprehensive Income	As a % of Other Comprehensive Income
Parent	92,443.78	99.27	93,700.38	99.29	4,928.65	98.52	(2,525.67)	99.46	(590.91)	98.52	(2,525.67)	99.46
Subsidiaries												
Gloster Lifestyle Limited	342.87	0.37	325.52	0.34	2,402	0.48	(6.66)	0.26	15.22	0.71	(6.66)	0.26
Gloster Specialities Limited	348.96	0.37	342.05	0.37	14,05	0.28	(7.11)	0.28	15.22	0.77	(7.11)	0.28
Gloster Nuvo Limited	(251)	-	-	-	(2,51)	(0.05)	-	-	-	-	-	-
Network Industries Limited	(6.99)	(0.01)	-	-	(6.99)	(0.14)	-	-	-	-	(6.99)	-
<b>TOTAL</b>	<b>93,126.11</b>	<b>100.00</b>	<b>94,367.95</b>	<b>100.00</b>	<b>4,957.22</b>	<b>100.00</b>	<b>(2,539.44)</b>	<b>100.00</b>	<b>(560.47)</b>	<b>100.00</b>	<b>(2,417.78)</b>	<b>100.00</b>

(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 : Hyderabad  
Date : 28th July, 2020

**Shankar Lal Kedia**  
Chief Financial Officer  
**Ajay Kumar Agarwal**  
Company Secretary

Place : Kolkata  
Date : 28th July, 2020

**Hemant Bangur** (DIN: 00040903)  
Executive Chairman

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

**Ishani Ray** (DIN: 08800793)  
Director

Directors' Report

Corporate Governance

Shareholder Information

Standalone Financials

Consolidated Financials



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## Form AOC -1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

### Part "A" : Subsidiaries

(₹ in lakhs)

Sl. No.		1	2	3	4
1	Name of the subsidiary	Gloster Lifestyle Limited	Gloster Specialities Limited	Network Industries Limited	Gloster Nuvo Limited
2	The date since when subsidiary was acquired	23.02.2011	23.02.2011	04.07.2019	27.01.2020
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Uniform reporting period	Uniform reporting period	Uniform reporting period	Uniform reporting period
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5	Share Capital	400.00	400.00	1,080.00	200.00
6	Reserves and Surplus	325.52	348.96	54.20	(2.52)
7	Total Assets	748.61	749.95	3,755.23	197.48
8	Total Liabilities	748.61	749.95	3,755.23	197.48
9	Investments	124.29	232.50	-	-
10	Turnover	-	-	-	-
11	Profit before Taxation	37.29	21.35	(6.99)	(2.52)
12	Provision for Taxation	13.27	7.30	-	-
13	Other Comprehensive Income	(6.66)	(7.11)	-	-
14	Profit after Taxation	17.36	6.94	0.06	(2.52)
15	Proposed Dividend	Nil	Nil	Nil	Nil
16	% of shareholding	100%	100%	100%	100%

1 Names of subsidiaries which are yet to commence operations

: Network Industries Limited

: Gloster Nuvo Limited

2 Names of subsidiaries which have been liquidated or sold during the year

: Nil

### Part "B" : Associates and Joint Ventures

: Not Applicable

Place : Kolkata  
Date : 28th July, 2020

**Shankar Lal Kedia**  
Chief Financial Officer

**Ajay Kumar Agarwal**  
Company Secretary

**Hemant Bangur** (DIN: 00040903)  
Executive Chairman

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

**Ishani Ray** (DIN: 0008800793)  
Director



**GLOSTER LIMITED**

**CIN - L17100WB1923PLC004628**

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