



GLOSTER LIMITED



GLOSTER LIMITED SUSTAINABILITY REPORT 2012-13







21 STRAND ROAD



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ABOUT THIS REPORT

The Global Reporting Initiative (GRI) has pioneered and developed a comprehensive sustainability reporting framework that is widely used around the world. The framework enables all organizations to measure and report their economic, environmental, social and governance performance – the four key areas of sustainability.

The Reporting Framework – which includes the Reporting Guidelines, Sector Guidelines and other resources, enables greater organizational transparency about economic, environmental, social and governance performance. This transparency and accountability builds stakeholders' trust in organizations, and can lead to many other benefits. Thousands of organizations, of all sizes and sectors, use GRI's Framework in order to understand and communicate their sustainability performance.

For more information on GRI,
visit **www.globalreporting.org**

This report prepared by Gloster Limited is in accordance with the GRI version G3 guidelines with for the reporting period from April 2012 to March 2013.

The boundary of this report includes our Head Office, Main Unit and our Ananya Unit.

CONTACT

For feedback and any questions related to this report or any of Gloster's sustainability initiatives please contact:

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Gloster Limited
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MESSAGE FROM THE LEADERSHIP



MESSAGE FROM THE EXECUTIVE CHAIRMAN

Economic growth translates to sustainable development only when it is inclusive, creating the capacity to consume among those living at the margin – the lion's share of whom are in rural India.

Sustainability assumes great importance and urgency in the developmental context of India.

As we look forward to economic growth, it becomes critically necessary to focus on the impact of such growth on society and the environment. Economic growth translates to sustainable development only when it is inclusive, creating the capacity to consume among those living at the margin – the lion's share of whom are in rural India. Equally, sustainable development is achieved only when environmental capital is enriched.

Corporates, which constitute an important membership of any society, need to make their contribution in meeting this global challenge. Those companies that create economic progress with minimal adverse impact on ecology by deploying technologies that use the planet's finite resources efficiently and serve to replenish natural capital need to be valued even more. Accordingly, the contribution of companies needs to be more comprehensively measured along three dimensions, commonly referred to as the "triple bottom line". These dimensions are: economic, ecological and social. As society witnesses the growing influence of corporations in driving economic, environmental and social change, investors and other stakeholders expect the highest standards of ethics, transparency, sensitivity and responsiveness from corporates. In my opinion, the stakeholders, including consumers, are

increasingly raising the bar of expectation in relation to corporate response to issues and aspects of sustainable development.

Envisioning a larger societal purpose has always been a hallmark of Gloster Limited, which is a commitment of ours beyond the market and the customers. Gloster has always given significant importance to its responsibility to contribute to the triple bottom line. We have an uncompromising dedication to perform beyond institutional compliance in order to ensure that we excel in the domain of safety, occupational health and environmental performance in our operations. We have significant focus on reducing the environmental impact of our business and operations; different initiatives related to energy efficiency, water management, waste management elaborated in the 'Our Environmental Performance' section would substantiate the same. We have always believed in the concept of inclusive growth for the society and to ensure the same we designed our community engagement framework focusing on the aspects of education, healthcare, local infrastructural development, promoting self-sustainable business model etc.

A variety of concerns, including pollution,

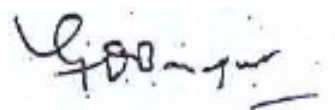
climate change, human rights issues and economic crises, have prompted the development of ongoing public discourse about the role of business in society and the need for greater transparency, sustainability and responsibility in business. We believe that a Sustainability Report is one of the best possible tools to make a complete disclosure about our performance and address all the queries of our stakeholders regarding our business and associated activities. As firms worldwide have embraced sustainability reporting, the most widely adopted framework has been the GRI Sustainability Reporting Framework. The GRI framework is a collection of reporting guidance documents — all of which were developed through global, multi-stakeholder consultative processes — designed to assist companies in preparing sustainability reports and ESG disclosures. Our Sustainability Report has been developed in compliance with GRI version G3 guidelines. The major drivers behind Gloster's voluntary initiative towards coming up with a Sustainability Report are as follows:

- Executives, shareholders and investors seeking assurance that sustainability risks have been managed
- Communities seeking information regarding how the company is managing the environmental and social impacts of its operations
- Regulations related to environmental and social matters
- Current and potential employees seeking information about company sustainability practice

- Gloster looks forward to engage with its stakeholders in a transparent and inclusive manner. As a result although not mandated by statute, Gloster has initiated the process of Sustainability Reporting with its stakeholders.

Sustainability Reporting, in one form or another, is now mandatory in several countries. This mandate is being driven either by national government or through stock exchange listing requirements. Stock Exchanges in at least 20 countries across six continents require or strongly encourage listed companies to publish sustainability reports or disclose key information related to environment or social impacts. In India also it has been decided by the Securities & Exchange Board of India (SEBI) to mandate the inclusion of a Business Responsibility Report (BR Reports) as a part of the Annual Reports of top 100 listed entities. Therefore globally and in Indian context also disclosure of sustainability performance from listed entities is gradually increasing.

We at Gloster firmly believe that business venture, however profit driven it might be, is ultimately part of the society. Gloster's endeavor is to use / consume the resources in a responsible and sustainable manner and thereby minimize its environmental impact.



Executive Chairman



INTRODUCTION FROM THE MANAGING DIRECTOR

Welcome to our first Corporate Sustainability Report, which outlines our commitment towards environment and society through our business.

Gloster Limited has a proud heritage and is driven by strong principles, with quality, values and integrity at the heart of its business strategy. Ours is a professionally managed company engaged in the manufacture of Jute & Jute allied products. We acknowledge our wider social and environmental responsibilities and our goal is to be recognised for building a sustainable business based on trust, loyalty and shared-value attributes.

reasons for opportunities for growth and expansion of world market space for jute products. However, apart from ensuring responsible and quality products for our customers, Gloster's sustainability related endeavours go beyond the domain of environment and focus on the triple bottom line to ensure an inclusive growth for the organization and the society at large.

In line with our commercial objectives and our vision for the future, we have laid out our roadmap for Sustainable Development as well as Corporate Social Responsibility. We are focusing towards reduction of our carbon footprint, saving energy, improvement of energy efficiency in our operations, preventing waste and recycling more, and also on water recycling. We are also continuing to invest in more local and sustainable sourcing and ensuring our customers with a wide choice of product range.

We are determined to make a real difference creating value for all our stakeholders

Sustainability makes sense environmentally, socially and in our business. By 'doing the right thing' we can help protect and nurture the valuable resources on which we all depend, making our business more efficient and effective, whilst also recognising the opportunity to meet the growing demand for sustainable products and services. Jute is 100% bio-degradable & recyclable and thus environment friendly. The worldwide awareness on environment is one of the

We believe that there is seldom a single reason why an organization decides to start reporting on non-financial performance and implement a sustainability reporting process in the first place. Motivating forces can be internal or external, tangible or intangible, financial or moral and the reasons behind reporting might change over the years. We realise the significance of transparent disclosure (across triple bottom line) in

the context of today's business and we strongly believe that a Sustainability Report would be the most effective tool to communicate with the stakeholders regarding our economic, environmental and social performance.


We believe that, through a Sustainability Report we can reach out to our buyers and effectively communicate regarding our R&D, Technology innovation. The initiative of sustainability report development has helped us to formulate the sustainability vision and strategy for the organization in alignment with our business plans. It has also helped us in deriving values in the context of identifying weaknesses and strengths in the present sustainability management systems of the company, improve upon selective internal processes, connect departments more effectively through an improved sustainability communication framework. We look forward to continuing the process of sustainability reporting to ensure a steady improvement in our sustainable management practices and systems and to remain committed to our stakeholders on transparent disclosure of our performance.

Gloster Limited registered a net profit of ₹ 202.08 million during FY 2012-13; which has grown 6.72% over and above the net profit for FY 2011-12. Other financial parameters like the Net Worth, Income from operations, Cash Profit, and Reserves have also shown steady and significant growth trend over a few years. During FY

2012-13, our revenue figure from sales in the international market (export geography) has shown a significant growth of 18.48% with respect to the previous year.

We believe that our continued improvement across the triple bottom line has resulted from our striving for achieving excellence in our operations, our commitment towards maintaining the product quality in alignment with the customers' expectations, our relationship with the customers and overall the commitment and dedication of our people. We look forward to continue this journey of inclusive growth for our business and the society with full support from our stakeholders.

Dharam Chand Baheti



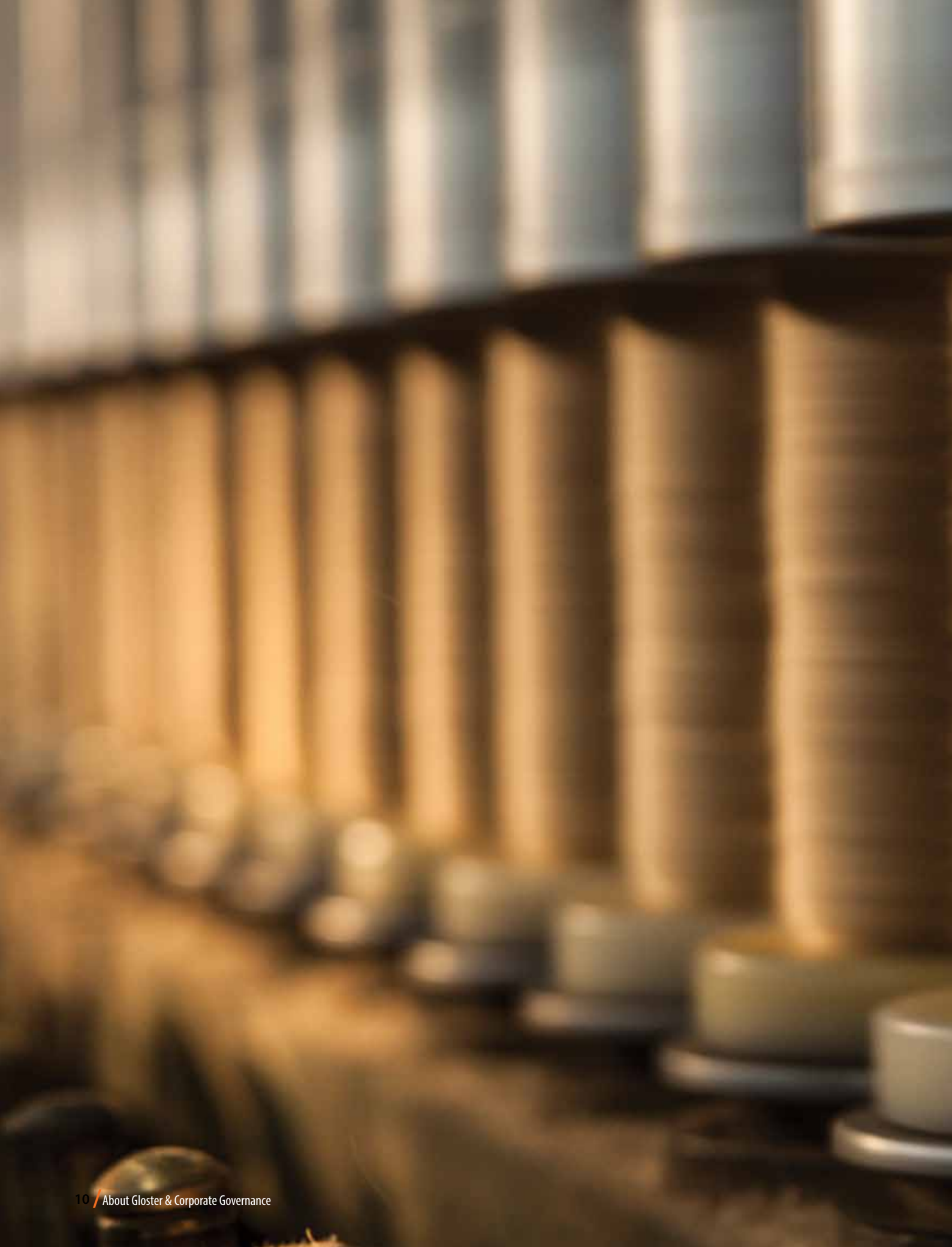
Managing Director : Gloster Limited

Chairman : Indian Jute Industries Research Association

Council Member : National Jute Board

Vice Chairman : Jute Product Development & Export Promotion Council

Members : Committee on Geo-textiles, National Jute Board



A close-up, warm-toned photograph of a wooden spool with thread, likely part of a textile machine. The spool is the central focus, with its wooden texture and the fine threads visible. The background is blurred, showing parts of the machine and other spools.

ABOUT GLOSTER & CORPORATE GOVERNANCE



A low-angle, upward-looking photograph of industrial structures, likely part of a jute mill. On the left, a tall, dark, cylindrical structure, possibly a chimney or silo, is visible. To its right, a complex network of metal scaffolding and structural beams extends across the frame. The background is a bright, overcast sky with soft, white clouds. The overall tone is industrial and somewhat somber due to the muted colors of the structures.

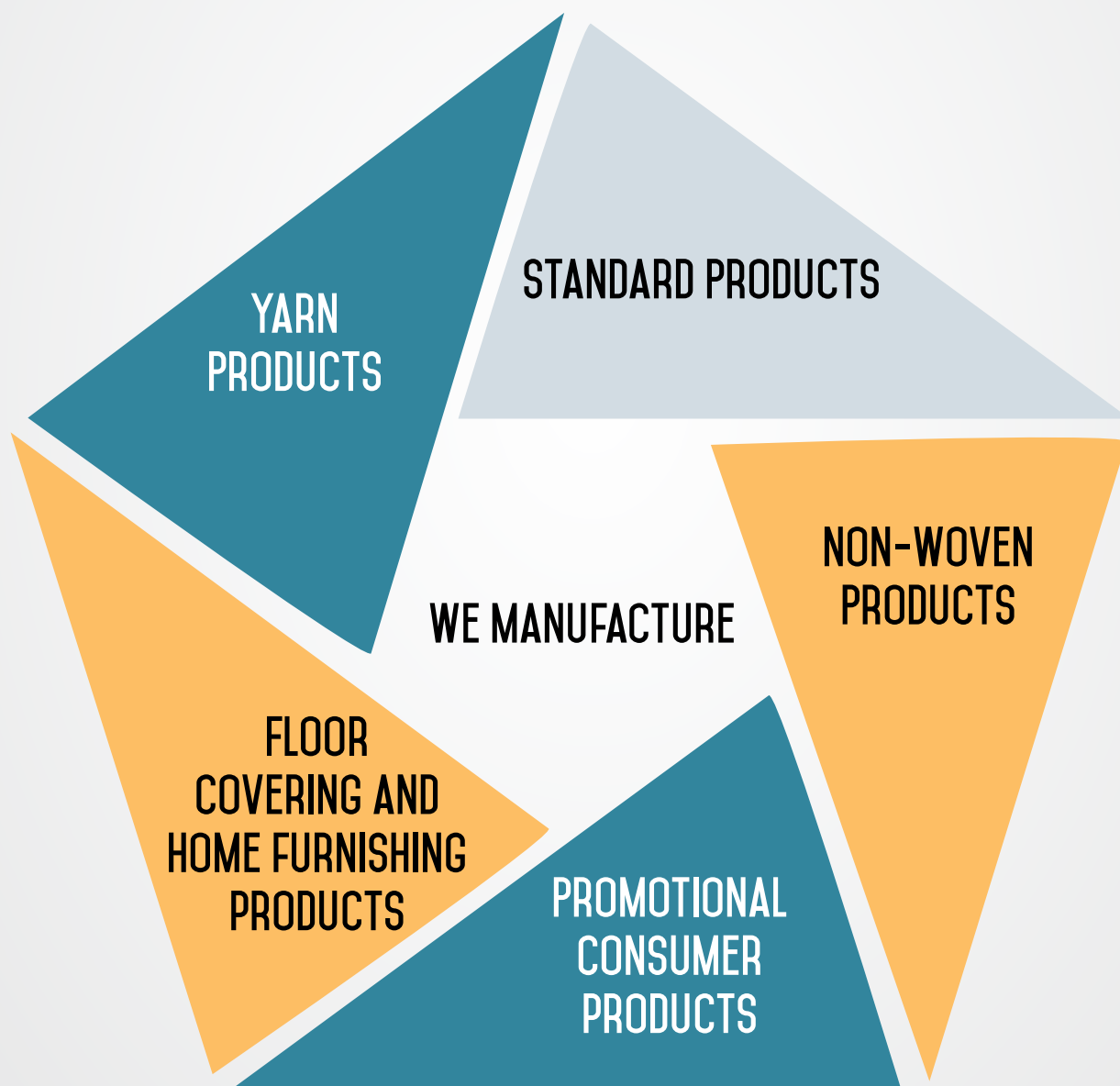
ABOUT GLOSTER LIMITED

Gloster Limited is a Public Company which was incorporated on the 18th of February 1992. Gloster has been in operation since 1872 and it was taken over by the Bangur Group in 1954. The Bangur Group continues to run the company to this day. Gloster is a professionally managed company engaged in the manufacture of Jute and Jute allied products. Our Main Unit is located in Bauria, P.O. Fort Gloster, in the Howrah District of West Bengal, India. We have another business Unit called Ananya which is located at a distance of 1.5 kilometres from the Main Unit. We also have a Stand-by Power Plant.

The present management of Gloster has over 60 years of experience in running large jute manufacturing units. Gloster has been extensively modernised to enable it to manufacture value added diversified jute products. The company offers standard products, including Hessian cloth/bags, Sacking cloth/bags, Canvas, tarpaulin, Leno/net and scrim cloth, treated fabrics, spirally sewn bags and odourless food grade bags, Geo-textile products comprising soil savers, webbings, tapes, and horticultural sheets and liners.

It also manufactures fine yarn, blended yarn, carpet yarn, dyed yarn, and twines/ropes; non-woven products, including felt/cloth pieces; and floor covering and home furnishing products, such as woven flat-bed carpets, matting, and rugs. In addition, the company manufactures promotional consumer products comprising shopping bags, utility bags, and made ups; laminated fabrics, coated fabrics and treated fabrics-rot proof and fire retardant jute products for interior decoration and packaging of industrial and agricultural textiles.

PRODUCT AND SERVICES



OUR UNITS



Ananya Unit



Main Unit

OUR OFFICES



Mill Office

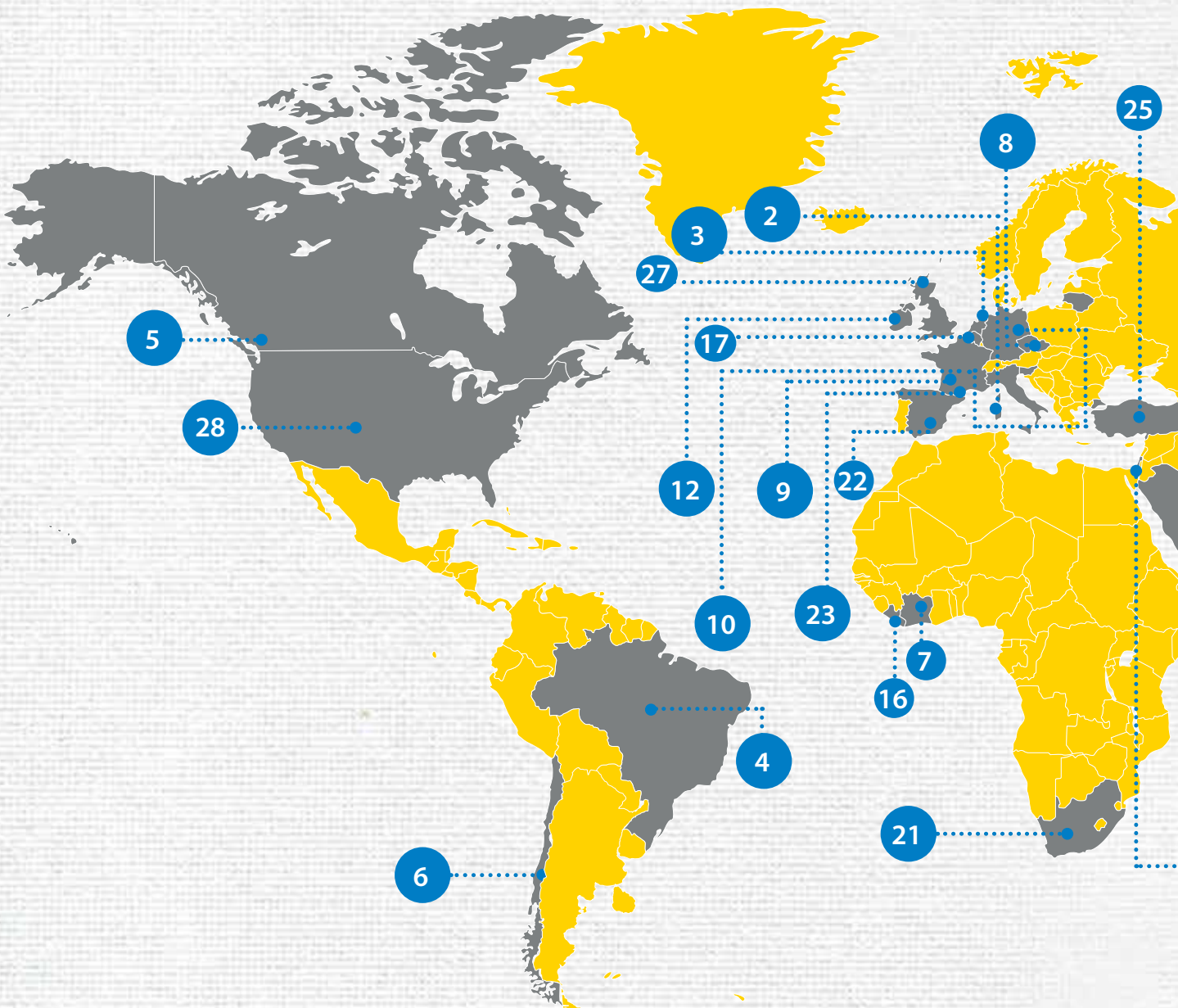


Head Office

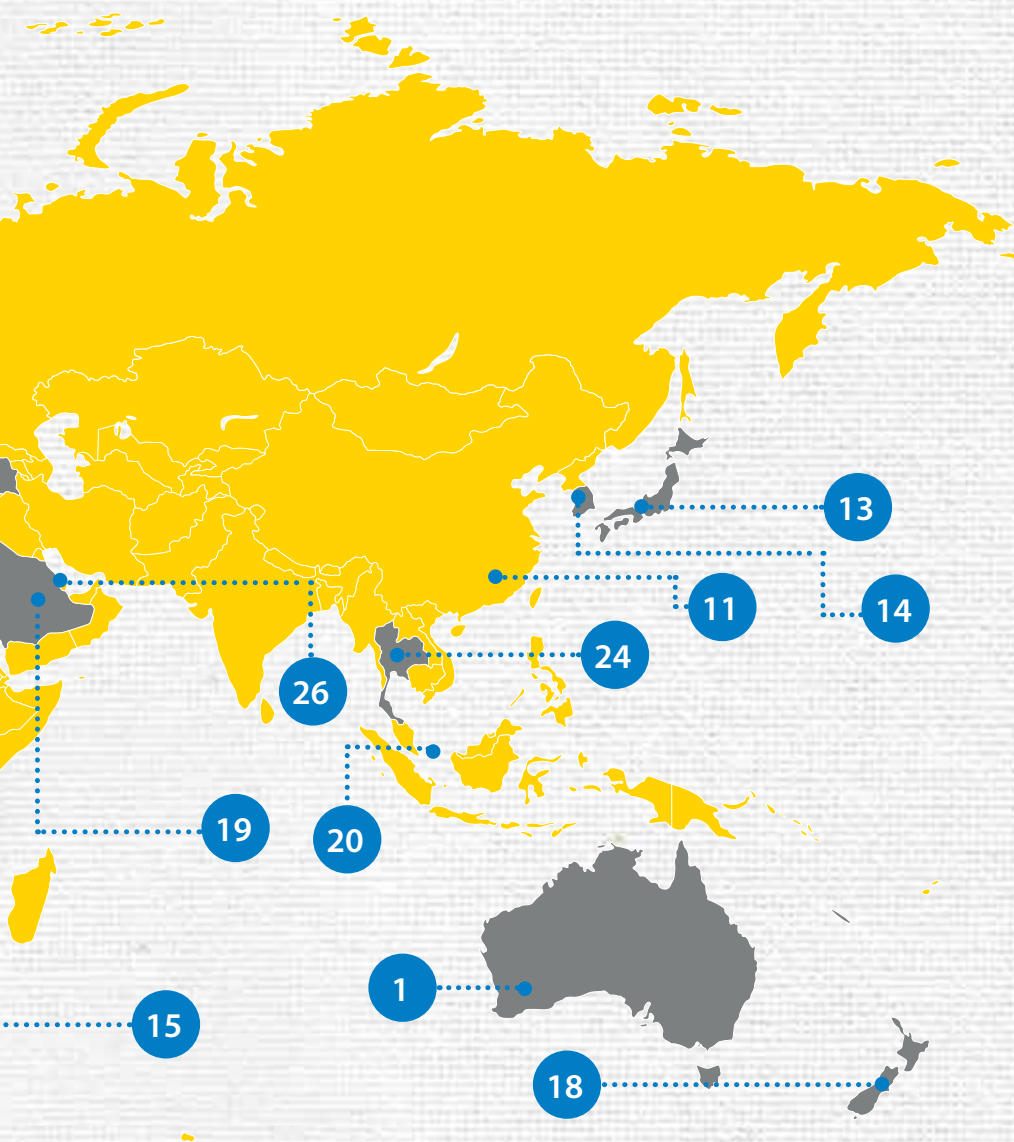
OUR EXPORT GEOGRAPHY

Exports are an integral part of our business. We export our goods to twenty eight countries across six continents. Majority of our exports are made up of jute bags along with other lifestyle products. Given below is a map that displays the geographical extent of our export:

WE EXPORT TO THE




FOLLOWING GEOGRAPHIES



Sequence	Countries
1	Australia
2	Austria
3	Belgium
4	Brazil
5	Canada
6	Chile
7	Côte d'Ivoire
8	Czech Republic
9	France
10	Germany
11	Hong Kong
12	Ireland
13	Japan
14	Korea
15	Lebanon
16	Liberia
17	Netherlands
18	New Zealand
19	Saudi Arabia
20	Singapore
21	South Africa
22	Spain
23	Switzerland
24	Thailand
25	Turkey
26	U.A.E
27	United Kingdom
28	U.S.A.

GLOSTER BOARD OF DIRECTORS



G. D. Bangur
Executive Chairman

Hemant Bangur
Vice Chairman

D. C. Baheti
Managing Director

Bhaskar Mitter
Board Member

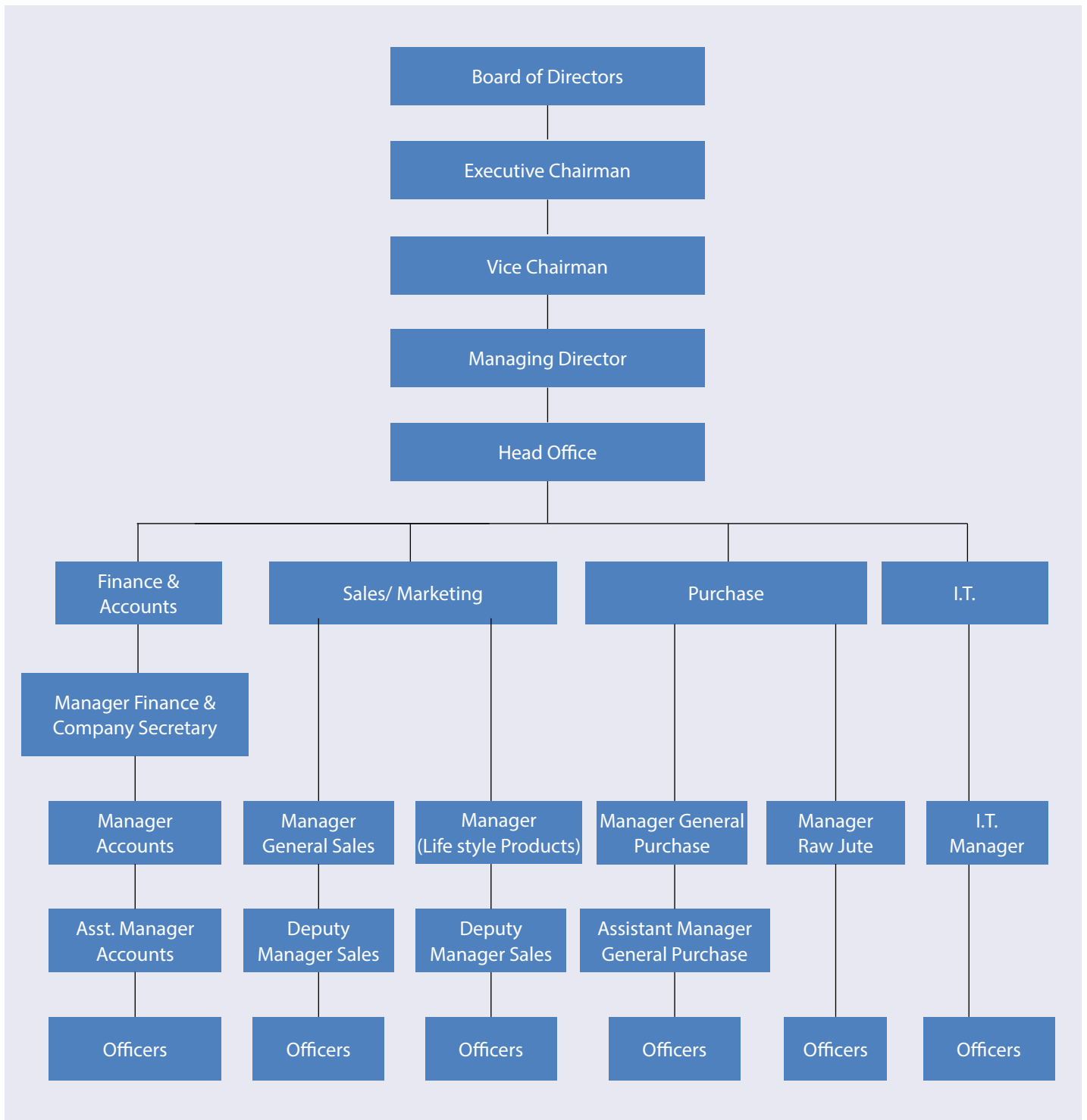
Nandita Sen
Board Member

R. R. Dash
Board Member

K. Mahapatra
Board Member

Dr. Prabir Ray
Board Member

GLOSTER HEAD OFFICE ORGANIZATION CHART



THE GUIDING PRINCIPLES OF OUR SUSTAINABILITY STRATEGY

SUSTAINABILITY VISION

To continue producing high-quality products, organic and traditional, while addressing the myriad sustainability concerns of our organization. To remain committed to our workforce, the communities in which we operate, our shareholders, customers and the society. To reduce and manage the environmental impacts of our operations wherever feasible.

SUSTAINABILITY MISSION

To embed the principles of sustainability in our business-decision making process. We believe this will enhance the efficiency of our operations as well as generate positive impacts for all our stakeholders. For us sustainability is an on-going process requiring periodic review and oversight. Our process is a flexible one to allow us the best chance to meet and beat the challenges of the modern consumer market.

SUSTAINABILITY OBJECTIVES

To use the principles of sustainability to enhance the efficiency of our business

To use our CSR initiatives to improve the lives of the communities around our areas of operation

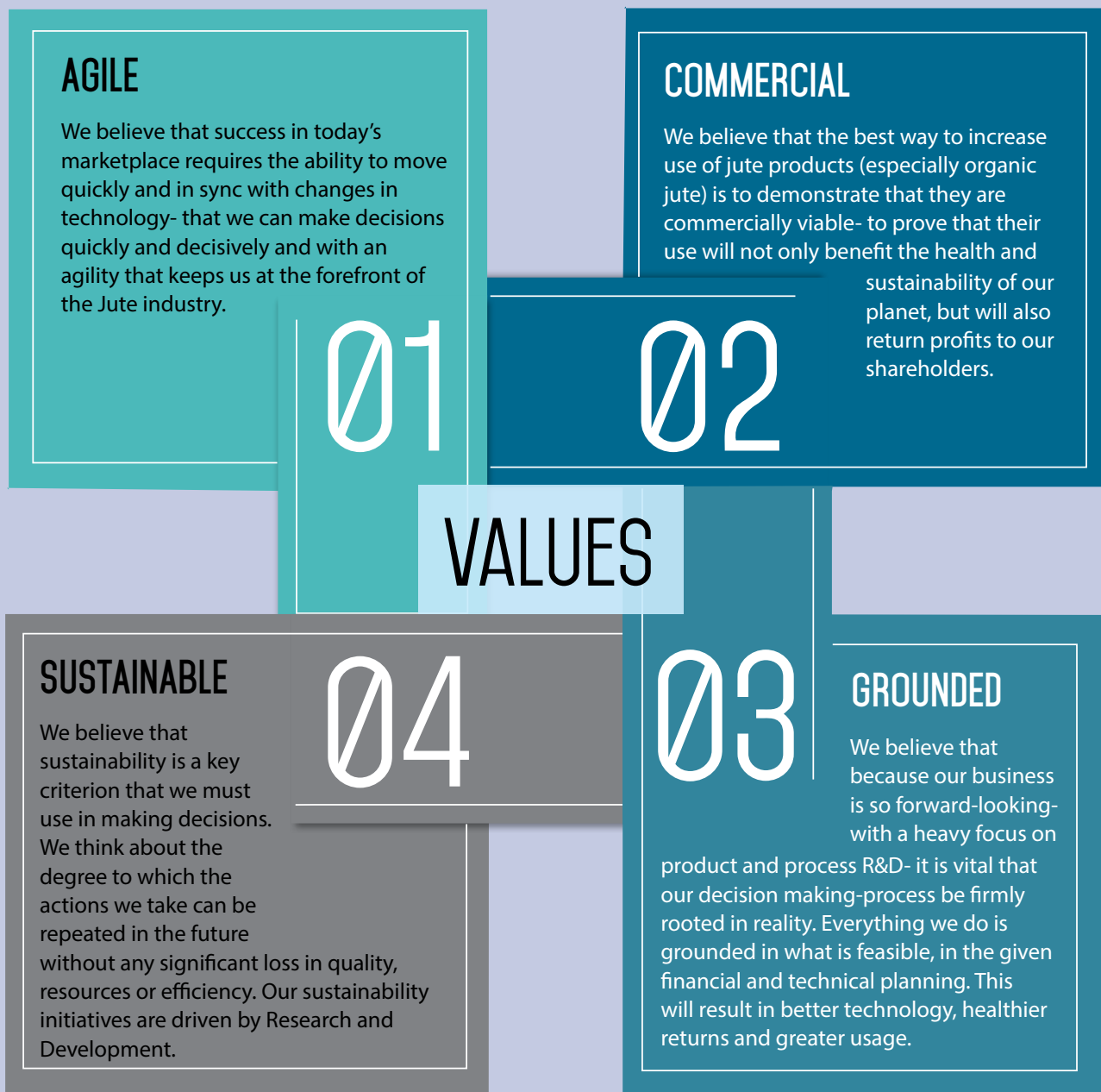
To use energy efficiency, water efficiency and waste efficiency initiatives to improve our environmental performance

To communicate our goals effectively to our people so as to derive the highest value possible from our sustainability initiatives and encourage an organization-wide acceptance of said initiatives

To communicate with our stakeholders to gauge their concerns and then incorporate those in our decision making

ORGANIZATIONAL DRIVERS

Gloster has a set of core corporate values that impact all of our business activities. The values are inspired by our Code of Conduct and other organizational policies, and they serve as the basis for how our employees are expected to do business. The values and our research driven sustainability approach are guiding principles for all our sustainability efforts and outline the ethos of our organization.



OUR APPROACH TO SUSTAINABILITY & INNOVATION

Sustainability is an important consideration in our business. As a jute company, we understand the diverse impacts of our operations. From growing jute, to processing it and making final products, our aim is to reduce our environmental impacts, improve the societal conditions in our areas of operation while continuing to generate economic value for our stakeholders. The cornerstone of our sustainability efforts is our research and development initiatives. Our team of dedicated scientists and technicians are engaged in research, product development and quality management. The research is carried out in our state-of-the-art laboratory with cutting-edge technology and equipment. Our research has also enabled us to bring more efficiency into organic farming of jute. We are also working on using enzymes in our retting process to reduce water use and the time taken in retting the jute. Our two units use modernized machines which have been designed to reduce manpower needs. Our old coal fed boilers have been replaced by multi-fuel boilers and this has allowed us to improve our energy-efficiency and hasten the

production process. The Ministry of Environment and Forest, Government of India has certified this initiative of Gloster Limited under the Clean Development Mechanism. The non-woven conversion technology, has allowed us to produce eco-compatible substitutes to synthetic textiles for different uses and also to recycle waste fibre into useful products. We are also one of the pioneers of promoting the cultivation of organic jute in West Bengal. Our product development efforts have helped us develop a wide range of products like Geo-textiles, Agro-textiles, Furnishing fabrics and Lifestyle products, besides our traditional products like bags, yarn and twine. One of our Geo-textiles has been approved by the Indian Roads Congress (IRC) and Central Road Research Institute (CRRI) as suitable for road construction.

Research is a collaborative effort and we are proud of our close ties with the leading research institutes for the Indian jute industry. We have completed a study through the National Institute of Industrial Engineering (NITIE), and with the support of National Jute Board

(NJB) for "Productivity Improvement and Total Quality Management." We are also closely associated with the following research and development institutes:

- Indian Jute Industries Research Association (IJIRA)
- National Institute of Research on Jute and Allied Fibre technology (NIRJAFT)
- Central Research Institute for Jute and Allied Fibres (CRIJAF)
- The South Indian Textile Research Association (SITRA)
- National Jute Board (NJB)
- Department of Jute and Fibre Technology, University of Calcutta (Institute of Jute technology)
- For us, sustainability is an ongoing journey. We have taken the initial steps to set us down the path, and we do not intend to stop after reaching pre-set targets. Our goal is to embed the principles of sustainability throughout our organization and make it an integral part of Board-level decision making process.



SUSTAINABILITY PERFORMANCE ENABLERS

1



GOVERNANCE

2



CODE OF CONDUCT

3



STAKEHOLDER ENGAGEMENT

4



IMS POLICY

5



SYSTEM & CERTIFICATION

OUR APPROACH TO GOVERNANCE

Our Company's philosophy of Corporate Governance is a reflection of our ethical behavior, policies and commitment to core values. Strict adherence to the principles of fairness, transparency, professionalism, accountability and propriety in total functioning of the Company, are pre-requisites for attaining sustainable growth in this competitive corporate world. Our Company aims to align its interests with the interests of stake holders and is focused on generating long term shareholder's wealth and confidence.

Our Company is always committed to good Corporate Governance and application of best management practices for safeguarding the interest of all stakeholders. The principles of transparency and integrity are reflected in our activities. Our company seeks to focus on regulatory compliances, complying with all the provisions of Listing Agreement with Stock Exchanges and applicable Corporate Governance Norms with all the modifications within the prescribed time, thereby giving stress on essential pre-requisites of corporate governance.



GLOSTER GOVERNANCE COMMITTEES

BOARD OF DIRECTORS

In accordance with the law, the Board of Directors is the supreme management body of the company. The Board provides leadership, strategic guidance and independent view to the company's management while discharging its responsibilities. The Board consists of distinguished persons having requisite knowledge and expertise in business & industry, corporate finance, taxation, legal matters, risk management and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, meets with the requirements of Clause 49 (1) (A) of the Listing Agreement. The number of Independent Directors is more than one-half of the total number of Directors. The Board meets at least once a quarter to review the quarterly business and the financial performance of the company. The yearly calendar of the meetings is finalized before the beginning of the year and additional meetings are held whenever necessary. The composition of our Board of Directors is provided below.

COMPOSITION OF THE BOARD OF DIRECTORS

Name of the Director	Category of Partnership	Directorship in Other Companies*	No. of Board Committees (other than Gloster) in which they are Chairperson/Member	
			Chairperson	Member**
Gopal Das Bangur	Promoter Executive Chairman	4	1	2
Hemant Bangur	Promoter Non-Executive	8	Nil	Nil
Bhaskar Mitter	Independent Non-Executive	Nil	Nil	Nil
Nandita Sen	Independent Non-Executive	Nil	Nil	Nil
Rebati Ranjan Dash	Independent Non-Executive	Nil	Nil	Nil
Krutibas Mahapatra	Independent Non-Executive	Nil	Nil	Nil
Dr.Prabir Ray	Independent Non-Executive	Nil	Nil	Nil
Dharam Chand Baheti	Non-Promoter Managing Director	4	Nil	Nil

* Excludes alternate Directorships, Directorships in Indian Private Limited companies and foreign companies and membership of managing committee of various bodies.

** Members include Chairman/Chairperson.

Only membership of Audit Committee and Shareholders' /Investors' Grievances Committee is considered.

AUDIT COMMITTEE

The Audit Committee assists the Board in discharging its responsibilities regarding compliance with legal and regulatory requirements, the quality and integrity of the accounting, auditing, reporting practices & financial disclosures of the company. The terms of reference of the Audit Committee includes:

- Reviewing the Company's financial reporting process and disclosure of financial information;
- Recommending the appointment, re-appointment and removal of Statutory Auditors & Cost Auditors, fixation of audit and other fees;
- Reviewing the Quarterly and Annual financial statements with primary focus on accounting policies and practices, compliance with Accounting Standards and legal requirements concerning financial statements;
- Reviewing the adequacy of internal control systems and internal audit function, ensuring compliance of internal control systems and reviewing the Company's financial and risk management policies;
- Reviewing the reports furnished by the Internal Auditors and Statutory Auditors and ensure suitable follow-up thereon;
- Reviewing the financial statements & in particular investments made by the unlisted Subsidiaries of the Company.

During FY 2012-13, the Audit Committee met on four occasions with all members present for the four meetings.

COMPOSITION OF THE AUDIT COMMITTEE

Name of the Director	Position	Category
Nandita Sen	Chairperson	Independent, Non-Executive
Hemant Bangur	Member	Non-Executive
Bhaskar Mitter	Member	Independent, Non-Executive
Krutibas Mahapatra	Member	Independent, Non-Executive



REMUNERATION COMMITTEE

The Remuneration Committee is constituted to formulate and recommend to the Board from time to time, a compensation structure for the Whole – time Directors and Managing Directors of the Company. The terms of reference of the Committee includes:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Whole -time Directors & Managing Directors
- Reviewing the performance of the Whole – time Directors & Managing Directors and recommending to the Board the quantum of annual increments and annual commission;

During FY 2012-13, the Remuneration Committee met on three occasions with all members present.

COMPOSITION OF THE REMUNERATION COMMITTEE

Name of the Director	Position	Category
Krutibas Mahapatra	Chairman	Independent, Non-Executive
Hemant Bangur	Member	Non-Executive
Bhaskar Mitter	Member	Independent, Non-Executive
Nandita Sen	Member	Independent, Non-Executive

SHAREHOLDERS'/INVESTORS' GRIEVANCES COMMITTEE

The Board of Gloster Limited has constituted a Committee of Directors, which inter-alia also functions as 'Shareholders'/Investors' Grievances Committee', consisting of four members, chaired by a Non-Executive Director.

The Committee deals with various matters relating to:

- Transfer/transmission/transposition of shares
- Consolidation/splitting of folios

- Issue of share certificates for lost, sub-divided, consolidated, re-materialised, defaced, etc.;
- Review of shares dematerialised and all other related matters
- Investors' grievances and Redressal mechanism and recommend measures to improve the level of investor services

During FY 2012-13, the Shareholders'/Investors' Grievances Committee met on four occasions with all members present.

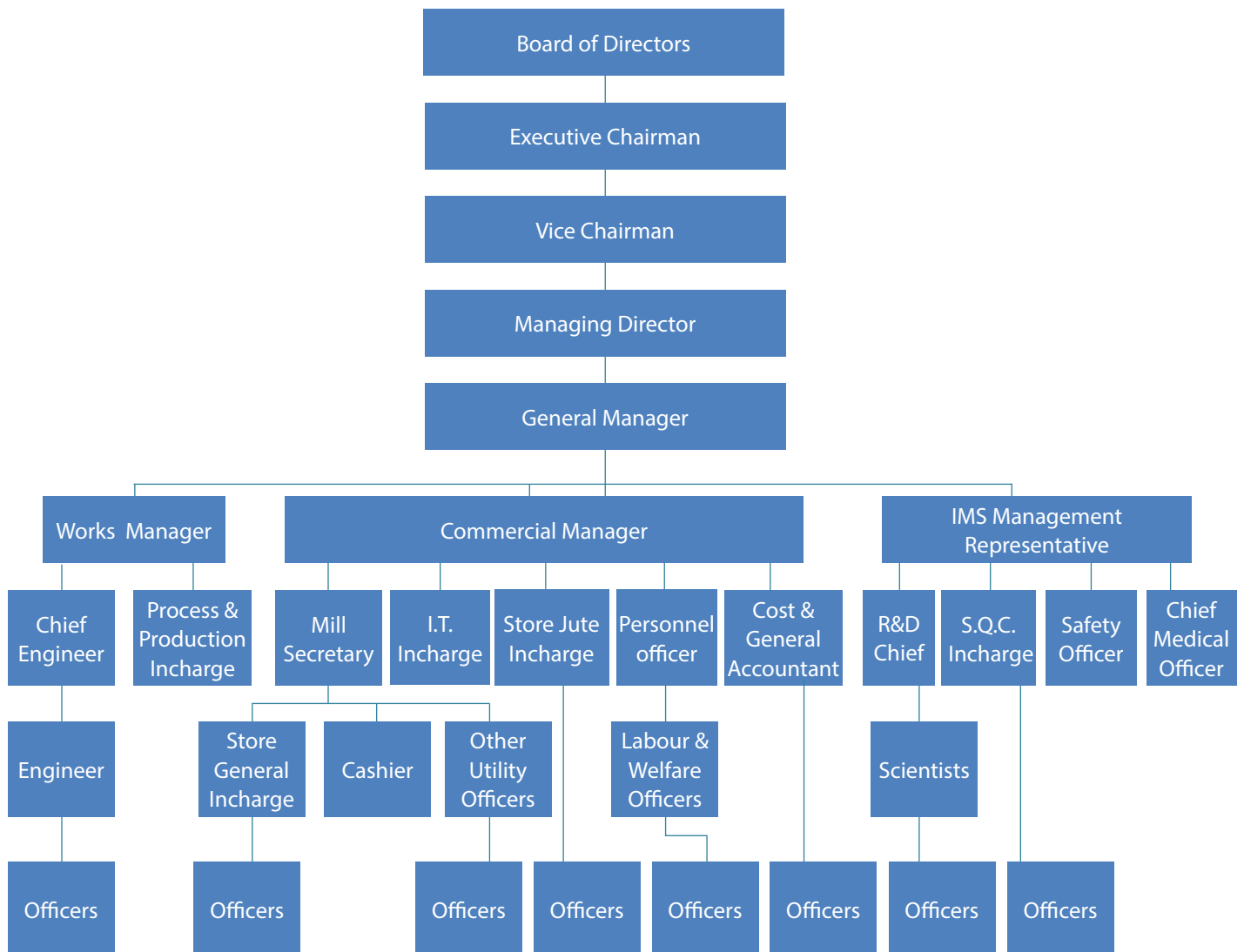
COMPOSITION OF THE SHAREHOLDERS'/INVESTORS' COMMITTEE

Name of the Director	Position	Category
Hemant Bangur	Chairman	Promoter, Non-Executive
Bhaskar Mitter	Member	Independent, Non-Executive
Nandita Sen	Member	Independent, Non-Executive
Krutibas Mahapatra	Member	Independent, Non-Executive

OUR OPERATIONAL HIERARCHIES

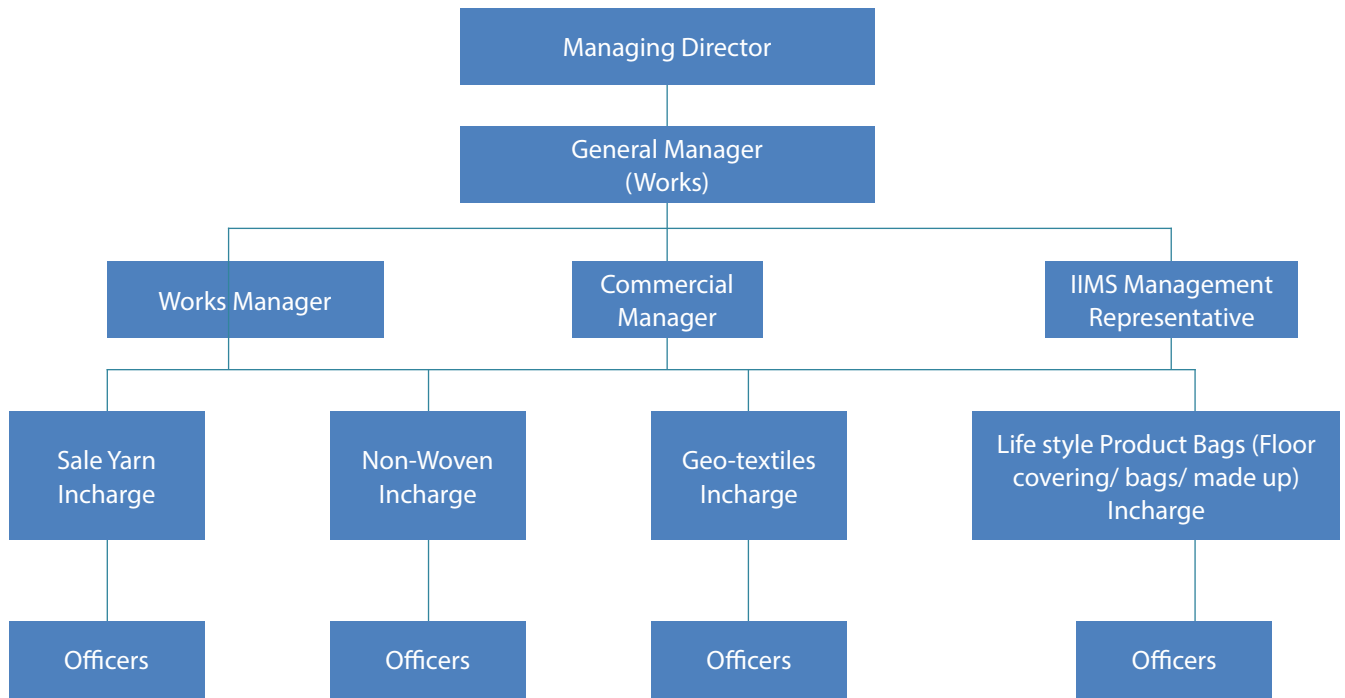
Given below are the organization charts for each of our operational processes. The separate hierarchies help Gloster achieve operational efficiency as well as enhance the implementation of sustainability measures throughout the organization.

GLOSTER WORKS ORGANIZATION CHART

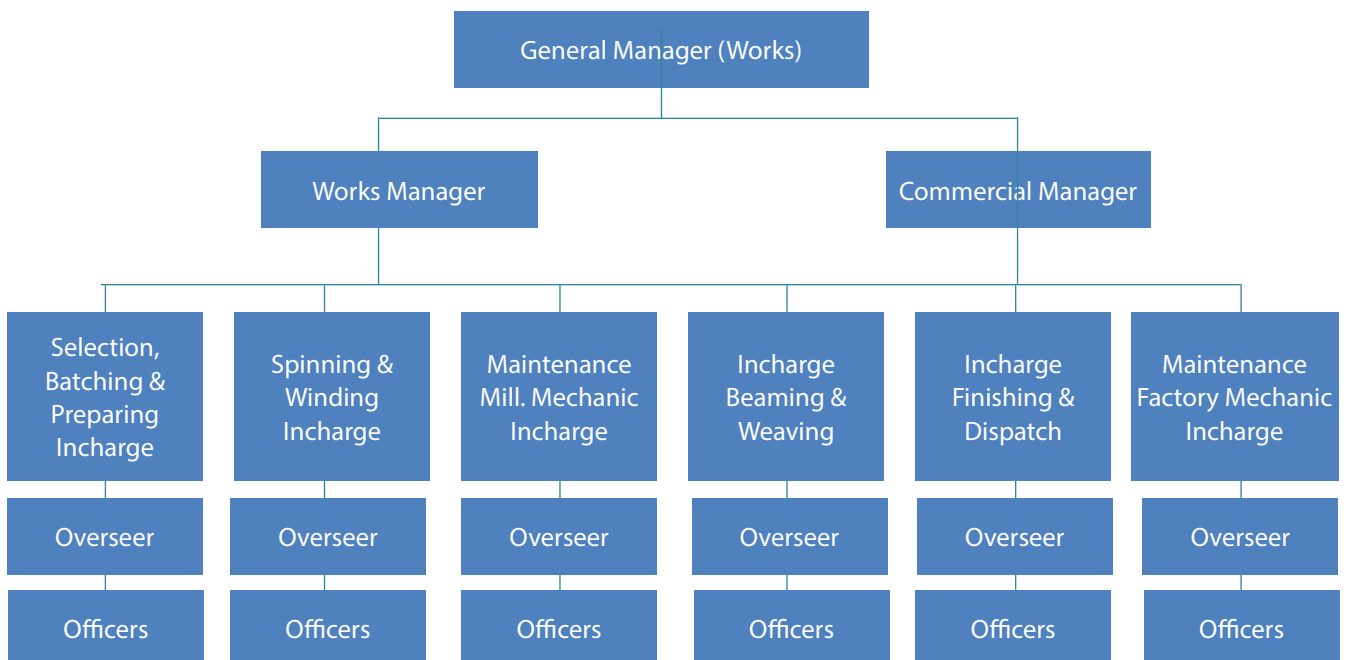



GLOSTER FACTORY ORGANIZATION CHART

(DIVERSIFIED PRODUCTS)



GLOSTER PRODUCTION PROCESS





**THE CODE” IS INTENDED TO
PROVIDE GUIDANCE FOR
HANDLING ANY UNFORESEEN
SITUATIONS WHICH MAY ARISE.**

OUR CODE OF CONDUCT

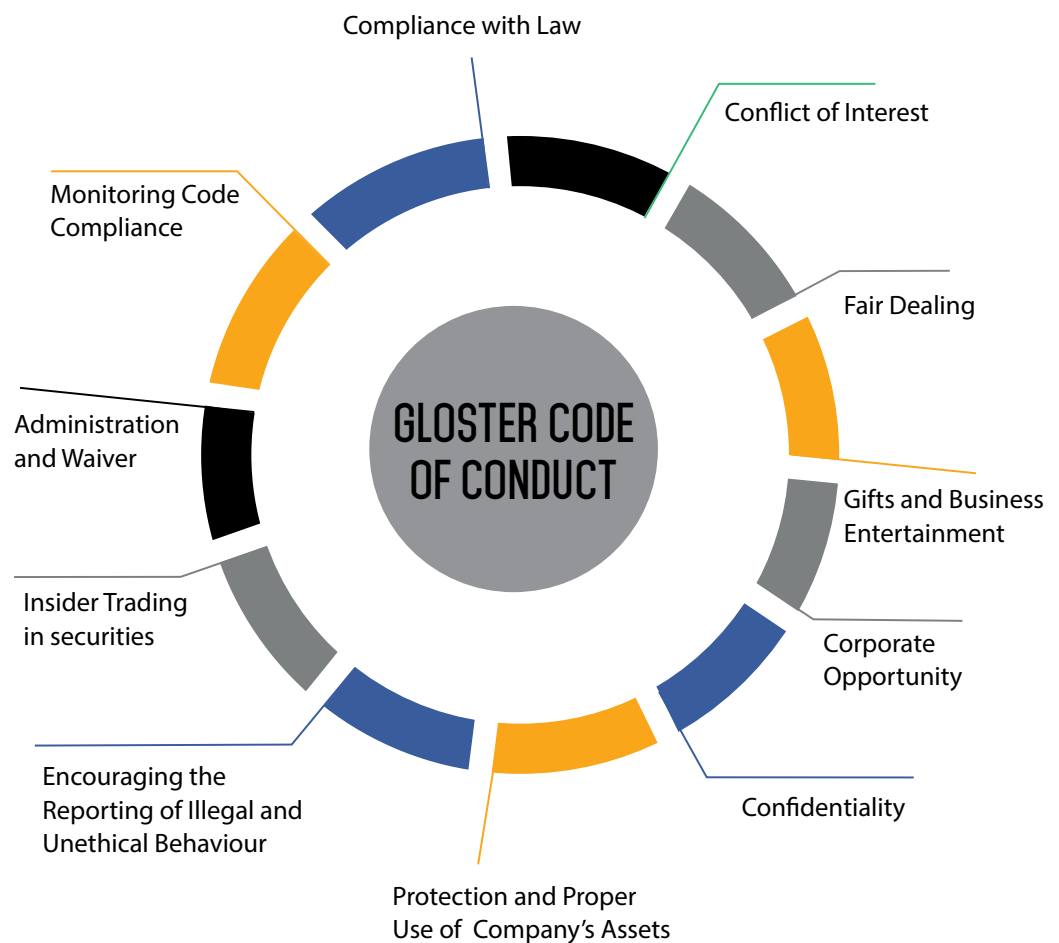
The Board of Directors of the Gloster Limited have adopted the “Code of Conduct and Ethics” (Herein after referred to as “The Code”) to maintain the standards of business conduct for the Company and ensures compliance with legal requirements.

The object of “The Code” is to deter misconduct and promote ethical conduct. The matters covered in “The Code” are of utmost importance to the Company, its shareholders and its business associates.

“The Code” is designed to assist in defining appropriate personal and professional conduct, to provide guidance in the identification and resolution of ethical issues, and to help the members of the Board, members of the Senior Management and officers of the Company to maintain the culture of honesty, integrity, transparency and accountability. Since no code or policy can anticipate every situation which may arise, the Company is committed to continuously review and update “The Code” from time to time.

Each Director, member of the Senior Management and officers of the Company must comply with the letter and spirit of “The Code”.

For the purpose of “The Code”, ‘Senior Management’ would comprise members of the management one level below the Managing Director, including all functional heads.



APPLICABILITY OF THE "CODE" TO DIRECTORS, MEMBERS OF THE SENIOR MANAGEMENT AND OFFICERS OF THE COMPANY

THE "CODE" APPLIES TO THE MEMBERS OF THE BOARD OF DIRECTORS, MEMBERS OF THE SENIOR MANAGEMENT AND OFFICERS OF THE COMPANY

COMPLIANCE WITH LAW: All Directors, Senior Management and officers of the Company must respect and comply with all laws, rules and regulations of India and other countries in which the Company conducts its business. Violating the law must be avoided under all circumstances, especially violations punishable by imprisonment, monetary penalties and fines.

CONFLICT OF INTEREST: Each Director, every member of the Senior Management and every officer should endeavour to avoid any conflict of interests with the Company. A 'conflict of interest' exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. The Directors, members of the Senior Management and officers must avoid situations involving actual or potential conflict of interest. Conflict of interest may also arise when a Director or a member of the Senior Management or an officer or members of his or her family, or an organisation with the Director or Senior Management is affiliated, receives improper benefits as a result of the Director's or Senior Management's or officer's position. Any situation that involves or may involve a conflict of interest must be promptly disclosed to the Company's Managing Director or Chairperson of the Audit Committee. No transaction which involves an actual or potential conflict of interest should be undertaken without prior approval of the

GIFTS AND BUSINESS ENTERTAINMENT: The Directors, members of the Senior Management or the officers of the Company shall not under any circumstances solicit, accept or agree to accept anything of value for the benefit of any person from anyone doing or seeking to do business with the Company that is perceived as intended, directly or indirectly, to influence any business decision. Invitations from business partners, especially suppliers may only be accepted if the occasion and the scope of the invitation are appropriate and if refusing the invitation is discourteous. Managing Director and Managing Director and in case of Directors without the approval of the Board of Directors.

CORPORATE OPPORTUNITY: The Directors, members of the Senior Management and officers shall not exploit for their own personal gain opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board of Directors declines to pursue such opportunity. Directors, members of the Senior Management and officers are prohibited from (a) taking for themselves personally any opportunity that properly belongs to the Company or is discovered through the use of corporate property, information, or position; (b) using corporate property, information, or position for personal gain; and (c) competing with the Company. If any of Directors or members of the Senior Management or officers reasonably believe that a contemplated transaction might be a corporate opportunity or a competitive transaction, the Director or member of the Senior Management or officer should make full disclosure to the entire Board and seek its authorisation to pursue such transaction.

FAIR DEALING: Every Director, members of the Senior Management and officers should endeavour to deal fairly with the Company's customers, suppliers, dealers, investors, competitors and employees. No Director or member of the Senior Management or officer of the Company should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair dealing practice. In addition to strict compliance with all legal aspects, all Directors, members of the Senior Management and officers are expected to observe the highest standards of business and personal ethics in the discharge of their assigned responsibilities.

CONFIDENTIALITY: The Company's confidential information is a valuable asset and includes product information, product plans and list of customers, dealers and employees and financial information. All confidential information must be used for Company business purpose only. Every Director member of the Senior Management and officer must safeguard it. The Directors, members of the Senior Management and officers must maintain the confidentiality of the information entrusted to their knowledge by the Company or its customers and any other information which comes to them about the Company, except when disclosure is authorised or legally required. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company if disclosed.

PROTECTION AND PROPER USE OF COMPANY'S

ASSETS: All Directors, members of the Senior Management and officers at all levels should protect the Company's assets and ensure their efficient use.

ENCOURAGING THE REPORTING OF ILLEGAL OR

UNETHICAL BEHAVIOUR: Directors and members of the Senior Management should endeavour to ensure that the Company (a) encourages employees to talk to their superiors and other appropriate personnel when in doubt about the best course of action in a particular situation; (b) encourages employees to report violation of laws, rules, regulations or the Company's Code of Conduct and Ethics to appropriate personnel; (c) informs employees that the Company will not allow retaliation for reports made in good faith. Theft, carelessness, and waste have direct impact on the Company's profitability.

INSIDER TRADING IN SECURITIES: It is prohibited to trade in securities or to tip others to trade in securities of the Company on the basis of insider information before it is made available to the public and information about the event has been sufficiently disseminated in public to enable investors to evaluate it. 'Insider information' means any information which is not in public knowledge and which can be used to influence an investor's decision to purchase, sell or keep a security. Insider trading rules are strictly enforced, even in instances when the financial transactions seem small. To avoid the appearance that any Director, member of the Senior Management or officer is trading on inside information, no Director or member of the Senior Management or officer directly or indirectly should engage in short sales or trade in puts, calls or other options on the securities of the Company. The purpose of this policy is both to inform of the legal responsibilities and to make clear to the directors, members of the management team and officers of the company that the misuse of sensitive information is contrary to Company policy and applicable securities regulation laws of India.

ADMINISTRATION AND WAIVER: Any waiver of any provision of this Code for Director or Senior Management of the Company or officer may be granted only by the Board of Directors, upon recommendation of the Audit Committee and shall be promptly disclosed as required by any applicable law. Any waiver must be accompanied by appropriate controls designed to protect the Company.

MONITORING CODE COMPLIANCE: Each Director, member of the Senior Management of the Company and officer is expected to monitor his or her personal compliance with this Code. An Annual reaffirmation of compliance with this Code is required of all Directors and all members of the Senior Management of the Company.

OUR INTEGRATED MANAGEMENT SYSTEM POLICY (IMS)

At Gloster, we have an Integrated Management System in place for both of our Units (Gloster Main Unit and Ananya Unit). The IMS Policy allows us to adhere to all National/International Standards in all matters regarding Quality, Environment, Occupational Health and Safety for Manufacturing and Supply of Jute Products (Conventional and Diversified). We understand that to achieve our goals under our IMS Policy we would need to work in close cooperation with our customers, investors, employees and other stakeholders.

GLOSTER IMS POLICY

MAIN UNIT

- To enhance customer satisfaction by providing timely supply of products as per specified quality requirements.
- To comply with national legislation (i.e. legal, statutory & regulatory requirements)
- To continually improve the effectiveness of established management systems.
- To make earnest endeavours for prevention of pollution, injury & ill health.
- To make optimum use of existing energy consumption and emphasis on Conservation of energy.
- To review the IMS Policy periodically for adequacy and continuing suitability relating to the requirements of established

management systems.

ANANYA UNIT

- To ensure a healthy and safe environment in and around the plant complying to all applicable and relevant legislations and other requirements and adhere to requirements laid by social accountability.
- To serve our customers to their satisfaction by timely supply of products meeting specified requirements through transparent quality system.
- To continuously improve product quality, environmental and safety performance, work environment and service through setting and reviewing objectives, employee education and involvement and upgradation of skill, knowledge, technology.

- To strive to meet customers' aspirations in quality standards and address their concerns through regular interaction.
- To establish and maintain regular monitoring of product quality, safety performance, environmental parameters and health of employees.
- To make earnest endeavours to minimize pollution, injury, ill health and optimize energy consumption.

SYSTEMS AND CERTIFICATION

SYSTEMS

Gloster uses a variety of systems to improve its sustainability performance. These tools are integral to our company and their use is important to all of our sustainability initiatives. Apart from our Integrated Management System (IMS) which is discussed earlier in the report, all other relevant systems are listed below.

A. OCCUPATION HEALTH AND SAFETY MANAGEMENT SYSTEM

Gloster is aware of the vital importance of environmentally friendly and safe operations. It is our policy to ensure that all of our operations are conducted in a manner such that we can ensure the safety of all the people concerned. As a matter of policy we also comply with all statutory and industrial requirements related to environmental protection and conservation of natural resources to the highest extent possible. Gloster has been awarded the OHSAS 18001: 2007 from The British Standards Institution for both units.

B. SOCIAL ACCOUNTABILITY SYSTEM

Gloster is cognizant of the importance of ensuring that our production process is not only environmentally safe but also socially responsible. We strive to ensure that our production process does not involve child labour or forced labour; that our units are a safe and healthy workplace; that our employees have freedom of association and the right to collective bargaining; that there is no discrimination in hiring, remuneration, access to training, promotion, termination or retirement on the basis of race, nationality, social origin, caste, birth, religion, gender, disability, sexual orientation, family responsibilities or marital status; that all personnel are treated with dignity and respect; that our working hours comply with all relevant standards and laws; that our remuneration is fair and matches industry standards and that we have a coherent and effective management system in place. To this end we have applied for and received the SA 8000:2008 Certificate from Social Accountability International (SAI). The Certificate has been issued to us for the Manufacture and Supply of Jute and Allied Fibre Products at our Ananya unit.

C. HAZARDOUS WASTE DISPOSAL SYSTEM

Gloster is conscious of the negative impact of hazardous waste generation. So we have taken all necessary steps to ensure that our hazardous waste is disposed in an environmentally friendly manner while complying with all national and local hazardous waste disposal norms and regulations. Pursuant to this we have applied for and received a responsible hazardous waste disposal certificate from the West Bengal Pollution Control Board (Government of West Bengal).

D. ENVIRONMENTAL MANAGEMENT SYSTEM

Gloster has implemented an Environment Management System(EMS), to ensure desired environmental performance. The EMS allows us to meet all the legal standards in place for our industry. It also allows us to monitor and manage our energy and water consumptions as well as our waste generation. We have received the ISO 14001:2004 certification for our Environmental Management System. The certification has been provided to both the Main Unit and Ananya Unit.

E. QUALITY MANAGEMENT SYSTEM

Gloster has implemented a Quality Management System at its Ananya unit also to ensure that the quality standards are monitored and maintained throughout the manufacturing process. The certification provided is the ISO 9001:2008 certification from the Bureau of Indian Standards as well as British Standards Institution.

F. RAW/NATURAL YARN PRODUCTION CERTIFICATION

Gloster is committed to manufacturing products made from raw or natural yarn made from 100% jute fibre. Pursuant to this we have applied for and received the Oeko-Tex Standard 100 Certificate from the Hohenstein Textile Testing Institute.

G. ORGANIC JUTE CULTIVATION AND PROCESSING

Gloster is one of the pioneers in the field of organic jute cultivation in India. We are committed to producing jute which meets all requisite organic cultivation standards, thereby reducing our impact on the environment. Pursuant to this, we have applied for and received the Organic Jute Cultivation and Processing Certification NPOP/NAB/003 from the National Programme for Organic Production (NPOP) and Institute for Marketecology (IMO). We have also received the Global Organic Textile Standard (GOTS) certification from the Control Union Certifications-Netherlands.

H. STAR EXPORT CERTIFICATION

Gloster was provided with the Star Export House Certification from the Ministry of Commerce and Industry, Government of India. The certification is valid for a period of five years from April 2009 till March 2014.

I. FAIRTRADE AND FLO-CERT CERTIFICATION

Gloster is committed to upholding the principles of Fair Trade. Pursuant to this, we have received a FAIRTRADE and FLO-CERT certification from FLO-CERT GmbH to confirm our compliance with the requisite standards. This has been awarded to our Ananya unit.

CERTIFICATION

We understand the value of applying for and receiving certifications for the various systems in place throughout our company. The following is a listing of the certification awarded to us during the current reporting period followed by the certificates.



Social Accountability (SA 8000-2008), certified by SGS for Manufacture and Supply of Jute, Cotton and Allied Fibre Products



Hazardous Waste Disposal Certification from West Bengal Pollution Control Board



Occupational Health and Safety Management Systems OHSAS 18001:2007 certified by The British Standards Institution



Confidence in Textiles tested for harmful substances according to OEKO-TEX Standard 100 by Hohenstein Textile Testing Institute GmbH & Co.



Organic Products Certification NPOP/NAB/003 by IMO Control Pvt. Ltd.



Quality Management System ISO 9001:2008 certified by The British Standards Institution



Environmental Management System ISO 14001:2004 certified by The British Standards Institution



Quality Management System IS/ISO 9001:2008 certified by Bureau of Indian Standards



Fair Trade Standards and FLO-CERT certification by FLO-CERT-GmbH



Global Organic Textile Standard (GOTS) certified by Control Union Certifications- Netherlands



Certification for Recognition of Star Export House Issued by office of the Joint Director of Foreign Trade, GOI



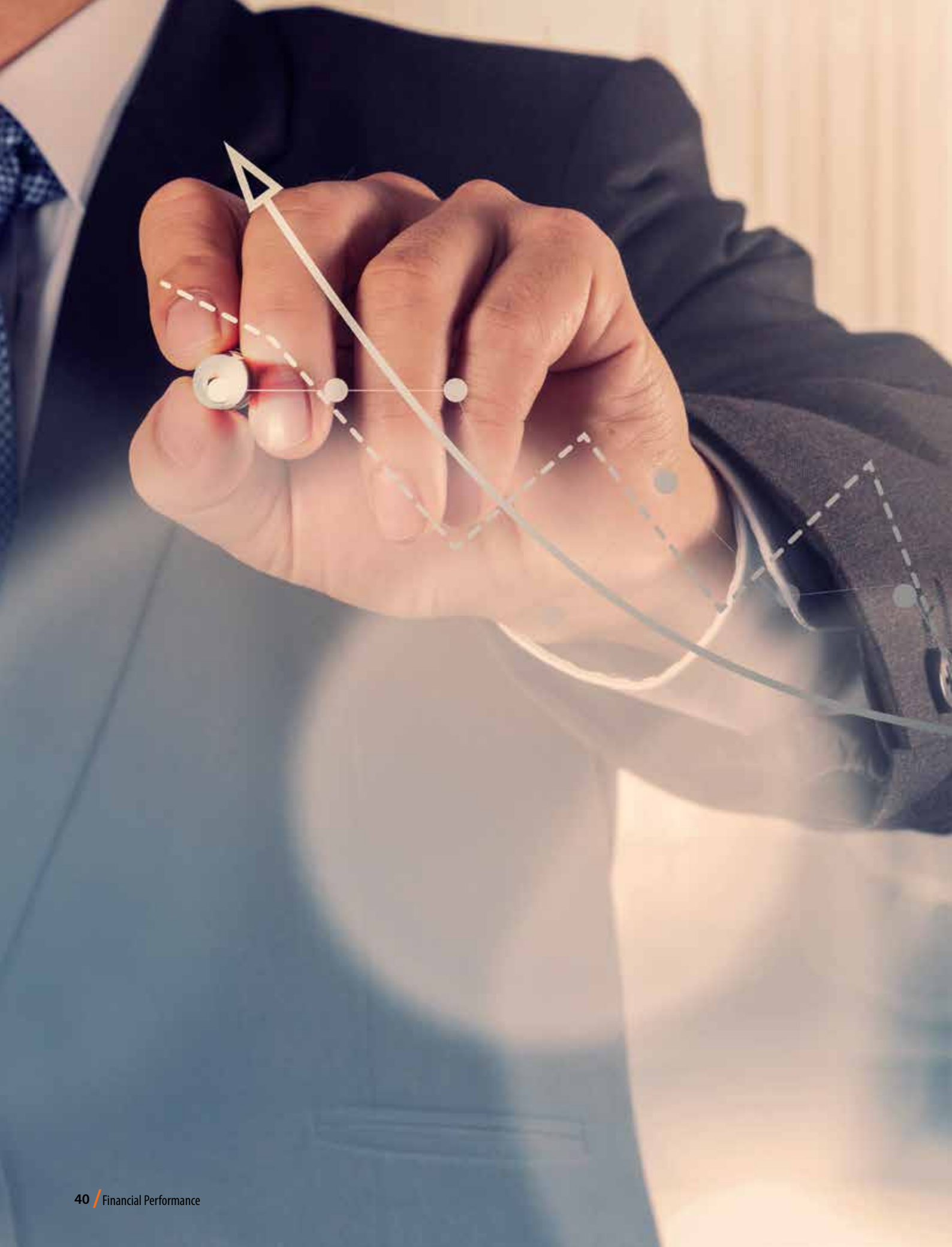
Clean Development Mechanism Certificate by Ministry of Forests & Environment, GOI





AWARDS

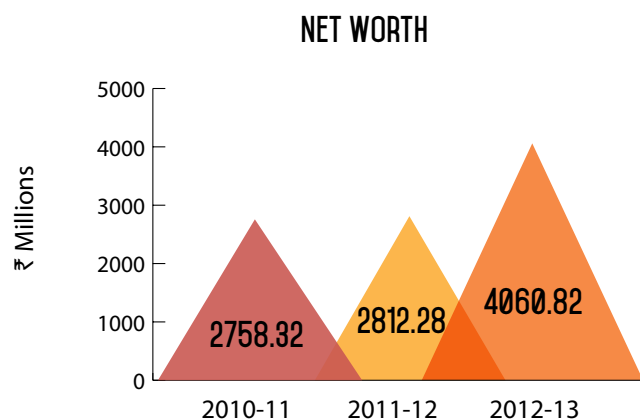
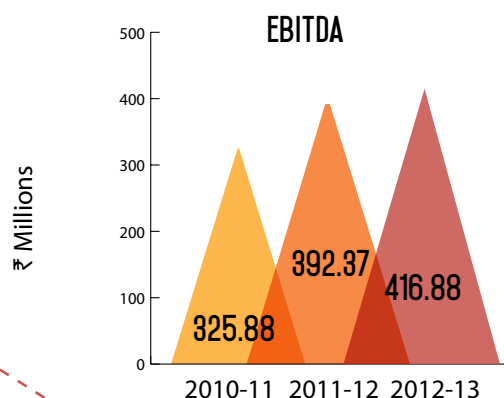
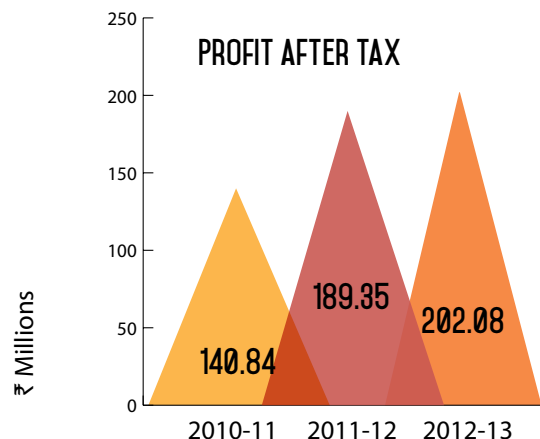
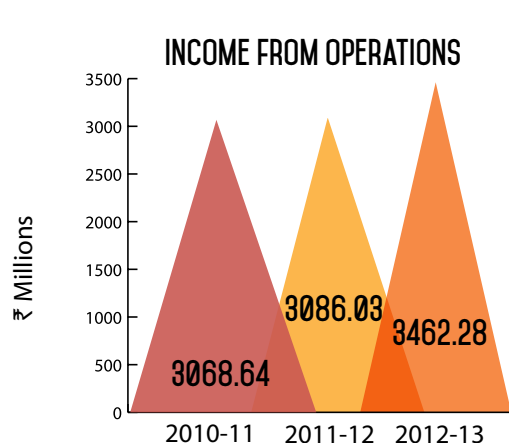
- In 2012, Gloster Limited has received Award of Honour from Jute Agricultural Research Institute (JARI)
- Gloster Limited was recognized for its Clean Development Mechanism for its systems for generation jute process steam by the Ministry of Environment and Forest, Government of India



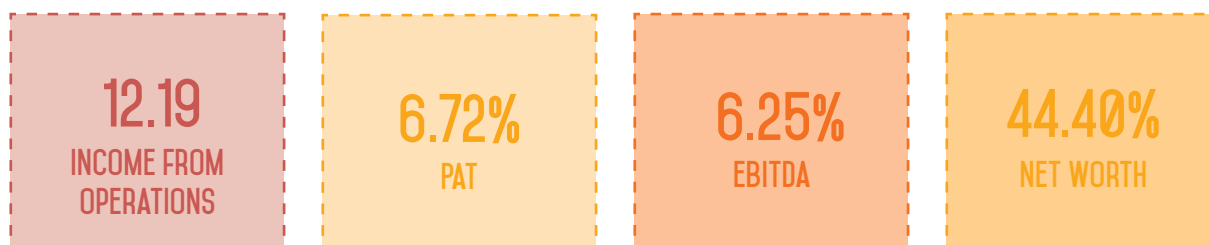


FINANCIAL PERFORMANCE

HIGHLIGHTS OF OUR FINANCIAL PERFORMANCE (EC1):

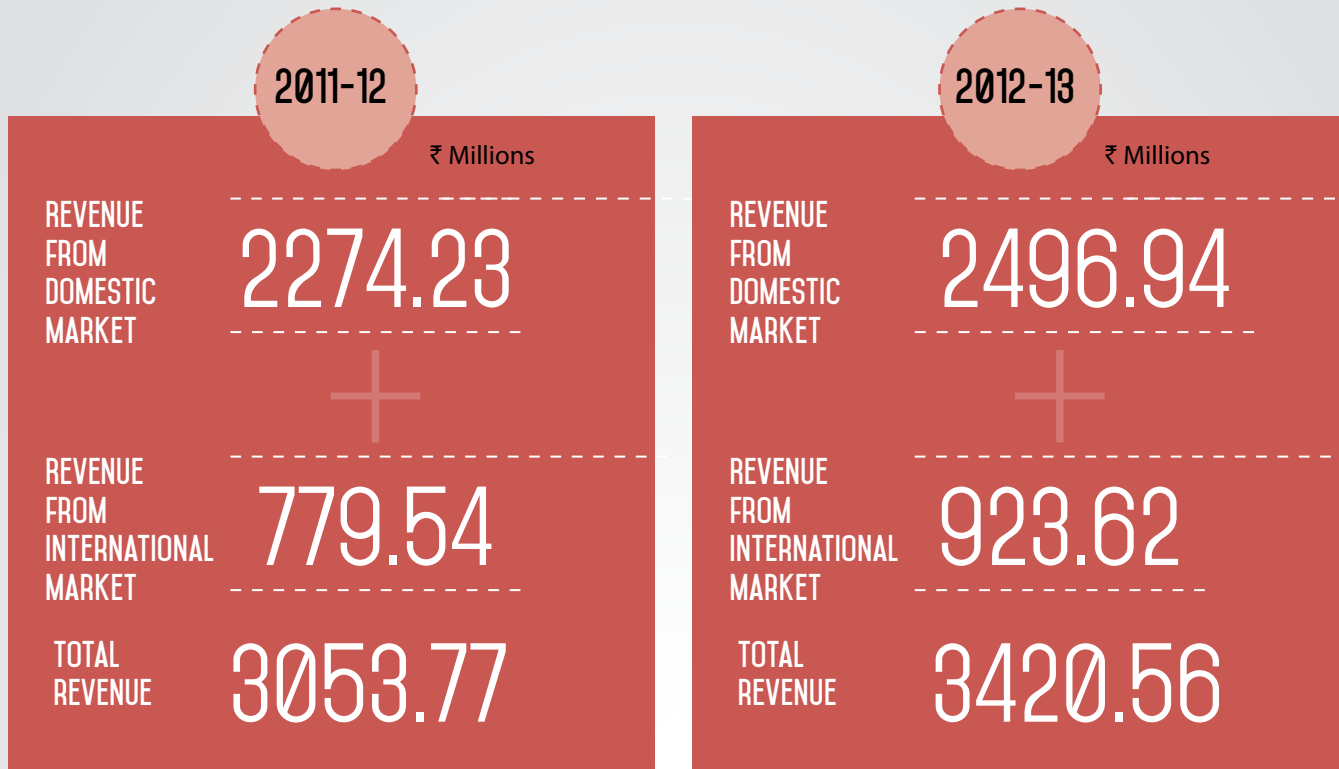


GROWTH WITH RESPECT TO FY 2011-12



GLOSTER'S REVENUE PORTFOLIO

(SEGMENT REVENUE BY LOCATION OF CUSTOMERS)



REVENUE GROWTH IN FY 2012-13

(SEGMENT REVENUE BY LOCATION OF CUSTOMERS)



FINANCIAL ASSISTANCE FROM GOVERNMENT (EC4)

Gloster did receive some financial assistance from the government in FY 2012-13 in the form of incentives. The details of the assistance are provided in the graphic below.

Total Assistance (Incentive)

₹ 3.20 MILLIONS

ENTRY LEVEL WAGES (EC5)

Gloster adheres to industry standards when it comes to entry level wage for both women and men which is always equal as per the law of the land. The standard entry level wage as per the industry-wide tripartite agreement is ₹ 157 per day plus 42% of the basic salary in benefits.

PROMOTION OF LOCAL HIRING (EC7)

As per our existing system for filling up of vacant positions arising out of natural exit due to Superannuation, resignation or death of an employee or requirement of the manufacturing process of the Department we, usually engage young boys from distressed families residing in and around the local areas of the Mill as 'On job Trainee/ Apprentice' who are later to be absorbed in the Mill as a Registered Badli worker with admissible statutory benefits after satisfactory completion of their tenure of hands on training with stipend. Our main sources of recruitment of manpower are as follows:

- Local employment exchanges
- Personal visit of job seekers
- Employees' son/dependent/relatives in the event of their superannuation / resignation/death
- Recommendations of the office bearers or workmen representatives of the operating Trade Unions of the Mill and also serving employees
- Recommendations of Local Social Organizations and Industrial Training Institutes

In case of appointment to the posts in the Senior Management level, we usually publish advertisement in widely circulated daily newspapers for selecting the suitable candidate and filling up the vacancies through interviews. In case of appointment in the Junior Management level, the recruitments are also made on recommendations of the authorities of Jute/ Textile technology Institutes or other sources.

LOCAL INFRASTRUCTURE INVESTMENT [EC8]

We at Gloster believe in the concept of an inclusive growth, and to understand the need of the local community in terms of development activities, we carry out a need assessment survey to understand the necessary domain where investment is required. Need assessment is carried out based on interaction with the local community representatives. Gloster has made significant efforts to improve the drinking water facilities, roads, healthcare facilities, education and safety etc. in and around the areas of its mills in Bauria and its corporate office located in Kolkata. The environment for business and Industry has been generally good and congenial and there has been support from the top brass of the administration who are in support of continuous industrial development.

We have undertaken the following measures towards local infrastructure development:

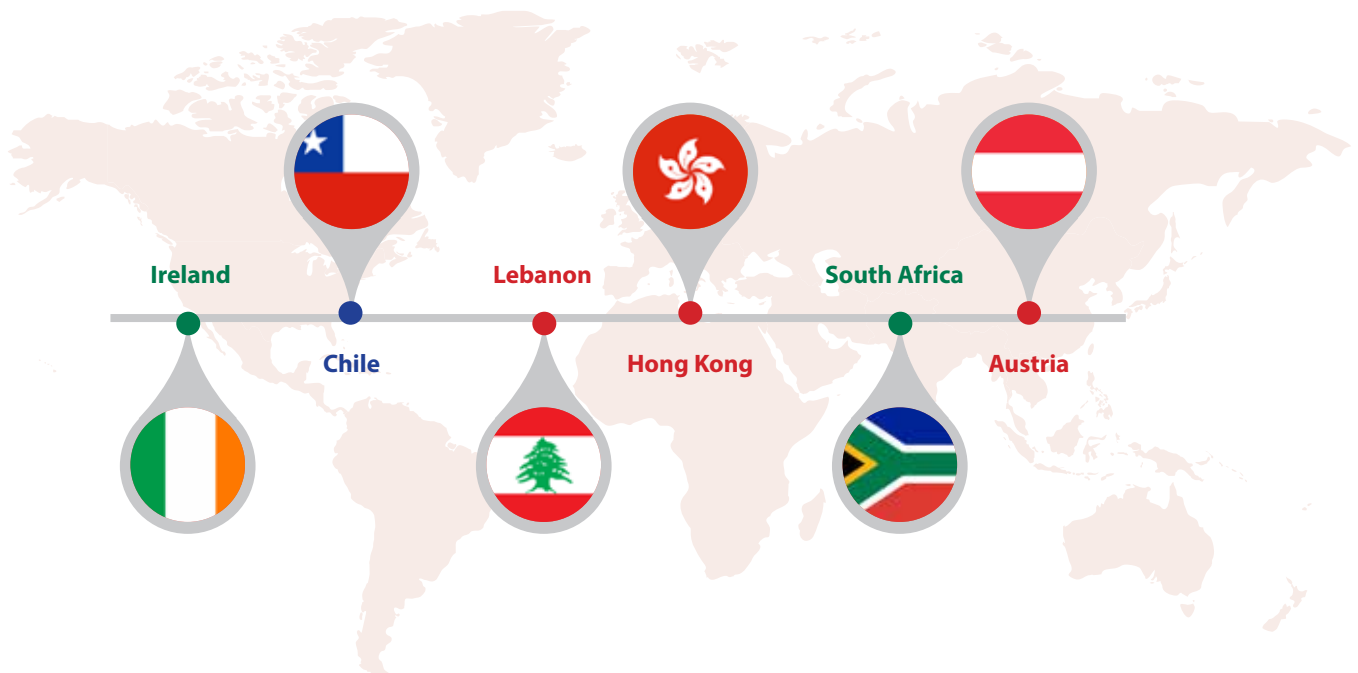
- Funding support to the Primary School adjacent to our unit
- Construction of the Sulabh Sauchalaya (Public Sanitation Facility) for the local community around the Factory
- Renovation of one of the Hospital Floors and funding support to purchase the necessary medical equipment at the Anadalok Hospital, Kolkata
- Identified and earmarked local area near its operational unit at Bauria for sponsoring weekly medical camps and providing mid-day meal to the underprivileged class of the society, for medical treatment and a healthier environment.

INDIRECT ECONOMIC IMPACTS [EC9]

Our units are responsible for significant indirect economic impacts in our areas of operation. We have provided large scale employment opportunities to the people living near our units. Our units' existence has also provided a boost to the local economy with our workers and executives often availing of products and services produced by the people living near our units. Our indirect economic impacts can be felt within a 10 kilometre radius of our units.

CONTINUOUS FOCUS ON NEW GEOGRAPHIES FOR INCLUSION IN OUR EXPORT PORTFOLIO:

During FY 2012-13 buyers from the following Countries have been added in our export portfolio:



OUR COUNTRY WISE BREAK UP OF SALES DURING FY 2012-13



Australia	Brazil	Cote d'Ivoire	Germany	Japan
Austria	Canada	Czech Republic	Hong Kong	Lebanon
Belgium	Chile	France	Ireland	Liberia

TOTAL SALES FROM EXPORT ₹ 923.62 MILLIONS



Netherlands	South Africa	Thailand	U.S.A.
New Zealand	Spain	U.A.E	
Saudi Arabia	Switzerland	United Kingdom	





STAKEHOLDER ENGAGEMENT



We appointed Ernst & Young LLP (EY) as an independent third party as a part of our Sustainability Report assurance process. In order to capture a transparent and unbiased opinion from our stakeholders, we had requested EY to individually approach a few of them (stakeholders randomly identified by the third party only and not by us) and gather their views, opinion and feedback regarding Gloster. EY had approached a few of them and collected their opinion through one to one interview and discussions. The feedback provided by the stakeholders have been captured by the EY team (engaged by us) and collated in the form of the section given below. For transparency we have provided the draft as given by EY only without editing the same. The section captures opinions from some of our buyers, suppliers, commission agents and farmers.



FEEDBACK FROM SOME OF OUR STAKEHOLDERS

RESPONSES FROM SOME OF THE SUPPLIERS AND BUYERS...



Mr. Jay Surana

Owner, Lalchand Dharamchand Supplier & Buyer

"We have a very long and successful business association with Gloster Jute. Gloster's continual focus on quality improvement and customer relationship has been the key to success for our business model. Gloster has always been one step ahead of their peers in the Jute Industry in terms of dedication, continuous effort in process innovation and focus on R&D to come up with new product lines in order to address the market requirement.

Product quality wise Gloster has always been unparalleled. The Company has a very efficient management group who have years of enriching experience in dealing with the jute industry." During our long business association over the last few decades, I have always seen that Gloster management remained committed to ensuring product quality, process upgradation through continuous innovation and addressing the requirements of their customers in a dedicated way.

40 YEARS OF BUSINESS RELATIONSHIP WITH GLOSTER ...

- Lalchand Dharamchand is a supplier of jute products, jute bags, shopping bags, silk fabrics, cotton bags, canvas bags and others and have been in business relationship with Gloster Limited for the past 40 years. His Company has been associated with Gloster in a such a business model where they play the role of supplier of raw jute as well as buyer the finished products.
- The buyer is also present in the European Market where they sale the finished products (purchased from gloster) through their sister concern in London.



"The kind of business model we are operating into allows us to remain connected with many Jute Sector Companies of India. In my opinion, I would rank Gloster 'The Front Runner' out of them due to their continuous focus on responsible products, process innovation, environmental consciousness, maintaining an excellent customer relationship, and also for addressing the customers needs in an effective way."

Jay Surana

Owner - Lalchand Dharamchand



“



D.K. Musaddi

Basantlal Musaddi & Sons

Basantlal Musaddi & Sons have been associated with Gloster for the last 16 years as a buyer and commission agent. Gloster has always been a very trusted name in the domain of jute and jute products in the India as well as International Market. The key factors behind Gloster's success have always been their focus on maintaining the product quality in line with the customers expectations, addressing the requirements of the customers, designing product lines understanding the market behavior and maintaining long term relationship with the customers by delivering value.

In connection with the business deals we have come across many end customers of Gloster products; almost hundred percent of the customers have shared excellent feedback regarding the product quality and Gloster's focus on building relationship. Delivering value to the customers and engaging with them for long term relationship have always been the focus of the Company's Management and they have been doing this successfully for years.

”

THE KEY FACTORS BEHIND GLOSTER'S SUCCESS HAVE ALWAYS BEEN THEIR FOCUS ON MAINTAINING THE PRODUCT QUALITY IN LINE WITH THE CUSTOMERS EXPECTATIONS.



Lalit Kumar Jhawar

Raw Jute Supplier for Gloster

“We are dealing with Gloster for the past 60 years as a raw jute supplier. They do deserve a lot of credit in terms of their supply chain management in the most effective and efficient manner and for maintaining an excellent relationship with the suppliers. Their timely payment against supply is really worth appreciation”

”



Parikshit Agarwal

Kesoram Agarwal & Sons

30 YEARS ON AS A COMMISSION AGENT FOR GLOSTER FACILITATING SALES ...

- **Focus on R&D**
- **Continuously meeting the buyers expectations**
- **Openness to new ideas**
- **No parallel to Gloster in terms of product quality**

- We have been associated with Gloster for the last 30 years through business. During this long period we have realized that 'Gloster' is a very trusted name in the jute industry. In connection with our business association with Gloster, we have visited their mills so many times and realized that the major reason behind their success is a motivated workforce, their commitment towards delivering excellent product quality and an innovative visionary leadership
- The Company has always been known for their excellence in product quality and addressing the requirements of their customers in the best possible way
- In my opinion, they have been able to earn the confidence of the buyers due to their continuous focus on R&D activities in alignment with the changing market demand and their openness to customer feedback and suggestion on identification of improvement opportunities.



RESPONSES FROM THE FARMERS ENGAGED IN CULTIVATION OF ORGANIC JUTE...

Gloster has initiated a unique programme involving Society for Equitable Voluntary Actions (SEVA), a development organisation) regarding cultivation of organic jute. The Sustainable organic jute cultivation model has been implemented in the Kankarasuti village, Baduria Block, District North 24 Parganas. The programme engages farmers from the village in cultivation of organic jute and against the same they are able to earn their livelihood. Presently the coverage area under this scheme is 27.92 ha. and the production capacity is approximately 80 – 85 Tonnes in the cycle of 120 days. The programme is funded by Gloster, and the knowledge and implementation related support is also provided by us through SEVA. Presently the model engages 110 farmers. The programme has been running successfully for the last two years.

In order to understand the feedback regarding the success of this model, the farmers were approached for sharing their views. The EY team appointed by Gloster has interacted with them through face to face discussions and all of them have appreciated the model implemented by Gloster with SEVA. In their opinion, it is not only them and their families who have been benefited from the programme many farmers have also done enquiries and have shown enthusiasm regarding participation in the programme.



Team of Farmers (Organic Jute) at Gloster office during the Stakeholder interaction

STAKEHOLDER ENGAGEMENT

Many of the hallmarks of good relationships - trust, mutual respect, and understanding – are intangibles that develop and evolve over time, based on individual and collective experiences and interactions. Gloster takes proactive measures for engaging with its stakeholders, as it believes that the stakeholders play a significant role in the growth and development of the company. Engaging with stakeholders has always been a part of the legacy of the company. Our Board of Directors and Top Management have always been strongly committed to social issues.

STAKEHOLDER ENGAGEMENT PROCESS

The first step was to identify the sustainable development issues of relevance to Gloster. The process that was used was:

- 1 All relevant documents relating to Gloster sustainability issues were analysed and discussions were held with the key managers coordinating the company's sustainability activities.
- 2 Detailed discussions were held with senior management staff and the team driving the sustainability agenda of the company to understand:
 - Which stakeholder groups were impacted by the process and identification of major stakeholders in such groups.
 - Identification of the environmental and social issues that were of concern to these stakeholders

IDENTIFIED STAKEHOLDER GROUP



MATERIALITY DETERMINATION PROCESS

In order to determine the material aspects that would form the basis for our reporting, we followed GRI's guidelines on defining report content. In order to do this we followed a three step process, the first one involved identification of material aspects. In order to carry this out we conducted a thorough stakeholder consultation with our internal and external stakeholders (this has been described in detail in the previous sub-section). The next step involved prioritizing the identified material aspects on the basis of their relative importance to internal and external stakeholders. The last step involved the validation of the material aspects in order to ensure that our sustainability Report provides a reasonable and balanced representation of our sustainability performance during FY2012-13. The Materiality Determination Process followed by us has been represented in the figure below:

IDENTIFICATION

- Gloster Limited's Senior Management
- Internal Stakeholders like employees and middle management
- External Stakeholders like suppliers, buyers and representatives of local communities

PRIORITIZATION

- Importance ascribed by Gloster's Senior Management to identified material aspects
- Importance ascribed by external stakeholders to identified material aspects

VALIDATION

- The findings were validated by Gloster's Senior Management in order to ensure that the report provides a reasonable and balanced representation of Gloster's sustainability performance

The three steps followed by us in order to determine materiality has been elaborated upon below:

Step 1: Identification of Material Aspects- In order to identify the material aspects relevant to our organization, we carried out a stakeholder consultation as per the preceding sub-section. This exercise helped us to identify the following material aspects (issues) and sub-issues:

LIST OF KEY SUSTAINABILITY ISSUES (MATERIAL ASPECTS) IDENTIFIED BY THE COMPANY

Issues	Sub-issues
Governance and Stakeholder Engagement	<ul style="list-style-type: none"> • Bribery and Corruption • Institutional structure and systems to reflect accountability and transparency • Leadership and oversight on social and environmental impacts of operations and projects • Responsible public policy and lobbying
Employment Practices and Employee health and Safety	<ul style="list-style-type: none"> • Safety and Occupational health • Diversity and equal opportunity - caste/religion, geography (local/outside), abilities (differently-abled), gender, etc. • Sensitivity to social and environmental issues among employees and management systems to support this • Other work conditions
Supply Chain Management	<ul style="list-style-type: none"> • Occupational Health and Safety • Damages to roads and culverts, bridges from transportation of raw materials/equipment • Living conditions, wages for labourers working on site • Compliance to procurement standards for contractors/suppliers • Environmental management
Climate Change (GHG Emissions)	<ul style="list-style-type: none"> • Energy efficiency initiatives • GHG Emissions from the process
Environmental Impacts	<ul style="list-style-type: none"> • Environmental Legal Compliance • Climate Change (GHG Emissions)

Water Usage and Management	<ul style="list-style-type: none"> • Water consumption • Water discharge management/impact on river life
Customer Service	<ul style="list-style-type: none"> • Product quality standard • Timely delivery of products • Redressing complaints
Community Development Practices	<ul style="list-style-type: none"> • Benefit sharing with local communities • Community infrastructure development • Employment generation for the local community people

Step 2: Prioritization of Material Aspects- The next step of the materiality determination process involves the prioritization of the issues identified in the previous step. Stakeholders were contacted and their inputs were sought using a structured questionnaire. They were requested to rank sustainability issues based on their level of concern. Stakeholders were also asked to comment on strategic insights especially with reference to management accountability issues and feedback for the MD. The study produced two types of outputs- one was how these stakeholders rated each of these issues in terms of importance or criticality. The second was a rich set of qualitative insights and responses which can provide invaluable inputs into how Gloster should develop its sustainability strategy in alignment with its core business strategy. The summary of the stakeholder responses have been given below.

MATRIX REPRESENTING LEVEL OF CONCERN FOR IDENTIFIED ISSUES BY STAKEHOLDERS:

Sustainability Issues	Employees	Suppliers	Customers	Commission agents	IJRA	IJMA	Local Community	Local Club	Local School	Workers	Workers Union	NGO	
Governance & Stakeholder Engagement													High Concern
Employment practices													
Supply Chain management													Medium Concern
Climate Change													
Environmental impacts													
Water usage													
Customer service													Low Concern
Community Development													

Step 3: Validation- The last step in the materiality determination process involved the validation of the findings of the first two steps. This was done by our senior management including our Managing Director. They ensured that all the issues identified were significant in terms of their impact on our environmental and social sustainability. We also wanted to ensure that these topics were relevant to our sector and would have a a impact on our business during the reporting period.

CREATING VALUE FOR STAKEHOLDERS

Our goal is to integrate stakeholder engagement with business activities. Gloster collaborates with various stakeholders on projects where our collective expertise could contribute to ensuring a positive impact.

Gloster's community programmes are apolitical and non-religious, and in line with our approach to inclusion and diversity. To ensure that we achieve and maintain a leadership position in our community impact programmes, we benchmark our approach and continually look for better ways to measure the impact of our interventions. We endeavour to regularly assess the expectations of our stakeholders and ensure that all issues are properly addressed. A structured system for understanding issues and problems and a regular system of review have been put in place to help this process.

Gloster reveals all relevant data related to finance, environment, health and safety. Statutory bodies are kept informed about new developments and are given the required information. In addition, societal initiatives are shared with stakeholders. The sharing of such information happens in many ways, including through displays, annual reports and meetings with communities and other stakeholders.



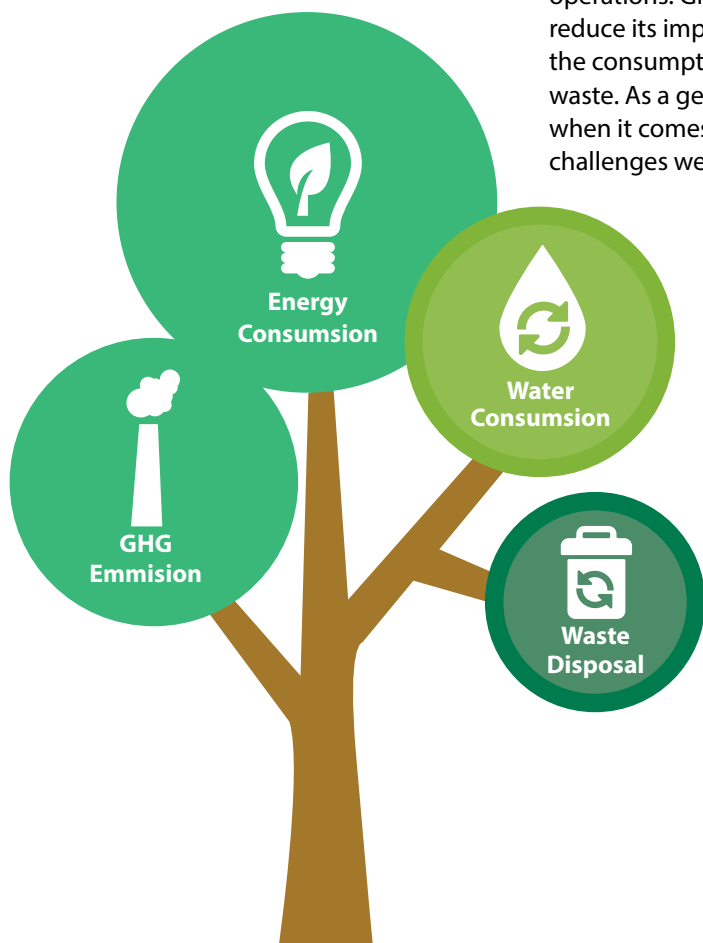


ENVIRONMENTAL PERFORMANCE



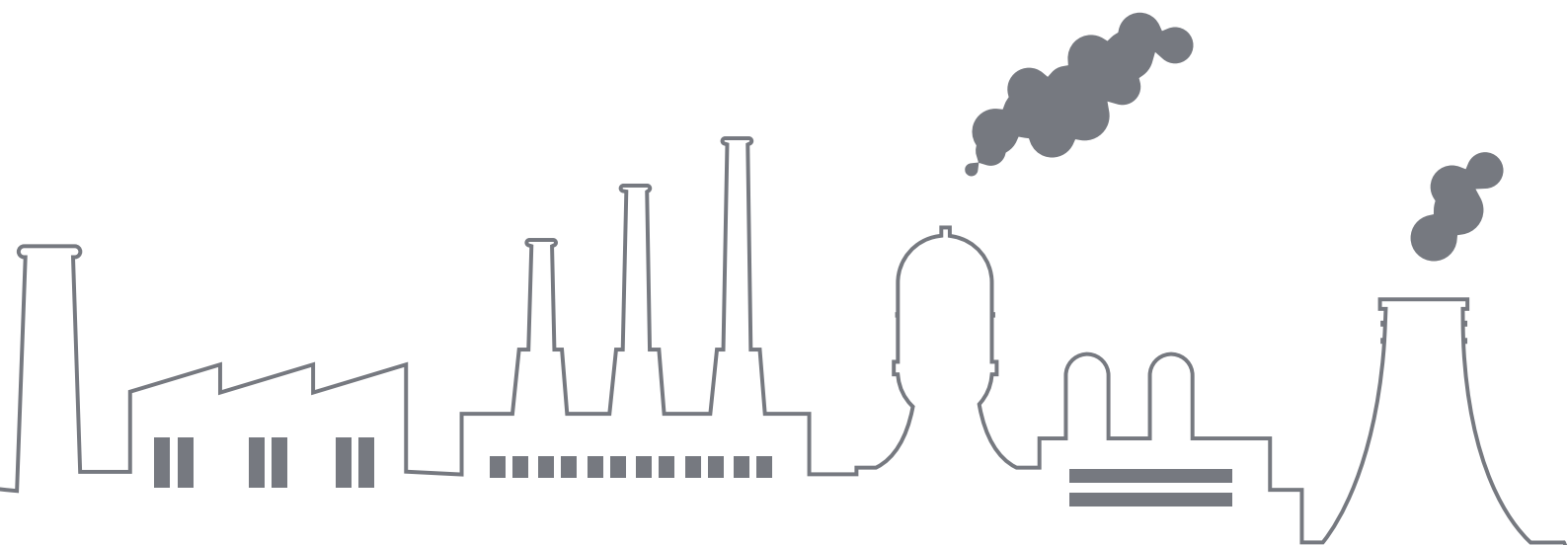
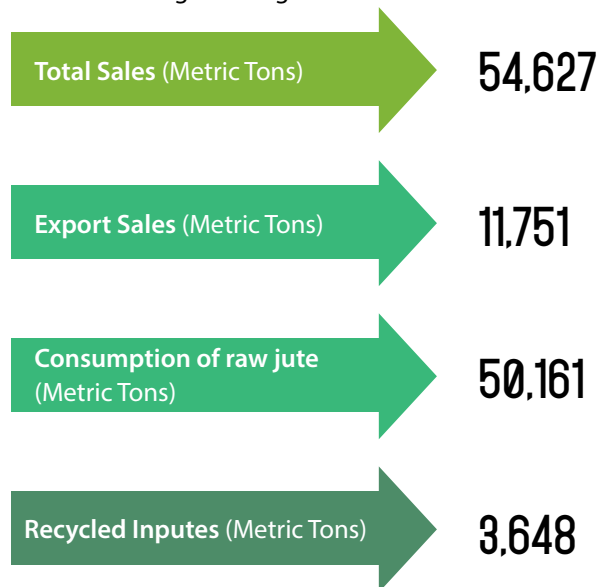
OUR ENVIRONMENTAL IMPACTS

This section of the report focuses on the environmental impacts of Gloster's operations. Gloster continually seeks to implement measures that will help reduce its impact on the environment. Our production process requires the consumption of water and electricity and our operations also generate waste. As a general rule, Gloster follows the precautionary approach when it comes to environmental matters. This section details the myriad challenges we face, our response to these challenges and the results so far.



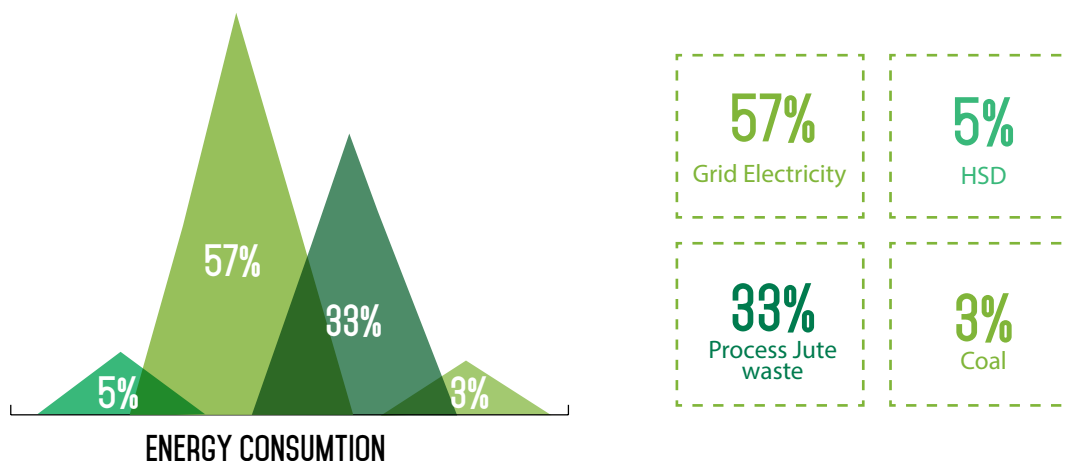
MATERIAL CONSUMPTION (EN1, EN2)

This section looks at Gloster's response to the following challenges :



ENERGY CONSUMPTION (EN3, EN4)

We have both direct and indirect sources of energy application in our premises. The direct energy generation comes from usage of various fuels within our boundary and the indirect energy consumption is in the form of consumption of electricity sourced from the Grid. In FY 2012-13, we have used HSD, Coal and Jute waste as the fuel source regarding our direct energy application. 57.5% of our total energy requirement has been contributed from indirect electricity consumption (sourced from Grid) during the reporting year. To mention that, our largest single direct fuel source is Jute process waste, which is considered as a renewable fuel; approximately 33.6% of our energy requirement was contributed from application of Jute process waste during FY 2012-13.



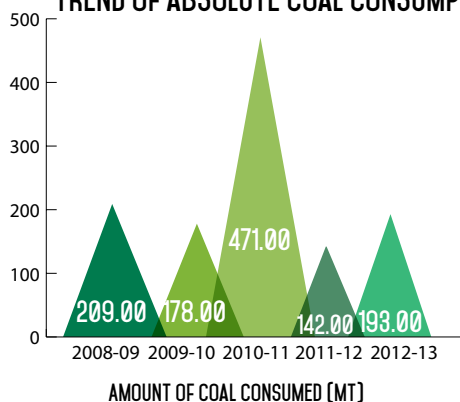
COAL CONSUMPTION (DIRECT ENERGY SOURCE)

Our operations involve usage of coal for generation of steam for our production process, which roughly makes up 3% of our total energy consumption. Coal is a direct source of energy for us; however we understand that the burning of coal has many negative environmental impacts, that is why we have made a conscious decision to try and use as little of it as possible as evidenced by the small share of coal in our energy consumption pattern. Given below is the trend of our coal usage during the last five financial years, as well as the coal consumption per metric ton (MT) of production.

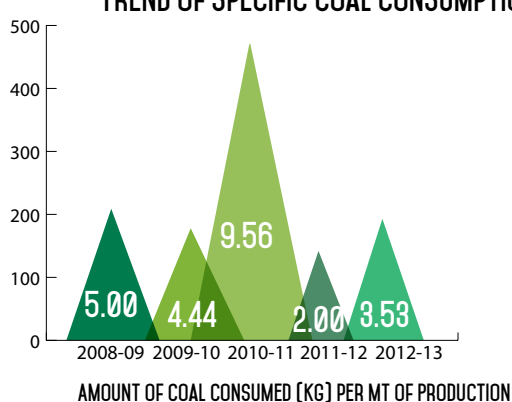
	2008-09	2009-10	2010-11	2011-12	2012-13
Coal consumption (MT)	209	178	471.02	142.21	193.86
Energy consumption from coal (TJ)	4.18	3.56	9.42	2.85	3.88
Coal consumption per MT of production (Kg)	5.00	4.44	9.56	2.77	3.53

The figures in tera joules were calculated using calorific values provided by our coal supplier.

TREND OF ABSOLUTE COAL CONSUMPTION



TREND OF SPECIFIC COAL CONSUMPTION



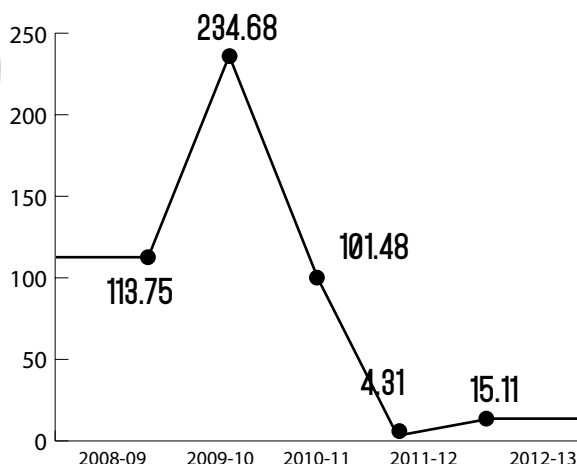
DIESEL CONSUMPTION (DIRECT ENERGY SOURCE)

Apart from coal, there are two more sources of direct energy, one is the self-generated electricity through a diesel generator which is included in the next sub-section, and the other is the Diesel used in our boiler in Ananya Unit. The details of the diesel consumption in the boiler over last five financial years is given below.

	2008-09	2009-10	2010-11	2011-12	2012-13
Diesel oil for boiler consumption (KL)	113.75	234.68	101.48	4.31	15.11
Energy Consumption from Diesel Oil (TJ)	4.16	8.58	3.71	0.16	0.55

The figures in tera joules were calculated using calorific values provided by our diesel supplier.

DIESEL CONSUMPTION PATTERN IN THE BOILER (KL)



The data shows, that our consumption of diesel has fallen significantly in the last two years. This is due to our conscious decision to generate power from our waste jute so as to reduce negative environmental impacts.



ELECTRICITY CONSUMPTION (MIX OF INDIRECT AND DIRECT ENERGY)

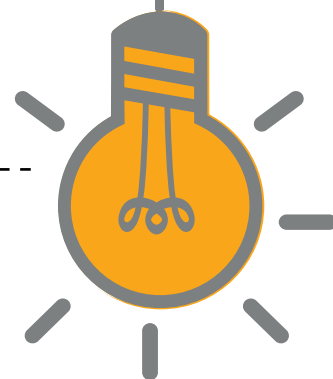
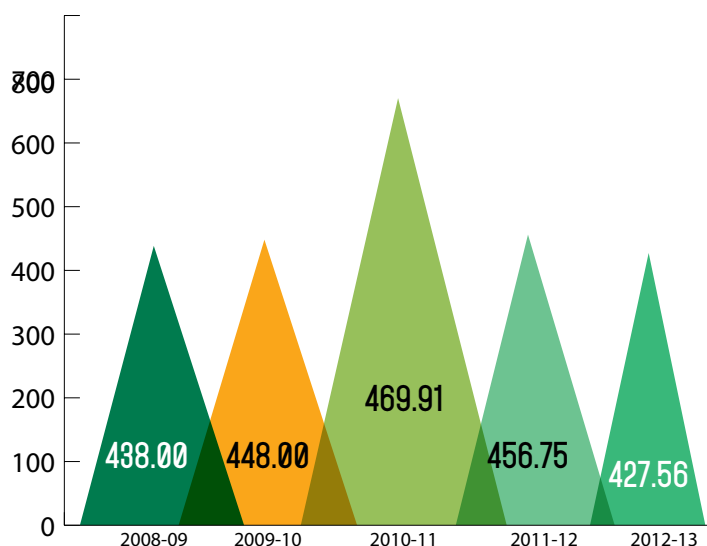
Gloster's indirect energy consumption is solely from electricity sourced from the Grid. Since over 57% of our energy consumption is from grid electricity, we think it is imperative for us to try and make our processes as efficient as possible to allow us to reduce our demands on the grid.

Given below is the data for our electricity consumption (both purchased and self-generated) over the last five years. The purchased electricity is the entirety of our indirect energy consumption, while the self-generated electricity is a part of our direct energy consumption. For the purposes of this sub-section we will consider both sources of electricity together.

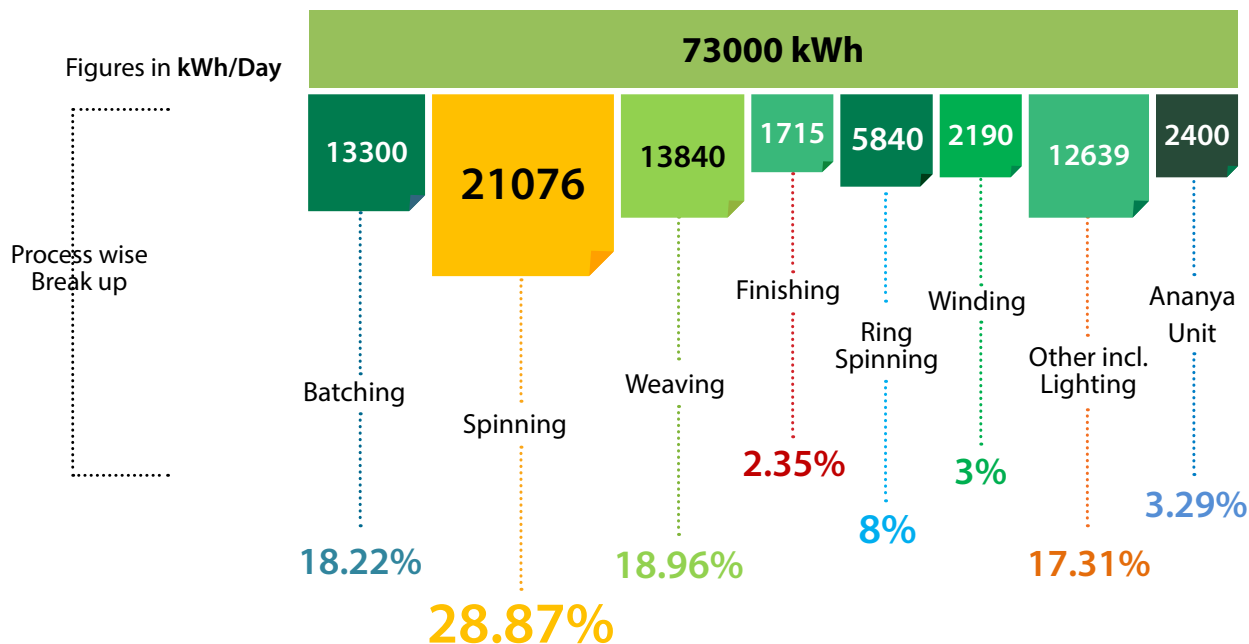
	2008-09	2009-10	2010-11	2011-12	2012-13
Purchased (KWh in lakhs)	191.61	174.22	229.09	232.59	230.38
Through Diesel Generator(KWh in lakhs)	5.29	5.1	2.31	1.79	4.51
Total (KWh in lakhs)	196.9	179.32	231.4	234.38	234.89
Total (TJ)	70.88	64.55	83.30	84.38	84.56

The table clearly shows that our electricity consumption seems to be increasing over time, with us consuming the most over the last three financial years. However, this figure is not a fair representation of our performance as our production has also increased over the last three years. Therefore, we believe that a better measure of our performance is the amount of electricity units (both purchased and self-generated) consumer per Metric Tonnes (MT), which is given below. The figure clearly shows; that our specific electricity consumption has shown a decreasing trend over the last two years. The figures in tera joules were calculated using standard KWH to tera joules conversion factors.

ELECTRICITY (UNITS) CONSUMED PER MT OF PRODUCTION



On a standard working day, our total power consumption is around 73000 KWh. The break-up of our power consumption based on end use equipment is presented in the following figure.



Our total energy consumption for the last five years in tera joules has been provided in the table below:

Type of Energy	2008-09	2009-10	2010-11	2011-12	2012-13
Direct	8.34	12.14	13.13	3.01	4.43
Indirect	70.88	64.55	83.30	84.38	84.56
Total	79.22	76.69	96.43	87.39	88.99

ENERGY ACCOUNTING AND MONITORING SYSTEM (EN7)

We understand the importance of energy efficiency in our production process. We have implemented an Energy Monitoring System which has been supplied by Schneider Electric. The Energy Monitoring System is used to continuously log all major electrical parameters so that they can be analysed. Some of the key initiatives under taken by Gloster to improve its energy performance are:

- Appointment of BEE Certified Energy Auditor to take care of Energy Management
- Installation of energy monitoring system
- Use of energy efficient motors/drives
- Use of Screw compressors instead of Reciprocating Air compressors
- Use of Flat Belts
- Use of LED Fittings instead of Tube Lights
- Use of Lighting Energy Transformer
- Use of Turbo Ventilators
- Installation of Condensate Recovery
- Insulation of all steam lines
- Variable speed Drives for Rolling and Beaming machines
- Demand Controller
- Maximize Use of Jute process waste in multi-fuel boiler
- Use of LED instead of Metal Halide lamps in Ananya Unit

RENEWABLE ENERGY INITIATIVES (EN6)

RENEWABLE AND ENERGY EFFICIENT INITIATIVES



We use solar water heaters both at the plant and the staff quarters



We use solar powered street lights at our Ananya unit



We recycle process waste of jute into briquettes for use as fuel for our boiler. We also purchase briquettes to minimize coal use even further



90% of our trucks used for transporting goods within the plant are battery operated

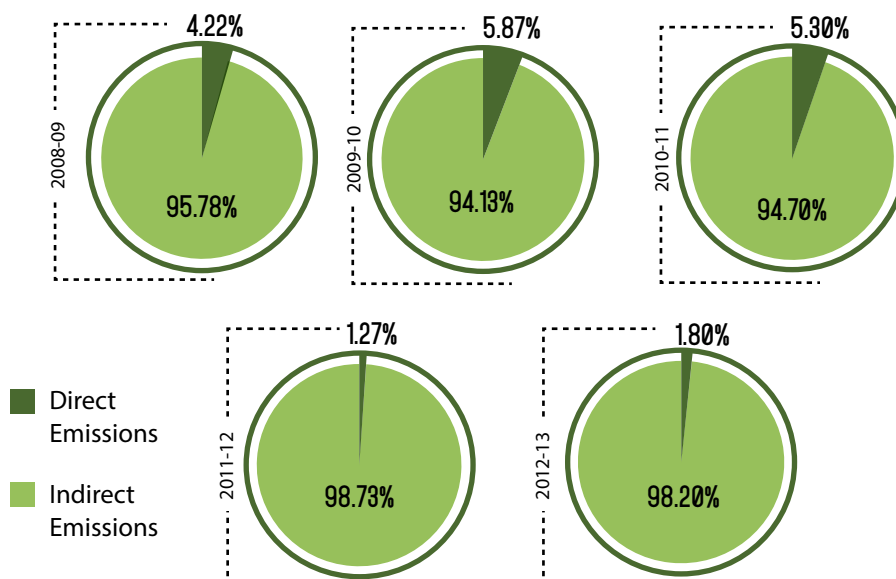


Kitchen waste from gardens and cow dung are fed into bio-gas generators and the gas so generated is used for cooking in the mills guest house

GHG EMISSIONS (EN16)

We have calculated our emissions using the process defined by IPCC. We have used calorific values provided by our suppliers and emission factors for sub-bituminous coal and diesel as per IPCC 2006 Volume 2. The majority of our Greenhouse gas emissions are CO₂ generated from the burning of fuel and our usage of electricity. Our operations require us to use both direct and indirect forms of energy. However, our direct emissions form a very small part of our total emissions as opposed to our indirect emissions which form the lion's share of our total emissions. In FY 2012-13, our direct emissions (Scope 1) were 1.8% of our total emissions while our indirect emissions formed 98.2% of our total emissions. The figure below clearly illustrates this data for the last five financial years.

BREAK UP OF OUR TOTAL EMISSIONS FOR THE LAST FIVE YEARS



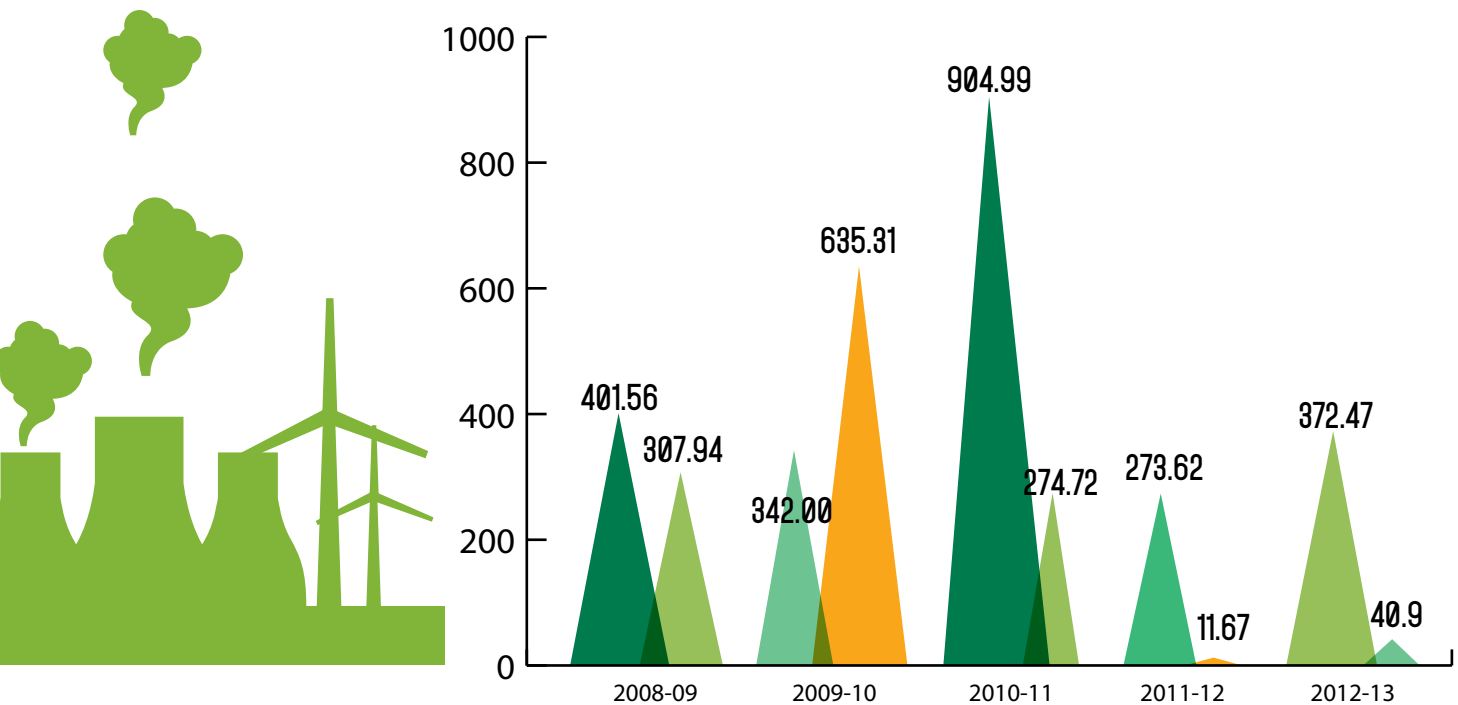
DIRECT EMISSIONS (SCOPE 1)

The majority of our direct emissions are from the usage of coal. The other contributor to our direct emissions is the diesel used in our boilers. Given below are the details of our emissions and the respective share of coal and diesel in our direct emissions. All the emission figures have been calculated using IPCC default values for net calorific value (diesel and coal) and carbon emission factor (diesel and coal) and all figures have been rounded off to two decimal places.

DIRECT EMISSIONS DATA (SCOPE 1)

Source of Emission	2008-09	2009-10	2010-11	2011-12	2012-13
Coal (tCO ₂)	401.56	342	904.99	273.62	372.47
Diesel (tCO ₂)	307.94	635.31	274.72	11.67	40.9
Total (tCO ₂)	709.5	977.31	1179.71	285.29	413.37

TOTAL DIRECT CO₂ EMISSIONS (tCO₂) BY FUEL TYPE



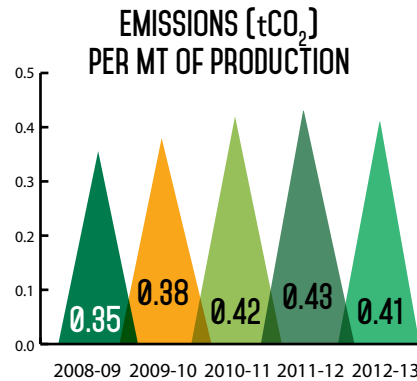
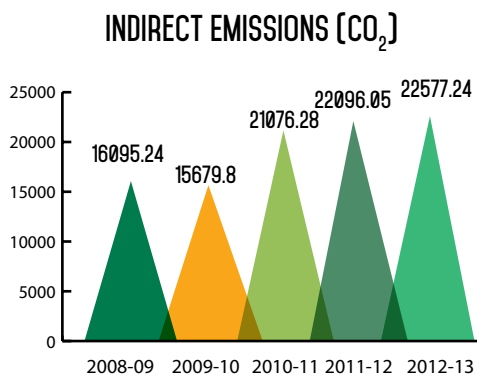
As is evident from the figure above, our CO₂ emissions have reduced dramatically over the last two financial years. There has been a drop in our emissions from coal, from 401.56 tCO₂ in 2008-09 to 372.47 tCO₂ in 2012-13, but the major reduction in the last five years has happened in our CO₂ emissions from diesel as it has reduced from 307.94 tCO₂ in 2008-09 to 40.9 tCO₂ in 2012-13.

INDIRECT EMISSIONS (SCOPE 2)

Our indirect emissions are entirely from our electricity consumption. Our annual electricity consumption (sourced from the Grid) was multiplied by the Central Electrical Authority's (CEA) combined margin emission factor (including imports) to arrive at our annual CO₂ emissions from indirect energy consumption. The details of our indirect emissions are provided below.

INDIRECT EMISSIONS DATA (SCOPE 2)

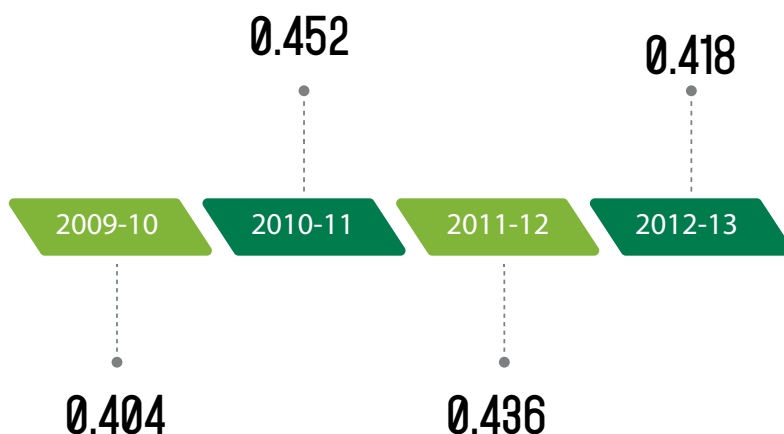
Source of Emission	2008-09	2009-10	2010-11	2011-12	2012-13
Electricity Consumption (tCO ₂)	16095.24	15679.8	21076.28	22096.05	22577.24



From the figures above, we see that our total indirect emissions seem to be increasing year-on-year. However, this does not take into account our changes in production from one year to the next. Therefore, the total emission per metric ton of production is far more accurate at portraying our ability to keep our emissions relatively stable over the last three years. Our emission per metric ton of production in 2012-13 was lower than the previous two years.

We have installed an ESP in our boiler exhaust and Installed gas ducts to the chimney to control our particulate emissions. Due to these measures, our particulate emission levels fall well below the limits specified by the West Bengal Pollution Control Board. Given below are the figures for our emissions intensity for the last five financial years (direct and indirect emissions per ton of production). The emissions intensity increased significantly in 2010-11 but we are proud that it has continued to fall over the next two financial years.

TOTAL CO₂ EMISSIONS INTENSITY (DIRECT AND INDIRECT PER TON OF PRODUCTION) (TCO₂/MT)



WATER DISCHARGE AND TREATMENT (EN21)

Jute processing is not water intensive, yet, we ensure that we use the water responsibly, and recycle to the greatest extent possible inspite of abundant availability of water from the near by Ganges. The waste water is treated using an Effluent Treatment Plant (details provided below). The water treated by our Effluent Treatment plant is recycled and used in the mills sanitary systems and for maintenance of the mills landscapes. We do not have any other sources of water. Given in the table below are the results from the effluent water analysis conducted during the reporting period of FY 2012-13. As is evident from the table below, all of the parameters fall well within the limits prescribed by the Pollution Control Board (Government of West Bengal).

Parameter	Testing Method	Results
pH	APHA 22nd Edition, 4500-H-B	8.61
Total Suspended Solids (mg./l)	APHA 22nd Edition, 2540 D	36
Oil and Grease (mg./l)	APHA 22nd Edition, 5520 B/D	3.5
COD (mg./l)	APHA 22nd Edition, 5220 B/C/D	78.08
BOD 3 days, 27 °C (mg./l)	APHA 22nd Edition, 5210-B	23



OUR EFFLUENT TREATMENT PLANT

We understand the importance of using water efficiently in our processes. However, jute wet processing is a waste water-intensive task which releases large amounts of waste effluents. In our efforts to reuse waste water we have installed an effluent treatment plant where we use an electrocoagulation system to treat our waste water so that it can be reused for other purposes. The system is an Efflocx™ Electrocoagulation system manufactured by XH₂O Solutions. Electrocoagulation is an electrochemical process which destabilizes dissolved, colloidal, emulsified chemicals/dyes and other stable compounds, like dirt, soap and oil in water and converts them into suspended particles. These suspended particles get removed on filtration and result in completely colourless, odourless and reusable water. Electrocoagulation process requires little or no chemicals for waste water treatment and it does not employ bacteria for treatment, making the treatment process simple. The system is designed to be very versatile and handles a large variety of waste waters of different volumes.

SALIENT FEATURES OF EFFLOCX

- Generates sludge at single point
- Sludge volume is very low
- No additional chemicals are needed
- Completely automatic
- No expertise or man power needed

WASTE DISPOSAL (EN22)

Safe disposal of our waste is one of the primary drivers of our environmental decision-making. We comply with all state-level and national-level waste disposal and management rules and regulations. We go the extra mile to ensure that the disposal of our solid waste has as small impact on the environment as possible. We have two primary types of waste- hazardous and non-hazardous waste. In this sub-section we will take a detailed look at our waste generation data as well as some of the waste management and disposal initiatives.

HAZARDOUS WASTE

In FY 2012-13, Gloster generated 3,262 kilograms of E.T.P. sludge all of which was disposed of, including an opening balance of 188 kilograms carried over from the previous financial year. This was done by a registered and authorized agency for safe disposal by the State Pollution Control Board of the Government of West Bengal.

NON-HAZARDOUS WASTE

A. Jute Process Waste

As part of our commitment to reuse as much of our waste as possible, we use our jute process waste to generate steam for our manufacturing process. This initiative is not merely a token gesture but an integral part of our manufacturing process. In FY 2012-13, the total jute waste processed was 2758.42 MT. The following is our jute waste data for the last three financial years.

Year	Total Jute Waste (MT)
2010 - 11	2813.47
2011 - 12	3041.85
2012 - 13	2758.42



B. Other Measures

The food waste from our canteen and guesthouse at the main unit are used for bio-gas generation. Waste from the worker's dormitory in our Ananya unit is also used by us for bio-gas generation. A full list of our waste reuse initiatives are provided in the graphic below.

REUSE OF WASTE MATERIAL



Part of our process waste jute fibres are recycled and reused for the manufacture of agro-textiles



We have installed an ETP to reuse the water used for dyeing and bleaching



We screen the process waste of jute and use it in our boiler as fuel



Kitchen and garden waste are used for bio-gas generation for use in our guest-house kitchen



We reuse the water from our ETP for flushing the toilets and for our gardening requirements.





RESPONSIBLE PRODUCTS



OUR PRODUCTS

We believe that our products are a large part of who we are as a company. Gloster has been in the business of producing jute products since 1872, and our commitment to producing goods of the highest quality has not diminished for over a century. We manufacture products as diverse as yarn, twine, geo-textiles, agro-textiles, hessian bags, organic packaging and lifestyle products like bags. Our products are adapted and used in sectors as varied as agriculture, mine waste reclamation, automobile interiors, urban landscaping, solid waste management and food packaging. We produce both organic and non-organic jute products as per the requirements of our customers in line with our commitment to sustainability. A brief summary of the products that we offer are given below.

JUTE AGROTEXTILES- APPLICATIONS

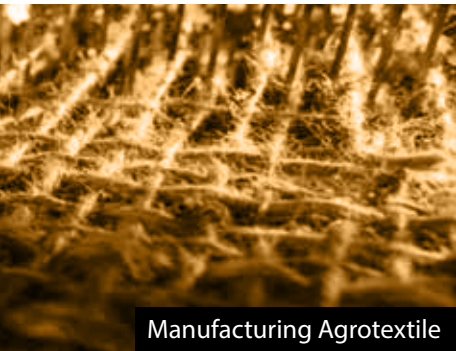
Soil conservation and reduction of nutrient loss, weed management and agro-mulching, afforestation in semi-arid zone, sleeves for growth of sapling, air-layering and wrapping/covering of plants, nursery seed bed cover, shade over nursery

JUTE GEOTEXTILES- APPLICATIONS

Slope stabilization, soil erosion control, better and faster vegetation growth, bio-degradation to ensure fertility of soil, scientific disposal of solid waste, rural road construction, protection of riverbanks and embankments, land reclamation

BUILD TEXTILES- APPLICATIONS

Scaffolding nets, awnings, jute based composites for construction



Manufacturing Agrotexile



Manufacturing Geotextile



Slope stabilization with Geotextile



Jute Agrotexile in use



Manufacturing Buildtextile



Road Construction with Buildtextile

ORGANIC PACKAGING TEXTILE- APPLICATIONS

Specialized organic packaging for organic foods to keep them unadulterated

DECORATIVE TEXTILE- APPLICATIONS

Wall tapestry, wall hanging, creative wall covering, floor coverings, furnishing fabrics

LIFESTYLE TEXTILE- APPLICATIONS

Apparels, fancy jewelery, stylish ornaments, fashionable ladies bags, sling bags and fashionable carry bags.

In this section of the report we will look at the four key drivers of our product development process, namely:

- Our Sustainable Products Initiative
- Our Approach to Material Handling
- Our Approach to Total Quality Management
- The Role of R&D in our Product Development



Organic jute cultivation facility of Gloster



Organic Jute for Coffee beans



Carpet Manufacturing Unit at Gloster



Jute Decorative Carpets



Bag Manufacturing Unit at Gloster



Lifestyle Bags

OUR SUSTAINABLE PRODUCTS INITIATIVE (PR1)

We believe that environmental sustainability is not merely restricted to improving our energy, water and waste efficiency. Environmental sustainability for us also applies to our products. Our involvement in the manufacture of jute and allied jute products, allows us to create environmentally sustainable substitutes for materials used in a variety of sectors like construction, agriculture, solid waste disposal and mine spoil reclamation. In this section we highlight some of our products that are helping other sectors improve their environmental sustainability performance, and thereby, improving our own performance in this sphere. The majority of the solutions are offered by our wide range of Jute Geo-textiles which are incredibly versatile.

HOW WILL IT PERFORM AFTER BIO-DEGRADATION?

Research studies and field trials have confirmed that a period of two season cycle is sufficient to induce maximum consolidation of the soil.

- This phenomenon is known as filter cake formation of the soil
- Once filter cake is formed, there is no need for the external material (geo-textiles)
- Special rot-resistant treatment can further ensure its durability for about 2 years



USE OF GLOSTER GEO-TEXTILES IN SOLID WASTE DISPOSAL

India's increasing rate of urbanization is throwing up myriad challenges for society. One of these challenges is solid waste disposal, as currently urban solid waste generation is between 350 to 550 grams per person per day and projected to increase in the future. A very small percentage of this waste is treated scientifically in India. A large portion of this waste is non-biodegradable and inert and would need to be treated through sanitary landfills. Gloster Geo-textiles are planar, flexible technical textiles which serve to stabilize the slope of the solid waste dump and vegetate the slope for its ultimate consolidation.

HOW GLOSTER JUTE GEO-TEXTILES (JGT) ARE EFFECTIVE?

- Help slope stabilization
- Being biodegradable, it disintegrates with time and does not contaminate/harm the soil in any way.
- Improves soil characteristics, encourages the growth of vegetation
- Can be tailor-made to suit site-specific technical requirements

USE OF GLOSTER GEO-TEXTILES IN URBAN LANDSCAPING

Urban landscaping in India is increasingly becoming an integral part of numerous real-estate and infrastructural augmentation projects across segments like residential, commercial, institutional and public/semi-public. Therefore, it is imperative to conserve and prevent soil erosion, help provide stability to slopes and mounds created as per the landscape design, ensure adequate extent of filtration and drainage for the landscaped areas for sustained beautification. Gloster Geo-textiles help in soil conservation efforts through controlling soil erosion and encouraging fast growth of vegetation

USE OF GLOSTER GEO-TEXTILES IN ENABLING SUSTAINABLE MINE SPOIL RECLAMATION

The process of mining and extracting mineral resources from the earth's surface has always resulted in varying degrees of environmental resource degradation and social impacts like displacement. In India, the mining sector faces additional challenges:

- Most of the minerals, forests and tribal tracts are located in the same areas
- This coincidence of rich biodiversity and minerals has not been adequately addressed into comprehensive mitigation of long-term environmental impacts



MINE RECLAMATION REQUIREMENTS

- Maintain overburden dumps (OB) in a manner so as to ensure that there is no slope failure
- Backfilling of portions of open cast mine where mineral reserves have been exhausted
- Ensure growth of vegetation and green cover and returning back the mined areas back to society in their healthy and natural state





USING GLOSTER GEO-TEXTILES TO PREVENT SOIL EROSION

Soil erosion is caused either by natural forces or irresponsible anthropogenic activities. Gloster Geo-textiles can be used to sustainably prevent soil erosion. Gloster Jute Geo-textiles help the soil by:

- Making the soil erosion-resistant
- Attenuates extremes of temperature and moisture of the soils
- Protects soil and seeds from direct exposure to strong wind and rain
- Controls dehydration of soil
- Allows air and light for constant natural enrichment of the incumbent soils
- Adds nutrients to the soil and acts as mulch on biodegradation

PROTECTION OF RIVER BANKS

We have successfully carried out projects to control river bank erosion. Gloster Geo-textiles while being effective and low-cost also make room for bio-engineering support through vegetation growth after degradation. Since JGT are natural fabric filters, they are an effective engineering medium to serve as granular filters. They fulfil the need for filters to protect river banks without creating environmental problems.

SLOPE STABILIZATION

Slopes generally erode for two major reasons, namely, the action of over-land rain water flow accompanied by strong winds, and the action of gravity. The resulting erosion can be controlled by reducing the velocity of the surface run-off and the partial containment of detached soil particles. Gloster Geo-textiles can control slope erosion in the following ways:

- Creating an array of micro-barriers against the over-land flow of rain water, thus reducing its velocity over the slopes
- Effecting partial storage due to capacity of jute to absorb water
- Entrapping detached soil particles
- Promoting quick growth of vegetation

USING GLOSTER TEXTILES FOR POLLUTION CONTROL

The fast and uncontrolled threat of the increasing rate of coverage of useful land by fly ash dumped by our national thermal power stations is shaping up to become a national concern. Gloster limited has taken a unique initiative for the mitigation of this threat by initiating field trials at the NTPC Thermal Power Station at Dadri through the use of Gloster Limited's Jute Geo-Textiles and transplantation of plants with deep roots in the fly-ash dumping areas. This initiative has the potential to promote the growth of vegetation and allow the land to be reclaimed for useful purposes in the future.



USING GLOSTER AGRO-TEXTILES IN AGRICULTURE

Non-management or insufficient control of biotic and abiotic interventions typically leads to erosion of top soil, loss of soil nutrients, loss of plant seedlings leading to skewed farm yield. Excessively grazed soil surface, high velocity winds, persistent heavy rains, and forces of gravity on soil slopes have severe adverse effects which if not taken care of, could lead to permanent loss of fertile land and turn them into barren landscapes with the passage of time. Similarly, the uncontrolled growth of weeds can sap the soil of nutrients and reduce yields.

Gloster agro-textiles provide a sustainable solution to all of these problems. For example, Gloster's non-woven mulching textiles are used for weed suppression. They are convenient to use as individual sheets do not need to be pulled off after use like synthetic geo-textiles and the material coalesces with the soil and acts as the soil's nutrients supplement. Gloster agro-textiles offer a wide range of exclusive agriculture textiles such as:

- Woven
- Non-woven
- Composites
- Made-ups
- Open-mesh
- Coated
- Treated; for different end use, functionalities
 - (a) Webbing (b) Tapes (c) Ropes (d) Nursery nets (e) Plants transplantation textiles (f) Substrates (g) Geo-pots (h) Air layering textiles and several other agro-textiles for providing site specific solutions towards host of agriculture problems in the areas of:
- Soil erosion control and quick vegetative growth
- Air layering
- Landscaping
- Management of nutrient loss of top soil
- Soil temperature and soil moisture attenuation
- Wind barrier
- Agro-mulching
- SRI system of paddy transplantation
- Horticulture
- Root growth barrier
- Tree- transplantation
- Hydroponic adventitious plant root growth etc.



AREAS OF APPLICATION



Gloster Agro-sheets as seed germination textiles



Gloster Agro-sleeves as woven sleeves to hold soil bulbs of plant sapling that can be directly transplanted in the soil



Fast growth of vegetation using Gloster Agro-textiles

AREA OF APPLICATIONS

As agro- mulch



For management of soil erosion caused by surface run-off



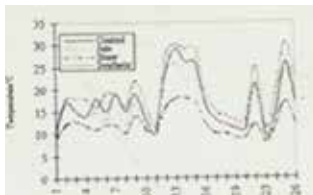
As shades over nurseries as in a green house



For Grafting of plant



Figure 1:
Vegetation
Cover % with
Time



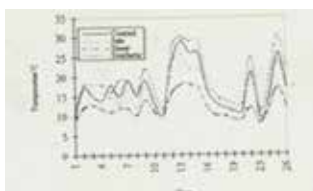
Sprouting
through JAT



JAT as
nursery
seed bed
cover



Figure 2: Soil
Temperature
with various
treatment



OUR APPROACH TO MATERIAL HANDLING

At Gloster, we believe that responsible product development is a holistic process. It is not merely enough for us to manufacture products that are superficially sustainable. Pursuant to this, we put a strong emphasis on the processes within our manufacturing operations. One of the key aspects of our processes is our materials handling, be it raw materials, semi-finished products or fully finished ones. Therefore, we have invested heavily in making our materials handling process and efficient as sustainable as possible. This has allowed us to bring greater efficiency to our manufacturing processes, reduce our impact on the environment and reduce the burden on our employees. To achieve this we have implemented certain initiatives that will be discussed in this sub-section of the report.

INSTALLATION OF OVERHEAD DRYING CONVEYOR

One of the key aspects of our production process involves the drying of wet-processed and hydro-extracted jute. Earlier, we use to complete this task using steam generated from our boilers. This obviously, increased our need to burn more coal and therefore, increases our environmental impacts. To avoid this problem, we installed an overhead conveyor to help us dry our wet-processed and hydro-extracted jute using sunlight and wind. This initiative has also reduced the burden on our employees as the conveyor system is fully automated, besides savings on use of steam for drying of wet processed jute.

USE OF FORK-LIFTS AND BATTERY OPERATED LOAD CARRIER CARTS

We are constantly trying to find ways to make our material handling system more efficient so as to reduce the burden of physical work on our employees. One of the ways in which we achieve this, is through the use of state-of-the-art material handling system including multi-storey automatic bag carrier system, auto warp beam stacker, battery operated material handling carts, fork-lifts etc.



A FEW SNAPS OF OUR



FACILITIES & OPERATIONS



Latest Material Handling System





INSTALLATION OF HUMIDIFICATION PLANT

An important step in our production process involves the cleaning of room air for jute processing. Pursuant to this we have installed a LUWA humidification plant which allows us to complete this task while minimizing room air pollution and maximizing the quality of the finished product. As an additional action the Humidification plant of JS (Manchester) make has also been installed in our apron draft spinning section.

To enhance the efficiency of spinning section, every spinning frame is provided with overhead travelling air blowing system over drafting zone of the frames. This was earlier being done by manually fanning out the loose fibre from the drafting zone by jute fabric. This has reduced workload on the spinners and enhanced the efficiency of the section by saving time.

Apart from the aforementioned initiatives we have also installed other systems like auto-material handling for multi-story conveyance and auto-storage and delivery system for warp beams. Both these systems help us for improving process efficiency. All of the initiatives mentioned in this sub-section are not mandated or required by law, however, we installed them keeping in mind our goal to go above and beyond standards when it comes to improving our process efficiency, reducing the workload of our employees and using our environmental resources responsibly and sustainably.



Humidification Plant



OUR APPROACH TO TOTAL QUALITY MANAGEMENT (TQM)

INTRODUCTION

Quality management is of prime organizational concern for us. We believe that there can be no compromise when it comes to the quality of our products, which means that our quality management system must be comprehensive and effective. Our Total Quality Management (TQM) system has been implemented organization-wide and has been studied and approved by a team from the National Institute of Industrial Engineering (NITIE), Mumbai as part of a Jute Manufacturer Development Council (JMDC) assignment on "TQM Facilitation" of Mini Mission IV of the Jute Technology Mission run by the Government of India.



OBJECTIVES OF TQM DEPLOYMENT

- To minimize variations in all the identified critical processes and sub-processes
- To improve quality of raw jute processing at every stage for production of finished jute products
- To eliminate or minimize all the seven types of wastages across all the process lines
- To ensure optimal operating conditions in each manufacturing process
- To identify and eliminate redundant processes or sub-processes
- To improve methods and processes wherever necessary
- The cost reduction is in the range of 10% to 15% and is part of the overall reduction in the plant and wastage reduction of 1% to 2% achieved in production area right from raw jute to cloth manufacturing

METHODOLOGY

To achieve the aforementioned objectives, the following methodology has been followed for deploying TQM across the two units of Gloster Limited.

- **Identification of TQM Coordinator:** The NITIE TQM Leader the Senior Management of Gloster jointly identify a coordinator for TQM deployment from Gloster's executives
- **Establishing Cross-Functional Teams:** The Gloster Coordinator and NITIE TQM Leader jointly discuss and develop 10 to 15 cross-functional teams, generally, one for each department and section line, but depends upon the size of the department. If the department is big, more than one cross-functional team could be identified
- **Train the Trainers:** From each team, one or two potential trainers will be identified (preferably team leaders). The selected trainers will undergo a four day trainer's training session which will cover TQM concepts, tools and techniques for developing shop-floor training skills
- **Percolation of TQM Concept:** Ensuring the percolation of the TQM concept across all levels with the planned training programmes that will be conducted for all the identified workmen by the trained trainers under the supervision of the NITIE team
- **Identification of Quality Management Projects:** Monitoring the cross-functional teams to select one or two Quality Management projects by each team that will significantly show improvement in their respective processes. Also the coordinator who will be a senior management representative, will be guided to take at least one Quality Management Project which will significantly improve a business process at Gloster
- **Execution of the Projects:** Guiding and monitoring of teams for the successful completion of Identified Projects until completion (generally no project will exceed three months in terms of duration) to ensure the achievement of aforementioned objectives effectively
- **Measure/review of progress of TQM deployment:** The aforementioned methodology will be validated and reviewed periodically to ensure that the aforementioned auditing improvements desired are achieved
- **Practical demonstration of all TQM tools and techniques listed below will be given at the mill level at the time of deployment:**

SQC/SPC for Process Management | Quality circles

5S | Poka Yoka



DELIVERABLES

The following deliverables are expected over and above the aforementioned objectives:

- Enhancing the process knowledge and skill of all the employees
- Enhancing the manufacturing process capabilities
- Enhancing the support process capabilities
- Quantitative and Qualitative improvements in each and every manufacturing process
- Quantitative and Qualitative improvements in each and every support process
- Ensuring a significant improvement in customer's satisfaction
- Ensuring a significant improvement in stakeholder's satisfaction

THE ROLE OF R&D IN OUR PRODUCT DEVELOPMENT

01

Quality Assurance and testing of various raw materials including jute and allied fibers, yarns and fabrics, various chemicals, dye stuffs, coal, lubricants, electricity etc.

02

Monitoring and guiding the manufacturing process so that the final products comply with the various international / national standards and norms like REACH, IJO/98-01, German Regulation for AZO dyes. Conforming to the buyer's requirements.

03

Developments of new products as guided by the national and international market dynamics

04

Constant evaluation and technological upgradation of the existing process for manufacturing improved and cost effective products

05

Standardization of spinning technique to manufacture different jute blended fine yarn using long staple jute spinning machinery

06

Value addition of products through stiffening, softening, rot-proofing, fire-retardance, water resistance, odour-free products, eco-friendly Mildew proofing etc.

07

Provided guidelines in various activities like online bleaching of jute fibers.

- Production of enzymes for softening and upgrading of jute fibers.
 - Tie and dye jute yarns for manufacturing decorative jute and jute cotton fabrics
- Development of moisture management system through judicious application of chemicals
- Development of indigenous technique for brightening of jute fiber, yarn and fabric





COMMUNITY INVOLVEMENT

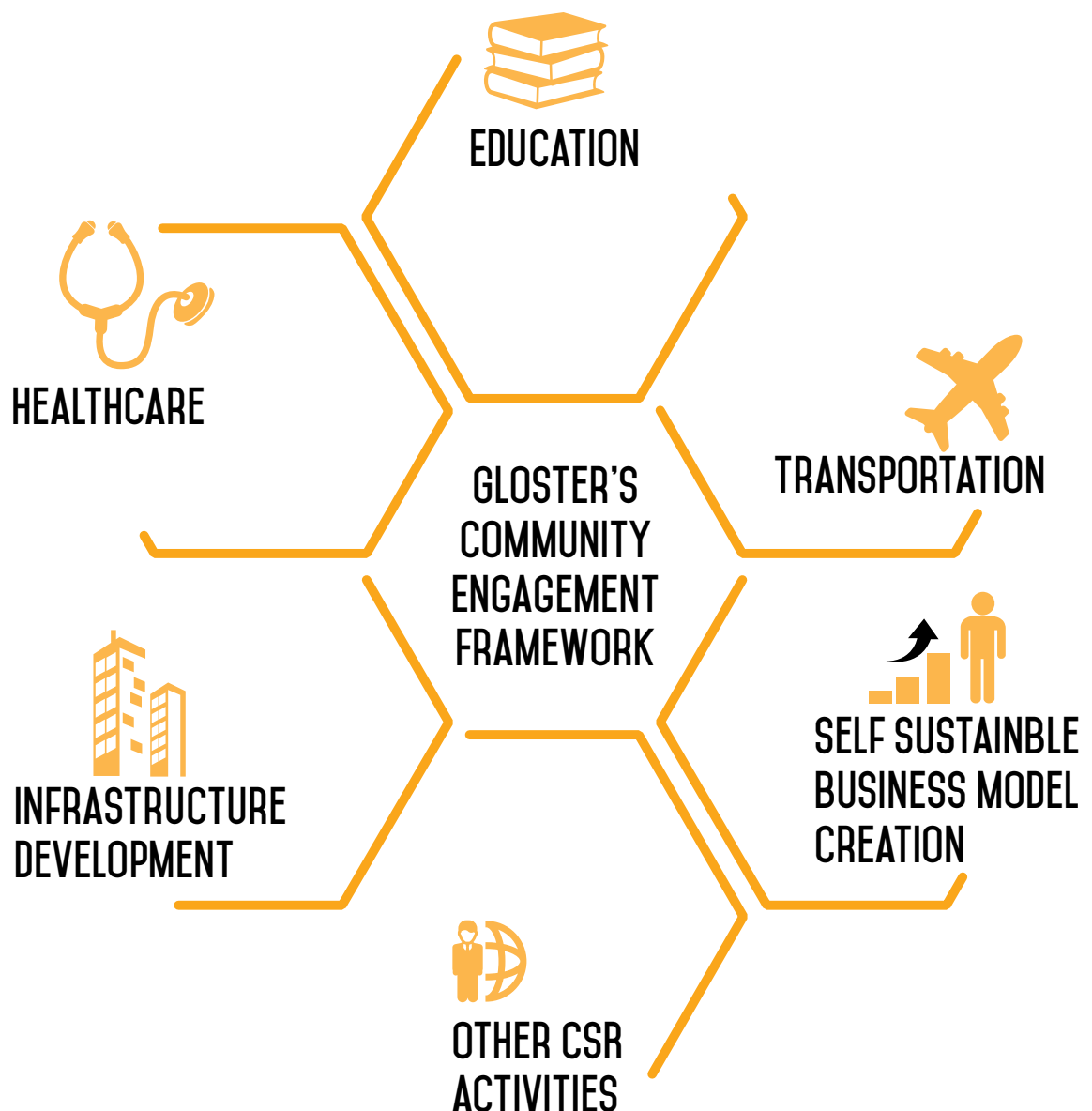


COMMUNITY ENGAGEMENT FRAMEWORK (S01)

Gloster's objective is to become the most admired Jute Company delivering sustainable values to all stakeholders including care for the community around us. Social responsibility has become part of Gloster's moral belief, thanks to management support and involvement, thoughtful planning and deployment of resources, engagement of employees and the sharing of knowledge.

We believe that the community around us gives us valuable opportunities to learn and work together for growth of business and community development. Therefore, several development programmes have been implemented under triple bottom line (Adding Economic Value, Harmonising Environmental Factors and Building Social Capital in the community) aiming at building trust and improving the quality of life in and around the places where we operate.

Our Community Engagement Framework has been shown below:



GLOSTER'S PUBLIC POLICY POSITIONS (S05, S06)

Gloster is conscious of its responsibilities towards the public at large and acts as a responsible corporate citizen. We have not made contributions of any kind to any political party, politicians and related institutions in FY 2012-13.

PERSPECTIVE ON EDUCATION FOR AN INCLUSIVE GROWTH

A community cannot foster development without an educated population. Businesses, large or small, are unlikely to choose to invest in rural areas if skilled or trainable human resources are unavailable. Similarly, a community cannot retain educated people without an attractive economic environment. Many poor rural areas, mostly but not only in developing countries, are trapped in this situation. Recognizing the central importance of this dilemma, Gloster adopts a dual approach combining, as much as possible, the rural development perspective with educational issues.



Our Managing Director Says...

"It is clear to the World development community that a multi-sectoral and multi-disciplinary approach is needed to reduce rural poverty and that we need to work together if we are to be successful in doing the same. While there is at present no single solution to the alleviation of rural poverty, education and training are critical elements."

Education and training are two of the most powerful weapons for rural development. Unfortunately, these are also among the most neglected aspects of rural development interventions in the region in which Gloster operates. What is needed today is a broader educational approach serving the needs of diversified target groups and focusing priority on the basic learning needs of rural children, out-of-school adults & youth and the rural poor. This is what we call education for rural development.

OUR SCHOOLS AT BAURIA - FORT GLOSTER PRIMARY SCHOOL

We believe that it is our responsibility to provide quality primary education for the children of our workforce as well as children from the local community in which we operate. The primary education facility is not up to the desired standard in the locality surrounding our operations. Understanding the need of basic and primary education in the area, Gloster runs a Primary school named 'Fort Gloster Primary School' where we provide education up to Class IV starting from the Pre-Infant stage. The school is entirely run and managed by Gloster Limited. Children not only from our worker's families, but also from the local community come to our school for quality education. Presently we are serving 329 children through our school and we are committed to increase this number. To accommodate a larger number of students for primary education through our school, our management is in the process of further infrastructural development of the Institution and is in the process of engaging more number of teaching and administrative staff members. Our aim is to provide good primary education to these children who are mostly coming from not so well to do families in the context of financial background. This way, we can help in building a better tomorrow for these children and their families. Apart from ensuring access to education for these children, we also provide opportunities to them for extra-curricular activities.

FORT GLOSTER PRIMARY SCHOOL

- Established in the Year of 1906
- Presently covering Class - I, II, III, IV
- Total Strength of the School is 329
- Fully managed and funded by Gloster Limited
- Bengali Medium Primary School providing quality education to the children of workers employed in & around Bauria and local community children from poor families

OUR TEACHING STAFFS

- Rebati Mohan Adhikary - Head Teacher
- Renendra Monah Ganguly - Assistant Head Teacher
- Asoke Kumar Ghose - Assistant Head Teacher
- Mou Charan - Assistant Lady Teacher
- Debarati Ghose - Assistant Lady Teacher
- Papia Chakraborty - Assistant Lady Teacher



**I WAS A STUDENT
OF THIS SCHOOL
ONLY AND AM PROUD
TO BE ASSOCIATED
WITH THIS INSTITUTION
AS THE HEAD TEACHER.....**

Rebati Mohan Adhikary

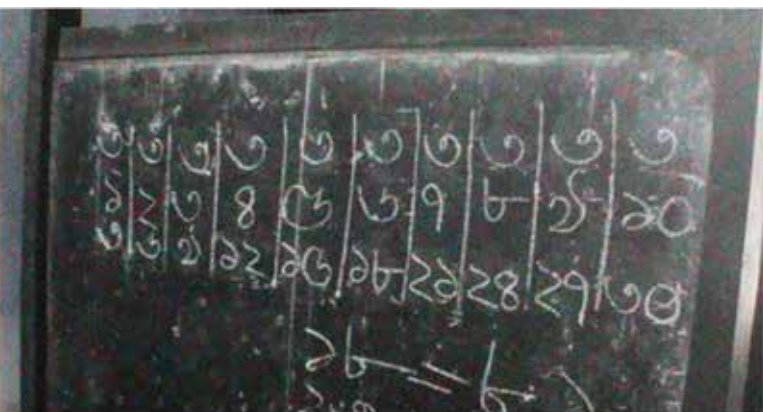
Head Teacher - Fort Gloster Primary School

We work very hard to ensure that the children in our school get the desired level of primary education. As most of these children come from an economically poor background, it is our responsibility to grow awareness among their guardians also that education holds the key to development of the society and individual. Children from diverse background come to our school for a quality education. I was a student of this school and am proud to be associated with this Institution as the Head Teacher.

We are grateful to the Management of Gloster Limited for funding and managing the school in an effective way. We have identified a few improvement opportunities for the school in terms of development of infrastructural facilities so that we are able to accommodate more number of students. The Management of Gloster has appreciated our thoughts on the same and they are willing to come forward to support us on this. We appreciate that Gloster Limited is taking all the necessary social initiatives to engage with the local community in an effective way for transforming their lives and ensuring an inclusive growth.







OUR SCHOOLS AT BAURIA - FORT GLOSTER VIDYALAYA

Besides our primary school, we also fund a secondary and higher secondary school in Bauria which is located a few kilometres from our main unit. Presently, the Fort Gloster Vidyalyaya has 237 students in Secondary Section and 177 students in the Higher Secondary Section. A large majority of the students at this school are the children of the workers employed in & around Bauria. We are committed to providing the children with the best available education and have invested significantly in upgrading the infrastructure at Fort Gloster Vidyalyaya to meet their needs. We have paid for the construction of a new building as well as re-painting the entire school. The Fort Gloster Vidyalyaya also offers a comprehensive mid-day meal scheme for the students in accordance with Central Government guidelines.



**ON 6TH OF
JANUARY 2013,
WE HAD ORGANIZED
A CAMP AT THE NETAJI
SANGHA BHAWAN FOR
PROVIDING TREATMENT
ON HYDROCELES AND
INGUINAL HERNIAS.**

HOW WE TAKE CARE OF THE COMMUNITY HEALTH?

Health and safety are of universal concern across the spectrum of communities. As a responsible company, we are not only committed to compliance with legal norms but it is our endeavour to voluntarily go beyond that and provide quality healthcare facilities in the regions around our site of operation. We are committed to providing all possible support to create awareness on various health related issues impacting the local people. We believe in a multidimensional approach that considers the needs of the area leading to an effective plan to address all issues in consultation with the local administration, community workers and Local club working in the area.

We are engaged in the Community health care programs through a Local Club named 'Netaji Sangha'. We provide charitable medical treatment facilities and health care related support to the community engaging through the club. The implementation related support is provided by 'Netaji Sangha', whereas the funding support is provided by Gloster. Every Sunday, we organize a charitable medical treatment facility centre where we provide free of cost medicine with patient check-up camp. On an average, every week our specialist doctor and the support staff attend 140 to 160 patients, majority of whom belong to the local community.

On 6th of January 2013, we had organized a camp at the Netaji Sangha Bhawan for providing treatment on Hydroceles and Inguinal Hernias. A total number of 115 patients attended the camp. Our doctor had recommended total 8 patients for operation; we provided them free of cost surgery along with free medicine.





Dr. Arun Baran Maity

Associated with Gloster as the Medical Advisor in the community healthcare initiatives

I have been associated with 'Netaji Sangha' Club for the past 6 years as the main Doctor in their community healthcare programs and initiatives. Initially the Club used to take these initiatives on their own in smaller scale, before Gloster took it over in the year 2012. Presently, all these free medical camps, weekly health check up programs, free surgeries and free of cost medicines are funded by Gloster. Initially, our initiatives were restricted within the scale of basic treatment and medicines.

However, after Gloster decided to fund these programs and committed to extend all kinds of support related to the same, we have been able to broaden our coverage by arranging infrastructure to treat a larger number of patients, treat more critical cases and provide more costly life saving medicines and support for the community people. Gloster is always committed to provide fund and support for introducing more advanced medical facilities in the programs organized by the Club, so that we can serve the community in a better way.



OUR HEALTHCARE INITIATIVES FOR THE COMMUNITY CHANNELIZED THROUGH NETAJI SANGHA CLUB, WHERE WE HAVE EXTENDED OUR FUNDING & IMPLEMENTATION SUPPORT...



FREE OF COST EYE CHECK UP CAMP

with Cataract operation and
Distribution of eye glasses.
The Program was organized
on 17th of February 2013
Netaji Sangha Bhawan

Approximately
400 PEOPLE
attended the
Campaigning
program

Number of
Cataract
operations
done : **46**



AWARENESS CAMPAIGN ON HIV AIDS AND STDs

organized on 8th
February 2013



PROVIDING WHEELCHAIRS

to three Physically disabled
people on 3rd March 2013

A total
135 PATIENTS
attended the camp



BLOOD DONATION CAMP

organized on 29th of
January, 2013



Free lunch for the differently-abled people organized by Gloster





A FEW OTHER CSR INITIATIVES

During FY 2012-13 we have...

- Constructed Sulabh Sauchalayas (Covered bathroom and toilet facilities) for the local community at Bauria
- Contributed towards renovation of one of the floors of the hospital building and purchase of medical equipment at the Anandalok Hospital, Kolkata
- Sponsored community development programmes undertaken by various Charitable Trusts in the country



Inauguration by our MD



Toilet facilities for Women



One of the five Sulabh Sauchalayas constructed by Gloster Limited

OUR JETTY AT BAURIA

WE PROVIDE FREE OF COST FERRY FACILITIES BETWEEN BAURIA AND BUDGE BUDGE

Our employees and their family members often need to travel to Budge Budge, which is situated on the other side of the river. They visit Budge Budge for different purposes related to their day to day requirements. Gloster is always conscious about their employees. Therefore, to ensure that our people and their families do not face transportation related problems, we provide free of cost Ferry facilities between Bauria and Budge Budge. The ferry is available at a regular frequency throughout the day at our private jetty in Bauria. Many of our employees and their families have benefitted from this initiative.



OUR SOCIAL INITIATIVE FOR PROMOTION OF A SUSTAINABLE BUSINESS MODEL THROUGH SEVA ON ORGANIC JUTE

Gloster has initiated a unique programme involving SEVA regarding cultivation of organic jute. The Sustainable organic jute cultivation model has been implemented in the Kankarasuti village, Baduria Block, District North 24 Parganas. The programme engages farmers from the village in cultivation of organic jute and against the same they are able to earn their livelihood. Presently the coverage area under this scheme is 27.92 ha. and the production capacity is approximately 80 – 85 Tonnes in the cycle of 120 days.

The programme is funded by Gloster, whereas the knowledge and implementation related support is provided by SEVA. Presently the model engages 110 farmers. The local farmers have found this programme to be beneficial for them. We have been successfully running this model for the last a few years. The model has been able to draw the interest of the local farmers and at the same point of time it has become very popular. On a regular basis we are receiving feedback through SEVA that the programme has not only helped in motivating the already engaged farmers, but it has also drawn the attention of those who are not presently covered under this programme. Many new farmers have done their enquiries and have shown

enthusiasm regarding participation in this programme. Through SEVA we also ensure that these farmers get the necessary trainings related to their field job and in order to do the same, training and awareness development programmes are arranged on a regular basis for them. We are thankful to the SEVA officials for arranging the same.

The farmers of this area mainly follow a Jute-Paddy-Fallow cropping cycle. Besides the organic jute, paddy is also grown in the same fields. The organic jute seeds and seed drills are provided free by Gloster Limited, which has helped the farmers in the following ways:

- Reducing cost for weed management
- Reducing cost for plants thinning
- Reducing weight of the certified seeds required by the farmers per hectare

Gloster provides certified jute seeds to farmers every year. Gloster purchases the organic jute from the farmers at a rate which is 15% higher than the prevailing market rate every year. This gesture by Gloster Limited is greatly appreciated by the farmers. Gloster Limited also participates in local agri-fairs organized by SEVA with the villagers.





ORGANIC JUTE CULTIVATION - IMPORTANT STATISTICS

- Programme implemented at Kankarasuti village, Baduria Block, District Noarh 24 Paraganas
- Coverage Area under the Programme Scheme is 27.92 ha
- Engaging 110 Farmers from the Village
- Model has been successfully implemented for the last two years



The background of the entire page features two raised fists, one in the center and one on the right, against a light blue gradient. A dark blue rectangular box with a diagonal cut on the bottom right corner is positioned in the lower half of the image.

LABOR PRACTICES & HUMAN RIGHTS





OUR APPROACH TO WORK FORCE MANAGEMENT

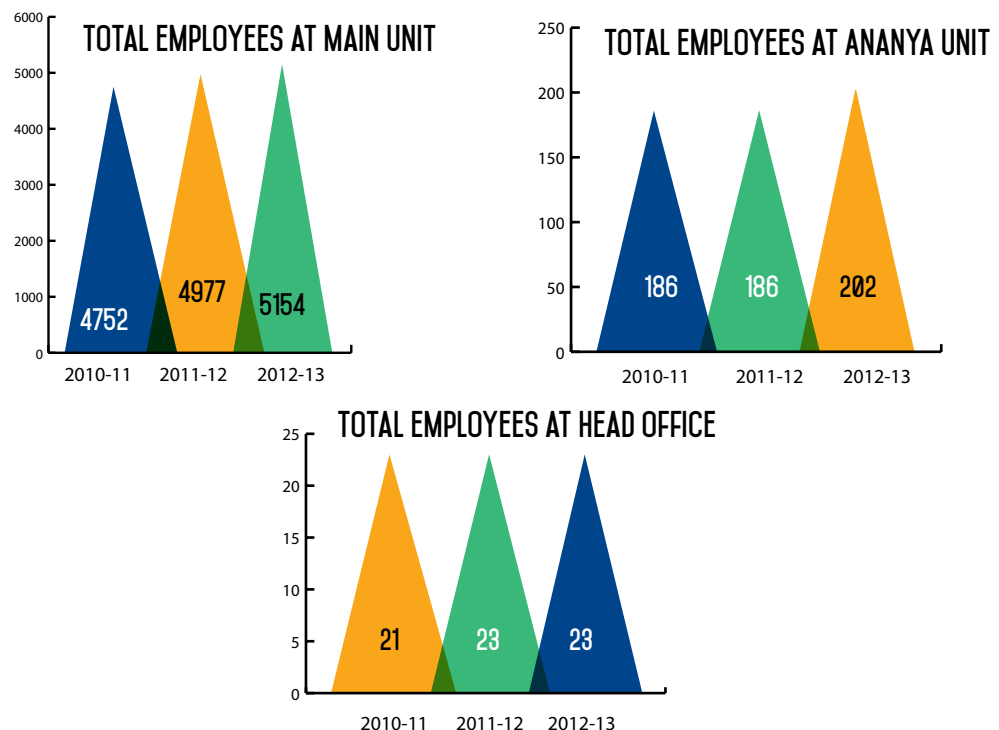
We believe that the efficient and fair management of our workforce is the key to our success as an organization. We follow internationally acceptable labour practices at both our production units as well as our Head Office. We invest heavily in training and developing our employees both for blue-collar and white-collar functions. The training is carried out in order to sensitize our people to a number of topics like policy, health and safety, environmental and our sustainability initiatives. We routinely stay in touch with our employees to be better able to understand their concerns and motivations and respond to them swiftly and effectively.

Gloster is committed to hiring quality people, developing them to their fullest potential, identifying the talents and competencies of our employees and increasing retention. We understand the importance of our people as the backbone of our operations and are completely dedicated to making them integral to all our initiatives including our sustainability efforts.

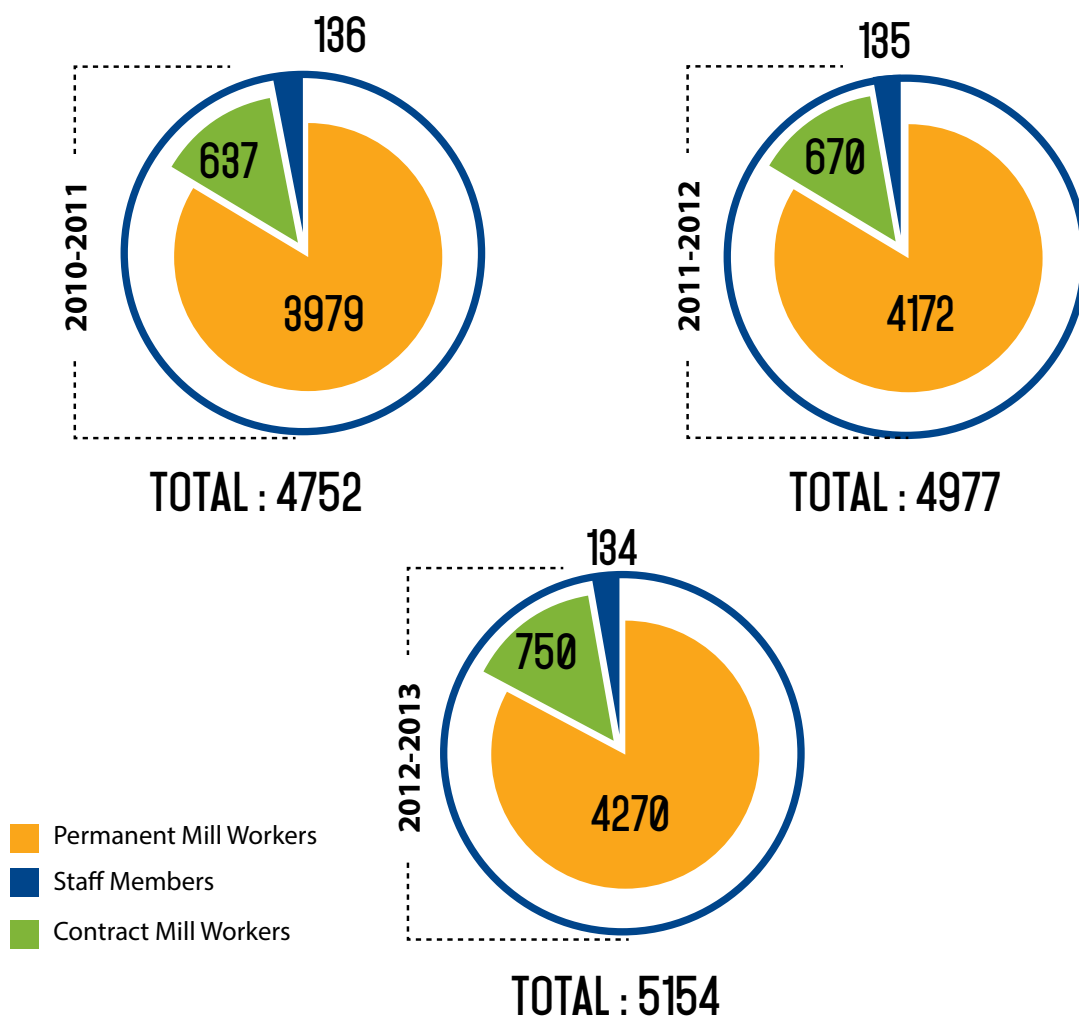
MANPOWER (LA1)

We believe in hiring people who have the skills needed to fit their roles as most of our jobs are in our production units. Along with our workers we also employ regular staff members to take care of administrative functions. We believe in promoting diversity, but most of the worker's unions in the region are predominantly male and most of our employees belong to one of the six major unions of the region. We also employ workers on a contract basis either for temporary jobs or as a stepping stone to a permanent position, Displayed below are the basic details of our workforce.

TOTAL WORKFORCE



TOTAL WORKFORCE BY EMPLOYMENT TYPE AT MAIN UNIT

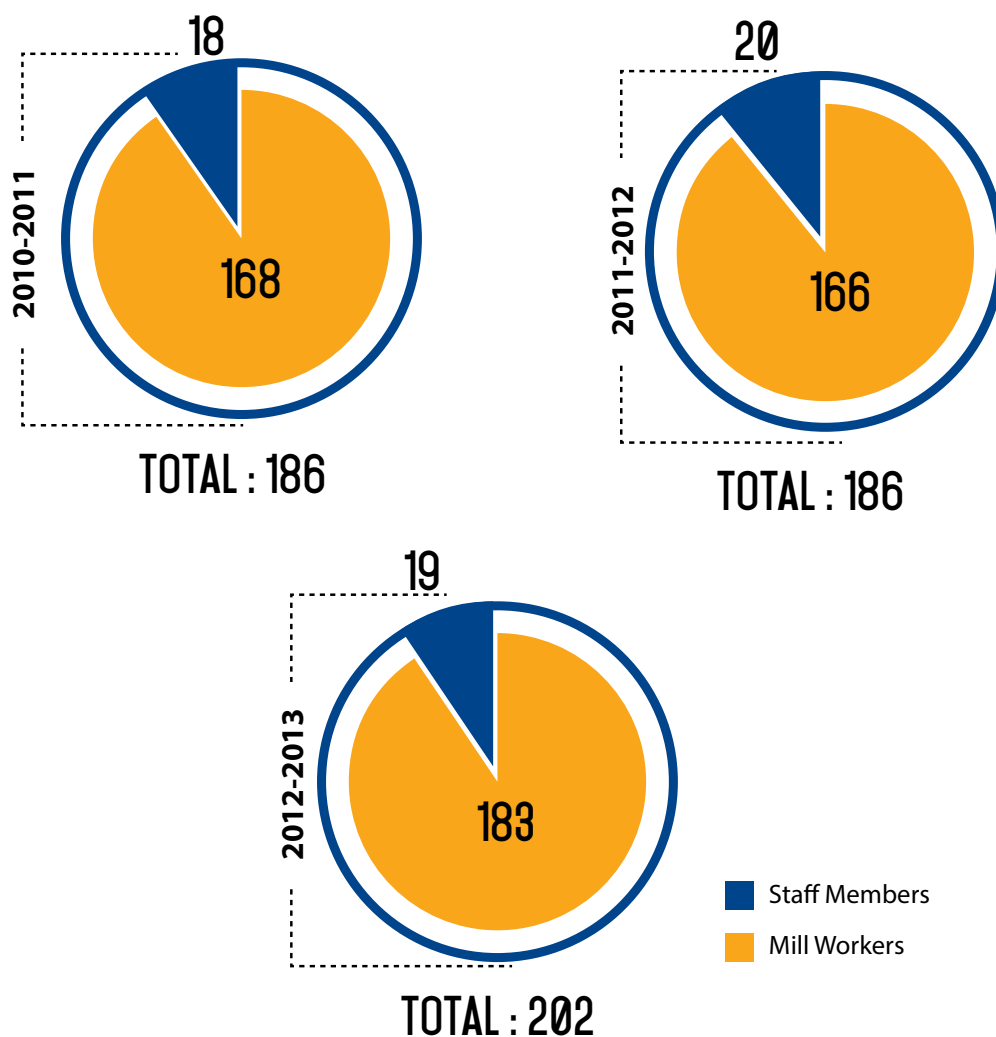


As mentioned above, we have different types of employment at our company. The chart above depicts this data for our main unit. In FY 2010-11 we had 3979 permanent workers, 637 contract workers and 136 staff members. In FY 2011-12, the total number of permanent workers in our workforce increased to 4172, the total number of contract workers also increased to 670, but the number of staff members fell to 135. In FY 2012-13, the total number of permanent workers increased to 4270, the number of contract workers increased to 750 and the total number of staff members fell once again to 134.

We do not employ any contract workers at our Ananya unit as is clear from the chart below. In FY 2010-11, we had a total of 168 mill workers and 18 staff member. In FY 2011-12, the number of mill workers fell to 166 and the number of staff members increased to 20. In FY 2012-13, the total number of mill workers increased to 183 and the number of staff members fell to 19.

Our Head office has only staff members and so employment type-wise details does not apply in this case.

TOTAL WORKFORCE BY EMPLOYMENT TYPE AT ANANYA UNIT



BENEFITS FOR FULL-TIME AND PART-TIME EMPLOYEES (LA3)

Benefits	Provided to Direct Employees	Provided to Contractor's Employees
P.F. Contribution	Yes (10% of Basic Salary)	Yes (10% of Basic Salary)
E.S.I. Contribution	Yes (4.75% of Basic Salary)	Yes (4.75% of Basic Salary)
H.R.A.	Yes (5% of Basic Salary)	No
Bonus	Yes (8.33% of Basic Salary)	Yes (8.33% of Basic Salary)
Festival Holidays	Yes (3.33% of Basic Salary)	Yes (3.33% of Basic Salary)
Statutory Leave	Yes (5% of Basic Salary)	No
D.L.I. Administrative and Inspection Charges	Yes (0.69% of Basic Salary)	Yes (0.69% of Basic Salary)
Gratuity	Yes (5% of Basic Salary)	No

FORMAL JOINT AGREEMENTS ON HEALTH AND SAFETY (LA6, LA9)

Our joint management-worker health and safety committee that helps monitor and advise on occupational and safety programs is constituted using a 50-50 breakup, which means half the representatives of the committee represent the workforce and the other half represent the management.

Given below are the topics covered in formal agreements with trade unions:

HEALTH AND SAFETY TOPICS COVERED IN FORMAL AGREEMENTS WITH TRADE UNIONS (LA9)



EMPLOYEE TRAINING DATA (LA10)

AVERAGE HOURS OF TRAINING PER
EMPLOYEE IN FY 2012-13 WAS

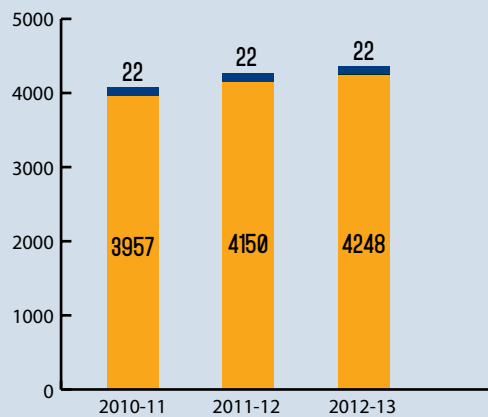
8 HOURS

EQUAL OPPORTUNITIES

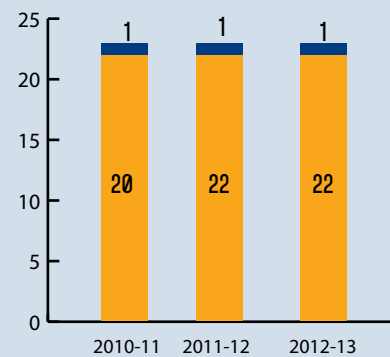
Equal opportunity at the workplace is very important to us and we strive to give equal opportunity to both genders.

TOTAL WORKFORCE BY GENDER

TOTAL NO. OF MILL WORKERS BY GENDER AT MAIN UNIT



TOTAL NO. OF STAFF MEMBERS BY GENDER AT HEAD OFFICE

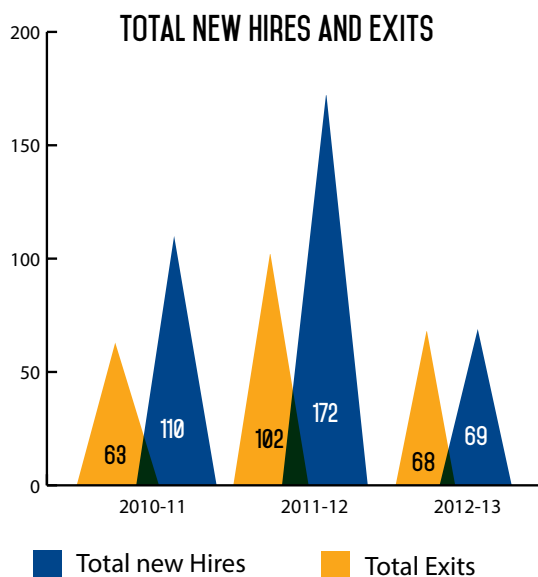


Female

Male

PEOPLE RETENTION (LA2)

We try and minimize our exits to the extent possible. However, we do have a reasonable amount of turnover at the Main Unit as we have a large number of employees and many complex operations with ever changing manpower needs. In FY 2010-11, we hired 69 people company wide as opposed to 68 exits. The figures for new hires and exits in FY2011-12 were 172 and 102 respectively. In the current FY 2012-13, we hired a 110 new people and 3 people resigned.



LABOR AND MANAGEMENT RELATIONS (LA4)

Given the large number of workers that are employed by our company, it is essential for us to maintain a good working relationship with our worker's and the labour representatives at our mills. We go to great lengths to ensure that our workers feel free to come to the management with any grievances, and then ensure a solution acceptable to both parties. Every single one of our permanent mill employees is part of a labour union and therefore covered by collective bargaining agreements that also cover health and safety issues. As will be revealed by the interviews conducted with two leading labour representatives provided later in this sub section, our initiatives have been successful as our workers are comfortable discussing issues with our management and have had no significant complaints regarding management decisions in the recent past. Operational changes happen only with the full knowledge and cooperation of our mill workers and thus they are aware and prepared for these changes well in advance. From our end we have set up a chain of command to address grievances but on many occasions, complaints have been taken directly to the Managing Director, after which they were amicably worked out. We make every effort to provide a safe work environment, offer benefits and take care of our workers when they need financial or medical assistance. The workers for their part are never inclined to create work stoppages or other delays, instead they prefer to engage with the management and solve problems before they get out of hand. Given below is a summary of the interviews conducted with two of our labour representatives to gauge their attitude towards our labour management initiatives.

An illustration of five stylized human figures in white and black, sitting around a grey rectangular table. They appear to be in a meeting, with some looking at papers. The background consists of several overlapping circles in shades of blue and light blue.

INTERVIEWS WITH LABOUR REPRESENTATIVES....

Name: **MR. NISAR AHMED**

Union: *BENGAL CHATKAL MAZDOOR UNION (CITU)*

Experience: 40 YEARS (SINCE 1974)

My role is to facilitate communication between the management and the workers, look after the welfare of the workers and negotiate with management regarding certain issues. Since we belong to a National Union-CITU, most of our discussion on serious issues with the management is done by our senior leaders, but we are allowed to negotiate regarding day to day operational issues. In all of my years at Gloster we have never had a major issue with the management at this mill. There have been work stoppages but most of them were caused due to industry-wide strikes. Shree D.C. Baheti ji (Managing Director) has an open door policy and we feel free to reach out to him if we have any grievances and he goes out of his way to resolve these issues. The feedback of the worker is always considered before new policies and systems are instituted. The management is also committed to training workers in order to improve efficiency and reduce accidents.

Name: **MR. BINAKAR JANA**

Union: *ALL INDIAN TRINAMOOL CONGRESS TRADE UNION CONGRESS*

Experience: MORE THAN 20 YEARS

I have worked here for over twenty years, and I have had a very good experience over the years. Gloster is very efficient at addressing all our grievances in a timely and acceptable manner. They also pay close attention to the health and safety needs of our workers and have borne expenses beyond the ESI cover to treat diseases and accidents for many workers. Even though there are six unions at this mill, the work always proceeds very smoothly. The workers feel indebted to Shree D.C. Baheti ji (Managing Director) for his proactive role in labour relations and that is why our production goes up when he goes out of town as we want to give him a pleasant surprise when he returns back to the mill. Their efforts have ensured that there have been no fatalities at the mills for many years.

Our great relationship with our workers has allowed us to avoid strikes and work stoppages in the recent past. There have been some work stoppages but they have been due to industry-wide strikes and not for any differences between workers and management of our units. In FY 2010-11 we had no work stoppages, in FY 2011-12 we lost two days due to industry-wide strikes and in FY 2012-13 we just lost one day due to an industry wide strike.

OCCUPATIONAL HEALTH AND SAFETY (LA7)

We believe that it is one of our primary responsibilities to ensure a safe working environment for all of our employees. The management work tirelessly with employees, and their representatives to put in place a company-wide safety management system which is discussed in detail in the next sub-section. This system has helped us reduce our accident rates to well below industry averages. Our Head Office has had no accidents in the last three financial years as the operations are white-collar in nature. Therefore, in this section we discuss our performance related to accidents only for our Main Unit and our Ananya Unit.

MAIN UNIT

Given below are the month by month accident statistics for our Main Unit. In FY 2010-11 we had a total of 344 accidents, this figure increased to 382 in FY 2011-12 and fell to 380 accidents in FY 2012-13.

TOTAL NO. OF ACCIDENTS (MONTHLY) OVER THE LAST THREE FINANCIAL YEARS

Month	Total No. of Accidents in 2010-11	Total No. of Accidents in 2011-12	Total No. of Accidents in 2012-13
January	28	32	36
February	39	29	22
March	21	24	29
April	36	21	24
May	31	48	33
June	36	46	38
July	33	41	34
August	25	37	25
September	16	26	34
October	23	15	27
November	33	25	30
December	26	38	48
Total	344	382	380

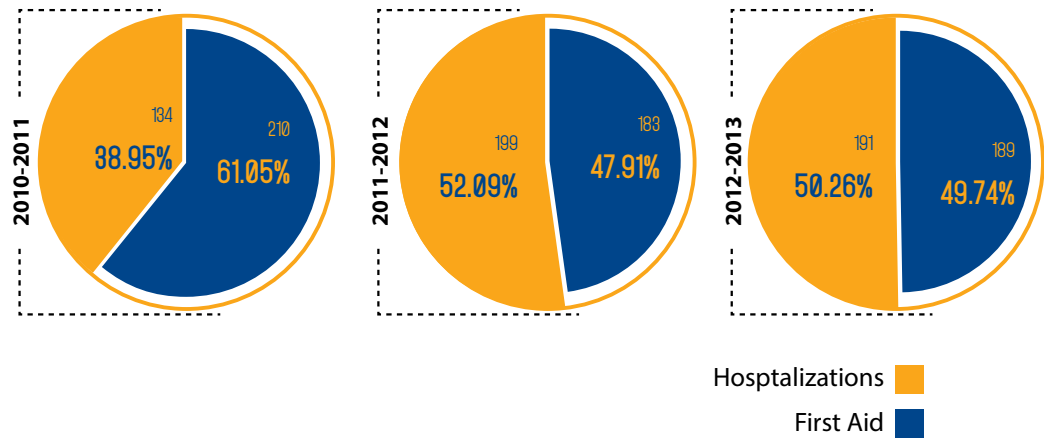
NUMBER OF DAYS LOST DUE TO STRIKES/ WORK STOPPAGES

2010-11
Nil

2011-12
2

2012-13
1

TOTAL ACCIDENTS BY LEVEL OF SEVERITY

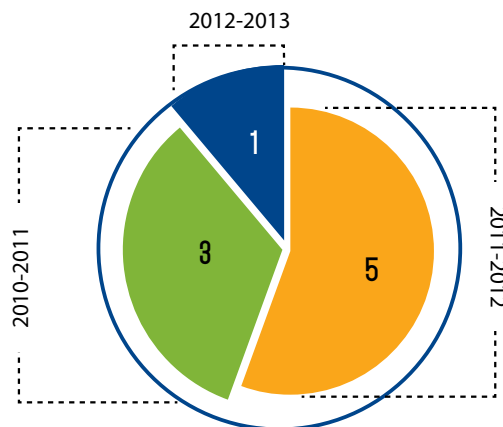


We are proud to report that there have been no fatalities at our Main Unit over the last three financial years. We have conducted a total of 4 health and safety inspections at the Main Unit over the last three financial years (one inspection each in FY 2010-11 and FY 2011-12 and two inspections in FY 2012-13).

ANANYA UNIT

The incidence of accidents at our Ananya Unit is even lower than our Main Unit owing mostly to the smaller number of employees at the Ananya Unit. We had a total of 3 accidents in FY 2010-11, a total of 5 accidents in FY 2011-12 and 1 accident in FY 2012-13. We are proud to disclose that we have had zero fatalities at the Ananya Unit over the last three financial years.

TOTAL NO. OF ACCIDENTS OVER LAST THREE FINANCIAL YEARS



ZERO FATALITIES IN LAST THREE YEARS

SAFETY MANAGEMENT SYSTEM

As a matter of policy we also comply with all statutory and industrial requirements related to occupational health, safety, environmental protection and conservation of natural resources to the highest extent possible. Gloster has been awarded the **OHSAS 18001:2007** Certificate by the **The British Standards Institution** for both Units.

PERFORMANCE MANAGEMENT (LA12)

A critical component of staff development is an effective and efficient appraisal system. Through our Performance Management process, we analyse our employees' strengths and areas where improvement is needed. It is during this process that any special training requirements are identified. In some circumstances, employees may be required to train on general duties, which will enable the organization to maintain productivity during employee absence. Training imparted at the units provides policies and guidelines for staff development. The purpose of the Performance Management Process is to manage and assess the performance of each and every employee. It allows both our organization and our employees to achieve their goals. Every single one of our permanent employees regardless of gender or rank; undergoes the performance appraisal process on a yearly basis.

TRAINING AND EDUCATION (LA11)

We believe in capacity building of each and every employee in our company. We believe this provides our employees with the benefits of personal growth; it also

benefits our community, key stakeholders and the organization as a whole. The following areas have been identified as areas for training for our employees.

- Vigorous induction training for every new employee. This includes training related to role and responsibility, vision, mission, programs, strategies, working area etc.
- Personality Development- Communication skills, teamwork, leadership etc.
- Program related training- Participatory planning, Implementation and monitoring of programs, technical and other training as per individual roles and responsibilities.

At our two units all our workers are required to undergo training for 2 years from the commencement of employment or a new job assignment. The training may be extended if the management feels it is needed. After the 2 year period, the management will review the performance of the worker and then decide whether or not the training period should be extended.

Given the technical nature of the jobs performed by our workers, we have a rigorous induction process designed to make new joiners familiar with their tasks and workplace. This policy for our two units includes the following:

- Orientation to unit organization culture and values
- Meeting with the Unit Manager to understand the Unit goals
- Meeting with key personnel of the unit to understand programs
- Understanding the role and responsibility with the immediate superior
- Candidates found to have criminal records will be summarily rejected
- During Induction he/she will be briefed about what acts and omissions contribute to misconduct

The training topics covered in 2012-13 are provided below:

TRAINING TOPICS COVERED IN 2012-13

- Energy Conservation
- Basic Security Awareness
- Threat Awareness (Security)
- Security Monitoring
- Access Control + Addressing Unauthorized access
- Techniques for prevention of internal conspiracy
- Inspection of fencing + Patrolling
- Fire Prevention and Control
- Fire Safety + Procedures for meeting emergencies
- Mock Fire Drill + Evaluation Plan
- Chemical Safety
- Management System Audit (Internal) Skills
- First Aid Treatment
- Unannounced Evacuation Drill
- SA 8000 Awareness
- Water Conservation



Technical Training Sessions and Workshop organized for the Workers

Besides our routine training for workers we also provide specialized training sessions to our junior level supervisors, which are conducted by expert trainers from the Institute of Jute Technology. We have started training on Safety aspects in our units. Details of this training are provided in the table below.

STAFF TRAINING DETAILS

Type of Training	Total number of participating employees		
	2010-11	2011-12	2012-13
Junior Level Supervisor Course under Institute of Jute Technology	5	4	6
Safety Training by renowned institutions	0	0	1

HEALTH (LA8)

We put a great emphasis on improving and maintaining health of our employees. Many of our workers come from economically weaker sections of society and often need to be sensitized to the benefits of cleanliness, hygiene and sanitation. We conduct health sensitization programs usually through organizations specializing in community health to spread awareness regarding communicable diseases and the importance of hygiene and sanitation. Besides preventive measures we also help our workers with financial assistance in times of ill health and other exigencies of life. All employees excluding senior members of staff are covered under our Employees State Insurance Scheme for providing medical treatment to workers and members of their families. Our employees have to ensure that they have the requisite level of fitness to carry out their jobs.

AUDITS AND INSPECTIONS

Given the nature of our operations we conduct third-party inspections of Hazard Identification & Risk Assessment (HIRA), Hazard hunt, Safety Observations to detect safe and unsafe conditions and behaviours during work, are some of the types of audits/inspections carried out. Comprehensive health and safety inspections at both our units are carried out at least once a year and sometimes twice a year if new equipment is installed or a new process is introduced. Our audit/inspections statistics are provided below.

TOTAL NUMBER OF HEALTH AND SAFETY INSPECTIONS AT OUR UNITS

2010-11	2011-12	2012-13
1	1	2

HUMAN RIGHTS

INCIDENTS OF DISCRIMINATION AND ACTIONS TAKEN (HR4)

In FY 2012-13, we have had no reported cases of discrimination of any kind in any of our units.

COLLECTIVE BARGAINING AND FORCED OR COMPULSORY LABOUR (HR5, HR7)

Collective bargaining is the protection of the rights of workers. We uphold and support the freedom of association of our employees by recognizing and encouraging the right to collective bargaining. The senior management engages with the labor representatives through structured as well as informal mechanisms. We also keep a close eye on the operations in which the freedom of association might be at risk. For the last three years we have not been able to identify a single such instance and it speaks volumes about the efficiency of our control system. We ensure all around participation in the events of workers union. We at Gloster believe that employees are not to be subjected to forced or compulsory labour which is also a fundamental provision of human rights. The same is also in accordance with UN Universal Declaration of Human Rights and is subject to ILO Core Conventions 29 & 105. We prohibit the deployment of forced labour across our entire operations. For the current reporting period we did not have a single operation or any significant suppliers exposed to the risk of forced or compulsory labour.

CHILD LABOUR (HR6)

Gloster ensures its units are routinely monitored to ensure that no child labour is employed. We strongly condemn the use of child labour and the nature of our operations that require years of training and experience to carry out work are a natural barrier to prevent child labour.

HUMAN RIGHTS GRIEVANCES (HR9)

We take the human rights very seriously and we encourage our employees to speak out against possible violations. We are proud to disclose that there have been no incidents of human rights violations during FY 2012-13.

OTHER POLICIES

Besides the initiatives mentioned above, we also have numerous other policies implemented throughout our organization in order to ensure a healthy relationship with our employees and to encourage higher productivity. These policies are listed below.

RECRUITMENT AND SELECTION POLICY

REMUNERATION POLICY

WORK HOURS/ OVERTIME POLICY

LEAVE POLICY

TRANSFER POLICY

DISCIPLINE AND CONDUCT POLICY

PERSONAL CONDUCT POLICY

ANTI-SEXUAL HARASSMENT POLICY

ANTI-THEFT POLICY

PERSONAL APPEARANCE AND CLEANLINESS POLICY

ANTI-SOLICITATION OF GIFTS AND ADVANTAGES POLICY

DISCIPLINARY POLICY

CONFLICT OF INTEREST POLICY

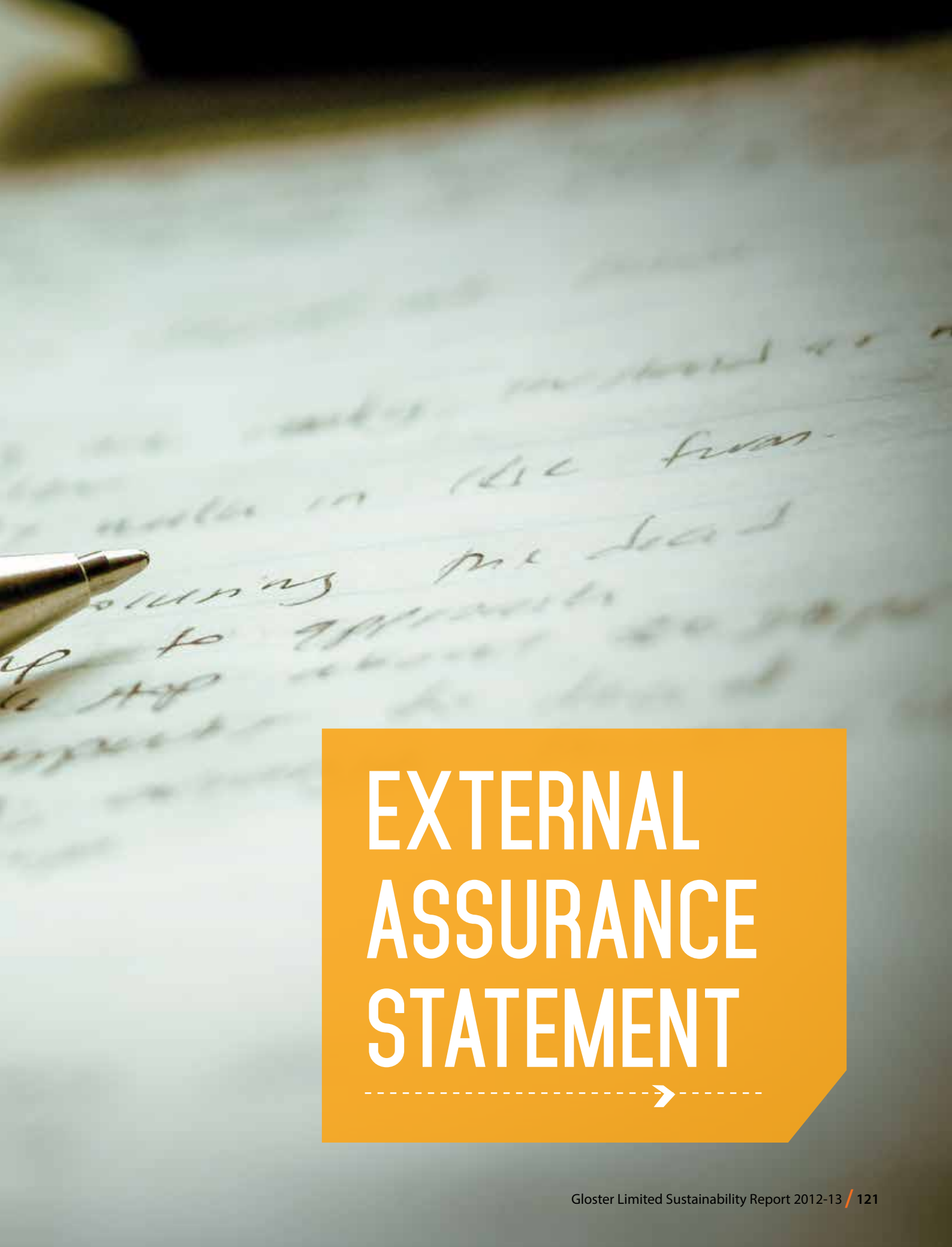
WHISTLE-BLOWER PROTECTION POLICY

ANTI-HARASSMENT POLICY

CRISIS AND SECURITY POLICY







EXTERNAL ASSURANCE STATEMENT





Ernst & Young LLP
22 Camac Street
Block – 'B', 5th Floor
Kolkata – 700016
West Bengal, India

Tel: +91 33 66153400
Fax: +91 33 2281 7750

**The Management and Board of Directors
Gloster Limited
21 Strand Road
Kolkata 700 001**

Independent Assurance Statement

Ernst & Young LLP (EY) was engaged by Gloster Limited (the 'Company') to provide independent assurance on its Sustainability Report 2012-13 (the 'Report') covering the Company's sustainability performance during the period 1st April 2012 to 31st March 2013.

The development of Report based on the Global Reporting Initiative (GRI-G3) Guidelines; its content and presentation is the sole responsibility of the management of the Company. EY's responsibility, as agreed with the management of the Company, is to provide independent assurance on the report content as described in the scope of assurance. Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. EY expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement.

Assurance standard

Our assurance is in accordance with International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Our evidence-gathering procedures have been designed to obtain a reasonable level of assurance (as set out in ISAE 3000) on which we based our conclusions.

Scope of Assurance and Methodology

The scope of our work for this assurance engagement was limited to review of information pertaining to environmental and social performance for the period 1st April 2012 to 31st March 2013 at its Main Unit, Howrah (West Bengal), Ananya Unit, Howrah (West Bengal), and at its Head Office at 21 Strand Road, Kolkata (West Bengal). The nature and scope of our work was based on our professional judgment and we have performed procedures deemed necessary to provide a basis for our conclusions. The approach to the assurance exercise included interaction with key personnel to identify the processes in place to capture sustainability performance data and information as per GRI 2006 (GRI-G3) Guidelines. We conducted review and verification of data collection/measurement methodology and general review of the logic of inclusion/omission of necessary relevant information/data and this was limited to:

- Review of consistency of data/information within the report as well as between the report and source;
- Verification of the sample data and information reported; Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription and aggregation process followed;
- Review of the reliability of the information, assessing related controls and their operating effectiveness;
- Review of the Company's plans, policies and practices, pertaining to their social, environment and sustainable development, so as to be able to make comments on the fairness of sustainability reporting.

Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2012 to 31st March 2013);
- Review of the 'economic performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records;
- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention;

Our Assurance team

Our assurance team, comprising of multidisciplinary professionals, was drawn from our Climate Change and Sustainability network, and undertakes similar engagements with various Indian and international companies.

Observations and opportunities for improvement

During our review process, we observed that:

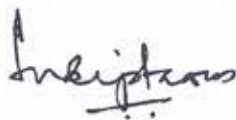
- The Company may improve the reporting on certain indicators, viz. significant indirect economic impacts (EC9), injury cases (LA7), and assessment of social impact (SO1);
- The Company may improve on internal review of the sustainability performance data.

Conclusion

On the basis of our procedures aimed at obtaining reasonable assurance, we conclude that in our opinion:

- The Company has presented, in a reasonably balanced and transparent manner, the information on Environmental and Social parameters pertaining to the GRI indicators, and
- Nothing has come to our attention that causes us not to believe that the Company has reported on sustainability issues relevant to its business.

Ernst & Young LLP
Partner
Sudipta Das



Date: 8 January 2015
Place: Kolkata, India.

CONTI



ENT

GRI CONTENT INDEX





Annual Distribution of Sarees by Gloster Limited



Application Level
Gloster Limited

Oct 2015
Service



Application Level
Gloster Limited

Oct 2015
Service

G3 Content Index - GRI Application Level B+

Application Level B

Third-party-checked

Assured
by

Ernst & Young
LLP

STANDARD DISCLOSURES PART I: Profile Disclosures

REPORT FULLY ON THE BELOW SELECTION OF PROFILE DISCLOSURES OR PROVIDE A REASON FOR OMISSION

1. Strategy and Analysis

Profile Disclosure	Disclosure	Level of reporting	Location of Disclosure	Reason for omission	Explanation for the reason for omission
1.1	Statement from the most senior decision-maker of the organization.	Fully	Page 6		
1.2	Description of key impacts, risks, and opportunities.	Fully	Pages 6 to 9		

2. Organizational Profile

Profile Disclosure	Disclosure	Level of reporting	Location of Disclosure	Reason for omission	Explanation for the reason for omission
2.1	Name of the organization.	Fully	Page 3		
2.2	Primary brands, products, and/or services.	Fully	Pages 72 to 73		
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	Pages 20 to 21		
2.4	Location of organization's headquarters.	Fully	Page 12		
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	Page 16 to 17 & Pages 46 to 47		
2.6	Nature of ownership and legal form.	Fully	Page 12		
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	Pages 13 and 16 to 17		
2.8	Scale of the reporting organization.	Fully	"Scale in terms of employees- Page 106 Scale in terms of net sales (income from operations)- Page 42 Scale in terms of quantity of jute produced annually- Back Cover"		
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	Page 128. This is our first report		
2.10	Awards received in the reporting period.	Fully	Page 39		

3. Report Parameters					
Profile Disclosure	Disclosure	Level of reporting	Location of Disclosure	Reason for omission	Explanation for the reason for omission
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	Page 3		
3.2	Date of most recent previous report (if any).	Fully	Page 3		
3.3	Reporting cycle (annual, biennial, etc.)	Fully	Page 129. This is our First Report		
3.4	Contact point for questions regarding the report or its contents.	Fully	Page 129. This is our First Report		
3.5	Process for defining report content.	Fully	Pages 55 to 57		
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	Page 3		
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	129. There are no limitations on the scope within the boundary of this report		
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	129. We have no such subsidiaries, joint ventures or outsourced operations		
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	"Throughout the following sections: • Environmental Performance • Economic Performance • Labor Practices & Human Rights"		
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	Page 129. This is our first report		
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	Page 129. This is our first report		
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	Pages 128 to 142		
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	Page 122 to 123. EY LLP has provided third-party Limited External Assurance as per the ISAE 3000 framework		

4. Governance, Commitments, and Engagement

Profile Disclosure	Disclosure	Level of reporting	Location of Disclosure	Reason for omission	Explanation for the reason for omission
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	Pages 25 to 27		
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	Pages 25		
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	Fully	Page 25		
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Fully	Pages 26 to 27		
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Fully	Page 27		
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	Page 32		
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	Partially	Page 27	Does not exist	Our remuneration committee is responsible for determining the compensation paid to our Board of Directors, however, they do not gauge their qualifications
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	Page 20 to 21		
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	Pages 31 to 33		
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	Pages 24 to 27		

4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Fully	Page 60
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	Page 131. We have no such subscriptions or endorsements
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	Fully	Page 22
4.14	List of stakeholder groups engaged by the organization.	Fully	Page 55
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	Pages 54 to 57
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	Pages 54 to 57
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Fully	Pages 51 to 53 & Page 57

REPORT ON THE DISCLOSURES ON MANAGEMENT APPROACH FOR EACH CATEGORY. YOU SHOULD BE ABLE TO DISCLOSE THIS INFORMATION ON THE ASPECT LEVEL FOR EACH PERFORMANCE INDICATOR THAT YOU HAVE REPORTED FULLY ON.

G3 DMA	Disclosure	Level of reporting	Location of Disclosure		Further comments
DMA EC	Disclosure on Management Approach EC				
Aspects	Economic performance	Partially	Page 45		We do not have separate DMAs for all Economic Aspects, we have one DMA which covers all aspects.
	Market presence	Partially	Page 45		We do not have separate DMAs for all Economic Aspects, we have one DMA which covers all aspects.
	Indirect economic impacts	Partially	Page 45		We do not have separate DMAs for all Economic Aspects, we have one DMA which covers all aspects.
DMA EN	Disclosure on Management Approach EN				

Aspects	Materials	Partially	Page 60	We do not have separate DMAs for all Environmental Aspects, we have one DMA which covers all aspects.
	Energy	Partially	Page 60	We do not have separate DMAs for all Environmental Aspects, we have one DMA which covers all aspects.
	Water	Partially	Page 60	We do not have separate DMAs for all Environmental Aspects, we have one DMA which covers all aspects.
	Biodiversity	Partially	Page 60	We do not have separate DMAs for all Environmental Aspects, we have one DMA which covers all aspects.
	Emissions, effluents and waste	Partially	Page 60	We do not have separate DMAs for all Environmental Aspects, we have one DMA which covers all aspects.
	Products and services	Not		We have not reported on this aspect
	Compliance	Partially	Page 60	We do not have separate DMAs for all Environmental Aspects, we have one DMA which covers all aspects.

	Transport	Not		We have not reported on this aspect
	Overall	Not		We have not reported on this aspect
DMA LA	Disclosure on Management Approach LA			
Aspects	Employment	Partially	Page 106	We do not have separate DMAs for all Labour Aspects, we have one DMA which covers all aspects.
	Labor/management relations	Partially	Page 106	We do not have separate DMAs for all Labour Aspects, we have one DMA which covers all aspects.
	Occupational health and safety	Partially	Page 106	We do not have separate DMAs for all Labour Aspects, we have one DMA which covers all aspects.
	Training and education	Partially	Page 106	We do not have separate DMAs for all Labour Aspects, we have one DMA which covers all aspects.
	Diversity and equal opportunity	Not		We have not reported on this aspect
DMA HR	Disclosure on Management Approach HR			
Aspects	Investment and procurement practices	Not		We have not reported on this aspect
	Non-discrimination	Partially	117	We do not have separate DMAs for all HR Aspects, we have one DMA which covers all aspects.

	Freedom of association and collective bargaining	Partially	117	We do not have separate DMAs for all HR Aspects, we have one DMA which covers all aspects.
	Child labor	Partially	117	We do not have separate DMAs for all HR Aspects, we have one DMA which covers all aspects.
	Forced and compulsory labor	Partially	117	We do not have separate DMAs for all HR Aspects, we have one DMA which covers all aspects.
	Security practices	Not		We have not reported on this aspect
	Indigenous rights	Partially	117	We do not have separate DMAs for all HR Aspects, we have one DMA which covers all aspects.
DMA SO	Disclosure on Management Approach SO			
Aspects	Community	Partially	90	We do not have separate DMAs for all HR Aspects, we have one DMA which covers all aspects.
	Corruption	Partially	90	We do not have separate DMAs for all Society Aspects, we have one DMA which covers all aspects.
	Public policy	Partially	90	We do not have separate DMAs for all Society Aspects, we have one DMA which covers all aspects.

	Anti-competitive behavior	Partially	90	We do not have separate DMAs for all Society Aspects, we have one DMA which covers all aspects.
	Compliance	Partially	90	We do not have separate DMAs for all Society Aspects, we have one DMA which covers all aspects.
DMA PR	Disclosure on Management Approach PR			
Aspects	Customer health and safety	Partially	70	We do not have separate DMAs for all Product Responsibility Aspects, we have one DMA which covers all aspects.
	Product and service labelling	Partially	70	We do not have separate DMAs for all Product Responsibility Aspects, we have one DMA which covers all aspects.
	Marketing communications	Not	NA	We have not reported on this aspect
	Customer privacy	Not		We have not reported on this aspect
	Compliance	Not		We have not reported on this aspect

STANDARD DISCLOSURES PART III: Performance Indicators

REPORT FULLY ON AT LEAST 20 CORE OR ADDITIONAL PERFORMANCE INDICATORS - AT LEAST 1 FROM EACH CATEGORY (ECONOMIC, ENVIRONMENT, LABOR PRACTICES & DECENT WORK, HUMAN RIGHTS, SOCIETY, PRODUCT RESPONSIBILITY)

Economic					
Indicator	Disclosure	Level of reporting	Location of Disclosure		
Economic Performance					
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	Page 42 to 43 of Sustainability Report and Page 11 of Annual Report 2012-13		

EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Not			
EC3	Coverage of the organization's defined benefit plan obligations.	Not			
EC4	Significant financial assistance received from government.	Fully	Page 44		
Market presence					
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	Fully	Page 44		
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	Not			
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Fully	Page 44		
Indirect economic impacts					
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	Page 45		
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Partially	Page 45		
Environmental					
Indicator	Disclosure	Level of reporting	Location of Disclosure		
Materials					
EN1	Materials used by weight or volume.	Fully	Page 60		
EN2	Percentage of materials used that are recycled input materials.	Fully	Page 60		
Energy					
EN3	Direct energy consumption by primary energy source.	Fully	Page 61		
EN4	Indirect energy consumption by primary source.	Fully	Page 61		
EN5	Energy saved due to conservation and efficiency improvements.	Not			
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	Page 65		
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	Page 64		
Water					
EN8	Total water withdrawal by source.	Not			

EN9	Water sources significantly affected by withdrawal of water.	Fully.	Page 137. No water sources are significantly affected by our operations
EN10	Percentage and total volume of water recycled and reused.	Not	
Biodiversity			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Fully.	Page 137. There are no areas of biodiversity value in our areas of operation.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	Page 137. There are no areas of biodiversity value in our areas of operation.
EN13	Habitats protected or restored.	Fully	Page 137. There are no areas of biodiversity value in our areas of operation.
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Fully	Page 137. There are no areas of biodiversity value in our areas of operation.
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Fully	Page 137. There are no areas of biodiversity value in our areas of operation.
Emissions, effluents and waste			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	Pages 65 to 67
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	Page 137. There are no other indirect emissions.
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Partially	Page 65. There were no initiatives to reduce GHG emissions.
EN19	Emissions of ozone-depleting substances by weight.	Fully	Page 137. We do not emit any ozone depleting substances as a part of our operations.
EN20	NOx, SOx, and other significant air emissions by type and weight.	Not	
EN21	Total water discharge by quality and destination.	Partially	Page 68

EN22	Total weight of waste by type and disposal method.	Fully	Page 68
EN23	Total number and volume of significant spills.	Not	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not	
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	Fully	Page 138. There are no areas of biodiversity value in our areas of operation.

Products and services

EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Not	
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Not	

Compliance

EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	Page 138. We have never been fined for noncompliance with environmental laws and regulations.
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Transport

EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Not	
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Overall

EN30	Total environmental protection expenditures and investments by type.	Not	
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Social: Labor Practices and Decent Work

Indicator	Disclosure	Level of reporting	Location of Disclosure		
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Employment

LA1	Total workforce by employment type, employment contract, and region.	Partially	Page 106
LA2	Total number and rate of employee turnover by age group, gender, and region.	Fully	Page 111
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	Page 108

Labor/management relations

LA4	Percentage of employees covered by collective bargaining agreements.	Fully	Page 111
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Not	

Occupational health and safety					
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Fully	Page 109		
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	Partially	Page 113		
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Partially	Page 117		
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	Page 109		
Training and education					
LA10	Average hours of training per year per employee by employee category.	Partially	Page 109		
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Partially	Page 109		
LA12	Percentage of employees receiving regular performance and career development reviews.	Fully	Page 115		
Diversity and equal opportunity					
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	Not			
LA14	Ratio of basic salary of men to women by employee category.	Not			
Social: Human Rights					
Indicator	Disclosure	Level of reporting	Location of Disclosure		
Investment and procurement practices					
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Not			
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Not			
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Not			
Non-discrimination					
HR4	Total number of incidents of discrimination and actions taken.	Fully	Page 117		

Freedom of association and collective bargaining				
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	Fully	Page 117	
Child labor				
HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	Fully	Page 118	
Forced and compulsory labor				
HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	Fully	Page 117	
Security practices				
HR8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	Not		
Indigenous rights				
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	Page 118	
Social: Society				
Indicator	Disclosure	Level of reporting	Location of Disclosure	
Community				
SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	Partially	Page 90	
Corruption				
SO2	Percentage and total number of business units analyzed for risks related to corruption.	Not		
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Not		
SO4	Actions taken in response to incidents of corruption.	Fully	Page 140. There have been no incidents of corruption within the organization during FY 2012-13.	
Public policy				
SO5	Public policy positions and participation in public policy development and lobbying.	Fully	Page 91	
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	Fully	Page 91	

Anti-competitive behavior

SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Fully	Page 141. We have never had any legal actions taken against us for anticompetitive behaviour, anti-trust, and monopoly practices.
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Compliance

SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	Page 141, We have had no fines levied against us for non-compliance with laws and regulations during FY 2012-13
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Social: Product Responsibility

Indicator	Disclosure	Level of reporting	Location of Disclosure		
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Customer health and safety

PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Partially	Page 74
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Fully	Page 141. We have had zero incidents of non-compliance with health and safety standards

Product and service labelling

PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Not	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Fully	Page 141. We have had no incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling,
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	Page 141. Since we are a business-to-business company, our buyers are our only customers and we engage with them regularly to understand their satisfaction level.



Marketing communications

PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Not
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Not

Customer privacy

PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Not
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Compliance

PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Not
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