

GLOSTER SPECIALITIES LIMITED**7th ANNUAL REPORT
2017- 2018****CONTENTS**

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CORPORATE INFORMATION

Board of Directors : Dharam Chand Baheti Chairman
Ajay Kumar Agarwal Director
Shankar Lal Kedia Director

Banker : Yes Bank Limited

Auditors : Messrs K. Derasari & Co.
Chartered Accountants
Kolkata

Registered Office : 21, Strand Road,
Kolkata-700 001
CIN No. U18109WB2011PLC159677
Phone : +91 33 2230 9601 (4 lines)
Fax: +91 33 2210 6167, 2231 4222
E-mail : info@glosterjute.com

NOTICE**TO THE MEMBERS**

NOTICE is hereby given that the 7th Annual General Meeting of the Members of Gloster Specialities Limited will be held on Friday, the 21st September, 2018 at 4.00 P.M. at the Registered Office of the Company at 21, Strand Road, Kolkata-700001 to transact the following business : -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2018 together with the Report of the Directors and the Auditors' thereon.
2. To appoint a Director in place of Shri Shankar Lal Kedia (DIN 00695689) who retires by rotation and being eligible, offers himself for re-appointment.

Registered Office:
21, Strand Road,
Kolkata - 700 001
Dated: 28th May, 2018

By Order of the Board
Dharam Chand Baheti
Chairman

NOTES:

1. **A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies in order to be effective should be received at the Company's Registered Office situated at 21, Strand Road, Kolkata – 700001, not less than 48 hours before the commencement of the Meeting.**

In terms of Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. All documents referred to in the notice requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, from the date hereof up to the time of the Annual General Meeting.
3. Corporate members intending to send their authorized representatives to attend and vote at the Meeting are requested to send to the Company, a certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Messrs K. Derasari & Co. Chartered Accountants, (FRN 324091E), have been appointed as the Statutory Auditors at the 3rd Annual General Meeting of the Company for a period of five years upto the conclusion of 8th Annual General Meeting. As per Companies (Amendment) Act, 2017 (Section 139 of the Companies Act, 2013), notified on 07 May, 2018, the requirement of ratification of appointment of the Statutory Auditor at every Annual General Meeting has been done away with. As such, resolution for ratification of appointment of Auditor is no longer required to be passed at the Annual General Meeting.
5. The Register of Directors and Key Managerial personnel and their shareholding maintained under section 170 of the Companies Act 2013, the Register of contracts or arrangements in which directors are interested under section 170 and 189 of the Companies Act 2013 will be available for inspection at the Annual General Meeting of the Company.
6. Route - map to the venue of the meeting is enclosed with this Notice.

**7. DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 07TH
ANNUAL GENERAL MEETING:**

*(Pursuant to Secretarial Standard on General Meeting issued by the Institute of
Company Secretaries of India)*

Name	Shankar Lal Kedia
DIN	00695689
Nationality	Indian
Date of Birth	15.11.1948
Date of first Appointment on the Board	23.02.2011
Qualification	B.Com
Experience & Expertise in specific functional areas	50 years, Finance & Accounts
Directorships in other Companies	Jagdishpur Co. Ltd. Kherapati Vanijya Ltd. Wind Power Vinimay (P) Ltd. Gloster Lifestyle Limited
Terms and conditions of appointment/ reappointment	Non Executive Director liable to retire by rotation
Details of remuneration sought to be paid	Not Applicable
Remuneration last drawn	Not Applicable
Chairman/Member of the Committees of the Board of other Companies in which he is a Director	None
Shareholding in the Company	100 shares [Beneficial owner being Gloster Limited (Formerly Kettlewell Bullen & Company Limited)]
Relationship with other Directors & Key Managerial Personnel	None
No. of Board Meetings attended during the year 2017-18	4 of 4

DIRECTORS' REPORT**DEAR SHAREHOLDERS**

Your Directors have pleasure in presenting the 7th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2018

SCHEME OF ARRANGEMENT BETWEEN KETTLEWELL BULLEN & COMPANY LIMITED ("THE HOLDING COMPANY") AND ERSTWHILE GLOSTER LIMITED

The Board of Directors of Kettlewell Bullen & Company Limited ("The Holding Company") and erstwhile Gloster Limited at their respective meetings held on March 29, 2016 had approved the Scheme of Arrangement between "the Holding Company" and erstwhile Gloster Limited in terms of the provisions of Section 391 to 394 and other applicable provisions of the Companies Act, 1956 & Companies Act, 2013, to the extent applicable. The National Company Law Tribunal, Kolkata bench vide its order dated 19.01.2018 has sanctioned the said Scheme and upon the coming into effect of the Scheme on 30.03.2018 and with effect from the Appointed Date i.e. 1st January, 2015, the Undertaking of erstwhile Gloster Limited stands transferred to and vested in the Holding Company as a going concern from the appointed date. Further as per the scheme the name of the company was also changed from Kettlewell Bullen & Company Ltd to "Gloster Limited". The Company was a Subsidiary of erstwhile Gloster Limited and pursuant to the Scheme of Amalgamation has become a Subsidiary of Kettlewell Bullen & Company Ltd renamed as Gloster Limited.

FINANCIAL RESULTS

The highlights of the financial results for the year ended 31st March, 2018 are as under:

(` in lakhs)

PARTICULARS	Year ended 31 st March, 2018	Year ended 31 st March, 2017
Total Income	59.23	62.26
Less: Total Expenses	4.93	13.34
Profit/(Loss) before Tax	54.30	48.92
Provision for Taxation	10.94	5.64
Net Profit for the year	43.36	43.28
Other Comprehensive Income / (Loss)	(3.50)	(4.50)
Total Comprehensive Income	39.86	38.78

ADOPTION OF IND AS

Beginning 1st April 2017, the Company has for the first time adopted Ind AS with a transition date of 1st April, 2016. The 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.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

For the Financial Year 2017-18, the total revenue of the Company stands at ` 59.23 lakhs in comparison with the previous year's revenue of ` 62.26 lakhs.

For the Financial Year 2017-18, the Company has generated after tax profit (PAT) of ` 43.36 lakhs as compared to PAT of ` 43.28 lakhs in the previous financial year.

DIVIDEND

With a view to plough back the profit, the Board of Directors of your Company does not recommend any dividend for the financial year 2017-18.

TRANSFER TO RESERVES

The Company has not transferred any amount to Reserves during the financial year 2017-18

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 COMPANY, JOINT VENTURES AND ASSOCIATE COMPANY

The Company does not have any Subsidiary Company, Joint Ventures and Associate Company as required to be disclosed in terms of provisions of Section 134(3)(g) of the Companies Act, 2013 read with Rule 8(5) (iv) of the Companies (Accounts) Rules, 2014.

SHARE CAPITAL

The Paid-up share capital of the Company as on 31st March, 2018 stood at ` 400.00 lakhs. During the year under review, the Company has not issued any shares with or without differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2018, 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, 2018, four Board Meetings were held on 11th May, 2017, 31st August, 2017, 30th November, 2017 and 28th March, 2018. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

During the year under review, the composition and attendance of Directors at the Board Meetings was as follows:

Name of Directors	Category of directors	No. of Board meetings attended
Sri Dharam Chand Baheti	Non Executive Director	4 (Four)
Sri Ajay Kumar Agarwal	Non Executive Director	4 (Four)
Sri Shankar Lal Kedia	Non Executive Director	4 (Four)

DIRECTORS & KEY MANAGERIAL PERSONNEL**DIRECTORS**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and pursuant to the Articles of Association of your Company, Shri Shankar Lal Kedia (DIN : 00695689) Director of your Company is liable to retire at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Shri Shankar Lal Kedia, Director, have filed Form DIR-8 with your Company as required under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014. The Board, therefore, recommends the re-appointment of Shri Shankar Lal Kedia, as Director of your Company.

In view of the applicable provisions of the Companies Act 2013 the Company is not mandatorily required to appoint any Whole time KMPs or any Independent Directors.

COMMITTEE

In view of the applicable provisions of the Companies Act 2013, the Company is not required to constitute Audit or Remuneration Committee.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In view of the applicable provisions of the Companies Act 2013 the provisions of CSR are not applicable to the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any transaction with the Related Parties during the financial year 2017-18 which falls under the purview of Section 188 of the Companies Act, 2013. Hence e-Form AOC-2 is not required

INTERNAL CONTROLS

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.

RISK MANAGEMENT

The Company is exposed to business risks and compliance risk. These risks are assessed periodically and appropriate steps are taken to mitigate the risks.

AUDITORS & AUDITOR'S REPORT

The members had at the 3rd Annual General Meeting held on 4th September 2014, approved the appointment of Messrs K Derasari & Co, Chartered Accountants, (Firm Registration No.324091E) as Statutory Auditors of the Company from the conclusion of 3rd Annual General Meeting till the conclusion of the 8th Annual General Meeting of the Company.

The Auditor's report on the financial statements for the year 2017-18 does not contain any qualifications, reservations or adverse remarks.

EXTRACT OF THE ANNUAL RETURN

The extract of annual return as on the financial year ended 31st March, 2018 in Form No.MGT-9 is attached as **Annexure I** and form part of this Board Report.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW

Your Company has no activities relating to conservation of energy and technology absorption as required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014. However, your Company uses information technology extensively in its operations and also continues its endeavour to improve energy conservation and utilization, safety and environment.

Your Company has not utilized or earned any foreign exchange during the year under review (Previous Year – Nil).

PARTICULARS OF EMPLOYEES

There was no employee in the Company on its payroll during the year financial year 2017-18. Hence disclosures pursuant to the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for receipt of remuneration are not applicable.

PUBLIC DEPOSITS

The Company has not invited or accepted deposits from the public covered under Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) 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.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS.

During the Financial Year 2017-18, no significant and material orders has been passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

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 devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

The Company being Unlisted, sub-clause (e) of section 134(5) of the Companies Act 2013 pertaining to laying down internal financial controls is not applicable to the Company .

The Company has complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal) ACT, 2013

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women in Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules frame there under.

During the financial year 2017-18, the Company has not received any complaints on sexual harassment.

ACKNOWLEDGEMENTS

The Directors would like to thank the bankers and all the other business associates for the continuous support given by them to the Company and their confidence in its management and Gloster Limited, the holding company for its trust and support.

Place : Kolkata
Date : 28th May, 2018

For and on behalf of the Board of Directors
Dharam Chand Baheti
Chairman

ANNEXURE I TO THE DIRECTORS REPORT**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

As on Financial Year ended on 31.03.2018

(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 | U18109WB2011PLC159677 |
| 2. Registration Date | 23.02.2011 |
| 3. Name of the Company | Gloster Specialities Limited |
| 4. Category/Sub-category of the Company | Company limited by Shares |
| 5. Address of the Registered Office & contact details | 21, Strand Road, Kolkata 700 001
Phone nos. +91 33 22309601 (4lines)
Fax +91 33 22106167, +91 33 22314222 |
| 6. Whether listed company | No |
| 7. Name, Address & contact details of the Registrar & Transfer Agent, if any, | Not Applicable |

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)

Sr. No.	Name and Description of main products /services	NIC Code of the products/services	% to total turnover of the Company
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Not Applicable

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 Limited (Formerly Kettlewell Bullen & Company Limited) 21, Strand Road, Kolkata - 700 001	U17100WB19 23PLC004628	Holding Company	100%	Section2(46)

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

1. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Body Corporate	0	40,00,000	40,00,000	100	0	40,00,000	40,00,000	100	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub total (A) (1):	0	40,00,000	40,00,000	100	0	40,00,000	40,00,000	100	0
2) Foreign									
a) NRIs Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
Subtotal (A)(2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	0	40,00,000	40,00,000	100	0	40,00,000	40,00,000	100	0
B. Public Shareholding									
1) Institutions									
a) Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others(specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(1):	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0	0	0	0	0	0
c) Other (Specify)	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2017)				No. of Shares held at the end of the year (As on 31st March, 2018)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
Subtotal (B)(2)	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1) +(B)(2)	0	0	0	0	0	0	0	0	0
C. Share held by Custodian for GDRs & ADRs(C)	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	40,00,000	40,00,000	100	0	40,00,000	40,00,000	100	0

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Gloster Limited (Formerly Kettlewell Bullen & Company Limited)	39,99,300	99.9825	0	39,99,300	99.9825	0	0
2	Shri Hemant Bangur(Beneficial owner being Gloster Limited) (Formerly Kettlewell Bullen & Company Limited)	100	0.0025	0	100	0.0025	0	0
3	Shri Dharam Chand Baheti (Beneficial owner being Gloster Limited) (Formerly Kettlewell Bullen & Company Limited)	100	0.0025	0	100	0.0025	0	0
4	Shri Ajay Kumar Agarwal (Beneficial owner)							

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	
	being Gloster Limited) (Formerly Kettlewell Bullen & Company Limited)	100	0.0025	0	100	0.0025	0	0
5	Shri Shankar Lal Kedia(Beneficial owner being Gloster Limited) (Formerly Kettlewell Bullen & Company Limited)	100	0.0025	0	100	0.0025	0	0
6	Shri Bajrang Lal Atal(Beneficial owner being Gloster Limited) (Formerly Kettlewell Bullen & Company Limited)	100	0.0025	0	100	0.0025	0	0
7	Shri Rajeev Kumar Maheshwari (Beneficial owner being Gloster Limited) (Formerly Kettlewell Bullen & Company Limited)	100	0.0025	0	100	0.0025	0	0
8	Shri Alok Kumar Surana(Beneficial owner being Gloster Limited) (Formerly Kettlewell Bullen & Company Limited)	100	0.0025	0	100	0.0025	0	0
	Total	40,00,000	100	0	40,00,000	100	0	0

iii. Change in Promoters' Shareholding.

There is no change during the year

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

Since the entire share capital is held by Gloster Limited and its Nominees, this is not applicable.

v. Shareholding of Directors and Key Managerial Personnel

None of the Directors hold shares in their individual capacity in the Company.

V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
Indebtedness at the beginning of the financial year				
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Company does not have Managing Director / Whole- time Director / Manager / Key Managerial Personnel and the Company has not paid any remuneration to its Non Executive Directors. There was no employee in the Company on its payroll during the financial year 2017-18.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences for the year ending 31st March, 2018.

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF GLOSTER SPECIALITIES LIMITED****Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements**

1. We have audited the accompanying financial statements of **Gloster Specialities Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. 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 standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 1, 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were also audited by us and unmodified opinions vide reports dated May 11, 2017 and May 11, 2016 respectively was expressed. The adjustments to those financial statements

for the differences in accounting principles adopted by the Company on transition to the Ind AS have also been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone 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 March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and

to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company does not have any pending litigations, hence it does not require to disclose the impact of its financial position in its financial statement.
 - ii. The Company did not have any long term contract including derivative contracts outstanding as at March 31, 2018.
 - iii. The Company does not require to transfer any fund to the Investor Education and Protection Fund.
- IV. The reporting on disclosures relating to Specified bank Notes is not applicable to the company for the year ended 31.03.2018.

Place : Kolkata
Date : 28th May, 2018

For K. Derasari & Co.
Firm Registration No : 324091E
Chartered Accountants

Kishan Derasari
Partner
Membership No : 059741

Annexure to the Independent Auditor's Report

The Annexure referred to in paragraph 11(f) of the Independent Auditor's Report of even date to the members of GLOSTER SPECIALITIES LIMITED on the financial statements as of and for the year ended March 31, 2018.

1. The Company does not have any fixed assets during the year ended March 31, 2018. Therefore, the provisions of Clause 3(i) of the Order are not applicable to the Company.
2. The Company does not carry any inventory. Consequently, clause 3(ii) of the Order are not applicable.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clauses 3(iii)(a) and 3(iii)(b) of the said Order are not applicable to the Company.
4. The company has not granted any loans, guarantees and securities. In respect of investments, section 185 and 186 of the Companies Act'2013 have been complied with.
5. The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under to the extent notified.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act.
7. (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, income tax, and other material statutory dues, as applicable, with the appropriate authorities. As explained to us the provisions of Provident Fund, Employees's State Insurance, Sales Tax, Wealth Tax, Duty of Customs, Service Tax, Duty of Excise, Cess are not applicable to the Company.

(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 and other statutory dues which have not been deposited on account of any dispute.
8. The Company has not defaulted in repayment of dues to Bank. Apart from this the company has no borrowings from any financial institution nor has it issued any debentures as at the balance sheet date.

9. According to the information and explanations given to us and the records of the Company examined by us, the company has neither raised money by way of initial public offer or further public offer nor borrowed any term loan. Therefore, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
10. During the course of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. During the year under review, no managerial remuneration has been paid or provided. Hence Clause 3(xi) is not applicable to the Company.
12. The Company is not a Nidhi Company. Therefore Clause 3(xii) is not applicable.
13. No transactions took place with the related parties during the year. Disclosure of related parties have been made in Financial Statements, as required by the applicable accounting standards.
14. During the year no preferential allotment or private placement of shares or fully or partly convertible debentures have been made.
15. The Company not entered into any non-cash transactions with directors or persons connected with him. Hence Clause 3(xiii) is not applicable to the company.
16. According to the information and explanations given to us and the records of the Company examined by us, the company is not required to be registered under section 45IA of the Reserve Bank of India Act'1934.

For K. Derasari & Co.
Firm Registration No : 324091E
Chartered Accountants

Kishan Derasari
Partner
Membership No : 059741

Place : Kolkata
Date : 28th May, 2018

Annexure to the Independent Auditor's Report

The Annexure referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of GLOSTER SPECIALITIES LIMITED on the financial statements as of and for the year ended March 31, 2018.

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

1. I / We have audited the Internal Financial Controls over financial reporting of **Gloster Specialities Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the 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. 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

3. 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.

4. 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 financial statements, whether due to fraud or error.
5. We believe that the audit evidence I/we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 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 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 Over Financial Reporting

7. 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

8. 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, 2018 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 K. Derasari & Co.
Firm Registration No : 324091E
Chartered Accountants

Kishan Derasari
Partner
Membership No : 059741

Place : Kolkata
Date : 28th May, 2018

BALANCE SHEET AS AT 31 MARCH, 2018

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	31 March, 2018	31 March, 2017	1 April, 2016
ASSETS				
Non-current assets				
Financial assets		-		
(i) Investments	3	445.38	447.64	274.25
Deferred tax Assets (net)	4	1.88	2.08	-
Total non-current assets		447.26	449.72	274.25
Current assets				
(i) Investments	5	36.53	37.77	62.24
(ii) Cash and cash equivalents	6	0.47	0.47	0.01
(iii) Bank balances other than (ii) above	7	37.00	23.00	742.00
(iv) Loans	8	150.00	124.22	-
Other current assets	9	15.82	11.85	14.63
Total current assets		239.82	197.31	818.88
Total assets		687.08	647.03	1,093.13
EQUITY AND LIABILITIES				
Equity				
Equity share capital	10	400.00	400.00	400.00
Other equity	11	285.22	245.36	206.58
Total equity		685.22	645.36	606.58
Liabilities				
Non-current liabilities				
Deferred tax liabilities (net)	4	-	-	1.78
Total non-current liabilities		-	-	1.78
Current liabilities				
Financial liabilities				
(i) Borrowings	12	-	-	483.43
(ii) Other financial liabilities	13	0.73	0.07	0.08
Current tax Liabilities (net)	14	1.13	1.60	1.26
Total current liabilities		1.86	1.67	484.77
Total liabilities		1.86	1.67	486.55
Total equity and liabilities		687.08	647.03	1,093.13
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 K Derasari & Co.

Firm Registration No. 324091E
Chartered Accountants

Kishan Derasari

Partner
Membership No. 059741

Dharam Chand Baheti
Ajay Kumar Agarwal
Shankar Lal Kedia

Chairman
Director
Director

Place : Kolkata
Date :28th May, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	As at 31 March, 2018	As at 31 March, 2017
Income			
Other income	15	59.23	62.26
Total income		59.23	62.26
Expenses			
Finance costs	16	-	7.76
Other expenses	17	4.93	5.58
Total expenses		4.93	13.34
Profit before tax		54.30	48.92
Income tax expense			
- Current tax		10.74	8.56
- Deferred tax		0.20	(2.92)
Total tax expense		10.94	5.64
Profit for the year (A)		43.36	43.28
Other comprehensive income/ (loss)			
<i>Items that will not be reclassified to profit or loss</i>			
(a) FVOCI - Equity instruments		(3.50)	(5.44)
Income tax relating to these items		-	0.94
Other comprehensive income for the year, net of tax (B)		(3.50)	(4.50)
Total comprehensive income for the year (A+B)		39.86	38.78
Earnings per equity share: [Nominal value per share ` 10 (previous year ` 10)			
Basic and Diluted	18	1.08	1.08
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 K Derasari & Co.

Firm Registration No. 324091E
Chartered Accountants

Kishan Derasari

Partner
Membership No. 059741

Dharam Chand Baheti Chairman
Ajay Kumar Agarwal Director
Shankar Lal Kedia Director

Place : Kolkata
Date : 28th May, 2018

Statement of Changes in Equity for the year ended 31 March 2018

(All amounts in INR lakhs, unless otherwise stated)

A. Share capital	Notes	Amount
Description		
As at 01 April 2016		400.00
Changes in equity share capital	10	-
As at 31 March 2017		400.00
Changes in equity share capital	10	-
As at 31 March 2018		400.00

B. Other equity

Description	Notes	Reserve and surplus		Equity instruments through OCI	Total other equity
		General reserve	Retained earning		
Balance as at 01 April 2016	11	200.20	-	6.38	206.58
Profit/ (Loss) for the year	11	-	43.28	-	43.28
Other Comprehensive income for the year	11	-	-	(4.50)	(4.50)
Total comprehensive income		-	43.28	(4.50)	38.78
Transfer to general reserve	11	43.27	(43.27)		-
Balance as at 31 March 2017		243.47	0.01	1.88	245.36
Description	Notes	Reserve and surplus		Equity instruments through OCI	Total other equity
		General reserve	Retained earning		
Balance as at 01 April 2017	11	243.47	0.01	1.88	245.36
Profit/ (Loss) for the year	11	-	43.36	-	43.36
Other Comprehensive Income	11	-	(3.50)	-	(3.50)
Total comprehensive income		243.47	39.87	1.88	285.22
Transfer to general reserve	11	-	-	-	-
Balance as at 31 March 2018		243.37	39.87	1.88	285.22

The accompanying notes are an integral part of this financial statements.

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

For K Derasari & Co.

Firm Registration No. 324091E
Chartered Accountants

Kishan Derasari

Partner
Membership No. 059741

Dharam Chand Baheti Chairman
Ajay Kumar Agarwal Director
Shankar Lal Kedia Director

Place : Kolkata
Date :28th May, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018

(All amounts in INR lakhs, unless otherwise stated)

Particulars	Year ended 31 March, 2018	Year ended 31 March, 2017
A. Cash Flow from Operating Activities		
Net profit / (loss) before tax	54.30	48.92
Adjustments for :		
Interest Income	(57.39)	(56.41)
Provision for diminution in Investment	(2.26)	-
Finance Cost	-	7.76
Loss/(Profit) on Sale of Short Term Investments	2.89	(2.26)
Dividend Received	(1.84)	(1.19)
Operating profit before working capital changes	(4.30)	(3.18)
Adjustments for :		
(Decrease)/Increase in Trade and Other Payables	0.68	-
Cash generated from operations	(3.62)	(3.18)
Income Taxes paid	(11.21)	(8.23)
Net Cash from Operating Activities A	(14.83)	(11.41)
B. Cash Flow from investing activities		
Sale of Long Term Investments	-	48.00
Purchase of Long Term Investments	-	(200.00)
Interest received	53.41	55.38
Dividend Received	1.84	1.19
Loss/(Profit) on Sale of Short Term Investments	(0.62)	(0.10)
Loans to Bodies Corporate	(150.00)	(120.41)
Net Cash used in Investing activities B	(95.37)	(215.94)
C. Cash Flow from Financing Activities		
Net Proceeds/ (Repayment) of Short Term Borrowing	124.21	(483.43)
Finance Cost	-	(7.76)
Net Cash used in Financing Activities C	124.21	(491.19)
Net Increase in Cash and Cash Equivalents (A+B+C)	14.01	(718.54)
Cash and Cash Equivalents (Opening Balance)	23.47	742.01
Cash and Cash Equivalents (Closing Balance)	37.48	23.47

Notes

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard -3, on Cash Flow Statement as per Companies Accounting Standard Rules, 2006.
- Previous year's figures have been regrouped/ rearranged wherever necessary.
- This is the Cash Flow statement referred to in our report of even date.

For K Derasari & Co.

Firm Registration No. 324091E
Chartered Accountants

Kishan Derasari

Partner
Membership No. 059741

Dharam Chand Baheti Chairman
Ajay Kumar Agarwal Director
Shankar Lal Kedia Director

Place : Kolkata
Date :28th May, 2018

Notes to the standalone financial statements**1. Corporate Information**

Gloster Specialities Limited ("The Company"), a wholly owned subsidiary company of Gloster Limited, was incorporated on 23rd February, 2011 under the provisions of the Companies Act, 1956. The company has not done any business activities during the year.

2. Summary of significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these 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*

The Company is primifacie not mandated to prepare its financials statement in accordance 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. However, being a wholly owned subsidiary company of Gloster Limited ("the parent company") who is required to prepare its financials statements as per Indian Accounting Standards, (Ind AS), the same is applicable on the Company and therefore the Company has prepared its financial statements in accordance with Ind AS.

These 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.

The financial statements up to year ended 31 March, 2016 were prepared in accordance with generally accepted accounting principles in India (Previous GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the 2013 Act") as applicable.

These financial statements are the first financial statements of the Company under Ind AS. Refer note 19 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

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.

Notes to the standalone financial statements*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

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 Financial assets

The financial assets are classified in the following categories:

- a) financial assets measured at fair value through profit and loss (FVTPL), and
- b) 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 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 bonds, alternate investment funds (AIF) 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.

Notes to the standalone financial statements*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.

Impairment loss allowance recognised /reversed during the year is charged/written back to Statement of Profit and Loss.

2.4 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.

Notes to the standalone financial statements**2.5 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.

2.6 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 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.

2.7 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.

2.8 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.

Notes to the standalone financial statements

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.

2.9 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.

2.10 Cash and Cash Equivalents

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

2.11 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.

Notes to the standalone financial statements

(All amounts in INR lakhs, unless otherwise stated)

Note : 3 Non current Investment							
Particulars	Face value	No. of Units	31 March 2018	No. of Units	31 March 2017	No. of Units	1 April 2016
I. Mandatorily measured at FVTPL							
Investments in Debt/Bonds							
Quoted							
National Highway Authority of India	1,000	21,686	240.78	21,686	243.75	21686	240.71
Investment in alternative investment fund / Debenture Fullypaid up							
Unquoted							
Sheth Buildwell Pvt Ltd	1,00,000		-		-	48	33.54
IIFL Real Estate Fund (Domestic) Series 4	10	19,93,886	204.60	19,93,886	203.89	-	-
Total			445.38		447.64		274.25
Aggregate amount of quoted investments			240.78		243.75		240.71
Aggregate market value of quoted investments			240.78		243.75		240.71
Aggregate amount of unquoted investments			204.60		203.89		33.54

Note: 4 Deferred tax liabilities (net)

Particulars	31 March 2018	31 March 2017	1 April 2016
Deferred tax liabilities			
Financial assets at fair value through profit or loss	-	(0.20)	2.72
Financial assets at FVOCI	(1.88)	(1.88)	(0.94)
	(1.88)	(2.08)	1.78
Deferred tax assets			
	-	-	-
Net deferred tax liabilities [Refer note (a) below]	(1.88)	(2.08)	1.78

Note :

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

Notes to the standalone financial statements							
Note : 5 Current Investments (All amounts in INR lakhs, unless otherwise stated)							
Particulars	Face value	No. of Units	31 March 2018	No. of Units	31 March 2017	No. of Units	31 April 2016
I. Designated at FVOCI							
Quoted Equity Instruments- Fully paid-up (Direct Investment)							
Infosys Limited	10	3,700	36.53	3,700	37.77	3,700	45.47
Investment in Debentures -Fully paid-up (Debt) unquoted							
Sheth Buildwell Pvt Ltd	1,00,000	-	-	-	-	48	16.77
Total			36.53		37.77		62.24
Aggregate amount of quoted investments			36.53		37.77		45.47
Aggregate market value of quoted investments			36.53		37.77		45.47
Aggregate amount of unquoted investments			-		-		16.77
Note: 6 Cash and cash equivalents							
Particulars	31 March 2018		31 March 2017		31 April 2016		
Cash and cash equivalents							
Cash on hand	0.004		0.01		0.01		
Balances with banks : In current accounts	0.47		0.46		0.00		
Total	0.47		0.47		0.01		
Note: 7							
Particulars	31 March 2018		31 March 2017		31 April 2016		
Bank balances other than Note 6 above							
Fixed deposits	37.00		23.00		742.00		
Total	37.00		23.00		742.00		
Note: 8 Current Loans							
Particulars	31 March 2018		31 March 2017		31 April 2016		
Unsecured, considered good Loans to bodies corporate							
	150.00		124.22		-		
Total	150.00		124.22		-		

Notes to the standalone financial statements				
Note: 9 Other Current assets		(All amounts in INR lakhs, unless otherwise stated)		
Particulars	31 March 2018	31 March 2017	1 April 2016	
Unsecured, considered good				
Interest accrued on investments	15.82	11.85	14.63	
Total	15.82	11.85	14.63	
Note 10 Equity Share capital				
(a) Authorised share capital		Equity Share		
Particulars	Number of share	Amount		
As at 1 April 2016	50,00,000	500.00		
Changes during the year	-	-		
As at 31 March 2017	50,00,000	500.00		
Changes during the year	-	-		
As at 31 March 2018	50,00,000	500.00		
(b) Issued, Subscribed and fully Paid -up Shares				
Particulars	Number of share	Amount		
As at 1 April 2016	40,00,000	400.00		
Changes during the year	-	-		
As at 31 March 2017	40,00,000	400.00		
Changes during the year	-	-		
As at 31 March 2018	40,00,000	400.00		
Note: 11 Other Equity				
Particulars	Refer Following items	31 March 2018	31 March 2017	1 April 2016
Reserve and Surplus				
General Reserve	(i)	289.31	243.49	200.21
FVOCI-equity investments	(ii)	(1.63)	1.87	6.37
Surplus in the Statement of Profit and Loss	(iii)	(2.46)	-	-
		285.22	245.36	206.58

Notes to the standalone financial statements (All amounts in INR lakhs, unless otherwise stated)		
Particulars	31 March 2018	31 March 2017
(i) General Reserve		
Balance as at the beginning of the year	243.49	200.21
Add:		
Transferred from surplus in the statement of profit and loss during the year	45.82	42.27
Balance as at the end of the year	289.31	243.49
(ii) FVOCI equity investments		
Balance as at the beginning of the year	1.87	6.37
Changes in fair value of FVOCI equity instruments	(3.50)	(5.44)
Deferred tax	-	0.94
Balance as at the end of the year	(1.63)	1.87
(iii) Surplus in the Statement of Profit and Loss/ Retained earnings		
Balance as at the beginning of the year	-	-
Profit/ (Loss) for the year	43.36	43.27
Items of other comprehensive income:		
Transfer to General Reserve	(45.82)	(43.27)
Balance as at the end of the year	(2.46)	-
Total	285.22	245.36

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.

Notes to the standalone financial statements			
(All amounts in INR lakhs, unless otherwise stated)			
Note: 12 Current Borrowings			
Particulars	31 March 2018	31 March 2017	1 April 2016
Secured :			
Loans from banks [refer note (a) below]	-	-	483.43
Total	-	-	483.43
Note : (a) Secured by hypothecation of Fixed Deposit of the Company.			
Note: 13 Other Financial Liabilities - current			
Particulars	31 March 2018	31 March 2017	1 April 2016
Other payable	0.73	0.07	0.08
Total	0.73	0.07	0.08
Note: 14 Other Current liabilities (net)			
Particulars	31 March 2018	31 March 2017	1 April 2016
Advance for taxation [Net of provision ` 28.56 (31.03.2017- ` 17.82, 01.04.2016- ` 9.26)]	1.13	1.60	1.26
Total	1.13	1.60	1.26

Notes to the standalone financial statements		
(All amounts in INR lakhs, unless otherwise stated)		
Note : 15 Other income		
Particulars	31 March 2018	31 March 2017
(a) Interest income from financial assets at amortised cost	57.39	56.41
(b) Dividend income from investments mandatorily measured at FVTPL	1.84	1.19
(c) Other non-operating income		
(i) Net gains (losses) on fair value changes		
Net fair value gain on investments classified at FVTPL	-	4.66
Total	59.23	62.26
Note : 16 Finance Cost		
Particulars	31 March 2018	31 March 2017
Interest and finance charges on financial liabilities at amortised cost	-	7.76
Total	-	7.76
Note : 17 Other Expenses		
Particulars	31 March 2018	31 March 2017
Rates and taxes	0.05	0.04
Miscellaneous expenses	4.26	3.14
Net loss on sale of investments	0.62	2.40
Total	4.93	5.58
Note		
(a) Miscellaneous expenses includes remuneration to auditors for :		
Particulars	31 March 2018	31 March 2017
Audit Fees	0.10	0.06
Total	0.10	0.06

Notes to the standalone financial statements**Note : 18 Earning 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

(All amounts in INR lakhs , unless otherwise stated)

Particulars	Year ended 31 March 2018	Year ended 31 March 2017
(I) Basic		
a. Net Profit after tax (` in lakhs)	43.36	43.28
b. (i) Number of Equity Shares at the beginning of the year	40,00,000	40,00,000
(ii) Number of Equity Shares at the end of the year	40,00,000	40,00,000
(iii) Weighted average number of Equity Shares outstanding during the year	40,00,000	40,00,000
(iv) Face Value of Equity Share (`)	10	10
c. Basic Earning / (Loss) per share [a/b (iii)] (`)	1.08	1.08
(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]	40,00,000	40,00,000
c. Diluted Earning / (Loss) per Share [(I)(a) / (II)(b)] (`)	1.08	1.08

Note : 19 First time adoption of Ind AS Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2, have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set below are the applicable Ind AS optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions**A.1.1 Designation of previously recognised financial instruments**

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in equity investments.

Notes to the standalone financial statements

(All amounts in INR lakhs, unless otherwise stated)

A.2 Ind AS mandatory exceptions**A.2.1 Estimates**

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVOCI
- Investment in debt instruments carried at FVTPL.

A.2.2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

Accordingly, the Company has determined the classification and measurements of financial assets on the basis of the facts and circumstances that exists at the date of transition to Ind AS.

A: Reconciliations between previous GAAP and Ind AS**Reconciliation of total equity as at 31 March 2017 and 1 April 2016**

Particulars	Notes	31 March 2017	1 April 2016
Total equity (shareholder's funds) as per previous GAAP		612.50	579.08
Total Equity		612.50	579.08
Adjustments			
Fair valuation of investments	1	30.78	29.29
Tax effects on above adjustments		2.08	(1.78)
Total equity as per Ind AS		645.36	606.59
Reconciliation of total comprehensive income for the year ended 31 March 2017			
Particulars	Notes	Amount	
Profit/ (Loss) after tax as per previous GAAP		33.44	
Profit/ (Loss) after tax as per previous GAAP- revised		33.44	
Ind AS adjustments:			
Fair valuation of investments measured at FVTPL	1	6.92	
Tax effect on above adjustments		2.92	
Total adjustments		9.84	
Profit after tax impact as per Ind AS		43.28	
Other comprehensive income net of tax effects	2	(4.50)	
Total comprehensive income as per Ind AS		38.78	

Notes to the standalone financial statements

(All amounts in INR lakhs, unless otherwise stated)

B: Notes to first-time adoption:**Note 1: Fair valuation of investments**

Under the previous GAAP, investments in equity instruments, alternate investment funds and mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments (other than equity instruments designated as at FVOCI) have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31 March 2017. This increased the retained earnings as at 31 March 2017 and 1 April 2016.

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI – Equity investments reserve as at the date of transition and subsequently in the other comprehensive income for the year ended 31 March 2017. This increased other reserves as at 31 March 2017 and 1 April 2016.

Note 2: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes items such as remeasurements of defined benefit plans, equity instruments designated as at FVOCI. Tax effect of such items are also included in 'other comprehensive income'. The concept of other comprehensive income did not exist under previous GAAP.

Notes to the standalone financial statements

(All amounts in INR lakhs, unless otherwise stated)

Note: 20 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 2018	31 March 2017
<i>Current tax</i>		
Current tax on profits for the year	10.74	8.56
Total current tax expense	10.74	8.56
<i>Deferred tax</i>		
Decrease (increase) in deferred tax assets	-	-
(Decrease) increase in deferred tax liabilities	0.20	(2.92)
Total deferred tax expense/(benefit)	(0.20)	(2.92)
Income tax expense	10.94	5.64

(b) Amounts recognised directly in other comprehensive income

Particulars	31 March 2018	31 March 2017
<i>The amount of income tax relating to each component of other comprehensive income</i>		
(i) FVOCI equity instruments		
- Current tax	-	-
- Deferred tax	-	0.94
	-	0.94

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

Particulars	31 March 2018	31 March 2017
Profit before tax	54.30	48.92
Tax at the indian tax rate of 30.90% (2016-17 – 30.90%)	16.98	17.96
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Impact of change in tax rate	(6.06)	(6.06)
Tax effect on gains on which tax has been recognised in OCI	0.22	(1.94)
	-	0.94
Total income tax expense/(credit)	10.94	5.61

For K Derasari & Co.

Firm Registration No. 324091E

Chartered Accountants

Kishan Derasari

Partner

Membership No. 059741

Dharam Chand Baheti

Ajay Kumar Agarwal

Shankar Lal Kedia

Chairman

Director

Director

Place : Kolkata

Date :28th May, 2018

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration Rules, 2014)]

GLOSTER SPECIALITIES LIMITED

CIN : U18109WB2011PLC159677

Registered Office : 21, Strand Road, Kolkata – 700 001

Tel : (033) 2230-9601 (4 lines); Fax : (033) 2231 4222/2210 6167

E-Mail : info@glosterjute.com

Name of the Member(s)
Registered Address
E-mail ID
Folio No./Client ID
DP ID

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint

1.Name _____
Address _____

E-mail ID _____
Signature _____, or failing him

2.Name _____
Address _____

E-mail ID _____
Signature _____, or failing him

3.Name _____
Address _____

E-mail ID _____
Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th Annual General Meeting of the Company, to be held on Friday, the 21st day of September, 2018 at 4.00 P.M. at 21, Strand Road, Kolkata – 700 001 and at any adjournment thereof in respect of such resolutions as are indicated below :

S.No.	Resolutions
1.	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31st March, 2018 together with the Report of the Board of Directors and Auditors thereon.
2.	Appointment of a Director in place of Shri Shankar Lal Kedia who retires by rotation and being eligible, offers himself for re-appointment.

Signed this _____ day of _____ 2018

Signature of Shareholder _____

Signature of Proxy holder (s) _____

Affix one
Rupee
Revenue
Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

GLOSTER SPECIALITIES LIMITED

CIN : U18109WB2011PLC159677

Registered Office : 21, Strand Road, Kolkata – 700 001

Tel : (033) 2230-9601-(4 lines); Fax : (033) 2231 4222/2210 6167

E-Mail : info@glosterjute.com

ATTENDANCE SLIP

Name of the Member / Proxy (in block letters).....

Folio No.

DP ID No.

Client ID No.

No. of Shares

I/We hereby record my/our presence at the 7th Annual General Meeting of the Company held on Friday, the 21st day of September, 2018 at 4-00 P.M. at 21, Strand Road, Kolkata 700 001 and at any adjournment thereof.

Date : _____

Signature of the Member / Proxy _____

Notes:

1. This attendance slip should be signed and handed over at the entrance of the Meeting.
2. Member / Proxy holder desiring to attend the meeting should bring his / her copy of the Annual Report for reference at the meeting.

Route Map for venue of Annual General Meeting

