

ANNUAL REPORT

2022-23



Troop Comforts Limited

A Govt. of India Enterprise,
Ministry of Defence

About Troop Comforts Limited

In pursuance of Government of India decision dated 16th August-2021 to corporatize 41 Ordnance Factories under Ordnance Factory Board (OFB), Troop Comforts Limited was incorporated as one of the seven new DPSU's with 100% Government owned equity. With effect from 1st October, 2021 ("Appointed Date"), the management control, operations and maintenance of 04 Ordnance Factories viz. Ordnance Clothing Factory Avadi (OCFA), Ordnance Clothing Factory Shahjahanpur (OCFS), Ordnance Equipment Factory Kanpur (OEFK) and Ordnance Equipment Factory Hazratpur (OEFHZ) and a Training Academy named Ordnance Factories Institute of Learning Kanpur (OFIL Kanpur) is being governed by Troop Comforts Limited, a newly carved out DPSU.

TCL is involved in the manufacturing of Life Cycle Clothing (LCC), Extreme Cold Climate Items (ECC), Special Clothing & Mountaineering Equipment (SCME), Supply Drop Equipment (SDE), Water Storage Equipment, Covers, Tentages, Leather Items, Arrester Barrier, General Stores, etc. for Indian Armed forces, Paramilitary and State Police forces.

CORE VALUES

- **CUSTOMER SATISFACTION**

We are dedicated to build a long run relationship with our esteemed customers. We strive to understand our customers' needs, undertake requisite research, development and deliver best quality products that fulfill their requirements.

- **PEOPLE & TEAM WORK**

We value our people and treat each other with dignity and respect. We are striving to Make TCL a dynamic, vibrant & value-based organization with exceptionally skilled, highly motivated & committed human resource to meet the current & future challenges. We believe in the highest levels of integrity and discipline.

- **RESEARCH & INNOVATION**

We believe in research and innovation and keen to develop new products for our esteemed customers. We are committed to strive to improvement in every aspect involved in our business with a view to achieve excellence and competitiveness.

- **QUALITY, TIME AND COST CONSCIOUSNESS**

We are dedicated to deliver products that conform highest standard of quality, functionality, durability, reliability and maintainability. We are committed to deliver on time and at competitive price.

Company Vision

“To contribute to an **ATMANIRBHAR BHARAT**, that is **SELF RELIANT** in **TECHNICAL TEXTILES AND APPARELS** for our troops and billion lives.”

HR Vision



- Make TCL a dynamic, vibrant & value-based organization with exceptionally skilled, highly motivated & committed human resource to meet the current & future challenges.

HR Mission



- To continuously innovate, evaluate and realign HR practices with the environment, business strategies / directions and employee expectations to maintain relevance and to attract, nurture and retain talent.
- To foster a spirit of creativity and innovation amongst the employees by facilitating creation of a rewarding, inspiring and motivational organizational climate.

HR Strategies



a) Align all HR activities with the Organisation's Business Strategies

- Lead and manage organizational changes
- Institutionalization of competency-based HR Systems / Processes
- Building Employee commitment
- Building Enabling systems

b). Employee Empowerment

- Build ownership
- Recognition of ideas
- Enabling Managers to take decisions within the policy framework
- Provide feedback and resolve issue

c). Develop Leadership Capability

- Identifying critical leadership competencies Build ownership
- Creating a context for leadership development
- Nurture leadership talent
- Put in place development systems, succession plans, training, programmes and projects, mentoring opportunities and management review teams

d). Manage Attrition and Retention of Key Personnel

- Suitable reward policy
- Creation of a performance culture for nurturing key talents
- Identifying next generation leaders
- Career development programme
- Encouragement to exemplary employees

e). Develop Proactive Strategies on Employee Relations

- Fostering a culture of Discipline & Managing Discipline
- Proactive Industrial Relations (IR) Management
- Corporate Social Responsibility

Content

Board of Directors	4
Corporate Information	5
Major Events	6
Chairman's Statement	8
Director's Report	15
Secretarial Audit Report	47
Independent Auditors' Report	52
Comments of Comptroller & Auditor General of India	70
Balance Sheet	72
Statement of Profit & Loss	73
Cash Flow Statement	74
Statement of changes in Equity	75
Significant Accounting Policies	78
Notes to Accounts	88

Board of Directors



Shri Santosh Kumar Sinha

Chairman & Managing Director



Shri Atul Gupta

Director (Operations)

(Superannuated on
w.e.f. 30/04/2023)



Maj Gen Ravi Rajeshkhar Patil

Director (Human Resource)

(Ceased as Director w.e.f.
16.04.2023)



Dr. Sanjeev Kumar Saxena

Director (Finance) & CFO

Additional charge of
Director (Operations) w.e.f.
15.05.2023



Mr. Chandraker Bharti

Joint Secretary (Aerospace)
Govt. Nominee Director
(Ceased as Director w.e.f.
14/09/2022)



Mr. Rajeev Prakash

Joint Secretary (Naval System)
Govt. Nominee Director
(w.e.f. 14/09/2022)

Corporate Information

Chief Vigilance Officer (CVO)

Shri Shrikant Walgad, IAS

Company Secretary

Shri Suresh Kumar Gupta

Statutory Auditors

V. P. Aditya & Co.

Chartered Accountants, Kanpur

Secretarial Auditor

Ankit Misra & Co.

Practicing Company Secretary, Kanpur

Cost Auditors

M R Vyas & Associates

Practicing Cost Accountant, Kanpur

Internal Auditors

Nitin Nakul & Co.

Practicing Chartered Accountant, Surat
(Gujrat)

Banker

- ❖ State Bank of India
- ❖ HDFC Bank
- ❖ ICICI Bank
- ❖ Axis Bank

Registered Office

TCL Corporate Bhawan
G.T. Road, Kanpur-208013
Uttar Pradesh, India

Senior Corporate Management as on 31.03.2023

Name	Designation
Shri P. Mohanty	Senior GM/HR
Shri M V Krishnamurthy	GM, Ordnance Clothing Factory Avadi (OCFA)
Shri Akhilesh Kumar	GM, Ordnance Equipment Factory, Kanpur (OEFK)
Shri V. Mathivanan	GM, Ordnance Clothing Factory Shahjahanpur (OCFS)
Shri Amit Singh	GM, Ordnance Equipment Factory Hazratpur (OEFHZ)
Shri Rajeev Sharma	GM/Operations
Shri Chander Shekher	GM/Solar
Shri Birendra Singh	Jt. GM/Ops
Shri Sumit Patle	Jt. GM, Ops-II
Shri Ravi Mishra	Dir/Vig
Dr. Parmod Kumar	WM Corp./HR(P)
Shri Anand Dubey	WM Corp./Finance
Shri Sanjay Gupta	WM Corp./HR (S)
Shri Rajeev Arora	WM Corp./Accounts
Shri Amit Patel	WM Corp./Ops

Major Events



Hon'ble Defence Minister Shri Rajnath Singh visited the pavilion of Troop Comforts Limited at Def Expo 2022.



Nepal's Defence Secretary visit to TCL stall at Defexpo paved the way for first ever export from OEF Kanpur.



TCL's OCFV unit partners IIT Chennai to advance in Ballistic Protective Gears, supporting "ATMANIRBHAR BHARAT"



LAUNCHING OF COAT COMBAT IN DIGITAL PATTERN FOR INDIAN AIR FORCE IN AERO INDIA SHOW 2023



LAUNCHING OF AIR CREW VEST AND DRAWER FOR INDIAN AIR FORCE IN AERO INDIA SHOW 2023



Celebration of 1st Foundation day of Troop Comforts Limited (TCL) at TCL Headquarter, Kanpur



Launching of Troops Logo for commercial civil market on 1st Foundation day of Troop Comforts Limited

Chairman's Statement



Dear Shareholders,

It is my honour and privilege to welcome the esteemed Shareholders to the 2nd Annual General Meeting (AGM) of Troop Comforts Limited ("TCL"). At the outset, on behalf of Board of Directors, I thank you for your trust, encouragement and unequivocal support to the Company and its management.

It gives me immense pleasure to address you all today as a Chairman of this esteemed organisation. I am privileged to be a part of TCL as a newly created Defence Public Sector Undertaking (DPSU). I intend to leverage my experience along with Board Members with collective support of employees of organisation to address challenges and to take efforts for sustainable growth and profitability.

I take this opportunity to share the highlights of the performance during the year and future outlook of the Company.

Financial Performance

I would like to state that TCL commenced its business w.e.f. 1st October, 2021 and since then posted satisfactory financial results for the first two financial years 2021-22 (for 6 months) & 2022-23 and overall performance of TCL is positive. The Gross revenue reported for the financial year 2022-23 is Rs 1046.30 Crore and Revenue from Operations Rs 997.67 Cr., Profit before Tax of Rs 34.63 Cr and Profit after Tax of Rs 18.95 Cr.

Operational Performance

TCL is in the business of manufacturing of Troop Comforts equipment and accessories required by the Indian Armed Forces, Para Military, State Police forces and commercial civil market. After commencement of business activities as DPSU, TCL is continuously striving for the development of technologically advanced products as a part of product diversification strategy

to have a wide range of products for the diversified customers under the umbrella of TCL and to have a healthy order book position for the TCL.

TCL has made special efforts for the development of import substitute products for Armed forces. With thrust on R&D initiatives and providing import substitute solutions to Indian Army, TCL has indigenously developed following items, which are presently 100% being imported by Indian Army.

- ECWCS (Extreme Cold Weather Clothing System)
- Boot Multipurpose
- Boot Crampon
- Modular Gloves
- High Altitude Mountaineering Equipment

Way Ahead

Company is giving impetus on the development of technologically advanced niche products through In-house R&D/MAKE-II/IDEX. Company is focusing on new emerging business opportunities in the Import substitute items of the Indian Army. The Company endeavours to grow in each of its vertical by expanding its product profile, aligning with customer requirements and diversification of customers.

As a part of diversifying its business activities from the core troop comforts items, TCL is also making its foot prints in the new technologically advanced areas like creating manufacturing set up for production of Surveillance Drones, various types of Parachutes, Camouflage nets and Ballistic Protective Gears etc.

Troop Comforts Limited has also been designated as a nodal agency for setting up of solar panels/ solar power plants at all places/establishments (i.e. attached offices, subordinate offices, societies etc.) under the Ministry of Defence. The Company has identified energy generation business with a focus on solar energy as area where opportunity lies for expanding product mix in order to make optimum utilization of available resources.

Order Book Position

Presently Order Book position for the TCL is around Rs.360 Crore. Though the order Book position of TCL is not in a healthy situation, continuous efforts in coordination with DDP/MOD are being taken to secure the healthy order book position and to secure the export orders also for TCL and other customers. I am confident, that with the continuous efforts of TCL team, Orders are likely to be received from the Services as a part of handholding of TCL in these initial years. TCL is also competing bid for securing orders.

Research and Development

R&D has been a thrust area since the commencement of business activities as DPSU. For enhancing and empowering the R&D department in each unit of TCL, various initiatives have been taken by the TCL Board. MOU's with leading academia like IIT & NIFT have been done to foster the in-house R&D activities. Special focus is being given on the import substitute solutions for Indian Army and in the new diversified areas like MSCN (Multi Spectral Camouflage Nets, Vehicle Armouring etc)

Export-Focus Area

Post corporatization, Company in its customer diversification strategy is determined and focused to imprint its global footprints by exporting its in-house designed products as per the customized requirements of the international market. The Company is making all out efforts to secure the export orders by participating in overseas tender enquiries of South East Asia, Middle East, Africa etc. Strategies adopted to promote and enhance the Company's export business include brand building & visibility through showcasing its existing as well as newly developed items by participating in the exhibitions. TCL is in advance stage of receiving export order with Nepal Army & Police.

Implementation of Government programme

The Company has been consistently progressing towards achieving self-reliance through determined



efforts to increase indigenization in key areas of Troop Comforts items. As a part of the Government's efforts to achieve self-reliance in Defence production, presently all the products in TCL range are manufactured with indigenized materials.

Corporate Governance

Company is constantly adopting and maintaining the highest standard of ethics and transparency in all sphere of business activities. The Company is regularly complying the guidelines on Corporate Governance for CPSE issued by Department of Public Enterprises (DPE). Necessary disclosures have been made in this regard in the Corporate Governance Report. As per self-evaluation of TCL Annual Grading Report on Corporate Governance for the Financial Year 2022-23, the Company has achieved "Excellent" grading.

Human Resource development & Industrial Relation

To expand and improve the skills of our employees and to achieve future objectives, your Company has always kept 'Learning & Development' in its priority list of activities as it believes that the key to survival, sustainability and growth in any sector lies in continuous learning and development of the Human Resource being the intangible asset for any organization. Learning & Development is the most important factor that contributes in increasing the efficiency, improving the product quality, adopting new technologies, catalysing innovation, controlling cost and staying ahead of the competition in long run. Online/offline training programmes as per the requirements are conducted by TCL Training Academy (a unit of TCL) and HRD department at Unit level. The employees are facilitated to attend the same through electronic devices.

Industrial relations remained cordial & harmonious and factories under TCL continued to work smoothly

throughout the year. Multi-unions/Associations scenario continued in the Company. Regular meeting held at TCL headquarter headed by Chairman & Managing Director with Union & Association representative of all Units to discuss various issue including productivity to have a better Industrial relation. Overall industrial relations between the Management and Unions/ Associations continued to be peaceful and the Workmen Unions/ Associations co-operated with the Management to work towards the common objectives of the Company

Appreciation

I am privileged to be heading TCL while we are celebrating 77th glorious years of independence and contributing to development of the nation by delivering 100% indigenous quality products to Indian Armed forces and other valuable customers. I am confident that TCL will continue to serve the nation by delivering world class troop comforts items to Armed services and to make special efforts in securing & executing export orders in the upcoming future.

As I conclude, I would like to acknowledge the continuing support and guidance of Ministry of Defence, Central and State Government authorities, Indian Army, Indian Navy, Air Force, Para Military Forces, Ministry of Home Affairs and Directorate of Ordnance (C&S). I am extremely grateful and thankful to our shareholders for their support and trust in TCL. I take this opportunity to acknowledge the efforts of Board Members, senior management for their commitment and support in steering the organization forward. I acknowledge the untiring efforts and support of all employee of the Company. I am sure that with continued support and encouragement of all stakeholders of the Company, TCL is placed on a path of accelerated growth.

Jai Hind

Sd/-
Santosh Kumar Sinha
Chairman & Managing Director

EQUIPMENT CARGO AERIAL DELIVERY SUPPLY DROP PARACHUTE 8.5 Mtr.

"Safety of our Armed Personnel and Cargo for their all type of needs is of utmost importance and this product helps in giving that secure feeling."



FEATURE

- ECAD (Equipment Cargo Aerial Delivery) Supply Drop Parachute.
- ECAD (Equipment Cargo Aerial Delivery) Supply Drop Parachute is used for dropping of supplies with one container canvas type SDM or with two container canvas type SDB.
- This Parachute is also used in cluster of two for heavy supplies dropping loads.
- A single Parachute can be used for dropping the supplies from 135 Kg to 160 kg.
- Pack cover canvas is used for packing of the ECAD Parachute SD 8.5 mtr. made with blended fabric polyester & cotton (67:33) and 100% Polyester Tapes.

SLEEPING BAG AND MATTRESS

LIGHT WEIGHT SLEEPING BAG (-50°C)



FEATURE

- Developed for use in Extreme Cold Climate at High Altitude, Snow Bound, Glaciated and Wind Chill Climates.
- Usable upto -50°C with Wind Velocity of 40 km/h.
- Fully indigenous raw material used.
- Very handy and light weight (4.2 kg approx.).
- Adequate ventilation and easy maintainability.
- Useful shelf life of more than two years.
- Skin friendly breathable material.

LIGHT WEIGHT SLEEPING BAG (-20°C)



FEATURE

- For Protection / Comfort to the users in high altitude area upto -20°C temperature.
- Fully Indigenous raw material used.
- Skin friendly breathable material.
- Light weight (2 kg max).

LIGHT WEIGHT SLEEPING BAG (+8°C)



FEATURE

- For Protection/Comfort to the users in lower Himalayan region at temp. upto +8°C.
- Fully indigenous raw material used.
- Skin friendly breathable material.
- Light weight (650 gm max).

BULLET RESISTANT JACKET (NIJ LEVEL IV)

FEATURE

- Light Weight Bullet Resistant Jacket for protection against Armour Piercing Incendiary.
- Provides 360° protection.
- Protection level NIJ - IV Standard 0101.06.
- Tested and proved at recognized laboratory.



BRV VEST FEMALE

FEATURE

- Ballistic standards for threat level III A of NIJ 0101.06.
- Protection level: Soft Armour Panel provides protection against 9mm carbine at a distance of 5 meters.
- Offers 360° protection with Shoulder Soft Armour Panels.
- Weight: 1.6 -1.8 kg for various sizes.
- Max Back Face Signature of 44mm (max).
- Tested and proved at recognized laboratory.



BULLET RESISTANT JACKET FOR CANINE

FEATURE

- Developed as per requirement of Army Dog Unit to protect the Canines from life threats.
- Hard Armour Panel (HAP) made of Ultra High Molecular Weight Polyethylene UD fabric composite.
- Soft Armour Panel (SAP) made of Para Aramid/UHMWPE UD Fabric layers and Anti Trauma Lining Materials.
- Maximum weight of the BRJ is 3 Kgs \pm 200gms.



BOMB DISPOSAL SUIT

FEATURE

- Suitable for use by State Police forces, MHA forces like BSF, ITBP, NIA, SSB etc. various Bomb Disposal Squads.
- Protection against threats of Fragmentation, Impact, Blast Overpressure, Thermal Effect.
- Highly durable Flame Retardant Outer Carrier having Jacket, Trousers, Integrated Groin Protector, Boot Over shoes.
- Armour Panels (SAP and HAP components) meeting specification requirements of various fragment protection levels for different parts of the body providing better Ballistic protection without compromising the flexibility.
- Cooling Suit Flame retardant inner garment with integrated cooling tubes sewn into the suit for circulation of cooling water along with battery operated pump.
- Helmet with removable visor, balaclava, ventilation system, communication system and having provision for search light and video camera.
- Two way communication system wired and wireless systems between operator and base station.



FULL BODY PROTECTOR

FEATURE

- It is a personal protective equipment used during Riot control operation.
- Its weight is approx 6.5 kg.
- It is available in small, medium and large size and in customized colour.
- Stab and impact protection : Meets standards VPAM KDIW 2004:18/05/2011. Impact attenuation of above 80%.
- Components : Chest protector, Shoulder Pad, Upper Arm guard, Elbow & Fore Arm guard, Thigh/Pelvic guard, Groin guard and Anti-riot Helmet.
- Ergonomically designed for maximum wearing comfort, with adjustable elastic straps for perfect fit.

BOMB SUPPRESSION BLANKET

FEATURE

- Combination of Bomb suppression Blanket & safety ring gives protection against blast shocks, debris and fragments.
- Designed at par with MHA GSQR.
- Overall weight varies from 20 kg to 38 kg.
- Designed to easily cover suspected device of size 40cmx30cmx40cm.
- Offers protection against 2 kg TNT blast and fragments with velocities ranging from 407m/s to 665m/s.



Directors' Report

To

The Members,

Your Board of Directors takes pleasure in presenting the 2nd Annual Report on the business and operations of the Company, together with the Audited Financial Statement for the year ended March 31, 2023.

BUSINESS REVIEW

Your company being incorporated in pursuance of the decision of the Union Cabinet on 16th June, 2021, the Government of India has decided to corporatize the functions of the 41 production units (Ordnance Factories) of the Ordnance Factory Board ("OFB"), functioning under the Department of Defence Production, Ministry of Defence ("DDP").

In pursuance of Gazette Notification No. CG-DL-E-01102021-230101 dated 1st October-2021 Government of India decided to corporatize Ordnance Factories, Troop Comforts Limited was incorporated as 100% Government owned Company on 16th August-2021. With effect from 1st October, 2021 ("Appointed Date"), the management, control, operations and maintenance of 4 Ordnance Factories out of 41 Ordnance Factories viz. Ordnance Clothing Factory Avadi (OCFA), Ordnance Clothing Factory Shahjahanpur (OCFS), Ordnance Equipment Factory Kanpur (OEFK) and Ordnance Equipment Factory Hazratpur (OEFHZ) and a Training Academy named Ordnance Factories Institute of Learning Kanpur (OFIL Kanpur) have been transferred on going concern basis to this Defence PSU Named 'Troop Comforts Limited'.

TCL is mainly engaged in manufacturing of Life Cycle Clothing (LCC) of Armed Services, Extreme Cold Climate Items (ECC), Special Clothing & Mountaineering Equipment (SCME), Protective Gears, Supply Drop Equipment (SDE), Water Storage Equipment, Covers, Tents, Leather Items, Arrester Barrier, General Stores etc. for both Defence Services and Civil Sector.

PERFORMANCE HIGHLIGHTS AND FINANCIAL RESULTS

Revenue from Operations:

Your company has achieved revenue of Operations ₹997.67/- Cr in FY 2022-23 in comparison of previous financial FY 2021-22 (for 6 months) Rs. 575.72 Cr.

Financial Performance

The Company achieved gross revenue of ₹1,046.30 Crore (Rs. 584.57 Cr in previous financial year for 6 months) and reported Profit before tax (PBT) of ₹34.63 Cr in FY 2022-23 (Rs. 23.04 Cr in previous financial year). The Financial performance of the Company for FY 2022-23 vis-à-vis the previous year is summarized below:

(INR in Crore)

Particular	FY 2022-23	FY 2021-22
Gross Income	1,046.30	584.57
Revenue from Operations	997.67	575.72
Earnings Before Interest, Taxes & Depreciation	59.88	36.19
Less: Finance Costs	-	-
Less: Depreciation	25.25	13.15
Profit Before Exceptional Items and Tax	34.63	23.04
Less: Exceptional Items	-	-
Profit Before Tax	34.63	23.04
Less: Tax Expense	15.68	6.66
Profit After Tax	18.95	16.38
Other Comprehensive Income (net of tax)	(26.96)	-
Total Comprehensive Income	(8.01)	-
Profit & Loss Appropriation Account	18.95	16.38
Amount available for appropriation (including Opening Balance)	16.38	-
Less: Final Dividend paid for the previous year	-	-
Less: Interim Dividend paid	-	-
Less: Dividend Distribution Tax paid	-	-
Less: Amount transferred to Reserves	-	-
Balance	35.33	16.38



DIVIDEND

Troop Comforts Limited (TCL) commenced business operations on October 1, 2021. It is required to invest in new technologies, plant and machinery, IT infrastructure, etc., for which they would need to deploy their funds from operations for the initial few years. Since the matter falls within the ambit of the Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDC), meetings for new DPSUs were held on June 5, 2023. CMCDC grants exemption to TCL with regard to dividend payment for FY 2021-22, FY 2022-23 and FY 2023-24 vide F. No. 4/27/2019-DIPAM-II-A(E), issued by the Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India.

FINANCE

Paid-up Capital: The paid-up capital of the Company as on 31st March, 2023 was ₹4,743.15 Cr.

General Reserve: The Company has transferred amount of Rs. 18.95 Crore to retained earning during the financial year. Thus total retained earning stood Rs. 35.33 Crore as on March 31, 2023.

Financial Position: The financial position of the Company as on 31st March, 2023 and previous year is shown below;

(₹ in crore)

Particular	As on 31.03.2023	As on 31.03.2022
Capital Employed	4,859.16	4,576.30
Working Capital	588.68	285.49
Net Worth	4,748.78	4573.67
Ratio:		
Current Ratio (Current Assets/ Current Liabilities)	2.39	1.70
Inventory Turnover Ratio (Sales/Average Inventory)	10.07	3.69
Return on Capital Employed (Earnings before Interest and Taxes/ Capital Employed)	0.01	0.01

CONTRIBUTION TO EXCHEQUER

The Company's contribution to the Exchequer during FY 2022-23 was ₹108.35 Cr (Rs. 51.70 crore year during 6

month operations). Details of Company's contribution to the Exchequer is given below:

(₹ in crore)

Particular	2022-23	2021-22
A. DIVIDEND	-	-
B. TAXES		
a. Corporate Income Tax	11.99	4.02
b. Dividend Distribution Tax	-	-
c. Goods & Services Tax (paid in Cash)	96.36	47.68
Total	108.35	51.70

OPERATIONAL PERFORMANCE

TCL is in the business of manufacturing of Troop Comforts equipments and accessories required by the Indian Armed Forces Services, Paramilitary & State Police Forces. After commencing business activities as DPSU, TCL has strived for the development of technologically advanced products as well as diversification of product range to secure the orders for the TCL group of units. During the reported financial year i.e. 2022-23, following transformational strategies have been executed for sustainability along with continual growth:

- Development of Import Substitute solutions under ATMANIRBHAR BHARAT, MAKE-IN-INDIA
- Business Partnership with OEM's
- MOU with Premium Institutions
- Launching of products for commercial Civil Market under "TROOPS" brand logo.
- Venturing into Export Market for selected TCL range of products.

Apart from above strategies, TCL also filed 30 IPR applications pertaining to Industrial designing of products, logo, trademark & Copyright were filed during the FY 2022-23. As thrust in R&D initiative and providing import substitute solutions to Indian Army, TCL has developed following items under indigenization as these are presently being imported by Indian Army.

- ECWCS (Extreme Cold Weather Clothing System)
- Boot Multipurpose

- Boot Crampon
- Modular Gloves
- High Altitude Mountaineering Equipment

ORDER BOOK POSITION

TCL product range falls under the categories of Life Cycle products of Armed Services, Extreme Cold Climate (ECC) and protective Clothing, Special Clothing and Mountaineering Equipment (SCME), Tentage, Water Storage, Cover Water Proofs and Other Troop Comforts Equipments.

As on March 31, 2023, the net value of works to be executed in the next financial year 2023-24 in respect of orders received by the TCL for various Troop Comforts Items is Rs 360 Cr (approx.) for Indian Armed forces. Although, order book position for the FY. 2023-24 and onwards is not sufficient considering the breakeven load requirement of TCL, all efforts have been taken by TCL with the stake holders and DDP/MOD for securing the further workload for TCL range of products from the services. In this regard, necessary directives from MOD are under issuance. Apart from that Company is continuously participating in the RFP's for securing orders against competitive bidding and also exploring orders to be received from international market of friendly foreign countries. Further expanding its business activities by entering into Commercial Civil market through e-commerce and digital marketing platforms.

FUTURE PROSPECTS

In its pursuit for the sustenance as well as continual growth of TCL, Company is giving emphasis on the development of technologically advanced niche products through In-house R&D/MAKE-II/IDEX. Company is focusing on new emerging business opportunities in the Import substitute items of the Indian Army. The Company endeavors to grow in each of its vertical by expanding its product profile, aligning with customer requirements and diversification of customers.

The Company is aggressively bidding for RFPs issued by the Indian Army, Indian Air force, Indian Navy

and other customers for securing the orders through competitive bidding. The Company has secured some of the orders from Indian Air force, Indian Navy and other MHA forces and State Police forces.

Ministry of Defence vide their letter No F. No. 8(46)/2022-D(Coord/DDP) dated 08 June 2022 had nominated Troop Comforts Limited as a nodal agency for setting up of solar panels / solar power plants at all places/ establishments (i.e. attached offices, subordinate offices, societies etc.) under the Ministry of Defence. The Company has identified energy generation business with its focus on solar energy as area where opportunity lies for expanding product mix in order to make optimum utilization of available resources.

TCL is also committed to build its brand image among its customers through its newly launched brand logo "TROOPS" for Civil trade market with its selected products required by young adventure loving generations.

EXPORT INITIATIVES

Post corporatization, Company in its strategy of expanding its customer base in the overseas market, has taken several initiatives to secure the export orders and making its global footprints by exporting the customized requirements of the international market. The Company is participating in overseas tender enquiries of South East Asia, Middle East, Africa, Nepal etc. Strategies adopted to promote and enhance the Company's export business include brand building & visibility through presentations, participation in exhibitions, regular interaction with Defence Attaches, Channel Partners also.

In its export initiatives, TCL is in the process of securing its first export order of Snow Boots from Nepal. Further, efforts are being made for export of Company's products to countries such as Nepal, Bhutan, African countries and South East Asian countries. In addition to the export of in-house designed products, concerted efforts are being put in for offering customized designed products.



INDIGENISATION AND MAKE IN INDIA INITIATIVES

The Company has adopted the 'Make in India' initiatives launched by the Government of India and successfully implemented the 'Make in India and Indigenization policies promulgated by the Government from time to time. The Company has been consistently progressing towards achieving self-reliance through determined efforts to increase indigenization in key areas of Troop Comforts items.

As a part of the Government's efforts to achieve self-reliance in Defence production, presently all the products in TCL range are manufactured with indigenized materials.

PROCUREMENT

E-procurement:

Your Company is continuously endeavoring to maximize the procurement of materials and services through GeM portal in line with the MoD guidelines. During FY 2022-23, more than 95% of total procurement has been done through Gem portal.

Procurement through Government e-Marketplace (GeM):

GeM portal is a fair, transparent and robust digital platform, enabling to achieve maximum advantage through competitive bids by reaching to lakhs of vendors registered on the platform. All the units under TCL are already registered with GeM portal for procurement of commodities and services, including capital goods, office equipment etc. Consistent efforts to enhance the procurement through GeM portal has resulted in total procurement to the tune of Rs 340 Cr during FY 2022-23.

Preference to Start-ups:

With a view to encourage Start-ups, the Company is following the Govt. guidelines with respect to prior experience and turnover, without compromising technical specification and quality standards.

PROCUREMENT FROM MICRO AND SMALL ENTERPRISES (MSES)

The Company has also been providing thrust on enhancing procurements from MSME. During FY 2022-23, the Company has achieved **43.34%** of the indigenous procurement (excluding BNE items) from MSME sector, as against the revised mandatory target of 25%. The Company has reserved 358 items reserved by the Government of India and instituted liberalized payment terms in order to enhance their liquidity to tackle multiple long-term projects smoothly.

The Company is registered with registered Public Procurement Policy Monitoring Portal MSME Sambandh' and 'MSME Samadhaan' and adopted Trade Receivable Electronic Discounting System (TReDs), a payment system introduced by the Government of India to ensure timely payment to MSEs immediately after the acceptance of their bills on a discounting system. Company is also taking prompt actions to resolve the vendors' issues raised in the Vivad se Vishwas portal introduced by the Government and its monitoring is also being done at TCL Corporate HQ level.

VENDOR DEVELOPMENT MEETS

To strengthen the procurement cycle, vendors from various sections, especially from MSME and MSME SC/ST in line with the Government of India policies, your Company has participated in several meets, webinars and programmes organized by Confederation of Indian Industry (CII), Society of Indian Defence Manufacturers (SIDM) etc during the year.

As a part of vendor development program, the Company organized vendor meets during the year viz. Virtual Vendor Meet on the occasion of Vigilance Awareness week and Vendor Development Programs for guiding, training and sensitizing TCL vendors on GeM.

INTEGRITY PACT

The Company has adopted Integrity Pact for procurement transactions/contracts above Rs 5.00 Cr, in line with the directives of MoD and Central Vigilance

Commission. The Pact essentially envisages an agreement between the prospective vendors/bidders and the buyer (TCL), committing the persons/officials of both sides, not to resort to any corrupt practices in any aspect/stage of the contract. Only those vendors/bidders, who commit themselves to the Pact, would be considered competent to participate in the bidding process.

Presently, Shri V.B Kumar are the Independent External Monitor (IEM) for monitoring, implementation of Integrity Pact in the Company. During the year 2022-23, 09 contracts having value more than Rs. 5 Cr were covered under Integrity Pact and reviewed by the IEM and none of the Integrity Pact contracts attracted complaint/grievance of any nature. Further, no complaints were received by the IEM from any of the Company's vendors.

Further, as per the recommendations of IEM's, threshold limit of Integrity Pact is also being reviewed to cover the maximum cases of procurement under Integrity Pact.

Research & Development (R&D)/Technology Absorption

Since, commencement of business activities as New DPSU, TCL is moving ahead with the development of technologically advanced products through In-house R&D/ Make-II & IDEX routes. During the reported financial year 2022-23, following SCME (Special Clothing & Mountaineering Equipment) items which are presently being 100% imported by the India Army, have been developed under indigenization:

- Seven Layered ECWCS (Extreme Cold Weather Clothing System)
- Boot Multipurpose
- Boot Crampon
- Modular Gloves.
- High Altitude Mountaineering Equipment

In addition to above, following products under Product Improvement category have been also developed:

- Coat Combat Light Weight in Digital Pattern,

- Combat Uniform in Digital Pattern with Antimicrobial & NIR Signature Management
- Modular Light weight Load Carrying Equipment (MOLLE)
- Bullet Resistant Jacket NIJ Level IV.

Apart from the above-mentioned items, development of several other futuristic items such as SCME, ECC, Ballistic Protective Gears category are under different stages of development.

To augment the R&D activities and to strengthen the In-house R&D, TCL has signed MoU's with IIT Delhi and NIFT for providing the technical assistance in the field of technical textiles & ergonomic designing of garment/ Equipment.

All the four units of TCL have dedicated infrastructure for the designing and development of products through In-house R&D efforts.

During the reported year, the expenditure of Rs. 5.50 Crore was incurred by the Company under the R&D head against the revenue from operations of Rs. 997.67 Cr. (excluding GST).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Government Company engaged in producing defence equipment are exempted to furnish the information with respect to conservation of energy, technology absorption, foreign exchange earnings and outgo under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014. However, limited information on Conservation of Energy and Technology Absorption is provided herein below:

Conservation of Energy

Steps taken by the Company to conserve energy:

- a) Creating awareness among the employees of TCL for adopting energy saving techniques and enriching the natural resources.
- b) Use of energy saving Equipment's to the maximum possible extent.



- c) Mandatory use LED energy efficient lights for all offices of factories and corporate Headquarter.
- d) All the production units of TCL are also ISO 50001:2018 for Energy Management System certified.

CONTRIBUTION TO DIO/IDEX

In order to foster innovation and technology development in Defence and Aerospace, “Innovations for Defence Excellence” (IDEX) has been launched by the Government of India. In line with MoD guidelines, Company identified two areas i.e. Designing of Thermal Agile mannequin to measure comfort parameters in simulated high altitude areas, & designing of portable Ballistic Protection Bunkers for promotion of innovation and technology development for Defence Excellence.

INTELLECTUAL PROPERTY RIGHTS (IPR)

The Company already constituted Intellectual Property Rights (IPR) cell to promote invention, innovation and IPR awareness. Increased thrust was given towards generation of in-house IPR, supported by Mission Raksha Gyan Shakti, an initiative of MoD. During the year, TCL training academy and TCL units imparted training to TCL vendor representatives and filed 30 IPR applications during FY 2022-23.

ARTIFICIAL INTELLIGENCE INITIATIVES

In line with MoD’s thrust towards adoption and deployment of artificial intelligence (‘AI’) technology. Company is exploring to enable AI based systems to build a vibrant AI ecosystem in the Troop Comforts range of items as well as processes. A dedicated team has been constituted to develop roadmap for AI enabled system for Ballistic Protection Gears and optimizing the assembly Line manufacturing system.

STARTUP INDIA

Startup India initiative of the Government of India aims to build a strong ecosystem for nurturing innovations and startups in the country that will drive sustainable economic growth and generate large scale employment opportunities. In order to support the Government

initiative and emergent magnitude of startups, two startup challenges under IDEX have been initiated.

QUALITY ASSURANCE AND QUALITY MANAGEMENT

The Company continues its commitment to maintain the quality in each and every product intended for Indian Armed forces and other stake holders with utmost customer satisfaction level. All the units of TCL are certified for Integrated Management System on ISO 9001:2015 for Quality Management System, ISO 14001:2015 for Environment Management System and ISO 45001:2018 for Occupational Health & Safety Management System by respective certification bodies. The certification is for Design, manufacture of various Troop Comforts Items.

All the units of TCL have skilled & experienced QC inspection team, which is continuously engaged right from the inspection of incoming raw materials to the stage inspection as well as final inspection of the products, manufactured by TCL units. Time to time, they are trained in adopting updated inspection methodologies and best garment industry practices to ensure the consistency & reliability of quality products. The Company has emphasized on defect avoidance through awareness training, self-inspection and root cause analysis to identify appropriate corrective and preventive measures for achieving continual improvement, which in turn has led to cost reduction and reduction in rework involved in the Troop Comforts Items.

All the units of TCL have In-house latest NABL accredited Laboratories for testing each and every raw material sourced through trade and other sources to ensure that raw materials conforming to stipulated quality as per the Military Grade specifications, are being used in the manufacturing of end products.

The ISO implementation teams in each unit of TCL, coordinates in execution of risk management policy of its unit. Risks are discussed at different levels of management. High risk issues deliberated in the Performance Review Meetings of each unit are taken up for further deliberations and future action by the Board of Directors.

NATIONAL RECOGNITION / AWARDS

To promote the TCL range of products and newly developed Import substitute items, TCL has participated in the following exhibitions:

- North tech organized by Northern Command HQ Indian Army in May. 2022
- East tech organized by Eastern Command HQ Indian Army in July 2022
- 7th International Police Expo 2022 held in July 2022
- Def Expo 2022 held at Gandhinagar.
- Aero India Show 2023 held in the month of Feb. 2023

HUMAN RESOURCE

Manpower

The total manpower strength as on 31st March, 2023 is 5474 including 61 Group A officers, 2086 Group B officers and 3327 Group C employees. Additionally, the manpower strength also includes 02 executives on fixed term basis.

The position regarding representation of SCs/ STs/ OBCs/PwBDs (i.e. Persons with Benchmark Disabilities) and women employees in various categories as on April 01, 2022 and March 31, 2023 is given in **Annexure 'A'**. The details of recruitment of SCs/STs/OBCs/PwBDs and women personnel are given in **Annexure 'B'**.

The reservation of 4% for recruitment of PwBDs has been provided in Group 'A', 'B', 'C' and 'D' categories in compliance with the 'Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995' and the 'Rights of Persons with Disabilities Act, 2016'.

Industrial Relations

Industrial Relations are harmonious. Works Committee elections were held in a smooth manner without any incidents. Works Committee Meeting were also held regularly. Joint Consultative Mechanism (JCM) meetings under the chairmanship of Deputy Director General

(DDG)/Defence Field Unit (DFU) were also held. Overall industrial relations between the Management and Union/Association continued to be peaceful and the workmen union/ association co-operated with the management to work towards the common objective of the Company.

At the Apex Level 'Productivity Council of Troop Comforts Limited' (PCT) (re-named as CPCT "Corporate Productivity Council of TCL") Meetings are held at corporate office to address various issues of employees and to take policy decisions and for ensuring co-ordination of relations between top management and its employees.

The meeting of "Corporate Productivity Council of TCL" is now decided to be held once in every four-month period. Further the Competent Authority has decided that a Local Productivity Council Meetings will be held at factory level also for better results.



Corporate Productivity Council of TCL was held at Company Headquarter, Kanpur

Development of Human Resource

The Company has kept "Learning and Development" in its priority list of activities as it believes that the key to survival, sustainability and growth in any competitive sector lies in continuous learning and development of the Human Resource. Learning and Development is the most important factor that contributes to increasing the efficiency, improving the product quality, adopting new technology, catalyzing innovation, controlling cost and staying ahead of the competition in long run.

In line with this, on job training was given to tailors in Production shops with the examiners for new garments.



Trainings regarding Tally, Innovation in Textile, Parachute Technology, Effective Leadership, Preparation of Leadership Cards, Coat ECC Improve Version, Office Procedure, Igot, Karmyogi Karyashala, CCS Conduct Rules were also conducted which trained 460 employees.

Online Training Programs

Various Online trainings were conducted in all the units in approximately 25 subjects which included Export Management, Managerial Accounting, Cost Record Keeping and cost audit, Short Term Training Programme for IOFS, Financial reporting and governance, Cyber Security, Workshop on GeM.

Technical Training Programs

Technical Training programmes aimed at improving the productivity and upgrading the skill sets of employees including in-house training programme on various subjects was organised. Re-skilling trainings are conducted in all the production units of TCL. Variety of other trainings are also conducted which include Parachute Technology- Design and its Advancement, Non Destructive testing of Metals etc.

Awareness programme on IPR

Company has an Intellectual Property Rights cell to promote invention, innovation and IPR awareness. IPR Management Training was conducted in OEFC. IPR Training was conducted through COLT Platform NADP on dated 01-06-2022

Awareness Programme on IPR given by the OCF Avadi to 30 number of vendors during the Financial Year 2022-23. Troop Comforts Limited Training Academy also conducted a course on IPR.

Apprentice Training

In line with Skill India Mission of the Government, the units of TCL are training 168 apprentices which includes both ITI and Non- ITI candidates. TCL units have been participating in Apprentice Mela for engagement of apprentices. Units have been directed that the engagement of apprentices may be retained at 10% of the total strength of the factory.

All the units under TCL have their own training department for providing of training to apprentices. They also provide on-job training to trade apprentices engaged.

Women Empowerment

At Troop Comforts Limited ("TCL"), Women employees are treated at par with male employees and a safe working environment for them is ensured. Women Empowerment seminar, debates and other activities were conducted on 8th March 2023 on the occasion of International Women's Day

Welfare, health and Safety

Welfare

TCL values its human resource the most. It continues to accord importance to welfare measures of employees. Compliance of statutory welfare provisions like providing canteen facility, employee rest room, first aid appliances, crèche, ambulance etc are followed meticulously. The Company also provides welfare and safety items on as required basis.

Annual Medical Examination for all employees as well as half yearly medical examination for employees working in hazardous operation is conducted by OEFC Factory Health Setup.

Medical camps for EYE, ENT & Neck diseases were conducted during the under review. Feedback about the camp was appreciated by the beneficiaries of the camp.

A camp on linking in between Aadhar card and Voters ID card was conducted with the support of Revenue authorities.

Health

The Company gives high level of importance to health of the employees and relentless efforts have been put in to safeguard the health of workforce, by providing continuous medical care. Vaccination Drives were conducted. ENT Camp, Eye Camp and Vitamin-A Drops camps were also organised. One of the camp was organised on National Deworming Day.

Safety

The Company continues to accord utmost importance to safety while carrying out various jobs and continuously strives to achieve the objective of “zero accidents”. The Company has dedicated Safety cell at its establishments with qualified and trained personnel. The Safety Cells have been carrying out regular safety audits and safety inspections and has also brought safety awareness through different activities such as conducting safety training programmes, fire-fighting training programmes etc.

Steps are taken to ensure good working environment like Maintenance of Shop, Distribution of PPEs etc. Work permit system was followed for all Height works & other critical works. Monthly Section level safety committee meetings were conducted in production & Maintenance shops. PPEs like mask, safety shoes, safety goggles etc were issued to all required employees. Automatic Fire alarm system which is installed in various locations, is well maintained and fully functional. Qualified & experienced safety officer & Electrical safety Officer are nominated. Proper Electrical insulation and earthing were ensured in all machinery, equipment & installations. National Safety Week- 2023 and National Fire Service Week was observed. In house Fire fighting training was given to employees where required. Safety advisory boards were displayed in required locations (including vehicle speed limits, Emergency assembly points, emergency exit marking, PPE usage, No smoking boards, SOPs etc.,)

INDUSTRIAL SECURITY

Fire Engine, Fire Trailer Pump, Water Booster Pump and Fire Extinguisher are installed. Industrial Accidents were analysed. Monthly Mock-Drill, Mock Drill as per DMP is conducted in OEFC. ID Cards verification of Group ‘A’ and Group ‘B’ officers is carried out quarterly at OCFV. Industrial Employees ID Cards verification for 2020-21 was also carried out.

Vehicle Passes for employees entering factory is regularly checked and issued. All the CCTV inside factory are kept functional at all the times.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In pursuance of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act) 2013, Internal Committees for enquiring into complaints of sexual harassment at workplace have been constituted in the factories, TCLTA and TCLHQ. The Internal Committee is headed by a senior woman executive and has an external member who is a person familiar with issues relating to sexual harassment.

During FY 2022-23, the Company did not receive any complaint on sexual harassment. Hence, there is NIL disclosure under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Awareness programs were organized to sensitize the employees during the financial year under review.

SWACHH BHARAT ABHIYAN

The Company continues to provide its wholehearted support to the Government “Swachh Bharat Campaign” and accelerated the activities at various levels. During the financial year 2022-23 Swachhata Pakhwada has been celebrated from 01 Dec 2022 to 15 Dec 2022 in all our units and various activities such as cleaning drive inside factory as well as Estate, painting competitions, mini marathon was organized.

Banners/Posters were displayed at prominent locations in the factories as well as their respective estates put to create awareness among the people for reducing uses of single use plastic at OCFV. Tree plantation was carried out in Estate, complexes and factory premises etc.

Door to Door Cleanliness Awareness campaign was conducted to educate the employees and families of Estate residents through school students. Spraying of mosquito repellent and fogging was also done in all our units and their respective estates.

OFFICIAL LANGUAGE IMPLEMENTATION

TCL is committed to adhere official Language Policy of the Govt. of India and the instructions issued by the Department of Official Language, Ministry of Home Affairs from time to time and made concerted efforts for promotion and implementation of official language.

A Hindi word is circulated on Comnet every month as "Word of the Month" for improving the vocabulary of the employees in OEFC.

Meetings of Official Language Implementation Committee is organised in all the factories. Hindi Workshops were organised in OEFC in which 134 officers/staff participated. Town Official Language Implementation (TOLIC) Meeting and Award Ceremony was held on 07.12.2022 by TOLIC, PSU, FCI, Chennai. OCF has received "Best Hindi Annual Magazine Award". Award was received by Shri Baloji Venkodoth, AWM/OCFAV and Smt. M. Koteswari, JTO/Rajbhasha.

Hindi Fortnight/Pakhawada was celebrated/organised in all the units of TCL. Various competitions like Noting and Drafting, Hindi Quiz, Hindi Antakshri, Hindi Drama, Essay Writing, Slogan Writing and Drishya varnan were held. Cash Awards and certificates were distributed to prize winners.



Prize distribution and valedictory function on the occasion of Hindi Pakhwara

Visit of Parliamentary Committee, any other dignitaries.

There was no visit of the Parliamentary Committee or any other dignitaries at TCL. However, on March 04, 2023, the first sub-committee of the committee of Parliament on official language inspected Troop Comforts Limited Corporate Headquarters, Kanpur. This

inspection was done at Hotel Hyatt Regency, Lucknow. The inspection was chaired by Shri Ram Chander Jangra, the convenor of the first sub-committee of the committee of Parliament on official Language. On behalf of TCL Corporate Headquarters, Chairman and Managing Director Shri S.K. Sinha, Director HR Maj. Gen Ravi Patil, Works Manager Corporate HR Dr. Pramod Kumar and Junior Translation Officer Shri Deo Bibhuti Srivastava were present during the inspection.

During the inspection, the progress made in the progressive use of official language "Hindi" in official work at TCL Corporate Headquarters was examined and detail discussion was made in this regard. After inspection a list of assurances has been received from the Parliamentary Committee on official language on which action is underway.

IMPLEMENTATION OF RTI ACT, 2005

The company confers special emphasis on implementation of Right to Information Act, 2005 in letter and spirit. The applications received from the citizen of India as well as transferred applications from MoD, DoO(C&S) Kolkata & DoO(C&S) New Delhi, under Section 6(3) of the RTI Act were respondent to within the prescribed statutory requirement.

At all units of TCL has RTI Cell (under the CPIO/APIO) is functioning within the factory for disposal of applications, appeals received in the factory and attending CIC hearings. It is ensured that the RTI applications were timely replied to.

The particulars as prescribed under Section 4 of the RTI Act have been posted on the website of the Company www.troopcomfortslimited.co.in.

VIGILANCE ACTIVITIES

Preventive Vigilance and Systemic Improvements have been the thrust areas of Vigilance Department to ensure transparency, fairness and probity in all transactions and processes of the Company.

Units have informed that Preventive Vigilance data/documents, as and when required by Dir/Vigilance (North) forwarded and VO reports updated within time, Complaints received were handled as per CVC guidelines. Besides, various activities were conducted from 16-

08-2022 to 15-11-2023 as a precursor to Vigilance Awareness Week – 2022 under the following heads:-

- i) Property Management
- ii) Management of Assets
- iii) Record Management
- iv) Technological Initiatives
- v) Updation of guidelines and circulars

Vigilance Awareness Week was conducted from 31st Oct to 05th Nov 2022, Integrity Pledge was taken and various activities/ events organized within the organization (Signature Campaign, Essay Writing, Debate, Slogan Writing and Quiz were conducted in the factory as well as in school.



During March 2023, surprise inspection on preventive vigilance was carried out by Director Vigilance, TCL Hqrs at OCAV. As part of preventive vigilance activity and as desired by Director Vigilance, case files of 2 Supply Orders of PV section were forwarded to Director Vigilance, TCL Hqrs for inspection by OCAV.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report as required under the DPE Guidelines on Corporate Governance for CPSEs is placed at **Annexure 'C'** to this Report.

CORPORATE GOVERNANCE

TCL is committed to maintain the highest standards of corporate governance in all spheres of business activities carried out by the Company and continues to lay strong emphasis on transparency, accountability and integrity. A detailed Report on Corporate Governance as per the Guidelines on Corporate Governance for CPSEs 2010 issued by DPE vide OM No. 18(8)/2005-GM dated 14.05.2010 is placed at Annexure 'D' hereto. As per the Self-evaluation Annual Grading Report on Corporate Governance for FY 2022-23, the Company is Excellent grade.

In compliance of clause 8.2 of provision of Chapter 8 of Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSE), 2010 a certificate from practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated in Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSE), 2010 is placed at **Annexure-F**.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standards 1 & 2 relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively issued by the Institute of Company Secretaries of India.

However, due to non-appointment of Independent Director(s) by on the company Board, the provisions w.r.t. minimum number of meetings of Audit Committee, Meeting of Independent Directors and Nomination & Remuneration Committee could not be complied with.

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

Troop Comforts Limited ("the Company") is a continuing commitment to operate ethically and contribute to harmonious and sustainable development of society and planet through business, while improving the quality of life of the community and the society. CSR is, therefore, the organization's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interest of its stakeholders and other activities as covered under Section 135 of the Companies Act, 2013, the Companies



(Corporate Social Responsibility) Rules, 2014 and Schedule VII of the Companies Act, 2013 (including any amendments or enactments thereof from time to time) and Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India ('DPE Guidelines, 2014).

The CSR & Sustainability Policy of the company can be accessed on Company's website www.troopcomfortslimited.co.in. The details regarding the commitment on sustainable development and Corporate Social Responsibility are provided under Corporate Governance Report. The Annual Report on CSR activities carried out during the financial year is placed at **Annexure-E** hereto.

During the year, health and nutrition is only core thrust area and company whole-heartedly supported Government CSR expenditure theme to combat malnutrition.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

There were no related party transactions entered during the financial year 2022-23. There were no materially significant related party transactions entered into by the Company, which may have a potential conflict of interest of the Company. Hence, the disclosure of Related Party Transactions in Form AOC-2 as required under Section 134(3)(h) of the Companies Act, 2013 is not attached with the Directors' Report.

WHISTLE BLOWER POLICY

Your Company believes in the conduct of affairs in a fair and transparent manner by adopting highest standard of professionalism, honesty, integrity and ethical behavior. Troop Comforts Limited ("TCL") has formulated and implemented a Whistle Blower Policy with a view to provide a mechanism for employees of the Company to approach the chairman of Audit Committee of TCL.

During the financial year 2022-23, no complaints have been received.

COPY OF ANNUAL RETURN

In accordance with the provisions of Section 92(3) and 134(3) of the Companies Act, 2013, a copy of the Annual Return for the year ended March 31, 2023 is placed on the Company's website, which can be accessed through www.troopcomfortslimited.co.in under Corporate Governance.

PARTICULARS OF EMPLOYEES

In accordance with Gazette Notification No. 463(E) dated 05 Jun 2015 issued by Ministry of Corporate Affairs, Government of India, Government Companies are exempted from Section 197 of the Companies Act, 2013 and rules thereof.

BOARD OF DIRECTORS

As on 31st March, 2023, Board of Directors of the Company comprising of four Whole Time Functional Director including Chairman & Managing Director and One Government Nominee Director.

Change in Board of Directors

The following appointments/cessation on the Board of your Company were effected as the directives of the Hon'ble President of India:

- Mr. Chandraker Bharti, Joint Secretary (Aerospace), Department of Defence Production, MoD was nominated as Government Nominee Director on the Company's Board vide MOD, DDP letter No.8(32)/2019-D(Coord/DDP) dated 30/11/2021 and ceased to be Government Nominee Director w.e.f. 14th September, 2022.
- Mr. Rajeev Prakash, Joint Secretary (NS), Department of Defence Production, MoD was nominated as Government Nominee Director on the Company's Board vide MOD, DDP letter No. 8(32)/2019-D(Coord/DDP) dated 14th September, 2022.

The Board welcomed the appointment of Mr. Rajeev Prakash, Joint Secretary (NS) as a Government Nominee Director. A brief resume of newly appointed Director is

placed before **Annexure-D** to this report. The Board placed on record its deep appreciation of the invaluable support, contribution and guidance provided by Mr. Chandraker Bharti during their tenure.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTOR

There were no Independent Directors appointed by Hon'ble President of India since its Incorporation. Hence, no declaration of independence by Independent Director was provided as per the provisions of Section 149(6) of the Companies Act, 2013.

MEETINGS OF THE BOARD

During the financial year 2022-23, Eight (08) Meetings of the Board of Directors were held. For further details, please refer to Report on Corporate Governance placed at '**Annexure D**' to this Report.

REMUNERATION POLICY AND EVALUATION OF BOARD'S PERFORMANCE

In the term of Ministry of Corporate Affairs Notification No. GSR 463(E) dated 5th June, 2015, Government Companies are not required frame a Policy on Directors' appointment and remuneration under section 178(3) of the Companies Act, 2013.

TCL being a Government Company under administrative control of Ministry of Defence, the appointment, tenure and remuneration of Directors of the Company are decided by the Government of India. Article 86 and 88 of the Articles of Association of the Company state that the President will appoint Directors and determine their remuneration.

Government Nominee Director is not paid sitting fees or any other remuneration. Since the Board level appointments are made by the Government of India, the evaluation of performance of such appointees is also done by the Government of India as per its own evaluation methodology. For further details, please refer to Report on Corporate Governance placed at '**Annexure D**' to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them,

your Directors in terms of Section 134 of the Companies Act, 2013 state that:

- in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanations relating to material departures, if any;
- they had selected such accounting policies and applied consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of March 31, 2023 and of the profit of the Company for the year ended March 31, 2023;
- they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they had prepared the annual accounts on a going concern basis;
- the Company had put in place adequate internal financial controls with reference to financial statements; and
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

AUDIT COMMITTEE

For details regarding functioning Audit Committee during FY 2022-23. Please refer Report on Corporate Governance placed at '**Annexure-D**' to this report.

RISK MANAGEMENT

Company has formulated and implemented Risk Management Policy with intent to identify, evaluate, prioritize and mitigate existing as well as potential risk related to business of the Company.

The main objective of Risk Management Policy is as follows:



- i. To ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.
- ii. An effective Risk Management Policy is the key to sustained operations there by protecting the shareholder value, improving governance process, achieving strategic objective and being well prepared for adverse situation or unplanned circumstances, if they were to occur in the business activities.
- iii. To facilitate a common understanding of risk at early stage for effective mitigation to meet company's business goals.
- iv. The Mitigation measures identified shall be embedded suitably into business process of the Company.

INTERNAL FINANCIAL CONTROLS

TCL has robust design, implementation and maintenance of adequate internal financial controls commensurate with the size, scale and complexity of Company's operations. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable data and operational information, prevention and detection of frauds and errors, complying with applicable laws, safeguarding assets from loss, misuses and physical impairment and executing transaction with proper authorisation and ensuring the compliances of applicable policies. The Company has laid down procedures and policies to guide business & operations along with comprehensive Delegation of Financial Powers (DFP) for the smooth functioning and decision making.

STATUTORY AUDITORS

Pursuant to section 139(5) of the Companies Act, 2013, Comptroller Auditor General of India ('C&AG') has appointed M/s V.P. Aditya & Co. (firm Reg. No. 000542C) Chartered Accountant, Kanpur Uttar Pradesh as Statutory Auditors to audit the financial Statement of the Company for financial year 2022-23.

Auditors' Report on the Financial Statements of the Company for FY 2022-23 is appended to this Report.

The qualifications remarks on the Company's Financial Statements and their reply is hereby annexed as after Independent Audit Report. During the under review, no fraud has been reported by the Auditors under section 143(12) of the Companies Act, 2013.

The comments of the C&AG under Section 143(6) of the Companies Act, 2013, on the Financial Statements of the Company for FY 2022-23 are placed next to the Statutory Auditors' Report.

COST AUDITORS

As per provision of section 148 of Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records. TCL Board has appointed M/s M. R. Vyas & Associates (firm Reg. No. 101394) Cost Auditors, Kanpur Uttar Pradesh as Cost Auditors to audit of Cost records of the Company for financial year 2022-23.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ankit Misra & Co., Practicing Company Secretary, Kanpur Uttar Pradesh (Firm Registration No. **S2020UP749900**) was appointed as Secretarial Auditor to undertake the Secretarial Audit of the Company for FY 2022-23. The Secretarial Audit Report submitted by Secretarial Auditor is annexed to this Report as **Annexure 'F'** and forms part of this Report.

The management reply on qualification, observation and remark of Secretarial Auditor are more specifically covered in the **Annexure 'G'**.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT

In terms of Gazette Notification No. GSR 463(E) dated 05 Jun 2015 issued by Ministry of Corporate Affairs, Government of India, the Company being a Government Company engaged in Defence production is exempted from the provisions of Section 186 of the Companies Act, 2013.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were

no transaction on these items during the year under review:

- a) Details relating to deposits covered under Chapter V of the Companies Act, 2013.
- b) There has been no change in the nature of business of the Company.
- c) No significant and material order were passed by the regulators or courts or tribunals impacting the going concern status and Company and Company's operations in future.
- d) There has been no material changes and commitments affecting the financial position of the Company between the end of the financial year.

ACKNOWLEDGEMENT

The Board of Directors is extremely thankful for the continued patronage and gratefully acknowledge the valuable assistance and guidance received by the Company from various Ministries of the Government of India, especially Ministry of Defence, Department of

Defence Production, the Integrated Headquarters (Navy)/ MoD, Government of Uttar Pradesh and Tamil Nadu.

The Directors are also thankful for the valuable advice rendered by and co-operation received from the Comptroller and Auditor General of India, Statutory Auditor, NDCD, DO (C&S) and the Department of Public Enterprises.

The Directors are immensely thankful to the Company's clients and shareholders for the trust and confidence reposed in the Company. The Directors gratefully acknowledge the wholehearted support and co-operation extended by the Company's suppliers, Government Authorities, Auditors, Bankers and security personal.

Directors sincerely appreciate the invaluable contribution, committed services by all employees of the Company for its continued progress and exhibiting grit, determination and resilience shown post corporatization. The Directors look forward to their continued support and participation to propel the Company to greater heights in the coming years.

For and on the behalf of Board of Directors

Date: 26/09/2023
Place: Kanpur, U.P.

Sd/-
(Santosh Kumar Sinha)
Chairman & Managing Director
DIN: 09282633

ANNEXURE 'A' TO DIRECTORS' REPORT

STATEMENT SHOWING THE POSITION REGARDING REPRESENTATION OF SCHEDULED CASTES/ SCHEDULED TRIBES/OTHER BACKWARD CLASSES/PERSONS WITH BENCHMARK DISABILITIES AND WOMEN EMPLOYEES IN THE VARIOUS CATEGORIES OF POSTS AS ON 31.03.2023

CLASSIFICATION OF POSTS	AS ON 01.10.2022						AS ON 31.03.2023							
	TOTAL STRENGTH	NO. OF EMPLOYEES BELONGING TO SCHEDULED CASTES	NO. OF EMPLOYEES BELONGING TO SCHEDULED TRIBES	NO. OF EMPLOYEES BELONGING TO OTHER BACKWARD CLASSES	NO. OF EMPLOYEES BELONGING TO PERSONS WITH BENCHMARK DISABILITIES CATEGORY	WOMEN EMPLOYEES*		TOTAL STRENGTH	NO. OF EMPLOYEES BELONGING TO SCHEDULED CASTES	NO. OF EMPLOYEES BELONGING TO SCHEDULED TRIBES	NO. OF EMPLOYEES BELONGING TO OTHER BACKWARD CLASSES	NO. OF EMPLOYEES BELONGING TO PERSONS WITH BENCHMARK DISABILITIES CATEGORY	WOMEN EMPLOYEES*	
						No	%						No	%
Permanent														
Group 'A'	71	9	6	15	1	5	7.04	61	9	4	17	2	2	3.28
Group 'B'	2066	488	64	344	43	179	8.66	2086	457	68	228	61	184	8.82
Group 'C'	3709	966	42	1033	69	915	24.67	3327	895	31	798	72	843	25.34
Group 'D'	0	0	0	0	0	0	0	0	0	0	0	0	0	0

* As per directions from Ministry of Defence, Deptt. of Defence Production and Supplies, New Delhi, vide their letter No.39(6)/99/D(B&C) dated 27.08.1999, to include information on employment of women, based on the recommendations of National Commission for Women.

ANNEXURE 'B' TO DIRECTORS' REPORT

**STATEMENT SHOWING THE PARTICULARS OF RECRUITMENT MADE 01.10.2021 to 31.03.2023,
THE NUMBER FILLED BY MEMBERS OF SCs, STs, OBCs, PwBDs AND WOMEN PERSONNEL,
REASONS FOR SHORTFALL AND STEPS TAKEN TO IMPROVE THE POSITION**

CLASSIFICATION OF POSTS	TOTAL NO. OF VACANCIES FILLED DURING THE YEAR	SCHEDULED CASTES		SCHEDULED TRIBES		OTHER BACKWARD CLASSES		PERSONS WITH BENCHMARK DISABILITIES		WOMEN PERSONNEL RECRUITED*	REASONS FOR SHORTFALL AND STEPS TAKEN TO IMPROVE THE POSITION
		VACANCIES RESERVED	VACANCIES FILLED#	VACANCIES RESERVED	VACANCIES FILLED#	VACANCIES RESERVED	VACANCIES FILLED#	VACANCIES RESERVED	VACANCIES FILLED#		

Permanent

GROUP 'A' (including Fixed Term Officers)	TCL is in the process of finalizing its final organizational structure. Currently all employees are government employees on deemed deputation.
GROUP 'B'	
GROUP 'C' (including Fixed Term Employees, ITI and Diploma Trainees)	
GROUP 'D' (including Fixed Term Employees)	

* As per directions from Ministry of Defence, Deptt. of Defence Production and Supplies, New Delhi, vide their letter No.39(6)/99/D(B&C) dated 27.08.1999, to include information on employment of women, based on the recommendations of National Commission for Women.

including previous year vacancies

Annexure-'C' to Directors' Report

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

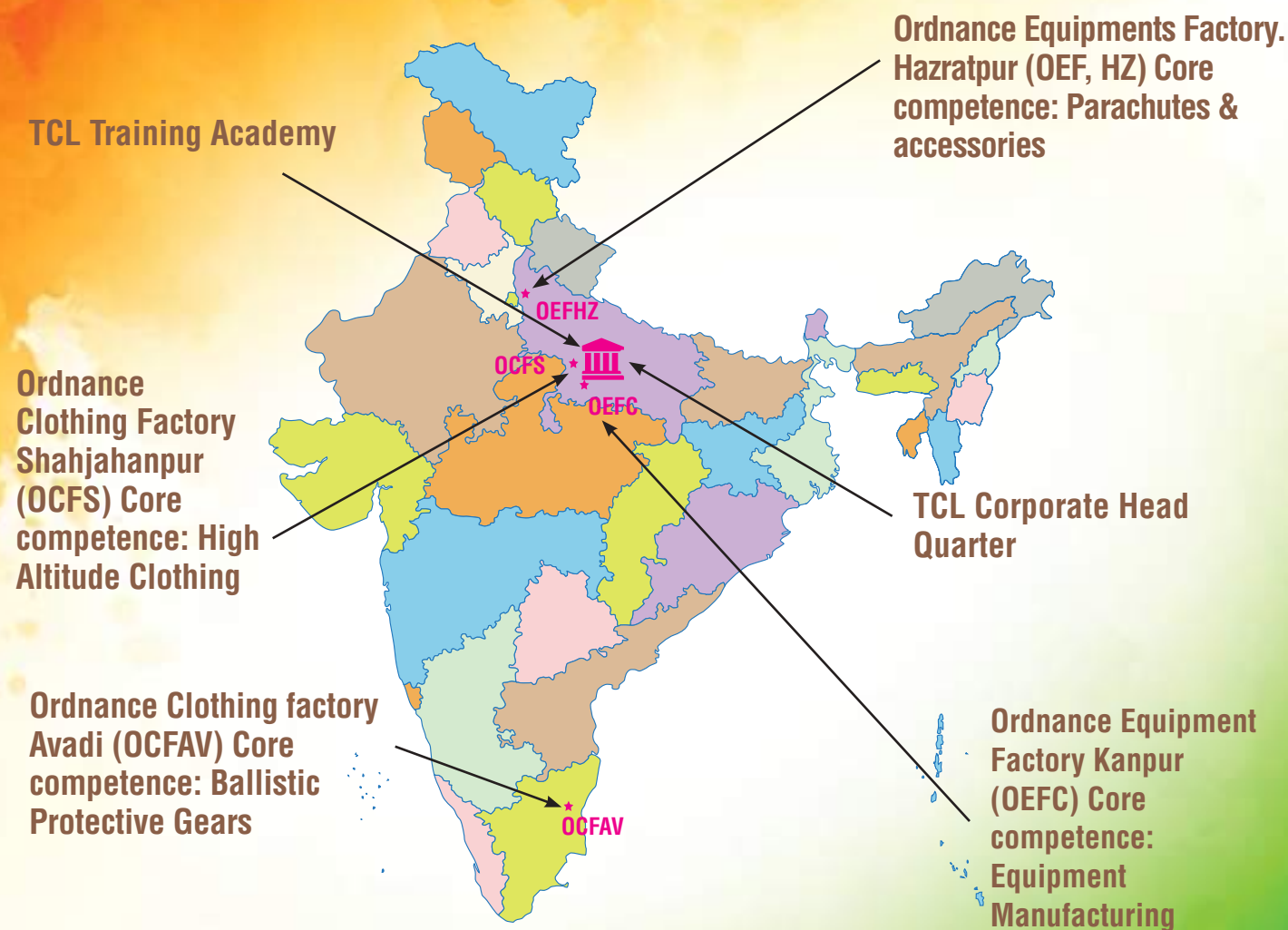
ORGANISATION STRUCTURE

Troop Comforts limited is a newly formed Defence Public Sector Enterprise under the Department of Defence Production of Ministry of Defence, Government of India with its corporate office at Kanpur. TCL incorporated on 16th August 2021 under the companies Act, 2013(18 of 2013) with 100 % equity share held by Government of India.

TCL is a conglomerate of four manufacturing units

(OEF, Kanpur, OCF Shahjahanpur, OCF Avadi, OEF, Hazratpur & a Training Institute TCLTA). TCL has vast exposure and dedicated infrastructure for catering the requirements of Indian Army, IAF, Indian Navy and MHA forces & providing solutions in the field of Life Cycle Clothing, Special Clothing for Cold Climate & Mountaineering Equipments, Ballistic Protection Gears. The solutions are being provided to take care the ambient temperature range of +500 C to -500 C (Desert to Glacier).

Brief History of TCL units:



Ordnance Equipment Factory Kanpur (OEFK)	Ordnance Clothing Factory, Shahjahanpur (OEFS)	Ordnance Equipment Factory, Hazratpur (OEFHZ)	Ordnance Clothing Factory, Avadi (OEFAV)
Established in 1859	Established in 1914	OFB took over the factory in 1983	Established On 10th November 1961
Named as Harness & Saddlery Factory in 1880 1969 – Factory rechristened as ORDNANCE EQUIPMENT FACTORY KANPUR Core-Competency: High Altitude equipment, Special Clothing & Mountaineering Equipment	Core-Competency: High Altitude Garments	Production of Tentages and various Equipment's started since 1984 Core-Competency: Supply Drop Equipment	Core-Competency: Ballistic Protection Gears

PRODUCTS AND SERVICES

Its 04 dedicated manufacturing units deals in the manufacturing of Life Cycle Clothing (LCC), Extreme Cold Climate Items (ECC), Special Clothing & Mountaineering Equipment (SCME), Supply Drop

Equipment (SDE), Water Storage Equipment, Covers, Tentages, Leather Items, Arrester Barrier, General Stores, etc. for Defence Services and Civil Sector.

Life Cycle Clothing	Ballistic Protective Gear	Extreme Cold Climate and Special Clothing & Mountaineering Equipment	Arrester Barrier Supply Drop Equipment's	Tents & accessories
Coat Combat Disruptive with IA Logo	Bullet Resistant Jacket of various NIJ threat Level	Extreme Cold Weather Clothing System	MENA 30 & 40	TEFS 4M with Mild Steel Joints & Flooring with FMUB
Overall Combination Disruptive Pattern with IA Logo	Bullet Resistant Vest of various NIJ threat Level	Coat ECC	ECAD parachute 8.5 M Complete with Pack	TEFS 2M with Mild Steel Joints & Flooring with FMUB
Combat Uniform Jacket & Trouser with Logo	Ballistic Helmet of NIJ level IIIA	Poncho Glacier	Set Harness Webbing type SOM strap 6.10 M	Tent Arctic (Large, Medium, Small)
Improved Combat Kit (Pack, Haversack, Pouches, Frog Bayonet, Belt)		Cap Glacier & Cap Balaclava	ECAD Parachute 8.5M cotton line static 6.1M	
Boot (Boot High Ankle DVS, Safety Shoes, Electric Shoes)		Trouser/Jacket Wind Cheater	PCAD for AN-32	
Ceremonial Uniforms			Skid Board MI-8.	

SWOT ANALYSIS

In the changing environment from Government entity to Defence Public Sector Undertaking, Company has identified following to be its strengths, weaknesses, opportunities and threats:

Strengths

(a) More than 160 years of expertise under the ambit

of Govt. of India in Troop Comforts items with diversified products to provide the combat solution in Troop Comfort items from Desert to Glaciated regions.

(b) In-house R&D capabilities, has led to development of Import substitute items under new product category as well as development of upgraded products under product improvement category.



- (c) Highly skilled work force with ability to absorb and adopt improvements/new technologies. On job training and special training sessions for acquisition of new skills are imparted to keep the workforce abreast with emerging technologies,
- (d) Successful implementation of e-procurement system and incorporation of such other advancements in IT in the day-to-day working of the Company as well as in Cyber Security to protect the IT Infrastructure from cyber threats.
- (e) Quality conscious, ISO 9001:2015, 14001:2015 and 45001:2018 Company.
- (f) Cohesive management communication network.
- (g) Good industrial relations.

Weaknesses

- (a) Higher overheads contributions in the total cost of production.
- (b) Obsolescence of current product range of TCL.
- (c) Lack of Public brand image of the Company.
- (d) Lack of professional and expert marketing promotional channel.

Opportunities

- (a) Providing Import substitute solutions to ex-import items, which are presently imported by Indian Army.
- (b) Exploring export potential with friendly nations and support by the Government of India for expanding realm of exports for TCL range of products.
- (c) Emerging opportunities in the development of Ballistic Protection Gears.
- (d) Exploring new customers through interaction and building brand image under "TROOPS" brand logo through digital marketing in the commercial civil market.
- (e) Establishing the assembly Line manufacturing system for all the products to reduce the cost of production.

Threats

- (a) Increased competition in the Troop Comforts items, due to declaration of all the items as non-core by the Armed forces/MoD.
- (b) Stiff price competition in market.

RISKS AND CONCERNS

Risks and concerns are an integral part of any business, Your Company has developed an appropriate risk management framework to monitor, identify, assess and mitigate risks that may potentially impact the Company's performance. The major risks and concerns to the Company are:

- (a) Major dependence on few customers i.e. Indian Army contributing to almost 95% of the orders for TCL.
- (b) Requirement for augmentation of IT infrastructure including Software/ERP system aligning with advancement in technology.
- (c) Uncertainties on the part of suppliers and subcontractors affecting the timely delivery of raw materials and completion of job works entrusted to them.
- (d) Increased competition specially from unorganized sector influencing maintenance of cost competitiveness and sustenance of customers for TCL range of items.

MAJOR INITIATIVES UNDERTAKEN AND PLANNED TO ENSURE SUSTAINED PERFORMANCE AND GROWTH

The following are the initiatives taken to ensure sustained performance and growth:

- (a) Diversification of Products by developing niche products in a time bound manner and emphasizing on Import substitute solutions to Indian Army.
- (b) Modernization activities to modernize our production facilities in line with the world leading manufacturers of Clothing & accessories.

- (c) Penetrating into Export market for selective range of products with customized designing as per the international market requirements.
- (d) Launching of products in the Civilian Market through e-commerce sites under the new brand logo of TCL.
- (e) With the launch to new brand logo for commercial purpose, several Military grade premium quality items will be available on e-commerce sites like Amazon, GeM etc.
- (f) The process for procurement of the new ERP product and its System integrator has been initiated and is under progress.
- (g) Marketing & Business Development: In order to further strengthen the order book position and in line with growing thrust on export by the Government of India, the following initiatives were taken towards marketing and business development:
- In order to publicize our expertise and improve exposure in the international market and to identify various business opportunities, the Company participated in Defence exhibitions viz. BIMSTEC Nations.
 - For exploring the international market for TCL

range of products, Chanel partners for Nepal, Kingdom of Morocco, European countries, North America and Africa have been appointed..

Your Company continues its efforts in securing the orders at domestic and international level and has been bidding aggressively for RFP's being floated by Indian Army, Indian Air force & MHA forces and is endeavoring its efforts on import substitute solutions to Indian Army. The Company is focusing on emerging business opportunities and develops new products / aggregates to align with market requirements. Considering the healthy order book position and expected orders, the future outlook of the Company is bright and encouraging.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The details regarding Internal control system and its adequacy are more specifically covered in the Directors' Report.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Performance Highlights of the Company during the year ended 31 Mar 2023 are as follows:

(₹ In Crore)

Particular	2022-23	2021-22
Revenue from operations	997.67	575.72
Earnings before Interest, Taxes & Depreciation	59.88	36.19
Less: Finance Cost	-	-
Less: Depreciation	25.25	13.15
Less: Exceptional Item		-
Profit Before Tax	34.63	23.04
Less: Tax Expenses	15.68	6.66
Profit After Tax	34.63	16.38
Other comprehensive Income		-
Total comprehensive Income	8.01	
Net Worth	4,778.48	4573.67
Inventory	94.19	103.92
Trade Receivables	177.98	18.98
Earnings Per Shares (EPS)(in Rs.)	0.04	Basic EPS 686.47 and Diluted EPS 0.04
Dividend (%)	-	-



SEGMENT-WISE PERFORMANCE

The Ministry of Corporate Affairs, Government of India vide Notification No. S.O. 802(E) dated 23 Feb 2018 has exempted companies engaged in defence production from disclosure requirements with regard to the Accounting Standard on segment reporting. Hence, the segment-wise/ product-wise performance is not appended to this Report.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The details regarding Human Resource Development, Industrial Relations and Manpower Strength are more specifically covered in the Directors' Report.

ENVIRONMENTAL PROTECTION AND CONSERVATION

The Company is least polluting company and continues to show its commitment to improvement, conservation,

and protection of the environment, paying special attention for the planting and preservation of trees. Company's headquarter, residential colonies and manufacturing units have a good amount of forest cover. Company and manufacturing units have also planted trees on various occasions, such as Republic Day, Independence Day, Foundation day, Environment Day, etc.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Relevant Information in this regard is disclosed in the Directors' Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY

Relevant Information in this regard is disclosed in the Directors' Report.

Annexure-‘D’ to Directors’ Report

CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance along with Compliance Certificate from the Practicing Company Secretary, Secretarial Auditor of the Company, as per the Guidelines on Corporate Governance for CPSEs 2010 issued by the Department of Public Enterprises, Govt. of India (‘DPE Guidelines’), vide DPE’s OM No.18(8)/2005-GM dated 14 May 2010, is given below:

PHILOSOPHY ON CORPORATE GOVERNANCE

It is the constant endeavor of your Company to maintain the highest standards of ethics in all spheres of business activities. Your Company’s philosophy on Corporate Governance is based on the principles of honesty, integrity, accountability, adequate disclosures and legal compliances. It strives for transparency in decision making and to avoid conflict of interest. It also accords due importance to adherence to the adopted corporate values and objectives and discharging social responsibilities as a corporate citizen.

Keeping up its professional approach, your Company is implementing the precepts of Corporate Governance in letter and spirit. The Company has set itself a new mission with the objective of expanding its capacities and capabilities for becoming globally competitive in its business. The Company expects to realize its vision by achieving its goals of value creation, safety, environment and people.

BOARD OF DIRECTORS

The Board of Directors of the Company, headed by

Chairman & Managing Director, ensures that the Company has clear goals aligned with stakeholder’s interest and its growth. The Board oversees the overall functioning of the Company and gives strategic directions and seeks accountability for their fulfillment. The Board of Directors of the Company plays a pivotal role in ensuring good Corporate Governance.

Composition of Board of Directors

Troop Comforts Limited is a 100% Government owned Company under the administrative control of the Ministry of Defence (‘MoD’), DDP. The composition of the Board of the Company is governed by the provisions of the Companies Act, 2013 (‘the Act’) and DPE Guidelines. Being a Government Company and as per the Articles of Association of the Company, the power to appoint Directors vests with the President of India.

The Board of Directors of the Company comprises of Directors with diverse experience, qualifications, skills etc. which are aligned with the Company’s business, overall strategy, corporate ethics, values and culture. As on 31st March, 2023, the Board of Directors of the Company consisted of 04 Whole-Time Directors including Chairman & Managing Director and one Government Nominee Director.

Details of the Members of the Board of Directors of TCL as on March 31st 2023 are given below: -

Sl. No.	Name of Director & Designation	Director Identification Number (DIN)	No. of Other Directorship held	No. of Committee Membership in other Companies	
				As Chairman	As Member
1.	Shri Santosh Kumar Sinha IOFS, Chairman & Managing Director	09282633	-	-	-
2.	Shri Atul Gupta IOFS, Director (Operations) (Ceased as Director w.e.f. 30.04.2023)	09282635	-	-	-

Sl. No.	Name of Director & Designation	Director Identification Number (DIN)	No. of Other Directorship held	No. of Committee Membership in other Companies	
				As Chairman	As Member
3.	Maj Gen Ravi Rajeshkhar Patil Director (HR) <i>(Ceased as Director w.e.f. 16.04.2023)</i>	09282634	-	-	-
4.	Dr. Sanjeev Kumar Saxena, IOFS, Director (Finance) & Chief Financial Officer	09315421	-	-	-

Government Nominee Director:

5.	Shri Chandraker Bharti Joint Secretary (Aerospace) Ministry of Defence <i>(Ceased as Director w.e.f. 14.09.2022)</i>	02599261	-	-	-
6.	Shri Rajeev Prakash Joint Secretary (Naval System), Ministry of Defence <i>(Appointed w.e.f. 14.09.2022)</i>	08590061	One (Garden Reach Shipbuilders & Engineering Limited)	-	One

As per DPE Guideline, there should be 02 Part-Time Non-Official (Independent) Directors on Company's Board. There were 2 vacancies of Independent Directors at the beginning of the year. TCL Board pursuing with its administrative ministry (MoD) for appointment of Independent Directors, which is under consideration.

Shri Rajeev Prakash, Joint Secretary (NS) was appointed as a Government Nominee Director in place of Shri Chandraker, Joint Secretary (Aerospace) w.e.f. 14th September, 2022 vide MoD, Department of Defence Production dated 14/09/2022.

Subsequent to retirement of Mr. Atul Gupta from the post of Director (Operations) of TCL, Hon'ble President of India acting through Department of Defence Production, Ministry of Defence has approved the additional charge of Director (Operations) Troop Comforts Limited to Dr. Sanjeev Kumar Saxena Director (Finance) w.e.f 15th May, 2023 until the appointment of regular incumbent as per approved procedure vide MOD ID No. PC-1 to 1(5)/2021/OF/DP(Plg-V) dated 15/05/2023

Brief resume of newly appointed Director

Appointment during FY 2022-23

Shri Rajeev Prakash, Joint Secretary (NS) is appointed as Government Nominee Director with effect from

September 14, 2023. Shri Rajeev Prakash has completed B.A. Honors in English from St. Stephen's College, University of Delhi and M.A. in Development Studies from the Institute of Social Studies, Erasmus University. He is a 1995 batch Indian Post & Telecommunication Accounts and Finance Service Officer (IP&TAFS).

Dr. Sanjeev Prakash has a vast experience in the field of finance and held various important posts in the Government of India. Prior to joining as Joint Secretary (Naval System) in Department of Defence Production, Ministry of Defence, Govt. of India in June, 2022, he has worked as Deputy Director General (Wireless Planning & Finance), Department of Telecommunication, Ministry of Communication. Further, he was also a Government Nominee Director in Bharat Broadband Network Limited.

Appointment after closure of FY 2022-23:

Dr. Sanjeev Kumar Saxena, Director (Finance) is appointed as additional charge of Director (Operations) of Troop Comforts Limited with effect from 15th May, 2023 until the appointment of regular incumbent. He is an Indian Ordnance Factories Service (IOFS), 1989 batch officer, took over as Director (Finance) of TCL with effect from September 15th 2021. Prior to that he was heading Materials Management & Indigenization functions at Heavy Vehicle Factory, Avadi, Chennai, under Ordnance Factory Board. He has 31 years of

experience in Defence manufacturing. He also has rich experience at Ordnance Factory Board in Business Strategy, HR, R&D and Quality management functions. In addition, he was Director at National Academy of Defence Production, Nagpur.

Graduated in Mechanical Engineering from GECT, Raipur in 1986, he Post graduated (M. Tech) from IIT, Kanpur in 1988 and Post Graduate Diploma in Management from MDI, Gurgaon in 1998. He has been awarded Doctorate in Management by BITS, Pilani in 2017.

Directors' Shareholding

No Directors of Company held any shares of the Company as on 31st March, 2023.

Meetings of Board and Attendance

Board of Directors meet at regular interval to review of operational & financial performance, order position, formulate policies and strategies, internal control system, regulatory compliance. There were eight (8) Board Meeting held during the financial year ended on 31st March, 2023 viz, April 12, 2022, April 30, 2022, August 23, 2022, October 11, 2022, November 16, 2022, December 05, 2022, February 09, 2023 & March 28, 2023. The time gap between two board meeting was within time prescribed under Companies Act, 2013 and DPE Guidelines. The details of attendance of Directors at Board Meetings and Annual General Meetings held during the FY 2022-23 are furnished below:

Sl. No.	Name of Directors & Designation	No. of Board Meetings held during respective tenure of Director	No. of Board Meeting attended	Attendance at 1st Annual General Meeting held on 29.12.2022	Attendance at 1st adjourned Annual General Meeting held on 28.02.2023
Serving Directors					
1.	Shri S. K. Sinha Chairman & Managing Director	8	8	Yes	Yes
2.	Shri Atul Gupta, Director (Operations)	8	8	Yes	Yes
3.	Maj Gen Ravi Rajeshkhar Patil Director (HR)	8	8	Yes	Yes
4.	Dr. Sanjeev Kumar Saxena Director (Finance) & CFO	8	8	Yes	Yes
5.	Shri Rajeev Prakash JS (NS) Government Nominee Director	4	1	Yes	Yes
Ceased as a Director					
1.	Shri Chandraker Bharti JS ((Aerospace) Government Nominee Director (Ceased as Director w.e.f. 14.09.2022)	3	2	NA	NA

During the Financial year 2022-23, TCL had held two (02) Extra-Ordinary General Meeting at the registered office of Company through Audio Visual mean Viz May 10, 2022 and September 16, 2022.

Meeting are governed by structured agenda. The agenda papers along with supporting documents are circulated among the Board Members in advance and as per provision of Companies Act, 2013. Its help Board Members to take well informed decision and structured discussion of agenda. The Board Members,

with permission of Chairman may bring up important issue for consideration of Board. If necessary, senior management is also called to provide additional inputs to the items being discussed at the Board meetings. Further, presentations are made during the course of discussion wherever required for the information of the Directors. The Directors are provided with video-conferencing facility to enable them to attend/participate in Board Meetings. In case of exigencies, the meeting(s) is / are convened at shorter notice as provided under the Act.

Committee of the Board

TCL is required to constitute Audit Committee and Nomination & Remuneration Committee as per provisions of Companies Act, 2013 and Guidelines on Corporate Governance for CPSE, 2010. However, due to non nomination of Independent Director by Ministry of Defence (MoD), above mentioned committee could not be constituted. TCL Board pursuing with its administrative Ministry of Defence (MoD) for appointment of Independent Directors, which is under consideration. Therefore, business items pertaining to Audit Committee and N&R Committee were directly placed before Board.

Appointment and Remuneration of Directors

TCL being a Central Government Public Enterprise, the appointment of Chairman & Managing Director and other Functional Directors of the Company is made by the Government of India. Their tenure, remuneration and other terms & conditions mentioned in respective appointment letter or Order. The Details of remuneration paid to CMD and Functional Directors and Key Managerial Personnel (KMP) for the financial year ended 31st March, 2023, are given below:

(Rs. In Lakh)

Sl. No.	Name of Director & KMP	Salary	Perquisite as per IT Rules	Contribution to GPF/ NPS/ DSOPF	Total
1	Shri Santosh Kumar Sinha IOFS, Chairman & Managing Director	30.71	0	7.30	38.01
2	Shri Atul Gupta IOFS, Director (Operation)	36.22	0	5.60	41.82
3	Maj Gen Ravi Rajeshkhar Patil Director (HR)	34.51	0	2.50	37.01
4	Dr. Sanjeev Kumar Saxena Director (Finance) & CFO	36.52	0	5.00	41.52
5	Shri Suresh Kumar Gupta Company Secretary	8.00	0	0	8.00

Government Nominee Director is appointed by the President of India and he is not paid any remuneration or sitting fee.

There is no Part-Time Non-official (Independent) Director appointed by the President of India during the financial year 2021-22.

The Company does not pay any commission to its Directors nor issued stock options to its Directors.

Evaluation Criteria

Since the Board level appointments are made by the President of India, evaluation of performance of Directors is also done by the Government of India.

COMMITTEE OF SUSTAINABLE DEVELOPMENTS AND CORPORATE SOCIAL RESPONSIBILITY (SD & CSR COMMITTEE)

Since there were no Independent Directors on the Board of the company, the Sustainability Development

and Corporate Social Responsibility (CSR Committee) was not functional during the financial year 2022-23. However, Section 135(9) of the Companies Act, 2013 prescribes that where the CSR expenditure to be spent by a company does not exceed fifty lakh rupees, the requirement for the constitution of the CSR Committee shall not be applicable. There, business items pertaining to the CSR Committee are directly placed before the Board.

MEETING OF INDEPENDENT DIRECTORS

There is no Part-Time Non-official (Independent) Director appointed by the President of India during the financial year 2022-23. Hence, no meeting of Independent Directors was held.

GENERAL BODY MEETING

*The details of previous Annual General Meeting ('AGM') held during the previous years as follows:

Year	Location	Date and Time	Remark
2022-23	Registered office of the Company i.e. TCL Corporate Bhawan, GT Road, Kanpur, Uttar Pradesh-208013, IN	29/12/2022 10:30 a.m.	First Annual General Meeting
2022-23	Registered office of the Company i.e. TCL Corporate Bhawan, GT Road, Kanpur, Uttar Pradesh-208013, IN	28/02/2023 03:00 p.m.	Adjourn First Annual General Meeting

TRAINING OF BOARD MEMBERS

The Board has adopted a policy for training of Board members. As per the terms of the said policy, the Board members including Independent Directors are provided with the familiarization programme at the time of their induction to the Board to make them conversant with the business model, current operations, corporate plan and future outlook of the Company.

In addition, Board Members shall be nominated for external training, conferences, seminars and conventions etc. with premium institutions.

CODE OF BUSINESS CONDUCT AND ETHICS

The Company has formulated and adopted a code of Business conduct and ethics.

WHISTLE BLOWER POLICY

Relevant Information in this regard is disclosed in the Directors' Report.

AUDIT QUALIFICATION

The details regarding qualification, observation and remark of Statutory Auditor are more specifically covered in the Independent Audit Report.

RISK MANAGEMENT

Relevant Information in this regard is disclosed in the Directors' Report.

SHAREHOLDING PATTERN

The Shareholding pattern as on 31st March, 2023 is given below:

Sl. No.	Category of Shareholder	No. of Shares held	Amount of Shares held (amount in crore)	% of Shares held to Total Paid-up Capital
1.	Government of India President of India & Government nominee Shareholders	4,74,31,48,206	4,743.15	100.00%
	Total	4,74,31,48,206	4,743.15	100.00%

DEMATERIALISATION OF SHARES AND SHARES TRANSFERS SYSTEM

The shares are held in Physical form, are transferable on the order of MoD, DDP, Government of India.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Section 124 of the Act provides that any dividend that has remained unpaid/unclaimed for a period of seven years from the date of transfer to unpaid dividend account shall be transferred by the company to the Investor Education and Protection Fund ('IEPF') established by Central Government under Section 125(1) of the Act.

Accordingly, Board of Directors did not propose to declare dividend during the financial year 2022-23. Hence, no amount relating dividend has been transferred to Investor Education and Protection Fund.

Pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, shares in respect of which dividend have not been paid or claimed for seven consecutive years or more shall be transferred by the company in the name of IEPF. There are no shares liable to be transferred to IEPF during FY 2022-23.

Further, Section 125 of the Act provides that no shareholder whose dividend/shares have been transferred, if any, to the IEPF shall be entitled to claim



it back from IEPF on complying with the procedures laid down in this behalf.

MEANS OF COMMUNICATION

The Company's website www.troopcomfortslimited.co.in in English and Hindi provides comprehensive information including the details of the Company's business, products, services, facilities, management, human resources, recruitment, vendor registration, tenders, e-procurement, vigilance, RTI, and other updates and news. The 'About' tab on the Company's website contains annual reports, notices and announcements.

Notice of Annual General Meeting and Annual Report containing Financial Statements and Auditors' Report are circulated to members and others entitled thereto. As part of green initiative, the Company uses email to circulate the aforesaid documents to shareholders who have registered their email id with the Company and not opted for physical copies of Annual Report. The Annual Report of the Company, on placement before both the houses of Parliament is posted on the Company's website.

Declaration

As provided under the Guidelines on Corporate Governance for CPSEs 2010 issued by the Government of India, it is hereby declared that all Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel of Troop Comforts Limited for the year ended 31st March, 2023.

For and on the behalf of
Board of Directors

Date: 26/09/2023
Place: Kanpur, U.P.

Sd/-
(S. K. Sinha)
Chairman & Managing Director
DIN: 09282633

Annexure-‘E’ to Directors’ Report

Annual Report on Corporate Social Responsibility (CSR) activities for FY 2022-23

1. Brief outline on CSR Policy of the Company

- (i) Troop Comforts Limited (TCL) is a continuing commitment to operate ethically and contribute to harmonious and sustainable development of society and planet through business, while improving the quality of life of the community and the society.
- (ii) TCL is commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interest of its stakeholders and other activities as covered under Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII of the Companies Act, 2013 (including any amendments or enactments thereof from time to time) and Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India (‘DPE Guidelines, 2014’).

2. Composition of Committee on Sustainability Development and Corporate Social Responsibility (CSR Committee)

Since, there was no Independent Directors on the Board of the Company, Sustainability Development and Corporate Social Responsibility (CSR Committee) was not functional. However, section 135(9) of Companies Act, 2013 state that where the CSR Expenditure to be spent by a company does not exceed fifty lakh rupees, the requirement to constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of such company.

3. Composition of CSR Committee, CSR policy and CSR Projects approved by the Board are disclosed on the website of the Company i.e. www.troopcomfortslimited.co.in
4. Details of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, if applicable- Not Applicable for FY 2022-23
5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹2,285.91 Lakh
- (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹ 45.72 Lakh
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
- (d) Amount required to be set off for the financial year, if any: Nil
- (e) Total CSR obligation for the financial year (7a+7b-7c): ₹ 45.72 Lakh
6. (a) Amount spent on CSR Projects (both Ongoing project and other than Ongoing Project): ₹ 45.72 Lakh
- (b) Amount spent in Administrative overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total Amount spent for the Financial Year 2022-23 [(a)+(b)+(c)]: ₹ 45.72 Lakh
- (e) CSR amount spent or unspent for the FY 2022-23:

Total Amount Spent for the Financial Year 2022-23 (Rs. in lakh)	Amount Unspent (Rs. in lakh)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
45.72	0	Not Applicable	-	0	Not Applicable

(f) Excess amount for set-off, if any

SI. No.	Particular	Amount (in Lakh)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135:	45.72
(ii)	Total Amount spent for the Financial Year 2022-23	45.72
(iii)	Excess amount spent for Financial Year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	0

7. Details of unspent Corporate Social responsibility amount for the preceding Financial Years:

1	2	3	4	5	6		7	8
SI. No.	Preceding during the Financial Year(s)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135	Balance Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1	*FY-2021-22	0	0	0	0		0	0

*During the previous Financial Year 2021-22, CSR provision was not applicable on Troop Comforts Limited.

8. Whether any capital Assets have been created or acquired through Corporate Social Responsibility amount spent in Financial Year: No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:
Not Applicable

Sl. No.	Short particulars of property or assets (including complete address and location of the property)	Pin code of the property or asset(s)	Date of Creation	Amount of CSR spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address

Not Applicable

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

For and on the behalf of Board of Director

Sd/-

S.K. Sinha

Chairman & Managing Director

DIN: 05282633

Date: 26/09/2023

Place: Kanpur



Shri S. K. Sinha CMD inaugurated CSR programme in presence of Shri S. K. Saxena Director (Operations & Finance)



Annexure-‘F’ to Directors’ Report

PRACTICING COMPANY SECRETARY’S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Troop Comforts Limited
TCL Corporate Bhawan, G.T. Road
Kanpur 208013

Sir(s),

I have examined the compliance of the conditions of Corporate Governance by Troop Comforts Limited for the year ended March 31, 2023, as stipulated in the guidelines on corporate governance for Central Public Sector Enterprises (CPSEs), 2010 issued by Department of Public Enterprises (DPE).

The Compliance of conditions of the Corporate Governance is the responsibility of the management. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanation given to me and representations given by management, I certify that the Company has complied with aforesaid guidelines on corporate governance, subject to the following observations:

- i. *During the Audit Period, the non-functional Directors were less than 50% of the total Board Strength as required in clause 3.1.2 of the DPE Guidelines, 2010;*
- ii. *During the Audit Period the Company does not have Independent Directors as required in clause 3.1.4 of the DPE Guidelines, 2010;*
- iii. *The Company has not constituted Audit Committee and Nomination & Remuneration Committee as required in clause 4 & 5 of the DPE Guidelines, 2010;*

Provided however that as per the Articles of Association of the Company, the power to appoint Directors vests with the President of India.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For ANKIT MISRA & Co.

Sd/-

ANKIT MISRA

Proprietor

CP No. 23471

Company Secretaries

Unique Code Number S2020UP749900

Peer Review Certificate Number 4232/2023

UDIN: A030650E001002491

Date: 13/09/2023

Place: Kanpur

Annexure-‘G’ to Directors’ Report

FORM NO. MR-3

SECRETARIAL AUDIT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
TROOP COMFORTS LIMITED
Kanpur

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TROOP COMFORTS LIMITED (CIN: U18109UP2021GOI150744)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute, books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder; (Not

applicable to the Company during Audit Period)

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (Not applicable for Government Company)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during Audit Period)
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) are not applicable as the company is an unlisted Company.
- (vi) Other applicable Laws:
 - (a) The Employees Provident Fund & Miscellaneous Provisions Act, 1952;
 - (b) The Employees State Insurance Act, 1948;
 - (c) The Maternity Benefit Act, 1961;
 - (d) The Payment of Bonus Act, 1965;
 - (e) The Payment of Gratuity Act, 1972;
 - (f) Environmental Laws like The Water (Prevention and Control of Pollution) Act, 1974,
 - (g) The Environment (Protection) Act, 1986;
 - (h) Factories Act, 1948
 - (i) DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement/Listing Regulation, (Not applicable to the Company during Audit Period as the Company is an unlisted Company);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations;

- i. *That the Company issued shares to its existing shareholder through right issue, with the share issued to shareholder on 16.11.2022, but the amount was received prior to the issue date i.e. 29.09.2022.*
- ii. *As the Company has been carved out from the Ordnance Factory Board (OFB) subsequent to the corporatisation of 41 Factories of OFB into SEVEN Defence Public Sector Undertaking (DPSU's) by Ministry of Defence, Government of India, but the factories license of the Three Factories of the Company are still held in the old name;*
- iii. *Copy of title deed of lands held are still held in the old name of Company i.e Ordnance Factory Board;*
- iv. *During the Audit Period, the non-functional Directors were less than 50% of the total Board Strength as required in clause 3.1.2 of the DPE Guidelines, 2010;*
- v. *During the Audit Period the Company does not have Independent Directors as required in clause 3.1.4 of the DPE Guidelines, 2010;*
- vi. *The Company has not constituted Audit Committee and Nomination & Remuneration Committee as required in clause 4 & 5 of the DPE Guidelines, 2010. Provided however that, as per the Articles of Association of the Company, the power to appoint Directors vests with the President of India.*

- vii. *Annual General Meeting during the year was conducted on February 28, 2023 i.e. 58 days after the due date i.e. December 31, 2022. Provided however that the Company has submitted the compounding application before the Regional Director (NR), Ministry of Corporate Affairs, Govt. of India vide e-form GNL-1 SRN F62110317 dated 26.06.2023.*

For the compliances of Labour Laws & other General Laws, my examination and reporting is based on the documents, records and files as produced and shown to me and the information and explanations as provided to me, by the officers and management of the Company and to the best of my judgment and understanding of the applicability of the different enactments upon the Company, in my opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

I further report that

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review are carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to convene the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions were passed with unanimous majority and recorded as part of the minutes.

I further report that during the audit period, the Company has made right issue of equity shares to the existing shareholders on proportionate basis after complying with provisions of Companies Act made there under.

I further report that

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines to the extent applicable.

Date: 13.09.2023

Place: Kanpur

I further report that during the audit period, the Company has made right issue of equity shares to the existing shareholders on proportionate basis after complying with provisions of Companies Act made there under.

For ANKIT MISRA & Co.

Sd/-

ANKIT MISRA

Proprietor

CP No. 23471

Company Secretaries

Unique Code Number S2020UP749900

Peer Review Certificate Number 4232/2023

UDIN:A030650E000985791

Annexure-‘H’ to Directors’ Report

The Management Reply on observation of Secretarial Auditor

Secretarial Auditor Observation	Management Reply
Company issued shares to its existing shareholder through right issue, with the share issued to shareholder on 16.11.2022, but the amount was received prior to the issue date i.e. 29.09.2022.	Ministry of Defence based on their policy/Budget approved by Hon’ble Raksha Mantri to infuse funds as Equity to TCL.
As the Company has been carved out from the Ordnance Factory Board (OFB) subsequent to the corporatisation of 41 Factories of OFB into SEVEN Defence Public Sector Undertaking (DPSU’s) by Ministry of Defence, Government of India, but the factories license of the Three Factories of the Company are still held in the old name;	Remaining three Factory Licenses are in process with concerned department. It is expected to be completed on or before end of this Financial Year 2023-24.
Copy of title deed of lands held are still held in the old name of Company i.e Ordnance Factory Board;	The mutation of land in favour of the Company is under process.
During the Audit Period, the non-functional Directors were less than 50% of the total Board Strength as required in clause 3.1.2 of the DPE Guidelines, 2010;	As per Article of Association of the Company, the power to appoint Director(s) vests with Hon’ble President of India. However, Board has also requested to DDP for the nomination of Independent Director and Women Director vide letter TCL/Cor. HR/0290/Independent Directors dated 05/08/2022, dated 05/01/2023 and 23/06/2023. A DO letter No. TCLHQ/FIN/Independent Director/01 dated 14/08/2023 has written to raise concern before higher authority.
During the Audit Period the Company does not have Independent Directors as required in clause 3.1.4 of the DPE Guidelines, 2010;	As per Article of Association of the Company, the power to appoint Director(s) vests with Hon’ble President of India. However, Board has also requested to DDP for the nomination of Independent Director and Women Director vide letter TCL/Cor. HR/0290/Independent Directors dated 05/08/2022, dated 05/01/2023 and 23/06/2023. A DO letter No. TCLHQ/FIN/Independent Director/01 dated 14/08/2023 has written to raise concern before higher authority
The Company has not constituted Audit Committee and Nomination & Remuneration Committee as required in clause 4 & 5 of the DPE Guidelines, 2010;	<p>TCL could not constitute Audit Committee and Nomination & Remuneration Committee as required in clause 4 & 5 of the DPE Guidelines, 2010 due to vacancy of Independent Directors.</p> <p>However, TCL Board has also requested to DDP for the nomination of Independent Director and Women Director vide letter TCL/Cor. HR/0290/Independent Directors dated 05/08/2022, dated 05/01/2023 and 23/06/2023. A DO letter No. TCLHQ/FIN/Independent Director/01 dated 14/08/2023 has written to raise concern before higher authority.</p>

MENA- MULTIPLE ELEMENT NET ASSEMBLY



FEATURE

- Aircraft Arrestor Barrier System.
- Arresting solutions for combat aircrafts during landing and take-off overrun.
- Two variants:
MENA 30 – for 6 to 20 Ton Class Aircraft.
MENA 40 – for 20 to 40 Ton Class Aircraft.
- Can engage both hook and non-hook equipped aircraft.
- Can be installed across the runway with operational readiness time as low as 3-5 sec.

PRODUCT SPECIFICATION

PARAMETERS	MENA TYPE 30	MENA TYPE 40
Width	: 58 m (Loop to Loop)	58 m (Loop to Loop)
Suspended Height	: 3.7 + 0.2 m	4.7 + 0.2 m
Weight (Approx)- Dry	: 562 Kg	695 Kg
Wet	: 686 Kg	848 Kg
Breaking Strength- Vertical	: 3135 kg (Min)	3135 kg (Min)
Horizontal	: 2040 kg (Min)	2040 Kg (Min)

INDEPENDENT AUDITOR'S REPORT

**To,
The Members of Troop Comforts Limited**

Report on the Audit of Indian Accounting Standards Financial Statements

I. Qualified Opinion

We have audited the accompanying Indian Accounting Standards ("Ind AS") Financial Statements ("FS") of **Troop Comforts Limited** (the "Company") (**CIN: U18109UP2021GOI150744**), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to explanations given to us, except for the effects of the matters described in Basis for Qualified Opinion paragraph of our report, the aforesaid "Ind-AS FS" give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2023 and its profit (including Other Comprehensive income), changes in equity and its cash flows for the year ended on that date.

II. Basis for Qualified Opinion

II.1. BALANCE SHEET

II.1.1 PROPERTY, PLANT AND EQUIPMENT (PPE) ₹ 4,26,012.10 Lakhs

(a) In the financial statements value and area of land as determined by the valuer vide his valuation

report dated 14.01.2022 has been considered while the area of actual land acquired by TCL from the Directorate of Ordnance (C & S), MOD, differs from the area of actual land valued by the Approved Valuer. (Amount indeterminate). **[Refer Note No.2 (i), (ii)& (iii) of Ind ASFS].**

(b) During the financial year 2022-23, under noted adjustments have been made on the basis of two addendum reports dated 12.01.2023 & 28.04.2023 to the valuation report dated 14.01.2022:

Valuation of some of the left over assets (i.e furniture & fixtures of OEF Kanpur valuing ₹124.22 lakhs, perimeter/compound wall and RCC Overhead/Reservoirs of OEF Kanpur and OCF Shahjahanpur valuing ₹426.48 Lakhs) was carried out by the Registered valuer. The same has been incorporated in the financial statements.

II.1.2. The Company has not identified and disclosed the amount separately under head Research & Development in process under intangible assets consisting of advances paid to external agencies paid prior to 01.10.2021, from 01.10.2021 to 31.03.2022 and from 01.04.2022 to 31.03.2023 material purchased upto 31.03.2023.

II. 1.3 BANK BALANCES /CASH AND CASH EQUIVALENT ₹ 62063.98 Lakhs

II.1.3. (i) Whether the deposits and withdrawal of the following bank account have been accounted for in the books of production unit (OCF Shahjahanpur) or not, could not be verified by us:

S. No.	Name of the Bank	Account Number / Name and style of the Account	Balance as per Bank statement as at 31.03.2023 (₹)
1	State Bank Of India	00000010998696664 / Mr. GM OCFS REG FUND Shahjahanpur	16,14,384.04

- (ii) Moreover the balance in this account as on 31st March, 2022 amounting to ₹46,58,951.04 & balance of ₹ 16,14,384.04 as on 31st March, 2023 have also not been included in the Balance Sheet under the head Balance with Banks- In Current Accounts.

II.1.4 per office Memorandum issued by Department of Defense Production No. 1(5)/2021/0F/DP(Plg-V)/01 dated 24th September, 2021 provisional Net Asset value of the company was determined at ₹3,658 crore which was subject to finalization within 3 months of the appointed date i.e 01. 10. 2021 in consultation with the Department of Defense Production (DDP). The final Net Asset value was determined at ₹4,506.17 crore without considering the following

- Advances given to External Agencies against R & D project prior to 01st October, 2021 amounting to ₹56.79 lakhs and not considered in Balance Sheet of appointed date i.e.01.10.2021.
- Matters referred in Para No.II.1.1 (a) &(b) and II.1.3 (i) of our report.

II.1.5 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR)

II.1.5.1 'Legal cases before court and tribunals ₹11939.54 lakhs

In the absence of corroborative records the above details provided to us could not be verified. **[Refer Note No.23.9 of "IND AS FS"]**.

II. 1.5.2 Estimated amount of contracts remaining to be executed on capital account and not provided for:

- (i) Capital Contracts ₹329.52 lakhs (Hazratpur) has been depicted as ₹229.09 lakhs.
- (ii) R & D Expenses in process (Avadi) - (Amount Indeterminate)

II.2. STATEMENT OF PROFIT AND LOSS

II.2.1 Changes in Inventory of Finished Goods. Stock-in-trade and Work-in Progress ₹ 1113.75 Lakhs

In cases where the value of inventory has been taken at NRV/LPR as on 31st March, 2022 instead of weighted average cost and the effect of the change in value has not been given in PPC Software as on 1st April, 2022 has resulted in incorrect valuation of issues during the year and inventory as at 31st March, 2023.

II.2.2 Rates& Taxes ₹ 968.92 lakhs

Vide Memo no. 1(5)2021/0F/DP (Plg-V) 03 dated 24.09.2021 of Government of India, Ministry of Defence Land & Building of Non-production unit (comprising of Hospitals & Schools) at three places were not transferred to the company. However, company is paying Cantonment Board charges in respect of these assets of non-production units and had charged fully to its Profit & Loss account instead of claiming proportionate amount from Directorate of Ordnance (Amount not ascertainable).

As a result of the aforesaid matters wherein impact on the financials of the Company is not ascertainable due to reasons as mentioned in respective paragraphs we are unable to determine, in totality, whether adjustments might have been found necessary in the Balance Sheet and the corresponding elements making up the Statement of Changes in Equity, the Statement of Profit and Loss and the Statement of Cash Flows.

III. Emphasis of Matter

We draw attention to:

- (a) All the employees of Troop Comforts Limited are on deemed deputation of 2 Years from 1st October, 2021 to 30th September, 2023. Emoluments paid to these employees on deputation are depicted as Salaries, Wages, Bonus and other allowance including medical reimbursement. **[Refer Note No.20 (a) of "IND AS FS"]**
- (b) Age wise break up and other details as required by Schedule III (Division 11) of the Companies Act, 2013 as disclosed in **Note No. 6 & 12 of Ind AS FS** is as determined by the management and has been relied upon by us.

Our opinion is not modified in respect of above matters.

IV. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS FS for the financial year ended 31st March, 2023. These matters were addressed in the context of our audit of the Ind-AS FS as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of

how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS FS section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS FS. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS FS.

Key Audit Matters	How the issue was addressed
Items of PPE that are ready for its intended use as determined by the management have been capitalized in during the year under audit. Judgment is involved to determine that the aforesaid capitalization meet the recognition requirement under Ind AS-16 specifically in relation to determination of whether the criteria for intended use of the management has been met.	Our audit procedures included and were not limited to the following: <ul style="list-style-type: none"> Assessed the nature of additions made to PPE and capital work in progress on a test check basis to test whether they meet the recognition criteria as set out in para 16 to 22 of Ind AS 16- "PPE including intended use of management".

V. Other Matters

(a) Statutory Compliances:

1. Companies Act, 2013

1.1 During the year under audit the Company does not have Independent Directors as required under section 149(4) of the Companies Act, 2013.

1.2 During the year under audit the Company does not have women Director as required under section 149(1) of the Companies Act, 2013.

1.3 During the year under audit the Company has not constituted Audit Committee and Nomination and Remuneration Committee as required under section 177 & 178 of the Companies Act, 2013.

2. Direct Taxes

2.1 Income Tax Deducted at Source (TDS)/TCS and GST (TDS) are subject to reconciliation with the Books of account and Form 26AS/Returns.

2.2 The head wise income as reported in Annual Information System of Income Tax Department

are subject to reconciliation with the Books of account.

3. Indirect taxes

3.1 Sales and Purchases as per books of accounts and GST Returns are subject to reconciliation.

4. Other Acts

4.1 The Licences of Three Factories (production units except OCF,Avadi) are in the name of erstwhile Ordnance Factory Board.

(b) The OEF Hazratpur unit is required to pay solar power charges @ ₹4.50 per unit to BEL as per its own requirement in terms of Power Purchase Agreement entered into with BEL. Any excess generation over and above the requirement can be sold by BEL to any buying utility/DISCOM (clause 4.4.1 of power purchase agreement) after refusal from OEFHZ.

In the present scenario BEL is supplying entire solar power energy to OEFHZ who in turn is supplying to GRID/DISCOM at the rate of ₹2.00 per unit The unit is losing ₹2.50 per unit against all the excess supplies made to GRID/DISCOM.

- (c) We have relied upon the addendum report dated 12.01.2023 & 28.04.2023 to the valuation report dated 14.01.2022 of the Insolvency and Bankruptcy Board of India (IBBI) Registered Valuer in respect of PPE and considered in the financial statement as at appointed date i.e. 01.10.2021.
- (d) Balances lying under the head Trade Receivables, Loans & Advances, Trade Payables, Security Deposits, Earnest Money, Inter Company (DPSU), Advances from Customers and Advances to Suppliers are subject to reconciliation and confirmation.

(e) Note No.21- Other Expenses Rs.12499.33 Lakhs

- (i) Amount disclosed under the Sub head Payment to Auditors excludes the enhancement of the fees for Statutory Audit by the Board of Directors in their meeting held on 28.07.2023
- (ii) The amount disclosed under the sub head payment to auditors includes Internal / Cost Audit Fees which is not required to be disclosed under this sub head.
- (iii) ₹ 1,09,038/- reimbursed to the Statutory Auditors against travelling Expenses should have been disclosed under the sub head Payment to Auditors.

VI. Information other than the “Ind AS FS” and Auditors Report thereon

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s Annual Report, but does not include the Ind AS FS and auditors’ report thereon.

Our opinion on the Ind AS FS does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS FS, 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 Ind AS FS or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard as Director’s Report and other Information forming part of financial statements were not made available to us during the audit.

VII. Responsibilities of Management and those charged with Governance for the “Ind AS FS”

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS FS that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS FS, that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the Ind AS FS, the Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's · Financial reporting process.

VIII. Auditor's Responsibilities for the Audit of the "Ind AS FS"

Our objectives are to obtain reasonable assurance about whether the Ind AS FS as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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. Misstatements 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 Ind AS FS.

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 Ind AS FS, 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 auditors' report to the related disclosures in the Ind AS FS 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 auditors' 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 Ind AS FS, including the disclosures, and whether the Ind AS FS represent the underlying transactions and events in a manner that achieves fair presentation.

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 those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

IX. Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure I**, a statement on the matters specified in paragraphs 3 & 4 of the said Order, to the extent applicable.
- 2) We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the **Annexure-2**, on the directions (including additional directions) issued by Comptroller and Auditor General of India (C&AG).
- 3) As required by section 143(3) of the Act, we report that:-
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit, except for the matters described in **Basis for Qualified Opinion paragraph** of our report;
 - b) Except for the possible effects of the matters described elsewhere in our report, 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 and returns have been received from the production and non-production units for the purpose of audit;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d) Except for the possible effects of the matters described in Annexure-3 in our opinion, the aforesaid Ind AS FS comply with the Accounting Standards specified under section 133 of the Act, read with companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) Being a Government Company pursuant to the Notification No .GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of section 164 of the Act, are not applicable to the Company;
 - f) With respect to the adequacy of the internal financial controls with reference to Ind AS FS of the company as on 31st March, 2023 and the operative effectiveness of such controls, refer to our separate Report in **Annexure 4**.
 - g) The provisions of section 197 of the Act are not applicable to a Government Company (in terms of MCA notification No. CSR 463 (E) dated 05th June, 2015), as the managerial remuneration is paid as per the appointment letter received from Government of India.
 - h) With respect to the other matters to be included in the Auditor' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:-
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS FS (**Refer note no 23. 9 of Ind AS FS**).
 - ii) The Company did not have any long-term contracts including derivative contracts for which it was required to make a provision towards material foreseeable losses under any law or Ind AS.
 - iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either

from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“intermediaries”), with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“ultimate Beneficiaries”) by or on behalf of the company or provide any guarantee, security or the like to or on behalf of the ultimate Beneficiaries;

(b) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”). With the understanding whether recorded In writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner

whatsoever (“ultimate Beneficiaries”) by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the ultimate Beneficiaries; and

(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clauses (a) and (b) contain any material mis-statement

- v. The Company has not declared dividend during the year (Refer note No. 23.8 IND AS FS).
- vi. Since requirement of maintenance of accounting software which has a feature of audit trail under Rule 3 of the Companies (Accounts) Rules, 2014 has been deferred from financial year commencing from 01st April, 2022 to financial year commencing from 01st April, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For V. P. Aditya & Company
Chartered Accountant
(FRN: 000542C)

Sd/-
(CA Surendra Kakkar)
Partner
M.N. 071912
UDIN: 23071912BGYUSC2339

Place: Kanpur
Date: 28/07/2023

Annexure '1' referred to in paragraph IX (1) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has not maintained proper records showing full particulars, including quantitative details etc. and situation of Property, Plant and Equipment.

(B) The Company has not maintained proper records showing full particulars of intangible assets.

(b) The PPE have been physically verified by the Management during the year. No material discrepancies were noticed on such verification and the same has been properly dealt with in the books of account

(c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are not held in the name of the company. The details are as follows:

Description of Property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of company
Land	3,99,106.77	Land held in the name of Government of India	No	Since 01.10.2021	The company is in the process of getting title transferred in its name pursuant to the scheme of corporatization [Refer Note No.2 (iv) & (Xii) Of Ind As FS]
Building	24,192.65	Building held in the name of Government of India	No	Since 01.10.2021	The company is in the process of getting title transferred in its name pursuant to the scheme of corporatization [Refer Note No.2 (xii)] of Ind AS FS]

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31st March, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 19BB and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management at reasonable intervals but in our opinion the coverage and procedure of such verification is not appropriate. No material discrepancies were noticed on such physical verification.

(b) The Company has not been sanctioned any working capital limits during the year.

(iii) The company has not made investments in, provided any guarantee or security, granted any loans, or advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties during the year.

In view of the aforesaid clause (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable.

(iv) The Company has not granted any loans or made any investment or provided any guarantee or granted any security in terms of Section 185 of the Companies Act, 2013. Further Section 186 of the Companies Act, 2013 is not applicable.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The company has appointed the Cost Auditor on 30th June, 2022 for the year under Audit but no report of the Cost Auditor was available to us hence, we are unable to *express* our opinion in compliance of sub-clause (vi) of the Order.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Goods & Service Tax, provident fund, employee's state insurance, income tax, duty of customs, cess and any other statutory dues, wherever applicable, with the appropriate authorities, except the dues of Cantonment balance. amounting to ₹ 24,298.79 lakhs and Income Tax Deducted at source amounting to ₹ 1495.02
- (b) There are no dues of Income Tax, wealth tax or service tax or duty of customs or duty of excise or value added tax, wherever applicable, as at 31st March, 2023, which have not been deposited on account of dispute, except the dues of Cantonment Charges amounting to ₹ 6,001.73 lakhs.
- (viii) The company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) This Company has not taken any loans or borrowings during the year. Hence, this clause along with sub-clauses ix (a), ix(b), ix(c), ix(d), ix(e) & ix(f) are not applicable.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- (b) The Details of the Funds received by the company upto 31.03.2023 is as detailed in Note No. 23.4 of Ind AS FS. However, as against: Rs.1404.00 Lakhs received for CAPEX the company has utilized Rs. 319.91 Lakhs upto 31.03.2023 (Rs. 92.12 Lakhs up to 31.. 03. 2022).
- (xi) (a) No fraud by the Company or on the Company by its officers or employees has been' Noticed or reported during the year.
- (b) No report under section 143(12) of "the Act" has been filed by us in Form AD'T-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rule, 2014 (as amended) with the Central Government.
- (c) No whistle- blower complaints were received during the year by the company. However, as confirmed by the management in absence of appropriate system/record we are unable to comment on it.
- (xii) The Company is not a Nidhi company. Accordingly, sub clause (xii)(a), (b) and (c) of the Order are not applicable.
- (xiii) Transactions with the related parties, as identified by the management of the Company, are in compliance with Sections 177 and 188 of the Act wherever applicable and details of such transactions have not been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The company has an internal audit system however its coverage adequacy and scope' is not commensurate with the size and nature of its business.
- (b) Four reports of only four production units of the Internal Auditors for the period under audit submitted after the end of the period have been considered.
- (xv) No non-cash transactions with directors or persons connected with them has been reported.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Hence sub-clauses (a), (b), (c) & (d) of clause (xvi) are not applicable.
- (xvii) The company has not incurred cash losses in the financial year and in the immediately preceding period during the year under audit.

(xviii) There has not been any resignation of the Statutory Auditors during the year. Hence, clause (xviii) of the order is not applicable.

(xix) On the basis of the financial ratios disclosed in Note No 23.11 to the Ind AS FS ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the plans of the Board of Directors and Management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the

balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We

further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company does not *have* any unspent amount under sub-section (5) of section 135 of the Act, in respect of any ongoing or other than ongoing project as at the expiry of the financial year.

(xxi) This clause is not applicable.

For V. P. Aditya & Company
Chartered Accountant
(FRN: 000542C)

Sd/-
(CA Surendra Kakkar)
Partner
M.N. 071912
UDIN: 23071912BGYUSC2339

Place: Kanpur
Date: 28/07/2023

Annexure '2' referred to in paragraph 1X (2) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

S. No.	Directions/Additional directions of the C&AG of India under section 143(S) of the Companies Act, 2013.	Auditor's Comment	Impact on Ind-AS financial statements
1	Directions of the C&AG;-		
A	Whether the company Has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of accounts along with the Financial implications, If any, may be stated.	<p>The company do not have a system, in place, to Process all the accounting transactions through IT system.</p> <p>The company uses in respect of each of its production and non- production units Tally (Prime) software for financial transactions. The consolidated file generated by the tally software is separately incorporated in MS excel for consolidation purposes as per schedule III to the Companies Act, 2013.</p> <p>PPC customized software is being used for recording of inventory and employee benefits payments and the entries are being passed in Tally (Prime) at fixed interval after making certain adjustment manually.</p> <p>The company has prepared and consolidated its financial statements in MS excel without integration of the aforesaid software's mentioned.</p>	Not ascertained.
B	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts/loan / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, the lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	The Company has not raised any loan during the financial year ended 31st March, 2023. Hence this clause is not applicable.	Not Applicable.
C	Whether funds (grants/subsidy etc.) received/ receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	(A) please refer to our reply to clause no. X (b) of Annexure '1' referred to in Independent Auditors Report para no. IX (1) on the Ind AS FS.	Refer to Para No 11.1.3 (c) of our report of even date.
2	Additional directions of the C&AG;-		
	Whether the migration of Assets and Liabilities on the date of transfer (Appointed date) from the erstwhile OFB has been completed? If there is any deviation; the reasons, nature of deviation and its impact on the financial statements may be stated.	I. Yes, the company has migrated assets and liabilities of erstwhile ordnance factories to the newly formed DPSU.	

S. No.	Directions/Additional directions of the C&AG of India under section 143(S) of the Companies Act, 2013.	Auditor's Comment	Impact on Ind-AS financial statements
A		<p>As per office Memorandum issued by Department of Defense Production No. 1(5)/2021/0F/DP(Plg-V)/01 dated 24th September, 2021.</p> <p>Provisional Net Assets value of the company was determined at ₹3658 crore. The said sum was subject to finalization of the transfer value within 3 months of the Appointed date in consultation with the Department of defence Production (DDP). The final Net Assets value determined was ₹4506.17 crore.</p> <p>However, no provision was made in the aforesaid final assessed value in respect of the inventory items, which have been identified as slow moving, non-moving etc impaired subsequently, by the company. Also, the company has considered the amount of ₹286.40 Crores in Net assets value as against commitment liability fund of ₹312.66 Crores received from the Government of India. Further with regard to deficiencies in valuation of land, non-inclusion of 1 bank balances amounting to ₹0.47 Crore the opening balance sheet as at 01.04.2022. Also refer para no: II.1.3 of our report of even date.</p> <p>The Net Assets value as per valuation report / Balance Sheet complied on 01.10.2021 duly approved by Board on 23.08.2022 come to ₹ 4560.17. Cr. Thus, there is a divation of ₹ 848.17 Crore which in unreconciled till date.</p> <p>During the financial year 2022-23, following adjustments have been made on the basis of two addendum report dated 12.01.2023 & 28.04.2023 to the valuation report dated 14.01.2022</p> <p>a) Valuation of some of the left over assets (i.e furniture & fixtures of OEF Kanpur valuing ₹124.22 Lakhs, perimeter/compound wall and RCC Overhead/Reservoirs of OEF Kanpur and OC Shahjahanpur valuing ₹426.48 Lakhs) was carried out by the Registered valuer. The same has been incorporated in the Ind AS FS of 2022-23.</p> <p>The final Net Assets value determined as on appointed date amounting to 4,506.17 crore is subject to the above changes and unreconciled difference of ₹848.17 crore.</p>	Not ascertainable.

S. No.	Directions/Additional directions of the C&AG of India under section 143(S) of the Companies Act, 2013.	Auditor's Comment	Impact on Ind-AS financial statements
B	Whether the company has carried out reconciliation exercise pertaining to intercompany/intra company balances at the year end? Whether the confirmation have been obtained from the other DPSUs for balances due to/ due from them at the year end? The reasons for unreconciled balances, if any, along with the reconciled amount may be stated.	Yes, the Company has Carried out reconciliation exercise pertaining to Intra company balances at the year end. In respect of balance Confirmation from other DPSUs and reconciliation thereof we are unable to comment as the same was not available to us for our verification.	Not ascertainable.
C	Whether the Company has revise any of its Accounting Policies or adopted any new Accounting Policy? Whether the revision of Accounting Policy/adoption of new Accounting Policy are in accordance with the prudent accounting principle and applicable Ind AS? Whether the change in accounting policies have been properly disclosed? Inconsistency, if any, along with the impact of the same on the financial accounts may be stated.	The Company has neither revised any of its Accounting policy nor adopted any new Accounting Policy during the year as compared to the previous year. The DPSU has framed accounting policies as per the provision of Ind AS and in accordance with prudent accounting principal applicable to defense sector. For inconsistency refer Annexure No. 3 of even date.	No impact on the Ind AS financial statements of the Company.
D	Whether the provision of employee benefit liabilities and their valuation on the date of formation of DPSU have been made in accordance with the provisions of Ind AS? Deviation, if any, may be stated.	For provision employee benefit financial statements of the liabilities and their Company. Valuation on the date of formation of DPSU please refer to accounting policy no. 19 Employee Benefits.	No impact on the Ind AS financial statements of the Company.

For V. P. Aditya & Company
Chartered Accountant
(FRN: 000542C)

Sd/-
(CA Surendra Kakkar)
Partner

M.N. 071912
UDIN: 23071912BGYUSC2339

Place: Kanpur
Date: 28/07/2023

Annexure '3' referred to in paragraph IX (3)(d) of our report of even date

ON-COMPLIANCE OF INIDIAN ACCOUNTING STANDARDS ("Ind AS") ISSUED BY "ICAI"

1. Ind AS-8 ACCOUNTING POLICIES. CHANGES IN ACCOUNTING ESTIMATES AND ERRORS.

The models (Cost or Revaluation as per paragraph 29 of IND AS 16) adopted for the valuation of PPE by the Company has not been disclosed.

2. Ind AS-16 PROPERTY, PLANT AND EQUIPMENT

Rate of depreciation applied on certain items of PPE are different from the rate prescribed by the Companies Act, 2013. Technical reasons for adopting a different rate than prescribed by the

Companies Act, 2013, have not been disclosed in the Notes to Account.

3. Ind AS-40 INVESTMENT PROPERTY

The company has not separately disclosed the properties in the nature of 'Investment Property' (and depreciation thereon), from which the company is earning rental income.

Despite deviations as stated herein above, the company in its financial statements has not stated the reasons for deviations and the financial effect arising out of such deviations as required by section 129(5) of the Companies Act, 2013.

For V. P. Aditya & Company
Chartered Accountant
(FRN: 000542C)

Sd/-
(CA Surendra Kakkar)
Partner
M.N. 071912
UDIN: 23071912BGYUSC2339

Place: Kanpur
Date: 28/07/2023

Annexure '4' referred to in paragraph IX (3)(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Report on the Internal Financial Controls with reference to the "Ind ASFS" 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 Troop Comforts Limited ("the Company") as of 31st March, 2023 in conjunction with our audit of the Ind AS FS of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Company's management and Board of Directors is responsible for establishing and maintaining internal financial controls with reference to the Ind AS financial statements based on the 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.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Ind AS Financial Statements

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Ind AS FS based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing,

issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the financial statements. 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 with reference to the Ind AS FS established and maintained and if such controls operated effectively in all material respect.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Ind-AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the Ind AS FS 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 judgment, 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 qualified audit opinion on the Company's internal financial controls with reference to the Ind AS FS.

Meaning of Internal Financial Controls with reference to the "Ind ASFS"

A company's internal financial control with reference to the Ind-AS FS 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 with reference to the Ind AS FS includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to the "Ind AS FS"

Because of the inherent limitations of internal financial controls with reference to the Ind ASFS 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 with reference to the Ind AS FS to future periods are subject to the risk that the internal financial control over financial report may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanation given to us and based on our audit, the following material

weaknesses have been observed during the course of audit:

1. The company is using Tally (Prime) System where doer and checker process has been implemented till the end of March 2023 while one individual may create a transaction, other individual should be involved in confirmation/authorization for the same.
2. It is observed that the consultants engaged in some of the units have been provided with online remote access of the data / resources in the major part of Financial Year ended 31.03.2023 without following Principle of Least Privilege (POLP).
3. The vouchers being prepared for the Accounting purposes do not contain complete details of the transactions, however w.e.f October, 2022 onwards very often details of transaction (narrations) are given in the vouchers. Moreover, tally generated vouchers are not printed signed and kept separately.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to the Ind ASFS and such internal financial controls over financial reporting were operating effectively as of 31st March, 2023 based on the internal financial control with reference to the Ind AS FS criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V. P. Aditya & Company
Chartered Accountant
(FRN: 000542C)

Sd/-
(CA Surendra Kakkar)
Partner

M.N. 071912
UDIN: 23071912BGYUSC2339

Place: Kanpur

Date: 28/07/2023

Management reply on Independent Auditor's Report

S.No	Statutory Audit Remarks	Management Reply
i)	The Company has not identified and disclosed the amount separately under head Research& Development in process under intangible assets consisting of advances paid to external agencies paid prior to 01.10.2021, from 01.10.2021 to 31.03.2022 and from 01.04.2022 to 31.03.2023 material purchased up to 31.03.2023.	As per Ind AS 38 Para 54; no intangible asset arising from Research phase shall be recognized. Expenditure on research shall be recognized as an expense when it is incurred. Para 53 also states that if an entity cannot distinguish the research phase from the development phase, the entity treats the expenditure as if it were incurred in the reserch phase only. Therefore, in the absence of demarcation as required by Ind AS, the expenses incurred for R&D do not qualify for capitalization.
ii)	The balance in this account as on 31st March, 2022 amounting to ₹ 46,58,951.04 & balance of ₹ 16,14,384.04 as on 31st March, 2023 have also not been included in the Balance Sheet under the head Balance with Banks- In Current Accounts.	The account in question is a Regimental Fund used for various welfare activities of the OCFS & is completely delinked with the operational activities of TCL. The corpus under this account was created by contribution from factory staff & employees and is being used by them in case of any distress situation including accident & death etc. Since the corpus is not linked with the TCL, therefore auditing of the same is also not required.
iii)	Advances given to External Agencies against R & D project prior to 01st October, 2021 amounting to ₹ 56.79 lakhs and not considered in Balance Sheet of appointed date i.e. 01.10.2021.	Reply same as given in point no. (i) As per IND AS-38 the expenditure incurred prior to corporatization on R&D projects have been recognised as expenses during that period only.
iv)	Estimated amount of contracts remaining to be executed on capital account, and not provided for: (i) Capital Contracts ₹ 329.52 lakhs (Hazratpur) has been depicted as ₹ 229.09 lakhs. (ii) R & D Expenses in process (Avadi) - (Amount Indeterminate)	The correct figure of Capital Contract of Rs 229.09 to be executed has been shown in the contingent liability as Rs 100.38 lakh has already been spent in erstwhile OFB period. The audit has not accounted this figure while raising the observation.
v)	STATEMENT OF PROFIT AND LOSS Changes in Inventory of Finished Goods. Stock-in-trade and Work-in Progress ₹ 1113.75 Lakhs In cases where the value of inventory has been taken at NRV/LPR as on 31st March, 2022 instead of weighted average cost and the effect of the change in value has not been given in PPC Software as on 1st April, 2022 has resulted in incorrect valuation of issues during the year and inventory as at 31st March, 2023.	The inventory has been valued at NRV or Cost, whichever is lower in line with IND AS-2 requirement. The effect of the change in value of inventory has been provided in the Tally rather than PPC package. The entire inventory reporting system will be undermined if the figure of PPC package is tampered manually. Since the effect of change is duly incorporated in the final Financial Statements prepared through Tally therefore the correct valuation has been arrived at.
vi)	Rates& Taxes ₹ 968.92 lakhs Vide Memo no. 1(5)2021/OF/DP (Plg-V) 03 dated 24.09.2021 of Government of India, Ministry of Defence Land & Building of Non-production unit (comprising of Hospitals & Schools) at three places were not transferred to the company. However, company is paying Cantonment Board charges in respect of these assets of non-production units and had charged fully to its Profit & Loss account instead of claiming proportionate amount from Directorate of Ordnance (Amount not ascertainable). As a result of the aforesaid matters wherein impact on the	Contrary to the observation raised for three places it is clarified that cantonment board is only functional at two places i.e. Kanpur & Shahjahanpur. In Shahjahanpur the bill amount has been reduced to proportionate qty. of 314.87 Acre only. In this connection cantonment board Shahjahanpur letter dated 28.03.2023 is relevant, covering the reduced area for the bill. In Kanpur also the bill amount is worked out based on the actual area under possession sans area demarcated for Hospital & School. As such there is no impact on financials of the Company.

S.No	Statutory Audit Remarks	Management Reply
	financials of the Company is not ascertainable due to reasons as mentioned in respective paragraphs we are unable to determine, in totality, whether adjustments might have been found necessary in the Balance Sheet and the corresponding elements making up the Statement of Changes in Equity, the Statement of Profit and Loss and the Statement of Cash Flows.	
vii)	The Company has not maintained proper records showing full particulars, including quantitate details etc. and situation of Property, Plant & Equipment.	All the records of PPE are properly maintained in PPC in E-format. Further a programme of capturing assets from receipt voucher stage has also been introduced at all Units.
viii)	The Company has not maintained proper records showing full particulars of intangible assets.	The records of all available intangible assets have been properly maintained and disclosed under Note no-2 (XIII) of the Financial Statements with proper disclosure of valuation part also.
ix)	Ind AS-8 ACCOUNTING POLICIES. CHANGES IN ACCOUNTING ESTIMATES AND ERRORS. The models (Cost or Revaluation as per paragraph 29 of IND AS 16) adopted for the valuation of PPE by the Company has not been disclosed.	The valuation of PPE has been carried out on cost model & suitably disclosed under para 4.3 of Significant Accounting Policy.
x)	Ind AS-16 PROPERTY. PLANT AND EQUIPMENT Rate of depreciation applied on certain items of PPE are different from the rate prescribed by the Companies Act, 2013. Technical reasons for adopting a different rate than prescribed by the Companies Act, 2013, have not been disclosed in the Notes to Account.	The useful life of certain assets has been disclosed under para 4.5 of Significant Accounting Policy. These useful lives were taken from the erstwhile Defence Account Department (DAD) era where these were prepared based on time tested historical data & expertise of more than 100 years.
xi)	Ind AS-40 INVESTMENT PROPERTY The company has not separately disclosed the properties in the nature of 'Investment Property' (and depreciation thereon), from which the company is earning rental income. Despite deviations as stated herein above, the company in its financial statements has not stated the reasons for deviations and the financial effect arising out of such deviations as required by section 129(5) of the Companies Act, 2013.	The definition of Investment Property and Owner Property is given under Para 5 of IndAs 40 . In the case of TCL, no property was acquired for the purpose of earning rentals or for capital appreciation. After the corporatization of Ordnance Factories Property of the erstwhile Ordnance Factories was transferred to the company including the Estate used as residence of the employees working in the factory. As the Ordnance Factories are normally in a remote location from the main city and thus for administrative purposes such properties are held near the Factory location. The owner occupied property are also exempted from the investment property as per para 9 of IND AS-40. Therefore the rental property are not classified as Investment Property.

Confidential/ Speed Post

No. 54 /T-459/TCL/Accounts/2023-24 Date: 22 /09/2023



कार्यालय
महा निवेशक लेखा परीक्षा
आयुध फैक्टरिया -
कोलकाता

OFFICE OF THE
DIRECTOR GENERAL OF AUDIT
ORDNANCE FACTORIES
KOLKATA

To,
The Chairman & Managing Director,
M/s Troops Comfort Limited
Kanpur

**Sub: Comment under Section 143(6) (b) of the Companies Act, 2013 on the accounts of
M/s Troop Comforts Limited, Kanpur for the year ended 31 March 2023.**

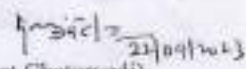
Sir,

I am to forward herewith the "Nil" comment of the Comptroller and Auditor General of India under section 143 (6) (b) of the Companies Act 2013 on the Financial Statements of M/s Troop Comforts Limited, Kanpur for the year ended 31 March 2023.

Receipt of this letter may kindly be acknowledged.

Encl: As stated.

Yours faithfully,


(Sarat Chaturvedi)
Director General of Audit
(Ordnance Factories)
KOLKATA

'आयुध भवन' १०/ए, शाहीद खुदीराम बोस रोड (पूर्वी अंग, ८वां हल्ला), कोलकाता ७००००१
'AYUDH BHAWAN' 10/A, SHAHEED KHUDIRAM BOSE ROAD (EAST WING, 8TH FLOOR), KOLKATA - 700 001
PHONE : 2248-2857, 2243-6341 • FAX : 2248-3291
E-Mail : pdiaof@cag.gov.in

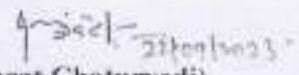
COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENT OF TROOP COMFORTS LIMITED, KANPUR FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of Troop Comforts Limited, Kanpur for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on these financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by him vide his Audit Report dated 28 July 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Troop Comforts Limited, Kanpur for the year ended 31 March 2023 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's Audit Report under section 143(6)(b) of the Act.

**For and on behalf of the
Comptroller & Auditor General of India**


(Sarat Chaturvedi)
Director General of Audit
(Ordnance Factories)
KOLKATA

Place: Kolkata
Date:



Balance Sheet

As At 31st March-2023

(₹ in Lakhs)

Particulars	Note No	As at 31st Mar 2023	As at 31st Mar 2022
I ASSETS			
A. Non-current assets			
(a) Property, Plant and Equipment	2 (i)	4,26,012.10	4,28,407.05
(b) Capital work-in-progress	2 (ii)	186.00	469.03
(c) Other Intangible assets	2 (iii)	1.04	0.94
(d) Financial Assets	3	847.91	204.12
(e) Deferred tax assets (net)		-	-
(f) Other non current assets		-	-
Total Non Current Assets		4,27,047.05	4,29,081.14
B. Current assets			
(a) Inventories	4	9,418.90	10,392.05
(b) Financial Assets		-	-
(i) Investments	5	-	15,979.95
(ii) Trade receivables	6	17,798.40	1,897.59
(iii) Cash and Cash Equivalents	7	62,063.98	14,782.20
(iv) Bank balance other than (iii) above cash and cash equivalents	8	10,307.44	25,015.03
(c) Current Tax Assets (Net)		-	-
(d) Other Current Assets	9	1,566.30	1,533.87
Total Current Assets		1,01,155.02	69,600.69
TOTAL ASSETS		5,28,202.07	4,98,681.83
II EQUITY AND LIABILITIES			
A. EQUITY			
(a) Equity Share capital	10(i)	4,74,314.82	5,212.00
(b) Other Equity	10(ii)	10,968.73	4,52,154.71
Total Equity		4,85,283.55	4,57,366.71
B. LIABILITIES			
Non-current liabilities			
(a) Financial liabilities		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)	11	632.00	263.15
(d) Other non-current liabilities		-	-
Total Non current Liabilities		632.00	263.15
Current liabilities			
(a) Financial Liabilities			
(i) Short-term borrowings		-	-
(ii) Trade payables			
(a) Total outstanding dues of MSME	12	503.67	1,679.75
(b) Total outstanding dues of other than MSME	12	69.24	1,773.67
(b) Other current liabilities	13	38,180.74	36,217.72
(c) Provisions	14	2,329.05	978.35
(d) Current Tax Liabilities (Net)		1,203.82	402.47
Total Current liabilities		42,286.52	41,051.96
Total Liabilities		42,918.52	41,315.11
TOTAL EQUITY AND LIABILITIES		5,28,202.07	4,98,681.83

Note '1' to '23' attached herewith form integral part of the Financial Statements

As per our Report attached

For **VP Aditya & Co.**
Chartered Accountants
FRN: 000542C

For and on behalf of Board of Directors

Sd/-
CA Surendra Kakkar
Partner
M.No. 071912

Sd/-
(Santosh Kumar Sinha)
Chairman & Managing Director
DIN: 09282633

Sd/-
(Dr. Sanjeev Kumar Saxena)
Director (Finance) & CFO
DIN: 09315421

Sd/-
(Suresh Kumar Gupta)
Company Secretary
M.No. 11059

Place: KANPUR
Date: 28-07-2023

Statement of Profit & Loss

For the Year Ended 31st March-2023

(₹ in Lakhs)

Particulars	Note No.	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
REVENUE			
I Revenue from Operations	16	99,767.14	57,571.73
II Other Income	17	4,862.57	885.02
III Total Income (I + II)		1,04,629.71	58,456.75
IV Expenses:			
Cost of Materials Consumed	18	34,031.00	19,134.01
Purchases of Stock-in-Trade			-
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	19	1,113.75	4,262.70
Employee Benefits Expense	20	50,997.60	25,688.45
Finance Cost		-	-
Depreciation and Amortization Expense	2	2,525.09	1,315.08
Other Expenses	21	12,499.33	5,753.00
Total Expenses (IV)		1,01,166.77	56,153.23
V Profit/(Loss) before Exceptional items and tax (III-IV)		3,462.94	2,303.52
VI Exceptional Items			
VII Profit/(loss) before tax (V-VI)		3,462.94	2,303.52
VIII Tax expense:			
(a) Current Tax	15	1,199.11	402.47
(b) Deferred Tax	11	368.85	263.15
IX Profit/(Loss) for the year from Continuing Operations (VII-VIII)		1,894.98	1,637.89
X Profit/(loss) from Discontinued Operations			
XI Tax expense of Discontinued Operations			
XII Profit/(loss) from Discontinuing operations (after tax) (X-XI)			
XIII Profit (Loss) for the year (IX + XII)		1,894.98	1,637.89
XIV Other Comprehensive Income		(2,695.77)	
A. (i) Items that will not be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B. (i) Items that will be reclassified to profit or loss		(4,143.52)	
(ii) Income tax relating to items that will be reclassified to profit or loss		1,447.75	
XV Total Comprehensive Income for the year (XIII+XIV) (Comprising Profit (Loss) and Other comprehensive Income for the year)		(800.80)	
XVI Earnings per Equity Share (for continuing Operations) :			
(1) Basic		0.04	686.47
(2) Diluted		0.04	0.04
XVII Earnings per Equity Share (for discontinued operations) :			
(1) Basic			
(2) Diluted			

Note '1' to '23' attached herewith form integral part of financial Statements As per our report attached.

For **VP Aditya & Co.**
Chartered Accountants
FRN: 000542C

Sd/-
CA Surendra Kakkar
Partner
M.No. 071912

Place: KANPUR
Date: 28-07-2023

For and on behalf of Board of Directors

Sd/-
(Santosh Kumar Sinha)
Chairman & Managing Director
DIN: 09282633

Sd/-
(Dr. Sanjeev Kumar Saxena)
Director (Finance) & CFO
DIN: 09315421

Sd/-
(Suresh Kumar Gupta)
Company Secretary
M.No. 11059

Statement of Cash Flow

For the Year ended 31st March 2023

(₹ in Lakhs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Cash flow from Operating Activities		
Net profit as per profit and loss a/c	1,894.98	1,637.89
Add: Depreciation and amortisation	2,525.09	1,315.08
Add: Current tax	1,199.11	402.47
Add: Deferred Tax	368.85	263.15
	5,988.03	3,618.60
Less: Dividend/Interest income received	3,715.09	374.15
Operating profit before working capital changes	2,272.94	3,244.45
Changes in working capital		
Increase/(Decrease) in Trade Payables	(2,880.52)	1,616.99
Increase/(Decrease) in Provisions	1,350.70	978.21
Increase/(Decrease) in Other Current Liabilities	1,963.02	9,414.25
(Increase)/Decrease in Inventories	973.15	8,842.49
(Increase)/Decrease in Other Current Assets	14,675.16	(430.21)
(Increase)/Decrease in Trade Receivables	(15,900.81)	(1,819.24)
(Increase)/Decrease in Other Non current assets	-	-
Net change in working capital	180.70	18,602.49
Cash generated from operations	2,453.64	21,846.94
Current Tax	397.76	-
Cash (Used) / Generated From Operating Activities [A]	2,055.88	21,846.94
Cash flow from Investing Activities		
Purchase / (Sale) of fixed assets		
(i) Tangible Assets	193.04	(73.12)
(ii) Intangible Assets	(0.26)	-
(iii) Capital work in progress	(40.00)	(19.00)
(iv) Intangible assets under development	-	-
Proceeds from sale of fixed assets		
Purchase / (Sale) of Non Current Financial Assets	(643.79)	(204.12)
Purchase / (Sale) of Current Investments	16,476.05	(40,994.98)
Dividend/Interest income received	3,218.99	374.15
Cash (Used) / Generated from Investing Activities [B]	19,204.03	(40,917.07)
Cash flow from Financing Activities		
Share capital raised	18,586.00	5,212.00
Changes in Other Equity	7,435.87	28,640.05
(Increase)/Decrease in Short term loans and advances	-	-
Increase/(Decrease) in Long Term Loans and Advances	-	-
Increase/(Decrease) in Long Term Borrowings	-	-
Increase/(Decrease) in Short Term Borrowings	-	-
Increase/(Decrease) in Long Term Liabilities	-	-
Dividend paid including distribution tax	-	-
Cash (Used) / Generated From Financing Activities [C]	26,021.87	33,852.05
Net Increase/(Decrease) in cash and cash equivalents during the year D= A+B+C	47,281.78	14,781.92
Cash and cash equivalents at the beginning of the year	14,782.20	0.29
Cash and cash equivalents at the end of the year	62,063.98	14,782.20

Particulars	Note No	31st March 2023	31st March 2022
Cash and Cash equivalents above comprises of the following			
Cash and cash equivalents	7	62,063.98	14,782.20
Balances as per statement of Cash Flows		62,063.98	14,782.20

For **VP Aditya & Co.**
Chartered Accountants
FRN: 000542C

For and on behalf of Board of Directors

Sd/-
(Santosh Kumar Sinha)
Chairman & Managing Director
DIN: 09282633

Sd/-
(Dr. Sanjeev Kumar Saxena)
Director (Finance) & CFO
DIN: 09315421

Sd/-
CA Surendra Kakkar
Partner
M.No. 071912

Sd/-
(Suresh Kumar Gupta)
Company Secretary
M.No. 11059

Place: KANPUR
Date: 28-07-2023

Statement of Changes in equity for the Year ended 31st March 2023

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(1) As at 31.03.2023

₹. In Lacs

Balance at the beginning of the Current Year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current Year	Changes in equity share capital during the current year	Balance at the end of the current Year
5212.00	-	-	4,69,102.82	4,74,314.82

(2) As at 31.03.2022

₹. In Lacs

Balance at the beginning of the reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1.00	-	-	5,211.00	5,212.00

For **VP Aditya & Co.**
Chartered Accountants
FRN: 000542C

For and on behalf of Board of Directors

Sd/-
CA Surendra Kakkar
Partner
M.No. 071912

Sd/-
(Santosh Kumar Sinha)
Chairman & Managing Director
DIN: 09282633

Sd/-
(Dr. Sanjeev Kumar Saxena)
Director (Finance) & CFO
DIN: 09315421

Place: KANPUR
Date: 28-07-2023

Sd/-
(Suresh Kumar Gupta)
Company Secretary
M.No. 11059

Statement of Changes in equity for the Year ended 31st March 2023

B. Other Equity

(1) As at 31.03.2023

(₹ in Lakhs)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus												Money received against share warrants	Total	
			Statutory reserve	Capital reserve	Securities premium account	Reserve for Deferred Tax	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Other Reserves for issuance of shares to GOI	Exchange differences on translating the financial statements	Capital redemption reserve	General reserve	Retained earnings			Other comprehensive income
Opening Balance as at 01 st Apr 2022	-	-	-	-	-	-	-	-	-	-	-	-	4,50,516.82	-	1,637.89	-	4,52,154.71
Profit for the year															(800.80)	2,695.77	1,894.98
Addition During the Year	7,302.00												133.87				7,435.87
Total	7,302.00	-	-	-	-	-	-	-	-	-	-	-	4,50,650.69	-	837.10	2,695.77	4,61,485.55
Other Comprehensive Income/(loss)																	-
Total Other Comprehensive Income/(loss) for the year																- 2,695.77	-
Issue of Equity Shares																	
Balance as at 31.03.2023	7,302.00	-	-	-	-	-	-	-	-	-	-	-	4,50,516.82		837.10	2,695.77	4,50,516.82
													133.87	-			10,968.73

For VP Aditya & Co.

Chartered Accountants

FRN: 000542C

Sd/-

CA Surendra Kakkar

Partner

M.No. 071912

Place: KANPUR

Date: 28-07-2023

Sd/-

(Santosh Kumar Sinha)

Chairman & Managing Director

DIN: 09282633

For and on behalf of Board of Directors

Sd/-

(Dr. Sanjeev Kumar Saxena)

Director (Finance) & CFO

DIN: 09315421

Statement of Changes in equity for the Year ended 31st March 2023

B. Other Equity (Cont...)

(1) As at 31.03.2022

(₹ in Lakhs)

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Statutory reserve	Capital reserve	Securities premium account	Reserve for Deferred Tax	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Other Reserves for issuance of shares to GOI	Exchange differences on translating the financial statements	Capital redemption reserve	General reserve	Retained earnings	Other comprehensive income	Money received against share warrants	Total
Opening Balance as at 16th Aug-2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserve Created for Shares to be issued due to Corporatization										4,50,516.82							4,50,516.82
Restated Balance at the beginning of the reporting period										4,50,516.82							4,50,516.82
Profit for the year																	
Other Comprehensive Income/(loss)														1,637.89	-		1,637.89
Total Other Comprehensive Income/(loss) for the year														1,637.89	-		1,637.89
Transfer to Retained Earnings																	-
Balance as at 31.03.2022										4,50,516.82	-	-	-	1,637.89	-	-	4,52,154.71

For VP Aditya & Co.

Chartered Accountants

FRN: 000542C

Sd/-

CA Surendra Kakkar

Partner

M.No. 071912

Place: KANPUR

Date: 28-07-2023

For and on behalf of Board of Directors

Sd/-

(Santosh Kumar Sinha)

Chairman & Managing Director

DIN: 09282633

Sd/-

(Dr. Sanjeev Kumar Saxena)

Director (Finance) & CFO

DIN: 09315421

Sd/-

(Suresh Kumar Gupta)

Company Secretary

M.No. 11059



TROOP COMFORTS LIMITED

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE PERIOD ENDED 31ST MARCH 2023

1. BASIS OF PREPARATION:

1.1 Statement of compliance:

The financial statements are prepared and presented in accordance with Indian Accounting Standards (IND-AS) [as notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015], to the extent applicable, the provisions of the Companies Act, 2013 and these have been consistently applied.

1.2 Functional and presentation currency:

1.2.1 The financial statements are presented in Indian Rupees (₹), which is the functional currency of the Company and the currency of the primary economic environment in which the entity operates.

1.2.2 All financial information presented in Indian Rupees (₹) has been rounded to the nearest lakhs except otherwise stated.

2. USES OF ESTIMATES

2.1 Preparation of financial statements in conformity with the recognition and the measurement principle of IND-AS requires the management of the Company to make estimates, judgments and assumptions that affects the reported balances of Assets and Liabilities, disclosure relating to contingent liabilities as on the date of the Financial Statements and the reported amount of revenues and expense for the reporting period.

2.2 Estimates and the underlying assumption are reviewed on an ongoing basis. The revision to the accounting estimates, if material is recognized in the period in which the estimates are revised.

2.3 Estimates and judgments made in applying accounting policies that have significant effect on the amounts recognized in the financial statements are as follows:

2.3. i Provisions and contingencies

Assessments undertaken in recognizing provisions and contingencies have been made as per the best judgment of the management based on the current available information.

2.3. ii Income Taxes

The Company's tax jurisdiction is of India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

3. OPERATING CYCLE

The company has considered its operating cycle to be 12 months for the purpose of current and non-current classification of Assets and liabilities.

4. PROPERTY, PLANT AND EQUIPMENT (PPE)

4.1 As on 1st October-2021 company acquired the assets from the Government of India, valuation of such assets is done by the Insolvency and Bankruptcy Board of India (IBBI) Registered Valuer and values as determined by the Valuer are reckoned as the cost of acquisition of assets by the company.

4.2 In accordance with IND-AS 101-First Time Adoption of Indian Accounting Standards, the Company had chosen to consider the value as determined by the Valuer of all its PPE as their deemed cost as at 1st October-2021.

4.3 Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

4.4 The cost includes purchase price, import duties and non-refundable purchase taxes after deducting trade discounts and rebates and any cost directly attributable including borrowing

cost on qualifying assets to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

4.5 Depreciation is calculated on straight line basis over estimated useful life as per the Depreciation policy of the company. Useful Life of the Assets are determined as under:

Sl.	Description	Standard Useful Life
1	Building	60
2	Machines installed in Tool-Room & Production Shops	20
3	Ordinary Sewing Machine	15
4	High speed sewing machine	10
5	Motor Vehicle e.g. Diesel/Petrol driven Trucks, Fork Lift Trucks, Dumpers, Tractors, Mobile Cranes etc.	5
6	Air Conditioners & Refrigerators	10
7	Air Circulators, Pedestal Fans, Exhaust Fans etc	20
8	Electrical mains, meters, installation	16
9	Electrical installation & Fans in Factory quarters	20
10	Computer Hardware, Peripherals , Server etc	7

4.6 Where the useful life of the asset is not defined in policy of company then useful life is taken as per Schedule II of the Companies Act 2013.

4.7 PPE whose balance useful life has expired, the carrying value have been retained and no further depreciation have been charged on those assets.

4.8 PPE items costing below ₹ 10,000 if any, purchased during the year has not been capitalized as assets.

4.9 The cost and the related accumulated depreciation are eliminated from the Financial Statements upon sale or de-recognition or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss of the relevant period.

5. CAPITAL ADVANCES AND CAPITAL WORK IN PROGRESS (CWIP)

5.1 Advances given towards acquisition of PPE outstanding at each Balance sheet date are disclosed as other Non- current assets.

5.2 Cost of Assets not ready for its intended use as on the Balance sheet date is shown as CWIP.

Such properties are classified to the appropriate categories of PPE when completed and ready for its intended use.

5.3 Company maintains a Building / Machine register. Building / Machine is completed / installed and ready to use when clearance is done in all respect and Building Voucher / Machine Voucher is generated. Entry for such completed building / machine is recorded in such registers after generation of respective vouchers.

5.4 Depreciation on such assets commence when the assets are ready for their intended use.

5.5 Construction Period Expenses

- Revenue expenses exclusively attributable to projects incurred during construction period are capitalized.
- Such expenses in respect of capital facilities being executed along with the production/ operations simultaneously and where the expenses are not attributable exclusively are charged to revenue.

6. INVESTMENT PROPERTY

- 6.1 A property is considered as investment property only if the same is held for earning rentals and /or for capital appreciation or both. Properties held by the Company (directly or indirectly) which are used in the production or supply of goods or services for administrative purposes are not considered as Investment Property.
- 6.2 The company holds properties other than factory land & buildings, administrative buildings which are used as residential quarters exclusively available for employees of the company. Such property held by the company for the purp ose of facilitating the employees for which minimum license fees as per the norms of Central Government is charged are not considered as Investment property.

7. INTANGIBLE ASSETS

- 7.1 Intangible Assets controlled and from which future economic benefits are expected to flow and having useful life are recognized at cost less any accumulated amortization and accumulated impairment losses, if any.
- 7.2 Development Costs having useful life and which will generate probable future economic benefits are recognized as an intangible asset and amortized over production based on technical estimate and to the extent not amortized are carried forward.
- 7.3 Expenditure on license fees, documentation charges etc, based on the definition criteria of intangible assets in terms of reliability of measurement of cost and future economic benefits from the assets, are amortized over production based on technical estimates and to the extent not amortized, are carried forward.
- 7.4 Wherever it is not possible to assess the useful life of an intangible asset (whether or not significant) the same is not amortized. Impairment on such intangible assets are reviewed annually and when there is an indication of impairment, the asset is impaired.

- 7.5 Company has acquired various Patents, copyrights and design registrations for the protection of its interest. However, considering dedicated productions for Armed Forces only, any assessment regarding future economic benefits is not possible to ascertain at this stage and any cost incurred in acquiring the intangible property is being charged to revenue expenditure. In case of any identification of future economic benefits accrued from existing/ future IPRs (Intellectual Property Rights), the same will be amortized accordingly. All such registered Intangible assets will be initially measured at cost and subsequently at cost less accumulated amortization and cumulative impairment losses, if any. An intangible asset is derecognized on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses on de-recognition of intangible assets, if any, are recognized in the statement of profit and loss.

8. RESEARCH AND DEVELOPMENT EXPENDITURE

- 8.1 Expenditure on Research activity (if any) is recognized as an expense in the period when it is incurred.
- 8.2 Development expenditure (if any), (other than on specific development - cum sales contracts and Developmental projects initiated at customer's request), is charged off as expenditure when incurred. Developmental expenditure on development - cum - sale contracts and on Developmental projects initiated at customer's request are treated at par with other sales contracts. Development expenditure incurred in respect of Joint development projects which are not fully compensated by the development partner are carried forward where the company is nominated as a production agency and future economic benefits are expected. Developmental projects are reviewed periodically and the amount carried forward, if any, is charged off in the event of the project being declared closed by the customer / end user without any commitment to place order.

8.3 Expenditure incurred (if any) towards other developmental activity (including joint developmental activity in collaboration with external agencies) where the research results or other knowledge is applied for developing new or improved products or processes, are recognized as an Intangible Asset if the recognition criteria specified in IND-AS 38 are met and when the product or process developed is expected to be technically and commercially usable, the company has sufficient resources to complete development and subsequently use or sell the intangible asset, and the product or process is likely to generate future economic benefits.

8.4 Expenditure incurred (if any) on Developmental projects for participating in No Cost No Commitment (NCNC) trials, are carried forward till conclusion of the trials and will be amortised over the orders to be received. In case customer order is immediately not forthcoming:

- The amount is capitalised if further economic benefit is expected from its use, or
- The amount is charged off in the event of the project being closed by the company

9. LEASE ACCOUNTING

9.1 The Company recognizes, at inception of a contract a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

9.2 The Company as a lessee-

Contracts with third party (if any), which give the company the right of use in respect of an Asset, will be accounted in line with the provisions of IND-AS 116 - Leases, if the recognition criteria as specified in the Accounting standard are met. Lease payments associated with Short term leases and leases in respect of Low value assets are charged off as expenses on straight line basis over lease term or other systematic basis, as applicable. At commencement date, the value of right of use is capitalized at the present value of outstanding lease payments

plus any initial direct cost and estimated cost, if any, of dismantling and removing the underlying asset and presented as part of property, plant and equipment. Subsequent measurement of right-of-use asset is made using Cost model. Liability for lease is created for an amount equivalent to the present value of outstanding lease payments and presented as Borrowing. Each lease payment is allocated between the liability created and finance cost. The finance cost is charged to the Statement of Profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the company's incremental borrowing rate. Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

9.3 Company as a lessor:

Leases are classified as operating lease or a finance lease based on the recognition criteria specified in IND-AS 116 - Leases.

9.3.i Finance Lease (if any):

At commencement date, amount equivalent to the net investment in the lease is presented as a Receivable. The implicit interest rate is used to measure the value of the net investment in Lease. Each lease payment is allocated between the Receivable created and finance income. The finance income is recognized in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease. The asset is tested for de-recognition and impairment requirements as per IND-AS 109 - Financial Instruments. Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

9.3.ii Operating lease (if any):

The company recognizes lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required. Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

10. FINANCIAL ASSETS

10.1 Initial Recognition and Measurement

All financial assets are recognized initially at fair value. In the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are included in the cost of the asset.

10.2 Subsequent Measurement

For purposes of subsequent measurement, financial assets (if any) are classified in four categories:

- Debt instruments measured at amortized cost,
- Debt instruments measured at fair value through other comprehensive income (FVTOCI),
- Debt instruments, derivatives and equity instruments measured at fair value through profit or loss (FVTPL),
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

10.3 Derecognition

A financial asset or part of a financial asset is derecognised when the rights to receive cash flows from the asset have expired.

10.4 Trade and Other Receivables

Receivables are initially recognized at fair value, which in most cases approximates the nominal value. If there is any subsequent indication that those assets may be impaired, they are reviewed for impairment.

The Company recognizes all Financial Assets other than non-current investments and Financial Liabilities at Fair Value on inception and subsequent measurements are done at amortized cost.

11. CURRENT INVESTMENTS

11.1 Investments held for the period less than 12 months are recognized as current investments.

11.2 Investments are carried individually at cost less accumulated impairment in the value of such Investments.

11.3 Cost of Investment includes acquisition charges such as brokerage, fees and duties.

11.4 Impairment in the value of investment is made only if there is a permanent fall in value of investment in the opinion of management.

11.5 Investment in mutual funds (debt based fund) that are subsequently measured at fair value through profit or loss as per IND-AS 32 & IND-AS 109.

11.6 Gain on revaluation has been recorded as other income being notional profit.

As a result, the tax base of the asset is adjusted and no temporary difference arises. Nevertheless, the future recovery of the carrying amount will result in a taxable flow of economic benefits and the amount that will be deductible for tax purposes will differ from the amount of those economic benefits. The difference between the carrying amount of a revalued asset and its tax base is a temporary difference and gives rise to a deferred tax liability or asset.

12. TRADE RECEIVABLES

12.1 Receivables represent the Company's unconditional right to consideration under the contract. The right to consideration is considered unconditional, if only passage of time is required before payment of that consideration is due.

12.2 Amount receivable from the Government departments are generally treated as fully recoverable, hence in the opinion of Management there is no increase in credit risk of such financial assets.

12.3 Impairment on account of expected credit loss is being assessed on a case to case basis in respect of dues outstanding for a significant period of time.

13. CASH AND BANK BALANCES

13.1 Cash and cash equivalents - which includes cash on hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than one year. These balances with banks are unrestricted for withdrawal and usage.

13.2 Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

14. INVENTORIES

14.1 Inventories i.e. Finished Goods, Stores in Hand (SIH) (Raw Material, including slow moving and non-moving, spares, packing materials etc.) and Work In Progress (WIP) are valued at lower of Cost and Net Realizable Value. Values of SIH and WIP are compared in respect of weighted average moving rates and LPR, whichever is lower to arrive at a fair assessment whereas Finished Goods are valued at COP or VOI whichever is lower.

14.2 Goods-in-Transit are valued at their respective issue voucher prepared on weighted average moving rate.

14.3 In the case of Finished Goods, Stock-in-Trade and Work-In- Progress, cost includes costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost includes Taxes and duties (other than Taxes and duties for which input credit is available).

14.4 Saleable / Disposable scrap is valued at weighted average rate of past sale price.

14.5 Consumables issued from stores and lying unused at the end of the year are not reckoned as inventory.

14.6 Items in stores in hand which is not drawn for period more than 3 years is considered as non- moving and the items not drawn for period between 1 year to 3 years is considered as slow moving.

14.7 In order to arrive at a fair value of these stores, Provisions for 10% of total value of slow moving items and 25% for Non Moving Items is to be made at the end of every financial year.

15. IMPAIRMENT OF ASSETS

15.1 At each Balance Sheet date, the carrying amount of assets is assessed as to whether there is any indication of impairment. If the estimated recoverable amount is found less than its carrying amount, the impairment loss is recognized and assets are written down to their recoverable amount.

15.2 Impairment of Financial Assets: In accordance with IND-AS 109, the Company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets with credit risk exposure.

15.2. i Time barred dues from the government / government departments / government companies are generally not considered as increase in credit risk of such financial asset.

15.2.ii Where dues are disputed in legal proceedings, provision is made if any decision is given against the Company even if the same is taken up on appeal to higher authorities / courts.

15.2.iii Dues outstanding for significant period of time are reviewed and provision is made

on a case to case basis. Impairment loss allowance (or reversal) is recognised as expense / income in the statement of profit and loss.

16. FINANCIAL LIABILITIES

16.1 TRADE PAYABLES

Liabilities for goods or services are recognized for the amounts to be paid for the goods / services received and accepted, whether billed by the supplier or not. Trade payable outstanding for period less than 12 months are recognized as current liabilities and payable outstanding for period more than 12 months are recognized as non-current liabilities.

16.1.i Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, at fair value through profit or loss as loans, borrowings, payables, or derivatives, as appropriate. Loans, borrowings and payables, etc. (if any) are stated net of transaction costs that are directly attributable to them.

16.1.ii Subsequent Measurement: The measurement of financial liabilities depends on their classification, as described below:

16.1.ii (a) Financial Liabilities at fair value through Profit or Loss:

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined in IND-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

16.1.ii (b) Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate method (EIR). Gains and losses are recognized as profit or loss when the liabilities are derecognized as well as through the EIR amortization process. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

16.1.ii (c) Trade and Other Payables

Liabilities are recognized for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

17. REVENUE RECOGNITION

17.1 REVENUE FROM OPERATION

Company] is engaged in Manufacturing of Life Cycle Clothing (LCC), Extreme Cold Climate Items (ECC), Special Clothing & Mountaineering Equipment (SCME), Supply Drop Equipment (SDE), Water Storage Equipment, Covers, Tentages, Leather Items, Arrester Barrier, General Stores, etc.

17.2 Revenue on Sale of Goods and Services is recognized at a point in time when the Company satisfies the performance obligation on transfer of control of the products to the Customer, as per the terms and conditions of the contract, in an amount that reflects the consideration the Company expects to receive in exchange for those products pursuant to the Contract with customer.

17.3 Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, liquidated damages, performance bonuses and incentives, if any, as specified in the contract with the customer.

18. OTHER INCOME

18.1 Interest Income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable.

- 18.2 Recoveries of quarter license fee as fixed by the government for the time being in force from employees who live in quarters is considered as other income.
- 18.3 Recoveries from Vendors for non fulfilment of contract is considered as other income.
- 18.4 Gain on sale and purchase of debt mutual fund is recognized other income.
- 18.5 Notional gain on mutual fund due to fair value measurement as per IND-AS 113 is recognized as other income.

19. EMPLOYEE BENEFITS

- 19.1 In terms of Office Memorandum No. 1(5)/2021/OF/DP(Plg-V)/02 dated 24.09.2021, all the employees of the TCL are on deemed deputation for a period up to 30th September'2023. Further as per the said office memorandum the retirement benefits shall be taken care by the Govt of India, therefore, once the employees opt to continue with TCL, policy shall be finalized for the defined benefit and defined contribution will be decided.
- 19.2 The employees on deemed deputation to the TCL (new DPSUs), shall continue to be subject to all the extant rules, regulations and orders as are applicable to the Central Government servants, including related to their pay scales, allowances, leave, medical facilities, career progression and other service conditions.
- 19.3 The pension liabilities of the retirees and existing employees will continue to be borne by the Government from the Ministry of Defense ("MoD") budget for Defense Pensions. For the employees recruited after 01.01.2004, National Pension Scheme applicable to the Central Government employees is in vogue and the same is being adopted by the New DPSUs, including continuation of all special provisions applicable to Central Government employees under the National Pension System.
- 19.4 The conditions of payment of pensionary benefits to the employees of OFB on absorption to the New DPSUs would be regulated in accordance with Rule 37-A of the Central Civil Services (Pension) Rules, 1972.
- 19.5. i Short term employee benefits:** Employee benefits such as salaries, wages, short-term compensated absences, bonus, and performance-linked rewards falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and are expensed in the period in which the employee renders the service.
- 19.5. ii Defined contribution plans:** The company does not have any superannuation scheme as all the employees working in the company are on deemed deputation and all superannuation obligations will be met by Government of India.
- 19.6 Medical reimbursement are accounted on payment basis.

20. FAIR VALUE MEASUREMENT

- 20.1 The Company measures financial instruments, such as derivatives and other items (if any) in its financial statements at fair value at each reporting date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole:
- 20.1. i. Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

- 20.1. ii. Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- 20.1. iii. Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
- 20.1. iv. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

21. INCOME TAXES

- 21.1 Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961 (the "Act").
- 21.2 Deferred Tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred Tax Assets in excess of Deferred Tax Liability are recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred Tax Assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

22. PROVISION AND CONTINGENT LIABILITIES

- 22.1 A provision is recognized, when the Company has the present obligation as result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made.
- 22.2 Where no reliable estimate can be made or when there is a possible obligation or present obligations that may, but probably will not,

require an outflow of resources, disclosure is made as Contingent Liability. Expected reimbursement, if any, is disclosed under Notes to Accounts.

- 22.3 When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

23. ESTIMATES AND ERRORS

- 23.1 The Company revises its accounting policies if the change is required due to a change in IND-AS or if the change will provide more relevant and reliable information to the users of the financial statements. Changes in accounting policies are applied retrospectively unless it is impracticable to apply.
- 23.2 A change in an accounting estimate that results in changes in the carrying amounts of recognized assets or liabilities or to statement of profit and loss is applied prospectively in the period(s) of change.
- 23.3 When it is difficult to distinguish a change in an accounting policy from a change in an accounting estimate, the change is treated as a change in an accounting estimate.
- 23.4 Discovery of material errors results in revisions retrospectively by restating the comparative amounts of assets, liabilities, and equity of the earliest prior period for which the error is discovered.

24. EVENTS AFTER THE REPORTING PERIOD

- 24.1 Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.
- 24.2 Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted.

25. SEGMENT REPORTING

Operating segments are identified in a manner consistent with the internal reporting provided to the chief operating decision maker.

26. CASH FLOW STATEMENT

Cash flow statement has been prepared in accordance with the indirect method prescribed in IND-AS 7- Statement of Cash Flows.

27. EARNINGS PER SHARE

- 27.1 The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.
- 27.2 Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary equity holders and the weighted

average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

28. GOVERNMENT GRANTS

Government grants of revenue nature are recognized as income in statement of Profit & Loss on a systematic basis over the periods in which the expenses related to costs for which the grants are intended to compensate, are recognized as expenditure. Government grants related to assets, including non-monetary grants at fair value, are presented in the Balance Sheet by treating the grant as Deferred Income.

The grant is treated as Deferred Income and is recognized in the statement of Profit and Loss on a system basis over the useful life of the asset. Government assistance relating to the purchase/construction of property, plant and equipment are included in non-current liabilities as Deferred Income and are credited to Statement of Profit and Loss Account on a straight-line basis over the expected lives of the related assets.

For VP Aditya & Co.

Chartered Accountants

FRN: 000542C

Sd/-

CA Surendra Kakkar

Partner

M.No. 071912

For and on behalf of Board of Directors

Sd/-

(Santosh Kumar Sinha)

Chairman & Managing Director

DIN: 09282633

Sd/-

(Dr. Sanjeev Kumar Saxena)

Director (Finance) & CFO

DIN: 09315421

Sd/-

(Suresh Kumar Gupta)

Company Secretary

M. No. 11059

Place: KANPUR

Date: 28.07.2023

Notes to the Financial Statements for the Year ended 31st March 2023

'Note No. 2: 'Property Plant & Equipment

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	As at 1st April-2022	Additions / Adjustments During the Year	Deductions / Adjustment during the Year	As at 31st March-2023	As at 1st April-2022	Depreciation For the Year	Deductions / Adjustment during the Year	As at 31st March-2023	As at 31st March-2022
(a) Land	3,99,106.77	-	-	3,99,106.77	-	-	-	3,99,106.77	3,99,106.77
(b) Building	24,305.20	778.99	891.54	24,192.65	859.77	1,550.28	5.86	21,788.46	23,445.43
(c) Plant and Machinery	5,686.94	72.84	18.91	5,740.87	395.69	750.24	-	4,594.94	5,291.25
(d) Furniture and Fixture	72.43	73.33	-	145.76	0.49	47.53	-	97.74	71.94
(e) Vehicles	436.49	-	20.04	416.45	47.75	88.27	3.06	283.49	388.74
(f) Office Equipment	35.60	105.76	0.36	141.00	5.62	82.08	-	53.30	29.98
(g) Computer and servers	78.64	29.91	-	108.55	5.70	15.45	-	87.40	72.94
Total Property Plant & Equipments 2(i)	4,29,722.07	1,060.83	930.85	4,29,852.05	1,315.02	2,533.86	8.92	4,26,012.10	4,28,407.05
Capital work-in-progress		-		-		-	-	-	-
Building	469.03	40.00	323.03	186.00	-	-	-	186.00	469.03
Total Capital Work in Progrss 2(ii)	469.03	40.00	323.03	186.00	-	-	-	186.00	469.03
Other Intangible assets									
Software	0.99	0.71	0.45	1.25	0.05	0.18	0.02	1.04	0.94
Total Other Intangible assets 2(iii)	0.99	0.71	0.45	1.25	0.05	0.18	0.02	1.04	0.94
Total	4,30,192.09	1,101.54	1,254.33	4,30,039.30	1,315.08	2,534.03	8.94	4,26,199.14	4,28,877.01

- (i) The area of land acquired by the company from the Directorate of Ordnance (C & S), MOD, differs from the area valued by the approved valuer. There are other discrepancies also in the area of land in possession measured and transferred to TCL. The details are given as per **Annexure-1**.
- (ii) "The impact in the value of land on account of short/excess in measurement needs to be adjusted in the financial statements".
- (iii) Valuation of the assets received have been valued by a a IBIBI registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017. Fair Value Determined by the Registered Valuer is taken as deemed cost of Assets received and the balance useful life as determined by the valuer is considered for the purpose of calculation of Depreciation on straight line method.
- (iv) The mutation of the land in favour of the Company is under process.
- (v) During the year valuation of some of the leftover assets (i.e. furniture and fixtures of OEF Kanpur valuing Rs. 1.2 crores, perimeter/compound wall and RCC Overhead / Reservoirs of OEF Kanpur and OCF Shahjahanpur Valuing Rs. 4.26 Crore) was carried out by the Registered Valuer. The same has been incorporated in the Financial Statements.
- (vi) Depreciation on PPE Purchased by the company has been calculated on straight-line method over estimated useful life as determined in the company's policy document. However, where the useful life of the asset (e.g. furniture/fixtures and office equipment) has not been defined in the policy document, depreciation has been calculated as per schedule II of the Companies Act, 2013.
- (vii) The useful life of TCL Training Academy and TCL Headquarters were revised and reestimated vis-à-vis its correct construction year considering the impact of depreciation which has been incorporated in current year.
- (viii) Some of the Assets were Added / Reversed As per the details provided in Annexure-2, which has been incorporated in Adjustment Column in Above Note No. 2
- (ix) 3 Buildings in OEF Kanpur which were completed but inadvertently recorded as capital work in progress has been rectified and classified as buildings this year.
- (x) The Company has identified the Impairment of assets of Rs. 19.70 Lacs on buildings at OCF Avadi, which has been shown in adjustment column.

xi. Capital Work in Progress**As At 31st March-2023****₹. In Lacs**

CWIP	Amount in CWIP for a period of				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	40.00	19.00		127.00	186.00
Total	40.00	19.00	-	127.00	186.00

Capital Work in Progress**As At 31st March-2022****₹. In Lacs**

CWIP	Amount in CWIP for a period of				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	19.00	-	7.51	442.52	469.03
Total	19.00	-	7.51	442.52	469.03

- (i) There is no any case of the Capital-work-in progress, where completion is overdue or has exceeded its cost compared to its original plan.
- (ii) There is no any case where activity has been suspended.

CWIP	Amount in CWIP for a period of			
	less than 1 year	1-2 years	2-3 years	More than 3 years
Project in Progress	NIL	NIL	NIL	NIL
Projects temporarily suspended	NIL	NIL	NIL	NIL

(xii) Title deeds of Immovable Properties not held in name of the Company

(₹ in Lakhs)

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Land	Land	3,99,106.77	Land held in the name of Govt. Of India	No	01-10-2021	The Company is in the process of getting the title transferred in the name of the company.
Buildings	Buildings	24,192.65	Property held in the name of Govt. Of India	No	01-10-2021	The Company is in process of getting the title transferred in the name of company.

(xiii) Valuation of Intangible Assets (Patents, Trademarks, Copyrights etc.) could not be ascertained due to non availability of future economic value. Details of all such Intellectual property

Particulars	IP type	Unit Name
CHAGUL UNIVERSAL	Patent	OEF Kanpur
TANK FABRIC COLLAPSIBLE WITH COVER	Patent	OEF Kanpur
Bag Kit Universal Mk-II	Industrial Design	OEF Kanpur
Industrial Safety Shoe	Industrial Design	OEF Kanpur
Rucksack 70 ltr.	Industrial Design	OEF, Kanpur
MATTRESS MK II COMPLETE WITH COVER	Patent	OEF Kanpur
RAIN CAPE MULTIPURPOSE DISRUPTIVE (PONCHO)	Patent	OEF Kanpur
Modular Light Weight Load Carrying Equipment (MOLLE)	Patent	OEF Kanpur
Field Medical kit	Design	OEF Kanpur
Field Medical Bag	Design	OEF Kanpur
Modular Tactical vest	Design	OEF Kanpur
Sleeping bag +8°C	Design	OEF Kanpur
Anti-skid shoes	Design	OEF Kanpur
Modular Rucksack	Design	OEF Kanpur
Hydration System	Design	OEF Kanpur
Assault pack	Design	OEF Kanpur
Medical tent 2M white anti-microbial	Design	OEF Kanpur
Bullet resistant Vest	Design	OEF Kanpur
Bed roll for travelling	Design	OEF Kanpur
OEF Logo	Trademark	OEF, Kanpur
Comouflage Jungle Pattern with Indian Army Logo	Design	OCFA
Camouflage Desert Pattern Without Logo	Design	OCFA

Particulars	IP type	Unit Name
Comouflage Jungle Pattern without Logo	Design	OCFA
Comouflage Jungle Pattern with IAF Logo	Design	OCFA
Jacket Combat Disruptive Garment	Design	OCFA
Coat Laboratory	Design	OCFA
Individual Shirt Packing box for IAF	Artistic Work	OCFA
Brand Name for civil trade supplies OCFV (Karishma)	Trademark	OCFA
Trouser Combat Disruptive Garment	Design	OCFA
Bullet Resistant Vest	Design	OCFA
Bullet Resistant Jacket	Design	OCFA
Brief Title Of IP	Design	OCFA
Overall Greenish Khaki	Design	OCFA
Shorts Cotton Light OG	Design	OCFA
Trouser Manila Blue	Design	OCFA
Overall Dark Grey	Design	OCFA
Coat DB White	Design	OCFA
Extreme Cold Weather Clothing System Insulation/ 201811036666	Patent	OCFS
Coat Extreme Cold Climate (Two Layer) Insulation/201811036665	Patent	OCFS
Blanket Piping Stitching Folder/202011004997	Patent	OCFS
100% Polyester based ECAD SD 8.5m Parachute/202311002912	Patent	OCFS
Ordnance Clothing Factory, Shahjahanpur Logo/4074120	Trademark	OCFS
Specification of Blanket Superior OG/1546/2020-CO/L	Copyright	OCFS
Specification of Blanket Hospital Red/1544/2020-CO/L	Copyright	OCFS
Specification of Blanket Barrack Natural Grey/1542/2020-CO/L	Copyright	OCFS
Brochure of Jersey Mens Woollen 'V' Neck Dark OG/1560/2020-CO/L	Copyright	OCFS
Brochure of Coat Combat Dis. With Indian Army Logo/1566/2020-CO/L	Copyright	OCFS
Brochure of Jacket & Trousers Combat PC Dis. With IA Logo/1569/2020-CO/L	Copyright	OCFS
Brochure of Jacket & Trousers Wind Cheater/1570/2020-CO/L	Copyright	OCFS
Brochure of Cap Balaclava & Cap Glacier./ 1572/2020-CO/L	Copyright	OCFS
Brochure of Trousers Extreme Cold Climate. (ECC)/ 1573/2020-CO/L	Copyright	OCFS
Brochure of Blankets Superior OG, Air Force Blue, Navy Blue & Hospital Red./ 1574/2020-CO/L	Copyright	OCFS
Brochure of Jersey Woollen Dark Blue Grey/1558/2020-CO/L	Copyright	OCFS
Brochure of Shirt Men's Angola Drab PW modified Patterns 2012 & Trousers Serge Battle Dress./ 1563/2020-CO/L	Copyright	OCFS
Brochure of Coat Extreme Cold Climate./ 1537/2020-CO/L	Copyright	OCFS
Brochure of Extreme Cold Weather Clothing System (ECWCS)/ 1549/2020-CO/L	Copyright	OCFS
Brochure of Coat Extreme Cold Climate (Two Layer)/ 1548/2020-CO/L	Copyright	OCFS
Brochure of Laminated Trouser Serge./ 1547/2020-CO/L	Copyright	OCFS
Cap Balaclava/314422-001	Design	OCFS

Particulars	IP type	Unit Name
Extreme Cold Weather Clothings/325762-001	Design	OCFS
HIMVEER (High Loft Fur Fabric)/ 361525-001	Design	OCFS
HIMVEER (Light Weight Undershirt & Drawers)/ 362403-001	Design	OCFS
HIMVVER (Extreme Wet/Cold Weather Jacket and Trousers)/ 362404-001	Design	OCFS
HIMVVER (Soft shell Cold Weather Jacket & Trousers)/ 362407-001	Design	OCFS
Specification of Blanket Navy Blue/1545/2020-CO/L	Copyright	OCFS
Coat For Extreme Cold Climate/325759-001	Design	OCFS
Clothing Jacket/325760-001	Design	OCFS
Combat Coat/325761-001	Design	OCFS
Ordnance Factories Car Flag/336973-001	Design	OCFS
Overall Suit for High Altitude/341613-001	Design	OCFS
Disposable Blanket Cover/329697-001	Design	OCFS
Disposable Bed Linen Set with Pillow Cover & napkins/329698-001	Design	OCFS
Head Cap for High Altitude/346213-001	Design	OCFS
Head Cap for Extreme Cold Climate/346216-001	Design	OCFS
Coat Combat Lighter Pattern/361524-001	Design	OCFS
Trousers Extreme Cold Climate (Outer)/ 361523-001	Design	OCFS
HIMVVER (Extreme Cold Weather Parka & Trousers)/ 361526-001	Design	OCFS
Face Mask for Extreme Cold Weather/361521-001	Design	OCFS
Trousers Extreme Cold Climate (Inner)/ 362402-001	Design	OCFS
HIMVVER (Wind Jacket)/ 362405-001	Design	OCFS
HIMVVER (Mid-Weight shirt & Drawers)/ 362406-001	Design	OCFS
Duffle Trolley Bag	Design	OEFHZ
Net Mosquito RM Polyester FR Khaki with build in selvedge	Design	OEFHZ
Net Mosquito FR white with build in selvedge	Design	OEFHZ
Safety Belt	Design	OEFHZ
OEFHz Logo	Trade Mark	OEFHZ
OEFHz Logo	Copy Right	OEFHZ

Notes to Financial Statement

Note:- 3

Non Current Financial Assets

Particulars	As at 31st March 2023	As at 31st March 2022
Security Deposits	320.00	-
Bank Deposits	498.80	200.00
Accrued Interest	29.11	4.12
TOTAL	847.91	204.12

(a) The above Bank Deposits have been given as Security for participation by the Company in the Tenders through competitive bidding.

(b) The above Security Deposits are held with Electricity and Telephone Departments.

Note:- 4

Inventories

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Raw materials (Stores in Hand) (Net of Provision)	8,017.32	7,848.07
Work-in-progress	1,285.33	1,284.22
Finished goods	115.54	1,230.41
Stock in Transit	0.71	29.35
Total	9,418.90	10,392.05
(i) Raw Material Stores in Hand		
Opening Stock / Acquisition Cost	8,182.19	11,705.06
Add: Received	34,346.18	15,611.14
Less: Cost of materials consumed	34,031.00	19,134.01
	8,497.37	8,182.19
Less: Provision for Slow Moving and & Non Moving Inventory	480.05	334.12
Closing Stock (Net of Provisions)	8,017.32	7,848.07
(ii) Work-in-progress		
Opening Stock / Acquisition Cost	1,284.22	2,095.88
Increase/ (decrease) during the year	1.11	(811.66)
Closing Stock	1,285.33	1,284.22
(iii) Finished goods		
Opening Stock / Acquisition Cost	1,230.41	4,681.45
Increase/ (decrease) during the year	(1,114.87)	(3,451.04)
Closing Stock	115.54	1,230.41

(a) All inventories i.e. Raw Materials, Stores, WIP and Finished Goods are valued at weighted average cost or NRV whichever is lower.

(b) Slow / Non moving, raw materials and stores have been determined and a suitable provision has been made as detailed herein below:

(c) Raw Material Supplied by the suppliers and accepted by the units till the date of Balance sheet are recorded in Books of Account

(₹ in Lakhs)

	As at 31st March 2023	As at 31st March 2022
Slow Moving Items	2,317.82	700.28
Non-Moving Items	993.08	1,056.34
Total	3,310.90	1,756.62

₹. In Lacs

Provision for Slow Moving and Non Moving Inventory	As at 31st March 2023	As at 31st March 2022
Provision for Slow Moving Items (Provision 10%)	231.78	70.03
Provision for Non-Moving Items (Provision 25%)	248.27	264.09
Total	480.05	334.12

Note:- 5

Investment Current

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Investment in Mutual Funds (Quoted)	-	15,979.95
Total	-	15,979.95

(a) During the Previous Year Investments were measured at Fair Value through Profit & Loss (FVTPL)

(b) During the Financial Year 2022-23 the company has sold all the Investments

(c) Movement in Investment is enclosed in Annexure-5

Note:- 6

Trade Receivables

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
(i) Undisputed Trade receivables – considered good	17,798.40	1,897.59
(ii) Undisputed Trade Receivables – considered doubtful	-	-
(iii) Disputed Trade Receivables considered good	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-
Total	17,798.40	1,897.59

(a) During the year company supplied the Goods to the Indian Army, Airforce, Ministry of Home Affairs, and other Defence Public Sector Undertakings as per the contract conditions of partial advance payments. No risk of default is envisaged in the balance outstanding with any of these entities of the Government of India

(b) Refer Annexure-3 for Trade Receivables Ageing Schedule

Note:- 7**Cash and Cash Equivalents**

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with banks		
(i) Balances with Banks - In Current Accounts	19,867.11	12,361.76
(ii) Cash in hand	-	0.03
(iii) Sweep fixed deposit at bank	407.20	2,420.41
(iv) Bank Deposits Maturity Less than 3 Months	41,439.84	-
(v) Accrued Interest on FDR	349.83	-
Total	62,063.98	14,782.20

(a) FDR wherein a maturity period of less than 3 Months have been classified as cash and cash equivalent.

(b) Short Term Deposit under Sweep Account and Interest Accrued thereon has been Classified as Cash and Cash Equivalents

Note:- 8**Bank balance other than cash and cash equivalents**

Particulars	As at 31st March 2023	As at 31st March 2022
Bank Deposits	10,000.00	25,000.00
Accrued Interest on above	307.44	15.03
Total	10,307.44	25,015.03

(a) Fixed Deposits having maturity period between 3 months to 12 months are classified as Bank balance other than cash and cash equivalents

Note:- 9**Other Current Assets**

Particulars	As at 31st March 2023	As at 31st March 2022
(i) Input Tax Credit Receivable	995.99	1,352.36
(ii) Balance With Revenue Authorities	1.90	1.47
(iii) TDS recievable	331.48	12.80
(iv) Rent receivable	47.88	25.28
(v) Advance to Supplier	54.90	14.87
(vi) Employees Advance	0.81	0.04
(vii) Rent & Electricity charges receivable	-	48.74
(viii) Recovery from parties	-	0.07
(ix) LD charges recoverable	-	54.64
(x) Festival Advance	8.79	8.86
(xi) Prepaid expense	9.06	8.57
(xii) Other current assets	115.49	6.17
	-	-
Total	1,566.30	1,533.87

Note:- 10(i)
Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
I Authorised Share Capital	-	-
Opening	4,00,000.00	4,00,000.00
Increase during the Year	1,00,000.00	-
Closing	5,00,000.00	4,00,000.00
(5,00,00,00,000 Shares of Rs 10/- Each Par value)		
	-	-
II Issued, subscribed and fully paid-up share capital	-	-
Opening	5,212.00	1.00
Increase during the Year	4,69,102.82	5,211.00
Closing	4,74,314.82	5,212.00
(4,74,31,48,206 Shares of Rs. 10/- Each Par Value)	-	-

III Details of shareholders holding more than 5 per cent shares in the Company

Name of Shareholders	Number of Shares	(%) Holding
President of India & Government Nominee Shareholders	4,74,31,48,206.00	100%
IV Aggregate number of equity shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash	4,50,51,68,206	
V Shareholding of promoters	Percentage (%) holding	Percentage (%) change
Promoter name		
President of India & Government Nominee Shareholders	100%	-
Number of Shares	4,74,31,48,206.00	

Note:- 10(ii)
Other Equity

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Other Equity	7,435.87	4,50,516.82
Retained Earnings	3,532.87	1,637.89
Total	10,968.74	4,52,154.71

Note:- 11
Deferred tax liabilities/assets (Net)

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
(The balance comprises temporary differences attributable to:	-	-
Property, plant and equipment	(1,808.82)	(2,070.17)
Movements in deferred tax liabilities	-	-
(i) At 1st April-2022	263.15	-
(ii) Charged/ (credited)	368.85	263.15
- to profit and loss	-	-
(iii) At March 2023	632.00	263.15

Note:- 12**Trade Payables**

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
(i) MSME	503.67	1,679.75
(ii) Others	69.24	1,773.67
(iii) Disputed dues - MSME		
(iv) Disputed dues - Others		
	-	-
Total	572.91	3,453.42

- (a) The management of the unit has not received any memoranda from any of its suppliers claiming any amount payable as interest under the Micro, Small, and Medium Enterprises Development Act, 2006, and consequently, no provision has been made for the same. Delay is attributed to non submission of bills and supporting documents by the MSME firms for claim of payment.

Note:- 13**Other Current Liabilities**

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Income Tax TDS Payable	186.55	190.25
Income Tax TCS Payable	1.22	0.32
GST TDS Payable	68.10	114.27
GST Payable	3,115.21	1,829.34
Other Advances	343.49	85.72
Security deposits	44.76	48.81
Payable to Cantonment Board	24,316.09	24,298.29
Employees Deduction Liability	1,351.40	1,442.24
Salary & Employees Benefit Payable	2,650.67	3,209.57
Misc. Current Liabilities	6,103.25	4,998.91
	-	-
Total	38,180.74	36,217.72

Note:- 14**Short-term Provisions**

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for employee benefits	1,667.99	969.05
Other provisions	637.56	-
Provision for Audit Fees	23.50	9.30
Total	2,329.05	978.35

Note:- 15

Current Tax

(₹ in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Profit before tax	3,462.94	2,303.52
Add: Depreciation as per Companies act, 2013	2,525.09	1,315.02
Less: Depreciation as per Income tax act, 1961	2,641.24	3,385.30
Less: Notional Gain on Fair Value Changes	-	17.61
Add: Interest on Income Tax	61.93	-
Add: Impairment Loss	19.70	-
Taxable profit	3,431.49	215.62
Corporate Income Tax on Total Income (A)	1,199.10	62.79
Minimum Alternative Tax u/s 115JB (B)	605.04	402.47
Current Tax Exps. (Higher of [A] or [B]) (C)	1,199.11	402.47

*Reconciliation of effective rate of tax in given Annexure -6

Note:-16

(₹ in Lakhs)

Revenue from Operations

Particulars	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
(A) Sale of Products & Services		
(i) Sale of Product	99,500.89	57,501.49
(ii) Sale of Services	8.93	2.39
Total Sale of Products & Services (A)	99,509.82	57,503.88
		-
(B) Other Operating Income		
(i) Disposal of Scrap and Surplus / Unserviceable Stores	257.32	67.85
Total Other Operating Income (B)	257.32	67.85
Total Income From Operation (A+B)	99,767.14	57,571.73

- (a) Ministry of Defence conveyed the approval of the addition of the profit element of 7.5% on the issue price of the Items under the deemed contracts with retrospective effect from 1st October-2021.
- (b) The sale of the company's products includes profit element of 7.5% on the issue price of items under deemed contract w.e.f. 1st October-2021 authorized by Ministro of Defence vide ID No. 4(8)/2022/ND CD/DDP Dated 21-03-2023. Consequently, current year and previous sales have been increased by Rs. 6443.28 Lacs and Rs. 4143.52 Lacs respectively. Previous year increase of Rs. 4143.52 Lacs has been routed through OCI.

Note:-17**Other Income**

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
(a) Interest income	-	
Interest on Bank Deposits	3,206.47	114.43
Other Interest	12.52	-
Total Interest Income (A)	3,218.99	114.43
(b) Profit on Sale of Investments	496.10	259.72
Total Profit on Sale of Investment (B)	496.10	259.72
(c) Other non-operating revenues	-	
Liquidity Damage, Penalty & Fines	824.44	300.66
Other Misc. Income	32.55	67.68
Quarter Licence Fees Received from Employees	139.70	60.34
Other Rental Income	150.79	64.58
Notional Gain on Fair value change	-	17.61
Total Other Non Operating Revenues(C)	1,147.48	510.87
Total Other Income (A+B+C)	4,862.57	885.02

Note:-18**Cost of Materials Consumed**

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
Opening Stock / Acquisition Cost	8,182.20	11,705.06
Add: Purchase of Materials	34,317.54	14,888.34
Add: Stock Received against Stock in Transit	28.64	722.80
Less: Closing stock Materials	8,497.38	8,182.19
Material Consumed	34,031.00	19,134.01

The figures against the Purchases includes all addition, adjustments and deductions on account of rebate, goods return etc.

Breakup of the Inventory as Required in Paragraph 36(b) of IndAS-2 is enclosed in Annecure-7

Note:-19**Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade**

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
Finished goods	1,114.86	3,451.04
Work-in-progress	(1.11)	811.66
Changes in Inventory of Finished Goods and WIP	1,113.75	4,262.70
(i) Finished goods	-	
Opening stock	1,230.41	4,681.45
Closing stock	115.54	1,230.41
	-	-
(ii) Work-in-progress	-	
Opening stock	1,284.22	2,095.88
Closing stock	1,285.33	1,284.22

Note-:20

Employee Benefits Expense

(₹ in Lakhs)

Particulars	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
Salaries, Wages, Bonus & Other Allowance	49,137.87	24,791.91
NPS Contribution	1,859.73	896.54
Total	50,997.60	25,688.45

- (a) All the employees of Troop Comforts Limited are on deemed deputation of 2 Years from 1st October-21 to 30th Sep-2023. Emoluments paid to these employees on deputation are depicted as Salaries, Wages, Bonus and other allowances including medical reimbursement.
- (b) As per OM No. 1(5)/2021/OF/DP/PLG-V/02 dated 24-09-2021, Ministry shall continue to bear the retirement benefits of the deputed employees. The company is not liable for the retirement benefits of employees on deputation. Accordingly, no provisions have been made towards terminal benefits including leave encashment.

Salary Includes Remuneration paid to Key Managerial Personnel which is given below:

(₹ in Lakhs)

Name of Key Managerial Personnel Remuneration (Designation)	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
Santosh Kumar Sinha (Chairman & Managing Director)	38.07	17.82
Atul Gupta (Director Operation)	36.35	20.24
Major Gen. Ravi Rajshekhar Patil (Director HR)	37.07	17.15
Dr. Sanjeev Kumar Saxena (Director Finance & CFO)	36.66	19.65
Suresh Kumar Gupta (Company Secretary)	8.00	-
Total	156.15	74.85

Note-:21

Other Expenses

Particulars	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
Electricity & water expense	918.45	386.49
Transportation expenses	766.39	337.28
Information technology expense	96.24	16.53
Printing & Stationery	24.46	4.40
Repair & Maintenance	299.43	81.48
Expenditure on Building Maintenance	638.21	256.46
Rate & Taxes	968.92	1,235.16
Manpower Supply	4,061.92	2,226.26
Misc. expense	788.88	377.76
Communication expense	44.56	27.04
Consultancy & Professional Fees	54.77	28.99
R&D Expense	550.21	16.75
Fabrication Expenses	2,374.64	414.48
Provision for Slow Moving / Non Moving Inventory	145.93	334.12
Liquidated Damages	559.16	-

Particulars	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
Impairment Loss	19.70	
Loss on Sale of PPE	53.56	-
Interest on Income Tax	61.93	-
CSR Exps.	45.72	
Payment to Auditors	-	-
Statutory Audit Fees	8.00	8.80
Tax Audit Fees	1.00	1.00
Internal / Cost Audit Fees	17.25	
Total	12,499.33	5,753.00

- (a) Ministry of Defence through Letter No. MOD ID No. 4(8)/2022/NDCD/DDP Dated 21-03-2023 conveyed that Liquidated damages can be suitably imposed on the delayed supplies as per the mutual agreement between buyer and seller under deemed contract. Accordingly, The Company has made the provision of Liquidated damages on delayed supplies as per the best estimates.

Note-:22

Earning per Equity Shares

Particulars	For the Year Ended 31st March 2023	For the 6 Months Period ended on 31st March-2022
Profit after Tax	1,894.98	1,637.89
OCI Income	(2,695.77)	
No of shares (Weighted Average)	4,61,68,65,247.10	2,38,596.00
Earning Per share		
1) Basic earning per share (in Rs.)	0.04	686.47
3) Diluted earning per share (In Rs.)	0.04	0.04



Other Note: 23

23.1 CORPORATE INFORMATION

Troop Comforts Limited a Public Sector Undertaking incorporated on 16th August 2021 under the companies Act, 2013 is wholly owned by Government of India.

In pursuance of decision taken by the Government of India to corporatize Ordnance Factories, Troop Comforts Limited was incorporated as 100% Government owned Company on 16th August-2021. With effect from 1 st October, 2021 ("Appointed Date"), the management, control, operations and maintenance of 4 Ordnance Factories out of 41 Ordnance Factories viz. Ordnance Clothing Factory Avadi (OCFA), Ordnance Clothing Factory Shahjahanpur (OCFS), Ordnance Equipment Factory Kanpur (OEFK) and Ordnance Equipment Factory Hazratpur (OEFHZ) and a Training Academy named Ordnance Factories Institute of Learning Kanpur (OFIL Kanpur) have been transferred on going concern to this defense PSU Named Troop Comforts Limited.

TCL is involved in manufacturing of Life Cycle Clothing (LCC), Protective Gears, Extreme Cold Climate items (ECC), Special Clothing & Mountaineering Equipment (SCME), Supply Drop Equipment (SDE), water Storage Equipment, Covers, Tentages, Leather items, Arrester Barrier, General Stores, etc for Defence Services and Civil Sector. TCL is actively engaged in production testing, logistics, research, development and marketing of comprehensive product range in the area of troop comforts items.

MOD vide their letter No. F8 (46)/2022-D (Coord/DDP) dt. 08.06.2022 nominated Troop Comforts Limited as Nodal Agency for setting up of Solar Panels / Solar Power Plant at all the establishments under MOD. The mandate is to do the job on turnkey basis from conceptualizing to commissioning on payment of mutually agreeable agency charges. Presently one project for implementation of solar power PV project of capacity 1.210 MWp for HAL Kanpur, HAL Lucknow, HAL Korwa and NAL, Naini; is in hand. The total expenditure of ` 1.26 lakhs has been incurred for carrying out the feasibility study of HAL Lucknow and

Korwa.

23.1.1 Registration details are as follows:

Corporate Identity Number (CIN)	U18109UP2021GOI150744
---------------------------------	-----------------------

The registered address of the company:

TROOP COMFORTS LIMITED,

TCL CORPORATE BHAWAN,

G.T. ROAD, KANPUR-208013, (U.P.)

23.2 Financial Statements of Troop Comforts Limited

The Financial Statement comprises of the accounts of four production units (namely OEF Kanpur, OCF Shahjahanpur, OCF Avadi & OEF Hazratpur) and two non-production units (namely TCL Training Academy and TCL HQs [TCLHQ (local) and TCLHQ (main)]) and have been prepared as per Ind AS requirements from the inception year itself.

23.3 During the financial year 2022-23 company identified following additional Assets of erstwhile OFB era, which could not be included in the inception year of 2021-22. The valuation of these assets were carried out by the same IBBI empanelled valuer M/s Adroit Appraisers and Research Private Limited who had earlier carried out the valuation of the TCL Group:

- Securities available with other agencies i.e. State Electricity Corporations/Telecom Service provider for all TCL Units amounting ` 3,00,10,217 /-,
- Left out valuation of Furniture & Fixtures at one of the unit OEF Kanpur amounting ` 1,24,22,400 /-,
- Valuation of OH Tank, Perimeter/Compound walls left out in initial valuation amounting ` 4,26,47,664 /- as pointed out by C&AG Audit.

Proper accounting treatment in line with Ind AS requirements has been made in the Financial Statements.

23.4 Fund utilization details of miscellaneous equity received from Govt. of India

The complete details of fund utilization against equity infusion by Govt. of India, is as hereunder:-

(₹ in Cr)

Financial Year	Amount Received	Issue of Equity Shares	Remark
2021-22	312.66 (ACL) [DoO (C&S), New Delhi MoD ID No. 8(1)/2022/NDCD/DDP dt. 14.03.2022]	312.66	Initial Committed Liability was determined as on 1st October-21 was ` 286.40 Crore & equity shares were issued along with the Equity shares for NAV on 11th October-2022 through Share Certificate No. 9. Management has proposed issuing equity shares of ` 26.26 Crore in Board Meeting dated 7 th July, 2023.
	45.07 (Equity) [DoO (C&S), New Delhi MoD ID No. 8(1)/2022/NDCD/DDP dt. 14.03.2022]	45.07	Equity shares have been issued to Govt. of India vide Share Cert. No. 8 (45.07 Cr + 7.04 Cr = 52.11 Cr) on 31.03.2022.
	7.04 (CAPEX) [DoO (C&S), New Delhi MoD ID No. 8(1)/2022/NDCD/DDP dt. 03.03.2022]	7.04	
2022-23	178.86 (EAF) [DoO (C&S), New Delhi MoD ID No. 8(2)/2022/NDCD/DDP/ Emergency Authorization dt. 28.09.2022]	178.86	Equity shares have been issued to Govt. of India vide Share Cert. No. 10 (178.86 Cr + 7.00 Cr = 185.86 Cr) on 05.12.2022
	7.00 (CAPEX) [DoO (C&S), New Delhi MoD ID No. 8(1)/2022/NDCD/DDP dt. 28.09.2022]	7.00	
	6.26 (RR Fund) [DoO (C&S), Kolkata ID No. DOO(C&S)/RR/Fin/ Budget/2021-22 dt. 15.02.2022]	--	Fund was received under RR from DoO (C&S), Kolkata and is shown under other liability. The information regarding nature of the fund is awaited.
	73.02 (Equity) [DoO (C&S), New Delhi MoD ID No. 8(2)/2022/NDCD/DDP dt. 22.03.2023]	73.02	Equity shares have been issued to Govt. of India vide Share Cert. No. 11 on 12.04.2023.

23.5 Capital Structure of the Company

23.5.1 Authorized Shares Capital			
Particulars	Par Value (In ₹)	No. of Shares	Total Value (₹ in Lakh)
Share Capital as at 01.04.2022	10	4,00,00,00,000	4,00,000.00
Add: Increase during the period			
(i) 10-05-2022	10	50,00,00,000	50,000.00
(i) 16-09-2022	10	50,00,00,000	50,000.00
Closing Share capital as at 31.03.2023	10	5,00,00,00,000	5,00,000.00
23.5.2 Issued, Subscribed and fully Paid-up Shares Capital			
Particulars	Par Value (In ₹)	No. of Shares	Total Value (₹ in Lakh)
Equity share capital as at 01.04.2022	10	5,21,20,000	5,212.00
Add: Increase during the period			
(j) Private Placement*	10	4,50,51,68,206	4,50,516.82
(ii) Right Issue	10	18,58,60,000	18,586.00
Closing Share capital as at 31.03.2023	10	4,74,31,48,206	47,43,314.82

(*) Equity shares worth ₹ 4505.16 Cr issued to Govt. of India against assets transferred to TCL.

23.6 Events Occurring After the Balance Sheet Date

23.6.1 Increase in Paid-up Capital

- 7,30,20,000 equity Shares having Face Value of ` 10/- each and valuing ` 73.02 Cr were issued by the Company to the Government of India as decided in the Board Meeting held on 12th Apr, 2023.
- 2,62,60,000 equity shares having face value of ` 10/- each and valuing ` 26.26 Cr have been issued by the company to the Government of India as decided in the Board Meeting held on 07th July, 2023.

As such company has issued equity shares to Government of India for all the allotted funds from time to time.

23.7 Disclosure Regarding Segment Reporting

The Ministry of Corporate Affairs (MCA) has exempted the companies engaged in defense production from the requirements of Segment Reporting vide Notification No. S.O. 802(E). dated 23rd Feb, 2018.

23.8 DIVIDEND

As per memorandum no F. No. PP/14(0005)/2016 dated June 20,2016, of the Department of Public

Enterprises, Ministry of Heavy Industries & Public Enterprises, Government of India (GOI) ("DoE") read with the memorandum F. No. 5/2/2016-Policy dated 27th May, 2016 of the Department of Investment & Public Asset Management (DIPAM), Ministry of Finance, GoI, all central public sector enterprises are required to pay a minimum annual dividend of 30% of Profit After Tax (PAT) or 5% of the net worth, whichever is higher, subject to the maximum dividend permitted under the extant legal provisions and the conditions mentioned in the aforesaid memorandum.

DIPAM vide their O.M. F. No. 4/27/2019-DIPAM-II-A(E) dt. 13.06.2023, has considered for exemption of dividend in respect of Troop Comforts Limited (TCL) for FY 2021-22 (stub period), FY 2022-23 and FY 2023-24.

23.9 Contingent Liabilities & Commitments (To the extent not provided for) (₹ in Lakhs)

Particulars	31 st March, 2023	31 st March, 2022
(I) CONTINGENT LIABILITIES:		
Claims against the company not acknowledged as debt		
Cantonment charges	*6001.73	--

Particulars	31 st March, 2023	31 st March, 2022
Legal Cases Before Courts and Tribunals	11,939.54	8,729.41
Pre-Incorporation Exps. (Paid by Ministry of Defence)	250.02	250.02
Guarantees excluding financial guarantees	NIL	NIL
Other money for which the company is contingently liable	NIL	NIL
(II) COMMITMENTS:		
Estimated amount of contracts remaining to be executed on capital account and not provided for	229.09	NIL
Uncalled liability on shares and other investments partly paid	NIL	NIL
Other commitments		

Particulars	31 st March, 2023	31 st March, 2022
Stamp Duty in respect of transferred / handed over land	** Not Ascertainable	** Not Ascertainable
Warranty claims on repair/ replacement	***2.00	NIL

(*) Cantonment Board has raised a bill for ₹ 6638.82 Lakh towards Cantonment charges for FY 2022-23. The bill has not been acknowledged by the management and contended on account of incorrect area considered for calculation, unjustified levy of circle rate, classifying residential property as commercial and levying charges even on open spaces etc. An amount of ₹ 637.09 Lakh have been paid as an interim measure and the remaining amount of ₹ 6001.73 Lakh is being shown as claim against the company not acknowledged as debt.

(**) Matter of applicability of Stamp Duty has been referred to MoD for clarification on the issue. The reply

is awaited

(***) The total expenditure of ₹ 1.78 Lakh incurred on account of warranty claims of repair/replacement is having no material impact considering volume of sales to the tune of ₹ 99767.35 Lakh However, an amount of ₹ 2.00 Lakhs has been earmarked for such contingent liabilities.

23.10 Additional Regulatory information

- No Benami Property is held by the Company as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- Company have not taken any loan during the year and no charge is required to be registered with the Registrar of Companies.
- Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities.
- Company have not received any fund from any person(s) or entity(ies), including foreign entities.
- Company have not done any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income-tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income-tax Act, 1961).
- Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- Number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 from the date of their implementation is not applicable on the company.

- ix. Company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- x. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

23.11 RATIOS

Particulars	Numerator	Denominator	31 st March, 2023	31 st March, 2022
(i) Current Ratio	Current assets	Current Liabilities	2.39	1.70
(ii) Debt-Equity ratio	Total Debt	Shareholder's Equity	NA	NA
(iii) Debt service Coverage ratio	Earnings available for debt service	Debt service	NA	NA
(iv) Return on equity Ratio	PAT- Preference dividend	Avg. Shareholder's Equity	0.004	0.0036
(v) Inventory turnover ratio	Sales	Average Inventory	10.07	3.69
(vi) Trade receivables turnover ratio	Revenue from operations	Trade receivables	5.60	30.34
(vii) Trade payables turnover ratio	Net Credit Purchases	Trade payables	59.90	3.45
(viii) Net capital turnover ratio	Revenue from operations	Working Capital	1.69	2.02
(ix) Net profit ratio	Profit before tax	Net Sales	0.03	0.04
(x) Return on capital employed	Earning before interest and taxes	Capital Employed	0.01	0.01
(xi) Return on investment	Profit earned on an investment	Total Investment	NA	NA

23.12 Related Party Disclosures

Key Managerial Personnel as on 31st March, 2023:

S.No.	Name (Shri)	Designation
1	Santosh Kumar Sinha	Chairman & Managing Director
2	Atul Gupta*	Director (Operations)
3	Major Gen. Ravi Rajshekhar Patil**	Director (HR)
4	Dr. Sanjeev Kumar Saxena	Director (Finance) & CFO
5	Suresh K Gupta	Company Secretary

(*) Shri Atul Gupta, Director (Operations) superannuated on 30th Apr, 2023 and

(**) Maj Gen Ravi Rajshekhar Patil, Director (HR) repatriated back to Army Command on 16th Apr, 2023.

23.13 CSR Activities

As per the requirement of Section 135 of the Companies Act related with the mandatory Corporate Social Responsibility ('CSR') obligation provides that every company meeting a stipulated threshold (Net worth of INR 500 crores or more or a net profit of INR five crores or more) would be mandated to spend at least

2% of the Net Profit on CSR activities. The expenditure has to be incurred on CSR activities, as provided in the Schedule VII to Section 135 of Companies Act read with The Companies (CSR Policy) Rules, 2014. The CSR activities must be undertaken by the companies itself, or through implementing agencies provided under Rule 4(1) of the CSR Rules. Rule 4(1) of the CSR Rules,

inter-alia, provides that charitable trusts or societies registered under Sections 12A and 80G of the Income-tax Act, 1961 are eligible to work as implementing agencies.

Accordingly, TCL has undertaken a CSR Programme on 'Mid-day Meal for Government School Children' Under Health and Nutrition Theme in line with Schedule VII of Section 135 of Company's Act, "Activities relating to Eradicating hunger". The programme is to be taken care of by "Akshaya Patra Foundation" and an amount of ` 45.72 Lakh has been incurred during FY 2022-23. Utilization Certification is awaited. The broad details are hereunder:

(₹ in Lakhs)		
Particulars	31 st March, 2023	31 st March, 2022
(a) Amount required to be spent by the company on CSR activities as per Companies Act, 2013	45.72	NIL
(b) Amount of expenditure incurred during the year on CSR activities.	45.72	NIL
(c) Unspent amount, if any.	NIL	NIL

23.14 RECENT ACCOUNTING PRONOUNCEMENTS ISSUED BUT NOT MADE EFFECTIVE

Ministry of Corporate Affairs (MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules 2015, as amended from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2015, applicable from 1st day of April 2023, as below:

Ind AS 101 First time Adoption of Ind AS

The amendment addresses the treatment of deferred tax related to assets and liabilities arising from the single transactions or related to leases and decommissioning, restoration and similar liabilities in respect of entities adopting the Indian Accounting Standards for the first time. The Company does not expect the amendment to have any significant impact on its financial statements.

Ind AS 102- Share based Payment

The amendment specifies the addition of the foot

Note referred to in the heading of paragraph 24, at the end of paragraph 23. The Company does not expect the amendment to have any significant impact on its financial statement.

Ind AS 103-Business Combination

Amendment has been made in Appendix C in paragraph 13 Clause (b) stating "the date on which the transferee obtains control of the transferor. The Company does not expect the amendment to have any significant impact on its financial statement.

Ind AS 107- Financial Instrument: Disclosures

The amendment advocates the disclosure by an entity the disclosure of material accounting policy information about the measurement basis for financial instruments used in preparing the financial statements and which the entity expects to be material accounting policy Information in accordance with paragraph 117 of Ind AS-1, "Presentation of Financial Statements". The amendment is essentially a directive for better presentation of the financial statement and the Company does not expect the amendment to have any significant impact on its financial statements.

Ind AS 109-Financial Instrument

The amendment advocates the substitution of the following item in Appendix B, in paragraph 34.3.12 for item (b) namely, "(b) a combination of entitles or businesses under common control as described in Appendix C of Ind AS-103, or".

The Company does not expect the amendment to have any significant impact on its financial statements.

Ind AS-115 Revenue from Contract with Customers

The amendment specifies changes to words and figures in Appendix 1 paragraph 2 and paragraph 5 which the Company does not expect to have any significant impact on its financial statements.

Ind AS-1 Presentation of Financial Statements

The amendment to Ind AS-1 advocates the disclosure, measurement and presentation and substitution of significant accounting policies with "material accounting policy information" to ensure better presentation of



financial statements including disclosure along with material accounting policy information or other notes, the judgements, apart from those involving estimations that the management of the Company has made in the process of applying the entity's accounting policies and that have the most significant effect on the amount recognized on the financial statements. The Company does not expect any significant impact on its financial statements.

Ind AS-12 Income Taxes

The amendments addresses the issue of taxable temporary differences during the course of recognition of deferred tax liabilities and deferred tax assets by amending paragraphs 15, 22 and 24 and adding paragraph 22A in the said standard. The Company does not expect any significant impact on its financial statements.

Ind AS-34 Interim Financial Reporting

The amendments addresses the issue of substituting the words "significant accounting policy" with the word "material accounting policy information". The Company does not expect any significant impact on its financial statements.

23.15 Financial Statements were approved for issue by the Board of Directors at their meeting held on 28th July 2023.

23.16 Note no: 1 to 23 forms an integral part of accounts and have been duly authenticated.

23.17 Previous year figures have been regrouped / rearranged wherever required.

For **VP Aditya & Co.**
Chartered Accountants
FRN: 000542C

Sd/-
CA Surendra Kakkar
Partner
M.No. 071912

Place: KANPUR
Date: 28-07-2023

For and on behalf of Board of Directors

Sd/-
(Santosh Kumar Sinha)
Chairman & Managing Director
DIN: 09282633

Sd/-
(Suresh Kumar Gupta)
Company Secretary
M.No. 11059

Sd/-
(Dr. Sanjeev Kumar Saxena)
Director (Finance) & CFO
DIN: 09315421

ANNEXURE -1.

(Area in acres)

S. no.	Description	OCFA	OCFS	OEFC	OEFC	OEFC	TCL HQ	TA ##	Total
1	Area of land as reported by Directorate of Ordnance Co-ordination & Services	172.230	376.09	237.96	137.39	Not Available	Not Available	Not Available	923.67
2	Area as per GLR/MLR entry of DEO	168.491	376.28	98.06	137.41	Not Available	Not Available	Not Available	780.241
3	Area as per survey done by Defence Estate Office (DEO)	197.661	378.48	97.88	137.41	0	0	0	811.431
4	Area under actual occupation / possession	197.661	378.48	197.79*	137.41	25	6	6	911.341
5	Area transferred to TCL	197.661	314.87	335.84	136.747	0	0	0	985.118
6	Area reported by valuer in their valuation report	172.29	376.28	177.41	137.41	25	6	6	863.39
7	Difference between area transferred and valuation done (5-6)	25.371	-61.41	158.43	-0.663	-25	-6	-6	121.728
8	Difference between survey done by DEO and Area transferred to TCL (3-5)	0	63.61	-237.96	0.663	0	0	0	-173.687
9	Amount (in Rs.) as reported by the Valuer in Valuation Report	4,53,20,11,092.00	9,89,78,76,450.00	20,72,58,97,982.00	3,33,64,69,249.00	1,16,34,70,525.00	25,49,51,802.00	39,91,06,77,100.00	
10	Date of Handling Over/ Taking over Document	-	05-07-2022	06-07-2022	06-07-2022				
11	Date of Valuation Report	14-01-2022	14-01-2022	14-01-2022	14-01-2022	14-01-2022	14-01-2022	14-01-2022	
12	Surplus land as reported vide Notification O.M. No. 1(5)/2021/OF/DP(Plg-V)/01 Dated:- 24th September, 2021	-	52.02	-	-	-	-	-	

197.79 Acres of Land transferring to OEFC also contains 25 Acres of Land which belongs to TCL Head Quarters.

##Land of TCL Training Academy was not transferred in the name of Company though it is in the possession of Company. MoD vide letter no. 12/DP/OFBCIC/Land/DPSU/Vol-III dt: 20.01.2023 directed AWEIL to transfer the Land of TCLITA in favour of TCL. Both AWEIL and Defence Estate Office Lucknow are being expedited regularly for early mutation in favour of TCL.

Annexure-2

Annexure attached to and forming part of Note No.2

A) Unit Wise Assests/ Liability Recognition/Reversal During the Year

Amount in Rs.

Unit Name	Assets Recognized during the Year	Reversal of assests	Value of Liabilities	Net Value
OEFC	7,05,63,877		15,98,239	6,89,65,638
OCFS	1,32,22,915			1,32,22,915
OEFC	36,44,559	74251000*		-7,06,06,441
OCFA	54,82,161	25300**	27,32,667	27,24,194
TCLTA			9,19,538	-9,19,538
Total	9,29,13,512	7,42,51,000	52,50,444	1,33,86,768

* Meena building at OEF Hazaratpur was inadvertently capitalised during FY-2021-22. The reversal entry has been made accordingly with retrospective effect.

** One Vehicle at OCF Avadi was wrongly Capitalised which was already disposed off prior to corporatization.

B) Broad details of other identified assests & liabilities are summarised herewith:-

S.No.	Unit Name	Description	Nature	Value
1	OEFC	Security Deposit with Electricity Department	Pre-Corporation Assets	1,31,97,023
2	OEFC	Security Deposit with Electricity Department	Pre-Corporation Assets	13,81,486
3	OEFC	A.O. Ordnance Equipment for Security Deposit	Pre-Corporation Assets	24,55,366
4	OEFC	Furniture & Fixtures	Pre-Corporation Assets	1,24,22,400
5	OEFC	Perimeter Wall & Overhead Water Resioviior	Pre-Corporation Assets	4,11,07,602
	Total Pre-Corporation Assets of OEFC			7,05,63,877

S.No.	Unit Name	Description	Nature	Value
1	OEFC	Dines Kumar Shukla & Co. (Amount received prior to Corporatization but scrap Sale made after 1st October-2021)	Pre-Corporation Liability	1,32,708
2	OEFC	JMB, UNIVERSAL FASHION PVT. LTD. (Amount received prior to Corporatization but scrap Sale made after 1st October-2021)	Pre-Corporation Liability	96,985
3	OEFC	Unik Traders (Amount received prior to Corporatization but scrap Sale made after 1st October-2021)	Pre-Corporation Liability	3,116
4	OEFC	Return of Retention Money- Retention money was deducted prior to Corporatization but the amount returned / adjusted after 1st October-2021	Pre-Corporation Liability	11,58,283
5	OEFC	SANA TRADERS (Amount received prior to Corporatization but scrap Sale made after 1st October-2021)	Pre-Corporation Liability	2,07,148
	Total Pre-Corporation Liabilities of OEFC			15,98,239

S.No.	Unit Name	Description	Nature	Value
1	OCFS	RCC Overhead Reservoirs	Pre-Corporation Assets	15,40,063
2	OCFS	Security Deposit With Electricity Department	Pre-Corporation Assets	1,16,03,740
3	OCFS	Security Deposit With BSNL	Pre-Corporation Assets	79,112
Total Pre-Corporation Assets of OCFS				1,32,22,915

S.No.	Unit Name	Description	Nature	Value
1	OEFG	Security Deposit With Electricity Department	Pre-Corporation Assets	8,40,000
2	OEFG	GST Refund (ITC)	Pre-Corporation Assets	27,66,955
3	OEFG	Excess Liability Recognized in Balance Sheet Reversed	Pre-Corporation Assets	37,604
Total Pre-Corporation Assets of OEFG				36,44,559

S.No.	Unit Name	Description	Nature	Value
1	OCFA	Security Deposit with Electricity department	Pre-Corporation Assets	38,23,847
2	OCFA	Security Deposit with BSNL	Pre-Corporation Assets	85,371
3	OCFA	Building Constructed by MES Short Capitalised	Pre-Corporation Assets	15,72,943
Total Pre-Corporation Assets of OCFA				54,82,161

S.No.	Unit Name	Description	Nature	Value
1	OCFA	Liability of MES	Pre-Corporation Liability	1,62,943
2	OCFA	Municipal Corporation Charges	Pre-Corporation Liability	25,69,724
Total Pre-Corporation Liabilities of OCFA				27,32,667

S.No.	Unit Name	Description	Nature	Value
1	TCLTA	Payment Made in F.Y. 2021-22 for an expenditure of pre-corporation period	Pre-Corporation Liability	9,04,888
2	TCLTA	Payment Made in F.Y. 2022-23 for an expenditure of pre-corporation period	Pre-Corporation Liability	14,650
Total Pre-Corporation Liabilities of TCLTA				9,19,538

Annexure-3

Trade Receivable Ageing

31st Mar-22

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,897.59	-	-	-	1,897.59
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	
(iii) Disputed Trade Receivables considered good	-	-	-	-	
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	
Total	1,897.59	-	-	-	1,897.59

Trade Receivable Ageing

31st Mar-23

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	17,726.51	71.89	-	-	17,798.40
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	
(iii) Disputed Trade Receivables considered good	-	-	-	-	
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	
Total	17,726.51	71.89	-	-	17,798.40

Annexure-4

Trade payables Ageing

31st Mar-22

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 Months	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1,679.75	-	-	-	1,679.75
(ii) Others	1,773.67	-	-	-	1,773.67
(iii) Disputed dues - MSME	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	
Total	3,453.42	-	-	-	3,453.42

Trade payables Ageing

31st Mar-23

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 Months	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	498.12	5.55	-	-	503.67
(ii) Others	50.22	19.01	-	-	69.23
(iii) Disputed dues - MSME	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	
Total	548.34	24.56	-	-	572.90

Annexure attached to and forming part of Note No 5

SHORT TERM TRADE INVESTMENT IN MUTUAL FUNDS

(₹ in Lakhs)

NAME OF MUTUAL FUND	BALANCE AS ON 01.04.2022		PURCHASE DURING THE YEAR		SALES DURING THE YEAR		BALANCE AS ON 31.03.22	
	UNIT	AMOUNT (₹)	UNIT	AMOUNT (Lakhs)	UNIT	AMOUNT (Lakhs)	UNIT	AMOUNT (Lakhs)
LIQUID FUNDS / DEBT FUND								
SBI Liquid Fund Direct Growth	-	-	8,88,135.36	30,200.00	8,88,135.36	30,386.16	-	-
SBI Overnight Fund Direct Growth	-	-	17,93,765.48	62,950.00	17,93,765.48	62,999.64	-	-
SBI Savings Fund- Direct Plan- Growth	4,49,36,217.04	15,962.34	2,52,89,651.30	9,000.00	7,02,25,868.34	25,240.25	-	-
TOTAL LIQUID /DEBT FUNDS	4,49,36,217.04	15,962.34	2,79,71,552.14	1,02,150.00	7,29,07,769.18	1,18,626.05	-	-

SHORT TERM TRADE INVESTMENT IN MUTUAL FUNDS

NAME OF MUTUAL FUND	BALANCE AS ON 01.04.2022		PURCHASE DURING THE YEAR		SALES DURING THE YEAR		BALANCE AS ON 31.03.22	
	UNIT	AMOUNT (₹)	UNIT	AMOUNT (Lakhs)	UNIT	AMOUNT (Lakhs)	UNIT	AMOUNT (Lakhs)
LIQUID FUNDS / DEBT FUND								
SBI Liquid Fund Direct Growth	-	-	9,13,807.97	29,998.50	9,13,807.97	30,119.73	-	-
SBI Overnight Fund Direct Growth	-	-	7,88,826.11	27,018.38	7,88,826.11	27,097.38	-	-
SBI Savings Fund- Direct Plan- Growth	-	-	8,81,81,460.53	31,200.00	4,32,45,243.50	15,300.00	4,49,36,217.03	15,962.3
TOTAL LIQUID /DEBT FUNDS	-	-	8,98,84,094.62	88,216.88	4,49,47,877.58	72,517.11	4,49,36,217.83	15,962.3

Annexure-6

Annexure attached to and forming part of Note No.15

Reconciliation of Effective Tax Rate

(₹ in Lakhs)

Particulars	As At 31.03.2023		As At 31.03.2022	
	Rate	Amount	Rate	Amount
Profit Before Tax		3,462.94		2,303.52
Tax using the company's Domestic Tax Rate	34.94%	1,209.95	34.94%	804.85
Effect Of				
Additional deduction on Research & Development Expenses	-	-	-	-
Exempt Income -	-	-	-	-
Impact of Depreciation as Per Companies Act and Income Tax Act	3.35%	116.15	89.87%	2,070.28
Tax Incentives -				
Changes in estimates related to previous years -				
Non-deductable Expenses	2.36%	81.63	-	-
Impact on change in Tax Rate -	-	-	-	-
Others	-	-	-	17.61
Net Income [A]		3,428.43		250.85
Profit Under Section 115JB MAT [B]		3,462.94		2,302.52
Effective Tax Rate	45.28%	1,567.96	28.90%	665.62

Annexure-7

Annexure attached to and forming part of Note No. 18

(₹ in Lakhs)

Particular	Amount
Raw Material	8,178.89
Packing Material	155.20
Consumable items	138.15
Maintenance Spares	25.14
Total	8,497.38

Quantative disclosure of fair value measurement hierarchy as at 31st March 2023

Fair Value Measurement Using

(₹ in Lakhs)

PARTICULARS	Date of Valuation	Quoted prices	Significant	Significant	Total
		in active	observable	unobservable	
		markets	inputs	inputs	
		(Level 1)	(Level 2)	(Level 3)	
Investments in Mutual Funds	31st March, 2023	-	-	-	(₹ in Lakhs)

Fair value of financial instruments not measured at fair value as at 31st March, 2023

PARTICULARS	Date of Valuation	Carrying Value	Fair Value Measurement Using			Total
			Quoted prices	Significant	Significant	
			in active	observable	unobservable	
			markets	inputs	inputs	
			(Level 1)	(Level 2)	(Level 3)	
Financial Assets						
Cash and cash equivalents	31st March, 2023	62,063.98	62,063.98			62,063.98
Bank balance other than cash and cash equivalents	31st March, 2023	10,307.44		10,307.44		10,307.44
Trade Receivables	31st March, 2023	17,798.40			17,798.40	17,798.40
Security Deposit With Electricity & Telephone Department	31st March, 2023	320.00			320.00	320.00
Bank Deposits Given As Security	31st March, 2023	527.92		527.92		90,169.82
Total			62,063.98	10,835.36	18,118.39	1,80,659.63
Financial Liabilities						
Trade Payables	31st March, 2023	572.90			572.90	572.90

[illegible]



Troop Comforts Limited

(A Govt. of India Enterprise, Ministry of Defence)

CIN: U18109UP2021GOI150744

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