P.KARTHIKEYAN BE, MIE, FIITARB,CE-I

PGDMM, PGDYN, MSC-Y&N, MSC VAL-P&M

CHARTERED ENGINEER-INDIA, ARBITRATOR, VALUER & CONSULTANT

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Chartered Engineer Certificate

Property: **M/s Millworks Technologies Ltd** **Regd Office** **458/1, 10th cross, 4 th Phase ,** **Peenya Industrial Area,** **Bangalore.** **Pin 560058**	**CAPACITY UTILIZATION CERTIFICATE**			
Unit	**I**	**II**	**III**	**IV**
Address	**458/1, 10th cross, 4 th Phase , Peenya Industrial Area, Bangalore. Pin 560058**	**B 165, 4th Main rd., 2nd Stage, Peenya Industrial Area, Bangalore Pin 560058**	**Plot No270/2, 3rd Main rd, 4th Phase, Peenya industrial Area, Bangalore Pin 560058**	**77/1, Binnamanal, Arsinakunte Village, Neelamangla, Bangalore Pin 562123**

Date of Certification: 17/06/2026

Prepared by:

P.Karthikeyan

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1. Identification and status of the Valuer : P.Karthikeyan

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Chartered Engineer-India
Govt Approved Valuer- Plant & Machinery.
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klinc@rediffmail.com

2. Identification of client & other users : **M/s Millworks Technologies Ltd**
Regd Office
458/1, 10th cross, 4 th Phase ,
Peenya Industrial Area,
Bangalore.
Pin 560058

3. Purpose of Certification :
To inspect and certify the Capacity utilization of all four units, for IPO purposes.

4. Identification of Assets :

All the plant & machinery in the premises of M/s **Millworks Technologies Ltd, Unit-I, II, III &IV** The assets were inspected on the **24/04/2026, along with** Er.Kiran U, Manager, Production Planning.

5. History of the Plant

Millwork Technologies Ltd., is headed by Er.SRIDHAR ACHARYA, a mechanical engineer with more than 30 years of experience in global engineering companies, and leads a team of engineers in the field of precision machining for high end application catering to Aero, Defence, Railways, Drone & anti Drone, Semi-conductor and Instrumentation industries.
The list of customers include market leaders like, Antek, Palbam, Oerlikon, Wabtec, Toneo, HAL, Wipro, CYIENT, Rangson Aerospace & RGBSI from India and across the globe.

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6. Basis of Capacity Utilization certificate:

Capacity utilization

Plant capacity utilization is a metric that measures the plant's total installed capacity in terms of tonnage/hours and compares it with the actual production of the previous financial year.

$$\text{Capacity Utilization} = \frac{\text{actual production in terms of tonnage/hours}}{\text{Total installed capacity}} \times 100$$

The capacity utilization of the units were calculated for the last four financial year.(2022-2026) The Unit IV started production in the fiscal year 25-26, so the capacity utilization for unit IV is for the 10 months only from June 25-March 26. The spring section has been installed, but full scale production is yet to be started and trial run production is initiated.

7. Date of certification:

Certification date : 17/06/2026

8.Extent of investigation

The physical inspection was carried out.,

The list of the plant & machinery along with their production capacity were made available.

The production records of the plant month wise were provided

The list of machineries as provided by the company's representative was taken, on the assumption that the assets are the property of the company, and are not leased plant/machinery/equipment.

9. Observation

There are four units of Millworks .,

Unit I – A dedicated precision machining unit comprising of VBM, HBM and special

Special CNC Production started in 2022-23

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Unit II - A dedicated precision machining unit comprising of VBM, HBM and special Special CNC production started in 2022-23

Unit III – A dedicated shop floor for sheet metal –Production started in 2023-24

Unit IV – This unit is a combination of precision machining and spring making. The spring making is under the commissioning process and production has not been started. Unit IV, is a recent development and the capacity utilization is worked out on the recent records of the fin year 2025-26

10. Restriction on usage, distribution & publication of the report.

The report has been prepared for the purpose of understanding the capacity utilization factor of the plant and future expansion of the plant on the orders of MD of **M/s Millworks Technologies Ltd** .

11. Capacity Utilization factor, approach and reasoning.

Plant capacity utilization is a metric that shows the percentage of a manufacturing plant's maximum potential output that is actually being used to produce goods over a specific period. It helps businesses track efficiency, optimize production, and manage costs by showing how effectively plant resources are being utilized compared to their full potential. The formula is: (Plant's Actual Output / Plant's Installed Capacity) x 100%.

This factor is an indicator of the following

Businesses:

It is used to assess their production efficiency, identify areas for improvement, and respond to changes in market demand.

What a High or Low Rate Means

High Capacity Utilization:

Indicates a more efficient use of resources, lower per-unit costs, and better profitability. Very high CU means there is no spare capacity for additional orders.

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Suggests underutilization of fixed assets and may lead to higher costs per unit, potentially impacting profitability and indicating a slack in the economy. Lower CU means a large spare capacity for future additional orders, but presently being underutilized, and wastage of resources.

A optimum CU index of 60-80% indicates an healthy enterprises, utilizing its machinery resources optimally, having 1/3 of its capacity free for adhoc orders, breakdowns, new product developments and periodic maintenance.

12. Capacity Utilization Summary For fiscal year 22-23,23-24, 24-25

		2022-23			2023-24			2024-25		
S.NO	UNIT	INSATLLED CAPACITY hours	ACTUAL PRODUCTION hours	CAPACITY UTILIZATION %	INSATLLED CAPACITY hours	ACTUAL PRODUCTION hours	CAPACITY UTILIZATION %	INSATLLED CAPACITY hours	ACTUAL PRODUCTION hours	CAPACITY UTILIZATION %
1	Unit I	33852	15369	**45.40**	99924	54749	**54.79**	117558	83139	**70.72**
2	Init II	20203	9926	**49.13**	64028	36701	**57.32**	98952	71043	**71.8**
3	Unit III	-	-	-	-	-	-	4800	3478	**72.45**

Fiscal Year 2025-26 (April 2025- March 2026)

S.NO	UNIT	INSTALLED CAPACITY Hrs	ACTUAL PRODUCTION Hrs	CAPACITY UTILIZATION %
1	**I – April 2025-March 2026**	121296	90321	74.46
2	**II -April 2025-March 2026**	102144	74466	**72.90**
3	**III Sheet metal- April 2025 - March 2026**	4800	3632	**75.67**
4	**IV MACHINING (June 25-March 2026)**	94698	73066	**77.16**
5	**IV SPRING (June 25– March 2026)***	60081	Erection & trial run	------

***Newly added spring section- Erection & Trial run only**

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13. DECLARATION

I hereby declare that:

(a) The information furnished is true and correct to the best of my knowledge and belief.

(b) I have no direct or indirect interest in the asset certified.

(c) This report contains 6pages

Place: Chennai:
Date: 17/06/2026

P.Karthikeyan
Chartered Engineer-India
Govt Approved Valuer- Plant & Machinery.

End of Report