

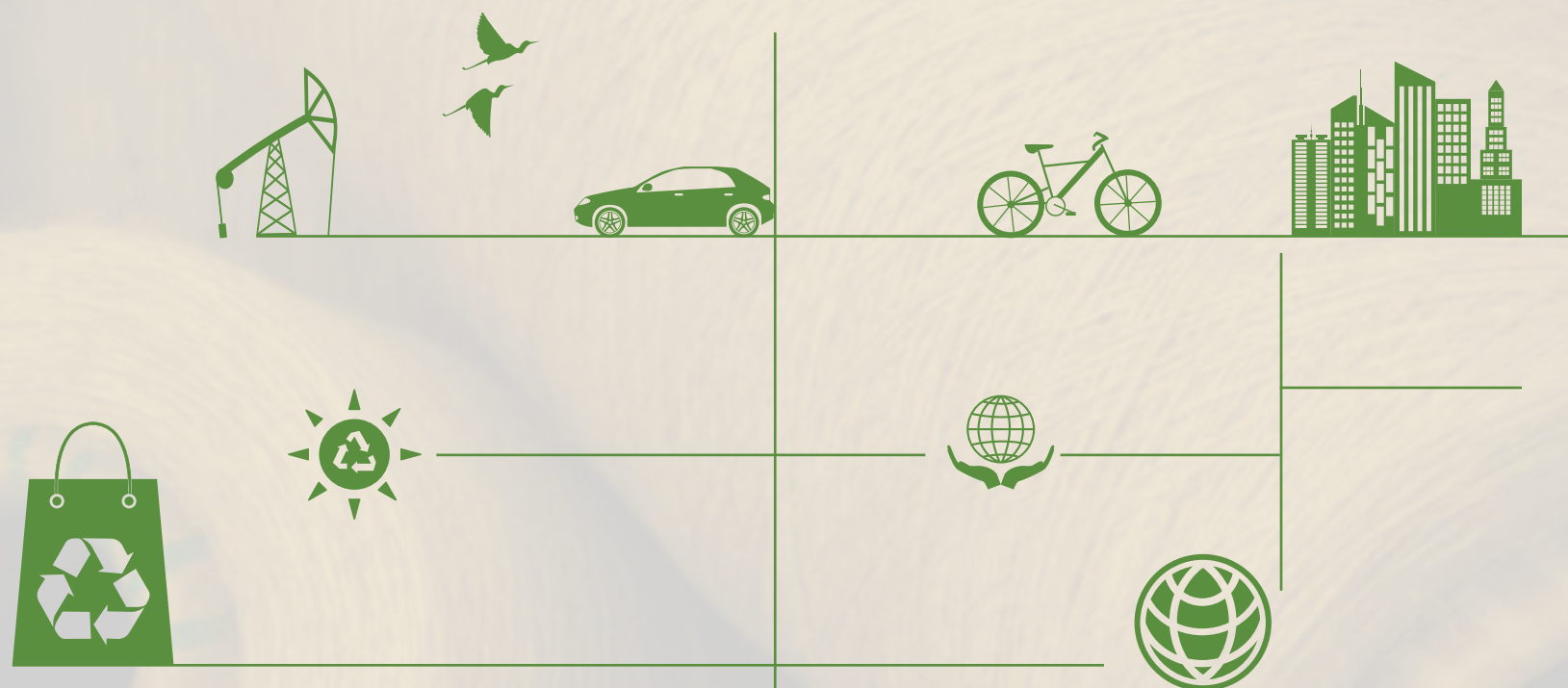
GLOSTER LIMITED SUSTAINABILITY REPORT | 2017-18

Jute for the
Healthier and
Greener Future



GLOSTER LIMITED

GLOSTER means: a house of assured high quality products



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. Gloster Limited possesses Certifications for Organic Jute Agriculture and Processing the same organically.



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Message From Leadership



Message From the Chairman

[GRI 102-14]



The risk of climate change is one of the central issues facing the world. Consumption patterns have been changing globally as a result of the changing lifestyles, increasing production volumes, and making natural resource depletion a global as well as a local issue. There are a plethora of solutions to tackling this emerging concern as a result of technological advancements and scientific research carried out across geographies. Spurred by the Paris Agreement in 2015, and the adoption of United Nations Sustainable Development Goals, the transition to a low carbon economy has been underway. It is essential to be mindful of the fact that businesses around the world are not waiting for this transition to happen. Rather, they

have begun taking advantage of the opportunities available to reduce resource dependence, and secure a sustainable future. At Gloster Limited, we recognize this on-going shift in thinking, and have adopted measures to mitigate the impacts of climate change by developing strategies for integrating sustainability in every sphere of our operations.

The costs and regulatory changes that the risk of climate change may drive, are becoming some of the biggest challenges for businesses in India. Having said this, businesses can also become the best implementing partners for Governments in achieving the national climate targets. There has been an increase in the awareness of consumers on the social and

environmental impacts of products and a rising demand for responsibly sourced materials. At Gloster Limited, we have a significant focus on reducing the negative social and environmental impacts of our operations and the products that are manufactured. Various initiatives have been developed to reduce water consumption, improve energy efficiency, and manage waste. Through this Sustainability Report, we would like to showcase our efforts to ensure greater transparency, sustainability and responsibility in our business. We believe that a Sustainability Report that has been audited by a responsible third party- EY, is an effective way of disclosing our performance and addressing all queries that may arise regarding our sustainable business and associated activities.

At Gloster Limited, we continue to place a strong emphasis on stakeholder dialogue and collaboration by working various initiatives to address every concern of the stakeholders. The community engagement framework developed at Gloster Limited, focuses on the topics of education, healthcare, sanitation facilities, local infrastructure development and promoting self-sustaining business models. The aim of all these initiatives is to create maximum positive impact and identifying the drivers that will enable us to do so.

This Sustainability Report has been prepared by adopting GRI Standards Framework. GRI Standards is a collection of reporting standards, which were developed through global, multi-stakeholder consultative processes designed to assist companies in preparing sustainability reports and other Environmental, Social and Governance (ESG) disclosures. Sustainability Reporting adds value in a number of ways:

Building trust as a result of transparency about non-financial performance to investors, communities and other stakeholders

Comprehensive analysis of the strengths, weaknesses and engagement with stakeholders leading to more robust organizational visions and strategies

Management of sustainability risks, assuring shareholders and stakeholders

Stronger bargaining position to attract investments, initiate new activities and entering new geographies for business

Achievement of regulatory requirements and avoidance of expensive breaches

Year on year, we take necessary actions to progress towards the goal of 'sustainable production' and constantly strive to better our business as well as sustainability performance. The goal of nurturing inclusive growth for a brighter and more prosperous future for all continues to be our motto for the coming years. Gloster Limited will continue to contribute actively to the holistic upliftment of the society through its community initiatives and measures to combat climate change.

Hemant Bangur
Executive Chairman



“

It is essential to be mindful of the fact that businesses around the world are not waiting for this transition to happen. Rather, they have begun taking advantage of the opportunities available to reduce resource dependence, and secure a sustainable future

”

Message From the Managing Director

[GRI 102-14]



Businesses and societies are moving towards three goals – environmental protection, social well-being and economic development. Sustainable development is a business in itself as it creates opportunities for manufacturers of environmentally safer materials and those that engage themselves in social well-being initiatives. Sustainable development encourages businesses to earn the goodwill of the local communities and reducing the negative impact of manufacturing on the environment. Such efforts are ultimately reflected in the bottom line. At Gloster Limited, it is sustainable development that enables us to run our operation, while maintaining progressive connections with our stakeholders. Long term value creation is an essential component of Gloster Limited’s business planning. Education, health care, transport, infrastructure development and other contributions made to the society at

large and a measurement of the impact of the same, enables us to plan and run our future operations. In line with this vision, we appointed a third party to assess and quantify the positive and negative impacts of our activities economy, society, and environment. As per the estimation, the economic, social and environmental value generated by Gloster Limited was found to be six times our financial profit in FY 2016-17.

Important business decisions affecting the society cannot be pushed through without a stakeholder consultation. There is an increasing emphasis on transparency and accountability of operations, hence, disclosures of social and environmental initiatives is of utmost importance to businesses. Gloster Limited believes in the principles of Sustainability in its operations and activities, and is committed to an inclusive approach to engaging with stakeholders;

workforce, consumers, suppliers to community representatives. In line with the vision of Gloster Limited, we have disclosed our environmental, social and economic performance to stakeholders through our Sustainability Report. Since the time of the inception of Gloster Limited, we have always given due importance to being reckoned as a good corporate citizen, with the principles of sustainability embedded in our vision and mission. In continuation with this practice, we are presenting the Sustainability Report for the FY 2017-18 prepared in accordance with the GRI Standards. The rigour and structure followed to report our sustainability initiatives will increase our understanding of risks and opportunities, influence long term strategy for business development, avoid governance failures and most importantly streamline processes, reduce costs and improve efficiency.

Gloster Limited continues to produce

high quality products; organic and traditional. The roadmap for the sustainable development and increased social responsibility has been developed, with an increased focus towards reduction of our carbon footprint, saving energy, improving energy efficiency in our operations, waste management and water conservation through measures like rain water harvesting. Our initiatives towards reducing process waste generation include recycling of the process waste to produce non-woven products and utilising the remaining as alternate fuel in the boiler. We are also looking to increase our energy portfolio by installing solar power plants in our Mill. There has been a shift in focus to sustainable sourcing of raw materials and in increasing our product portfolio, so customers can choose from a wider range of products like hessian fabrics, sacking cloth, tarpaulin cloth, canvas cloth, lifestyle products, yarns, flexible packaging solutions, geotextiles, technical textiles and other environment friendly downstream products. Modern equipment have been used to improve energy efficiency, manpower deployment and the overall noise and dust levels of the process. Traditional coal fed boilers have been replaced with multi-fuel ones which reduce dependence on conventional fuels, thus improving the overall production process. Under Clean Development Mechanism activities, this initiative by Gloster Limited has been certified by the Ministry of Environment, Forest and Climate Change. We are also one of the pioneers of certified cultivation and processing of

organic jute in West Bengal. When it comes to product innovation, Gloster Limited is in the business of producing eco-compatible substitutes to synthetic textiles for various uses by adopting non-woven recycling technology.

Gloster Limited has an in-house research centre with highly modernized equipment, where our team of dedicated scientists and technicians develop new products and improve quality of existing products. In addition to this, we are also experimenting with the usage of enzymes in the retting process, to reduce the consumption of water in the process. Extensive research has also been carried out to improve the current organic jute farming processes. We will continue to mitigate or reverse the negative impacts of our production process through innovation, and improve our overall reputation and brand loyalty by enabling stakeholders to understand the organization’s real social, economic and environmental value creation.

- Dharam Chand Baheti**
Managing Director: Gloster Limited
- Ex-Chairman:** Indian Jute Industries Research Association
- Ex-Chairman:** Jute Product Development & Export Promotion Council
- Council Member:** National Jute Board
- Member:** Geo-textiles Experts Committee (N.J.B.)
- Member:** Technical Committee of IJMA



“ Important business decisions affecting the society cannot be pushed through without a stakeholder consultation. There is an increasing emphasis on transparency and accountability of operations, hence, disclosures of social and environmental initiatives is of utmost importance to businesses



**ABOUT
GLOSTER
LIMITED**



About Gloster Limited

[GRI 102-1, GRI 102-4, GRI 102-5]

Gloster Limited (Formerly Kettlewell Bullen & Co. Ltd.) is a Public Company which was incorporated on the 18th of February 1992. Gloster Limited's Main Unit has been in operation since 1872 and it was taken over by the Bangur Group in 1954. We have another business Unit called Ananya which is located at a distance of 1.5 kilometres from the Main Unit. The Bangur Group continues to run the company to this day. Gloster Limited is a professionally managed company engaged in the manufacture of jute and jute allied products.

Gloster Limited has been accredited with ISO Certification for Quality, Environment, and Social Accountability and for Occupational Health and Safety Management Systems together. It is one of the fastest growing jute manufacturing & exporting companies and is a Certified 2- Star Export House.

Our Brief History:

Aristotle's philosophy drove the merger of erstwhile Gloster with Kettlewell Bullen & Company Limited. It helped in creating organizational synergy, strengthening fundamentals, driving transparency and facilitating a faster and sustainable organizational growth. The combined entity is significantly bigger than the individual components, with opportunities for multi-fold business growth.

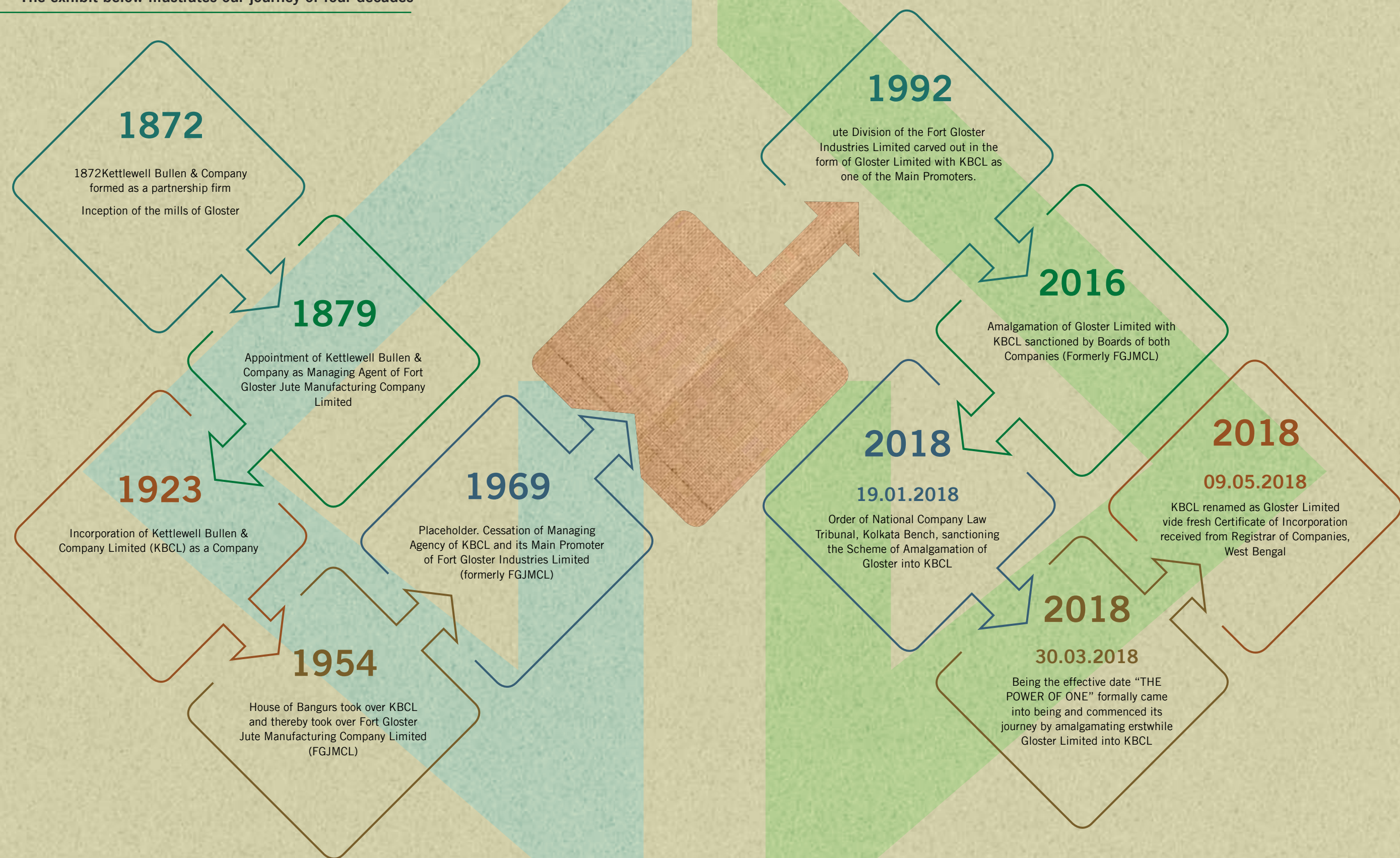
The power of one is fostering the next phase of growth at Gloster Limited.

“

The whole is greater
than the sum of its parts.”
– Aristotle



The exhibit below illustrates our journey of four decades





GLOSTER LIMITED

Gloster Limited's Brand Products and Services (GRI 102-2)

The present management of Gloster Limited has over 50 years of experience in running large jute manufacturing units. Our Mill has been extensively modernized to enable it to manufacture value added diversified jute products.

The company has an annual production capacity of over 50,000 metric tons of jute textiles and products.

List of our products are showcased:



Bags / Cloth

Hessian & Sacking Bags/Cloth: Food Grade, Hydro-Carbon Free/Odourless

Hessian & sacking cloth

Plain, twill, herringbone etc

Bleached(H2O2), printed, dyed,

Treated for rot resistance, fire retardance & anti-microbial,

Laminated/polyliner, products made from certified organic jute

Jute Canvas Cloth, Canvas Bags & Treated



Shopping Bags and other Made Ups



Fashion & Furnishing Fabrics

lurex fabrics, fabrics laminated with different colour aluminium foils, paper, bonded fabrics, decorative woven fabrics, jute-cotton fabrics, linoleum fabrics, patterned fabrics, coated, mecerized fabrics, sanforized fabrics, aroma fabrics, 2t-stiffened buckram fabrics for suiting etc., fabrics made from certified organic jute.



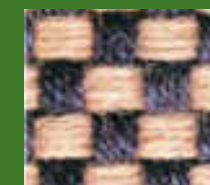
Jute Cotton Fabric



Fabrics Laminated
with Aluminium Foils



Sanforized fabrics



Basket Weave Matting



Dobby M.L.C Matting



Twill Weave Matting

Yarns

fine yarns of jute-single, plied, blended, doubled-parallel, precision wound, reeled, bobbins, balls, hanks, natural, dyed, bleached, coated, polished, made from certified organic jute



Jute Yarn Balls



Dyed Jute Yarns

Cords / Ropes



Jute ropes

Geo-Textiles

Open Mesh (Soil Saver) :292gsm to1000gsm

Woven JGTs- 15 KN/m to 30 KN/m

BJPF- Bituminized Jute Paving Fabric

Pre-Fabricated jute drains-4"Wide

Non-woven-encapsulated rubble drains

Natural rubber coated JGTs

Waxed

Etc



Jute Geotextile Soil Saver



*Woven Jute Geotextile
Rot Resistant fabric*



*Pre fabricated Vertical
Jute Drains for loose soil
consolidated*



*Woven Jute Geotextile
Bitumen Coated fabric*

Agro-Textiles

Non-Wovens:

weed management sheets

exclusively shaped cut-outs or individual plant weed
control management

plants transplantation bags – jute

durable bags for plants transplantation-polyester

Wovens

plant air layering / grafting sheets

paddy transplantation nets

tree wrapping tapes

bags for seeds



Tree Wrapping Tape



Plant Transplantation Bags



Plant Air Layering

Nursery Textiles:

Non-Wovens:

nursery roof nets

plant root sleeves of sizes

wind barrier nets

landscaping textiles

hydroponic seed roots growth substrates



Erosion control nets

Technical Textiles

NVH Automotives:

Multi-density fibres/layers acoustic insulation
automotives: made and tested to ASTM E1050-10 &
ASTM E 253-2:1998 standards and specifications for
dash boards of automobiles



Acoustic Insulation Automotives

HVAC Textiles

Exclusively developed – multi-fibre blended acoustic
insulation sheets for conference halls – sound
absorption made to ASTM C423-17 specification
standards.

Exclusively developed /tested: energy saving -thermal
insulation multi-fibre blended sheets for buildings
thermal energy efficiency –made & tested to ASTM
C1015-17 specification standards.

Jute-PP laggings for room heating systems.



*Thermal insulation multi-
fibre blended sheets*



Jute PP Lagging

Health Care Products

Molleton Fabrics – made to GOTS approved System Scope
and tested to international standards by EU buyers.

Yoga Mats - woven in famous oriental design weaves- coated
with natural rubber latex –plain, pattern, NR foam backed
(in shades of choice) for anti-skid properties and comfort
underneath, yoga mats -made from certified organic jute .
Anti-Microbial Air Dust Filters made and tested to ASHRAE
52.2 Test method at Blue Heaven Labs. USA.

Hygiene Pads

Etc



Jute air dust filter



Yoga Mats

Gloster Limited's Export Geographies (GRI 102-6)

Export is an integral part of our business. We export our goods to Thirty nine countries across six continents. The majority of our exports is made up of our jute bags along with other lifestyle products. Given below is a map that displays the geographical presentation of our export markets:



**GOLD EXPORT AWARD 2017-18
AWARDED TO M/S GLOSTER LIMITED**




Australia, France, The Netherlands, Spain, Belgium, Germany, New Zealand,
 Sri Lanka, Benin, Guatemala, Oman, Burundi, Indonesia, Papua New Guinea,
 Tanzania, Cameroon, Ireland, Peru, Uganda, Canada, Italy, The Philippines,
 United Arab Emirates, Cote'd Ivoire, Jamaica, Rwanda, United Kingdom, Czech Republic,
 Japan, Saudi Arabia, USA, Denmark, Latvia, Switzerland, Slovakia, Vietnam
 Ecuador, Madagascar, South Korea

Location of our Headquarters (GRI 102-3)

Our Head Office





21, Strand Road
Kolkata- 700 001, West Bengal, India
Corporate Identity No. U17100WB1923PLC004628
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

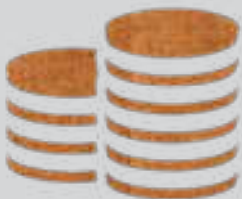
Scale of our Organization (GRI 102-7)

Summary of our scale of operation



5209

Total number of employees



4639.8

Revenues from operation (INR Million)



9109.2

Total Equity (INR Million)



48,588

Production during FY:2017-18 (in MT)



Gloster Limited’s Main Unit has been in operation since 1872 and it was taken over by the Bangur Group in 1954.

We have another business Unit called Ananya which is located at a distance of 1.5 KM from the Main Unit

Information on employees and other employees

(GRI 102-8)

The following table shows us the total number of employees in the organization as on 31st March 2018:

Unit	FY 2017-18
Main Unit	4956
Ananya Unit	230
Head Office	23
Total	5209

Main Unit

Ananya Unit



Our Supply Chain

(GRI 102-9)

The exhibit below illustrates our supply chain from jute plantation to Jute mills. It details out our suppliers – types of suppliers, geographic location of our suppliers and location of our manufacturing

Supply Chain for Gloster Limited – Cradle to Grave

Upstream Value Chain

Seed Cultivation



Jute seed Cultivation in the States of Andhra Pradesh and Maharashtra

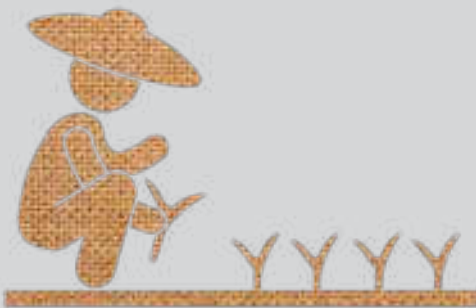
Packaging and transportation



Packaging of Jute seeds for transportation to West Bengal, Bihar and Assam where the jute plantation activity is carried out.

Jute plantation

Jute plantation in West Bengal, Bihar and Assam, from where Gloster Limited source raw jute.



Supply to Gloster Limited



Transportation of jute to the Mills of Gloster Limited located in Bauria, West Bengal

Our supply chain and significant changes in our supply chain

[GRI 102-10]

We have continued with our efforts on continuous enrichment of our farms and farmers, mainstream suppliers, and other stakeholders, domestic as well as abroad, bringing in growth and roots of greener supply chain year after year. We have increased our certified organic jute farms area from 27.9 Ha to 89 Ha.

How the precautionary approach or principle is addressed by the organization

[GRI 102-11]

The Risk Management Committee and Audit Committee help to periodically review the risk areas, evaluate the consequences, initiate risk mitigation strategy and implement corrective and preventive actions wherever required.

The risk and compliance management framework acts as a precautionary mechanism adopted by Gloster Limited to anticipate various environmental, social and economic risks as well as compliance related issues thereby planning corrective actions for same.



THE MANAGING DIRECTOR WITH FACTORY OFFICERS OF HIS TWO UNITS

Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses

[GRI 102-12]

We invest our resources in the long term growth and development of our business. We work for maximization of our contributions towards our country's goals and commitment towards climate change.

We are member of Indian Green Building Council (IGBC) and are on our way to get our mill buildings certified as green factory buildings manufacturing green products for our society.

Membership of Associations

[GRI 102-13]

Our in house R&D for product development efforts have helped us to develop a wide range of non-woven, woven, made-ups, composites, treated, laminated, bonded and coated textiles. 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 research institutes of the Indian jute industry. We have completed a study conducted by the National Jute Board (NJB) and the National Institute of Industrial Engineering (NITIE), on "Productivity Improvement and Total Quality Management". We have collaborated with Ahmedabad Textile Industry's Research Association to design jute based sanitation facility for our mill employees and their families. We are also closely associated with the following research and development institutes and business institutes:



Department of Jute Fibre Technology, University of Calcutta (Institute of Jute Technology)



National Jute Board (NJB)



Central research Institute for Jute and Allied Fibres (CRIJAF)



The South Indian Textile Association (SITRA)



National institute of Research on Jute Allied Fibre Technology (NIRJAF)



Indo-Italian Chamber of Commerce



Indian Jute Industries Research Association (IJIRA)



Confederation of Indian Industries



Federation of Indian Export Organizations



Indo-American Chamber of Commerce



Indian Green Building Council

Systems and Certifications:

Systems

Gloster Limited 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), our operations are certified by various international and national bodies. The systems and certifications acquired by Gloster Limited are:

A. Occupation Health and Safety Management System

Gloster Limited 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. Gloster Limited 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 mills for manufacturing jute and jute allied products.

B. Social Accountability System

We are 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 Limited 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.

D. Environmental Management System

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

E. Quality Management System

Gloster Limited has implemented a Quality Management System to ensure that our quality standards are monitored and maintained throughout our manufacturing process. We have received ISO 9001:2008 certification for both our Main Unit and Ananya Unit.

F. Raw/Natural Yarn Production Certification

We are 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 Limited 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 ORG/SC/1112/002572A and Processing Certification ORG/SC/1211/001681A from the National Programme for Organic Production (NPOP) through Institute for Marketecology (IMO). The certificate conforms to the organic standards of National Program for Organic Production (NPOP)

Certifications



We understand the value of receiving certifications of the various systems for our company. Above is a listing of the certifications awarded to Gloster Limited.

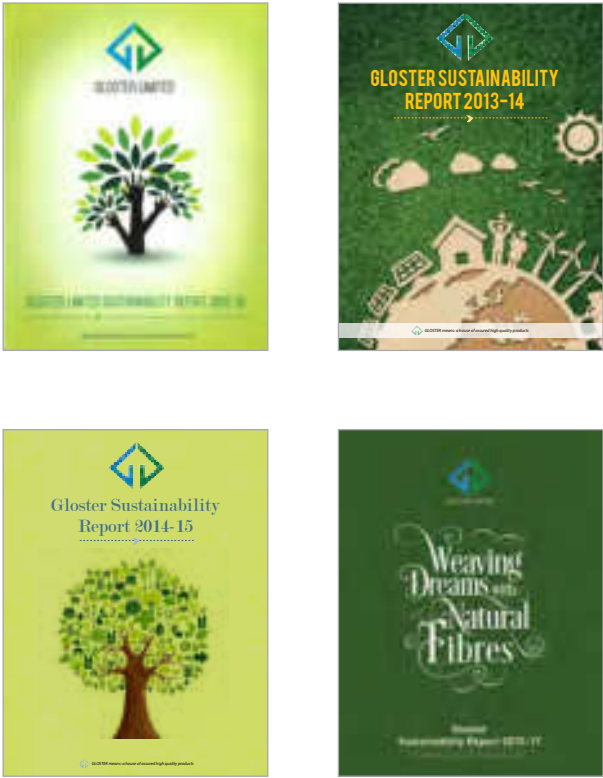


ABOUT THIS REPORT



The Global Reporting Initiative (GRI) has pioneered and developed a comprehensive sustainability reporting framework that is widely used around the world. The framework enables all organizations to measure and report their economic, environmental, social and governance performance- the key areas of sustainability. This report has been prepared in accordance to the GRI Standards and it includes all of Gloster Limited's activities across the pillars of Sustainable Development- Environmental Performance, Social Performance and Economic Performance as well as Corporate Governance. Besides these categories we have also included other relevant information that is crucial for understanding us as a company. The FY 2017-18 Sustainability Report of Gloster Limited is our fifth sustainability report and our first using the GRI Standards for reporting.

Our Previous Sustainability Reports



Entities included in the consolidated financial statements (GRI 102-45)

The consolidated financial statement comprises of financial statements of Gloster Limited (the “Parent Company”) and its subsidiary companies Gloster Lifestyle Limited, India (100 % holding as of 31st March, 2018) and Gloster Specialities Limited, India (100 % holding as of 31st March, 2018)



Claims of reporting in accordance with the GRI Standards (GRI 102-54)

This report has been prepared in accordance with the GRI Standards: core option.



Management Approach Disclosures

Under the GRI Standards, we are expected to provide a Management Approach Disclosures for every material topics identified during our Stakeholder Engagement and Materiality Analysis process. These Management Approach Disclosures are disclosed separately, right after the Stakeholder Engagement and Materiality Section of the Report under section GRI 103: Management Approach 2016



Contact point for questions regarding the report (GRI 102-53)

Mr. D.C. Baheti
Managing Director,
Gloster Limited
Address: 21, Strand Road, Kolkata-700001
West Bengal, India
E mail: dcb@glosterjute.com
Contact Direct No. +91(33)2230 2809, 91(33)2230 0451
Mobile: +91 98300 20786



Reporting Period and Reporting cycle (GRI 102-50, 102-51 and 102-52)

- The Sustainability report is published annually
- The most recent Sustainability Report of Gloster Limited was 'Gloster Sustainability Report FY 2015-17. This year's report encompasses our activities from 1st April 2015 to 31st March 2018

CORPORATE GOVERNANCE



Report on Corporate Governance

[GRI 102-16,102-18]

Pursuant to amalgamation, your company has made listing application vide reference no 79293 dated 23.05.2018 at BSE Limited, and letter reference no. 42 dated 24.05.2018 at The Calcutta Stock Exchange Limited. As the Company has applied for listing, the Company has made all the disclosures, to the extent possible as required to be made by a listed entity under Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. All details in the Corporate Governance Report have been updated up to the date of signing of Directors Report unless otherwise specifically mentioned in the Corporate Governance Report

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

The Company’s philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company’s business and affairs. The Company firmly believes that Corporate Governance is a powerful tool to serve the long term growth of the Company and it continues to give priority to the principles and practice of Corporate Governance. The Company lays great emphasis on the broad principles of Corporate Governance and views corporate governance in its widest sense, almost like trusteeship. The Company’s philosophy on corporate governance is to enhance the long-term economic value of the company, sustainable return to its stakeholders i.e. the society at large, by adopting best corporate practices in fair and transparent manner and by aligning interest of the company with that of its shareholders/other key stakeholders. Corporate governance is not merely compliance and not simply creating checks and balances, it is an ongoing measure of superior delivery of company’s objects with a view to translate opportunities into reality.

2. BOARD OF DIRECTORS COMPOSITION AND CATEGORY

The Board of Directors of the Company have an optimum combination of Executive, Non –Executive and Independent Directors having requisite knowledge and expertise in business & industry, corporate finance, taxation, legal matters, risk management and marketing. The Board of Directors as on 31st March, 2018, comprised of six Non-Executive Directors that include woman Director, whose composition is given below:

- Three Promoter Directors - Sri Hemant Bangur, Smt. Pushpa Devi Bangur and Smt. Vinita Bangur
- Two Non-Promoter Directors – Sri D.C. Baheti & Sri O.P. Modani
- One Independent, Director – Sri S.N. Bhattacharya

Sri Hemant Bangur & Sri D.C. Baheti were appointed as Executive Chairman & Managing Director respectively effective from 01.04.2018.

Sri S.B. Mainak and Sri Prabir Ray have been appointed as Independent Directors effective from 17.04.2018.

Sri L.N. Bihani resigned from Directorship of the Company effective from 28.02.2018 and Smt. Vinita Bangur & Sri O.P. Modani resigned from Directorship of the Company effective from 17.04.2018.

The names and category of the Directors on the Board, the number of Directorships and Committee memberships held by them in other Companies as on 29.05.2018 are given below

Name of Director	Category of Directorship	Directorship in Other Companies#	No. of Board Committees (other than Gloster Ltd) in which Chairman /Chairperson/Member		Shareholding as at 31.03.2018
			Chairman/Chairperson\$	Member @	
Sri Hemant Bangur*	Promoter Non-Executive Director	8	Nil	3	2,64,700
Smt Pushpa Devi Bangur	Promoter Non-Executive Director	3	1	1	4,56,500
Sri Dharam Chand Baheti**	Non-Promoter Managing Director	3	Nil	Nil	Nil
Sri Satyendra Nath Bhattacharya	Independent Non-Executive	1	Nil	Nil	-
Sri S.B. Mainak***	Independent Non-Executive	6	2	5	-
Dr. Prabir Ray***	Independent Non-Executive	Nil	Nil	Nil	-

*Appointed as Executive Chairman effective from 01.04.2018;
**Appointed as Managing Director effective from 01.04.2018,
***Appointed as Independent Director effective from 17.04.2018
#Other Directorships do not include Directorships of private limited companies, section 8 companies and foreign companies and Alternate Directorships.
\$Only membership of Audit Committee and Stakeholders Relationship Committee is considered
@Member includes Chairman/Chairperson





None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors. No Director is related to any other Director on the Board in terms of the definition of Relative given under the Companies Act, 2013. The Directors of the Company do not serve as Independent Directors in more than seven listed Companies. Smt. Pushpa Devi Bangur is mother of Sri Hemant Bangur. Except for this there is no other pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company and inter-se among themselves.

Independent Directors

The Non-Executive Independent Directors fulfill the conditions of Independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulation. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulation is issued and disclosed on website of the Company and can be accessed at <http://www.glosterjute.com/documents/apntdir.pdf>. An Independent Director inducted on the Board is briefed about the Company's culture and are also introduced to the organization structure, Board procedures and business strategy.

Board Procedure

The Board meets at least once a quarter to review the quarterly business and the financial performance of the company. The yearly calendar of the meetings is finalized before the beginning of the year and additional meetings are held whenever necessary. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. The Board papers, comprising the agenda backed by comprehensive background information are circulated to the Directors in advance and in exceptional cases, the same is tabled at the Board Meeting. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulation to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting. To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting, on the overall performance of the Company. The Board's function is not limited to matters requiring statutorily the Board's approval. The Board is involved in all the important decisions relating to the company and policy matters, strategic business plans, new avenues of investment and expansion, compliance with statutory/regulatory requirements, major accounting provisions and write-offs are considered by the Board. The Minutes of the Board Meetings are circulated to all Directors and are signed at subsequent Meeting. The Minutes of Audit Committee and other Committees of the Board are regularly placed before the Board. The Minutes of the Board Meetings of the subsidiary companies are also regularly placed before the Board.

Attendance of each director at the board meetings and the last annual general meeting

During the financial year ended 31st March, 2018, seven Board Meetings were held on 15th April 2017, 12th May 2017, 8th September 2017, 15th December 2017, 17th January 2018, 28th February 2018 and 27th March 2018. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Director	No. of Board Meetings attended	Attendance at last AGM held on 6th September 2017
Sri Hemant Bangur ¹	2	N.A.
Smt Pushpa Devi Bangur	7	Yes
Sri Dharam Chand Baheti ¹	2	N.A.
Sri Satyendra Nath Bhattacharya ²	-	N.A.
Sri S.B.Mainak ³	N.A.	N.A.
Dr Prabir Ray ³	N.A.	N.A.
Smt Vinita Bangur ⁴	7	Yes
Sri O.P. Modani ⁴	7	Yes
Sri L.N.Bihani ⁵	6	Yes

¹Appointed effective from 28.02.2018; ²Appointed effective from 27.03.2018; ³Appointed effective from 17.04.2018; ⁴Resigned effective from 17.04.2018; ⁵Resigned effective from 28.02.2018

Performance Evaluation Criteria For Independent Directors

The Board Evaluation policy provides a framework and set standards for the evaluation of the Board as a whole, its committees and individual directors. Following are the major criteria applied for performance evaluation of the Independent Directors:

- I. Professional qualification & experience
- II. Level of integrity & confidentiality
- III. Availability for meetings and preparedness
- IV. Understanding of governance, regulatory, legal, financial, fiduciary, ethical requirements.
- V. Knowledge of the Company's key activities, financial condition and key developments
- VI. Contributions to strategic planning process and value addition to the Company
- VII. Ability to work as a team
- VIII. Independence & conflict of interest
- IX. Adherence to ethical standards & code of conduct
- X. Voicing of opinion freely and independently

Familiarisation Programme

The Independent Directors have been familiarized with the nature of operations of the Company & the industry in which it operates, business model of the Company. The details of familiarization programme have been posted in the website of the Company and can be accessed at <http://www.glosterjute.com/documents/FPID.pdf>.



3. AUDIT COMMITTEE

COMPOSITION

The Audit Committee comprises of three Non-Executive Independent Directors, and one Executive Director. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of SEBI (LODR) 2015. 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:

Sri S.B.Mainak Chairman Independent, Non-Executive	Sri Hemant Bangur Member Promoter, Executive
Sri S.N. Bhattacharya Member Independent, Non-Executive	Sri Prabir Ray Member Independent, Non-Executive

The Company Secretary acts as a Secretary to the Committee.

The Chairperson of the Audit Committee is an Independent Director.

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

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

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



Broad Terms of Reference

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

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board the appointment, remuneration, and terms of appointment of auditors of the company.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - Changes if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgement by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- e) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- f) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the Company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the Company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussion with internal auditors of any significant findings and follow up there on;
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- r) To review the function of the Whistle Blower mechanism;
- s) Approval of appointment of CFO (i.e. the 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;
- t) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

The Audit Committee also reviews the following –

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

Internal Auditors

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



4. OMINATION AND REMUNERATION COMMITTEE: COMPOSITION

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

Sri Prabir Ray Chairman Independent, Non-Executive	Sri Hemant Bangur Member Promoter, Executive
Sri S.B.Mainak Member Independent, Non-Executive	Sri S.N. Bhattacharya Member Independent, Non-Executive

The Composition of Nomination & Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) 2015.

The Company Secretary acts as a Secretary to the Committee.

Broad terms of reference

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

- I. Reviewing the overall compensation policy, service agreements and other employment conditions including Annual increments and Commission of Whole-time Directors & Managing Directors
- II. Approving the minimum remuneration payable to Whole-time Directors & Managing Directors in accordance with Schedule V of the Companies Act, 2013, in the event of loss or inadequacy of profits
- III. Formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board their appointment, removal & a policy, relating to the remuneration of the Directors, Key Managerial personnel and other employees and evaluating every Director's performance
- IV. Formulating the criteria for evaluation of Independent Directors and the Board
- V. Identifying persons who can be appointed as Directors, Key/ Senior Managerial personnel & recommend to the Board their appointment & removal
- VI. Devising a policy for Board diversity
- VII. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable

Nomination & Remuneration Policy

The Company has formulated a remuneration policy which determines the compensation structure of the Executive/Non-Executive Directors. The Company's remuneration policy is in consonance with the existing industry practice and aims at attracting and retaining high calibre talent. The salient features of the remuneration policy is provided in annexure to the Board's Report and the detailed policy is available on the website of the Company at <http://www.glosterjute.com/documents/NRPolicy.pdf>.

A. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Commission and Sitting fees. Non-Executive Directors are paid sitting fees ₹20,000/- for each meeting of the Board and ₹10,000/- for any Committee meeting thereof.

B. Remuneration to Whole-time Directors / Managing Directors

The Whole-time Directors & Managing Directors are appointed by the Board at such remuneration as recommended by Nomination & Remuneration Committee and approved by the Board subject to approval of the Shareholders in a General Meeting. The remuneration package of Whole-time Directors & Managing Directors comprises of salary, perquisites and allowances, commission and contributions to Provident and other Funds as approved by the shareholders at General Meetings. Annual increments are recommended by the Remuneration Committee and recommended to the Board for approval thereof. Presently, the Company does not have any stock option plan or performance linked incentives for its Directors.

Details of remuneration to all the directors for the year ended 31st March, 2018

Non-executive directors

Name of the Director	Sitting Fees (INR)
Sri Hemant Bangur	4,000
Smt Pushpa Devi Bangur	14,000
Sri Dharam Chand Baheti ¹	4,000
Sri Satyendra Nath Bhattacharya	N.A.
Sri S.B.Mainak	N.A.
Dr Prabir Ray	N.A.
Smt Vinita Bangur	14,000
Sri O.P. Modani	14,000
Sri L.N.Bihani	12,000

Whole-time directors

Name of the Director	Salary ₹	Benefits ₹	Commission* ₹	Service Contract	Notice Period	Severance Fees
Sri Hemant Bangur Executive Chairman	1,02,06,000	32,40,000	2,00,00,000	3 Years w.e.f. 01.04.2018	3 months	Nil
Sri Dharam Chand Baheti, Managing Director	1,04,48,000	86,31,000	1,50,00,000	5 Years w.e.f. 01.04.2018	3 months	Nil

* Payable in 2018-19 for 2017-18

The salary paid to Sri Hemant Bangur and Sri Dharam Chand Baheti mentioned above is salary paid by Transferor Company to them. Relationship of Non-Executive Directors with the Company and inter-se: Smt. Pushpa Devi Bangur is mother of Sri Hemant Bangur. Except for this and sitting fees & Commission (upto a maximum of 1% of eligible profits) paid / payable to them for attending the Board and Committee meetings there is no other pecuniary relationship or transactions of the Non-Executive Directors vis-a-vis the Company and among inter-se themselves.



5. STAKEHOLDERS
RELATIONSHIP COMMITTEE

COMPOSITION

The Stakeholders Relationship Committee comprises of two Non-Executive Independent Directors, and one Executive Director.

Sri Prabir Ray Chairman Independent, Non-Executive	Sri Hemant Bangur Member Promoter, Executive
Sri S.N. Bhattacharya Member Independent, Non-Executive	

The Company Secretary acts as a Secretary to the Committee.

Broad Terms of Reference

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

- i. transfer/transmission/transposition of shares;
- ii. consolidation/splitting of folios;
- iii. issue of share certificates for lost, sub-divided, consolidated, rematerialized, defaced, etc;
- iv. review of shares dematerialised and all other related matters;
- v. investors' grievances and redressal mechanism and recommend measures to improve the level of investor services.
- vi. over seeing performance of the Company's Registrars and Share Transfer Agents.
- vii. carrying out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

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

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

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

Details of Shareholders' Complaints
Received, Not Solved and Pending
Share Transfers

During the year 2017-18, 2 (two) complaints from the shareholders were received and resolved and no complaints were outstanding as on 31st March, 2018. The number of share transfers and requests for dematerialization pending as on 31st March, 2018 were Nil.

Name, Designation
& Address of the
Compliance Officer

Mr. Ajay Kumar Agarwal,
Company Secretary
Gloster Limited
21, Strand Road, Kolkata-700001
Telephone: 033-22309601(4 lines)
E-mail id: shares@glosterjute.com

Shareholders'/ Investors' complaints and other correspondence are attended to within the stipulated time period except where constrained by disputes or legal impediments.

Corporate Social Responsibility (CSR)

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a CSR Committee and has simultaneously approved and adopted a CSR policy based on the recommendations of the CSR Committee. The CSR Committee composition is as below

Smt Pushpa Devi Bangur Chairperson Promoter Non-Executive	Sri Dharam Chand Baheti Member Managing Director
Sri Prabir Ray Member Independent Non-Executive	

6. SUBSIDIARY COMPANIES

The Company does not have any material Subsidiary Company as defined under Listing Regulation. The Company has formulated the Policy for determining material subsidiaries which is uploaded on the website of the Company and can be accessed at <http://www.glosterjute.com/documents/PDMS.pdf>.

7. GENERAL BODY MEETINGS

A. Location and time, where last three Annual General Meetings (AGM) were held is given below:

Financial Year	Day, Date & Time	Venue of the Meeting	Special resolution passed
2014-15	Wednesday, 23rd September,2015 At 10.30 A.M	21, Strand Road. Kolkata - 700001	1. Consent under section 180(1) (a) of the Companies Act, 2013 to create mortgage/charges/hypothecation for amount not exceeding ₹ 50 crore. 2. Consent under Section 180(1) (c) of the Companies Act, 2013 for borrowing not exceeding ₹ 50 crore
2015-16	Wednesday, 31st August,2016 At 10.30 A.M	21, Strand Road. Kolkata - 700001	None
2016-17	Wednesday, 6th September 2017 at 01.30 P.M.	21, Strand Road. Kolkata - 700001	None

As the Company was an unlisted company during the period 2017-18 and therefore the company was not required to publish quarterly results.



8. CEO/CFO CERTIFICATION

In accordance with Part B of Schedule II to the Listing Regulation, the CEO/CFO Certificate signed by Shri Dharam Chand Baheti, CEO and Shri Shankar Lal Kedia, CFO was placed before the Board of Directors at their meeting held on 29th May, 2018.

9. CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management. The said Code has been communicated to the Directors and the members of the Senior Management. The Code has also been displayed on the Company's website-www.glosterjute.com. All the members of the Board and the senior management personnel have affirmed compliance with the Code for the year ended 31st March, 2018.

10. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In compliance with the Securities & Exchange Board of India (Prevention of Insider Trading) Regulations, 2015, the Company has adopted a "Code of Practices for Fair Disclosure" and "Code of Conduct for Insider Trading" for prevention of Insider Trading by Company insiders.

11. DISCLOSURES

- a) All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year. Transactions with related parties as per requirements of Indian Accounting Standard are disclosed in Note No.35 to the Accounts in the Annual Report.

A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval. As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions.

There were no materially significant related party transactions, which may have potential conflict with the interest of the Company.

The policy on Related Party Transactions has been uploaded on the website of the Company and can be accessed at <http://www.glosterjute.com/documents/RPTPolicy.pdf>.

All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis.

- b) Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's Code of Conduct or any other point of concern. The policy has been uploaded in the in the website of the Company and can be accessed at <http://www.glosterjute.com/documents/WBPolicy.pdf>. No personnel has been denied access to the Audit Committee.
- c) The Company has adopted sexual harassment policy and has established necessary mechanism for protection of women from sexual harassment at work place.
- d) The company has no materially significant related party transactions that may have potential conflict with the interests of listed entity at large.
- e) The company has followed IND-AS specified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 while preparing Financial Statements.
- f) Disclosure of Compliance of Non-mandatory requirements as specified in Part E of Schedule II of Listing Regulations are as under:
- Non-Executive Chairman's Office: The Company has an executive Chairman.
 - Shareholder's Rights: As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders separately.
 - Modified opinion in Auditors Report: Company's financial statement for the year 2017-18 does not contain any modified audit opinion.
 - Separate posts of Chairperson and Chief Executive Officer: Company is having separate posts of Chairman designated as Executive Chairman and Chief Executive Officer designated as Managing Director.
 - Reporting of Internal Auditors: The Internal Auditors of the Company submit reports to the Audit Committee.

12. CERTIFICATE OF COMPLIANCE

ANNUAL DECLARATION UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I declare that in terms of Schedule V under Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company has received affirmation of Compliance with Code of Conduct from all Board Members and Senior Management Personnel of the Company as on 29.05.2018.

Place: Kolkata

Date: 29th May, 2018

For Gloster Limited

Dharam Chand Baheti

Managing Director

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

To The Members of Gloster Limited

I have examined the compliance of the conditions of Corporate Governance by Gloster Limited as on 29.05.2018 as per relevant provisions of Securities and Exchange Board of India (Listing Obligation & Disclosure Regulations, 2015)

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company. In my opinion and based on the relevant records and documents maintained by the Company and furnished to me for the review and information and explanations given to me by the Company, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Listing regulations as applicable. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place : Kolkata

Date ; 29th May, 2018

Sweety Kapoor

Practising Company Secretary

Membership No. FCS 6410, CP No.5738

STAKEHOLDER ENGAGEMENT



STAKEHOLDER RELATIONSHIP

Our stakeholders are the many individuals and organizations who are affected in some way by Gloster Limited'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, organic jute farmers, customers / buyers, suppliers, commission agents, textile research institutions, 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. We believe in communicating our goals effectively to our employee practices and our stakeholders, thereby ensuring highest value possible from our sustainable initiatives. We extensively communicate our goals and assess, evaluate and subsequently address our stakeholders' concerns and then incorporate those in our process of decision making. We strongly believe that transparency and accountability of our actions will help in generating positive impacts for all our stakeholders; therefore we have appointed a third party to conduct external reviews and evaluate our stakeholder engagement & materiality assessment process. The evaluation is provided in their assurance statement.

A snapshot of our materiality determining process is provided below



Identifying and Selecting Stakeholders

(GRI 102- 42)

The starting point of our analysis was our Value Creation Process, where we identify the key inputs and outputs of our production processes and their effects on our stakeholders

We have identified relevant topics by considering the relevant impacts that is related to all of the organization's activities, products, services and relationships regardless that these impacts occur within or outside the organization. We adopted a scientific and internationally validated approach for identification of issues/topics and relevant stakeholders impacted from the issues/topics. Our approach is illustrated in the sub steps below.

All relevant documents related to Gloster Limited's operations and sustainability topics were analysed and discussions were held with the key managers coordinating the company's various departments. Detailed discussions were also carried out with senior management representatives and the team driving the sustainability agendas of the company to understand the following:

- The major social and environmental issues arising from the operation of Gloster Limited
- The groups of stakeholders those are impacted most by Gloster Limited's operation

An extensive list of the issues, as identified, is listed in the table below:

List of Material Topics

(GRI 102- 47)

List of key sustainability topics identified by the company



Economic

- Economic Performance
- Market Presence
- Indirect Economic Impact
- Reserves



Employment Practices and Employee Health and Safety

- Employment (Hiring and Exits)
- Safety and Occupational Health
- Training and Education
- Equal Remuneration for Women and Men
- Grievance Redressal Mechanisms
- Diversity and Equal Opportunity - caste/religion, geography (local/outside), abilities (differently-able), gender, etc.
- Sensitivity to social and environmental issues among employees and management systems to support this



Environmental

- Materials
- Energy (Energy Consumption, Energy Efficiency)
- Water usage and conservation
- Emissions and Alternate Source of Energy
- Effluents and Waste
- Compliance
- Environmental Grievance Redressal Mechanisms



Human Rights

- Non-discrimination
- Freedom of Association and Collective Bargaining
- Child Labour
- Forced or Compulsory Labour
- Supplier Human Rights Assessment
- Human Rights
- Grievance Redressal Mechanisms



Society

- Local Communities
- Anti-corruption
- Public Policy
- Anti-competitive Behaviour
- Compliance
- Grievance Redressal Mechanisms for Impacts on Society



Product Responsibility

- Product Quality Standard
- Timely Delivery of Products
- Redressing Complaints

List of stakeholder groups (GRI 102-40):

The stakeholders were divided in two broad categories- External and Internal. The table below lists all of Gloster Limited's external and internal stakeholders

Internal Stakeholders	External Stakeholders
<ul style="list-style-type: none"> Officers Shareholders Employees Employee Union Representatives 	<ul style="list-style-type: none"> Indian Jute Mills Association Indian Jute Industries Research Association Local School Representatives Suppliers Buyers/Customers NGOs Local Clubs Local Community representative Contractors/Partners Customers Media

Collective Bargaining Agreements (GRI 102- 41)

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 employee is covered under collective bargaining agreements.

Approach to Stakeholder Engagement (GRI 102-43):

We gathered information from different stakeholders on their interests and concerns using the following

- Outcomes of stakeholder engagement at the location
- Formal and informal customer and supplier feedback
- Key issues identified by industry organizations
- Ongoing engagement with governmental and non-governmental organizations (NGOs);
- Regulatory developments and trends in the various regions where we operate
- Media coverage

We have conducted one-on-one interviews with representatives of local community, focus group discussions with Employee Union representatives and took feedback from jute suppliers, vendors and buyers in order capture their concern and interests. The importance assigned to various topics were derived partly from feedback provided by the stakeholders and partly based on the discussions with our Sustainability Committee and the CSR Committee of Gloster Limited.

An excerpt of our interviews with our vendors, purchasers and buyers are listed below:



Name: Kashyap. J. Mehta
Role: Loom Manufacturer and Dealer

“ We manufacture and supply a wide assortment of Sulzer Projectile Looms, Rapier Looms, Weaving Loom Accessories and our operation is based out of Mumbai. We have been closely working with Gloster Limited for over a deade now. Gloster Limited is an extremely professional and policy based organization. Their business dealings are always professional and transparent.

Gloster Limited's management is committed to ensure product quality, process upgradation through continuous innovation and demands the best looms available in the industry. They are extremely aware of the environmental and social obligations of the industry and have always demanded the E&S obligation certificates from us (the suppliers). Working with Gloster Limited has been a pleasure and have helped us to strengthen our supply chain as per global standards.”

Name: Jwala Prakash Farmania
Role: Jute Goods Purchaser

“Gloster Limited is ahead of most players in the sector and have been proactive in their environmental and social initiatives. Most sector players are aware of the initiatives of Gloster Limited. The Senior Management of Gloster limited is extremely accessible and we frequently have business interaction, whenever there is an issue, they are addressed immediately. Gloster Limited's wide range of high quality, eco – friendly and green products through constant innovation has attracted several foreign customers, thereby helping our businesses to grow and prosper.”

Name: Mr. Parikshit Agarwal
Role: Jute Goods Purchaser

“We facilitate sale of products, liaising with salesmen, acquiring the best prices for products for sale in the domestic markets as well as exports. Gloster Limited's exceptional client service cumulative with their excellent product quality and range has made Gloster Limited one of the preferred supplier of jute products. ”

Name: Jiwan Ram Agarwala
Role: Jute Goods Purchaser

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

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

Name: Mr. Deepak Kumar Mussadi
Role: Jute Goods Purchaser

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

In case of any issues regarding products or transaction we directly contact the chief marketing and sales officer and the issue gets resolved within 1 week.

We sell products both in domestic and international market, To maintain a sustainable supply chain our customers asks for various certificates, we convey the same to Gloster Limited and Gloster Limited provides it to us. ”

Name: Jugal Kishore

Role: Raw Jute Seller

“Gloster Limited is the name that you can trust. We have been doing business for the last 50 years. We are always assured of great quality, value, and commitment from their side to deliver nothing but the best.

All the jute purchasers feels privileged to be associated with Gloster Limited. Gloster Limited is extremely professional and conduct business in a transparent manner. Disclosure of their non-financial parameters through Sustainability Report has attracted several foreign customers. This has helped us to improve our operation and business.”

Name: Mr. Jaydeep Das Gupta

Role: Solution Provider – Air Humidification System

”We have been associated with Gloster Limited for the past 15 years. We are exclusive Indian partners of Condair. We have installed Condair humidification dust reduction system to Gloster Limited and also supplied air compressor for both Units of Gloster Limited, namely Main Unit and Ananya Unit.

As jute is a moisture sensitive substance, maintaining a desired relative humidity in various stages of production is extremely necessary. Our humidification system enables Gloster Limited to maintain the right humidity in the air so that moisture equilibrium is maintained all along the entire production facility.

We share a great relationship with Gloster Limited’s Management and wish to continue doing so in the near future.

Name: Mr. Jairaj

Role: Chemical/ Dye Supplier

“Gloster Limited is one of the major exporter of jute products globally They are extremely professional and has a very good culture in the. Industry. They are a policy based organization and are highly transparent in their business dealings. They ensure their vendors get payment on time

Gloster Limited is an extremely forward looking organization and continuously strive to build a better working world. Our team in collaboration with Gloster Limited has developed several customized eco- friendly chemicals.

We have been associated with Gloster Limited for more than 50 years. We supply sizing chemicals to Gloster Limited. We are the sole distributor of chemicals manufactured by Kunal Organics. The chemicals distributed to Gloster Limited are ISO 14001, OHSAS 18001 certifies. The chemicals are Azo free, eco-friendly products. ”

Name: Mr. Sushil Kumar Jain

Role: Raw Jute Supplier

“Gloster Limited is a name that reverberated with quality, transparency and professionalism. They are very stringent regarding the quality of the products we offer to them. Gloster Limited believes that improvement is a continuous process and has developed a huge range of product to cater to their domestic as well as international customers.

In my opinion, they have been able to earn the confidence of their buyers due to their focus on R&D activities in alignment with changing market demand. Their openness to customer feedback and suggestion has always helped them locate improvement opportunities.

One can always be assured to come out on top if they are doing business with Gloster Limited. ”

Our leadership discussed how sustainability can support the company’s business strategy, as well as how changes in the business can influence the sustainability of our products and processes



Our senior leaders discussing on Sustainability topic



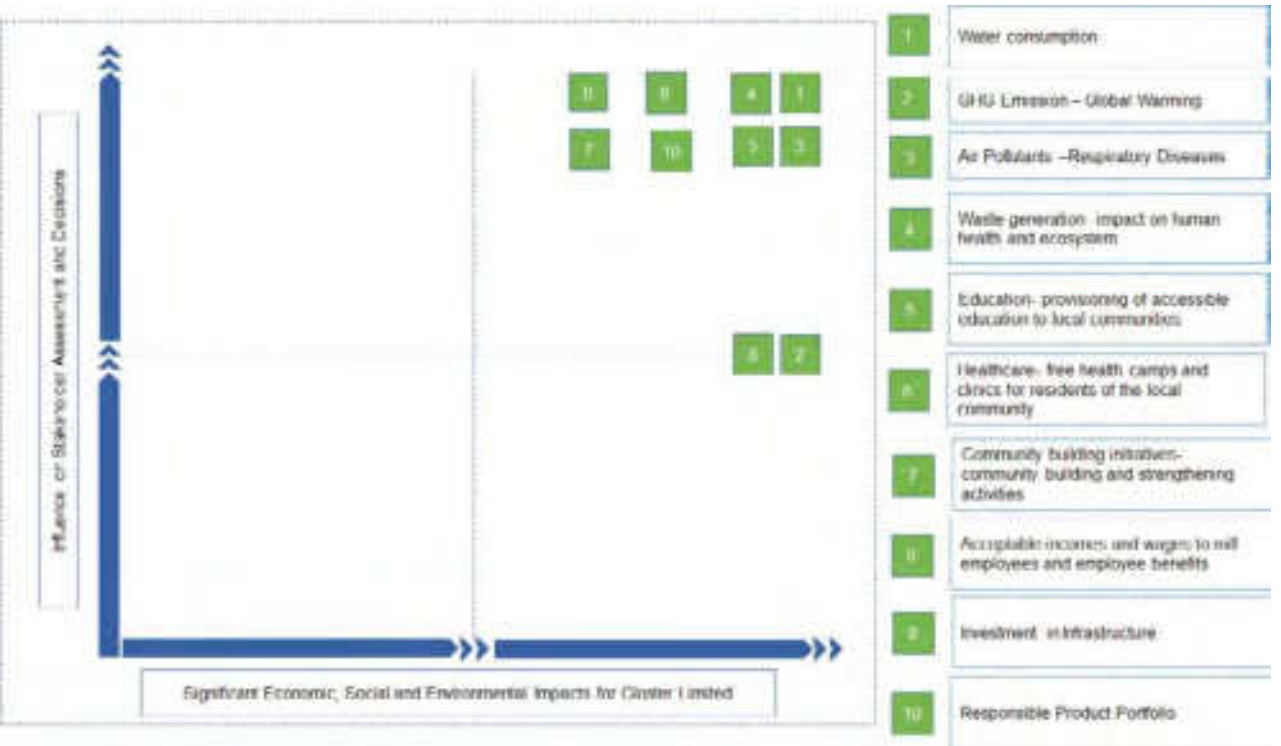
EY Officials in a review discussion with Gloster Limited

Defining report content and topic Boundaries

[GRI 102-46]

We prioritized stakeholder input and our key business challenges using the following matrix

The prioritization exercise included two types of inputs- one was key business challenges derived from Environmental & Social Impact Assessment study and the second was a rich set of qualitative insights and responses which can provide invaluable inputs as to how Gloster Limited should develop its sustainability strategy in alignment with its core business strategy. The Qualitative insights are provided in the appendix section of the report



We have identified the eight topics in the upper right quadrant as material, and they form the basis for our sustainability reporting. Topics that fall in the other quadrants are managed through other channels.





Key Topics and concerns raised
(GRI 102-44)

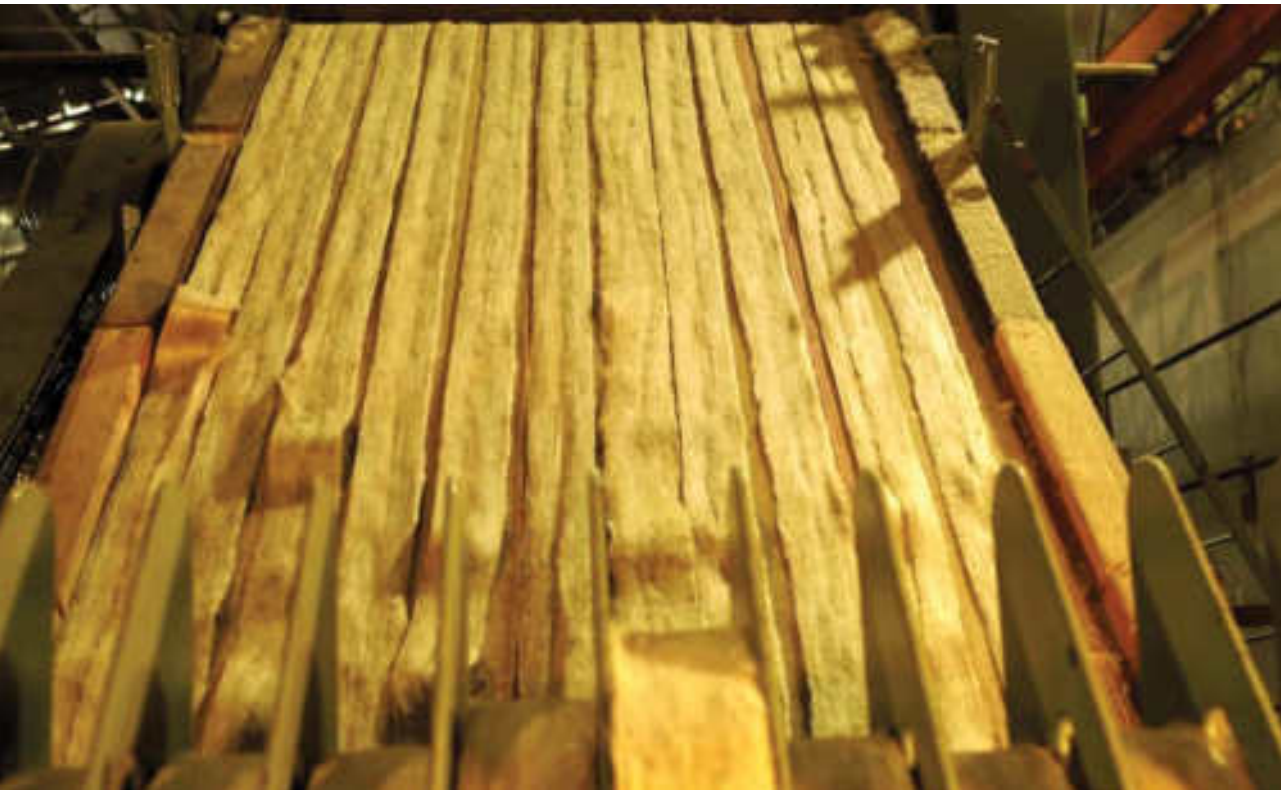
S No.	Material Topics	Boundary
1	Water consumption and discharge- local water availability imbalances	Communities surrounding our operating locations, buyers/customers, shareholders, government agencies and our officers
2	GHG Emission – Global Warming	Communities surrounding our operating locations, buyers/customers, shareholders, our officers, government/regulators and NGOs
3	Air Pollutants –Respiratory Diseases	Communities surrounding our operating locations, government/regulators, our officers and NGOs
4	Waste generation- impact on human health and ecosystem degradation	Communities surrounding our operating locations, government/regulators and NGO
5	Education- provisioning of accessible education to local communities	Communities surrounding our operating locations, our employees, local school representative, government/regulators and NGO
6	Healthcare- free health camps and clinics for residents of the local community	Communities surrounding our operating locations, our employees, government agencies and NGO
7	Community building initiatives- community building and strengthening activities	Communities surrounding our operating locations, our employees, government/regulators and NGO
8	Acceptable incomes and wages to mill employees and employee benefits	Our employee union representative, our employees
9	Investment in Infrastructure	Communities surrounding our operating locations, our employees, local regulatory bodies, government agencies and NGO
10	Responsible Products	Jute Research organization, officers, shareholders buyers/customers

GRI 103: Management Approach

Explanation of the material topic and its boundaries
(GRI 103-1)

Even though we have ranked all the material topics on a scale of low to medium to high, we will address each topic equally as we believe that an topic 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 topic.

Economic		
1	Economic Performance	Gloster Limited, like any other company, is driven by its economic performance. Our vision includes our commitment to continue producing high quality products, organic and traditional, while addressing the myriad sustainability concerns of our organization, to remain committed to our workforce, the communities in which we operate, our shareholders, our customers and the society at large. We work towards reducing and managing the environmental impacts wherever feasible. This disclosure “Economic Performance” section of the Report.
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 building infrastructure. This information has been disclosed in the “Economic Performance” section of this Report.



Environment		
1	Material	As a sustainable jute product manufacturing company, we procure raw jute from various parts of Assam and West Bengal. Since, our products are highly diversified, we require various grades of raw jute. We also produce certified organic jute in village Kankrasuti through our registered farmers and process the same organically in our mills. We have increased the percentage of organic jute in our manufacturing process.
2	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 our energy consumption year on year and we have stringent standards in place to ensure the same.
3	Water	Water is a key input to our operations. We have water meters installed in all of our units to measure our water consumption more accurately and therefore manage it more effectively. Our water management practices have been disclosed in the “Environmental Performance” section of this Report.
4	Emissions	Gloster Limited is aware that emissions data is extremely important for us, 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 2017-18.
5	Effluents / Waste	We are cognizant of the importance of managing our effluents and waste effectively. We recycle and reuse all of our jute waste to manufacture products as well as use them in our multi-fuel steam generation boilers. The data related to our waste and treatment methods have been disclosed in the “Environmental Performance” section of this Report.
6	Compliance	We comply with all the applicable national and state environmental laws and regulations; we have not been fined or notified for any violation in FY 2017-18. We constantly keep up with the ever changing regulations to ensure full compliance. This information has been disclosed in the “Environmental Performance” section of this Report.
7	Environmental Grievance Mechanism	We have an environmental and social grievance redressal mechanism in place, with our Safety, Environmental and Corporate Communications Departments receiving complaints from the local communities. The system addresses 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 social grievance we receive with due urgency.



Employee Practices		
1	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 Employee Practices” section of this Report.
2	Occupational Health and Safety	OHS is very significant to our operations and our employee practices. We have invested heavily in ensuring their health and safety. We have tie ups with the ESI Hospital services.
3	Training and Education	Our L&D Department is responsible for all training and career development initiatives at Gloster Limited. We constantly monitor our training data so as to keep improving our performance. Our training related data has been disclosed in the “Our Employee Practices” section of this Report.
4	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.
5	Equal Remuneration	Gloster Limited is mandatorily required to pay equal remuneration to men, women and members of all minority communities. This is monitored by the Central Government.
6	Labour Practices Grievance Mechanisms	We have a robust labour grievance mechanism in place like any other company that works with a number of Labour Unions. We constantly engage with our Labour Unions in order to understand their concerns and resolve them before the filing of an official grievance. This is the reason why in FY 2017-18 not a single labour grievance was filed. This information has been disclosed in “Our Employee Practices” section of this Report.
7	Freedom of Association and Collective Bargaining	Gloster Limited believes in upholding the rights of people to take up any Labour Union Association of their own volition. We strictly monitor all our operations to ensure that no one is employed against his will; which otherwise will be against the law of the land which we uphold at all times. This information is disclosed in “Our Employee Practices” section of this Report.
8	Child Labour	Gloster Limited 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 “Our Employee Practices” section of this Report.
9	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 “Our Employee Practices” section of this Report.

Society		
1	Local Communities	We conduct thorough needs assessment studies before implementing our CSR projects; this allows the projects to be in tune with the needs of the local communities. We do this before every project. This information is disclosed in “Social Performance” section of this Report.
2	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.
3	Grievance Mechanisms	Gloster Limited has an environmental and social grievance mechanism in place, with our Safety, Environmental and Corporate Communications Departments receiving 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 social grievance we receive with due urgency.

Responsible Product		
1	Product Responsibility	Our products are the tangible outcomes of our philosophy, processes, policies and practices. Product responsibility at Gloster Limited has a self-sustaining business model which begins with responsible sourcing of raw material and retains focus through the chain till the finished product. This information is disclosed in “Product Responsibility” section of this Report.

ECONOMIC PERFORMANCE



Gloster Limited is a professionally managed company engaged in the manufacture of jute and jute allied products. Our present management has an experience of over 50 years in running large jute manufacturing units producing jute and value added diversified jute products like floor covering, geo-textiles, processed decorative and industrial fabrics, food grade quality jute cloth and bags. Our wide range of products include **Hessian Cloth/Bags, Sacking Cloth/Bags, Treated Fabrics, Geo-textiles, Agro-textiles, Yarns, Non-woven, Floor coverings and home furnishings, Lifestyle bags, Technical textiles etc.**

Our company holds a responsibility towards our stakeholders to maintain a long-term sustainable financial status. Information on creation and distribution of economic value provides a basic indication of how our organization has created wealth for our shareholders and the relevant stakeholders.

In 2016, the board of both Kettlewell Bullen Company Limited (KBCL), major promoter of Gloster Limited and erstwhile Gloster Limited sanctioned the amalgamation of both the companies. In January, 2018, the merger of the two companies were sanctioned by the Order of National Company Law Tribunal, Kolkata Bench and subsequently from March, 2018 the "THE POWER OF ONE" formally came into being and in May, 2018, Kettlewell Bullen Company Limited (KBCL) was renamed as Gloster Limited. The consolidation of two businesses has strengthened the fundamentals of the company. The business consolidation is showcasing the true net worth of the combined business. The enhancement of net worth of the combined business will lead to enhancement in business opportunities resulting in enhanced earnings and cash flow in the business. With a strong asset base and net worth the credibility and sustainability of the Company has increased and the Company is now ready to leverage any opportunity to scale up its operations in India and abroad.

Like the past few years, we have continued to demonstrate strong economic performance to meet the demands of our customers through efficient execution of our employees even throughout the reporting period of FY 2017-18. Diversified expertise and diversified product range are our catalysts to success.



The parameters through which we are disclosing our financial performance in the year FY: 2017-18 as per GRI standards are listed below



GRI 201-1: Direct economic value generated and distributed



GRI 201-2: Financial implications and other risks and opportunities due to climate change



GRI 201-3: Defined benefit plan obligations and other retirement plans



GRI 201-4: Financial assistance received from government



GRI 202-1: Ratios of standard entry level wage by gender compared to local minimum wage



GRI 202-2: Proportion of senior management hired from the local community



GRI 203-1: Infrastructure investments and services supported



GRI 203-2: Significant indirect economic impacts



GRI 203-2: Ratio of standard entry level wage by gender compared to local minimum wage



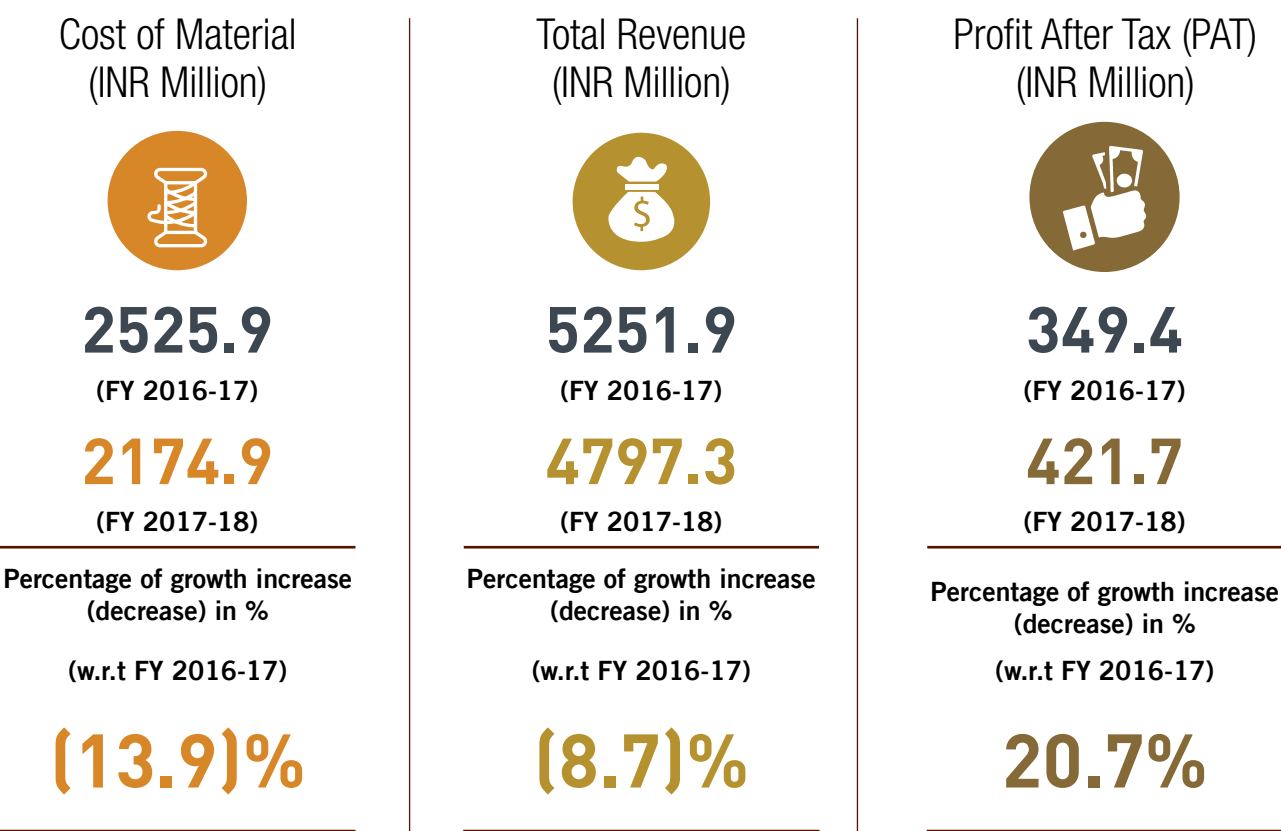
GRI 204-1: Proportion of spending on local suppliers

GRI 201: Economic Performance

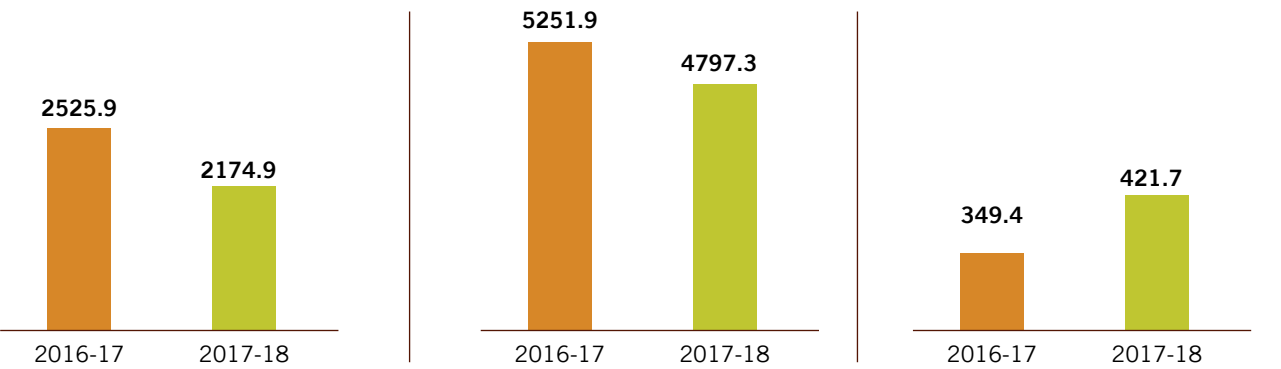
Direct economic value generated and distributed (GRI 201-1)

We provide economic welfare through our responsible business practices. Our direct economic value is represented by the cost of raw materials incurred, total revenue and the profit incurred after paying taxes (PAT).

The following graphical representations showcase the trend of our cost of materials, total revenue and profit incurred during the past three financial years:



Graphical representations showcasing the trend of our cost of materials, total revenue and profit incurred during the past three financial years:



*Figures from Annual Report FY 2017-18: p.115

In the FY:2017-18, Gloster Limited witnessed a decrease in cost of material and total revenue by 13.9% and 8.7 % w.r.t the previous year respectively but profit after tax increased by 20.7% when compared to last year's returns.

Gloster Limited has been ensuring a profitable economic growth over the years. All our operations are steered not only by reaching for growth but also taking into account the desire for ethically sustainable solutions. Through our operations we seek to provide considerable value to our stakeholders, employees, customers, clients and the community in which we operate.

Economic value generated

Given below are the details of revenue generation by our company through the financial investments made as well as our sale of assets over the current reporting period:

Revenues from financial investments	Amount (INR million)	
	FY 2016-17	FY 2017-18
Proceeds from disposal of property plant and equipment	38.0	8.8
Payment for acquisition of property, plant and equipment/intangible assets	(112.8)	(146.2)
Proceeds on disposal of Non-Current Investments	148.2	230.5
Interest received from investing activities	42.3	55.8
Dividend Received from investing activities	1.6	3.3
Purchase of other non-current investments	(248.9)	(182.4)
Purchase of other current investments (net)	(102.2)	(255.1)

Figures from Annual Report of FY 2017-18 p.118

Revenues from sale of assets	Amount (INR million)	
	FY 2016-17	FY 2017-18
Revenue from Fixed Assets	21.2	0.7

*Figures from Annual Report of FY 2017-18 p.118

Economic value distributed

We, at Gloster Limited, value our employment policy that aims to give maximum employment to people from the local and surrounding community. Given below is a snapshot of our employee wages and benefits for the reported financial years:

Employee benefit expenses in FY 2017-18			
Total payroll	Employee salaries/wages/ bonus (INR million)	Contribution to Provident and Other Funds (INR million)	Workmen and Staff Welfare expenses (INR million)
	703.7	135.3	6.4

**Figures from Annual Report of FY 2017-18 p.90

The table above shows that our employee wages and bonus for FY 2017-18 has shown a considerable increase as compared to last year owing to the employment generation during the year.

In addition to the direct economic value distribution in the form of employee wages and benefits, taxes, return form investments, we also create an indirect economic value for the communities surrounding our operations as well as ensuring their economic growth. We, at Gloster Limited, contribute to the economic development by ensuring local procurement wherever possible. Depicted below are our details of dividend paid to shareholders for the current reporting year.



Year	FY 2017-18
Dividend paid (INR million)	64.6

*Figures from Annual Report of FY 2017-18 p.118

Throughout the financial years taken into account, we have ensured compliance with international transfer pricing regulations and local tax laws and regulations. The following table represents the amount of taxes paid by our company as corporate, income, property and dividend tax.

Payments to Government in FY 2017-18	
Income Tax paid (INR million)	Dividend Tax paid (INR million)
185.3	13.2

*Figures from Annual Report of FY 2017-18 p.118

Social Responsibilities

The company is conscious of its social responsibilities and acts as a responsible corporate citizen. We believe that integrating social, environmental and ethical responsibilities into the governance of businesses ensures their long term success, competitiveness and sustainability. As a part of community activities, Gloster Limited continues to invest in the social welfare of the people. During the reporting years, the CSR activities of the company focused on eradicating hunger, poverty, malnutrition, promoting health care (including preventive health care), promoting education (including special education) as well as setting up of old age homes, and day care centres for senior citizens. We have spent a cumulative amount of INR 6.17 million in FY 2017-18. We have planned to extend our activities and our budget accordingly for the coming years. The following table presents the spent under various heads out of the total expenditure:

Community investments during FY 2017-18				
CSR Project	Sector	State and district where projects or programs was undertaken	Amount spent (INR million)	Amount spent: Direct or through implementing agency
Eradicating hunger, poverty, malnutrition, promoting health care including preventive health care	Social welfare	Kolkata and Bauria, West Bengal	1.71	Direct
Setting up old age homes, day care centres and such other facilities for senior citizens	Social welfare	Kolkata, West Bengal	5	Direct

*Figures from Annual Report of FY 2017-18 p.27

Financial implications and other risks and opportunities for the organization’s activities due to climate change (GRI 201-2)

Global crop production threatened by climate change is one of the most important crisis of the 21st century. The total production of crops that is subject to the perils of climate variability like surface temperature rise, resulting in erratic rainfall patterns will most likely be affected. Climate variability has been identified as one of the major factors influencing the year on year production of crops such as maize, wheat, paddy, cotton, jute etc.

Jute is a rain-fed crop and is grown in areas with high rainfall, with a high amount of water stagnation. Hence, jute production does not require additional irrigation or drainage provisions. Jute rarely suffers from total damage due to calamities, making it naturally resilient to extreme events. However, change in the climatic factors listed below can affect the natural environmental conditions that are conducive for the growth of jute.

Climate variability induced risks on jute production:

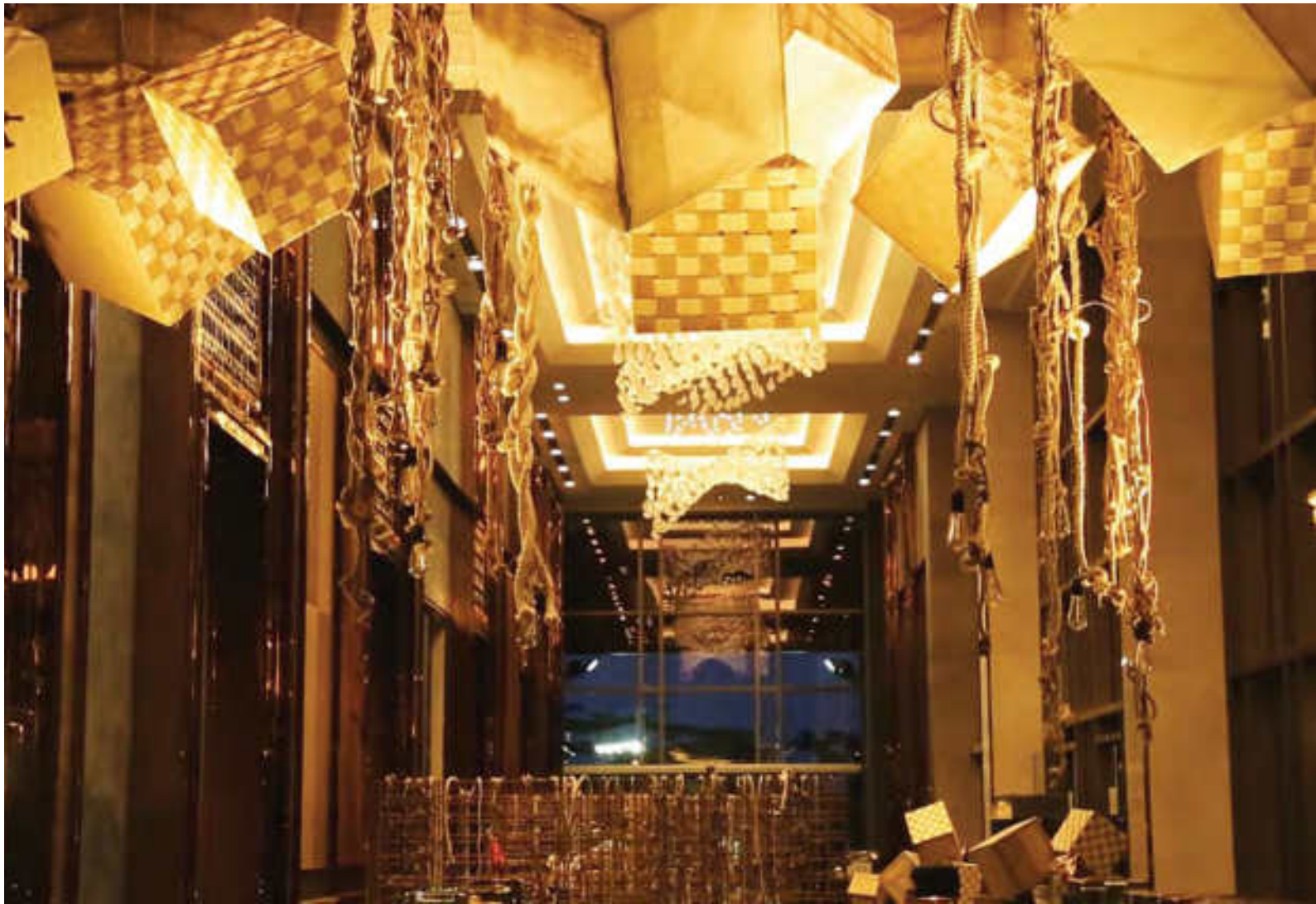
Water shortage

Water resources play a vital role in the, production of jute, processing and manufacturing of jute products. Climate variability exerts extra pressure on the water cycle as a result of increased temperatures, altering the hydrological cycle. Water availability is under threat due to decreased availability in certain regions and excess precipitation in others. Water scarcity will arise when water requirements increase. Surface water is more sensitive to rainfall than evapotranspiration, making efficient water storage and recharge systems increasingly important for water dependent operations.

Surface temperature rise

Jute production is dependent on the availability of water, fertilizers, soil organic content, moisture and other factors that are essential for the growth of the crop. The metabolism of jute is strongly influenced by temperature, as it requires the right amount of exposure to sunlight and humidity to reach a certain level of growth. Photoperiod is a dominant factor affecting the flowering and hence the growth habit of the crop. Prolonged periods of excessive hot weather can affect the growth period of the crop. In addition to this, the fall in humidity can lead to change in growth patterns, wilting of jute and nutritional disorders.

Gloster Limited is aware of all such climate change related risks and working towards minimizing their impacts on jute cultivation through research and development.



Coverage of the organization’s defined benefit plan obligations (GRI 201-3)

Gloster Limited has chosen certain benefit plans for their employees which would ensure their long term economic well-being. A properly funded pension plan can help to attract and maintain a stable workforce and support long-term financial and strategic planning on the part of the employer. The details of the nature of benefit plans for our employees and the corresponding contribution to each of them are depicted below:

Type	Response
	FY 2017-18
Types of benefit plans for employees	Gratuity, Compensated absences and other Employee Benefits
Employee's contribution to Provident fund and other funds (INR million)	135.3
Workmen and staff welfare expense (INR million)	6.39

*Figures from Annual Report of FY 2017-18 p.142

Financial assistance received from Government (GRI 201-4)

For an organization, the significant financial assistance received from Government, in comparison with taxes paid, can be useful for developing a balanced picture of the transactions between the organization and Government. We have provided below a snapshot of the financial assistance received by Gloster Limited in various forms such as tax relief and tax credits, subsidies, investment grants, awards, royalty holidays, other financial incentives to mention a few, during the reporting years:

Type	Amount (INR million)	
	FY 2017-18	FY 2016-17
Financial incentives (Export)	114.9	122.2

*Figures from Annual Report of FY 2017-18 p.141

Proportion of senior management hired from the local community at significant locations of operation (GRI 202-2)

According to our existing hiring system, we encourage inclusion of members from local community in order to ensure diversity within the management team. A significant portion of the senior management is also drawn from the local community. Usually, we engage young people from distressed families residing in and around the local areas of the mill as on the job trainees who are subsequently absorbed in the mill as Registered Badli Employee with admissible statutory benefits after satisfactory completion of their tenure of hands on training with stipend.

In case of appointment in the Senior Management level, we usually publish advertisement in widely circulated daily newspapers for selecting the suitable candidate and recruit them through interviews. On the other hand, for appointment in the Junior Management level, the recruitments are usually made on recommendations of the authorities of the Jute / Textile Technology Institutes or other sources. Other than these, we also take into consideration recommendations of the office bearers or workmen representatives of the operating trade unions of the mill and employees as well as recommendations of local social organizations and industrial training institutes.

- Infrastructural investments
- Dust suppression and room air RH% equilibrium maintenance by jet spray Condair system
- Steam energy conservation project system (audit and implementation of the audit recommendations by Forbes Marshall)
- Establishment of a second induction furnace in the foundry shop, additional to the one already in place, replacing the hard coke fired foundry Cupola
- A new cycle shed has been constructed in the Ananya Unit for the cycles given to all the employees of the Unit, thus promoting emission less transport
- Scrap yards have been established for metals and plastic scraps
- A new canteen and rest place have been constructed for the employees
- Compressed air system audit by Legris Parker and implementation of the recommendations by them
- Internal road up-gradation using jute geo-textiles
- Firefighting system up-gradation
- Computerized Lorry Way Bridge has been constructed at Ananya Unit as well as the Main Unit
- Construction of 6 Sulabh-sauchalaya (public toilets)
- Fabric fettling system installed in process house for value added Jute products
- Installation of fabric mercerizing line
- Rain Water Harvesting tanks

GRI 203: Indirect Economic Impacts

We, at Gloster Limited, 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 Limited has undertaken several measures towards infrastructural developments in and around their head office and mill. Some of the mentionable activities during the current reporting period are depicted in the table below:

Development and impact of infrastructure investments and services supported (GRI 203-1)

Indirect economic impacts include the additional impacts generated to the direct ones as the money circulates in the economy. Indirect impacts are essential in assessing and reporting the relation between local communities and regional economies. Gloster Limited has provided large scale employment opportunities to the people living around its two Units. The indirect economic impacts can be felt within a 10 kilometre radius of its two Units.

GRI 202: Market Presence

Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation (GRI 202-1)


Offering wages above the minimum is a factor in building strong community relations, employee loyalty, and strengthening an organization’s social license to operate. The entry level wage in Gloster Limited is always equal as per the law of the land irrespective of gender. The standard entry-level wage as per the industry-wide tripartite agreement is INR 257 per day plus 42% of the basic salary in benefits.

ENVIRONMENTAL PERFORMANCE



Gloster Limited is committed to sustainable sourcing, protecting communities and reducing the negative impact of our activities on the environment. The environmental topics against which the performance of Gloster Limited has been assessed include material usage, water consumption, energy consumption, GHG emissions and waste disposal methods. These can be regarded as the key pillars for a sustainable existence of our business. The above mentioned topics, the quantities consumed/generated are continuously monitored and controlled. Through our various environmental initiatives, we strive to protect the environment by improving performances in its manufacturing operations, products and supply chain, in order to reduce the overall consumption of natural resources and generation of waste materials. In line with the Paris Agreement and the Sustainable Development Goals, we will continue to reduce our climate impact. We have also actively design strategies that ensure operational efficiency with reduced resource requirements. This has been further elaborated in the following sections.

Key Pillars of our Environmental Policy



1


Material consumption:


West Bengal is one of the leading producers of jute in the country, with an annual yield of 2801 Kg per hectare¹. Gloster being one the leading jute mills in the Howrah District of West Bengal, procures raw materials like conventional and organic jute from farmers in the state. Gloster Limited has also invested in the promotion and cultivation of organic jute in West Bengal and has increased the organic jute farms area from 29.7 Ha to 89 Ha.

2

Energy consumption:

The per-capita energy consumption (coal, lignite, natural gas and petroleum) in India has increased from 19,579 MJ in the year 2011-12 to 22,351 MJ in the year 2016-17². West Bengal being the 10th largest consumer of electricity in the country, accounts for nearly 4.38% of the total energy consumption³. It is also known to be the prime centre for jute production⁴ in the country, with the state accounting for 79.6% of the total jute production . Energy efficiency has been assigned high priority at Gloster Limited, and accordingly, several measures have been undertaken to reduce the energy intensity of our production process.





3

Water consumption:


We operate in the Howrah district of West Bengal which is well endowed with water resources. However, the increasing demand for ground water has been arising from industrial, agricultural, urban, power, domestic and transport sectors. Howrah district receives approximately 1500 mm of rainfall annually. Jute process being water intensive in nature, necessitates the development of measures to recycle water and increase water usage efficiency. Gloster Limited strives to reduce the consumption of water and conserve it through our initiatives like rain water harvesting, sewage, effluent treatment, process steam condensate recovery etc.

¹State-wise production of jute, The office of Jute Commissioner, <http://jutecomm.gov.in/statewise%20P%20&%20R%20jute.htm>
²http://mospi.nic.in/sites/default/files/publication_reports/Energy_Statistics_2018.pdf
³http://mospi.nic.in/sites/default/files/publication_reports/Energy_Statistics_2018.pdf
⁴Power for All, West Bengal, GoI & GoWB Joint Initiative Report, 2016

5 Air pollution & GHG Emissions:

Jute processing is characterised by the release of short fibres that remains suspended in the air. Having said this, we have taken sufficient measures to keep the fibre particles released from manufacturing unit under control through installation of auto-dust cleaning system for winding & spinning frames, dust suppression & room air humidification system and ESP systems for boiler house. In addition to this, GHG emissions are also monitored and measures have been taken to reduce it. They are emitted primarily from the transportation of raw materials and finished products, burning of coal and jute caddy in the boiler, and scope 2 emissions at the grid as a result of the electricity consumption for the production process. Our total annual emissions (scope 1 & 2) is carried out regularly to monitor the emissions and we take necessary measures to reduce the same.





5

Waste:

Jute products have a number of applications as a textile and in industries. It is being increasingly used in floor coverings, home furnishing as a substitute for wood, paper etc. The increasing demand for jute leads to greater production, and an increase in the generation of waste. The waste generated at Gloster Limited can be classified into hazardous and non-hazardous waste. Hazardous wastes include the ETP sludge from the effluent loaded water, sludge from the oil used in captive DG Sets and boiler, and pose substantial threat to human health and the environment. These are disposed scientifically, as per the methods recommended by SPCB. Non-hazardous waste includes jute caddies and other process waste which are either reused in the manufacturing process as raw material or as alternate fuel in the boiler for energy recovery

GRI 301: Material Material Consumption (GRI 301-1)

The dependence of an industry on natural resources can be determined by the materials used as inputs in the production process. These can be renewable or non-renewable, depending on the nature of the final product. More specifically, the type and quantity of the raw materials used indicate the level of dependence, and the direct impact the lack of availability of the same will have on the production process. Gloster Limited procures its jute mainly from West Bengal and partly from Assam located in the Eastern India. One of the primary raw materials essential for the production include jute, conventional and organic jute. We provide support to organic jute farmers in West Bengal by providing free high yield variety seed, purchasing raw jute from farmers at a higher price than the market price of jute, opening bank accounts, provision of jute drills and fair trade incentives. Selection of the grade of jute required for production is done depending on the nature of the final product.

Type	Raw materials used (MT)	
Material Name	Conventional jute	Organic jute
Quantity	48642	80.47
Total	48722.47	

Recycled input materials used (GRI 301- 2, GRI 301-3)

Gloster Limited is very conscious of its process waste generation and keeps everyday record of waste produced at every stage of conversion for the root cause analysis of the reasons of waste creation and for taking appropriate steps for waste minimization. Gloster Limited understands that since it might not be possible to eliminate total waste, due importance is given for proper collection of the waste for its recycling into useful products.

Listed below are the recycling and reusing initiatives adopted by Gloster Limited



Gloster Limited's recycling and reuse initiatives

- Process waste is reused :
 - To manufacture non -woven textile and coarse count yarns
 - As fuel for boilers
- Recycled water from ETP is used in
 - Maintaining the landscapes
 - In the sanitation system
- Process Steam Condensate is trapped and sent to the boiler FWT (Feed Water tank)
- CI Scraps are recycled in the mill foundry for new parts
- Plastic scraps are sold for recycling
- Other metal scraps are sold for recycling
- Kitchen waste is sent to bio-digesters for making fuel gas for guest house kitchen
- Hazardous waste is handed over to the WBPCB authorized parties

Gloster Limited follows a very strict Zero Waste Policy, wherein 100 percent of the raw materials procured as input materials are used either in the same process or in an alternative process, so as to ensure no wastage of resources. Jute process waste is reused in the non-woven category products because of the shorter length fibre size. The quantity of recycled materials are indicated in the table below.

Recycled materials as input (Jute caddies)	
Sent to boiler (MT)	3075.13
Back to process (MT)	657.22
Non-woven products (MT)	23.41
Total	3755.76

The remaining process waste is used as a fuel in the boiler, replacing coal in our Main Unit. The waste reusing, recycling and disposal strategies of Gloster Limited are further elaborated in the waste management section of this chapter.

GRI 302: Energy

Gloster Limited strives to reduce its specific energy consumption and contribute to a more sustainable method of processing jute, as it affects the environment as well as communities. Energy efficiency improvement and energy savings are major manufacturing concerns. Jute processing requires electricity at all stages to run various machineries. Gloster Limited uses both direct & indirect sources of energy in its processing units. The direct source of energy is the energy generated and consumed within the plant and includes, jute caddies, coal, HFO and HSD etc., while the indirect source of energy is the energy generated outside the plant premises, but used within the plant. This includes electricity purchased for plant operations. The subsequent subsections shall further elaborate our direct and indirect energy consumption, our energy efficient and energy conservation measures.



Energy consumption within the organization (GRI 302-1)

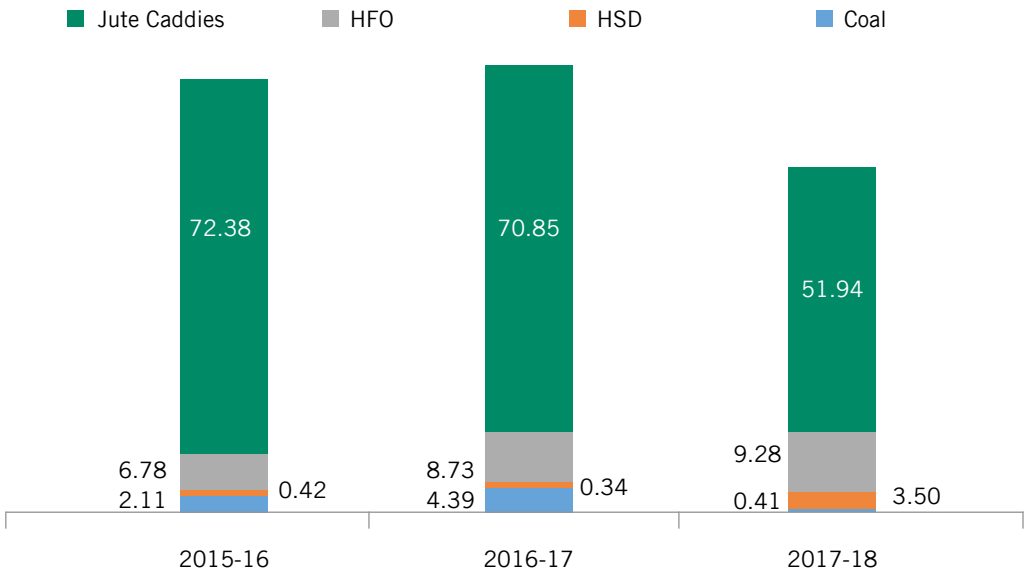
Despite the energy consumption for processing, jute farming has a lower carbon footprint than most plants and is seen as being carbon neutral as the energy used in the processing of jute is offset by the usage of jute plant as biomass for energy production. However, processing of raw jute is energy intensive, as the production chain comprises a number of machines for the various processes. These machines consume significant amount of energy generated within the organization from consumption of Jute caddies, Coal, HFO and HSD, these fuels count as direct energy. Gloster Limited has taken several measures to reduce its dependence on conventional fuels to meet the energy demand of the production process.

The table below represents the nature and quantity of fuel used, and the total energy consumption within the plant for FY 2017-18

Conventional Fuels			
Type	Fuel Consumption		Energy Consumption (TJ)
	Unit	Quantity	
Coal (Main Unit)	MT	14.60	0.41
HSD (DG sets, tractors, forklifts and trucks) – (Main Unit)	Kilolitre	68.78	3.49
HSD (DG sets – (Ananya Unit)	Kilolitre	28.07	
HFO (Ananya Unit)	MT	229.66	9.28

Alternate Fuels			
Type	Fuel Consumption		Energy Consumption (TJ)
	Unit	Quantity	
Jute caddies to boiler	MT	4478.89	51.94

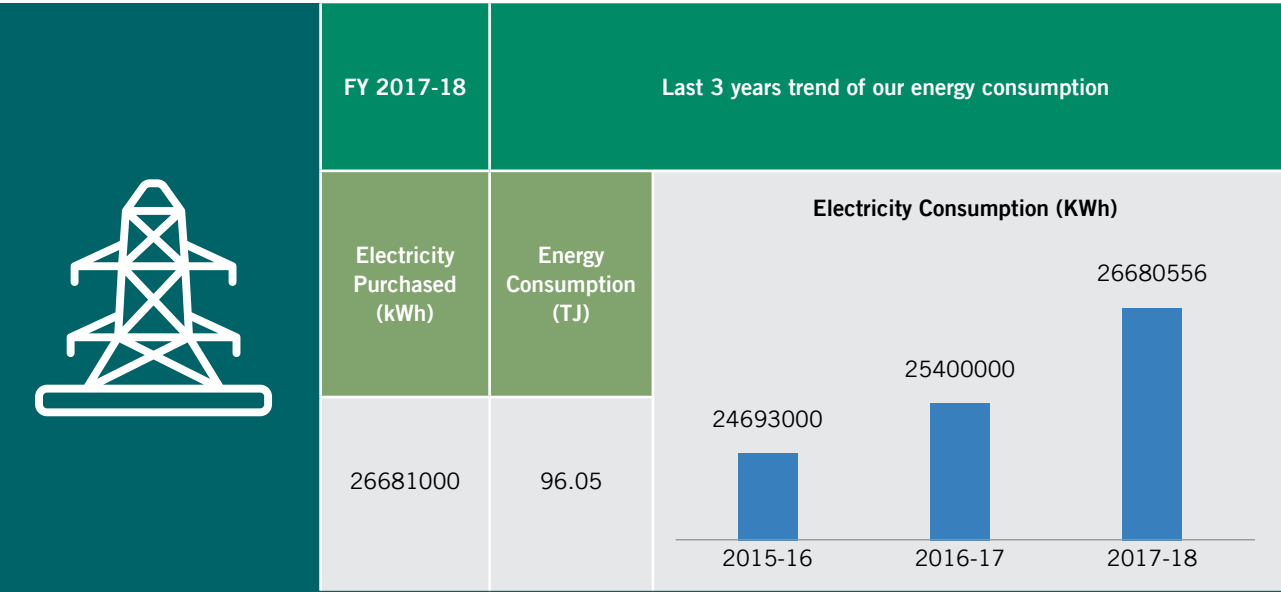
The graph below shows the trend in total energy consumption from conventional fuels and alternate fuels in the overall production process, over the last 3 years



It is evident from the above charts that the share of energy from conventional sources like coal has been decreasing steadily over the last three years. Moreover, due to the installation of the recommendations of the energy audit by Forbes Marshall in 2016, we are able to achieve considerable reduction in our energy consumption decrease. We are committed to maintaining its increased dependence on alternate sources of energy like jute process waste

Energy consumption outside the organisation (GRI 302-2)

The indirect source of energy for the production of jute products include the purchased electricity from the grid. It is generated outside the organisation, but required for the running of various machineries within the organisational boundary. Electricity is purchased from Calcutta Electricity Supply Corporation (CESC), contributing to the scope 2 emissions of Gloster Limited. The tables represent the total electricity consumed in the production process in the year FY 2017-18.



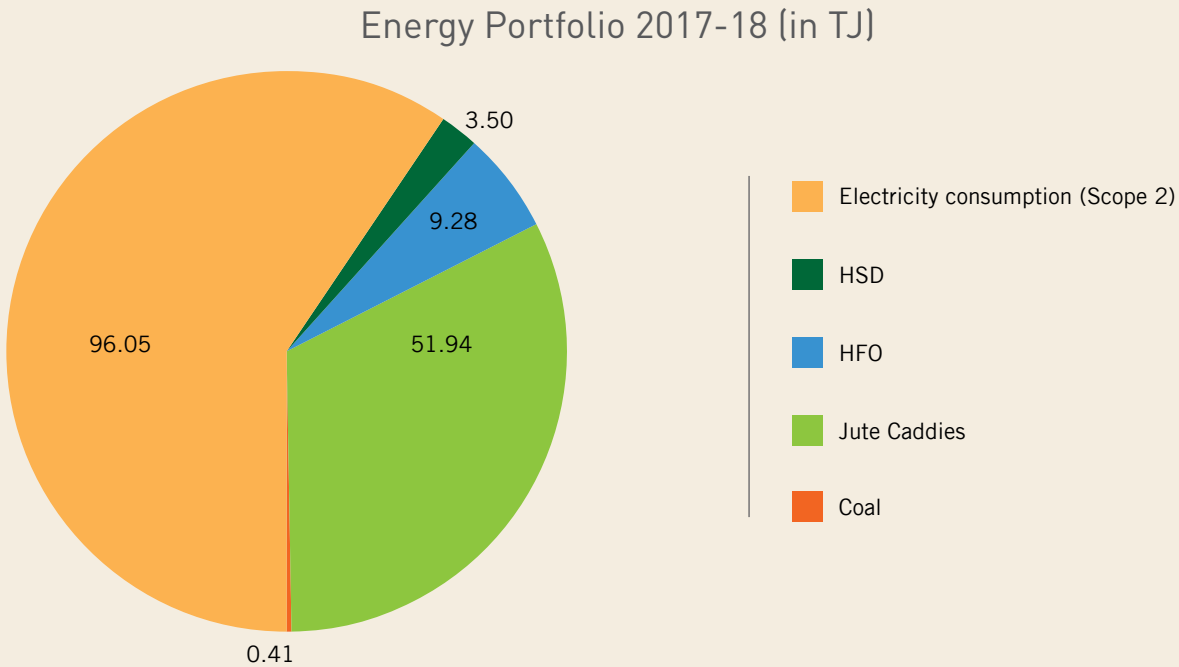
The graph indicates a increase in consumption of electricity over the last few years. This increase can be attributed to the following reasons:

- Usage of an electric arc induction furnace instead of a coke fired cupola to reduce air pollution in the mill and recycle cast iron scraps of our mill into new parts
- Installation of Electro-pneumatically operated auto transfer and disposal system for the precipitated boiler ash particulates in the Electrostatic Precipitator
- Installation of auto-dust cleaning system for spreader & softener sectionss
- Installation of dust suppression & room air humidification system for the mill's processes
- Expansion of compressed air distribution network
- Installation of a row of drinking refrigerated water system for use by our employees
- Installation of CCTV systems for extensive coverage of our mills and the head office for improved and robust surveillance systems
- Addition of air conditioners in the redesigned administration building

The above mentioned initiatives have lead a significant increase in the electricity consumption of the entire process. However, these initiatives have **significantly improved the mill process parameters and the safety standards followed by the employees within the premises.**

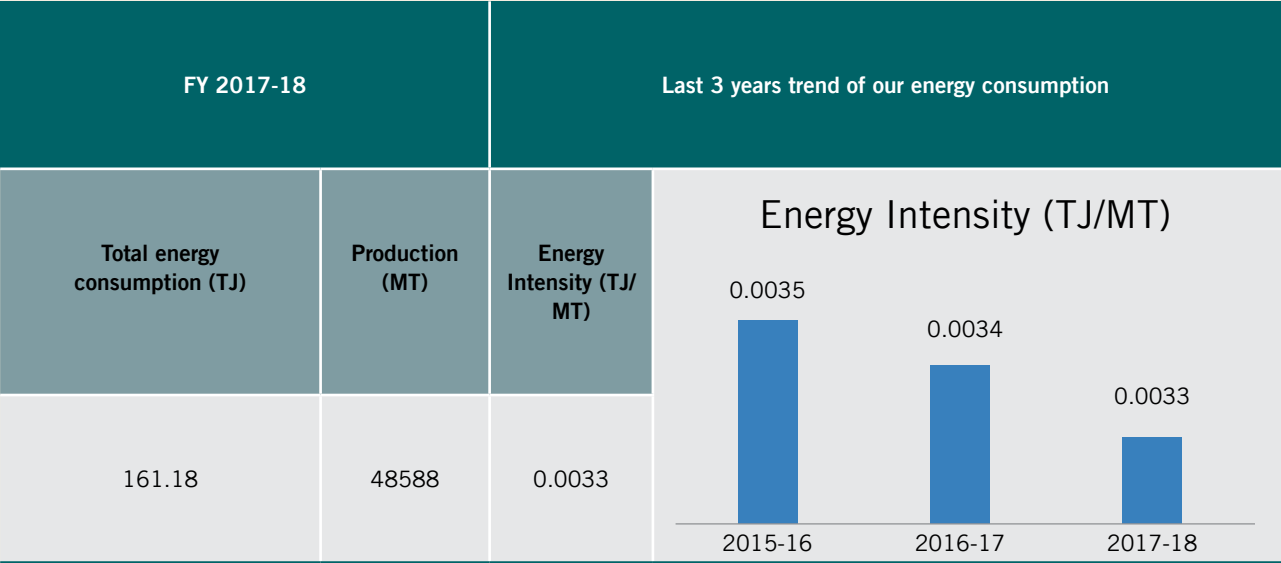
Gloster Limited has a diverse energy portfolio, and the break-up of conventional to alternate energy consumed and the percentage distribution of direct and indirect energy consumption is represented in the pie charts below.

Our energy consumption break up



Energy Intensity (GRI 302-3)

In this section, the energy consumed per unit produced, the energy intensity of the organisation has been presented. This essentially gives the energy that is required for producing one unit of the output. This gives a normalized data for comparison across peers and other companies. The table below presents the energy intensity of Gloster Limited for FY 2017-18.



Calculating the energy intensity helps us to plan our resources for our continuous efforts towards reduction in our product energy intensity.

Reduction of energy consumption (GRI 302-4)

Gloster Limited has taken many initiatives to improve energy efficiency in its operations. The measures have been listed below:

Conservation of energy

- Installation of Energy efficient (IES3) motors in roving machines
- Replacement of metal halide flood light with LED flood light
- Installation of energy efficient air generation and distribution system by Kaiser Legris Parker-Transair
- Installation of variable frequency drives
- Replacement of DC drive to AC drive in auto leveller system
- Insulation of steam pipelines
- Installation of energy efficient boiler
- Use of refracted solar lighting system for lighting our industrial sheds
- Steam energy audit by Forbes Marshall and implementation of all the audit recommendation
- Energy audit by TERI and implementation of all the audit recommendation

Technology absorption

- Installation of air pressure reducing system to regulate the air consumption
- Installation of PLC controlled energy efficient rolling machine
- Installation of 500 KVAR Automatic Power Factor Controller in our mill's power distribution system
- Replacement of diesel trucks with battery operated trucks for mills material handling
- Battery operated bikes for our security personnel

Utilising alternate sources of energy

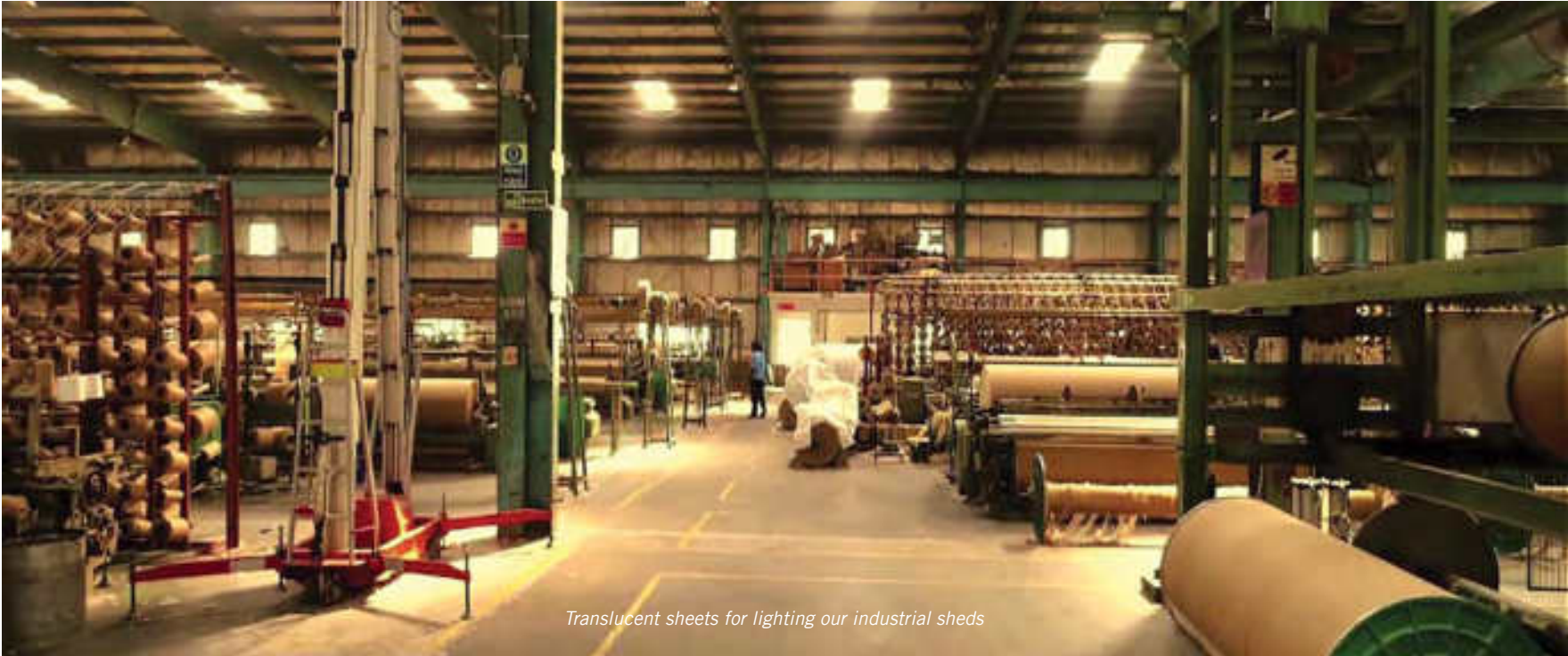
- Utilisation of jute waste in multi-fuel boiler as fuel
- Use of solar street lights in our Ananya Unit
- Use of refracted solar lighting system for lighting our industrial sheds
- Use of translucent sheets in industrial sheds roof
- Wind energy for turbo-ventilator to control room air changes
- 1.14 Km chain hook natural drying system for dyed jute and jute yarn hanks

Behavioural change

- Encouraging use of bicycles by employees in place of fuel driven vehicle



Turbo Ventilators



Translucent sheets for lighting our industrial sheds



Kaeser air compressors for RH, dust suppression and compressed air system



Newly installed Electric Arc Furnace



Electro Static Precipitator

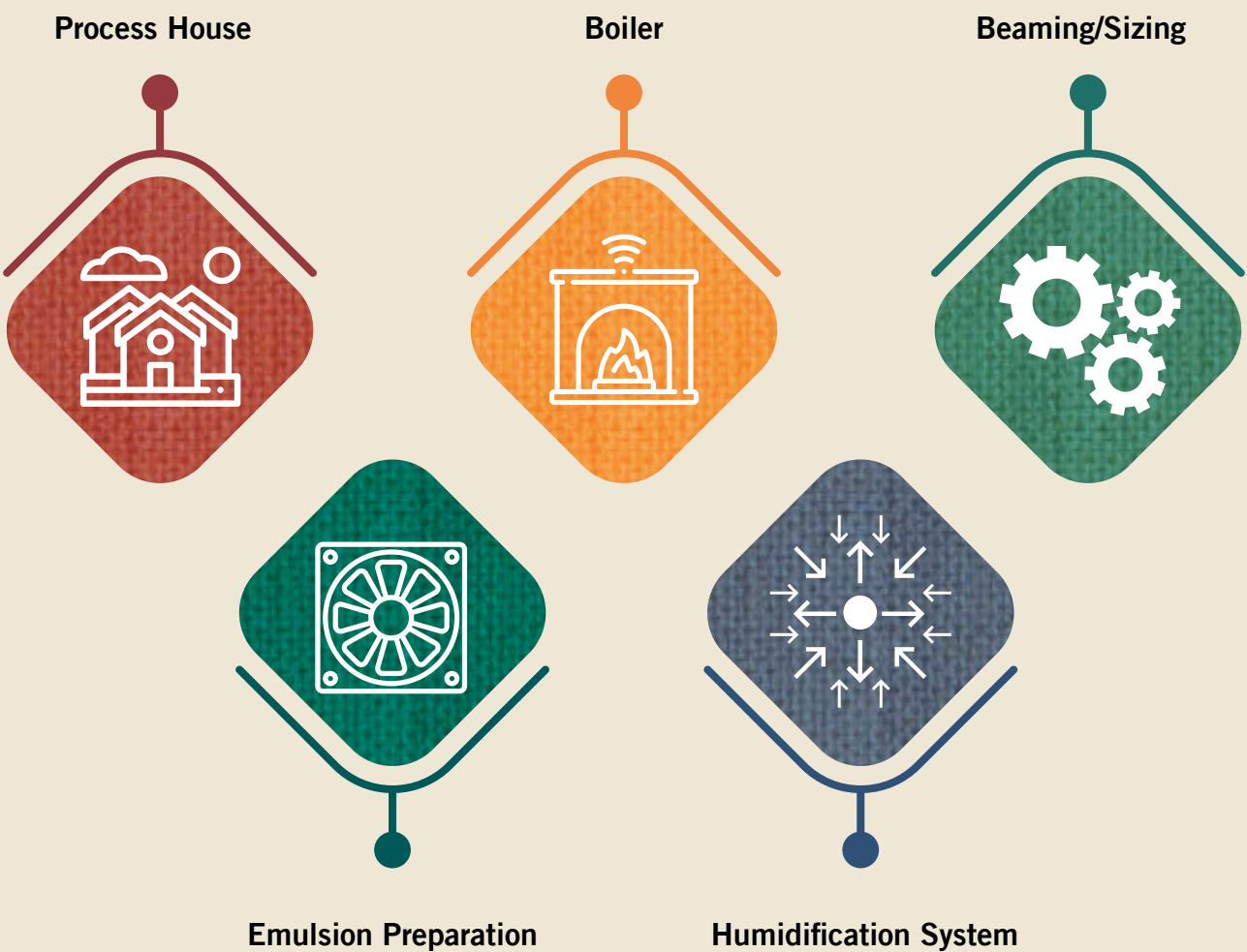
GRI 303: Water

Rising demand for commodities with the increasing population will put a pressure on the availability of natural resources. Rapid urbanisation from rural areas will also add to the increasing dependence on natural resources like land and water. Global climate change and the increasing temperature are expected to alter rainfall patterns and increase the incidence of extreme events like cyclones, floods, droughts etc. Some regions might be more vulnerable to water stress than others. This disparity in availability of water can further affect economic development. West Bengal has been well endowed with rainfall, hence there is availability of ground water. Despite having water resource in abundance, the availability and accessibility to water is not uniform across all regions. With the increasing need for disclosures and transparency in operations, organisations are becoming more conscientious of the impact of their businesses on the environment and society at large. United Nations Development Program (UNDP), SDG 6 addresses the Access to Clean Water and Sanitation. The goal is to ensure availability and sustainable management of water and sanitation to all. A number of targets have also been designed under this SDG for the achievement of universal access to safe and affordable drinking water, increasing water use efficiency, support and strengthen water and sanitation programs for local communities. Gloster Limited will continue to develop more sustainability initiatives such as responsible water management in production and increase transparency in the supply chain. We strive to reduce the specific water consumption and augment rain water harvesting activities at the Main unit and Ananya unit in Bauria.

Water withdrawal by source
(GRI 303-1)

The total water withdrawn from various sources is monitored to understand the overall potential for reduction and the risks associated with water dependence. The volume of water withdrawn is indicative of the organisations dependence on water, and it also provides the baseline figure for water use efficiency improvement.

The main source for water is the Hooghly River which is a distributary of the Ganges River, flowing through the state of West Bengal. The diagram below shows the various water consuming processes at Gloster Limited.



Water Consumption FY 2017-18	
Source	Volume withdrawn (KL)
Hooghly River	59540

Rain water harvesting

In addition to river water, we also use rain water in the mill. The water is collected in two huge pucca water bodies and used as and when required. We lay great emphasis in conserving rain water and consider our rain water harvesting initiatives as one of the key water conservation initiatives. The collected and stored rain water is used in the mill as a hydrant and in the emergency sprinkler systems which have been designed to go off automatically in the go-downs and

mill process areas in case of a fire. The two water collection tanks are interconnected and each of them is also connected to the mills pump house through underground water drains for continuous supply of water to the hydrant and the sprinkler pumping sets, the system is pressure actuated for auto controlling of their operations.

The potential for rain water harvesting has been calculated for the mill area. The potential was found to be approximately 172,750 KL. We are currently saving 13378.7 KL approximately.





Water efficient wet processing

The characteristics of wastewater in wet processing is fairly uniform, making it simpler to recycle. At Gloster Limited, the entire wet process effluents are treated by our Effluent Treatment Plant, recycled and used in our mill sanitation systems and for landscaping.

Returning condensate to boiler

In 2016, a study conducted by Forbes Marshall on our steam and condensate system highlighted that steam consumption can be significantly reduced. The objective of the study was to stop wastage of steam, optimise processes to utilise the steam generated effectively, and the finally recovery of steam condensate and re-usage. We have installed all the recommendations suggested by Forbes Marshall. The list of recommendation is listed in the table below.



Wastage Minimization

- Insulation of steam lines
- Closing all steam leakages and trap leakages
- Flash steam recovery and use
- Condensate recovery



Optimization

- Moisture optimization
- Replacement of non IBR boiler to new IBR boiler
- Pressure reduction
- Oxygen control
- CO control



Recovery and re-usage

- Hot effluent heat recovery
- Waste hot water heat recovery system
- Steam pressure optimization

Through, incorporation of the above recommendation in our existing process, we expect significant energy savings in our Main Unit our Ananya Unit.

GRI 305: Emissions

According to the Intergovernmental Panel on Climate Change (IPCC), despite having a growing number of climate change mitigation policies, annual GHG emissions have increased by 2.2% per year, i.e. an average annual increase of 1 GtCO₂⁵. On assessing the increase in concentration of GHGs in the atmosphere, across a range of scenarios, it has been observed that without any additional effort to decrease GHG emissions beyond those in place today, emission growth is said to persist resulting in a minimum of 2 degree rise in the global surface temperature. The biggest contributors to global warming are Carbon Dioxide, Methane, Nitrous Oxide, Chlorofluorocarbons, Hydro-fluorocarbons, Per-fluorocarbons, Sulphur hexafluoride, and Nitrogen tri-fluoride, due to their long residence periods in the atmosphere. Consumption of electricity and fuel for jute processing and transportation, cultivation of raw jute, all of which result in the release of greenhouse gases.

Direct (scope 1) GHG emissions (GRI 305 - 1)

At Gloster Limited, we try to minimise the adverse impacts of emissions on soil, water and air. The products made by Gloster Limited have various impacts, both positive and negative. Some of the negative impacts being emissions which we try to minimise through energy efficiency measures, carbon sequestration etc. Gloster Limited is committed to the sustainable usage of energy at the plant at all times. The approach is to manage and reduce our energy consumption while maintaining the competitiveness of our business.

Gloster Limited exports products to the European market. With the increasing emphasis on reduction of embodied carbon and targets of becoming carbon neutral, the European

agenda has been to reduce its specific energy consumption by 20% by 2020. India has ratified the Paris Agreement to abide by the commitment of reduction of emission intensity by 30-35% by 2030. Given these pressures, it is imperative for companies to develop low carbon interventions. Reporting on emissions serves as a management tool, and becomes a basis for setting reduction targets and identifying areas where emissions can be reduced. The emission levels at Gloster Limited are monitored regularly to maintain compliance. As specific targets on emission reduction becomes a reality, we will have to adopt a low carbon growth strategy.

Indirect (scope 2) emissions (GRI 305-2)

GHG emissions from jute are negative on account of the large sequestration that occurs during the jute growing stage. However, jute product manufacturing equipment are electricity based and though they do not produce significant emissions directly, the scope 2 emissions are not insignificant. All stages of manufacturing use machines of different ratings for the manufacturing of jute products. Though these products do not produce emissions directly, the indirect emissions from power generation from plants cannot be ignored. We have conducted a carbon footprint assessment to understand the scope 1 and scope 2 emissions as a result of the fuel and electricity consumption. Majority of our indirect emissions is a result of electricity consumption. The total indirect emissions have been calculated using CEAs combined emission factor (including imports) to arrive at the annual CO₂ indirect emissions.

The table below shows the total scope 1 and scope 2 emissions of Gloster Limited for FY 2017-18. Measures have been taken to reduce the dependence on coal by increasing the use of jute process waste for the generation of steam for the manufacturing process. The following table illustrates the emission sources & amount of emissions:



⁵https://www.ipcc.ch/pdf/assessment-report/ar5/wg3/ipcc_wg3_ar5_summary-for-policymakers.pdf

GHG emissions intensity (GRI 305-4)

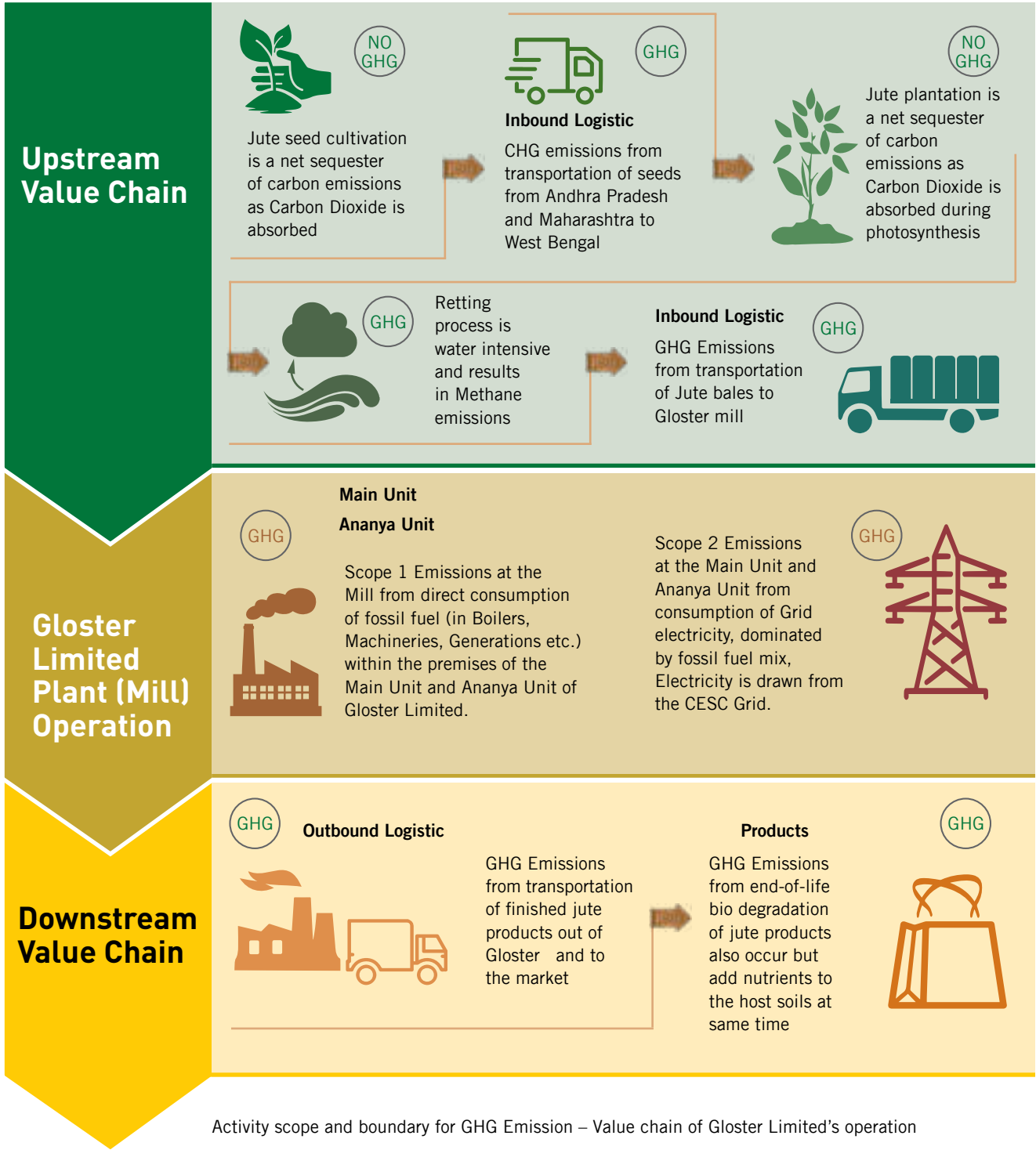
Emission source	Fuel used	Total emission FY 2017-18 (TCO2)	Emission intensity (TCO ₂ / MT)	Trends Showcasing our emission intensity
Scope 1	Coal, HSD, HFO and Jute waste	6210.78	0.660	<div> Emission Intensity (TCO₂/MT) </div> <div> <div>0.650</div> <div>0.653</div> <div>0.660</div> </div> <div> 2015-162016-172017-18 </div>
Scope 2	Electricity	25880.57		



Impact Assessment from emission

Impacts Assessment study of direct and indirect emissions have been carried out by Gloster Limited in order to understand the positive and negative impacts of their operations on the natural environment and community. The scope of the study includes the assessment of impacts of scope 1, 2 & 3 emissions of Gloster Limited. In the upstream value chain, a large amount of Carbon is sequestered from the atmosphere in the jute seed cultivation and jute fibre plantation stages. The major emissions from this phase are during the retting of the jute fibre in open pits and ponds due to substantial amount of Methane emission. In the Jute mill, the most material GHG impact is from the consumption of grid electricity, and emission from direct fuel combustion within the mill. The substantial emissions avoided at this stage are from translucent sheet installations in the roof which maximise the usage of sunlight thereby avoiding the use of LED lights during the daytime, and from the use of Biogas (replaces the use of fossil fuel) in the kitchen canteen of the mill. Turbo-ventilators have been installed in the industrial sheds for regulating the necessary air changes. The end-of-life impact of jute products vis-à-vis the plastic alternatives result in a substantial amount of avoided emissions. The only material emissions in this stage is from the transportation of the finished jute products to the point of sales. The figure below is a summary of the emission sources across the value chain of Gloster Limited:

GHG Emissions Scope



GRI 306: Effluents & Waste

Water discharge by quality and destination (GRI 306-1)

Jute wet processing is a water intensive process. The pollutant features differ widely among various organic substances like dyes, starches and detergents present in effluents. In the case of jute processing, dyes used in the processing of fuel is one of the main contributors of pollution. These pollutants undergo chemical and biological changes in water bodies and consume the dissolved oxygen, destroying aquatic life.

Gloster Limited has constructed an Effluent Treatment Plant (ETP) to ensure that effluents are treated, recycled and released within the quality standard prescribed by the Pollution Control Board of West Bengal. The ETP technology at the manufacturing unit works on the principle of electrocoagulation, which is an electrochemical process which destabilizes dissolved, colloidal, emulsified chemicals/dyes and other stable compounds, like dirt, soap and oil in water and converts them into suspended particles. These suspended particles get removed on filtration and result in completely colourless, odourless and reusable water. The treated water is reused for sanitation purposes and maintenance of the mill landscape.

Non-hazardous waste	
Effluent Treated	4306.40

Impact Assessment from effluents discharged

According to the Impact assessment study carried out by Gloster Limited, the environmental and social impacts of domestically used water discharge into environment is estimated to be very marginal.



Effluent Transfer Plant

Waste by type and disposal method (GRI 306-2)

Effective waste management is a problem for all local governing bodies with high population densities. In India, the informal sector has a key role to play in extracting value from waste, with approximately 90% of the residual waste being currently dumped rather than being properly landfilled⁷. India generates approximately 1, 33, 760 tonnes of MSW per day, of which approximately 91,152 tonnes is collected and approximately 25, 884 tonnes is treated. MSW generation in India ranges from ~0.17 per kg per person per day in small towns to approximately 0.62 kg per person per day in cities⁸. Industrial waste generated can be hazardous and non-hazardous in nature. The management and handling of Industrial wastes is governed by various rules and regulations. Hazardous waste generated from Industries, as a result of its intrinsic nature of being corrosive, toxic or inflammable, have to be disposed in scientific ways and this is governed by the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. According to CPCB, approximately 7.46 million metric tonnes of hazardous industrial waste is generated in India. The generation of waste of this nature has also been increasing by 2-5% year on year⁹. The improper storage, handling, transportation, treatment and disposal

of hazardous waste has adverse impacts on the ecosystem. The productivity of land can be affected if these phytotoxic chemicals are released directly into the soil.

It is important for organizations to disclose information on the safe disposal methods adopted as this is reflective of the extent to which the organization has balanced between disposal options and uneven environmental impacts. A good example of this is the option of landfilling waste. This is a safe disposal method, widely adopted across municipalities in India. However, the environmental impacts of landfilling cannot be ignored. It is essential to increase the uptake of waste material by reusing, recycling and most importantly reducing the generation of waste.

At Gloster Limited, we have laid emphasis on the safe disposal of waste, in compliance with all the waste disposal standards prescribed by the state municipal authorities, and national waste management guidelines. At Gloster Limited we ensure minimum effect on the environment and communities. As a result of our operations, we generate two types of wastes; hazardous waste and non-hazardous waste. The scrap metal generated, ETP sludge, used damaged oil filter, oil soaked cloth, batteries and HFO sludge generated are classified as hazardous wastes. Whereas boiler ash and dust collected from the ESP are classified as non-hazardous. The following section presents our waste generation data as well as some of our waste management and disposal initiatives.

Non-hazardous waste	
Boiler ash (MT)	510.8
Fly ash (MT)	240.7

Hazardous waste	
ETP Sludge (MT)	13.9
Used damaged oil filter (Kg)	77.4
Oil soaked cloth (Kg)	54.2
Batteries (MT)	1.6
Used oil (Litre)	600.0
e-waste (MT)	1.8

Waste Management measures at Gloster Limited

- The hazardous waste is collected by WBPCB authorized Waste Management Organization for recycling, and Gloster Limited pays organization for the services
- Boiler ash & dust collected is wet processed and sent for dumping.
- Non-ferrous scrap is sent for recycling into new parts
- Cast iron parts are recycled in Electric Arc Induction Furnaces of mill's foundry shop into new cast iron parts
- Plastic waste generated is sold to the Bauria municipality by Gloster Limited for recycling

⁷Kumar, S. et al., February 2017, Challenges and opportunities associated with waste management in India, Royal Society Open Science

⁸Kumar, S. et al., February 2017, Challenges and opportunities associated with waste management in India, Royal Society Open Science

OUR EMPLOYEE PRACTICES



Our approach to workforce management

Competitive markets seek efficiency, however, it can be ensured in a progressive way, so as to motivate the employees to work diligently and respect their demands. It is essential to find measures to remain competitive, maintain quality, optimise cost structure, and at the same time remain mindful of the needs of the employees and effective in addressing their concerns. This necessitates the development of a strong, responsive organizational structure that is committed to employee well-being that goes beyond complying to laws and guidelines, but incorporates the best of the Global standards, despite it being unconventional. We expect our employees and business partners to subscribe and adhere to this philosophy, which honours all pertinent laws and upholds the spirit of human rights as enshrined in the existing international standards, and being adaptive to the changing demands of the employees with the dynamic global practices. We believe that efficient and fair management of our workforce is the key to our success as an organization.

Adhering to fair labour practices is Gloster Limited's commitment. This is reinforced by our core values which are driven by a competitive environment. We ensure business is conducted in accordance with the highest ethical standards. It is as important to maintain a good relationship with the employees to ensure workplace harmony and increased levels of productivity. In keeping with this philosophy, we invest heavily in training and developing our employees both in the mills as well as in the head office. The training pertains to topics like health & safety policy, environmental and our sustainability initiatives. Gloster Limited believes in hiring competent personnel, developing them to their highest potential by identifying their talents. In addition to this, we have an open door policy, whereby our employees can directly access our Managing Director's office, enabling our management to understand our employees concerns and subsequently respond to them swiftly and efficiently.

We have both permanent and contractual employees at the office and the mill. The snapshot of our employee strength is provided in the table

Total employees at the Main Unit:

Type of Employment	FY 2017-18
Permanent Mill Employees	4072
Contract Mill Employees	884
Total	4956

Total employees at Ananya Unit:

Type of Employment	FY 2017-18
Permanent Mill Employees	209
Contract Mill Employees	21
Total	230

Total employees at Head Office:

Type of employment	FY 2017-18
Employees	23

The following table shows us the total number of employees in the organization:

Unit	FY 2017-18
Main Unit	4956
Ananya Unit	230
Head Office	23
Total	5209



GRI 401: Employment

New employee hires and employee turnover (GRI 401-1)

Most organizations are found to be transitioning into a more technology driven system, yet human resources are required to operate the technology, making them the most vital and dynamic resources of the organisation. Encouraging employees to remain in the organization for a long period of time is known as employee retention. To a great extent, the success of the business lies in its ability to retain the best employees. Customer satisfaction, increased sales, satisfied colleagues and reporting staff, effective planning etc. are all dependent on the retention of the most committed employee within the organization. Studies show that employees get benefited by a work environment that provides a sense of belonging. It is those organizations with generous human rights policies that have a good chance of retaining their employees. At Gloster Limited, we believe in the abilities of our employees, and aim at maximum retention rate.

At Gloster Limited, we believe in optimising the utilisation of resources, and one of the ways of doing this is by playing to their strengths. Matching the skills with the job at hand is an important step in the recruitment process. Principals of accountability and inclusivity are integral to the labour management processes employed at Gloster Limited. We are an equal opportunity employer, and are intolerant to any kind of discrimination at the workplace. Gender equality features high up on our employee agenda and several measures have been taken to promote diversity at the workplace.

The following table gives the employee turnover at Gloster Limited in FY 2017-18

Year	FY 2017-18
New Hires	260
Exits	198

The figures given above show clearly that we have hired more people than exits. The exits is mainly because of superannuation of employment, resignation due to personal reasons, termination of employment and natural cause. In the month of July 2017, it was observed that a large number (79) of employees had retired from service.

Benefits provided to full-time employees (GRI 401-2)

No resource is more critical to an organisations success than the human resource. A study shows that satisfied employees are more likely to be committed to their organisation, and exhibit higher levels of performance and productivity¹⁰. There are many ways in which an employee can be recognised for the work they have put in. This positive reinforcement can be monetary and non-monetary. Either way, recognition ranks as one of the most powerful motivators, and plays a key role in the effective management of human resources. Currently, in the developed world employee benefit packages have become an integral part of the total organizational expenses. Employee benefits have become crucial in attracting and retaining quality employees. At Gloster Limited, we believe in recognising and rewarding our employees who have demonstrated leadership and commitment to their work. Gloster Limited ensures that multiple benefits are provided to our full time employees. The benefits provided to the employees are listed below:

Benefits	Permanent Employees
PF Contribution	✓
ESI	✓
HRA	✓
Bonus	✓
Festival Holidays	✓
Statuary Leave	✓
Gratuity	✓

¹⁰<https://pdfs.semanticscholar.org/d999/306d685a85cbe2232a844f8415a689e985f0.pdf>




GRI 402: Employee/Management Relations

Minimum notice periods regarding operational changes (GRI 402-1)



Consultation with our employee union representative:

-  **Mr. C. B. Banerjee** – Employee Welfare Manager
-  **Mr. Chandrama Rao** – INTUC Representative- 40 Years with Gloster Limited
-  **Mr. Binayak Jana** - INTTUC Representative- 30 Years with Gloster Limited
-  **Mr. Ramlal Pashi** - BCMU Representative- 26 Years with Gloster Limited
-  **Mr. Ashok Thakur** - TUCC Representative- 32 Years with Gloster Limited
-  **Mr. Suman Bhandari** – BMS Representative-18 years with Gloster Limited

Gloster Limited currently has 7 unions and more than 5000 employees are registered with these unions. We are indebted to Shree D.C. Baheti ji (Managing Director, Gloster Limited) for his proactive role in maintaining labor relations which has enabled us to enhance our productions over the years. Gloster Limited is the one of the most advanced mill and the management invest heavily in


- Infrastructure development
- Modernizing the plant machineries.
- Health & Safety management
- Employee Welfare, child education
- Sanitation, clean environment, community development

Investing in community and mill infrastructure had been extremely beneficiary for the employees. The improvement in road, accessibility to good schools, clean drinking water, hospitals and other medical facilities have helped the employees immensely. These initiatives are reflected through improved performance of each and every employee, thereby enhancing the overall performance of Gloster limited.

Gloster Limited has an extremely organized HR team and provide social security, PF and DA to all the employees. In case of any grievances it is resolved amicably through dialogues between the management and the employee union representatives.

Gloster Limited's continuous striving for improvement has made the Mill one of the most desirable place to work among the Jute Mill employees.

Gloster Limited provides on the job training to their employees as well as provides skill upgradation to the same in various fields. They provide value to their employees, timely payment of wages and other benefits are taken care off and their feedback is considered before any new policies or systems are instituted by the Management. Gloster Limited is also committed to zero fatalities at the mill.

 **Mr. Binod Kumar Sahoo**
– JWF Representative-25 years with Gloster Limited

Attention has been paid to the needs of the employees, and their inputs have been taken in the development of all the initiatives at Gloster Limited. One such example is the provision of uniforms, free of cost to the employees at the Ananya Unit. This reduces the purchasing burden of uniforms on the employees. The employees are provided with safety gear within the mill premises to prevent exposure to the probability of accidents. Bicycles have also been provided to the employees of the Ananya Unit free of cost, to facilitate their daily commute and reduce their financial burden. Cycle sheds have also been constructed and maintained to prevent theft and damage to the cycles, belonging to the mill employees

GRI 403: Occupational Health and safety

Employee representation in formal joint management employee health and safety committee (GRI 403 -1)

It is important for companies to disclose the presence of formal health and safety committees, if any, that collect feedback, monitors and advises on occupational health and safety measures at the organizational level. This requires disclosure on the percentage of employees represented by this said committee. At Gloster Limited, every employee belongs to a particular union which is covered by collective bargaining. They have agency to be represented in case of any transgressions. In addition to this, there are joint management employee committees at the Main and Ananya Unit.

Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities (GRI 403-2)

An organization is expected to monitor and keep records of the accidents within the premises, across all locations of operation. This is also to be disclosed on a regular basis. Low rate of absenteeism and injury are indicative of a positive trend in morale and productivity. Evaluation of such trends and patterns can help in identifying potential areas of improvement intervention. At Gloster Limited, we have worked tirelessly with our employees, their representatives, and our Management, to put in place a safety management system. The system has reduced accidents rates to well below industry averages. In this section, we discuss our performance related avoidance of injuries and accidents for our Main Unit and Ananya Units.

The table below shows the list of injuries in FY 2017-18:

Main Unit	Total Accidents	First Aid Case	Hospitalised Case	Medical Case
	411	227	184	92
Ananya Unit	Total Accidents	First Aid Case	Hospitalised Case	Medical Case
	8	2	6	-

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 Limited has been awarded the OHSAS 18001:2007 Certificate by the Bureau of Indian Standards for our main unit. We have also received the certificate OHS 558016 from British Standards Institution India for Occupational Health and Safety Management System in our mills for manufacturing goods.

Health and safety topics covered in formal agreements with trade unions (GRI 403-4)

Gloster Limited emphasizes on improving and maintaining health of our employees. Trainings and capacity building workshops have been conducted to increase awareness on hygiene, sanitation and the importance of healthy living. We conduct health sensitization programmes focused on working in community health, to spread awareness regarding communicable diseases and the importance of hygiene and sanitation. We also help the employees with financial aids in case of emergency like ill health or other exigencies of life. All employees excluding senior members of staff are covered under our Employees State Insurance Scheme for providing medical treatment to employees and members of their families. Our employees have to ensure that they have the requisite level of fitness to carry out of their jobs. We also perform health audits regularly to ensure proper health & safety of the employees. In the reporting year we have conducted one (1) health audit.

GRI 404: Training and education

Average hours of training per year per employee and Programs for upgrading employee skills and transition assistance programs (GRI 404-1, 404-2)

We believe in capacity building of each and every employee in our company, as it provides the employees with the benefits of personal growth. It also benefits our community, key stakeholders and organization as a whole. The following areas have been identified as areas for training for our employees.

- Induction trainings for new employees - This includes training on the roles and responsibilities, vision, mission programs, strategies and working areas.
- Personality development such as communication skills and teamwork, leadership.
- Program related training - participatory planning, implementation and monitoring of programs, technical and other training as per individual roles and responsibilities

At both of our units, all employees are required to undergo training for 2 years from the commencement of employment of a new job assignment. After the 2 years period, the Management will review the performance of the employee and decide whether or not the training period should be extended. Gloster Limited performs a regular induction process for the new joiners given the technical nature of the job performed by the employees. Our policies are as follows:

- Orientation to organization culture and values
- Meeting with the manager to understand the unit goals
- Meeting with key personnel to understand programs

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. Besides our routine training for employees, we also provide specialized training sessions to our junior level supervisors, which are conducted by experts from the Institute of Jute Technology. We also started training. Other than the On Job Training mentioned above we also conduct frequent trainings on environment, health and safety topics in our units. The list below gives us the training hours we have invested on trainings pertaining to Environment, Health & safety and other sustainable practices like

Training in FY 2017-18	No. of persons	No. of training hours
Quality, Environment & Safety	648	1296
Safety IMS Training	14	28
Meeting and training on new IMS systems	7	14
Safety Training (General)	19	38
Lubrication	64	128
Swachch Bharat	215	430
Total	967	1934

GRI 406: Non-Discrimination

Incidents of discrimination and corrective actions taken (GRI 406-1)

In the context of this disclosure, an ‘incident’ refers to a legal action or complaint registered with the reporting organization or competent authorities through a formal process, or an instance of non-compliance identified by the organization through established procedures. Established procedures to identify instances of non-compliance can include management system audits, formal monitoring programs, or grievance mechanisms. Discrimination can occur on the grounds of race, colour, sex, religion, political opinion, national extraction, and social origin. The presence and effective implementation of policies to avoid discrimination are a basic expectation of socially responsible conduct. Gloster Limited has developed various support mechanisms and systems to check discriminatory actions. In FY 2017-18, we have had no reported cases of discrimination.

GRI 407: Labour Management Practices

Labour relations refers to the system in which employers, employees, their representatives, government etc. interact to set the ground rules for governance of work relationships. Developing and maintaining respect between the management and labour is an essential process and also found to be mutually beneficial¹¹. Gloster Limited of the same belief and has made several attempts to uphold these core values of fair labour practices and relations.

Freedom of association and collective bargaining (GRI 407-1)

This essentially means, all employees, regardless of rank or job grade, have the right to join and or form trade unions of their choice, and bargain collectively for better wages, working conditions etc. It is the right of people to come together, form groups and or join them for the purpose of collective action. It is widely regarded as being fundamental

to a fair and free society. They also have the right to elect their own representatives. These groups can be trade unions, employees’ committees, or other bodies. It is generally observed that organizations that allow and facilitate collective bargaining generally have a higher morale, greater productivity and are more capable of working cohesively. Gloster Limited encourages collective bargaining. We emphasize on maintaining good relationships with our employees and labour representatives in the mills. We ensure that all grievances of our employees are properly addressed by providing a proper solution, acceptable to both the parties. Every permanent employees working in the mill belongs to a particular labour union and therefore covered by collective bargaining which also covers health and safety issues. We have always promoted our employees to feel free to discuss their problems with the Management without any hesitation. Support measures have been reinstated to interact with the employees and address their grievances. There have been occasions where the MD himself has interacted with the employees and attempted at addressing the issues. As a result of the harmonious relationship between the management and employees, there has not been any incidence of strikes/bandhs/hartals 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 employees and Management of our units.



Employee canteen and resting shed

¹¹<https://www.apo-tokyo.org/publications/wp-content/uploads/sites/5/Manual-on-Labor-Management-Relations-2014.pdf>

GRI 408: Child labour

Operations and suppliers at significant risk of incidents of child labour (GRI 408-1)

Child labour is subject to ILO Conventions 138 ‘Minimum Age Convention’ (ILO Convention 138) and 182 ‘Worst Forms of Child Labour Convention’ (ILO Convention 182). Child labour’ refers to an abuse, which is not to be confused with ‘children working’ or with ‘young person’s working’, which may not be abuses as stipulated in ILO Convention 138. Reporting on the operations and suppliers considered to have significant risk for incidents of child labour or young employees exposed to hazardous work. Child labour results in under-skilled and unhealthy employees for tomorrow and perpetuates poverty across generations, thus impeding sustainable development. The abolition of child labour is therefore necessary for both economic and human development. At Gloster Limited, we ensure every single unit of is routinely monitored to ensure that no child labour is employed. We strongly condemn the use of child labour, hence, regular monitoring measures have been developed to prevent any such transgressions. We also perform a rigorous process of due diligence before employing suppliers to ensure a clean, sustainable, and ethically righteous supply chain.

GRI 409: Forced or Compulsory Labour

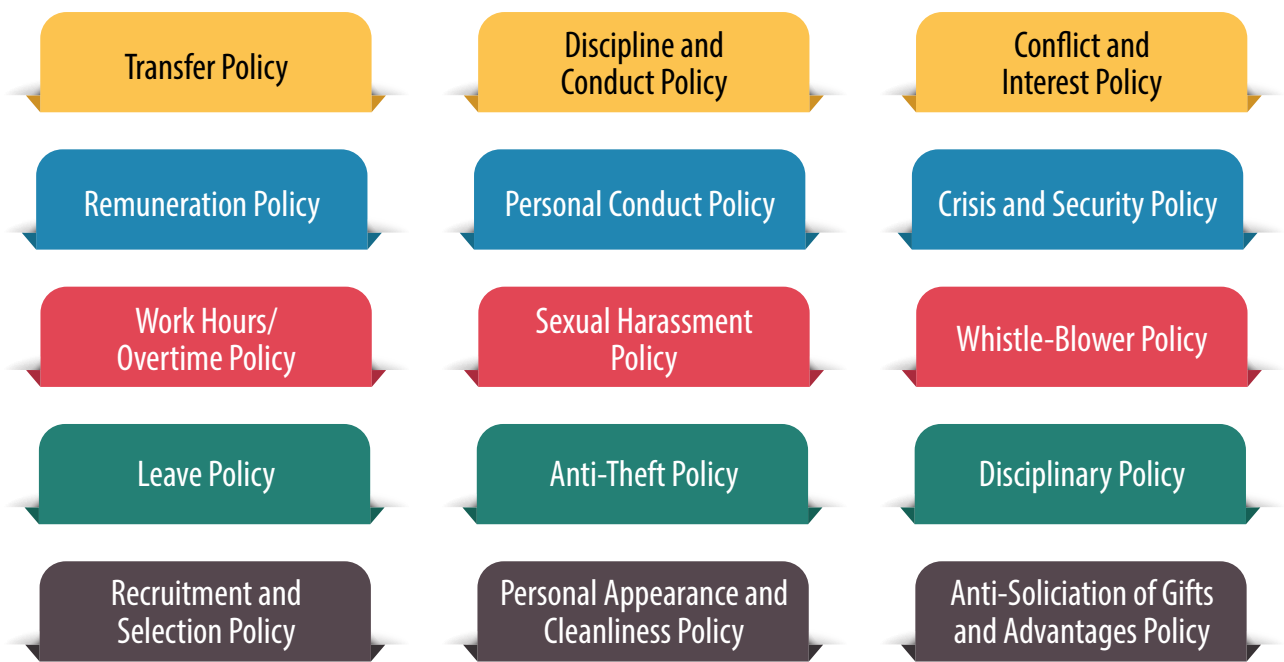
Operations and suppliers at significant risk of incidents of child labour (GRI 409-1)

We, at Gloster Limited, 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.



Other policies

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



Material Handling Vehicle

A photograph of a network of brass pins connected by thin, light-colored wires, laid out on a dark wooden surface. The pins are arranged in a complex, interconnected pattern, with many lines crossing and forming various geometric shapes. The lighting is warm, highlighting the metallic sheen of the pins and the natural grain of the wood. The overall composition suggests themes of community, communication, and interconnectedness.

OUR COMMUNITY INVOLVEMENT



GRI 413: LOCAL COMMUNITIES

Communities benefit from the activities of organizations. The capital creation as a result of the organizational activities can provide value to communities in the form of improved health and sanitation, increase in literacy, access to information, reduced crime and economic growth. Companies with a great external relationship with stakeholders benefit from the competitive advantage they have over others as a result of access to valuable resources and resources, knowledge and information. At an organizational level, leveraging social capital can result in increase in efficiency of operations and the overall performance of the organization. For Gloster Limited, the larger community and the society is a critical input to their production process. This is because jute manufacturing is a labour intensive industry, and most of the residents of the local community work in jute mills.

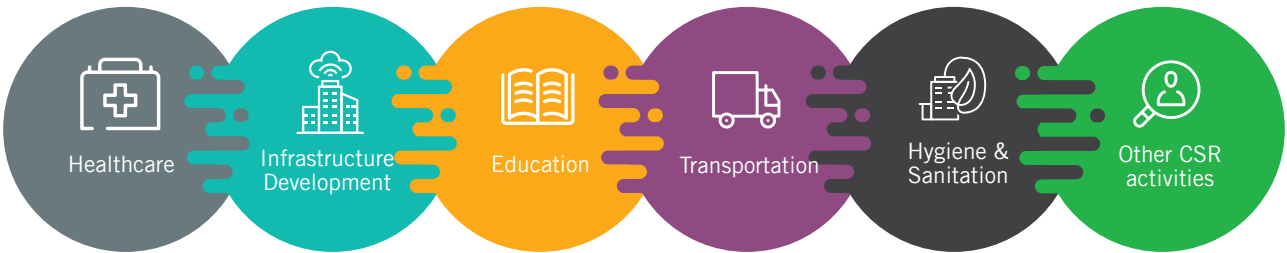
Gloster Limited has a number of policies geared towards the holistic development of the community we operate in, demonstrative of our commitment to improving their internal and external Social capital. Our CSR initiatives have been effective in involving communities in productive activities and are both acknowledged and appreciated by the local community and municipal bodies. We are committed to deepening our engagement with local communities, and responding to prominent developmental challenges of the community. Close involvement with the community is required to empower and enable them to become agents of change without having to depend on external agents. Our social vision is to be a:

Socially committed corporate by building vibrant communities in harmony with nature. Aiming to become the most admired company in India, meet customer expectations and be rewarded with a smile.

We have a vision of inclusive growth with the local community of Bauria, where our mills are located. We are aware of the needs of the local community, and have developed various initiatives geared towards provisioning of education to the children of the local communities, provisioning of healthcare services free of cost to the financially deprived strata of the local communities, attention to hygiene and sanitation needs in the neighbouring communities, provisioning of clean drinking water to the mill employees and attention to ensure the safe disposal of any hazardous wastes generated from the jute product manufacturing processes with minimal harm to the health of their employees or local communities. Community engagement is the core of our development model. All activities are undertaken through participatory models with close involvement of the community. Community contribution through various initiatives, combined with the participatory approach are foundations for long term sustainability. The ultimate aim is to empower the local communities, which will eventually function as independent entities.

At Gloster Limited, we engage periodically with the members of the local community, representatives of the Municipality, manufacturers' associations to understand the impact of their initiatives, and to try and formulate any new interventions which could address some of the topics on the needs of the local community or any new research and manufacturing machinery which can achieve efficiency of production process and reduce impacts on the environment. Our involvement is seen across various sectors like health, transport, education and infrastructure. Below is a snapshot of our social engagement framework, highlighting our involvement across sectors.

Gloster's Community Engagement Framework



Operations with local community engagement, impact assessments and development programs (GRI 413 – 1)

1. Education for an inclusive growth

Human capital is often overlooked in the development plan of an organization. Human capital being intangible makes it all the more neglected as an important area of business focus. It is imperative for organizations that are highly dependent on their workforce for business operations to invest in the fostering and development of a highly skilled and capable workforce. The first step in this direction is to ensure the availability of primary education for children of the local communities, as they are the future of the organization. Ensuring that the formative years of development of children are utilised in learning and development activities, rather than forcing them into employment is of utmost importance. It is most crucial, in this regard, to provide access to universal and free education to the masses of any nation to eliminate the possibilities of any access based disparities arising out of economic or social discrimination.

Investing in quality education ensures a skilled workforce in the future, reducing extra expenses on training and capacity building. Not only does it ensure a skilled workforce, education also increases the value, productivity and the earning potential of individuals. The United Nations Development Program (UNDP) designed Sustainable Development Goal 4, emphasises on the provision of quality education with specific targets to achieve the goals. Organizations, through their CSR initiatives have been investing heavily in the social sector and aligning their development initiatives and activities to the 17 SDGs and their targets.

In keeping with this agenda of UNDP, at Gloster Limited, primary education is provided to the children of the neighbouring communities. We handle the operation and management of the Fort Gloster Primary School in the region, and supports the infrastructure development of Gloster Vidyalaya Higher Secondary School. These educational institutions have produced many high calibre students who became doctors, teachers and police officers and who are still providing their services to the district. This is directly reflective of the quantum of impact the education has on the development of the community, directly contributing to our operations. Apart from operating and maintaining the Fort Gloster Primary School, the funding of books, tuition fees, school uniforms, salaries for the school teachers, training support for the faculty are also provided by us. We provide free and universal primary education for children of the residents of Bauria and neighbouring localities, as well as the children of all the Jute mill employees. We have distributed brail study materials to the students of Ananda Bhavan, a school for visually and auditory challenged children.

i. Fort Gloster Primary School



Fort Gloster Primary School
Pre-nursery, Nursery, Class I, II, III, IV
Bengali Medium
Founded and managed by Gloster Limited



Gloster Limited is aware of the conditions in which the primary education facility imparts knowledge to the children from the community. We have made provisions to ensure a better learning environment, and provided primary education from pre-nursery to standard 4 at the Fort Gloster Primary School. The operations and management of the school is taken care of by Gloster Limited, and to ensure a truly inclusive space for learning, the school is open to not only the children of our employees, but also to the children from the local

communities. The school has been operational for over a few decades, with a strongly reputed alumnus, comprising doctors, teachers and policemen. Further, we are also in the process of supporting infrastructural expansion of the school to accommodate more students in the primary school. We interact regularly with the teaching staff at the school and provide any additional support required to improve the learning conditions for the children. We also provide woolen sweaters to the students of the school during winter.

We work very hard to ensure that the children in our school get the desired level of primary education. At most of these children come from an economically poor background, it is our responsibility to grow awareness among their guardians that education holds the key to development of the society and individual. Children from diverse background come to our school for quality education. I was the student from this school and is proud to be associated with this institution as a 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 infrastructural activities so that we are able to accommodate more number of students. The management of Gloster Limited has appreciated our thoughts and are willing to come forward to support us. We appreciate that Gloster Limited is taking all the necessary social initiative to engage with the local community in an effective way for transforming their lives and ensuring an inclusive growth.



Rebati Mohan Adhikary
Head Teacher- Fort Gloster Primary School

01

Rebati Mohan Adhikari
Head Teacher

02

Renendra Mohan Ganguly
Assistant Head Teacher

03

Ashoke Kumar Ghose
Assistant Head Teacher

04

Mou Charan
Assistant Lady Teacher

05

Debarati Ghose
Assistant Lady Teacher

06

Papia Chakraborty
Assistant Lady Teacher

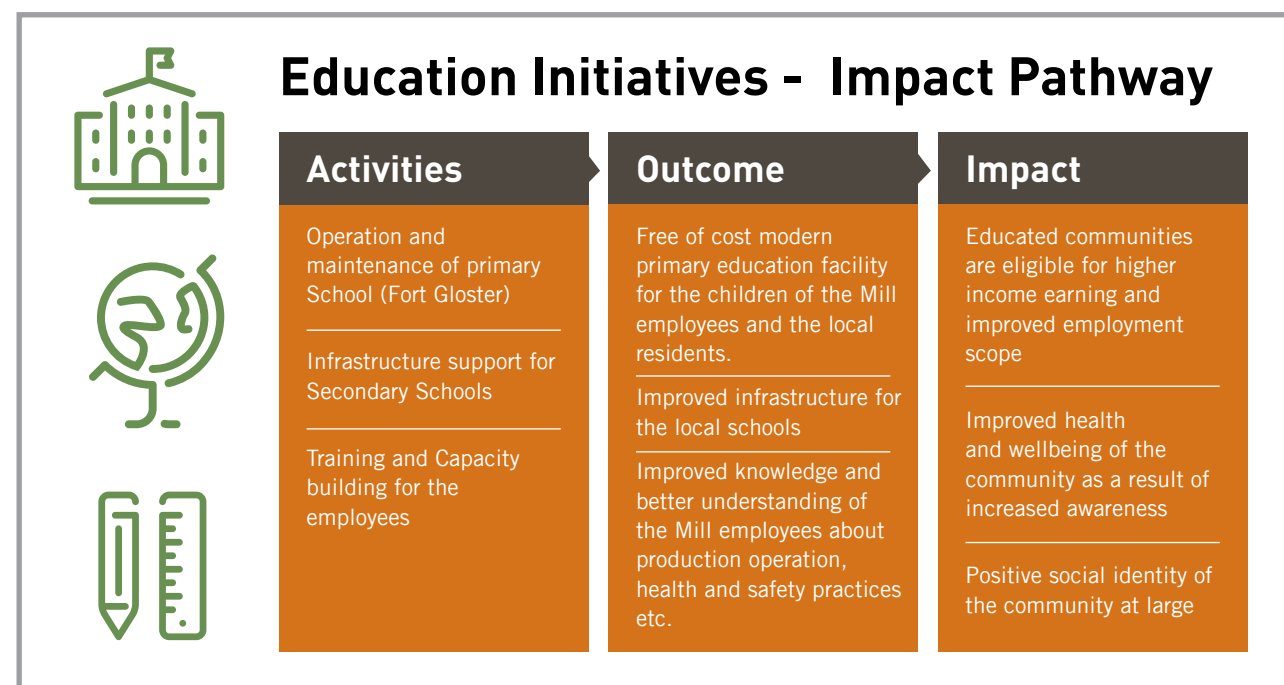
ii. Fort Gloster Vidyalaya



Gloster Limited also supports infrastructural development of Fort Gloster Vidyalaya, a higher secondary school located near our main processing unit in Bauria. We have invested in the upgradation of the infrastructure of the institution and other facilities required to ensure a comfortable learning space for the students. Apart from ensuring access to education for these children, we also providing opportunities to them to carry out extra-curricular activities. We also provide training support for the faculty at this school, to ensure quality of education imparted to the students. Similar to Fort Gloster Primary School, admissions are open to children of employees, as well as to the children from the local communities. This is demonstrative of our support for free and universal education for the children of residents of Bauria, neighbouring localities and children of jute mill employees. Listed below are some of the facilities provided by Gloster Limited to enhance the learning experience at Fort Gloster Vidyalaya in Bauria.



The impact created through education initiatives of Gloster Limited has been assessed. The indicator used for this valuation are the amount spent on operation and maintenance of Fort Gloster Primary School. Social return on Investment (SROI) methods quantifies the direct as well as indirect benefits of the education initiatives. Direct benefits of provision of free primary education, including direct costs incurred in the provisioning of free books, tuition, fees', salaries of staff and maintenance of school infrastructure. Indirect benefits quantified are the earning capabilities of an individual who has received primary or secondary education, and comparing it to the earnings of an unskilled employee with no education. The diagram below shows the impact pathway of providing education facilities.



Gloster Limited 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 2017-18.

2. Taking care of community health

The absence of healthcare facilities and access to clean water and sanitation are the biggest impediments to development of a region. It is impossible to foster communicable diseases and inaccessible health care facilities and expect a productive workforce that can participate in the economic development of the region. *The United Nations Development Program (UNDP), Sustainable Development Goal (SDG) 3 states 'provision of healthy life and well-being for all' as a goal for every country.* Developing countries are being scrutinised on social well-being indicators more than economic indicators post drafting of these SDGs. Community building activities at Gloster Limited are not viewed as charitable acts, but as an integral part of their business process. At Gloster Limited, we have always believed in giving back to the stakeholders who have been instrumental in the development of the organization. The support provided to the community can be monetary, voluntary services, expertise in a particular subject, and other intangible guidance.

The success of our business operations lie in the health and well-being of the community and in turn the productivity of the workforce. Having said this, as we operate in the State of West Bengal, there is a massive scope for improvement in community healthcare facilities to improve the productivity of the workforce. Hence, it is important for us to plan our CSR spending accordingly, giving utmost importance to increasing accessibility of healthcare facilities, sanitation and hygiene to the community, and meet their increasing needs. The management of Gloster Limited recognizes this as a serious concern, which could impact wellbeing of the communities, employees and their families. Gloster Limited is also mindful of the health of the community and runs a charitable medical dispensary, where medical supplies are distributed free of cost, with the help of NGOs. Gloster Limited ensures employees and community health and hygiene through the construction of Sulabh Shauchalay. Some of the other activities include the following community yoga centre,



Community Yoga Centre



Weekly Community Health Camps



Health Awareness camps for TB, Cancer etc.



Free Eye Check up and Cataract Operation

3. Incubation and promotion of sustainable business models

It is becoming popular amongst organizations to invest in the development of infrastructure, healthcare services, educational institutions and other activities that lead to the holistic development of communities. It is also important to identify the entrepreneurial acumen amongst local businessmen and to foster such small scale practices, as the long term value of such initiatives are unquantifiable. In addition to the inclusive business practices like provision of 365 days free mid-day meals to the differently able members of the local community and contributions to local festivals, we invest in activities that help foster a feeling of trust within the local community, as well as fulfil our vision of giving back to the society we are founded upon.

4. Provision of free transport

As the employees of Gloster Limited are required to travel to Budge Budge on a regular basis for various reasons, we provide free two way ferry service. This service is from Bauria to Budge Budge and can be availed by the employees as well as their families. The ferry plies throughout the day and has been used by most employees across the Hooghly River on a daily basis. Below are some pictures of the daily ferry service provided by Gloster Limited

Our free Ferry Service



5. Other CSR activities

In addition to the above mentioned initiatives, here at Gloster Limited, we have found several ways to engage with the community. Gloster Limited believe that generation of economic value can begin even by fulfilling basic needs of the community. In light of this, Gloster Limited provides mid-day meals to differently able residents from the local community. We are also conscious of the needs of the local community and have made voluntarily contribution and assisted in **organising festivals like Durga Puja, Rath Yatra, and Vishwakarma Puja, distribution of garments during religious occasions**. Community activities like yoga are organised on a regular basis. These activities help in building trust, and fostering an inclusive community which works in harmony

with our business vision.

In the years between 2013 and 2017, Gloster Limited **constructed a number of public toilets** to help provide safe and hygienic sanitation facility for members of the local community. Another such initiative is the **renovation of the Anandalok Hospital**, and the provision of necessary financial support for purchasing the required medical equipment. This was done to ensure that the residents of Bauria have access to free of cost basic medical care, diagnosis and medicine. Gloster Limited also organised sports events for the community, and sponsored prizes for the winners of the sports events.



Our Employee Cycle Stand



Weekly community health checkup camp



One of the 17 community toilets constructed by Gloster Limited



Mid -day meal for differently able persons



Garment Distributed to economically challenged community members



Gloster Limited's Ambulance



Community Festival sponsored and organized by Gloster Limited

The impact created by the community development initiatives of Gloster limited was assessed and the outcomes are presented below. The following activities undertaken by Gloster Limited have been identified for this exercise:

- Provision of 365 days free mid-day meals to differently able persons
- Donations to community during festivals
- Distribution of garments to the local community twice a year
- Construction of community toilets
- Free distribution of jute seeds to farmers
- Conducting Health camps

The impact creation pathway has been presented below:

Community Development Initiatives undertaken - Impact pathway

Activities	Outcome	Impact
365 days free mid-day meals to differently able persons	Reduce malnourishment related health problems	A feeling of trust and support within the local community people towards Gloster Limited, their management and the activities they do
Donations to the community during Festivals	Community building during festival	Improved lifestyle for community
Distribution of garments to local community members twice a year	Reduced purchasing burden of community regarding clothing	Improved health and hygienic condition for the local community contributing to a healthier lifestyle, improved productivity, earning capacity etc.
Construction of community toilets	Improved Hygienic condition of the locality as Public toilets are available	Trust among the community members on the aspect that management are concerned about their wellbeing, safety etc.
Renovation of Hospital and installation of medical equipment	Improved lifestyle for the jute farmers	Scope of earning and better opportunity for the organic jute farmers
Free distribution of jute seeds to farmers		
Support extended to the Organic Jute Farmers		

GRI 415: Public Policy

Gloster Limited's Public policy positions (GRI 415-1)

Gloster Limited 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 2017-18.

GRI 419: Socioeconomic Compliance

Non-compliance with laws and regulations in the social and economic area (GRI 419-1)

We have strict policy against anti-competitive behaviour and given the collaborative nature of jute industry in India, anticompetitive policies are non-existent. In FY 2017-18, we have no legal actions taken against us for anti-competitive behaviour, antitrust and monopoly practises. In FY 2017-18, we have no monetary fines imposed or non-monetary sanctions initiated against us for non-compliance with laws and regulations.



**PRODUCT
RESPONSIBILITY**

GRI 417: Marketing and Labeling

Requirements for product information and labelling (GRI 417-1)

Our products are the tangible outcomes of our philosophy, processes, policies and practices. Product responsibility at Gloster Limited has a self-sustaining business model which begins with responsible sourcing of raw material and retains focus through the chain till the finished product.

Organic Jute Farming



Research and Development



Green Product Portfolio



We provide our customers a wide array of innovative jute & jute-allied products and packaging solutions, compliant to international standards. The versatile range of products from our company include **Hessian, Double warp cloth, Sacking cloth, Tarpaulin cloth, Canvas cloth, Scrim cloth, Hessian bags, Sacking bags, Double warp bags, Lifestyle products, Yarn, Geo textiles, Non-woven fabrics, Jute tape, Nursery liners, sheets and other specialty products like Technical textile and Healthcare products.**

1. Responsible sourcing of raw material: Organic jute farming



In 2012, we initiated a unique programme regarding cultivation of organic jute in Kankarasuti, Baduria Block, District North 24 Parganas, West Bengal

The programme is funded by Gloster Limited, whereas the knowledge and implementation related support is provided by SEVA, an NGO, and has successfully engaged 110 farmers. Local farmers have been benefitting from this program from the past 5 years, and has also drawn the interest of farmers from other communities. This 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 80.47 Tonnes in the cycle of 120 days of jute cropping. The jute farms are annually inspected by IMO Control Pvt. Ltd and certified in accordance with requirements of India's national Programme for Organic Production Standards as organic.

Gloster Limited provides the farmers with certified high yield seeds and seed drill equipment, training and supervision cost, raw material transportation cost and taxes. We also help the farmers in procuring IMO certification of organic produce for the land. In addition to this, we also purchase the organic jute from these farmers at higher price than the rate offered in the market.

Stakeholder Consultation with organic farmers

Name of the farmers -Location

- Nimai Chandra Das – Par Patna
- Safiqul Mondal – Kurulgachi
- Abdul Kuddus Mondal – Baxirathi
- Rafiqul Islam Mondal - Kankrasuti



Gloster Limited provides free of cost certified jute seeds and seed drills. It helps us in the following ways:

- Reduced cost of weed management/rarification
- Reduced cost due to thinning of plants
- Reduced cost of seeds required per hectare as it provides higher yield per hectare
- Better quality jute fibres

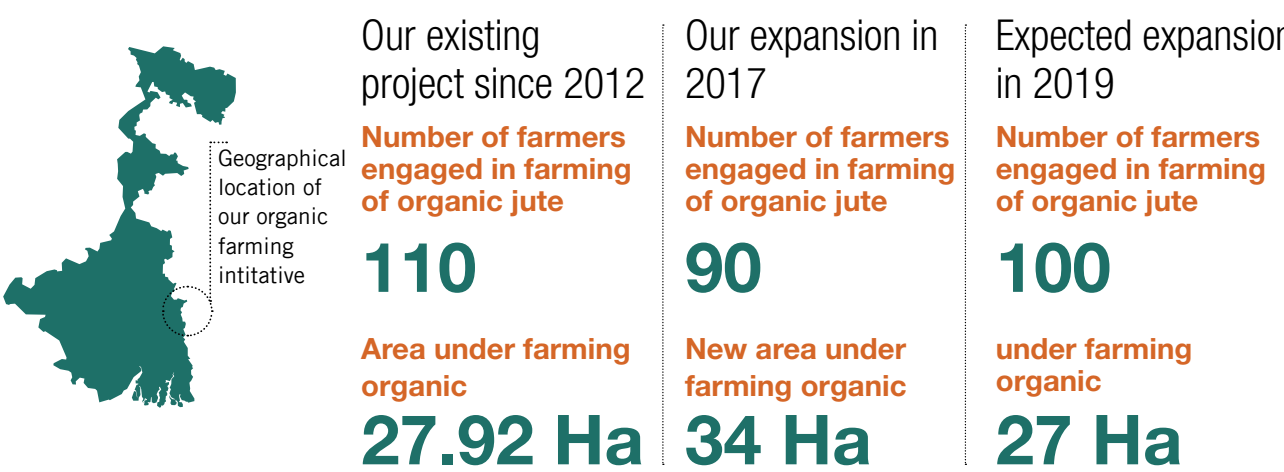
Gloster pays the eco volunteers, they are the backbone of our organic farming initiative. Eco-volunteers are residential farmers who actively participates in conducting the following activities:

- Internal Inspection
- Total documentation of produces and sales
- Help the farmers in maintaining farm diaries
- Organize meeting and trainings
- Supervise jute harvesting and retting
- Ensures smooth sale and transportation

Our Current and Future Expansion Plan

In December 2016, in collaboration with SEVA, we started a new program under our organic farming initiative. The program covered and area of 34 Ha and involved 90 farmer from 3 villages in Baduria Block, namely, Parpatna, Kurulgachi and Kankrasuti. In the subsequent year, the jute produce from this initiative was inspected by IMO Control Pvt. Ltd and certified in accordance with requirements of India's national Programme for Organic Production Standards as conversion -1 organic jute.

Our future expansion plan include addition of another 100 farmers in Kankrasuti village in Baduria district with a coverage area of 27 Ha. of organic farming and total farmers will be 300 registered farmers. The snapshot of our organic farming initiative is provided in the illustrative below:





2. Research & Development

At Gloster Limited, we have a full facility unit with modern textile process laboratory equipment that inspire analysis and development. Gloster Limited collaborates with national and international research centres and educational institutions. Any improvement/change that takes place in any of the manufacturing criteria, it goes under rigorous testing and double checking before we present to the world with our new or improved product, we always make sure they do make a considerable difference

- Quality Assurance and testing of various raw materials includes jute and allied fibres, yarns and fabrics, various chemicals, dye stuffs, coal, lubricants, electricity, fuel oils etc.
- Monitoring and guiding the manufacturing process so that the final products comply with the various international / national standards and norms like REACH, IJO/98-0, German Regulation for AZO dyes, conforming to the buyer's requirements
- Constant evaluation and technological up-gradation of the existing process for manufacturing improved and cost effective products
- Developments of new products as guided by the

national and international market dynamics

- 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 fibres
- Production of enzymes for softening and upgrading of jute fibres
- 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 fibre, yarn and fabric
- Recycling process waste into products

Steps undertaken for new product development include the following



Some of our new products our research and development team is working on

Ramie

Ramie is a natural fibre that is extracted from the Ramie flowering plant, predominantly found in Assam

Ramie fibre holds shape, reduce wrinkling and the appearance of a silky lustre, making it amenable to blending with other fibres

Gloster Limited has been experimenting with ramie fibre by getting the fibre from Assam.

The gum from the fibre (27-28%) is removed and blended with jute to make yarns, and finally saleable woven and non woven products.

Poly Lactic Acid (PLA)

PLA fibres are bio-degradable and drawn from nature

Gloster limited has been carrying out extensive research to integrate PLA fibres into their portfolio as PLA Jute Bio composites

Flax (Linen)

The fabric produced from flax has very low elasticity and can be washed multiple times without any alteration in the structure

Flax can also be mixed with grass seed straw of softwood fibre to make composite boards

Longer fiber of flax is called lines and shorter fibers are used as non woven

Gloster is experimenting with flax to make jute-flax non woven fabrics/products

Jute based anti microbial air dust filter

Gloster Limited has developed jute based anti-microbial air dust filters for the HVAC (Heating, Ventilation & Air-conditioning) systems

HVAC systems are most susceptible to microbial colonisation due to the presence of moisture and nutrients for their survival.

The jute based filters developed at Gloster Limited have been tested at laboratories in USA for its Minimum Efficiency Reporting Value and has been found to be consistent at 11

Banana Fiber

Cotton Textile Research Association (CTRA) has collaborated with Gloster Limited to develop products using banana fibre.

The pseudo-stem of the banana plant consists of 1.5-2% dry fibre, which can be extracted and processed to make products

The fibre can be used in isolation or can be blended with jute.

They are highly absorbent fibres, and can be used to prevent the damage caused to aquatic life in the case of oil spills.

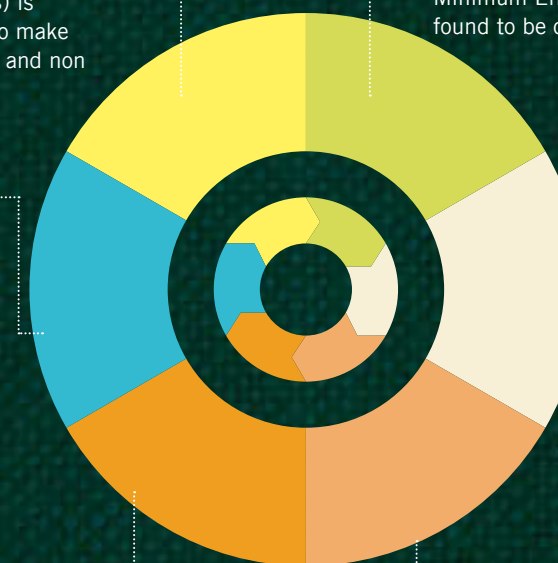
Banana fibres blended with jute have been used for weaving attractive pieces of lifestyle bags by Gloster Limited

Cottonized Hemp

Hemp fibre needs to undergo 'cottonization', i.e. removing the lignin that binds the hemp fibres

Processed fibres are woven with jute or cotton to produce furnishing fabrics

Gloster Limited has been working on developing such products using bleached hemp





3. Green Product Portfolio

We, at Gloster Limited, are determined to manufacture products with minimal negative impact. The choice of materials, whether it is the main fabric or the thread holding it together, has a big impact on a product's overall sustainability performance. Our product line extends to accessories and packaging materials designed to keep pace with market and consumer trends.

We strive to reduce our use of chemicals, and continue to conduct research in both product and process innovations that improve resource use such as water and energy, have low environmental impacts, are long lasting in quality and have economic benefits.

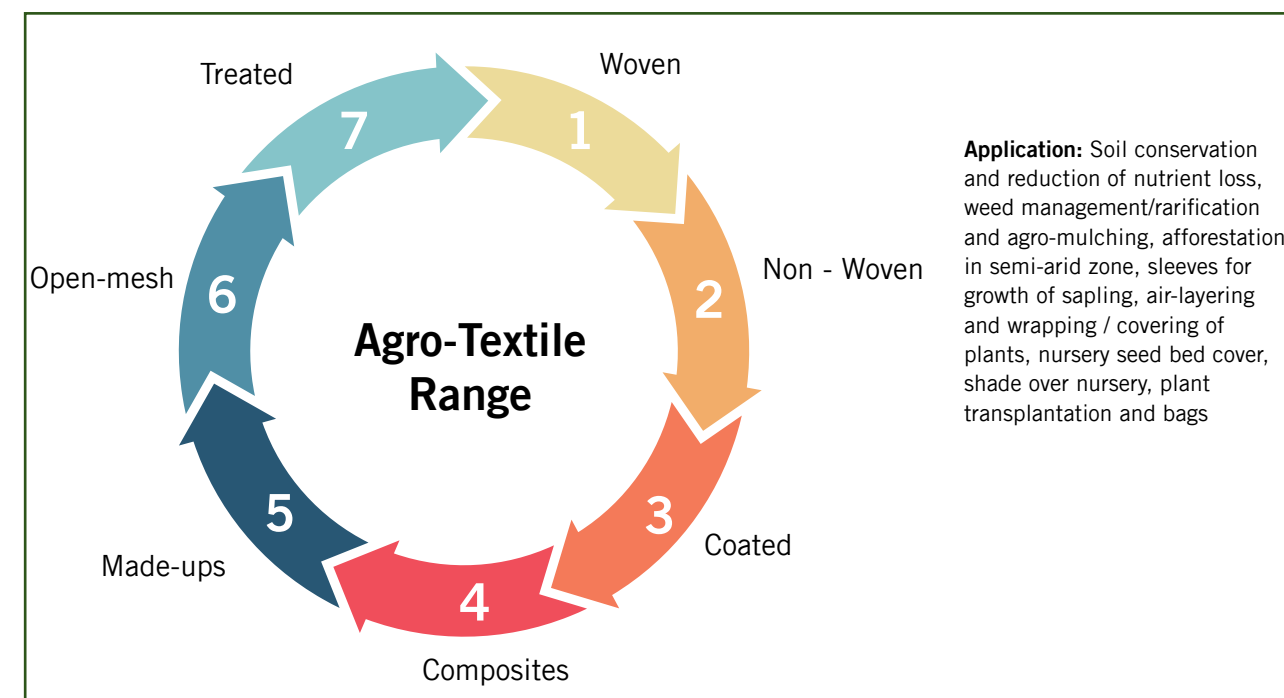


Given below are some of the broad categories of Green products and their features manufactured by us in large scale:

Agro-Textile

Gloster Limited's Agro-textiles with expert hand holding installation service go a long way in taking care of soil erosion, loss of soil nutrient due to high velocity winds, persistent heavy rains and forces of gravity on soil slopes, un-controlled growth of weeds, can lead to soil erosion, loss of soil nutrients and plant seedlings.

Gloster Limited's Agro-textiles offer a wide range of exclusive agriculture textiles detailed in the diagram:



Case - Our non-woven textile used for weed suppression:

Gloster Limited'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 Agro-textiles and the material coalesces with the soil and acts as the soil's nutrients supplement.

Case - Our treated Agro-textile provides site specific solutions towards host of agriculture problems:

Treatment is done with different structures, weights, profiles of construction Agro-textiles as a) webbings b) tapes c) ropes d) nursery nets e) plants transplantation textiles f) substrates g) geo-pots h) air layering textiles etc. These fabrics are used for 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, plants- transplantation, hydroponic adventitious plant root growth etc.

Geo-textile

Geo-textiles are planar, flexible technical textiles which may be used to fulfil the role of a protective membrane used as a layer of separation to protect soil beneath subgrades of roads during construction, as well as, help stabilize slope and provide required filtration and drainage functions. They are an effective and low cost eco-friendly products. Gloster Limited has state-of-the-art infrastructure for production of woven and non-woven Jute Geo-textiles which enables them to create environmentally sustainable substitutes to synthetic materials used in a variety of sectors like construction, agriculture, solid waste disposal and mine spoil stabilization and deliver value to customers. **Gloster Limited provides sustainable hand holding solutions to all the problems encountered in River/ water body banks stabilization, soil slope stabilization and vegetation, road construction, encapsulated rubble drainage for roads, pre-fabricated drains of jute etc.**

River Bank/ Water Body Stabilization

The flexibility and permeability, allowing cross-flow of water make Jute Geo-textiles a better material for protecting riverbanks and embankments from the onslaught of floodwater and the seashores from wave surge. Gloster Limited's Geo-textiles provide bio-engineering support through vegetation growth after degradation. As natural fabric filters they are an effective engineering medium to serve as granular filter. They fulfil all the requirements of filters needed for protection of river banks without creating environmental problems



Soil slope stabilization and vegetation

Geo-textiles can control slope erosion by 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; attenuation of soil moisture and temperature necessary for growth of vegetation



Road Construction

Gloster Limited's Geo-textiles are cost effective, durable, strong, sustainable roads that will require negligible maintenance. The purpose of using geo-textiles in road construction is to strengthen the sub-grade for ensuring longer life of the road. Jute Geo-textiles may also be used in weak soils, considerably increasing the bearing capacity of the soil and reducing uneven settlement under conditions of subsiding ground. So, they are popular engineering products both for paved and unpaved roads.



Converting plastic waste into wealth

The growth interest of the consumers as well as manufacturers towards sustainable fabric is positively impacting the demand for the green version of the polyester textile known as the "Recycled Polyester". The fibres are recycled materials from PET bottles, the fibres are recycled by Gloster Limited to create different fabrics which prevents PET scraps from going to landfill.

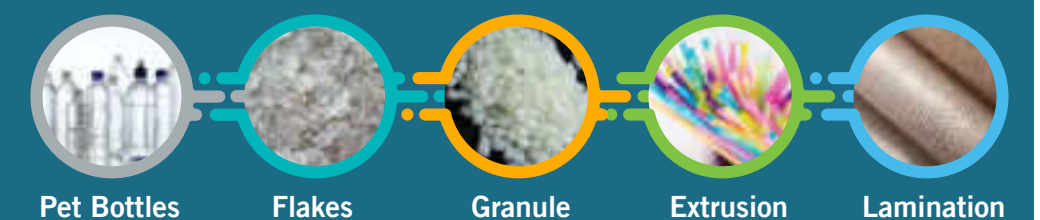
Our Recycled Plastic Supply Chain



Global Recycling Standards(GRS) Certified

Gloster Limited is GRS certified by control union for use of recycled P.P granules for lamination of jute fabrics for making GOTS certified life style products.

The Plastic Waste Recycling process





Alignment with UNDP Sustainable Development Goals

Ernst & Young Associate LLP (EY) has been appointed to review Gloster Limited's initiatives undertaken during the FY 2015-16 and FY 2016-17, and aligning the same with the *United Nations Development Program's (UNDP)*, Sustainable Development Goals (SDGs). The methodology below illustrates the approach taken by EY during the review process:





The scope of EY's work was limited to review of information pertaining to SDG for the period of 1st April 2017 to 31st March 2018 at our Main Unit, Howrah (West Bengal), and at our Ananya Unit, Howrah (West Bengal).The nature and scope of EY's work was based on their professional judgment and they have performed procedures deemed necessary to provide a basis for their conclusions. The approach to the identification of sustainable development goals included interaction with the key personnel to identify the processes in place to capture SDG performance data and information. EY has reviewed and verified the data collection/measurement methodology, and logic of inclusion/omission of necessary

relevant information/data. The review however, was limited to the following activities:




- Review of consistency of initiatives within the report as well as between the report and source
- 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 Sustainable Development Goals
- Interview with the employees / other stakeholders at mill and at H.O

The following table gives the SDGs, a brief description of each of the goals, Gloster Limited's key performance indicators for measuring and monitoring the achievement of the SDGs, along with EY's assessment of Gloster Limited's initiatives.

<div>1</div> <div>NO POVERTY</div>	Key Performance Indicator <ul style="list-style-type: none"> • Promote economic opportunities for the poor • Conducting awareness generation campaigns about the impact of poverty • Enabling technological solutions and technologies to tackle challenges and reduce poverty 	EY findings <ul style="list-style-type: none"> • Gloster Limited provides books to the needy students • Gloster Limited distributes clothing to twice a year • They provide free health care for the people of the community
<div>2</div> <div>ZERO HUNGER</div>	Key Performance Indicator <ul style="list-style-type: none"> • Providing support to local farmers or markets • Supporting good nutrition for all, and fighting food waste. • Lobbying with the government for better nutrition plans • Organize camps to eradicate hunger 	EY findings <ul style="list-style-type: none"> • Provides free mid-day meals to children of economically chalanged families as well as to differently able people of the locality • Free sweet lime water to the mill employees during summer months
<div>3</div> <div>GOOD HEALTH AND WELL BEING</div>	Key Performance Indicator <ul style="list-style-type: none"> • Providing health care access to all • Providing awareness campaigns on HIV aids and other STDs • Conducting awareness campaigns on protection of own health and importance good health and healthy lifestyle • Taking action to promote better health 	EY findings <ul style="list-style-type: none"> • Gloster Limited has constructed modern sanitation facilities for the local community • They provide monthly financial help to local club for medical check-up and medicines • They take initiatives in organizing blood donation camps and eye check-up camps • Gloster Limited organizes HIV awareness campaigns
<div>4</div> <div>QUALITY EDUCATION</div>	Key Performance Indicator <ul style="list-style-type: none"> • Lobbying with local government to provide free primary school education to all • Invest resources in development of educational tools and schools 	EY findings <ul style="list-style-type: none"> • Gloster Limited provides quality schooling facilities to the children of the employees as well as the children of the people from the local community free of cost • They provide free books to children coming from economically backward communities
<div>5</div> <div>GENDER EQUALITY</div>	Key Performance Indicator <ul style="list-style-type: none"> • Funding educational campaigns to curb cultural practices like female genital mutilation and change harmful laws that limit the rights of women and girls from achieving their full potential 	EY findings <ul style="list-style-type: none"> • Gloster Limited provides quality schooling (free books, mid-day meals, sweaters) facilities to the children of the employees as well as the children from the local community free of cost • Female workforce has increased by approximately 7% over the past financial year • They provide equal salaries to both male and female employees

6 CLIMATE WATER AND SANITATION 	Key Performance Indicator <ul style="list-style-type: none"> Developing infrastructure and management for clean water and sanitation Generating awareness among society to ensure clean drinking water and sanitation Conducting water campaigns with government and local community 	EY findings <ul style="list-style-type: none"> Construction of modern sanitation facilities Provision of clean water facilities to the employees and the community
7 AFFORDABLE AND CLEAN ENERGY 	Key Performance Indicator <ul style="list-style-type: none"> Companies can maintain and protect ecosystem to be able to use and develop renewable sources of energy Employees can reduce the internal demand of fuel by prioritizing less energy intensive methods such as train travel over auto and air travel 	EY findings <ul style="list-style-type: none"> Usage of alternate fuels in the boilers instead of fossil fuels Installation of solar water heaters in the guest houses and quarters Provision of bicycles for its employees Provides training sessions on energy efficient practices
8 DECENT WORK AND ECONOMIC GROWTH 	Key Performance Indicator <ul style="list-style-type: none"> Investing in training and education of highest possible quality Encouraging women employment Lobbying with the communities to promoting youth employment and women empowerment 	EY findings <ul style="list-style-type: none"> Providing employment opportunities to the local youth Equal wage to both male and female employees
9 INNOVATION AND INFRASTRUCTURE 	Key Performance Indicator <ul style="list-style-type: none"> Developing and supporting key infrastructures in the communities like roads, information exchanges and communication facilities Lobbying to prioritise and promote SDGs 	EY findings <ul style="list-style-type: none"> Gloster Limited is pioneer in certified organic jute farming Gloster Limited's Geo-textiles are used for protection of river banks, soil slope stabilization, prevention of soil contamination in landfill sites and road condition enhancement



10 SUSTAINABLE CITIES 	Key Performance Indicator <ul style="list-style-type: none"> Taking active interest in the governance and management of the localities for a sustainable existence 	EY findings <ul style="list-style-type: none"> Construction of road for the use of the people of the local communities Modern sanitation facilities for the people of the local communities
11 RESPONSIBLE CONSUMPTION AND PRODUCTION 	Key Performance Indicator <ul style="list-style-type: none"> Enabling sustainable consumption and production patterns Ensuring proper reduction of waste so as not to harm the environment 	EY findings <ul style="list-style-type: none"> Gloster Limited performs organic jute farming while production of jute fibres eliminating the use of pesticides and chemical fertilizers They have a proper waste management system and take sufficient measures for the reduction and disposal of waste
12 CLIMATE ACTION 	Key Performance Indicator <ul style="list-style-type: none"> Improving energy efficiency Reducing the carbon footprint of their products, services and processes Setting emissions reductions targets in line with climate science Scaling up investment in low- carbon, climate-smart products and services Prepare to adapt to climate change and build resilience in their operations, supply chains and the communities in which they operate 	EY findings <ul style="list-style-type: none"> Gloster Limited has reduced harmful emissions through the usage of renewable sources of energy by recycling of jute process waste jute caddies as fuel for its boilers Gloster Limited has installed rain water harvesting systems Gloster Limited has several waste management measures



ASSURANCE LETTER

(GRI 102-56)





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Independent Assurance Statement

Ernst & Young Associates LLP (EY) was engaged by Gloster Limited (the 'Company') to provide independent assurance on its Sustainability Report FY 2017-18 covering the Company's sustainability performance during the period 1st April 2017 to 31st March 2018.

The development of the Report based on the Global Reporting Initiative (GRI) Standards; 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 of Gloster Limited and review of its CSR strategy and CSR action plans in alignment with the United Nation's Sustainable Development Goals, conducting the gap assessment and submission of the reviewed report for the period 1st April 2017 to 31st March 2018 at its Main Unit and Ananya Unit in 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 Standards. We have conducted review and verification of data collection/measurement methodology and general review of the logic of inclusion/exclusion of necessary relevant information/data and this was limited to:

- Review of consistency of data/information within the report as well as between the report and source;
- Verification of the sample data and information reported;
- Execution of an audit trail of claims and data streams, to determine the level of accuracy in collection, transcription and aggregation 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 2017 to 31st March 2018);
- 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

Ernst & Young Associates LLP, a limited liability partnership with LLP identity No. AAB/14723
Regd. Office: 5th Floor, Block B - 2, Nirala Knowledge Park, Off. Western Express Highway, New Delhi - 110027, India.



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. No member of the assurance team has a business relationship with the Company, its Directors or Managers beyond that of verification and assurance of sustainability data and reporting. We have conducted this verification independently and we believe there to have been no conflict of interest. We have implemented a Code of Ethics across the business to maintain high ethical standards among employees in their day-to-day business.

Observations and opportunities for improvement

During our review process, we observed that:

- The Company has developed the Report on the basis of GRI Standards of the Global Reporting Initiative
- The Company has encouraged the use of organic jute farming thus reducing the use of pesticides and chemical fertilizers and has increased their area under organic farms from 27.9 Ha. to 61.9 Ha.
- There is a possibility to enhance overall to further reduce the number of injuries. The Management is already taking initiatives to address the same
- There is a scope of improvement of overall internal sustainability data gathering and documentation process, such as to incorporate adequate measures that will ensure accurate accountability on the amount of water consumed and discharged

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 disclosures, 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 Associates LLP
Chaitanya Kalia
Partner

Dated:

Place: Kolkata, India

EY refers to the global organization, member firms or one or more of the independent member firms of Ernst & Young Global Limited

GRI CONTENT INDEX

[GRI 102-55]



GRI ORGANIZATIONAL MARK

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

GRI-Standards	Disclosure	Page Number/Comment
GRI 101: Foundation 2016 [GRI 101 does not include any disclosures]		
General Disclosures		
GRI 102: General Disclosures 2016	102-1 Name of the organization	10
	102-2 Activities, brands, products, and services	14
	102-3 Location of headquarters	20
	102-4 Location of operations	10
	102-5 Ownership and legal form	10
	102-6 Markets served	18
	102-7 Scale of the organization	21
	102-8 Information on employees and other workers	22
	102-9 Supply chain	23
	102-10 Significant changes to the organization and its supply chain	24
	102-11 Precautionary Principle or approach	24
	102-12 External initiatives	25
	102-13 Membership of associations	25
	102-14 Statement from senior decision-maker	4
	102-16 Values, principles, standards, and norms of behaviour	36
	102-18 Governance structure	36
	102-40 List of stakeholder groups	52
	102-41 Collective bargaining agreements	52
	102-42 Identifying and selecting stakeholders	50
	102-43 Approach to stakeholder engagement	52
	102-44 Key topics and concerns raised	56
	102-45 Entities included in the consolidated financial statements	32
	102-46 Defining report content and topic Boundaries	55
	102-47 List of material topics	51
	102-48 Restatements of information	No restatements have been made from the Sustainability Report of FY 2017-18
	102-49 Changes in reporting	We have adopted the GRI standards for the reporting period FY:2017-18
	102-50 Reporting period	33
	102-51 Date of most recent report	33
	102-52 Reporting cycle	33
	102-53 Contact point for questions regarding the report	33
	102-54 Claims of reporting in accordance with the GRI Standards	32
	102-55 GRI content index	128
	102-56 External assurance	124

GRI-Standards	Disclosure	Page Number/Comment
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	64
	201-2 Financial implications and other risks and opportunities due to climate change	66
	201-3 Defined benefit plan obligations and other retirement plans	68
	201-4 Financial assistance received from government	68
Market Presence		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	68
	202-2 Proportion of senior management hired from the local community	69
Indirect Economic Impact		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	69
Material		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 301: Materials 2016	301-1 Materials used by weight or volume	73
	301-2 Recycled input materials used	74
	301-3 Reclaimed products and their packaging material	74
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 302: Energy 2016	302-1 Energy consumption within the organization	75
	302-2 Energy consumption outside of the organization	77
	302-3 Energy intensity	78
	302-4 Reduction of energy consumption	79

GRI-Standards	Disclosure	Page Number/Comment
Water		
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GRI 303: Water 2016	303-1 Water withdrawal by source	82
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 305: Emission 2016	305-1 Direct (Scope 1) GHG emissions	85
	305-2 Energy indirect (Scope 2) GHG emissions	85
	305-4 GHG emissions intensity	86
Effluents and Waste		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 306: Effluents And Waste 2016	306-1 Water discharge by quality and destination	88
	306-2 Waste by type and disposal method	89
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	93
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	93
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 402: Employee/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	94
Occupational, Health Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 403: Occupational Health And Safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	95
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	95
	403-3 Workers with high incidence or high risk of diseases related to their occupation	None
	403-4 Health and safety topics covered in formal agreements with trade unions	96

GRI-Standards	Disclosure	Page Number/Comment
Training and Education		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	96
	404-2 Programs for upgrading employee skills and transition assistance programs	96
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	97
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	97
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	98
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GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	98
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	103
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GRI 415: Public Policy 2016	415-1 Political contributions	109

GRI-Standards	Disclosure	Page Number/Comment
Marketing and Labelling		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labelling	112
	417-2 Incidents of non-compliance concerning product and service information and labeling	We have had zero incidents of non-compliances concerning product and service information and labelling
	417-3 Incidents of non-compliance concerning marketing communications	Not Applicable
Socioeconomic Compliance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundaries	57
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	109

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GLOSTER LIMITED Produces about 50,000 MT/year of:

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

Certifications awarded to Gloster Limited

