



Made in **India**
Making for the **World**



2nd ANNUAL REPORT
2022-23

GLIDERS INDIA LIMITED

Govt. of India Undertaking, Ministry of Defence

Gliding through inside pages

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Welcome!

At Gliders India Limited, we had a record year in 2022-23, which demonstrates the niche we are creating in the domestic parachute manufacturing for the Indian armed forces. We not only continued to make substantial progress towards our goal of Make in India programme but also harnessed our next vision of Making for the World. Our operational, governance and sustainability goals, are the elements which helps us to move ahead with vigour and make ourselves a leading parachute and other gliding equipment manufacturer globally.

Vijay Kumar Tiwari
Chairman & Managing Director



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Unveiling of the 1st Annual Report (FY 2021-22) by Shri Vijay Kumar Tiwari Chairman & Managing Director, Shri Surendra Dhapodkar, Director Finance & CFO, Shri Sushil Sinha, GM - OPF and other eminent officials at GIL Head Quarter, Kanpur.

Gliders India Limited, India's oldest and largest parachute manufacturer.

Army personnel dropping from air at enemy's location using Parachute.

A safe landing by the fighter jet at its base station.

A pilot ejecting itself from seat of the fighter jet during emergency.

Amidst war, dropping heavy artillery and army personnel carrying equipment's at challenging terrains.

Someone enjoying para-gliding at a beautiful hilly location.

Safety of the drones used for various applications.

Float assembly boats used by army and civilians at varied locations.

Combat clothes used by defence personnel at adverse locations and in challenging weather.

Different locations. Different customers. Different needs. Except for one similarity.

All using high-quality parachutes and associated equipment for defence and security applications manufactured by Gliders India Limited, with a steady domestic demand and but also catering to countries across the globe.

At Gliders India Limited, this evolution from an India-centric presence to a global positioning is the result of a distinctively mindset pursued by the Government of India –

Make in India, Making for the World.



5 Principal Messages of this Annual Report



5 ways how we are transforming the landscape of parachute manufacturing for the defence sector



There is a sweeping transformation presently underway in the domestic parachute and gliding equipment industry.



The Company is leveraging the industry momentum supported by Governments Atmanirbhar program to expand its operational framework.



This expansion will enhance the diversity of our product offerings, elevate current partnerships to a more advanced level, and reinforce the seamless integration across operations.



The implementation of these initiatives is anticipated to improve revenue predictability, mitigate costs, and strengthen margins.



These advancements are anticipated to boost the endurance of businesses across various products, segments, and market cycles.





Vision

- 🪂 To equip armed Force with modern and reliable Battle Field equipments.



Mission

- 🪂 To be the leading parachute & other floating and gliding equipments manufacturer globally.
- 🪂 To increase customer base to establish global presence.



Values

- 🪂 Achieve highest level of Customer Satisfaction
- 🪂 Commitment to Total Quality by continuously improving quality
- 🪂 Cost and Time Consciousness
- 🪂 Innovation and Creativity
- 🪂 Equip ourselves with technologies through acquisition energy in-house R&D
- 🪂 Integrity
- 🪂 Train & Motivate Personnel
- 🪂 Strive to achieve the highest quality effectiveness and dignity in both the processes and products of professional work.

Meet Gliders India Limited!

A Company more than just a Parachute manufacturer for the armed forces.

The Company is one of the most attractive proxies in the gliding equipment industry.



Lineage

Under the aegis of Ordnance Factory Board, Ordnance Parachute Factory was established in the year 1941 at Kanpur (UP) as a repair unit for Man Carrying Parachutes & thereafter commenced & established production of all types of parachutes catering to diverse requirements of Indian Armed Forces and MHA. As part of the restructuring and corporatisation of the Ordnance Factory Board, Gliders India Limited (GIL) was incorporated during August 2021 as a 100% Government owned Defence Public sector undertaking (DPSU).

The Company is headquartered at Kanpur with its manufacturing facility situated inside the Ordnance Parachute Factory, Kanpur.

The Company excels in producing a wide variety of parachutes, floats, inflatable boats and accessories under the ambitious Govt. of India scheme Atma Nirbhar Bharat Scheme.

Pride

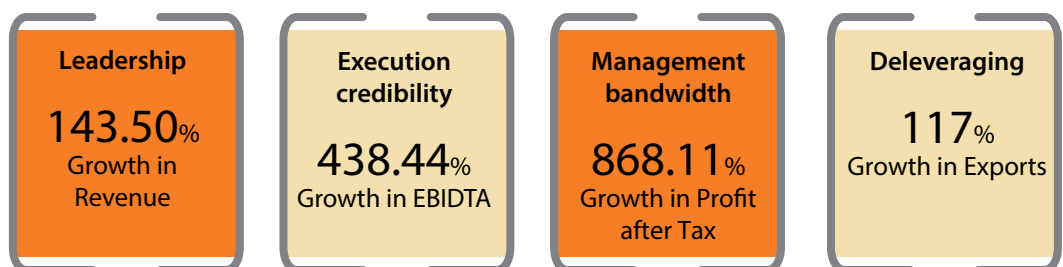
The Company prioritizes quality implementation and upholds its commitment to quality assurance through multiple accreditations. These accreditations encompass ISO 9001:2015 for quality control, ISO 14001:2015 for environmental practices, and ISO 45001:2018 for occupational health and safety. Furthermore, the Company is also equipped with a fully certified Testing Laboratory accredited by NABL, complying with ISO 17025:2017 standards.



Products manufactured

Man carrying Parachutes, Brake Parachutes for Fighter Aircrafts, Supply Drop Parachutes, Pilot Parachute, Illuminating Parachutes, KM Floats, Inflatable Boats.

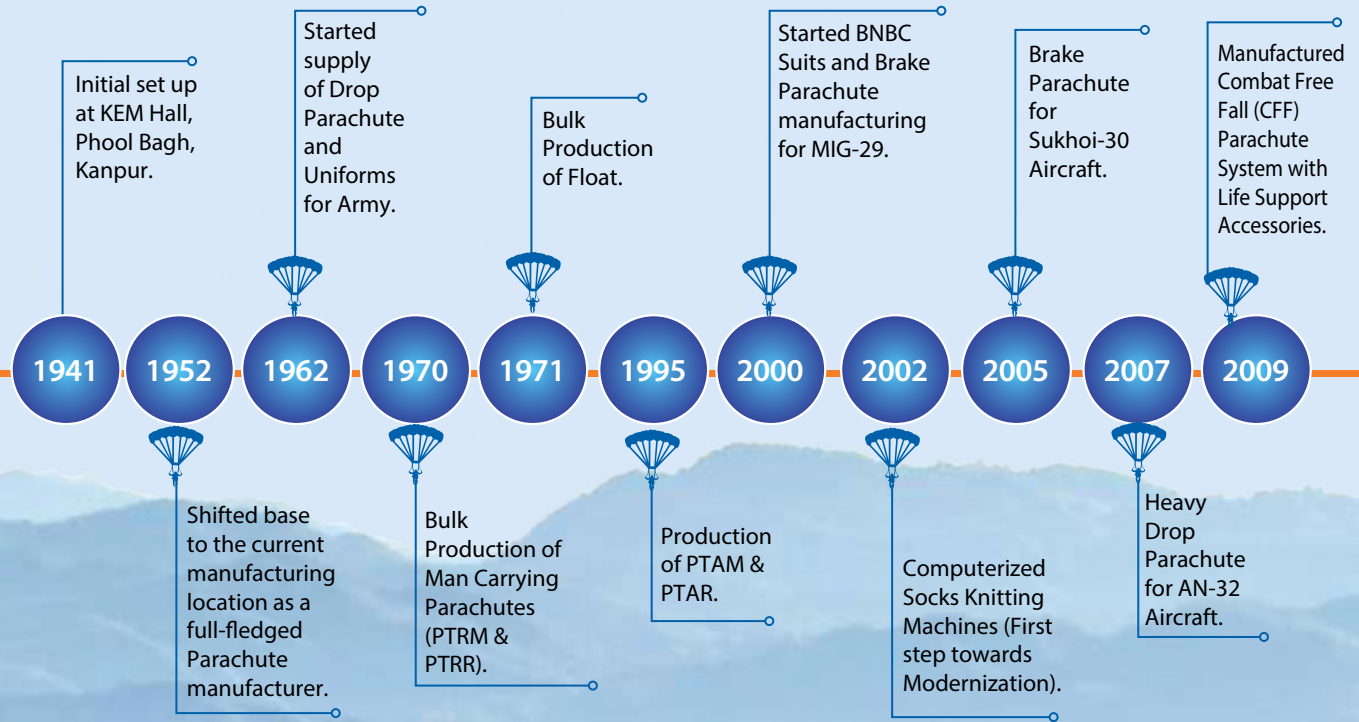
Building on our strengths



NOTE: Comparison is made between figures for Full year F.Y. 2022-23 and figures for Second-half of F.Y. 2021-22.

Made in India, Making for the world through enriching past and exciting future

At Gliders India Limited, we have always stayed ahead by embracing innovation and enhancing our capabilities, which has allowed us to expand our business globally. With prudent investments and strategically robust plans, we have emerged as a prominent manufacturer of parachutes and other defence supplies for the Defence Personnel. We are dedicated to adding value to our stakeholders and are well positioned to fulfill a crucial role for the Indian Army, Indian Air Force, Indian Navy, and Central Armed Para Military Forces.



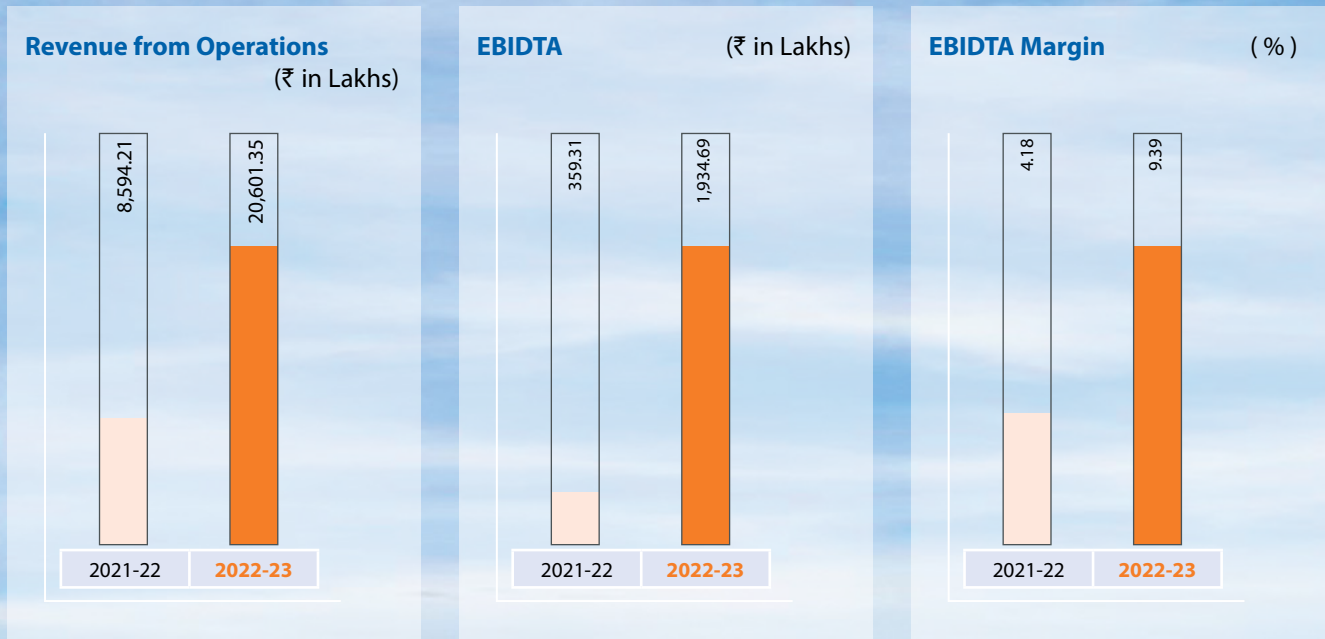


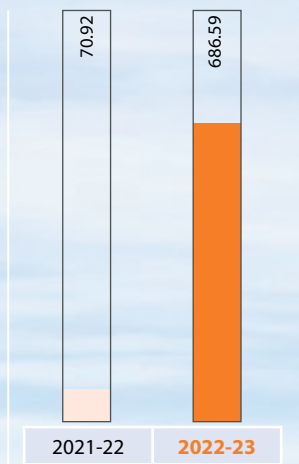
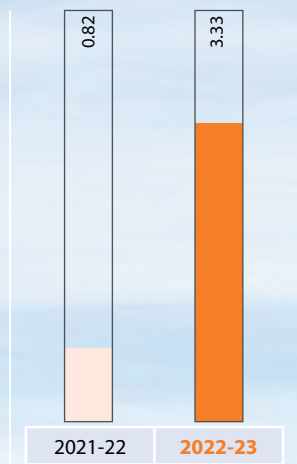
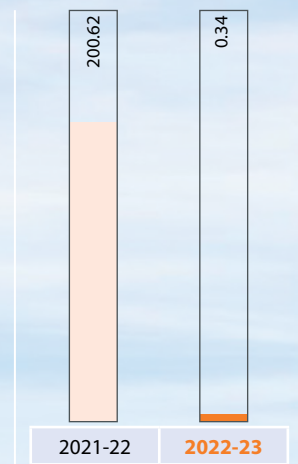
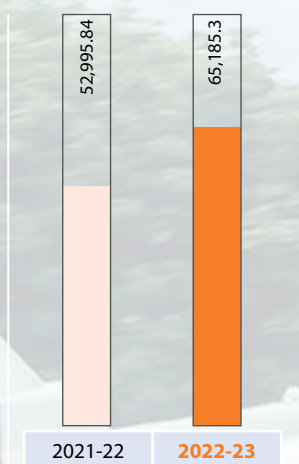
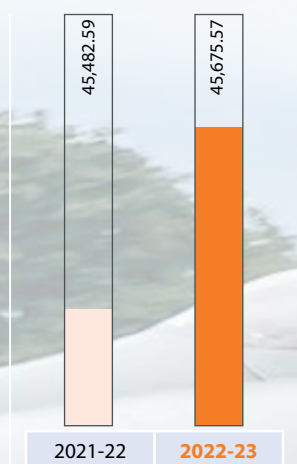
Major achievements during 2022-23

- The Company successfully manufactured and supplied "Recovery Parachute System Gaganyaan", Gaganyaan is India's first manned mission to space.
- The Company successfully developed and supplied Parachute System for Air Drop Container (ADC-150) parachute system to ADRDE Agra.
- The Company successfully developed and supplied Parachute system for Advance Light Weight Torpedo (ALWT).
- The Company developed Speed Resistance Parachute for Athlete and Water Proof Multi-Purpose Rain Poncho Convertibility as Bivouac.
- The Company developed 12-15 kg payload capacity Drone Rescue Parachute. Parachute system act as an emergency recovery system for Drone.
- The Company received orders from ADRDE to manufacture PTAG & Smart Parachute Ribbon of 3.3 Mtrs.
- The Company successfully registered at GEM and procured 89% of various products through the GEM portal.

Made in India, Making for the world through growing numbers

The past year witnessed a remarkable boost in profitability. Our full year operational revenue and revenue from our International business surged, despite challenging geo-political circumstances. Backed by governments various policy initiatives and reforms through Make in India campaign have not given thrust of various defence products domestically but have also given boost to defence exports. We also strategically tackled rising costs, resulting in healthy margins.



Net Profit (₹ in Lakhs)**Net Profit Margin** (%)**Earnings Per Share** (₹)**Network** (₹ in Lakhs)**Gross Block** (₹ in Lakhs)**ROCE** (%)

NOTE: Comparison is made between figures for Full year F.Y. 2022-23 and figures for Second-half of F.Y. 2021-22.

Made in India, Making for the world by strengthening our competitive edge

Gliders India Limited is committed to creating best-in-line class products in the defence space, and carving a niche for itself. The core values are aligned with India's dream of becoming a self-reliant nation in defence space, under the Atma Nirbhar Bharat mission. We collaborate and unite with the requirements of various defence forces domestically and other nations, in-line with 'Make-in-India' for the world. Our nimble and agile practices have made us an ideal partner for innovation. We have built longstanding relationships and the success of our robust order book with both our Indian and exporting nations is a testimony of our rewarding partnerships.

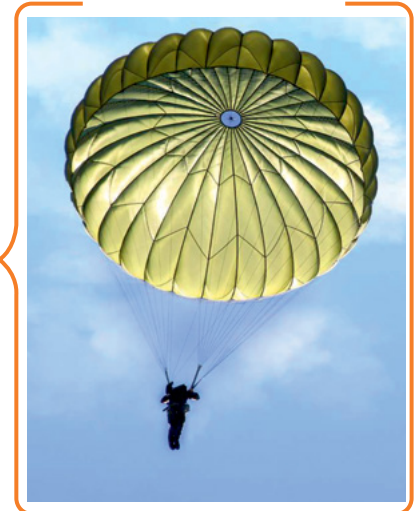


Parachute Tactical Assault-Main (PTA-M)

The Parachute Tactical Assault - Main (PTA-M) has been developed for tactical military assault applications and for normal training purposes. The canopy is aero conical in shape which helps in avoiding post-inflation collapses and having 8 m flying dia. It has 16 air scoops for quick inflation of the canopy, 4 slits covered with net which helps in oscillation free descent and is provided with an anti-inversion net at the periphery to avoid malfunction like inversion/line over/blown periphery of the canopy. The parachute assembly consists of canopy, a bag inner for stowing the canopy, a pack outer which holds the canopy and bag inner in position and a 3-point attachment fully adjustable harness for comfortable wearing of the parachute by the jumper and a Carrying Bag.

Parachute Tactical Assault-Reverse (PTA-R)

The Parachute Tactical Assault-Reverse (PTA-R) has been developed for use during tactical military assault applications in conjunction with the PTA-M main parachute. This parachute assembly consists of a 7.0 m dia. Canopy flat circular in shape, a pack cover, a deployment spring and a pilot parachute. The parachute assembly, weighing 6.5 kg is designed for attaching at the chest harness rings for manual operation with the rip cord handle provided at the right side.



High Altitude Parachute (HAP)

The High Altitude Parachute (HAP) assembly has been designed for use during Paratrooping operation and normal para-jump training from transport aircraft. This is a single stage static line parachute for high altitude and normal jump. The parachute assembly consists of canopy, a bag inner for stowing the canopy, a pack outer which holds the canopy and bag inner in position and a 3-point attachment fully adjustable harness for comfortable wearing of the parachute by the jumper and a Carrying Bag. The canopy having nominal dia. of 10.66 m is steerable with 2 T openings on gores no. 4, 5, 6 and 26,27,28 which helps in braking and steering during descent.



Parachute Tactical Assault Gajraj (PTA-G2)

The Parachute Tactical Assault-Gajraj i.e. PTA (G2) is an advance version of existing PTA (G) personnel parachutes system. The proposed parachute system will enhance the capability of paratroopers in term of deployment velocity and deployment altitude. In existing parachute system, the paratrooper can be deployed up to speed of 400 kmph keeping maximum shock value within permissible limit. This parachute system can be used by paratroopers in airborne operations both for normal & high altitude drop zones. PTA G2 comprises of both main and reserve parachute and system is equipped with AAD(PPKU).

Military Combat Parachute System (under Development)

Military Combat Parachute System provides complete solution for military free fall application. MCPS features significant advancement over exiting system especially in terms of glide ratio, manoeuvrability, light weight and payload carrying capacity. The system consists of 9-cell semi-elliptical Ram Air Parachute, state-of-the-art Oxygen System, programmable Para computer.

The MCPS system can be use in following modes

- High Altitude High Opening (HAHO): Jump from as high as 30,000 ft.
- High Altitude Medium Opening (HAMO): Jump from as high as 30,000 ft and opening anywhere up to 10,000 ft.
- High Altitude Low Opening (HALO): Jump from as high as 30,000 ft and opening anywhere between 9,000 ft - 5,000 ft. The proposed system has high glide ratio i.e 4:1 and better manoeuvrability the parachutes can be flown through very large distances.



Brake Parachute for Sukhoi Aircraft (SU-30)

The Twin Canopy Brake Parachute is intended to reduce the landing run length of Sukhoi Aircraft or during aborted take-off at air speeds of at least 180 kmph and not exceeding 300 kmph & it is used by Indian Air Force. An Auxiliary chute is also provided which is a square shape canopy having area 0.980 Sq.m with coil spring stitched inside permanently. The parachute is customisable for SU 30-MK1 or SU 30-MK2.



Brake Parachute (Hybrid) for LCA (TEJAS) Aircraft

The brake parachute is intended to reduce the Aircraft landing run of the aircraft and provides additional safety during emergencies. The main parachute is of Uni-cross design having an area of 17 m². A spring loaded pilot chute has an area of 0.05 m² is provided for initiating the auxiliary parachute. An auxiliary parachute of squared shaped has an area of 0.90 m² is provided for pulling main parachute out of deployment bag.

Brake Parachute for HAWK (AJT) Aircraft

The brake parachute is intended to reduce the Aircraft landing run of the aircraft and provides additional safety during emergencies. The shape of main parachute is Ring Slot and the area is 11.4 sqm. The auxiliary parachute of octagonal shape also provided to put into action the main parachute canopy.



Brake Parachute for Mirage-2000 Aircraft

The brake parachute is intended to reduce the Aircraft landing run of the aircraft and provides additional safety during emergencies. The main parachute is of uni-cross design with each cross strip of nylon fabric, 105 g measuring 5.280 m x 1.40 m provides canopy area of 13.5 Sq. m. An Auxiliary parachute of 1.410 in dia. is also provided which has circular shape.

Brake Parachute for MIG-21 Aircraft

The brake parachute is intended to reduce the Aircraft landing run of the aircraft and provides additional safety during emergencies. The main parachute is of Uni-cross design having an area of 15.26 m². An auxiliary parachute has an area of 1 m² intended for withdrawal of the system from the container and actuation of it.





Brake Parachute for MIG-29 Aircraft

The brake parachute is intended to reduce the Aircraft landing run of the aircraft and provides additional safety during emergencies. The main parachute is of Uni-cross design having an area of 14.4 m². A pilot chute has an area of 0.05 m² consists of a bottom which mounts a side member with flaps, a sleeve and a spring has provided for initiating the auxiliary parachute. A Squared shape auxiliary parachute has an area of 0.95 m² intended for withdrawal of the system from the container and actuation of it.

Brake Parachute for Jaguar Aircraft

The brake parachute is intended to reduce the Aircraft landing run of the aircraft and provides additional safety during emergencies. The main parachute is of circular shape design having dia. of canopy 5.64m provides canopy area as 24 Sq. m. The auxiliary parachute of hexagonal shape also provided to put into action the main parachute canopy.



Pilot Parachute PSU-36 for MIG 29 Aircraft

The Pilot Parachute PSU-36, is integral part of ejection seat used by pilot for ejection from the aircraft during emergency for safe landing. The pilot parachute PSU-36 used for ejection seat fitted in Mig-29 aircraft. This parachute is intended to provide an avenue of escape for the pilot from disabled aircraft both over land and water. The canopy body is a polygon with a circumscribed circle of 8770 mm dia.

Aircrew Parachute Chest Type MK-I

This assembly of parachute is used by Air Crew who occupy position in which it is not practicable to wear a parachute all the time. The Pack containing the Canopy and Auxiliary parachute is made detachable from the Harness and is kept in a prepared stowage, In case of an emergency it is hooked on to the Harness which is worn by the Crew all the time during flight. The assembly consists of 35 feet diameter Canopy extended skirt in shape which provides safe rate of descent even at high altitude terrain.



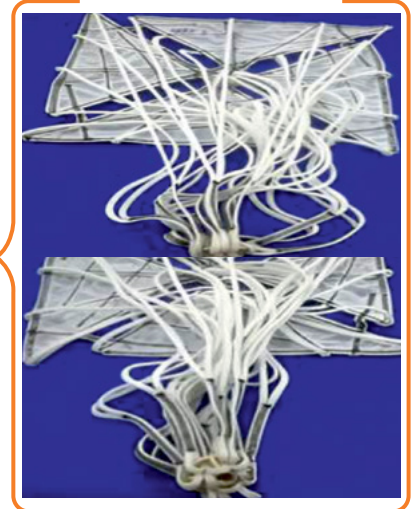


Pilot Parachute PSU-36 Series 4-3 for SU-30 Aircraft

The pilot parachute PSU-36, Series 4-3 is integral part of the ejection seat fitted in Su-30 aircraft. This parachute is intended to provide an avenue of escape for the pilot from disabled aircraft both over land and water.

Stabilizing Parachute System SP-36

The ejection seat tries to tumble (pitch), roll and yaw after ejection due to various forces acting on the seat. If this motion is not controlled it results in total disorientation of the pilot and in extreme cases it may even result in fatalities. Hence, all the ejection seats have to be stabilized after ejection. The seat stabilizing parachute SP-36 Series II is an integral part of ejection seat K-36 DM. The revolving parachute along with telescopic stabilizing rod makes steady the ejection seat with the pilot along the entire path of the motion until the life saving parachute system begins to actuate.



Equipment Cargo Aerial Delivery Parachute Supply Dropping 8.5m

The parachute having a skirt dia. of 8.5 m used for dropping of supplies with one container type SDM or with two container 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 is used for packing of the ECAD Parachute SD 8.5 m made with blended fabric.

Heavy Drop Parachute System for AN-32 Aircraft

P-3 Heavy Drop parachute system is used for Para dropping of heavy equipment like jeep, jeep & trailer, jeep & RCL gun, 75/24 mm pack howitzer with ammunition etc. and also normal supply loads from this aircraft. The importance of these systems is realized when the target areas are inaccessible by roads. This system enables para dropping of military stores up to 3 tonnes from An-32 heavy lift aircraft.



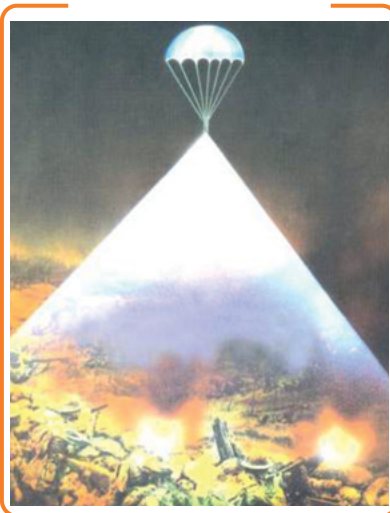


Heavy Drop Parachute System P-7

P-7 Heavy Drop Parachute System is used for Para drop of military stores (vehicles/ammunition/ equipment) of 7 Ton weight class. The Heavy Drop (P-7) System for IL-76 Aircraft consists of a platform & parachute system. Parachute System comprises a cluster of 5 Main canopies, 5 Brake chutes, 2 Auxiliary chutes & 1 Extractor parachute. The platform is a metallic structure made up of Aluminium/Steel alloys. Shock absorption system & quick unlashng accessories.

Parachute System for Air Droppable Container (ADC-150)

Air droppable containers are required by Indian Navy to provide rapid logistic support to ships and submarines at sea during war as well as peace time. Parachute system for air droppable container that is used to mount on the rare of ADC is required to decelerate the carrier to the desired impact speed so that the impact load-due does not exceed its designed limit. It provides the platform for the designed carrier to land with safe speed without hampering the sensitivity of the items. The parachute system is designed to operate automatically after release of ADC-150 from the aircraft. Just after safe clearance from the aircraft, the R-4 cutter of 1 sec delay will be fired to activate the opening of parachute. In order to accomplish this task, a self-deployed parachute which is termed as Auxiliary Parachute of Dia 0.61 m is designed for the parachute system. A ring slot parachute (02m) is designed as a drogue parachute for further reducing the speed & load impact of Container after being dropped from the aircraft to safe speed at which the deployment of main canopy can occur. A main parachute (08m) is designed to safe landing speed of container into sea.



Illuminating Parachutes

The illuminating parachutes are used to decelerate and to stabilise the speed of bombs and for a quick illumination of target area. These parachutes can also be used to provide complete battle field illumination. Used extensively to support night warfare. The illumination provided by these parachutes is sufficient for identification and engagement of all types moving and non-moving objects. The illumination will also help for movement of troops and location of enemy post and their movement.

Parasail Assembly

This Parachute is for Parasailing which is an adventurous aero-sport. Para sailor along with the parasail parachute is pulled up into the air mechanically by a moving vehicle like a jeep. The canopy gets inflated and on further pulling it starts ascending in the air like a glider up to a certain height. At a predetermined height, the parachutist is disconnected from the rope and then it starts descending with the help of parachute as a Para-jumper. This parachute is also used to impart training of Para-trooping to NCC (Air Wing) cadets.





Drone Rescue Parachute

Drones are Unmanned Aerial Vehicles (UAVs) autonomously or remotely operated aircrafts, fly without on-board human pilot operated from the ground. Drones are used for entertainment, civilian applications, wildlife, remote sensing, surveying and photogrammetry, smart agriculture, disaster surveying and management, forestry, energy harvesting, and housing renovation, scientific applications, and military applications (surveillance and reconnaissance and attacking the enemy). During the flight drones may face a variety of problems internal (e.g., an electrical circuit failure, broken connection, or mechanical damage) and external (interference of an external obstacle such as birds or hostile force) and drones can become unmanageable, fall down and land on hard surface and damage resulting in large Financial losses in addition to lost equipment and information. Parachute recovery is an important tool to avert damages and casualties caused by aircraft failures. Therefore, recovery parachutes have been developed for different weight class of Drones.

Parachute Recovery System for PTA-LAKSHYA MK-II

This two stage Parachute is used for the safe recovery of Pilot less target Aircraft LAKSHYA at the end of its mission. The maximum speed at which recovery can be initiated is limited to 810 kmph at 300 m AGL. The design speed for main parachute deployment is 60 m/s IAS.



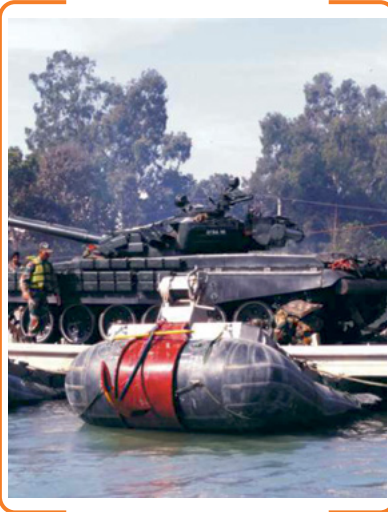
Advanced Lightweight Torpedo (ALWT)

Advanced Light Weight Torpedo (ALWT) for air launch from helicopter, aircraft and missile. The parachute system is intended to accurately and safely control the trajectory of the Torpedo and to decelerate it to the desired velocity at splashdown. At splashdown, the parachute is to be detached from the torpedo.

Paramotor

A Paramotor combines easy flying characteristic of a Paraglider wing with the autonomy and range of powered flight.



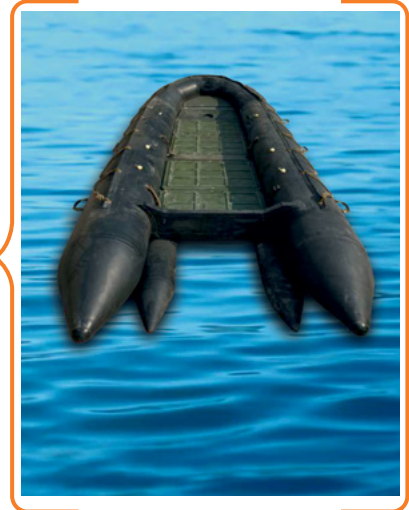


Float Assembly for KM Bridge

The Float is pneumatic and when inflated, it serves as a Floating pier for the KM Bridge for crossing rivers and rivulets. The float has 12 equal capacity compartments with one valve and one inner (centre) compartment with 4 valves. When inflated it is prism-shaped with lifted bow and stern ends. Float is provided with 28 straps for tying the saddle assembly to the float. It is deflated, rolled up and packed in a cover 'Paulin Assembly'.

Boat Assault Pneumatic Light Weight 1A (BAPLW)

The Boat is intended to carry 12 fully armed and equipped men including two crews. An OBM 35 to 45 HP or paddles can be used for propulsion of the boat at a free board of 250mm (1500 kg load). The boat has a 'U' shaped hull having two buoyancy tubes made out of rubberized nylon. The upper main buoyancy tube has a diameter of 500 mm and the lower buoyancy tube has a diameter of 250 mm. The main buoyancy tube has been divided into 6 compartments each fitted with a valve for inflation and deflation. The lower buoyancy tube has got one inflation/deflation valve at the stem end.



Inflatable Boat Gemini Craft

The Gemini Craft is designed to be seaworthy and carry out functions like

- (a) Diving Operations
- (b) Life Boat
- (c) Transport men and material
- (d) Limited Search and Rescue Operations at sea and in harbour with full complement and have good manoeuvrability and throttle response through its speed range (using 25-30 HP OBM) and particularly when coming alongside or breaking away from an underway vessel at its full load and complement.

Boat Reconnaissance Pneumatic 3 Men, 2A

The Boat Recce Pneumatic 3 men 2A is a pneumatic rubber dinghy capable of carrying out measurement and observations during recce in assault condition. Special arrangements have been provided for fixing stretcher to evacuate casualties speedily. This boat is intended to carry 3 fully armed men with recce stores or a distributed load of 340 kgs at a free board of 254 mm measured at OBM Bracket Assembly. If any two compartments are punctured, the boat will still retain sufficient buoyancy to support the crew of three, provided that the holed compartments are on the opposite sides of the boat. Designed for propulsion both manually and with a 4.5 kw (6.5 HP) OBM.





Splint Inflatable

The Splint Inflatable is one sided rubberised, leg shaped inflatable tube provided with a closed end medium duty plastic Slide fastener, spout and a separate air filling assembly. Splint Inflatable is used to prevent the fractured hand of injured person from further dislocating. It is worn by the injured person and then air is filled into the Splint Inflatable which reduces the blood flow to the affected area.

Poncho Glacier

The Poncho Glacier is intended to be used by army personnel providing complete protection in snow bound areas and even from torrential rains for multipurpose uses in all region and terrain. It designed to serve as Cape with Hood, Bivouac and Ground sheet and provided with pack on the back. It is usable in universal size. The Polyurethane Coated surface of the fabric is kept inward while stitching the Poncho Glacier. The Poncho is manufactured in two pieces of rectangular shape fabric nylon 105 gm joined together longitudinally by two rows of machine stitching 7 mm apart leaving a portion about the centre for attachment of pouch and hood.



Water Proof Multi Purpose Rain Poncho Convertibility as Bivouac

The Water Proof Multi-Purpose Rain Poncho Convertibility as Bivouac is open garments with camouflage property. It is utilized as cover during rain. The Water Proof Multi-Purpose Rain Poncho Convertibility as Bivouac is made of 100% woven polyamide fabric. It is intended to be used by MHA personnel providing complete protection to rain for multipurpose uses. It designed to serve with hood, bivouac and ground sheet and provided with a pouch. Poncho is also provided with pockets. It is usable in universal size.

NBC Suit Permeable MK-IV

Nuclear, Biological & Chemical Permeable Suit provides protection against toxic chemicals. This suit consists of Jacket with integrated hood with Trousers and can be used directly over the under garments. The suit is air permeable and allows evaporation of sweat. The Suit is made in four Sizes i.e. Small, Medium, Large and Extra Large. The Jacket and Trousers have been made by integrated outer polyester fabric with the inner Active carbon spheres adhered laminated fabric. The Trousers has been provided with the gallice and fasteners hook and loop tape for tightening at the waist and tape elastic for tight sealing. Jacket is of front close design and integrated with hood for protection of head and ears and sleeves have been provided with hook and loop for proper sealing.





Danger Building Coat & Trousers

Personal Protective Clothing i.e. Danger Building Coat & Trouser are specially designed as a protective wear for personnel's worked in ammunitions filling units. The material and design of the Coat & Trouser is such that it reduces the static charge generation by clothes in ammunition filling units and reduce the fire chances due to static charge generation by clothes and also work as a protective wear for the personnel working in the filling units.

Coat Combat

The Coat Combat is meticulously crafted for soldiers to don over their uniforms during frigid combat missions, ensuring optimal warmth and comfort in harsh cold weather environments. The outer shell boasts a striking digital print that seamlessly blends with the latest army uniform pattern, showcasing both functionality and aesthetics. Its unparalleled resistance to fading from light exposure, washing, perspiration, and abrasion makes it a durable choice for long-lasting use. Remarkably lightweight, it offers supreme comfort without sacrificing mobility, while the cutting-edge insulation material within provides an exceptional warmth-to-weight ratio. With the Coat Combat, soldiers can shield themselves from the abrupt weather fluctuations that often accompany combat scenarios, ensuring they remain ready and resilient in the face of adversity.



Coat Combat Disruptive with/without logo

This specially designed jacket is perfectly suited for combat operations in cold climates. With its high effectiveness, it can be worn over any other garment for maximum protection and unparalleled disruption capabilities.

Trouser Extreme Cold Climate

It is suitable for use in areas with high altitudes and extremely cold weather conditions.



Result:

- The Company started production and supply of Indigenous Pilot Parachute PSU-36 for BP SU-30 A/C started from Feb'23.
- The Company started bulk production and supply of Indigenous Brake Parachute for Hawk A/C started from Feb'23.
- The Company appointed consultant for designing and other technical consultancy for Parachute and other items
- The Company achieved all time high production of Supply Drop Parachutes, P3 Heavy Drop parachutes and various pilot parachutes.
- The Company signed MoU with IITs for improvisation, modernisation of production/inspection process.

Made in India, Making for the world through quality and innovation edge

The depth and breadth of the knowledge that we have built over the years are reflected in the best-in-class technologies that we implement in our processes. We at Gliders India Limited, are redefining industry standards with continuous innovation, unique product solutions, impeccable quality and unwavering commitment to customer.

Result



In manufacturing

- The Company started a new centralized Air-Conditioned production shop for manufacturing of various synthetic fabric/nylon based fabric parachute.
- The Company is enhancing the manufacturing capacity of various combinations of parachutes like Brake Parachutes and Pilot Parachute by procuring state of the art machines.



In quality

- The Company acquired AS9100D Certification for global quality standard in the aviation, space and defence industries.
- The Company has been awarded AFQMS certification from DGAQA during Defence Expo for Aeronautical Stores.
- The Company has been accredited with ISO9001-2015, ISO-14001:2015 and ISO 45001:2018.

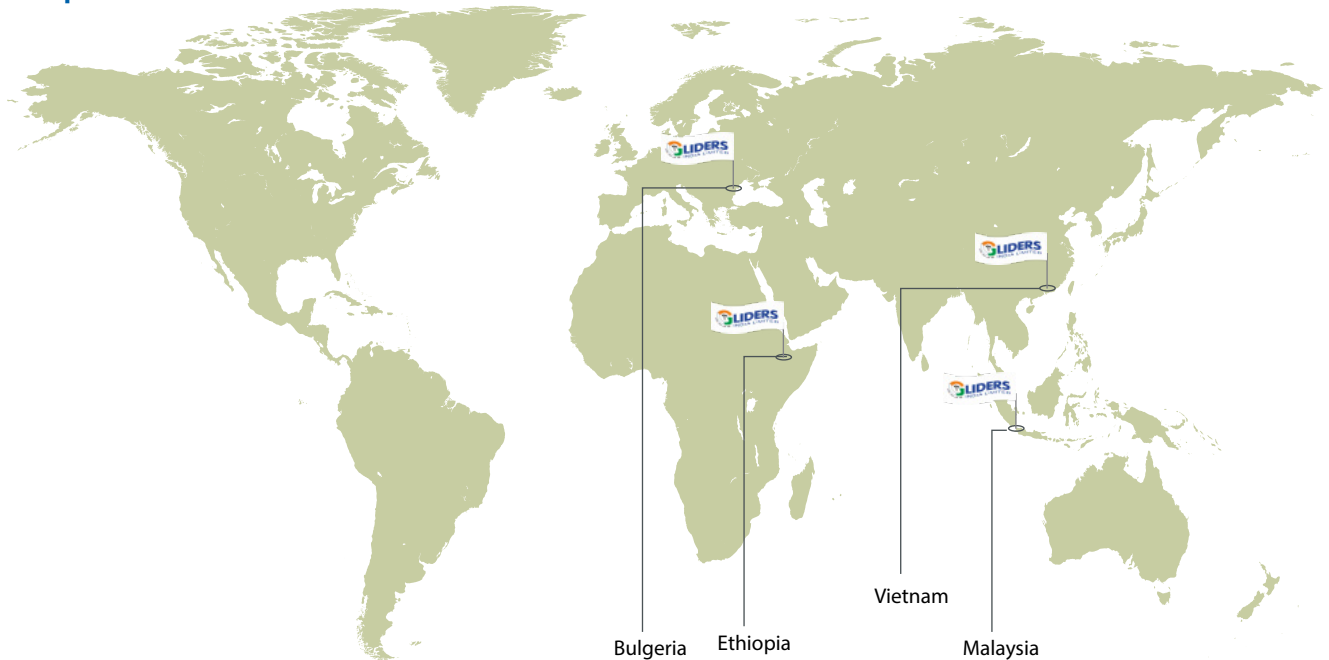


In R&D

- The Company achieved 100% indigenization and it continues to support Aatmanirbhar Bharat Abhiyan.
- The Company is continuously adopting new technologies indigenized by DRDO for developing new products.
- The Company has taken iDEX route for development of new adventures sports parachutes like Paragliding and Parasailing.
- The Company filed 07 Patents, 07 Copyrights and 03 Trademarks under MRGS (Mission Raksha Gyan Shakti) Scheme under Ministry of Defence.
- The Company has been granted with 15 IPR against 37 IPR filed.
- The Company has formed a dedicated "IPF Cell" for spreading IPR awareness drive among factory employees.



In export



As a Company rooted in India's soil and under the aegis of the Government of India, Gliders India Limited has built a world class gliding equipment and parachute manufacturing brand right here in India. The Company has been able to make a breakthrough in markets few others have, which endorses the quality of its products. The Company today export products to many parts across the world. In fact, the Company has been able to truly create a robust Make in India brand for the world.

During the year, various initiatives undertaken by the Company to boost its export revenue includes:

- The Company's delegations were deputed to various countries including Kenya, Indonesia, Vietnam, Nepal and Malaysia for exhibitions/seminars/presentations.
- The Company also participated in various domestic exhibitions viz DEFEXPO 2022, Aero India 2023, North Tech Symposium Udhampur, Drone Festival of India 2022, East Tech 2022 Kolkata, 25th National Defence Exhibition Kolkata, National Level MSME Conclave Kolkata etc.
- During the end of FY 22-23, the Company's total Export Order Book stood at Rs. 2201.00 Lakhs and it exported Rs. 118.00 Lakhs of products to Bulgaria, Vietnam, Ethiopia and Malaysia. Further after closure of F.Y. 2022-23 GIL also exported Rs. 193.00 Lakhs of products to Malaysia.

Products available for export:

- Man carrying Parachutes.
- Cargo parachutes (Supply Drop parachutes, Heavy drop parachutes).
- Brake Parachutes.
- Pilot Parachutes PSU-36 Series.
- Man carrying Parachutes : HAP.
- Inflatable products: Float assembly for KM Bridge, Boat Assault Pneumatic Light Weight (BAPLW), Inflatable boat Gemini craft, Boat Recce 3 Men.
- Multipurpose Rain poncho convertible to Bivouac, Poncho Glacier.
- Recovery Parachutes for Air Droppable Containers.





Made in India, Making for the world while progressing with integrity

At Gliders India Limited's, integrating governance framework has enabled us to effectively manage risks, seize opportunities, and make meaningful contributions to both society and the environment. Our steadfast dedication to responsible governance not only cultivates trust among our stakeholders but also propels sustainable growth and generates enduring value. By adhering to high standards, we strive to set an example for a sustainable future, while placing the diverse needs of our stakeholders at the forefront, ensuring utmost accountability and responsible resource utilization. The Board of Directors and Committees oversee the functioning of the Company guide the management team to protect the long-term interests of stakeholders. In addition, the Board ensures compliance with relevant regulations. Our Board comprises experienced and competent professionals who bring the strategic leadership and skills needed to grow our business led by our sustainability goals. Our Board of Directors met 7 times in FY 22-23, with an average participation rate of 85%.





Corporate Information

Board of Directors



Shri Vijay Kumar Tiwari, a Graduate in Mechanical Engineering from NIT Bhopal and Post Graduate Diploma in Computer Applications, was appointed on the Board of Gliders India Limited on 14th August, 2021 as Chairman & Managing Director. Prior to his appointment, he has served as General Manager of two Ordnance Factories viz., High Explosives Factory, Khadki and Ordnance Factory, Bhandara. He joined Indian Ordnance Factories Services in March 1988 and has also served at BHEL, Haridwar. He has gathered vast experience at different locations and different levels in almost all the departments of any Industrial Establishment e.g. Production, Quality, Maintenance, Information Technology, Production Planning, Purchase division, Engineering division etc. Working at Corporate level gave him exposure in planning of capital acquisition for all factories. His vast, rich and varied experience of working at both factory head level and corporate level, has enabled him in taking short-term and long-term strategic decisions for the overall growth of the organisation.



Shri Sunil Date, a Bachelor in Engineering in Electronics and Telecommunications Engineering, was appointed on the Board of Gliders India Limited on 14th August, 2021 as Director Operations & HR. Prior to his joining, he was associated with Industrial Systems Group of BHEL for one and half years before joining Ordnance Factory organisation. An Indian Ordnance Factories Service (IOFS) Officer of 1989 batch, he has held important positions in various Ordnance factories like HAPF, OFIT, OFPM and OFAJ. He has a rich experience of more than 30 years in fields of Maintenance, Procurement, Quality, R&D and Production in various Ordnance factories. He has also headed Quality and Maintenance divisions at Ordnance factory Ambajhari and has made notable contributions in Plant and Process modernization, Predictive Maintenance and Implementation of Industry 4.0 concepts there. He is also a qualified Energy Auditor from 2005 exam of BEE and was amongst Top 10 in India. He has also been a member of Energy Management and Energy Saving Sectional Committee of BIS.



Shri Surendra Dhapodkar, a Bachelor of Engineering in Mechanical and Indian Engineering Service Batch 1990, was appointed on the Board of Gliders India Limited on 14th August, 2021 as Director Finance & CFO. Prior to his appointment, he was associated with Bombay High, an offshore of ONGC (ICP-Platform) for 20 month before joining the Indian Ordnance Factories Service (IOFS). He has also worked as an Additional General Manager in Heavy Vehicle Factory Chennai; First Secretary Technical (Indian Embassy Moscow, Russia) and at various positions at Ordnance Factory, Kanpur and Ordnance Factory Ambajhari. He has more than 33 years of experience dealing with Production, Maintenance, Procurement and Project execution. He has work in a very important prestigious assignment as a First Secretary in the Indian Embassy Moscow to deal with various Russian industries and projects dealt by the Department of Defence Production. He has been awarded "Ayudh Bhushan" in 2009. He has also contributed towards Tank Production Technology (T-90, T-72, Arjun) at HVF & Ammunition Hardware Production at Ordnance Factory Kanpur and Ambajhari.





***Shri Rajeev Prakash**, a Bachelor of Arts (Honours) in English from St. Stephen's College, University of Delhi and Master of Arts in Development Studies from the Institute of Social Studies, Erasmus University, was appointed on the Board of Gliders India Limited on 14th September, 2022 as a Government Nominee Director. He is a 1995 batch Indian Post & Telecommunication Accounts and Finance Service Officer (IP&TAFS). He has a vast experience in the field of Finance and has 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, Government of India in June, 2022, he has worked as Deputy Director - General (Wireless Planning & Finance), Department of Telecommunication, Ministry of Communication. Further, he has also served as a Government Nominee Director at Bharat Broadband Network Limited for more than 3 years.

*(Upto 27.02.2023)



Shri Jayant Kumar, a Bachelor's in Mechanical Engineering, was appointed on the Board of Gliders India Limited on 27th February, 2023 as a Government Nominee Director. He is also serving at the position of Joint Secretary (Aerospace). He belongs to Indian Railways Service of Mechanical Engineers (IRSME) of 1994 batch and has more than 25 years of rich & varied experience working with the Indian Railways. Prior to joining as joint Secretary (Aerospace), Department of Defence production, he was Group General Manager at Dedicated Freight Corridor Corporation of Indian Limited (DFCCIL).

COMPANY SECRETARY

CS Archana Gupta

GENERAL MANAGER: OPF (unit of GIL)

Shri M. C. Balasubramaniam

JOINT GENERAL MANAGER: OPF (unit of GIL)

Shri Subhashish Banerjee

JOINT GENERAL MANAGER (GIL HQ)

Shri B. L. Meena

JOINT GENERAL MANAGER (GIL HQ)

Smt Pratiksha Saini

JOINT GENERAL MANAGER: OPF (unit of GIL)

Shri Ram Gyan Singh

DEPUTY GENERAL MANAGER (GIL HQ)

Shri Ashutosh Tripathi

CHIEF VIGILANCE OFFICER

Shri Vivek Gupta

(Joint General Manager : Vigilance)

Shri Konan Kumar Toppo,

(Joint General Manager : Vigilance)

STATUTORY AUDITOR

M/s Tandon Seth & Co.

(FRN: 002340C)

(Chartered Accountants, Kanpur)

SECRETARIAL AUDITOR

Pr. Ankit Mishra & Company

(Practicing Company Secretary)

BANKERS

STATE BANK OF INDIA

AXIS BANK

ICICI BANK

HDFC BANK

REGISTERED OFFICE/CORPORATE OFFICE

G.T. Road, Kanpur – 208013 (U.P.)

Phone no.: 0512-2989174

E-mail: corporate@glidersindia.in

Website: glidersindia.in

FACTORY

Ordnance Parachute Factory

Napier Road, Cantt.

Kanpur – 208004 (U.P.)

E-mail: opf.ofb@nic.in

CIN: U17299UP2021GOI150733

Gliders India Limited, in news



Defence Minister Shri Rajnath Singh presenting 15 pairs of parachutes (main and reserve) manufactured by Gliders India Limited to the Cabinet Secretary for Defence for use by the Kenyan Forces as a token of friendship.

DRONE FESTIVAL, GHAZIABAD

Shri Rajnath Singh, Hon'ble Defence Minister and General Vijay Kumar Singh, Minister of State of Road Transport and Highways of India at GIL's stall and greeted by Shri Surendra Dhapodkar, Director Finance & CFO, Gliders India Limited.



Defence expo 2022 at Gandhi Nagar Gujarat



NATIONAL DEFENCE EXHIBITION, KOLKATA

DEFENCE EXPO, VIETNAM



Hon'ble Prime Minister of Vietnam inaugurated India Pavilion at Defence Expo Vietnam



Ambassador of India To Vietnam Shri Sandeep Arya

DEFENCE SEMINAR, KENYA



Participation in Defence Seminar organised in Kenya for parachute requirements of Kenyan Defence Force.

VISIBILITY IN MEDIA

राष्ट्र सेवा के लिए कृत संकल्पित है जीआईएल
सीएमडी ने देश की माटी का वंदन कर ध्वजारोहण किया

पौधारोहण एवं विधिवत आरंभोत्सवों में सहभागी

कानपुर, 27 अक्टूबर: भारतीय विमानतंत्र विभाग के सीएमडी जीआईएल के अध्यक्ष श्री ए.के. शर्मा ने देश की माटी का वंदन कर ध्वजारोहण किया। इस अवसर पर उपस्थित के राज मंत्र एवं जीआईएल के अध्यक्ष एवं वरिष्ठ अधिकारी श्री.के. शर्मा ने देश की माटी का वंदन कर ध्वजारोहण किया। इस अवसर पर उपस्थित के राज मंत्र एवं जीआईएल के अध्यक्ष एवं वरिष्ठ अधिकारी श्री.के. शर्मा ने देश की माटी का वंदन कर ध्वजारोहण किया।

GLIDERS INDIA LIMITED
2ND ND
Foundation Day Celebrations
01ST OCTOBER 2023

75th Anniversary Mahotsav
GLIDERS INDIA LIMITED
 A Govt. of India Undertaking, Ministry of Defence



INDEPENDENCE DAY





From the desk of Chairman & Managing Director

Dear Shareholders

It gives me immense pleasure to welcome you all to 2nd Annual General Meeting of Gliders India Limited (GIL), Kanpur. I take this opportunity to share the performance highlights for the year 2022-23 and future outlook of the Company.

Gliders India Limited (GIL), a PSU under the Ministry of Defence, Government of India has consistently reached new heights in its journey over the past two years since its establishment and continues to progress steadily in this direction. Truly, the organization's journey with its innovative goals is unstoppable and GIL has emerged as a market leader in the field of parachute manufacturing.

Under the Government of India's 'Self-Reliant India' and 'Make in India' policies, we are not only fulfilling the countries defence needs but also establishing our presence on the global stage. Our organization is continuously reaching new heights on the global horizon. The results of GIL's global branding efforts are becoming increasingly evident as a prestigious parachute manufacturer. GIL has established Global presence specially in South East Asian countries and African countries consistently upholding the highest standards of Quality, Authenticity and Reliability as its core values. Here are some key points:


- (a) **VOI of 186.09 Cr. and Turnover of 206.01 Cr. this year has been the highest ever value of Parachute production in history of GIL/ OPF.**
- (b) **Receipt of 22.01 Cr. worth of export order till now is also highest ever in history of GIL.**
- (c) **The profit of 6.87 Cr. in parachute production is also highest ever in history of GIL.**





From its inception to the present, new dimensions established in the defense production sector:

At the time of GIL's established in October 2021, the biggest challenge we faced was change of management. We were establishing a PSU (Public Sector Undertaking) from a government department while adhering to all the rules and regulations, and preparing a roadmap and strategy for its successful operation. Undoubtedly, we have been successful in overcoming this challenge. Today, our top priority is to meet the expectation level of Indian Armed Forces and also to maintain relevance in the global market


while upholding excellence in our core strength.

 **GIL contribution to 'Make in India' and 'Atmanirbhar Bharat' policies:** We have a dedicated team working in the field of Research and Development (R&D), focusing entirely on Indigenous production of new products. In this regard, I can confidently say that, under the 'Make in India' and 'Atmanirbhar Bharat' campaigns of the Govt. of India, we are manufacturing all our products indigenously. India has become self-reliant in products like the 'Brake Parachute Hawk' and 'Pilot Parachute Su-30 (Sukhoi-30)' through GIL's efforts.

 **GIL's plans in the export sector:** GIL has received orders from many countries and these are being executed in a phased and timely manner. **Recently, our Hon'ble Raksha Mantri presented man carrying parachutes 'PTA-M and PTA-R' manufactured by GIL to Kenya as a token of friendship.** These parachutes will be used by the Kenyan Defence Forces in special combat operations.

 **GIL's Specific Achievements:** We are proud to have successfully manufactured products like the 'Pilot Parachute' for the Su-30 aircraft and Brake Parachute for Hawk in India, thereby eliminating India's dependence on foreign sources. Additionally, GIL achieved a record production of 206 crores during 2022-23, setting a benchmark in the parachute manufacturing sector. In the past two years, GIL has successfully transformed into a profit earning company. Our production target for this year have seen unprecedented growth. We have orders for exports exceeding 20 crores, which is significantly higher than the previous years.

 **GIL collaboration with foreign companies in the area of research and development (R&D):** GIL is now globally recognized parachute manufacturer and is emerging as a credible global brand. We are among the leading manufacturers in Asia for parachutes. With state-of-the-art infrastructure and skilled experts in parachute manufacturing, we have become a globally trusted brand. GIL has formulated plans for collaboration with foreign companies in the field of research and development, manufacturing, and maintenance set-up establishment. GIL has signed a Memorandum of Understanding (MoU) with leading institution, including IIT (India Institutes of Technology) Kanpur, to work collectively on emerging opportunities in the field of parachute design and development to promote R&D activities. In this direction, our meaningful and effective steps are continuously underway.

 **GIL's approach to innovation in the defense sector:** We are dedicated to innovation with enthusiasm and boundless energy in line with the broad policies of the Indian government. We showcase new and expertly developed products at various national and international expos. GIL is also providing opportunities to Start-ups and MSMEs

in the field of defense production through iDex (Innovation for Defense Excellence) platform.

Future Plans

GIL is steadfastly committed to fulfilling the visionary policies of the Indian government. We ensure strict adherence to the directions we receive from time to time and continue to progress while upholding excellence in our products and strategies in the global market. With our skilled and excellent engineers, managers, and employees, we are wholeheartedly dedicated to implementing our plans without any obstacles.

Now, we must set new benchmark by achieving even higher and consistent production targets while creating a healthy and creative work environment. Only then can we strengthen our position in the ever-changing global landscape. We are confident that our organization will remain dynamic on the path of progress

Corporate Governance

GIL always strives to attain the highest standard of Corporate Governance practice and takes proactive steps to ensure sound corporate governance. The Company has complied with the Guidelines on Corporate Governance framed by the Department of Public Enterprises (DPE) except for the appointment of the requisite number of Independent Directors, which is awaited from the Department of Defence Production/ Regulatory Authority. The Company has established Systems and Procedures to ensure that its Board of Directors are well informed about the Policies of the Company, to enable them to discharge their responsibilities and to enhance the overall value of stakeholders. GIL also endeavors to constantly review the Policies and Procedures of the Company to ensure transparency in all aspects of the Company's working.

Acknowledgement

I take this opportunity to extend my sincere gratitude to the Department of Defence Production, our valuable stakeholders viz., the Indian Air Force, Army, Navy, DGAQA, Statutory Auditors, C&AG Auditors, Bankers, Legal Advisors, Collaborators, Suppliers, Shareholders and other Agencies and acknowledge their contributions in our achievements.

I am grateful to my colleagues on the Board for their valuable guidance and acknowledge the immense contribution and dedication of the employees of the Company at all levels.

GIL will continue to pursue global standards, and I am confident that the Company will achieve many milestones in time to come. We hope to attain all round success with the continued support and guidance of all our stakeholders.

Best Wishes

JAI HIND

(Vijay Kumar Tiwari)

Chairman & Managing Director

Directors' Report

The Board of Directors takes immense pleasure in presenting the 02nd Annual Report on business and operations of the Company, together with its Audited Financial Statements of the Company ("GIL"), for the Financial Year ended on 31st March, 2023 and Reports of the Statutory Auditors and the Comptroller & Auditor General of India (C & AG) thereon.

Business Overview:

Gliders India Limited (GIL) is Defence Public Sector Undertaking under Department of Defence Production, Ministry of Defence, Government of India, incorporated on 14th August 2021 under the Companies Act 2013 as a Company, 100% Government of India. Consequent to corporatisation of erstwhile Ordnance Factory Board (OFB), the management of same is taken over by Gliders India Limited (hereinafter referred to as "GIL"). However, its Commencement of business took place on 1st October 2021. Ordnance Parachute Factory is a unit under Gliders India limited was established in the year 1941 at Kanpur (UP), India. Production unit of GIL viz. Ordnance Parachute Factory is the largest and oldest production unit of Parachutes in India.

Financial year 2022-23 has been a period of outstanding performance of GIL wherein GIL has excelled in various

dimensions including high quality and economic production of various parachutes and inflatable products, development of new types of parachutes for variety of applications etc. Your Company registered an impressive growth of 143.51 % in Gross Revenue in F.Y. 2022-23. During the year under review, your Company has received major orders from Armed Forces (Army, Air Force and Navy) as well as from international market.

Financial Performance:

During the year under review, the Company has achieved remarkable Gross Revenue of Rs 212.34 Crores in comparison of Rs 87.20 Cr in Previous year F.Y. 2021-22 (01.10.2021 to 31.03.2022). During the fiscal, the Company reported turnover of Rs. 206.01 Crores in F.Y. 2022-23 in comparison with turnover of Rs. 85.95 crores in the second half of F.Y. 2021-22, thus registered an increase of 139.69 %. Further Profit before Tax (PBT) grew to Rs.11.38 Cr in FY 2022-23 in comparison of Rs 0.95 Cr in second half of F.Y. 2021-22, registering an increase of 1097.89%. Further Net Profit (Profit after Tax) of the Company increased to Rs. 6.87 Crores in F.Y. 2022-23 in comparison to Rs. 0.71 Crores in the second half of F.Y. 2021-22, thus registering an impressive increase of 867.61% in net profit.

The Financial Performance of the Company for FY 2022-23 vis-a-vis the previous year is summarized below:

(Rs. in Crores)

Particulars	2022-23 (01.04.2022 to 31.03.2023)	2021-22 (01.10.2021 to 31.03.2022)
Revenue from Operations	206.01	85.94
Other Income	6.33	1.26
Gross Revenue	212.34	87.20
Revenue from Operations	206.01	85.95
Earnings before Interest, Taxes & Depreciation	16.35	3.59
Less: Financial Costs	0.00	0.00
Less: Depreciation	4.96	2.63
Profit Before Exceptional Items and Tax	14.38	0.96
Less Exceptional Items	2.99	0.00
Profit Before Tax	11.39	0.96
Less: Tax Expense	4.52	0.25
Profit After Tax	6.87	0.71
Other Comprehensive Income	0.00	0.00
Total Comprehensive Income	0.00	0.00
Profit & Loss Appropriation Account	6.87	0.71
Amount available for appropriation (including Opening Balance)	0.00	0.00
Less: Interim Dividend Paid	0.00	0.00
Less: Amount transferred to Reserves	0.00	0.00
Balance	6.87	0.71

GIL Main Products:

GIL excels in the production of Parachutes and Inflatable products including Seat Ejection Parachutes, Man carrying Parachutes, Supply Drop Parachutes, Heavy Drop Parachutes, Brake Parachutes, Parachute components and accessories, floats for KM Bridges and rubber inflatable Boats. We cater to the demands of Indian Army, Navy, Air Force, Indian Coastguard, ITBP, State Police Forces among others including many International Customers.

GILs major product range comprises of various parachutes like Supply Drop Parachutes, Man Carrying Parachutes (PTA-M, PTA-R and HAP), Heavy Drop Parachutes, Brake Parachutes, Pilot Parachutes etc which are Defense use items. GILs product range and GIL is mainly catering to the requirement of Armed Forces

REVENUE FROM OPERATIONS:

The Revenue from Operations category wise during FY 2022-23 and the previous year is given below:

Particulars	Rs. in Crores	
	2022-23 (01.04.2022 to 31.03.2023)	2021-22 (01.10.2021 to 31.03.2022)
(A) Sale of Products		
(i) Sale of Finished Items in India	198.52	85.81
(ii) Amount of escalation claimed for invoices raised in F.Y. 2021-22	5.84	0.00
(ii) Sale of Finished Items outside India	1.18	0.00
TOTAL SALE OF PRODUCTS (A)	205.54	85.81
(B) OTHER OPERATING REVENUE	0.00	0.00
(i) Disposal of Scrap and Surplus / Unserviceable Stores	0.47	0.13
TOTAL OTHER OPERATING REVENUE (B)	0.47	0.13
TOTAL REVENUE FROM OPERATIONS (A+B)	206.01	85.94

PERFORMANCE HIGHLIGHTS:

- ✓ **Participation in Aero-India 2023 at Air force Station, Yelahanka in Bengaluru, Karnataka** India where participation from all levels including MSMEs, Indian startups as well as established companies from across the world took place.
- ✓ **Hon'ble Defence Minister Shri Rajnath Singh presented 15 pairs of P-TAM, P-TAR parachutes to Kenya Colonial Secretariat.**
- ✓ **Participation in Malaysia (LIMA), Indonesia, AFINDEX – 2023.**
- ✓ GIL also participated in various domestic exhibitions viz., **DEFEXPO 2022, Aero India 2023, North Tech Symposium Udampur, Bharat Drone Show (Ghaziabad-Hindan Airport) Drone Festival of India 2022, East Tech 2022 Kolkata, 25th National Defence Exhibition Kolkata, National Level MSME Conclave Kolkata** etc.
- ✓ GIL delegations were deputed to various countries for exhibitions/seminars/Technical presentations viz., Kenya, Indonesia, Vietnam, Nepal, Malaysia etc.
- ✓ **Association with IITK** for Research and development

(Army, Air Force and Navy) in comparison with the civil market.

Parachute Items

1. Man Carrying Parachutes
2. Seat Ejection / Pilot Parachutes
3. Supply Drop Parachutes
4. Heavy Drop System
5. Ammunition Parachutes (Illuminating Parachutes)
6. Brake Parachutes for Aircrafts
7. Parasail Parachutes
8. Recovery System Parachutes

Rubberized Items

1. Float for K.M. Bridge
2. Inflatable Boats
3. Splint Inflatable

work.

- ✓ **Support to Startups and MSMEs** by means of i-Dex (Innovations for Defence Excellence) Challenges.
- ✓ **Partnering with ADRDE** for India's space mission by supplying the critical parachutes of recovery system of Crew Module. GIL has obtained developing orders of following projects from ADRDE i.e., PTAG and Smart Parachute Ribbon 3.3 mtr.

SPECIAL ACHIEVEMENTS: IN-HOUSE RESEARCH & DEVELOPMENT:

- PTA-M and PTA-R Parachutes gifted by Hon'ble Raksha Mantri to Defence Minister of Kenya on 29th Aug' 2023.
- Bulk Production Clearance For P-7 HD Parachute System received in Sept. 2023 from Indian Army for Qty. 140 nos worth Rs. 209.11 Crs.
- GIL has successfully developed 12-15 kg payload capacity Drone Rescue Parachute. Parachute system act as an emergency recovery system for Drone.
- GIL has filed 07 Patent, 07 Copyright and 03 Trademark ap-

plications and registered for 03 Copyright and 01 Trade-mark in FY 2022-23 under MRGS (Mission Raksha Gyan Shakti) scheme of Ministry of Defence, Government of India initiative.

SPECIAL ACHIEVEMENTS IN QUALITY MANAGEMENT

GIL has been awarded **AS9100D Certification from NVT Quality certification International for global quality standard in the aviation, space and defence industries**

GIL has achieved **AS9100D certification**, which is a global quality standard that sets requirements for processes related to safety, products, and performance in the aviation, space, and defence industries

GIL has been awarded **AFQMS (Approval of Firm & its Quality Management System) certification** from DGQA for maintaining the respective standards of its infrastructure, resources and existence of an effective Quality Management System.

Further, GIL has applied to get the self certification status for 10 Nos. of end product which comes under purview of DGQA in the FY 2023-24.

Certifications & Accreditations:

Other than mentioned above, GIL has also availed following Certifications/ Accreditation:

- ISO 9001:2015 for Quality Management System

Order Book Position as on 01.04.2023:

F.Y.	2023-24 (incl. carry over)	2024-25	2025-26	2026-27	2027-28	TOTAL
Value (Rs. in Crs) (estimated)	297.87	92.26	58.11	4.45	1.03	454

Growth Plan:

GIL has recently developed Brake Parachute for Hawk (AJT) Aircraft and Pilot Parachute for Su-30 Aircraft through ToT from DRDO. GIL is in process of developing new items through various modes viz. ToT from DRDO, iDEX, In house R&D association with IIT etc.

In addition to this, GIL is also seeking various opportunities to maximize the exports by showcasing its products at various international exhibitions.

The growth plan of GIL upto FY 2024-25 is as follows:

Year	2022-23	2023-24	2024-25
Turnover (Rs. in Crs) (estimated)	206.01	239.00	287.00

MAJOR DEVELOPMENTS:

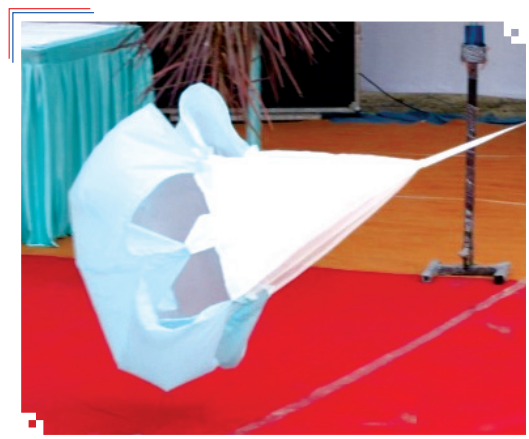
Since inception, GIL has witnessed several significant achievements during the one and half year including the following remarkable developments:

- ISO 14001:2015 for Environment Management System
- ISO 45001:2018 for Occupational Health and Safety Management System
- ISO 17025 : 2017 for Accreditation by NABL (under Ministry of Science & Technology, Govt. of India) for Textile Testing Laboratory.
- Pollution Certificate
- Import Export License Certificate
- GIL has robust NQDBMS developed in-house
- Additional Online Quality Management System .

NEW PRODUCTS DEVELOPMENT

- Pilot parachute for Su-30 Aircraft and Brake parachute of Hawk aircraft are indigenised by GIL. Now there is no need for IAF to import these items.
- GIL is designing a new parachute PTA-G2 for IL-76 aircraft of IAF. Till now there is no suitable Indian parachute for jumping from this aircraft. The parachute is likely to go for trials next month.
- GIL is designing various rescue parachutes for Drones as per customer requirements in 04 Kg & 12 Kg weight range.

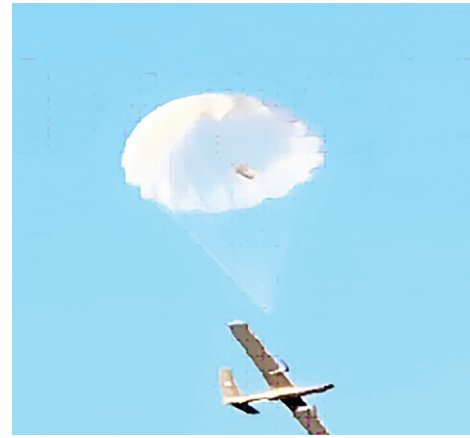
1. GIL has successfully developed and productionised Speed Resistance Parachute for athlete, P-7 Parachute, Drone Parachute, Ribbon Parachute- SU-30 among others. The Speed Resistance Parachute is made of nylon fabric. Runners fasten the parachute with their waist. This makes the running harder and athlete have to apply more strength to running due to resistance. The faster athlete run, the more strength is required to move forward, making his muscles stronger. It is also popular among the children.



2. GIL has developed Water Proof Multi Purpose Rain Poncho Convertibility as Bivouac. The Poncho can be used as bivouac (tent). The Poncho can be fabricated in COBRA Disruptive Print, CRPF Disruptive Print, BSF Disruptive Print, and Dyed Black for NSG, and Disruptive Print as per requirement of services.



3. GIL has developed Drone Rescue Parachute for various AUW category UAV and Multirotor drone. Development of light weight Drone Rescue Parachute system which act as an emergency recovery system for Drone. It has an anticipated business as safety measure for Drones in crowded area of Drone operation. Parachute activated on critical failure due to internal malfunction or interaction with an external object or force. Parachute acts as an emergency recovery system for Drone. In this regard, GIL has successfully developed drone rescue parachute for 12kg AUW category UAV and 03-05kg AUW category multirotor drone.



GIL is also working on various new projects like PTA G-2 Parachute System and Harness for Pilot Parachute for Hawk in association with DRDO (ADRDE Agra). Further, GIL is working on development of Military Combat Parachute System (MCPS) / HAPPS (High Altitude Parachute Penetration System) through various routes.



PTA G-2



MCPS

GIL is also in process of development of AI based Parachute Fabric Inspection Machine in association with IIT Delhi. GIL has taken in-house R&D project for fabrication of prototype AI based Tape & Webbing Inspection Machine and integration of Chatbot in to the GIL website to enhance user engagement and provide automated assistance.

GIL has also acquired Transfer of Technology for 4.7 m Rubberised Inflatable Boat from Indian Register of Shipping (IRS), New Delhi.

EXPORTS

During the F.Y. 2022-23, Company has achieved export turnover of Rs. 1.18 cores in comparison to nil export in F.Y. 2021-22 (Oct 2021 to Mar 2022). New Order cumulative of Rs. 22 crores approx. has been received from Malaysia, Vietnam, Bulgaria and BBT Poland and has received repeated orders from Malaysia.

In line with the vision of Hon'ble Prime Minister of India to achieve defence export target of USD 5 billion dollars by 2025, GIL is continuously making efforts to achieve this to achieve its set export target.

Further GIL has formed Export Promotion Cell which is exploring the export option in South East Asian Countries, African Countries and Latin America. Presently GIL is actively pursuing export leads in South East Asia and US/Europe. In addition to this, GIL is in contact with various other countries like USA, Malaysia, Kenya, Bangladesh, Uganda, Angola, Nepal, Indonesia, Vietnam etc. for achieving further export orders in the next financial year to meet the vision of Hon'ble Prime Minister of India for defence export target.

RESEARCH AND DEVELOPMENT

The continuous R&D efforts enabled GIL to product innovation. The company possess in-house R&D facilities which results in cost saving.

Major Ongoing R&D Projects and its Status:

Sr. No.	R&D Project	Status
1.	Hard Shell Container of Pilot Para Jaguar	Under RDAQA for FAI (First Article Inspection).
2.	Water Proof Multi Purpose Rain Poncho Convertibility as Bivouac	A sample has been developed successfully with ground sheet attachment.
3	Parachute for rescue of Drone	Drone rescue parachute has been successfully developed for: (a) 12 kg AUW category UAV (b) 03-05 kg AUW category multi-rotor drone.
4.	i-Dex 6 Challenge : a) Challenge I – Development of Parachute for Paragliding b) Challenge II – Development of Parachute for Parasailing	Orders have been placed on start-ups and development of sample for each is under progress

MODERNIZATION

GIL is planning to modernise its OPF Unit with utilisation of capex fund. Main trust is advance production equipments, Energy savings, solar power, lab modernisation and AI based implementation equipments .

CAPITAL STRUCTURE:

The Authorized Share Capital and Paid up Share Capital of the Company as on 31st March 2023 are Rs. 600.00 crores and Rs. 544.81 crores respectively. The entire paid up share capital of your Company is held by Government of India .

Changes in the Authorised Share Capital of the Company during the FY :

The Authorised Share Capital of the Company has been increased from Rs. 200.00 crore to Rs. 600 Crores divided into 60,00,00,000 numbers of equity shares of Rs. 10/- each vide Extra-Ordinary General Meetings of the Company held on 19th May 2022.

Changes in the Paid up Share Capital of the Company during the FY :

During the year 2022-23, Ministry of Defence, GOI has allocated Rs. 15.56 crores for CAPEX and to meet Company's Emergency Authorisation Fund which is required to apportion in the form of Equity share capital. Accordingly the Company has issued 1,55,60,000 numbers of equity shares of Rs. 10/- per share through Rights Issue basis to the President of India, GOI on 17.11.2022. Further the Company has also issued 52,34,59,285 numbers of equity shares of Rs. 10/- per share aggregating to Rs. 523,45,92,850/- through private placement under section 62(1)(c) of the Companies Act 2013.

Hence Paid up Share capital of the Company has been increased from Rs. 5,79,00,000 to Rs. 544,80,92,850 divided into 54,48,09,285 numbers of equity shares of Rs. 10/- each on account of equity shares issued to the President of India after obtaining the necessary approvals from the concerned authorities. Hence GOI is holding 100 % of the total shares of the Company

Changes in the Authorised Share Capital and Paid up Capital of the Company after the closure of Financial Year:

The Authorised Share Capital of the Company has been increased from Rs. 600.00 crore to Rs. 1000 Crores divided into 100,00,00,000 numbers of equity shares of Rs. 10/- each vide Extra-Ordinary General Meeting of the Company held on 27th June 2023.

The Paid-up Share Capital of the Company has been increased from Rs. 544,80,92,850 divided into 54,48,09,285 numbers of equity shares of Rs. 10/- each to Rs. 647,33,71,660 Crores divided into 64,73,37,166 numbers of equity shares of Rs. 10/- each by addition of Rs. 10,25,27,881 numbers of equity shares of Rs. 10/- each vide Board Meeting of the Company held on 20 September 2023 on account of equity shares issued to the Pres-

ident of India.

GENERAL RESERVE :

The Company has not transferred any amount to General Reserve during the year 2022-23 and is transferred to retained earnings.

DIVIDEND:

As per extant memorandum 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, Ministry of Finance, Gol, 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.

However, as per the Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India vide O.M. F.No. 4/27/2019-DIPAM-II-A(E) dated 13.06.2023; GIL is exempted for payment of dividend for FY 2021-22, FY 2022-23 and FY 2023-24. Hence, your Board of Directors has not recommended any dividend for the year ended 31st March, 2023.

DIRECTORS:

The Board of Directors of the Company comprises of Functional Directors and Government Nominee Directors who are appointed from Government of India from time to time. Further, the tenure and remuneration of Functional Directors including Chairman and Managing Director are decided by Government of India. The Government communication also indicates the detailed terms and conditions of their appointment including a provision for the applicability of the relevant rules of the Company.

The Government Nominee Directors are not entitled to any remuneration/ Sitting fees.

The Company was initially incorporated with the following composition of Directors:

1. Shri Vijay Kumar Tiwari
2. Shri Sunil Date
3. Shri Surendra Dhapodkar

Changes in Board of Directors & Key Managerial Personnel during the Financial Year 2022-23:

During the financial year 2022-23, the following appointment/cessation on the Board/ KMP of your Company was effected as per the directives of the President of India:

Shri Rajeev Prakash, Joint Secretary (Naval System), DDP, MoD (DIN: 08590061) has been appointed as Government Nominee Director on the Company's Board with effect from 14 September 2022 in place of Shri Chandraker Bharti, vide Office Memorandum No. 8(32)/2019-D (Coord/DDP) issued by Department

of Defence Production, Ministry of Defence, Government of India dated 14 September 2022.

However, Shri Rajeev Prakash ceased from the directorship w.e.f. 27.02.2023 due to withdrawal of Nomination vide Office Memorandum no. 8(32)/2019-D (Coord/DDP) dated 06.01.2023/ 23.12.2022 issued by Department of Defence production, Ministry of Defence, Government of India

The Board placed on record its deep appreciation of the invaluable support, contribution and guidance provided by Shri Rajeev Prakash during his tenure of appointment.

Shri Jayant Kumar, Joint Secretary (Aerospace) has been appointed as Government Nominee Director of the Company in place of Shri Rajeev Prakash w.e.f. 27.02.2023 vide Office Memorandum no. 8(32)/2019-D (Coord/DDP) dated 06.01.2023/ 23.12.2022 issued by Department of Defence production, Ministry of Defence, Government of India.

The Board welcomed the appointment of Shri Jayant Kumar on the Board of the Company. A brief profile of the newly appointed Directors are given at Corporate Governance Report forming part of Annual Report.

Further, CS Archana Gupta (Memb. No. 23238) has been appointed as Whole-Time Company Secretary (Key Managerial Personnel) w.e.f. 2nd November 2022 pursuant to the provisions of Section 203 of the Companies Act, 2013 and any amendments thereto on tenure basis.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The details of number of Board Meetings held during the year and attendance of Directors are furnished in the Corporate Governance Report annexed hitherto which forms part of this Report.

General Meetings

- First Annual General Meeting of the Company was held at shorter notice on 20th February 2023 during the FY 2022-23.
- During the FY 2022-23, two Extraordinary General Meetings were held viz., 19th May 2022 and 13th October 2022

DIRECTORS RETIRING BY ROTATION

The applicability of section 152 (6) (Retirement of Director by rotation) of the Companies Act, 2013 does not applicable to the Company, as GIL is a 100% Central Government owned undertaking and the entire share capital is held by the President of India through Ministry of Defence.

COMMITTEES OF THE BOARD OF DIRECTORS

Audit Committee

As on 31st March 2023, no nomination of Independent Directors has been received from DDP, MOD therefore Audit Committee shall be constituted after the appointment of Independent Directors by MOD in the forthcoming financial year.

Nomination & Remuneration Committee

As on 31st March 2023, no nomination of Independent Directors has been received from DDP, MOD therefore Nomination & Remuneration Committee shall be constituted after the appointment of Independent Directors by MOD in the forthcoming financial year.

DECLARATION BY INDEPENDENT DIRECTOR

There was no induction of Independent Director (s) in the Board of GIL which is pending with administrative ministry i.e., Department of Defence Production, Ministry of Defence, Government of India. However, the Declaration from Independent Director shall be taken as and when they are appointed by Ministry under Section 149(6) & Schedule IV of the Companies Act, 2013.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The appointments, remuneration, terms and conditions of appointment including the period of appointment and other entitlements of Functional Directors including Chairman and Managing Director are determined by the Government of India.

The Government Nominee Directors are appointed by the Department of Defence Production, Ministry of Defence, Government of India and they are not entitled to any remuneration/ Sitting fees.

Independent Directors are appointed by the Government of India and they are entitled to Sitting fees for attending the Board/ Committee .

In terms of Ministry of Corporate Affairs Notification No. GSR 463(E) dated 05 June 2015, Government Companies are not required to frame a Policy on Directors' appointment and remuneration under Section 178(3) of the Companies Act, 2013.

BOARD EVALUATION

In terms of Ministry of Corporate Affairs Notification No. GSR 463(E) dated 05 June 2015, provisions of section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules, 2014 shall not apply to Government Companies as the performance of directors is evaluated by the Administrative Ministry. Therefore, the above provision is not applicable to GIL.

CORPORATE SOCIAL RESPONSIBILITY (CSR) :

GIL as always been actively involved in CSR activities. As a responsible Corporate Citizen, Company undertakes various developmental initiatives and projects for growth of the Community/ society.

During the F.Y. 2022-23, the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014, relating to the constitution of the CSR Committee and CSR expenditure were not applicable during the financial year 2022-23 and Company did not earmark any funds for CSR.

However, the Company has made an appropriation for the amount of Rs. 1.92 Lacs to be spent in F.Y. 2023-24 in the books of accounts in Balance Sheet and shown the same amount as

Expenditure paid on CSR under other expenses with a view to voluntarily deposit the said amount under CSR Fund. However, the same was not utilized in CSR and the management decided to pass the reversal entry in the books of accounts for the same in F.Y. 2023-24

CONTRIBUTION TO DIO/I-DEX

I-DEX platform is utilized for associating and providing innovation opportunities to Start-ups and other business partners which is in line with the vision of Hon'ble Prime Minister of India to create an ecosystem which fosters innovation and encourages technology development in Defence by engaging start-up.GIL has started following projects through iDEX scheme of Ministry of Defence, Government of India.

1. Design and development of Parachute for Paragliding
2. Design and development of Parachute for Parasailing

Apart from above, GIL has also taken project for indigenisation of HAPPS parachute system Accessories (Like AAD, Altimeter, Compass, Mission Computer etc) through i-DEX platform.

INTELLECTUAL PROPERTY RIGHTS (IPR)

The Company has already constituted a 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. Gliders India Limited has nominated a Nodal Officer for executing all activities pertain to MRGS .Nodal officer heads IPF Cell having all members from diverse field like production, R&D, Quality , procurement etc. created inside the GIL.

MISSION RAKSHA GYAN SHAKTI/ AWARENESS PROGRAMS ON INTELLECTUAL PROPERTY RIGHTS

In compliance to the Government thrust of Aatmanirbhar Bharat initiatives, targeted identification, creation and protection of intellectual rights, GIL has applied 07 Copyrights; 07 Patents and 03 Trademarks in last one year under MRGS. As on date GIL has received approval of 3 copyrights, nil patent and 1 no. of trade-mark.

Till date, 15 IPR have been granted against 37 IPR filed.

A dedicated "IPF Cell" has been created inside GIL for spreading IPR awareness drive among factory employees. Special focus has been given on spreading awareness about innovative culture and Intellectual Property Rights in the Company.

ARTIFICIAL INTELLIGENCE INITIATIVES

In line with MoD's thrust towards adoption and deployment of artificial intelligence ('A') technology, the Company is exploring to enable AI based systems to build a vibrant AI ecosystem in the range of items as well as processes. A dedicated team has been constituted to develop roadmap for AI enabled system.

Gliders India Limited, Kanpur commits to leverage AI in their functional areas. As per MOD guidance, GIL is committed to take 9 AI projects as part of 3 years AI roadmap. The projects

will address all operational problem areas/in-efficiencies be it predictive maintenance, performance improvement of the system. Supply chain management, and quality control. GIL has constituted a team of young tech-savvy officers for fast-tracking AI projects and identified problem statements where AI can be leveraged to solve the problem. The projects in the pipeline are AI-based parachute fabric Inspection Machine, AI-based webbing and tape System, and AI-based intrusion Detection System for perimeter Security. Team are enthusiastically moving toward the goal and achieve the project within the timeline.

STARTUP INDIA

Startup India is a flagship initiative of the Government of India, aims to catalyse startup culture in the country and to build a strong platform for developing innovations and entrepreneurship that will promote 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.

HUMAN RESOURCE:

Manpower

The total manpower strength as on 31 March 2023 is 1109 including 109 executives, 166 supervisors, 834 workmen and 01 tradesman trainee.

The position regarding representation of SCs/ STs/OBCs/PwBDs (i.e. Persons with Benchmark Disabilities) and women employees in various categories as on 31 March 2022 and 31 March 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 continued to be cordial and harmonious during the year. Overall industrial relations between the Management and Unions/ Associations continued to be peaceful and the Workmen Unions / Associations cooperated with the Management to work towards the common objective of the Company. Grievance Redressal Mechanism is in place in the Company to address employee grievances/ representations.

The Company strongly believes that the key to sustainability, competitive edge and growth lies in continuous learning and development of its Human Resource. Your Company has been accentuating on the human resource development for enhancing the efficiencies and upgrading the skill sets of the workforce at all levels through exposure to various Learning & Development programs. Further various funds, either owned by the Company or owned by the employee, are available for the welfare of employees viz., Death Relief Fund (D.R.F.), Voluntary Medical Assistant Fund (V.M.A.F.), Benevolent Fund, Labour Welfare Fund (L.W.F.) and Sports Fund

On-Line Training Programs:

GIL has adapted to the new learning & collaboration technology for virtual conducting various programs through Webinars on various subjects such as Welfare, HR related matters, Preventive Vigilance, Health, Clothing technology, Safety, etc.

- Recently, Accounting Management System Nagpur organized Internal Auditors training on AS 9001 in which 15 Officers were presented in the said programme.

- AKAM, CIL, Mumbai organised Online training for Casual/ Contracted construction workers on 28/10/2022 and 17/02/2023. Total 36 numbers of Casual/Contracted labours working in factory were presented in the said programme.

Technical Training Programs

Technical training programs aimed for improving the productivity and upgrading the skill of employees by organizing in-house training program on various subjects and ensuring day to day safety, security and health of the employees. Refresher courses for newly promoted employees were also conducted online / off-line.

Some of the training programs conducted recently by the GIL for the skill development and for spreading awareness among the employees are outlined as below:

- Training on Second Inning of life organized by Pension Cell from 06/12/2022 to 09/12/2022 for the employee who are going to retire in next six-month. Total 19 employees were present in both the periods.
- Life and Skill management was organized for women from 06/03/2023 to 10/03/2023 and in which 42 women were present.
- To sensitize the importance of drawing and specification according to specification, a training program was organized on subject topic from 16/05/2022 to 20/05/2022, 08/08/2022 to 24/08/2022 and 16/01/2023 to 20/01/2023. Total 111 employees were present in these occasions.
- 5S, QMS, Safety and TPM training program was organized from 06/09/2022 to 09/09/2022. Total 19 employees were present in these occasions.
- Training on "First Aid and Hygiene" was organized by PMO on 14/11/2022 to 18/11/2022 in which 21 employees were present.
- To develop work efficiency among the employees, a training on personality development was organised from 18/07/2022 to 22/07/2022. Total 47 employees were present.
- A workshop organised on prevention and cure from Dengue on 16/11/2022 by Dr. Jyoti Trivedi, PMO/OPF. Total 40 employees/Trainees were present in this programme.
- To develop work efficiency among the employees, a training on personality development was organised from 18/07/2022 to 22/07/2022. Total 47 employees were present.
- Workshop on Cyber Security was organised on 01/06/2022. Shri Mausam Kumar, CM/IT educated regarding cyber security. Total 17 nos. of Officers/Staff/IEs were present.
- A Workshop on "Road Safety" was organised by Shri Pankaj

Sharma traffic Instructor on 15/11/2022 in which 42 employees/Trainees were provided the training.

- Training programme on AN-32 Parachute production technique organized from 18/04/2022 to 04/05/2022. Total 41 employees were present in this programme.
- Training programme on PTAM/PTAR Parachute inspection organized from 02/05/2022 to 11/05/2022. Total 17 employees were present in this programme.
- Training programme on RAM AIR PARACHUTE Production organized from 10/05/2022 to 14/05/2022. Total 28 employees were present in this programme.
- Training programme on Pilot Parachute production technology organized from 13/06/2022 to 17/06/2022. Total 29 employees were present in this programme.
- Training programme on HD parachute production technique organized from 12/07/2022 to 15/07/2022. Total 30 employees were present in this programme.
- Training programme on Parachute technology programme organized from 04/08/2022 to 05/08/2022. Total 15 employees were present in this programme.
- Training programme on Input Material testing organized from 09/01/2023 to 13/01/2023. Total 21 employees were present in this programme.
- Programs on Gratuity, ESI/PF, environment and health issues were conducted for the benefit of employees/ workmen
- Workshop on Cyber Security was organised on 19/09/2022 to 23/09/2022. Shri Mausam Kumar, CM/IT educated regarding cyber security. Total 43 nos. of Officers/Staff/IEs were present.

The Executive/Managers to familiarize with the modern day business of defence industries and to provide them skills related to all significant and emerging fields, the officers were nominated for outside/In-house training. The achievement on training and development activities from 01/04/2022 to 31/03/2023 is as below:

Group	Existing Strength	Training Target		Total No of employees trained during 2022-2023	
		In %	No. of Employees	No.	% age
Gr. A	15	75%	12	24	200%
Gr. B (G)	94	70%	66	108	163%
Gr. B (NG)	80	65%	52	72	138%
IEs	872	60%	523	602	115%
NIEs/Gr. C	91	60%	55	50	90%



Apprentice Training

In line with Skill India Mission of the Government, the Company has trained 91 apprentices during FY 2022-2023.

International Yoga Day

On the occasion of International Yoga Day, programmes were organized on various topics which are as follows :

- Morning walk with family members on dated 16/05/2022
- A workshop was organized on the occasion of International Yoga Day, Yog, Naturopathy & Ayurveda on 30/05/2022.
- Poster competition on different Yogasan organized on 20/06/2022
- Yoga camp organized on 20/06/2022



International Yoga day programme



Employee Welfare Measures

The Company is committed towards the well being and welfare of its employees and continues to extend values to its human resources. Compliance of statutory welfare provisions like pro-

viding canteen facility, employee rest room, first aid appliances, crèche, ambulance, etc. are followed meticulously. The Company is also providing welfare and safety items, uniform suit cloth, etc. as required by employees every year.

Time to time awareness on various health issues is being provided through health camps, awareness session, training on first-aid, Yoga campaign etc. for the benefit of employees. All the employees and their eligible dependents are also covered under GIL Medical policy. Further, to look after employees' welfare, GIL has taken up series of following welfare measures:

- (a) Implemented Superannuation Pension Scheme for Executives and Workmen on permanent rolls with immediate effect
- (b) Medical Assistance Scheme to the retired employees is also provided through Post Retirement Medical Insurance Scheme;

- (c) Accident Cover and Comprehensive Medical Assistance are provided through Group Insurance Schemes;
- (d) Financial Assistance by way of relief is provided through contributory Employees Death Benevolent Fund to spouse or nominee of the employees in case any untoward incident of death of employee during service period;

MEDICAL CHECKUPS/ HEALTH / FITNESS PROGRAMMES

The Company gives a 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. Concerted efforts have been put in to provide a healthy work environment for the employees and to keep their families healthy and safe. Employees are also motivated to undergo preventive health checkups in external healthcare settings. The Company disseminates information on health, diseases and adopting preventive measures for healthy living .

INDUSTRIAL SECURITY

SI	Subject	
1	Introduction	Ordnance Parachute Factory a unit of Gliders India Limited is key Defence installation wherein its products & services are vital for Country's Defence preparedness level and Economic growth. This installation is one of its kinds in the country mainly dealing with manufacturing of various Parachutes for all kinds of Aircrafts & para jumps, Rubberised Boats and Inflatable floats.
2	Objective and legal frame work	Production of State-of-the-Art Battle Field Equipment
3	Threat Perception	<p>High (Category C)</p> <p>(a) Local Threat</p> <p>Most hazardous and prone area lies between Kanpur Central railway station and residential area adjacent to factory parameter wall mainly occupied by illegal occupants which causes several incidents of stones stakes on DSC Post.</p> <p>Emergence of ISIS in Iraq and Syria has resulted in spreading of Islamic State (IS) ideology in several states if India including Uttar Pradesh. (As per Threat assessment, Industrial Security Manual 2020).</p> <p>As per the regular int./update from IB, LIU, Army Intelligence and Ministry of Home Affairs even from vernacular press the activities/activeness of the terrorist groups/ Naxalite are very high in Uttar Pradesh esp in and around Kanpur.</p> <p>(b) Strategic importance of the installation</p> <p>Being a Defence Production Unit and only one of its kinds it is always a potential target for sabotage/ attack. Any sabotage /disruption in production may jeopardise the Battle worthiness of various Aircraft fleet.</p>
4	Intelligence	Through Centre , State IB & LIU
5	Plan & Strategy	<ul style="list-style-type: none"> • Perimeter fencing all around Factory. • Guard post on all four corners manned by DSC with security cover on main gate by DSC & Factory Durwan • QRT Team of DSC personnel's is active 24x7. • CCTV Cameras for surveillance. • To cater for emergency, regular liaison is carried out with local police and Military authorities.
6	Zones (I) Internal Security (II) Peripheral Security	<p>There are seven Vital points/Vulnerable areas identified in the factory</p> <p>(I) Internal Security: Managed by Defence Security Corp (DSC Personnel's) & Factory Durwan.</p> <p>(II) Peripheral Security: Civil Authorities</p>
7	Deployment of Police Forces	On as required basis
8	Command Control & Responsibility	<p>Overall responsibility: Board of Directors</p> <p>Command Control: Security Officer (Army Officer on Deputation)</p>
9	Control & Regulation of Crowd	Outside perimeter walls by local police on as required basis

SI	Subject	
10	Parking Arrangement	Available Inside for Two Wheeler Outside for Four Wheeler
11	Communication, Control room and duties/ responsibilities of Police Radio Branch	Control Room are established on as required basis
12	Standing Orders for Security Forces	Available
13	Periodical review of security arrangement by local officers-SO/CO/SDM/ASP/ADM	Required
Contingency Scheme		
14	Contingency Scheme for terrorist attack/ Explosion	Available as per Industrial Security Manual 2020, Security Standing Order 2007 & Internal Security Scheme of the factory.
15	Fire Service (in the situation of contingency)	Fire Station & Fire Tender are available with factory
16	Medical services (in the situation of contingency)	In-house Dispensary is available. Moreover, Combined Hospital of OEF&P is at distance of approx 04 KM
17	Evacuation of pilgrims (in the situation of contingency)	03 Gates are operational for evacuation
18	Crisis Management Group (District level)	Disaster Management Plan, approved by DM, Kanpur
19	Liaison with Army Authority	In routine with Stn HQ, Kanpur Cantt.
20	Traffic diversion on the important occasion	COD Bridge
21	Media Management	Nominated PR Team by Administrative Section (OPF)

WOMEN EMPOWERMENT

The Company strictly focus on empowerment of women employees and providing them with equal opportunity across all levels/grades in the Company.

Women employees constituted 7.03 per cent of the Company's workforce as on 31 Mar 2023.

Various guidelines promulgated for women workforce for achieving safer working environment are complied with. Company actively supported and nominated the women employees for programs organized by reputed agencies and for getting felicitations by Prizes and Certificates at various levels for their excellence and contribution in achieving Company's goal from time to time.

Company already have the facility of Crèche available for Women employees. Status of Sanitary Pad Vending Machine is reviewed from time to time to ensure its operational requirement/functioning. Female Doctor (MBBS-PMO) and trained Nurse do regular visit in Unit's Health Clinic. Internal Complaint Committee on Prevention of Sexual Harassment of Women at work place does exist in the Company. Various reports and data on subject are sent to the authorities concerned on regular basis. At HRD, an In-house Training Centre, educational and awareness programmes, lectures of experts on areas of concern are organized frequently in order to develop professional skill of Women Workforce to match with latest technology in their respective trade.

INDIGENISATION AND MAKE IN INDIA INITIATIVES

- GIL is committed towards the GOI policy of indigenisation and make in India initiatives and has achieved 100% indigenisations and continues to support Aatmanirbhar Bharat Abhiyan.
- GIL is already manufacturing it's all items indigenously and promoting make in India policy of Government of India.
- GIL is continuously adopting new technologies indigenized by DRDO for developing new products.
- Adventures, sports parachutes like Paragliding and Parasailing has been taken up for development through iDEX route.

PROCUREMENT THROUGH GOVERNMENT E-MARKETPLACE (GeM):

The Government e Marketplace (GeM) is an online platform for public procurement in India. The platform aims to increase transparency, efficiency and speed in public procurement along with inclusion. It provides all modes of procurement, viz., direct purchase, e-bidding, bidding with reverse e-auction and direct reverse auction. The digital platform enables economies of scale, efficient price discovery and dissemination of best practices. The procurement of goods and services by Ministries or Government departments has been made mandatory for Goods or Services available on GeM portal, as embodied in Rule 149 of the General Financial Rules, 2017.

GIL endeavors to maximise the procurement of materials and services through GeM portal in line with the MoD guidelines

and consistent efforts are being made to improve the procurement through GeM. GIL has procured materials & services worth Rs. 33.38 Crores during FY 2022-23 which was 83.45 % of Annual Target of GeM procurement.

The Company has targeted the procurement of Rs. 55 Crores approx. through GeM portal for the FY 2023-24.

SUPPORT 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):

In line with the vision of Hon'ble Prime Minister of India to create an ecosystem which fosters innovation and encourages technology development in Defence by engaging R & D institutes, academia, industries, start-ups and even individual innovators, GIL is adopting new initiative of Ministry of Defence i.e., i-DEX (Innovations for Defence Excellence) to support new startups and MSMEs for development of new technologies and products related with various parachute systems and inflatable products for Indian Defence Sector.

In this series, presently new opportunities/problem statements are being shared with Startups for rapid development of new, indigenized, and innovative technologies related with various parachute systems and inflatable products for Indian Defence Sector. Placement of order for development of product is under progress at i-DEX end.

IMPLEMENTATION OF FLAGSHIP PROGRAM OF THE GOVERNMENT FOR PROCUREMENT THROUGH MSME BY GIL :

GIL is complying with Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012. Thrust on enhancing procurements from MSEs is being continued by our Company and as a result of which, MSME vendor base increased from 355 as on 31.03.2022 to 396 as on 31.03.2023. Company successfully achieved 52.18% of the indigenous procurement from MSE sector, as against the revised mandatory target of 25%.

VENDOR DEVELOPMENT MEETS

To strengthen the procurement activities, vendors from various sections, especially from MSE and SC/ST sectors in line with the Government of India policies, GIL 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 and also organized monthly Vendor Development Programs for guiding, training and sensitizing vendors on GeM and other issues.

INTEGRITY PACT

In line with the directives of MoD and Central Vigilance Commission, the Company has adopted Integrity Pact for procurement transactions/contracts above Rs. 5.00 Cr and up to Rs. 100

Cr. The Pact essentially envisages an agreement between the prospective vendors/bidders and the buyer (GIL), 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 and the buyer (GIL), committing the persons/officials of both sides, not to resort to any corrupt practices in any aspect/stage of the contract. Presently, Shri Bharat Kumar Jog, ITS (Retd.) and Dr. K.P. Singh, IPS (Retd.) are the Independent External Monitor (IEM) for monitoring implementation of Integrity Pact in the Company. During the period, none of the Integrity Pact contracts attracted complaint/grievance of any nature from any of the Company's vendors.

OFFICIAL LANGUAGE IMPLEMENTATION

In consonance with the provisions of the Official Language Act and as per directions of Official Language Implementation, Department of Defence Production, Govt. of India, the Company is committed to implement the Rajbhasha Hindi in the Company in letter and spirit. Various social Programmes are implemented in Hindi at regular intervals. The Quarterly Hindi Progress Reports are sent to concerned authorities on time.

It may be noted that the annual report related to the implementation of Official Language Hindi is sent online every year to the Department of Official Language and the review report from the Department of Official Language is also uploaded online. Accordingly, the annual report related to Official Language Implementation / sought by the referred e-mail and the review report received from the Department of Official Language is being sent for necessary action.

All officers and employees of the Company are encouraged for the use of Official Language through various Training programs and seminars. Various letters, office-orders, Circulars, Tenders, Advertisements, Reports etc are issued bilingually. All the letters received in Hindi are strictly replied in Hindi as per rules 5 of Official Language Rule 1976. All the Manuals, Procedures, Regulations and Policies are in bilingual.



Hindi Pakhwada programme (16.09.2022 to 29.09.2022)

Special Achievement:

It is a matter of pleasure and pride that in the Regional Official Language Conference held in Amritsar on 03.11.2022, imple-

mentation of Official Language policy-instructions and Hindi in the series of offices of the Central Government in the 'A' region located in North Region-2 (Uttar Pradesh and Uttarakhand) , Ordnance Parachute Factory, Kanpur has secured the second position for its excellent work in the use of Rajbhasha implementation..

Further GIL has been appreciated for the organisation where 80 percent of staff are having a sound knowledge of Hindi as per the circular no. 5(2)/2022 issued by Shri Anurag Bajpai, Joint Secretary , Department of Defence Production, GOI on 07/12/2022.



Award received by **Sri Amar Deep Kumar** Admin Officer & Official Language Officer from **Dr. Meenakshi Jauli**, Joint Secretary OL Department, Ministry of Home Affairs

IMPLEMENTATION OF RTI ACT 2005

In order to promote transparency and accountability, OPF (A Unit of GIL) has implemented the provisions of the Right to Information Act, 2005 (RTI Act) in letter and spirit and instituted an appropriate mechanism to provide information to the citizens under the provisions of this Act. The applications received from the citizens of India as well as transferred applications from MoD under Section 6(3) of the RTI Act were replied within the prescribed statutory time period.

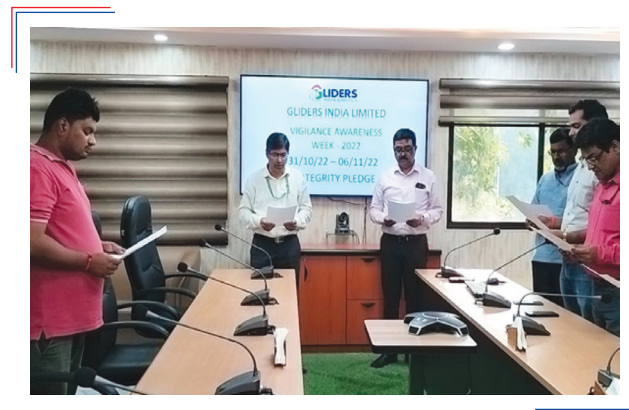
During the year 2022-23, OPF (a Unit of GIL) received 60 RTI applications and the information was provided within the statutory time period. 09 RTI applicants preferred appeal before the Appellate Authority under Section 19(1) of the RTI Act and the same were disposed in time bound manner. There were no cases pending as on 31 March 2023 before the Central Information Commission for the RTI applications filed for the year 2022-23. The particulars as prescribed under Section 4 of the RTI Act have been uploaded on the website of the OPF.

VIGILANCE ACTIVITIES

The Vigilance section of GIL is headed by the General Manager Shri M C Balasubraminum and monitored by Chief Vigilance Officer Shri Vivek Gupta, Jt. General Manager and Shri Konan Kumar Toppo , Jt. General Manager (Controlling Officer - Vigilance) to ensure transparency and accountability in its functioning.

GIL's Vigilance Section aims to enhance the ethical standards of the GIL through an effective balance of preventive & detective vigilance measures and by way of systemic improvements.

Under the guidelines of Central Vigilance commission, Vigilance awareness Week 2022 was celebrated in Ordnance Parachute Factory (OPF) during 31st October to 06th November, 2022. The week started with administering the integrity pledge and reading out the messages of dignitaries on 31st October, 2022 at OPF Office as well as in all plants/units of GIL. During the week, Workshops/ Sensitization programmes, customers Meet, etc. were organised. Further, events like quiz, essay, slogan & drawing/ poster, debate competition were organized for the employees and their families across OPF (GIL) and prize were distributed to the winners.



Vigilance Awareness Week (31.10.2022 to 06.11.2022)

As a prelude to Vigilance Awareness Week 2023, the commission has instructed that all organization may undertake three-month campaign (16th August 2023 to 15th November, 2023) with the following Preventive Vigilance measures as focus areas:

- Awareness building about Public Interest Disclosure and Protection of Informers (PIDPI) Resolution,
- Capacity Building Programs,
- Identification and implementation of Systematic Improvement measures,
- Leveraging of IT for complaint disposal,
- Updation of circulars/Guidelines /Manuals,
- Disposal of complaints received before 30.06.2023.

SWACHH BHARAT ABHIYAN

Celebration of Swachhta Pakhwada, from 01.12.2022 to 15.12.2022 was organized and various programs during this Pakhwada were ceremonised i.e. Cleanliness Drive in the factory, Disposal of scrap material in the factory premises and storage in organized manner, weeding out of old files and office equipment, Cleaning of furniture and almirahs of offices, Tree plantation in the factory, Painting competition, Seminar and aware-

ness programs for reducing uses of single use plastic and other plastic, Collection of plastic waste in the factory premises, fumigation of insecticides in factory premises, Essay competition on subject of importance of cleanliness, Disposal of e-waste in factory premises, Cleaning of drainage system, Awards ceremony and issue of PIB statement.

AZADI KA AMRIT MAHOTSAV

To commemorate the 75th anniversary of India's Independence, Company organized. Apart from this various Programs like, "Har Ghar Tiranga" Program, as part of Azadi Ka Amrit Mahotsav celebrations. On the occasion of Azadi Ka Amrit Mahotsav, cleanliness and tree plantation drive were carried out during the period. Program on "Restoration of Nana Rao Peshwa Memorial" a place of historical importance, situated in premises of Combined Hospital (OE&P Fys Kanpur) were carried out and a Cultural Program was also organized there. Various Competitions like Quiz, Poster making, Essay writing and Debate on India's Independence Movement were also organized.



Poster making competition



Debate & Essay competition

WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to deal with instance of fraud and mismanagement, if any, in accordance with CVC guidelines on Public Interest Disclosure and Protection of Informers Resolution (PIDPI/PIDR). Under the PIDPI Resolution, Central Vigilance Commission is the designated agency to receive complaints from whistle blowers and the identity of the whistle blower is protected.

INFORMATION REGARDING EMPLOYEES REMUNERATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH AS PER RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

GIL being Government Company, the provisions of Section 197 of the Companies act, 2013 and relevant rules does not apply in view of the Ministry of Corporate Affairs Gazette Notification No. 463(E) dated 05 June, 2015 issued by Government of India, Ministry of Corporate affairs, therefore, the appointment, tenure and remuneration of Directors of the Company are decided by the Government of India.

As on date, there is no Independent Directors in the Board of the Company and the committees thereof. Government Nominee Director is not paid sitting fees or any other remuneration

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

Your Company has not given any loans, guarantees or made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

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

Your Company respects and values diversity reflected in various backgrounds, experiences, and ideas and is committed to providing employees with a workplace that is free from discrimination or harassment. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has an Internal Complaints Committee (ICC) established in accordance with the aforesaid Act for addressing sexual harassment incidents. During the year under review, nil case filed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

COMPLIANCE UNDER RIGHT OF PERSONS WITH DISABILITIES ACT, 2016 (RPWD):

The Company extended all necessary relaxation/ concession to employees with disabilities as per the statute/ Govt. directives. As mandated under the Act 'Equal Opportunity Policy' has been formulated and approved by the Board which prevents any kind of discrimination.

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

As a Defence Public Sector Enterprise (PSE), your Company was granted exemption vide Notification GSR No.680 (E) dated September 4, 2015, from the disclosure of information with respect to conservation of energy, technology absorption, foreign ex-

change earnings and outgo under the provisions of Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014. However, limited information on conservations of energy and technology absorption are provided herein below:

CONSERVATION OF ENERGY

(a) Energy conservation measures taken:

The Company is engaged in the process of energy conservation through improved measures for operation and maintenance to reduce wastage and make efficient use of energy. Some of the measures undertaken are:

- ✓ Installation of energy saving lightening arrangements LED lamps for energy conservation
- ✓ Use of energy saving lighting arrangement on Factory campus/Unit and roads within factory premises
- ✓ Conventional mode of Incandescent/ CFL fitting lamps were replaced by LED lamps for energy conservation.
- ✓ Awareness meetings were organized to enlighten the employees, workers, contractors etc. in respect of efficient use of lights and electrical appliances, other electric devises so as to prevent power wastage.
- ✓ Display of banners, instructions in the campus, factories, offices etc regarding switching of lights, fans, air conditioners when not in use as well as in respect of wastage of water etc.
- ✓ Optimum use of compressors during lean period of operations.
- ✓ Installation of RTPFC/APFC Panel for Power Factor controllers to conserve energy
- ✓ Installation of sensors in offices and conference halls for conserve energy
- ✓ It is in the process of replacement of all ceiling fans with BLDC fans for conserve energy
- ✓ Inspection and immediate rectification of any type of air/ power leakages in preparatory
- ✓ Water Consumption Reduction: Various steps to reduce water consumption such as Rain water harvesting, De-silting & restoration of water bodies, Installation of bore water and re-use of re-cycled water etc. in the unit

(b) Additional investment and proposals being implemented for reduction of consumption of energy:

Utilisation of Renewable source of Energy:

The company is in the process of setting of 500 KW Solar Power plant and roof top of main unit as alternate source of energy by the installation of Solar panels.

Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

The above measures initiated for energy conservation resulted

in improving the energy efficiency at factory unit/ plant/workplaces and savings in consumption of power and the cost of production.

TECHNOLOGY ABSORPTION

Efforts in brief, made towards Technology Absorption, Adaptation and Innovation:

Company's R&D strategy is anchored on the development of globally competitive products, processes and technologies through best-in-class research interventions backed by world-class infrastructure.

Keeping pace with the technological advancements in the Defence industry, the Company is constantly taking efforts to collaborate with various R&D institutes and academia to give boost to R & D activities in GIL. In this series GIL has signed a memorandum of understanding (MoU) with IIT Kanpur to jointly work on the emerging opportunities in the field of parachute design and development to provide thrust to research and development activities of GIL to address opportunities in the Indian as well as International Defence and Civilian sector. Earlier GIL was dependent on ADRDE for design and development of various parachute systems. Presently various problem statements related with GIL are being shared with IITK for their design and development. The company posses in-house R&D facilities which results in cost saving.

CORPORATE GOVERNANCE REPORT

GIL believes in transparency, accountability and integrity in respect of affairs of the Company and is committed to maintain the highest standards of corporate governance in all spheres of business activities carried out by the Company. 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 along with Certificate on compliance of conditions on Corporate Governance from the Practicing Company Secretary is annexed as Annexure 'C' to this Report.

As per the Self-evaluation Annual Grading Report on Corporate Governance for FY 2022-23, the Company has achieved 'Excellent' evaluation grading.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

COPY OF THE ANNUAL RETURN :

As per the Companies Amendment act, 2017 the requirement of attaching Form MGT – 9 (Extract of Annual Return) with Board's Report has been done away. As required under Section 92(3) of the Companies Act 2013, the extract of the annual return for the year ended on 31 March 2023 in Form No. MGT – 9 will be placed on the Company's website at www.glidersindia.in.

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 In-

dia, the Company being a Government Company engaged in Defence production is exempted from the provisions of Section 186 of the Companies Act, 2013.

STATUTORY DISCLOSURES

None of the Directors are disqualified under the provisions of Section 164 (2) of the Companies Act, 2013. The Directors have made the requisite disclosures, as required under the provisions of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards were followed and there are no material departures;
2. The Directors selected such accounting policies and applied them consistently and made judgments' and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period;
3. The Directors took proper and sufficient care to maintain adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors prepared the annual accounts on a going concern basis.
5. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

SUBSIDIARY COMPANY / ASSOCIATE / JOINT VENTURE:

The Company has no Subsidiary, Associate and Joint Venture Companies; therefore the requirement of furnishing information relating to performance and financial position of the Subsidiary, Associate and Joint Venture Companies is not applicable.

RISK MANAGEMENT

The objective of the risk management framework with an intent to enable the Company to adopt a defined process for managing its risks on an ongoing basis and to implement a structured and comprehensive risk management system which helps the management to make an informed decision in order to avoid major surprises related to the overall risk and control environment and other such factors. The Company's risk management framework identifies the potential risks in case of unfavourable industry slowdown, change in technology and increasing competitive pressures from the Indian peers and neighboring

countries. GIL, has its comprehensive policy formulation which provides implementation for risk management governance structure.

INTERNAL FINANCIAL CONTROLS

Our Company has an Internal Control framework, commensurate with the size, scale and complexity of the Company's operations. Constant efforts are made by the management to maintain a sound financial and commercial practice capable of improving the efficiency of the Operations and sustainability of the business. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable, financial and operational information, complying with applicable laws, safe-guarding assets from loss, misuse and physical impairment, executing transaction with proper authorization and ensuring compliance with corporate policies. The Company has laid down procedures and policies to guide the operations of the business along with a comprehensive delegation of power for the smooth functioning and decision making.

STATUTORY AUDITORS AND STATUTORY AUDIT REPORT

Pursuant to Section 139(5) of the Companies Act, 2013, the Comptroller and Auditor General of India (C&AG) has appointed M/s Tandon Seth & Company (FRN: 002340C), Chartered Accountants, Kanpur as Statutory Auditors of the Company to audit the Financial Statements of the Company for the Financial Year 2022-23. Your Board of Directors acknowledges their guidance and valuable services, help and co-operation and for the timely completion of Annual Accounts.

Auditor's Report on the Financial Statements of the Company for the Financial Year 2022-23 is appended to this report. There are no audit qualifications or adverse remarks on the Company's Financial Statements except observations, Management replies on which is annexed at the end of the Auditor's Report.

During the year under review, Statutory Auditors has not reported any instance of fraud committed in the Company by its officers or employees to the Board of Directors, details of which are required to be furnished in this report..

COMMENTS OR REMARKS MADE BY THE AUDITORS IN THEIR REPORTS :

The comments of the Comptroller and Auditor General of India (C & AG) under the section 143(6) (b) of the Companies Act, 2013 on the Financial Statements for Financial Year 2022-23 of the Company are appended to Annual Report along with replies/ explanation made by the Management in respect of the comments made by C&AG .

COST AUDITORS

The provisions of Section 148 of Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, appointment of the Cost Auditor was not applicable on company during the FY 2022-23. However the cost auditor is appointed for the financial year 2022-23 for internal monitor purpose. Further, the appointment of cost auditor has already been made for conducting the cost audit of the Company for the F.Y. 2023-24 un-

der the provisions of Companies Act, 2013.

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204(1) of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Ankit Misra & Co., Company Secretaries, having Firm Registration No. S2020UP749900 (COP number 23471) was appointed as Secretarial Auditor to undertake the Secretarial Audit of the Company for the F.Y. 2022-23. The Report of the Secretarial Audit is annexed to this Report as "Annexure E" and forms part of this Report.

The Secretarial Auditor in his Draft report stated that Immovable Properties of the Company are yet to be mutated in the name of the Company on which the Management submitted that the formalities regarding mutation of Immovable Properties is under process.

Further, he reported that Company has raised funds by Right Issue but the amount has been received prior to the offer by the board and thereby failed to comply with section 62 of the Companies Act, 2013. In this respect, it is submitted that the Emergency Authorisation Fund was distributed under the head Accrued Committed Liabilities by Department of Defense Production, MOD, Gov. of India regarding pending dues of employees which otherwise forms part of other reserves, however allotment has been made and no application money is pending till date.

Further, he reported that as per the Audited Financial Statements of the Company, Company has shown Corporate Social Responsibility Expenditure in Profit/Loss Account but failed to produce any supporting document/proof in respect of CSR expenditure.

In this respect, it is submitted that during the financial year 2022-23, provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014, relating to the CSR were not applicable to the company. The Company has made a provision of Rs. 1.92 Lacs to be spent in F.Y. 2023-24 in the books of accounts and shown the same amount as Expenditure paid on CSR under other expenses with a view to voluntarily deposit the said amount under CSR Fund. However, the same was not utilized in CSR and the management decided to pass the reversal entry in the books of accounts for the same in F.Y. 2023-24 which is also stated in Directors' report.

Further, he reported that 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. The Company does not have Independent Directors as required in clause 3.1.4 of the DPE Guidelines, 2010 and has not constituted audit Committee and Nomination & Remuneration Committee as required in clause 4 & 5 of the DPE Guidelines, 2010;

Management submitted explanation on above comment is that GIL, being Government Company, power regarding the

appointment of Non- functional/Independent Directors of the Company is vested with the Hon'ble President of India. GIL is waiting for induction of Independent Directors which is pending with administrative ministry i.e. Department of Defence Production, Ministry of Defence, Government of India.

COMPLIANCE OF SECRETARIAL STANDARDS AND APPLICABLE GOVERNMENT GUIDELINES:

During the year under review, the Company has complied with the provisions of applicable secretarial standards with respect to the Meetings of Board of Directors (SS-1) and General Meetings (SS-2) under the provisions of the Act issued by the Institute of Company Secretaries of India, except to the extent disclosed in this Report. The Company has also adopted guidelines and policies issued by the Department of Public Enterprises; Department of Defence Production and other Government authorities from time to time.

PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

No application has been made under the Insolvency and Bankruptcy Code against your Company; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions 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 orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.
- (d) There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this Report.
- (e) There were no cases of related party transactions that may have potential conflict with the interests of the Company at large.
- (f) The Company has complied with the provisions of the Companies Act, 2013 (except as otherwise stated in this report). No penalties/strictures were imposed on the Company by any Statutory Authority on any matter related to violation of any provisions of the Act/guidelines issued by Government, except not convening of Annual General meeting of the company within the limit prescribed under the provisions of Section 96 of the Companies Act, 2013 for which Company has filed an application for compounding

with concerned Authority .

- (g) The Company has complied with the requirements of the DPE Guidelines on Corporate Governance (except as otherwise stated in this report).
- (h) The Company has complied with Presidential Directives issued by the Central Government from inception.
- (i) There were no items of expenditure debited in books of accounts, which are not for the purposes of the business.
- (j) No expenses were incurred by the Company which are personal in nature and incurred for the Board of Directors and Top Management.

ACKNOWLEDGEMENTS

Your Directors acknowledges with sincere gratitude and appreciation to the Ministries of Government of India especially the Department of Defence Production, Ministry of Defence, Min-

istry of Finance, Department of Public Enterprises (DPE) and concerned Government authorities for their continued and unstinted support, co-operation and patronage. Your Directors also whole heartedly thankful for the valuable advices and co-operation received from the Comptroller and Auditor General of India, Statutory Auditors, Bankers etc.

The Directors convey their gratitude to their valued customers, for the continued trust and confidence reposed on the Company and place appreciation of the support provided by the vendors, contractors and tie-up entities and last but not the least, dedication and commitment of the employees , unions, workers, at all levels in running the unit , our valuable customers viz., the Indian Air Force, Army, Navy, DGAQA, Collaborators, Suppliers, Shareholders and other Agencies and acknowledge their contributions in our achievements.

For and on behalf of the Board
For **GLIDERS INDIA LIMITED**

Place: Kanpur
Date: 30.10.2023

Vijay Kumar Tiwari
Chairman and Managing Director
DIN: 09282247

Sunil Date
Director (Operations & HR)
DIN: 09282249

Surendra Dhapodkar
Director (Finance) & CFO
DIN: 09282248

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 31.03.2022 AND 31.03.2023

S.L. No.	CLASSIFICATION OF POSTS	As on 31.03.2022						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* No %	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 %				
	Permanent	SS	ES														
1	Group 'A'	20	18	02	02	02	03	00	01	5.55	19	03	03	04	00	01	5.26
2	Group 'B'	86	97	15	01	19	19	01	05	5.15	91	13	01	20	00	05	6.25
3	Group 'B'	155	80	16	03	16	16	01	05	6.25	75	15	03	16	01	05	6.57
4	Group 'C'	2928	972	207	30	230	230	38	85	8.74	924	169	28	190	27	67	7.28
5	Group 'D'		0	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 31.03.2022 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)											
GROUP 'B'											
GROUP 'C' (including Fixed Term Employees, ITI and Diploma Trainees)											
GROUP 'D' (including Fixed Term Employees)											

Currently all employees of GIL are on deemed deputation and organizational structure of GIL is under process.

* 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

Corporate Governance Report

ANNEXURE 'C' TO DIRECTORS' REPORT

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. Corporate governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organisation most effectively along with adherence to the adopted corporate values and objectives and discharging social responsibilities as a corporate citizen.

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 at the end of the Report.

BOARD OF DIRECTORS

The Board of Directors of the Company comprises of Functional Directors and Government Nominee Directors who are appointed from Government of India from time to time. The Board of Directors of the Company are the Directors with diverse experience, qualifications, skills etc. which are aligned with the Company's business, overall strategy, corporate ethics, values

and culture. The Board of Directors of the Company, headed by Chairman & Managing Director, ensures that the objective of the Company shall be well aligned with the stakeholder's interest and its prospects. 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

As on 31 March 2023, the Board of Directors of the Company consisted of 03 Functional/Whole-Time Directors including Chairman & Managing Director and 01 Government Nominee Director.

As per DPE Guideline, there should be minimum of 02 Functional Full-Time Directors and 02 Part-Time Non-Official (independent) Directors.

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, the power to appoint Directors vests with the President of India pursuant to the Article no. 88(A) of the Articles of Association of the Company, however the Company has not received any instructions related to the appointment of any Independent Director on the Board of the company as per the requirement in clause 3.1.4 of the DPE Guidelines, 2010.

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

S. 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
Functional/Whole-Time Directors:					
1.	Shri Vijay Kumar Tiwari (Chairman/ Managing Director)	09282247	Nil	Nil	Nil
2.	Shri Sunil Date (Director HR & Operations)	09282249	Nil	Nil	Nil
3.	Shri Surendra Dhapodkar (Director Finance & CFO)	09282248	Nil	Nil	Nil
Government Nominee Director:					
4.	Shri Chandraker Bharti * Government Nominee Director (ceased w.e.f. 14.09.2022)	02599261	Nil	Nil	Nil
5.	Shri Rajeev Prakash * Government Nominee Director (appointed w.e.f. 14.09.2022 upto 27.02.2023)	08590061	2	Nil	Nil
6.	Shri Jayant Kumar ** Government Nominee Director (appointed w.e.f. 27.02.2023)	07179274	1	Nil	Nil

* Shri Rajeev Prakash was appointed as a Nominee Director in place of Shri Chandraker w.e.f. 14th September, 2022 vide Office Memorandum no. 8(32)/2019-D (Coord/DDP) issued by Department of Defence production, Ministry of Defence, Government of India.

** Shri Jayant Kumar was appointed as a Nominee Director in place of Shri Rajeev Prakash w.e.f. 27.02.2023 vide Office Memorandum no. 8(32)/2019-D (Coord/DDP) dated 06.01.2023/ 23.12.2022 issued by Department of Defence production, Ministry of Defence, Government of India.

Brief profile of Directors appointed during F.Y. 2022-23:

#Shri Rajeev Prakash, Joint Secretary (Naval System) was appointed as Government Nominee Director of the Company w.e.f. September 14th, 2022.

Shri Rajeev Prakash has completed B.A. Honours 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).

Shri Rajeev 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 for more than 2.5 years.

Other Directorships: Shri Rajeev Prakash is also Government Nominee Director in Garden Reach Shipbuilders & Engineers Ltd., Hindustan Aeronautics Limited and Troop Comforts Ltd. He is not related to any other directors of the Company and does not hold any share in the Company.

Director Shareholding

None of the Directors of GIL hold any equity shares of the Company as on 31st March, 2023.

#(Ceased from the directorship w.e.f. 27.02.2023) vide Office Memorandum no. 8(32)/2019-D (Coord/DDP) dated 06.01.2023/ 23.12.2022 issued by Department of Defence production, Ministry of Defence, Government of India)

Brief resume of newly appointed Director:

Shri Jayant Kumar, Joint Secretary (Aerospace) was appointed as Government Nominee Director of the Company w.e.f. 27.02.2023.

Shri Jayant Kumar holds Bachelor's degree in Mechanical Engineering. He belongs to Indian Railways Service of Mechanical Engineers (IRSME) of 1994 batch. He has more than 25 years of rich & varied experience on Indian Railways. Prior to joining as joint Secretary (Aerospace), Department of Defence production, he was Group General Manager in Dedicated Freight Corridor Corporation of Indian Limited (DFCCIL).

Other Directorships: Shri Jayant Kumar is also Government Nominee Director in Advanced Weapons and Equipment India Ltd. He is not related to any other directors of the Company and does not hold any share in the Company.

Director Shareholding

None of the Directors of GIL hold any equity shares of the Company as on 31st March, 2023.

The details of number of Board Meetings and attendance of Directors:

Board of Directors meet at regular intervals to review the operational & financial performance of the Company, to formulate policies and strategies, evaluate internal control system and to monitor regulatory compliance to be done as per the government guidelines.

During the financial year ended on 31st March, 2023, 07 (Seven) numbers of Board Meeting were held on 26.04.2022, 30.06.2022, 19.09.2022, 26.09.2022, 17.11.2022, 03.02.2023, and 10.02.2023. The maximum time gap between any two meetings was not more than 120 days which was within the period prescribed under the Companies Act, 2013 and DPE Guidelines.

The attendance of Directors in Board Meetings for the F.Y. ended on 31st March, 2023 are as under:-

S. No.	Name of Directors	No. of Board Meetings held during respective tenure of Director	No. of Board Meeting attended
1.	Shri Vijay Kumar Tiwari (Chairman & Managing Director)	07	07
2.	Shri Sunil Date (Director Operation & HR)	07	07
3.	Shri Surendra Dhapodkar (Director Finance & CFO)	07	07
4.	*Shri Chandrakar Bharti (Government Nominee Director)	02	01
5.	*Shri Rajeev Prakash (Government Nominee Director)	01	00
6.	*Shri Jayant Kumar (Government Nominee Director)	00	00

* Shri Rajeev Prakash was appointed as a Nominee Director in place of Shri Chandrakar w.e.f. 14th September, 2022 vide Office Memorandum no. 8(32)/2019-D (Coord/DDP) issued by Department of Defence production, Ministry of Defence, Government of India.

* Shri Jayant Kumar was appointed as a Nominee Director in place of Shri Rajeev Prakash w.e.f. 27.02.2023 vide Office Memorandum no. 8(32)/2019-D (Coord/DDP) dated 06.01.2023/ 23.12.2022 issued by Department of Defence production, Ministry of Defence, Government of India.

Notice and agenda of Board Meeting along with supporting documents are circulated among the directors in advance as

per provisions 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. The Directors are provided with video-conferencing facility to enable them to 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.

The power to appoint the Directors vest with the President of India pursuant to the Article no. 88(A) of the Articles of Association of the Company. During the year under review, the Company has not received any instructions related to the appointment of any Part-Time Non-official (Independent) Director on the Board of the company resulting into non-formation of Board Committees as necessitated under clause 4 & 5 of the DPE Guidelines, 2010.

As per the statutory requirement of the Companies Act, 2013 & DPE guidelines following Committees applicable to the Company during the FY 2022-23 as under:

AUDIT COMMITTEE

The power to appoint the Directors vest with the President of India pursuant to the Article no. 88(A) of the Articles of Association of the Company.

During the year under review, the Company has not received any instructions related to the appointment of any Part-Time Non-official (Independent) Director on the Board of the company from the administrative ministry i.e. Department of Defence Production, Ministry of Defence, Government of India .

Hence, the Company has not constituted the Audit Committee due to absence of Independent Directors on Board during the FY 2022-23. Meeting of the Audit Committee could not be held during this period and therefore, business items pertaining to the Audit Committee were directly placed before the Board during this period.

NOMINATION & REMUNERATION COMMITTEE

During the year under review, the Company has not received any instructions related to the appointment of any Part-Time Non-official (Independent) Director on the Board of the company from the administrative ministry i.e. Department of Defence Production, Ministry of Defence, Government of India .

Hence, the Company has not constituted the Nomination & Remuneration Committee due to absence of Independent Directors on Board during the FY 2022-23. Meeting of the Audit Committee could not be held during this period and therefore,

business items pertaining to the Audit Committee were directly placed before the Board during this period.

Appointment and Remuneration of Directors

GIL 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, indicating the tenure, remuneration and other terms & conditions of appointment. As per the Articles of Association of the Company, the Directors of Company are paid such remuneration as the President of India, may determine, from time to time.

The pay and allowances of Board level executives are paid in accordance with the terms of appointment & Department of Public Enterprises Guidelines on the above subject; and other benefits and perquisites in accordance with the rules of the Company.

The Details of remuneration paid to CMD and Functional Directors for the financial year ended 31st March, 2023, are given below:

(Rs. In Lakhs)

S. No.	Name of Director	Salary	Perquisite as per IT Rules	Total
1	Shri Vijay Kumar Tiwari (Chairman/ Managing Director)	36.89	0	36.89
2	Shri Sunil Date (Director HR & Operations)	36.89	0	36.89
3	Shri Surendra Dhapodkar (Director Finance & CFO)	42.71	0	42.71

Government Nominee Director / Part time Official is appointed by the President of India and not paid any remuneration or sitting fee.

The Company does not pay any commission to its Directors nor issued any stock options to its Directors. Further, there has been no other pecuniary relationship or transactions of the Part-Time Directors vis-à-vis the Company during the year under review.

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)

Corporate social responsibilities & Sustainability/ Social

initiative under mandatory provision and statutory obligation on companies to take up corporate social responsibilities project towards social welfare activities like plantation for conservation of environment, special cleanliness drive to ensure health and sanitation, international yoga day for healthy work life etc. have been taken by OPF during the period of report. However, the provision of section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 relating with constitution of CSR Committee and CSR expenditure were not applicable during the financial year F.Y. 2022-23.

MEETING OF INDEPENDENT DIRECTORS

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

Details of the Extra-Ordinary Meeting (EGM) held :

During the FY 2022-23, two Extraordinary General Meetings were held viz., 19th May 2022 and 13th October 2022, detailed hereunder:

Date & Time	Location	Subject matter of Resolution passed
19 th May 2022 at 11:00 A.M. (IST)	Deemed Venue: Registered Office of the Company i.e., Ordnance Equipment Factory Hqrs, G.T. Road, Kanpur – 208013(U.P.)	To increase in Authorised Share Capital
13 th October 2022 at 11:00 A.M. (IST)	Deemed Venue: Registered Office of the Company i.e., Ordnance Equipment Factory Hqrs, G.T. Road, Kanpur – 208013(U.P.)	To make preferential allotment of shares on Pvt. Placement basis

TRAINING OF BOARD MEMBERS

GIL is in the process of undertaking necessary actions for formation and adoption of policy for training of Board members including Independent Directors for familiarization programme at the time of their induction to the Board to make them conversant with the business model, operations, future outlook and other necessary aspects of the Company.

CODE OF BUSINESS CONDUCT AND ETHICS

GIL is committed to conduct its business in accordance with the highest standards of business ethics and adopted a policy on 'Code on Business Conduct and Ethics' as per DPE Guideline as on 31st March, 2023. A copy of the Code of Conduct is available on the Company's website at www.glidersindia.in

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 (Rs.)	% of Shares held to Total Paid-up Capital
1.	Government of India President of India	54,48,09,279	544,80,92,790	100.00%
2.	Others	06	60	0.00%
	Total	54,48,09,285	544,80,92,850	100.00%

GENERAL BODY MEETINGS

Details of the Annual General Meeting (AGM) held during the last three years are as follows:

Year	No. of the Annual General Meeting	Date & Time AGM	Location	Any Special resolution Passed
2021-22*	01 st AGM	20 th February 2023 at 12:30 PM (IST)	Deemed Venue: Registered Office of the Company i.e., Ordnance Equipment Factory Hqrs, G.T. Road, Kanpur – 208013(U.P.)	None

* GIL was incorporated on 14.08.2021 and completed first FY 2021-22, in view thereof, the Company has conducted only one Annual General meeting during the last three years.

All members of the Board, Senior Management and Key Managerial Personnel have confirmed their compliance with the Code of Conduct for the year under review. A declaration to this effect by the Chairman & Managing Director is appended to this report.

WHISTLE BLOWER POLICY

A statement indicating formulation of whistle blower policy for the Company are set out in the Directors' report.

RISK MANAGEMENT

A statement indicating development and implementation of a risk management policy for the Company are set out in the Directors' report.

DEMATERIALIZATION OF SHARES AND SHARES TRANSFERS SYSTEM

All the equity shares of GIL are held in Physical form and are transferable on the order of MoD, DDP, Government of India.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

GIL has commenced its business w.e.f. 1st October 2021 and is working in its initial phase and so the operation is not yet stabilized and require to retain funds for CAPEX/ Business expansion needs. Therefore, no dividend was declared during the financial year, hence no amount relating to dividend has been transferred to Investor Education and Protection Fund ('IEPF') under the provisions of Section 124 of the Act. Therefore compliance of Section 124 and 125 of the Act are not applicable. Further, as per the Minutes of the Meeting of the Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDC) held on 5th June, 2023, the Committee decided to grant exemption to GIL from dividend payment for FY 2021-22, 2022-23 and 2023-24.

MEANS OF COMMUNICATION

The Company's website www.glidersindia.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 Company's website contains annual reports, notices etc. The Company periodically disseminates information through press releases and its annual reports. Notice of Annual General Meeting and Annual Report containing Financial Statements and Auditors' Report are circulated to members and others entitled thereto.

ADDITIONAL/GENERAL INFORMATION FOR SHAREHOLDERS

2nd Annual General Meeting

Date: Thursday ; 9th November 2023

Time: 1130 hours

Venue/ Registered office: Ordnance Equipment Factory
G.T. Road, Kanpur-208013, Uttar Pradesh, India

Phone: 0512- 2989174. **Fax:** 0512- 2989174

Email: corporate@glidersindia.in

Website: www.glidersindia.in

For and on behalf of the Board
For **GLIDERS INDIA LIMITED**

Place: Kanpur
Date: 30.10.2023

Vijay Kumar Tiwari
Chairman and Managing Director
DIN: 09282247

Sunil Date
Director (Operations & HR)
DIN: 09282249

Surendra Dhapodkar
Director (Finance) & CFO
DIN: 09282248

DECLARATION

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

For and on the behalf of Board of Directors

Place: Kanpur
Date: 30.10.2023

Vijay Kumar Tiwari
Chairman & Managing Director
DIN: 09282247

Management Discussion And Analysis Report

ANNEXURE 'D TO DIRECTORS' REPORT

GLOBAL SCENERIO

Global Military Parachute Market is valued approximately USD 1.16 billion in 2022 and is anticipated to grow with a healthy growth rate of more than 5.9% over the forecast period 2023-2030. A military parachute is a type of parachute designed for usage by military personnel. It is employed for several objectives, including air assault operations, airborne training, and supply and equipment delivery. The Military Parachute market is expanding because of factors such as increasing number of territorial conflicts and rising defense spending. Military parachutes are often built to resist extreme temperatures and hefty loads. They are made of high-strength textiles like nylon or Kevlar and are frequently reinforced with additional stitching and webbing. Its importance has progressively increased during the last few decades.

The key regions considered for the Global Military Parachute Market study includes Asia Pacific, North America, Europe, Latin America, and Middle East & Africa. North America dominated the market in 2022 owing to the presence of key market players in the region. According to the Statista, Defense outlays in the United States amounted to USD 746 billion in 2023. The forecast predicts an increase in defense outlays up to USD 1.1 trillion in 2033. Asia Pacific is expected to grow significantly during the forecast period, owing to the rising territorial conflicts between India and China and increasing defense spending in the market space.

Parachute Market Analysis

The Parachute Market size is expected to grow from USD 0.59 billion in 2023 to USD 0.78 billion by 2028, at a CAGR of 5.60% during the forecast period (2023-2028).

Parachute Industry Segmentation

A parachute is a device designed to slow the rate of descent of a body under free fall by creating drag. Modern parachutes are designed to reduce the terminal velocity of the user by as much as 90%. The Parachute market is segmented by type, application, and geography. By type, the market is segmented into round, cruciform, ram-air, and other types. By application, the market is segmented into military, cargo, and other applications. While the other type of segmentation includes special design parachute, the other applications segment includes parachute used for recreational activities, such as adventure sports. The report also covers the market size and forecasts for the parachute market in major countries across different regions. For each segment, the market sizing and forecasts have been done based on value (USD billion).

Major market player included in this report are:

The key market players analyzed in the global military parachute market report include Aerodyne Research, LLC, Airborne Systems, Atair Aerospace, Avic Hongguang Airborne Equipment, BAE System Plc BAE Systems, Ballenger International, LLC, Tactical Parachute Delivery Systems, Butler Parachute Systems, CIMSA Ingeniería de Sistemas, S.A., FXC Corporation, Magam Safety Ltd., Mills Manufacturing, NH Global, Vital Parachute Inc., Parachute Systems, Precision Aerodynamics, Safran, The Cirrus Design Corporation; Aerial Delivery Solutions, LLC, etc.

INDIAN SCENERIO

- The Indian Defence sector, the second largest armed force is at the cusp of revolution. The Government has identified the Defence and Aerospace sector as a focus area for the 'Aatmanirbhar Bharat' or Self-Reliant India initiative, with a formidable push on the establishment of indigenous manufacturing infrastructure supported by a requisite research and development ecosystem.
- GOI aims to achieve a turnover of USD 25 Bn including export of USD 5 Bn in Aerospace and Defence goods and services by 2025.
- Defence exports reach an all-time high of approx. INR 16,000 crore in FY 2022-23, over 10-times increase since 2016-17.
- Over INR 2.71 lakh cr worth of procurement cleared in FY 2022-23 of which 99% will be sourced from Indian industries.
- The Indian Defense Market is segmented by Armed Forces (Army, Navy, and Air Force) and Type (Fixed-wing Aircraft, Rotorcraft, Ground Vehicles, Naval Vessels, C4ISR, Weapons and Ammunition, Protection and Training Equipment, and Unmanned Systems). The report offers market size and forecasts for all the above segments in value (USD billion).
- India's defence manufacturing industry is going through rapid changes and higher demand is expected due to national security concerns. To meet this demand, the domestic share is likely to increase, given the various schemes introduced by the government.
- Over the last five years, India has been ranked among the top importers of defence equipment to gain technological advantages over rival countries. Therefore, various administrative measures have been taken by the Government to encourage 'Make in India' activities in order to modernise its armed forces and to reduce dependency over external sources towards the policies related with defence procurement.

- To achieve Aatma-nirbharta and realise the goal of 'Make in India', Government of India has established two Defence Industrial Corridors in the country, one in Uttar Pradesh and the other in Tamil Nadu, with the goal of attracting Rs 10,000 crore investments in each. To boost the Government's 'self-reliant' India initiative, in June 2021 budgetary funds worth Rs 498.8 crore has been approved for Innovations for Defence Excellence (iDEX), a Defence Innovation Organization (DIO) for the next five years.

Investment Opportunities

In the Indian Defence Sector, investment opportunities are in the following areas:

- o Supply chain sourcing opportunity
- o Modernization of armed forces
- o Infrastructure development
- o Research and Development

Defence products manufacturing - Indigenously designed, developed and manufactured (IDDM) is the new method of capital procurement

Market Drivers

The prevalence of sophisticated technology in parachute systems and the adoption of airplane recovery parachute systems are all expected to boost the commercial and military parachute market throughout the forecast period. Increasing utilization for crewless aerial vehicles, on the other hand, would create enormous prospects for the commercial and military parachute markets to grow during the projection period.

The other two critical factors contributing to the expansion of the commercial parachute market are the growing demand among thrill seekers who utilize parachutes during recreational activities and the global increase of aero sports. In addition, as consumer incomes rise, especially in emerging economies, more people will try skydiving, increasing overall commercial demand for parachutes.

ORGANISATIONAL STRUCTURE:

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") into 7 Defence Public Sector Undertakings.

Gliders India Limited (GIL) is one of the 07 recently formed Defence Public Sector Undertakings, having its factory/registered office located at Kanpur Uttar Pradesh and started its business operations vide Gazette Notification No. CG-DL-E-01102021-230101 dated 1st October 2021.

GIL was incorporated as 100% Government owned Company on 16th August-2021 as a newly formed Defence Public Sector Enterprise under the Department of Defence Production of Ministry of Defence, Government of India with 100 % equity shares held by Government of India.

Ordnance Parachute Factory is a unit under Gliders India limited was established in the year 1941 at Kanpur (UP), India. Production unit of GIL viz. Ordnance Parachute Factory is the largest and oldest production unit of Parachutes in India. After independence it was shifted to its present location at Napier Road Cantonment, Kanpur and started as a full fledged parachute manufacturing unit.

PRODUCTS & SERVICES

GIL excels in the production of Parachutes and Inflatable products including Seat Ejection Parachutes, Man carrying Parachutes, Supply Drop Parachutes, Heavy Drop Parachutes, Brake Parachutes, Parachute components and accessories, floats for KM Bridges and rubber inflatable Boats. We cater to the demands of Indian Army, Navy, Air Force, Indian Coastguard, ITBP, State Police Forces among others including many International Customers.

OUTLOOK

India's proactive approach towards foreign trade and rising agreements with foreign countries for joint defence manufacturing and strengthening defence ties offer huge potential growth opportunities to boost defence manufacturing in India. As per published report, Hon'ble Defence Minister has forecasted the growth of Indian defence manufacturing industry from US\$ 850 billion currently to US\$ 1 trillion in 2022 and US\$ 5 trillion by 2047.

Moreover, the government is also inviting foreign players to invest in India and capitalise on the 'Make in India' opportunity.

With the several development projects in the pipeline and strong order book position, GIL is confident to mark a benchmark in its core product and is committed to achieve the sustainable growth and remarkable progress. Further, in pursuance of the policy initiatives of Govt. of India towards 'Make in India' and 'Aatmanirbhar Bharat' and ongoing territorial disputes with neighboring countries raise a huge demand for military products which along with the indigenization moves open up a bright outlook for Indian defence manufacturing.

With good order book, continued research and development and ongoing projects in pipeline, your Company is confident of a sustainable growth.

Key Factors Driving Military Parachute Market Growth:

Military parachutes have been used by militaries since the Second World War to deliver soldiers and supplies into battle.

Since then, they have seen increased use in many war zones, most notably by developed-country Special Forces. Advances in airborne technology have also enhanced the mechanism of action of parachutes, making them safer and more dependable for military purposes.

SWOT ANALYSIS (Strength, Weakness, Opportunities and Threats):

In the changing technology, environment, market approach and advanced methodologies, your Company has identified following to be its strengths, weaknesses, opportunities and threats:

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- ◆ Strong support from MOU
- ◆ 100% Indigenized products
- ◆ Asia's one of the largest Parachute manufacturing setup Equipped with e-procurement system, PPC package & NQDBMS
- ◆ NABL accredited Lab with advanced facilities of Testing
- ◆ In-house design innovation capability
- ◆ Highly skilled work force
- ◆ ISO 9001:2015, 14001:2015 and 45001:2018, International Standard AS9001D
- ◆ History of Long association with various stake holders, users, Designer, inspection departments etc.
- ◆ Design Studio with latest software's.

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- ◆ Limited vendor base for input material supply
- ◆ Project execution and regular commercial production take much more time due to stringent procedures involving various agencies
- ◆ Slow progress in developing full fledged R&D facility
- ◆ Lack of dedicated courses in Aerial delivery systems
- ◆ Very less advertising of products
- ◆ Single location of manufacturing unit leading to limited reach to potential customers
- ◆ Requirement for augmentation of IT infrastructure

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- ◆ Impetus on self-reliance and Make in India policy of GOI
- ◆ Growing export potential with friendly nations and support by the GOI
- ◆ Rise in demand for various types of Parachutes in military applications

- ◆ Rapid technological advancement in parachutes
- ◆ Global increase in defence expenditure by governments in major economies
- ◆ Large scope of R&D in Sports & Adventure activity Parachutes for civil applications
- ◆ Business diversification
- ◆ Entry in new Market

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- ◆ Stiff price competition in international market
- ◆ Disruption in supply chain of basic textile raw materials for parachute items due to geo-political uncertainties
- ◆ Less profitability due to higher cost of production than the issue prices
- ◆ Continuous depletion of trained manpower due to regular retirements
- ◆ Dependence on few major customers i.e., Indian Army & IAF
- ◆ Rising costs of Raw Material increasing competition in the Parachute Manufacturing
- ◆ Fewer number of technical fabric suppliers

GIL continues to focus on exploring all these possible opportunities based on its strength and minimizing the impact of weaknesses. The Company leverages its strengths of infrastructure, design and manufacturing facilities & capabilities through strategic alliances to address the emerging opportunities and reducing the impact of perceived threats and weaknesses.

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) Stringent regulatory compliance and lawsuits.
- (b) Commercial parachutes come with a significant degree of life risk.
- (c) Dependence on few major customers i.e. Indian Army contributing to almost 95% of the orders out of total orders of the Company.
- (d) Requirement for augmentation of IT infrastructure including Software/ERP system aligning with advancement in technology.
- (e) Rising inflation impacting the pricing of several core items and materials.
- (f) Uncertainties on the part of suppliers and subcontractors affecting the timely delivery of raw materials and completion of job works entrusted to them.

(g) Increased competition specially from foreign sector influencing maintenance of cost competitiveness and sustenance of customers.

MAJOR INITIATIVES UNDERTAKEN AND PLANNED TO ENSURE SUSTAINED PERFORMANCE AND GROWTH

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

- (a) Emphasizing on Import substitute solutions to Indian Army.
- (b) Modernization activities to modernize our production facilities in line with the world leading manufacturing units.

(c) Penetrating into Export market for selective range of products with customized designing as per the international market requirements.

(d) Development of improved Marketing & Business strategies in order to strengthen the order book position and in line with growing thrust on export by the Government of India,

(e) In order to publicize our expertise and improve exposure in the international market and to identify various business opportunities, the Company participated time to time in various defence exhibitions held at various countries.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

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

SUMMARISED FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Performance Highlights of the Company or FY 2022-23 vis-a-vis the previous year is summarized below:

(Rs. in Crores)

Particulars	F.Y. 2022-23 (01.04.2022 to 31.03.2023)	F.Y. 2021-22 (01.10.2021 to 31.03.2022)
Revenue from operations	206.01	85.94
Other income	6.33	1.26
Gross Revenue	212.34	87.20
Earnings before Interest, Taxes & Depreciation	16.35	3.59
Less: Finance Cost	-	-
Less: Depreciation	4.96	2.63
Less: Exceptional Item	2.99	0.00
Profit Before Tax	11.39	0.96
Less: Tax Expenses (1) Current tax	3.10	14.95
(2) Deferred tax	1.42	9.97
Profit After Tax	6.87	0.71
Other comprehensive Income	-	-
Total comprehensive Income	0	0
Net Worth	651.85	529.96
Inventory	53.39	62.55
Trade Receivables	75.65	3.80
Earnings Per Share (EPS) (in Rs.)		
- Basic EPS	0.34	200.62
- Diluted EPS	0.33	0.01
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.

ENVIRONMENTAL PROTECTION AND CONSERVATION

GIL is committed to maintain environment-friendly process at its headquarter/ work premises/ factory unit in accordance with the Department of Public enterprises (DPE) guidelines

towards environmental excellence. GIL continues to show its commitment to improvement, conservation, and protection of the environment, paying special attention for the planting and preservation of trees. GIL company's headquarters, work premises, factory campus have approximately 60% forest/ greenery cover. In addition, various steps on cleanliness drive, tree plantation drive etc. in the campus vicinity and neighboring wards of the Company were undertaken, time to time. Efforts were already taken to encourage employees/ workers to reduce in usage of any type of plastics & to make a Plastic free zone environment.

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.

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.

Cautionary Statement:

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

For and on behalf of the Board
For **GLIDERS INDIA LIMITED**

Place: Kanpur
Date: 30/10/2023

Vijay Kumar Tiwari
Chairman and Managing Director
DIN: 09282247

Sunil Date
Director (Operations & HR)
DIN: 09282249

Surendra Dhapodkar
Director (Finance) & CFO
DIN: 09282248

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
GLIDERS INDIA LIMITED
Ordnance Equipment Factory Headquarter,
GT Road Kanpur, UP 208013 IN

I have examined the compliance of the conditions of Corporate Governance by GLIDERS INDIA 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:

- 1- 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;
- 2- During the Audit Period the Company does not have Independent Directors as required in clause 3.1.4 of the DPE Guidelines, 2010;
- 3- 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 vest 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**

Ankit Misra

Proprietor

CP No. 23471

Company Secretaries

Unique Code Number S2020UP749900

Peer Review Certificate Number 1447/2021

UDIN: A030650E001553732

Date: 31/10/2023

Place: Kanpur

ANNEXURE 'E 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,
Gliders India Limited
Kanpur

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by GLIDERS INDIA LIMITED (CIN:U17299UP2021GOI150733) (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, The Environment (Protection) Act, 1986;
- (g) Factories Act, 1948
- (h) DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010;
- (i) Environmental Laws;
- (j) Income Tax Act 1961;
- (k) Goods and Service Tax Act, 2016.

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. Immovable Properties of the Company are yet to be mutated in the name of the Company;
- ii. Company has raised funds by Right Issue but the amount has been received prior to the offer by the board and thereby failed to comply with section 62 of the Companies Act, 2013;
- iii. As per the Audited Financial Statements of the Company, Company has shown Corporate Social Responsibility Expenditure in Profit/Loss Account but failed to produce

any supporting document/proof in respect of CSR expenditure;

- 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.

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

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: 31/10/2023

Place: Kanpur

For **ANKIT MISRA & CO**

Ankit Misra

Proprietor

CP No. 23471

Company Secretaries

Unique Code Number S2020UP749900

Peer Review Certificate Number 1447/2021

UDIN: A030650E001553591

Financial Section

Independent Auditor's Report

To
The Members of
Gliders India Limited
Kanpur

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Gliders India Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss, and statement of cash flows for the period ended on 31st, March, 2023 and other notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements 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 March 31, 2023, and profit and its cash flows for the period ended on that date.

In our opinion and to the best of our information and according to the explanation given to us, we report that :-

A. FIXED ASSETS

1. In the addendum valuation report of registered valuer dated 13.07.23, Adroit Appraisers and Research Private Limited Noida, Uttar Pradesh, value of some Fixed Assets, where values have been indicated aggregating to Rs.6,69,330.00, have not considered in Valuation Report. Further Fixed Assets items having value of Rs 3,97,537.00 as on appointed date i.e. 01.10.2021 have been capitalized during the year on the basis of addendum valuation report of the valuer but no depreciation have been charged on these fixed assets.

6. Proper stock registers are not being maintained by the company to ascertain true and fair value of inventory as per IND AS-2 Inventories issued by the ICAI. The Closing inventory has been certified by the management along with the annexures.

7. Following anomalies in valuation of Stocks:

Sr. No.	Particulars	As per Accounting Policies valuation should be	Valuation should be as per IND AS 2
1.	Raw Materials (Opening Stocks)	Moving Average Auditors Remark: Accounting policy is not in conformity with IND AS – 2 issued by ICAI.	Cost Or NRV , Whichever is Lower
2.	WIP Closing Stocks	Cost or NRV whichever is lower Auditors Remark: Actual valuation have been done on Cost only and no NRV have been considered for valuation purposes.	Cost or NRV whichever is lower
3	Scrap Disposable	Weighted Average rate of past sale price. Auditor remark: Scrap valuation done on Cost or NRV whichever is lower which is not in conformity with Accounting Policy.	Cost or NRV whichever is lower

Difference due to above deviations cannot be quantified in the absence of relevant data.

C. Others

8. The Parachute factory had not closed current account under the name of GM Public fund Ordnance Parachute Factory maintained prior to appointed date i.e. 1/10/2021 with State Bank of India having Account no 30093790846 in Khapra Mohal Branch, Kanpur, and it is still being operated by the Management. The balance as on 31st March 2023 is

2. Fixed assets items aggregating to Rs.96,665.00 were in the opening inventory of raw material/manufactured Goods and same were issued during the year under audit but value of these items have been considered in calculation of Cost of Material Consumed, while these fixed assets items issued/put to use aggregating to Rs 96,665.00 should be capitalized in fixed assets and depreciation should be charged on the same. Thus Cost of materials consumed and Net Profit are effected by this amount.

B. INVENTORY

3. In closing inventory of WIP multiple work orders are showing negative balances and net value of WIP has been considered in valuation of inventory and reasons of negative value have not been satisfactorily explained.

4. The Consumable stores items aggregating to Rs.25,96,224.00 and Rs.51,92,770.89 have been taken in the opening and closing inventory, respectively, of raw material/manufactured Goods and value of these Stock of Consumable stores have been considered in calculation of Raw Material Consumed, while the stock of Consumable Store should be shown in the statement of Profit & Loss Account under respective head of expenses. Thus, the amount of Cost of Material Consumed is effected by this amount. However there will be no impact on Net Profit of the Company.

5. In some of the work orders of WIP, though Material and Labour have been consumed during the year but the cost of closing WIP have been shown less as compared to WIP cost on 31.03.2022 by Rs. 45,15,796.88. Thus amount of Closing Stock of WIP and Net Profit are effected by this amount.

Rs. 1,65,698.50 and same has been shown in the books of accounts.

9. The Company had paid bills amounting to Rs. 4,45,972.00 relating to goods purchased prior to corporatization i.e. 01.10.2021 and the same have been debited during the year to respective heads of purchases/expenses along with GST amount. Further input tax credit amounting to

Independent Auditor's Report

Rs 27,850.00 have not been claimed in GST Return and same have been directly debited to respective purchase/expense account. Thus profit and Input Tax Credit have been understated by this amount.

10. Unutilized amount of Rs 1.59 Crores paid by the Government of India during previous year against outstanding Committed Liabilities as on appointed date i.e. 01.10.2021 and same has been shown under the head 'Other Liabilities' subject to clarification/confirmation from the Government of India.
11. Rs.57.86 lacs being NAV amount payable to Government/Equity share are to be issued due to corporatization, have been shown in Balance Sheet under the head 'Reserve and Surplus - Other Equity' (note no. 10) while it should be shown in Other Current liability (note no. 13).
12. No provision have been made against Temporary Duty Advances, Medical Advances and LTC Advances given to employees and same could not be adjusted in the absence of final bills/approval.
13. No Provision have been made in books of accounts for Transportation charges receivable from the customers to whom Goods have been delivered at the site as per the Deemed Sale contract.
14. The provisions of Corporate Social Responsibility under section 135 of company are applicable to the company for the year under audit but the company had not spent any amount towards Corporate social Responsibility. However at the end of the year company has made Provision of Rs 1.92 Lacs for Corporate social Responsibility.
15. Balances of Sundry Debtors, Sundry Creditors, advances to suppliers and other and advances from customers are subject to reconciliation/confirmation.
16. GST ITC earned and availed during the year, Purchases are subject to reconciliation with GST portal.
17. Refer note no 16 to Audited Financial Statements: Regarding Non Provision for Liquidated Damages against sales made during the FY 2022-23.
18. Refer Note no 22 to Audited Financial Statements: Regarding Provision for warranty charges
19. The Net effect in Financial Statements of the Company due to afore referred observations are as per Annexure.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

Independent Auditor's Report

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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 of India in terms of sub-section (11) of section 143 of

the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Directories / Additional directions (Revised) of the Comptroller & Auditor General of India under Section 143(5) of the Companies Act, 2013, we report that :

a. Directions of the C & A G :

1. The Company has done all accounting transactions through IT System except the transactions for Inventories. Further no Reconciliation is being done relating to quantities of stocks between PPC Package and Tally Software.
2. No Loan or advance have been taken by the Company hence this para is not applicable to the Company.
3. No grants/subsidy have been received by the Company during the period. However fund received towards Committed Liabilities please refer para no 10 of Opinion of our Audit Report.

b. Additional directions of the C & A G :

1. As this being the second year of operation of the company hence this para is not applicable.
2. There is no transactions of inter-factory balances with the other DPSUs on the date of formation of the Company hence we are not able to comment on this para of the directions.
3. The Accounting Policies have been framed by the DPSU as per the provisions of the IND AS and are in accordance with the prudent accounting policies applicable to the defence sector.
4. Please refer para no 15 of note no 1 of Significant Accounting Policy and Notes to accounts of Audited Financial Statements for Employees Benefits.

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;
 - (b) 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 subjects to our remarks given in this report;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as of March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

Independent Auditor's Report

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) As it is a Government Company hence, Section 197(16) of the Companies Act, 2013, is not applicable to the Company.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 30 to the financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts which were 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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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 by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has not declared and/or paid any dividend (Refer para H of part B Note no 1 of Significant Accounting Policy and Notes to Accounts) during the year. Hence, compliance of Section 123 of the Act is has been exempted by the government.

For **TANDON SETH & CO.,**
Chartered Accountants
Firm Registration No. 002340C

Gyan Prakash Gupta
Partner
Membership No. 074195

Place: Kanpur
Dated: 11.08.2023

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 of our report of even date on the financial statements for the financial period ended March 31, 2023 of Gliders India Limited)

In terms of the information and explanations sought by us and given by the company and the books of accounts 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 maintained records on computer showing full particulars, including quantitative details but locations of its property, plant and equipment has not been properly disclosed;
 - (B) The Company has two Indian copyrights in name of the company having registration no L-84251/2019 and L-96884/2020 the value of which has not been shown in the financial statements of the company.
- (b) The Company has devised a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However during the period Valuer have done physical verification of Property, Plant and Equipment. According to the information and explanations given to us, no material discrepancies were noticed on such verification except which have been reported at para no.1 and 2 of our main audit report.
- (ii) The Title deeds of the Land transferred to the New DPSU i.e. Glider India Limited is not yet Registered in the name of the company as on the date of the report. For Annexure please refer Note no 2 of Financial Statements.
 - (b) As informed by the management no proceedings have been initiated during the period or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (iii) (a) The inventories of the Company have been physically verified by the management at reasonable interval during the period. In our opinion, the coverage and procedure of such verification is appropriate having regard to the size of the company and nature of its operation. We are unable to comment on the discrepancies of 10% or more in the aggregate for each class of inventory were noticed on verification during the period with stocks register as no proper stock records are produced before us for our verification purposes. Refer Para no B of our opinion para.
 - (b) The Company does not have sanctioned working capital limits from banks on the basis of security of current assets of the Company during the period; hence, paragraph 3(iv)(b) of the Order is not applicable.
- (iv) The company has made investments in, provided guarantee or granted unsecured loans to companies, during the year, in respect of which:
 - (a) The Company has not provided loan or advance in the nature of loan, or stood guarantee, or provided security to any other entity.
 - (b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) The Company has not granted any loan; hence, paragraph 3(iii)(c) of the Order regarding schedule of repayment and payment of interest, is not applicable during the year.
 - (d) The Company has not granted any loan; hence, paragraph 3(iii)(d) of the Order regarding overdue, is not applicable during the year.
 - (e) The Company has not granted any loan; hence, paragraph 3(iii)(e) of the Order regarding renewal/ extension of amount fallen due is not applicable during the year.
 - (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under paragraph 3(v)(f) is not applicable.
 - (v) The company has not granted any loan, guarantee, or security where provisions of section 185 of the Act are applicable.
 - (vi) In our opinion, the Company has not accepted any deposit or an amount deemed to be deposit during the year within the meaning of Section 73 to Section 76 of the Companies Act, 2013 (the Act) read with the Rules framed there under. Hence, paragraph 3(vii) of the Order is not applicable.
 - (vii) Provisions for maintaining Cost Records pursuant to the Rules framed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 are not applicable to the company during the period. Accordingly reporting under clause (viii) of paragraph 3 of the Order is not applicable.
 - (viii) (a) According to the books and records produced and examined by us, the Company is generally regular in depositing undisputed Statutory dues including Goods and Services Tax (GST), Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Pension fund, Duty of Customs, Duty of Excise, Cess and other material statutory dues as applicable with the appropriate authorities and no undisputed amount payable in respect of aforesaid statutory dues were outstanding as at March 31, 2023 for a period of more than six months from the date they become payable.
 - (b) According to the information and explanations given to us, there are no statutory dues of nature specified in paragraph(ix) (a) above which have not been deposited on account of any dispute.
 - (ix) As per information and explanations furnished to us, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in tax assessments under the Income Tax Act, 1961 as income during the year (43 of 1961).
 - (x) (a) The company has not defaulted in repayment of loans or other borrowings or on the payment of interest thereon to any lender during the period.

Annexure A to the Independent Auditor's Report

- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The company has not availed any term loan during the period. Hence, paragraph 3(xi)(c) of the Order is not applicable.
- (d) The Company have not raised any funds on short-term basis. Hence, paragraph 3(ix)(d) of the Order is not applicable.
- (e) the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence reporting under clause 3(xi)(e) of the Order is not applicable.
- (f) The Company does not have any subsidiary, hence reporting under clause 3(xi)(f) of the Order is not applicable.
- (xi) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period and hence reporting under clause 3(xii)(a) of the Order is not applicable.
- (b) During the year, the Company has made preferential allotment/Private Placement and has duly complied the provisions of section 42 and 62 of the companies act, 2013. Further No Convertible Debentures have been issued during the year by the company.
- (xii) (a) No fraud by the company or any fraud on the Company has been noticed or reported during the period.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) Provisions of Whistle Blower Mechanism is not applicable to the company during the period.
- (xiii) The company is not a "Nidhi Company"; hence paragraph 3(xii) the Order is not applicable.
- (xiv) In our opinion, transactions with the related parties are in compliance with section 177 and 188 of Act where applicable and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xv) (a) Company has not complied with the provisions of section 138 of the companies Act, 2013 relating to Internal Audit.
- (xvi) In our opinion, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, paragraph 3(xv) the Order is not applicable.
- (xvii) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xviii) The Company has not incurred cash losses in the current financial year as well as the immediately preceding financial year.
- (xix) There has been no resignation by the statutory auditors of the Company during the period.
- (xx) On the basis of the financial ratios, 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 Board of Directors and Management plans 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.
- (xxi) The provisions of Corporate Social Responsibility under section 135 of company are applicable to the company for the year under audit but the company has not spent any amount towards Corporate social Responsibility. However, at the end of the year company has made Provision of Rs 1.92 Lacs for Corporate social Responsibility

For **TANDON SETH & CO.,**
Chartered Accountants
Firm Registration No. 002340C

Gyan Prakash Gupta
Partner
Membership No. 074195

Place: Kanpur
Dated: 11.08.2023

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 3(f) of our report of even date on the financial statements for the financial period ended March 31, 2023 of Gliders India Limited)

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

Opinion

We have audited the internal financial controls with reference to financial statements of Gliders India Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For **TANDON SETH & CO.,**
Chartered Accountants
Firm Registration No. 002340C

Gyan Prakash Gupta
Partner
Membership No. 074195

Place: Kanpur
Dated: 11.08.2023

Annexure B to the Independent Auditor's Report

Annexure of the Net effect in Financial Statements of the Company due to observations of Report:

Sr. No.	Head of Account Effected in Financial Statements	Amount (Rs) in lacs	Effect on Financial statements
1.	Note No. 18 - Cost of Materials Consumed (Au Re para no.2)	0.97	Understated
2.	Note No. 3 – Work in Progress (Au Re para no. 5)	45.16	Understated
3.	Note No. – 18 – Purchases (Au Re para no.9)	0.28	Understated
4.	Net Profit (Au Re para no.2,5 & 9)	46.14	Understated
5.	Note No. 2 - Fixed Assets (Au Re para no.1 & 2)	0.97	Understated Fixed Assets
6.	Note No. – 8 Balance With Revenue Authorities – Input Tax Credit Receivables (Au Re para no.9)	0.28	Understated Other Current Assets
7.	Note No.13 – Other Current Liabilities (Au Re para no.11)	57.86	Understated Other Current Liabilities

MANAGEMENT COMMENTS ON AUDITOR'S REPORT

AUDITOR'S OBSERVATIONS	MANAGEMENT REPLIES
<p>1. In the addendum valuation report of registered valuer dated 13.07.23, Adroit Appraisers and Research Private Limited Noida, Uttar Pradesh, value of some Fixed Assets, where values have been indicated aggregating to Rs.6,69,330.00, have not considered in Valuation Report. Further Fixed Assets items having value of Rs 3,97,537.00 as on appointed date i.e. 01.10.2021 have been capitalized during the year on the basis of addendum valuation report of the valuer but no depreciation have been charged on these fixed assets.</p>	<p>In case of all the assets given through addendum by M/s Adroit Appraisers and Research Private Limited dated 13-07-2023, the useful life of all these assets have ended before 01-10-2021 and these assets are being carried over at the value as valued by the valuer. Therefore, depreciation is not charged.</p>
<p>2. Fixed assets items aggregating to Rs.96,665.00 were in the opening inventory of raw material/manufactured Goods and same were issued during the year under audit but value of these items have been considered in calculation of Cost of Material Consumed, while these fixed assets items issued/put to use aggregating to Rs 96,665.00 should be capitalized in fixed assets and depreciation should be charged on the same. Thus Cost of materials consumed and Net Profit are effected by this amount.</p>	<p>In case of these items, the demand notes were not issued during the F.Y. 2022-23. All the fixed assets whose demand notes were issued during the year have been capitalised.</p>
<p>3. In closing inventory of WIP multiple work orders are showing negative balances and net value of WIP has been considered in valuation of inventory and reasons of negative value have not been satisfactorily explained.</p>	<p>In case of some warrants, some processes for manufacturing of the finished products were pending as on 31-03-2023 due to which the material and labour were not able to regularised. For this reason, the closing WIP of these warrants were showing as negative. These have been regularised after 01-04-2023.</p>
<p>4. The Consumable stores items aggregating to Rs.25,96,224.00 and Rs.51,92,770.89 have been taken in the opening and closing inventory, respectively, of raw material/manufactured Goods and value of these Stock of Consumable stores have been considered in calculation of Raw Material Consumed, while the stock of Consumable Store should be shown in the statement of Profit & Loss Account under respective head of expenses. Thus, the amount of Cost of Material Consumed is effected by this amount. However there will be no impact on Net Profit of the Company.</p>	<p>These items have been purchased during the year under audit but could not be consumed till the last date of the year, therefore as per the accrual method of accounting, these should not be charged to expense. Hence, the total value of unconsumed items has been shown in closing inventory, which ultimately reduces the expenses to the extent of non-consumption of these items. Further, the items in the nature of fixed assets have been removed from inventory and shown as Capital Work in Progress, wherever they have not been used till the last date of financial year. Also, the following note has been given under Schedule 3 : Inventories to give suitable disclaimer for the query raised:</p> <p><i>"3. Raw Material stores includes the items of consumable in nature related to P&L A/c"</i></p>
<p>5. In some of the work orders of WIP, though Material and Labour have been consumed during the year but the cost of closing WIP have been shown less as compared to WIP cost on 31.03.2022 by Rs. 45,15,796.88. Thus amount of Closing Stock of WIP and Net Profit are effected by this amount.</p>	<p>The rate of consumption of overheads for F.Y. 2022-23 was lower than that of the previous financial year. Therefore, the valuation of work in progress has been reduced in case of some warrants.</p>
<p>6. Proper stock registers are not being maintained by the company to ascertain true and fair value of inventory as per IND AS-2 Inventories issued by the ICAI. The Closing inventory has been certified by the management along with the annexures.</p>	<p>All the records relating to movement of stock is being maintained in PPC system and all records and reports available from PPC system were submitted to the Statutory Auditors for verification. The valuation of closing stock is being done by the PPC system.</p>

7.	Following anomalies in valuation of Stocks:		As per Para 32 of Ind AS 2 on Inventories, "Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost." Thus, as per Ind AS 2, the valuation of closing stock of Raw Materials and Work in Progress is required to be done at NRV only when the finished products are sold at loss. Since in F.Y. 2022-23, the company has reported profit on sale of its final products, therefore valuation at NRV is not required. The cost of closing stock is calculated as per Moving Average Rate. Scrap is valued at last available sale price, which is in conformity with Ind AS 2.
	Particulars	As per Accounting Policies valuation should be	Valuation should be as per IND AS 2
	Raw Materials (Opening Stocks)	Moving Average Auditors Remark: Accounting policy is not in conformity with IND AS – 2 issued by ICAI.	Cost Or NRV , Whichever is Lower
	WIP Closing Stocks	Cost or NRV whichever is lower Auditors Remark: Actual valuation have been done on Cost only and no NRV have been considered for valuation purposes.	Cost or NRV whichever is lower
	Scrap Disposable	Weighted Average rate of past sale price. Auditor remark: Scrap valuation done on Cost or NRV whichever is lower which is not in conformity with Accounting Policy.	Cost or NRV whichever is lower
8.	The Parachute factory had not closed current account under the name of GM Public fund Ordnance Parachute Factory maintained prior to appointed date i.e.1/10/2021 with State Bank of India having Account no 30093790846 in Khapra Mohal Branch, Kanpur, and it is still being operated by the Management.The balance as on 31st March 2023 is Rs. 1,65,698.50 and same has been shown in the books of accounts.		This account is unable to be closed due to some technical problem at the end of State Bank of India. The account has been duly incorporated in the books of accounts of Gliders India Limited. All the transactions have been duly recorded and the closing balance has been reconciled.
9.	The Company had paid bills amounting to Rs. 4,45,972.00 relating to goods purchased prior to corporatization i.e. 01.10.2021 and the same have been debited during the year to respective heads of purchases/expenses alongwith GST amount. Further input tax credit amounting to Rs 27,850.00 have not been claimed in GST Return and same have been directly debited to respective purchase/expense account. Thus profit and Input Tax Credit have been understated by this amount.		The Input Tax Credit of all the goods purchased prior to corporatization, have been claimed wherever it is eligible. Thus, proper accounting has been done and expenses have not been overstated.
10.	Unutilized amount of Rs 1.59 Crores paid by the Government of India during previous year against outstanding Committed Liabilities as on appointed date i.e. 01.10.2021 and same has been shown under the head `Other Liabilities`subject to clarification/confirmation from the Government of India		The equity shares for this amount of Rs.1.59 Cr. were not issued till 31-03-2023, therefore the same have been shown under Current Liabilities. The equity shares will be issued after 01-04-2023.
11.	Rs.57.86 lacs being NAV amount payable to Government/ Equity share are to be issued due to corporatization, have been shown in Balance Sheet under the head `Reserve and Surplus - Other Equity` (note no. 10) while it should be shown in Other Current liability (note no. 13).		The company has to issue equity shares of Rs.57.86 against NAV. Since, no outflow of resources is accompanied on issue to Equity Shares, therefore this amount cannot be classified as Current or Non-Current Liabilities in terms of Para 69 of Ind AS 1.
12.	No provision have been made against Temporary Duty Advances, Medical Advances and LTC Advances given to employees and same could not be adjusted in the absence of final bills/approval		Provision for Temporary Duty Moves has been made amounting to Rs.3,37,580.00. No medical and LTC bills were pending as on 31-03-2023, therefore no provision was required to be made.

13. No Provision have been made in books of accounts for Transportation charges receivable from the customers to whom Goods have been delivered at the site as per the Deemed Sale contract.	The transportation charges amounting to Rs.371800.00 were billed to the customers which have been taken in the books of accounts. Further, as and when the bill for transportation amount is generated and send to the customers, the same will be accounted for.
14. The provisions of Corporate Social Responsibility under section 135 of company are applicable to the company for the year under audit but the company had not spent any amount towards Corporate social Responsibility. However at the end of the year company has made Provision of Rs 1.92 Lacs for Corporate social Responsibility.	Corporate Social Responsibility was not applicable to the company in F.Y. 2022-23 as Net Worth of GIL was increased after F.Y. i.e, on 17.11.2022 after increase in Paid-up capital from Rs. 5.79 Crs. to Rs. 544.81 Crs. However, an appropriation for the amount to be spent in F.Y. 2023-24 was made in the books of accounts.
15. Balances of Sundry Debtors, Sundry Creditors, advances to suppliers and other and advances from customers are subject to reconciliation/confirmation.	Letters for confirmation of balances were sent to Debtors and Creditors, but no response was received till the stipulated date. Hence, the balances are still subject to confirmation.
16. GST ITC earned and availed during the year, Purchases are subject to reconciliation with GST portal.	Some of the suppliers had not filed their GSTR-1 returns till the due date due to which the purchases and ITC were not able to be reconciled. Since, the due date to avail Input Tax Credit for F.Y. 2022-23
17. Refer note no 16 to Audited Financial Statements: Regarding Non Provision for Liquidated Damages against sales made during the FY 2022-23.	Pursuant to MoD ID No. 4(8)/2022/NDCD/DDP dt. 21-03-2023, additional profit element of 7.5% on issue price of items under deemed contract has been claimed for all invoices raised for F.Y. 2021-22 amounting to Rs.5.83 Cr. & F.Y. 2022-23 amounting to Rs.13.60 Cr. Further, as per para 2 of this letter, provision of Liquidated Damages has been made where supplies have been delayed. Liquidated Damages payable for supplies not made till 31-03-2023 have not been provided for in the books of account because the delay is not identified.
18. Refer Note no 22 to Audited Financial Statements: Regarding Provision for warranty charges	The provision for warranty charges has been made at the rate of 0.5% of taxable value of sales, as per the decision of Board of Directors.
19. The Net effect in Financial Statements of the Company due to aforerferred observations are as per Annexure.	NOT APPLICABLE.

For and on behalf of the Board
For Gliders India Limited

Place: Kanpur
Date: 30.10.2023

Vijay Kumar Tiwari
Chairman and Managing Director
DIN: 09282247

Sunil Date
Director (Operations & HR)
DIN: 09282249

Surendra Dhapodkar
Director (Finance) & CFO
DIN: 09282248

Confidential/Speed Post

No. 64 /T-459/GIL/Accounts/2023-24
Dated :- 19.10.2023

कार्यालय
महा निदेशक लेखा परीक्षा
आयुध फैक्टरियां
कोलकाता
OFFICE OF THE
DIRECTOR GENERAL OF AUDIT
ORDNANCE FACTORIES
KOLKATA

To
The Chairman & Managing Director,
M/s. Gliders India Limited,
G. T. Road, Kanpur-208013
corporate@glidersindia.in

Sub: Comment under Section 143(6) (b) of the Companies Act, 2013 on the accounts of Gliders India Limited, Kanpur for the year ended 31 March 2023.

Sir,

I am to forward herewith the comments 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 Gliders India Limited, Kanpur for the year ended 31st 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, शहीद खुदिराम बोस रोड (पूर्वी खंड, ८वा तल्ला), कोलकाता - ७०० ००१
'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 : pdaof@cag.gov.in

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

The preparation of standalone financial statement of Gliders India Limited, Kanpur for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the companies Act, 2013 is the responsibility of the management of the company. The statutory Auditor appointed by the Comptroller and Auditor General of India under section 139(7) of the Act is responsible for expressing opinion on these financial statement under section 143 of the Act based on independent audit in accordance with the standard on Auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 11 August 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial Statement of Gliders India Limited, Kanpur for 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.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statement and the related Audit Report.

Comments on Financial Position

Balance Sheet


Other Current Liabilities (Note 13) : Rs. 79.36 crore

The above does not include an amount of Rs. 9.94 crore being liability for the Army's claim in respect of cancellation of 96 Combat Free Fall (CFF) Parachute products from Ordnance Parachute factory (OPF) Kanpur.

Ministry of Defence placed (October 2008) an indent on Ordnance Equipment Factories Group HQs Kanpur for supply of 700 Parachute Systems at a total cost of Rs. 55.35 crore. OPF supplied 96 CFF Parachutes amounting to Rs. 9.94 crore to Army between 2010 and 2015. The Army however decided (November 2019) to return these CFF parachutes to OPF due to Quality related issues. Subsequently Army cancelled (December 2019) the said indent and conveyed the sanctioned of competent authority for recovery of Rs. 9.94 crore from OPF, Kanpur GIL claimed (January 2023) the amount Rs. 9.94 crore from MoD. Which was released (March 2023) by MoD as Emergency Authorisation Fund. Though GIL received the amount from MoD, it, however did not created any liability of Rs. 9.94 crore for the Army's claim in its financial statements

This has resulted in understatement of Current Liabilities and overstatement of Other Equity of GIL by Rs. 9.94 crore for the year ended on 31 March 2023.

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


19/10/2023

(Sarat Chaturvedi)

Director General of Audit

(Ordnance Factories)

Kolkata

Place: Kolkata

Date: 19/10/2023

MANAGEMENT RESPONSE TO COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (B) OF THE COMPANIES ACT 2013 ON FINANCIAL STATEMENTS OF GLIDERS INDIA LIMITED FOR THE YEAR ENDED ON 31 MARCH 2023:

Comments on Financial Position

Balance Sheet

Other Current Liabilities (Note 13) : Rs. 79.36 crore

The above does not include an amount of Rs. 9.94 crore being liability for the Army's claim in respect of cancellation of 96 Combat Free Fall (CFF) Parachute products from Ordnance Parachute factory (OPF) Kanpur.

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This has resulted in understatement of Current Liabilities and overstatement of Other Equity of GIL by Rs. 9.94 crore for the year ended on 31 March 2023.

GIL Comments:

The Company has received the amount of Rs. 99.89 Crore from the Government as funds against the committed liability which includes the amount of Rs. 9.94 Crore received for the CFF Parachute. The amount of Rs. 98.89 Crore was issued by the MOD vide letter No. MoD ID No. 8/(2)/2022/NDCCD/DDP, dated 22-03-2023. As per the terms of the release of this fund equity shares were required to be issued in favor of the Government of India. In compliance with the same, total of 10,25,27,881 Equity Shares were issued which includes above mentioned 9,88,90,000 equity shares vide Shares Certificate No. 11 which were approved vide Board meeting No. 3/2023-24 dated 20.09.2023.

Since the treatment of the amount received from the Government against committed liability has already been made by issuing the equity shares which is shown in the liability side of the balance sheet of the company, it is not possible to show the same figure in the Equity shares and Current liability both. Thus treatment of the amount received is done by the company as per the instructions of the letter and no further compliance is required.

For and on behalf of the Board
For Gliders India Limited

Place: Kanpur
Date: 30.10.2023

Vijay Kumar Tiwari
Chairman and Managing Director
DIN: 09282247

Sunil Date
Director (Operations & HR)
DIN: 09282249

Surendra Dhapodkar
Director (Finance) & CFO
DIN: 09282248

Balance Sheet as at 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
I. ASSETS			
A. NON CURRENT ASSETS			
(a) Property, Plant & Equipment	2	44,804.38	45,219.12
(b) Capital Work in Progress	2	39.61	-
(c) Investment Property		-	-
(d) Goodwill		-	-
(e) Other Intangible Assets	2	3.99	-
(f) Intangible assets under development	2	67.73	-
(g) Biological assets other than bearer plant		-	-
(h) Financial Assets		-	-
(i) Investments		-	-
(ii) Loans		-	-
(iii) Trade Receivables		-	-
(iv) Others (to be specified)		-	-
(i) Deferred Tax Assets (net)		-	-
(j) Other non-current assets		-	-
Total Non Current Assets		44,915.71	45,219.12
B. CURRENT ASSETS			
(a) Inventories	3	5,338.99	6,254.80
(b) Financial Assets			
(i) Investments	4	-	3,340.63
(ii) Trade Receivables	5	7,565.42	380.33
(iii) Cash and Cash Equivalents	6	3,990.44	3,713.97
(iv) Loans		-	-
(v) Others (to be specified)	7	13,865.35	-
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	8	750.09	100.38
Total Current Assets		31,510.29	13,790.11
C. Assets held-for-sale / Assets included in Disposal group(s) held-for-sale		-	-
TOTAL ASSETS		76,426.00	59,009.23
II. EQUITY AND LIABILITIES			
A. EQUITY			
(a) Equity Share Capital	9	54,480.93	579.00
(b) Instruments Entirely Equity in Nature			
(c) Other Equity	10	10,704.37	52,416.84
Total Equity		65,185.30	52,995.84
B. LIABILITIES			
1. Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables		-	-
(iii) Other Financial Liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provisions		-	-
(c) Deferred Tax Liability (Net)	11	151.98	9.97
(d) Other Non Current Liabilities		-	-
Total Non Current Liabilities		151.98	9.97
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade Payables	12	776.73	515.84
(iii) Other Financial Liabilities (other than those specified in item (c))		-	-
(b) Other Current Liabilities	13	7,936.21	4,696.29
(c) Provisions	14	2,065.62	776.34
(d) Current Tax Liabilities (Net)	15	310.16	14.95
Total Current Liabilities		11,088.72	6,003.42
Liabilities classified as held for sale/ Liabilities included in disposal group held-for-sale		-	-
Total Equity and Liabilities		76,426.00	59,009.23

The accompanying notes are integral part of these financial statements

As per our Report attached
For **Tandon Seth & Co.**
Chartered Accountants
FRN : 002340C
CA Gyan Prakash Gupta
M. No. 074195
Partner
Place : Kanpur
Date : 11-08-2023

For and on behalf of
Gliders India Limited

Vijay Kumar Tiwari
Chairman & Managing Director
DIN: 09282247

Surendra Dhapodkar
Director (Finance) & CFO
DIN: 09282248

Archana Gupta
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Note No.	Figures at the end of current reporting period 31 March 2023	Figures for previous reporting period 14 August 2021 to 31 March 2022
I Revenue from Operations	16	20,601.35	8,594.21
II Other Income	17	633.02	126.33
III Net gain on de-recognition of financial assets at amortized cost		0.00	0.00
IV Net gain on re-classification of financial assets**		0.00	0.00
V Total Income (I + II + III + IV)		21,234.37	8,720.54
VI Expenses			
Cost of materials consumed	18	4,975.15	1,293.16
Purchases of Stock in Trade		0.00	0.00
Changes in inventory of finished goods, work in progress	19	6.36	953.45
Employee Benefit Expenses	20	11,959.00	5,597.23
Finance Costs		0.00	0.00
Depreciation and Amortization Expenses	21	496.39	263.47
Impairment Losses		0.00	0.00
Net loss on de-recognition of financial assets at amortized cost		0.00	0.00
Net loss on reclassification of financial assets**		0.00	0.00
Other Expenses	22	2,359.17	517.39
Total Expenses (VI)		19,796.07	8,624.70
VII Profit/(Loss) before exceptional and extraordinary items and tax		1,438.30	95.84
VIII Exceptional & Prior Period Items	23	(299.54)	0.00
IX Profit/(Loss) before tax (VII + VIII)		1,138.76	95.84
X Tax Expense			
(1) Current Tax	15	310.16	14.95
(2) Deferred Tax	11	142.01	9.97
XI Profit/(loss) for the period from continuing operations (IX-X)		686.59	70.92
XII Profit/(loss) for the period from discontinuing operations		0.00	0.00
XIII Tax expense of discontinuing operations		0.00	0.00
XIV Profit/(loss) from Discontinuing Operations (after tax) (XII-XIII)		0.00	0.00
XV Profit/(loss) for the period (XI + XIV)		686.59	70.92
XVI Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		0.00	0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
B (i) Items that will be reclassified to profit or loss		0.00	0.00
(ii) Income tax relating to items that will be reclassified to profit or loss		0.00	0.00
XVII Total Comprehensive Income for the period (XV+ XVI) (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		686.59	70.92
XVIII Earnings per share (for continuing operations)	25		
(1) Basic		0.34	200.62
(2) Diluted		0.33	0.01
XIX Earnings per share (for discontinued operations)			
(1) Basic		0.00	0.00
(2) Diluted		0.00	0.00
XIX Earnings per share (for discontinued & continuing operations)			
(1) Basic		0.34	200.62
(2) Diluted		0.33	0.01

The accompanying notes are integral part of these financial statements

As per our Report attached

For **Tandon Seth & Co.**

Chartered Accountants

FRN : 002340C

CA Gyan Prakash Gupta

M. No. 074195

Partner

Place : Kanpur

Date : 11-08-2023

For and on behalf of

Gliders India Limited**Vijay Kumar Tiwari**

Chairman & Managing Director

DIN: 09282247

Surendra Dhapodkar

Director (Finance) & CFO

DIN: 09282248

Archana Gupta

Company Secretary

Cash Flow Statement for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
I Cash flows from operating activities		
Profit before Income Tax		
Continuing Operations	1,138.76	95.84
Discontinuing Operations		
Profit before income tax including discontinuing operations	1,138.76	95.84
Adjustments for		
Depreciation and amortization expenses	496.39	263.47
Interest Income & Income from Investments	(447.23)	(82.91)
Operating Profit before working Capital Changes	1,187.92	276.40
Change in operating assets and liabilities		
Increase/(decrease) in trade payables	204.64	515.84
Increase/(decrease) in short term provisions	1,065.26	776.34
Increase/(decrease) in employee benefit obligations	233.22	621.91
Increase/(decrease) in other current liabilities	722.16	4,074.38
(Increase)/decrease in inventories	906.85	612.20
(Increase)/decrease in trade receivables	(4,612.49)	(380.33)
(Increase)/decrease in other current assets	(618.56)	(35.91)
Net Cash (used)/generated from operating activities	(911.00)	6,460.83
II Cash flows from financing activities		
Funds Received against issue of Share Capital	11,445.00	579.00
Net Cash (used)/generated from financing activities	11,445.00	579.00
III Cash flows from investing activities		
(a) Purchase of Fixed Assets	(180.04)	(68.14)
(b) (Increase)/Decrease in Investments	3,340.63	(3,340.63)
(c) Interest Income & Income from Investments	447.23	82.91
Net Cash (used)/generated from investing activities	3,607.82	(3,325.85)
IV Net increase/(decrease) in cash and cash equivalents (I + II + III)	14,141.82	3,713.97
Cash and Cash equivalents as at 01-Apr-2022	3,713.97	0.00
Cash and Cash equivalents as at 31-Mar-2023	17,855.79	3,713.97
V Reconciliation of cash and cash equivalents as per cash flow statement		
(1) Fixed Deposit at Bank	17,439.05	1,837.04
(2) In Current Account with Bank & Cash in Hand	416.74	1,876.93
Balance as per statement of cash flows	17,855.79	3,713.97

The accompanying notes are integral part of these financial statements

As per our Report attached
For **Tandon Seth & Co.**
Chartered Accountants
FRN : 002340C

CA Gyan Prakash Gupta
M. No. 074195
Partner
Place : Kanpur
Date : 11-08-2023

For and on behalf of
Gliders India Limited

Vijay Kumar Tiwari
Chairman & Managing Director
DIN: 09282247

Surendra Dhapodkar
Director (Finance) & CFO
DIN: 09282248

Archana Gupta
Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2023

(₹ in Lakhs)

A. EQUITY SHARE CAPITAL

(1) Current Reporting Year

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
579.00	0.00	0.00	53,901.93	54,480.93

(2) Previous Reporting Year

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	0.00	0.00	578.00	579.00

B. OTHER EQUITY

(1) Current Reporting Year

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus											Money received against share warrant	Total		
			Statutory Reserves	Capital Reserve	Securities Premium Reserve	Other Reserves for issue of shares to Govt. due to Corporatization	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)				
Balance at the beginning of the reporting period	-	-	-	-	-	52,345.92	70.92	-	-	-	-	-	-	-	-	-	52,416.84
Changes in accounting policy or prior period errors	-	-	-	-	-	57.87	-	-	-	-	-	-	-	-	-	-	57.87
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount Received during the year	11,445.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,445.00
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	686.59	-	-	-	-	-	-	-	-	-	686.59
Shares Issued to Govt. of India	-1,556.00	-	-	-	-	-52,345.93	-	-	-	-	-	-	-	-	-	-	-53,901.93
Balance at the end of the reporting period	9,889.00	-	-	-	-	57.86	757.51	-	-	-	-	-	-	-	-	-	10,704.37

Statement of Changes in Equity for the year ended 31st March, 2023

(₹ in Lakhs)

(2) Previous Reporting Period

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus										Money received against share warrant	Total		
			Statutory Reserves	Capital Reserve	Securities Premium Reserve	Other Reserves for issue of shares to Govt. due to Corporatization	Retained Earnings	Debt instruments through Other Comprehensive Income	Equity instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation			Other items of Other Comprehensive Income (specify nature)	
Balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	70.92	-	-	-	-	-	-	-	-	70.92
Reserve created for shares to be issued due to Corporatization	-	-	-	-	-	52,345.92	-	-	-	-	-	-	-	-	-	52,345.92
Balance at the end of the reporting period	-	-	-	-	-	52,345.92	70.92	-	-	-	-	-	-	-	-	52,416.84

The accompanying notes are integral part of these financial statements

As per our Report attached
For **Tandon Seth & Co.**
Chartered Accountants
FRN : 002340C
CA Gyan Prakash Gupta
M. No. 074195
Partner
Place : Kanpur
Date : 11-08-2023

For and on behalf of
Gliders India Limited

Vijay Kumar Tiwari
Chairman & Managing Director
DIN: 09282247

Surendra Dhapodkar
Director (Finance) & CFO
DIN: 09282248

Archana Gupta
Company Secretary

Notes to the Financial Statements for the year ended on 31st March 2023

2. PLANT, PROPERTY AND EQUIPMENT

Particulars	GROSS BLOCK			DEPRECIATION BLOCK			Net Block as at 31-03-2023
	As on 01-04-2022	Additions during the year	Disposals during the year	As at 31-03-2023	As on 01-04-2022	Dep. For the period	
I. TANGIBLE ASSETS							
(a) Land	40329.81	0.00	0.00	40329.81	0.00	0.00	40329.81
(b) Building	3317.00	0.00	0.00	3317.00	130.63	261.97	3186.37
(c) Plant & Machinery	1523.98	0.00	0.00	1523.98	103.48	170.21	1420.50
(d) Vehicle	45.34	0.00	0.00	45.34	3.54	6.12	41.80
(e) Computer Hardware	94.38	14.19	0.00	108.57	13.50	26.95	80.88
(f) Furniture & Fixture	27.16	31.00	0.00	58.16	1.94	4.91	25.22
(g) Office Equipment	142.43	10.78	0.00	153.21	9.60	19.84	132.83
(h) Electrical Installations	2.49	15.97	0.00	18.46	0.78	0.66	1.71
(h) Fully Depreciable Assets	0.00	5.17	0.00	5.17	0.00	5.17	0.00
(i) Other Assets	0.00	3.98	0.00	3.98	0.00	0.00	0.00
TOTAL TANGIBLE ASSETS	45482.59	81.09	0.00	45563.68	263.47	495.83	45219.12
II. INTANGIBLE ASSETS							
(a) Computer Software	0.00	4.55	0.00	4.55	0.00	0.56	0.00
TOTAL INTANGIBLE ASSETS	0.00	4.55	0.00	4.55	0.00	0.56	0.00
III. CAPITAL WORK IN PROGRESS							
(a) Building	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(b) Plant & Machinery	0.00	39.61	0.00	39.61	0.00	0.00	0.00
TOTAL CAPITAL WORK IN PROGRESS	0.00	39.61	0.00	39.61	0.00	0.00	0.00
IV. INTANGIBLE ASSETS UNDER DEVELOPMENT							
	0.00	67.73	0.00	67.73	0.00	0.00	0.00
TOTAL	45482.59	192.98	0.00	45675.57	263.47	496.39	44915.71

Note:-

- Assets containing land & building of erstwhile Ordnance Factory Board was transferred to the company, i.e. Gliders India Limited through Gazette Notification No. [F. No. 1(5)/2021/OF/DP(Plg-V)] dt: 01-10-2021.
- Valuation of assets received have been valued by a 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.
- Disclosure regarding the title deeds of the property of company: As per the Government Land Records (GLR) valuation of land was carried for 83.215 Acre Land transferred to Gliders India Limited whereas handing/taking over documents signed between Defence Estate Office Kanpur and Gliders India Limited the area transferred is 83.215 acres. The actual survey of land and mutation in favour of Gliders India Limited is under process.

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ 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	40,329.81	Land 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 the company
Building	Building	2,924.40	Land 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 the company

Block of Assets	WDV as on 1-4-22	Additions for more than 182 days	Additions for less than 182 days	Total	Dep. For more than 182 days	Dep. For less than 182 days	Dep. For less than 182 days	WDV as on 31-03-2023
Building(10%)	2,985.30	-	-	2,985.30	298.53	-	298.53	2,686.77
Land(0%)	40,329.81	-	-	40,329.81	-	-	-	40,329.81
Furniture & Fittings(10%)	25.52	9.95	22.88	58.35	3.55	1.14	4.69	53.66
Electrical Installations(10%)	2.25	6.73	11.94	20.92	0.90	0.60	1.50	19.42
Office Equipments(15%)	121.15	2.49	7.80	131.44	18.55	0.58	19.13	112.31
Computer Hardware(40%)	73.25	10.78	5.14	89.17	33.61	1.03	34.64	54.53
Plant & Machinery(15%)	1,294.94	0.56	-	1,295.50	194.33	-	194.33	1,101.17
Vehicles(15%)	38.54	-	-	38.54	5.78	-	5.78	32.76
Other Assets(15%)	-	3.98	-	3.98	0.60	-	0.60	3.38
TOTAL	44,870.76	34.49	47.76	44,953.01	555.85	3.35	559.20	44,393.81

3. INVENTORIES

PARTICULARS	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Stores in Hand (Raw Material)	3,302.80	4,212.25
Work in Progress	2,036.19	2,042.55
Finished Articles	-	-
Stock in Transit	-	-
TOTAL	5,338.99	6,254.80

Note 3.1 :

- Raw Material is valued at moving average rate, WIP and Finished Goods are valued at cost or NRV, whichever is lower.
- Raw material received and accepted at the factory till 31-03-2023 are recorded in books of accounts.
- Raw Material stores includes the items of consumable in nature related to P&L A/c"

4. CURRENT INVESTMENT

PARTICULARS	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Investment in Mutual Funds	-	3,340.63
TOTAL	-	3,340.63

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

5. TRADE RECEIVABLES

PARTICULARS	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Trade Receivables - Considered Good - Secured	0.00	0.00
Trade Receivables - Considered Good - Unsecured	7,565.42	380.33
Trade Receivables - Which have significant increase in Credit Risk	0.00	0.00
Trade Receivables - Credit Impaired	0.00	0.00
	7,565.42	380.33
Less: Provision for Doubtful Receivables	0.00	0.00
TOTAL - Sundry Debtors Considered Good	7,565.42	380.33

Note 5.1 :

- Major supplies of the goods manufactured by the company is to Govt. Customers as per the contract against partial advance and there is no risk of default as envisaged in balance outstanding.
- Ageing of trade receivables is given in Note No. 28

6. CASH AND CASH EQUIVALENTS

PARTICULARS	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Cash in Hand	0.29	0.00
In Current Account with Banks	416.45	1,876.93
Fixed Deposit with Scheduled Banks (Maturity within 3 Months)	3,573.70	1,837.04
TOTAL	3,990.44	3,713.97

Note 6.1 :

- The company maintains the fixed deposits in State Bank of India, ICICI Bank and Axis Bank, of which maturity is less than 3 Months. Therefore, these have been classified as cash and cash equivalent.
- Accrued interest in Short Term Bank Deposit is classified as Cash and Cash Equivalent.

7. OTHER FINANCIAL ASSETS (FIXED DEPOSITS WITH MATURITY MORE THAN 3 MONTHS FROM BALANCE SHEET DATE)

PARTICULARS	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Fixed Deposit with Scheduled Banks (Maturity after 3 Months)	13,865.35	-
TOTAL CASH AND CASH EQUIVALENTS	13,865.35	-

8. OTHER CURRENT ASSETS

PARTICULARS	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Balance with Revenue Authorities:-		
(i) TDS/TCS Receivable	40.79	4.01
(ii) Input Tax Credit Receivable	67.98	89.34
(iii) Balance in GST Cash Ledger	4.97	4.97
(iv) Payment of Advance Income Tax	445.00	0.00
Advances Recoverable from Employees	62.67	0.00
Postage Stamps In Hand	0.83	0.00
Advance paid to Suppliers	64.28	1.66
Security Deposits given to others	57.37	0.25
Prepaid Expenses	1.37	0.15
Other Current Assets	4.83	0.00
TOTAL OTHER CURRENT ASSETS	750.09	100.38

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

9. EQUITY SHARE CAPITAL

PARTICULARS	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
AUTHORISED EQUITY SHARE CAPITAL		
Opening Balance	20,000.00	20,000.00
Add: Increase during the year	40,000.00	0.00
Closing Balance	60,000.00	20,000.00
ISSUED, SUBSCRIBED AND FULLY PAID UP SHARE CAPITAL		
Opening Balance	579.00	1.00
Add: Increase during the year	53,901.93	578.00
Closing Balance	54,480.93	579.00
Details of Shareholders holding more than 5 per cent shares in the company	Face Value in ₹ Lakhs	Face Value in ₹ Lakhs
President of India and Other Government Nominees	54,480.93	579.00

10. OTHER EQUITY

PARTICULARS	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Other Reserves created for Shares to be issued due to Corporatization		
Opening Balance	52,345.92	-
Add: Net Asset Value of Assets of Ordnance Parachute Factory due to Corporatization	0.00	50,989.71
Add: Reimbursement from MoD against committed liabilities prior to 01-10-2021	10,745.00	1,356.21
Add: Amount received for CAPEX	700.00	-
Add: Changes due to Prior Period Errors	57.87	-
Less: Equity Shares Issued to President of India	53,901.93	-
Closing Balance	9,946.86	52,345.92
Surplus in Profit & Loss Account		
Opening Balance	70.92	-
Add: Profit/(Loss) after tax for the year	686.59	70.92
Sub Total	757.51	70.92
Less: Dividend on Equity Capital	-	-
Less: Dividend Distribution Tax	-	-
Less: Deemed Dividend	-	-
Less: Dividend Distribution tax on deemed dividend	-	-
Transfer to General Reserve	-	-
Transfer to/(from) Debenture Redemption Reserve	-	-
Sub Total	-	-
Closing Balance	757.51	70.92
TOTAL - OTHER EQUITY	10,704.37	52,416.84

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

11. DEFERRED TAX LIABILITIES/ASSETS (NET)

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Deferred Tax Liability arising on account of timing differences on depreciation		
W.D.V. as per Income Tax as on the last day of the financial year	4,064.00	4,542.11
W.D.V. as per Companies Act as on the last day of the financial year	4,585.90	4,889.31
Timing Difference	(521.90)	(347.20)
Deferred Tax Assets/(Liabilities) [A]	(151.98)	(90.27)
Deferred Tax Assets due to unabsorbed depreciation		65.35
MAT Credit	-	14.95
Total Deferred Tax Asset [B]	-	80.30
Deferred Tax Liability (Net) at the end of the financial year [C = A-B]	(151.98)	(9.97)
Opening Deferred Tax Asset/(Liab.) [D]	(9.97)	-
Provision for deferred tax for current year [E = C - D]	(142.01)	(9.97)

12. TRADE PAYABLES

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
[A] Total outstanding dues to MSMEs:		
(i) Creditors for Goods and Services	284.83	105.01
[B] Total outstanding dues of creditors other than MSMEs:		
(i) Creditors for Goods and Services	491.90	410.83
(ii) Acceptances	-	-
(iii) Other Payables	-	-
Provision for deferred tax for current year [E = C - D]	776.73	515.84

13. OTHER CURRENT LIABILITIES

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Statutory Dues:-		
GST (Regular) Payable	742.05	285.73
GST (TDS) Payable	16.46	7.73
Income Tax TCS Payable	0.26	0.15
Income Tax TDS Payable	8.74	15.23
Advance received from Customers	6,130.54	3,649.12
Employees' Deduction Liabilities	333.59	307.02
Security Deposits	5.90	8.12
Amount Received for R.R.Fund	361.00	0.00
Other Current Liabilities & Payables	337.67	423.19
TOTAL	7,936.21	4,696.29

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

14. SHORT TERM PROVISIONS

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Provision for Sales Promotion Exp.	6.06	0.00
Provision for Audit Fees	3.60	4.00
Provision for Bonus	80.00	0.00
Provision for Cantonment Charges	335.44	0.00
Provision for Children Education Allowance	178.00	0.00
Provision for Consultancy Charges	36.64	0.00
Provision for Corporate Social Responsibility	1.92	0.00
Provision for Freight	0.34	0.00
Provision for Hiring of Manpower/Contract Labour	28.35	3.80
Provision for Electricity Charges	8.75	7.80
Provision for Electricity Duty	15.82	0.00
Provision for Repair & Maintenance	9.41	0.00
Provision for Inspection Charges (DGAQA)	8.27	0.00
Provision for Interest Payable to MSME	12.35	0.00
Provision for Liquidated Damages Payable on Sales	445.85	0.00
Provision for Other Expenses	0.05	0.00
Provision for Pmt. of Addl. Profit Element to OFAJ	27.35	0.00
Provision for Warranty Charges	92.67	0.00
Provision of Telephone Charges	2.88	0.75
Provision for Employees Benefits	771.87	759.99
TOTAL	2,065.62	776.34

15. CALCULATION OF CURRENT TAX

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Profit before tax	1,138.76	95.84
Add: Depreciation as per Companies Act, 2013	496.39	263.47
Add: Disallowed Expenses	315.56	-
Less: Depreciation as per Income Tax, 1961	559.19	610.48
Less: Unabsorbed Depreciation c/f from F.Y. 2021-22	239.36	-
Less: Notional Gain on Fair Value Changes	-	41.35
Less: Income considered under other head - Capital Gains	89.24	-
Less: Income considered under other head - Other Sources	399.34	-
Income Taxable as Business Income	663.58	292.52
Income Taxable as Capital Gains	89.24	-
Income Taxable as Income from Other Sources	399.34	-
Total Taxable Income	1,152.16	292.52
Tax Payable on Business Income & Income from Other Sources @ 25%	265.73	-
Tax Payable on Capital Gain @ 15%	13.39	-
Surcharge payable @ 12%	33.49	-
Education Cess Payable @ 4%	12.50	-
Total Corporate Income Tax Payable [A]	325.11	-
Minimum Alternate Tax u/s 115JB [B]	198.96	14.95
Current Tax (Higher of [A] or [B])	325.11	14.95
Less: Adjustment of b/f MAT Credit	14.95	-
Net Tax Payable after adjustment of MAT Credit	310.16	14.95

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Opening MAT Credit	14.95	-
Add: Credit for current year	-	14.95
Less: Credit Utilized in current year	14.95	-
Closing MAT Credit	0.00	14.95

16. REVENUE FROM OPERATIONS

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
(A) Sale of Products		
(i) Sale of Finished Items in India	19,852.40	8,580.97
(ii) Amount of escalation claimed for invoices raised in F.Y. 2021-22	583.52	0.00
(ii) Sale of Finished Items outside India	117.91	0.00
TOTAL SALE OF PRODUCTS (A)	20,553.83	8,580.97
(B) OTHER OPERATING REVENUE	0.00	0.00
(i) Disposal of Scrap and Surplus / Unserviceable Stores	47.52	13.24
TOTAL OTHER OPERATING REVENUE (B)	47.52	13.24
TOTAL REVENUE FROM OPERATIONS (A+B)	20,601.35	8,594.21

Note 16.1:

- The company recognises revenue on sale of goods when the entity has transferred to the buyer the significant risk and rewards of the ownership of the goods as per the terms of the contract.
- Sale of products are generally against partial advance payment by customers and balance proceeds are realised within a period less than 3 months. Accordingly, the amount of consideration does not contain any significant financing component. All the advance and sale proceeds are directly received at GIL HQ.
- Sales is subject to reconciliation with GST portal.
- Pursuant to MoD ID No. 4(8)/2022/NDCD/DDP dt. 21-03-2023, additional profit element of 7.5% on issue price of items under deemed contract has been claimed for all invoices raised for F.Y. 2021-22 amounting to Rs.5.83 Cr. & F.Y. 2022-23 amounting to Rs.13.60 Cr. Further, as per para 2 of this letter, provision of Liquidated Damages has been made where supplies have been delayed. Liquidated Damages payable for supplies not made till 31-03-2023 have not been provided for in the books of account.

17. OTHER INCOME

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
(A) Interest Income		
(i) Interest received on Bank Deposit	397.55	29.28
(ii) Interest received on Security Deposit	1.79	0.00
(B) Income from Investments		
Profit on Sale of Investments	89.24	12.28
Notional Gain on Revaluation of Mutual Fund	41.35	41.35
(C) Other Non Operating Revenues		
Compensation received on resignation of employees	18.23	0.00
Vendor Registration Fees	1.13	0.62
Liquidated Damages, Penalties & Fines received from Vendors	155.27	37.25
Trainees' stipend reimbursed by Board of Apprenticeship Training	10.40	0.00
Rental Income	0.72	5.46
Other Income	0.04	0.09
TOTAL	633.02	126.33

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

Note 17.1:

- (a) Liquidated Damages recovered from Vendors for non performance of Contract is considered as non operating revenue.
- (b) Fee paid to MCA amounting to Rs.98.69 Lakhs on increase of Authorised Share Capital has been reimbursed by Ministry of Defence. Hence, no expense/income has been considered in the books of accounts.

18. COST OF MATERIALS CONSUMED

MAT CREDIT	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Opening Stock of Raw Materials	4,212.25	3,871.00
Add: Purchases	4,065.70	1,634.41
Less: Closing Stock	3,302.80	4,212.25
Total Raw Materials Consumed	4,975.15	1,293.16

19. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Opening Stock:-		
Work in Progress	2,042.55	2,996.00
Finished Components	0.00	0.00
Finished Articles	0.00	0.00
TOTAL	2,042.55	2,996.00
Closing Stock:-		
Work in Progress	2,036.19	2,042.55
Finished Components	0.00	0.00
Finished Articles	0.00	0.00
TOTAL	2,036.19	2,042.55
Total (Increase)/Decrease in stock	6.36	953.45

20. EMPLOYEE BENEFIT EXPENSES

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
(a) Employees other than Directors & Key Managerial Persons		
Salaries and Wages (including allowances, bonus & arrear)	11,679.96	5,523.50
Staff Welfare Expenses	26.11	5.01
Expenditure on Movement of Employees	119.70	10.56
Expenditure on Training of Employees	13.09	1.65
(b) Directors & Key Managerial Persons		
Salaries and Wages (including allowances & arrear)	120.14	56.51
Total Employee Benefit Expenses (a+b)	11,959.00	5,597.23

Note 20.1:

- (a) Total number of employees in the company as on 31-03-2023 is 1110 which includes 90 Non Industrial Employees, 834 Industrial Employees, 91 Group B Gazetted Officers, 76 Group-B Non Gazetted Officers, 18 Group A Officers and 1 Company Secretary on contract basis. All the employees except CS were on deputation from the Government of India for period upto 30-09-2023 which has now been extended to 30-09-2024 vide OM No. 1(5)/2023/EGoM/OF/DP(M&P) dt. 08-08-2023. Emoluments paid to the employees are depicted as Salary, Wages, Bonus & Allowance.

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

(b) Salary paid to Directors and Key Managerial Personnel is given below:-

Name of the Key Managerial Personnel (Designation)	Total Emoluments Current Year (₹ Lakhs)	Total Emoluments Previous Reporting Period (₹ Lakhs)
1. Sh. Vijay Kumar Tiwari, IOFS (Chairman & Managing Director)	36.89	19.16
2. Sh. Sunil Date, IOFS (Director Operations & H.R.)	36.89	18.49
3. Sh. Surendra Dhapodkar, IOFS (Director Finance)	42.71	18.86
4. Smt. Archana Gupta, CS (Compliance Officer)	3.65	0.00
TOTAL	120.14	56.52

21. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Depreciation on Tangible Assets	496.39	263.47
TOTAL	496.39	263.47

22. OTHER EXPENSES

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Legal, Consultancy & Professional Fees	55.63	7.59
Expenditure on Electricity & Water	180.29	76.43
Repairs & Maintenance of Building	498.17	(1.56)
Repairs & Maintenance of Machinery	48.79	72.08
Expenditure on Transportation of Goods	16.39	4.53
Information Technology Expenses	36.70	1.21
Hiring of Manpower/Contract Labour	704.29	282.77
Membership Expenses	3.20	0.89
Expenditure on Testing & Inspection	7.97	4.36
Sales Promotion Expenses	147.38	8.46
Printing & Stationery	20.40	4.48
Telephone & Communication Expenses	16.10	4.95
Liquidated Damages on Sales	445.85	-
Warranty Charges	92.67	-
Fabrication Charges	-	2.30
Power & Fuel	-	7.68
Interest payable to MSME	12.35	-
Expenditure Corporate Social Responsibility	1.92	-
Other Expenses N.E.C.	65.65	37.22
Payment to Auditors:-		
as Audit Fees	5.00	4.00
for Reimbursement of Expenses	0.17	-
for Taxation Matters	0.25	-
TOTAL	2,359.17	517.39

Note 22.1:

- (a) The provision for warranty charges has been made at the rate of 0.5% of taxable value of sales, as per the decision of Board of Directors.
- (b) The breakup of Audit Fees is as follows: For Statutory Audit: Rs.4 Lakhs, For Tax Audit: Rs.1 Lakhs

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

23. EXCEPTIONAL & PRIOR PERIOD ITEMS

Particulars	Figures at the end of current reporting period 31 March 2023	Figures for previous reporting period 14 August 2021 to 31 March 2022
Interest on Electricity Security (Prior Period)	0.89	-
Transportation Charges Recd. (Prior Period)	3.72	-
Reimbursement received from Board of Apprenticeship Training for FY 2021-22	9.45	-
Rental Income for FY 2021-22	0.37	-
Expenditure pertaining to pre-incorporation period paid in current year	(178.51)	-
Expenditure of F.Y. 2021-22 booked in current year	(135.46)	-
TOTAL	(299.54)	-

24. COMPUTATION OF MINIMUM ALTERNATE TAX

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
Profit before Tax [A]	686.59	95.84
Add:		
(a) Provision for tax	452.17	-
(b) Amount transferred to Reserves	-	-
(c) Provisions for unascertained liabilities	-	-
(d) Penalty under the PF Act	-	-
(e) Amount of dividend paid/proposed	-	-
(f) Amount of expenditure related to income to which section 10/11/12 apply	-	-
(g) Depreciation	496.39	263.46
(h) Deferred tax and the provision therefor	-	-
(i) Provision for diminution in the value of any asset	-	-
(j) Amount standing in the revaluation reserve related to revalued asset on disposal of such asset	-	-
Sub-Total of Additions [B]	948.56	263.46
Less:		
(a) Amount withdrawn from any reserve or provision if any such amount is credited to P&L A/c	-	-
(b) Income credited to P&L A/c under the section 10/11/125 of the Act	-	-
(c) Depreciation debited to the P&L A/c excluding revaluation reserve	496.39	263.46
(iv) Amount of loss brought forward or unabsorbed depreciation, whichever is less	-	-
(v) Amount of deferred tax credited to P&L A/c	-	-
Sub-Total of Deductions [C]	496.39	263.46
Book Profit for MAT Calculation [D = A + B - C]	1138.76	95.84
Minimum Alternate Tax (MAT) payable @ 15% of Book Profit	170.81	14.38
Surcharge on MAT @ 12%	20.50	-
Education Cess @ 4% on (MAT + Surcharge)	7.65	0.57
Total MAT Payable	198.96	14.95

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

25. EARNINGS PER SHARE

Particulars	Figures at the end of current reporting period 31 March 2023		Figures at the end of previous reporting period 31 March 2022	
Profit/(Loss) for the year (₹ in Lakhs)	686.59		70.92	
Other comprehensive income for the year (₹ in Lakhs)	-		-	
Total comprehensive income for the year (₹ in Lakhs)	686.59		70.92	
Weighted average no. of ordinary shares for Basic EPS (in lakhs)	2,036.77		0.35	
Basic earning per Ordinary Share on Profit & Loss (In ₹)	0.34		200.62	
Diluted earning per Ordinary Share on Profit & Loss (In ₹)	0.33		0.01	

26. AGEING OF CAPITAL WORK IN PROGRESS

Capital Work In Progress - Plant & Machinery	Outstanding for following periods from date of payment	
	1-2 Years	Total
Projects in Progress	-	39.61
Projects temporarily Suspended	-	-
Total	-	39.61

Capital Work In Progress - Plant & Machinery	Outstanding for following periods from date of payment	
	1-2 Years	Total
Projects in Progress	-	-
Projects temporarily Suspended	-	-
Total	-	-

Capital Work In Progress - Buildings	Outstanding for following periods from date of payment	
	1-2 Years	Total
Projects in Progress	-	-
Projects temporarily Suspended	-	-
Total	-	-

Capital Work In Progress - Buildings	Outstanding for following periods from date of payment	
	1-2 Years	Total
Projects in Progress	-	-
Projects temporarily Suspended	-	-
Total	-	-

Capital Work In Progress - Intangible Assets Under Development	Outstanding for following periods from date of payment	
	1-2 Years	Total
Projects in Progress	-	67.73
Projects temporarily Suspended	-	-
Total	-	67.73

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

Capital Work In Progress - Intangible Assets Under Development	Outstanding for following periods from date of payment	
	1-2 Years	Total
Projects in Progress	-	-
Projects temporarily Suspended	-	-
Total	-	-

27. AGEING OF TRADE PAYABLES

Description	Outstanding for following period from date of payment	
	1-2 years	Total
(i) MSME	0.70	284.83
(ii) Others	5.18	491.90
(iii) Disputed Dues - MSME	-	-
(iv) Disputed Dues - Others	-	-
Total	5.88	776.73

Description	Outstanding for following period from date of payment	
	1-2 years	Total
(i) MSME	-	105.02
(ii) Others	-	410.82
(iii) Disputed Dues - MSME	-	-
(iv) Disputed Dues - Others	-	-
Total	-	515.84

28. AGEING OF TRADE RECEIVABLES

Description	Outstanding for following period from date of payment	
	1-2 years	Total
Undisputed Trade receivables - Considered Good	150.29	7,565.42
Undisputed Trade receivables - which have significant increase in credit risk	-	-
Undisputed Trade receivables - credit impaired	-	-
Disputed Trade receivables - Considered Good	-	-
Disputed Trade receivables - which have significant increase in risk	-	-
Disputed Trade receivables - credit impaired	-	-
Total	150.29	7,565.42

Description	Outstanding for following period from date of payment	
	1-2 years	Total
Undisputed Trade receivables - Considered Good	-	380.33
Undisputed Trade receivables - which have significant increase in credit risk	-	-
Undisputed Trade receivables - credit impaired	-	-
Disputed Trade receivables - Considered Good	-	-
Disputed Trade receivables - which have significant increase in risk	-	-
Disputed Trade receivables - credit impaired	-	-
Total	-	380.33

Notes to the Financial Statements for the year ended on 31st March 2023

(₹ in Lakhs)

29. RATIOS

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of current reporting period 31 March 2022
(i) Current Ratio (Current Assets/Current Liabilities)	2.84	2.30
(ii) Debt-Equity Ratio (Total Debt/Shareholders Equity)	-	-
(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)	0.01	0.00
(v) Inventory Turnover Ratio (Revenue from operations/Inventory)	3.55	1.37
(vi) Trade receivables ratio (Revenue from operations/Trade receivables)	5.19	22.60
(vii) Trade payables turnover ratio (Revenue from operations/Trade Payables)	31.88	16.66
(viii) Net capital turnover ratio (Revenue from operations/Equity)	1.01	0.16
(ix) Net profit ratio (Profit before tax/Revenue from operations)	5.53%	1.12%
(x) Return on capital employed (Earning before interest and taxes/Capital employed)	2.09%	0.00%
(xi) Return on investment (Profit earned on an investment/Total Investment)	2.36%	0.37%

30. CONTINGENT LIABILITIES

Particulars	Figures at the end of current reporting period 31 March 2023	Figures at the end of previous reporting period 31 March 2022
	Total	Total
Claims against the company not acknowledged as debt	-	-
Guarantees excluding financial guarantees	-	-
Other money for which the company is contingently liable	1,769.11	1,745.75
Total	1,769.11	1,745.75

Notes to the Financial Statements for the year ended on 31st March 2023

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

PART A : SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION

(a) Statement of compliance:

The financial statements are prepared and presented in accordance with Indian Accounting Standards (IndAS) [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.

(b) Functional and presentation currency:

The standalone 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. All financial information presented in Indian rupees has been rounded to the nearest lakhs except share and per share data

2. USES OF ESTIMATES:

- (a) Preparation of financial statements in conformity with the recognition and the measurement principle of IndAS 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.
- (b) Estimates and the underlying assumption are reviewed on ongoing basis. There vision to the accounting estimates, if material is recognized in the period in which the estimates are revised.
- (c) Estimates and judgments made in applying accounting policies that have significant effect on the amounts recognized in the financial statements are as follows:

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.

ii. Income Taxes

The Company's tax jurisdiction is 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

- (a) 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):

- (a) As on 1st October-2021 company acquired the assets from the Government of India, valuation of such assets is done by the Registered Value and value as determined by the valuer is taken as the cost of acquisition of assets by the company.
- (b) In accordance with IndAS 101-First Time Adoption of Indian Accounting Standards, the Company had chosen to consider the value as determined by the value of all its PPE as their deemed cost at the Opening Balance as at 1st October-2021.
- (c) Property, Plant and Equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.
- (d) 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.
- (e) Subsequent expenditure relating to PPE including major inspection costs, spare parts, stand by and servicing equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.
- (f) Depreciation is recognized using straight line method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013.

Notes to the Financial Statements for the year ended on 31st March 2023

- (g) PPE whose balance useful life has expired, the carrying value have been retained and no further depreciation have been charged on those assets.
- (h) PPE costing below Rs. 10,000 if any, purchased during the year has not been capitalized as assets.
- (i) The cost and the related accumulated depreciation are eliminated from the Financial Statements upon sale order-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:

- (a) Advances given towards acquisition of PPE outstanding at each Balance sheet date are disclosed as other Non-current assets.
- (b) 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.
- (c) Company maintains a Building / Machine register. Building / Machine is completed / installed and ready to use when Clearance is done in all respect and B Voucher / M Voucher is generated, entry for such completed building / machine is recorded in such registers after generation of respective vouchers.
- (d) Depreciation on such assets commence when the assets are put to use.
- (e) 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

- (a) 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 of supply of goods or services for administrative purposes are not considered as Investment Property.
- (b) The company hold 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 purpose 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

- (a) 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.
- (b) Development Costs having useful life and which will generate probable future economic benefits are recognized as an intangible asset and amortised over production based on technical estimate and to the extent not amortized are carried forward.
- (c) 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.
- (d) Expenditure on Research is recognized as an expenditure in the period in which it is incurred.
- (e) 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.

8. CURRENT ASSETS AND INVESTMENTS

- (a) Investment which are held for the period less than 12 months are recognized as current investments.
- (b) Investments are carried individually at cost less accumulated impairment in the value of such Investments.
- (c) Cost of Investment includes acquisition charges such as brokerage, fees and duties.
- (d) Impairment in the value of investment is made only if in the opinion of management when there is a permanent fall in value of investment.

Notes to the Financial Statements for the year ended on 31st March 2023

- (e) Investment in mutual funds (debt based fund) that are subsequently measured at fair value through profit or loss as per INDAS 32 & IND AS 109.
- (f) Gain on revaluation has been recorded as Other income as notional profit. The revaluation of an asset to fair value affects taxable profit (loss) for the current period.
- (g) 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.

9. IMPAIRMENT OF ASSETS

As at Balance Sheet date, the carrying amount of assets is assessed as to whether there is any indication of impairment. If the estimate recoverable amount is found less than its carrying amount, the impairment loss is recognized and assets are written down to the irrecoverable amount.

10. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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. TRADE AND OTHER PAYABLES

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

12. INVENTORIES

- (a) Raw Material is valued at moving average cost, WIP and Finished Goods is valued at cost or NRV whichever is lower.
- (b) 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).
- (c) Saleable / Disposable scrap is valued at weighted average rate of past sale price.

13. REVENUE RECOGNITION

Company is engaged in Manufacturing of Parachute etc.:-

- (a) Revenue on Sale of Goods and Services is recognized on transfer of control of the products to the Customer as per the terms of the contract.
- (b) 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.

Other Income

- (a) Interest Income is accrued on a time proportion basis, by reference to the principal outstanding and at the rate applicable on deposits.
- (b) 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.
- (c) Recoveries from Vendors for non fulfilment of contract is considered as other income
- (d) Gain on sale and purchase of debt instruments is recognized in other income.
- (e) Notional gain on mutual fund due to fair value measurement as per IndAS 113 is recognized as other income.

14. RECEIVABLES

- (a) 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.
- (b) Debts from the Government departments are generally treated as fully recoverable, based on past experience, and hence in the opinion of Management there is no increase in credit risk of such financial assets.
- (c) 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.

Notes to the Financial Statements for the year ended on 31st March 2023

15. EMPLOYEE BENEFITS

The Government has decided that w e f. 1st October 2021, all the employees of OFB (Group A, B& C) belonging to the production units and also the identified non-production units (as per the structure set out in Annexure A) shall be transferred encases to the New DPSUs on deemed deputation initially for a period of two years from the Appointed Date, in accordance with Rule 37A of the Central Civil Services (Pension) Rules 1972.

The employees on deemed deputation to the new DPSUs, they 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.

The pension liabilities of the retirees and existing employees will continue to be borne by the Government from the Ministry of Defence ("M o D") budget for Defence Pensions. For the employees recruited after 01.01.2004, National Pension Scheme applicable to the Central Government employees is in vogue and the same may be adopted by the New DPSUs, including continuation of all special provisions applicable to Central Government employees under the National Pension System.

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.

- (a) 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.
- (b) 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.

16. INCOME TAXES

- (a) 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").
- (b) 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 their lasted tax benefit will be realized.

17. PROVISION AND CONTINGENT LIABILITIES

A provision is recognized, when the Company has the present obligation as result of past events and it is probable that amount flow of resources will be required to settle the obligation in respect of which reliable estimate can be made.

Where no reliable estimate can be made or when there is a possible obligation or present obligations that may, but probably will not, require amount flow of resources, disclosure is made as Contingent Liability. Expected reimbursement, if any, is disclosed under Notes to Accounts.

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.

18. ESTIMATES AND ERRORS

The Company revises its accounting policies if the change is required due to a change in IndAS 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.

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.

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.

Discovery of material errors results in revisions retrospectively by restating the comparative amounts of assets, liabilities, and equity of the earliest prior period in which the error is discovered. The opening balance soft he earliest period presented are also restated.

Notes to the Financial Statements for the year ended on 31st March 2023

19. EVENTS AFTER THE REPORTING PERIOD

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. 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.

20. SEGMENT REPORTING

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

21. CASH FLOW STATEMENT:

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

PART B :

[A] ADOPTION OF IND-AS

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Rules, 2015, stipulating the adoption and applicability of INA-AS in a phased manner beginning from the Accounting Period 2016-17 and subsequently, issued Amendment Rules, 2016 to amend the 2015 Rules.

The mandatory criteria for adoption of IND-AS is applicable on the company from F.Y. 2022-23. However, the company had voluntarily adopted Indian Accounting Standards from the first year of its incorporation. These financial statements for the year ended 31st March 2023 are the second Financial Statements which the company has prepared in accordance with IND-AS.

[B] CORPORATE INFORMATION

B.1 Corporatization of Ordnance Factories working under OFB:

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

Government of India by issuing the Gazette Notification No. CG-DL-E-01102021-230101 dated 1st October 2021 decided to dissolve the Ordnance Factories Board (OFB) and transfer the Production and Non-Production units to newly incorporated Defence PSU w.e.f. 01-10-2021.

B.2 Incorporation of Gliders India Limited a wholly owned Government Company

B.2.1 In pursuance of decision taken by the Government of India to corporatize Ordnance Factories, GLIDERS INDIA LIMITED was incorporated as 100% Government owned Company on 14th August 2021 and allotted the corporate identity no. (CIN): U17299UP2021GOI150733. With effect from 1st October 2021 ("Appointed Date"), the management, control, operations and maintenance of 1 Ordnance Factory out of 41 Ordnance Factories viz. Ordnance Parachute Factory Kanpur (OPF) has been transferred to Gliders India Limited.

[C] FINANCIAL STATEMENTS OF GLIDERS INDIA LIMITED

F.Y. 2022-23 is the Second Financial Year for the Company since incorporation on 14th August 2021. The Financial Statements are comprised of the accounts of one production unit Ordnance Parachute Factory and Gliders India Limited Headquarters.

[D] DISCLOSURE REGARDING THE REIMBURSEMENT OF COMMITTED LIABILITIES PRIOR TO 1ST OCTOBER 2021

- (i) The Department of Defence Production vide letter no. MoD ID 8(2)/2022/NDCD/DDP/DDP/Emergence Authorisation dt. 28-09-2022, reimbursed an amount of Rs.107.45 Cr. Towards Committed Liabilities accrued prior to commencement of business by New DPSU (i.e. before 01-10-2021) but which paid / to be paid by the New DPSU.
- (ii) The complete details of funds utilization for the allocated amount is as hereunder:-

Bal. Amount as on 01-04-2022 (₹ in Cr.)	Amount received during F.Y. 2022-23 (₹ in Cr.)	Amount utilized for payment of Accrued Committed Liabilities during F.Y. 2022-23 (₹ in Cr.)	Balance Liabilities to be paid (₹ in Cr.)
1.64	107.45	1.83	107.26

Notes to the Financial Statements for the year ended on 31st March 2023

[E] ALLOTMENT OF EQUITY SHARES TO PRESIDENT OF INDIA FOR NAV AND CAPEX

Equity Shares worth Rs.523.46 Cr. were allotted to President of India for Net Asset Value (NAV) of the company as on 30-09-2021. Further, equity shares amounting to Rs.8.56 Cr. were allotted for amount received for CAPEX and Rs.7.00 Cr. for amount received for payment of Accrued Committed Liabilities. Thus, total allotment of equity shares to Govt. of India in the F.Y. 2022-23 was Rs.539.02 Cr.

[F] DISCLOSURE REGARDING SEGMENT REPORTING

The Ministry of Corporate Affairs (MCA) has exempted the companies engaged in Defence Production from the requirements of Segment Reporting vide issuing Notification No. S.O. 802(E) dt. 23-02-2018.

[G] EVENTS OCCURRING AFTER BALANCE SHEET DATE

(a) Increase in Authorised Share Capital

The Company decided to increase the Authorised Share Capital from Rs.600 Cr. to Rs.1000 Cr. at Extra Ordinary General Meeting held on 27th June 2023 and compliance for increase in authorised capital has already been completed and MCA records are updated with the latest authorized capital.

(b) Adoption of Financial Statements by the Board of Directors

The financial Statements of the Company for the period ended on 31st March 2023 were approved by the Board of Directors in the Board Meeting held on 11-08-2023 at Gliders India Limited Headquarters.

(c) Extension of Deemed Deputation Period of employees of erstwhile Ordnance Factory Board for a further period of one year

The Department of Defence Production, Ministry of Defence, Government of India issued Office Memorandum No. 1(5)/2023/EGoM/OF/DP/(M&P) on 8th August 2023, in which the period of deemed deputation period of all the employees of erstwhile OFB (Group A, B & C) to 7 new DPSUs including transfer of all employees (Group A, B & C) at Directorate of Ordnance (Coordination & Planning) under DDP is extended by another 01 (one) year w.e.f. 01st October 2023, on same terms and conditions as issued earlier vide DDP OM No. 1(5)/2021/OF/DP(Plg-V)/02 dt. 24-09-2021.

[H] DIVIDEND

As per memorandum no. F. No. PP/14(005)/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-Polict dated 27th May 2016 of the Department of Investment & Public Asset Management, Ministry of Finance, Gol, all central public enterprises are required to pay a minimum annual dividend of 30% of Profit After Tax (PAT) or 5% of net worth, whichever is higher, subject to the maximum dividend permitted under the extant legal provisions and the conditions mentioned in the aforesaid memorandum.

However, the declaration and payment of dividends on Equity Shares will be recommended by Board and approved by the Shareholders, at their discretion subject to the provisions of the Articles, the Companies Act, 2013.

Further, the dividends, if any, will depend on a number of factors, including but not limited to the earnings of the company, guidelines issued by the DoE, capital requirements and overall financial position of the Company. In addition, ability to pay dividends may be impacted by a number of factors, including the results of operations, financial condition, contractual restriction, restrictive covenants under the loan or financing arrangements of the Company may enter into.

Further, as per OM No. 4/27/2019-DIPAM-II(AE) dt. 13-06-2023, the Committee for Monitoring of Capital Management and Dividends in CPSEs (CMCDC) has granted exemption from payment of dividend to Gliders India Limited for F.Y. 2021-22 (Stub period), F.Y. 2022-23 and F.Y. 2023-24.

[I] SUMMARY OF IMPACT OF CHANGES IN IND-AS:

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. The summary of impact on financial statements of changes in Ind AS are as follows:-

IND-AS	Summary of Changes	Impact on Financial Statements
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	Summary of Changes	Impact on Financial Statements
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:	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.	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.

[J] The figures of the previous years have been regrouped/rearranged wherever necessary.

As per our Report attached

For **Tandon Seth & Co.**

Chartered Accountants

FRN : 002340C

CA Gyan Prakash Gupta

M. No. 074195

Partner

Place : Kanpur

Date : 11-08-2023

For and on behalf of

Gliders India Limited

Vijay Kumar Tiwari

Chairman & Manageing Director

DIN: 09282247

Surendra Dhapodkar

Director (Finance) & CFO

DIN: 09282248

Archana Gupta

Company Secretary



GLIDERS INDIA LIMITED

Govt. of India Undertaking, Ministry of Defence

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