

FORT GLOSTER INDUSTRIES LIMITED

**BALANCE SHEET AS AT 31ST MARCH, 2020 AND STATEMENT OF PROFIT AND
LOSS FOR THE YEAR ENDED ON THAT DATE**

**M. KUMAR JAIN & CO.
CHARTERED ACCOUNTANTS**

30th December, 2020

To
The Board of Directors,
Fort Gloster Industries Limited
P.O: Fort Gloster, Bauria,
Dist-Howrah-711310

Dear Sir,

We are enclosing herewith 2 copies of your Statement of Profit and Loss for the year ended 31st March, 2020 and the Balance Sheet as on that date together with our Audit Reports thereon.

We have great pleasure in informing you that our appointment, if made, will be in accordance with the applicable provisions of the Companies Act, 2013 (the Act). In this connection we hereby certify that

- i) We are eligible for appointment and are not disqualified for appointment under the Act, the Chartered Accountants Act, 1949 and Rules and Regulations made therein.
- ii) The proposed appointment is within the term allowed under the Act.
- iii) The proposed appointment is within the limits laid down by or under the authority of the Act.
- iv) There is no proceeding against the auditor or audit firm or any partner of the audit firm pending with respect to professional matters of conduct.

Yours faithfully,
For M. Kumar Jain & Co.
Chartered Accountants
FR No. 315182E


(CA. Sanjeev Kumar Gupta)
Partner
Membership No. 407221

Encl: as above



Independent Auditors' Report

To the Members of Fort Gloster Industries Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the Financial Statements of Fort Gloster Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, and the Statements of Profit and Loss (including Other Comprehensive Income), Statements of Changes in Equity and Statements of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Financial Statements give a true and fair view in conformity with Accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020 and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to:

- a. Note no. 23(1) of the Financial Statements regarding pending implementation of Resolution Plan of Gloster Limited as approved by the Hon'ble NCLT, Kolkata, Resolution Plan related impacts on outstanding balances of Operational/ Financial/ Other creditors and employees could not be given.
- b. Note no. 23(15) of the Financial Statements, regarding the pending impairment review by the Company of its property, plant and equipment and other financial and non financial assets as at 31st March, 2020, hence no provision in the books of account has been made by the Company. In the absence of assessment of impairment/provisions by the Company, we are unable to comment on the recoverable amount with regard to said items.
- c. Note no. 23 (2)(b) of the financial statement regarding certain piece of land of the Company including certain piece of land sold in 1988, the execution of Deed of Conveyance in respect of which is still pending, covered by the Urban Land (Ceiling and Regulation) Act, 1976 and adjustments, if any, to be made in the accounts on final decision by the concerned authorities. Consequently, we were unable to determine whether any adjustments were necessary.
- d. Note no. 23(2)(c) of the financial statement regarding non - adjustment in the accounts on account of certain land surrendered to Government of West Bengal, pending determination of compensation. Consequently, the impact, if any, on the loss, other equity and assets is not ascertainable.
- e. Refer Note no. 23(6) of the financial statement regarding not carrying out of physical verification of inventories and non ascertainment of shortage, if any, and valuation of inventories at cost or below without ascertaining the realisable value thereof due to suspension of work at the factory, which constitute a departure from the Ind AS and impact of which, if any, on the loss, reserves and surplus and assets is not ascertainable.



Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

- f. Refer Note no. 23(10) read with note 23(1) of the financial statement regarding non provision of liability for employee benefits and disclosure as per the actuarial valuation as required as per Ind AS 19 on Employee Benefits which constitute a departure from the Ind AS and impact of which, if any, on the loss, reserves and surplus and assets is not ascertainable.

Material Uncertainty Relating to Going Concern

We draw attention to Note no. 23(1) of the Financial Statements regarding preparation of accounts on going concern basis although the Company's current liabilities exceeded its total assets by Rs. 61,807.86 Lacs. A material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern in the event the Approved Resolution Plan is not implemented. Our opinion is not modified in respect of this matter.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management under the direction of the Resolution Professional (RP)/ Monitoring Committee (MC) is responsible for the other information. The other information comprises the Board's Report, Report on Corporate governance but does not include the financial statements and our auditor's report thereon.

The Board's Report, and Report on Corporate Governance is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board's Report, and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions necessary as per the applicable laws and regulations.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Management under the direction of the RP/MC is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

In preparing the standalone financial statements, the Management under the direction of the RP/MC is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management under the direction of the RP/MC either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Management under the direction of the RP/MC is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal Financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.



Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a Statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine that there are no key audit matters to communicate in our report.

Report on other Legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) except for the matter described in the Basis for Qualified opinion paragraph above, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) except for the possible effects of the matters described in the Basis of Qualified opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts.
 - (d) except for the possible effects of the matter described in Basis for Qualified opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued there under;
 - (e) the matters described under the basis for qualified opinion paragraph and Material Uncertainty Related to Going Concern paragraph above in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in Financial Statements of the Company;
 - (f) In the term of section 17 (1) (b) of the Insolvency and Bankruptcy Code, 2016 ("the Code"), the powers of the board of directors have been suspended and be exercised by the resolution professional. Hence, written representations from directors have not been taken on record by the Board of Directors. However, based on written representations from directors provided to us, none of the Directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

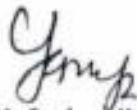


Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. Refer Note no. 23(1) of the Financial Statements regarding pending implementation of the Resolution Plan, we are unable to comment whether the Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts required to be transferred to Investor Education and Protection Fund by the Company.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the Company to its directors during the year.

For M. Kumar Jain & Co.
Chartered Accountants
F.R. No. 315182E



(CA. Sanjeev Kumar Gupta)
Membership No. 407221
Partner

UDIN: 21407221AAAAAE1655

Place of Signature: Kolkata
Date: the 30th day of December, 2020



Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

"Annexure A" to the Independent Auditor's Report

Statement referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Fort Gloster Industries Limited on the financial statements for the year ended 31st March, 2020.

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- b) The fixed assets of the Company have not been physically verified by the management during the year.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the all title deeds of immovable properties are held in the name of the Company.
- (ii) The Company has not carried out physical verification of inventories during the year, therefore, we are unable to express an opinion on the procedure of physical verification and also, the discrepancies, if any, between book balance and physical stock during the year.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii) of paragraph 3 of the said order are not applicable to the Company.
- (iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the applicable provisions of Section 186 of the Act.
- (v) The Company has not accepted any deposit under the directives issued by the Reserve Bank of India and within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under.
- (vi) To the best of our knowledge and according to the information given to us, the Central Government has prescribed maintenance of cost records under section 148(1) of the Act for the products of the Company. However, no cost accounts and records are maintained as the Company has not carried out any production/manufacturing activities during the year due to suspension of work at the factory since December, 2003.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we observed that there are delays in amounts deposited with appropriate authorities for amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, goods and services tax, duty of customs, employees' state insurance, cess and other material statutory dues to the extent applicable.

According to the information and explanations given to us, undisputed amounts payable in respect of provident fund, income tax, goods and services tax, sales tax, value added tax, employees' state insurance and other material statutory dues which were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable are as under:



Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

"Annexure A" to the Independent Auditor's Report (contd.)

Sl. No.	Name of the statute	Nature of dues	Period to which pertain	Amount*	Since Paid
				Rs. in lacs	Rs. in lacs
1.	Central Sales Tax Act, 1956/ State Sales Tax Act	Tax & Interest	1992-93, 1998-99 to 2003-04	1,817.42	Not yet paid

*includes interest upto 31st March, 2019.

- b) Refer Note no. 23(1) of the Financial Statements regarding pending implementation of the Resolution Plan, we are unable to comment about disputed statutory dues, if any.
- (viii) The Company has defaulted in repayment of dues of following dues to financial institutions and banks since 2003-04. The default in repayment of dues to banks is even after restructuring of dues.

Particulars	Principal#	Interest
	(Rs. in lacs)	(Rs. in lacs)
Working capital Term Loans - Banks	2,877.17	-
Loans payable on demand *	34,014.24	-
Working capital Term Loans – Financial Institutions	673.57	20,863.87

*Inclusive of interest from banks on cash credit and working capital term loans from banks.
#The Approved Resolution Plan for the Company is currently under implementation and the maturity of financial obligations would be crystallised once the resolution plan is implemented. Hence, due to non-availability of data of repayments schedule of borrowings, defaults in repayment of borrowings classified based on normal circumstances.

The Company has not taken any loan from Government and has not issued any debentures.

- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.



Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

"Annexure A" to the Independent Auditor's Report (contd.)

- (xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, as the company is under CIRP and the power of the Board and Audit Committee are suspended and hence the compliance with sections 177 and 188 of the Act are not capable of being implemented. There are no related party transactions required to be disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, 'Related Party Disclosures' specified under Section 133 of the Act.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment of shares during the year. Therefore, clause (xiv) of paragraph 3 of the said order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For M. Kumar Jain & Co.
Chartered Accountants
F.R. No. 315182E



(CA. Sanjeev Kumar Gupta)
Membership No. 407221
Partner

UDIN: 21407221AAAAAE1655

Place of Signature: Kolkata
Date : the 30th day of December,, 2020



Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

"Annexure B" to the Independent Auditor's Report of Even Date on the Ind AS Financial Statements of Fort Gloster Industries Limited

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

We have audited the internal financial controls over financial reporting of Fort Gloster Industries Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in



Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of "Annexure B" to the Independent Auditor's Report (Contd.)

the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

In our opinion and according to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31st March, 2019:

The Company did not have appropriate internal financial controls over (a) Assessment of impairment in value of advances to various other parties, b) Balances of trade payables other liabilities, certain bank balances and advances are subject to confirmation, (c) physical verification of fixed assets and inventories, d) valuation of inventories. Further the company did not have any internal audit system during the year.

The inadequate supervisory and review control over Company's process in respect of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in preparation and presentation of financial statement including the profit/loss after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

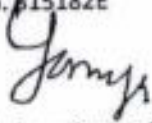
In our opinion, except for the possible effects of material weaknesses described in "basis of qualified opinion" paragraph above, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Independent Auditors' Report (Contd.)
To the Members of Fort Gloster Industries Limited

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended on 31st March, 2020, and these material weaknesses have affected our opinion on the financial statements of the Company and we have issued a qualified opinion on the financial statements.

For M. Kumar Jain & Co.
Chartered Accountants
F.R. No. 15182E



(CA. Sanjeev Kumar Gupta)
Membership No. 407221
Partner
UDIN: 21407221AAAAAE1655

Place of Signature: Kolkata
Date : the 30th day of December , 2020



FORT GLOSTER INDUSTRIES LIMITED

Balance Sheet as at 31st March, 2020

(Rs. In Lacs)

Particulars	Note	As at 31st	
		March, 2020	March, 2019
I. ASSETS			
Non - current assets			
(a) Property, plant and equipment	3	1,612.41	1,638.56
(b) Financial Assets			
(i) Investments	4	0.83	1.05
(ii) Trade receivables	5	-	-
(c) Other non current assets	6	95.27	95.21
		1,708.51	1,734.82
Current assets			
(a) Inventories	7	246.45	246.45
(b) Financial Assets			
(i) Cash and cash equivalents	8(i)	797.83	44.56
(ii) Bank balances other than cash and cash equivalents	8(ii)	3.42	3.42
(iii) Other financial assets	9	101.66	101.66
(c) Current Tax Assets (net)	10	34.83	34.86
(d) Other current assets	11	13.21	9.39
		1,197.40	440.34
Total Assets		2,905.91	2,175.16
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	1,215.33	1,215.33
(b) Other Equity	13	(63,023.19)	(62,851.98)
		(61,807.86)	(61,636.65)
Liabilities			
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	14		
a) total outstanding dues of micro enterprises and small enterprises			
b) total outstanding dues of creditors other than micro enterprises and small enterprises			
(ii) Other financial liabilities	15	1,863.06	1,863.94
(b) Other current liabilities	16	62,127.75	61,224.34
(c) Provisions	17	552.49	553.06
		170.47	170.47
		64,713.77	63,811.81
Total Equity and Liabilities		2,905.91	2,175.16
Corporate Information	1		
Significant Accounting Policies	2		
Other disclosures	23		
The accompanying notes 1 to 23 are an integral part of the Financial Statements.			

As per our report of even date attached.
For MKUMAR JAIN & CO.
 Chartered Accountants
 F.R.No 315182E

(Signature)
 (CA. Sanjeev Kumar Gupta)
 Membership No. 407221
 Partner

For Fort Gloster Industries Limited

(Signature) *(Signature)* *(Signature)*
 BIJAY MURMURIA HEMANT BANGUR AJAY KUMAR AGARWAL
 MEMBERS OF MONITORING COMMITTEE

Place of Signature: Kolkata
 Date : 30th December, 2020



FORT GLOSTER INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended 31st March, 2020

(Rs. In Lacs)

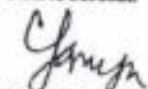
Particulars	Note No.	Year Ended 31st March, 2020	Year Ended 31st March, 2019
I. Other income	18	6.33	21.17
II. Total Income		6.33	21.17
III. Expenses:			
Change in inventories of raw material finished goods and stock-in-trade	19	-	-
Employee benefits expense	20	49.58	117.20
Finance costs	21	11.81	8,552.12
Depreciation and amortization expenses		26.15	28.82
Other expenses	22	90.00	51.64
Total expenses (III)		177.54	8,749.78
IV. Loss before exceptional items and tax (II-III)		(171.21)	(8,728.61)
V. Exceptional items		-	-
VI. Loss before tax (IV-V)		(171.21)	(8,728.61)
VII. Tax expense		-	-
VIII. Loss for the year (VI-VII)		(171.21)	(8,728.61)
IX. Other comprehensive income / (loss) Items that will not be reclassified to profit or loss Remeasurement Gain of defined benefit plans		-	76.28
Total other comprehensive income / (loss)		-	76.28
X. Total comprehensive income for the year (VIII - IX)		(171.21)	(8,652.33)
Earnings per equity share of Rs. 10/- each [Refer note no. 23 (9)]			
Basic		(1.41)	(71.82)
Diluted		(1.41)	(71.82)
Corporate Information Significant Accounting Policies Other disclosures	1 2 23		
The accompanying Notes 1 to 23 are an integral part of the Financial Statements.			

As per our report of even date attached.

For M.KUMAR JAIN & CO.

Chartered Accountants

F.R.No 3151B2E



(CA. Sanjeev Kumar Gupta)

Membership No. 407221

Partner

Place of Signature: Kolkata

Date : 30th December, 2020

For Fort Gloster Industries Limited


BIJAY MURMURIA


HEMANT BANGUR


AJAY KUMAR AGARWAL

MEMBERS OF MONITORING COMMITTEE



FORT GLOSTER INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

(Rs. In Lacs)

Particulars		For the Year Ended 31st March, 2020	For the Year Ended 31st March, 2019
(A)	CASH FLOW FROM OPERATING ACTIVITIES :		
	Net Loss before exceptional items and tax	(171.21)	(8,729.61)
	Adjustment for :		
	Depreciation	26.15	28.82
	Finance costs	11.81	8,552.12
	Miscellaneous expenditure written off	0.19	0.29
	Fair value loss/(gain) on financial instruments at fair value		
	through profit or loss	0.22	0.38
	Interest income	-	(0.26)
	Operating profit before working capital changes :	(132.84)	(147.27)
	Adjustment for :		
	Increase/(decrease) in trade and other payable	(0.87)	100.76
	Increase/(decrease) in other financial liabilities	20.23	5.10
	Increase/(decrease) in other current liabilities	(0.58)	0.12
	Increase/(decrease) in provision for employee benefit	-	16.34
	(Increase)/decrease in other non current assets	(0.06)	(2.55)
	(Increase)/decrease in other current financial assets	(0.00)	-
	(Increase)/decrease in other current assets	(4.00)	(0.29)
	Cash generated from operations	(118.13)	(27.77)
	Direct taxes paid	0.03	(0.03)
	Net cash generated from operating activities	(118.10)	(27.80)
(B)	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Deposit with Bank	0.0	(0.17)
	Interest received	-	0.26
	Net cash generated from investing activities	0.00	0.09
(C)	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from Interim Finance	30.00	70.00
	Received from Resolution applicant	860.00	-
	Repayment of Process Deposit	(10.00)	-
	Interest paid	(8.63)	-
	Net cash used in financing activities	871.37	70.00
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	753.27	42.30
	Opening cash and cash equivalents	44.56	2.26
	Closing cash and cash equivalents [Refer Note no. 8(i)]	797.83	44.56


- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Indian Accounting Standard (Ind AS) - 7 on Cash Flow Statement.
- Cash & Cash Equivalents do not include any amount which is not available to the Company for its use.
- Figure in brackets represent cash outflow from respective activities.
- As breakup of Cash and cash equivalents is also available in Note No. 8(i), reconciliation of items of Cash and cash equivalents as per Cash Flow Statement with the respective items reported in the Balance Sheet is not required and hence not provided.

As per our report of even date attached.

For M.KUMAR JAIN & CO.

Chartered Accountants

F.R.No 315162E


(CA. Sanjeev Kumar Gupta)
Membership No. 407221
Partner

Place of Signature: Kolkata

Date : 30th December, 2020

For Fort Gloster Industries Limited


BIJAY MURMURA


HEMANT BANGUR


AJAY KUMAR AGARWAL

MEMBERS OF MONITORING COMMITTEE



FORT GLOSTER INDUSTRIES LIMITED

1.	<p>Corporate information Fort Gloster Industries Limited ("the Company") is a listed entity incorporated and domiciled in India. The Company is in the business of cables. Its registered office is situated at P.O. Fort Gloster - 711310/ Bauria, Howrah, West Bengal.</p>
2.	<p>Significant accounting policies</p>
2.1	<p>Statement of Compliance with Ind AS These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017.</p>
2.2	<p>Basis of preparation The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration in exchange for goods and services.</p> <p>All amount disclosed in the financial statements including notes thereon have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless stated otherwise.</p>
2.3	<p>Use of estimates The preparation of financial statements in conformity with IND AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.</p>
2.4	<p>Operating Cycle All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements. The Company has ascertained its operating cycle to be 12 months for the purpose of current, non-current classification of assets and liabilities.</p>
2.5	<p>Property, plant and equipment (PPE) and Depreciation</p> <p>a) Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PPE recognized as at 1st April, 2016 measured as per the previous GAAP.</p> <p>b) Cost is inclusive of inward freight, non-refundable taxes and duties and directly attributable costs of bringing an asset to the location and condition of its intended use. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.</p>



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The cost and related accumulated depreciation are derecognised from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

- c) Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Depreciation on items of PPE is provided on a straight line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset as specified in Schedule II to the Companies Act, 2013 which in the view of the management best represents the period for which the asset is expected to be used except in respect of Imported Trailers, where estimated useful life is different than those prescribed in Schedule 11 are used.

The estimated useful lives of PPE of the Company are as follows:

Building	3 years
Plant and equipment	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Computers & Accessories	3-6 years
Tube Wells	5 years
Electrical Installation	10 years

Assets held under finance leases are depreciated over their expected useful lives or, where shorter, the term of the relevant lease. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Currently the residual life is considered as 5% of the value of PPE.

2.6 Impairment of Assets

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, if any, an impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.



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	<p>If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment loss previously recognized is reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment loss had not been recognized.</p>
2.7	<p><u>Inventories</u> Inventories (other than scrap) are stated at lower of cost or net realizable value. Cost of inventory comprises of purchase price, cost of conversion and other cost that have been incurred in bringing the inventories to their respective present location and condition. The cost of Inventories is computed on weighted average basis except raw material and stores and spare parts which are computed on FIFO basis. Scrap is valued at net realizable value.</p>
2.8	<p><u>Revenue recognition</u> Revenue is recognized to the extent it is probable that economic benefits would flow to the Company and the revenue can be reliably measured, regardless of when the revenue proceeds is received from customers. Revenue is measured at the fair value of the consideration received/receivable taking into account contractually defined terms of payment net of rebate and taxes.</p> <p>The specific recognition criteria for revenue recognition are as follows:</p> <ul style="list-style-type: none"> a) Sale of goods - Revenue from sale of goods is recognized when significant risk and rewards in respect of ownership thereof is transferred to the customers. b) Dividend Income - Dividend income is recognized when the Company's right to receive the dividend is established. c) All other income are accounted for on accrual basis.
2.9	<p><u>Borrowing costs</u> Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.</p> <p>All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.</p>
2.10	<p><u>Provisions, contingent liabilities and contingent assets</u></p> <ul style="list-style-type: none"> a) Provisions are recognized only when there is a present obligation, as a result of past events and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material. b) Contingent liability is disclosed for possible obligations which will be confirmed only by future events not wholly within the control of the Company or present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.



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	<p>c) Contingent assets are neither recognized nor disclosed except when realisation of income is virtually certain, related asset is disclosed.</p> <p>d) Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.</p>
2.11	<p><u>Employee benefits</u></p> <p>a) Short-term employee benefits - Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered.</p> <p>b) Defined contribution plans - Company's Contributions to Provident are charged to the Statement of Profit and Loss in the year when the contributions to the respective funds are due.</p> <p>c) Defined benefit plans - Gratuity is in the nature of a defined benefit plan. The cost of providing benefits under the defined benefit obligation is calculated on the basis of actuarial valuations carried out at reporting date by independent actuary using the projected unit credit method Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognized immediately through other comprehensive income in the period in which they occur.</p>
2.12	<p><u>Financial instruments, Financial assets, Financial liabilities and Equity instruments</u></p> <p>Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.</p>
	<p>I) Financial Assets</p> <p>a) Recognition - Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.</p> <p>b) Classification - Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss.</p> <p>c) Impairment - The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort.</p>



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	<p>II) Financial liabilities</p> <p>Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost.</p> <p>Financial liabilities are de recognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.</p> <p>III) Fair value measurement</p> <p>The Company measures financial instruments at fair value at each balance sheet date.</p> <p>For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the objective of a fair value measurement in both cases is the same—to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions.</p> <p>In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each balance sheet date.</p> <p>The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique;</p> <p>Level 1; Quoted prices (unadjusted) in active markets for identical assets or liabilities.</p> <p>Level 2; Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.</p> <p>Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).</p>
2.13	<p>Taxes</p> <p>Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.</p> <p>Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.</p> <p>Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.</p> <p>The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow</p>



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	<p>all or part of the deferred tax assets to be utilized.</p> <p>Unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.</p> <p>Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.</p>
2.14	<p><u>Earnings per Share</u></p> <p>a) Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.</p> <p>b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.</p> <p>The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any share split and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors</p>
2.15	<p><u>Cash and cash equivalents</u></p> <p>Cash and cash equivalents in the Balance sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value. For the purpose of the Cash Flow Statement, Cash and cash equivalents consist of Cash and cash equivalents, as defined above and net of outstanding book overdrafts as they are considered an integral part of the Company's cash management.</p>
2.16	<p><u>Cash Flow Statement</u></p> <p>Cash flows are reported using the indirect method, whereby profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing flows. The cash flows from operating, investing and financing activities of the Company are segregated.</p>
2.17	<p><u>Use of estimates and judgements</u></p> <p>The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.</p> <p>The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.</p>



FORT GLOSTER INDUSTRIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH 2020

(a) Equity share capital

	Balance at the beginning of the year	Changes in equity share capital during the year	(Rs. in Lacs) Balance at the end of the year
For the year ended 31st March, 2019	1,215.33	-	1,215.33
For the year ended 31st March, 2020	1,215.33	-	1,215.33

(b) Other equity

	Reserves and surplus		Other comprehensive income / (loss)	Total
	Capital Redemption Reserve	Retained Earnings		
Balance as at 1st April, 2019	21.00	(52,872.98)	-	(52,851.98)
Changes in equity during the year ended 31st March, 2020	-	(171.21)	-	(171.21)
Profit/(Loss) for the year	-	-	-	-
Other comprehensive income/(loss) for the year	-	-	-	-
Transfer to Retained earnings	-	-	-	-
Balance as at 31st March, 2020	21.00	(53,044.19)	-	(53,023.19)
Balance as at 1st April, 2018	21.00	(54,320.65)	-	(54,300.65)
Changes in equity during the year ended 31st March, 2019	-	(8,728.41)	-	(8,728.41)
Profit/(Loss) for the year	-	-	-	-
Other comprehensive income/(loss) for the year	-	76.28	-	76.28
Transfer to retained earnings	-	(76.28)	-	(76.28)
Balance as at 31st March, 2019	21.00	(53,072.96)	-	(53,051.96)

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

As per our report of even date attached.

For MUKESH JAIN & CO.
Chartered Accountants
F/R No 2151RCE

(Signature)
(CA. Sanjeev Kumar Gupta)
Membership No. 407721
Partner

For Fort Gloster Industries Limited

(Signature)
RISHAB MURUGIA

(Signature)
HEMANT BANGLUR
AJAY KUMAR AGARWAL
MEMBERS OF MONITORING COMMITTEE

Place of Signature: Kolkata
Date: 30th December, 2020



FORT GLOSTER INDUSTRIES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT (Contd.)

Note No : 3
Property, plant and equipment

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.2019	Additions/ Adjustment	Deductions/ Adjustment	As at 31.03.2020	Upto 31.03.2019	for the Year	Sales/ Adjustment	Upto 31.03.2020	As at 31.03.2020
Freehold Land	1,095.98	-	-	1,095.98	-	-	-	-	1,095.98
Buildings (freehold)	593.23	-	-	593.23	96.35	26.14	-	122.49	470.74
Plant & Equipment	57.74	-	-	57.74	16.67	-	-	16.67	41.07
Vehicles	0.09	-	-	0.09	-	-	-	-	0.09
Furniture and Fixtures	0.71	-	-	0.71	0.02	-	-	0.02	0.69
Office Equipments	3.74	-	-	3.74	0.24	-	-	0.24	3.50
Tubewells	0.07	-	-	0.07	-	-	-	-	0.07
Electrical Installations	0.25	-	-	0.25	0.04	0.01	-	0.05	0.20
Computer	0.07	-	-	0.07	-	-	-	-	0.07
TOTAL	1,751.88	-	-	1,751.88	113.32	26.15	-	139.47	1,612.41

Note : Refer Note no. 16 in respect of security charged in favour of lenders.

Previous Year figures- Property, plant and equipment

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.2018	Additions	Deductions/ Adjustment	As at 31.03.2019	Upto 31.03.2018	for the Year	Sales/ Adjustment	Upto 31.03.2019	As at 31.03.2019
Freehold Land	1,095.98	-	-	1,095.98	-	-	-	-	1,095.98
Buildings (freehold)	593.23	-	-	593.23	67.58	28.77	-	96.35	496.88
Plant & Equipment	57.74	-	-	57.74	16.68	-	-	16.67	41.07
Vehicles	0.09	-	-	0.09	-	-	-	-	0.09
Furniture and Fixtures	0.71	-	-	0.71	0.02	-	-	0.02	0.68
Office Equipments	3.74	-	-	3.74	0.20	0.04	-	0.24	3.50
Tubewells	0.07	-	-	0.07	-	-	-	-	0.07
Electrical Installations	0.25	-	-	0.25	0.02	0.01	-	0.04	0.21
Computer	0.07	-	-	0.07	-	-	-	-	0.07
TOTAL	1,751.88	-	-	1,751.88	84.50	28.82	-	113.32	1,638.56



FORT GLOSTER INDUSTRIES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT (Contd.)

Note No. : 4

Non-current investments

(Rs. In Lacs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Investments in Equity Shares:		
Quoted (valued at fair value through profit or loss) :		
200 (Previous year 200) Equity Shares of Rs.10 each in Birla Corp Ltd.	0.83	1.05
	<u>0.83</u>	<u>1.05</u>
Aggregate Book Value of Quoted Investment	0.17	0.17
Aggregate Market Value of Quoted Investment	0.83	1.43
Aggregate value of impairment	-	-

Particulars	As at 31st March, 2020	As at 31st March, 2019
Note No. : 5		
Trade receivables		
Trade Receivables - credit impaired	377.26	377.26
Less: Provision for impairment	(377.26)	(377.26)
	<u>-</u>	<u>-</u>

Particulars	As at 31st March, 2020	As at 31st March, 2019
Note No. : 6		
Other non-current assets (Impaired, considered doubtful)		
Advance to suppliers and others:		
Considered doubtful	127.19	127.04
Less: Provision for impairment	(31.92)	(31.92)
	<u>95.27</u>	<u>95.12</u>
Voluntary Retirement Benefits (to the extent not written off or adjusted)	-	0.10
	<u>95.27</u>	<u>95.22</u>



FORT CLOSTER INDUSTRIES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT (Contd.)

	As at 31st March, 2020	As at 31st March, 2019
Note No : 7		
Inventories		
<i>(At lower of cost and net realisable value, unless stated otherwise)</i>		
Raw Materials	115.88	115.88
Stores & Spares Parts	38.43	38.43
Stock-in-Process	43.21	43.21
Finished Goods	39.99	39.99
Scrap*	8.94	8.94
	266.45	266.45
* Value at net realisable.		

	As at 31st March, 2020	As at 31st March, 2019
Note No : 8(i)		
Cash and cash equivalents		
Balances with banks		
In current accounts	796.00	43.44
Cash on hand	1.83	1.12
	797.83	44.56

	As at 31st March, 2020	As at 31st March, 2019
Note No : 8(ii)		
Other bank balance		
Fixed deposits with banks (Pledged with Allahabad bank against margin Money)		
(Current portion with original maturity period of more than 12 months)	3.42	3.42
	3.42	3.42

	As at 31st March, 2020		As at 31st March, 2019	
Note No : 9				
Other current financial assets:				
<i>(Liquidity)</i>				
Security deposits (Considered doubtful)	126.76		126.76	
Less: Provision for impairment	(25.10)	101.66	(25.10)	101.66
		101.66		101.66

	As at 31st March, 2020	As at 31st March, 2019
Note No : 10		
Current Tax Assets (net)		
Advance tax (net)	34.83	34.86
Note No : 11		
Other current assets		
Deposit with Customs, Port Trust and Excise Authorities	13.11	9.20
Voluntary Retirement Benefits		
<i>(to the extent not written off or adjusted)</i>	0.10	0.19
	13.21	9.39



FORT GLOSTER INDUSTRIES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT (Contd.)

Note No. : 12

Equity share capital

(Rs. In Lacs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares	Amount	No. of shares	Amount
(a) Authorised:				
Preference shares of par value Rs.10/- each	1,000,000	100.00	1,000,000	100.00
Equity shares of par value Rs.10/- each	19,000,000	1,900.00	19,000,000	1,900.00
		2,000.00		2,000.00
(b) Issued:				
Equity shares of par value Rs.10/- each	12,550,800	1,255.08	12,550,800	1,255.08
(c) Subscribed and fully paid up:				
Equity shares of par value Rs.10/- each	12,153,316	1,215.33	12,153,316	1,215.33

(d) The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The holders of equity shares are entitled to receive dividends as declared from time to time. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Shareholders holding more than 5 % of the equity shares in the Company :

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of shares held	% of holding	No. of shares held	% of holding
1. The West Coast Paper Mills Ltd.	2,216,680	18.24	4,016,680	33.05
2. The Diamond Company Ltd.	2,392,110	19.68	2,492,110	20.51
3. Shree Satyanarayan Investments Co. Ltd.	2,185,790	17.99	2,185,790	17.99
4. Veer Enterprises Ltd.	2,300	0.02	1,308,770	10.77
TOTAL	6,796,880	55.93	10,003,350	82.32

Note No. : 13	As at 31st March, 2020		As at 31st March, 2019	
	Amount	Amount	Amount	Amount
Reserves and surplus				
(a) Capital redemption reserve				
Balance as per last account		21.00		21.00
(b) Retained earnings				
Balance as per last account	(62,872.98)		(54,220.65)	
Add: Profit/(loss) for the year	(171.21)		(8,728.61)	
Add: Transfer from Other comprehensive income / (loss)	-		76.28	
Closing balance		(63,044.19)		(62,872.98)
Other Comprehensive Income / (Loss)				
Balance as per last account	-		-	
Add: Other comprehensive income/(loss) for the year	-		76.28	
Less: Transfer to Retained earnings	-		(76.28)	
Closing balance		-		-
		(63,023.19)		(62,851.58)

Nature and purpose of reserves

a) Capital Redemption Reserve was created as a results of transfer of the nominal value of shares upon buy back of shares out of profits of the respective year as required under the Act.

b) Retained earnings: Retained earnings comprise of the profits of the Company earned till date net of distributions and other adjustments.

c) Other Comprehensive Income (OCI): The Company has recognized remeasurement gains/(loss) on defined benefit plans in OCI.



FORT GLOSTER INDUSTRIES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT (Contd.)

	As at 31st March, 2020		As at 31st March, 2019	
Note No. :14				
Trade payables				
Total outstanding dues of micro and small enterprises [Refer Note No. 23(6)]				
Total outstanding dues of creditors other than micro and small enterprises		1,863.06		1,863.94
		<u>1,863.06</u>		<u>1,863.94</u>

Note No. :15	(Rs. in lacs)			
	As at 31st March, 2020		As at 31st March, 2019	
	Amount	Amount	Amount	Amount
Other financial liabilities				
Interest accrued and due				
On borrowings	20,866.73		20,863.87	
On Statutory payment	1,266.17	22,132.90	1,266.17	22,130.04
Over due borrowings:				
Working capital Term Loans (Secured)				
From banks				
Punjab National Bank	987.99		987.99	
Andhra Bank	391.56		391.56	
Allahabad Bank	1,497.62	2,877.17	1,497.62	2,877.17
From entities other than banks				
i) From Financial Institutions				
West Bengal Industrial Development Corporation Limited (W	40.68		40.68	
Industrial Development Bank of India (IDBI)	632.89	673.57	632.89	673.57
ii) From a related party (Free of Interest)		547.03		547.03
Gloster Cables Ltd.				
Inter Corporate deposit (Free of Interest) - Unsecured				
i) From a related party	809.18		809.18	
ii) Other than related parties	126.00	935.18	106.00	915.18
Loans payable on demand (Secured)				
From banks - Cash Credit				
Punjab National Bank	6,128.55		6,128.55	
Andhra Bank	4,522.40		4,522.40	
Allahabad Bank	23,363.29	34,014.24	23,363.29	34,014.24
Other Payables				
Security Deposit	0.47		0.47	
Retention money	0.19		0.19	
Unpaid salaries, wages and other payroll dues	11.96		11.96	
Payable towards expenses etc.	49.44		54.49	
Advance received from Successful Resolution Applicant	885.62	947.67	-	67.10
		<u>62,127.75</u>		<u>61,224.34</u>



FORT GLOSTER INDUSTRIES LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENT (Contd.)

a) Nature of securities in respect of secured liabilities:

(i) Working capital term loan from banks is secured by hypothecation of current assets both present and future and second charge over fixed assets of the company.

(ii) Term loan from WBIDC is secured by exclusive charge by way of hypothecation of certain machinery purchased/to be purchased under the Equipment Refinance Scheme of Industrial Development Bank of India.

(iii) Term loan from IDBI is secured by first charge on immovable and movable assets, both present and future, subject to (a) prior charges on specified moveables created/to be created in favour of the Company's bankers for working capital assistance and (b) exclusive charge on certain equipments created in favour of WBIDC for securing assistance under the Equipment Refinance Scheme).

(iv) Interest Free term loan from Gloster Cables Ltd. is secured by hypothecation of Trade Mark of the company.

(v) All cash credit limit taken from banks are secured by a joint hypothecation of stock of raw materials, stock-in-process, finished goods, stores and spare parts, book debts present and future and other current assets and further secured by second charge on immovable properties of the Company both present and future save and except assets under exclusive charge of the lender. The above mentioned figures are inclusive of interest.

b) The company has not repaid any of the following loans and interest due thereon since 2003-04. These loans could not be repaid even as per the restructuring terms [refer Note no. 23(2)]. As all the lenders have recalled these loans and the Company is under Corporate Insolvency Resolution Process (CIRP), the company has reclassified them from long term borrowings under non-current liabilities and short term borrowing under current liabilities to Other current liabilities :

Nature of loan	Amount of default	
	As at 31st March, 2020	As at 31st March, 2019
Working capital Term Loans -(Secured)	3,550.74	3,550.74
Inter Corporate deposit (Free of Interest) (unsecured)	935.18	915.18
Loans payable on demand (Secured)*	34,014.24	34,014.24
Interest accrued and due on Working Capital Term Loan from Financial Institutions	20,866.73	20,863.87
	<u>59,366.90</u>	<u>59,344.03</u>

* Inclusive of interest from banks on cash credit and working capital term loans.

c) The amount due to Allahabad Bank, Punjab National Bank, Andhra Bank and Industrial Development Bank of India is subject to confirmation from the Bank.

d) The overall obligations and liabilities including obligation for interest on loans has been determined during the CIRP based on the claims lodged & admitted by RP.

Pending implementation of the resolution plan, the effect of the same has not been given in this accounts (Refer note 23(1)).

Note No. :16	Amount			
	As at 31st March, 2020		As at 31st March, 2019	
	Amount	Amount	Amount	Amount
Other current liabilities				
Other payable				
Statutory payments		552.49		553.06
		<u>552.49</u>		<u>553.06</u>

Note No. : 17	Amount			
	As at 31st March, 2020		As at 31st March, 2019	
	Amount	Amount	Amount	Amount
Short - term provisions				
Provision for employee benefits (Refer Note no.23(10))				
Gratuity	165.93		165.93	
Leave Encashment	4.54	170.47	4.54	170.47
		<u>170.47</u>		<u>170.47</u>



FORT GLOSTER INDUSTRIES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT (Contd.)

(Rs. in Lakh)

	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Note No. : 18		
Other income		
Interest income (Gross)*	-	0.26
Other non-operating income		
Rent	5.29	4.42
Other Miscellaneous Income	1.04	16.49
	6.33	21.17
* The amount of T.D.S on the above mentioned amounts are as follows-		
Interest income	-	0.02
	-	0.02
Note No. : 19		
Changes in inventories of raw material, finished goods and stock-in-trade		
A. Finished Goods		
Opening Stock -Wires	39.99	39.99
Closing Stock -Wires	39.99	-
B. Stock-in-Process		
Opening Stock -Wires	43.21	43.21
Closing Stock -Wires	43.21	-
NET (INCREASE) / DECREASE IN STOCKS	-	-
Note No. : 20		
Employee benefits expense		
Salaries and wages	47.63	38.62
Contribution to provident and other funds	0.86	1.44
Staff welfare expense	1.09	0.86
	49.58	40.92
Note No. : 21		
Finance costs		
Interest expense		
On short term borrowings	11.75	8,486.19
On unpaid statutory dues	0.06	65.93
	11.81	8,552.12
Note No. : 22		
Other expenses		
Rates and Taxes	-	12.79
Miscellaneous Expenses	11.42	6.94
Statutory Auditors' Remuneration		
Audit Fee	0.30	0.30
Advertisement, Publicity & Sales Promotion	-	1.22
Professional charges	74.48	26.11
Electric charges	3.38	3.59
Miscellaneous expenses written off	0.19	0.29
Conveyance Expenses	0.01	0.02
Fair value loss on financial instruments at fair value through profit or loss	0.22	0.38
	90.00	51.64



FORT GLOSTER INDUSTRIES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT [Contd.]

Note No. : 23 Other disclosures

1. The Hon'ble National Company Law Tribunal ("NCLT") Kolkata Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by an operational creditor of Fort Gloster Industries Limited ("the Company") and appointed an Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the code") to manage the affairs of the Company vide order dated 9th August, 2019 passed in C.P.(IB) NO.61/XB/2018. Accordingly, Mr. Manish Jain and thereafter Mr. Bijay Murnuria was appointed as the Resolution Professional (RP) of the Company by an order of NCLT with effect from 9th August, 2018.

Pursuant to the CIRP of the Company, various claims have been submitted by the operational creditors, the financial creditors, employees and other creditors. Since the Overall obligations and liabilities including obligation for interest on loans and the principal amount in respect of outstanding loans has been determined during the CIRP based on the claims lodged & admitted by RP, the liabilities relating to the same i.e. Financial Creditors, Employee Dues, Statutory Dues, Other Creditors etc. are frozen and hence for the financial year 2019-2020, further liabilities in this regard have not been provided.

In terms of IBC Code, the Committee of Creditors has approved the Resolution Plan submitted by Gloster Limited in its meeting held on 24th April, 2019 which the Hon'ble NCLT, Kolkata has approved vide order dated 27th September, 2019.

In accordance with Resolution Plan, Monitoring Committee was formed with representatives of Resolution Professional, Financial Creditors and Successful Resolution Applicant on 22nd October, 2019. Thereafter, some applications were filed against the above Hon'ble NCLT Order at Hon'ble NCLAT, New Delhi, by Workers, SAGP, Gloster Cables Limited, West Coast Paper Mills Ltd. and some cases are still continuing. Accordingly, as at 31st March, 2020, the sanctioned Resolution Plan was still to be implemented.

The resolution amount of Gloster Limited in its Resolution Plan was Rs.72.00 crores. In terms of the outcome of the meeting of Monitoring Committee (MC), Gloster Limited had paid Rs.7,85,00,000 (settlement amount of all creditors except financial creditors) on 6th November, 2019 to Escrow Account of FGI, maintained at Punjab National Bank. Gloster Limited paid the balance amount of Rs.64,16,29,735 on 4th August, 2020 pursuant to outcome of the meeting of MC on 4th August, 2020 in compliance to the Hon'ble NCLT Order dated 20th July, 2020. The Management and Control of the Company have been given to the successful Resolution Applicant - Gloster Limited on 5th August, 2020.

In view of the CIRP, powers of Board of Directors of the Company are suspended and hence the Powers of adoption of this financial statements vests with the Monitoring Committee. The financial statements for the year ended 31st March, 2020 were approved for issue on 30th December, 2020.

The financial statements have been prepared by the Monitoring Committee of the company as a going concern entity. The Monitoring Committee has relied on the representations and statements made in relation to these financial statements. The Monitoring Committee has approved these financial statements only to the limited extent of discharging the powers of the Board of Directors of the Company which has been conferred upon it in terms of provisions of section 17 of the Code. It is clarified, however, that the Monitoring Committee has not conducted an independent verification of these financial statements and has not certified on the truthfulness, fairness, accuracy or completeness of the same, in so far as it pertains to the period prior to commencement of the CIRP and their appointment. The members of monitoring committee are signing the financial statements only for the purpose of facilitating compliance. The members of monitoring committee are in no manner whatsoever responsible for the details / figures / disclosures given in the financial statements.

- 2 (a) The Company's application for granting exemption under Section 20(3a) of the Urban Land (Ceiling and Regulation) Act, 1976 in respect of 39,155.70 and 12,059.64 square meters of land was rejected by the Government of West Bengal. Such rejection was set aside by the Hon'ble High Court, Kolkata with a direction to the concerned authorities to consider the application for exemption afresh.
- 2 (b) The Company's application against withdrawal of exemption under Section 20(3)(a) of the Urban Land (Ceiling and Regulation) Act, 1976 in respect of 11,62,329.77 square meters of land has been rejected by the Hon'ble High Court, Kolkata. The Company has preferred an appeal against the same.
- 2 (c) The Company has voluntarily surrendered 45,124 square meters of land out of above mentioned land in favour of the Government and hence this plot of land will be out of purview in appeal before the Hon'ble High Court. The compensation for the surrendered land is yet to be determined.
- 2 (d) Adjustments, if required, will be made in the accounts at the time of final decision in above cases.
- 3 The Company has not recognized value of its "Trade Mark" in the books of account.



4 Contingent liabilities and commitments (to the extent not provided for)

		(Rs. in lacs)	
Sl. No	Particulars	As at 31st March, 2020*	As at 31st March, 2019
I. Contingent Liabilities :			
(i)	Claims against the Company not acknowledged as debt		
	a) Sales Tax	-	16.91
	b) Income Tax	-	12.05
	c) Excise Duty	-	151.79
	d) Provident Fund (Interest & Damages)	-	23.65
	e) Municipal Tax	-	172.89
	f) Employee State Insurance	-	9.96
(ii)	Others	-	6.48
II. Commitments			
		-	-

* Refer note 1 above

- 5 Unsecured Loan as at 31.03.2019 includes Rs. 712.78 lacs paid by the guarantor upon invocation of Corporate Guarantee given on behalf of the Company.
- 6 Physical verification of inventory could not be carried out during the year due to suspension of work at the factory since 9th December 2003. The extent of damage or deterioration in these stock, if any, could not be determined and provided for. Pending such determination, the inventories have been valued at estimated realizable value.
- 7 Segment information as per Indian Accounting Standard - 108 on 'Operating Segments':
As the Company operates in a single business segment, income from contract receipts is an integral part of the Company's business activities i.e. cables and hence, no further disclosure is required to be made under Indian Accounting Standard 108 "Operating Segments".
- 8 The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31 March 2020 as micro, small and medium enterprises. Consequently, the amount due to micro and small enterprises as per requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is Nil (31st March 2019 - Nil).

9 Earnings per share :

Sl. No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
a)	Amount used as the numerator () Profit for the year - (A)	(171.21)	(8,728.61)
b)	Weighted average number of equity shares outstanding used as the denominator for computing Basic Earnings per	12,153,316	12,153,316
c)	Weighted average number of equity shares outstanding used as the denominator for computing Diluted earnings per share - (C)	12,153,316	12,153,316
d)	Nominal value of equity shares ()	10.00	10.00
e)	Basic & diluted earnings per share () (A/B)	(1.41)	(71.82)

10 Employee Benefits :

As per Indian Accounting Standard - 19 "Employee Benefits", the disclosures of Employee Benefits are as follows:

a) Defined Contribution Plan :

Employee benefits in the form of Provident Fund and Employee State Insurance Corporation (ESIC) are considered as defined contribution plan.

The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under :

		(Rs. in lacs)	
		Year ended 31st March, 2020	Year ended 31st March, 2019
Defined Contribution Plan			
Employer's Contribution to Provident Fund		0.86	1.44
Employer's Contribution to Employees' State Insurance Scheme		0.31	0.48



b) Defined Benefit Plans/Long Term Compensated Absences :

Description of Plans

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the said Act, an employee who has completed five years of service is entitled to specific benefit. The Gratuity plan provides a lumpsum payment to employees at retirement, death, incapacitation or termination of employment. The level of benefits provided depends on the member's length of service and salary at retirement age etc.

Gratuity Benefits and Leave Encashment Benefits are unfunded in nature. The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the said plan:

a) Details of funded post retirement plans are as follows :

Particulars	Rs. in lacs)			
	For the year ended 31st March, 2020*		For the year ended 31st March, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
I. Components of Employer Expense				
I.1 Expenses recognised in the Statement of Profit and Loss:				
1 Current service cost	-	-	5.97	-
2 Past service cost	-	-	-	-
3 Net interest cost	-	-	16.89	0.85
4 Curtailment	-	-	-	-
5 Settlement	-	-	-	-
6 Expense recognised in the Statement of Profit and Loss	-	-	22.86	0.85
I.2 Remeasurements recognised in Other comprehensive income				
1 Actuarial gain / (loss) arising from:				
- change in demographic assumptions	-	-	-	-
- change in financial assumptions	-	-	(76.28)	(7.35)
- changes in experience adjustments	-	-	-	-
- changes in asset ceiling (excluding interest income)	-	-	-	-
2 (Returns)/loss on plan assets excluding amounts included in Net interest cost	-	-	-	-
3 Components of defined benefit costs recognised in Other comprehensive income	-	-	(76.28)	(7.35)
Total defined benefit cost recognised in Profit and Loss and Other comprehensive income	-	-	(76.28)	(7.35)
II. Change in present value of defined benefit obligation :				
1 Present value of defined benefit obligation at the beginning of the year	-	-	219.95	11.04
2 Acquisition adjustment	-	-	-	-
3 Interest expense	-	-	-	-
4 Past service cost	-	-	-	-
5 Current service cost	-	-	-	-
6 Employees' contributions	-	-	-	-
7 Benefits paid	-	-	-	-
8 Actuarial gain / (loss) arising from:				
- change in financial assumptions	-	-	-	-
- changes in experience adjustments	-	-	-	-
9 Present value of Defined Benefit Obligation at the end of the year	-	-	219.95	11.04
III Change in fair value of plan assets during the year :				
1 Plan assets at the beginning of the year	-	-	-	-
2 Interest income	-	-	-	-
3 Employees' contributions	-	-	-	-
4 Employers' contributions	-	-	-	-
5 Benefits paid	-	-	-	-
6 Settlement	-	-	-	-
7 Re-measurement (Returns on plan assets excluding amounts included in interest income)	-	-	-	-
8 Administration expenses	-	-	-	-
9 Fair Value of Plan Assets at the end of the year	-	-	-	-



(In Rs.)

Particulars	For the year ended 31st March, 2020		For the year ended 31st March, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
IV. Net Asset / (Liability) recognised in the Balance Sheet as at the year end:				
1 Present value of Defined Benefit Obligation	-	-	165.93	4.54
2 Fair value of Plan Assets	-	-	-	-
3 Funded Status (Surplus/(Deficit))	-	-	165.93	4.54
4 Net Asset / (Liability) recognised in Balance Sheet	As at 31st March, 2020		As at 31st March, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Current Liability	-	-	165.93	4.54
Non-Current Liability	-	-	-	-
V. Actuarial Assumptions :	As at 31st March, 2020		As at 31st March, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
1 Discount Rate (per annum) %	-	-	7.70%	7.75%
2 Expected return on Plan Assets (per annum) %	-	-	NA	NA
3 Expected Rate of Salary increase %	-	-	6.00%	6.00%
4 Retirement/Superannuation Age (Year)	-	-	58	58
5 Mortality Rates	-	-	-	-
VI. Major Category of Plan Assets as a % of the Total Plan	As at 31st March, 2020		As at 31st March, 2019	
1 Administered by Insurance Companies	-	-	-	-
2 Public Financial Institutions / Public Sector Companies bonds	-	-	-	-
3 Central / State Government Securities	-	-	-	-
4 Private sector bonds	-	-	-	-
5 Others (Cash and cash equivalents)	-	-	-	-
VII. Best Estimate of Employers' Expected Contribution for the	As at 31st March, 2020		As at 31st March, 2019	
Gratuity	-	-	-	-
Leave encashment	-	-	-	-
VIII. Experience adjustments on Present value of Defined Benefit Obligation and Plan Assets are as follows :	As at 31st March, 2020		As at 31st March, 2019	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Present value of Defined Benefit Obligation	-	-	165.93	4.54
Fair value of Plan Assets	-	-	-	-
(Deficit)/Surplus	-	-	-	-
Experience adjustment of Plan Assets ((Gain)/Loss)	-	-	-	-
Experience adjustment of Obligations ((Gain)/Loss)	-	-	-	-
VII. Basis used to determine the Expected Rate of Return on Plan Assets:	The basis used to determine overall expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are well diversified.			
VIII. Basis of estimates of rate of escalation in salary:	The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The actuary certifies the above information.			
* Pending implementation of the Resolution Plan, no further liability has been provided for as per the actuarial valuation and existing balance as at the last balance sheet date has been carried (Refer note 1 above).				

11. Taxes on Income:

The Company has unabsorbed depreciation and carried forward business losses available for set off under the Income Tax Act, 1961. However, in view of inability to assess future taxable income, the extent of net deferred tax assets which may be adjusted in the subsequent years is not ascertainable with virtual certainty at this stage and accordingly, in keeping with Accounting Standard -22 on "Accounting for Taxes on Income", notified in the Companies (Accounting Standards) Rules, 2006, the same has not been recognized in these accounts on prudent basis.

12. Deferred Revenue Expenditure of Rs. 0.10 lakh (previous year Rs.0.29 lakh) is to be fully amortised in the succeeding year as follows:

Accounting year	Amount (Rs. in lacs)
2020-21	0.10

13. Disclosure pursuant to Provisions, Contingent Liabilities and Contingent Assets :

a) No provisions for Contingent Liabilities was made during the year as detailed in Note 23(i) above.

14. Details of Loans given, Investments made and guarantee given covered u/s 186(4) of the Companies Act, 2013:

- (i) The Company has not given any loan.
(ii) The relevant details of investments made are given in Note no. 4.
(iii) The Company has not given any guarantee and has not provided any security.

15. Impairment review of property, plant and equipment, other financial and non financial assets as at 31st March, 2020 has not been carried out during the year, hence no provision in the books of account has been made by the Company.

16. Disclosure under clause 32 of the Listing Agreement:

There are no transactions which are required to be disclosed under Clause 32 of the Listing Agreement with the Stock Exchanges where the Equity Shares of the Company are listed.



FORT GLOSTER INDUSTRIES LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENT (Contd.)

Note No. : 23 Other disclosures (contd.)

16 Financial Instruments - Accounting, Classification and Fair value measurements

A. Financial instruments by category

As at 31st March, 2020

(Rs. in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value		
				Amortized cost	FVTPL	Total
(1)	Financial assets					
(a)	Investments	4	0.83	-	0.83	0.83
(b)	Cash and cash equivalents	8(i)	797.83	797.83	-	797.83
(d)	Bank balances other than cash and cash equivalents	8(ii)	3.42	3.42	-	3.42
(e)	Other financial assets	9	101.66	101.66	-	101.66
	Total		903.74	902.90	0.83	903.74
(2)	Financial liabilities					
(a)	Trade and other payables	14	1,863.06	1,863.06	-	1,863.06
(b)	Other financial liabilities	15	62,127.75	62,127.75	-	62,127.75
	Total		63,990.81	63,990.81	-	63,990.81

As at 31st March, 2019

(Rs. in Lacs)

Sl. No.	Particulars	Refer Note No.	Total Fair Value	Carrying value		
				Amortized cost	FVTPL	Total
(1)	Financial assets					
(a)	Investments	4	1.05	-	1.05	1.05
(b)	Cash and cash equivalents	8(i)	44.56	44.56	-	44.56
(d)	Bank balances other than cash and cash equivalents	8(ii)	3.42	3.42	-	3.42
(e)	Other financial assets	9	101.66	101.66	-	101.66
	Total		150.69	149.64	1.05	150.69
(2)	Financial liabilities					
(a)	Trade and other payables	14	1,863.94	1,863.94	-	1,863.94
(b)	Other financial liabilities	15	61,224.34	61,224.34	-	61,224.34
	Total		63,088.28	63,088.28	-	63,088.28

B. Fair value hierarchy

The fair value of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Fair value of cash and cash equivalents (other than liquid investments in mutual funds), other bank balances, trade and other receivables, loans and other current financial assets, short term borrowings from banks and financial institutions, trade and other payables and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using adjusted net asset value method. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

The non-convertible redeemable debentures issued by the Company are not listed on stock exchange and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the debentures represents the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.



The following tables provide the fair value hierarchy of the Company's assets and liabilities measured at fair value on a recurring basis:

(i) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2020

(Rs. in Lacs)

Sl. No.	Particulars	Level 1	Level 2	Level 3	Total
A.	Financial assets At FVTPL Investments in equity instruments	0.83	-	-	-
	Total financial assets	-	-	-	-

(ii) Financial assets and financial liabilities measured at fair value on a recurring basis as at 31st March, 2019:

(Rs. in Lacs)

Sl. No.	Particulars	Level 1	Level 2	Level 3	Total
A.	Financial assets At FVTOCI Investments in equity instruments	1.05	-	-	1.05
	Total financial assets	1.05	-	-	1.05

Description of significant unobservable inputs to valuation:

The following table shows the valuation technique and inputs for financial instruments:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Investments in equity shares	Quoted Price	Quoted Price

Reconciliation of opening and closing balances for Level 1 fair value:

(Rs. in Lacs)

Particulars	Investments in equity shares	Total
Balance as at 1 st April, 2018	1.43	1.43
Net re-measurement loss recognised during the year	(0.38)	(0.38)
Balance as at 31st March, 2019	1.05	1.05
De-recognition during the year	(0.22)	(0.22)
Balance as at 31st March, 2020	0.83	0.83

17 Financial risk management objectives and policies

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

(a) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortized cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Credit risk management



The Company assesses and manages credit risk of financial assets on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company provides for expected credit loss on Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets based on 12 months expected credit loss/life time expected credit loss/ fully provided for. Life time expected credit loss is provided for trade receivables. No significant changes in estimation were made during the reported period.

(b) **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

(c) **Market risk**

Interest rate risk

i) **Liabilities**

The Company's fixed rate borrowings are carried at amortised cost. They are, therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. The Company has no variable rate borrowings.

ii) **Assets**

The company's fixed deposits, interest bearing security deposits and loans are carried at fixed rate. Therefore, not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Price risk

The Company's exposure to price risk arises from investments held and classified as FVTPL. To manage the price risk arising from investments in mutual funds, the Company diversifies its portfolio of assets.

18 **Capital Management**

(a) **Risk management**

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity share-holders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stake holders.

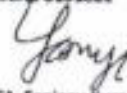
No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March, 2019 and 2020.

19 This is no related party transactions during the Financial Year 2019-20

20 The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

The accompanying notes 1 to 23 are an integral part of the Financial Statements.

For M.KUMAR JAIN & CO.
Chartered Accountants
F.R.No 315182E


(CA. Sanjeev Kumar Gupta)
Membership No. 407221
Partner

Place of Signature: Kolkata
Date : 30th December, 2020

For & On Behalf of the Monitoring Committee

  
Bijay Murnuria Hemant Bangur Ajay Kumar Agarwal
Members of Monitoring Committee

