



Gloster Sustainability Report 2014-15



GLOSTER means: a house of assured high quality products



21 STRAND R



OAD



Gloster Limited (both units) is one of the very few companies in the Jute Industry to receive ISO Certification for Quality, Environment, Social Accountability and for Occupational Health and Safety Management systems. It is one of the fastest growing Jute manufacturing & exporting companies and is a Certified 2-star Export House.

TABLE OF CONTENTS

03

About
this Report

07

Message from the
Leadership

13

About Gloster

21

Corporate
Governance

35

Stakeholder Consultation
and Materiality Assessment

45

Disclosures
on Management Approach

61

Our Community
Involvement

73

Our Business
Performance

79

Our Environmental
Performance

93

Responsible
Products

107

Our Labour Practices
and Human Rights

117

OUR External Assurance
Statement (G4-33)

121

Gri Content Index
(G4-32)



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 G4 framework enables all organizations to measure and report their economic, environmental, social and governance performance – the four key areas of sustainability.

GRI Guidelines (G4-24)

The Global Reporting Initiative (GRI) is a non-profit organization that produces one of the world's most prevalent standards for sustainability reporting. A sustainability report is an organizational self disclosures / statements that gives information about economic, environmental, social and governance performance. The 2014-2015 sustainability report of Gloster Limited will be our second report using the GRI G4 guidelines for reporting. The report has been prepared 'In Accordance' core option frame work

Reporting Period (G4-28, G4-30)

As we have decided to report annually, this year's report encompasses our activities from 1st April 2014 to 31st March 2015.

Structure

This report has been prepared in accordance to the GRI G4 guidelines and it includes all of Gloster Limited's activities across the four pillars of Sustainable Development- Environmental Performance, Social Performance and Economic Performance as well as Corporate Governance. Besides these categories we have also included other information that is crucial for understanding us as a company.

'In Accordance' core option

This report has been prepared 'In Accordance' core option frame work as our data gathering processes are still in an evolutionary stage.

Disclosures on Management Approach (DMA)

Under the GRI G4 guidelines, we are expected to provide a DMA for every material aspect identified during our Stakeholder Engagement and Materiality Analysis process. These DMAs are disclosed in a separate section of the Report right after the Stakeholder Engagement and Materiality Section of the Report.

Boundary

The boundary of this report includes our head office, main unit and our Ananya unit.

Limitation

Within the reporting boundary, Gloster Limited does not have any limitations.

External Assurance

The management of Gloster Limited has decided to go for external assurance for the present reporting period by E&Y.

Contact (G4-31)

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

Mr. D.C Baheti

Managing Director, Gloster Limited
Address: 21, Strand Road, Kolkata- 700001
West Bengal, India
Email: dcb@glosterjute.com



G.D Bangur

The Man with the Midas Touch

15th Nov, 1945 - 8th June, 2015



Environmental cleanliness, occupational health of the workers working in various factories of the group and a green society were closest to his heart. He felt that only with the inclusive growth of the underprivileged we shall be able to make an egalitarian society.

Gopal babu was a true philanthropist at the core.

He contributed greatly in the commissioning of social, health and education infrastructure for the downtrodden and underprivileged sections of society. A large percentage of his social work is centred in and around the jute factory and various plantation estates of the group in Assam, Kerala and Karnataka as part of his community outreach programmes.

A born philanthropist, throughout his life he supported various hospitals, which serve the under-privileged. He contributed immensely to the development of educational infrastructure with a special focus on the upliftment of the girl child. His contribution towards the capacity building in communities where the Group operated was exemplary.

Gopal babu was a peace-loving man at heart. He always propounded that peace of mind was the key nourishment for the human soul and was one factor that ultimately determined quality of the mind as well as life. To him, life was not about material successes or awards and recognition. The essence of life, to him, was in being able to serve society and fellow human beings, especially the downtrodden.

A spiral-bound notebook with a silver metal spiral binding is shown at an angle. The notebook is open to a page with horizontal blue lines. The word "LEADERSH" is printed in a large, bold, black serif font, slanted upwards from left to right. The notebook is resting on a dark brown, textured wooden surface. The bottom of the image is a solid dark brown color.

LEADERSH



MESSAGE FROM THE LEADERSHIP

Message from the Chairman



“Jute, as a natural fibre is sustainable and environment friendly owing to its bio-degradable nature, strength and versatility of material as well as its use as a raw material for superior products. At the end of the life-cycle of jute, it organically enriches the soil.”

Gopal babu was not just the Executive Chairman of Gloster, he was a father figure to all of us. He treated each and every employee with equal love and respect and cared for the communities we engage with. He helped Gloster become a name to reckon with in the International Jute Business. We now have a presence in over 31 countries, and we are known for our high quality products and our commitment to cater to our customer needs. Under the leadership of Gopal babu, Gloster has reached unprecedented levels of success, both in international and national markets. We are sad and impoverished to lose Gopal babu. However, even in these troubled times, we will follow in his footsteps to steer Gloster to the success he envisioned for us.

At Gloster, socially responsible actions not only help us contribute to the society holistically but also help us hedge the risks and strengthen the opportunities that arise from changing regulatory norms, volatile markets and adaptation to a low carbon and carbon-less resource intensive business.

Jute, as a natural fiber is sustainable and environment friendly owing to its bio-degradable nature, strength and versatility of material as well as its use as a raw material for superior products. At the end of the life-cycle of jute, it organically enriches the soil.

Risk and awareness of climate change, human

rights issues, economic crises and rising uncertainties have prompted the need for greater transparency, sustainability and responsibility in the way businesses are organised and operated. This also calls for reporting frameworks that account for the social and environmental impacts of business and not merely economic and profit driven considerations. We believe our Sustainability Report is an important step in this direction, to make a full disclosure of our environmental, economical, product responsibility as well as social performance as well as address all the queries of our stakeholders regarding our business and sustainable practices.

The GRI G4 sustainability reporting framework is a widely used global benchmark for sustainability reporting. The GRI G4 framework is a collection of reporting guidance documents – all of which have been 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 G4 guidelines.

We would like to iterate that this is not where our efforts stop, we strive to lead the way in operational performance, social stewardship and environmental consciousness and we will continue to innovate and modernise, as we have in the past.

H. Bangur
Vice Chairman

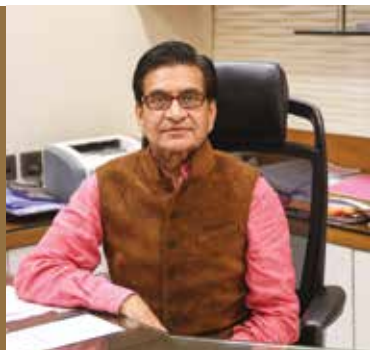


Gloster Limited Unit: Ananya



Administrative Building of Gloster Limited Mills (Main Unit)

Introduction from the Managing Director



“ We strongly believe that the structures of sustainability reporting and the rigour of reporting our environmental, social and economic impacts will enhance the efficiency of our operations and generate a positive impact on our direct and indirect stakeholders. ”

Over the past couple of years, we at Gloster Limited have tried to make our stakeholders aware of our economic, environmental and social performance by means of publishing our Sustainability Report. Since the time of our inception, we have always stressed on the importance of being reckoned as a good corporate citizen with the notion of sustainability embedded in our vision and mission. This year, we are happy to present our sustainability report for the FY 2014-2015. We have reported in accordance to the GRI G4 reporting guidelines. We strongly believe that the structures of sustainability reporting and the rigour of reporting our environmental, social and economic impacts will enhance the efficiency of our operations and generate a positive impact on our direct and indirect stakeholders.

We acknowledge our wider social and environmental responsibilities. We want to be recognised as an industry leader for building a sustainable business based on the principles of trust, loyalty and shared-value attributes. Gloster is a professionally managed company engaged in the manufacture of Jute and Jute allied fibre products.

We have tried to align our commercial, environmental and social responsibilities to a structured roadmap which focuses on reducing our carbon and water footprints, energy consumption, improvement of energy efficiency, preventing wastes, recycling wastes, water recycling and effluent treatment and rainwater harvesting. We are also continuing to invest in more local and sustainable sourcing and ensuring our customers with a wide choice of product range.

Our employees are the most integral executioners of our sustainability goals. Reporting on our operations has a powerful impact on the external stakeholders as well as our employees and their productivity and happiness. We firmly believe that our Sustainability Report and the sustainability reporting framework that we have in place will inspire current employees, as well as attract workforce who display strong commitment to value, ethic and strong character in pursuing economic as well as environmental and social leadership. A reputation for responsible disclosure can serve as a powerful differentiator in the competitive market.

“ Gopalbabu was a perceptive entrepreneur and his foresight and vision was his greatest asset. He firmly believed that achievement are determined by three D's-Dedication, Desire and Devotion. ”



We expect that the principles of sustainability, which are ingrained in our management and operational consciousness, will put us in a good stead to hedge future uncertainties and volatilities in the markets, comply with legislation as well as build strong and robust relationships with the communities we engage with. We would like to confer a positive impact on the lives of people through our business and inspire with our values and ethics of responsible business organisation.

Sustainability is an important consideration in our business. As a jute company, we understand the diverse impacts of our operations. From growing certified organic 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 modern machines which have been designed to reduce energy, manpower and operational noise levels. The modern machines purchased by us do not have parts made from wood, thereby reducing industrial demand stress on forests. 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 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. We are also one of the pioneers of promoting the certified cultivation and processing of organic jute in West Bengal.

Dharam Chand Baheti

Managing Director : Gloster Limited

Chairman : Indian Jute Industries Research Association

Vice Chairman : Jute Product Development & Export Promotion Council

Council Member : National Jute Board

Members : Geo-textiles Experts Committee (N.J.B)





ABOUT
GLOSTER

About Gloster Limited (G4-3)

Gloster Limited (formerly Gloster Jute Mills Ltd.) is a Public Company which was incorporated on the 18th of February 1992. Gloster's Main unit 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.

Gloster has over 50 years of experience in running large jute manufacturing units. The Bauria unit has been extensively modernized to enable it to manufacture value added diversified jute products

→ **Gloster's Brand Products and Services (G4-4)**

The present management of Gloster has over 50 years of experience in running large jute manufacturing units. The Bauria unit has been extensively modernized 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; treated fabrics-rot proof and fire retardant jute products for interior decoration and packaging of industrial and agricultural produce.



21, Strand Road, Kolkata 700 001, West Bengal, India
 Corporate Identity No. L17119WB1992PLC054454
 Phone : +91 33 2230 9601 (4 lines), Fax : +91 2210 6167, 2231 4222
 E-mail : info@glosterjute.com, dcb@glosterjute.com
 Website : www.glosterjute.com

We export to the

Gloster Limited is the only jute company within the Indian Jute Industry to receive ISO Certification for Quality, Environment, Social Accountability and for Occupational Health and Safety Management systems. It is one of the fastest growing Jute manufacturing & exporting companies and is a Certified Star Export House.

Our Operations

Our main mill is located at 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 have Captive Power Plants in both the units.

Ownership and legal Nature (G4- 7)

- **Gloster Limited (formerly Gloster Jute Mills Ltd.) is a listed Public Company which was incorporated on the 18th of February 1992**
- **The Bangurs has been at the helm of the company from 1954.**

Our Major Export Geography (G4 – 8)









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



1		NEW ZEALAND	6		JAPAN
2		AUSTRALIA	7		SOUTH AFRICA
3		THAILAND	8		RWANDA
4		VIETNAM	9		LIBERIA
5		HONG KONG	10		SAUDI ARABIA

following Geographies



11  UAE	16  AUSTRIA	21  BELGIUM	26  CHILE
12  LEBANON	17  CZECH REPUBLIC	22  IRELAND	27  PERU
13  EGYPT	18  GERMANY	23  U.K.	28  U.S.A.
14  SPAIN	19  NETHERLANDS	24  DENMARK	29  CANADA
15  SWITZERLAND	20  FRANCE	25  BRAZIL	30  DOMINICAN REPUBLIC
			31  COTE D'IVOIRE

Employee Break up and our Economic Performance (G4 – 9 & 10)

The table below illustrates the basis details of our work force

Total Number of Employees (all 3 units)	FY 2014 -2015
Main unit	5140
Ananya Unit	230
Head office	23

The table below illustrates the employee division based on employment location, employment type and gender

Total Number of Employees (all 3 units)	Main Unit	Ananya Unit	Head Office
Staff Member			
Male	142	19	22
Female	0	0	1
Total Staff Members	142	19	23
Permanent Mill worker			
Male	4064	211	0
Female	22	0	0
Total Permanent Mill worker	4086	211	0
Contract Mill worker			
Male	684	0	0
Female	228	0	0
Total Contract Mill worker	912	0	0

Total
Income from
Operation

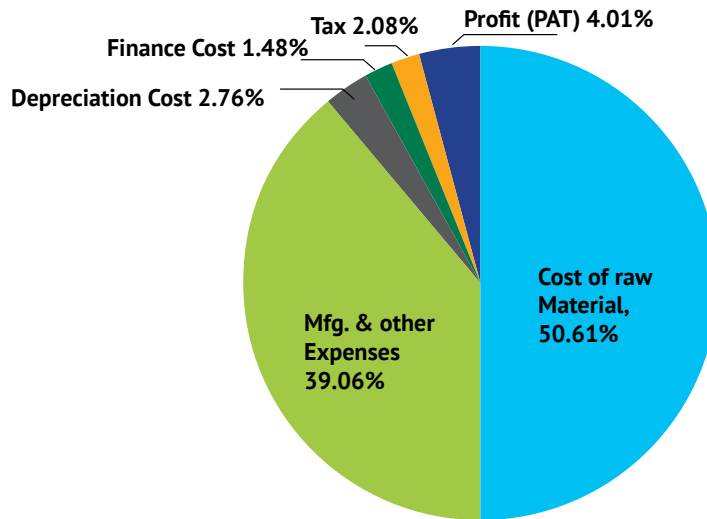


INR
3254.23
millions



Key Highlights

- Encourages & supports cultivation & processing of Organic Jute
- Installed effluent treatment plant having re-cycling system for the effluents.
- The processing system therefore does not release any type of effluents to drains / streams etc.
- Installed Electrostatic Precipitator to collect & precipitate dust emissions from the exhaust flue gases of boilers, preventing environment air pollution
- Installed Fly-Ash disposal system
- Installed 3 Humidification plants
- Installed dust absorption and dust suppression system
- Installed multifuel boilers to use “jute process waste” as fuel instead of coal.
- Installed overhead conveyor system for drying wet processed fibre “Morahs” by means of wind & solar energy in place of steam drying.
- Installed Voltaic Solar Panel System on roof top to heat water of mills guest houses.
- Installed Bio-Gas Generators which uses kitchen & garden waste used to generate bio-gas.
- Installed Turbo-ventilators for having necessary air changes in the industrial sheds
- Installed system for Refracted Solar Lights in ceilings of the industrial sheds
- Installed Solar Water Heaters for providing warm water for families of our residential staff members



Collective Bargaining Agreements (G4 -11)

At Gloster Limited, we believe that collective bargaining is an important form of stakeholder engagement. The percentage of employees covered by collective bargaining agreements is the most direct way to demonstrate an organization's practices in relation to freedom of association. We at Gloster Limited ensure that every permanent worker is covered under collective bargaining agreements.

Our Supply Chain and significant changes in our supply chain (G4- 12, G4-13, G4-14, G4-15)

There have been no significant changes in our supply chain and related activities over the past financial year.

Membership of Associations (G4 -16)

Our product development efforts have helped us develop a wide range of products like geo-textiles, agro-textiles, non-woven 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 (CRRRI) as suitable for road construction. Research is a collaborative effort and we are proud of our close ties with the leading textile fibres and technological research institutes. We have completed a study conducted by the National Jute Board (NJB) and the National Institute of Industrial Engineering (NITIE), 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)**

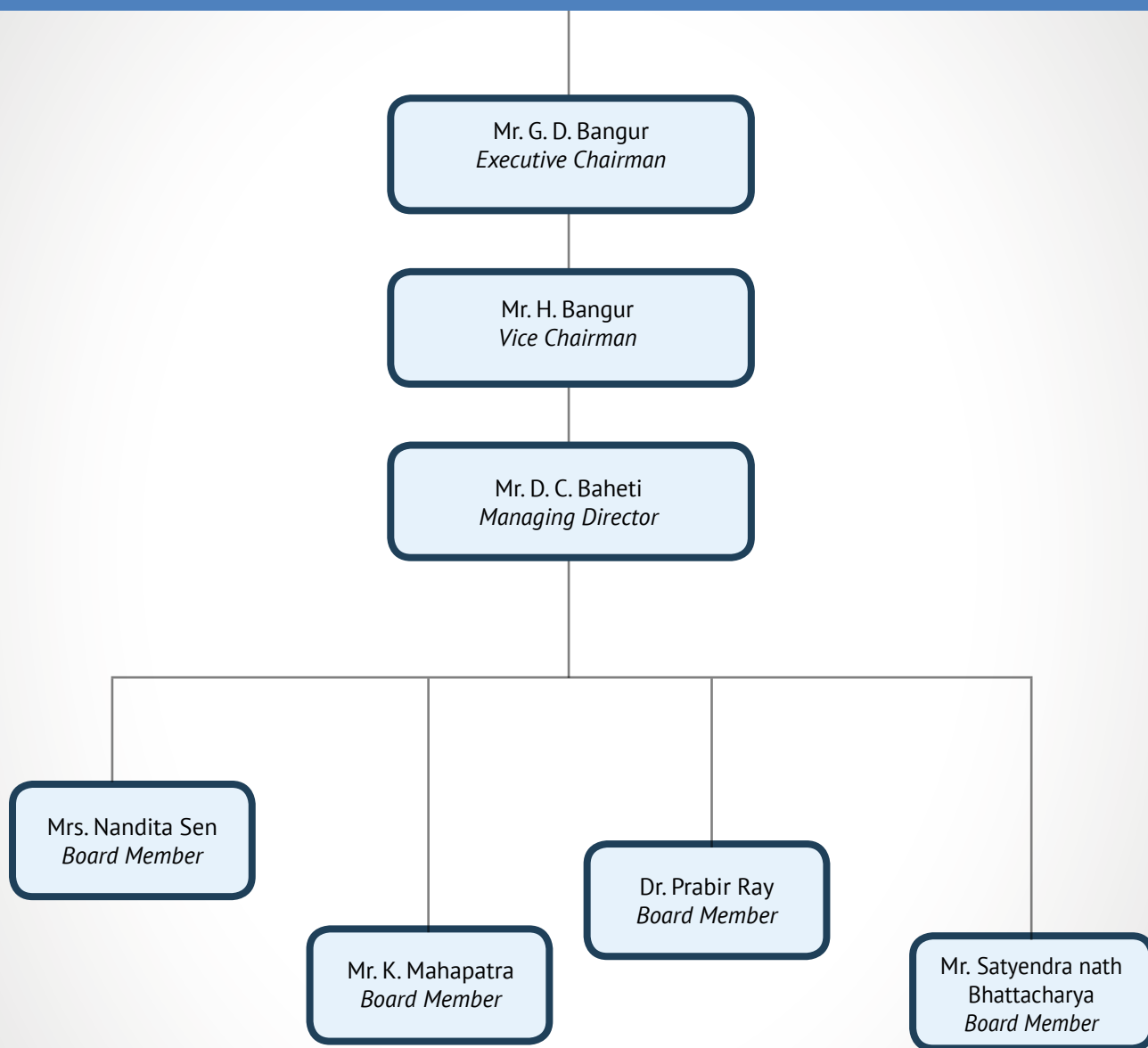
For us, sustainability is an ongoing journey. We have taken the initial steps to set us down the path, and we do not intend to stop after reaching pre-set targets. Our goal is to embed the principles of sustainability throughout our organization and make it an integral part of Board-level decision making process.



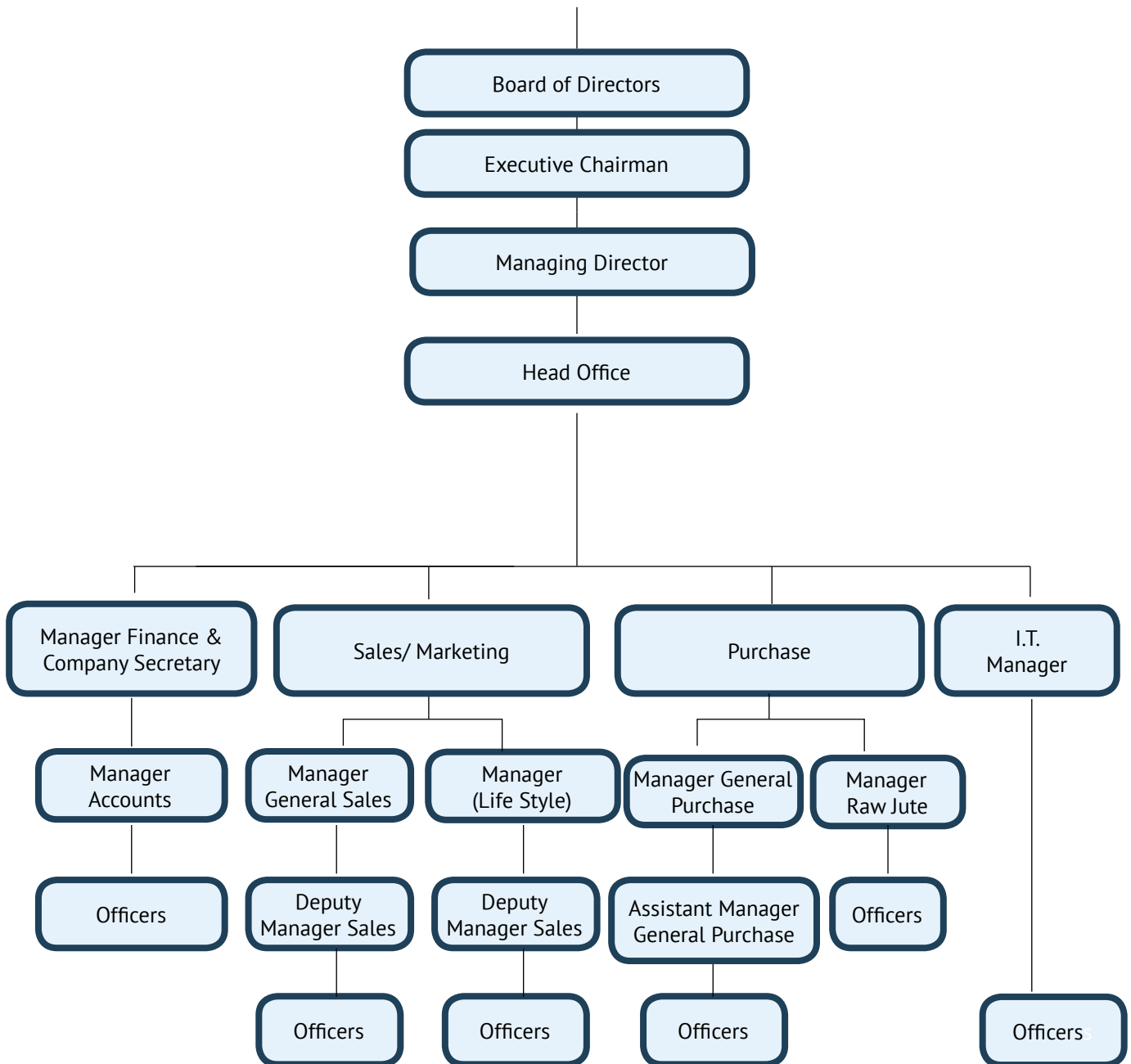


CORPORATE GOVERNANCE

Board of Directors (G4 – 34)



Gloster Organizational Chart



The Guiding Principles

Sustainability Vision

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

Sustainability Mission

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

Sustainability Objective

- To use principles of sustainability to enhance the efficiency of the business
- To use our CSR initiatives, to improve the lives of the communities around our area of operation and beyond
- To use energy efficiency, water efficiency, and waste efficiency, initiative to improve our environmental performances
- 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 the said initiatives
- To communicate with our stakeholders to gauge their concerns and then incorporate those in our decision making

Organizational Drivers

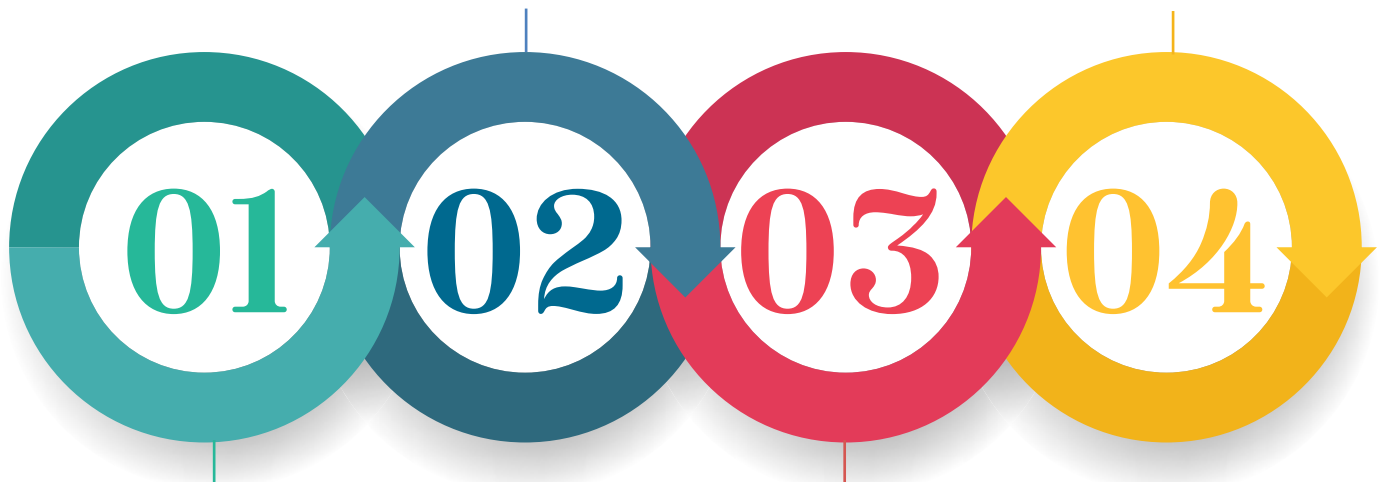
Gloster has a set of core corporate values that impact all of our business activities. The values are inspired by our Code of Conduct and other organizational policies, and they serve as the basis for how our employees are expected to do business. The values and our research driven sustainability approach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

COMMERCIAL

We believe that the best way to increase use of jute products (especially organic jute) is to demonstrate that they are commercially viable- to prove that their use will not only benefit the health and sustainability of our planet, but will also return profits to our shareholders

SUSTAINABLE

We believe that sustainability is a key criteria that we must use in making decisions. We think about the degree to which the actions we take can be repeated in the future without any significant loss in quality, resources or efficiency. Our sustainability initiatives are driven by Research and Development.



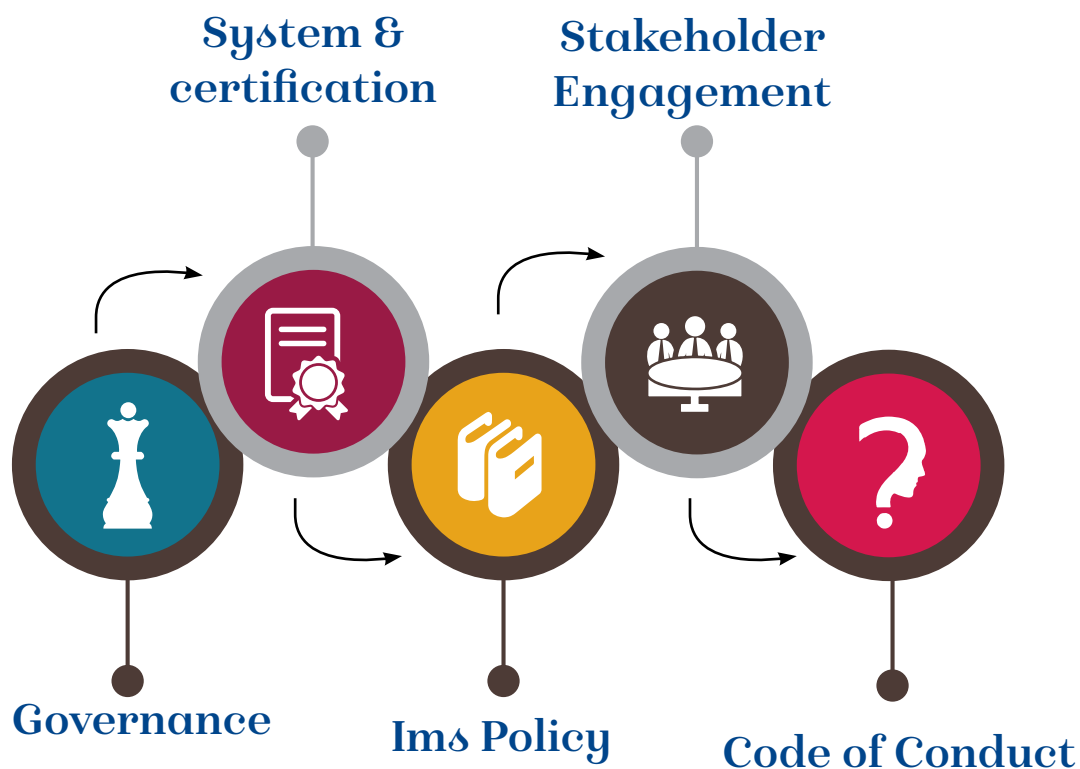
AGILE

We believe that success in today's marketplace requires the ability to move quickly and in sync with changes in technology- that we can make decisions quickly and decisively and with an agility that keeps us at the forefront of the Jute industry.

GROUNDED

We believe that because our business is forward-looking with a heavy focus on product and process R&D, it is vital that our decision making-process be firmly rooted in reality. Everything we do is grounded in what is feasible, given financial and technical constraints. This will result in better technology and healthier returns.

Our Sustainability Performance Enablers



Our Approach to Governance

Our Company's philosophy of Corporate Governance is to enhance the long-term economic value of the company, sustainable return to its stakeholders i.e. the society at large, by adopting best corporate practices in fair and transparent manner and by aligning interest of the company with that of its shareholders/ other key stakeholders. 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. Corporate governance is not merely compliance and not simply creating checks and balances, it is an ongoing measure of superior delivery of company's objects with a view to translate opportunities into reality.

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 and applicable Corporate Governance Norms with all the modifications within the prescribed time, thereby giving stress on essential pre-requisites of corporate governance.

Composition of Board of Directors

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, as well guiding and driving all sustainability and corporate social responsibility initiatives. The Board consists of distinguished persons having requisite knowledge and expertise in business & industry, corporate finance, taxation, legal matters, risk management and marketing.

The Board consists of distinguished persons having requisite knowledge and expertise in business & industry, corporate finance, taxation, legal matters, risk management and marketing. 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.

Name of the Director	Category of Partnership	Directorship in Other Companies#	No. of Board Committees (other than Chairman) in which they are Chairperson/Member	
			Chairperson/Chairman	Member@
Shri Gopal Das Bangur	Promoter Executive Chairman	4	1	2
Shri Hemant Bangur	Promoter Non-Executive	7	Nil	1
Dharam Chand Baheti	Non-Promoter Managing Director	3	Nil	Nil
Shri Bhaskar Mitter*	Independent Non-Executive	Nil	Nil	Nil
Shri Nandita Sen	Independent Non-Executive	Nil	Nil	Nil
Shri Krutibas Mahapatra	Independent Non-Executive	Nil	Nil	Nil
Dr. Prabir Ray	Independent Non-Executive	Nil	Nil	Nil
Shri Satyendra Nath Bhattacharya	Independent Non-Executive	Nil	Nil	Nil

*Ceased to be a Director w.e.f 21st April, 2014

(#) Other Directorships do not include Directorships of private limited companies, section companies and foreign companies and Alternate Directorships

(@) Member includes Chairman/Chairperson

Audit Committee

Composition

As on 31st March 2015, the Audit Committee comprises of three Non-Executive Directors, two of whom are Independent Directors and one of whom is Non-Independent Director. All the members of the committee are well versed with finance & accounts, legal matters, company law, corporate affairs and general business practices.

The composition of the Committee is as follows:

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

Ceased to be a Director w.e.f 21st April, 2014

The Chairperson of the Audit Committee is an Independent Director and the Company Secretary acts as the Secretary to the Committee. The Chairperson of the Audit Committee attended the previous Annual General Meeting held on 6th September, 2014.

The Committee's composition and its terms of reference meet the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

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

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

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

Broad Terms of Reference

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

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

- Compliance with listing and other legal requirements relating to financial statements.
- Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- **Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.**
- **Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;**
- **Review and monitor the auditor's independence and performance, and effectiveness of audit process;**
- **Approval or any subsequent modification of transactions of the Company with related parties;**
- **Scrutiny of inter-corporate loans and investments**
- **Valuation of undertakings or assets of the Company, wherever it is necessary;**
- **Evaluation of internal financial controls and risk management systems;**
- **Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;**
- **Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;**
- **Discussion with internal auditors of any significant findings and follow up there on;**
- **Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;**
- **Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;**

- **To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;**
- **To review the function of the Whistle Blower mechanism;**
- **Approval of appointment of CFO (i.e. the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;**
- **To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.**

The Audit Committee also reviews the following –

- Management discussion and analysis of financial condition and result of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Internal Auditor shall be subject to review by the Audit Committee.

Meetings and Attendance

During the financial year ended 31st March, 2015, five Audit Committee Meetings were held on 3rd May, 2014, 14th August, 2014, 18th October, 2014, 31st October, 2014, and 13th February, 2015. The Audit Committee also met prior to the finalization of accounts for the year ended 31st March, 2015.

The attendance at the Audit Committee Meetings is as under:

Name of the Director	No. of meetings attended
Shri Hemant Bangur	5
Smt. Nandita Sen	4
Shri Bhaskar Mitter*	Nil
Shri Krutibas Mahapatra	5

**Ceased to be a Director w.e.f 21st April, 2014*

The Company Secretary was present at all the above meetings.

Nomination and Remuneration Committee

Composition

As on 31st March 2015, the Nomination and Remuneration Committee comprises of three Directors, of whom, two are independent, Non-Executive Directors and one Promoter, Non-Executive Director.

The composition of the Committee is as follows:

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

***Ceased to be a Director w.e.f 21st April, 2014**

The Committee was re-named as Nomination and Remuneration Committee on 3rd May, 2014 to align with the requirements of Section 178 of the Companies Act, 2013. The composition and the terms of reference of the Committee meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013. The Company Secretary acts as a Secretary to the Committee. The chairman of the Nomination and Remuneration Committee attended the previous Annual General Meeting held on 6th September 2014.

Broad Terms of Reference

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

- Reviewing the overall compensation policy, service agreements and other employment conditions including Annual increments and Commission of Whole-time Directors & Managing Directors
- Approving the minimum remuneration payable to Whole-time Directors & Managing Directors in accordance with Schedule V of the Companies Act, 2013, in the event of loss or inadequacy of profits.
- Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board their appointment, removal & a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees and evaluating every Director's performance

- Formulating the criteria for evaluation of Independent Directors and the Board
- Identifying persons who can be appointed as Directors, Key/Senior Managerial Personnel & recommend to the Board their appointment & removal
- Devising a policy for Board diversity
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable

Meetings and Attendance

During the financial year ended 31st March, 2015, three Nomination and Remuneration Committee Meetings were held on 3rd May, 2014, 14th August, 2014 and 1st November, 2014.

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

Name of the Director	No. of meetings attended
Shri Krutibas Mahapatra	3
Shri Hemant Bangur	3
Shri Bhaskar Mitter*	Nil
Smt.Nandita Sen	3

***Ceased to be a Director w.e.f 21st April, 2014**

Stakeholders Relationship Committee

Composition

As on 31st March, 2015, the Stakeholders Relationship Committee comprises of three Directors, of whom, two are independent, Non-Executive Directors and one Promoter, Non-Executive Director.

The composition of the Committee is as follows:

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

***Ceased to be a Director w.e.f 21st April, 2014**

The Committee was re-named as Stakeholders Relationship Committee on 3rd May, 2014 to align with the requirements of Section 178 of the Companies Act, 2013. The composition and the terms of reference of the Committee meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013. The Company Secretary acts as a Secretary to the Committee.

Broad Terms of Reference

The terms of reference of the Stakeholders Relationship Committee inter alia includes following:

- **transfer/transmission/transposition of shares;**
- **consolidation/splitting of folios;**
- **issue of share certificates for lost, sub-divided, consolidated, rematerialized, 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.**
- **over seeing performance of the Company's Registrars & Share Transfer Agents.**
- **carrying out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.**

The Committee has delegated its functions to its Registrar & Share Transfer Agents, M/s. Maheshwari Datamatics Pvt Ltd to redress shareholders grievances and provide a periodical report to the said committee at every meeting about the grievances received, solved and pending in addition to their existing functions as follows:

- **to approve share transfers;**
- **to issue duplicate shares against lost or mutilated share certificates;**
- **to issue shares against consolidation and sub-division;**
- **to send a summary of complaints redressed on fortnightly basis;**
- **to send periodical report on transfers & transmission processed, duplicate share certificates issued.**

Share transfer formalities are done within the stipulated time period by the Registrars, M/s. Maheshwari Datamatics Pvt. Ltd. The Compliance Officer is authorised to give effect to share transfers as approved by the Registrars & Share Transfer Agents. The Share Department of the company and the Registrar & Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. attend to all grievances of the shareholders and investors received directly or through SEBI including SEBI Complaints Redress System (SCORES), Stock Exchanges, Department of Company Affairs, Registrar of Companies etc. The Minutes of the Stakeholders Relationship Committee are noted by the Board of Directors at the Board Meetings. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and e-mail addresses to facilitate prompt action.

Meeting and Attendance

During the financial year ended 31st March 2015, four Stakeholders Relationship Committee were held on 3rd May, 2014, 14th August, 2014, 1st November, 2014, and 13th February, 2015.

The attendance at the Stakeholders Relationship Committee is as under:

Name of the Director	No. of meetings attended
Shri Hemant Bangur	4
Shri Bhaskar Mitter*	Nil
Smt. Nandita Sen	3
Shri Krutibas Mahapatra	4

***Ceased to be a Director w.e.f 21st April, 2014**

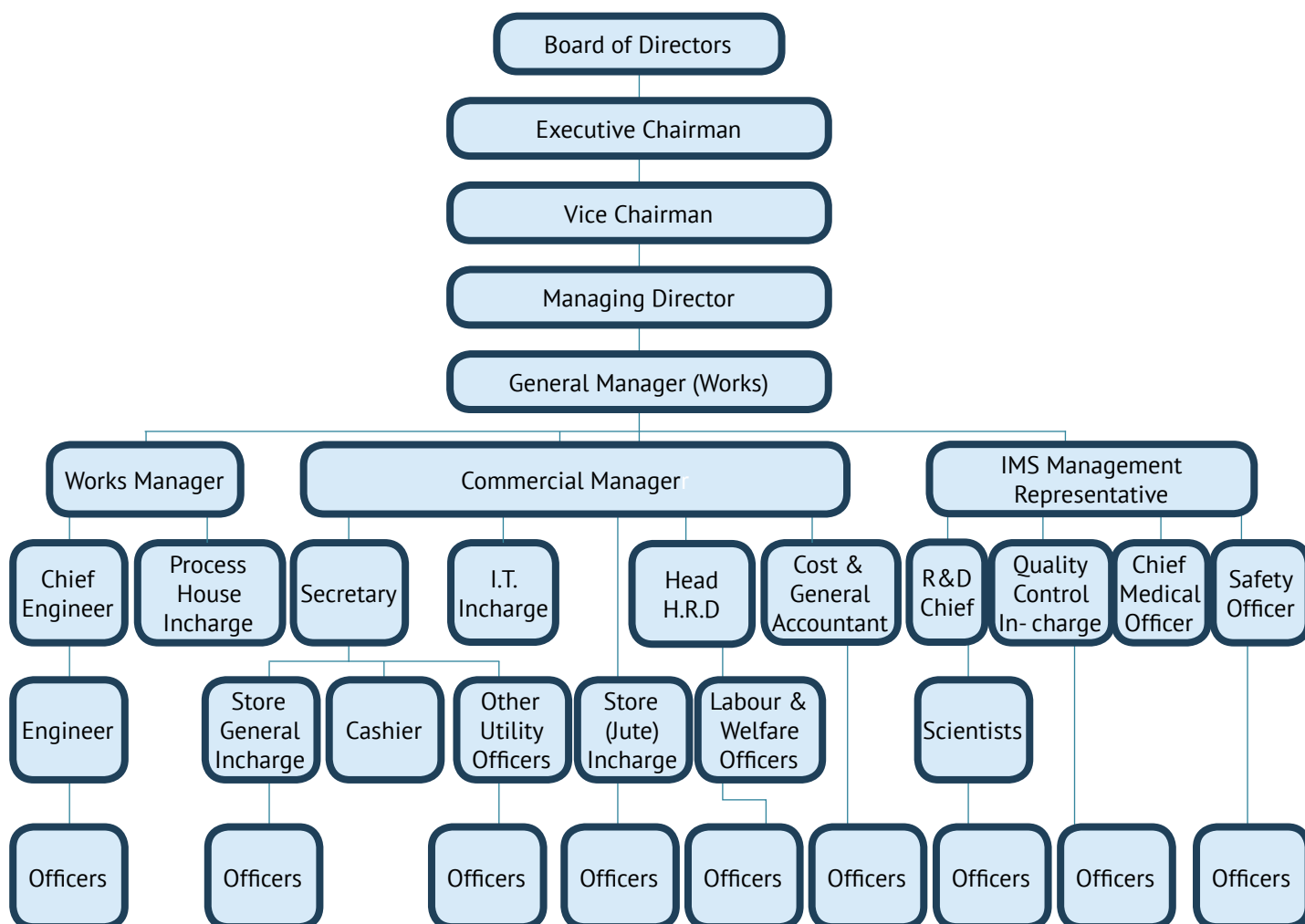
Details of shareholders' complaints received, not solved and pending share transfers

The total number of complaints received during the year ended 31st March, 2015 was 1 and the same was replied to the satisfaction of the shareholder. There were no complaints outstanding as on 31st March, 2015. The number of share transfers and requests for dematerialization pending as on 31st March, 2015 were Nil. Shareholders'/ Investors' complaints and other correspondence are attended to within the stipulated time period except where constrained by disputes or legal impediments.

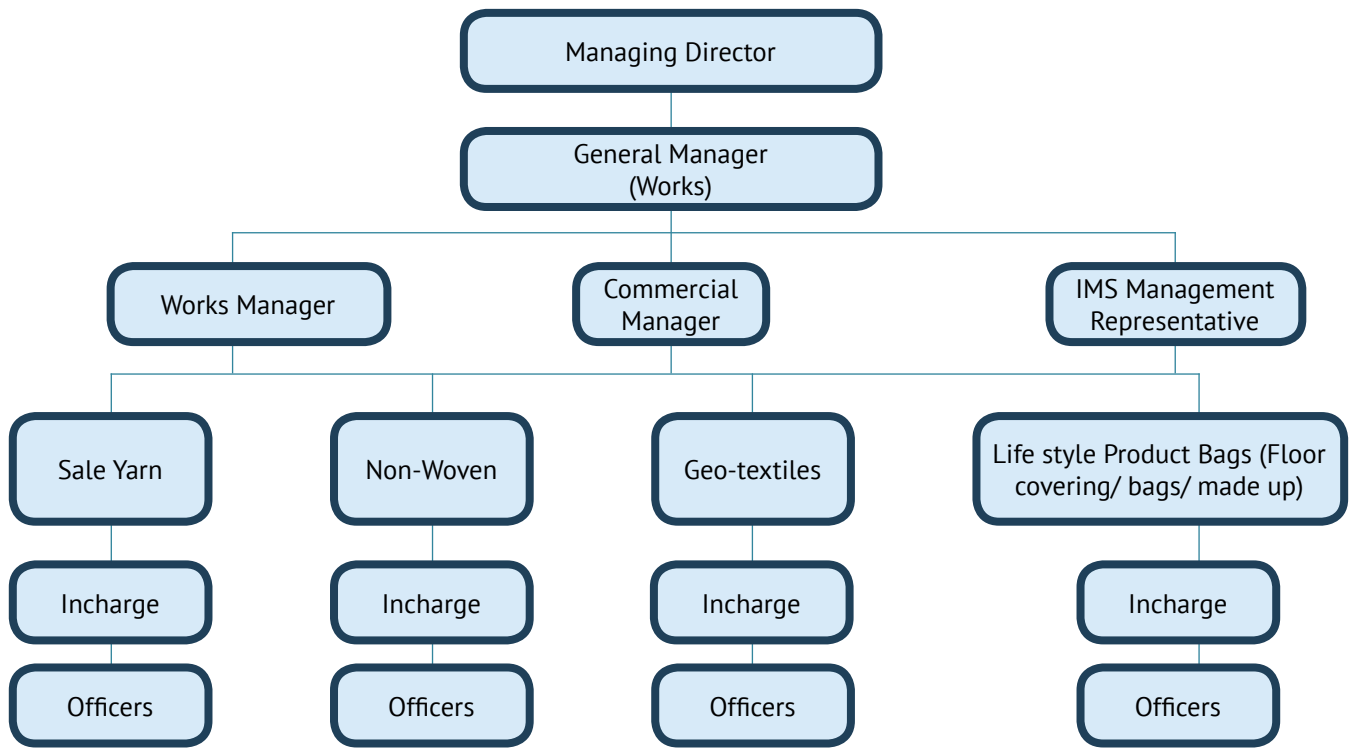
Our Operational Hierarchies

Gloster's operations are diverse and involve processes like Works, Works/Factory for Diversified Products and Production process. Given below are the organization charts for each of these processes. The separate hierarchies help Gloster achieve operational efficiency as well as enhance the implementation of sustainability measures throughout the organization.

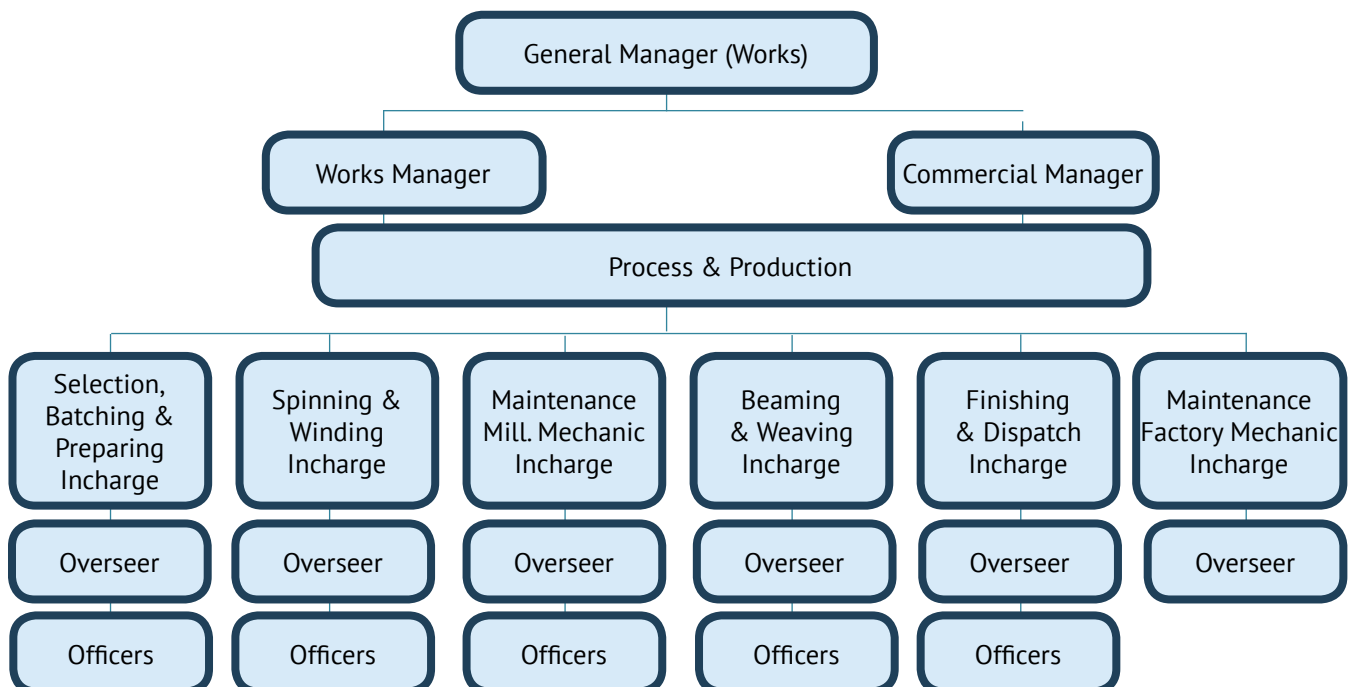
Gloster Works



Gloster Works / Factory (Diversified Products)



Gloster Production Process







STAKEHOLDER CONSULTATION AND MATERIALITY ASSESSMENT

Feedback from some of our stakeholders:

We had appointed Ernst & Young LLP (EY) as an independent third party for 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 section given below. The section captures opinion from some of our buyers, suppliers, commissioned agents and farmers.



Responses from some of the suppliers and buyers...

The responses from some of our stakeholders have been compiled below, as noted by EY in the interviews they conducted with them



I am mainly concerned with providing products and solutions to Gloster that help reduce stoppage times and increase efficiency of machines. Gloster previously used cast iron trolley wheels which used to damage the floor, but we restored it with wooden wheels. We have also tried to reduce the possibility of fire from friction in the mill premises.

I entered business in 1975, and have been associated with Gloster from 1987. They have always taken a keen interest in my work and the new products that we keep developing. Our products mainly consist of leather, trolley wheels, wooden swells, bushes and other wooden items.

At my production facilities, there is no instance child labour or forced labour. Men and women are employed equally with equal opportunities. The management unit consists of business management staff and small scale supporting labour. Even if we get rejections from the mill, Gloster pays for the test samples provided without any hassle.

I entered business in 1975, and have been associated with Gloster from 1987. They have always taken a keen interest in my work and the new products that we keep developing.



Gloster has a business operation model that is flawless, And we have hardly ever had any grievances in dealing with them. Gloster is very easy to do business with. However, sometimes we face a problem when there is an booking, but we are working to tackle it.

We have observed that their staff are treated well, there is no gender discrimination. They pay special attention to employee welfare. There is a very thorough grievance redressal system already in place in Gloster.

Gloster is very easy to do business with. However, sometimes we face a problem when there is an verbooking, but we are working to tackle it.



Responses from some of the organic jute farmers...

We have enlisted the findings from EY LLPs stakeholder interview below:

Gloster has initiated a unique programme involving SEVA (Society for Equitable Voluntary Actions, 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 cropping 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 programme has been running successfully for the last three 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 benefited from the programme, many new farmers have done enquiries from them and have shown enthusiasm regarding participation in the programme.

Sahidul Islam, *Farmer*

- The entire jute cultivated is not given to Gloster, the low quality jute is taken to the local market for sale
- Crop damage insurance is taken from the Government
- Gloster provides Nabin seed(JRO-524) which is a new variety of seed, free of cost
- The cost of cultivating organic jute is higher and Gloster provides us with all the necessary guidance, training and support. IMO conducts yearly audits to monitor our activities
- Every farmer has a registered bank account of his own
- The selected lowland area is only suited for jute cultivation. However, the quality of jute depends on the weather conditions

Abdur Rahman, *Farmer Coordinator*

- I have been working with this project since 2013
- I coordinate the activities of the farmers and conduct inspections
- There is a total of 28 hectares of land
- The land was first selected and then handed over to me to manage
- The land is at Kankrasuti, near the banks of river Ichhamati
- The farmers were selected who owned land adjacent to the selected farming land cluster.
- The river bank serves as a suitable buffer zone
- The soil is certified for its organic integrity
- We also work in providing education to the girl child

Stakeholder Engagement

Our stakeholders are the many individuals and organizations who are affected in some way by Gloster's activities, whether it is in our role as a sustainable jute product provider, an employer of choice, or as a company that generates and distributes revenues and helps to boost local economies and nurture local communities. The primary audience for this report are employees, shareholders, customers / buyers, suppliers, commission agents, jute mill association, local community, NGOs etc.

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 Limited takes proactive measures for engaging with their stakeholders, as we believe that our 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 strongly committed to social issues.

Identification of Stakeholders (G4-17, G4-18, G4-24, G4-25)

EY LLP went about the task of identifying Gloster's Key Performance indicators and Key Stakeholders. Here is an insight into how this was done:

The first step was to identify the sustainable development issues of relevance to Gloster. The process is as follows:

- **All relevant documents relating to Gloster sustainability issues were analysed and discussions were held with the key managers coordinating the company's sustainability activities.**
- **Detailed discussions were held with senior management staff and the team driving the sustainability agendas of the company to understand:**
- **Which stakeholder groups impacted and the ones which were impacted by the processes at Gloster Ltd. helped us in the identification of major stakeholders**
- **Identification of the environmental and social issues that were of concern to these stakeholders**

The stakeholders were identified by conducting detailed discussions with Gloster's team of people and once the broad groups of stakeholders were identified, specific individuals/entities were shortlisted in each of these broad categories.

Identification of Stakeholders Group



Materiality Analysis (G4-19)

The content of this report has been developed based on the principles of Materiality as per the requirements of the GRI version G4 guidelines. Materiality Analysis is the systematic review of current and future business risks/issues and opportunities based on the feedback from engaging external and internal stakeholders. The Materiality Analysis was carried out as per the framework laid out by the GRI G4 guidelines and we will continue to use this framework for all future reporting ventures.

A detailed study of the types of issues that other companies were looking at was carried out, based on which the final list of issues and stakeholders was decided. This is depicted in the following figure and table below:

List of key sustainability issues 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

Creating value for stakeholders (G4-20, G4-21, G4-26, G4-27)

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.

EY LLP conducted the materiality Assessment for Gloster through the following methodology.

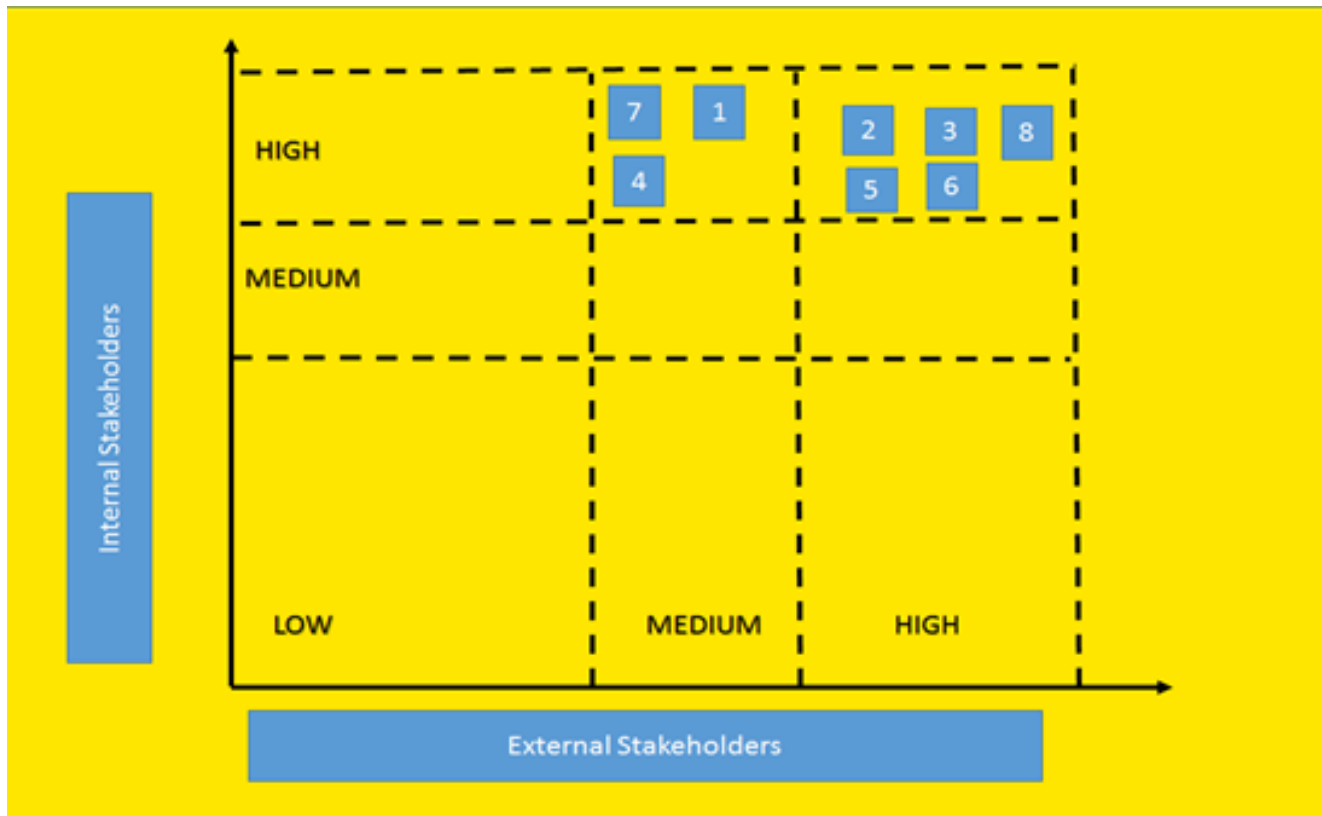
Materiality Determination Process

Step 1: EY began the Materiality Analysis by first dividing the stakeholders into two broad categories- External and Internal. The table below lists all of Gloster's external and internal stakeholders.

Internal Stakeholders	External Stakeholders
<ul style="list-style-type: none"> • Employees • Shareholders • Workers • Worker Union Representatives 	<ul style="list-style-type: none"> • Jute industry • Jute Mill Association • Jute research associations • Local school Representatives • Suppliers • Buyers/customers • NGOs • Local Clubs • Local Communities • NGOs • Government/regulators • Contractors/partners • Customers • Media

Step 2: They conducted one-on-one interviews and discussions with representatives of local communities and Gloster senior management, focus group discussions with the Officer's and Labour Union representatives, and took feedback from vendors and buyers in order to create the risk prioritization matrix provided below. The importance assigned to various aspects was derived partly from feedback provided by the stakeholders and partly based on the discussions of the Sustainability Committee of Gloster.

The stakeholders 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.



How Materiality Influences Our Report

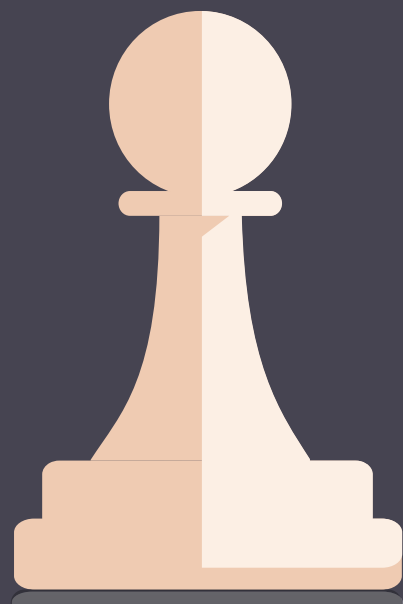
Our Materiality process allows us to assign tangible rankings to all the future and current business risks and opportunities that we could foreseeably face, thereby, allowing us to prioritize the level of discussion and details with which to address each topic. For our report, even though we have ranked all the Material Aspects on a scale of low to medium to high, we will address each Aspect equally as we believe that an Aspect that might be of low importance today but could become more important in the future. Therefore, we have taken equal care to report on each and every identified Material

Aspect.

How Materiality Will Evolve

The process defining materiality continues to evolve and will be evaluated by the sustainability committee on a bi-annual basis to ensure that it aligns with our current operations and understanding of our stakeholders' needs and priorities. As we further engage our stakeholders and conduct internal reviews of our materiality assessment, it is likely that our materiality assessment will change. This is part of the natural evolution of sustainability management within a company and will be reflected in our annual sustainability report.





DISCLOSURES ON MANAGEMENT APPROACH

Disclosures on Management Approach (DMA)

Given our change to GRI G4 guidelines where we need to report a DMA for each and every Material Aspect identified, we decided to include in one section right after the Materiality Analysis in order to set the tone for the report and to help readers avoid the confusion of trying to find them in individual sections of the report. Our entire list of DMAs is given below.

Sl. No.	Material Aspect	Disclosure on Management Approach (DMA)
Economic		
1.	Economic Performance	Gloster like any company is driven by its economic performance. Our vision includes our commitment to continue producing high quality products, organic and conventional, 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 wherever feasible and our GRI indicator specific information can be found in the section "Economic Performance".
2.	Market Presence	Gloster Limited believes in maintaining local market presence, to this end we hire locally as much as possible. This information has been disclosed in the "Economic Performance" section of this Report.
3.	Indirect Economic Impacts	It is important to use the money generated by us to increase our indirect economic benefits by providing jobs and the building of infrastructure. This information has been disclosed in the "Economic Performance" section of this Report.
Environment		
4.	Energy	As a Sustainable Jute manufacturing company, we pay close attention to our energy consumption both direct and indirect. As disclosed in our Environmental Performance section, we have wide-ranging energy conservation practices in place in order to reduce our fossil fuel consumption. The company aims to reduce its energy consumption year on year and we have stringent standards in place to ensure this.
5.	Water	Water is a key input in our operational practices. We have water meters installed in all of our units to measure our water consumption accurately and therefore manage it effectively. Our water management practices have been disclosed in the "Environmental Performance" section of this Report.
6.	Emissions	Gloster is aware that emissions data is extremely important, so we have initiated a Carbon Footprint Study that will give us a more exact measure of our overall carbon footprint. For the purpose of this report we have calculated our Scope 1 and Scope 2 emissions on the basis of our Direct and Indirect energy consumption in FY 2014-15.
7.	Effluents/Waste	We are cognizant of the importance of managing our effluents and waste effectively. The data related to our waste and treatment methods have been disclosed in the "Environmental Performance" section of this Report.

8.	Compliance	We comply with all national and state environmental laws and regulations; we have not been fined or sanctioned for any violation in FY 2014-15. We constantly keep up with ever changing regulations to ensure full compliance. This information has been disclosed in the "Environmental Performance" section of this Report.
9.	Environmental Grievance Mechanism	We have a robust environmental and social grievance mechanism in place, with our Safety, Environmental and Corporate Communications departments receiving and complaints from the local communities. They then address these complaints expeditiously to ensure that there are no pending grievances. It is not feasible for us to have separate mechanism for social and environmental grievances since the issues are intertwined in our areas of operation. We aim to address every single environmental and grievance we receive.
Labour		
10	Employment	We are constantly trying to improve our performance towards our employees and our HR and L&D Departments have taken the lead in this area. This data has been disclosed in "Our People" section of this Report.
11.	Occupational Health and Safety	OHS is very significant to our operations given the dangerous nature of the tasks required by our workmen. We have invested heavily in ensuring their health and safety. We have tie up with the ESI hospital.
12.	Training and Education	Our L&D Department is responsible from all training and career development initiatives at Gloster. We constantly monitor our training data so as to keep improving our performance. Our training related data has been disclosed in the "Our People" section of this Report.
13.	Diversity and Equal Opportunity	We take great pride in the diversity of our workplace and the equal opportunities provided to all of our employees in terms of salaries and professional growth. This data has been disclosed in "Our People" section of the Report.
14.	Equal Remuneration	Gloster is mandatorily required to pay equal remuneration to men, women and members of all minority communities. This is monitored by the Central Government and this data has been disclosed in the "Our People" section of this Report.
15.	Labour Practices Grievance Mechanisms	We have a robust labour grievance mechanism in place like any company that works with a number of labour unions. We constantly engage our Officer's Association and Labour Union in order to understand their concerns and resolve them before the filing of an official grievance. This is the reason why in FY 2014-15 not a single labour grievance was filed. This information has been disclosed in "Our People" section of this Report.
Human Rights		
16.	Freedom of Association and Collective Bargaining	Gloster believes in upholding the rights of people to take up any employment of their own volition. We strictly monitor all our operations to ensure that no one is employed against their will; which otherwise will be against the law of the land which we uphold at all times. This information is disclosed in "Social Performance" section of this Report.
17.	Child Labour	Gloster does not hire child labour at any of our operations and we constantly monitor our suppliers and vendors to ensure that they also do not employ child labour. This information is disclosed in "Social Performance" section of this Report.

18.	Forced or Compulsory Labour	We constantly monitor our operations and suppliers for risk of forced or compulsory labour. We follow the law of the land which prohibits forced or compulsory labour. This information is disclosed in “Social Performance” section of this Report.
Society		
19.	Local Communities	We conduct through needs assessment studies before implementing our CSR projects; this allows the projects to be in tune with needs of the local communities. We do this before every project. This information is disclosed in “Social Performance” section of this Report.
20.	Anti-Corruption	We follow all government mandated requirements to screen for potential cases of corruption. We continue to strengthen our systems in this regard and take severe action against all violations. This information is disclosed in “Social Performance” section of this Report.
21.	Grievance Mechanisms	Gloster has a robust environmental and social grievance mechanism in place, with our Safety, Environmental and Corporate Communications departments receiving and complaints from the local communities. They then address these complaints expeditiously to ensure that there are no pending grievances. It is not feasible for us to have separate mechanism for social and environmental grievances since the issues are intertwined in our areas of operation. We aim to address every single environmental and grievance we receive.



Our Code of Conduct (G4-56)

Our Board of Directors have formally adopted the “Code of Conduct and Ethics” (henceforth to be referred to as “The Code”) to help us maintain the standards of business conduct for Gloster and ensure compliance with legal requirements. The objective of “The Code” is to deter wrongdoing and promote ethical conduct. The points covered in “The Code” are of utmost concern to us, our shareholders and our business associates.

“The Code” is designed to assist us in defining appropriate personal and professional conduct, provide guidance in the identification and resolution of ethical issues, and to help the members of our Board, the members of Senior Management and the officers of Gloster maintain a culture of honesty, integrity, transparency and accountability. Since no code or policy can anticipate every situation that may arise in the course of doing business, “The Code” is intended to provide guidance for handling any unforeseen situations which may arise. We are committed to continually review and update “The Code” periodically. All of our Directors, members of our Senior Management and our officers 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.



1. Compliance with law:

All Directors and Senior Management Personnel 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.

2. Conduct of Business:

The Board Members and Senior Management Personnel shall conduct the Company's business in an efficient and transparent manner.

The Board Members and Senior Management Personnel shall not be involved in any activity that would have any adverse effect on the objectives of the Company or against national interest.

3. Conflict of Interest

Each Director and Senior Management Personnel 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 conflicts with the interests or benefits of the Company. The Directors and Senior Management Personnel must avoid situations involving actual or potential conflict of interest.

Conflict of interest may also arise when a Director or Senior Management Personnel or members of his or her family or an organization with which the Director or Senior Management Personnel is affiliated, receives improper benefits as a result of the Director's or Senior Management Personnel'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.

Every Director shall inform the Company about the Committee positions he or she occupies in other listed entities and notify changes as and when they take place.

Senior management shall make disclosures to the Board of Directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.

4. Fair Dealing

Every Director and Senior Management Personnel should endeavour to deal fairly with the Company's customers, suppliers, dealers, investors, competitors and employees. No Director or Senior Management Personnel 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 and Senior Management Personnel are expected to observe the highest standards of business and personal ethics in the discharge of their assigned responsibilities.

5. Gifts and Business entertainment

The Directors and Senior Management Personnel 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.

6. Corporate Opportunity

The Directors and Senior Management Personnel 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 and Senior Management Personnel 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 the Directors or Senior Management Personnel reasonably believes that a contemplated transaction might be a corporate opportunity or a competitive transaction, the Director or the Senior Management Personnel should make full disclosure to the entire Board and seek its authorization to pursue such transaction.

7. 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 and Senior Management Personnel must safeguard it.

The Directors and Senior Management Personnel 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 authorized or legally required. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company if disclosed.

8. Protection and proper use of company's assets

All Directors and Senior Management Personnel at all levels should protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have direct impact on the Company's profitability.

9. Encouraging the reporting of illegal or unethical behaviour

Directors and Senior Management Personnel 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.

10. Whistle blower – reporting of illegal or unethical behaviour

The Company shall promote ethical behaviour in all the spheres of its business operations. The Employees are free to report existing / probable violations of laws, rules and regulations or unethical conduct in accordance with the Whistle Blower Policy.

The Directors and the Senior Management Personnel shall not attempt to suppress / conceal any such view or reporting. The confidentiality of those reporting violations shall be protected and they shall not be subjected to any discriminatory practice.

11. Code of conduct for independent director including their duties

The Independent Directors shall also comply with the Code of Conduct for Independent Directors (as amended from time to time) which is laid down in Schedule IV of the Companies Act, 2013.

12. Employment / outside employment

With regard to the employment with the Company, the Executive Directors and Senior Management Personnel are expected to devote their full attention to the

business interests of the Company. They are prohibited from engaging in any activity that interferes with their employment with the Company. They shall restrain from accepting simultaneous employment with suppliers, customers, developers or competitors of the Company, or from taking part in any activity that enhances or supports a competitor's position. Additionally, they must disclose to the Company's Board / Chairman / Managing Director, any interest that they have that may conflict with the business of the Company.

13. Insider trading of 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 should be strictly followed even in instances when the financial transactions seem small. To avoid the appearance that any Director or Senior Management Personnel is trading on inside information no Director or Senior Management Personnel 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 and Senior Management Personnel of the company that the misuse of sensitive information is contrary to Company policy and applicable Securities Regulation Laws of India.

14. Interaction with media

To facilitate the achievement of the Company's vision and business plans, it is necessary to communicate the policies, plans and accomplishments in the most effective manner through the media to investors, customers, existing and potential, other stakeholders and to the community at large.

All statements made to the media on behalf of the Company should be true and fair. Only persons duly authorized by the Management are allowed to interact with media on specified subjects. Disclosure of any information other than statutory disclosures or those specifically authorized by the Management is prohibited. Disclosure of information on proceedings of Board meetings/Committee meetings/Internal meetings, and disclosure of forward-looking statements is prohibited. In case any such disclosure has to be made it has to be

approved by the Management and shall be combined with cautionary statements, wherever required. Directors or Senior Management Personnel shall not disclose non-public information selectively to any particular group as it may lead to unfair advantage / discrimination.

15. Queries

Any Executive Director or Senior Management Personnel having any query regarding the best course of action in a particular situation should promptly contact the Compliance Officer for a suitable counselling. The discussion with the Compliance Officer may be concerned with the employee's activities or activities of others and may involve apparent conflicts between such employee's specifically assigned responsibility and the standards set in this code.

16. Action in case of violations

It is not intended that disciplinary action would be appropriate for every violation of the provisions of this Code. Whether a disciplinary action is appropriate or not and the extent of disciplinary action /penalty to be imposed, will depend on factors such as the seriousness of the violation, the intent behind any such violation, whether there has been a pattern of improper conduct and the effect of such improper conduct on employees, their morale & on the corporate governance system of the Company.

Decision regarding whether or not disciplinary action is to be taken and the nature and extent thereof shall rest with the Board of Directors of the Company whose decision in this regard shall be final and binding.

17. General

The Board Members and Senior Management Personnel:

- **shall at all times make an endeavour to attend such meetings /occasions including Board and Committee meetings as are required of the person for the benefit, growth and development of the Company**
- **shall dedicate sufficient time, energy and attention to the Company to ensure diligent performance and be aware of and seek to fulfil his or her duties and responsibilities**
- **shall not use abusive or offensive language at the workplace or any such location connected to official**

business

- **shall not illegally withhold any property or documents of the Company and should ensure protection of the same at all times**
- **shall not knowingly suppress a material fact, which can be detrimental to the interest of the Company, from the appropriate authority/body**
- **shall not give any direction, which exposes to risk, the health and safety of any person**
- **shall not make any statement, verify any return or form, containing any particulars, knowing them to be false**
- **shall not fail to invite the attention of the appropriate authority/body in respect of matters affecting the Company or arising out any material departure from the generally accepted principles of propriety**

18. Monitoring Code Compliance

Each Director and Senior Management Personnel of the Company is expected to monitor his or her personal compliance with this Code. An Annual reaffirmation of compliance with this Code is required from all the Directors and Senior Management Personnel of the Company.

19. Compliance Officer

The Company Secretary of the Company shall be the Compliance Officer for the purpose of this Code.

20. No rights created

This Code sets forth guidelines for conduct for the Board of Directors and Senior Management Personnel. It is not intended to and does not create any rights for any Director or Senior Management Personnel, other employees, clients, suppliers, customers, shareholders, or any other persons or entities related to the Company.

21. Amendment to the code

This Code is subject to continuous review and updation in line with any change in law, the Company's policy, vision & plans or otherwise as the Board may deem necessary.

Disclosures

- There are no materially significant related party transactions made by the Company with its Subsidiaries, Promoters, Directors or Management, their relatives, etc. that may have potential conflict with the interests of the Company at large
- Transactions with related parties as per requirements of Accounting Standard AS 18 are disclosed in Note No. 35 to the Accounts in the Annual Report.
- The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.
- The Company has adopted a Whistle Blower Policy and has established the necessary mechanism, for employees to report concerns about unethical behaviour or suspected fraud in violation of Company's Code of Conduct or any other point of concern.
- The Company has adopted a prevention of sexual harassment policy and has established necessary mechanism for protection of women from sexual harassment at work place.



Gloster IMS policy

- To ensure a healthy and safe environment in and around plant complying with 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 programme, work environment and service through setting and reviewing objectives, employee education and involvement and upgradation of skill, knowledge, technology.
- To strive to meet customer's 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 comply with national legislations (i.e. legal, statutory & regulatory requirements)
- To continually improve the effectiveness of established management systems.
- To make earnest endeavors to minimize pollution, injury, ill health and optimize energy consumption.
- To review the IMS Policy periodically for adequacy and continuing suitability relating to the requirements of established management systems.

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). 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.

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 by the Bureau of Indian Standards for our main unit and OHS 558016 from British Standards Institution India for our ANANYA unit, for operation the Occupational Health and Safety Management System in the factory for manufacturing goods.

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 our 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, 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 14001:2008 certification for our Environmental Management System. The certification has been provided to both Gloster Limited and its unit Ananya.

E. Quality Management System

Gloster has implemented a Quality Management System at our Ananya unit also to ensure that our quality standards are monitored and maintained throughout our manufacturing process. The certification provided is the ISO 9001:2008 certification.

F. Raw/natural yarn Production Certification

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

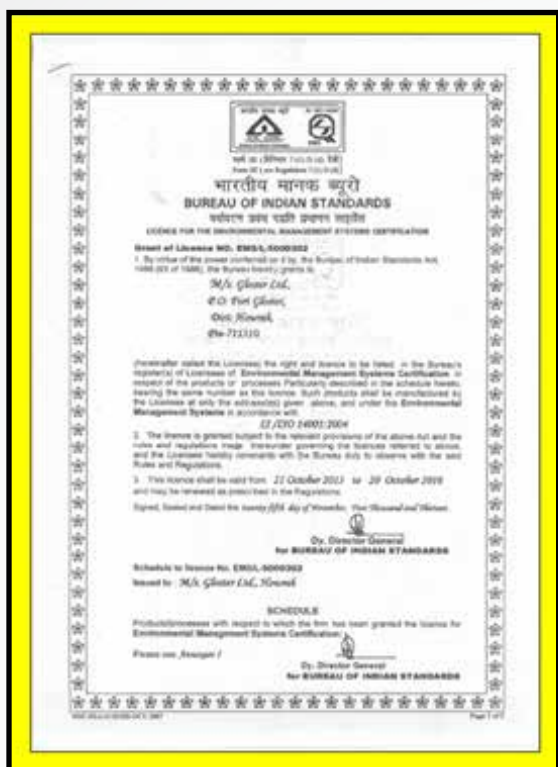
G. Organic Jute Cultivation and Processing

Gloster is a pioneer in the field of organic jute cultivation and processing 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 applied for and received the Organic Jute Cultivation and Processing Certification NPOP/NAB/003 from the National Programme for Organic Production (NPOP) through Institute for Marketecology (IMO).

Certification

We understand the value of applying for receiving certifications of 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.









Certification



Sustainability Accounting
Certification SA8000:2008 from
Social Accountability International



Hazardous Waste Disposal
Certification from the West Bengal
Pollution Control Board



Occupational Health and Safety
Management System Certification
OHS 558016 from British Standards
International (BSI)



Quality Management System
Certification IS/ISO 9001:2008 from
Bureau of Indian Standards



Occupational Health and Safety
Management Systems Certification IS
18001:2007 from the Bureau of Indian
Standards



Organic Products Certification
NPOP/NAB/003 from Institute for
Marketecology (IMO)



Raw/ natural yarn Certification
Oeko-Tex Standard 100 from the
Hohenstein Textile Testing Institute



Environmental Management System
Certification IS/ISO 14001:2004 from
Bureau of Indian Standards



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



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



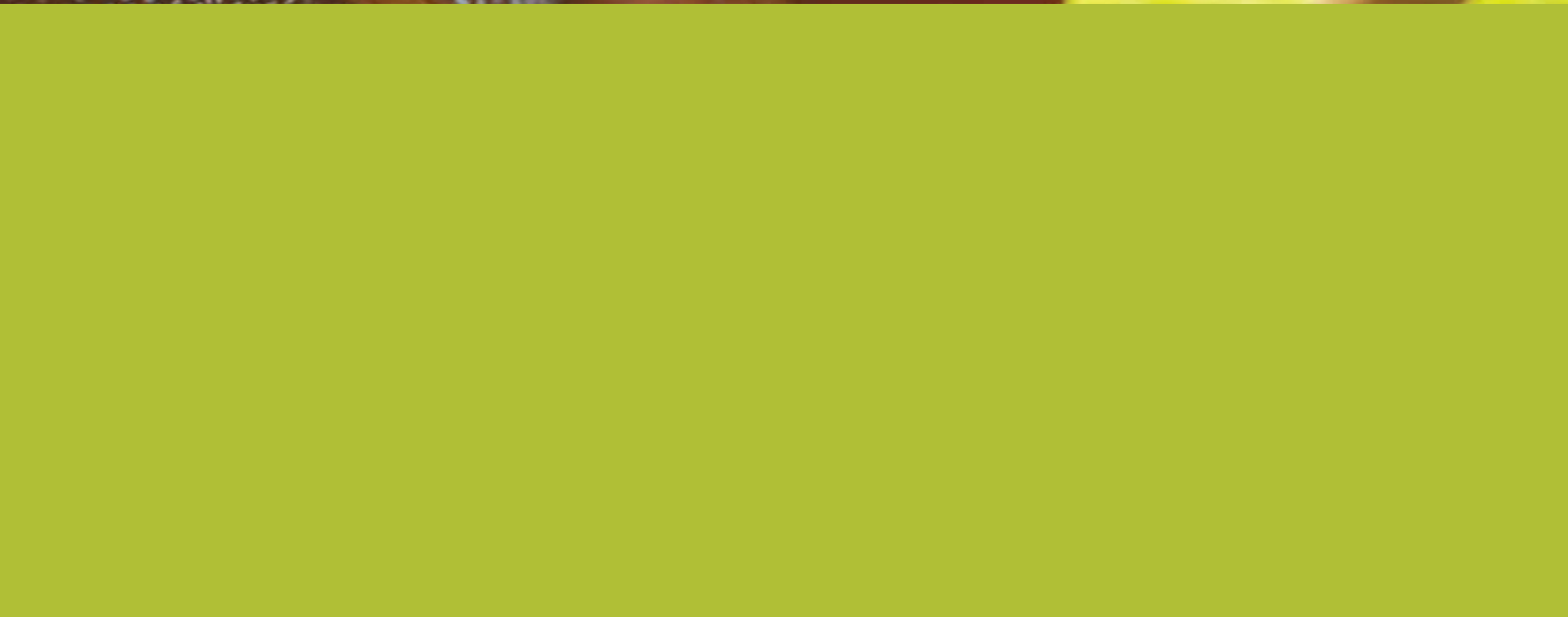
Quality Management System IS/ISO
9001:2008 certified by Bureau of
Indian Standards



Global Organic Textile Standard
(GOTS) certified by control union
certifications - Netherlands



Approval from Government of India,
Ministry of Environment Forestry and
Climate Change for Utilization of
waste for steam generation





OUR COMMUNITY INVOLVEMENT

Our Community Engagement Framework (G4-SO1)

We believe that the community around us gives us valuable opportunities to learn and work together for growth of business and community development.



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 (G4-SO6)

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 2014-15.

Social compliance and competitive behaviour (G4-SO7, G4-SO8)

Gloster has a strict policy against anti-competitive behaviour, and given the collaborative nature of the jute industry in India, anti-competitive practices are non-existent. In FY 2014-15 we have had no legal actions taken against us for anti-competitive behaviour, antitrust, and monopoly practices. In FY 2014-15 we have had no monetary fines imposed or non-monetary sanctions initiated against us for noncompliance with laws and regulations.



Our perspective about 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.

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 and youth and the rural poor. This is what we call education for rural development.

Shri CB Banerjee, CPO

We at Gloster believe that the performance of business enterprises must be measured in terms of value they create for society. Enterprise that embed sustainability in their business strategies can deliver substantial stakeholder value through innovative development models that simultaneously create livelihood opportunities and a positive environmental footprint. The company firmly believes that such an approach unleashes strong drivers for achieving development with social equity.

We at Gloster have carried out several CSR activities. These activities are listed below:

- **For Gloster primary school repairing, modernization and salary to the staffs**
- **Building of modernized urinals for workers**
- **Building of cooling water system for our workers**
- **Facilitation and development of a charitable dispensary in Fort Gloster**
- **Providing clothes to orphanages**
- **Providing books to students who come from economically poor background**
- **Organizing blood donation camps**
- **Gloster provide Mid-day meals to children who come from economical backward families as well as to the differently abled people**

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 of expectations 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 the Standard of 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 275 children through our school and we are committed to improve upon 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 a 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 to carry out extra-curricular activities.

Our Schools at Bauria - Fort Gloster Primary School

Fort Gloster Primary School

- Established in the Year of 1906
- Presently covering Class – I, II, III, IV
- Total Strength of Children in the School is 275
- Fully managed and funded by Gloster Limited
- Bengali Medium Primary School providing quality education to the children of Gloster Workers 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





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 Vidyalyaya

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 School and a further 177 students in the Higher Secondary School. A large majority of the students at this school are the children of the workers at our jute mills. 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.





We are committed to providing all possible support to create awareness on various health related issues impacting the local people.

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 8th of January 2014, we had organized a camp at the Netaji Sangha Bhawan for providing treatment on Hydroceles and Inguinal Hernias. A total number of 130 patients attended the camp. Our doctor had recommended total 8 patients for operation; we provided them free of cost surgery facilities with free medicines.

Mr. U Ghosh
Mill Medical Officer

I have been associated with "Netaji Sangha" Club for the past 17 year. My main role in the mill is to attend the first aid cases. In case of any injuries other than the first Aid, the patient is sent to the ESI hospital, I periodically carry out medical check-ups of the employees. The Check up includes blood pressure test, blood sugar level, ECG test etc.

Gloster is always committed to provide fund & 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.

As I am a part of the "Netaji Sangha Club", we used to take initiatives on our own in a smaller scale before Gloster took it over in the year 2012. Presently, all medical camps, weekly health checkup programs, free surgeries & free of cost medicines are funded by Gloster. Initially, our initiatives were restricted within the scale of basic treatment & medicines. However to broaden our coverage by arranging infrastructure to treat a larger number of patients, treat more critical cases we provide more costly life saving medicines and support for community people.

Generally accidents occurring in the mill are minor injuries. Gloster is very systematic and structured in recording accidents. Gloster follows a consistent hierarchy of procedures to investigate the accidents. Gloster ensure that ID Card with Blood Group and PPE's are provided to all its employees.



Patients of Netaji sangha



Mill Ambulance



FREE OF COST EYE CHECK UP



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 21st of February 2014
Netaji Sangha Bhawan

Approximately
400 people
attended the
Campaigning
program

Number of
Cataract
operations
done : **48**



**Awareness campaign
on HIV AIDS and STDs**
organized on 10th
February 2014



Providing Wheelchairs
to three Physically disabled
people on 6th March 2013

A total
155 patients
attended the camp



Blood Donation Camp
organized on 22th of January,
2014



Free Distribution of Sarees



365 days Free Mid -Day Meal for differently abled persons



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 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, the paddy is also grown in the same fields. The organic jute seeds and seed drills are provided for 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
- Higher yield 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 Noarht 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





BUSINESS

- Research
- Ideas
- Analysis
- Planning

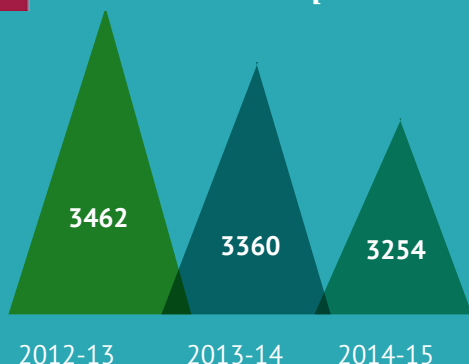


OUR BUSINESS
PERFORMANCE

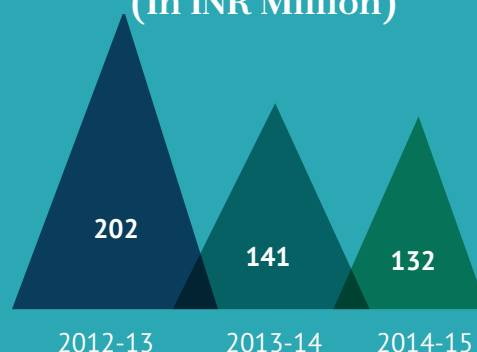


Highlights of our Financial Performance (G4-EC1)

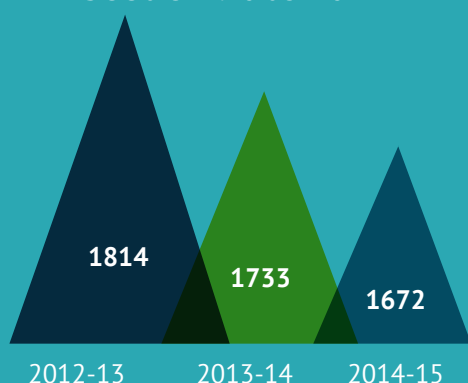
Income from operation



Profit After Tax (In INR Million)



Cost of Material



Cost of Mfg and other expenses



Growth with respect to 2013-14

Revenues	Profit After Tax
-3%	-6%
Cost of Raw Material	Cost of Manufacturing
-4.0%	-2.71%

Financial Assistance from Government (G4-EC4)

- **Incentive Scheme for acquisition of Plants & Machinery from National Jute Board has been made effective for installation of Plant & Machinery from 1st October, 2013 and will continue up to 31st March, 2017. The incentive shall be 20% of cost of Plant & Machinery with a ceiling of INR 25 Million per jute mill during the period.**
- **Subsidy received for plant and machinery and buildings is INR 4.15 million**
- **Export Incentive is INR 48.6 million**

Entry Level Wages (G4-EC5)

Gloster adheres to industry standards when it comes to entry level remuneration 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 INR 157 per day plus 42% of the basic salary in benefits.

Promotion of Local Hiring (G4-EC6)

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. Usually, we engage young boys from distressed families residing in and around the local areas of the Mill as 'On job Trainee/Apprentice' who are later 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' child/dependent/relative 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 newspaper for selecting the suitable candidate and filling up the vacancies through interviews. In case of appointment in the Junior Management level, the recruitments are usually made on recommendations of the authorities of Jute/Textile technology Institutes or other sources.

Local Infrastructure Investment (G4-EC7)

We believe that an organisation generating and distributing economic value, an organization can affect an economy through its investments in infrastructure. 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 at Bauria and its corporate office located at 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.

During FY 2014-15, the CSR activities of the company focused on the following aspects. The company will continue to give thrust on the activities initiated during the year under review.

- **Animal Welfare Chapar, Rajasthan**
- **Training to Promote Nationally Recognized Sport Kolkata, West Bengal**
- **Eradicating hunger, poverty, malnutrition, promoting health care including preventive health care Bauria, West Bengal**
- **Promoting education, including special education Bauria, West Bengal**

Sl. No.	CSR Project or activity identified	Place where projects or programs were undertaken
1	Animal Welfare	Chapar, Rajasthan
2	Training to Promote Nationally Recognized Sport	Kolkata, West Bengal
3	Eradicating hunger, poverty, malnutrition, promoting health care including preventive health care	Bauria, West Bengal
4	Promoting education, including special education	Bauria, West Bengal

Indirect Economic Impacts (G4-EC8)

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 around 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 (G4-EC9)

We have added Panama, Burundi and Ivory Coast to our list of export destinations.





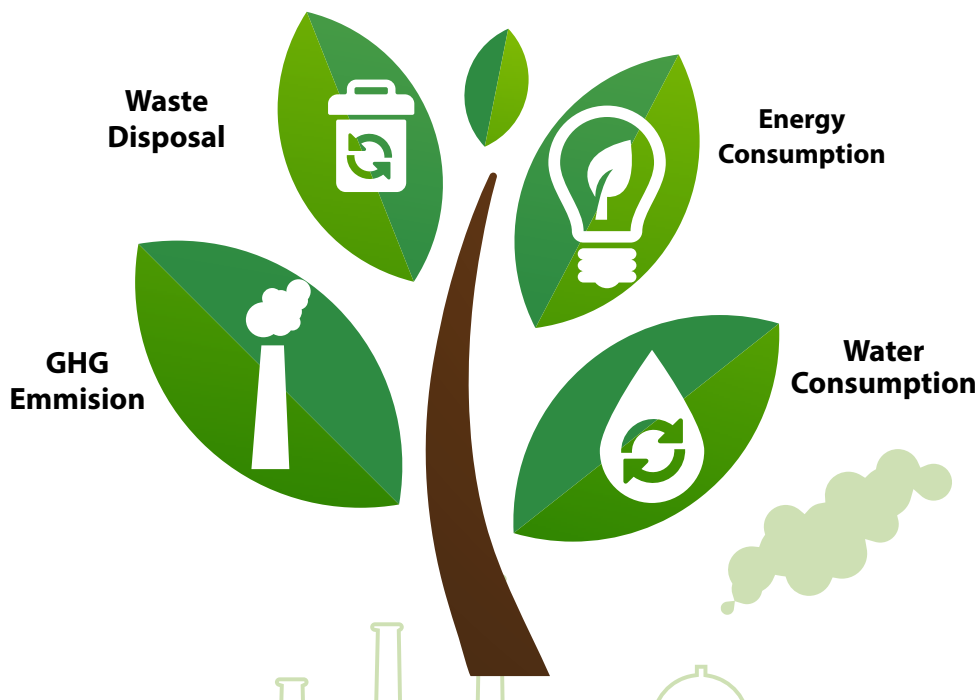


OUR ENVIRONMENTAL PERFORMANCE

Our Environmental Impacts

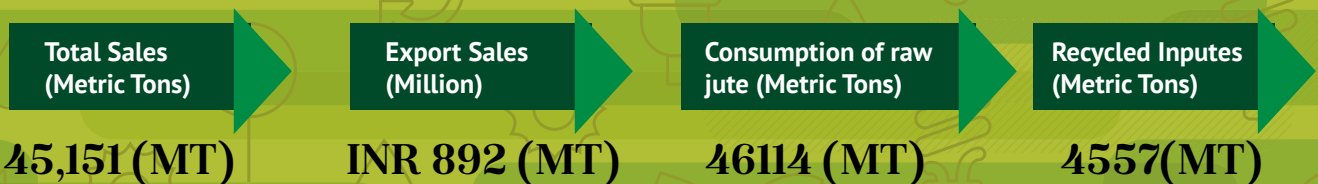
The key raw materials to Gloster's business processes besides raw jute and labour are electricity and water use. The operations also generate process waste as by-products to the environment. We recycle this to generate steam for the production process instead of coal. We, at Gloster, realize the importance of incorporating sustainable and environmentally friendly business practices in our activities. We seek to undertake measures to reduce our environmental impact.

Gloster follows the precautionary principle with respect to environmental impacts of the business operations. This section elucidates the challenges that Gloster faces with respect to sustainable business practices and our response to such challenges. We will also highlight the results we have achieved thus far.



Steady Growth in Reductions

Aspect: Material Material Consumption (G4-EN1,G4- EN2)



Aspect: Energy

Our Energy Consumption (G4 - EN3)

In course of our operations, we use both direct and indirect sources of energy within our premises. Our Scope 1 energy consumption comprises various fuels used to generate energy. These include coal, diesel and jute process waste. Our Scope 2 energy consumption is in the form of electricity sourced from the grid. Over 90% of the energy consumption of Gloster is in the form of electrical energy sourced from the grid.

In the following sections we break down our Scope 1 and Scope 2 energy consumption trends for the year 2014-15.

Coal Consumption (Scope 1)

We, at Gloster, understand the negative externalities of coal use on the environment. We have made a conscious decision to limit the usage of coal in our energy production process. This is evident from the small share that coal occupies in our overall energy consumption pattern.

Given below is the total of our coal usage for 2014-15

Particular	Unit	2013-2014
Total Coal Consumption	MT	438.78
Energy Generation from Coal	TJ	11.32
Coal consumption per MT of finished goods produced	Kg	9.8

Diesel Consumption (Scope 1: used in boiler and generator)

Apart from coal, there are two more sources of direct energy,

- One is the self-generated electricity through a Diesel generator
- The other is the Diesel used in our boilers (in Unit ANANYA)

The details of our diesel consumption in the boiler and the generator are given below:

Particular	Unit	2014-15
Diesel Consumption in the boiler	KL	0
Energy consumed in the boiler	TJ	0
Electricity generated by In- house diesel generator	KWh (Lakh)	1.05
Energy consumed in the in-house generator	TJ	0.378
Total energy consumed from diesel use	TJ	0.378

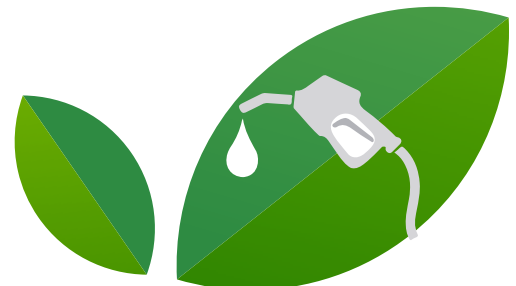
In the present reporting year, we have been successful in reducing the diesel consumption of boiler to nil. This is due to our conscious decision to generate power from our waste jute so as to reduce negative environmental impacts.

Scope 2: Electricity (Indirect Energy Consumption) (G4-EN4)

Gloster's indirect energy consumption is solely from electricity sourced from the Grid. As evident from the figure below, we have managed to reduce our electricity consumption, achieving the lowest figure in the current reporting year. Since over 90% 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.

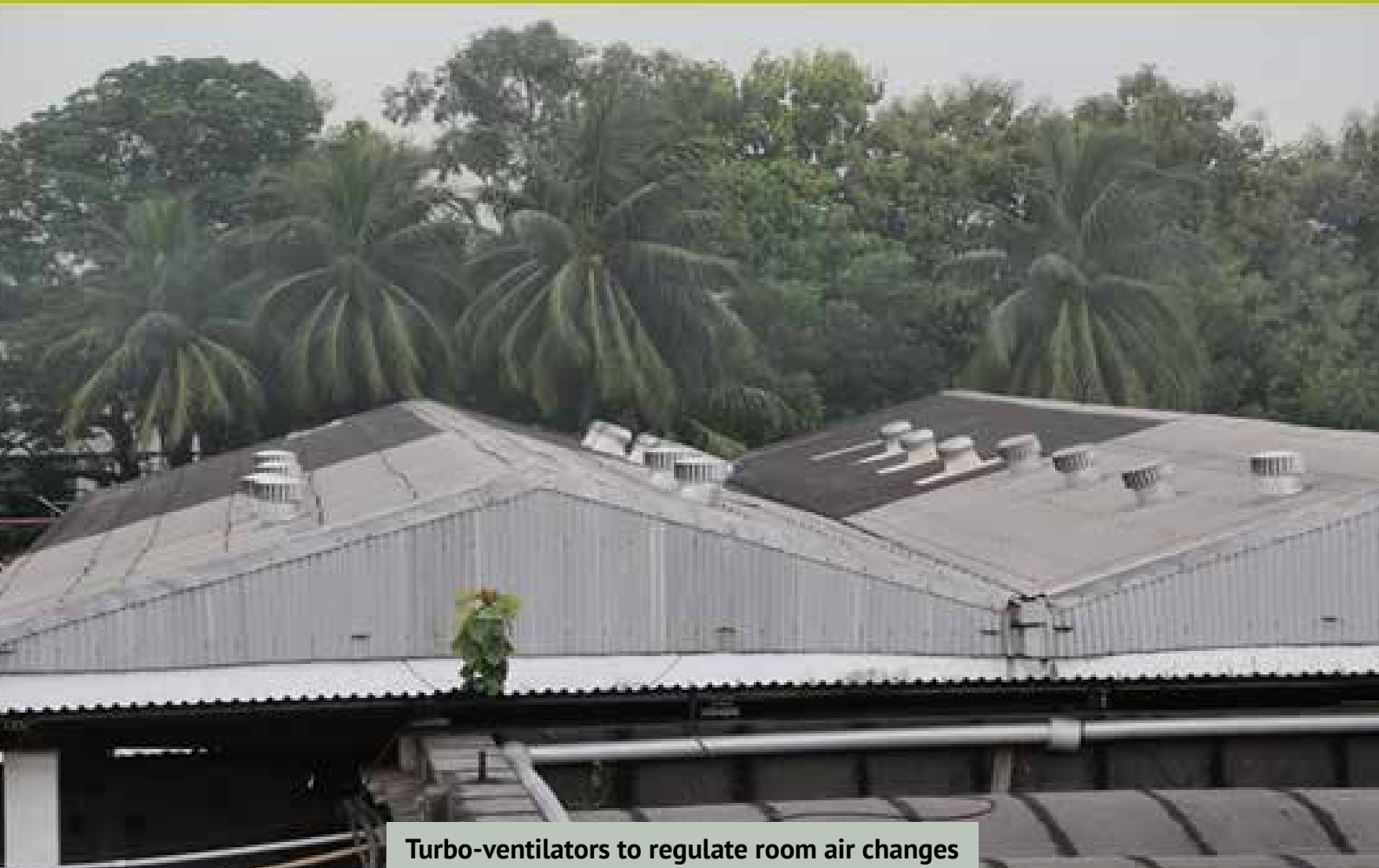
Given below is the data for our purchased electricity consumption:

Particular	Unit	2013-2014
Electricity purchased from outside	MWh	22443
Energy consumed	TJ	80.79



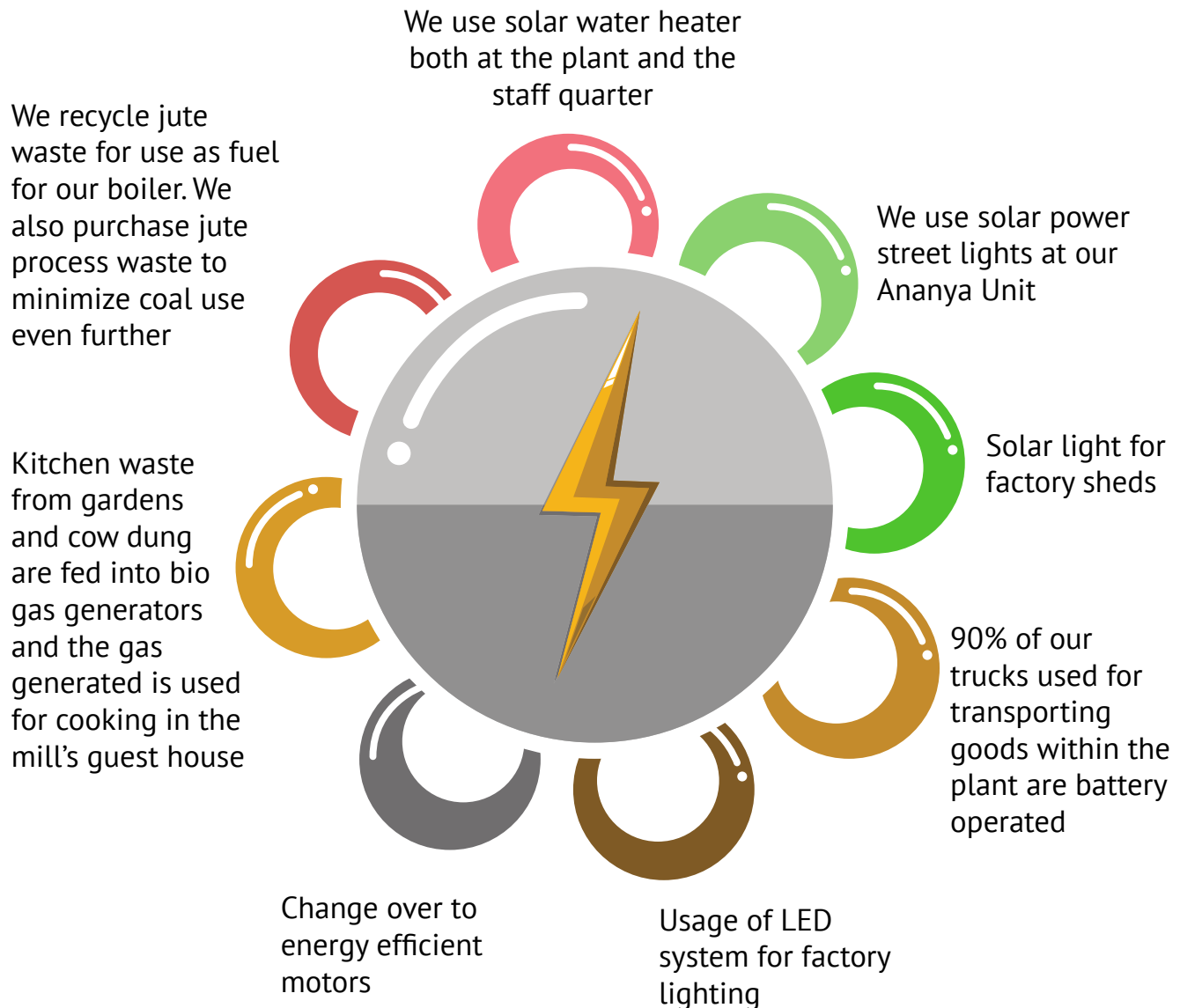
Renewable Energy Initiatives

- Solar water heaters
- Solar power street lights
- We recycle process waste jute to use it as fuel in our boiler in place of coal
- 90% of the trucks used for material handling in the plants are battery operated
- Garden waste, kitchen waste and cow dung are fed into biogas generators and the gas generated is used for cooking in the mill guest house
- Solar light for factory sheds
- Turbo-ventilators for necessary air changes in the industrial sheds
- Rain Water Harvesting





Renewable Energy and Energy Efficient Initiatives



Our Energy Intensity (G4 –EN 5)

Year	2014-2015	2013-2014
Total energy consumed (TJ)	92.488	22443
Energy Intensity (KJ/Kg)	2066.50	80.79

Major Energy Efficiency Initiatives

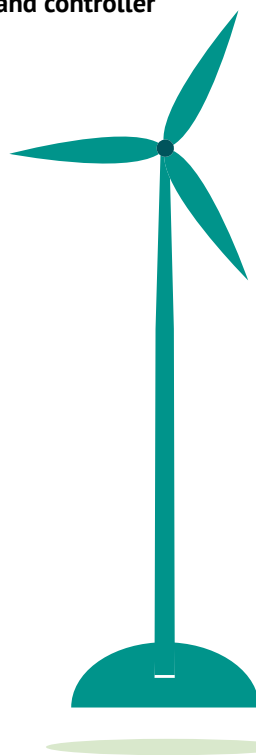
- Insulation and Steam Condensate recovery system installed
- Variable speed drives for VDRs, sizing machines, stenters, non-woven plant, coating and backing plants
- For reduction of consumption of electricity in our mills, we have installed a new substation to receive power at 33KV in place of 6KV earlier
- Have taken as our co policy to replace all standard efficiency motors with very high efficiency motors and the policy is under active implementation.
- Are replacing our entire lighting system with LED systems
- Are installing dust suppression system by CONDAIR-USA in the mills main building block for providing better room air quality for our work force
- Have fitted Turbo-Ventilators for necessary air changes in the mills processing sheds.
- Have fixed “save-light” systems in the mills shed roofs to make best use of the Sunlight in its diffused form-without glare
- Have provided Bio-gas generators for conversion of Bio-gas from kitchen wastes of workers canteen and staff guest houses
- Have replaced all our air compressors having specific kWh to CFM ratio at 7 kgs per cm² pressure-lower than 0.188 wit modern Kaeser make air compressors
- We maintain mills power factor at around 0.99
- Are planning to have auto-PF monitoring and levelling for varying electrical loads of mills around 24X7.
- Auto-Demand controller installed
- 1.14 Km long chain-hook system for drying of dyed jute/yarn by wind and Sun Rays

Reduction of Energy Consumption (G4 – EN 6)

We understand the importance of energy efficiency in our production process. We have implemented an Energy Monitoring System which is supplied by Schneider Electric. The Energy Monitoring System is used to continuously log all major electrical parameters so that they can be analysed.

Initiative

- Energy efficient motor Drives
- Use of screw compressor
- Use of flat belts
- Use of LED Fittings
- Use of turbo ventilator
- Installation of condensate recovery
- Insulation of all steam line
- Variable speed drivers for rolling and bearing machine
- Demand controller



Total energy consumed(TJ) 2014-15

92.448



Solar Lighting system used in our Process areas



Pneumatic Dust Reduction System



33 KV transformers installed in place of 6 KV Transformer to receive GRID Power to Reduce losses

Aspect: Water

Total volume water Withdrawal from Source (G4 – EN 8)

Source	Details for 2014-15
From river and rain water	207 KL per day

Water Source for withdrawal of water (G4- EN9)

Particulars to be filled	Details for 2014-15
Total number of water sources	
Name of the Water Sources	Ganges-Hooghly and rain-harvested water

Rainwater Harvesting

Rainwater harvesting is being practiced at Gloster in our concrete open tanks. The stored water is used for the hydrant systems, sprinklers, and for bathing and sanitation by employees. There are 2 tanks connected by underground systems of drains.

Gloster's factory at Fort Gloster has a rain water harvesting potential of 46,664 KL. For Gloster installation of RWH system with storage capacity for collection of rainwater runoffs primarily from the roofs of existing buildings and sheds and secondly from ground and other surfaces (like roads, lawns and other constructions) is a viable option. We constructed tanks where the rain water/ storm water from our facility are collected and are used by the communities as well

Consent to M/S Gloster Limited. Page 03 of 0

for its unit at P.O.- Fort Gloster, P.S.-Barua, Dist.-Howrah,

Pin- 711310

Table - I

Outlet No.	Nature of effluent	Parameters	Standard	Frequency of effluent sampling
1	Industrial	pH	Between : 5.5-9.0	Half Yearly
1	Domestic	Total Suspended Solids	Not to exceed : 100 mg/l	Yearly
		Biochemical Oxygen Demand (3day at 27°C)	Not to exceed : 30 mg/l	
		Chemical Oxygen Demand	Not to exceed : 250 mg/l	
		Oil & Grease	Not to exceed : 10 mg/l	
		Phenolic Compound	0.1 mg/l	
		Sulphide as S	0.2 mg/l	
		Total Chromium as Cr ₆	0.2 mg/l	
		Total Residual Chlorine	0.1 mg/l	

WEST BENGAL


* First Five Parameters for Domestic effluent

09. The Applicant falls in the Cess Paying category of the Water (Prevention and Control of Pollution) Cess Act, 1977 and Rules made thereunder and the Applicant shall comply with the provisions of the said Act and Rules made thereunder.

10. Daily water consumption for the following purposes should not exceed :-

- Industrial cooling, spraying in mine pits and boiler feed water (Water used for gardening should be included in this category of use) → 94.0 KL
- Domestic purpose → 98.0 KL
- Processing whereby water gets polluted and the pollutants are easily biodegradable → 15.0 KL
- Processing whereby water gets polluted and the pollutants are not easily biodegradable → 03.0 KL

The Applicant shall regularly submit to the Board the Returns of Water Consumption in the prescribed form and pay the Cess as specified under Section 3 of the said Act.

 (Member Secretary/Chief Engr./Sr. Engr./Env. Engr./Asst. Env. Engr.)

Environmental Engineer
Howrah Regional Office
W.B. Pollution Control Board

We conserve rain water in our water ponds in and around the mill premises



Rainwater Harvesting Tank



Rainwater Harvesting Tank

Aspect: Emission

Direct Emissions SCOPE 1 (G4 – EN15)

The majority of our direct emissions are from the usage of coal. The other contributor to our direct emissions is the diesel. 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	2014-15
Coal (tCO ₂)	1071
Diesel (tCO ₂)	28.00
Total (tCO ₂)	1099

Indirect Emissions -SCOPE 2 (G4 – EN16)

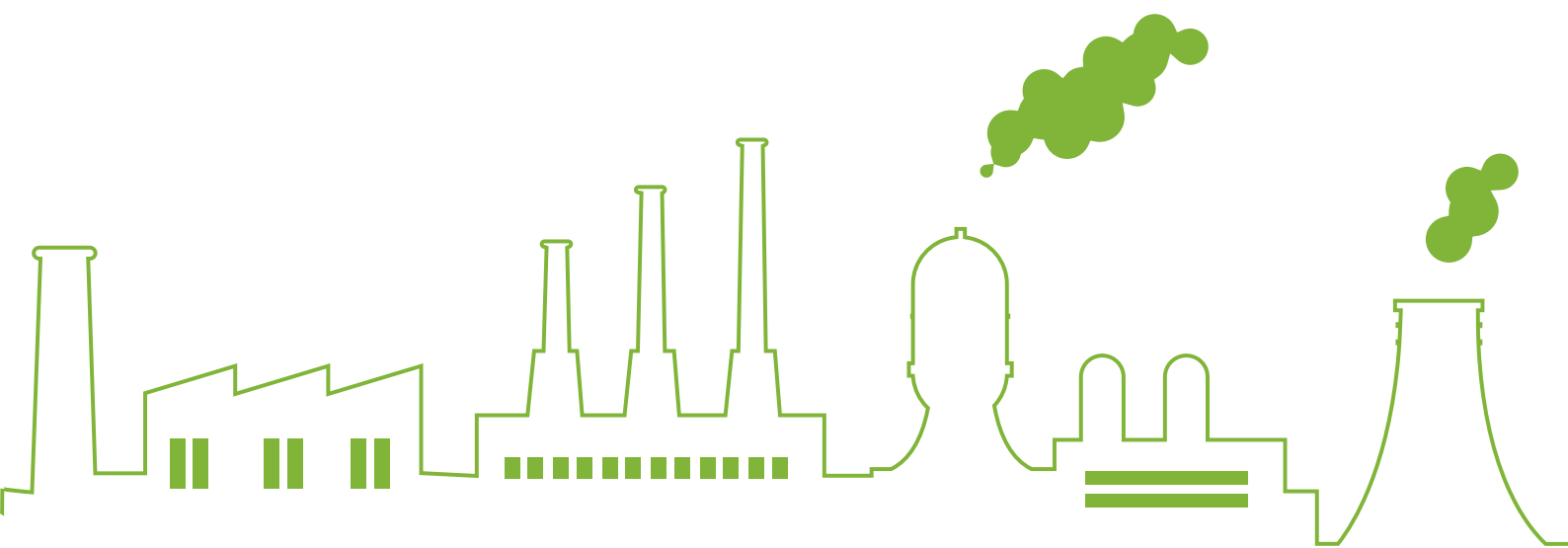
Our indirect emissions are entirely from our electricity consumption. Our annual electricity consumption (sourced from the Grid) was multiplied by the CEA's combined margin emission factor (including imports) to arrive at our annual CO₂ emissions from indirect energy consumption. The details of our indirect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

Source of Emission	2014-15
Electricity Consumption	22443 (tCO ₂)

From the figures above, we see that our total indirect emissions seem to be decreasing year-on-year. This decrease is because we are increasing our usage of jute process waste to generate steam for our manufacturing process.

Emission Intensity (G4-EN18)

Source of Emission	2014-15
Total emission (tco ₂)	22443
tco ₂ /Mt	0.501



Aspect: Effluent and Waste

Water Discharge and Treatment (G4 – EN 22)

Jute processing process is not water intensive, yet, we ensure that we use the water responsibly, and recycle to the greatest extent possible. All of our water is sourced from the river and harvested rain water. 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 2014-15. 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).

The table below illustrates the value for the test results of the effluents

Parameters	Unit	EFL	WBPCB Norms
Flow	Cum/day	54-57	
pH	----	6.5-7.5	6.5-8.0
C.O.D	mg/l	<75	<100
B.O.D	mg/l	<10	<20
Total Suspended Solids	mg/l	<10	<15
Oil and Grease	mg/l	<10	<10
Sulphide as S	mg/l	<2	<2
Hexavalent chromium as Cr6+	mg/l	nil	0.1
Total Chromium as Cr	mg/l	nil	2
Phenolic Compounds as (C ₆ H ₅ OH)	mg/l	nil	1



Effluent Treatment Plant

SGS **Test Report**

Print Date : 12/01/2015

SAMPLE COLLECTED BY SGS INDIA PVT. LTD.

Report No : KE14-000025-001 JOE No : KE14-00002

Report Control No : KER0000000491

Sample Described by Customer as : EFFLUENT WATER

Client Name : Closter Limited

Client Address : 21 Strand Road

Kolkata

Postal Code : 700 001

State : West Bengal

Country : India

Received : 24/12/2014

Sampling Method : APHA 1060 B

Sampling Location : ETP Outlet

Sample Qty, Recd. : 3 Litre.

Test Start/End Date : 24/12/2014 - 12/01/2015

Analysis	Method	Result	Unit	Requirement/Limit
				Min Max
pH at 25 °C	APHA 4500 B	6.80	-	5.5 9.0
Analysis of nit:				
BOD at 27 °C for 3 days	IS 3025 (Part 44) : 1993	19.7	mg/l	
COD as O ₂	APHA 5220 B	81.5	mg/l	250
Total suspended solids	APHA 2540 D	57.8	mg/l	100
Oil & Grease	APHA 5520 B	2.9	mg/l	10

Sample is pink in colour

Per pro SGS India Private Ltd

S_MANNA

Section Incharge - ENVI

Authorized Signatory

Page 1 of 2

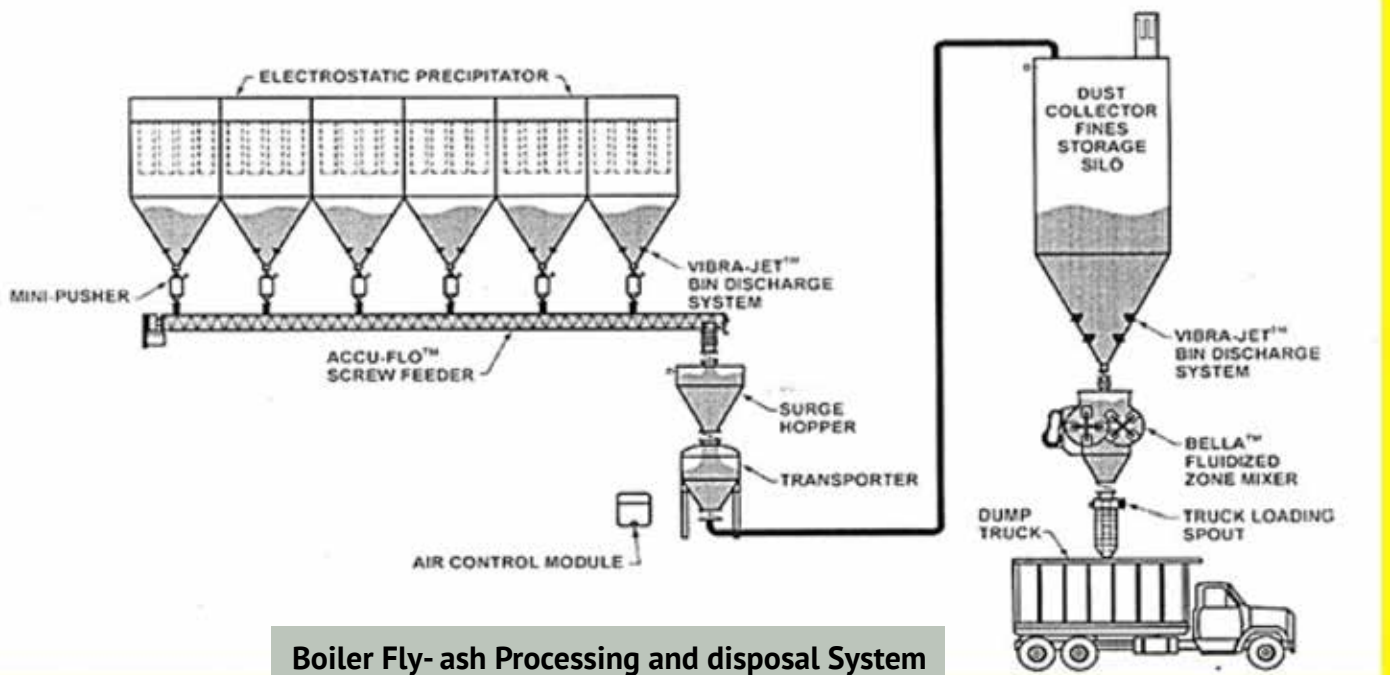
This document is issued by the Company under its General Conditions of Service printed hereafter or available on request and subject to the applicable laws, regulations, and standards. Any holder of this document is advised that information contained herein reflects the Company's best estimate and is not intended to be used for legal or regulatory purposes. The Company's sole responsibility is to the Client and this document does not constitute a contract. Any unauthorized alteration, forgery or falsification of the content or appearance of this document is strictly prohibited and may be prosecuted to the fullest extent of the law.

This document cannot be reproduced except in full without prior written permission from the Company. The samples from regulatory bodies are to be retained as specified. This document cannot be reproduced except in full without prior written permission from the Company.



Activated carbon chambers for the Effluent Treatment Plant

The Gases from Boiler House are subjected to precipitation of their Fly Ash before being exhausted through Chimney. The precipitated Fly Ash is collected and processed for wet disposal by Gloster Limited.



Boiler Fly- ash Processing and disposal System

Waste Disposal (G4- EN23)

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 even 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 2014-15, Gloster generated 11465 kilograms of E.T.P. sludge all of which was disposed of, including an opening balance of 0 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 2014-15, the total jute waste processed was 5234 MT out of which 3879 MT was jute waste generated by us and 1080 MT of jute waste was also purchased from neighbouring mills.

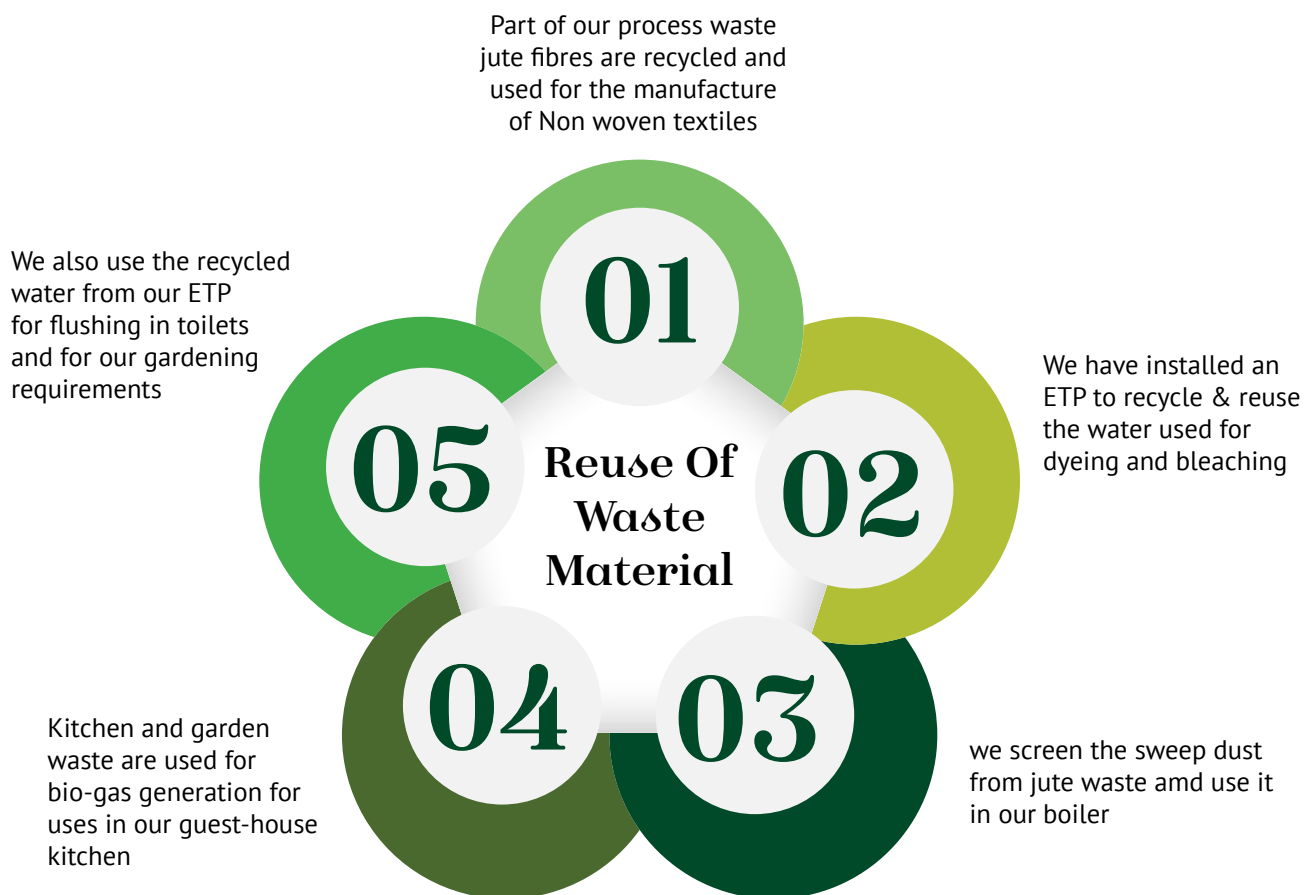
The following is our jute waste data for the last three financial years.

Year	Jute Cadies (MT) (Purchased + Own generation)	Total Jute Waste (MT)
2012 - 13	(1170.5 + 1587.92)	2758.42
2013 - 14	(1355+3879)	5234
2014 - 15	(1080 + 3477)	4557



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.







RESPONSIBLE
PRODUCTS

Our Products

We believe that our products are a large part of who we are as a company. The mills of 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 road construction, agriculture, mine waste reclamation, automobile interiors, urban landscaping, solid waste management and food packaging. We produce both organic and conventional jute products as per the requirements of our customers in line with our commitment to sustainability. The figures below give a brief summary of the products we offer.



Cotton Textile Bags



Jute Bags





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 Agrotextile



Manufacturing Geotextile



Slope stabilization with Geotextile



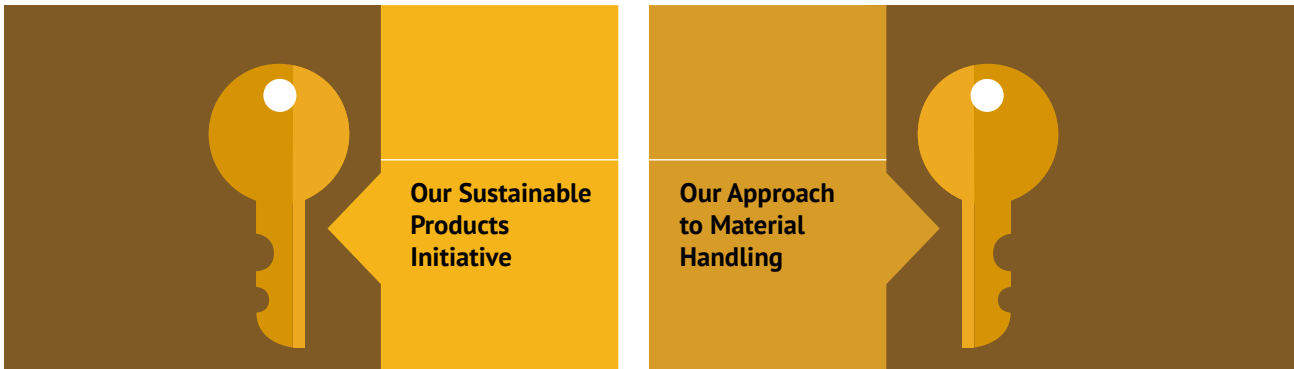
Jute Agrotextile in use



Manufacturing Build textile



Road Construction with Build textile



The Four Key Drivers

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



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.

We also assess the entire life-cycle impact of our responsible products; these products are listed below along with their uses and sustainability impacts. We assess the life-cycle impacts of all of these products. Since all of these products are responsibly made with natural or organic fibres, there are no life-cycle health hazards.

How will it perform after Biodegradation

Research ,Studies and field trials have confirmed that a period of two season cycles 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 laying of roads

A large variety of detrimental factors affect the service life of roads and pavements. These factors mainly comprises of environmental factor, subgrade conditions, traffic loading, utility cuts, road widening and ageing. Though these roads and pavements if maintained regularly can address the problem surfacing from the above factors but these improvements are short lived since the cause of the can only be addressed by demolishing the existing roads or pavements and reconstructing them.

Therefore a preferred strategy for long term pavement and roads performance is to build in safeguards such as subgrade stabilization against moisture intrusion, enhancement of stress absorption and moisture proofing, strengthened road base aggregate. Roads developed using JGT addresses all the above challenges and is one of the most cost effective way of developing durable, strong, sustainable roads that will require negligible maintenance.

The picture below showcases a road enhancement project:



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 Solid Waste Disposal

India is increasing rate of urbanization is throwing up myriad challenges for society. One 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?



Attenuates extremes of temperature and moisture
Protects soil and seeds from run off and direct exposure to strong winds and rain

Adds nutrients to the soil on bio-degradation and acts as mulch Prevents emergence of weeds (by non-woven variety)

The non-woven variety can suppress weed growth effectively without use of harmful chemical weedicides

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:

- **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**

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 Solid Waste Disposal

India is increasing rate of urbanization is throwing up myriad challenges for society. One 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.



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**

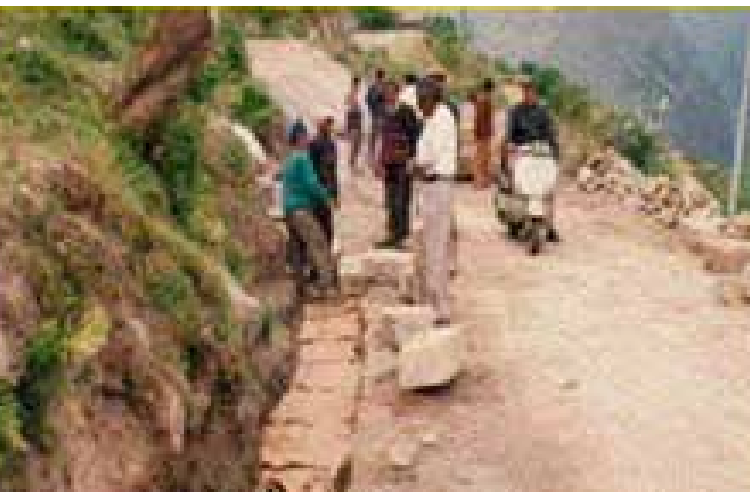
How Gloster Jute Geo-textiles (JGT) are effective?

- **Help stabilize the OB dumps, provide strength and reduce time for soil compaction**
- **Make the soil erosion-resistant**
- **Since jute is natural fibre, it helps in the quicker and better vegetation growth for bio-engineering solutions**
- **Being bio-degradable, it ensures that it mixes with the soil over time and does not pollute the environment**

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**



Widening of Road with Jute Geo-Textile and Finished Road

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 GJT 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**
- **Partial storage due to capacity of jute to absorb water/ponding of rainwater over the soil slopes**
- **Entrapping detached soil particles**
- **Promoting quick growth of vegetation**
- **Alternation of soil moisture and temperature necessary for 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, and 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; in different structures, weights, profiles of construction as:**
 - (a) Webbing (b) Tapes (c) Ropes (d) Nursery nets (e) Plants transplantation textiles (f) Substrates (g) Geopots (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.**

Our Approach to sustainable 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, 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. 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.



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 of process materials and auto-storage and delivery system for warp beams. Both these systems help us to reduce floor space requirements and manpower needs as well improving process efficiency. All of the initiatives mentioned in this sub-section are not initiatives that are mandated or required by law, however, we installed them keeping in mind our goal to go above and beyond when it comes improving our process efficiency, reducing the workload of our employees and using our environmental resources responsibly and sustainably.

We believe that there can be no compromises when it comes to quality of our products, which means that our quality management system must be comprehensive and effective.

Our Approach to Total Quality Management (TQM)

Quality management is prime organizational concern for us. We believe that there can be no compromises when it comes to 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 JMDC assignment on "TQM Facilitation" of Mini Mission IV of the Jute Technology Mission run by the Government of India. The following table describes the TQM deployment methodology that was used to establish a TQM system for Gloster.

Introduction

Total Quality Management system is being implemented through the Scheme 6.3 for Productivity improvement and TQM facilitation of Mini Mission IV under the Jute Technology Mission, which involves the development and deployment of a TQM system as per the methodology given below.

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% will be achieved in production area right from raw jute to jute 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 will jointly identify a coordinator for TQM deployment from Gloster's executives
- **Establishing Cross-Functional Teams:** The Gloster Coordinator and NITIE TQM Leader will 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 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

Lean concept

Six sigma concept

Deliverables

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

- Enhancing the process knowledge and skill sets 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
- Wherever the process capability is less than one, a methodology for improving the overall process capability will be demonstrated.



The Role of R&D in our Product Development

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

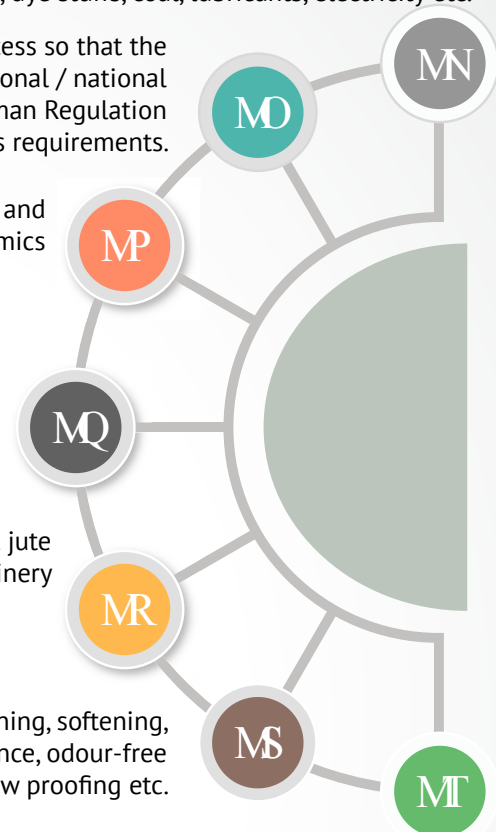
Monitoring and guiding the manufacturing process so that the final products comply with the various international / national standards and norms like REACH, IJO/98-01, German Regulation for AZO dyes. Conforming to the buyer's requirements.

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

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

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

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



- **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**



Our Research and Development Laboratory





OUR LABOUR PRACTICES AND HUMAN RIGHTS

Our Approach to Workforce 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 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 including our sustainability efforts.



Aspect: Employment

Total Employees (G4- 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 workers' unions in the region are predominantly male and most 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 Number of Employees (all 3 units)	FY 2013 -2014
Main unit	5140
Ananya Unit	230
Head office	23



Total Number of Employees (all 3 units)	Main Unit	Ananya Unit	Head Office
Staff Member			
Male	142	19	22
Female	0	0	1
Total Staff Members	142	19	23
Permanent Mill employees			
Male	4064	211	0
Female	22	0	0
Total Permanent Mill employees	4086	211	0
Contract Mill employees			
Male	4064	211	0
Female	22	0	0
Total Contract Mill employees	4086	211	0

In FY 2014- 15 the number and share of permanent worker was 4086. In FY 2014-15 the number and share of contract workers was 912 and the total number and share of staff members was 142.

We do not employ any contract workers at our Ananya unit. In FY 2014-15, the total number of mill workers was 211 and the number of staff members was 19.

Benefits for Full-Time and Part-Time Employees (G4-LA2)

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)
Statuary Leave	Yes (5% of Basic Salary)	No
D.L.I. Administrative and Inspection Charges for family insurance scheme	Yes (0.69% of Basic Salary)	Yes (0.69% of Basic Salary)
Gratuity	Yes (5% of Basic Salary)	No

People Retention (G4 - LA 3)

We try and minimize our exits and new hires to as great an extent as 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 2014-15, we hired 468 new people and 152 people resigned.

Aspect: Labour- Management Relations

Collective Agreements between the labour and the management (G4- 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 so they are aware prepared for these changes from 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 we conducted with two of our labour representatives to gauge their attitude towards our labour management initiatives.

NAME : MR. ASHIK SEPOL

UNION : All India Trinamool
Congresstrade Union Congress

EXPERIENCE : MORE THAN 17 YEARS

"I have worked here for over seventeen 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 paid 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 Bahetiji (Managing Director) for his pro-active 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 to the mill. Their efforts have ensured that they have no fatalities at the mills for many years which is a strong consideration for all workers

NAME : Mr. Bishnupodo Das

UNION : Bengal Chatkal Mazdoor
Union (Citu)

EXPERIENCE : 25 YEARS

- Dust has reduced
- Mask is worn
- On job Training
- Attendance is conducted
- About the mill
- OHS
- Assessment is carried out
- Counselling is done if they do not wear PPE
- Skill upgradation training is provided
- Retraining concept is there

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 from 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, in FY 2012-13 we just lost one day due to an industry wide strike and in FY 2013-14 we are proud to declare that the lost day due to mill strike was zero.



Aspect: Occupational health and Safety

Worker health Safety Committee (G4- LA5)

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.

We have a joint worker-management health and safety committee at our main unit and Ananya unit. The percentage of employees on these committees is around 50%.

Type and rate of accidents and incidents (G4- LA6)

We believe that it is one of our primary responsibilities to ensure a safe working environment to all of our employees. We work tirelessly with our employees, their representatives and our management 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 of a white-collar 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 at Fort Gloster. In FY 2010-11 we had a total of 344 accidents, this figure increased to 382 in FY 2011-12, fell to 380 accidents in FY 2012-13 and it fell to 330 in 2013-2014 and 357 in 2014-15. There was no fatal accident.

Month	Total No. of Accidents in 2013-2014
January	37
February	30
March	32
April	32
May	31
June	33
July	26
August	21
September	21
October	16
November	32
December	36
Total	357

The table illustrates the breakup of total accidents by level of severity

Level of severity	Number Accidents in 2011-2012	Number Accidents in 2012-2013	Number Accidents in 2013-2014	Number Accidents in 2014-2015
Hospitalization	199	189	183	184
First Aid	183	191	147	173

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, two inspections in FY 2012-13, 1 inspection in 2013- 2014 and 1 inspection in 2014-2015).

Ananya Unit

The incidence of accidents at our Ananya Unit is even lower than our main unit owing mostly the smaller number of employees at the Ananya Unit. We had a total of 5 accidents in FY 2011 -12, a total of 1 accident in FY 2012-13 and a total of 10 accidents in FY 2014-15 requiring first aid. We are proud to disclose that we have had zero fatalities at the Ananya Unit over the last three financial 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 Bureau of Indian Standards for our main unit and the certificate OHS 558016 from British Standards Institution India, for operation the Occupational Health and Safety Management System in the unit: ANANYA for manufacturing goods.

The details of this training are provided in the table below.

Staff Training Details

Type of Training 2014-15	Number of participating employees	
	Main Unit	Ananya Unit
Fire Safety	08	12
First Aid	10	11
Health Safety Awareness	426	30
On job training	290	4
Mill maintenance	09	1
Apprentice(on job)	83	14
Upgradation of skill of new entrants by I.J.T. Kolkata	198	2

Health (G4-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 parties 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 feel the needs to conduct third-party inspections of various aspects of our two units. Hazard Identification and 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

2011-12	2012-13	2013-14	2014-15
1	2	1	1

Aspect: Training and Education (G4-LA 9, G4-LA 10, G4-LA 11)

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.

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 also started training on Safety aspects in our units.

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 2014-15 are provided in the table below:

Training Topics Covered 2014-2015

- | | |
|--|--|
| • Energy Conservation | • Mock Fire Drill |
| • Basic Security Awareness | • Chemical safety |
| • Threat Awareness | • Management System Audit(internal skills) |
| • Access Control + addressing unauthorized access | • Fire Drill |
| • Techniques for prevention of internal conspiracy | • First Aid Treatment |
| • Inspection of fencing an patrolling | • Fire Safety + Evacuation Plan |
| • Fire safety +Procedures for meeting emergencies | • Fire Prevention and Control |
| | • Unannounced Evacuation Drill |
| | • SA 8000 Awareness |
| | • Water conservation |

Human Rights

Incidents of Discrimination and Actions Taken (G4-HR3)

In FY 2014-15, we have had no reported cases of discrimination of any kind in any of our units.

Collective Bargaining and Forced or Compulsory Labour (G4-HR4, G4-HR6)

Collective bargaining is the protection of the right of workers to organize collectively in organizations of their own choice. 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 management 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 (G4- HR5)

Gloster ensures that every single one of our units is routinely monitored to ensure that no child labour is employed at any of them. We strongly condemn the use of child labour and the nature of our operations that require years of training and experience to carry out are a

natural barrier to prevent child labour. We also perform a rigorous process of due diligence before employing suppliers.

Human rights grievances (G4-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 2014-15.

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 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**
- **Sexual Harassment Policy**
- **Anti-Theft Policy**
- **Personal Appearance and Cleanliness Policy**
- **Anti-Solicitation of Gifts and Advantages Policy**
- **Disciplinary Policy**
- **Whistle-Blower Policy**
- **Crisis and Security Policy**
- **Conflict of Interest Policy**



A blue-tinted photograph of an office desk. In the foreground, a silver and black pen lies horizontally. Above it, a black rectangular sign with a white label in the center displays the word "ASSURANCE" in bold, black, sans-serif capital letters. The background is blurred, showing a computer monitor and a window with blinds.

ASSURANCE



OUR EXTERNAL ASSURANCE STATEMENT (G4-33)



The Management and Board of Directors
Gloster Limited
21 Strand Road
Kolkata 700001, West Bengal, India

Independent Assurance Statement

Ernst & Young LLP (EY) was engaged by Gloster Limited (the 'Company') to provide independent assurance on its Sustainability Report 2014-15 (the 'Report') covering the Company's sustainability performance during the period 1st April 2014 to 31st March 2015.

The development of the Report based on the Global Reporting Initiative (GRI-G4) 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 the 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 'Limited' 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 2014 to 31st March 2015 at its Main 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 the key personnel to identify the processes in place to capture sustainability performance data and information as per GRI G4 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 for:

- 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 at the following;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription and aggregation of process followed;
- Review of reliability of 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 2014 to 31st March 2015);
- 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 and independence

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 has compiled the Report on the basis of GRI G4 Guidelines of the Global Reporting Initiative;
- The Company has a strong Integrated Management System in place. The Company is certified as per ISO 14001, ISO 9001:2008 and OHSAS 18001;
- The Company has implemented several energy efficiency and energy conservation initiatives;
- The Company has considerably reduced the usage of diesel within the organization;
- The Company is recycling jute process waste generated from processes within the organization and also from other jute mills to generate steam;
- The Company has constructed two rain water harvesting structures but there is still further scope for improvement;
- The Company may improve the reporting on certain indicators, viz. coal consumption within the organization; (EN 5), other indirect greenhouse gas (GHG) emissions (Scope 3) (EN17) and injury cases (LA7);
- The Company may improve on internal review of sustainability performance data.

Conclusion

On the basis of our procedures aimed at obtaining limited 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
Sudipta Das
Partner

Dated: 17th November 2016

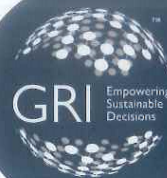
Place: Kolkata, India





Materiality
Disclosures
Gloster Limited

Aug 2017
Service



Materiality
Disclosures
Gloster Limited

Aug 2017
Service

GRI CONTENT INDEX (G4-32)

GRI-G4 Indicators	GRI-G4 Indicators Description	Remarks	Page Number
Strategy and Analysis			
G4-1	Statement from the most senior decision-maker of the organization (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy		8 - 11
Organizational Profile			
G4-3	Name of the organization		14
G4-4	Primary brands, products, and/or services		15
G4-5	Location of organization's headquarters		15
G4-7	Nature of ownership and legal form		16
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)		16-17
G4-9	Scale of the reporting organization	Scale in terms of income of operations Scale in terms of employee strength Scale on terms of quantity of jute produced	18 109 80
G4-10	Details on workforce broken down by gender, employment contract, employment type etc.		18, 108-109
G4-11	Percentage of total employees covered by collective bargaining agreements	All our workmen are unionized	19
G4-12	Description of the organization's supply chain		19
G4-13	Significant changes during the reporting period regarding size, structure, or ownership including	There have been no significant changes during the reporting period	19
G4-14	How the precautionary approach or principle is addressed by the organisation		19
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses		19, 55-58
G4-16	Memberships of associations and national/ international advocacy organisations in which the organisation holds a position on the governance body and participates in projects or committees		19

Identified material Aspects and Boundaries			
G4-17	Entities included in the organisation's consolidated financial statements with indication of coverage in the report		40 - 41
G4-18	Process for defining the report content and the Aspect Boundaries		40
G4-19	Material Aspects identified in the process for defining report content		41
G4-20	Description of Aspect Boundary within the organisation for each material aspect		42
G4-21	Description of Aspect Boundary outside the organisation for each material aspect		42
G4-22	Explanation of the effect of any re-statement of information provided in the earlier Reports	All re-statements have occurred due to the data not changing or it being a long-term initiative.	123
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries		123
Stakeholder Engagement	Description of Aspect Boundary outside the organisation for each material aspect		
G4-24	List of stakeholder groups engaged by the organisation		40
G4-25	Basis for identification and selection of stakeholders with whom to engage		42
G4-26	Organization's approach to stakeholder engagement		42
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns		42-43
Report Scope and Boundary			
G4-28	Reporting Period		3
G4-29	Date of most recent previous Report		3
G4-30	Reporting cycle		3

G4-31	Contact point for questions regarding the report or its contents		3
G4-32	GRI Content Index		3
G4-33	Organisation's policy and current practice with regard to seeking external assurance for the report; relationship with the assurance providers; the highest governance body's involvement in seeking assurance for the organisation's Sustainability Report		124
Governance, Commitments and Engagement			
Governance			
G4-34	Governance structure of the organization; committees responsible for decision-making on economic, environmental and social impacts		22, 32 - 33
Ethics and integrity			
G4-56	Organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics		24 - 25, 49-53
Economic			
Disclosure on Management Approach	Aspect-specific DMA		46
Economic Performance			
G4-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		74
G4-EC4	Significant financial assistance received from government		75

Market Presence			
G4-EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation		75
G4-EC6	Proportion of senior management hired from local community at signification locations of operation		75
G4-EC7	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement		75
Indirect Economic Impacts			
G4-EC8	Understanding and describing significant indirect economic impacts, including the extent of impacts		76
G4-EC9	Proportion of spending on local suppliers at significant locations of operations		76
Environmental			
Disclosure on Management Approach	Aspect-specific DMA		
Materials			
G4-EN1	Materials used by weight or volume		80
G4-EN2	Percentage of materials used that are recycled input materials		80
Energy			
G4-EN3	Direct energy consumption by primary energy source		81
G4-EN4	Indirect energy consumption by primary source		81
G4-EN5	Direct and Indirect Energy Intensity		84

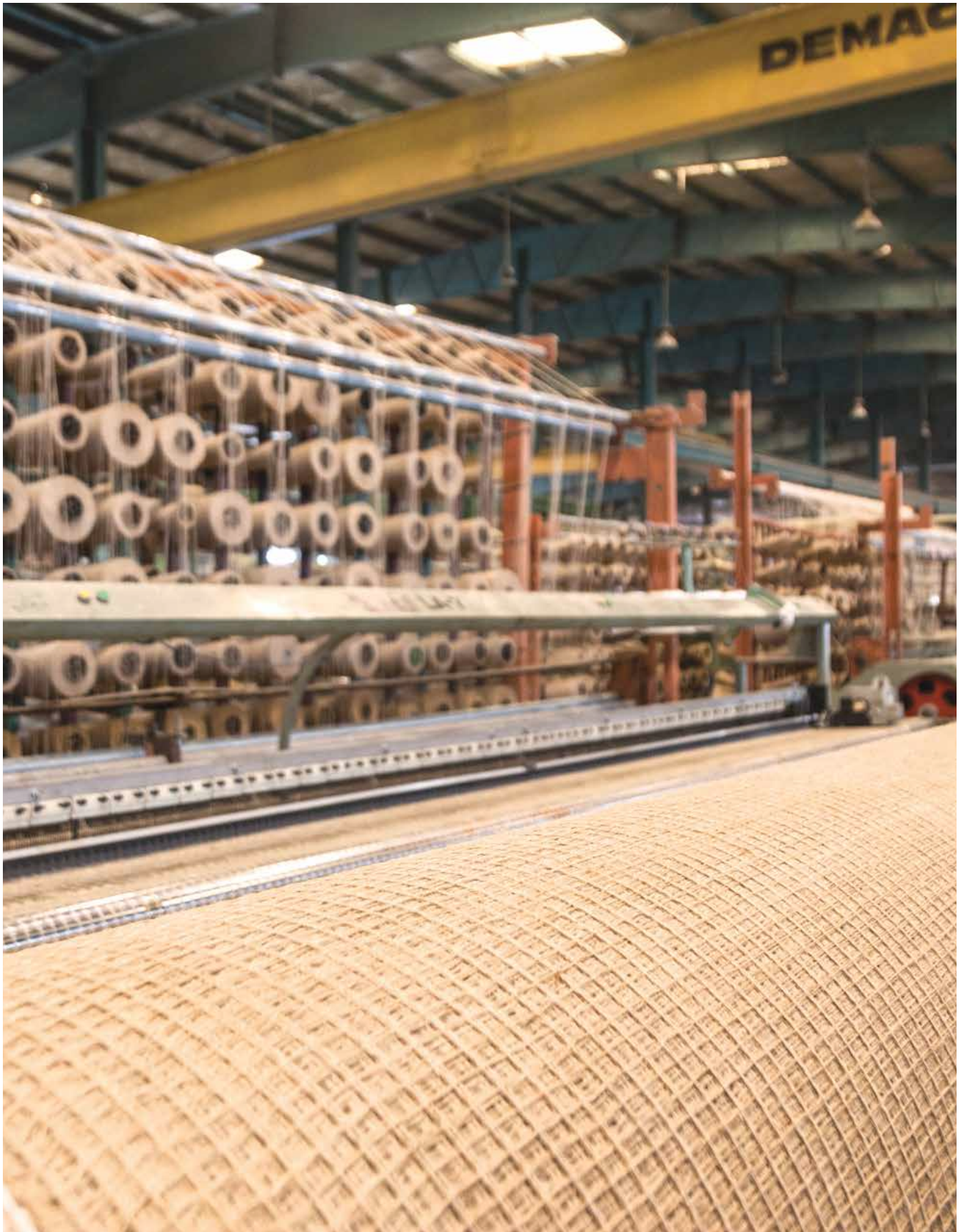
G4-EN6	Initiative to provide energy-efficient or renewable energy-based products and services, and reduction in energy requirements as a result of these initiatives		82
G4-EN7	Initiative to reduce indirect energy consumption and reductions achieved		82
Water			
G4-EN9	Water sources significantly affected by withdrawal of water	No water sources are significantly affected by our operations.	86
Biodiversity			
G4-EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	There are no areas of biodiversity value in our areas of operation.	126
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	There are no areas of biodiversity value in our areas of operation.	123
G4-EN13	Habitats protected or restored	There are no areas of biodiversity value in our areas of operation.	126
G4-EN14	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	There are no areas of biodiversity value in our areas of operation.	126
G4-EN15	Direct greenhouse gas emissions		87
Emissions, Effluents and Waste			
G4-EN16	Indirect greenhouse gas emissions by weight (scope 2)		87

G4-EN17	Other relevant indirect greenhouse gas emissions by weight (scope 3)	There are no other indirect emissions.	127
G4-EN18	Greenhousegas (GHG) Emissions intensity		87
G4-EN19	Reduction of GHG Emissions		127
G4-EN22	Total water discharge by quality and destination		88
G4-EN23	Total weight of waste by type and disposal method		90
Compliance			
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations	We have never been fined for non-compliance with environmental laws and regulations.	127
Labour Practices and Decent work			
Disclosure on Management Approach			47
Employment			
G4-LA1	Total workforce by employment type, employment contract, and region		108 - 109
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part time employees, by major operations		100
G4-LA3	Employee retention		110
Labour/Management Relations			
G4-LA4	Percentage of employees covered by collective bargaining agreements		110

Occupational Health and Safety			
G4-LA5	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		111
G4-LA6	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region		111
G4-LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases		113
G4-LA9	Average hours of training per year per employee by employee category.		112
Training and Education			
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings		113
G4-LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings		113
Human Rights			
Disclosure on Management Approach			47
Non-Discrimination			
G4-HR3	Total number of incidents of discrimination and actions taken.		114

Freedom of Association and Collective Bargaining			
G4-HR4	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.		114
Child Labour			
G4-HR5	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour		114
Forced and Compulsory Labour			
G4-HR6	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour		114
Indigenous Rights			
G4-HR8	Total number of incidents of violations involving rights of indigenous people and actions taken		114
Society			
Disclosure on Management Approach			48
Local Communities			
G4-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		62
Corruption			
G4-SO3	Actions taken in response to incidents of corruption.	There have been no incidents of corruption within the organization during FY 2014-15.	129
Public Policy			
G4-SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country		63

Anti-Competitive Behaviour			
G4-S07	Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes		63
Compliance			
G4-S08	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations	No fines were levied against us for non-compliance with laws and regulations during FY 2014-15	63
Product Responsibility			
Disclosures on Management Approach			
Customer Health and Safety			
G4-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.		97
G4-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	We have had zero incidents of non-compliance with health and safety standards.	130
Product and Service Labelling			
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	NA	130
G4-PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	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.	137





21 Strand Road, Kolkata - 700 001, West Bengal (India)
Phone: +91-33-2230 9601, **Fax:** +91-33-2210 6167, 2231 4222
Email: info@glosterjute.com, **Web:** www.glosterjute.com



GLOSTER LIMITED Produces more than 50,000 MT/year of:

Exclusively manufactured eco-friendly gloster bags for rice, maize, sugar, potato, coffee etc, agro-textiles and diversified products in wovens and non-wovens, woven and non-woven jute geotextiles, felt, webbing, treated fabric-rot proof, fire retardant, lamination, coated textiles, bi-component fibre composites, jute products for interior decoration and packaging of industrial and agricultural produce, jute and cotton shopping bags and made ups.