

# **VISHNU DAYA & CO LLP**

**CHARTERED ACCOUNTANTS**

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## **Independent Auditors' Report**

**To the Members of Millworks Technologies Private Limited**

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the financial statements of **M/s Millworks Technologies Private Limited** ("the Company"), which comprise The Balance Sheet as at 31st March 2024, The Statement of Profit and Loss for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (together referred to as Financial Statements).

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 ("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, 2024, and Profit for the period ended on that date.

#### **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 Act 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 Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover 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 a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the 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 of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Those 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. 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.
2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.



3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. 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, is not applicable for the company, being small company under section
2. 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, except for the daily back-up of books of accounts is not made on a daily basis as per section 128 of Companies Act 2013.
  - c. The Balance Sheet and the Statement of Profit and Loss 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 on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. A report under section 143(3)(i), pertaining to internal financial controls system and the operating effectiveness of such controls, is not enclosed as the same is not applicable to the Company pursuant to MCA notification dated 13th June 2017.
- g. 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 does not have any pending litigations which would impact its financial position except those disclosed in the financial statements.
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - 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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever 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, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
      - c) Based on the above explanations and audit procedures which we have 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 clause (iv) contain any material mis-statement.
  - v. The Company has not declared and paid dividend during the year and hence there was no compliance required as per section 123 of the Companies Act, 2013.



vi. Based on our examination which included test checks, The Company has used Frappe accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operative with effect from April 1st, 2023, till the end of the reporting period for all relevant transactions recorded in the software.

Further, where audit trail (edit log) facility was enabled and operated for accounting software, we did not come across any instance of the audit trail feature being tampered with.

Further, with regard to reporting on preservation of audit trail, as per proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per statutory requirements for record retention is not applicable for the year ended March 31, 2024.

for Vishnu Daya & Co LLP  
*Chartered Accountants*  
ICAI Firm's registration number: 008456S / S200092

*SD*  
Shankar D  
Partner

ICAI Membership No. 216547



Place: Bangalore

Date: 30/09/2024

(This document is certified using the UDIN facility of ICAI and can be verified at [www.udin.icai.org](http://www.udin.icai.org) with reference number 24216547BKALGUA775 )

Millworks Technologies Private Limited

Corporate Identity Number (CIN): U29200KA2021PTC153863

Registered Office Address: B 402, Salarpuria Melody Mysore Road, Kengeri Hobli Bangalore - 560092

Balance Sheet as at March 31, 2024

(All the amounts are in Indian Rupees Thousands except for share information or as otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share capital	2.01	500.00	500.00
Reserves and surplus	2.02	29,137.76	3,201.54
		<u>29,637.76</u>	<u>3,701.54</u>
<b>Non-current Liabilities</b>			
Long-term borrowings	2.03	7,290.14	1,804.16
Long-term provisions	2.04	478.44	-
Deferred tax liabilities (net)	2.05	-	80.35
		<u>7,768.58</u>	<u>1,884.51</u>
<b>Current Liabilities</b>			
Short-term borrowings	2.06	18,327.95	21,213.70
Trade Payables	2.07	-	-
(A) Total outstanding dues of micro enterprises and small enterprises and		28,224.98	2,133.93
(B) Total outstanding dues of creditors other than micro and small enterprises			
Other current liabilities	2.08	14,575.55	489.83
Short-term provisions	2.09	6,356.61	605.02
		<u>67,485.09</u>	<u>24,442.48</u>
		<u>1,04,891.43</u>	<u>30,028.53</u>

ASSETS

**Non-current Assets**

Property, Plant and Equipment and intangible assets			
Property, plant and equipment	2.10	19,972.65	4,609.34
Intangible assets	2.11	64.40	-
Intangible Assets under development	2.12	10,486.85	-
Deferred tax assets(net)	2.13	283.38	-
Other non current assets	2.14	4,200.00	1,000.00
		<u>35,007.29</u>	<u>5,609.34</u>

**Current Assets**

Inventories	2.15	25,934.77	14,479.99
Trade receivables	2.16	27,296.46	5,314.61
Cash and cash equivalents	2.17	381.54	759.58
Short-term loans and advances	2.18	16,271.38	3,865.01
		<u>69,884.16</u>	<u>24,419.19</u>
		<u>1,04,891.43</u>	<u>30,028.53</u>

The accompanying notes are an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For Vishnu Daya & Co LLP  
Chartered Accountants  
ICAI FRN.: 008456S/S200092

  
Shankar D  
Partner  
ICAI Membership No. 216547

Place: Bengaluru  
Date: 30-09-2024

For and on behalf of Board of Directors of  
Millworks Technologies Private Limited

  
Madhu H K  
Director  
DIN:02332676

Place: Bengaluru  
Date: 30-09-2024

  
Sridhar Acharya  
Director  
DIN:05341880

Place: Bengaluru  
Date: 30-09-2024



**Millworks Technologies Private Limited**

**Corporate Identity Number (CIN):U29200KA2021PTC153863**

**Registered Office Address:B 402, Salarpuria Melody Mysore Road, Kengeri Hobli Bangalore - 560092**

**Statement of profit and loss for the year ended March 31, 2024**

*(All the amounts are in Indian Rupees Thousands except for share information or as otherwise stated)*

	Note	For the year ended	
		March 31, 2024	March 31, 2023
<b>INCOME</b>			
Revenue from operations	2.19	1,08,859.83	17,739.31
Other Income	2.20	42.99	39.46
<b>Total income</b>		<b>1,08,902.82</b>	<b>17,778.77</b>
<b>EXPENSES</b>			
Cost of materials consumed	2.21	52,501.38	19,216.30
Changes in inventories of finished goods, work-in-progress and stock in-trade	2.22	(9,210.30)	(12,345.35)
Employee benefits expense	2.23	19,241.69	2,400.00
Finance costs	2.24	2,880.16	490.54
Depreciation and amortisation expense	2.10	1,115.97	198.12
Other expenses	2.25	10,913.98	3,818.20
<b>Total expenses</b>		<b>77,442.88</b>	<b>13,777.82</b>
<b>Profit before tax</b>		<b>31,459.94</b>	<b>4,000.95</b>
Tax Expense:			
Current tax			
- for the year		5,887.46	670.51
Deferred tax charge / (credit)		(363.73)	80.35
		<b>5,523.73</b>	<b>750.86</b>
<b>Profit for the year</b>		<b>25,936.21</b>	<b>3,250.09</b>
Basic and diluted earnings per share (Nominal value Rs. 10 per share)	2.49	518.72	65.00
Weighted average number of equity shares		50,000	50,000

The accompanying notes are an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For Vishnu Daya & Co LLP  
Chartered Accountants  
ICAI FRN.: 008456S/S200092

*Shankar D*  
Shankar D  
Partner  
ICAI Membership No. 216547

Place: Bengaluru  
Date: 30-09-2024



For and on behalf of Board of Directors of  
Millworks Technologies Private Limited

*Madhu H K*  
Madhu H K  
Director  
DIN:02332676

Place: Bengaluru  
Date: 30-09-2024

*Sridhar Acharya*  
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DIN:05341880

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**Millworks Technologies Private Limited**

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Registered Office Address: B 402, Salarpuria Melody Mysore Road, Kengeri Hobli Bangalore - 560092

Notes to the financial statements for the year ended March 31, 2024

(All the amounts are in Indian Rupees Thousands except for share information or as otherwise stated)

	As at			
	March 31, 2024	March 31, 2023		
<b>2.01 SHARE CAPITAL</b>				
<b>Authorised:</b>				
1,50,000 (31st March, 2023: 1,50,000) Equity shares of Rs. 10 each	1,500	1,500		
<b>Issued, Subscribed and Paid-up:</b>				
50,000 (31st March, 2023: 50,000) Equity shares of Rs. 10 each fully paid up	500	500		
	<u>500</u>	<u>500</u>		
<b>a) Reconciliation of number of shares</b>				
<b>Equity Shares:</b>				
Balance as at the beginning of the year	50,000	500		
Add: Shares issued during the year	-	-		
Balance as at the end of the year	<u>50,000</u>	<u>500</u>		
<b>b) Rights, preferences and restrictions attached to shares</b>				
Equity shares: The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders at the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.				
<b>c) Shares held by holding company and subsidiary of holding company-Nil</b>				
<b>d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>				
	As at March 31, 2024	As at March 31, 2023		
	Number of shares	% of holding	Number of shares	% of holding
<b>Equity Shares:</b>				
Sridhar Acharya	10,325	20.65%	12,000	24.00%
Madhu Hulisandra Krishnamurthy	10,325	20.65%	12,000	24.00%
Shelia Bhaskar Mudbidri	10,000	20.00%	-	-
Rashmi Sridhar Acharya	9,675	19.35%	13,000	26.00%
Sowmya Madhu	9,675	19.35%	13,000	26.00%
<b>e) There are no shares reserved for issue under options and contracts or commitments. Further, there are no shares that have been issued pursuant to a contract without payment being received in cash, shares allotted as fully paid up by way of bonus shares or shares bought back.</b>				
<b>f) Details of shareholding of promoters</b>				
	As at March 31, 2024		As at March 31, 2023	
Promoter Name	Number of shares	% of holding	Number of shares	% of holding
				% of change during the year
Sridhar Acharya	10,325	20.65%	12,000	24.00%
Madhu Hulisandra Krishnamurthy	10,325	20.65%	12,000	24.00%
Shelia Bhaskar Mudbidri	10,000	20.00%	-	-
Rashmi Sridhar Acharya	9,675	19.35%	13,000	26.00%
Sowmya Madhu	9,675	19.35%	13,000	26.00%



*H. M*

*Shelia*



As at  
March 31, 2024   March 31, 2023

**2.02 RESERVES AND SURPLUS**

**Surplus in the Statement of Profit and Loss:**

Balance as at the beginning of the year	3,201.54	(48.55)
Add: Net profit for the year	25,936.21	3,250.09
Balance as at the end of the year	29,137.76	3,201.54
	<u>29,137.76</u>	<u>3,201.54</u>

**2.03 LONG-TERM BORROWINGS**

**Secured:**

Term Loans	8,771.63	1,804.16
- from banks	0.12	0.12
Less: Amount disclosed under "Short-term borrowings"	123.46	123.46

Total

*a. Terms of borrowings*

Total loan amount	8,771.63	1,804.16
Rate of interest	0.12	0.12
Installment amount	123.46	123.46
Number of installments	81.00	81.00
Outstanding loan balance	8,771.63	1,804.16
Tenure of loan	81months	81months
Security details	Hypothecation of machinery	Hypothecation of machinery

**2.04 LONG-TERM PROVISIONS**

Provision for employee benefits	373.93	-
Provision for gratuity	104.51	-
Provision for leave encashment	<u>478.44</u>	-

**2.05 DEFERRED TAX LIABILITIES (NET)**

Deferred Tax Liabilities:		
- Property, plant and equipment		80.35
<b>Deferred Tax Liabilities (Net)</b>		<b>80.35</b>

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

**2.06 SHORT-TERM BORROWINGS**

**Secured:**

Current maturities of long-term debt	1,481.48	1,481.48
Overdraft facility from banks	10,000.00	9,999.10
Total (A)	<u>11,481.48</u>	<u>11,480.58</u>

*Terms of Overdraft Facility*

Rate of interest	0.12	0.12
Outstanding loan balance	10,000.00	9,999.10
Tenure of loan	12 months	12 months

Security details

Hypothecation of stock and Book debts

<b>Unsecured:</b>		
Loans repayable on demand	6,846.47	5,080.40
- from directors	-	6,134.20
- from related parties	<u>6,846.47</u>	<u>11,214.60</u>
Total (B)		
<b>Total short-term borrowings (A+B)</b>	<b>18,327.95</b>	<b>22,695.19</b>



*H M*  
*Shaloo*



#### 2.07 TRADE PAYABLES

Total outstanding dues of micro enterprises and small enterprises  
 Total outstanding dues of creditors other than micro enterprises and small enterprises

28,224.98	2,133.93
<b>28,224.98</b>	<b>2,133.93</b>

##### Ageing details for trade payables

As at 31.03.2024

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed dues:							
Undisputed dues:							
(a) MSME	-	-	25,959.31	2,265.67	-	-	28,224.98
(b) Others	-	-	-	-	-	-	-
Disputed dues:							
(a) MSME	-	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>25,959.31</b>	<b>2,265.67</b>	<b>-</b>	<b>-</b>	<b>28,224.98</b>

As at 31.03.2023

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed dues:							
Undisputed dues:							
(a) MSME	-	-	100.00	2,033.80	-	-	2,133.80
(b) Others	-	-	-	-	-	-	-
Disputed dues:							
(a) MSME	-	-	-	-	-	-	-
(b) Others	-	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>100.00</b>	<b>2,033.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,133.80</b>

#### 2.08 OTHER CURRENT LIABILITIES

Statutory dues payable	5,169.18	489.83
Advance received from customers	3,984.55	-
Salary payable	5,275.51	-
Other payables	146.30	-
	<b>14,575.55</b>	<b>489.83</b>

#### 2.09 SHORT-TERM PROVISIONS

Provision for Income tax	6,340.47	605.02
Provision for employee benefits		
Provision for gratuity	1.24	-
Provision for leave encashment	14.91	-
	<b>6,356.61</b>	<b>605.02</b>

#### 2.13 DEFERRED TAX ASSETS

Deferred tax assets :		
- Provision for employee benefits	84.87	-
- Disallowance on non-deduction of TDS	584.30	-
	<b>669.17</b>	-
Deferred Tax Liabilities:		
- Property, plant and equipment	385.79	-
	<b>385.79</b>	-
Deferred tax assets(Net)	<b>283.38</b>	-
	<b>283.38</b>	-

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing taxation laws.

#### 2.14 OTHER NON CURRENT ASSETS

Security Deposits	4,200.00	1,000.00
	<b>4,200.00</b>	<b>1,000.00</b>



*HMS*  
*Shalyn*



Millworks Technologies Private Limited  
 Corporate Identity Number (CIN): U29200KA2021PTC153863

Registered Office Address: B 402, Salarpura Melody Mysore Road, Kengeri Hobli Bangalore - 560092

Notes to the financial statements for the year ended March 31, 2024

(All the amounts are in Indian Rupees Thousands except for share information or as otherwise stated)

#### 2.15 INVENTORIES

(Valued at lower of cost and net realisable value)

Raw materials & Components  
 Work-in-Progress  
 Finished Goods

4,379.12	2,134.64
18,628.07	9,420.52
2,927.58	2,924.83
<b>25,934.77</b>	<b>14,479.99</b>

#### 2.16 TRADE RECEIVABLES

*Unsecured, considered good*  
 Trade receivables

27,296.46	5,314.61
<b>27,296.46</b>	<b>5,314.61</b>

Note: The above trade receivables include receivable from related parties amounting to Rs.8,592.50 ( 31st March 2023: Nil)

##### Ageing details for trade receivables

As at 31.03.2024

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed receivables:							
Undisputed receivables:							
(a) Considered good	-	-	27,296.46	-	-	-	27,296.46
(b) Considered doubtful	-	-	-	-	-	-	-
Disputed receivables:							
(a) Considered good	-	-	-	-	-	-	-
(b) Considered doubtful	-	-	-	-	-	-	-
Unbilled receivables	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>27,296.46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,296.46</b>

As at 31.03.2023

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Billed receivables:							
Undisputed receivables:							
(a) Considered good	-	-	5,315.00	-	-	-	5,315.00
(b) Considered doubtful	-	-	-	-	-	-	-
Disputed receivables:							
(a) Considered good	-	-	-	-	-	-	-
(b) Considered doubtful	-	-	-	-	-	-	-
Unbilled receivables	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,315.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,315.00</b>

#### 2.17 CASH AND CASH EQUIVALENTS

Cash on hand  
 Bank balances:  
 In Current Accounts

202.22	-
179.32	759.58
<b>381.54</b>	<b>759.58</b>

#### 2.18 SHORT-TERM LOANS AND ADVANCES

*Unsecured, Considered good*

Balance with Government Authorities  
 Advance to suppliers

8,960.87	3,865.01
7,310.51	-
<b>16,271.38</b>	<b>3,865.01</b>



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Millworks Technologies Private Limited

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Notes to the financial statements for the year ended March 31, 2024

(All the amounts are in Indian Rupees Thousands except for share information or as otherwise stated)

2.10 PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross block (at cost)				Depreciation			Net Block	
	April 01, 2023	Additions	Disposal/Adjustments	March 31, 2024	April 01, 2023	For the year	March 31, 2024	March 31, 2024	March 31, 2023
<i>Own assets:</i>									
Computers and accessories	-	303.65	-	303.65	-	64.73	64.73	238.92	-
Furniture and fixtures	124.80	401.98	-	526.78	5.17	41.50	46.67	480.11	119.63
Office equipments	-	44.22	-	44.22	-	11.09	11.09	33.13	-
Plants and Machineries	4,682.65	15,118.62	-	19,801.27	192.94	970.76	1,163.71	18,637.57	4,489.71
Electronic Equipments	-	608.12	-	608.12	-	25.20	25.20	582.92	-
<b>Total</b>	<b>4,807.45</b>	<b>16,476.59</b>	<b>-</b>	<b>21,284.05</b>	<b>198.12</b>	<b>1,113.28</b>	<b>1,311.39</b>	<b>19,972.65</b>	<b>4,609.34</b>

Particulars	Gross block (at cost)				Depreciation			Net Block	
	April 01, 2022	Additions	Disposal/Adjustments	March 31, 2023	April 01, 2022	For the year	March 31, 2023	March 31, 2023	March 31, 2022
<i>Own assets:</i>									
Furniture and fixtures	-	124.80	-	124.80	-	5.17	5.17	119.63	-
Plant and machinery	-	4,682.65	-	4,682.65	-	192.94	192.94	4,489.71	-
<b>Total</b>	<b>-</b>	<b>4,807.45</b>	<b>-</b>	<b>4,807.45</b>	<b>-</b>	<b>198.12</b>	<b>198.12</b>	<b>4,609.34</b>	<b>-</b>

2.11 INTANGIBLE ASSET

Particulars	Gross block (at cost)				Depreciation			Net Block	
	April 01, 2023	Additions	Disposal/Adjustments	March 31, 2024	April 01, 2023	For the year	March 31, 2024	March 31, 2024	March 31, 2023
<i>Software</i>									
Software	-	67.10	-	67.10	-	2.70	2.70	64.40	-
<b>Total</b>	<b>-</b>	<b>67.10</b>	<b>-</b>	<b>67.10</b>	<b>-</b>	<b>2.70</b>	<b>2.70</b>	<b>64.40</b>	<b>-</b>




**Millworks Technologies Private Limited**

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(All the amounts are in Indian Rupees Thousands except for share information or as otherwise stated)

**2.12 INTANGIBLE ASSET UNDER DEVELOPMENT**

Particulars	Gross block (at cost)				Capitalised during the year	Net Block March 31, 2024
	April 01, 2023	Additions	Disposal / Adjustments	March 31, 2024		
Intangible Asset Under Development	-	10,486.85	-	10,486.85	-	10,486.85
<b>Total</b>	<b>-</b>	<b>10,486.85</b>	<b>-</b>	<b>10,486.85</b>	<b>-</b>	<b>10,486.85</b>

**Intangible assets under development aging schedule is as follows:**

Particulars	Amount in Capital Work in Progress for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress	10,486.85	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>10,486.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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		Year ended
		March 31, 2024
		March 31, 2023

## 2.19 REVENUE FROM OPERATIONS

Sale of Products:

- Sale of Manufactured products	1,08,859.83	17,739.31
	<u>1,08,859.83</u>	<u>17,739.31</u>

Break-up of revenue from operations:

Export Sales	28,546.45	14,037.56
Domestic Sales	80,313.38	3,701.75
	<u>1,08,859.83</u>	<u>17,739.31</u>

## 2.20 OTHER INCOME

Net Gain on Foreign Exchange Transactions	42.99	39.46
	<u>42.99</u>	<u>39.46</u>

## 2.21 COST OF MATERIALS CONSUMED

Opening Stock	2,134.64	-
Add: Purchases during the year	54,745.86	21,350.94
Less: Closing Stock	4,379.12	2,134.64
	<u>52,501.38</u>	<u>19,216.30</u>

Break-up of closing stock of raw materials and packaging materials

Raw materials	4,379.12	2,134.64
Packing materials	-	-

Items which individually exceeds 10% of total consumption

Aluminium	29,927.17	11,671.63
Stain steel	14,963.59	5,835.82

## 2.22 CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE:

**Inventories at the end of the year:**

Work-in-progress	18,628.07	9,420.52
Finished Goods	2,927.58	2,924.83
	<u>21,555.65</u>	<u>12,345.35</u>

**Inventories at the beginning of the year:**

Work-in-progress	9,420.52	-
Finished Goods	2,924.83	-
	<u>12,345.35</u>	<u>-</u>
	<u>(9,210.30)</u>	<u>(12,345.35)</u>



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(All the amounts are in Indian Rupees Thousands except for share information or as otherwise stated)

#### 2.23 EMPLOYEE BENEFITS EXPENSE

Salaries, Wages and Bonus	14,973.58	-
Contribution to Provident and Other Fund	1,071.23	-
Director's remuneration	2,400.00	2,400.00
Staff Welfare Expenses	796.88	-
	<b>19,241.69</b>	<b>2,400.00</b>

#### 2.24 FINANCE COST

Interest on bank borrowings	1,983.72	259.94
Bank charges	214.36	230.60
Interest on delayed payment of advance tax	682.08	-
	<b>2,880.16</b>	<b>490.54</b>

#### 2.10 DEPRECIATION AND AMORTISATION EXPENSE

Depreciation on property, plant and equipment	1,113.28	198.12
Amortization of intangible asset	2.70	-
	<b>1,115.97</b>	<b>198.12</b>

#### 2.25 OTHER EXPENSES

Rent	8,616.96	1,800.00
Insurance	82.27	-
Business support charges	463.68	1,800.00
Travelling and Conveyance	98.33	-
Legal and Professional Fees	201.50	100.00
Repairs and Maintenance	755.15	-
Bad debts written off	582.71	-
Miscellaneous expenses [Refer note (a) below]	113.39	118.20
	<b>10,913.98</b>	<b>3,818.20</b>

(a) Miscellaneous Expenses include aggregate of various expenditure which are less than 1% of turnover.

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As at  
 March 31, 2024      March 31, 2023

**2.26 CONTINGENT LIABILITIES**

Claims against the Company not acknowledged as debts  
 Guarantees given by Company  
 Other money for which the Company is contingently liable

**2.27 CAPITAL AND OTHER COMMITMENTS**

Capital Commitments:  
 Estimated value of contracts in capital account remaining to be executed on capital account and not provided for  
 Uncalled liability on shares and other investments partly paid

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of assets other than Property, Plant and Equipment, intangible assets and non-current investments will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance Sheet.

**2.28 DETAILS OF UTILISATION OF BORROWINGS**

The Company has utilised the borrowings from banks for the purpose for which it was taken at the balance sheet.

**2.29 DETAILS OF BENAMI PROPERTY HELD**

There are no proceedings that have been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibitions) Act, 1988.

**2.30 DETAILS OF SECURITY OF CURRENT ASSETS AGAINST BORROWINGS**

The Company has filed quarterly returns or statements of current assets with banks / financial institutions in respect of borrowings. The details of the same are as under:

Name of the bank	Quarter	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly return / statement	Amount of difference	Reason for material discrepancies
Union Bank	June 2023	Inventory	9,343	9,343	-	As per information and explanations provided by the management, the variance is due to a clerical error in valuation method of stock.
	September 2023		15,041	15,041	-	
	December 2023		23,286	23,286	-	
	March 2024		25,935	20,657	5,277.99	

**2.31 WILFUL DEFAULTER**

The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.

**2.32 RELATIONSHIP WITH STURCK OFF COMPANIES**

The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the

**2.33 DETAILS OF CHARGES OR SATISFACTION YET TO BE REGISTERED WITH REGISTRAR OF COMPANIES**

The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

**2.34 DETAILS OF COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES**

The Company has complied with the number of layers prescribed under clause (87) of the Section 2 of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017.

**2.35 ANALYTICAL RATIOS**

a. Ratio  
 Numerator      Current ratio  
 Denominator      Current assets  
 Current liabilities

Ratios / Measures	March 31, 2024	March 31, 2023	Reason for change
Current assets (A)	69,884.16	24,419.19	Not applicable
Current liabilities (B)	67,485.09	24,442.48	
Current ratio (C) = (A) / (B)	1.04	1.00	
% of change from previous year	3.65%		

b. Ratio  
 Numerator      Debt equity ratio  
 Denominator      Total debt  
 Shareholders' equity

Ratios / Measures	March 31, 2024	March 31, 2023	Reason for change
Total debt (A)	25,618.10	23,017.86	Increase in profit as compared to previous year.
Shareholder's equity (B)	29,637.76	3,701.54	
Debt equity ratio (C) = (A) / (B)	0.86	6.22	
% of change from previous year	-86.10%		



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Millworks Technologies Private Limited  
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c. Ratio	Debt service coverage ratio
Numerator	Earnings available for debt service
Denominator	Debt service

Ratio / Measure	March 31, 2024	March 31, 2023	Reason for change
Profit (loss) after tax (A)	25,936.21	3,250.09	Increase in profit as compared to previous year.
Add: Non-cash operating expenses and finance cost			
Depreciation expense (B)	1,115.97	198.12	
Finance costs (C)	2,880.16	490.54	
Earnings available for debt services (D) = (A)+(B)+(C)	29,932.35	3,938.75	
Finance costs (E)	2,880.16	490.54	
Repayment of borrowings (F)	2,885.75	-	
Payment of principal portion of lease liabilities (G)	-		
Debt service (H) = (E) + (F) + (G)	5,765.91	490.54	
Debt service coverage ratio (I) = (D) / (H)	5.19	8.03	
% of change from previous year	-35.35%		

d. Ratio	Return of equity ratio
Numerator	Profit after tax
Denominator	Average shareholders' equity

Ratio / Measure	March 31, 2024	March 31, 2023	Reason for change
Profit (loss) after tax (A)	25,936.21	3,250.09	Not applicable
Closing shareholders equity (B)	29,637.76	3,701.54	
Average shareholder's equity [(Opening + Closing) / 2] (C)	16,669.65	2,076.27	
Return on equity ratio (D) = (A) / (C)	1.56	1.57	
% of change from previous year	-0.60%		

e. Ratio  
 Numerator  
 Denominator

Ratio / Measure	March 31, 2024	March 31, 2023	Reason for change
Cost of goods sold (A)	43,291.08	6,870.95	Increase in operations during the year.
Average inventory [(Opening + Closing) / 2] (B)	20,207.38	7,240.00	
Inventory turnover ratio (C) = (A) / (B)	2.14	0.95	
% of change from previous year	125.74%		

f. Ratio	Trade receivables turnover ratio
Numerator	Revenue from operations
Denominator	Average trade receivables

Ratio / Measure	March 31, 2024	March 31, 2023	Reason for change
Revenue from operations (A)	1,08,859.83	17,739.31	
Closing trade receivables (B)	27,296.46	5,314.61	
Average trade receivables [(opening + closing) / 2] (C)	16,305.53	2,657.30	Not applicable
Trade receivables turnover ratio (D) = (A) / (C)	6.68	6.68	
% of change from previous year	0.01%		

g. Ratio	Trade payable turnover ratio
Numerator	Total purchases ( includes other operating expenses)
Denominator	Average trade payables

Ratio / Measure	March 31, 2024	March 31, 2023	Reason for change
Total purchases (A)	54,745.86	21,350.94	Increase in purchases during the year.
Closing trade payables (B)	28,224.98	2,133.93	
Average trade payables [(opening + closing) / 2] (C)	15,179.45	1,066.96	
Trade payables turnover ratio (D) = (A) / (C)	3.61	20.01	
% of change from previous year	-81.98%		

h. Ratio	Net capital turnover ratio
Numerator	Revenue from operations
Denominator	Working capital (Current assets - Current liabilities)

Ratio / Measure	March 31, 2024	March 31, 2023	Reason for change
Revenue from operations (A)	1,08,859.83	17,739.31	Due to increase in turnover in the current year compared to previous year
Current assets	69,884.16	24,419.19	
Current liabilities	67,485.09	24,442.48	
Working capital (Current assets - Current liabilities) (B)	2,399.06	-23.29	
Net capital turnover ratio (C) = (A) / (B)	45.38	-761.82	
% of change from previous year	-105.96%		

i. Ratio	Net profit ratio
Numerator	Profit after tax
Denominator	Revenue from operations

Ratio / Measure	March 31, 2024	March 31, 2023	Reason for change
Profit (Loss) after tax (A)	25,936.21	3,250.09	Increase in profit as compared to previous year.
Revenue from operations (B)	1,08,859.83	17,739.31	
Net profit ratio (C) = (A) / (B)	0.24	0.18	
% of change from previous year	30.04%		



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j. Ratio                      Return on capital employed  
 Numerator                      Earning before interest and taxes  
 Denominator                      Capital Employed (Total equity and Total borrowings)

Ratios / Measures	March 31, 2024	March 31, 2023	Reason for change
Profit (Loss) after tax (A)	25,936.21	3,250.09	Increase in profits during the year.
Adjustments:-			
Add: Total tax expenses (B)	5,523.73	750.86	
Add: Finance cost (C)	2,880.16	490.54	
Earnings before interest and tax (D) = (A) + (B) + (C)	34,340.11	4,491.49	
Total Equity (E)	29,637.76	3,701.54	
Total borrowings (F)	25,618.10	23,017.86	
Capital employed (G) = (E) + (F)	55,255.85	26,719.41	
Return on capital employed (G) = (D) / (G)	0.62	0.17	
% of change from previous year	269.71%		

k. Ratio                      Return on investment  
 Numerator                      Investment income  
 Denominator                      Investment

Ratios / Measures	March 31, 2024	March 31, 2023	Reason for change
Investment income (A)	-	-	Not applicable
Investment (B)	-	-	
Loans (C)	-	-	
Bank Deposits (D)	-	-	
Overall investment E=(B+C+D)	-	-	
Return on Investment (F) = (A) / (E)	-	-	
% of change from previous year	-	-	

#### 2.36 COMPLIANCE WITH APPROVED SCHEME(S) OR ARRANGEMENTS

There are no approved schemes or arrangements which has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

2.37 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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.

2.38 No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2.39 The Company doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

2.40 The Company has not revalued its property plant and equipment or intangible assets or both during the current year or previous year.

2.41 The Company does not enter into any derivative instruments to hedge its foreign currency exposures.

2.42 No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) by the Company, either severally or jointly with any other person.

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for the year ended  
March 31, 2024      March 31, 2023

**2.43 PAYMENT TO AUDITORS**

Audit fees (excluding GST)		
- Statutory Audit	170.00	70.00
- Tax Audit and other services	30.00	30.00
	<b>200.00</b>	<b>100.00</b>

**2.44 DUES TO MICRO, MEDIUM AND SMALL ENTERPRISES**

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

- a. the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;
- b. the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;
- c. the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;
- d. the amount of interest accrued and remaining unpaid at the end of each accounting year; and
- e. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

**Note:** The above information has been determined based on vendors identified by the Company and confirmed by the vendors, which has been relied upon by the auditors.

**2.45 CONSUMPTION OF IMPORTED AND INDIGENOUS RAW MATERIALS, PACKING MATERIALS, STORES AND SPARES**

Imported	68.74	-
Indigenous	<u>52,432.64</u>	<u>19,216.30</u>
	<b>52,501.38</b>	<b>19,216.30</b>

68.74

**2.46 CIF VALUE OF IMPORTS**

**2.47 EXPENDITURE IN FOREIGN CURRENCY**

Freight and other related expenses	82.15	-
	<u>82.15</u>	<u>-</u>

**2.48 EARNINGS IN FOREIGN CURRENCY**

Export of manufactured products	28,546.45	14,037.56
	<u>28,546.45</u>	<u>14,037.56</u>

**2.49 EARNINGS PER SHARE**

Nominal value of equity shares (Rs.)	10.00	10.00
Weighted average number of equity shares (Nos.)	50,000.00	50,000.00
Profit after tax (Rs.)	25,936.21	3,250.09
Earnings Per Share - Basic and Diluted (Rs.)	518.72	65.00

**2.50 EMPLOYEE BENEFITS**

The disclosure requirements in respect of Accounting Standard 15, "Employee Benefits" are as given below:

**(a) Defined Contribution Plan**

Amount recognised in the statement of Profit and Loss: Provident Fund and other funds paid to authorities	1,071.23
--	----------

**(b) Defined Benefit Plan**

**(i) Gratuity**

Gratuity as per actuarial valuation Discount rate - Current	375.17
	0.10

NA



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**Millworks Technologies Private Limited**

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Attrition rate	0.10	NA
Salary escalation - Current	0.10	NA
Retirement age	60 years	NA
Mortality	Indian Assured Lives Mortality (2012-14)	NA

**Gratuity for the year as required under AS 15 (revised)**

(i) Expenses recognised in the Statement of Profit and Loss	375.17	-
---	--------	---

(ii) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Opening defined benefit obligation	-	-
Current service cost	375.17	-
Interest cost	-	-
Benefits paid by the employer	-	-
Net actuarial (gain) / loss recognised in the year	-	-
<b>Present value of benefit obligation at the end of the year</b>	<b>375.17</b>	<b>-</b>

(ii) Leave encashment

Leave encashment as per actuarial valuation	119.42	-
Discount rate - Current	0.10	NA
Attrition rate	0.10	NA
Salary escalation - Current	0.10	NA
Retirement age	60 years	NA
Mortality	Indian Assured Lives Mortality (2012-14)	NA

**Leave encashment for the year as required under AS 15 (revised)**

(i) Expenses recognised in the Statement of Profit and Loss		
---	--	--

(ii) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

Opening defined benefit obligation	-	-
Current service cost	119.42	-
Interest cost	-	-
Benefits paid by the employer	-	-
Net actuarial (gain) / loss recognised in the year	-	-
<b>Present value of benefit obligation at the end of the year</b>	<b>119.42</b>	<b>-</b>

Notes:

a. The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

b. The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**2.51 RELATED PARTY DISCLOSURES (as per Accounting Standard 18 on Related Party Disclosures)**

**A Names of related parties and nature of relationship**

Description of relationship	Names of related parties
i) Key Management Personnel	
Director	Sridhar Acharya
Director	Madhu Hulisandra Krishnamurthy
Director	Rashmi Sridhar Acharya
Director	Sowmya Madhu
ii) Company/entity in which KMP / Relatives of KMP can exercise significant influence	V3 Technologies




Millworks Technologies Private Limited

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Notes to the financial statements for the year ended March 31, 2024

(All the amounts are in Indian Rupees Thousands except for share information or as otherwise stated)

**B Summary of the transactions with related parties are as below**

Particulars	March 31, 2024	March 31, 2023
<b>Transactions during the year</b>		
<b>1 Allotment of shares</b>		
a. Sridhar Acharya- 12500 shares	-	125.00
b. Madhu Hulisandra Krishnamurthy- 12500 shares	-	125.00
c. Rashmi Sridhar Acharya - 12500 shares	-	125.00
d. Sowmya Madhu - 12500 shares	-	125.00
<b>2 Unsecured Loan from Director</b>		
a. Sridhar Acharya	1,955.07	1,685.50
b. Madhu Hulisandra Krishnamurthy	-	1,575.00
c. Rashmi Sridhar Acharya	-	1,744.90
d. Sowmya Madhu	-	75.00
<b>3 V3 Technologies</b>		
a. Purchase of raw materials	5,800.00	4,000.00
b. Rent paid	8,400.00	1,800.00
c. Security deposit Paid	-	1,000.00
d. Sale of Goods	10,000.00	-
e. Labour charges	450.00	1,800.00
<b>4 Remuneration to directors</b>		
a. Sridhar Acharya	1,200.00	1,200.00
b. Madhu Hulisandra Krishnamurthy	1,200.00	1,200.00
<b>C Balances outstanding at the end of the year</b>		
<b>1 V3 Technologies</b>		
a. Trade Payables	8,319.00	6,134.20
b. Trade Receivables	8,592.50	-
<b>2 Unsecured loan from director</b>		
a. Sridhar Acharya	5,385.47	1,685.50
b. Madhu Hulisandra Krishnamurthy	1,460.99	1,575.00
c. Rashmi Sridhar Acharya	-	1,744.90
d. Sowmya Madhu	-	75.00

Notes:

(a) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(b) There are no amounts written off / back or provided for in respect of transactions with related parties.

**2.52 CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES (CSR)**

The Company does not meet the criteria specified in section 135 of the Companies Act, 2013, hence the Company is not required to spend any amount on activities related to corporate social responsibility for the year ended March 31, 2024.

**2.53 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY**

The Company does not hold any crypto or virtual currency. Hence, this clause is not applicable.



*H. Acharya*  
*Blazy*



Millworks Technologies Private Limited

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Notes to the financial statements for the year ended March 31, 2024

(All the amounts are in Indian Rupees Thousands except for share information or as otherwise stated)

2.54 Previous year's figures have been regrouped wherever necessary to conform to this year's classification to enable better comparability and presentation.

For Vishnu Daya & Co LLP

Chartered Accountants

ICAI FRN.: 008456S/S200092

*S. Daya*  
Shankar D  
Partner

ICAI Membership No. 216547

Place: Bengaluru  
Date: 30-09-2024



For and on behalf of Board of Directors of  
Millworks Technologies Private Limited

*M. H. K.*  
Madhu H K  
Director  
DIN: 02332676

Place: Bengaluru  
Date: 30-09-2024

*S. Acharya*  
Sridhar Acharya  
Director  
DIN: 05341880

Place: Bengaluru  
Date: 30-09-2024



**Millworks Technologies Private Limited**

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**Registered Office Address:B 402, Salarpuria Melody Mysore Road, Kengeri Hobli Bangalore - 560092**

**Notes to the financial statements**

**1. Corporate overview**

Millworks Private Limited (“the Company”) was incorporated on 1<sup>st</sup> November 2021 as a Private Limited Company under the Companies Act, 2013 ('the Act'). The registered office of the Company is at B 402, Salarpuriya Melody Mysore road , Kengeri Hobli, Bangalore , Karnataka, India 560092. The Company is engaged in the business manufacturing parts for aerospace, metro train products and other related components.

**2. Significant accounting policies**

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

**a) Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention method. The financial statements are presented in Indian rupees.

**b) Use of estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses, during the reporting year. Examples of such estimates include estimates of provision for slow moving and obsolete stock, provision for doubtful trade receivables, provision for warranty. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

**c) Current–non-current classification**

All assets and liabilities are classified into current and non-current.

*Assets*

An asset is classified as current when it satisfies any of the following criteria:

- a. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realized within 12 months after the reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.



*H. Shetty*  
*Shetty*



**Millworks Technologies Private Limited**

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**Notes to the financial statements**

All other assets are classified as non-current.

*Liabilities*

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

*Operating cycle*

Operating cycle is the time between the provision of services and its realization in cash or cash equivalents.

**d) Property Plant and Equipment**

Property, Plant and Equipment would be stated at the cost of acquisition or construction, less accumulated depreciation.

All costs incurred in bringing the assets to its working condition for intended use to be capitalized.

Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

The depreciation is computed by considering the useful life of the asset as per Schedule II of the Companies Act, 2013 under Straight line method. If the Management's estimate of the useful life of a fixed asset at the time of the acquisition of the asset or of the remaining useful life on a subsequent review is different from the aforesaid schedule, depreciation is provided at the applicable rate based on such different useful life as per the advice obtained from a competent technician. Pursuant to Schedule and policy of the management, the estimated useful lives of the assets are as set out below.



<b>Serial Number</b>	<b>Category of the Assets</b>	<b>Life over which asset will be depreciated</b>
1	Furniture	10 years
2	Plant and machinery	15 years
3	Computers	3 years
4	Office equipments	3 years
5	Electronic equipments	3 years
6	Intangible asset	3 years

A fixed asset is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal. Further, depreciation on assets acquired/ disposed during the year is provided for from / upto the date of such addition/deletion.

Assets retired from active use and held for disposal are stated at the lower of their net book value and net realizable value and shown under 'Other current assets'.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of profit and loss.

**e) Impairment of assets**

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that do not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of profit and loss. If at the balance sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognised.

**f) Employee benefits**

***Short-term employee benefits***

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.



*H M*  
*Shrey*



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**Notes to the financial statements**

Contributions to provident fund are provided at pre-determined rates and deposited with the appropriate authorities.

**g) Revenue recognition**

Domestic sale of products is recognized when the products are dispatched to the customer which is when risks and rewards of ownership are transferred as per the terms of sale / understanding with the customers.

Export sale of products is recognized when goods are delivered to the carrier, which is when risks and rewards of ownership are transferred as per the terms of sale / understanding with the customers.

Income from service activities is accounted for on rendering the service in accordance with the contractual terms and when there is no uncertainty in receiving the same.

Insurance claims are accounted on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

**Other income**

Other income including interest income is recognized on accrual basis.

**e) Provisions and contingencies**

The Company recognizes a provision when there is a present obligation as a result of past (or obligating) event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

**f) Impairment of assets**

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that do not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of profit and loss. If at the balance sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the



  
Shreyas



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**Notes to the financial statements**

recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognized.

**g) Income-tax**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realized.

The Company offsets, on a year on year basis, the current tax assets and liabilities where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

**h) Earnings per share**

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

