



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/19-20/0508

Date: 22.07.2019

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

Dear Sir,

Re: **Annual Report for 2018-19**

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 2018-19 for your kind information.

Thanking you,

Yours faithfully,
For Gloster Limited

Manager Finance & Company Secretary

Encl: As above




FORM A

1.	Name of the company	Gloster Limited
2.	Annual financial statements for the year ended (Consolidated)	31 March ,2019
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	Signatures of CEO/Managing Director, CFO, Auditor of the Company and Audit Committee Chairperson	Refer below
	<i>Name/ Designation</i>	<i>Signature</i>
	D.C. Baheti Managing Director	
	Shankar Lal Kedia CFO	
	Price Waterhouse & Co. Chartered Accountants LLP Auditor	For Price Waterhouse & Co. Chartered Accountants LLP Firm Registration No-304026E/E-300009 Sunit Kumar Basu Partner Membership No: 55000
	S.B. Mainak Audit Committee, Chairman	✓ 

Place : Kolkata

Date :14th May, 2019

FORM A

1.	Name of the company	Gloster Limited
2.	Annual financial statements for the year ended	31 March ,2019
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	Signatures of CEO/Managing Director, CFO, Auditor of the Company and Audit Committee Chairperson	Refer below
	<i>Name/ Designation</i>	<i>Signature</i>
	D.C. Baheti Managing Director	
	Shankar Lal Kedia CFO	
	Price Waterhouse & Co. Chartered Accountants LLP Auditor	For Price Waterhouse & Co. Chartered Accountants LLP Firm Registration No-304026E/E-300009 Sunit Kumar Basu Partner Membership No: 55000
	S.B. Mainak Audit Committee, Chairman	✓ 

Place : Kolkata

Date :14th May, 2019

Farm to fashion!

How Gloster intends to reposition Jute!



GLOSTER LIMITED

ANNUAL REPORT 2018-19



CONTENTS

Introduction and Theme	01
Corporate Information	12
Directors' Report	13
Report on Corporate Governance	41
Shareholder Information	51
Standalone Financial Section	
Independent Auditors' Report	58
Balance Sheet	66
Statement of Profit and Loss	67
Statement of Changes in Equity	68
Cash Flow Statement	69
Notes to the Financial Statements	71
Consolidated Financial Section	
Independent Auditors' Report	108
Balance Sheet	114
Statement of Profit and Loss	115
Statement of Changes in Equity	116
Cash Flow Statement	117
Notes to the Financial Statements	119
Details of Subsidiary Companies	157

Globally, jute is recognized as a unique and environment-friendly fibre. This natural fibre is now making appearances on fashion ramps, in the form of accessories and apparel.

Besides fabric, accessories like jute bags, stoles, shoes and hats are becoming popular among millennials and designers as jute's strength and eco-friendly properties make it stand out from synthetic fibre.

With a tie-up with farmers to produce organic jute, the Company is positioned attractively to emerge as a true farm to fashion jute player in the country.



Gloster in a nutshell

Promoters

Gloster Limited is promoted and managed by the Bangur Group. With Sri Hemant Bangur as Executive Chairman and Sri D.C. Baheti as the Managing Director, the Company has a strong team of professionals with decades long experience.

Presence

Headquartered in Kolkata, West Bengal, Gloster Limited has two manufacturing units in adjacent Howrah. The units are located across the banks of the river Ganges. The Company is known for its innovation in developing an unmatched product portfolio, which is exported to about 42 countries across the world.

The Company has international presence in countries like USA, Australia, New Zealand, Japan, Canada and all major European nations including UK, Netherlands, Germany and Spain.

Capacity

The company possesses an annual production capacity of about 50,000 metric tonnes of jute textiles and products.

Our product offerings

The company possesses a wide range of jute and jute-blended products – the product profile can be broadly classified into:

- a) Traditional products such as hessian, yarn, sacking etc.





b) Technical products such as geotextiles, agro-textiles, fabrics treated for fire-retardancy, microbial attacks, hydrocarbon-free jute bags, jute leno fabrics etc.

c) Lifestyle products such as floor covering, processed decorative, furnishing fabrics, bags and made ups, jute mats etc.

The company has also added new technical products, namely laminated jute fabrics, washed jute canvas, coated fabrics for soft luggage, coated molleton fabrics, bleached yarns and non-woven products of certified organic jute. The company acts as a one-stop shop for all kinds of jute products available in the market.

Ownership

Around 72.52% is held by promoters; 18.97% by institutional investors and the rest by public. The Company's shares are listed on the BSE Ltd. and The Calcutta Stock Exchange Ltd.

Credit rating

CRISIL has upgraded its rating on the short-term bank facilities and commercial paper of Gloster Limited to 'CRISIL A1+' from 'CRISIL A1', and reaffirmed its 'CRISIL A+/Stable' rating on the company's long-term bank facilities.

The upgrade reflects the Gloster group's strong performance, to higher cash accrual, and hence, better liquidity.



- Create a satisfied customer base

- Win recognition as a producer of quality jute and allied products

- Provide products at a competitive price



- Promote the principles of sustainability in our operations and activities



- Be committed to our workforce, consumers, suppliers, shareholders and other stakeholders at large

- Make our business a part of the society and contribute to the welfare of the larger community

Farm to fashion!

Fashion is a popular aesthetic expression in a certain time and context, especially in clothing, lifestyle, accessories, footwear etc.

Pioneering in the space of jute packaging, Gloster intends to explore the global trend of sustainable fashion and enter the space as an organic jute manufacturer.



Farm to fashion!



The demand for organic clothing is on the rise, as more and more consumers are concerned about the environment and the massive acceptance of jute for wide ranges of lifestyle consumer products is a result of the great versatility of jute.

Jute fabric has become extremely trendy right now, for several reasons. Not only is it environmentally friendly, it is also an indigenous fabric that has many cultural associations. Wearing jute sarees, tunics, kurtas and shirts is a matter of pride for many millennials who consider it a sustainable fabric. Designers have also begun to appreciate its unique aesthetic and as a result they have begun experimenting with it. Jute being a bast fibre is a little coarse to be used in apparel. However, with the intervention of enzymes and processing chemicals it can be made suitable for fashion goods.

One of the most popular fabrics is JUCO – jute with cotton. Besides, there is washed canvas, jute ikkats, dyed fabrics, block and screen-printed fabrics to choose from.

Jute could be the fabric of the future. Amid a global push to reduce the use of plastic for environmental reasons, India is promoting jute as a material for reusable shopping bags, home furnishings, clothing, even diapers and women's sanitary pads.

Today, more and more people are consciously making efforts to veer away from environmental unfriendly clothes. Till a few years ago, there was no talk about eco-friendly fashion. Now, the world has a broader vision—sustainable fashion.

R&D conducted by reputed Indian institutes has led to an intensification of the natural characteristics of jute fibre. Technological aid, alongwith the government's developmental efforts, has made jute cross the threshold of several range of applications, contributing to continue human development, generate employment opportunities and offer a cleaner environment.

Leveraging this, Gloster has tied up with farmers for organic jute cultivation to supply to the fashion industry.



Celebrating the history

Gloster supported a Jute Expo at the Old Currency Building (an aesthetically restored Heritage building) at Dalhousie, Kolkata, organized by the Ministry of Textiles, Government of India.

This one-of-its-kind event, was graced by Honb'le Union Minister of Textiles, Smt. Smriti Zubin Irani, Secretary Textiles Sri Raghavendra Singh, Joint Secretary Textiles Sri Atul Kumar Tiwari, Jute Commissioner Sri Moloy Chandan Chakraborty, Director General of Archaeological Survey of India Ms. Usha Sharma, Secretary National Jute Board Sri Arvind Kumar M and Ms. Anamika Khanna, a leading fashion designer of India. Other dignitaries, alongwith the elite cosmopolitan crowd of Kolkata also attended the event.

The primary objective of the programme was to create awareness about the textile industry by inviting international buyers, agents and other marketing organizations, apart from establishing Business to Business (B2B) connection. This also gives a platform for viable marketing to improve exports and domestic presence.

The event also showcased textile expositions by many renowned fashion designers from Kolkata and particularly NIFT and helped create awareness and promotion of Indian jute, silk, handloom and handicrafts.

Artisan Speak

7th January 2019 to 10th January 2019

Anamika Khanna, India's leading fashion designer, enthralled the audience with a fashion show at the Old Currency Building at Dalhousie, Kolkata. The show began showcasing a model's jute based ensemble in Ivory and went on to highlight the glorious tradition of Indian fabrics, handloom and hand craft.

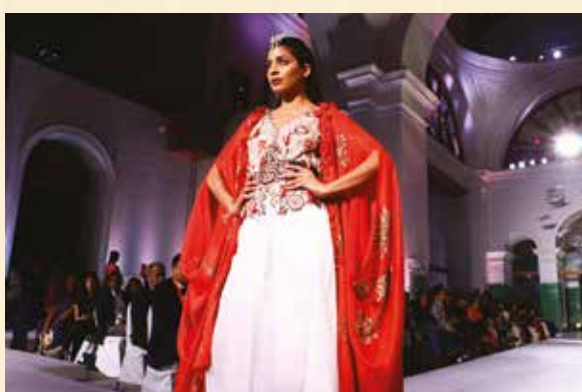
The event was a humble effort to highlight different kinds of rich and vibrant Handlooms, Handicrafts, Silk and Jute Diversified sectors which support sustained livelihood for many artisans, rural folk and MSME units etc.

The event also aimed at promoting Indian handlooms, handicrafts, jute, silk and providing a platform for marketing and business linkages with both international and domestic buyers.

At the event, Gloster was awarded for Highest Exports of Conventional Jute Products – an additional feather in its cap.

The event was organized by National Jute Board, Ministry of Textiles in association with Development Commissioner Handicrafts & Handlooms – Govt. of India, Central Silk Board and NIFT.





What aids the growth of the industry...



Growth in spending power

One of the major factors driving the growth of the retail market in India is the rising annual disposable income. The growing purchasing power and rising influence of social media have enabled Indian consumers to splurge on discretionary consumer products. The rising income levels, in conjunction with the population increase, will result in an overall spurt in consumer spending.



Increasing urbanization

India's urban population is expected to grow from 410 million in 2014 to 814 million by 2050. India is projected to add 4 new megacities by 2030.



Under penetrated rural market

About 69% of Indians reside in rural areas. This is also a segment where incomes have been rising fast due to economic growth and welfare measures. Many retailers and fast-moving consumer goods (FMCG) companies have been quick to identify the potential of rural India. They have innovated with products and delivery, while at the same time devising strategies to cater to various sections of the society.



Young population

As per the census of 2011, India has about 500 million Indians under the age of 25. Young Indians are driving purchases in categories such as mobile phones, fashion, accessories, food and beverages etc. and are willing to experiment and change habits. Young Indians have access to more money than before, driving independence, aspirations and demand for products.



Increasing working women

The growth in women employment growth is expected to result in an increase in the demand for different kinds of occasion-based apparel such as women's formal western wear. Also, due to their financial independence, more women are likely to indulge in higher levels of discretionary spending.



Changing shopping habits

One consequence of the evolution in consumer lifestyles is the surge in both the opportunity for and the incidence of socialising, via various activities and events. There is, thus, a greater demand for multifunctional clothing, e.g. smart casuals, which enable straddling various occasions.



Future in the mind

Gloster's business model has inherent attributes of sustainability in it. The Company is engaged in jute products, one of the sustainable fibers available in the market. Embarking on a transformational journey, more than a century ago, we always had the future in mind. To meet the aspirations of ever evolving consumer taste, preference and dynamics we are focusing on fashionable jute as the fibre of future. The Company is exploring newer avenues to enhance usage and innovate new products of jute.

CORPORATE INFORMATION

Board of Directors : **Hemant Bangur** – Executive Chairman
Pushpa Devi Bangur – Non-Executive Director
D.C. Baheti - Managing Director
S.B. Mainak – Independent Director
S.N. Bhattacharya – Independent Director
Dr. Prabir Ray – Independent Director

Company Secretary : **Ajay Kumar Agarwal**

Chief Financial Officer : **Shankar Lal Kedia**

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

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

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

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

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

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors take pleasure in presenting the Ninety Seventh Annual Report of your Company together with the Audited Accounts for the year ended 31st March, 2019.

FINANCIAL RESULTS

The highlights of the financial results of the Company for the year ended 31st March, 2019 are as under:

(₹ lakhs)

Particulars	Standalone		Consolidated	
	Year Ended 31.3.2019	Year Ended 31.3.2018	Year Ended 31.3.2019	Year Ended 31.3.2018
Revenue from operations	50,138.31	46,398.50	50,138.31	46,398.50
Other Income	1,613.00	1,460.31	1,707.43	1,575.03
Total	51,751.31	47,858.81	51,845.74	47,973.53
Profit before Tax	6,764.37	6,520.24	6,853.65	6,629.49
Tax Expense	2,349.02	2,391.70	2,358.48	2,412.04
Profit for the year	4,415.35	4,128.54	4,495.17	4,217.46
Other Comprehensive Income (net of tax)	(590.90)	1,497.80	(560.47)	1,490.46
Total Comprehensive Income	3,824.45	5,626.34	3,934.70	5,707.91

LISTING OF EQUITY SHARES

BSE Ltd. vide its letter no. DCS/AMAL/TP/SV/8202/2018-19 dated 28th January, 2019, has admitted to dealings on the exchange equity shares of the Company, effective from 30th January, 2019.

The Calcutta Stock Exchange Ltd. vide its letter no. CSE/LD/DN/14587/2019 dated 28th March, 2019, has admitted to dealings on the exchange equity shares of the Company, effective from 29th March, 2019.

DIVIDEND AND RESERVES

Your Directors are pleased to recommend for your approval a dividend of 100% i.e ₹ 10 per equity share for the year ended 31st March, 2019. The total outflow for dividend will be ₹659.63 lakhs including ₹112.47 lakhs by way of dividend tax.

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

OPERATIONS & STATE OF COMPANY'S AFFAIRS

The production during the year under review has been 49,985 MT in comparison to 48,588 MT in the previous year. Sales and turnover for the year under review stood at 50,928 MT & ₹ 49,117.56 lakhs as against 48,758 MT & ₹ 45,249 lakhs respectively in the previous year. For the year under review, net profit of the Company stood at ₹ 4,415.35 lakhs as against ₹ 4,128.54 lakhs in the previous year.

Company's continuous research on product development coupled

with thrust on development of new overseas market has resulted increase in its export performance from ₹10,969.09 lakhs in the year 2017-18 to ₹12,666.43 lakhs in the year 2018-19.

The raw jute crop in the forthcoming jute season is expected to be better than current jute season. Having Carryover stock of approximately about 18 - 19 lakh bales the prices of raw jute in the forthcoming jute season is likely to be soft with a downward bias compared to the previous year.

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

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 rated by CRISIL Limited vide its letter dated 3rd May, 2019, and rating for long-term bank facilities is 'CRISIL A+/Stable' and for short-term bank facilities rating has been upgraded to CRISIL A1+ from 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 and Gloster Specialities Limited continue to be wholly owned subsidiaries of your Company. None of the companies have become or ceased to be subsidiaries, 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 company and will be available to the investors seeking information at any time during the working hours of the Company except Saturdays. 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/Acctsubco.html/. 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.

PERFORMANCE OF SUBSIDIARY COMPANIES

Gloster Lifestyle Limited

The Gross revenue of the Company stood at ₹43.78 lakhs (Previous Year ₹55.49 lakhs). Profit after tax for the year stood at ₹38.19 Lakhs (Previous Year ₹ 45.55 lakhs) and Total Comprehensive Income stood at ₹ 53.41lakhs (Previous Year ₹41.71 lakhs).

Gloster Specialities Limited

The Gross revenue of the Company stood at ₹50.65 lakhs (Previous Year ₹ 59.23 lakhs). Profit after tax for the year stood at ₹41.62 lakhs (Previous Year ₹ 43.36 lakhs) and Total Comprehensive Income stood at ₹ 56.84 lakhs (Previous Year ₹ 39.86 lakhs)

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements is prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (accounts) Rules, 2014 forms part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion and Analysis Report, as required under the Listing Regulation, is attached as **Annexure – I** and forms part of this 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 as on 31st March, 2019 stood at ₹ 547.16 lakhs as compared to ₹ 200 lakhs as at 31st March, 2018. Pursuant to the scheme of amalgamation the eligible shareholders of erstwhile Gloster Limited have been issued and allotted equity shares of the Company on 10.05.2018 in accordance with the scheme. During the year under review, the Company has not granted any stock options or sweat equity. As on 31st March, 2019, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

NUMBER OF BOARD MEETINGS HELD

During the financial year ended 31st March, 2019, 6 (six) Board Meetings were held on 17th April, 2018, 29th May, 2018, 13th August, 2018, 14th November, 2018, 18th December, 2018 and 14th February, 2019. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The details of number of meetings of the Board held during the Financial Year 2018-19 and number of meetings attended by Directors forms part of Corporate Governance Report.

MEETINGS OF INDEPENDENT DIRECTORS

During the financial year 2018-19, the Independent Directors met separately on 14th February, 2019, and inter-alia discussed the following:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of performance of the Executive Chairman 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 Smt. Pushpa Devi Bangur, Non-Executive Director (DIN - 00695640) retires by rotation at the forthcoming Annual General Meeting and, being eligible offers herself for re-appointment.

As per the provisions of Section 149(1) of the Companies Act, 2013 and Regulation 17(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has one Woman Director on its Board.

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.

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.

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, 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>.

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 2018-19 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 .

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 three Members, comprising:

Name of the Members	Category
Smt. Pushpa Devi Bangur	Non-Executive Director
Sri Dharam Chand Baheti	Managing Director
Sri Prabir Ray	Independent Director

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

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

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

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

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

RISK MANAGEMENT

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

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

AUDITORS & AUDITOR'S REPORT

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

The Auditor's Report on the financial statements for the financial year 2018-19 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 2019-20 at a remuneration of Rs.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 2018-19.

The Secretarial Audit Report for the financial year ended 31st March, 2019 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 deposits from public as envisaged under Section 73 to 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR 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.

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 .

For & on behalf of the Board

Place : Kolkata

Hemant Bangur - Executive Chairman

Dated : 14th May, 2019

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, 2019.

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 giving export incentive through

schemes such as Merchandise Exports from India Scheme (MEIS) and Rebate of State and Central Taxes and Levies on export of garments and made ups (RoSCTL).

Risk & Concern/ Threat

- 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	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Segment revenue by location of customers	36,451.13	34,279.99	12,666.43	10,969.09	49,117.56	45,249.08

d) Outlook

The raw jute crop in the forthcoming jute season is expected to be better than current jute season. Having Carryover stock of approximately about 18 - 19 lakh bales the prices of raw jute in the forthcoming jute season is likely to be soft with a downward bias compared to the previous year.

Demand from Government, other domestic & export markets have been stable. 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

e) Internal control systems and their adequacy

The Company has adequate internal control system commensurate with the size, scale and complexity of its operations which provides reasonable assurance with regard to safeguarding the Company's assets, promoting operational efficiency by cost control, preventing revenue leakages and ensuring adequate financial and accounting controls and compliance with various statutory provisions. An independent Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

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

f) Discussion on financial performance with respect to operational performance

The following are the significant areas of financial performance:

(₹ lakhs)

Particulars	2018-19	2017-18	Increase/ (Decrease)
Revenue from operations	50,138.31	46,398.50	3,739.81
Raw material cost	23,930.94	21,749.18	2,181.76
Finance costs	140.66	119.35	21.31
Total Comprehensive Income for the year	3,824.45	5,626.34	(1,801.89)

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 have changed beyond the 25% threshold specified by in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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 shareholders interest, industry standards and relevant Indian corporate regulations.
- 2.3 The Policy seeks to ensure that the interests of Board members, KMP and SMP are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the company and will be consistent with the "pay-for-performance" principle.
- 2.4 The policy will ensure that remuneration to Directors involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

3. Principles of remuneration

- 3.1 **Support for Strategic Objectives:** Remuneration and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.
- 3.2 **Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

3.3 **Internal equity:** The Company shall remunerate the Board members, KMP and SMP in terms of their roles within the organisation.

3.4 **External equity:** The Company shall strive to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Reference to external market norms will be made using appropriate market sources, including relevant and comparative survey data, as determined to have meaning to the Company's remuneration practices at that time.

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

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

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

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

4.1 Board membership criteria

4.1.1 The Nomination & Remuneration Committee, along with the Board shall review on an annual basis, appropriate skills, characteristics and experience required of the Board Members for the better management of the Company. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.

4.1.2 In evaluating the suitability of individual Board members, the Committee will take into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements.

4.1.3 The policy seeks to ensure that Directors should possess the highest personal and professional ethics, integrity and values. They should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency. The Board members are expected to

have adequate time and expertise and experience to contribute to effective Board performance.

4.1.4 The Directors must devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

4.1.5 The proposed appointee shall also fulfill the following requirements:

4.1.5.1 Shall not be disqualified under the Companies Act, 2013;

4.1.5.2 Shall give his written consent to act as a Director;

4.1.5.3 Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

4.1.5.4 Shall abide by the Code of Conduct established by the Company for Directors, KMP and SMP;

4.1.5.5 Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals.

4.1.6 The Nomination and Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.1.7 The Nomination and Remuneration Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

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

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

evaluate the candidate(s) and decide on the selection of the appropriate member.

5. Compensation Structure

5.1 Remuneration to Non-Executive Directors

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

5.2 Remuneration to Executive Directors, KMPs & SMP

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

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

6. Supplementary provisions

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

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

ANNEXURE-III TO THE DIRECTORS REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

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

- 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 Composition of the CSR Committee is as under:

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

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 setting up old age homes, day care centers and such other facilities for senior citizens. The Company will continue to give thrust on the activities initiated during the year under review.

- Average net profit of the company for last three financial years - ₹ 4,785.18 lakhs
- Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) - ₹ 95.70 lakhs
- Details of CSR spent during the financial year
 - Total amount to be spent for the financial year - ₹ 95.70 lakhs
 - Total Amount spent during the year - ₹ 85.92 lakhs
 - Amount unspent, if any - ₹ 9.78 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	Eradicating hunger, poverty, malnutrition, promoting health care including preventive health care	Kolkata & Bauria, West Bengal	30.00	29.69	29.69	Direct
B	Animal Welfare	Animal Welfare	Rajasthan	27.00	27.30	27.30	Direct

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
C	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	36.60	26.83	26.83	Direct
D	Promoting education, including special education	Promoting education, including special education	Kolkata, West Bengal	2.10	2.10	2.10	Direct

The unspent committed amount is ₹ 99.65 lakhs towards CSR activities.

- 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 contributions made to the shortlisted organisations 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.
- 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 31ST MARCH, 2019

[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 (Formerly known as Kettlewell Bullen & Company Limited)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GLOSTER LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period for the financial year ended on 31st March, 2019, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, 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
- e) The Directions, Circulars and Guidelines prescribed by the Reserve Bank of India applicable to Non-Deposit taking, Non-Systemically Important NBFC;

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.

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 audit period the Company has

1. changed its name from Kettlewell Bullen & Company Limited to Gloster Limited;
2. changed its Memorandum of Association and Article of Association.
3. received final listing and trading approval for its equity shares from BSE Limited and The Calcutta Stock Exchange Limited from 30th January, 2019 and 29th March, 2019 respectively.

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: 14.05.2019

ACS no. 11470

Place: Kolkata

COP no. 7596

Annexure – 1

To

The Members,

GLOSTER LIMITED (Formerly known as Kettlewell Bullen & Company 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.

For MKB & Associates

Company Secretaries

Manoj Kumar Banthia

(Partner)

Date: 14.05.2019

ACS no. 11470

Place: Kolkata

COP no. 7596

ANNEXURE-V TO THE DIRECTORS REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31.03.2019

(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 (Formerly Kettlewell Bullen & Co. Ltd.)
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)

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,2018]				No of Shares held at the end of the year [As on 31st March,2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	15,29,750	15,29,750	76.49	22,44,567	54,569	2,299,136	42.02	(34.47)
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	3,60,000	3,60,000	18.00	16,69,017	-	16,69,017	30.50	12.50
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1)	-	18,89,750	18,89,750	94.49	39,13,584	54,569	39,68,153	72.52	(21.97)
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	-	18,89,750	18,89,750	94.49	39,13,584	54,569	39,68,153	72.52	(21.97)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	1,993	4,828	6,821	0.12	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	18.85
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1):-	-	-	-	-	9,23,270	1,14,828	10,38,098	18.97	18.97
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	1,10,250	1,10,250	5.51	53,202	2,874	56,076	1.02	(4.49)
ii) Overseas	-	-	-	-	-	-	-	-	-

Category of Shareholders	No of Shares held at the beginning of the year [As on 1st April,2018]				No of Shares held at the end of the year [As on 31st March,2019]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	3,19,897	39,620	3,59,517	6.57	6.57
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	12,032	-	12,032	0.22	0.22
c) Others (Specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	7,796	-	7,796	0.14	0.14
Clearing Members	-	-	-	-	4,128	-	4,128	0.08	0.08
Trusts	-	-	-	-	7,011	-	7,011	0.13	0.13
Investor Education and Protection Fund Authority	-	-	-	-	18,819	-	18,819	0.34	0.34
Sub-total(B)(2):-	-	1,10,250	1,10,250	5.51	4,22,885	42,494	4,65,379	8.51	2.99
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	1,10,250	1,10,250	5.51	13,46,155	1,57,322	15,03,477	27.48	21.97
C. Shares held by Custodian for GDR & ADR	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	20,00,000	20,00,000	100.00	52,59,739	2,11,891	54,71,630	100.00	-

ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year [as on 1st April, 2018]			Shareholding at the end of the year [as on 31st March, 2019]			% 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	4,56,500	22.83	-	7,89,636	14.43	-	(8.40)
2	The Oriental Company Limited	-	-	-	6,04,006	11.04	-	11.04
3	Madhav Trading Corporation Ltd.	1,10,000	5.50	-	5,93,246	10.84	-	5.34
4	Vinita Bangur	3,31,600	16.58	-	4,46,352	8.16	-	(8.42)
5	Hemant Bangur	2,64,700	13.24	-	3,74,032	6.84	-	(6.40)
6	The Cambay Investment Corporation Ltd	2,50,000	12.50	-	2,66,953	4.88	-	(7.62)
7	Hemant Kumar Bangur HUF	93,250	4.66	-	2,61,179	4.77	-	0.11
8	Gopal Das Bangur HUF	1,85,000	9.25	-	2,24,348	4.10	-	(5.15)
9	Credwyn Holdings India Pvt Ltd.	-	-	-	2,04,812	3.74	-	3.74

Sl No	Shareholder's Name	Shareholding at the beginning of the year [as on 1st April, 2018]			Shareholding at the end of the year [as on 31st March, 2019]			% 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	
10	Pushpa Devi Bangur (On Behalf of Purushottam Dass Bangur Family Trust)	97,700	4.89	-	97,700	1.79	-	(3.10)
11	Purushottam Dass Bangur	50,000	2.50	-	52,803	0.97	-	(1.54)
12	Purushottam Dass Bangur C/O Purushottam Dass Bangur HUF	50,000	2.50	-	51,766	0.95	-	(1.55)
13	Pushpa Devi Bangur(On Behalf of Pranov Bangur Benefit Trust)	1,000	0.05	-	1,000	0.02	-	(0.03)
14	Pranov Bangur	-	-	-	320	0.01	-	0.01
Total		18,89,750	94.49	-	39,68,153	72.52	-	(21.97)

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	The Cambay Investment Corporation Ltd.					
	At the beginning of the year	01/04/2018	2,50,000	12.50	2,50,000	12.50
	Acquisition (Transfer)	18/05/2018	16,953	0.31	2,66,953	4.88
	At the end of the year	31/03/2019	-	-	2,66,953	4.88
2	Pushpa Devi Bangur (on behalf of Purushottam Dass Bangur Family Trust)					
	At the beginning of the year	01/04/2018	97,700	4.89	97,700	4.89
	At the end of the year	31/03/2019	-	-	97,700	1.79
3	Credwyn Holdings India Pvt Ltd.					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	2,04,812	3.74	2,04,812	3.74
	At the end of the year	31/03/2019	-	-	2,04,812	3.74
4	The Oriental Company Limited					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	6,04,006	11.04	6,04,006	11.04
	At the end of the year	31/03/2019	-	-	6,04,006	11.04
5	Gopal Das Bangur HUF					
	At the beginning of the year	01/04/2018	1,85,000	9.25	1,85,000	9.25
	Acquisition (Transfer)	18/05/2018	39,348	0.72	2,24,348	4.10
	At the end of the year	31/03/2019	-	-	2,24,348	4.10

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
6	Hemant Kumar Bangur HUF					
	At the beginning of the year	01/04/2018	93,250	4.66	93,250	4.66
	Acquisition (Transfer)	18/05/2018	1,67,929	3.07	2,61,179	4.77
	At the end of the year	31/03/2019			2,61,179	4.77
7	Madhav Trading Corporation Ltd					
	At the beginning of the year	01/04/2018	1,10,000	5.50	1,10,000	5.50
	Acquisition (Transfer)	18/05/2018	4,83,246	8.83	5,93,246	10.84
	At the end of the year	31/03/2019	-	-	5,93,246	10.84
8	Purushottam Dass Bangur HUF					
	At the beginning of the year	01/04/2018	50,000	2.50	50,000	2.50
	Acquisition (Transfer)	18/05/2018	1,766	0.03	51,766	0.95
	At the end of the year	31/03/2019	-	-	51,766	0.95
9	Pushpa Devi Bangur (on behalf of Pranov Bangur Benefit Trust)					
	At the beginning of the year	01/04/2018	1,000	0.05	1,000	0.05
	At the end of the year	31/03/2019	-	-	1,000	0.02
10	Vinita Bangur					
	At the beginning of the year	01/04/2018	3,31,600	16.58	3,31,600	16.58
	Acquisition (Transfer)	18/05/2018	1,14,752	2.10	4,46,352	8.16
	At the end of the year	31/03/2019	-	-	4,46,352	8.16
11	Pushpa Devi Bangur					
	At the beginning of the year	01/04/2018	4,56,500	22.83	4,56,500	22.83
	Acquisition (Transfer)	18/05/2018	3,33,136	6.09	7,89,636	14.43
	At the end of the year	31/03/2019	-	-	7,89,636	14.43
12	Hemant Bangur					
	At the beginning of the year	01/04/2018	2,64,700	13.24	2,64,700	13.24
	Acquisition (Transfer)	18/05/2018	1,09,332	2.00	3,74,032	6.84
	At the end of the year	31/03/2019	-	6.84	3,74,032	6.84
13	Purushottam Dass Bangur					
	At the beginning of the year	01/04/2018	50,000	2.50	50,000	2.50
	Acquisition (Transfer)	11/05/2018	4,569	0.22	54,569	2.65
	Disposal(Transfer)	29/03/2019	(1,766)	0.03	52,803	0.97
	At the end of the year	-	-	52,803	0.97	
14	Pranov Bangur					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	320	0.01	320	0.01
	At the end of the year	31/03/2019	-	-	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
1	United India Insurance Company Ltd.					
	At the beginning of the year	01/04/2018	10,000	0.50	10,000	0.50
	At the end of the year	31/03/2019	-	-	10,000	0.18
2	Oriental Insurance Co. Ltd.					
	At the beginning of the year	01/04/2018	1,00,000	5.00	1,00,000	5.00
	At the end of the year	31/03/2019	-	-	1,00,000	1.83
3	Erach Ratanshah Dubash					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	11/05/2018	1,920	0.09	1,920	0.09
	At the end of the year	31/03/2019	-	-	1,920	0.04
4	Khooshnum Rohintan Daviervalva					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	11/05/2018	1,126	0.05	1,126	0.05
	At the end of the year	31/03/2019	-	-	1,126	0.02
5	Ram Bilas Gupta					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	11/05/2018	1,280	0.06	1,280	0.06
	At the end of the year	31/03/2019	-	-	1,280	0.02
6	Suraj Ratan Rathi					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	11/05/2018	1,280	0.06	1,280	0.06
	At the end of the year	31/03/2019	-	-	1,280	0.02
7	Taramani Devi Mohta					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	11/05/2018	1,664	0.08	1,664	0.08
	At the end of the year	31/03/2019	-	-	1,664	0.03
8	United Commercial Bank					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	11/05/2018	3,840	0.19	3,840	0.19
	At the end of the year	31/03/2019	-	-	3,840	0.07

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
9	Life Insurance Corporation of India					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	9,21,277	16.84	9,21,277	16.84
	At the end of the year	31/03/2019	-	-	9,21,277	16.84
10	KB Capital Markets Pvt. Ltd.					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	19,144	0.35	19,144	0.35
	At the end of the year	31/03/2019	-	-	19,144	0.35
11	Sheth Azam Hazi Aref Bham Wakaf					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	6,995	0.13	6,995	0.13
	At the end of the year	31/03/2019	-	-	6,995	0.13
12	Jyoni Consultancy Private Limited					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	11,567	0.21	11,567	0.21
	At the end of the year	31/03/2019	-	-	11,567	0.21
13	Rajendra Kumar Bangur					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	11/05/2018	3,200	0.16	3,200	0.16
	Disposal	22/02/2019	(3,200)	0.06	-	-
	At the end of the year	31/03/2019	-	-	-	-
14	Balgopal Merchants Pvt Ltd					
	At the beginning of the year	01/04/2018	250	0.01	250	0.01
	At the end of the year	31/03/2019	-	-	250	0.00
15	Vijay Kumar Agarwala					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	7,080	0.13	7,080	0.13
	At the end of the year	31/03/2019	-	-	7,080	0.13
16	Harimohan Bangur					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	12,032	0.22	12,032	0.22
	At the end of the year	31/03/2019	-	-	12,032	0.22

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
17	Benu Gopal Bangur					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	6,246	0.11	6,246	0.11
	At the end of the year	31/03/2019	-	-	6,246	0.11
18	Kusum Bhupendra Kapadia					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	11/05/2018	1,248	0.06	1,248	0.06
	Acquisition (Transfer)	18/05/2018	1,248	0.02	2,496	0.05
	At the end of the year	31/03/2019	-	-	2,496	0.05
19	Investor Education And Protection Fund Authority Ministry of Corporate Affairs					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	18,819	0.34	18,819	0.34
	At the end of the year	31/03/2019	-	-	18,819	0.34

v. Shareholding of Directors and Key Managerial Personnel

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	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
1	Pushpa Devi Bangur					
	At the beginning of the year	01/04/2018	4,56,500	22.83	4,56,500	22.83
	Acquisition (Transfer)	18/05/2018	3,33,136	6.09	7,89,636	14.43
	At the end of the year	31/03/2019	-	-	7,89,636	14.43
2	Hemant Bangur					
	At the beginning of the year	01/04/2018	2,64,700	13.24	2,64,700	13.24
	Acquisition (Transfer)	18/05/2018	1,09,332	2.00	3,74,032	6.84
	At the end of the year	31/03/2019	-	-	3,74,032	6.84
3	Dharam Chand Baheti					
	At the beginning of the year	01/04/2018	-	-	-	-
	Acquisition (Transfer)	18/05/2018	2,128	0.04	2,128	0.04
	At the end of the year	31/03/2019	-	-	2,128	0.04

Note: The paid up share capital of the company as on 31.03.2018 was ₹2,00,00,000 divided into 20,00,000 equity shares of ₹10 each. Pursuant to scheme of Amalgamation, equity shares in ratio 2:5 have been allotted on 10.05.2018 to share holders of erstwhile Gioster Limited. The paid up share capital of the company as on 31.03.2019 was ₹ 5,47,16,300 divided into 54,71,630 equity shares of ₹10 each.

VI. 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
Indebtedness at the beginning of the financial year				
i) Principal amount	1,548.21	128.40	-	1,676.61
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,548.21	128.40	-	1,676.61
Change in Indebtedness during the financial year				
Addition	708.01	128.16	-	836.17
Reduction	-	-	-	-
Net Change	708.01	128.16	-	836.17
Indebtedness at the end of the financial year				
i) Principal amount	2,256.22	256.56	-	2,512.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,256.22	256.56	-	2,512.78

VII. 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	110.28	122.57	232.85
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	10.80	32.28	43.08
	(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	200.00	150.00	350.00
5	Others, please specify	-	-	-
	Total (A)	321.08	304.85	625.93
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 B Mainak	Sri S N Bhattacharya	Sri Prabir Ray	
1	Independent Directors				
	Fee for attending board/committee meeting	1.50	2.00	2.20	5.70
	Commission	9.00	9.00	9.00	27.00
	Others, please specify	-	-	-	-
	Total B (1)	10.50	11.00	11.20	32.70
		Smt. Pushpa Devi Bangur			Total Amount
2	Other Non-Executive Directors				
	Fee for attending board/committee meeting	0.60	-	-	0.60
	Commission	9.00	-	-	9.00
	Others, please specify	-	-	-	-
	Total B(2)	9.60	-	-	9.60
	Total B=(B1+B2)	-	-	-	42.30
	Total Managerial Remuneration = A+B				668.23
	Overall Ceiling as per Act	(Being 11% of Net profits of the Company as calculated under section 198 of the Companies Act 2013)			

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

(₹ In lakhs)

Sr.No.	Particulars of Remuneration	Sri Ajay Kumar Agarwal, Company Secretary	Sri Shankar Lal Kedia, CFO	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	37.96	27.00	64.96
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	5.48	3.90	9.38
	(c) Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
	Commission	-	-	-
4	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	43.44	30.90	74.34

VIII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

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)
------	------------------------------	-------------------	------------------------------------------------------------	----------------------------	------------------------------------

A. Company

Penalty	NIL				
Punishment					
Compounding					

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. Directors

Penalty	NIL				
Punishment					
Compounding					

C. Other Officers In Default

Penalty	NIL				
Punishment					
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) All electric motors have been standardised with high efficiency & optimum capacity.
- ii) Replaced 20 watt GSL lamp by 14 watt LED light.
- iii) Installed another 100 NR Turbo Ventilators on Mill roof (Selection and Ring Spinning).
- iv) High efficiency energy efficient Feed water Pump installed.

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

- i) Using Jute Waste in Boiler as a Fuel.
- ii) Installed safe light for using natural day light at Selection and Bale godown.

The capital investment on energy conservation equipment

- i) ₹95.18 lakhs

B. Technology Absorption

Efforts made towards technology absorption

- i) Effimax installed at both Boilers for efficient running.
- ii) Installed more 300 KVAR automatic power factor controller at our 33 kv distribution system.
- iii) Dust suppression and humidification system installed at different departments.
- iv) Installed PLC controlled high efficiency washing machine in process House.

Benefits derived

- i) Improvement in productivity & efficiency
- ii) Improvement in product quality
- iii) Minimization of energy wastage

C. Foreign exchange earnings and outgo :

- (i) Foreign exchange earned in terms of actual inflow : ₹12,666.43 lakhs
- (ii) Foreign exchange outgo in terms of actual outflow : ₹780.73 lakhs

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	205.36
Sri Dharam Chand Baheti – Managing Director	194.98
Non-Executive Directors	Ratio to median remuneration
Smt. Pushpa Devi Bangur	5.76
Sri S.B. Mainak	5.76
Sri S.N. Bhattacharya	5.76
Sri Prabir Ray	5.76

Median salary computation is based on a total employee head count of 4,387 employees out of which approximately 4,199 employees are within collective bargaining process.

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

Name	% increase / (decrease) in remuneration in the financial year 2018-19
Sri Hemant Bangur – Executive Chairman	(4.00%)
Sri Dharam Chand Baheti – Managing Director	(10.54%)

Note: Sri Ajay Kumar Agarwal - Company Secretary and Sri S.L. Kedia - CFO have been appointed effective from 01.04.2018.

(c) The percentage increase in the median remuneration of employees in the financial year is 4.35%

(d) The number of permanent employees on the rolls of company as on 31st March, 2019 is 4,387

(e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof –

Average percentage increase for other than managerial personnel works to around 11.88%, average percentage increase for managerial personnel works out to around 14.66%; average percentage increase for all employees works out to 12.45%. Percentage increase for different categories / grades are made based on market trends and performance criteria.

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

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

ANNEXURE-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	321.08	Contractual	Post Graduate in International Trade, 19 Years	01.09.2015	47	Joonktollee Tea & Industries Limited, Executive Vice-Chairman	6.84%	Son of Smt. Pushpa Devi Bangur
Sri Dharam Chand Baheti	Managing Director	304.85	Contractual	B.Com, 51 years	01.04.1992	71	Fort Gloster Industries Limited, Works Manager	0.04%	None

Notes:

- All appointment are contractual and terminable by notice on either side.
- Remuneration shown above is subject to tax and comprises of basic salary, allowances & monetary value of perquisites
- 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.

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.

2. BOARD OF DIRECTORS

COMPOSITION AND CATEGORY

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

The Board of Directors as on 31st March, 2019, comprised of six Directors that include one woman Director whose composition is given below:

- one Promoter, Executive Chairman
- one Promoter, Non-Executive Director
- one Non-Promoter, Managing Director
- three 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 as on 31.03.2019 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 31.03.2019
			Chairman/Chairperson [§]	Member @	
Sri Hemant Bangur*	Promoter Executive Director	8	Nil	3	3,74,032
Smt. Pushpa Devi Bangur	Promoter Non-Executive Director	3	1	3	7,89,636
Sri Dharam Chand Baheti**	Non-Promoter Managing Director	3	Nil	Nil	2,128
Sri S.B. Mainak***	Independent Non-Executive	7	4	6	-
Sri Satyendra Nath Bhattacharya	Independent Non-Executive	1	Nil	Nil	-
Dr. Prabir Ray***	Independent Non-Executive	Nil	Nil	Nil	-

*Appointed as Executive Chairman effective from 01.04.2018

**Appointed as Managing Director effective from 01.04.2018

***Appointed as Independent Director effective from 17.04.2018

#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 Directors.

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

The 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.	Non Executive & non-Independent
Smt. Pushpa Devi Bangur	1. Joonktollee Tea & Industries Ltd. 2. Port Shipping Co. Ltd.	Non Executive & non-Independent
Sri S.B. Mainak	1. Capacite Infraprojects Ltd 2. Himadri Spaciality Chemicals Ltd 3. Care Ratings Ltd 4. The Investment Trust of India Ltd	Independent
Sri S.N. Bhattacharya	HEG Ltd.	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 2018-2019, 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, 2019, six Board Meetings were held on 17th April, 2018, 29th May, 2018, 13th August, 2018, 14th November, 2018, 18th December, 2018, and 14th February, 2019. 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 22nd September, 2018
Sri Hemant Bangur	6	Yes
Smt Pushpa Devi Bangur	3	No
Sri Dharam Chand Baheti	6	Yes
Sri Satyendra Nath Bhattacharya	5	Yes
Sri S.B.Mainak ¹	5	Yes
Dr Prabir Ray ¹	6	Yes
Smt Vinita Bangur ²	-	N.A
Sri O.P. Modani ²	-	N.A

¹Appointed effective from 17.04.2018

²Resigned effective from 17.04.2018

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.

3. AUDIT COMMITTEE COMPOSITION

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

The composition of the Committee is as follows:

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

The Company Secretary acts as a Secretary to the Committee.

The Chairperson of the Audit Committee is an Independent Director.

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

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

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

BROAD TERMS OF REFERENCE

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

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board the appointment, remuneration, and terms of appointment of auditors of the company.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - Changes if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the

exercise of judgement by management.

- Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- 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;

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

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

The Company Secretary acts as a Secretary to the Committee.

- 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, 2019, four Audit Committee Meetings were held on 29th May, 2018, 13th August, 2018, 14th November, 2018 and 14th February, 2019. The Audit Committee also met prior to the finalization of accounts for the year ended 31st March, 2019.

The attendance at the Audit Committee Meetings is as under:

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

The Company Secretary was present at all the above meetings.

INTERNAL AUDITORS

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

4. NOMINATION AND REMUNERATION COMMITTEE:

COMPOSITION

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

BROAD TERMS OF REFERENCE

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

- i. Reviewing the overall compensation policy, service agreements and other employment conditions including Annual increments and Commission of Whole-time Directors & Managing Directors
- ii. 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
- iii. 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
- iv. Formulating the criteria for evaluation of Independent Directors and the Board
- v. Identifying persons who can be appointed as Directors, Key/Senior Managerial personnel & recommend to the Board their appointment & removal
- vi. Devising a policy for Board diversity
- vii. 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, 2019, two Nomination and Remuneration Committee Meetings were held on 29th May, 2018 and 14th February, 2019.

The attendance at the Nomination and Remuneration Committee Meetings is as under:

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

The Company Secretary was present at all the above meetings.

NOMINATION & REMUNERATION POLICY

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

The salient features of the remuneration 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 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, 2019

NON-EXECUTIVE DIRECTORS

Name of the Director	Sitting Fees ₹	Commission ₹
Smt Pushpa Devi Bangur	60,000	9,00,000
Sri Satyendra Nath Bhattacharya	2,00,000	9,00,000
Sri S.B.Mainak	1,50,000	9,00,000
Dr Prabir Ray	2,20,000	9,00,000
Smt Vinita Bangur *1	-	-
Sri O.P. Modani *1	-	-

*1 Resigned effective from 17.04.2018

WHOLE-TIME DIRECTORS

Name of the Director	Salary & Benefits ₹	Commission ₹	Service Contract	Notice Period	Severance Fees
Sri Hemant Bangur Executive Chairman	1,21,08,000	2,00,00,000	3 years w.e.f. 01.04.2018	3 months	Nil
Sri Dharam Chand Baheti, Managing Director	1,54,85,500	1,50,00,000	5 Years w.e.f 01.04.2018	3 months	Nil

The company has not issued any stock options.

Relationship of Non-Executive Directors with the Company and inter-se: Smt. Pushpa Devi Bangur is mother of Sri Hemant Bangur. Except for this and sitting fees & Commission (upto a maximum of 1% of eligible profits) 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, 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

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, 2019, four Stakeholders Relationship Committee Meetings were held on 29th May, 2018, 13th August, 2018, 14th November, 2018 and 14th February, 2019.

The attendance of the Stakeholders Relationship Committee meetings is as under:

Name of the Director	No. of meetings attended
Sri Prabir Ray	4
Sri S.N. Bhattaharya	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, 2019 was 1 and the same was replied to the satisfaction of the shareholder. There were no complaints outstanding as on 31st March, 2019.

The number of share transfers and requests for dematerialization pending as on 31st March, 2019 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

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 Prabir Ray, Member	Independent Director

During the financial year ended 31st March 2019, a CSR Committee meeting was held on 29th May, 2018.

The attendance at the CSR Committee meeting 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
2015-16	Wednesday, 31st August, 2016 at 10.30 A.M	21, Strand Road. Kolkata - 700001	None
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 700027	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 of Memorandum of Association

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. All the members of the Board and the senior management personnel have affirmed compliance with the Code for the year ended 31st March, 2019 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.35 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.

- 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 2018-2019 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 2018-19 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. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulation.
- (ii) The approved Unaudited quarterly/ half yearly results and Audited financial results are forthwith sent to the Stock Exchanges and are generally published in Economic Times & Ei Samay. Presently the same are not sent to the shareholders separately.
- (iii) The Company's Annual Reports, financial results and official news releases are displayed on the Company's website www.glosterjute.com.
- (iv) No formal presentations were made to the institutional investors and analysts during the year under review.
- (v) Management Discussion and Analysis forms part of the Annual Report, which is posted to the shareholders of the Company.
- (vi) The Company has an exclusive e-mail id for Shareholders/ Investors and they may write to the Company at shares@glosterjute.com.

13. GENERAL SHAREHOLDER INFORMATION

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

SHAREHOLDER INFORMATION

REGISTERED OFFICE

21, Strand Road,
Kolkata – 700 001.
CIN – L17100WB1923PLC004628
Telephone no : +91 332230-9601(4 lines)

ANNUAL GENERAL MEETING

Date and Time : 13th August, 2019 at 11.00 A.M.
Venue : Shripati Singhanian Hall,
Rotary Sadan,
: 94/2, Chowringhee Road,
Kolkata 700 020

FINANCIAL YEAR

1st April, 2018 to 31st March, 2019

TENTATIVE FINANCIAL CALENDAR

Financial reporting for the quarter ending June 30, 2019 : By 14th August, 2019
Financial reporting for the half year ending September 30, 2019 : By 14th November, 2019
Financial reporting for the quarter ending December 31, 2019 : By 14th February, 2020
Financial reporting for the year ending March 31, 2020 : By 30th May, 2020

DATE OF BOOK CLOSURE

7th August, 2019 to 13th August, 2019 (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 and The Calcutta Stock Exchange Ltd., 7, Lyons Range, Kolkata- 700001

BSE Ltd. has admitted to dealings on the exchange equity shares of the company, effective from 30th January, 2019.

The Calcutta Stock Exchange Ltd. has admitted to dealings on the exchange equity share of the company, effective 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.

BSE Ltd. has admitted to dealings on the exchange equity shares of the company, effective from 30th January, 2019.

The Calcutta Stock Exchange Ltd. has admitted to dealings on the exchange equity share of the company effective from 29th march, 2019.

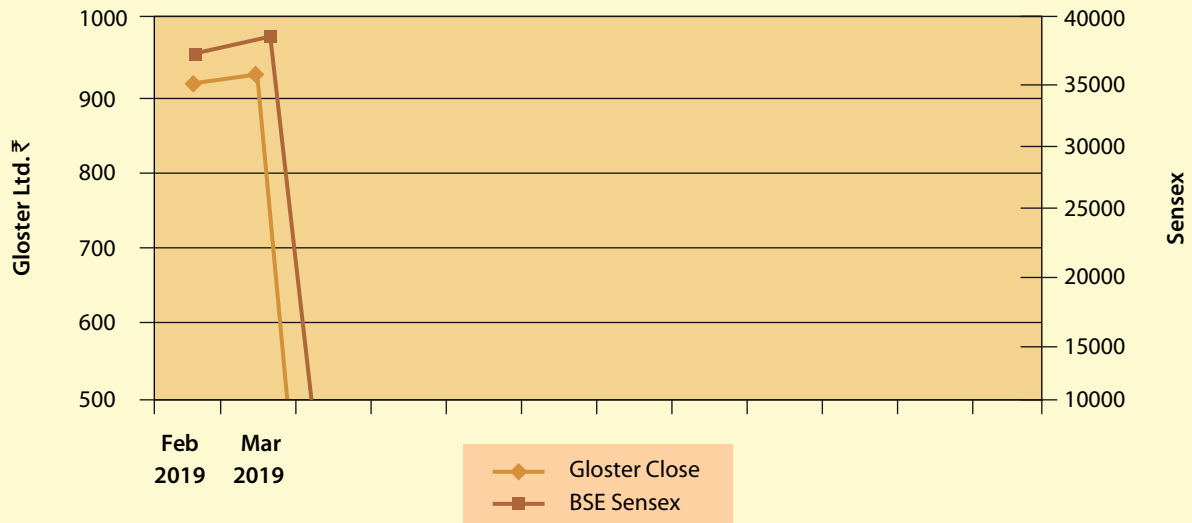
There were no transactions in the equity shares of the Company listed at The Calcutta Stock Exchange Ltd. Monthly high and low quotations and volume of shares traded on the BSE Ltd. from February, 2019 – March, 2019 are given below (shares are listed with effect from 30th January, 2019).

Month	BSE		
	High (₹)	Low (₹)	Volume (No. of Shares)
February, 2019	1,415.00	799.75	3,906
March, 2019	1,097.00	900.00	4,332

PERFORMANCE AT BSE DURING THE FINANCIAL YEAR 2018-19

No. of Shares traded	8,238
Highest Share Price (₹)	1,415.00
Lowest Share Price (₹)	799.75
Closing share price as on 31st March, 2019 (₹)	924.05
Market Capitalisation as on 31st March, 2019 (₹)	50,560.60 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

The transfer of shares in physical form is processed and completed by M/s. Maheshwari Datamatics Pvt. Ltd. within the stipulated time period, provided all the documents are in order. In case of shares in electronic form, the transfers are processed by National Securities Depository Limited and Central Depository Services (India) Limited

through respective Depository Participants. In compliance with the Listing Regulation, a practicing Company Secretary carries out audit of the System of Transfer and a Certificate to that effect is issued.

INVESTOR GRIEVANCE REDRESSAL SYSTEM

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

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

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2019

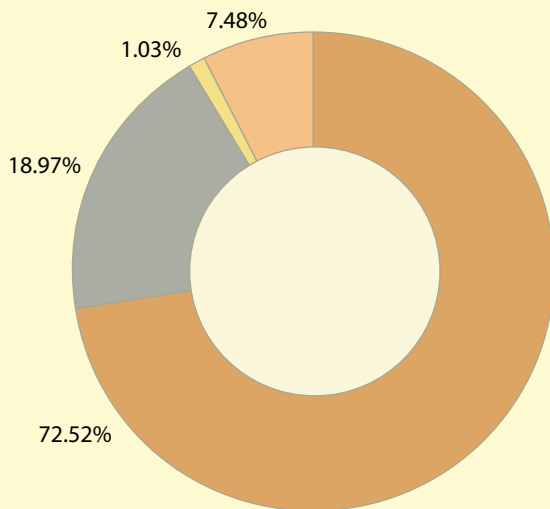
NO. OF EQUITY SHARES HELD	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES HELD	% OF SHAREHOLDING
Upto 500	3,122	94.49	1,97,264	3.61
501 to 1000	98	2.97	65,798	1.20
1001 to 2000	36	1.09	51,555	0.94
2001 to 3000	14	0.42	33,823	0.62
3001 to 4000	10	0.30	34,999	0.64
4001 to 5000	2	0.06	8,198	0.15
5001 to 10000	4	0.12	30,321	0.55
10001 and above	18	0.55	50,49,672	92.29
GRAND TOTAL	3,304	100.00	54,71,630	100.00

RECONCILIATION OF SHARE CAPITAL AUDIT

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

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2019

CATEGORY	NO. OF SHARES HELD	% OF SHARE CAPITAL
A. PROMOTER'S HOLDING		
Promoters		
a. Indian Promoters	39,68,153	72.52
b. Foreign Promoters	-	-
Sub-total	39,68,153	72.52
B. NON-PROMOTER'S HOLDING		
a. Banks, Financial Institutions, Insurance Companies	10,38,098	18.97
b. Individuals holding nominal capital upto ₹ 2 lakh	3,71,549	6.79
c. Bodies Corporate	56,076	1.03
d. Investor Education & Protection Fund Authority	18,819	0.34
e. Non-Resident Individual	7,796	0.14
f. Trusts	7,011	0.13
Others	4,128	0.08
Sub-total	15,03,477	27.48
GRAND TOTAL	54,71,630	100.00



Promoters 72.52%	Bank, Financial Institutions and Insurance Companies - 18.97%	Bodies Corporate 1.03%	General Public and others 7.48%
---------------------	------------------------------------------------------------------------	------------------------------	---------------------------------------

DEMATERIALISATION OF SHARES AND LIQUIDITY

96.13% of the equity shares of the Company have been dematerialized as on 31st March, 2019. 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 DEMATERIALISATION AS ON 31ST MARCH, 2019

PARTICULARS	NO. OF SHARES	% TO TOTAL CAPITAL	NO. OF ACCOUNTS
National Securities Depository Limited	38,14,682	69.72	2,149
Central Depository Services (India) Limited	14,45,057	26.41	1,023
Total Dematerialised	52,59,739	96.13	3,172
Physical	2,11,891	3.87	265
Grand Total	54,71,630	100.00	3,437

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 from having been appointed continuing as directors by the board/ministry of corporate affairs or any such statutory authority.

There were no instances during financial year 2018-2019 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 rated by CRISIL Limited vide its letter dated 3rd May, 2019 and rating for long-term bank facilities is 'CRISIL A+/Stable' and for short-term bank facilities rating has been upgraded to CRISIL A1+ from 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
2011-2012	9th August, 2012	14th September, 2019
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
2017-2018	21st September, 2017	27th October, 2024
2018-2019	22nd September, 2018	28th October, 2025

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 1 st April, 2018	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, 2019
Nil	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.
- During the year pursuant to amalgamation equity shares in ratio 2:5 have been allotted on 10.05.2018 against shares lying in Unclaimed Securities Suspense Account to all the shareholders of erstwhile Gloster Limited including Unclaimed Securities Account.

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 bye-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
Maheshwari Datamatics Pvt. Ltd. 23,R.N.Mukherjee Road, 5thfloor Kolkata 700 001. Tel : +91 33 2243 5029 Fax : +91 33 2248 4787 e-mail : mdpldc@yahoo.com	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

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, 2019.

Place : Kolkata

Date : 14th May, 2019

For Gloster Limited

Dharam Chand Baheti

Managing Director

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members of

Gloster Limited

21, Strand Road, Kolkata-700001

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, West Bengal or any such other Statutory Authority

Sl. No.	Name of the Director	DIN	Date of appointment in Company
1	Hemant Bangur	00040903	28/02/2018
2	Dharam Chand Baheti	00040953	28/02/2018
3	Pushpa Devi Bangur	00695640	18/08/2015
4	Prabir Ray	00698779	17/04/2018
5	Suryakant Balkrishna Mainak	02531129	17/04/2018
6	Satyendra Nath Bhattacharya	06758088	27/03/2018

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

Sweety Kapoor

Place : Kolkata

Date : 14th May, 2019

Practising Company Secretary

Membership No. FCS 6410, CP 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, 2019 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. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Sweety Kapoor

Place : Kolkata

Practising Company Secretary

Date : 14th May, 2019

Membership No. FCS 6410, CP No.5738

INDEPENDENT AUDITORS' 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, 2019, 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.
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, 2019, 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 matter

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

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of the valuation of certain investments:</p> <p>Refer to Note 2.6 - "Investments in subsidiaries", Note 2.7 - "Financial assets",</p> <p>Note 2A - "Critical estimates and judgements" and Note 31 "Fair value measurements". The Company's has investments amounting to • Rs. 18,065.07 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.</p> <p>Of these, equity investments in certain unlisted companies have been categorized as Level 2 and Level 3 in the fair value hierarchy, which is inherently subjective since these are valued using inputs, other than Quoted prices in an active market, which are generally not observable. Management has engaged independent valuation expert for the purposes of valuation.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We understood, assessed and tested the design and operating effectiveness of key controls surrounding fair valuation of investments. • Evaluated the competency and capabilities of management's valuation expert. • We tested the reasonableness of management's recorded fair value estimates on test basis by obtaining corroborative pricing from independent sources, where available. • We used auditors' experts to assess the methodology and the appropriateness of the valuation models and inputs used by management to value investments covered under level 3. • 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.

Key audit matter

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 management judgements.

How our audit addressed the key audit matter

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 paragraph

5. We draw attention to Note 39 to the Standalone Ind AS financial statements regarding the Company's recording of assets and liabilities of the transferor company at fair value, including goodwill, amortisation of goodwill pursuant the scheme of amalgamation resulting in merger of erstwhile Gloster Limited with Kettlewell Bullen & Company Limited (renamed as Gloster Limited) with effect from January 1, 2015 pursuant to the Order of National Company Law Tribunal dated January 19, 2018. The aforesaid accounting treatment is in deviation from that required under Ind AS 103 as indicated and quantified in aforesaid note.

Our opinion is not qualified in respect of this matter.

Other Information

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

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

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

We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles

generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safe guards.
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.

Report on other legal and regulatory requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those book.
 - 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.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) The emphasis of matter relating to the maintenance of accounts and other matters connected therewith are stated in the Emphasis of matter paragraph above.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- h) 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 standalone financial statements - Refer Note 37 to the financial statements;
 - ii) The Company has long-term contracts including derivative contracts as at March 31, 2019 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, 2019.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009
Chartered Accountants

Sunit Kumar Basu
Partner
Membership Number 55000

Place: Kolkata

Date: May 14, 2019

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(g) 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, 2019

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, 2019 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.

Place: Kolkata

Date: May 14, 2019

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, 2019, 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.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number 55000

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, 2019

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the 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 loan to a company 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.
 - (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
 - (b) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
 - (c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. 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.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the 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. Also refer note 37 (iii) to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of 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, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In lacs)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax Act, 1956	Sales tax	295.13	2013-14 to 2015-16	Appellate Board
		99.46	2010-11, 2012-13	Appellate & Revisional Board
		22.71	2007-08, 2011-12	Calcutta High Court
West Bengal Value Added Tax Act, 2003	Value Added Tax	45.71	2008-09	West Bengal Taxation Tribunal
		78.29	2009-10 to 2010-11, 2012-13	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. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

Place: Kolkata

Date: May 14, 2019

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number 55000

Standalone Balance Sheet as at 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	30,292.35	30,075.77
Capital work in progress	3(b)	598.10	534.76
Goodwill	3(c)	26,248.04	27,914.58
Other intangible assets	3(d)	7,408.42	7,887.76
Investments in subsidiaries	4	1,042.00	1,042.00
Financial assets			
(i) Investments	5(a)	9,856.82	9,025.52
(ii) Loans	5(b)	117.59	6.40
Other non-current assets	6	276.95	168.79
Total non-current assets		75,840.27	76,655.58
Current assets			
Inventories	7	9,540.76	8,748.98
Financial assets			
(i) Investments	8(a)	7,166.24	5,194.51
(ii) Trade receivables	8(b)	3,375.50	2,448.83
(iii) Cash and cash equivalents	8(c)	445.47	655.23
(iv) Bank balances other than (iii) above	8(d)	25.50	24.59
(v) Loans	8(e)	4,964.73	3,323.58
(vi) Other financial assets	8(f)	279.66	51.46
Current tax assets (net)	9	3,421.41	3,079.79
Other current assets	10	391.08	645.89
Total current assets		29,610.35	24,172.86
Total assets		1,05,450.62	1,00,828.44
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	547.16	200.00
Equity share suspense	12	-	78,493.55
Other equity	13	93,395.22	12,084.02
Total equity		93,942.38	90,777.57
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	14	169.65	128.40
Provisions	15	499.09	2.17
Deferred tax liabilities (net)	16	4,717.32	3,914.39
Other non-current liabilities	17	230.20	224.16
Total non-current liabilities		5,616.26	4,269.12
Current liabilities			
Financial liabilities			
(i) Borrowings	18(a)	2,256.22	1,548.21
(ii) Trade payables	18(b)		
a) Total outstanding dues of Micro and Small Enterprises		0.55	1.08
b) Total outstanding dues of creditors other than Micro and Small Enterprises		672.35	825.98
(iii) Other financial liabilities	18(c)	1,314.77	1,267.29
Other current liabilities	19	1,010.85	1,141.69
Provisions	20	114.10	510.57
Current tax liabilities (net)	21	523.14	486.93
Total current liabilities		5,891.98	5,781.75
Total liabilities		11,508.24	10,050.87
Total equity and liabilities		1,05,450.62	1,00,828.44
Corporate Information	1		
Significant Accounting Policies	2		

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

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

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Place: Kolkata
Date: 14th May, 2019

Sunit Kumar Basu
Partner
Membership No. 55000

Shankar Lal Kedia
Chief Financial Officer

Ajay Kumar Agarwal
Company Secretary

Hemant Bangur
Pushpa Devi Bangur
D.C. Baheti
S.B. Mainak
S.N. Bhattacharya
Prabir Ray

Executive Chairman
Director
Managing Director
Director
Director
Director

Standalone Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2019	31 March 2018
Income			
Revenue from operations	22	50,138.31	46,398.50
Other Income	23	1,613.00	1,460.31
Total Income		51,751.31	47,858.81
Expenses			
Cost of materials consumed	24	23,930.94	21,749.18
Excise Duty and R&D Cess		-	82.13
Changes in inventories of finished goods and work-in-progress	25	590.45	(516.66)
Employee benefits expense	26	8,641.05	8,454.29
Finance costs	27	140.66	119.35
Depreciation and amortization expense	28	3,092.37	3,176.31
Other expenses	29	8,591.47	8,273.97
Total Expenses		44,986.94	41,338.57
Profit before tax		6,764.37	6,520.24
Income tax expense	30		
Current tax		1,483.10	1,431.68
Deferred tax		865.92	960.02
Total Tax expenses		2,349.02	2,391.70
Profit for the year (A)		4,415.35	4,128.54
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(a) Remeasurement gains/(losses) on post employment defined benefit plans		277.35	888.83
(b) Changes in fair value of FVOCI equity instruments		(931.24)	962.97
(c) Income tax relating to above items		62.99	(354.00)
Other comprehensive income for the year, net of tax (B)		(590.90)	1,497.80
Total comprehensive income for the year (A+B)		3,824.45	5,626.34
Earnings per equity share			
[Nominal Value per Share ₹ 10] (Previous Year - ₹ 10)			
Basic and Diluted	36	80.70	75.45
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
Place: Kolkata
Date: 14th May, 2019
Membership No. 55000

Shankar Lal Kedia
Chief Financial Officer

Ajay Kumar Agarwal
Company Secretary

Hemant Bangur Executive Chairman
Pushpa Devi Bangur Director
D.C. Baheti Managing Director
S.B. Mainak Director
S.N. Bhattacharya Director
Prabir Ray Director

Standalone Statement of Changes in Equity for the year ended 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

A. Share capital

Description	Notes	Amount
As at 31 March 2017	11	200.00
Changes in equity share capital	11	-
As at 31 March 2018	11	200.00
Changes in equity share capital	11	347.16
As at 31 March 2019	11	547.16

B. Equity share suspense

Description	Notes	Amount
As at 31 March 2017	12	78,493.55
Changes during the year	12	-
As at 31 March 2018	12	78,493.55
Changes during the year	12	(78,493.55)
As at 31 March 2019	12	-

C. Other equity

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium	Retained earnings		
Balance as at 1 April 2018	13	3,119.10	-	4,852.12	4,112.80	12,084.02
Profit for the year	13	-	-	4,415.35	-	4,415.35
On issue of equity shares	13	-	78,146.39	-	-	78,146.39
Other Comprehensive income for the year	13	-	-	217.58	(808.49)	(590.91)
Total comprehensive income for the year		-	78,146.39	4,632.93	(808.49)	81,970.83
Transfer to general reserve	13	2,000.00	-	(2,000.00)	-	-
Transfer of gain on FVOCI equity investments, net of tax	13	-	-	(41.42)	41.42	-
Dividends paid	13	-	-	(547.16)	-	(547.16)
Taxes on dividend	13	-	-	(112.47)	-	(112.47)
Balance at 31 March 2019		5,119.10	78,146.39	6,784.00	3,345.73	93,395.22

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium	Retained earnings		
Balance as at 1 April 2017	13	1,119.10	-	2,587.13	3,534.90	7,241.13
Profit for the year	13	-	-	4,128.54	-	4,128.54
Other Comprehensive income for the year	13	-	-	699.13	798.66	1,497.79
Total comprehensive income for the year		-	-	4,827.67	798.66	5,626.33
Transfer to general reserve	13	2,000.00	-	(2,000.00)	-	-
Transfer of gain on FVOCI equity investments, net of tax	13	-	-	220.76	(220.76)	-
Dividends paid *	13	-	-	(650.93)	-	(650.93)
Taxes on dividend *	13	-	-	(132.51)	-	(132.51)
Balance at 31 March 2018		3,119.10	-	4,852.12	4,112.80	12,084.02

* These dividends paid pertains to dividend proposed and paid by erstwhile Gloster Limited which got merged in to Kettlewell Bullen & Company Limited (renamed as Gloster Limited) as per Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Kolkata (NCLT).

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

Shankar Lal Kedia
Chief Financial Officer

Ajay Kumar Agarwal
Company Secretary

Hemant Bangur
Pushpa Devi Bangur
D.C. Baheti
S.B. Mainak
S.N. Bhattacharya
Prabir Ray

Executive Chairman
Director
Managing Director
Director
Director
Director

Place: Kolkata
Date:14th May,2019

Standalone Statement of Cashflow as at 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
(A) Cash flows from operating activities:		
Profit before tax	6,764.37	6,520.24
Adjustments for:		
Depreciation and amortisation expense	3,092.37	3,176.31
Interest and finance charges	140.66	119.35
Net gain on disposal of property, plant and equipment (PPE)	(13.53)	(7.80)
Net gains/(losses) on fair value changes on investments classified at FVTPL	(152.62)	(198.78)
Net gain on sale of investments	(178.26)	(24.40)
Fair value losses on derivatives not designated as hedges	(24.46)	180.23
Provision for impairment of PPE	-	110.27
Unrealised Foreign Exchange Loss/(Gain) (Net)	-	(305.72)
Provision no longer required written back	(124.65)	(66.47)
Interest income classified as investing cash flows	(714.49)	(489.68)
Dividend income	(59.82)	(30.47)
Operating profit before changes in operating assets and liabilities	8,729.57	8,983.08
Adjustments for:		
Non-Current/Current financial and other assets	(2,464.85)	(1,227.31)
Inventories	(791.78)	(714.70)
Non-current/ current financial and other liabilities/provisions	227.90	831.98
(Increase) / decrease in other financial assets	(90.09)	-
Cash generated from operations	5,610.75	7,873.05
Income taxes paid (net)	(1,788.50)	(1,830.40)
Net cash inflow (outflow) from operating activities	3,822.25	6,042.65
(B) Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	39.36	88.53
Payments for acquisition of property, plant and equipment/ intangible assets	(1,340.96)	(1,127.95)
Proceeds on disposal of non-current investments (net)	-	431.45
Purchase of other non-current investments (net)	(1,431.68)	-
Purchase of other current investments (net)	(1,971.73)	(2,551.35)
Interest received	576.38	457.68
Dividend received	59.82	30.48
Net cash inflow (outflow) from investing activities	(4,068.81)	(2,671.16)
(C) Cash flows from financing activities:		
Repayment of long-term borrowings	86.91	(166.67)
Proceeds from long-term borrowings	41.25	128.40
Short-term borrowings - receipts / (payments)	708.01	(1,988.83)
Interest paid	(88.69)	(79.59)
Other borrowing costs paid	(51.97)	(39.76)
Dividend paid (including Provision for Dividend Distribution Tax payable of ₹ 112.47 lakhs [31 March 2018 ₹ 131.52 lakhs])	(658.71)	(778.54)

Standalone Statement of Cashflow as at 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Net cash inflow (outflow) from financing activities	36.80	(2,924.99)
Net decrease in cash and cash equivalents (A+B+C)	(209.76)	446.50
Cash and cash equivalents at the beginning of the financial year (refer note 8(c))	655.23	208.73
Cash and cash equivalents at the end of the year (Refer note 8(c))	445.47	655.23

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 40 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			Hemant Bangur	Executive Chairman
Place: Kolkata	Partner	Shankar Lal Kedia	Ajay Kumar Agarwal	Pushpa Devi Bangur	Director
Date: 14th May, 2019	Membership No. 55000	Chief Financial Officer	Company Secretary	D.C. Baheti	Managing Director
				S.B. Mainak	Director
				S.N. Bhattacharya	Director
				Prabir Ray	Director

Notes to the Standalone Financial Statements

Note: 1 Corporate Information

Gloster Limited (formerly Kettlewell Bullen & Company 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. and 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) 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

- 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.
- 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 or loss during the reporting period in which they are incurred.
- 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.
- Gains and losses on disposal of Property, plant and equipment is recognized in the statement of profit and loss.
- 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

- 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.

Notes to the Standalone Financial Statements

- b) Intangible assets comprising of computer software is depreciated on straight line method over a period of five years.
- c) Goodwill and trademark is amortized over its estimated useful life of 20 years and as allowed under the scheme of amalgamation as approved by the National Company Law Tribunal.
- d) Gains and Losses on disposal of Intangible assets is recognized in the Statement of Profit and Loss.

2.5 Impairment of assets

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

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

2.6 Investments in subsidiaries

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

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

2.7 Financial assets

The financial assets are classified in the following categories:

- 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 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 or Loss.

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

Financial instruments measured at FVTPL

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

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

Financial assets at FVOCI

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

Equity instruments

The 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

Notes to the Standalone Financial Statements

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 derecognition 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.

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 or 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 or 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

Notes to the Standalone Financial Statements

Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

c) **Compensated absences**

Accrued liability in respect of leave encashment benefit on retirement is accounted for on the basis of actuarial valuation as at the year end and charged in the Statement of Profit and Loss every year.

Compensated absences benefits comprising of entitlement to accumulation of Sick Leave is provided for based on actuarial valuation at the end of the year.

Actuarial gains and losses are recognized immediately in the statement of Profit and Loss.

Accumulated Compensated Absences and Gratuity liability, which are expected to be availed or encashed or contributed within the 12 months from the end of the year are treated as short term employee benefits and the balance expected to availed or encashed or contributed beyond 12 months from the year end are treated as long term liability.

d) **Other short term employee benefits**

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

2.12 Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 – Revenue from Contracts with Customers, using the retrospective effect method.

Pursuant to adoption of Ind AS 115, 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.

2.13 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 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 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.

Notes to the Standalone Financial Statements

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.

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 account.

Notes to the Standalone Financial Statements

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 34 for segment information presented.

2.24 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

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 unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.25 Standards issued but not yet effective

Ind AS 116: Leases

Ind AS 116 'Leases' eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity's balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as lease assets or together with property, plant and equipment. If lease payments are made over time a financial liability representing the future obligation will be recognised.

Ind AS 116 will be effective from 1 April 2019. The Company is currently assessing the impact of the new standard and does not expect there to be a material increase to the assets and liabilities recognised in the financial statements, as well as the corresponding impact of the classification on the income statement.

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 26
- (ii) Estimated fair value of unlisted securities –Refer note 31
- (iii) Recognition of deferred tax assets for carried forward tax losses - Refer note 30
- (iv) Useful life of property, plant and equipments and intangible assets – Refer note 2.3 and 2.4

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 2018	31 March 2019	1 April 2018	31 March 2019	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	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	4,875.99	805.92	1,319.05	611.45	2.80	-	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	280.83	43.10	135.17	-	145.66	185.16
Office equipment	59.71	2.66	35.05	4.80	39.85	-	23.35	24.66
Launches	0.01	0.01	-	-	-	-	0.01	0.01
Vehicles	303.80	54.07	83.14	40.80	110.49	-	229.52	220.66
	32,202.70	1,171.41	2,016.66	945.25	2,945.66	-	110.27	30,292.35
								30,075.77

Particulars	Gross carrying amount		Accumulated depreciation		Impairment		Net carrying amount	
	1 April 2017	31 March 2018	1 April 2017	31 March 2018	For the year	Reversals	31 March 2018	31 March 2017
Freehold land	21,015.05	21,015.05	-	-	-	-	21,015.05	21,015.05
Buildings	5,325.24	5,331.30	195.53	204.48	400.01	-	4,931.29	5,129.71
Roads	45.06	45.06	10.99	6.47	17.46	-	27.60	34.07
Plant and equipment	4,284.99	634.70	4,873.99	632.02	1,319.05	-	3,444.67	3,652.97
Electric installation	263.06	33.49	38.42	69.88	69.88	-	226.67	224.64
Furniture & fixtures	273.70	3.53	277.23	44.86	92.07	-	185.16	228.84
Office equipment	57.57	2.14	25.45	9.60	35.05	-	24.66	32.12
Launches	0.01	0.01	-	-	-	-	0.01	0.01
Vehicles	243.35	72.13	11.68	39.88	83.14	-	220.66	203.47
	31,508.03	775.40	987.15	1,029.51	2,016.66	-	110.27	30,520.88

(i) Refer to note 14(a) and note 18(a) for information on property, plant and equipment pledged as security by the Company.

Note: 3(b) Capital work in progress

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

Note: 3(c) Goodwill

Particulars	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	1 April 2018	31 March 2019	1 April 2018	31 March 2019	31 March 2019	31 March 2018
Goodwill	31,247.66	31,247.66	3,333.08	4,999.62	26,248.04	27,914.58
	31,247.66	31,247.66	3,333.08	4,999.62	26,248.04	27,914.58

Particulars	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	1 April 2017	31 March 2018	1 April 2017	31 March 2018	31 March 2018	31 March 2017
Goodwill	31,247.66	31,247.66	1,666.54	3,333.08	27,914.58	29,581.12
	31,247.66	31,247.66	1,666.54	3,333.08	27,914.58	29,581.12

Note: 3(d) Other intangible assets

Particulars	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	1 April 2018	31 March 2019	1 April 2018	31 March 2019	31 March 2019	31 March 2018
Trademark	8,782.90	8,782.90	936.84	1,405.26	7,377.64	7,846.05
Computer Software	59.63	1.25	60.88	12.17	30.78	41.70
	8,842.53	8,842.53	997.72	1,417.43	7,407.12	7,887.76

Particulars	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	1 April 2017	31 March 2018	1 April 2017	31 March 2018	31 March 2018	31 March 2017
Trademark	8,782.90	8,782.90	468.42	936.84	7,846.06	8,314.48
Computer Software	23.49	36.14	11.84	17.93	17.40	17.40
	8,806.39	8,842.53	480.26	954.77	7,887.76	8,331.88

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 4 Investments in subsidiaries

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
Investments carried at cost					
Investments in equity instruments					
Investments in subsidiaries - Unquoted					
Gloster Lifestyle Ltd.	10	40,00,000	513.41	40,00,000	513.41
Gloster Specialities Ltd.	10	40,00,000	528.59	40,00,000	528.59
Total			1,042.00		1,042.00
Aggregate carrying value of unquoted investments			1,042.00		1,042.00
Aggregate amount of Impairment in the value of investments			Nil		Nil
Disclosure relating to transition to Ind AS					
(i) Aggregate of deemed cost of investment in subsidiaries for which deemed cost is its previous GAAP carrying amount			1,042.00		1,042.00
(ii) Aggregate of deemed cost of investment in subsidiaries for which deemed cost is its fair value			Nil		Nil
(iii) Aggregate adjustment to carrying amount reported under Previous GAAP			Nil		Nil

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
I. Mandatorily measured at FVTPL					
Investments in Mutual Fund (Debt) - Fully paid up - Quoted					
ICICI Prudential FMP Series 78	10	-	-	10,00,000	119.63
Reliance Fixed Horizon Fund XXX Series 14 - Growth	10	-	-	10,00,000	120.05
Reliance Fixed Horizon Fund XXXI Series 15 - Growth	10	10,00,000	123.11	10,00,000	114.23
HDFC FMP Growth Series 37	10	10,00,000	122.91	10,00,000	114.80
Mutual Fund (Debt) - Fully paid up - Quoted (Investment through PMS)					
Invesco India Liquid Fund - Direct Plan Daily Dividend	1,000	-	-	430	4.30
Invesco India Liquid Fund - Direct Plan Growth	1,000	231	5.97	-	-
Investment in Alternative Investment Funds (Debt) - Fully paid up - Unquoted					
Peninsula Brookfield India Real Estate Fund	46,611	188	89.30	188	99.64
IIFL Real Estate Fund (Domestic) - Series 2	10	18,66,885	147.46	18,66,885	155.14
Indiareit Apartment Fund	1,00,000	37	61.43	75	90.94
IIFL Real Estate Fund (Domestic) - Series 3	10	20,00,000	203.90	20,00,000	206.62
India Realty Excellence Fund III	100	4,22,450	523.84	3,17,482	454.68
India Realty Excellence Fund IV	100	1,75,000	175.00	-	-
Investment in Compulsorily Convertible Preference Shares Fully paid up - Unquoted					
Tata Motors Finance Ltd.	100	-	-	1,00,000	100.00
II. Designated at FVOCI:					
Investment in Alternative Investment Funds (Equity) Fully paid up - Unquoted					
IIFL Assets Revival Fund Series 2	10	-	-	20,00,000	280.78
IIFL Special Opportunities Fund Class A1	10	18,60,518	215.02	14,24,355	163.07
IIFL Re Organize India Equity Fund Class A1	10	21,90,117	168.31	9,94,917	87.81
IIFL Focussed Equity Strategies Fund :-					
Class A1	10	8,08,475	122.88	6,44,905	91.98
Class B1	10	8,51,451	92.98	6,37,395	69.87
IIFL Select Series II Class A1	10	14,57,216	141.80	-	-
Abakkus Growth Fund I Class B1	1,000	19,782	218.13	-	-
Ask India 2025 Equity Fund	1,000	6,671	65.11	-	-
India Business Excellence Fund III	1,000	49,107	208.75	-	-
Malabar Value Fund	100	88,511	102.83	88,511	114.07
Sundaram Alternative Opportunities Fund- Nano Cap Series I	1,00,000	92	86.06	92	103.99
DSP Blackrock AIF Pharma Fund Class B	100	1,02,754	92.50	1,02,754	92.55

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
Baring Private Equity India	1,00,000	150	166.37	100	89.30
White Oak India Equity Fund	10	9,59,429	107.12	9,59,429	97.66
Motilal Oswal Focused Emergence Fund	10	21,24,325	171.21	14,39,925	135.45
Edelweiss Alternative Equity Scheme Class A	10	6,89,634	144.82	6,89,634	141.91
Quoted Equity Instruments- Fully paid-up (Investment through PMS)					
Aegis Logistic Ltd.	1	9,937	20.19	6,405	16.63
Aditya Birla Fashion And Retail Limited	10	711	1.57	-	-
Alkem Laboratories Ltd.	2	969	16.97	619	12.31
APL Apollo Tubes Limited	10	218	3.14	218	4.33
Aia Engineering Ltd.	2	259	4.65	277	3.99
Apollo Hospitals Enterprises Ltd.	5	755	9.27	659	7.02
Asian Paints Ltd.	1	528	7.88	438	4.91
Astral Poly Technik Ltd.	1	572	6.63	773	6.92
AU Small Finance Bank	10	1,697	10.11	1,361	8.41
Axis Bank Limited	2	740	5.75	702	3.58
Bajaj Finance Ltd.	2	2,159	65.31	1,626	28.75
Balkrishna Industries Ltd.	2	-	-	584	6.25
Bajaj Finserv Ltd.	5	420	29.55	154	7.97
Bank of Baroda	2	-	-	1,173	1.67
Bayer Cropscience Limited	10	216	9.51	157	6.64
Bharat Forge Ltd.	2	2,833	14.52	1,574	11.01
Birla Corporation Ltd.	10	1,709	8.96	1,195	8.54
Britannia Industries Ltd.	2	255	7.86	147	7.31
Bosch Ltd.	10	106	19.28	67	12.07
Blue Star Ltd.	2	1,048	7.10	730	5.51
Canfin Homes Ltd.	2	2,054	7.17	1,440	6.98
City Union Bank Ltd.	1	12,768	26.16	7,132	12.30
Cholamandalam Investment And Finance Company Ltd	10	1,728	25.01	556	8.06
CCL Products (I) Ltd.	2	-	-	1,146	3.19
Colgate-Palmolive (India) Limited	1	938	11.80	555	5.87
Cipla Ltd.	2	1,471	7.78	517	2.82
Container Corporation Of India Ltd.	10	3,188	16.75	761	9.49
Cummins India Ltd.	2	1,488	11.10	881	6.17
Dabur India Ltd.	1	875	3.58	-	-
Development Credit Bank Ltd.	10	8,266	16.92	6,379	10.31
Dhanuka Agritech Ltd.	2	682	2.66	485	2.67
Odisha Cement Ltd.(erstwhile Dalmia Bharat Ltd.)	2	464	4.59	188	5.42
Dishman Carbogen Amcis Ltd.	2	2,549	5.31	1,510	4.84
Divi's Laboratories Ltd.	2	324	5.52	285	3.11

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
Dr Lal Pathlabs Ltd.	10	648	6.77	454	3.98
Dixon Technologies India Limited	10	156	3.67	128	4.21
D.B.Corp Ltd.	10	-	-	652	2.03
Eicher Motors Ltd.	10	131	26.92	86	24.39
Emami Limited	1	2,786	11.14	823	8.80
Equitas Holdings Limited	10	6,294	8.62	1,583	2.28
Esab India Limited	10	-	-	186	1.32
Exide Industries Ltd.	1	1,935	4.23	1,744	3.89
Engineers India Ltd.	5	2,979	3.49	1,734	2.75
Federal Bank Limited	2	12,190	11.76	7,194	6.42
Gabriel India Limited	1	5,454	7.88	4,724	6.47
Glaxo Smithkline Consumer Healthcare Ltd.	10	202	14.64	108	6.59
Gujarat State Petronet Limited	10	4,723	9.01	4,195	7.95
Godrej Industries Ltd.	1	3,269	17.53	1,942	10.68
Gruh Finance Ltd.	2	5,989	16.53	-	-
Havells India Ltd.	1	1,056	8.14	1,274	6.21
HDFC Asset Management Company Ltd.	5	282	4.33	-	-
HDFC Bank Ltd.	2	929	21.52	-	-
HDFC Life Insurance Company Ltd	10	2,709	10.25	-	-
HCL Technologies Ltd.	2	-	-	501	4.85
Hero Motocorp Limited	2	-	-	88	3.17
Hindustan Petroleum Corporation Ltd.	10	4,816	13.67	3,451	11.90
Interglobe Aviation Ltd.	10	-	-	459	5.92
Ipca Lab Ltd.	2	1,557	15.29	913	5.99
Isgec Heavy Engineering Ltd.		440	2.66	44	2.87
face value ₹1 (2018 : ₹10)					
Indusind Bank Ltd.	10	1,935	34.48	466	8.37
Infosys Limited	5	790	5.88	490	5.55
ICICI Bank Ltd.	2	4,709	18.86	2,556	7.11
ITC Ltd.	1	1,908	5.67	-	-
ITD Cementation India Ltd.	1	3,460	4.56	2,468	3.88
IIFL Holdings Ltd.	2	721	3.09	486	3.43
ICICI Lombard General Insurance Company Ltd.	10	590	6.09	-	-
J K Cement Ltd.	10	-	-	382	3.88
Jammu Kashmir Bank Ltd.	1	7,144	3.84	4,161	2.51
Kotak Mahindra Bank Ltd.	5	5,991	79.97	3,217	33.71
KEC International Limited	2	941	2.82	1,456	5.67
Kajaria Ceramics Ltd.	1	1,392	8.21	990	5.67
KNR Constructions Limited	2	1,515	3.96	1,515	4.30

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
L&T Technology Services Ltd.	2	1,323	20.80	792	9.79
L and T Finance Holdings Limited.	10	5,787	8.83	4,788	7.52
Lakshmi Vilas Bank Limited.	10	6,135	4.36	4,373	4.31
Lupin Ltd.	2	-	-	286	2.10
Mahindra Logistics Limited	10	620	3.26	-	-
Mahindra and Mahindra Fin Services Ltd.	2	1,215	5.12	1,215	5.63
Mahindra and Mahindra Ltd.	5	530	3.57	667	4.93
Mahanagar Gas Ltd.	10	951	10.03	666	6.38
Mas Financial Services Ltd.	10	1,900	10.77	-	-
Max Financial Services Ltd.	2	4,134	17.99	3,107	14.09
M R F Ltd.	10	10	5.81	9	6.51
Minda Industries Ltd.	2	1,128	3.68	202	2.17
Motherson Sumi Systems Ltd.	1	4,985	7.45	1,956	6.10
Motilal Oswal Financial Services Ltd.	1	1,167	7.00	-	-
Monsanto India Ltd.	10	70	1.82	-	-
Music Broadcast Limited	2	4,215	2.45	-	-
5Paisa Capital Ltd.	10	19	0.05	19	0.06
Page Industries Ltd.	10	207	51.67	136	30.85
Parag Milk Foods Limited	10	1,573	4.10	-	-
PNB Housing Finance Ltd.	10	1,125	9.74	-	-
P I Industries Ltd.	1	727	7.50	727	6.46
Pidilite Industries Ltd.	1	579	7.19	416	3.82
Qess Corp Ltd.	10	900	6.72	1,026	10.55
Reliance Industries Ltd.	10	543	7.40	909	8.02
Ramkrishna Forgings Ltd.	10	-	-	583	4.10
Ratnamani Metals And Tubes Ltd.	2	324	2.94	281	2.39
South Indian Bank Ltd.	1	-	-	7,017	1.60
Shriram Transport Finance Co. Ltd.	10	409	5.22	399	5.74
Shree Cements Ltd.	10	16	2.98	16	2.59
SBI Life Insurance Company Ltd.	10	1,725	10.00	-	-
State Bank of India	1	911	2.92	-	-
Suprajit Engineering Ltd.	1	1,305	3.19	920	2.56
TTK Prestige Ltd.	10	138	12.05	97	6.00
Timken India Limited	10	435	2.55	321	2.26
The Ramco Cements Limited	1	-	-	459	3.32
Tata Metaliks Ltd.	10	437	2.84	437	3.25
Tata Steel Limited	10	-	-	698	3.99
Torrent Pharmaceuticals Ltd.	5	249	4.85	-	-

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
Tech Mahindra Limited	5	2,829	21.95	-	-
United Spirits Ltd.	10	605	3.35	74	2.32
Voltas Ltd.	1	7,432	46.78	4,395	27.29
V-Mart Retail Ltd.	1	56	1.51	-	-
VIP Industries Limited	2	1,443	6.97	1,311	4.19
Wonderla Holidays Limited	10	772	2.39	696	2.38
Welspun India Ltd.	1	-	-	5,487	3.18
Investment in Equity Instruments - Fully paid up					
Unquoted					
Fine Worthy Software Solutions Private Limited	10	91,411	214.76	91,411	214.80
Blackberry Properties Pvt. Ltd.	10	10,00,000	494.10	10,00,000	468.14
Cambay Investment Corporation Ltd.	10	38,000	812.75	38,000	388.42
Credwyn Holdings India Pvt. Ltd.	100	30,000	1,176.00	30,000	1,561.47
Laxmi Asbestos Products Ltd.	100	5,000	5.00	5,000	5.00
Sudipta Traders Pvt.Ltd.	10	1,54,000	786.22	90,000	601.83
The Oriental Company Ltd.	100	845	716.64	845	1,105.94
Woodland Multispeciality Hospital Ltd.	10	4,290	0.21	4,290	0.21
Investment in Equity Instruments - Fully paid up					
Quoted					
The Cochin Malabar Estates & Industries Limited	10	98,939	58.18	98,939	45.71
Joonkolltee Tea & Industries Limited	10	5,38,838	781.32	5,38,838	835.74
ABB India Limited	2	200	2.63	200	2.59
Amar Remedy Ltd.	10	200	0.01	200	0.01
Barak Valley Cements Ltd.	10	303	0.05	303	0.08
Dena Bank	10	5,000	0.63	5,000	0.94
Himachal Futuristic Communications Ltd.	1	16,900	3.81	16,900	4.37
Himatsingka Seide Ltd.	2	900	1.96	900	3.15
Indian Overseas Bank	10	1,000	0.14	1,000	0.17
Interglobe Aviation Ltd.	10	100	1.43	100	1.29
Jaiprakash Power Ventures Limited	10	16,900	0.31	16,900	0.80
Penta Media Graphics Ltd.	1	11,070	0.05	11,070	0.06
Port Shipping Co. Ltd.	10	1,64,330	16.43	1,64,330	16.43
The Phosphate Co. Ltd.	10	1,70,000	98.94	1,70,000	51.00
UCO Bank	10	3,000	0.56	3,000	0.65
Total			9,856.82		9,025.52
Aggregate amount of quoted investments and market value thereof			2,346.32		2,104.24
Aggregate amount of unquoted investments			7,510.50		6,921.28

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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

Particulars	31 March 2019	31 March 2018
Unsecured, considered good (unless otherwise stated)		
Security Deposits	117.59	6.40
Total	117.59	6.40

Note: 6 Other non-current assets

Particulars	31 March 2019	31 March 2018
Unsecured, considered good (unless otherwise stated)		
Capital Advance	183.69	115.27
Deposits with Government Authorities	93.26	53.52
Total	276.95	168.79

Note: 7 Inventories

Particulars	31 March 2019	31 March 2018
Raw materials	5,261.39	4,057.43
Stock-in-process	800.51	825.93
Semi Finished Goods	635.44	406.32
Finished Goods (includes goods in transit ₹ 157.69 lakhs; 31.03.18 - ₹ 258.30 lakhs)	1,753.38	2,547.53
Stores and Spares	1,090.04	911.77
Total	9,540.76	8,748.98

Note: 8(a) Investments (Current)

Particulars	Face Value	No. of units	31 March 2019	No. of units	31 March 2018
I. Designated at FVOCI					
Quoted Equity Instruments- Fully paid-up (Direct investment)					
J K Paper Limited	10	3,25,000	464.43	1,00,000	135.25
Larsen & Toubro Ltd.	2	3,500	48.44	3,500	45.92
Magma Fincorp Limited	2	25,000	29.38	25,000	38.35
National Aluminium Company Ltd.	5	70,000	38.78	70,000	46.73
NBCC (India) Ltd.	2	1,50,000	99.45	25,000	47.59
Udaipur Cement Limited	4	-	-	1,00,000	22.85
HEG Ltd.	10	47,286	990.24	23,000	731.75
Century Textiles Industries Ltd.	10	2,000	18.65	2,000	22.91
Bombay Dyeing & Mfg. Co. Ltd.	2	1,45,000	195.82	12,000	28.72
Usha Martin Limited	1	2,50,000	100.75	3,00,000	54.90
Himadri Speciality Chemicals Ltd.	1	1,60,000	187.44	40,000	58.64
HBL Power Systems Ltd.	1	1,50,000	38.10	1,00,000	44.95
Shree Cements Ltd.	10	3,500	652.21	4,000	647.26
State Bank of India	1	50,000	160.40	30,000	75.03
Maharashtra Seamless Ltd.	5	4,300	21.37	-	-
Bombay Burmah Trading Corpn. Ltd.	2	15,000	194.90	-	-
Tamilnadu Newprint Papers Ltd.	10	10,000	20.60	-	-
Oberoi Realty Ltd.	10	9,000	47.55	-	-

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face Value	No. of units	31 March 2019	No. of units	31 March 2018
Tata Steel Limited	10	80,000	416.80	-	-
HDFC Asset Management Company Ltd.	5	1,403	21.52	-	-
Investment in Alternative Investment Funds (Equity) - Fully paid up - Unquoted					
Orios venture Partners Fund	100	2,00,000	193.76	2,00,000	180.01
IIFL Best of class Fund I:-					
Class B1	10	-	-	5,00,000	61.60
Class B2	6	-	-	5,00,000	52.98
II. Mandatorily measured at FVTPL					
Investment in Compulsorily Convertible Preference Shares- Fully paid up - Unquoted					
Tata Motors Finance Limited	100	1,00,000	100.00	-	-
Investment in Mutual fund - Fully paid-up (Debt) - Quoted					
HDFC CMF Treasury Advantage Plan - Regular Growth	1,000	-	-	47,514	1,710.26
ICICI Prudential Gilt Fund Investment Plan- PF Option-Regular Plan	10	-	-	11,53,120	404.40
HDFC Liquid Fund Regular Plan - Growth	1,000	71,291	2,609.47	-	-
Investments in Mutual Fund (Debt) - Fully paid up - Quoted					
ICICI Prudential FMP Series 78	10	10,00,000	129.67	-	-
Reliance Fixed Horizon Fund XXX Series 14 - Growth	10	10,00,000	130.15	-	-
Reliance Fixed Horizon Fund XXVIII Series 14 - Growth	10	-	-	25,00,000	326.08
Kotak Mahindra FMP Series -172 Mutual Fund	10	-	-	5,00,000	65.64
UTI Fixed Term Income Fund Series XXII - VI - Growth	10	-	-	12,50,000	162.43
Investment in Debentures - Fully Paid up - Quoted					
Aspire Home Finance Corporation Ltd.	10,00,000	20	256.36	20	116.75
ECL Finance Limited	1,00,000	-	-	100	113.51
Total			7,166.24		5,194.51
Aggregate amount of quoted investments and market value thereof			6,872.48		4,899.89
Aggregate amount of unquoted investments			293.76		294.62

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 8(b) Trade receivables

Particulars	31 March 2019	31 March 2018
Trade Receivables - Considered good - Unsecured (refer note below)	3,422.83	2,448.83
Receivables from related parties (Refer note 35)	8.03	-
Less: Credit impaired	(55.36)	-
Total	3,375.50	2,448.83

Note - Transferred Receivables

The carrying amounts of the trade receivables include receivables which are subject to Bill Discounting. Under this arrangement, Gloster Limited has transferred the relevant receivables to the bank in exchange for cash and is prevented from selling or pledging the receivables. However, Gloster Limited 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 2019	31 March 2018
Total transferred receivables	271.46	267.19
Associated secured borrowing (refer note 18(a))	(271.46)	(267.19)

Note: 8(c) Cash and cash equivalents

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	6.88	4.52
Balances with banks :		
In current accounts	438.59	650.71
Total	445.47	655.23

Note: 8(d) Other bank balances

Particulars	31 March 2019	31 March 2018
Other Bank balances		
Unpaid dividend account	25.29	24.38
Margin money deposits	0.21	0.21
Total	25.50	24.59

Note: 8(e) Loans (Current)

Particulars	31 March 2019	31 March 2018
Unsecured, considered good		
Security Deposits	96.39	97.35
Employee loans and advances	328.34	292.70
Loans to Bodies Corporate	4,540.00	2,933.53
Total	4,964.73	3,323.58

Note: 8(f) Other financial assets - current

Particulars	31 March 2019	31 March 2018
Derivatives not designated as hedges - Foreign-exchange forward contracts	90.09	-
Interest accrued on Loans to Bodies Corporates	189.57	51.46
Total	279.66	51.46

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 9 Current tax assets (net)

Particulars	31 March 2019	31 March 2018
Advance for taxation (Net of provision ₹ 4,879.63 lakhs (31 March 2018 - ₹ 4,831.24 lakhs))	3,421.41	3,079.79
Total	3,421.41	3,079.79

Note: 10 Other current assets

Particulars	31 March 2019	31 March 2018
Unsecured, considered good (unless otherwise stated)		
Prepaid Expenses	54.17	64.77
Retirement benefit asset	-	44.34
Balances with Government Authorities	189.79	144.34
Advances for goods and services - Considered Good	80.18	142.30
Dividend distribution tax (DDT) refundable (refer (a) below)	49.14	49.14
Other Advances		
Considered Good	17.80	201.00
Credit impaired	148.17	148.17
Less : Allowance for credit impaired	(148.17)	(148.17)
Total	391.08	645.89

(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
As at 1 April 2017	2,75,00,000	2,750.00
Changes during the year	-	-
As at 31 March 2018	2,75,00,000	2,750.00
Changes during the year	-	-
As at 31 March 2019	2,75,00,000	2,750.00

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

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2017	20,00,000	200.00
Changes during the year	-	-
As at 31 March 2018	20,00,000	200.00
Shares Issued during the year [refer 11(f)]	34,71,630	347.16
As at 31 March 2019	54,71,630	547.16

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 2019		31 March 2018	
	Number of Shares	% holding	Number of Shares	% holding
Life Insurance Corporation of India	9,21,277	16.84	-	-
Pushpa Devi Bangur	7,89,636	14.43	4,56,500	22.83
The Oriental Company Limited	6,04,006	11.04	-	-
Madhav Trading Corporation Limited	5,93,246	10.84	-	-
Vinita Bangur	4,46,352	8.16	3,31,600	16.58
Hemant Bangur	3,74,032	6.83	2,64,700	13.24
The Camby Investment Corporation Ltd.	-	-	2,50,000	12.50
Gopal Das Bangur HUF	-	-	1,85,000	9.25

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

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

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

(e) Details of bonus shares issued

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

(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. On issue of such shares, ₹ 347.16 lakhs was transferred to Equity Share Capital and ₹ 78,146.39 lakhs was transferred to Securities Premium, which pending allotment on 31 March 2018 was lying in Equity Share Suspense.

Note: 12 Equity share suspense

Particulars	31 March 2019	31 March 2018
34,71,630 Equity shares of ₹10 each [refer note 11(f)]	-	78,493.55

Note: 13 Other equity

A. Reserve and Surplus

Particulars	31 March 2019	31 March 2018
(i) Securities Premium	78,146.39	-
(ii) General reserve	5,119.10	3,119.10
(iii) Retained earnings	6,784.00	4,852.12
Total reserves and surplus	90,049.49	7,971.22

Particulars	31 March 2019	31 March 2018
(i) Securities Premium		
Balance at the beginning of the year	-	-
On issue of equity shares [refer note 11(f) above]	78,146.39	-
Balance at the end of the year	78,146.39	-

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
(ii) General reserve		
Balance at the beginning of the year	3,119.10	1,119.10
Transferred from retained earnings	2,000.00	2,000.00
Balance at the end of the year	5,119.10	3,119.10
(iii) Retained earnings		
Balance at the beginning of the year	4,852.12	2,587.13
Profit for the year	4,415.35	4,128.54
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	217.58	699.13
- Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	(41.42)	220.76
Deduct : Appropriations		
Dividend paid during the year	(547.16)	(650.93)
Tax on dividend paid during the year	(112.47)	(132.51)
Transferred to general reserve	(2,000.00)	(2,000.00)
Balance at the end of the year	6,784.00	4,852.12

B. Other reserves - Equity instruments through Other comprehensive income

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	4,112.80	3,534.90
Changes in fair value of FVOCI equity instruments	(931.25)	962.97
Deferred tax	122.76	(164.31)
Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	41.42	(220.76)
Balance at the end of the year	3,345.73	4,112.80
Total (A+B)	93,395.22	12,084.02

(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: 14 Borrowings (Non-current)

Particulars	31 March 2019	31 March 2018
Unsecured		
Term loan from banks [refer note (a) below]	256.56	128.40
	256.56	128.40
Less: Current maturities of long term debts [refer note 18(c)]	86.91	-
Total	169.65	128.40

Nature of security	Terms of repayment
(a) Unsecured term loan from bank amounting to ₹ 256.56 lakhs (31 March 2018 - ₹ 128.40 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: 15 Provisions (Non-current)

Particulars	31 March 2019	31 March 2018
Provision for compensated absences of employees	450.91	-
Provision for Gratuity (Refer note 26)	46.01	-
Other non-current provisions	2.17	2.17
Total	499.09	2.17

Note: 16 Deferred tax liabilities (net)

Particulars	31 March 2019	31 March 2018
Deferred tax liabilities		
Investment in financial instruments at FVTPL	63.90	85.72
Investment in financial instruments at FVOCI	762.37	885.12
Property, plant and equipment	8,744.63	8,145.00
	9,570.90	9,115.84
Deferred tax assets		
Derivative liability	-	8.55
Provision for leave encashment	118.19	108.95
Provision for doubtful advances and receivables	71.12	51.78
Deferred government grant	86.79	84.38
MAT credit entitlement	4,361.25	2,878.16
Unabsorbed depreciation	120.94	1,861.97
Others	95.29	207.66
	4,853.58	5,201.45
Net deferred tax liabilities [refer note below]	4,717.32	3,914.39

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws. Refer note 30 for details pertaining to income taxes.

Note: 17 Other non-current liabilities

Particulars	31 March 2019	31 March 2018
Deferred government grant	230.20	224.16
Total	230.20	224.16

Note: 18(a) Borrowings (Current)

Particulars	31 March 2019	31 March 2018
Secured :		
Loans from banks [refer note below]	1,984.76	1,281.02
Liability on bill discounting [refer note below]	271.46	267.19
Total	2,256.22	1,548.21

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

(All amounts in INR lakhs, unless otherwise stated)

Note: 18(b) Trade payables

Particulars	31 March 2019	31 March 2018
Trade Payables - Micro and Small Enterprises (refer note 41 for details of dues to Micro, Small and Medium Enterprises)	0.55	1.08
Trade payables - Other than Micro and Small Enterprises	672.35	825.98
Total	672.90	827.06

Note: 18(c) Other financial liabilities - Current

Particulars	31 March 2019	31 March 2018
Current maturities of long-term debt (refer note 14)	86.91	-
Unpaid dividends (refer note(a) below)	25.29	24.37
Capital creditors	-	10.15
Derivatives not designated as hedges - Foreign-exchange forward contracts	-	24.46
Other payables (refer note(b) below)	1,202.57	1,208.31
Total	1,314.77	1,267.29

Note:

- (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 ₹ 878.76 lakhs (31.03.2018 - ₹ 812.85 lakhs.)

Note: 19 Other current liabilities

Particulars	31 March 2019	31 March 2018
Advances received from customers*	192.35	220.75
Statutory dues	757.37	832.58
Deferred Government Grant	18.16	17.33
Other payables	42.97	71.03
Total	1,010.85	1,141.69

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

Note: 20 Provisions (Current)

Particulars	31 March 2019	31 March 2018
Provision for employee benefits		
Provision for compensated absences of employees	114.10	510.57
Total	114.10	510.57

Note: 21 Current tax liabilities (net)

Particulars	31 March 2019	31 March 2018
Provision for taxation [Net of advance tax ₹ 5,653.78 lakhs (31 March 2018 ₹ 4,185.89 lakhs)]	523.14	486.93
Total	523.14	486.93

Note: 22 Revenue from operations

Particulars	31 March 2019	31 March 2018
Revenue from Contracts with Customers		
Sale of Finished goods	49,117.56	45,249.08
Other operating revenues		
Export incentive	1,020.75	1,149.42
Total	50,138.31	46,398.50

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

- (a) The Company has adopted IND AS 115 - Revenue from Contracts with customers with modified retrospective effect. Such adoption did not result into any adjustment in the Standalone Financial Statements.
- (b) Revenue recognised represents contracted prices with the customers and did not include any adjustment to the contracted price.
- (c) Post applicability of Goods and Service Tax (GST) w.e.f. July 1, 2017, revenue from operations is disclosed net of GST. However, revenue for the period upto June 30, 2017 is inclusive of Excise duty and Research & Development Cess. Accordingly, revenue from operations and other expenses for the year ended 31 March 2018 are not comparable with the previous year.

Note: 23 Other income

Particulars	31 March 2019	31 March 2018
Interest income from financial assets at amortised cost	636.17	409.40
Interest income from financial assets measured at FVTPL	78.32	80.28
Dividend income from investments designated at FVOCI (refer note (a) below)	59.82	29.11
Dividend income from investments measured at FVTPL	-	1.36
Rental income	4.09	22.79
Net gains/(losses) on fair value changes on investments classified at FVTPL	152.62	198.78
Net gain on disposal of property, plant and equipment	13.53	7.80
Profit on Sale of Long Term Investment	178.26	24.40
Liabilities no longer required written back	50.22	66.47
Provisions no longer required written back	74.43	-
Net foreign exchange gains (losses)	117.11	305.72
Government grants (refer note (b) below)	18.16	17.33
Miscellaneous income (refer note (c) below)	230.27	296.87
Total	1,613.00	1,460.31

Notes:

- (a) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting year except dividend income amounting to ₹ 4.06 lakhs (31 March 2018 - ₹ 4.43 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 ₹ 135.80 lakhs (31 March 2018 - ₹ 224.01 lakhs)

Note: 24 Cost of materials consumed

Particulars	31 March 2019	31 March 2018
Inventory at the beginning of the year	4,057.43	3,919.01
Add : Purchases (net)	25,134.90	21,887.60
	29,192.33	25,806.61
Less : Inventory at the end of the year	5,261.39	4,057.43
Total	23,930.94	21,749.18

Note: 25 Changes in inventories of finished goods and work-in-progress

Particulars	31 March 2019	31 March 2018
Inventories at the end of the year		
Stock-in-process	800.51	825.93
Semi - Finished Goods	635.44	406.32
Finished Goods	1,753.38	2,547.53
Total (A)	3,189.33	3,779.78

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
Inventories at the beginning of the year		
Stock-in-process	825.93	698.79
Semi - Finished Goods	406.32	269.30
Finished Goods	2,547.53	2,295.03
Total (B)	3,779.78	3,263.12
(Increase)/decrease in inventories (B-A)	590.45	(516.66)

Note: 26 Employee benefits expense

Particulars	31 March 2019	31 March 2018
Salaries, Wages & Bonus	7,272.20	7,036.95
Contribution to Provident and Other Funds [refer notes below]	1,300.27	1,353.45
Workmen and Staff Welfare expenses	68.58	63.89
Total	8,641.05	8,454.29

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 2019	31 March 2018
Employer's contribution to pension fund	381.87	398.27
Employer's contribution to superannuation fund	83.14	99.17
	465.01	497.44

(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:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2017	6,269.05	(5,826.44)	442.61
Current service cost	372.00	-	372.00
Interest expense/(income)	417.24	(387.36)	29.88
Total amount recognised in profit or loss	789.24	(387.36)	401.88
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(78.32)	(78.32)

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
Actuarial (gain)/loss from change in demographic assumptions	(41.02)	-	(41.02)
Actuarial (gain)/loss from change in financial assumptions	(538.72)	-	(538.72)
Actuarial (gain)/loss from unexpected experience	(230.77)	-	(230.77)
Total amount recognised in other comprehensive income	(810.51)	(78.32)	(888.83)
Benefit payments	(175.46)	175.46	-
31 March 2018	6,072.32	(6,116.66)	(44.34)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2018	6,072.32	(6,116.66)	(44.34)
Current service cost	371.07	-	371.07
Interest expense/(income)	451.96	(455.33)	(3.37)
Total amount recognised in profit or loss	823.03	(455.33)	367.70
Remeasurements			
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)
Total amount recognised in other comprehensive income	(198.98)	(78.37)	(277.35)
Benefit payments	(250.92)	250.92	-
31 March 2019	6,445.45	(6,399.44)	46.01

Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March 2019	31 March 2018
Discount rate	7.50%	7.60%
Rate of salary increase	9.00%	9.00%
Mortality rate	Indian assured lives mortality (2006-08) (modified)	Indian assured lives mortality (2006-08) (modified)

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

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

Sensitivity analysis

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

Assumptions	Change in assumption	Impact on scheme liabilities
31 March 2019		
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

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Assumptions	Change in assumption	Impact on scheme liabilities
31 March 2018		
Discount rate	Increase by 0.5%, Decrease by 0.5%	Increase by ₹ 307.62 lakhs, Decrease by ₹ 283.46 lakhs,
Rate of salary increase	Increase by 0.5%, Decrease by 0.5%	Increase by ₹ 302.12 lakhs, Decrease by ₹ 281.25 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.

Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2020 are ₹ 46.00 lakhs.

The weighted average duration of the defined benefit obligation is 10 year (2018 -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.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 27 Finance costs

Particulars	31 March 2019	31 March 2018
Interest and finance charges on financial liabilities at amortised cost	88.69	79.59
Other borrowing costs	51.97	39.76
Total	140.66	119.35

Note: 28 Depreciation and amortization expense

Particulars	31 March 2019	31 March 2018
Depreciation of property, plant and equipment	945.25	1,029.51
Amortisation of Goodwill	1,666.54	1,666.54
Amortisation of Trademark	468.42	468.42
Amortisation of other intangible assets	12.16	11.84
Total	3,092.37	3,176.31

Note: 29 Other expenses

Particulars	31 March 2019	31 March 2018
Consumption of stores and spare parts (net)	2,976.54	2,998.03
Power and fuel	2,102.50	2,059.93
Rent	113.55	45.55
Repairs to building	14.51	37.58
Repairs to machinery	0.60	3.21
Repairs - others	40.57	35.28
Insurance	216.70	202.10
Rates and Taxes	49.67	44.83
Processing Charges	1,182.59	779.67
Freight and Delivery Charges	418.29	337.47
Excise duty and Research & development cess	-	5.69
Export Dock and Toll Charges	126.71	111.27
Brokerage and Commission	299.62	284.05
Fair value losses on derivatives not designated as hedges	-	180.23
Corporate social responsibility expenses [Refer note (b) below]	85.93	67.01
Provision for Impairment of property, plant & equipment	-	110.27
Provision for Doubtful Debts & Advances	55.36	-
Miscellaneous expenses [Refer note (a) below]	908.33	971.80
Total	8,591.47	8,273.97

Notes:

(a) Miscellaneous expenses includes remuneration to auditors for :

Particulars	31 March 2019	31 March 2018
Audit Fees	16.00	16.00
Other Services	13.75	6.25
Reimbursement of expenses (including GST and/or Service Tax)	0.30	0.97
Total	30.05	23.22

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

(b) Corporate social responsibility expenditure:

Particulars	31 March 2019	31 March 2018
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above (in cash)	85.93	67.01
(iii) Amount outstanding at year-end	-	-
Total	85.93	67.01
Amount required to be spent as per Section 135 of the Companies Act, 2013	95.70	49.37

Note: 30 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 2019	31 March 2018
Current tax		
Current tax on profits for the year	1,483.10	1,431.68
Total current tax expense	1,483.10	1,431.68
Deferred tax		
Decrease / (Increase) in deferred tax assets	268.77	(77.26)
(Decrease) / Increase in deferred tax liabilities	597.15	1,037.28
Total deferred tax expense/(benefit)	865.92	960.02
Income tax expense	2,349.02	2,391.70

(b) Amounts recognised directly in other comprehensive income

Particulars	31 March 2019	31 March 2018
The amount of income tax relating to each component of other comprehensive income		
(i) Remeasurements of post-employment benefit obligations - Current tax	(59.77)	(189.69)
(ii) FVOCI equity instruments		
- Current tax	-	(6.12)
- Deferred tax	122.76	(158.19)
	62.99	(354.00)

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

Particulars	31 March 2019	31 March 2018
Profit before tax	6,764.37	6,520.24
Tax at the Indian tax rate of 34.944% (2017-18 – 34.608%)	2,363.74	2,256.53
Add/(deduct)		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	30.45	819.23
Tax effect on gains on which tax has been recognised in OCI	-	(103.17)
Deferred on unabsorbed depreciation	-	(17.90)
Impact of change in tax rate	(47.35)	108.68
MAT credit entitlement	-	43.42
Others	2.18	(715.10)
Total income tax expense (credit)	2,349.02	2,391.70

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 2019	31 March 2018
MAT credit balance		
Expiry		
AY 2030-31	272.69	272.69
AY 2031-32	977.97	977.97
AY 2032-33	1,627.49	1,627.49
AY 2033-34	1,483.10	-
	4,361.25	2,878.15

Note: 31 Fair value measurements

Financial instruments by category

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	4,672.59	12,350.47	-	4,479.09	9,740.94	-
Loans to bodies corporate	-	-	4,540.00	-	-	2,933.53
Security deposits	-	-	213.98	-	-	103.75
Derivative assets	90.09	-	-	-	-	-
Trade receivables	-	-	3,375.50	-	-	2,448.83
Cash & cash equivalents	-	-	445.47	-	-	655.23
Bank balances	-	-	25.50	-	-	24.59
Employee advances	-	-	328.34	-	-	292.70
Interest accrued on intercorporate deposits	-	-	189.57	-	-	51.46
Total financial assets	4,762.68	12,350.47	9,118.36	4,479.09	9,740.94	6,510.09
Financial liabilities						
Borrowings	-	-	2,512.78	-	-	1,676.61
Trade payables	-	-	672.90	-	-	827.06
Derivative liabilities	-	-	-	24.46	-	-
Unpaid dividends	-	-	25.29	-	-	24.37
Capital creditors	-	-	-	-	-	10.14
Other payables	-	-	1,202.57	-	-	1,208.31
Total financial liabilities	-	-	4,413.54	24.46	-	3,746.49

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.

Notes to the Standalone 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 2019	Level 1	Level 2	Level 3	Total
Financial assets				
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
Total financial assets	9,308.89	2,290.53	5,513.73	17,113.15
Financial liabilities				
Derivative financial liabilities (not designated as hedges)	-	-	-	-
Total financial liabilities	-	-	-	-
Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	4,335.33	-	-	4,335.33
- Unquoted investments	-	4,251.85	5,632.85	9,884.70
Total financial assets	4,335.33	4,251.85	5,632.85	14,220.03
Financial liabilities				
Derivative financial liabilities (not designated as hedges)	24.46	-	-	24.46
Total financial liabilities	24.46	-	-	24.46

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 Standalone 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 2019		31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposits	117.59	117.59	6.40	6.40
Total financial assets	117.59	117.59	6.40	6.40
Financial liabilities				
Borrowings	256.56	256.56	128.40	128.40
Total financial liabilities	256.56	256.56	128.40	128.40

- 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.

Note: 32 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

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, domestic trade receivables are backed by security deposits. Export receivables are backed by letters of credit. Financial assets are considered to be of good quality and there is no significant increase in credit risk.

Provision for expected credit loss

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

ii) Financial instruments and cash deposits

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

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 2019	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Interest - future interest	-	-	-	-	-
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
Total non-derivative financial liabilities	4,243.34	107.00	149.56	-	4,499.90
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Contractual maturities of financial liabilities 31 March 2018	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	1,559.11	103.03	45.69	-	1,707.83
Other financial liabilities	1,242.83	-	-	-	1,242.83
Trade payables	827.06	-	-	-	827.06
Total non-derivative financial liabilities	3,629.00	103.03	45.69	-	3,777.72
Derivatives (net settled)					
Foreign exchange forward contracts	24.46	-	-	-	24.46
Total derivative liabilities	24.46	-	-	-	24.46

(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 2019		31 March 2018	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	389.43	142.97	519.80	120.30
Derivative assets				
Foreign exchange forward contracts - Sell foreign currency	(389.43)	(142.97)	(519.80)	(120.30)
Net exposure to foreign currency risk (assets)	-	-	-	-
Financial liabilities				
Trade payables	4.15	-	53.29	-
Derivative liabilities				
Foreign exchange forward contracts - Buy foreign currency	(4.15)	-	(53.29)	-
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 2019	31 March 2018	31 March 2019	31 March 2018
USD sensitivity				
INR appreciates by 5% (31 March 2018 - 5%)*	-	-	-	-
INR Depreciates by 5% (31 March 2018 - 5%)*	-	-	-	-
EUR sensitivity				
INR appreciates by 5% (31 March 2018 - 5%)*	-	-	-	-
INR Depreciates by 5% (31 March 2018 - 5%)*	-	-	-	-

* Holding all other variables constant

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

Particulars	31 March 2019		31 March 2018	
	GBP	JPY	GBP	JPY
Financial assets				
Trade receivables	52.48	23.80	44.74	-
Derivative assets				
Foreign exchange forward contracts - Sell foreign currency	(52.48)	(23.80)	(44.74)	-

(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 2019	31 March 2018
Variable rate borrowings	2,241.32	1,409.42
Fixed rate borrowings	271.46	267.19
Total borrowings	2,512.78	1,676.61

(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 2019	31 March 2018	31 March 2019	31 March 2018
Interest expense rates – increase by 70 basis points (70 bps)*	(15.69)	(9.87)	(10.21)	(6.42)
Interest expense rates – decrease by 70 basis points (70 bps)*	15.69	9.87	10.21	6.42

* holding all other variables constant

Note: 33 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

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

- 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 2019	31 March 2018
i) Equity shares		
Final dividend paid for the year ended 31 March 2018 - ₹10.00 (31 March 2017 - ₹7.50) per fully paid share	547.16	650.93
Dividend distribution tax	112.47	132.51
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 ₹10 per fully paid equity share (31 March 2018 - ₹10). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	547.16	547.16
Tax on proposed dividend	112.47	112.47

Note: 34 Segment information

(a) Description of segments and principal activities

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

Geographical information

The company is domiciled in India, however also sells its products outside India. The amount of its revenue from external customers.

Revenue from external customers	31 March 2019	31 March 2018
India	36,451.13	34,279.99
Outside India:		
Americas	3,130.11	2,906.09
Europe	5,050.34	4,272.42
Asia	1,389.42	1,398.55
Australia	1,042.32	1,575.79
Others	2,054.24	816.24
Total revenue	49,117.56	45,249.08

Assets (refer note a)	31 March 2019	31 March 2018
India	65,865.86	67,623.66
Outside India	-	-
Total assets	65,865.86	67,623.66

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: 35 Related party transactions

- Set out below are the subsidiaries of the Company as at 31 March 2019. 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.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Ownership interest in percentage	Ownership interest in percentage
	31 March 2019	31 March 2018
Subsidiaries		
Gloster Lifestyle Limited	100%	100%
Gloster Specialities Limited	100%	100%

Both 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

- Joonktolee Tea & Industries Limited
- The Oriental Company Limited

(d) Transactions with related parties are as follows:

Particulars	Year	Key Management Personnel	Joonktolee Tea & Industries Limited	The Oriental Company Limited
Transactions during the year				
Dividend paid	2018-19	37.62	-	60.40
	2017-18	20.97	-	113.25
Dividend received	2018-19	-	2.69	-
	2017-18	-	5.39	-
Rent paid	2018-19	-	-	60.00
	2017-18	-	-	-
Sales	2018-19	-	115.65	-
	2017-18	-	89.12	-
Security Deposit given	2018-19	-	-	100.00
	2017-18	-	-	-
Outstanding balances at year end				
Commission payable	2018-19	350.00	-	-
	2017-18	350.00	-	-
Deposits	2018-19	-	-	100.00
	2017-18	-	-	-
Trade Receivable	2018-19	-	8.03	-
	2017-18	-	-	-

Key management personnel compensation	31 March 2019	31 March 2018
a. Short-term employee benefits	567.48	574.54
b. Post-employment benefits	58.45	100.70
	625.93	675.24

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: 36 Earnings per equity share

Particulars	31 March 2019	31 March 2018
(I) Basic		
a. Net profit after tax	4,415.35	4,128.54
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 (₹)	80.70	75.45
(II) Diluted		
a. Dilutive potential equity shares	-	-
b. Weighted average number of equity shares for computing diluted earnings per share	54,71,630	54,71,630
c. Diluted earning per share (₹)	80.70	75.45

* Includes equity share suspense referred to in Note 11 (f).

Note: 37 Contingent liabilities

Particulars	31 March 2019	31 March 2018
Claims against the Company not acknowledged as debts		
Sales tax matter	576.36	470.08
ESI matter	50.31	45.57

- (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 is in the process of evaluation the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund 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 Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

Note: 38 Commitments

Particulars	31 March 2019	31 March 2018
Estimated amounts of contracts remaining to be executed on capital account and not provided for property, plant and equipment	431.59	498.79
Other Commitment towards investments	1,032.59	460.00

Note: 39

Goodwill acquired on account of amalgamation is being amortized in the Standalone 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, although the said accounting treatment is in variance with Ind AS 103. Had Goodwill not been amortized, the Depreciation & Amortization expense for the year ended 31st March 2019 would have been lower by ₹ 1,666.54 lakhs, Profit before tax for the year ended 31st March 2019 would have been higher by an equivalent amount, and the carrying amount of Goodwill would have been higher to the extent of amortization as at 31st March, 2019 [under Intangible Assets- Refer Note 3(c)] and Retained Earnings as at 31st March, 2019 would have been higher by similar amount less tax thereon.

Notes to the Standalone Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 40 Net debt reconciliation

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

Particulars	31 March 2019	31 March 2018
Current borrowings	2,256.22	1,548.21
Non-current borrowings (including current maturity portion of ₹ 86.91 lakhs)	256.56	128.40
Net debt	2,512.78	1,676.61

Particulars	Liabilities from financing activities	
	Non-current borrowings	Current borrowings
Net debt as at 1 April 2018	128.40	1,548.21
Proceeds from borrowings during the year	128.16	1,984.76
Repayment of borrowings during the year	-	(1,281.02)
Proceeds from bills discounted	-	271.46
Settlement of bills discounted	-	(267.19)
Net debt as at 31 March 2019	256.56	2,256.22

Note: 41 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 2019	31 March 2018
1	The principal amount remaining unpaid to any supplier as at the year end	0.55	1.08
	The interest remaining unpaid to any supplier as at the year end	1.98	1.75
2	Principal amounts paid to suppliers beyond the appointed day during the year.	6.94	5.61
	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	0.23	0.13
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.	1.98	1.75

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.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Sunit Kumar Basu

Place: Kolkata

Date: 14th May, 2019

Partner

Membership No. 55000

Shankar Lal Kedia

Chief Financial Officer

Ajay Kumar Agarwal

Company Secretary

Hemant Bangur Executive Chairman

Pushpa Devi Bangur Director

D.C. Baheti Managing Director

S.B. Mainak Director

S.N. Bhattacharya Director

Prabir Ray Director

INDEPENDENT AUDITORS' 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, 2019, 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, 2019, of consolidated total comprehensive income (comprising of profit/ loss 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 Companies Act, 2013, 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 16 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit matter

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

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of the valuation of certain investments</p> <p>Refer to Note 2.7 – "financial assets", Note 2A - Critical estimates and judgements and Note 31 - "Fair value measurements".</p> <p>The Holding Company's has investments amounting to Rs. 17,023.06 lacs in various Securities which are measured at fair value. The fair value of the investments are determined by the Company as per Ind AS 113 Fair Value.</p> <p>Of these, equity investments in certain unlisted companies have been categorized as Level 2 and Level 3 in the fair value hierarchy, which is inherently subjective since these are valued using inputs, other than quoted prices in an active market, which are generally not observable, Management has engaged independent valuation expert for the purposes of valuation.</p> <p>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 management judgements.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • We understood, assessed and tested the design and operating effectiveness of key controls surrounding fair valuation of investments. • Evaluated the competency and capabilities of management's valuation of expert. • We tested the reasonableness of management's recorded fair value estimates on test basis by obtaining corroborative pricing from independent sources, where available. • We used auditors' experts to assess the methodology and the appropriateness of the valuation models and inputs used by management to value investments covered under level 3. • 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. <p>Based on the above work performed, we did not identify any significant exceptions in management's assessment in respect of valuation of investments.</p>

Emphasis of matter paragraph

5. We draw attention to Note 38 to the Consolidated Ind AS financial statements regarding the Holding Company's recording of assets and liabilities of the transferor company at fair value, including goodwill, amortisation of goodwill pursuant to the scheme of amalgamation resulting in merger of erstwhile Gloster Limited with Kettlewell Bullen & Company Limited (renamed as Gloster Limited) with effect from January 1, 2015 pursuant to the Order of National Company Law Tribunal dated January 19, 2018. The aforesaid accounting treatment is in deviation from that required under Ind AS 103 as indicated and quantified in aforesaid note.

Our opinion is not qualified 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 16 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. 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.

Auditor's responsibilities for the audit of the consolidated financial statements

11. 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.
12. 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 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
13. We communicate with those charged with governance of the Holding Company 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.
14. 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.
15. 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 matter**
16. We did not audit the financial statements/financial information of two subsidiaries whose financial statements/ financial information reflect total assets of Rs 1462.22 lacs and net assets of Rs 1467.57 lacs as at March 31, 2019. total revenue of Rs. Nil, total comprehensive income (comprising of profit and other comprehensive income) of Rs 110.26 lacs and net cash flows amounting to Rs 0.06 lacs for the year ended on that date, as considered in the consolidated Ind AS 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 Ind AS financial statements insofar 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.
- 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**
17. 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.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 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 is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The emphasis of matter relating to the maintenance of accounts and other matters connected therewith are stated in the Emphasis of matter paragraph above.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (h) 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 consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, - Refer Note 37 to the consolidated financial statements;
- (ii) The Group had long-term contracts including derivative contracts as at March 31, 2019 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, 2019

Place: Kolkata

Date: May 14, 2019

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E-300009

Chartered Accountants

Sunit Kumar Basu

Partner

Membership Number 55000

Annexure A to Independent Auditors' Report

Referred to in paragraph 17(g) 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, 2019

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, 2019, 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary companies, 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.
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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, 2019, 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.

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 over financial reporting insofar as it relates to two 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

Place: Kolkata

Date: May 14, 2019

Consolidated Balance Sheet as at 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2019	31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	30,292.35	30,075.77
Capital work in progress	3(b)	598.10	534.76
Goodwill	3(c)	26,248.04	27,914.58
Other intangible assets	3(d)	7,408.42	7,887.76
Financial assets			
(i) Investments	4(a)	10,504.66	9,697.24
(ii) Loans	4(b)	117.59	6.40
Other non-current assets	5	276.95	168.79
Total non-current assets		75,446.11	76,285.30
Current assets			
Inventories	6	9,540.76	8,748.98
Financial assets			
(i) Investments	7(a)	7,276.10	5,267.57
(ii) Trade receivables	7(b)	3,375.50	2,448.83
(iii) Cash and cash equivalents	7(c)	446.51	656.33
(iv) Bank balances other than (iii) above	7(d)	532.25	441.29
(v) Loans	7(e)	4,964.73	3,473.58
(vi) Other financial assets	7(f)	464.73	51.46
Current tax assets (net)	8	3,431.47	3,089.89
Other current assets	9	392.68	678.00
Total current assets		30,424.73	24,855.93
Total assets		1,05,870.84	1,01,141.23
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	547.16	200.00
Equity share suspense	11	-	78,493.55
Other equity	12	93,820.80	12,399.34
Total equity		94,367.96	91,092.89
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13	169.65	128.40
Provisions	14	499.09	2.17
Deferred tax liabilities (net)	15	4,710.77	3,909.87
Other non-current liabilities	16	230.20	224.16
Total non-current liabilities		5,609.71	4,264.60
Current liabilities			
Financial liabilities			
(i) Borrowings	17(a)	2,256.22	1,548.21
(ii) Trade payables	17(b)		
a) Total outstanding dues of Micro and Small Enterprises		0.55	1.08
b) Total outstanding dues of creditors other than Micro and Small Enterprises		672.36	825.98
(iii) Other financial liabilities	17(c)	1,314.93	1,268.15
Other current liabilities	18	1,011.04	1,141.69
Provisions	19	114.10	510.57
Current tax liabilities (net)	20	523.97	488.06
Total current liabilities		5,893.17	5,783.74
Total liabilities		11,502.88	10,048.34
Total equity and liabilities		1,05,870.84	1,01,141.23
Corporate Information	1		
Significant Accounting Policies	2		

The accompanying notes are an integral part of these Consolidated Financial Statements.
This is the Consolidated Balance Sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Place: Kolkata
Date: 14th May, 2019

Sunit Kumar Basu
Partner
Membership No. 55000

Shankar Lal Kedia
Chief Financial Officer

Ajay Kumar Agarwal
Company Secretary

Hemant Bangur
Pushpa Devi Bangur
D.C. Baheti
S.B. Mainak
S.N. Bhattacharya
Prabir Ray

Executive Chairman
Director
Managing Director
Director
Director

Consolidated Statement of Profit and Loss for the year ended 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Notes	31 March 2019	31 March 2018
INCOME			
Revenue from operations	21	50,138.31	46,398.50
Other Income	22	1,707.43	1,575.03
Total Income		51,845.74	47,973.53
EXPENSES			
Cost of materials consumed	23	23,930.94	21,749.18
Excise duty and R & D Cess		-	82.13
Changes in inventories of finished goods and work-in-progress	24	590.45	(516.66)
Employee benefits expense	25	8,641.05	8,454.29
Finance costs	26	140.66	119.35
Depreciation and amortization expense	27	3,092.37	3,176.31
Other expenses	28	8,596.62	8,279.44
Total Expenses		44,992.09	41,344.04
Profit before tax		6,853.65	6,629.49
Income tax expense	29		
Current tax		1,500.95	1,454.10
Deferred tax		857.53	957.94
Total Tax expenses		2,358.48	2,412.04
Profit for the year (A)		4,495.17	4,217.45
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss			
(a) Remeasurement gains/(losses) on post employment defined benefit plans		277.35	888.83
(b) Changes in fair value of FVOCI equity instruments		(894.45)	955.97
(c) Income tax relating to above items		56.63	(354.33)
Other comprehensive income for the year, net of tax (B)		(560.47)	1,490.47
Total comprehensive income for the year (A+B)		3,934.70	5,707.92
Earnings per equity share			
[Nominal Value per Share ₹ 10] (Previous Year - ₹ 10)			
Basic and Diluted	35	82.15	77.08
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

Place: Kolkata
Date: 14th May, 2019

Partner
Membership No. 55000

Shankar Lal Kedia
Chief Financial Officer

Ajay Kumar Agarwal
Company Secretary

Hemant Bangur Executive Chairman
Pushpa Devi Bangur Director
D.C. Baheti Managing Director
S.B. Mainak Director
S.N. Bhattacharya Director
Prabir Ray Director

Consolidated Statement of Changes in Equity for the period ended 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

A. Share capital

Description	Notes	Amount
As at 31 March 2017	10	200.00
Changes in equity share capital	10	-
As at 31 March 2018	10	200.00
Changes in equity share capital	10	347.16
As at 31 March 2019	10	547.16

A. Equity share suspense

Description	Notes	Amount
As at 31 March 2017	11	78,493.55
Changes in equity share capital	11	-
As at 31 March 2018	11	78,493.55
Changes during the period	11	(78,493.55)
As at 31 March 2019	11	-

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 01 April 2018	12	3,658.91	-	4,631.23	4,109.20	12,399.34
Profit for the year	12	-	-	4,495.17	-	4,495.17
On issue of equity shares	12	-	78,146.39	-	-	78,146.39
Other Comprehensive income for the year	12	-	-	217.58	(778.05)	(560.47)
Total comprehensive income for the year		-	78,146.39	4,712.75	(778.05)	82,081.09
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)
Balance at 31 March 2019		5,658.91	78,146.39	6,642.93	3,372.57	93,820.80

Description	Notes	Reserve and Surplus			Equity instruments through OCI	Total other equity
		General reserve	Securities Premium Account	Retained earnings		
Balance as at 01 April 2017	12	1,567.02	-	2,369.21	3,538.63	7,474.86
Profit for the year	12	-	-	4,217.45	-	4,217.45
Other Comprehensive income for the year	12	-	-	699.14	791.33	1,490.47
Total comprehensive income for the year		-	-	4,916.59	791.33	5,707.92
Transfer to general reserve	12	2,091.89	-	(2,091.89)	-	-
Transfer of gain on FVOCI equity investments, net of tax	12	-	-	220.76	(220.76)	-
Dividends paid*	12	-	-	(650.93)	-	(650.93)
Taxes on dividend*	12	-	-	(132.51)	-	(132.51)
Balance at 31 March 2018		3,658.91	-	4,631.23	4,109.20	12,399.34

* These dividends paid pertains to dividend proposed and paid by erstwhile Gloster Limited which got merged in to Kettlewell Bullen & Company Limited (renamed as Gloster Limited) as per Scheme of Amalgamation sanctioned by the National Company Law Tribunal, Kolkata (NCLT).

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
Pushpa Devi Bangur
D.C. Baheti
S.B. Mainak
S.N. Bhattacharya
Prabir Ray

Executive Chairman
Director
Managing Director
Director
Director
Director

Place: Kolkata
Date: 14th May, 2019

Consolidated Statement of Cashflow as at 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Cash flows from operating activities:		
Profit before tax	6,853.64	6,629.49
Adjustments for:		
Depreciation and amortisation expense	3,092.37	3,176.31
Interest and finance charges	140.66	119.35
Net gain on disposal of property, plant and equipment (PPE)	(13.53)	(7.80)
Net gains/(losses) on fair value changes on investments classified at FVTPL	(134.89)	(198.78)
Net gain on sale of investments	(178.32)	(18.72)
Fair value losses on derivatives not designated as hedges	(24.46)	180.23
Provision for impairment of PPE	-	110.27
Unrealised Foreign Exchange Loss/(Gain) (Net)	-	(305.72)
Provision no longer required written back	(124.65)	(68.73)
Interest income classified as investing cash flows	(822.68)	(602.06)
Dividend income	(63.75)	(33.34)
Operating profit before changes in operating assets and liabilities	8,724.38	8,980.50
Adjustments for:		
Non-Current/Current financial and other assets	(2,555.41)	(1,227.27)
Inventories	(791.78)	(714.70)
Non-current/ current financial and other liabilities/provisions	227.91	458.95
(Increase) / decrease in other financial assets	(90.09)	-
Cash generated from operations	5,515.01	7,497.48
Income taxes paid (net)	(1,806.60)	(1,853.28)
Net cash inflow (outflow) from operating activities	3,708.41	5,644.20
Cash flows from investing activities:		
Proceeds from disposal of property, plant and equipment	39.36	88.53
Payments for acquisition of property, plant and equipment/ intangible assets	(1,340.96)	(1,127.95)
Proceeds on disposal of non-current investments (net)	6.21	480.83
Purchase of other non-current investments (net)	(1,431.68)	-
Purchase of other current investments (net)	(1,973.33)	(2,551.35)
Interest received	681.62	558.49
Dividend received	63.75	33.35
Net cash inflow (outflow) from investing activities	(3,955.03)	(2,518.10)
Cash flows from financing activities:		
Repayment of long-term borrowings	86.91	(166.67)
Proceeds from long-term borrowings	41.25	128.40
Short-term borrowings - receipts / (payments)	708.01	(1,748.65)
Interest paid	(88.69)	(79.59)
Other borrowing costs paid	(51.97)	(39.76)
Dividend paid (including Provision for Dividend Distribution Tax payable of ₹ 112.47 lakhs [31 March 2018 ₹ 131.52 lakhs])	(658.71)	(778.54)

Consolidated Statement of Cashflow as at 31 March 2019

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Net cash inflow (outflow) from financing activities	36.80	(2,684.81)
Net decrease in cash and cash equivalents (A+B+C)	(209.82)	441.29
Cash and cash equivalents at the beginning of the financial period (refer note 7(c))	656.33	215.04
Cash and cash equivalents at the end of the period (Refer note 7(c))	446.51	656.33

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'. Refer note 39 for debt reconciliation.

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

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

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E-300009

Place: Kolkata
Date: 14th May, 2019

Sunit Kumar Basu
Partner
Membership No. 55000

Shankar Lal Kedia
Chief Financial Officer

Ajay Kumar Agarwal
Company Secretary

Hemant Bangur
Pushpa Devi Bangur
D.C. Baheti
S.B. Mainak
S.N. Bhattacharya
Prabir Ray

Executive Chairman
Director
Managing Director
Director
Director
Director

Notes to the Consolidated Financial Statements

Note: 1 Corporate Information

Gloster Limited (formerly Kettlewell Bullen & Company 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, 2019
Gloster Lifestyle Limited	India	100%
Gloster Specialities 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.

- certain financial assets and liabilities those are measured at fair value

- defined benefit plans - plan assets measured at fair value

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) 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:

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 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 or 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 computer software is

depreciated on straight line method over a period of five years.

- c) Goodwill and trademark is amortized over its estimated useful life of 20 years and as allowed under the scheme of amalgamation as approved by the National Company Law Tribunal.
- 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 or Loss. Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment, if any.

Financial instruments measured at FVTPL

Financial instruments included within FVTPL category are measured initially as well as at each reporting period at fair value plus transaction costs as applicable. Fair value movements are recorded in statement of profit and loss. Investments in units of mutual funds, alternate investment funds (AIF's) other than equity and debentures are accounted for at fair value and the changes in fair value are recognised in the statement of Profit and Loss

Financial assets at FVOCI

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

Equity instruments

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

De-recognition of financial asset

The Group de-recognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and such transfer qualifies for 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 or 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 or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.10 Inventories

Raw materials, Stores and Spares parts and components are valued at cost (cost being determined on weighted average basis) or at net realizable value whichever is lower.

Semi-finished goods and stock-in-process are valued at raw materials cost plus labour and overheads apportioned on an estimated basis depending upon the stages of completion or at net realizable value whichever is lower. Finished goods are valued at cost or at net realizable value whichever is lower.

Cost includes all direct cost and applicable manufacturing and administrative overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

2.11 Employee Benefit

a) Defined Contribution Plans

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

b) Defined Benefit Plans

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

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value plan assets.

c) Compensated absences

Accrued liability in respect of leave encashment benefit on retirement is accounted for on the basis of actuarial valuation as at the year end and charged in the Statement of Profit and Loss every year.

Compensated absences benefits comprising of entitlement

to accumulation of Sick Leave is provided for based on actuarial valuation at the end of the year. Actuarial gains and losses are recognized immediately in the statement of Profit and Loss.

Accumulated Compensated Absences and Gratuity liability, which are expected to be availed or encashed or contributed within the 12 months from the end of the year are treated as short term employee benefits and the balance expected to availed or encashed or contributed beyond 12 months from the year end are treated as long term liability.

d) Other short term employee benefits

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

2.12 Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 – Revenue from Contracts with Customers, using the retrospective effect method.

Pursuant to adoption of Ind AS 115, 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.

2.13 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 incentive are accounted as income in the Statement

of Profit and Loss when no significant uncertainty exists regarding the collectability.

Insurance claims are accounted to the extent the Group is reasonably certain of their ultimate collection.

2.14 Foreign Currency Transaction

(i) Initial Recognition

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

(ii) Subsequent Recognition

At the reporting date, foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of transactions.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate.

Gains/losses arising out of fluctuations in the exchange rates are recognised in the Statement of Profit and Loss in the period in which they arise.

2.15 Derivative Instruments

The Parent Company uses derivative financial instruments such as foreign exchange contracts to hedge its exposure to movements in foreign exchange rates relating to the underlying transactions.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently 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 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.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Parent Company has been identified as being the chief operating decision maker. Refer note 33 for segment information presented.

2.24 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

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 unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.25 Standards issued but not yet effective

Ind AS 116: Leases

Ind AS 116 'Leases' eliminates the classification of leases as either finance leases or operating leases. All leases are required to be reported on an entity's balance sheet as assets and liabilities. Leases are capitalised by recognising the present value of the lease payments and showing them either as lease assets or together with property, plant and equipment. If lease payments are made over time a financial liability representing the future obligation will be recognised.

Ind AS 116 will be effective from 1 April 2019. The Company is currently assessing the impact of the new standard and does not expect there to be a material increase to the assets and liabilities recognised in the financial statements, as well as the corresponding impact of the classification on the income statement.

2A Critical estimates and judgements

The preparation of Consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

- (i) Estimation of defined benefit obligation- Refer note 25
- (ii) Estimated fair value of unlisted securities –Refer note 30
- (iii) Recognition of deferred tax assets for carried forward tax losses - Refer note 29
- (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 2018	31 March 2019	1 April 2018	31 March 2019	For the year	Reversals	31 March 2019	31 March 2018
Freehold land	21,015.05	21,015.05	-	-	-	-	-	21,015.05
Buildings	5,331.30	5,630.20	400.01	607.96	-	-	5,022.24	4,931.29
Roads	45.06	45.06	17.46	23.93	-	-	21.13	27.60
Plant and equipment	4,873.99	5,672.11	1,319.05	2.80	1,927.70	110.27	3,634.14	3,444.67
Electric installation	296.55	302.81	69.88	30.68	-	-	202.25	226.67
Furniture & fixtures	277.23	280.83	92.07	43.10	-	-	145.66	185.16
Office equipment	597.1	2.66	62.20	35.05	4.80	-	22.35	24.66
Launches	0.01	0.01	-	-	-	-	0.01	0.01
Vehicles	303.80	54.07	83.14	40.80	-	-	229.52	220.66
	32,202.70	1,171.41	2,016.66	945.25	110.27	110.27	30,292.35	30,075.77

Particulars	Gross carrying amount		Accumulated depreciation		Impairment		Net carrying amount	
	1 April 2017	31 March 2018	1 April 2017	31 March 2018	For the year	Reversals	31 March 2018	31 March 2017
Freehold land	21,015.05	21,015.05	-	-	-	-	-	21,015.05
Buildings	5,325.24	5,331.30	195.53	204.48	-	-	4,931.29	5,129.71
Roads	45.06	45.06	10.99	6.47	-	-	27.60	34.07
Plant and equipment	4,284.99	4,873.99	632.02	687.03	110.27	-	3,444.67	3,652.97
Electric installation	265.06	33.49	296.55	38.42	-	-	226.67	224.64
Furniture & fixtures	275.70	353	44.86	47.21	-	-	185.16	228.84
Office equipment	57.57	2.14	59.71	9.60	-	-	24.66	32.12
Launches	0.01	0.01	-	-	-	-	0.01	0.01
Vehicles	243.35	72.13	11.68	39.88	-	-	220.66	203.47
	31,508.03	775.40	987.15	1,029.51	110.27	110.27	30,075.77	30,520.88

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

(ii) 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.

Note: 3(c) Goodwill

Particulars	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	1 April 2018	31 March 2019	1 April 2018	31 March 2019	31 March 2019	31 March 2018
Goodwill	31,247.66	31,247.66	1,666.54	4,999.62	26,248.04	27,914.58
	31,247.66	31,247.66	1,666.54	4,999.62	26,248.04	27,914.58
Particulars	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	1 April 2017	31 March 2018	1 April 2017	31 March 2018	31 March 2018	31 March 2017
Goodwill	31,247.66	31,247.66	1,666.54	3,333.08	29,581.12	29,581.12
	31,247.66	31,247.66	1,666.54	3,333.08	27,914.58	29,581.12

Note: 3(d) Other intangible assets

Particulars	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	1 April 2018	31 March 2019	1 April 2018	31 March 2019	31 March 2019	31 March 2018
Trademark	8,782.90	8,782.90	936.84	468.42	7,377.64	7,846.06
Computer Software	59.63	60.88	17.93	12.17	30.78	41.70
	8,842.53	8,843.78	954.77	480.59	7,408.42	7,887.76
Particulars	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	1 April 2017	31 March 2018	1 April 2017	31 March 2018	31 March 2018	31 March 2017
Trademark	8,782.90	8,782.90	468.42	936.84	7,846.06	8,314.48
Computer Software	234.9	59.63	6.09	11.84	41.70	17.40
	8,806.39	8,842.53	474.51	480.26	7,887.76	8,331.88

Note: 3(e) Intangible assets under development

Notes to the Consolidated Financial Statements

Note: 4(a) Investments (Non-current)

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
I. Mandatorily measured at FVTPL					
Investments in Mutual Fund (Debt) - Fully paid up -					
Quoted					
ICICI Prudential FMP Series 78	10	-	-	10,00,000	119.63
Reliance Fixed Horizon Fund XXX Series 14 - Growth	10	-	-	10,00,000	120.05
Reliance Fixed Horizon Fund XXXI Series 15 - Growth	10	10,00,000	123.11	10,00,000	114.23
HDFC FMP Growth Series 37	10	10,00,000	122.91	10,00,000	114.80
National Highway Authority of India	1,000	42,072	458.59	42,072	467.12
Mutual Fund (Debt) - Fully paid up -					
Quoted (Investment through PMS)					
Invesco India Liquid Fund - Direct Plan Daily Dividend	1,000	-	-	430	4.30
Invesco India Liquid Fund - Direct Plan Growth	1,000	231	5.97	-	-
Investment in Alternative Investment Funds (Debt) -					
Fully paid up - Unquoted					
Peninsula Brookfield India Real Estate Fund	46,611	188	89.30	188	99.64
IIFL Real Estate Fund (Domestic) - Series 2	10	18,66,885	147.46	18,66,885	155.14
Indiareit Apartment Fund	1,00,000	37	61.43	75	90.94
IIFL Real Estate Fund (Domestic) - Series 3	10	20,00,000	203.90	20,00,000	206.62
IIFL Real Estate Fund (Domestic) - Series 4	10	19,93,886	189.25	19,93,886	204.60
India Realty Excellence Fund III	100	4,22,450	523.84	3,17,482	454.68
India Realty Excellence Fund IV	100	1,75,000	175.00	-	-
Investment in Compulsorily Convertible Preference Shares					
Fully paid up - Unquoted					
Tata Motors Finance Ltd.	100	-	-	1,00,000	100.00
II. Designated at FVOCI:					
Investment in Alternative Investment Funds (Equity)					
Fully paid up - Unquoted					
IIFL Assets Revival Fund Series 2	10	-	-	20,00,000	280.78
IIFL Special Opportunities Fund Class A1	10	18,60,518	215.02	14,24,355	163.07
IIFL Re Organize India Equity Fund Class A1	10	21,90,117	168.31	9,94,917	87.81
IIFL Focussed Equity Strategies Fund :-					
Class A1	10	8,08,475	122.88	6,44,905	91.98
Class B1	10	8,51,451	92.98	6,37,395	69.87
IIFL Select Series II Class A1	10	14,57,216	141.80	-	-
Abakkus Growth Fund I Class B1	1,000	19,782	218.13	-	-
Ask India 2025 Equity Fund	1,000	6,671	65.11	-	-
India Business Excellence Fund III	100	49,107	208.75	-	-
Malabar Value Fund	100	88,511	102.83	88,511	114.07
Sundaram Alternative Opportunities Fund- Nano Cap Series I	1,00,000	92	86.06	92	103.99
DSP Blackrock AIF Pharma Fund Class B	100	1,02,754	92.50	1,02,754	92.55
Baring Private Equity India	1,00,000	150	166.37	100	89.30
White Oak India Equity Fund	10	9,59,429	107.12	9,59,429	97.66
Motilal Oswal Focused Emergence Fund	10	21,24,325	171.21	14,39,925	135.45
Edelweiss Alternative Equity Scheme Class A	10	6,89,634	144.82	6,89,634	141.91

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
Quoted Equity Instruments- Fully paid-up					
(Investment through PMS)					
Aegis Logistic Ltd.	1	9,937	20.19	6,405	16.63
Aditya Birla Fashion And Retail Limited	10	711	1.57	-	-
Alkem Laboratories Ltd.	2	969	16.97	619	12.31
APL Apollo Tubes Limited	10	218	3.14	218	4.33
Aia Engineering Ltd.	2	259	4.65	277	3.99
Apollo Hospitals Enterprises Ltd.	5	755	9.27	659	7.02
Asian Paints Ltd.	1	528	7.88	438	4.91
Astral Poly Technik Ltd.	1	572	6.63	773	6.92
AU Small Finance Bank	10	1,697	10.11	1,361	8.41
Axis Bank Limited	2	740	5.75	702	3.58
Bajaj Finance Ltd.	2	2,159	65.31	1,626	28.75
Balkrishna Industries Ltd.	2	-	-	584	6.25
Bajaj Finserv Ltd.	5	420	29.55	154	7.97
Bank of Baroda	2	-	-	1,173	1.67
Bayer Cropscience Limited	10	216	9.51	157	6.64
Bharat Forge Ltd.	2	2,833	14.52	1,574	11.01
Birla Corporation Ltd.	10	1,709	8.96	1,195	8.54
Britannia Industries Ltd.	2	255	7.86	147	7.31
Bosch Ltd.	10	106	19.28	67	12.07
Blue Star Ltd.	2	1,048	7.10	730	5.51
Canfin Homes Ltd.	2	2,054	7.17	1,440	6.98
City Union Bank Ltd.	1	12,768	26.16	7,132	12.30
Cholamandalam Investment And Finance Company Ltd.	10	1,728	25.01	556	8.06
CCL Products (I) Ltd.	2	-	-	1,146	3.19
Colgate-Palmolive (India) Limited	1	938	11.80	555	5.87
Cipla Ltd.	2	1,471	7.78	517	2.82
Container Corporation Of India Ltd.	10	3,188	16.75	761	9.49
Cummins India Ltd.	2	1,488	11.10	881	6.17
Dabur India Ltd.	1	875	3.58	-	-
Development Credit Bank Ltd.	10	8,266	16.92	6,379	10.31
Dhanuka Agritech Ltd.	2	682	2.66	485	2.67
Odisha Cement Ltd.(erstwhile Dalmia Bharat Ltd.)	2	464	4.59	188	5.42
Dishman Carbogen Amcis Ltd.	2	2,549	5.31	1,510	4.84
Divi's Laboratories Ltd.	2	324	5.52	285	3.11
Dr Lal Pathlabs Ltd.	10	648	6.77	454	3.98
Dixon Technologies India Limited	10	156	3.67	128	4.21
D.B.Corp Ltd.	10	-	-	652	2.03
Eicher Motors Ltd.	10	131	26.92	86	24.39
Emami Limited	1	2,786	11.14	823	8.80
Equitas Holdings Limited	10	6,294	8.62	1,583	2.28
Esab India Limited	10	-	-	186	1.32
Exide Industries Ltd.	1	1,935	4.23	1,744	3.89

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
Engineers India Ltd.	5	2,979	3.49	1,734	2.75
Federal Bank Limited	2	12,190	11.76	7,194	6.42
Gabriel India Limited	1	5,454	7.88	4,724	6.47
Glaxo Smithkline Consumer Healthcare Ltd.	10	202	14.64	108	6.59
Gujarat State Petronet Limited	10	4,723	9.01	4,195	7.95
Godrej Industries Ltd.	1	3,269	17.53	1,942	10.68
Gruh Finance Ltd.	2	5,989	16.53	-	-
Havells India Ltd.	1	1,056	8.14	1,274	6.21
Hdfc Asset Management Company Ltd.	5	282	4.33	-	-
Hdfc Bank Ltd.	2	929	21.52	-	-
Hdfc Life Insurance Company Ltd.	10	2,709	10.25	-	-
HCL Technologies Ltd.	2	-	-	501	4.85
Hero Motocorp Limited	2	-	-	88	3.17
Hindustan Petroleum Corporation Ltd.	10	4,816	13.67	3,451	11.90
Interglobe Aviation Ltd.	10	-	-	459	5.92
Ipca Lab Ltd.	2	1,557	15.29	913	5.99
Isgec Heavy Engineering Ltd. (face value ₹1 (2018 : ₹10))		440	2.66	44	2.87
Indusind Bank Ltd.	10	1,935	34.48	466	8.37
Infosys limited	5	790	5.88	490	5.55
ICICI Bank Ltd.	2	4,709	18.86	2,556	7.11
IT C Ltd.	1	1,908	5.67	-	-
ITD Cementation India Ltd.	1	3,460	4.56	2,468	3.88
IIFL Holdings Ltd.	2	721	3.09	486	3.43
ICICI Lombard General Insurance Company Ltd.	10	590	6.09	-	-
J K Cement Ltd.	10	-	-	382	3.88
Jammu Kashmir Bank Ltd.	1	7,144	3.84	4,161	2.51
Kotak Mahindra Bank Ltd.	5	5,991	79.97	3,217	33.71
KEC International Limited	2	941	2.82	1,456	5.67
Kajaria Ceramics Ltd.	1	1,392	8.21	990	5.67
KNR Constructions Limited	2	1,515	3.96	1,515	4.30
L&T Technology Services Ltd.	2	1,323	20.80	792	9.79
L and T Finance Holdings Limited	10	5,787	8.83	4,788	7.52
Lakshmi Vilas Bank Limited	10	6,135	4.36	4,373	4.31
Lupin Ltd.	2	-	-	286	2.10
Mahindra Logistics Limited	10	620	3.26	-	-
Mahindra and Mahindra Fin Services Ltd.	2	1,215	5.12	1,215	5.63
Mahindra and Mahindra Ltd.	5	530	3.57	667	4.93
Mahanagar Gas Ltd.	10	951	10.03	666	6.38
Mas Financial Services Ltd.	10	1,900	10.77	-	-
Max Financial Services Ltd.	2	4,134	17.99	3,107	14.09

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
M R F Ltd.	10	10	5.81	9	6.51
Minda Industries Ltd.	2	1,128	3.68	202	2.17
Motherson Sumi Systems Ltd.	1	4,985	7.45	1,956	6.10
Motilal Oswal Financial Services Ltd.	1	1,167	7.00	-	-
Monsanto India Ltd.	10	70	1.82	-	-
Music Broadcast Limited	2	4,215	2.45	-	-
5Paisa Capital Ltd.	10	19	0.05	19	0.06
Page Industries Ltd.	10	207	51.67	136	30.85
Parag Milk Foods Limited	10	1,573	4.10	-	-
Pnb Housing Finance Ltd.	10	1,125	9.74	-	-
P I Industries Ltd.	1	727	7.50	727	6.46
Pidilite Industries Ltd.	1	579	7.19	416	3.82
Quess Corp Ltd.	10	900	6.72	1,026	10.55
Reliance Industries Ltd.	10	543	7.40	909	8.02
Ramkrishna Forgings Ltd.	10	-	-	583	4.10
Ratnamani Metals And Tubes Ltd.	2	324	2.94	281	2.39
South Indian Bank Ltd.	1	-	-	7,017	1.60
Shriram Transport Finance Co. Ltd.	10	409	5.22	399	5.74
Shree Cements Ltd.	10	16	2.98	16	2.59
Sbi Life Insurance Company Ltd.	10	1,725	10.00	-	-
State Bank of India	1	911	2.92	-	-
Suprajit Engineering Ltd.	1	1,305	3.19	920	2.56
TTK Prestige Ltd.	10	138	12.05	97	6.00
Timken India Limited	10	435	2.55	321	2.26
The Ramco Cements Limited	1	-	-	459	3.32
Tata Metaliks Ltd.	10	437	2.84	437	3.25
Tata Steel Limited	10	-	-	698	3.99
Torrent Pharmaceuticals Ltd.	5	249	4.85	-	-
Tech Mahindra Limited	5	2,829	21.95	-	-
United Spirits Ltd.	10	605	3.35	74	2.32
Voltas Ltd.	1	7,432	46.78	4,395	27.29
V-Mart Retail Ltd.	1	56	1.51	-	-
VIP Industries Limited	2	1,443	6.97	1,311	4.19
Wonderla Holidays Limited	10	772	2.39	696	2.38
Welspun India Ltd.	1	-	-	5,487	3.18
Investment in Equity Instruments - Fully paid up					
Unquoted					
Fine Worthy Software Solutions Private Limited	10	91,411	214.76	91,411	214.80
Blackberry Properties Pvt. Ltd.	10	10,00,000	494.10	10,00,000	468.14
Cambay Investment Corporation Ltd.	10	38,000	812.75	38,000	388.42
Credwyn Holdings India Pvt. Ltd.	100	30,000	1,176.00	30,000	1,561.47

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face value	No. of units	31 March 2019	No. of units	31 March 2018
Laxmi Asbestos Products Ltd.	100	5,000	5.00	5,000	5.00
Sudipta Traders Pvt. Ltd.	10	1,54,000	786.22	90,000	601.83
The Oriental Company Ltd.	100	845	716.64	845	1,105.94
Woodland Multispeciality Hospital Ltd.	10	4,290	0.21	4,290	0.21
Investment in Equity Instruments - Fully paid up					
Quoted					
The Cochin Malabar Estates & Industries Limited	10	98,939	58.18	98,939	45.71
Joonktollee Tea & Industries Limited	10	5,38,838	781.32	5,38,838	835.74
ABB India Limited	2	200	2.63	200	2.59
Amar Remedy Ltd.	10	200	0.01	200	0.01
Barak Valley Cements Ltd.	10	303	0.05	303	0.08
Dena Bank	10	5,000	0.63	5,000	0.94
Himachal Futuristic Communications Ltd.	1	16,900	3.81	16,900	4.37
Himatsingka Seide Ltd.	2	900	1.96	900	3.15
Indian Overseas Bank	10	1,000	0.14	1,000	0.17
Interglobe Aviation Ltd.	10	100	1.43	100	1.29
Jaiprakash Power Ventures Limited	10	16,900	0.31	16,900	0.80
Penta Media Graphics Ltd.	1	11,070	0.05	11,070	0.06
Port Shipping Co. Ltd.	10	1,64,330	16.43	1,64,330	16.43
The Phosphate Co. Ltd.	10	1,70,000	98.94	1,70,000	51.00
Uco Bank	10	3,000	0.56	3,000	0.65
Total			10,504.66		9,697.24
Aggregate amount of quoted investments and market value thereof			2,804.91		2,563.96
Aggregate amount of unquoted investments			7,699.75		7,133.28

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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

Particulars	31 March 2019	31 March 2018
Unsecured, considered good (unless otherwise stated)		
Security Deposits	117.59	6.40
Total	117.59	6.40

Note: 5 Other non-current assets

Particulars	31 March 2019	31 March 2018
Unsecured, considered good (unless otherwise stated)		
Capital Advance	183.69	115.27
Deposits with Government Authorities	93.26	53.52
Total	276.95	168.79

Note: 6 Inventories

Particulars	31 March 2019	31 March 2018
Raw materials	5,261.39	4,057.43
Stock-in-process	800.51	825.93
Semi Finished Goods	635.44	406.32
Finished Goods (includes goods in transit ₹ 157.69 lakhs; 31.03.18 - ₹ 258.30 lakhs)	1,753.38	2,547.53
Stores and Spares	1,090.04	911.77
Total	9,540.76	8,748.98

Note: 7(a) Investments (Current)

Particulars	Face Value	No. of units	31 March 2019	No. of units	31 March 2018
I. Designated at FVOCI					
Quoted Equity Instruments- Fully paid-up (Direct investment)					
Infosys Limited	10	14,800	109.86	7,400	73.06
J K Paper Limited	10	3,25,000	464.43	1,00,000	135.25
Larsen & Toubro Ltd.	2	3,500	48.44	3,500	45.92
Magma Fincorp Limited	2	25,000	29.38	25,000	38.35
National Aluminium Company Ltd	5	70,000	38.78	70,000	46.73
NBCC (India) Ltd.	2	1,50,000	99.45	25,000	47.59
Udaipur Cement Limited	4	-	-	1,00,000	22.85
HEG Ltd.	10	47,286	990.24	23,000	731.75
Century Textiles Industries Ltd.	10	2,000	18.65	2,000	22.91
Bombay Dyeing & Mfg. Co. Ltd.	2	1,45,000	195.82	12,000	28.72
Usha Martin Limited	1	2,50,000	100.75	3,00,000	54.90
Himadri Speciality Chemicals Ltd.	1	1,60,000	187.44	40,000	58.64
HBL Power Systems Ltd.	1	1,50,000	38.10	1,00,000	44.95
Shree Cements Ltd.	10	3,500	652.21	4,000	647.26
State Bank of India	1	50,000	160.40	30,000	75.03
Maharashtra Seamless Ltd.	5	4,300	21.37	-	-
Bombay Burmah Trading Corpn. Ltd.	2	15,000	194.90	-	-
Tamilnadu Newprint Papers Ltd.	10	10,000	20.60	-	-
Oberoi Realty Ltd.	10	9,000	47.55	-	-
Tata Steel Limited	10	80,000	416.80	-	-
HDFC Asset Management Company Ltd.	5	1,403	21.52	-	-

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Face Value	No. of units	31 March 2019	No. of units	31 March 2018
Investment in Alternative Investment Funds (Equity) - Fully paid up - Unquoted					
Orios venture Partners Fund	100	2,00,000	193.76	2,00,000	180.01
IIFL Best of class Fund I:-					
Class B1	10	-	-	5,00,000	61.60
Class B2	6	-	-	5,00,000	52.98
II. Mandatorily measured at FVTPL					
Investment in Compulsorily Convertible Preference Shares- Fully paid up - Unquoted					
Tata Motors Finance Limited	100	1,00,000	100.00	-	-
Investment in Mutual fund - Fully paid-up (Debt) - Quoted					
HDFC CMF Treasury Advantage Plan - Regular Growth	1,000	-	-	47,514	1,710.26
ICICI Prudential Gilt Fund Investment Plan- PF Option-Regular Plan	10	-	-	11,53,120	404.40
HDFC Liquid Fund Regular Plan Growth	1,000	71,291	2,609.47	-	-
Investments in Mutual Fund (Debt) - Fully paid up - Quoted					
ICICI Prudential FMP Series 78	10	10,00,000	129.67	-	-
Reliance Fixed Horizon Fund XXX Series 14 - Growth	10	10,00,000	130.15	-	-
Reliance Fixed Horizon Fund XXVIII Series 14 - Growth	10	-	-	25,00,000	326.08
Kotak Mahindra FMP Series -172 Mutual Fund	10	-	-	5,00,000	65.64
UTI Fixed Term Income Fund Series XXII - VI - Growth	10	-	-	12,50,000	162.43
Investment in Debentures - Fully Paid up - Quoted					
Aspire Home Finance Corporation Ltd.	10,00,000	20	256.36	20	116.75
ECL Finance Limited	1,00,000	-	-	100	113.51
Total			7,276.10		5,267.57
Aggregate amount of quoted investments and market value thereof			6,982.34		4,972.95
Aggregate amount of unquoted investments			293.76		294.62

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 7(b) Trade receivables

Particulars	31 March 2019	31 March 2018
Trade Receivables - Considered good - Unsecured (refer note below)	3,422.83	2,448.83
Receivables from related parties (refer note 34)	8.03	-
Less: Credit impaired	(55.36)	-
Total	3,375.50	2,448.83

Note : Transferred Receivables

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

The relevant carrying amounts are as follows:

Particulars	31 March 2019	31 March 2018
Total transferred receivables	271.46	267.19
Associated secured borrowing (refer note 17(a))	(271.46)	(267.19)

Note: 7(c) Cash and cash equivalents

Particulars	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	6.89	4.52
Balances with banks :		
In current accounts	439.62	651.81
Total	446.51	656.33

Note: 7(d) Other bank balances

Particulars	31 March 2019	31 March 2018
Other Bank balances		
Unpaid dividend account	25.29	24.38
Fixed Deposits	506.75	416.70
Margin money deposits	0.21	0.21
Total	532.25	441.29

Note: 7(e) Loans (Current)

Particulars	31 March 2019	31 March 2018
Unsecured, considered good		
Security Deposits	96.39	97.35
Employee loans and advances	328.34	292.70
Loans to Bodies Corporate	4,540.00	3,083.53
Total	4,964.73	3,473.58

Note: 7(f) Other financial assets - current

Particulars	31 March 2019	31 March 2018
Interest accrued on intercorporate deposits	339.57	51.46
Interest accrued on Investment	35.07	-
Derivatives not designated as hedges - Foreign-exchange forward contracts	90.09	-
Total	464.73	51.46

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 8 Current tax assets (net)

Particulars	31 March 2019	31 March 2018
Advance for taxation (Net of provision ₹ 4,920.98 lakhs (31 March 2018 - ₹ 4,660.97 lakhs))	3,431.47	3,089.89
Total	3,431.47	3,089.89

Note: 9 Other current assets

Particulars	31 March 2019	31 March 2018
Unsecured, considered good (unless otherwise stated)		
Prepaid Expenses	54.17	64.77
Retirement benefit asset	-	44.34
Balances with Government Authorities	189.79	144.34
Advances for goods and services - Considered Good	80.18	142.30
Dividend distribution tax (DDT) refundable (refer (a) below)	49.14	49.14
Interest accrued on Investment	-	32.11
Other Advances		
Considered Good	19.40	201.00
Credit impaired	148.17	148.17
Less : Allowance for credit impaired	(148.17)	(148.17)
Total	392.68	678.00

(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
As at 1 April 2017	2,75,00,000	2,750.00
Changes during the year	-	-
As at 1 April 2018	2,75,00,000	2,750.00
Changes during the year	-	-
As at 31 March 2019	2,75,00,000	2,750.00

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

Particulars	Equity shares	
	Number of shares	Amount
As at 1 April 2017	20,00,000	200.00
Shares Issued during the year	-	-
As at 1 April 2018	20,00,000	200.00
Shares Issued during the year [refer 10(f)]	34,71,630	347.16
As at 31 March 2019	54,71,630	547.16

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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

Name of the equity shareholder	31 March 2019		31 March 2018	
	Number of Shares	% holding	Number of Shares	% holding
Life Insurance Corporation of India	9,21,277	16.84	-	-
Pushpa Devi Bangur	7,89,636	14.43	4,56,500	22.83
The Oriental Company Limited	6,04,006	11.04	-	-
Madhav Trading Corporation Limited	5,93,246	10.84	-	-
Vinita Bangur	4,46,352	8.16	3,31,600	16.58
Hemant Bangur	3,74,032	6.83	2,64,700	13.24
The Camby Investment Corporation Ltd.	-	-	2,50,000	12.50
Gopal Das Bangur HUF	-	-	1,85,000	9.25

(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 34,71,630 Equity Shares of face value of ₹10 each were issued on 10 May 2018. On issue of such shares, ₹ 347.16 lakhs was transferred to Equity Share Capital and ₹ 78,146.39 lakhs was transferred to Securities Premium Account, which pending allotment on 31 March 2018 was lying in Equity Share Suspense.

Note: 11 Equity share suspense

Particulars	31 March 2019	31 March 2018
34,71,630 Equity shares of ₹ 10 each [refer note 10(f)]	-	78,493.55

Note: 12 Other equity

A. Reserve and Surplus

Particulars	31 March 2019	31 March 2018
(i) Securities Premium	78,146.39	-
(ii) General reserve	5,658.91	3,658.91
(iii) Retained earnings	6,642.93	4,631.23
Total reserves and surplus	90,448.23	8,290.14

Particulars	31 March 2019	31 March 2018
(i) Securities Premium		
Balance at the beginning of the year	-	-
On issue of equity shares [refer note 10(f) above]	78,146.39	-
Balance at the end of the year	78,146.39	-

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	31 March 2019	31 March 2018
(ii) General reserve		
Balance at the beginning of the year	3,658.91	1,567.02
Transferred from retained earnings	2,000.00	2,091.89
Balance at the end of the year	5,658.91	3,658.91
(iii) Retained earnings		
Balance at the beginning of the year	4,631.23	2,369.21
Profit for the year	4,495.17	4,217.45
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	217.58	699.14
- Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	(41.42)	220.76
Deduct : Appropriations		
Dividend paid during the year	(547.16)	(650.93)
Tax on dividend paid during the year	(112.47)	(132.51)
Transferred to general reserve	(2,000.00)	(2,091.89)
Balance at the end of the year	6,642.93	4,631.23

B. Other reserves - Equity instruments through Other comprehensive income

Particulars	31 March 2019	31 March 2018
Balance at the beginning of the year	4,109.20	3,538.66
Changes in fair value of FVOCI equity instruments	(894.45)	955.97
Deferred tax	116.40	(164.67)
Gain on sale of FVOCI equity investments, net of tax transferred to retained earnings	41.42	(220.76)
Balance at the end of the year	3,372.57	4,109.20
Total (A+B)	93,820.80	12,399.34

Note: 13 Borrowings (Non-current)

Particulars	31 March 2019	31 March 2018
Unsecured		
Term loan from banks [refer note (a) below]	256.56	128.40
	256.56	128.40
Less: Current maturities of long term debts [refer note 17(c)]	86.91	-
Total	169.65	128.40

Nature of security	Terms of repayment
(a) Unsecured term loan from bank amounting to ₹ 256.56 lakhs (31 March 2018 - ₹ 128.40 lakhs)	Repayable in 12 equal quarterly instalments beginning from June 2019 bearing interest at a rate linked to Bank's One year MCLR.

Note: 14 Provisions (Non-current)

Particulars	31 March 2019	31 March 2018
Provision for compensated absences of employees	450.91	-
Provision for Gratuity (refer note 25)	46.01	-
Other non-current provisions	2.17	2.17
Total	499.09	2.17

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 15 Deferred tax liabilities (net)

Particulars	31 March 2019	31 March 2018
Deferred tax liabilities		
Investment in financial instruments at FVTPL	54.41	84.63
Investment in financial instruments at FVOCI	765.31	881.69
Property, plant and equipment	8,744.63	8,145.00
	9,564.35	9,111.32
Deferred tax assets		
Financial assets at FVOCI		
Derivative liability	-	8.55
Provision for leave encashment	118.19	108.95
Provision for doubtful advances and receivables	71.12	51.78
Deferred government grant	86.79	84.38
MAT credit entitlement	4,361.25	2,878.16
Unabsorbed depreciation	120.94	1,861.97
Others	95.29	207.66
	4,853.58	5,201.45
Net deferred tax liabilities [refer note below]	4,710.77	3,909.87

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

Particulars	31 March 2019	31 March 2018
Deferred government grant	230.20	224.16
Total	230.20	224.16

Note: 17(a) Borrowings (Current)

Particulars	31 March 2019	31 March 2018
Secured :		
Loans from banks [refer note below]	1,984.76	1,281.02
Liability on bill discounting [refer note below]	271.46	267.19
Total	2,256.22	1,548.21

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: 17(b) Trade payables

Particulars	31 March 2019	31 March 2018
Trade Payables - Micro and Small Enterprises (refer note 40 for details of dues to Micro, Small and Medium Enterprises)	0.55	1.08
Trade payables - Other than Micro and Small Enterprises	672.36	825.98
Total	672.91	827.06

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 17(c) Other financial liabilities - Current

Particulars	31 March 2019	31 March 2018
Current maturities of long-term debt (refer note 13)	86.91	-
Unpaid dividends (refer note(a) below)	25.29	24.38
Capital creditors	-	10.15
Derivatives not designated as hedges - Foreign-exchange forward contracts	-	24.46
Other payables (refer note(b) below)	1,202.73	1,209.16
Total	1,314.93	1,268.15

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 ₹ 878.76 lakhs (31.03.2018 - ₹ 812.85 lakhs.)

Note: 18 Other current liabilities

Particulars	31 March 2019	31 March 2018
Advances received from customers*	192.35	220.75
Statutory dues	757.37	832.58
Deferred Government Grant	18.16	17.33
Other payables	43.16	71.03
Total	1,011.04	1,141.69

* 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 2019	31 March 2018
Provision for employee benefits		
Provision for compensated absences of employees	114.10	510.57
Total	114.10	510.57

Note: 20 Current tax liabilities (net)

Particulars	31 March 2019	31 March 2018
Provision for taxation [Net of advance tax ₹ 5,692.74 lakhs (31 March 2018 ₹ 4,213.33 lakhs)]	523.97	488.06
Total	523.97	488.06

Note: 21 Revenue from operations

Particulars	31 March 2019	31 March 2018
Revenue from Contracts with Customers		
Sale of Finished goods	49,117.56	45,249.08
Other operating revenues		
Export incentive	1,020.75	1,149.42
Total	50,138.31	46,398.50

- (a) The Holding Company has adopted IND AS 115 - Revenue from Contracts with customers with modified retrospective effect. Such adoption did not result into any adjustment in the Consolidated Financial Statements.
- (b) Revenue recognised represents contracted prices with the customers and did not include any adjustment to the contracted price.
- (c) Post applicability of Goods and Service Tax (GST) w.e.f. July 1, 2017, revenue from operations is disclosed net of GST. However, revenue for the period upto June 30, 2017 is inclusive of Excise duty and Research & Development Cess. Accordingly, revenue from operations and other expenses for the year ended 31 March 2018 are not comparable with the previous year.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 22 Other income

Particulars	31 March 2019	31 March 2018
Interest income from financial assets at amortised cost	744.35	521.78
Interest income from financial assets measured at FVTPL	80.31	80.28
Dividend income from investments designated at FVOCI (refer note (a) below)	59.82	29.11
Dividend income from investments measured at FVTPL	1.94	4.23
Rental income	4.09	22.79
Net gains/(losses) on fair value changes on investments classified at FVTPL	134.88	195.99
Net gain on disposal of property, plant and equipment	13.53	7.80
Profit on Sale of Long Term Investment	178.32	24.40
Liabilities no longer required written back	50.22	68.73
Provisions no longer required written back	74.43	-
Net foreign exchange gains (losses)	117.11	305.72
Government grants (refer note (b) below)	18.16	17.33
Miscellaneous income (refer note (c) below)	230.27	296.87
Total	1,707.43	1,575.03

Notes:

- (a) All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting year except dividend income amounting to ₹ 4.06 lakhs (31 March 2018 - ₹ 4.43 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 ₹ 135.80 lakhs (31 March 2018 - ₹ 224.01 lakhs)

Note: 23 Cost of materials consumed

Particulars	31 March 2019	31 March 2018
Inventory at the beginning of the year	4,057.43	3,919.01
Add : Purchases (net)	25,134.90	21,887.60
	29,192.33	25,806.61
Less : Inventory at the end of the year	5,261.39	4,057.43
Total	23,930.94	21,749.18

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

Particulars	31 March 2019	31 March 2018
Inventories at the end of the year		
Stock-in-process	800.51	825.93
Semi - Finished Goods	635.44	406.32
Finished Goods	1,753.38	2,547.53
Total (A)	3,189.33	3,779.78
Inventories at the beginning of the year		
Stock-in-process	825.93	698.79
Semi - Finished Goods	406.32	269.30
Finished Goods	2,547.53	2,295.03
Total (B)	3,779.78	3,263.12
(Increase)/decrease in inventories (B-A)	590.45	(516.66)

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 25 Employee benefits expense

Particulars	31 March 2019	31 March 2018
Salaries, Wages & Bonus	7,272.20	7,036.95
Contribution to Provident and Other Funds [refer notes below]	1,300.27	1,353.45
Workmen and Staff Welfare expenses	68.58	63.89
Total	8,641.05	8,454.29

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 2019	31 March 2018
Employer's contribution to pension fund	381.87	398.27
Employer's contribution to superannuation fund	83.14	99.17
	465.01	497.44

(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:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2017	6,269.05	(5,826.44)	442.61
Current service cost	372.00	-	372.00
Interest expense/(income)	417.24	(387.36)	29.88
Total amount recognised in profit or loss	789.24	(387.36)	401.88
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(78.32)	(78.32)
Actuarial (gain)/loss from change in demographic assumptions	(41.02)	-	(41.02)
Actuarial (gain)/loss from change in financial assumptions	(538.72)	-	(538.72)
Actuarial (gain)/loss from unexpected experience	(230.77)	-	(230.77)
Total amount recognised in other comprehensive income	(810.51)	(78.32)	(888.83)
Employer contributions/ premium paid	-	-	-
Benefit payments	(175.46)	175.46	-
31 March 2018	6,072.32	(6,116.66)	(44.34)

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2018	6,072.32	(6,116.66)	(44.34)
Current service cost	371.07	-	371.07
Interest expense/(income)	451.96	(455.33)	(3.37)
Total amount recognised in profit or loss	823.03	(455.33)	367.70
Remeasurements			
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)
Total amount recognised in other comprehensive income	(198.98)	(78.37)	(277.35)
Employer contributions/ premium paid	-	-	-
Benefit payments	(250.92)	250.92	-
31 March 2019	6,445.45	(6,399.44)	46.01

Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	31 March 2019	31 March 2018
Discount rate	7.50%	7.60%
Rate of salary increase	9.00%	9.00%
Mortality rate	Indian assured lives mortality (2006-08) (modified)	Indian assured lives mortality (2006-08) (modified)

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

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

Sensitivity analysis

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

Assumptions	Change in assumption	Impact on scheme liabilities
31 March 2019		
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
31 March 2018		
Discount rate	Increase by 0.5%, decrease by 0.5%	Increase by ₹ 307.62 lakhs, decrease by ₹ 283.46 lakhs
Rate of salary increase	Increase by 0.5%, decrease by 0.5%	Increase by ₹ 302.12 lakhs, decrease by ₹ 281.25 lakhs

Notes to the Consolidated Financial Statements

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.

Defined benefit liability and employer contributions

Expected contributions to post-employment benefits plans for the year ending 31 March 2020 are ₹ 46.00 lakhs.

The weighted average duration on the defined benefit obligation is 10 years (2018 -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.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 26 Finance costs

Particulars	31 March 2019	31 March 2018
Interest and finance charges on financial liabilities at amortised cost	88.69	79.59
Other borrowing costs	51.97	39.76
Total	140.66	119.35

Note: 27 Depreciation and amortization expense

Particulars	31 March 2019	31 March 2018
Depreciation of property, plant and equipment	945.25	1,029.51
Amortisation of Goodwill	1,666.54	1,666.54
Amortisation of Trademark	468.42	468.42
Amortisation of other intangible assets	12.16	11.84
Total	3,092.37	3,176.31

Note: 28 Other expense

Particulars	31 March 2019	31 March 2018
Consumption of stores and spare parts (net)	2,976.54	2,998.03
Power and fuel	2,102.50	2,059.93
Rent	113.55	45.55
Repairs to building	14.51	37.58
Repairs to machinery	0.60	3.21
Repairs - others	40.57	35.28
Insurance	216.70	202.10
Rates and Taxes	49.77	44.93
Processing Charges	1,182.59	779.67
Freight and Delivery Charges	418.29	337.47
Research & Development Cess and Excise Duty	-	5.69
Export Dock and Toll Charges	126.71	111.27
Brokerage and Commission	299.62	284.05
Fair value losses on derivatives not designated as hedges	-	180.23
Corporate social responsibility expenses [refer note (b) below]	85.93	67.01
Net loss on sale of Investment	-	0.62
Provision for Impairment of property, plant & equipment	-	110.27
Provision for Doubtful Debts & Advances	55.36	-
Miscellaneous expenses [refer note (a) below]	913.38	976.55
Total	8,596.62	8,279.44

Notes:

(a) Miscellaneous expenses includes remuneration to auditors for :

Particulars	31 March 2019	31 March 2018
Audit Fees	16.30	16.20
Other Services	13.75	6.25
Reimbursement of expenses	0.30	0.97
Total	30.35	23.42

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

(b) Corporate social responsibility expenditure:

Particulars	31 March 2019	31 March 2018
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above (in cash)	85.93	67.01
(iii) Amount outstanding at year-end	-	-
Total	85.93	67.01
Amount required to be spent as per Section 135 of the Companies Act, 2013	95.70	49.37

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 2019	31 March 2018
Current tax		
Current tax on profits for the year	1,500.95	1,454.10
Total current tax expense	1,500.95	1,454.10
Deferred tax		
Decrease / (Increase) in deferred tax assets	268.78	(77.26)
(Decrease) / Increase in deferred tax liabilities	588.75	1,035.20
Total deferred tax expense/(benefit)	857.53	957.94
Income tax expense	2,358.48	2,412.04

(b) Amounts recognised directly in other comprehensive income

Particulars	31 March 2019	31 March 2018
The amount of income tax relating to each component of other comprehensive income		
(i) Remeasurements of post-employment benefit obligations - Current tax	(59.77)	(189.69)
(ii) FVOCI equity instruments		
- Current tax	-	(6.12)
- Deferred tax	122.76	(158.53)
	62.99	(354.34)

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

Particulars	31 March 2019	31 March 2018
Profit before tax	6,853.65	6,629.49
Tax at the Indian tax rate of 34.944% (2017-18 – 34.608%)	2,394.94	2,290.29
Add/(deduct)		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	30.45	807.69
Tax effect on gains on which tax has been recognised in OCI	-	(103.51)
Deferred on unabsorbed depreciation	-	(17.90)
Impact of change in tax rate	(47.35)	107.14
MAT credit entitlement	-	43.42
Others	(19.56)	(715.10)
Total income tax expense/(credit)	2,358.48	2,412.04

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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

Particulars	31 March 2019	31 March 2018
MAT credit balance		
Expiry		
AY 2030-31	272.69	272.69
AY 2031-32	977.97	977.97
AY 2032-33	1,627.49	1,627.49
AY 2033-34	1,521.61	-
	4,399.76	2,878.15

Note: 30 Fair value measurements

Financial instruments by category

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Investments	5,320.43	12,460.33	-	4,683.69	10,281.12	-
Loans to bodies corporate	-	-	4,540.00	-	-	3,083.53
Security deposits	-	-	213.98	-	-	103.75
Derivative assets	90.09	-	-	-	-	-
Trade receivables	-	-	3,375.50	-	-	2,448.83
Cash & cash equivalents	-	-	446.51	-	-	656.33
Bank balances	-	-	532.25	-	-	441.29
Employee advances	-	-	328.34	-	-	292.70
Interest accrued on intercorporate deposits	-	-	339.57	-	-	51.46
Total financial assets	5,410.52	12,460.33	9,776.15	4,683.69	10,281.12	7,077.89
Financial liabilities						
Borrowings	-	-	2,512.78	-	-	1,676.61
Trade payables	-	-	672.91	-	-	827.06
Derivative liabilities	-	-	-	24.46	-	-
Unpaid dividends	-	-	25.29	-	-	24.37
Other payables	-	-	1,202.73	-	-	1,219.31
Total financial liabilities	-	-	4,413.71	24.46	-	3,747.36

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.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

An explanation of each level follows underneath the table:

Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2019	Level 1	Level 2	Level 3	Total
Financial assets				
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
Total financial assets	9,877.34	2,290.53	5,702.98	17,870.85
Financial liabilities				
Derivative financial liabilities (not designated as hedges)	-	-	-	-
Total financial liabilities	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements - At 31 March 2018	Level 1	Level 2	Level 3	Total
Financial assets				
Investments				
- Quoted investments	4,875.52	-	-	4,875.52
- Unquoted investments	-	4,251.85	5,837.45	10,089.30
Total financial assets	4,875.52	4,251.85	5,837.45	14,964.82
Financial liabilities				
Derivative financial liabilities (not designated as hedges)	24.46	-	-	24.46
Total financial liabilities	24.46	-	-	24.46

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]:

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

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.

(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 2019		31 March 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Security deposits	117.59	117.59	6.40	6.40
Total financial assets	117.59	117.59	6.40	6.40
Financial liabilities				
Borrowings	256.56	256.56	128.40	128.40
Total financial liabilities	256.56	256.56	128.40	128.40

- 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.

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

Notes to the Consolidated Financial Statements

(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 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 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 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 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 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.

Notes to the Consolidated 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
Interest - future interest	-	-	-	-	-
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
Total non-derivative financial liabilities	4,243.51	107.00	149.56	-	4,500.07
Derivatives (net settled)					
Foreign exchange forward contracts	-	-	-	-	-
Total derivative liabilities	-	-	-	-	-

Contractual maturities of financial liabilities 31 March 2018	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings	1,559.11	103.03	45.69	-	1,707.83
Other financial liabilities	1,242.83	-	-	-	1,242.83
Trade payables	827.06	-	-	-	827.06
Total non-derivative financial liabilities	3,629.00	103.03	45.69	-	3,777.72
Derivatives (net settled)					
Foreign exchange forward contracts	24.46	-	-	-	24.46
Total derivative liabilities	24.46	-	-	-	24.46

(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 2019		31 March 2018	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	389.43	142.97	519.80	120.30
Derivative assets				
Foreign exchange forward contracts - Sell foreign currency	(389.43)	(142.97)	(519.80)	(120.30)
Net exposure to foreign currency risk (assets)	-	-	-	-
Financial liabilities				
Trade payables	4.15	-	53.29	-
Derivative liabilities				
Foreign exchange forward contracts - Buy foreign currency	(4.15)	-	(53.29)	-
Net exposure to foreign currency risk (liabilities)	-	-	-	-

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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 2019	31 March 2018	31 March 2019	31 March 2018
USD sensitivity				
INR appreciates by 5% (31 March 2018 - 5%)*	-	-	-	-
INR Depreciates by 5% (31 March 2018 - 5%)*	-	-	-	-
EUR sensitivity				
INR appreciates by 5% (31 March 2018 - 5%)*	-	-	-	-
INR Depreciates by 5% (31 March 2018 - 5%)*	-	-	-	-

* Holding all other variables constant

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

Particulars	31 March 2019		31 March, 2018	
	GBP	JPY	GBP	JPY
Financial assets				
Trade receivables	52.48	23.80	44.74	-
Derivative assets				
Foreign exchange forward contracts - Sell foreign currency	(52.48)	(23.80)	(44.74)	-

(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 2019	31 March 2018
Variable rate borrowings	2,241.32	1,409.42
Fixed rate borrowings	271.46	267.19
Total borrowings	2,512.78	1,676.61

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

(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 2019	31 March 2018	31 March 2019	31 March 2018
Interest expense rates – increase by 70 basis points (70 bps)*	(15.69)	(9.87)	(10.21)	(6.42)
Interest expense rates – decrease by 70 basis points (70 bps)*	15.69	9.87	10.21	6.42

* holding all other variables constant

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 2019	31 March 2018
i) Equity shares		
Final dividend paid for the year ended 31 March 2018 - ₹10.00 (31 March 2017 - ₹7.50) per fully paid share	547.16	650.93
Dividend distribution tax	112.47	132.51
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 ₹10 per fully paid equity share (31 March 2018 - ₹10). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	547.16	547.16
Tax on proposed dividend	112.47	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 Consolidated 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 2019	31 March 2018
India	36,451.13	34,279.99
Outside India:		
Americas	3,130.11	2,906.09
Europe	5,050.34	4,272.42
Asia	1,389.42	1,398.55
Australia	1,042.32	1,575.79
Others	2,054.24	816.24
Total revenue	49,117.56	45,249.08
Assets [refer note (a)]	31 March 2019	31 March 2018
India	64,823.86	66,581.66
Outside India	-	-
Total assets	64,823.86	66,581.66

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 2019. 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 2019	31 March 2018
Subsidiaries		
Gloster Lifestyle Limited	100%	100%
Gloster Specialities Limited	100%	100%

Both 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

- Joonktollee Tea & Industries Limited
- The Oriental Company Limited

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	Joonktollee Tea & Industries Limited	The Oriental Company Limited
Transactions during the year				
Dividend paid	2018-19	37.62	-	60.40
	2017-18	20.97	-	113.25
Dividend received	2018-19	-	2.69	-
	2017-18	-	5.39	-
Rent paid	2018-19	-	-	60.00
	2017-18	-	-	-
Sales	2018-19	-	115.65	-
	2017-18	-	89.12	-
Security Deposit given	2018-19	-	-	100.00
	2017-18	-	-	-
Outstanding balances at year end				
Commission payable	2018-19	350.00	-	-
	2017-18	350.00	-	-
Deposits	2018-19	-	-	100.00
	2017-18	-	-	-
Trade Receivable	2018-19	-	8.03	-
	2017-18	-	-	-
Key management personnel compensation			31 March 2019	31 March 2018
a. Short-term employee benefits			567.48	574.54
b. Post-employment benefits			58.45	100.70
			625.93	675.24

Terms and conditions of the transactions

All outstanding balances are unsecured and are repayable in cash.

Note: 35 Earnings per equity share

Particulars	31 March 2019	31 March 2018
(I) Basic		
a. Net profit after tax	4,495.17	4,217.45
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 (₹)	82.15	77.08
(II) Diluted		
a. Dilutive potential equity shares	-	-
b. Weighted average number of equity shares for computing diluted earnings per share	54,71,630	54,71,630
c. Diluted earning per share (₹)	82.15	77.08

* Includes equity share suspense referred to in Note 10 (f).

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 36 Contingent liabilities

Particulars	31 March 2019	31 March 2018
Claims against the Company not acknowledged as debts		
Sales tax matter	576.36	470.08
ESI matter	50.31	45.57

- (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 is in the process of evaluation the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund 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 Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

Note: 37 Commitments

Particulars	31 March 2019	31 March 2018
Estimated amounts of contracts remaining to be executed on capital account and not provided for property, plant and equipment	431.59	498.79
Other Commitment towards investments	1,032.59	460.00

Note: 38

Goodwill acquired on account of amalgamation by the Holding company is being amortized in the Consolidated 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, although the said accounting treatment is in variance with Ind AS 103. Had Goodwill not been amortized, the Depreciation & Amortization expense for the year ended 31 March 2019 would have been lower by ₹ 1,666.54 lakhs, Profit before tax for the year ended 31 March 2019 would have been higher by an equivalent amount, and the carrying amount of Goodwill would have been higher to the extent of amortization as at 31 March 2019 [under Intangible Assets- Refer Note 3(c)] and Retained Earnings as at 31 March 2019 would have been higher by similar amount less tax thereon.

Note : 39 Net debt reconciliation

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

Particulars	31 March 2019	31 March 2018
Current borrowings	2,256.22	1,548.21
Non-current borrowings (including current maturity portion of ₹ 86.91 lakhs)	256.56	128.40
Net debt	2,512.78	1,676.61

Particulars	Liabilities from financing activities	
	Non-current borrowings	Current borrowings
Net debt as at 1 April 2018	128.40	1,548.21
Proceeds from borrowings during the year	128.16	1,984.76
Repayment of borrowings during the year	-	(1,281.02)
Proceeds from bills discounted	-	271.46
Settlement of bills discounted	-	(267.19)
Net debt as at 31 March 2019	256.56	2,256.22

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

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 2019	31 March 2018
1	The principal amount remaining unpaid to any supplier as at the year end	0.55	1.08
	The interest remaining unpaid to any supplier as at the year end	1.98	1.75
2	Principal amounts paid to suppliers beyond the appointed day during the year.	6.94	5.61
	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	0.23	0.13
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.	1.98	1.75

Note:

The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small & Medium" enterprises on the basis of information available with the Company.

Notes to the Consolidated Financial Statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 41. Statement providing additional information, as required under Schedule III to the Companies Act, 2013, of enterprises considered for preparation of the Consolidated Financial Statements.

Name of the Entity [Refer Note (a) below]	31 March, 2019		31 March, 2018		31 March, 2019		31 March, 2018		31 March, 2019		31 March, 2018					
	Net Assets	As a % of Consolidated Net Assets	Net Assets	As a % of Consolidated Net Assets	Net Profit	As a % of Net Profit	Other Comprehensive Income	As a % of Other Comprehensive Income	Total Comprehensive Income	As a % of Total Comprehensive Income	Total Comprehensive Income	As a % of Total Comprehensive Income				
Parent																
Gloster Limited	93,700.38	99.29	90,535.57	99.39	5,323.68	98.52	4,128.54	97.89	(590.91)	105.43	1,497.80	100.49	4,732.77	97.72	5,626.34	98.57
Subsidiaries																
Gloster Lifestyle Limited	325.52	0.34	272.10	0.30	38.19	0.71	45.55	1.08	15.22	(2.72)	(3.83)	(0.26)	53.41	1.09	41.72	0.72
Gloster Specialities Limited	342.05	0.37	285.22	0.32	41.62	0.77	43.36	1.03	15.22	(2.72)	(3.50)	(0.23)	56.84	1.17	39.86	0.70
TOTAL	94,367.95	100	91,092.89	100	5,403.49	100	4,217.45	100	(560.47)	100	1,490.47	100	4,843.02	100.00	5,707.92	100

(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/300009

Sunit Kumar Basu
Partner
Membership No.55000

Shankar Lal Kedia
Chief Financial Officer

Ajay Kumar Agarwal
Company Secretary

Hemant Bangur
Executive Chairman
Pushpa Devi Bangur
Director
D.C. Baheti
Managing Director
S.B. Mainak
Director
S.N. Bhattacharya
Director
Prabir Ray
Director

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
1	Name of the subsidiary	Gloster Lifestyle Limited	Gloster Specialities Limited
2	The date since when subsidiary was acquired	23.02.2011	23.02.2011
3	Reporting period for the subsidiary concerned, if different from the holding company's 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
5	Share Capital	400.00	400.00
6	Reserves and Surplus	325.52	342.05
7	Total Assets	725.70	743.06
8	Total Liabilities	725.70	630.40
9	Investments	277.14	480.56
10	Turnover	-	-
11	Profit before Taxation	43.12	46.15
12	Provision for Taxation	4.93	4.53
13	Other Comprehensive Income	15.22	15.22
14	Profit after Taxation	53.41	56.84
15	Proposed Dividend	Nil	Nil
16	% of shareholding	100%	100%

1. Names of subsidiaries which are yet to commence operations : Nil

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

Part "B" : Associates and Joint Ventures

: Not Applicable

Place: Kolkata

Shankar Lal Kedia

Ajay Kumar Agarwal

Date: 14th May, 2019

Chief Financial Officer

Company Secretary

Hemant Bangur

Pushpa Devi Bangur

D.C. Baheti

S.B. Mainak

S.N. Bhattacharya

Prabir Ray

Executive Chairman

Director

Managing Director

Director

Director

Director



GLOSTER LIMITED

CIN - L17100WB1923PLC004628

21 Strand Road, Kolkata 700001, West Bengal, India

T +91 33 2230 9601 | F +91 33 2210 6167, 2231 4222

E info@glosterjute.com | W glosterjute.com