

ELCIA Cluster
Balance Sheet as at 31st March 2026

Particulars	Note	As at 31st March 2026	As at 31st March 2025
Sources of funds			
Membership Fee	3	3,80,000	3,80,000
CFC Fund	4	6,54,29,203	7,04,09,268
Total		6,58,09,203	7,07,89,268
Property, Plant & Equipment	5	3,05,31,705	3,62,19,620
Intangible Assets		6,85,783	9,14,378
		3,12,17,488	3,71,33,998
Current Assets:			
Trade Receivables	6	1,24,04,452	90,58,470
Inventories	7	7,47,155	14,54,483
Cash and Bank Balances	8	1,71,86,578	1,27,91,658
Other Current Assets	9	1,39,69,896	1,68,70,143
		4,43,08,082	4,01,74,753
Less: Current Liabilities & Provisions	10	1,92,80,249	1,84,16,709
Net Current Assets		2,50,27,832	2,17,58,044
Debit Balance in Income & Expenditure Account	11	95,63,886	1,18,97,226
Total		6,58,09,207	7,07,89,267

Notes to Accounts & Significant Accounting Policies

1 - 2

As per our report of even date
For P V Menon & Associates
Chartered Accountants
Firm Regn.No. 002066S

Sd/-

K B Parameswaran
Partner
M. No.202735

Place : Bangalore
Date : 01st August 2026

For ELCIA Cluster

Sd/-
Muralidhar R
Treasurer

Sd/-
Nandini B
Secretary

Sd/-
A Vaidyanathan
President

ELCIA Cluster Income & Expenditure Account For The Year Ended March 31, 2026			
Particulars	Note	For the year ended 31st March 2026	For the year ended 31st March 2025
(I) Income			
Direct Income	12	2,88,93,005	2,59,59,396
Other Income	13	3,44,168	13,80,855
		2,92,37,173	2,73,40,251
(II) Expenditure			
Direct Expenses	14	1,96,50,521	2,17,16,798
Consumable Stores	15	77,87,097	44,86,379
Depreciation	5	9,42,195	10,07,492
Other expenses	16	34,71,676	19,56,969
		3,18,51,489	2,91,67,638
profit/(Loss) for the period		(26,14,316)	(18,27,387)
Prior period adjustment (Refer Note 19)	19	(49,47,656)	(57,47,233)
(I)-(II) Surplus /(Deficit) Transferred to Balance Sheet		23,33,340	39,19,846
Notes to Accounts & Significant Accounting Policies 1 - 2			
As per our report of even date For P V Menon & Associates Chartered Accountants Firm Regn.No. 002066S Sd/- K B Parameswaran Partner M. No.202735 Place: Bangalore Date : 01st August 2026 For ELCIA Cluster Sd/- Muralidhar R Treasurer Sd/- Nandini B Secretary Sd/- A Vaidyanathan President			

ELCIA Cluster

Notes forming an integral part of Balance Sheet as at March 31, 2026

3 Membership Fee

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	3,80,000	3,80,000
Add : Collection during the year	-	-
Total	3,80,000	3,80,000

4 CFC Fund

Particulars	As at 31st March 2026	As at 31st March 2025
a) Capital Contribution from Members & ELCIA	2,24,70,985	2,24,70,985
b) Capital Grants:		
From Karnataka State Government	2,16,35,000	2,16,35,000
From Central Government	9,71,37,625	9,71,37,625
	11,87,72,625	11,87,72,625
Less: Depreciation on assets purchased	(7,58,14,407)	(7,08,34,342)
	4,29,58,218	4,79,38,283
Total (a) + (b)	6,54,29,203	7,04,09,268

5 Fixed Assets: See the separate sheet attached

6 Trade Receivables

Particulars	As at 31st March 2026	As at 31st March 2025
Sundry Debtors	1,24,04,452	90,58,470
Total	1,24,04,452	90,58,470

7 Inventories

Particulars	As at 31st March 2026	As at 31st March 2025
Tools & Spares:		
Opening Stock	11,03,555	7,87,100
Purchases during the year	2,83,781	6,92,489
Utilised during the year	11,99,708	3,76,035
Closing Stock	1,87,627	11,03,555
Semi- Fininshed Goods		
Opening Stock	-	-
Purchases during the year	5,15,784	-
Utilised during the year	5,15,784	-
Closing Stock	-	-
Raw Materials		
Opening Stock	2,97,977	2,04,933
Purchases during the year	53,88,535	30,28,984
Utilised during the year	55,22,548	29,35,940
Closing Stock	1,63,964	2,97,977
Consumables:		
Opening Stock	52,951	1,96,963
Purchases during the year	8,91,670	10,30,392
Utilised during the year	5,49,056	11,74,404
Closing Stock	3,95,564	52,951
Total	7,47,155	14,54,483

ELCIA Cluster

Notes forming an integral part of Balance Sheet as at March 31, 2026

8 Cash and Bank Balances

Particulars	As at 31st March 2026	As at 31st March 2025
Cash in hand	7,991	9,545
Balance in current account with bank	1,24,28,587	80,32,112
Fixed Deposits with SBI	35,00,000	35,00,000
Fixed Deposits with Indian bank	12,50,000	12,50,000
Total	1,71,86,578	1,27,91,658

Other Current Assets

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Particulars	As at 31st March 2026	As at 31st March 2025
Rental Deposit - ELCIA	75,00,000	75,00,000
Input Tax Credit for GST	48,13,899	80,61,381
Tax Deducted at source	3,79,925	2,79,011
Prepaid Insurance Exps	-	20,912
Prepaid Factory License	-	36,236
Accrued Interest on Fixed Depsoit	4,16,830	1,13,360
GST Pre-deposit	6,25,242	6,25,242
Security Deposit-Cylinder	2,34,000	2,34,000
Total	1,39,69,896	1,68,70,143

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Current Liabilities & Provisions

Particulars	As at 31st March 2026	As at 31st March 2025
Loans due to ELCIA	1,00,00,000	1,00,00,000
Sundry creditors	85,40,443	77,36,117
Advance Received from debtors	50,611	-
Wages Outstanding	1,79,041	2,08,351
GST RCM	-	-
PT Payable	-	1,400
TCS Payable	1,656	288
Provisions for Contract /Trainee/Professional Creditors	4,33,965	3,14,683
TDS Payable Accounts	14,447	1,05,870
EPF Employee Contrubution	10,086	-
Total	1,92,80,249	1,84,16,709

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Debit balance in Income & Expenditure Account

Particulars	As at 31st March 2026	As at 31st March 2025
Opening balance	1,18,97,226	1,58,17,072
Add: Deficit / (Surplus) transferred from I&E Account	23,33,340	39,19,846
Total	95,63,886	1,18,97,226

Sundry creditors

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Adishwar Steels	4,946	-
AGAPE ENTERPRISES	9,440	-
Anitha And Associates Tax A/c	540	-
Apsis Aerocom Limited	13,13,340	-
Asp Engineers	5,900	-
Az Engineering	46,079	-
Om Sai Enterprises	83,268	-
Sagar Enterprises	7,291	-
Sai Shanmuga Enterprises	68,440	-
Sarvashree Calibration Private Limited	2,596	-
S M Tool 1653N1ZI	11,640	-
Sri Guru Industries	19,824	-
SRI SHENAL STEEL	8,416	-
S R R Tech	3,48,508	-
United Rubber & Engineering Stores	611	-
VK MACHINE TOOLS	1,71,089	-
Akash Aluminium Company	-	38,211
Akshaya Enterprises	-	295
AL Colours & Coats	11,254	9,467
Amoga Precision Engineering	-	1,501
Anodik Solutions	-	600
A-One Enterprises	3,540	10,242
B2A Enterprises	-	29,560
Bansi Office Solutions Private Limited	16,415	9,203
Bhairav Metals	-	20,967
Bharani Systems Crs	-	484
Bharath Electro Chem	-	2,008
Biomax Safety & Security Systems Pvt Ltd	-	1,770
Capronics Pvt Ltd Crs	53,838	43,730
Chamunda Fancy Store	-	250
CREATIVE COATINGS	-	2,926
DEV ALUMINIUM INDIA	1,19,314	4,842
Elcia Crs	50,64,790	50,31,864
EM Steele Filling Station	7,177	-
Fine Heat Treaters	-	330
Fine Punch Fab Pvt Ltd Crs	-	15,464
Gee Vee Industries	-	180
Guru Enterprises	-	202
Hi-Tech Engineers	-	19,175
Hitek Surface Coating	-	8,968
IBC Industrial Bolt Centre	-	301
IMPEX MACHINE TOOLS	-	1,750
Inland World Logistics(P) Ltd	-	750
JDM Engineering indutries	62,684	46,562

Karnataka Tufftriders Tecniques Surfaces Pvt Ltd	-	3,038
Mahaniya Hr Services	78,305	-
Mahaniya Hr Softwares Pvt Ltd	5,400	5,400
Maruthi Enterprises Cr	-	4,836
Matha Industrial Gases	2,301	1,711
Max Print	1,298	6,183
Megha Metallizers	-	5,189
MICRO METALS	-	6,041
Micro Spark Tech	-	35,298
M.M.Alloys and Steels Crs	12,148	63,878
Mohan K Catering Service	9,420	12,613
M.R ALUMINIUM	-	2,744
MSK CNC TECHNOLOGY	-	5,600
M.V Enterprises Crs	3,308	3,856
Naveen Industrial Corporation Crs	-	1,608
NEPRA RESOURCE MANAGEMENT	-	5,853
Network Detective Agency Private Limited	2,38,801	88,185
Nicam Industries	-	2,772
Nine Piping Solutions	-	1,151
Nivipro Industries	-	35,752
Orange Creations	-	590
Pawan Stationary Crs	-	7,530
Personal Air Quality Systems Pvt Ltd (PAQS)Crs	-	17,76,000
Pest Control Shrilal 2022-23	2,596	7,670
Porter - Transportation	1,48,062	12,071
Printech Solutions India Pvt Ltd	-	5,959
Prolastec	-	826
Pruthvi Enterprises	10,073	21,373
P V Menon & Associates Crs	-	4,000
Rachana Coating	-	2,301
Rajalaxmi Electricals	-	354
Rajeshwar Metal Corporation	-	11,079
Ravindar Industrial Suppliers	-	17,560
Ravindra Metal	8,009	20,722
R K ENTERPRISES	-	4,955
R K Traders	-	205
Robert I - Canteen Services	-	23,733
Rukmini Printers	-	6,136
RV Print Media Crs	-	11,894
SHANKARA MINARAL WATER SUPPLY	9,945	2,160
Shanthi Gears	-	1,456
Sharp Enterprises Crs	-	2,247
Shine Electroplating Industry	70,993	27,721
Shiva Ganga Powder Coating Engineering	-	403
Shobha Catering Service	-	12,886
Shree Shakthi Heat Treaters Crs	-	14,397
SLV Engineering	-	73

SMART TECH INDUSTRIES	22,705	12,659
S M Machinery Tools	-	39,685
S.M.TOOLS	-	7,746
S.M Tools Crs	-	2,856
SRA Technology	-	3,28,278
Sree Durga Metals	-	50
Sree Poddar Industrial Store	-	354
SREE SAKTHI ENTERPRISE	-	1,180
SRI BALAJI TECHNOLOGIES	-	4,872
Srinidhi Vaibhava	-	8,850
Srinivasa Heat Treaters	-	445
SRI PRIYA PHARMA	-	30
Sri Vari Engineering Technologies	-	578
Sri Varu Enterprises	-	26,052
Sri Vigneshwara Power Tools	-	1,300
S & T Engineers(P) Ltd 2	-	1,416
Sunikh Components Pvt Ltd Crs	-	3,62,817
SURFACE METAL FINISHERS	-	5,163
Systech Industries	-	18
Tescom Crs	6,76,424	63,299
Tespa Calibration Services	-	189
TOOLS MARKETING CO	-	2,006
Transcal	15,104	19,824
UNIMEX FORMDRILL INDIA PRIVATE LIMITED	-	530
Universal Air Products Pvt. Ltd Crs	31,551	58,727
Vandana Tele Communications	-	13,475
Vedhanth Industries	12,509	3,535
Vinayaka Facility Management	-	94,606
Vishal Electric Zone	-	3,783
Total	85,40,443	77,36,117

Provisions for Contract /Trainee/ Operator / Professional Crs

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Bipaljit Hajong	13,598	-
Harithra-Salary	15,959	-
Kanaka K	5,292	-
Kiran G N -Salary	27,588	-
MANJULA SALARY	11,019	-
Monika Baliram Shahare	15,920	-
Nabin Ch Hajong	15,439	-
Nesakumar m	8,677	-
Sri Laxmi Salary	17,918	-
Sukumar Hajong	21,133	-
Ujwal	9,383	-
Veena Salary	16,167	-
Ajiz Baig	17,000	11,934
Asritha A	18,050	7,426

Basamma	-	27,915
Jaya Kumar	32,143	24,062
Joel S-Operator	35,020	26,269
Kariappa C Trainee Operator	-	19,513
Malikarjun - Helper	21,496	16,879
Prabhakar C R	29,914	29,988
Punith Gali	-	6,771
Raghavendra Uppar	-	25,989
Sanjaya Kumar Majhi - Trainee Operator	23,117	22,795
Sanjay Mohan	24,344	22,110
Sanjay MS - Apprentice Trainee Machinist	-	3,540
Srinivas G -Trainee Machine Shop Assistant	-	3,567
Sulthan Salauddhin	-	5,176
Sunil Nanda T	17,883	15,204
Syed Arfath	-	12,977
Varun Kumar	-	21,725
Vijaya Ragavan	13,158	3,589
Yashwanth	23,747	18,865
Total	4,33,965	3,14,683

Advance paid to creditors

Particulars	31st March 2026	31st March 2025
Agricultural & Industrial Supplies		18
Babu Enterprises Crs		3,348
Burji Enterprises		14,455
Digilogic Systems Pvt. Ltd. Crs		27,750
EM Steele Filling Station		485
HP India Sales Private Limited		1,298
IMMACULATE STEELS PVT LTD		27
Industrial Bolt Centre		1,712
KARTHIK ENGINEERING Drs		457
Krishna Hardware & Electrical		1,338
Kruthi Engineering		14,667
Mahaniya Hr Services		6,46,306
Marotia Steel Engineering Pvt Ltd		6,337
Merlin Engineering Debtors	1,490	1,490
MICRO PRECISION	43,542	43,542
Origiin Intellectual Property Solutions LLP		47,620
Proteck Machinery Pvt Ltd Crs		21,029
Quality Council Of India Board,NABL		30,120
Registrar of Societies ,3rd zone Bengaluru		22,700
Royal Trade Agency (2020-21)		4,416
S. A. S 3D Spark Pvt Ltd		1,084
Smart Shift Logistics Pvt Ltd	1,47,517	3,663
Sri Mathaji Electronics		25
Sri Vinayaka Industries		139
S & T Engineers Pvt Ltd 1		1,392

ELCIA Cluster**Notes forming an integral part of Income and Expenditure for the year ended March 31, 2026****12 Direct Income**

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Job Work Charges	2,88,93,005	2,19,99,396
Product Sales	-	39,60,000
Total	2,88,93,005	2,59,59,396

13 Other Income

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Interest on Income tax refund	6,979	8,097
FD Interest	3,37,189	3,71,642
Other Income	-	1,116
Grant from ELCIA towards Project Development	-	10,00,000
Total	3,44,168	13,80,855

14 Direct Expenses

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Salaries & Wages paid to Contractual Employees	87,25,145	85,36,814
Consultancy fees - Operations	8,10,544	8,36,304
Electricity & Genset Charges	51,23,595	51,63,479
Freight Charges	1,98,036	2,72,814
Job Work - Outsourcing Costs	44,40,425	63,55,932
Repairs & Maintenance - Plant & Machinery	3,52,776	5,51,455
Total	1,96,50,521	2,17,16,798

15 Consumables

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Raw Materials	55,22,548	29,35,940
Semi-Finished Goods	5,15,784	-
Consumables	5,49,056	11,74,404
Tools & Spares	11,99,708	3,76,035
Total	77,87,097	44,86,379

ELCIA Cluster**Notes forming an integral part of Income and Expenditure for the year ended March 31, 2026****16 Other expenses**

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Audit Fees	50,000	50,000
Rates and Taxes	15,22,640	1,67,475
Travelling and Conveyance	2,38,897	1,20,292
Bad Debts & Write-offs	1,36,744	-
General Administrative Expenses	2,17,795	2,38,312
Bank Charges	2,950	1,645
Insurance Exps	56,485	31,523
Office & Meeting Expenses	3,96,898	4,99,411
Professional & Consulting Charges	3,15,083	1,92,675
Repair & Maintenance - Others	52,412	1,78,141
Staff Welfare	4,81,772	4,77,495
		-
Total	34,71,676	19,56,969

17 Note on GST Demand and Amnesty Application

During the FY 2019-20, the Company received an order from the GST Department dated 08.05.2024 under Section 73 of the CGST/SGST/IGST Act, 2017 in respect of excess Input Tax Credit (ITC) claimed. The total demand raised amounted to ₹3,09,215, comprising tax of ₹1,57,539, interest of ₹1,11,676 and penalty of ₹40,000.

Out of the above, the tax component aggregating to ₹1,57,539 (IGST ₹83,093, CGST ₹37,223 and SGST ₹37,223) has already been discharged through debit in the Electronic Credit Ledger during September 2024 and February 2025.

In respect of the balance liability of interest and penalty, the Company has filed an application under the GST Amnesty Scheme (Section 128A read with Rule 164) through Form GST SPL-02 dated 03.03.2025, seeking waiver of the said demand. As per the Order dated 10.06.2025, the liability towards interest of ₹1,11,677 and penalty of ₹40,000 has been waived by the GST authorities.

However, the formal order for dropping the proceedings is awaited from the GST Department. Accordingly, as on the reporting date, no further financial liability remains outstanding against the above demand, except for disclosure in these notes.

ELCIA Cluster

Notes forming an integral part of Income and Expenditure for the year ended March 31, 2026

18 GST Scrutiny Orders – Place of Supply Misclassification

During the course of scrutiny of GST returns by the Office of the Assistant Commissioner of Commercial Taxes, Bengaluru (LGSTO-25), certain discrepancies were pointed out in respect of classification of place of supply for services rendered under HSN/SAC 995468 for the following financial years FY 2018-19, FY 2019-20 & FY 2020-21.

The assessee had erroneously classified intra-state supplies as inter-state supplies and accordingly discharged liability under IGST instead of CGST and SGST. On issuance of notices in Form ASMT-10, the assessee accepted the omission, made the payment of Rs. 3,21,996 in total for all financial years under Form DRC-03, and requested for dropping of proceedings. Subsequently, the department issued acceptance orders in Form ASMT-12, thereby concluding the matter.

The discrepancies were resolved by payment of taxes under correct heads. As per the ASMT-12 Orders dated 04-08-2025, the adjudication proceedings initiated u/s 74 of the CGST/KGST Act, 2017 have been dropped, and no further liability remains pending in this regard.

19 Prior Period Income

Cluster is using the electricity supplied through the meter belonging to ELCIA. ELCIA in 19th EC meeting dated 23rd April 2025 has approved to waive the Electricity charges payable by Cluster to the extent of Rs. 49,47,656 for full financial year 2024-25 (PY Rs. 57,47,233 for the period 1st April 2023 to 31st March 2024) as a measure of financial support for Cluster operations. Accordingly the waived electricity charges of the previous year has been credited to Income & Expenditure Account as a Prior period adjustment.

20 Balances of Sundry Debtors and Sundry Creditors are subject to confirmation from the respective parties. Adjustments, if any, arising on reconciliation of such balances will be accounted for as and when identified.

21 Previous years' figures have been re-grouped and re-arranged wherever necessary.

As per our report of even date

For ELCIA Cluster

For P V Menon & Associates

Sd/-

Chartered Accountants
Firm Regn.No. 002066S

Muralidhar R
Treasurer

Sd/-

Sd/-

K B Parameswaran
Partner
M. No.202735

Nandini B
Secretary

Place : Bangalore
Date : 01st August 2026

Sd/-
A Vaidyanathan
President

Rates and Taxes

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Unclaimed 2.5% ITC Cgst	207	
Unclaimed 2.5% ITC Sgst	207	
Unclaimed IGST 12%	69	
Factory License Renewal	36,236	
GST Demand Paid - FY 2018-19	73,626	
GST Demand Paid - FY 2019-20	1,59,304	
GST Demand Paid - FY 2020-21	89,066	
Rates and Taxes	(8,896)	1,67,475
ITC Unclaimed	3,17,481	
Interest on TDS	13,362	
Society Registration Renewal	53,035	
Provisions Written Off	7,88,941	
Total	15,22,640	1,67,475

Professional & Consultant Fees

Particulars	31st March 2026	31st March 2025
Mahaniya Hr Services	60,000	96,000
TUV SUD Solutions Pvt Ltd		15,675
Origiin Intellectual Property Solutions LLP	3,800	
Quality Council Of India Board,NABL	80,000	81,000
Anitha And Associates	47,115	
P V Menon & Associates Crs	2,500	
Surveillance Audit	12,000	
Manpower Charges	30,168	
NAPS Assessment Traning Fee	1,500	
PT Payable	78,000	
Gross Total	3,15,083	1,92,675
Less: Disclosed Ramu's Consulting expense (Direct Expense)	0	-
Net Total (Indirect Expenses)	3,15,083	1,92,675

Travelling and Conveyance

Particulars	31st March 2026	31st March 2025
Travelling and Conveyance Allowance	230	1,20,292
Conveyance	31,265	
Conveyance Allowance	61,173	
Travelling Allowance	95,140	
Travelling Expenditure	51,089	
Total	2,38,897	1,20,292

Office & Meeting Expenses

Particulars	31st March 2026	31st March 2025
Office Expenses	3,15,058	3,04,770
AGM Expenses	-	1,94,641
Ayudh Pooja Expenses	14,700	
Computer Maintanance	67,140	
Total	3,96,898	4,99,411

Bad Debts & Write-offs

Particulars	31st March 2026	31st March 2025
Sundry Debtors to Be Written Off	(45,293)	
Liabilities Write Off	(2,33,465)	
Sundry Debtors Written Off	4,15,501	
Total	1,36,744	

Staff Welfare

Particulars	31st March 2026	31st March 2025
Staff Welfare	4,21,357	4,77,495
Medical Expenses	12,142	-
Meeting Expenses	40,773	-
Training & Development Expenses	7,500	-
Total	4,81,772	4,77,495

General Administrative Expenses

Particulars	31st March 2026	31st March 2025
Postage & Courier	3,101	3,732
Printing & Stationary	1,57,243	1,86,365
Telephone Exps	21,875	23,035
Advertisement Expenses	4,000	-
Drinking water	31,576	25,180
Total	2,17,795	2,38,312

Repairs & Maintenance - Others

Particulars	31st March 2026	31st March 2025
Repair & Maintenance Computer	-	52,975
Repair & Maintenance Building	8,623	72,910
Repair & Maintenance-Electricity	44,050	52,256
Software Exps	1,119	-
Discount Allowed	355	-
Discount Received	(1,821)	-
rounded off	86	-
Gross Total	52,412	1,78,141

Outsourcing Costs

Particulars	31st March 2026	31st March 2025
Job Work (Outsourcing)	42,40,525	35,55,932
Job Work	1,99,900	28,00,000
Total	44,40,425	63,55,932

Freight Charges

Particulars	31st March 2026	31st March 2025
Freight Chrges	1,58,722	(400)
Loading & Unloading Expense	17,963	21,606
Transportation	12,838	2,51,608
Forwarding Charges	805	-
Handling Charges	388	-
Packing Charges	1,515	-
Packing & Forwarding Charges	1,000	-
Calibration Charges	2,200	-
Cutting Charge	305	-
Fire Extinguisher Gas Refilling Charges	2,300	-
Total	1,98,036	2,72,814

Salaries & Wages paid to Contractual Employees

Particulars	31st March 2026	31st March 2025
Wages	49,34,540	36,66,834
Salary Expenses	16,14,923	26,56,535
Bonus	-	1,29,154
Contract Fees - 998513(Security Charge)	8,05,189	12,02,606
Production Incentive	4,15,716	5,50,870
EPF Employer Contribution(Company)	4,37,554	2,88,937
ESI Employer Contri(Company)	71,344	38,037
Darnesh P S	54,990	-
Kariyappa	93,795	-
Labour Welfare Fund (LWF) PAYABLE	2,200	-
PF Paid - Nagaraj Mangalore	52,958	-
Admin/ Insp. Charges (PF)	23,044	-
Sathyavelu P Office Assitant-Salary	2,18,892	-
Short/Excess Salary - Settlement	-	3,841
Total	87,25,145	85,36,814

ELCIA Cluster

Notes on significant accounting policies applied in preparation of financials

1 Background

ELCIA Cluster is a Society registered under the Karnataka Societies Registration Act, 1960, as an initiative of the Electronic City Industries' Association (ELCIA) for the benefit of its MSME members and other MSME units who may be admitted as members.

ELCIA Cluster is the SPV established under the Cluster Development Programme of the Ministry of MSME, Government of India (GoI). It is aimed at facilitating growth of existing MSMEs to enable them to move up the value chain through the creation of a Common Facilities Center (CFC). The GoI is the majority contributor in the SPV through the contribution of 70% of the total capital investment for the CFC. 15% is contributed by the Government of Karnataka and balance 15% by ELCIA and Members of ELCIA Cluster.

2 Significant Accounting Policies

a) Basis of Preparation

The financial statements are prepared and presented on a going concern basis under historical cost convention on an accrual basis to comply with the Accounting standards specified by the "Institute of Chartered Accountants of India". The accounting policies have been consistently applied and consistent with those used in the previous year unless otherwise stated.

b) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the association and the revenue can be reliably measured.

c) Provisions

A provision is recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the year end date.

These are reviewed at each year end date and adjusted to reflect the best current estimate.

d) Property, Plant & Equipment (PPE)

Property, Plant & Equipment are stated at cost less accumulated depreciation. The cost of an asset comprises its purchase price and any cost directly attributable to bringing the asset to its present condition for intended use. Subsequent expenditure relating to PPE is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

e) Depreciation

Method of depreciation applied by the AOP is WDV, and the rates specified in Sec 32 of the Income tax Act, 1961 is considered for calculation. As per which, the depreciation on these assets are calculated from the date of put to use. In case if an asset is put to use for more than 180 days, it is depreciated at full rate, otherwise at half of the rate specified in the Act.

ELCIA Cluster

Notes on significant accounting policies applied in preparation of financials

<u>Block</u>	<u>Percentage</u>
Furniture & Fittings	10%
Plant & Machinery	15%
Computers	40%
Measuring Instruments	15%
Office Equipment	15%
Leasehold Improvements	10%

Proportionate Depreciation on fixed assests acquired out of Government grants received from Karnataka State Government & Central Government are adjusted against capital grants under CFC Fund. Balance depreciation is charged of to Profit & Loss account.

f) Provisions

A provision is recognized if, as a result of a past event, the association has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

g) Inventories:

Inventories are valued at cost or net realisable value whichever is lower. Inventories are stated on the basis of stock taken, valued and certified by the management.

h) Other accounting policies

- a) Membership fee payable at time of joining as per the Bye Laws of the Association is capitalized.
- b) Contribution to Common Facility Centre (CFC Fund) consisting of voluntary contributions from members, ELCIA and Government grants, are treated as Capital contributions and capitalized in the Balance Sheet.
- c) The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known materialized.
- d) In the opinion of the Executive Committee, the value on realization of current assets, loans & advances will, in the ordinary course of business, not be less than the amount at which they are stated in the Balance Sheet.

ELCIA Cluster
Notes forming an integral part of the Balance Sheet as at March 31, 2025

5. Property, Plant & Equipment

Sl. No	Particulars	WDV as on 01st April 2025	Additions during the year		Deletions	Total	Depreciation for the year	WDV as on 31st March 2026	WDV as on 31st March 2025
			More than 180 days	Less than 180 days					
1	Plant & Machinery	3,14,84,422	5,750			3,14,90,172	45,19,212	2,69,70,960	3,14,84,422
2	Furnitures & Fixtures	10,72,220			-	10,72,220	2,38,364	8,33,856	10,72,220
3	Computers	35,178			-	35,178	14,243	20,935	35,178
4	Measuring Instruments	11,38,223			-	11,38,223	1,63,349	9,74,874	11,38,223
5	Office Equipments	1,24,808			-	1,24,808	17,911	1,06,897	1,24,808
6	Leasehold Improvements	17,98,529			-	17,98,529	5,63,253	12,35,276	17,98,529
7	Electrical Fittings	2,80,443			-	2,80,443	87,828	1,92,615	2,80,443
8	Land & Building	2,85,797			-	2,85,797	89,505	1,96,292	2,85,797
	Total Tangible Asset	3,62,19,620	5,750	-	-	3,62,25,370	56,93,665	3,05,31,705	3,62,19,620
9	Intangible Asset - Software	39,378			-	39,378	9,845	29,533	39,378
10	Intangible Asset - Product Development SPB	8,75,000			-	8,75,000	2,18,750	6,56,250	8,75,000
	Total Intangible Asset	9,14,378	-	-	-	9,14,378	2,28,595	6,85,783	9,14,378
	Total	3,71,33,998	5,750	-	-	3,71,39,748	59,22,260	3,12,17,488	3,71,33,998
Less:		Depreciation proportionate to Govt Grants					49,80,065		
		Net Depreciation to Income & Expenditure A/c					9,42,195		