S.N. Dhawan & CO LLP
Chartered Accountants

Plot No 51-52, 2nd Floor
Udyog Vihar, Phase IV, Sector-18
Gurugram, Haryana 122016
India

Tel: +91 124 481 4444

INDEPENDENT AUDITOR'S REPORT

To the Members of
Millenium Manufacturing Systems Private Limited
Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Millenium Manufacturing Systems Private Limited** ("the Company"), which comprise the balance sheet as at 31 March, 2024, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the period 09 April 2023 (date of incorporation of the Company) to 31 March 2024, and notes to the financial statements, including a summary of material 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss and total comprehensive loss, changes in equity and its cash flows 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 ("the ICAI") 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 ICAI's 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 other information. The other information comprises the directors report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report,

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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, but not for the purpose of expressing an opinion on effectiveness of the Company's internal controls..

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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.

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

- 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 Act, 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 Section 143(3) of the Act, we report to the extent applicable 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.

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act,

   (e) On the basis of the written representations received from the directors as on 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) This report does not include Report on the internal financial controls with reference to financial statements under clause (i) of sub - section 3 of Section 143 of the Act (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls with reference to financial statements is not applicable to the Company basis the exemption available to the Company under Ministry of Corporate Affairs (MCA) notification no. G.S.R. 583(E) dated 13 June 2017, read with corrigendum dated 13 July 2017 on reporting on internal financial controls..

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended; in our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, Section 197 of the Act related to the managerial remuneration not applicable.

   (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, as amended, 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 in its financial statements – Refer Note 31 (d) to the financial statements;

S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses – Refer Note 31 (e) to the financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note 31 (c) to the financial statements.

iv. (a) The Management has represented that, to the best of it's knowledge and belief, 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 persons or entities, 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

(b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any persons or entities, 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed 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) contain any material misstatement.

v. The Company has not paid or declared any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only w.e.f. 1 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended, on preservation of audit trail as per the statutory requirements for record retention is not applicable for financial year ended 31 March 2024

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

Vinesh Jain

Vinesh Jain
Partner
Membership No.: 087701
UDIN: 24087701BKDAOW6491

Place: Gurugram
Date: 10 May 2024

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **Millenium Manufacturing Systems Private Limited** on the financial statements as of and for the year ended 31 March 2024

(i) In respect of property, plant and equipment and other intangible assets

(a)

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant detail of right of use assets.

(B) The Company does not have any intangible assets. Accordingly, the provisions of clause 3(i)(a)(B) of the Order are not applicable.

(b) The Company has a program of physical verification of its property, plant and equipment under which property, plant and equipment and right to use assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, the Company does not hold any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.

(d) The Company has not revalued its property, plant and equipment (including Right of Use assets) during the year being under cost model.

(e) There are no proceedings which have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

(ii)

(a) The Management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. In the case of goods-in-transit, these goods have been received subsequent to the year-end. According, to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate, having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on physical verification as compared with books of account.

(b) According to the information and explanations given to us, during the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. However the Company has not availed/utilised from the sanctioned limit during the current period. Hence, reporting on the quarterly returns or statements filed by the Company with such banks or financial institutions is not applicable.

(iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clause 3(iii)(a) to (f) of the Order are not applicable.

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

(iv) According to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act.

(v) According to the information and explanations given to us, the Company has neither accepted any deposits nor the amounts which are deemed to be deposit during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Hence reporting under clause 3(v) of the Order are not applicable.

(vi) According to the information and explanations given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable

(vii)

(a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other material statutory dues, as applicable to the Company, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable. The operations of the Company, during the year do not give rise to liabilities of sales tax, service tax, duty of excise and value added tax.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix)

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not availed any term loan during the year, accordingly provisions of clause 3(ix) (c) of the Order are not applicable during the year

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have not been used for long-term purposes during the year by the Company. .

(e) The Company does not have any subsidiary, associate or joint venture, accordingly the provisions of clause 3((ix)(e) of the Order are not applicable.

(f) The Company does not have any subsidiary, joint venture or associate, accordingly the provisions of clause 3(ix)(f) of the Order are nor applicable.

(x)

(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.

S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). However, during the year, the equity shares have been issued through right issue to the existing shareholders. Accordingly, provisions of clause 3 (x)(b) of the order are not applicable.

(xi)

(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) No report under sub-section (12) of Section 143 of the 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) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards. Since, the Company is a private limited Company, therefore, the provision of Section 177 of the Act are not applicable to the Company.

(xiv) In our opinion and according to the information and explanations given to us, the Company does not have an internal audit system as it is not required to have an internal audit system as per Section 138 of the Act. Accordingly, the provisions of clause 3(xiv) (a) and (b) of the Order are not applicable.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, hence provisions of Section 192 of the Act are not applicable.

(xvi)

(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration from the Reserve bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.

(d) The Group does not have any CIC as part of the Group.

(xvii) The Company has incurred cash losses amounting to Rs. 13,574 thousand in the current period covered by our audit

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) According to the information and explanations given to us and 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, our knowledge of the Board of Directors

S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

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.

(xx) Since the provisions of Section 135 of the Act are not applicable to the Company. Accordingly, provisions of clause 3 (xx) (a) and (b) of the order are not applicable.

(xxi) In our opinion and according to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(xxi) of the Order are not applicable.

For **S.N. Dhawan & Co LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

Vinesh Jain
Partner
Membership No.: 087701
UDIN : 24087701BKDAOW6491

Place: Gurugram
Date: 10 May 2024

MILLENIUM MANUFACTURING SYSTEMS PRIVATE LIMITED
(formerly known as Indergy Power Systems Private Limited)
CIN: U29304DL2023PTC412152
Balance sheet as at 31 March, 2024

	Note No.	As at 31 March, 2024 Rs./ thousands
ASSETS		
Non-current assets		
a. Property, plant and equipment	3	61,717
b. Right-of-use assets	4	38,556
c. Financial assets		
i. Other financial assets	5	705
d. Deferred tax assets (net)	6	2,214
e. Other non-current assets	9	87
Total non-current assets		**103,279**
Current assets		
a. Inventories	7	11,379
b. Financial assets		
i. Cash and cash equivalents	8	15,489
c. Other current assets	9	9,244
Total current assets		**36,112**
Total assets		**139,391**
EQUITY AND LIABILITIES		
Equity		
a. Equity share capital	10	61,225
b. Share application money pending allotment	11	28,690
c. Other equity	12	(11,662)
Total equity		**78,253**
Non-current liabilities		
a. Financial liabilities		
i. Lease liabilities	13	38,720
b. Provisions	14	24
Total non-current liabilities		**38,744**
Current liabilities		
a. Financial liabilities		
i. Trade payables	15	
- total outstanding dues of micro and small enterprises		582
- total outstanding dues of creditors other than micro and small enterprises		9,193
ii. Lease liabilities	13	2,397
iii. Other financial liabilities	16	9,327
b. Other current liabilities	17	894
c. Provisions	14	1
Total current liabilities		**22,394**
Total equity and liabilities		**139,391**

See accompanying notes forming part of the financial statements

In terms of our report attached
For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

Vinesh Jain
Partner
Membership No. 087701

Place: Gurugram
Date: 10 May, 2024

For and on behalf of the Board of Directors of
MILLENIUM MANUFACTURING SYSTEMS PRIVATE LIMITED
(formerly known as Indergy Power Systems Private Limited)

Pradnyil Usgaonkar
Director
DIN : 00356794

Place: New Delhi
Date: 10 May, 2024

Vijay Shrinivas
Director
DIN : 08337007

Place: New Delhi
Date: 10 May, 2024

MILLENIUM MANUFACTURING SYSTEMS PRIVATE LIMITED
(formerly known as Indergy Power Systems Private Limited)
CIN: U29304DL2023PTC412152
Statement of profit and loss for the period from 09 April, 2023 to 31 March, 2024

		Note No.	For the period 09 April 2023 to 31 March 2024
			Rs./ thousands
I	Other income	18	817
II	**Total income**		**817**
III	**Expenses**		
	a. Cost of materials consumed	19	8,481
	b. Changes in inventories of finished goods	20	(8,732)
	c. Employee benefits expense	21	1,948
	d. Finance costs	22	891
	e. Depreciation and amortization expense	23	302
	f. Other expenses	24	11,803
	Total expenses (III)		**14,693**
IV	**Loss before tax (II-III)**		**(13,876)**
V	**Tax expense**	25	
	a. Current tax		-
	b. Deferred tax		(2,214)
			(2,214)
VI	**Loss for the period (IV-V)**		**(11,662)**
VII	Other comprehensive income		-
VIII	**Other comprehensive income for the period**		-
IX	**Total comprehensive income for the period (VII+VIII)**		**(11,662)**
X	**Earnings per equity share**	26	
	Equity shares having face value of Rs. 10 each		
	Basic (Rs.)		(3.74)
	Diluted (Rs.)		(3.74)

See accompanying notes forming part of the financial statements

In terms of our report attached
For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

Vinesh Jain
Partner
Membership No. 087701

Place: Gurugram
Date: 10 May, 2024

For and on behalf of the Board of Directors of
MILLENIUM MANUFACTURING SYSTEMS PRIVATE LIMITED
(formerly known as Indergy Power Systems Private Limited)

Pradnyil Usgaonkar
Director
DIN : 00356794

Place: New Delhi
Date: 10 May, 2024

Vijay Shrinivas
Director
DIN : 08337007

Place: New Delhi
Date: 10 May, 2024

MILLENIUM MANUFACTURING SYSTEMS PRIVATE LIMITED
(formerly known as Indergy Power Systems Private Limited)
CIN: U29304DL2023PTC412152
Statement of cash flows for the period from 09 April, 2023 to 31 March, 2024

	For the period 09 April 2023 to 31 March 2024 Rs./ thousands
A. Cash flow from operating activities	
Profit/(Loss) before tax	(13,876)
Adjustments for :	
Interest income	(773)
Finance costs	891
Foreign exchange fluctuation gain (net)	(44)
Depreciation and amortization	302
	(13,500)
Changes in working capital	
Adjustments for (increase) / decrease in operating assets:	
Other current assets	(9,244)
Inventories	(11,379)
Adjustments for increase / (decrease) in operating liabilities:	
Trade payables	9,819
Other current financial liabilities	974
Other current liabilities	894
Provisions	25
Cash generated from/ (used in) operating activities	**(22,411)**
Income taxes paid (net)	-
Net cash generated from/ (used in) operating activities (A)	**(22,411)**
B. Cash flow from investing activities	
Capital expenditure on property, plant and equipment and intangibles	(49,784)
(Increase) / decrease in bank balance not classified as cash and cash equivalent	(679)
Interest received	747
Net cash generated from/(used in) investing activities (B)	**(49,716)**
C. Cash flows from financing activities	
Proceeds from issue of share capital	61,225
Proceeds received on share application money pending allotment	28,690
Finance costs	(799)
Repayment of lease obligations	(1,500)
Net cash generated from/(used in) financing activities (C)	**87,616**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**15,489**
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	**15,489**
Reconciliation of cash and cash equivalents:	
Cash and cash equivalents (refer note 8)	15,489
	15,489

Figures in brackets indicate cash outflow.

See accompanying notes forming part of the financial statements

In terms of our report attached
For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

Vinesh Jain
Partner
Membership No. 087701

Place: Gurugram
Date: 10 May, 2024

For and on behalf of the Board of Directors of
MILLENIUM MANUFACTURING SYSTEMS PRIVATE LIMITED
(formerly known as Indergy Power Systems Private Limited)

Pradnyil Usgaonkar
Director
DIN : 00356794

Place: New Delhi
Date: 10 May, 2024

Vijay Shrinivas
Director
DIN : 08337007

Place: New Delhi
Date: 10 May, 2024

MILLENIUM MANUFACTURING SYSTEMS PRIVATE LIMITED
(formerly known as Indergy Power Systems Private Limited)
CIN: U29304DL2023PTC412152
Statement of changes in equity for the period from 09 April, 2023 to 31 March, 2024

A. Equity share capital

Particulars	No. of shares	Rs./ thousands
Opening balance	-	-
Add: Shares issued during the period	6,122,469	61,225
Balance as at 31 March, 2024	**6,122,469**	**61,225**

B. Share application money pending allotment

Particulars	Rs./ thousands
Opening balance	-
Application money received during the period	28,690
Balance as at 31 March, 2024	**28,690**

C. Other equity

Particulars	Reserves and Surplus	
	Retained earnings	Total
	Rs./ thousands	Rs./ thousands
Opening balance	-	-
Profit / (loss) for the period	(11,662)	**(11,662)**
Other comprehensive income / (expense)for the period (net of income tax)	-	-
Balance as at 31 March, 2024	**(11,662)**	**(11,662)**

See accompanying notes forming part of the financial statements

In terms of our report attached
For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

Vinesh Jain
Partner
Membership No. 087701

Place: Gurugram
Date: 10 May, 2024

For and on behalf of the Board of Directors of
MILLENIUM MANUFACTURING SYSTEMS PRIVATE LIMITED
(formerly known as Indergy Power Systems Private Limited)

Pradnyil Usgaonkar
Director
DIN : 00356794

Place: New Delhi
Date: 10 May, 2024

Vijay Shrinivas
Director
DIN : 08337007

Place: New Delhi
Date: 10 May, 2024

1.1 Corporate Information

Millenium Manufacturing Systems Private Limited (formerly known as Indergy Power Systems Private Limited) (hereinafter referred to as "the Company") is a Private Limited Company incorporated and domiciled in India. The registered office of the Company is located at 11 Community Centre, Saket, New Delhi- 110017, India. The Company's CIN is - U29304DL2023PTC412152

The Company operates in manufacturing of Power Conversion Systems (PCS) for Battery Energy Storage Systems (BESS) in the field of Green Energy.

The financial statements of the Company have been prepared for the first time for the period 09 April 2023 to 31 March 2024.

The board of directors of the Company approved the financial statements for the period ended 31 March, 2024 and authorised the same for issue on 10 May, 2024

1.2 Statement of compliance and going concern assumptions

"These financial statements are prepared and presented in accordance with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act") The accounting policies have been consistently applied for all the periods presented in the financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.3 Basis of preparation of financial statements

The financial statements have been prepared on a historical cost basis, except for

- Certain financial assets and liabilities at fair value (refer to accounting policy regarding financial instruments);
-Employee's defined benefit plan measured as per actuarial valuation

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle. Based on nature of operations, the Company has considered an operating cycle of 12 months.

The financial statements are presented in Indian Rupee, which is the functional currency of the Company and all values are rounded to the nearest lakhs (Rs.thousands), except when otherwise indicated.

1.4 Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented. These estimates involves the use of judgements or assumptions based on the latest available reliable information.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:
-Determination of useful life of property, plant and equipment and intangible assets
- Loss allowance for expected credit losses
- Measurement of defined benefit obligations – Key actuarial assumptions
- Recognition and measurement of provisions and contingencies
- The net realisable value of an item of inventory
- Lease term regarding exercise of extension options
- Recognition of deferred tax assets / liabilities

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

2 Material Accounting Policy Information

2.1 Property, plant and equipment

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

Depreciation and useful life

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life as mentioned in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc

Asset	Useful life
Buildings	10 years
Plant and machinery	15 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers	3 years
Leasehold improvements	Over lease term

Freehold land is not depreciated

The Company conducts an annual review of the residual value, useful lives, and depreciation method of its assets. If there are differences between the current expectations and previous estimates, the change is accounted for as a prospective change in accounting estimate.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. If the next overhaul is undertaken earlier than the previously estimated life of the economic benefit, the carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss.

If an asset's carrying amount exceeds its estimated recoverable amount, the carrying amount is immediately written down to its recoverable amount.

Derecognition

Company derecognizes property, plant and equipment when it is disposed off or when there are no future economic benefits expected from its continued use. The gain or loss resulting from the disposal or retirement of a property, plant, and equipment item is calculated as the difference between the sales proceeds and the carrying amount of the asset. This gain or loss is recognized in the Statement of Profit and Loss.

Capital Work in Progress:

Capital work-in-progress is recorded at its cost, which encompasses expenses incurred during the construction period. This cost also includes interest on the amount borrowed for the acquisition of qualifying assets and other expenses related to project implementation, to the extent that these expenses pertain to the period before the commencement of commercial production.

S.N. DHAWAN & CO. LLP ★ CHARTERED ACCOUNTANTS ★ GURUGRAM

2.2 Impairment of property, plant and equipment

At the end of each reporting year, the Company assesses whether there are any indications of impairment for its property, plant and equipment and intangible assets. If there is any indication, the Company estimates the recoverable amount of the asset to determine the extent of impairment loss, if any. If it's not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to individual cash-generating units if a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset or cash-generating unit is lower than its carrying amount, the carrying amount is reduced to the recoverable amount, and an impairment loss is recognized immediately in the Statement of Profit and Loss.

2.3 Inventories

Inventories are valued at the lower of the cost (net of eligible input tax credits) and net realisable value (except waste and scrap which are valued at estimated net realisable value).

a. Raw materials, stores and spare parts, and packing materials are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is computed on using 'First in First Out' method ('FIFO'). Cost includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

Cost of b. Finished goods and work in progress : Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work-in-progress is computed on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

2.4 Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

-the contract involves the use of identified asset;
-the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;
-the Company has the right to direct the use of the asset.

i. Right-of-use assets

Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings – 10 years

The right-of-use assets are also subject to impairment.

ii.Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii.Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of building and machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of building and machinery and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.5 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax

Current tax is based on taxable profit for the year. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.6 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

2.7 Employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences and other terminal benefits.

Short-term employee benefits

Employee benefits such as wages, salaries, bonus, ex-gratia, short-term compensated absences, performance linked rewards, including non-monetary benefits that are expected to be settled within 12 months are classified as short-term employee benefits and are recognised in the period in which the employee renders services and are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution plan

Contribution payable to the recognised provident fund, employee state insurance, employee pension scheme and other employee social security scheme etc., which are substantially defined contribution plans, is recognised as expense based on the undiscounted amount of obligations of the Company to contribute to the plan.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

Defined benefit plan

Defined benefit plans comprising of gratuity and other terminal benefits, are recognized based on the present value of defined benefit obligations which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Other long-term employee benefits

Other long-term employee benefit comprises of leave encashment towards unavailed leave and compensated absences, which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

2.8 Cash flow statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.9 Earnings per share

Basic earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

2.10 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less and deposits which are subject to insignificant risk of changes in value.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

2.11 Financial Instruments

Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

• Financial assets at amortised cost (debt instruments)
• Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
• Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
• Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include trade receivables, loan to subsidiary, joint ventures, and associates, and loans to employees.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

• The rights to receive cash flows from the asset have expired; Or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
a. the Company has transferred substantially all the risks and rewards of the asset, or
b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the risk of the debt instruments. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii. Financial liabilites

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

• Financial liabilities at fair value through profit or loss
• Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by accounting standards. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in accounting standards are satisfied.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and instruments are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing borrowings and instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iii. Off setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the financial statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iv. Interest income

a. Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.12 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

2.13 Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about significant judgments and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

a. Recognition of Deferred Tax Assets: The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits.

b. Useful lives of depreciable/amortizable assets (tangible and intangible): Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

c. Classification of Leases: The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

d. Employee benefit: Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases, and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

e. Provisions and Contingencies: The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities, and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgment by management regarding the probability of exposure to potential loss.

f. Impairment of financial assets: The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is an indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

3 **Property, plant and equipment**

	Leasehold Improvements	Plant and machinery	Furniture and fixtures	Computer	Office equipment	Total
	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands
At cost						
Opening balance	-	-	-	-	-	-
Additions	38,960	18,728	1,686	744	1,792	61,910
Disposals	-	-	-	-	-	-
Balance as at 31 March, 2024	**38,960**	**18,728**	**1,686**	**744**	**1,792**	**61,910**
Accumulated depreciation						
Opening balance		-	-	-	-	-
Charge for the period	115	44	13	3	18	193
Disposals		-	-	-	-	-
Balance as at 31 March, 2024	**115**	**44**	**13**	**3**	**18**	**193**
Net carrying amount						
As at 31 March, 2024	**38,845**	**18,684**	**1,673**	**741**	**1,774**	**61,717**

Notes:

i. There are no adjustments to property, plant and equipment on account of borrowing costs and exchange differences.

ii. The Company has not revalued its property, plant and equipment during the current period.

iii. The Company does not hold any immovable property in the nature of land and buildings and the Company's manufacturing facility (comprises all Property, Plant and Equipment) installed on the leased land obtained from Sungroup Enterprises Private Limited for 9 years.

iv. Assets include pre-operating expenses capitalised in different heads being Rs. 7,102 thousands in Leasehold Improvement Rs. 6,225 thousands in Plant and machinery.

	As at 31 March 2024 Rs./ thousands
4 Right-of-use assets	
Carrying value of right-of-use assets	
Factory land and building	38,556
	38,556
I Right-of-use assets	
Carrying amount of right-of-use assets	
Opening balance	-
Additions during the period	40,759
	40,759
Depreciation during the period	2,203
Derecognised during the period	-
Closing balance	**38,556**

Notes:

i. The company has not revalued its right to use assets during the current period.

ii. The Company has created lease liability against the same (refer note 13).

iii. The Company's leased assets include the land lease for the factory where construction was undertaken by the Company, incorporating leasehold improvements categorised under property, plant, and equipment. The Company has recorded the lease liability at the present value of lease payments.

5 Other non-current financial assets	
Margin money deposits (see note below)	705
	705

Notes:

i. Margin Money deposit balances have maturity of more than 12 months. Margin money is held against bank guarantee and submitted with custom department.

ii. Includes interest accrued on margin money deposits

6 Deferred tax assets (net)	
a. Deferred tax liability	
Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax return	644
Tax impact on lease assets	6,839
	7,483
b. Deferred tax assets ('DTA')	
Tax impact on income tax loss	2,888
Tax impact on lease liabilities	6,616
Tax impact on preliminary expenses	189
Tax impact on provision for gratuity	4
	9,697
Deferred tax (liabilities) / assets (net)	**2,214**

Note:
For deferred tax movement and tax reconciliation refer note 25.

S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

		As at 31 March 2024
		Rs./ thousands
7	**Inventories** (valued at lower of cost and net realizable value)	
	a. Raw materials	
	- in stock	2,157
	- in transit	490
	b. Finished goods	8,732
		11,379
8	**Cash and cash equivalents**	
	a. Balances with banks in current accounts	5,468
	b. Bank deposits with original maturity less than 3 months*	10,021
		15,489
	* includes interest accrued on bank deposits	
9	**Other assets**	
	I. Non-current	
	a. Capital advances	87
		87
	II. Current	
	a. Advances to suppliers	365
	b. Balances with government authorities (includes goods and service tax)	8,460
	c. Prepaid expenses	419
		9,244

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

	As at 31 March, 2024	
	No. of shares	Rs./ thousands
10 Equity share capital		
Authorised share capital		
Equity shares of Rs. 10/- each	10,000,000	1,000,000
	10,000,000	1,000,000
Issued, subscribed and paid-up		
Equity shares of Rs. 10/- each fully paid up	6,122,469	61,225
	6,122,469	61,225

a. Reconciliation of equity shares

	No. of shares	Rs./ thousands
Balance as at the beginning of the period	-	-
Shares issued during the period	6,122,469	61,225
Balance as at the end of the period	6,122,469	61,225

b. Terms and rights of equity shareholders

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each share holders. There is no restriction on distribution of dividend, however, the same is subject to the approval of the share holders in the annual general meeting except in the case of interim dividend.

c. Detail of shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March, 2024	
Name of Shareholder	No. of shares	% Holding
Equity shares		
i. Indag Rubber Limited (along with its nominees)	3,122,459	51.00%
ii. SUN Renewables WH Private Limited	1,500,005	24.50%
iii. Elcom Innovations Private Limited	1,500,005	24.50%
	6,122,469	100.00%

d. Detail of shares held by holding company

	As at 31 March, 2024	
Name of Shareholder	No. of shares	% Holding
Equity shares		
i. Indag Rubber Limited	3,122,459	51.00%

e. Details of shares held by Promoters*

	As at 31 March, 2024	
Name of Promoters	No. of shares	% of total Shares
Equity shares		
i. Indag Rubber Limited	3,122,459	51.00%
ii. SUN Renewables WH Private Limited	1,500,005	24.50%
iii. Elcom Innovations Private Limited	1,500,005	24.50%
	6,122,469	100.00%

* As defined under the Companies Act, 2013

Note : There is no change in promotors shareholding during the year.

	As at 31 March, 2024
	Rs./ thousands
11 Share application money pending allotment	
Opening balance	-
Add: Money received against share application	28,690
Less: Adjusted against shares allotted	-
Closing balance	**28,690**

Note
Share application money pending allotment are money received for share application against which allotment of shares is pending as at the end of the period. The Company has subsequently allotted shares against application money on 1 May 2024.

12 Other equity	
Retained earnings	(11,662)
	(11,662)
a. Retained earnings	
Opening balance	-
Add: Profit/(loss) for the period	(11,662)
Closing balance	**(11,662)**

Note:

a. **Retained earnings:**
Retained earnings are profits of the Company earned till date less transferred to other reserves and dividend paid during the period or loss incurred.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

	As at 31 March, 2024 Rs./ thousands
13 Lease liabilities (see notes below)	
A. Non-current	
Payable for lease obligation	38,720
	38,720
B. Current	
Payable for lease obligation	2,397
	2,397

Notes:

a) Lease liabilities

- Non current	38,720
- Current	2,397
	41,117

b) Movement in lease liabilities during the period:

Opening balance	-
Additions during the period	40,759
	40,759
Finance cost accrued during the period	1,858
Payment of lease liabilities	(1,500)
Derecognised during the period	-
Balance as at 31 March 2024	**41,117**

c) Maturity analysis of lease liabilities

A. The table below provides details regarding the maturities of lease liabilities:

Before 3 months	579
3-6 months	592
6-12 months	1,225
1-3 years	5,716
3-5 years	8,576
Above 5 years	24,428
	41,117

B. The table below provides details regarding the cash outflow of lease liabilities are as follows:

Before 3 months	1,500
3-6 months	1,500
6-12 months	3,000
1-3 years	12,225
3-5 years	13,800
Above 5 years	28,980
	61,005

d) Other disclosures

	For the period 09 April 2023 to 31 March 2024 Rs./ thousands
Interest on lease obligations	
-Debited in statement of profit and loss account	92
-Transferred to property, plant and equipment	1,766
	1,858
Depreciation on right of use assets	
-Debited in statement of profit and loss account	109
-Transferred to property, plant and equipment	2,094
	2,203
Expenses relating to short-term and low value leases	129
Repayment of lease liabilities	1,500
Additions to right-of-use assets	-
The carrying amount of right-of-use assets	38,556

e) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

f) Lease contracts entered by the Company pertains to building taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

g) Interest rate of incremental borrowing rate used for the measurement of lease liabilities is 9%.

h) Rental expense recorded for short-term and low value leases is Rs. 129 thousands for the year ended March 31, 2024, the same has been recorded under the head 'Other expenses' in the financial statements.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

	As at 31 March, 2024
	Rs./ thousands
14 Provisions	
A. Non-current	
a. Provision for employee benefits	
i. Gratuity	24
	24
B. Current	
a. Provision for employee benefits	
i. Gratuity	1
	1
15 Trade payables	
a. Total outstanding dues of micro and small enterprises	582
b. Total outstanding dues of creditors other than micro and small enterprises	9,193
	9,775
i. Trade payables to related parties (see note 29)	572
ii. Trade payables to others	9,203
	9,775

Note:
i. Ageing for trade payables outstanding*

As at 31 March, 2024:

	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands
(i) Total outstanding dues of micro and small enterprises	-	582	-	-	-	582
(ii) Total outstanding dues of creditors other than micro and small enterprises	-	9,193	-	-	-	9,193
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
	-	9,775	-	-	-	9,775

* Ageing of trade payable has been determined from transaction date.

	As at 31 March, 2024
16 Other financial liabilities	Rs./ thousands
a. Retention money	974
b. Payable for property plant and equipment	8,353
	9,327
17 Other current liabilities	
a. Statutory dues	894
	894

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

	For the period 09 April 2023 to 31 March 2024
	Rs./ thousands
18 Other income	
a. Interest income	
- On fixed deposits/ margin money	773
b. Foreign exchange fluctuation gain (net)	44
	817
19 Cost of materials consumed	
Opening balance	-
Add: Purchase of raw material (including components)	11,128
	11,128
Less: Raw materials at the end of the period	(2,647)
	8,481
20 Changes in inventories of finished goods	
Inventories at the beginning of the period	
- Finished goods	-
	-
Inventories at the end of the period	
- Finished goods	8,732
	8,732
(Increase)/Decrease	**(8,732)**
21 Employee benefits expense	
a. Salaries,wages and bonus	1,739
b. Contribution to provident and other funds	184
c. Provision for gratuity (refer note 34)	25
	1,948
22 Finance costs	
a. Interest on lease liabilities	92
b. Other finance costs	799
	891
23 Depreciation and amortization expense	
a. Depreciation on property, plant and equipments	193
b. Depreciation on right of use assets	109
	302

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

		For the period 09 April 2023 to 31 March 2024
		Rs./ thousands
24	**Other expenses**	
a.	Rates and taxes	995
b.	Bank charges	71
c.	Travelling and conveyances	513
d.	Legal and professional	6,339
e.	Payments to auditors - Statutory audit fees	200
f.	Preliminary expenses	1,376
g.	Printing and stationery	31
h.	Rent	129
i.	Communication expenses	6
j.	Business support services	1,719
k.	Office maintenance	109
l.	Fees and subscriptions	109
m.	Repair and maintenance	18
n.	Power and fuel	122
o.	Consumables	64
p.	Miscellaneous expenses	2
		11,803

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

	For the period 09 April 2023 to 31 March 2024
	Rs./ thousands
25 Income taxes	
A. Current tax	
For current year	-
	-
Deferred tax	
In respect of the current year	(2,214)
	(2,214)
Income tax expense recognised in the statement of profit and loss	**(2,214)**
Other comprehensive income section	
Income tax relating to items that will not be reclassified to profit or loss	-
	-
Reconciliation of tax expense and the accounting profit multiplied by prevailing income tax rate	
Profit/(loss) before tax	(13,876)
Income tax rate (Current period: 17.16%)	17.16%
Calculated income tax expense	(2,381)
Impact of tax on permanent disallowances	167
Income tax expense	**(2,214)**

B. Deferred tax (net)

Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws. The break up of deferred tax (assets) / liabilities is as follows:

a. Deferred tax liabilities ('DTL')	
Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax return	644
Tax impact on lease assets	6,839
	7,483
b. Deferred tax assets ('DTA')	
Tax impact on income tax loss	2,888
Tax impact on lease liabilities	6,616
Preliminary expenses	189
Provision for Gratuity	4
	9,697
Deferred tax (liabilities) / assets (net)	**2,214**

26 Earnings per share ("EPS")

	Units	For the period 09 April 2023 to 31 March 2024
a. Basic EPS		
Profit for the year	Rs./ thousands	(13,876)
Weighted average number of equity shares outstanding	Nos.	3,711,113
Face value of per share	Rs.	10
Basic earnings per share	Rs.	(3.74)
b. Diluted EPS		
Profit for the year	Rs./ thousands	(13,876)
Weighted average number of equity shares for calculation of diluted EPS (See note below)	Nos.	3,888,269
Face value of per share	Rs.	10
Diluted earnings per share (see note 'ii')	Rs.	(3.74)

Notes:

i. Weighted average number of equity shares used in the calculation of basic earnings per share	Nos.	3,711,113
Effect of conversion of share application money received pending allotment	Nos.	177,156
Weighted average number of equity shares used in the calculation of diluted earnings per share	Nos.	**3,888,269**

ii. Potential equity shares are anti-dilutive due to losses in current period.

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

27 Financial instruments

i. Capital Management

The Company's objectives when managing capital are to

a. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

b. maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of net debt (borrowings offset by cash and bank balances) and total equity of the Company. However, the Company has no debt outstanding as of 31 March, 2024.

The Company is not subject to any externally imposed capital requirements.

	Note no.	As at 31 March, 2024 Rs./ thousands
Cash and bank balances	8	15,489
Total equity		78,253

The Company has no outstanding borrowings as at 31 March, 2024 accordingly Debt Equity ratio has not been calculated.

ii. Categories of financial instruments

	Note no.	As at 31 March, 2024 Rs./ thousands
Financial assets		
Measured at amortised cost		
Financial assets		
a. Cash and cash equivalents	8	15,489
b. Other financial asset (non-current)	5	705
Financial liabilities		
a. Trade payables	15	9,775
b. Other financial liabilities	16	9,327
c. Lease liabilities	13	
- non-current		38,720
- current		2,397
Measured at fair value through other comprehensive income		-

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For financial assets and liabilities included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value.

The Company does not have any assets and liabilities which need to categorise as 'fair value through profit and loss' and 'fair value through other comprehensive income'

iii. Financial risk management objectives

The Company's senior management oversees the risk management framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

The risk management policies aims to mitigate the following risks arising from the financial instruments:
- Market risk
- Credit risk
- Liquidity risk

a. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes

i. Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

Considering the economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates. The risks primarily relate to fluctuations in USD and EURO against the functional currency of the Company.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1 %.

a. Foreign currency risk exposure

Financial Liabilities
-Trade Payables

	As at 31 March 2024		
Currency	Total	Hedged	Unhedged
In EURO / thousands	44.86	-	45
In Rs. / thousands	4,047.00	-	4,047

b. Sensitivity Analysis

	Sensitivity Analysis	Impact on PAT As at 31 March, 2024 Rs./ thousands
Increase:		
EURO Sensitivity	1%	(40)
Decrease:		
EURO Sensitivity	1%	41

	Sensitivity Analysis	Impact on equity As at 31 March, 2024 Rs./ thousands
Increase:		
EURO Sensitivity	1%	(40)
Decrease:		
EURO Sensitivity	1%	41

ii. Interest rate risk management

Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

As at 31 March, 2024 financial liability of Rs. Nil, was subject to variable interest rates. Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in decrease/increase in profit/(loss) before tax of Rs. Nil for the period ended 31 March, 2024.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.
(Note: The impact is indicated on the profit/(loss) before tax basis).

- During the current period, the Company has availed working capital limit (cash credit / export packing credit / foreign bills negotiation facility) of Rs. 520,000 thousands (sanctioned limit) bearing a floating interest rate i.e., repo rate + 2.35% (reset quarterly) (Effective rate is 8.85% p.a.) and amount outstanding as on 31 March 2024 is nil.

- Security: First and exclusive charge on all existing and future current assets and movable fixed assets of the company.

The Company has not yet drawn from the sanctioned limit till the reporting date i.e. 31 March 2024.

The Company has no variable rate borrowings; accordingly, the Company is not exposed to the interest rate risk as of 31 March , 2024

iii. **Other price risk**

The Company does not possess any financial instruments susceptible to fluctuations due to changes in market prices, except those arising from interest rate risk or currency risk. Therefore, the Company is not significantly exposed to other price risk.

b. **Credit risk management**

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Credit risk has always been managed through monitoring the credit worthiness of customers in the normal course of business.

The Company commenced production during the year but has not yet sold any goods to customers. As of the year-end, the Company is not exposed to any credit risk.

c. **Liquidity risk management**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

During the year the Company generated sufficient cash flow operations to meet its financial obligations as and when they fall due.

The table below provide details regarding the contractual maturities of significant financial liabilities as at:

Contractual maturities of financial liabilities

	less than 1 year	1 to 5 year	more than 5 year	Total
	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands
As at 31 March 2024				
Lease liabilities*	6,000	26,025	28,980	61,005
Trade payables	9,775	-	-	9,775
Other financial liabilities	9,327	-	-	9,327

* on undiscounted basis

28 **Corporate social responsibility ("CSR") expenditure**

The Company has not met the conditions of CSR rules i.e., net worth, turnover and net profit. Hence, the provisions of CSR are not applicable to the Company.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

29 Related party disclosures

a. List of related parties

i. Holding Company
 a. Indag Rubber Limited (w.e.f 28 August, 2023)

ii. Key Managerial Personnel ("KMP")

 a. Mr. Uday Harsh Khemka (Non Executive Director appointed w.e.f 28 August, 2023)
 b. Mr. Vijay Shrinivas (Non Executive Director appointed w.e.f 28 August, 2023)
 c. Mr. Pradnyil Usgaonkar (Non Executive Director appointed w.e.f 28 August, 2023)
 d. Mr. Anuj Garg (Non Executive Director appointed w.e.f 28 August, 2023)
 e. Mr. Sourav Sarkar (Non Executive Director from 09 April 2023 to 28 August, 2023)
 f. Mr. Suraj Sharma (Non Executive Director from 09 April 2023 to 28 August, 2023)

iii. Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)

 a. Elcom Innovations Private Limited (w.e.f 28 August, 2023)
 b. SUN Renewables WH Private Limited (w.e.f 28 August, 2023)
 c. Khemka Aviation Private Limited (w.e.f 28 August, 2023)
 d. Sungroup Enterprises Private Limited (w.e.f 28 August, 2023)

b. Transactions /balances outstanding with related parties

	Holding company	KMPs	Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)	Total
	Period ended 31 March, 2024	Period ended 31 March, 2024	Period ended 31 March, 2024	Period ended 31 March, 2024
	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands
A. Transactions during the period				
Professional charges (see note 'ii' and 'iii'below)	**2,040**	-	**12,194**	**14,234**
Elcom Innovations Private Limited	-	-	12,194	12,194
Indag Rubber Limited	2,040	-	-	2,040
Business Support fee (see note 'ii' and 'iii'below)	**294**	-	**2,266**	**2,560**
Indag Rubber Limited	294	-	-	294
SUN Renewables WH Private Limited	-	-	1,230	1,230
Elcom Innovations Private Limited	-	-	1,036	1,036
Issue of share capital	**31,225**	-	**30,000**	**61,225**
Indag Rubber Limited	31,225	-	-	31,225
SUN Renewables WH Private Limited	-	-	15,000	15,000
Elcom Innovations Private Limited	-	-	15,000	15,000
Share application money received	**19,380**	-	**9,310**	**28,690**
Indag Rubber Limited	19,380	-	-	19,380
SUN Renewables WH Private Limited	-	-	9,310	9,310
Corporate Guarantee expense	**99**	-	-	**99**
Indag Rubber Limited	99	-	-	99

S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

	Holding company	KMPs	Enterprises owned or significantly influenced by key management personnel or their relatives (either individually or with others)	Total
	Period ended 31 March, 2024	Period ended 31 March, 2024	Period ended 31 March, 2024	Period ended 31 March, 2024
	Rs./ thousands	Rs./ thousands	Rs./ thousands	Rs./ thousands
Corporate Guarantee issued on behalf of the Company	**200,000**	**-**	**-**	**200,000**
Indag Rubber Limited	200,000	-	-	200,000
Rent	**-**	**-**	**1,609**	**1,609**
Khemka Aviation Private Limited	-	-	109	109
Sungroup Enterprises Private Limited	-	-	1,500	1,500
Reimbursement of expenses of the Company	**-**	**841**	**-**	**841**
Pradnyil Usgaonkar	-	96	-	96
Anuj Garg	-	58	-	58
Sourav Sarkar	-	683	-	683
Suraj Sharma	-	5	-	5
B. Outstanding balances at the period end				
Share capital	**31,225**	**-**	**30,000**	**61,225**
Indag Rubber Limited	31,225	-	-	31,225
SUN Renewables WH Private Limited	-	-	15,000	15,000
Elcom Innovations Private Limited	-	-	15,000	15,000
Share application money pending allotment	**19,380**	**-**	**9,310**	**28,690**
Indag Rubber Limited	19,380	-	-	19,380
SUN Renewables WH Private Limited	-	-	9,310	9,310
Trade Payable	**557**	**15**	**-**	**572**
Indag Rubber Limited	557	-	-	557
Anuj Garg	-	15	-	15
Corporate Guarantee issued on behalf of the Company	**200,000**	**-**	**-**	**200,000**
Indag Rubber Limited	200,000	-	-	200,000

Notes:

i. All transaction figures shown above are net of goods and service tax figures.

ii. Including capitalised as pre-operative expense in property plant and equipment amounting to Rs. 8,562 thousands

iii. Including reimbursement of expenses incurred on behalf of the Company.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

30 Segment information

There is single business and geographical segment, hence segment reporting not required.

31 Commitments and contingencies

a. The estimated amount of contracts remaining to be executed on capital amounts and not provided for (net of advances) amount to Rs. Nil.

b. The Company has other commitments, for purchase of goods and services and employee benefits, in normal course of business.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d. The Company did not have any pending litigation which would impact its financial position in its financial statements. Contingent Liabilities Rs.Nil.

e. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

f. The Company has not given any corporate guarantee.

32 Lease commitments

The company does not have any non-cancellable operating lease.

33 Amount outstanding of Micro, Small and Medium Enterprises Development Enterprises

Based on the responses received from certain suppliers, the Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

	As at 31 March, 2024 Rs./ thousands
i) The Principal amount and the interest due thereon remaining unpaid to any supplier at period end	
- Principal amount	582
- Interest thereon	-
ii) the amount of interest paid by the buyer in terms of section 16 of MSMED Act, along with the amounts of the payment	-
iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-
iv) the amount of interest accrued and remaining unpaid	-
v) 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 investor	-

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

34 Employee benefit plans

a. Defined contribution plans

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. Employer's contribution to provident fund and employee's state insurance scheme recognised as expense in the Statement of Profit and Loss for the period are as under:

	Period ended 31 March, 2024
	Rs./thousands
Contribution to provident fund	132
Contribution to employees state insurance scheme	6
Others	44
	182

b. Defined benefit plan
Gratuity

The Company has a defined benefit gratuity plan. Employee who have completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme of gratuity is unfunded.

In respect of the plan in India, the most recent valuation of the present value of defined benefit obligation were carried as at 31 March, 2024 in which the present value of the defined benefit obligation, and the related current service cost and past service cost were measured using the project unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	As at 31 March, 2024
Discount rate (%)	7.25%
Expected rate(s) of salary increase	5%
Mortality rates inclusive of provision for disability	IALM (2012 - 14)
Retirement Age (Years)	60.00
Withdrawal Rate (%) (per annum)	10%

Amount recognised in Statement of Profit and Loss in respect of defined benefit plans are as follows:

	Period ended 31 March, 2024
	Rs./thousands
Service cost:	
Current service cost	25
Past service cost including curtailment gains/losses	-
Components of defined benefit costs recognised in profit or loss	**25**
Net Interest Cost	-
Expense recognised in statement of profit and loss	**25**
Other Comprehensive Income (OCI)	
Remeasurement on the net defined benefit liability	
Actuarial gain/(loss) from change in demographic assumptions	-
Actuarial gain/(loss) from change in financial assumptions	-
Actuarial gain/(loss) from change in experience adjustment	-
Components of defined benefit costs recognised in other comprehensive	-
Total	**25**

Notes:

i. The current service cost and the past service cost including curtailment gain/losses for the period are included in the 'Employee benefits expense' line item in the Statement of profit and loss.

ii. The Gratuity scheme of the Company is unfunded.

S.N. DHAWAN & CO. LLP GURUGRAM CHARTERED ACCOUNTANTS

The amount included in the balance sheet arising from the Company's obligation in respect of defined benefit plans is as follows:

	As at 31 March, 2024 Rs./thousands
Present value of defined benefit obligation	
Non-current	25
Current	-
	25

Movement in the present value of the defined benefit obligation are as follows:

	Period ended 31 March, 2024 Rs./thousands
Opening defined benefit obligation	-
Acquisition adjustment	-
Current service cost	25
Interest cost	-
Remeasurement (gains)/losses:	
Actuarial gain/(loss) from change in demographic assumptions	-
Actuarial gain/(loss) from change in financial assumptions	-
Actuarial gain/(loss) from change in experience adjustment	-
Benefits paid	-
Closing defined benefit obligation	25

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes if the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

A. Sensitivity analysis:

If the expected salary growth increases (decreases) by 1%, the defined benefit obligation would change as:

	As at 31 March, 2024	
	Increase by 1.00%	Decrease by 1.00%
	Rs./thousands	Rs./thousands
Discount rate	(1.41)	1.58
Salary growth rate	1.60	(1.45)

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

35 Disclosure of financial ratios

	Particulars	Numerator	Denominator	As at 31 March, 2024	Variance %
a.	Current ratio	Current assets	Current liability	1.61	NA
b.	Debt equity ratio	Total debt	Total equity	NA	NA
c.	Debt service coverage ratio	Net operating Income	Total debt service	NA	NA
d.	Return on equity ratio	Net income	Equity shareholder's fund	(0.15)	NA
e.	Inventory turnover ratio	Cost of goods sold	Average inventory	NA	NA
f.	Trade receivables turnover ratio	Net sales	Average trade receivables	NA	NA
g.	Trade payables turnover ratio	Net purchases	Average trade payables	NA	NA
h.	Net capital turnover ratio	Net sales	Working capital	NA	NA
i.	Net profit ratio	Net profit	Net sales	NA	NA
j.	Return on capital employed	Earning before interest and tax	Capital employed	(0.11)	NA
k.	Return on investment	Earning on investments	Average investments	(0.09)	NA

The Company was incorporated during the current year; accordingly, no variances are disclosed.

Working of the ratios

Basis of ratios	Period ended 31 March, 2024 Rs./ thousands	Ratio
a. Current ratio		
Current assets	36,112	1.61
Current liability	22,394	
b. Debt Equity ratio		
Total debt (Long term debt+Short term debt)	-	NA
Total equity (Equity share capital + Other equity)	78,253	
c. Debt service coverage ratio		
Net operating income (PAT+Dep.+Finance cost)	(12,683)	NA
Total debt service (Long term debt+Short term debt)	-	
d. Return on equity ratio		
Net operating income (PAT)	(11,662)	(0.15)
Equity shareholder's fund (Share capital+ Other equity)	78,253	
e. Inventory turnover ratio		
Cost of goods sold	-	NA
Average inventory	4,366	
f. Trade receivables turnover ratio		
Net sales (Total sales - Sales return)	-	NA
Average trade receivables = (Opening debtors +Closing debtors) / 2	-	
g. Trade payables turnover ratio		
Net sales (Total sales - Sales return)	-	NA
Average trade payables = (Opening creditor +Closing creditor) / 2	4,888	
h. Net capital turnover ratio		
Net sales (Total sales - Sales return)	-	NA
Working capital = Current assets - Current liablities	13,718	
i. Net profit ratio		
Net profit	(11,662)	NA
Net sales (Total sales - Sales return)	-	
j. Return on capital employed		
Earnings before interest and tax	(12,985)	(0.11)
Capital employed = Total assets - Current liabilities	116,997	
k. Return on investment		
Earnings before interest and tax	(12,985)	(0.09)
Total Assets	139,391	

S.N. DHAWAN & CO. LLP ★ GURUGRAM ★ CHARTERED ACCOUNTANTS

36 Other statutory information

a. During the current financial period, company has not undertaken any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

b. No penalties were imposed by the regulator during the financial period ended 31 March, 2024.

c. There are no such transaction which are not recorded in the books of account earlier and have been surrendered or disclosed as income during the current financial period in the tax assessments under the Income tax act, 1961.

d. During the current period, company has not advanced or loaned or invested funds (either borrowed funds or share premium) to any other person(s) or entities, including foreign entities (Intermediaries).

e. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial period.

f. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

g. The Company have not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

h. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

i. No charge or satisfaction of charge is pending for registration with Registrar of Companies (RoC) .

j. During the current period, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has not availed/utilised from the sanctioned limit during the current period. Hence, reporting on the quarterly returns or statements filed by the Company with such banks or financial institutions is not applicable.

k. The Company has not been classified as wilful defaulter by the lender during the period.

l. The Company has not made any further investments in any company, hence clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable on the Company.

37 The Company has elected to exercise the option permitted under Section 115BAB of the Income Tax Act, 1961. Accordingly, the Company has recognised provision for Income Tax for the period ended 31 March, 2024 and its net deferred tax assets (DTA) basis the rates prescribed in the said section.

38 In the opinion of the board of directors, the assets other than Property, Plant and Equipment have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated.

39 Events after the reporting period

There are no event observed after the reported period which have an impact on the Company's operation.

40 The financial statements of the Company have been prepared for the first time for the period 09 April 2023 to 31 March 2024

41 Approval of the financial statements

The financial statements were approved for issue by Board of Directors on 10 May, 2024.

In terms of our report attached
For S. N. Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

S.N. DHAWAN & CO. LLP
GURUGRAM
CHARTERED ACCOUNTANTS

Vinesh Jain
Partner
Membership No. 087701

Place: Gurugram
Date: 10 May, 2024

For and on behalf of the Board of Directors of
MILLENIUM MANUFACTURING SYSTEMS PRIVATE LIMITED
(formerly known as Indergy Power Systems Private Limited)

Pradnyil Usgaonkar
Director
DIN : 00356794

Place: New Delhi
Date: 10 May, 2024

Vijay Shrinivas
Director
DIN : 08337007

Place: New Delhi
Date: 10 May, 2024