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Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of **Gloster Lifestyle Limited**

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Gloster Lifestyle Limited ("*the Company*")** which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Other Information

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 Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS 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.

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Responsibilities of Management and those charged with governance for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and accounting principles generally accepted in India, specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Ind AS Financial Statement

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 Ind AS 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

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events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS 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

1. 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 Companies Act, 2013, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the Internal Financial Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

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i) The Company does not have any pending litigations which would impact its financial positions.
ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Lakhotia & Co.**
Chartered Accountants
Firm Registration No. 313149E

Naresh Lakhotia
Partner
Membership No. 051249
Kolkata
Dated: 10th June, 2021
UDIN:- 21051249AAAADK4916

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"Annexure A" to Independent Auditors' Report

Statement referred to in our Independent Auditors report to the members of the Company on the Ind AS financial statements for the year ended 31st March 2021.

i. The Company does not have any fixed assets and as such clauses 3(i) of the Order is not applicable to the Company

ii. The Company does not have any inventory and as such clause 3(ii) of the Order is not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under Section 189 of the Act and as such clauses 3(iii)(a),3(iii)(b) and 3(iii)(c) of the Order are not applicable.

iv. According to the information and explanations given to us, the company has not given any loan or guarantee or provided any security covered by the provisions of Section 185 and in respect of loans, investments, guarantees and security, the company has complied with provisions of Section 186 of the Act to the extent applicable.

v. The Company has not accepted deposits from the public.

vi. The Central Government has not prescribed for the maintenance of cost records under Section 148(1) of the Act.

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 has generally been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, goods and service tax, duty of customs, cess and any other material statutory dues, as applicable, with the appropriate authorities.

(b) As at 31st March, 2021, according to the records of the Company and the information and explanations given to us, there were no dues of income tax, goods and service tax and duty of customs that have not been deposited on account of any dispute.

viii. There are no loans or borrowing from any financial institution, bank, Government or dues to debenture holders and as such clause 3(viii) of the Order is not applicable to the Company.

ix. The company did not raise any money by way of initial public offer or further public offer (including debt instruments) and any term loans during the year and as such clause 3(ix) of the Order is not applicable to the Company.

x. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud by the Company or on the Company by the officers or employees, either noticed or reported during the year, nor have we been informed of such case by the management.

xi. The company has not paid or provided any managerial remuneration during the year and as such clause 3(xi) of the Order is not applicable to the Company.

xii. The company is not a Nidhi company and as such clause 3(xii) of the Order is not applicable to the Company.

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xiii. According to the information and explanations given to us, there are no transactions with the related parties and as such the question of compliance with Section 177 and Section 188 of the Act does not arise and there are no details required to be disclosed in the Financial Statements etc., as required by the applicable accounting standards.

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.

xv. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.

xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Lakhotia & Co.**
Chartered Accountants
Firm Registration No. 313149E

Naresh Lakhotia
Partner
Membership No. 051249
Kolkata
Dated: 10th June, 2021

LAKHOTIA & CO. KOLKATA Chartered Accountants

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE IND AS FINANCIAL STATEMENTS OF GLOSTER LIFESTYLE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Gloster Lifestyle Limited**("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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". 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by ICAI and 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 Institute of Chartered Accountants of India. 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 Ind AS financial statements, whether due to fraud or error.

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 over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

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Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For **Lakhotia & Co.**
Chartered Accountants
Firm Registration No. 313149E

Naresh Lakhotia
Partner
Membership No. 051249
Kolkata
Dated: 10th June, 2021

LAKHOTIA & CO. KOLKATA Chartered Accountants

Gloster Lifestyle Limited
Balance Sheet as at 31 March, 2021

(All amounts in INR lakhs , unless otherwise stated)

Particulars	Note	As at 31st March 2021	As at 31st March 2020
ASSETS			
Non-current assets			
(i) Other Non-current Assets	3	327.63	-
Total non-current assets		**327.63**	**-**
Current assets			
Financial assets			
(i) Investments	5	101.21	124.29
(ii) Cash and cash equivalents	6	4.11	0.30
(iii) Bank balances other than (ii) above	7	381.00	499.00
(iv) Loans	8	-	100.00
(vi) Other financial assets	9	0.74	8.23
Current tax assets (Net)	10	16.79	16.79
Total current assets		**503.85**	**748.61**
Total assets		**831.48**	**748.61**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	400.00	400.00
Other equity	12	419.54	342.87
Total equity		**819.54**	**742.87**
Liabilities			
Non-current liabilities			
Deferred tax liabilities (net)	4	7.00	0.91
Total non-current liabilities		**7.00**	**0.91**
Current liabilities			
Financial liabilities			
(i) Other financial liabilities	13	0.53	0.64
Current tax liabilities (Net)	14	4.41	4.19
Total current liabilities		**4.94**	**4.83**
Total liabilities		**11.94**	**5.74**
Total equity and liabilities		**831.48**	**748.61**
Corporate Information	1		
Summary of significant accounting policies	2		

The accompanying notes are an integral part of this financial statements
This is the balance sheet referred to in our report of even date

For Lakhotia & Co.
Firm Registration No. 313149E
Chartered Accountants

Naresh Lakhotia
Partner
Membership No. 51249

Directors

Place: Kolkata
Date: 10th June, 2021

LAKHOTIA & CO. KOLKATA Chartered Accountants

Gloster Lifestyle Limited
Statement of profit and loss for the year ended 31st March, 2021

(All amounts in INR lakhs , unless otherwise stated)

Particulars	Notes	Year ended 31-03-2021	Year ended 31-03-2020
Other income	15	40.07	38.50
Total income		**40.07**	**38.50**
Expenses			
Other expenses	16	1.05	1.21
Total expenses		**1.05**	**1.21**
Profit before tax		**39.02**	**37.29**
Income tax expense			
- Current tax		10.10	9.50
- Deferred tax		(0.15)	3.77
Total tax expense		**9.95**	**13.27**
Profit for the year (A)		**29.07**	**24.02**
Other comprehensive income/ (loss)			
Items that will not be reclassified to profit or loss			
(a) FVOCI - Equity instruments		53.83	(7.55)
Income tax relating to these items		(6.23)	0.89
Other comprehensive income for the year, net of tax (B)		**47.60**	**(6.66)**
Total comprehensive income for the year (A+B)		**76.67**	**17.36**
Earnings per equity share: [Nominal value per share Rs. 10 (previous year Rs. 10)	17		
Basic and Diluted		0.73	0.60
Corporate Information	1		
Summary of significant accounting policies	2		

The accompanying notes are an integral part of this financial statements
This is the Statement of profit and loss referred to in our report of even date.

For Lakhotia & Co.
Firm Registration No. 313149E
Chartered Accountants

Naresh Lakhotia
Partner
Membership No. 51249

Directors

Place: Kolkata
Date: 10th June, 2021

LAKHOTIA & CO. KOLKATA Chartered Accountants

GLOSTER LIFESTYLE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(Rs.in lakhs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A. Cash Flow from Operating Activities		
Net profit / (loss) before tax	**39.02**	**37.29**
Adjustments for :		
Interest Income	(35.77)	(35.83)
Net Gain on Sale of Investments	-	(0.39)
Net (gains)/losses on fair value changes on investments classified at FVTPL	(2.71)	(0.91)
Dividend Received	(1.59)	(1.37)
Operating profit before working capital changes	**(1.05)**	**(1.21)**
Adjustments for :		
(Decrease)/Increase in Other Financial Liabilities	(0.11)	0.46
Cash generated from operations	**(1.16)**	**(0.75)**
Income Taxes paid	(9.87)	(12.07)
Net Cash from Operating Activities A	**(11.03)**	**(12.82)**
B. Cash Flow from investing activities		
Sale of Long Term Investments	-	214.08
Sale of Short Term Term Investments	79.62	572.95
Interest received	43.26	44.79
Dividend Received	1.59	1.37
Decrease/(Increase) in Bank Balances other than Cash and Cash Equivalents	118.00	(80.25)
Loans given to Body Corporates	100.00	(100.00)
Purchase of current Investments	-	(640.40)
Advance against purchase of Fixed Assets	(327.63)	-
Net Cash used in Investing activities B	**14.84**	**12.54**
C. Cash Flow from Financing Activities		
Net Proceeds/ (Repayment) of Short Term Borrowing	-	-
Finance Cost	-	-
Net Cash used in Financing Activities C	-	-
Net Increase in Cash and Cash Equivalents (A+B+C)	**3.81**	**(0.28)**
Cash and Cash Equivalents (Opening Balance)	0.30	0.58
Cash and Cash Equivalents (Closing Balance)	4.11	0.30

Notes:

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

For Lakhotia & Co.
Firm Registration No. 313149E
Chartered Accountants

Naresh Lakhotia
Partner
Membership No. 51249

Place: Kolkata
Date: 10th June, 2021

LAKHOTIA & CO. KOLKATA Chartered Accountants

Directors

Gloster Lifestyle Limited
Statement of Changes in Equity for the period ended 31 March 2021

(All amounts in INR lakhs, unless otherwise stated)

A. Share capital

Description	Notes	Amount
Balance as at 01 April 2019		**400.00**
Changes in equity share capital	10	
As at 31 March 2020		**400.00**
Changes in equity share capital	10	
As at 31 MARCH 2021		**400.00**

B. Other equity

Description	Notes	Reserve and surplus		Equity instruments through OCI	Total other equity
		General reserve	Retained earnings		
Balance at 01 April 2019	11	288.71	23.55	13.25	**325.51**
Profit/ (Loss) for the year	11	-	24.02	-	**24.02**
Other Comprehensive income for the year	11		-	(6.66)	**(6.66)**
Total comprehensive income		-	**24.02**	**(6.66)**	**17.36**
Transfer to general reserve	11	24.02	(24.02)		-
Balance at 31 March 2020		**312.73**	**23.55**	**6.59**	**342.87**

Description	Notes	Reserve and surplus		Equity instruments through OCI	Total other equity
		General reserve	Retained earnings		
Balance at 01 April 2020	11	312.73	23.55	6.59	**342.87**
Profit/ (Loss) for the year	11		29.07		**29.07**
Other Comprehensive Income	11		-	47.60	**47.60**
Total comprehensive income		-	**29.07**	**47.60**	**76.67**
Transfer to general reserve	11	29.07	(29.07)		-
Balance at 31 March 2021		**341.80**	**23.55**	**54.19**	**419.54**

For Lakhotia & Co.
Firm Registration No. 313149E
Chartered Accountants

Naresh Lakhotia
Partner
Membership No. 51249

Place: Kolkata
Date: 10th June, 2021

LAKHOTIA & CO. KOLKATA Chartered Accountants

Directors

Note: 1 Corporate Information

Gloster Lifestyle Limited is a public company within the meaning of Companies Act, 2013. The Company is a wholly owned subsidiary of Gloster Limited.

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.

(iv) Historical cost convention

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention, except for the following:
- certain financial assets and liabilities those are measured at fair value
- defined benefit plans - plan assets measured at fair value

2.2 Use of estimates

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

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

2.3 Property, Plant and equipment and Depreciation

a) Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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b) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to statement of profit 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 Company has adopted the useful lives as per the lives specified for the respective fixed assets in the Schedule II of the Companies Act, 2013. No depreciation is provided on Freehold Land.

d) Gains and losses on disposal of Property, plant and equipment is recognized in the statement of profit and loss.

e) An impairment loss is recognized where applicable when the carrying amount of property, plant and equipment exceeds its recoverable amount.

2.4 Intangible assets and amortization

a) Intangible assets are stated at cost of acquisition including duties, taxes and expenses incidental to acquisition and installation, net of accumulated depreciation. Recognition of costs as an asset is ceased when the asset is complete and available for its intended use.

b) Intangible assets are amortized on straight line method as per the management estimated useful life.

c) Gains and Losses on disposal of Intangible assets are recognized in the Statement of Profit and Loss.

2.5 Impairment of assets

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

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

2.7 Financial assets

The financial assets are classified in the following categories:

a) financial assets measured at amortised cost,

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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 the Company's right to receive payments is established.

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

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

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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.

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

2.11 Employee Benefit

a) Defined Contribution Plans

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

b) Defined Benefit Plans

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

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

c) Compensated absences

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

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

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

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

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

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

Other Income

Interest Income is recognized on a time proportion basis taking in to account the amount outstanding and the effective interest rate applicable.

Dividend income is recognized when the right to receive dividend is established.

Export incentives are accounted as income in the Statement of Profit and Loss when no significant uncertainty exists regarding the collectability.

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

2.13 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.

2.14 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.

2.15 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.

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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.

2.16 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.

2.17 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.

2.18 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.

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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 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.

2.24 Leases

As a lessee

Leases are recognised as right of use assets and a correspondence liability at the date at which the leased asset is available for use by the company. Contract may contain both lease and non lease components. The Company allocates the consideration in the contract to the lease and non lease components based on their relative standalone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payment:-

a) Fixed payments (including in substance fixed payments) less any lease incentive receivable.

b) Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.

c) Amount expected to be paid by the Company as under residual value guarantees.

d) Exercise price of a purchase option if the Company is reasonably certain to exercise that option.

e) Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

To determine the incremental borrowing rate, the Company:

a) Where possible, use recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received

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

Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement of profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:-
i) the amount of the initial measurement of lease liability
ii) any lease payment made at or before the commencement date less any lease incentive received
iii) any initial direct cost and
iv) restoration costs.

Right of use of assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Payment associated with short-term leases of equipment and all the leases of low value assets are recognised on a straight line basis as expenses in the statement of profit and loss. Short term leases are leases with a lease term of less than 12 months or less.

As a Lessor

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2.25 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees, which is also the Company's functional currency. All financial information presented in Indian Rupees has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

2A Critical estimates and judgements

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

(i) Estimation of defined benefit obligation
(ii) Estimated fair value of unlisted securities
(iii) Recognition of deferred tax assets for carried forward tax losses
(iv) Useful life of property, plant and equipments and intangible assets
(v) Extension and Termination Option in Leases

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.

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2B. New Standards / Amendments to Existing Standards / Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2021

On March 24, 2021, the MCA through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non-Current Assets instead of Long-term Loan & Advances.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Ratios - Following Ratios to be disclosed: -

(a) Current Ratio (b) Debt-Equity Ratio (c) Debt Service Coverage Ratio (d) Return on Equity Ratio (e) Inventory turnover ratio (f) Trade Receivables turnover ratio (g) Trade payables turnover ratio (h) Net capital turnover ratio (i) Net profit ratio (j) Return on Capital employed (k) Return on investment.

Statement of Profit and Loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

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Gloster Lifestyle Limited
Notes to the standalone financial statements

(All amounts in INR lakhs , unless otherwise stated)

Note: 3 Other Non-current Assets

Particulars	As at 31st March 2021	As at 31st March, 2020
Unsecured, considered good		
Capital Advances	327.63	-
Total	**327.63**	**-**

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(All amounts in INR lakhs , unless otherwise stated)

Note: 4 Deferred tax liabilities (net)

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred tax liabilities		
Financial assets at fair value through profit or loss	-	0.15
Financial assets at FVOCI	7.00	0.76
	7.00	**0.91**
Deferred tax assets		
Financial assets at fair value through profit or loss		
	-	-
Net deferred tax liabilities [Refer note (a) below]	**7.00**	**0.91**

Notes:
(a) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

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Gloster Lifestyle Limited
Notes to the standalone financial statements

(All amounts in INR lakhs , unless otherwise stated)

Note: 5 Current Investments

Particulars	Face Value	No of units	As at 31st March 2021	No of units	As at 31st March, 2020
I. Designated at FVOCI					
Quoted Equity Instruments- Fully paid-up (Direct Investment)					
Infosys Limited	5	7,400	101.21	7,400	47.38
II. Designated at FVTPL					
Investment in Mutual Fund (Debt)-Fully paid-up -Unquoted					
ICICI Prudential Liquid Fund - Growth	100	-	-	26,294	76.91
Total			**101.21**		**124.29**
Aggregate amount of quoted investments			**101.21**		**47.38**
Aggregate market value of quoted investments			**101.21**		**47.38**

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Gloster Lifestyle Limited
Notes to the standalone financial statements

(All amounts in INR lakhs , unless otherwise stated)

Note: 6 Cash and cash equivalents

Particulars	As at 31st March 2021	As at 31st March, 2020
Cash and cash equivalents		
Cash on hand	0.01	0.01
Balances with banks :		
In current accounts	4.10	0.29
	4.11	0.30
Total	**4.11**	**0.30**

Note: 7 Bank balances other than Note 6 above

Particulars	As at 31st March 2021	As at 31st March, 2020
Fixed deposits with original maturity more than 3 months but less than 12 months	381.00	499.00
Total	**381.00**	**499.00**

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Gloster Lifestyle Limited
Notes to the standalone financial statements

(All amounts in INR lakhs , unless otherwise stated)

Note: 8 Current Loans

Particulars	As at 31st March 2021	As at 31st March, 2020
Unsecured, considered good		
Loans to bodies corporate	-	100.00
Total	**-**	**100.00**

Note: 9 Other financial assets - current

Particulars	As at 31st March 2021	As at 31st March, 2020
Unsecured, considered good		
Interest accured on investments & deposits with banks	0.74	8.23
Total	**0.74**	**8.23**

Note: 10 Other Current tax assets (net)

Particulars	As at 31st March 2021	As at 31st March, 2020
Advance for taxation [Net of provision of Rs. 9.56 lakhs,] [31.03.2020 : Rs. 9.56 lakhs]	16.79	16.79
Total	**16.79**	**16.79**

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Gloster Lifestyle Limited
Notes to the standalone financial statements

(All amounts in INR lakhs , unless otherwise stated)

Note: 11 Equity share capital

(a) Authorised share capital	Equity Shares	
Particulars	Number of shares	Amount
As at 1 April 2019	5,000,000	500.00
Changes during the year		
As at 31 March 2020	**5,000,000**	**500.00**
Changes during the year	-	-
As at 31 March 2021	**5,000,000**	**500.00**

(b) Issued, Subscribed and fully Paid -up Shares	Equity Shares	
Particulars	Number of shares	Amount
As at 1 April 2019	4,000,000	400.00
Changes during the year	-	-
As at 31 March 2020	**4,000,000**	**400.00**
Changes during the year	-	-
As at 31 March 2021	**4,000,000**	**400.00**

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Gloster Lifestyle Limited
Notes to the standalone financial statements

(All amounts in INR lakhs , unless otherwise stated)

Note: 12 Other equity

Particulars	Refer following items	As at 31st March 2021	As at 31st March 2020
Reserve and Surplus			
General Reserve	(i)	341.80	312.73
FVOCI-equity investments	(ii)	54.19	6.59
Surplus in the Statement of Profit and Loss	(iii)	23.55	23.55
		419.54	**342.87**

Particulars	As at 31st March 2021	As at 31st March 2020
(i) General Reserve		
Balance as at the beginning of the year	312.73	288.71
Add:		
Transferred from surplus in the statement of profit and loss during the year	29.07	24.02
Balance as at the end of the year	**341.80**	**312.73**
(ii) FVOCI equity investments		
Balance as at the beginning of the year	6.59	13.25
Changes in fair value of FVOCI equity instruments	53.83	(7.55)
Deferred tax	(6.23)	0.89
Balance as at the end of the year	**54.19**	**6.59**
(iii) Surplus in the Statement of Profit and Loss/ Retained earnings		
Balance as at the beginning of the year	23.55	23.55
Profit/ (Loss) for the year	29.07	24.02
Items of other comprehensive income:		
Transfer to General Reserve	(29.07)	(24.02)
Balance as at the end of the year	**23.55**	**23.55**
Total	**419.54**	**342.87**

Notes:

(i) General Reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

(ii) FVOCI- equity investments

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.

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Gloster Lifestyle Limited
Notes to the standalone financial statements

(All amounts in INR lakhs , unless otherwise stated)

Note: 13 Other financial liabilities - current

Particulars	As at 31st March 2021	As at 31st March 2020
Other payables	0.53	0.64
Total	**0.53**	**0.64**

Note: 14 Other Current tax liabilities (Net)

Particulars	As at 31st March 2021	As at 31st March 2020
Provision for taxation [Net of Advance tax Rs.47.05 lakhs][31.03.2020- Rs. 37.16 lakhs]	4.41	4.19
Total	**4.41**	**4.19**

LAKHOTIA & CO
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Chartered Accountants

Gloster Lifestyle Limited
Notes to the standalone financial statements

(All amounts in INR lakhs , unless otherwise stated)

Note: 15 Other income

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
(a) Interest income from financial assets at amortised cost:	35.77	35.83
(b) Dividend income from investments mandatorily measured at FVOCI	1.59	1.37
(c) Other non-operating income		
(i) Net gains (losses) on fair value changes		
Net fair value gain on investments classified at FVTPL	-	0.91
(ii) Other items		
Net gain on sale of investments	2.71	0.39
Total	**40.07**	**38.50**

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Gloster Lifestyle Limited
Notes to the standalone financial statements

(All amounts in INR lakhs , unless otherwise stated)

Note: 16 Other expenses

Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Rates and taxes	0.05	0.05
Miscellaneous expenses	1.00	1.16
Total	**1.05**	**1.21**

(a)Miscellaneous expenses includes remuneration to auditors for :

Particulars	31 March 2021	31 March 2020
Audit Fees	0.25	0.25
Other Services	0.30	0.30
Total	**0.65**	**0.65**

Including Rs. Nil, previous year Rs. 0.24 lakhs relating to the preceeding auditor

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(All amounts in INR lakhs , unless otherwise stated)

17. Earnings per equity share (EPS)

Net profit for the year has been used as the numerator and number of shares have been used as denominator for calculating the basic and diluted earnings per share

Particulars	Year ended 31-03-2021	Year ended 31-03-2020
(I) Basic		
a. Net Profit after tax (Rs. in lakhs)	29.07	24.02
b. (i) Number of Equity Shares at the beginning of the year	4,000,000	4,000,000
(ii) Number of Equity Shares at the end of the year	4,000,000	4,000,000
(iii) Weighted average number of Equity Shares outstanding during the year	4,000,000	4,000,000
(iv) Face Value of Equity Share (Rs.)	10	10
c. Basic Earning / (Loss) per share [a/b (iii)] (Rs.)	0.73	0.60
(II) Diluted		
a. Dilutive Potential Equity Shares	-	-
b. Weighted average number of Equity Shares for computing diluted earnings per shares [(I)b(iii)+(II)a] *	4,000,000	4,000,000
c. Diluted Earning / (Loss) per Share [(I)(a) / (II)(b)] (Rs.) *	0.73	0.60

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Chartered Accountants

(All amounts in INR lakhs, unless otherwise stated)

Note: 18 Income tax expense

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

(a) Income tax expense

Particulars	31 March 2021	31 March 2020
Current tax		
Current tax on profits for the year	10.10	9.50
Total current tax expense	**10.10**	**9.50**
Deferred tax		
Decrease (increase) in deferred tax assets	-	3.62
(Decrease) increase in deferred tax liabilities	(0.15)	0.16
Total deferred tax expense/(benefit)	**(0.15)**	**3.78**
Income tax expense	**9.95**	**13.28**

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

Particulars	31 March 2021	31 March 2020
Profit before tax	39.02	37.29
Tax at the indian tax rate of 25.168% (31.03.2020-25.168%)	**9.82**	**8.53**
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	-	(0.34)
Tax effect on Mark to Market Gain/(Loss) on investment	0.23	4.20
Deferred Tax	(0.15)	0.89
Other adjustments	0.05	-
Total income tax expense/(credit)	**9.95**	**13.28**

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(All amounts in INR lakhs , unless otherwise stated)

19 Fair Value Measurements

(i) Financial Instruments by category	As at 31st March 2021	As at 31st March 2020
	Carrying Amount/ Fair Value	Carrying Amount/ Fair Value
FINANCIAL ASSETS		
Assets carried at Fair Value through OCI		
Investments		
-Equity Instruments	101.21	47.38
Assets carried at Fair Value through Profit or Loss		
Investments		
-Mutual Funds	-	76.91
- Debts/Bonds		
Assets carried at Amortized Cost		
-Loans	-	100.00
-Cash and Cash Equivalents	4.11	0.30
-Bank Balances other than above	381.00	499.00
-Other Financial Assets	0.74	8.23
Total Financial Assets :	**487.06**	**731.82**
FINANCIAL LIABILITIES		
Liabilities carried at Amortized Cost		
-Other Financial Liabilities	0.53	0.64
Total Financial Liabilities :	**0.53**	**0.64**

(ii) Fair Value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

(i) The fair value of investments in equity instruments are based on their quoted market prices as at the reporting date.

(ii) The fair values of the mutual funds are based on their published Net Asset Values at the reporting date. The fair value of quoted bonds is valued using closing price or dealers quotation as at the reporting date. The fair value of unquoted bonds is determined using observable market data.

(iii) The management assessed that fair values of loans, trade receivables, cash and cash equivalents, other bank balances, other financial assets (current), trade payables and other financial liabilities (current) approximate their carrying amounts largely due to the short-term maturities of these instruments.

(iii) Fair Value Hierarchy

This section explains the judgements 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 below.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

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Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, 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: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. If one or more of the significant inputs is not based on observable market data, the same is, included in level 3.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between levels 1 and 2 during the current year and previous year.

	31st March, 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Recognised and measured at fair value - Recurring measurements				
Financial Assets				
Investments				
Quoted Equity Instruments	101.21	-	-	101.21
Mutual Fund Units	-	-	-	-
Debts/Bonds	-	-	-	-
Total	101.21	-	-	101.21

	31st March 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Recognised and measured at fair value - Recurring measurements				
Financial Assets				
Investments				
Quoted Equity Instruments	47.38	-	-	47.38
Mutual Fund Units		76.91	-	76.91
Debts/Bonds	-	-	-	-
Total	47.38	76.91	-	124.29

20 Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's management oversees the management of above risks. This process provides assurance to the Company's management that the Company's financial risks-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and the Company's risk appetite.

a) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its investing activities (primarily deposits with banks and investments in equity instruments, bonds and Mutual Funds).

b) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurruing unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources of financing.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings 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.

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Contractual maturities of financial liabilities 31st March, 2021		Within 1 year	Total
Other financial liabilities		0.53	0.53
	Total	**0.53**	**0.53**
31st March 2020			
Other financial liabilities		0.64	0.64
	Total	**0.64**	**0.64**

Market risk

Securities Price risk

Securities price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded prices.

The Company invests its surplus funds in various debt instruments. These comprise of mainly liquid schemes of mutual funds, short term debt funds & income funds and fixed deposits. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

The Company is not an active investor in equity markets; it continues to hold certain investments in equity which are accordingly measured at fair value through Other Comprehensive Income. Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

(a) Securities Price Risk Exposure

The Company's exposure to securities price risk arises from investments in equity/mutual funds/bonds held by the Company and classified in the Balance Sheet as fair value through profit or loss / OCI.

(b) Sensitivity

The sensitivity of changes in interest rates / Net Assets Values (NAVs) as at year end on investments :

	Year ended 31st March 2021	Year ended 31st March 2020
Impact of changes on Total OCI - Increase by 1%*	1.01	1.24
Impact of changes on Total OCI - Decrease by 1%*	(1.01)	(1.24)

* Holding all other variables constant

21 There are no amounts due/overdue to micro and small enterprises to the extent these have been identified from the available information.

22 Previous year's figures have been re-grouped / re-arranged wherever necessary.

The accompanying notes are an integral part of this financial statements
This is the balance sheet referred to in our report of even date

For Lakhotia & Co.
Firm Registration No. 313149E
Chartered Accountants

Naresh Lakhotia
Partner
Membership No. 51249

Place: Kolkata
Dated: 10th June, 2021

LAKHOTIA & CO. KOLKATA Chartered Accountants

Directors