Garuda aerospace

# BOARD'S REPORT

To,

The Members of *Garuda Aerospace Private Limited.*

Your Directors are pleased to present the 10th Annual Report on the business and operations of the Company together with the Audited Accounts of the Company for the year ending on 31st March, 2025.

## 1. *Garuda Affairs & Industry Outlook*

The financial year 2024-25 has been phenomenal, marked by exceptional growth in both business and technological advancements. Garuda surpassed ₹100 crore in revenue, achieving an EBITDA margin of 20.33% and PAT margins of 14.67%.

Garuda Aerospace had a landmark year marked by innovation, recognition, and impact across multiple sectors. The year began in April 2024 when Garuda received its first ISRO order for a cutting-edge quadcopter drone and was recognized by TIE50 as a game changer in drone technology. Strengthening its retail presence, the company inaugurated India's first-ever drone showroom in Chennai. Founder & CEO Agnishwar Jayaprakash was honored by Fortune India in its 40 Under 40 list, while Garuda expanded globally by entering the Sri Lankan market.

Demonstrating inclusivity, Garuda created a Silent National Anthem with its specially-abled employees, leading a patriotic campaign for Independence Day. Reinforcing trust and long-term commitment, M S Dhoni renewed his role as Brand Ambassador and investor. Garuda also stood by the nation during emergencies by deploying drones in the Chennai floods and supporting NDRF in rescue operations at the SLBC Tunnel collapse in Telangana.

On the regulatory front, Garuda secured two DGCA approvals and strengthened its partnerships by signing an MoU with CYOL. Its Agri-drones achieved a milestone of 10,00,000 flight hours, further empowering farmers. The company was recognized with the "Path Breaker of the Year 2024" award by Data Quest for innovation and leadership. At Aero India 2024, Garuda signed multiple MoUs with industry leaders, while the ASCEND event was a grand success as M S Dhoni unveiled new drones and inaugurated the Garuda Drone App.

Expanding its defense footprint, Garuda partnered with HFCL to boost UAV manufacturing in India. M S Dhoni launched the MV 1000 Amaran Rocket Launcher Drone, designed for defense and advanced technology solutions. The company also invested in indigenous defense drone Startup Zuppa to strengthen domestic innovation. In the Agri space, Garuda partnered with Bank of India to offer Agri-drone loans, making advanced technology more accessible to farmers.

National recognition followed when Hon'ble Union Minister of Home Affairs and Cooperation Shri Amit Shah applauded Garuda Aerospace's tactical drones at the 56th CISF Rising Day Parade. The year concluded with the launch of the transformative Andhra Pradesh Drone City initiative, with Garuda Aerospace playing a central role in shaping India's drone industry.

From path-breaking innovations to national service, strategic partnerships, and global expansion, Garuda Aerospace has solidified its position as India's most impactful and trusted drone company.

## 2. *Financial Summary and Highlights*

During the financial year, the performance of the company was as under:

*(In Lakhs)*

| *Particulars* | *Year ended 31st March, 2025* | *Year ended 31st March, 2024* |
|---|---|---|
| *Turnover* | 11,767.88 | 10,994.55 |
| *Other Income* | 712.17 | 81.52 |
| *Total Income (Gross)* | **12,480.05** | **11,076.06** |
| *Total Expenditure* | 10,087.19 | 8,944.89 |
| *Profit/(Loss)before Tax* | 2,392.86 | 2,131.18 |
| *Less: Tax expenses:* | | |
| *1. Current tax* | 670.00 | 550.00 |
| *2. Deferred tax* | (13.52) | (1.28) |
| *3. Adjustments for Previous years* | 9.64 | - |
| *Profit/ (Loss) after tax* | *1,726.74* | *1,582.46* |

## 3. *Details of Revision of Financial Statements or Board's Report*

Your Company has not revised the financial statements or Boards Report during the year.

## 4. *Amount, which the Board proposes to carry to any Reserves*

During the year, the Company has not transferred any amount to Reserves and the profit of the year has been move to accumulated profit and loss of the company. The total Reserves & Surplus for the year ended 31st March 2025 stood at INR 16,791.90 Lakhs.

## 5. *Dividend*

Your directors did not recommend any dividend for the financial year ended 31st March 2025.


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## 6. Transfer to unclaimed dividend to investor education and protection fund

The provisions of Section 125 (2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid during previous years.

## 7. Major events during the year (All figures are in INR Lakhs)

a) *State of the company's affairs:* During the year under review ended on 31st March, 2025, your Company has earned a profit of Rs. 1,726.74 Lakhs against the profit of Rs. 1,582.46 Lakhs for the corresponding period ended 31st March 2024.

   The Earnings per share (basic) were at Rs. 1,593.90 against Rs. 1,464.07 for the previous year and the Earnings per share (Diluted) were at Rs. 1,485.47 against Rs. 1,383.48 for the previous year.

b) *Change in the nature of business:* No change in the Nature of Business.

c) *Material changes and commitments, if any, affecting the financial position of the company which has occurred between the end of the financial year of the company to which the Financial Statements relates and the date of the Report*: NIL

## 8. Brief history of the company, overview of the industry and important changes in the industry during the last financial year:

Your company was incorporated on 06th October 2015 and carries out the business of providing services of Unmanned Aerial Vehicle for aerial topography, crop monitoring and mapping purposes.

The drone industry in India witnessed significant growth in FY 2024-25, driven by advancements in technology, regulatory support, and increased adoption across sectors. The government's liberalized drone policies, such as the Production Linked Incentive (PLI) scheme, have spurred manufacturing and innovation. Key industries like agriculture, logistics, surveillance, and infrastructure are leveraging drones for efficiency and cost-effectiveness. The rise of indigenous drone startups, coupled with global investments, has positioned India as a major player in the global drone ecosystem. The sector's rapid growth is expected to create substantial employment and economic opportunities in the coming years.

## 9. Capital Structure

The share capital of the Company as on 31st March 2025 is as mentioned below:

| *Particulars* | *No. of Shares* | *Amount (in Rs.)* |
|---|---|---|
| Equity Shares of Rs.10/- each | 1,90,000 | 19,00,000 |

| | | | |
|---|---|---|---|
| *Authorised Capital* | Preference shares of Rs.10/- each | 10,000 | 1,00,000 |

| *Particulars* | | *No. of Shares* | *Amount (in Rs.)* |
|---|---|---|---|
| ***Issued, Subscribed and Paid-up*** | Equity Shares of Rs.10/- each | 1,08,355 | 10,83,550 |
| | Series A Preference shares of Rs.10/- each | 3,210 | 32,100 |
| | Series A1 Preference shares of Rs.10/- each | 2,756 | 27,560 |
| | Series B Preference shares of Rs.10/- each | 595 | 5,950 |
| | Series B1 Preference shares of Rs.10/- each | 196 | 1,960 |
| | Series B2 Preference shares of Rs.10/- each | 1,945 | 19,450 |
| | Series B3 Preference shares of Rs.10/- each | 343 | 3,430 |

The company has also issued and allotted 201 0.001% Compulsorily Convertible Debentures during the Financial year 2024-25 through Private Placement.

## 10. *Change in Share Capital*

### a. *Authorised capital*

During the year under review, there was no changes in the Authorised capital during the Financial year 2024-25.

### b. *Paid up capital*

During the year under review, the Company has allotted Equity Shares, Preference Shares and Compulsorily Convertible Debentures on Private Placement basis as mentioned below:

| *S. No* | *Date of Allotment* | *Mode of Allotment* | *Type of Shares* | *No. of Shares* | *Total Consideration* |
|---|---|---|---|---|---|
| 1. | 03-04-2024 | Private Placement | Equity | 13 | 22,79,354.09 |
| | | | Series B CCPS | 265 | 22,79,354.09 |
| 2. | 23-04-2024 | Private Placement | Equity | 4 | 7,01,339.72 |

| | | | | | |
|---|---|---|---|---|---|
| | | | Series B1 CCPS | 84 | 1,47,28,134.12 |
| 3. | 27-05-2024 | Private Placement | Equity | 7 | 12,27,344.51 |
| | | | Series B1 CCPS | 112 | 1,96,37,512.16 |
| 4. | 17-07-2024 | Private Placement | Equity | 14 | 24,54,689.02 |
| | | | Series B2 CCPS | 457 | 8,01,28,063.01 |
| 6. | 28-08-2024 | Private Placement | Equity | 10 | 17,53,349.30 |
| | | | Series B2 CCPS | 436 | 7,64,46,029.48 |
| 7. | 23-09-2024 | Private Placement | Equity | 3 | 5,26,004.79 |
| | | | Series B2 CCPS | 487 | 8,53,88,110.91 |
| 8. | 23-10-2024 | Private Placement | Equity | 6 | 10,52,009.58 |
| | | | Series B2 CCPS | 441 | 7,73,22,704.13 |
| 9. | 28-11-2024 | Private Placement | Equity | 10 | 17,53,349.30 |
| | | | Series B2 CCPS | 124 | 2,34,94,880.64 |
| 10. | 06-01-2025 | Private Placement | Series B3 CCPS | 243 | 4,26,06,405.00 |
| | | | CCD | 59 | 1,03,44,765.00 |
| 11. | 05-02-2025 | Private Placement | CCD | 142 | 2,48,97,570.00 |
| 12. | 12-02-2025 | Private Placement | Series B3 CCPS | 100 | 1,75,33,500.00 |

c. *Buy back of securities:*

The Company has not bought back any of its securities during the year under review.

d. *Sweat equity:*

The Company has not issued any Sweat Equity Shares during the year under review.

e. *Bonus shares:*

No Bonus Shares were issued during the year under review.

f. *Employees stock option plan:*

The Board of Directors at their meeting held on *06th December 2023* and the shareholder at the Extraordinary General Meeting held on *07th December 2023* approved the "***Garuda employee stock option scheme 2023***" (GARUDA ESOS 2023) to create and grant Employee Stock option to identified employees to an extend of 6000 options. The Company has not granted any Stock Option Scheme to the employees during the financial year 2024-25.

Details of the Employee Stock Option Scheme (ESOS):

| *Particulars* | *as at 31st March 2025* |
|---|---|
| *Plan* | GARUDA ESOS 2023 (*w.e.f 7th December, 2023)* |
| *Options Granted* | - |
| *Exercise Price* | *Rs.10/- per option or any other price as may be decided to the board* |
| *Options Exercised* | - |
| *The total number of shares arising as a result of exercise of Options* | - |
| *Options Lapsed* | - |
| *Variation of Terms of Options* | - |
| *Money realised by exercise of Options* | - |
| *Total number of Options in force* | - |
| *Employee wise details of Options granted to* | - |

## 11. *Credit rating*

No Credit Rating was required to be obtained by the company.

## 12. *Directors and Key Managerial Personnel*

As on 31st March, 2025, the Board of Directors of your Company ("the Board") comprised of 2 (Two) Directors – 1 (One) Wholetime Director and 1 (One) Executive Director. Your Directors on the Board possess experience and competency and are renowned in their respective fields. The Company being private limited company, no instance of retires by rotation. And there are no changes in directorship in the F.Y. 2024-25.

## 13. *Statement on Declaration by Independent Directors*

Not Applicable to the company.

## 14. *Number of board meetings*

The Directors of the Company met 25 Times during the financial year 2024-2025. The intervening gap between the two meetings was within the period as prescribed under the Companies Act, 2013.

## 15. *Composition of Committees and Details of Changes, if any*

Not Applicable to the company.

## 16. *Company's Policy on Director's Appointment and Remuneration*

The company has a policy on Director's appointment and remuneration. The Directors feel that such policy is adequate for the company.

## 17. *Board Evaluation*

Not Applicable to the company.

## 18. *Remuneration Received by Managing / Whole Time Director from Holding or Subsidiary Company*

Not Applicable to the company.

## 19. *Directors' Responsibility Statement*

The Report shall include a Directors' Responsibility Statement which shall set out the following details:

a. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relafing to material departures;
b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecfing fraud and other irregularities;
d. the Directors have prepared the Annual Accounts on a going concern basis;
e. the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
f. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 20. Internal Financial Controls

The Company has in place proper and adequate internal control systems commensurate with the nature of its business and size and complexity of its operations.

## 21. Disclosure Regarding Frauds

There are no frauds reported during 2024-2025.

## 22. Loan from Directors and Relatives

Details of Loan from Directors and their relatives are given in the notes to financial statements which is part of related party transaction.

## 23. Disclosures Relating to Subsidiaries, Associates and Joint Ventures

The Company has no subsidiary or associates or Joint venture as on 31st March 2025.

## 24. Details of Deposits

The Company did not accept any deposits during the year.

## 25. Particulars of Loans, Guarantees and Investments

Details of Loan, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to financial statements.

## 26. Particulars of Contracts or Arrangements with Related Parties

The Company has entered any contracts or arrangements with parties specified under sub-section (1) of Section 188 of the Companies Act, 2013 for the financial year 2023-24. The details of the same is provided in ***Annexure I.***

## 27. Disclosures Pertaining to Corporate Social Responsibility

Pursuant to rule 8 of The Companies (Corporate Social Responsibility Policy) Rules 2014, the disclosure on CSR is attached as ***Annexure -II***.

## 28. *Details of Remuneration of Employees*

The Statement containing such particulars of employees as required in terms of provision of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Annual Report. Pursuant to the provision of the Section 136(1) of the Companies Act, 2013, the reports and accounts, as set out therein, are being sent to all the members of the Company, excluding the aforesaid information and the same is open for inspection at the registered office of the Company during working hours upto the date of the Annual General Meeting and if any members is interested in obtaining such information, may write to the Whole Time Director at the Registered Office of the Company in this regard.

## 29. *Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo*

The Board's report should include a statement as per rule 8 of the Companies (accounts) rules, 2014 with respect to the following matters:

**CONSERVATION OF ENERGY:**

| | |
|---|---|
| 1. *The steps taken or impact on conservation of energy;* | *The Company has taken adequate measures to generate energy through non-conventional method in order to conserve energy.* |
| 2. *The steps taken by the Company for utilising alternate sources of energy;* | - |
| 3. *The capital investment on energy conservation equipment;* | - |



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**TECHNOLOGY ABSORPTION:**

The Company continues to use the latest Technology for improving the quality and productivity of its product and services. – NA

| | |
|---|---|
| (i) the efforts made towards technology absorption; | - |
| (ii) the benefits derived like product improvement, cost reduction, product development or import substitution; | - |
| (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - | - |
| *(a) the details of technology imported;* | - |
| *(b) the year of import;* | - |
| *(c) whether the technology been fully absorbed;* | - |
| *(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and* | - |
| (iv) the expenditure incurred on Research and Development. | - |

**FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs. in Lakhs)**

Foreign Exchange Earnings: INR 3.94 (P.Y.: Nil)
Foreign Exchange Outgo: INR 3,106.65 (P.Y.: INR 547.19)

## 30. *Risk Management*

Your Directors have adequate Risk Management Policy in place.

## 31. *Details of Significant and Material Orders Passed by the Regulators or Courts or Tribunals.*

During the financial year 2024-2025 the company has not received any material orders passed by regulatory or courts or tribunal.

## 32. *Details of Establishment of Vigil Mechanism*

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has implemented a vigil mechanism


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to provide a framework for the Company's employees and Directors to promote responsible and secure whistle blowing. It protects employees who raise a concern about serious irregularities within the Company.

## 33. *Auditors*

The members of the company during the AGM held on 30th November 2021 had re-appointed M/s S R B R & Associates LLP., (ICAI Firm Reg. No. 04997S) Chartered Accountants as Statutory Auditor of the Company for a period of 5 years from the conclusion of the ensuing Annual General Meeting to till the conclusion of Annual General Meeting to be held during the financial year 2026.

## 34. *Secretarial Audit Report*

Not Applicable to the company.

## 35. *Explanations in Response to Auditors' Qualifications*

The Auditors' Report on the Balance Sheet and Profit and Loss Account for the Year ending 31st March 2025 is self-explanatory and contains no qualification, reservations, adverse remarks and disclaimer except for the following:

| **Auditor's comment** | **Director's response** |
|---|---|
| **Point no viii to Annexure A of Auditor's report-** According to the information and explanations given to us and on basis of our examination of the records of the company, undisputed statutory dues including Income-tax, Goods and services tax, Provident fund, Employee state insurance and other statutory dues have not generally been regularly deposited by the company with the appropriate authorities and there have been serious delays in a large number of cases. | The company recognizes the importance of timely compliance with all statutory requirements and regrets the delays that have occurred. These delays were primarily due to operational challenges faced during the reporting period. However, we wish to assure all stakeholders that the management has taken corrective measures to streamline internal processes and sfrengthen financial discipline. |

## 36. *Compliance with Secretarial Standards*

The Company is in compliance with the Secretarial Standards as issued by Institute of Company Secretaries of India.

### 37. *Details of Sickness of the Company*

Not Applicable to the company.

### 38. *Failure to Complete Buy Back*

Not Applicable to the company.

### 39. *Annual Return*

As per the MCA Notification on Rule 12(1) of Companies (Management and Administration) Rules, 2014, the Disclosure of Annual Return not is required to attach in this Board's Report in accordance with sub-section (3) of section 92 of the Companies Act, 2013. The link of the Annual return is https://www.garudaaerospace.com/.

### 40. *Management Discussion and Analysis Report*

Not Applicable to the company.

### 41. *Cost Auditor and Cost Audit Report*

Your company does not come under the ambit of section 148 of the Companies Act, 2013. Hence appointment of cost auditor and cost audit report does not apply to the company.

### 42. *Details of Valuation Made while taking Loan from Bank or Financial Institution*

The requirement to disclose details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the banks or financial institution along with the reasons thereof is not applicable.

### 43. *Details of Application made or Proceeding Pending Under Insolvency and Bankruptcy Code 2016*

No application has been made under the insolvency and bankruptcy code: hence the requirement to disclose the details of application made or any proceeding pending under the insolvency and bankruptcy code 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

### 44. *Disclosures Under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013*

Your company believes in providing a safe and harassment free workplace for every individual and endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.


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The Policy aims to provide protection to all employees (permanent, contractual, temporary, trainees) at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

An Internal Complaints Committee (ICC) was set up to redress complaints received regarding sexual harassment and discrimination at work place.

The following is a summary of Sexual Harassment complaint(s) received and disposed of during the FY 2024-2025, pursuant to the POSH Act and Rules framed thereunder:

a) Number of complaint(s) of Sexual Harassment received during FY 2024-2025 - NIL
b) Number of complaint(s) disposed of during FY 2024-2025 - NIL
c) Number of cases pending for more than 90 days (which is stipulated timeline for completion of an inquiry into a compliant of sexual harassment under POSH Act) - Nil.
d) Number of cases pending as on March 31, 2025 - Nil

## 45. Disclosure of Maternity Benefit Compliance

Your Company is in compliance of Maternity Benefit Act, 1961 for the year under review.

## 46. *Gratitude & Acknowledgements*

Your Directors place on record their sincere & high appreciation for the unflinching commitment, dedication, hard work and valuable contribution made by the employees of the company and its subsidiaries for sustained growth of group as a whole.

**For GARUDA AEROSPACE PRIVATE LIMITED**

Place: Chennai
Date: 22nd September 2025

*Agnishwar Jayaprakash*
*Whole-time director*
*Din: 02288785*

*Rithika mohan*
*Director*
*Din: 08116670.*

## *Annexure –I*

Form No. AOC-2

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NA
   (a) Name(s) of the related party and nature of relationship
   (b) Nature of contracts/arrangements/transactions
   (c) Duration of the contracts / arrangements/transactions
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any
   (e) Justification for entering into such contracts or arrangements or transactions
   (f) Date(s) of approval by the Board
   (g) Amount paid as advances, if any:
   (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis

*(In Lakhs)*

| *Name(s) of the related party and nature of relationship* | *Nature of contracts/ arrangements/ transactions* | *Duration of the contracts/arrangements/transactions* | *Amount paid as advances, if any* |
|---|---|---|---|
| *M/s Vishnusurya Projects and Infra Limited* | *Sale of Good/ services & Purchase of Fixed assets* | *Yearly* | - |
| *M/s Agni Estates and Foundations Private Limited* | *Advance paid for purchase of land* | *One Time* | *1,059.00* |
| *M/s Flame Advertising Company Private Limited* | *Business Promotion expense* | *Yearly* | - |
| *M/s Sri Balaji Charitable and Educational Trust* | *Sponsorship Expenses* | *Yearly* | - |
| *Ms Bhavani Jayaprakash* | *Sale of Good* | *One Time* | - |

Date of Board Approval – *03rd April 2024*

**For GARUDA AEROSPACE PRIVATE LIMITED**

Place: Chennai
Date: 22nd September 2025

| | |
|---|---|
| *Agnishwar Jayaprakash* | *Rithika Mohan* |
| *Whole-time director* | *Director* |
| *DIN: 02288785* | *DIN: 08116670* |

# *Annexure 'II'*

## *Annual Report on Corporate Social Responsibility (CSR)*

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

### *1. Outline of the CSR Policy*

The Corporate Social Responsibility (CSR) policy is aimed at demonstrating care for the community through its focus on education & skill development. The CSR Policy includes the following objects, contribution and adoption of the projects in the areas defined in the Schedule VII of the Companies Act 2013.

### *2. The Composition of the CSR Committee*

The requirement of constituting CSR committee is not applicable as the CSR expenditure prescribed under section 135(5) of the companies act 2013 does not exceed fifty lakhs rupees.

### *3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:*

https://www.garudaaerospace.com/.

### *4. Provide the executive summary along with web link of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable*

Not Applicable.

### *5. Average net profit of the company as per section 135(5)*

Rs. 1,151.88 Lakhs.

### 6.

a. *Two percent of average net profit of the company as per section 135(5)* -

Rs. 23.04 Lakhs.

b. *Surplus arising out of the CSR projects or programs or activities of the previous financial years* - NIL

c. *Amount required to be set off for the financial year, if any* - Rs. 23.04 Lakhs

d. *SR obligation for the financial year (6a+6b-6c)* - Rs. 23.04. Lakhs

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## 7.

a. *Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project)*: NIL*

b. *Amount spent in Administrative Overheads*: Nil

c. *Amount Spent on Impact Assessment, if applicable*: Nil

d. *Total amount spent for the Financial Year (6b+6c+6d+6e)*: Nil

e. *CSR amount spent or unspent for the financial year*: NIL

| | **Amount Unspent (in Rs.)** | | | | |
|---|---|---|---|---|---|
| *Total Amount Spent for the Financial Year. (Rs in Lakhs)* | *Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.* | | *Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135* | | |
| | *Amount* | *Date of transfer* | *Name of the Fund* | *Amount* | *Date of transfer* |
| NIL* | - | - | - | - | - |
| | | | | | |

**NOTE:* The Company has spent Rs. 50.00 lakhs towards promoting health care including preventive health care to Paryas Society during the financial year 2023-24. In this regard the excess amount of Rs.23.04 lakhs available from the previous year has been taken to setoff against the amount required to be spent during the financial year.*

f. Excess amount for set off, if any:

| **S NO** | **PARTICULARS** | **AMOUNT (In Lakhs)** |
|---|---|---|
| *i.* | *Two percent of average net profit of the company as per section 135(5)* | 23.04* |
| *ii.* | *Total amount spent for the Financial Year* | Nil |
| *iii.* | *Excess amount spent for the financial year [(ii)-(i)]* | Nil |
| *iv.* | *Surplus arising out of the CSR projects or programmers or activities of the previous financial years, if any* | Nil |
| *v.* | *Amount available for set off in succeeding financial years [(iii)-(iv)]* | NIL |

** NOTE: The Company has spent Rs. 50.00 lakhs towards promoting health care including preventive health care to Paryas Society during the financial year 2023-24. In this regard the excess amount of Rs.23.04 lakhs available from the previous year has been taken to setoff against the* *amount required to be spent during the financial year. Further the amount of Rs. 18.49 Lakhs is still available for set off in the subsequent financial year.*

## 8. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

| Sl. No | Preceding Financial Year | Amount transferred to Unspent CSR Account under Section 135 (6) (Rs in lakhs) | Balance Amount in Unspent CSR Account under subsection (6) of section 135 (Rs in lakhs) | Amount Spent in the Financial Year (Rs. In lakhs) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any | | Amount remaining to be spent in succeeding Financial Years (Rs in Lakhs) | Deficiency, if any |
|---|---|---|---|---|---|---|---|---|
| | | | | | Amount (in Rs. lakhs) | Date of Transfer | | |
| 1 | FY 1 | - | - | - | - | - | - | - |
| 2 | FY 2 | - | - | - | - | - | - | - |
| 3 | FY 3 | - | - | - | - | - | - | - |

## 9. Whether any capital assets have been or acquired through Corporate Social Responsibility amount spent in financial year

| Sl. No | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner | | |
|---|---|---|---|---|---|---|---|
| (1) | (2) | (3) | (4) | (5) | (6) | | |
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| **NIL** | | | | | | | |



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3rd Floor, 24/46, KB Dasan Rd,
Seetammal Colony, Lubdhi Colony,
Alwarpet, Chennai, Tamil Nadu - 600018

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Garuda aerospace

10.Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135 – Not applicable.

For GARUDA AEROSPACE PRIVATE LIMITED

Place: Chennai
Date: 22nd September 2025

*Agnishwar Jayaprakash*
*Whole-time director*
*DIN: 02288785*

*Rithika Mohan*
*Director*
*DIN: 08116670.*

# INDEPENDENT AUDITOR'S REPORT

To the Members of **GARUDA AEROSPACE PRIVATE LIMITED**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying Standalone Financial Statements of **GARUDA AEROSPACE PRIVATE LIMITED** ("the Company"), which comprises the Balance sheet as at March 31, 2025, and the Statement of Profit and Loss for the year then ended, Cash flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit and its cash flows for the year 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 Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of Standalone financial statements* section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and We have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information other than the standalone financial statements and auditors' report thereon

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

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The Board report along with its annexures is expected to be made available to us after the date of this Auditor's report. Our opinion on the financial statements does not cover the other information and we 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 when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the Board's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and will take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

**Management's Responsibility for the Standalone Financial Statement**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to seize operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 standalone financial statements.

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

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- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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.

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Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable

As required by section 143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and the Statement of Cash Flows, dealt with by this Report are in agreement with the books of accounts.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of written representations received from the directors as on 31st March 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025, from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the Report on adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B.**

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of the information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position, except as disclosed in the financial statements in Note No. 39.

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

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

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iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,

a. no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

c. Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account (Tally Editlog) which has the feature of recording audit trail (edit log) facility as required by Rule 11(g) and the same has operated from 7th December 2024 for all relevant transactions recorded in accounting software. As the Company has enabled the audit trail feature only from the current year, the preservation of audit trail as per the statutory requirements for record retention is applicable for the financial year ended March 31, 2025.

For S R B R & Associates LLP
Chartered Accountants
FRN: 004997S/S200051

R. Sundararajan
Partner
M. No : 029814
Date: 4th August, 2025.
Place: Chennai
UDIN: 25029814BNFUHZ1712

S R B R & Associates LLP
Chennai 600 034
Chartered Accountants

"Annexure A" to the Independent Auditors' Report on the Standalone Financial Statements of Garuda Aerospace Private Limited for the year ended 31st March 2025

As Referred in 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2025:

i) (a) (A) the company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) the Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment are physically verified by the management according to Phased programme designed to cover all the items over the period of 3 years which, in our opinion, is reasonable having regard to the size of the company and nature of the assets. Pursuant to programme a portion of the Property, Plant and Equipment has been physically verified by the management during the year, and no material discrepancies have been noticed on such verification

(c) the Company does not hold any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under this clause is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment during the period.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016)(Formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and rules made thereunder.

ii) (a) The inventory has been physically verified by the management at reasonable intervals during the year and in our opinion, the coverage and procedures as followed by the Management are appropriate. The discrepancies noticed on physical verification of inventory as compared to the books of accounts were less than 10% in each class of inventory and have been properly dealt with.

(b) The Company has been sanctioned working capital limits in excess of Rs 5 crores, in aggregate from banks in previous years, on the basis of security of current assets. To the extent the Company has filed quarterly returns or statements with such bank, the same are in agreement with the books of account.

iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, but has not provided any guarantee or security or any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(a) During the year, the Company has not provided any Loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.

(b) The company has made investments in the 2390 equity shares of M/s Zuppa Geo Navigation Technologies Pvt. Ltd for Rs.49,99 Lakhs. The terms and conditions under which such investments were made are not prejudicial to the company's interest, based on the information and explanation provided by the company.

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iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013.

v) In our opinion, and according to the information's and explanations given to us, the company has complied with the provisions of sec 185 and section 186 of the Companies Act 2013 in respect of the investments made. There are no loans or guarantees and security provided by the company.

vi) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public referred in sections 73, 74, 75 and 76 of the Act and Rules framed thereunder. Accordingly, reporting under clause 3(v) of the Order is not applicable.

vii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by the Company and/ or services provided by it. Accordingly, reporting under this clause 3(vi) of the Order is not applicable.

viii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Income-tax, Goods and Services tax, Provident Fund, Employee State Insurance and other statutory dues have not generally been regularly deposited by the Company with the appropriate authorities and there have been serious delays in a large number of cases.

Statement of arrears of the statutory dues outstanding for more than 6 months.

| Name of the Statute | Nature of the Dues | Amount | Period to which the amount relates | Due Date | Date of Payment |
|---|---|---|---|---|---|
| Employee Provident Fund and Miscellaneous Provisions Act, 1952 | Provident Fund dues | 5.52 Lakhs | March 2024 to September 2024 | Various dates till September 30, 2024 | Not yet paid |
| Employee State Insurance Act, 1948 | Employee State Insurance dues | 0.42 Lakhs | March 2024 to September 2024 | Various dates till September 30, 2024 | Not yet paid |
| Income Tax Act, 1961 | Advance tax | 235 Lakhs | June 2024 and September 2024 | 15th June 2024 and 15th September 2024 | Not yet paid |

(b) The particulars of statutory dues referred to in sub-clause (a) as at 31st March 2025, which have not been deposited on account of dispute, are as follows:

| Name of the statute | Nature of dues | Amount (net of payments) | Amount paid | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | Rs 2.41 Lakhs | - | FY 2022-23 | Assessing Officer |
| Income Tax Act, 1961 | TDS Demands | Rs 2.79 Lakhs | - | FY 2024-25 | Assessing Officer |

ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Accordingly, reporting under clause 3(viii) is not applicable.

x) (a) The Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority during the year.

(c) In our opinion and according to the information and explanations given to us, the Company has utilised the money obtained by way of Term loans during the year for the purposes for which they were obtained.

(d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, joint ventures during the year ended 31st March 2025.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised any loans during the year on the pledge of securities held in subsidiaries, associates or joint ventures.

xi) (a) The Company has not raised any money by way of Initial public offer or Further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the order is not applicable to the company.

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(b) According to the information and explanations given to us and procedures performed by us, we report that the company has raised share capital by the way of preferential allotment or private placement of shares and convertible debentures (fully convertible) during the year and the company has complied with requirements of section 42 and section 62 of the Companies Act, 2013 and the funds raised have been used for the purposes for which the funds were raised.

xii) (a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, not have been informed of any such case by the Management.

(b) No report was required to be filed under sub-section (12) of section 143 of the Companies Act by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistleblower complaints received by the company during the Year.

xiii) The company is not a Nidhi Company as defined under Section 406 of the Act. Hence reporting under sub - clauses (a) to (c) of this clause is not applicable.

xiv) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.

xv) In our opinion and based on our examination, the Company is not required to have an internal audit system as per the provisions of section 138 of the Companies Act, 2013. Hence, reporting under clause (xiv) does not arise.

xvi) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.

xvii) (a) the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934), hence reporting under this sub-clause is not applicable.

(b) the company has not conducted any Non-Banking Financial or Housing Finance activities as per the Reserve Bank of India Act, 1934, hence reporting under this sub-clause is not applicable

(c) the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under this sub-clause is not applicable.

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Chennai
600 034
Chartered Accountants

xviii) The company has not incurred cash losses in the Financial Year or immediately preceding financial year.

xix) There has not been any resignation of the statutory auditors during the year and accordingly this clause is not applicable.

xx) 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 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 that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xxi) The provisions of section 135 regarding the corporate social responsibility (CSR) is applicable to the company for the current financial year. The Company has spent the entire amount as at the end of the financial year, for specified CSR activities as per Schedule VII of the Act.

xxii) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For S R B R & Associates LLP**
Chartered Accountants
FRN: 004997S/S200051

S R B R & Associates LLP
Chennai
600 034
Chartered Accountants

**R. Sundararajan**
Partner
M. No. 029814

Date: 4th August, 2025.
Place: Chennai
UDIN: 25029814BNFUHZ1712

**"Annexure B" to the Independent Auditor's Report on the Standalone Financial Statements of Garuda Aerospace Private Limited for the year ended 31st March 2025**

As referred in clause (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Garuda Aerospace Private Limited of even date.

**Report on the Internal Financial Controls Over Financial Reporting under clause (i) of sub - section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Controls Over Financial Reporting of Garuda Aerospace Private Limited as at March 31, 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's responsibility for Internal Financial Controls**

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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Chennai 600 034
Chartered Accountants

## Meaning of Internal Financial Controls over financial reporting

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

## Limitations of internal financial controls over financial reporting

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

## Opinion

In our opinion and according to the information and explanations given to us, the Companyhas, in all material respects, an adequate internal financial control system over financialreporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For S R B R & Associates LLP**
Chartered Accountants
FRN: 004997S/S200051

S R B R & Associates LLP * Chennai 600 034 * Chartered Accountants

**R. Sundararajan**
Partner
M. No. 029814

Date: 4th August, 2025.
Place: Chennai
UDIN: 25029814BNFUHZ1712

**Garuda Aerospace Private Limited**
**Corporate Identity Number: U74900TN2015PTC102474**
**Regd. Office: Third Floor, Agni Business Centre, No. 24/46, K B Dasan Road, Alwarpet, Chennai - 600018**
**Balance Sheet as at March 31, 2025**
(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| Particulars | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| **Equity and liabilities** | | | |
| **Shareholders' funds** | | | |
| Share capital | 3 | 11.74 | 11.46 |
| Reserves and surplus | 4 | 16,791.90 | 10,051.36 |
| Share application money pending allotment | 5 | - | 408.01 |
| **Non-current liabilities** | | | |
| Long-term borrowings | 6 | 47.59 | 428.73 |
| Other long-term liabilities | 7 | 151.20 | 152.48 |
| Long-term provisions | 8 | 29.52 | 15.47 |
| **Current liabilities** | | | |
| Short-term borrowings | 9 | 623.60 | 1,539.64 |
| Trade payables | 10 | | |
| - Total outstanding dues to micro enterprises and small enterprises | | 1,365.99 | - |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 1,216.08 | 1,570.19 |
| Other current liabilities | 11 | 304.54 | 610.07 |
| Short-term provisions | 12 | 587.39 | 79.48 |
| **Total** | | **21,129.55** | **14,866.91** |
| **Assets** | | | |
| **Non-current assets** | | | |
| Property, Plant and Equipment and Intangible Assets | 13 | | |
| Property, Plant and Equipment | | 1,517.11 | 1,332.93 |
| Intangible assets | | 17.83 | 43.88 |
| Intangible assets under development | | 352.59 | - |
| Non-current investments | 14 | 50.00 | - |
| Deferred tax asset | 15 | 23.83 | 10.31 |
| Long-term loans and advances | 16 | - | - |
| Other non-current assets | 17 | 1,234.56 | 539.55 |
| **Current assets** | | | |
| Inventories | 18 | 2,458.75 | 2,615.87 |
| Trade receivables | 19 | 11,483.12 | 7,381.14 |
| Cash and bank balances | 20 | 458.17 | 1,522.79 |
| Short-term loans and advances | 21 | 3,533.61 | 1,420.44 |
| **Total** | | **21,129.55** | **14,866.91** |

**Notes 1 to 40 form an integral part of these financial statements**
This is the balance sheet referred to in our report of even date

As per our report of even date attached
**For S R B R & Associates LLP**
Chartered Accountants
FRN 004997S/S200051

**R. Sundararajan**
Partner
Membership No. 029814

Place: Chennai
Date: August 4, 2025

S R B R & Associates LLP Chartered Accountants Chennai 600 034

For and on behalf of the Board of Directors of
**Garuda Aerospace Private Limited**
CIN: U74900TN2015PTC102474

**Agnishwar Jayaprakash**
Whole Time Director
DIN: 02288785

Place: Chennai
Date: August 4, 2025

**Rithika Mohan**
Director
DIN: 08116670

Place: Chennai
Date: August 4, 2025

GARUDA AEROSPACE PVT. LTD. CHENNAI 600 018

Garuda Aerospace Private Limited
Corporate Identity Number: U74900TN2015PTC102474
Regd. Office: Third Floor, Agni Business Centre, No. 24/46, K B Dasan Road, Alwarpet, Chennai - 600018

## Statement of profit and loss for the year ended March 31, 2025

(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| Particulars | Note No. | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 22 | 11,767.88 | 10,994.55 |
| Other Income | 23 | 712.17 | 81.52 |
| **Total income** | | **12,480.05** | **11,076.06** |
| **Expenses** | | | |
| Cost of materials consumed | 24 | 7,246.30 | 5,015.75 |
| Changes in inventory of WIP and finished goods | | (1,659.22) | (123.35) |
| Employee benefits expense | 25 | 955.80 | 1,058.83 |
| Finance costs | 26 | 115.43 | 192.52 |
| Depreciation and amortization | 27 | 311.62 | 198.51 |
| Other expenses | 28 | 3,117.25 | 2,602.63 |
| **Total expenses** | | **10,087.19** | **8,944.88** |
| Profit/(loss) before exceptional and extraordinary items and tax | | 2,392.86 | 2,131.18 |
| Exceptional items | | - | - |
| Profit/(loss) before extraordinary items and tax | | 2,392.86 | 2,131.18 |
| Extraordinary items | | - | - |
| **Profit/(loss) before tax** | | **2,392.86** | **2,131.18** |
| Tax expense | | | |
| Current tax | | 670.00 | 550.00 |
| Tax expense of earlier years | | 9.64 | - |
| Deferred tax | | (13.52) | (1.28) |
| **Profit/(loss) after tax** | | **1,726.74** | **1,582.46** |
| **Earnings per equity share** | | | |
| (Nominal value ₹ 10/- per share) | | | |
| Basic (₹) | | 1,593.90 | 1,464.07 |
| Diluted (₹) | | 1,485.47 | 1,383.48 |

**Notes 1 to 40 form an integral part of these financial statements**

This is the statement of profit and loss referred to in our report of even date

As per our report of even date attached
**For S R B R & Associates LLP**
Chartered Accountants
FRN 004975/S200051

**R. Sundararajan**
Partner
Membership No. 029814

Place: Chennai
Date: August 4, 2025

S R B R & Associates LLP Chennai 600 034 Chartered Accountants

For and on behalf of the Board of Directors of
**Garuda Aerospace Private Limited**
CIN: U74900TN2015PTC102474

**Agnishwar Jayaprakash**
Whole Time Director
DIN: 02288785

Place: Chennai
Date: August 4, 2025

**Rithika Mohan**
Director
DIN: 08116670

Place: Chennai
Date: August 4, 2025

Garuda Aerospace Pvt. Ltd. Chennai 600 018

**Garuda Aerospace Private Limited**
**Corporate Identity Number: U74900TN2015PTC102474**
**Regd. Office: Third Floor, Agni Business Centre, No. 24/46, K B Dasan Road, Alwarpet, Chennai - 600018**
**Cash Flow Statement for the year ended March 31, 2025**
(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|
| **Cash Flow from Operating Activities:** | | |
| Net Profit Before Tax and Extraordinary Items | 2,392.86 | 2,131.18 |
| **Adjustments for** | | |
| Depreciation and amortisation | 311.62 | 198.51 |
| Fixed assets written off | 57.02 | - |
| Provision for product warranties | 23.36 | |
| Interest income | (38.07) | (23.30) |
| Share-Based Payment Expense | - | - |
| Finance cost | 115.43 | 192.52 |
| Operating Profit Before Working Capital Changes | 2,862.21 | 2,498.90 |
| Changes in Working Capital | | |
| (Increase)/Decrease in Inventories | 157.12 | (2,480.56) |
| (Increase)/Decrease in Trade receivables | (4,101.98) | (3,607.83) |
| (Increase)/Decrease in Short-term loans and advances | (2,113.17) | (736.89) |
| (Increase)/Decrease in long-term loans and advances | - | (422.92) |
| (Increase)/Decrease in other non-current assets | (695.01) | (50.77) |
| Increase/(Decrease) in Trade Payables | 1,011.88 | 1,409.92 |
| Increase/(Decrease) in Current liabilties | (305.53) | (165.74) |
| Increase/(Decrease) in Long Term Provisions | 14.04 | (5.13) |
| Increase/(Decrease) in Short Term Provisions | (0.43) | (0.32) |
| Increase/(Decrease) in Other Long term liabilties | (1.28) | 152.48 |
| **Cash used in Operating Activities** | (3,172.15) | (3,408.87) |
| Less: Income tax paid | 194.65 | 729.90 |
| **Net Cash used in operating activities** | **(3,366.81)** | **(4,138.77)** |
| **Cash Flow from Investing Activities:** | | |
| Purchase of Property, plant & equipment | (879.34) | (890.63) |
| Investment in Unquoted Equity Shares | (50.00) | - |
| Interest income | 38.07 | 23.30 |
| Bank deposits other than cash and cash equivalents | 178.97 | (366.38) |
| **Net Cash used in Investing Activities** | **(712.30)** | **(1,233.71)** |
| **Cash Flow from Financing Activities:** | | |
| Issue of share capital | 0.28 | 0.73 |
| Proceeds/Repayment of Borrowings (Net) | (1,297.19) | 491.73 |
| Finance cost | (115.43) | (192.52) |
| Share application money pending allotment | (408.01) | 351.21 |
| Securities premium received | 5,289.55 | 5,807.69 |
| Write off of share issue Expense | (275.76) | (267.68) |
| **Net Cash generated from Financing Activities** | **3,193.45** | **6,191.17** |
| Net Increase/(Decrease) in Cash and Cash Equivalents | (885.66) | 818.69 |
| Cash and Cash Equivalents at the beginning of the period | 980.60 | 161.92 |
| **Cash and Cash Equivalents at the end of the period** | **94.94** | **980.60** |
| **Cash and cash equivalents comprise of:** | | |
| Cash on hand | 0.04 | 3.11 |
| Balances with banks | | |
| - in Current Accounts | 94.90 | 977.49 |
| **Total** | **94.94** | **980.60** |

Notes
(1) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in AS 3.
(2) Cash comprises cash on hand and current accounts.

As per our report of even date attached
**For S R B R & Associates LLP**
Chartered Accountants
FRN 049975/S200051

**R. Sundararajan**
Partner
Membership No. 029814
Place: Chennai
Date: August 4, 2025

S R B R & Associates LLP ★ Chennai 600 034 ★ Chartered Accountants

For and on behalf of the Board of Directors of
**Garuda Aerospace Private Limited**
CIN: U74900TN2015PTC102474

**Agnishwar Jayaprakash**
Whole Time Director
DIN: 02288785
Place: Chennai
Date: August 4, 2025

**Rithika Mohan**
Director
DIN: 08116670
Place: Chennai
Date: August 4, 2025

GARUDA AEROSPACE PVT. LTD. ★ CHENNAI 600 018

Garuda Aerospace Private Limited
Corporate Identity Number: U74900TN2015PTC102474
Regd. Office: Third Floor, Agni Business Centre, No. 24/46, K B Dasan Road, Alwarpet, Chennai - 600018
Cash Flow Statement for the year ended March 31, 2025

**Summary of significant accounting policies and other explanatory information**
**Note no:**

## 1 Corporate Information

Garuda Aerospace Private Limited was incorporated on October 6, 2015 under the provisions of Companies Act 2013 with CIN: U74900TN2015PTC102474 and is engaged in the business of manufacturing, operating and providing services of Unmanned Aerial Vehicle (UAVs or Drones) for aerial topography, crop monitoring, mapping for purposes.

The financial statements for the year ended March 31, 2025 were authorised and approved for issue by the Board of Directors on August 4, 2025.

## 2 Significant accounting policies

### 2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2021 (as amended) and the relevant provisions of the Companies Act, 2013. Indian GAAP comprises mandatory Accounting Standards notified under Section 133 of the Companies Act 2013. The financial statements have been prepared on accrual basis under the historical cost convention.

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2021 (as amended). Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company, except for Cash flow statements which have been prepared in accordance with the requirements of the Companies Act, 2013; and the presentation and disclosure of employee benefit obligations in accordance with AS 15 Employee Benefits; and the presentation and disclosure of Diluted Earnings per share in accordance with AS 20 Earnings per share

Accounting policies have been consistently applied except where a newly accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Company has prepared the financial statements as per Revised Schedule III to the Companies Act, 2013 ('the Schedule') issued by the Ministry of Corporate Affairs. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Revised Schedule III to the Act, are presented by way of notes forming part of the financial statements along with other notes required to be disclosed.

### 2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expense like provision for employee benefits, provision for doubtful debts/ advances, useful life of fixed assets, provision for taxation, etc. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### 2.3 Inventories

Inventories comprises of raw material, work in progress, finished goods. Inventories are valued at lower of cost and net realisable value. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Production overheads, are allocated to finished goods produced determined on a full absorption cost basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses. The replacement cost of materials at the year end has been considered as the best available measure of their net realisable value.

S R B R & Associates LLP Chennai 600 034 Chartered Accountants

Garuda Aerospace Pvt. Ltd. Chennai 600 018

**2.4 Cash and Cash Equivalents**

Cash comprises cash on hand and demand deposit with bank. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

'Other bank balances' if any, would comprise of items such as balances with banks to the extent of held as margin money or security against borrowings etc, Bank deposits with more than three months maturity and also Bank deposits with more than twelve months maturity is disclosed separately etc.

**2.5 Cash Flow Statement**

The statement of cash flows has been prepared under indirect method prescribed under AS 3, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals. The cash flows from operating, investing and financing activities of the Company are segregated.

**2.6 Contingencies and Events occurring after the Balance Sheet Date**

There are no contingencies and events occurring after the balance sheet date as per AS 4 that materially affects the financial position of the company.

**2.7 Net Profit/Loss for the period, Prior Period Items and Change in Accounting Policies**

All items of Income & Expense of the period are included in the determination of the net profit of the period. There were no prior period items to be considered during the year. Accounting policies followed and accounting estimates made were consistent during the year and there were no significant changes observed as per AS-5.

**2.8 Revenue Recognition**

Revenue is recognized and expenses are accounted on their accrual with necessary provisions for all known liabilities and losses. AS-9 has been followed on recognition of Revenue.

**Sale of Drones and accessories**

Revenue is recognized when the significant risks and rewards relating to the title of goods are transferred to the customer and dispatched with an invoice.

**Surveillance charges received**

Revenue is recognised once the surveillance service is completed, invoice is raised and right to receive such revenue arises and it is probable that the economic benefits will flow to the Company and such amounts receivable can be measured reliably.

**Income from Training services**

Revenue is recognised based on agreements/arrangements with the customers as the services is performed and on receipt of completion certificate from the customers that there are no unfulfilled obligations.

**Income from Fixed deposits**

Interest on fixed deposits given for Bank Guarantee with banks is recognised on an accrual basis as per the terms of the said deposits.

**Other Income**

Other revenues are recognized and accounted on their accrual with necessary provisions for all known liabilities and losses as per AS 9.

There were no items in respect of which revenue recognition has been deferred to subsequent reporting periods, on account of pending resolution of significant uncertainties.

**2.10 Property, Plant and Equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Spares, standby equipment or servicing equipment which meet the definition of property, plant and equipment and intended to be used for more than 12 months are capitalised as on the date of acquisition. The corresponding old spares are decapitalised on such date with consequent impact in the statement of profit and loss.

The gain or loss arising from the de-recognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is included in the statement of profit and loss when the item is derecognised.

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**Capital Advance**

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as 'Capital Advances' under 'Other non-current assets'.

**2.11 Intangible Assets**

Intangible assets (computer software) acquired separately are measured on initial recognition at cost. Following intial recognition, intangible assets are carried at cost less accumulated depreciation and impairment. Internally generated intangible assets (Product development), excluding capitalized development costs are not cpaitalized and the corresponding expenditure is reflected in the statement of profit or loss in the year in which the expenditure is incurred

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the intangible assets and are recognized in the statement of profit or loss when the asset is derecognized

**Intangible assets under development:**

Intangible assets under development represent such assets that are under development phase and not put to use as at the end of the financial year

**Product Development**

The Company is currently undertaking the development of Design Structures of drones and AI based drone spraying products, and such development activities are at various stages of completion. Upon completion and accreditation by the Directorate General of Civil Aviation (DGCA), the asset will be reclassified under "Intangible Assets" and amortized over its estimated useful life.

Revenue expenditure pertaining to the research phase is charged off to the statement of Profit or Loss.

Development phase expenditure are capitalized only if it can be demonstrated that the prescribed criteria under AS 26 - Intangible Assets are met, and the asset is expected to generate future economic benefits, and it is probable that those future economic benefits will flow to the company and the costs of development can be measured reliably.

**2.12 Depreciation and Amortization**

The Company depreciates Property, Plant & Equipment over their estimated useful lives using Written down value method as per Schedule II of Companies Act. Depreciation on additions/deletions has been provided on pro rata basis. The residual values, useful lives and method of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate. The estimated useful lives considered for depreciation of Property, Plant & Equipment are as follows:

| Asset | Useful Life (Years) |
|---|---|
| Computer and Printer | 3 |
| Plant and Machinery | 15 |
| Office Equipment | 5 |
| Furniture and Fittings | 10 |
| Vehicles | 8 |
| Computer Software | Useful life is best estimated by the management |

**2.13 Foreign Currency Transactions and Translations**

**Initial Recognition:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

**Conversion**

Foreign currency assets/liabilities items which are carried in terms of historical cost denominated in a foreign currency are reported using the closing rate. Revenue nature items are reported using the exchange rate at the date of the transaction.

**Exchange Differences**

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements are recognized as income or as expense in the year in which they arise. The exchange difference on the date of closing, due to change in closing rate is taken into statement of profit and loss account.

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**2.14 Investments**

Non-current investments are carried at cost. Provision for diminution in the value of non-current investments is made to recognize a decline, other than temporary, in the value of such investments.

**Compliance with number of layers of companies**

The Company does not hold any parent / Subsidiary relationship with any other companies and accordingly, compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the year under consideration.

**2.15 Employee Benefits**

Expenses & liabilities in respect of employee benefits are recorded in accordance with AS-15.

Short term Employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Defined Contribution plan: Employee benefits in the form of contribution for provident fund, Employees State Insurance Corporation are considered as defined contribution plans and the same are charged to the statement of profit and loss for the year in which the employee renders the related service.

Defined Benefit plan – The liability for gratuity is determined using Projected Unit Method with actuarial valuation carried out as at the Balance sheet date. Provision for Gratuity has been accounted in the books for Rs. 13.61 Lakhs based on actuarial valuation due to excess provision made in earlier years. Actuarial gains and losses are recognized immediately in the Profit and Loss Account. The Company contribution towards gratuity is non-Funded. If any(Refer note no. 30 in Balance Sheet)

Leave Encashment: The Company's policy does not allow any encashment or carry forward of annual leaves, thereby making them a non-vesting benefit to the employees. Since the Company is an SMC as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2021 (as amended), they are not required to provide for non-vesting defined benefit obligations under AS 15 Employee Benefits

**2.16 Borrowing Cost**

Borrowing costs include interest, to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. In the current year ending March 31, 2025, no such borrowing cost is required to be capitalized.

**2.17 Segment Reporting**

Since the Company is an SMC as defined in the General Instructions in respect of Accounting Standards notified under the Companies (Accounting Standards) Rules, 2021 (as amended), they are exempt from the application of AS 17 Segment Reporting for preparation and presentation of their financial statements

**2.18 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Disclosure is made in the profit and loss account and in notes for the same. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any (Refer note no. 35 in Balance Sheet)

**2.19 Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

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Garuda Aerospace Pvt. Ltd. Chennai 600 018

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability. During the current year provision for deferred tax liability has been recognised. (Refer Note No.16)

Minimum Alternate tax ('MAT') under the provisions of Income Tax Act, 1961 is recognised as current tax in the Statement of Profit & Loss. The Credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against normal liability. MAT credit will be recognised as an asset and is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

During the current year, tax is paid by the Company under normal provision of Income Tax and the Company has opted for Section 115BAA – reduced rate of tax.

### 2.20 Impairment of Property, Plant and Equipment

At each Balance Sheet date, the carrying values of the tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, the company estimates the recoverable amount of the group of assets as a whole, to determine the value of impairment.

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. There are no such expenses to be considered for Impairment during the year.

### 2.21 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

There are Contingent liabilities, in the form of claims against the Company which are not acknowledged as debt (Refer to Note 38); The hearing for the said claims are in progress and the management expects a favourable outcome out of the same

### 2.22 Exceptional Items

When items of income and expense within statement of profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

S R B R & Associates LLP
Chennai
600 034
Chartered Accountants

GARUDA AEROSPACE PVT. LTD.
CHENNAI
600 018

Garuda Aerospace Private Limited
Corporate Identity Number: U74900TN2015PTC102474
Regd. Office: Third Floor, Agni Business Centre, No. 24/46, K B Dasan Road, Alwarpet, Chennai - 600018
Summary of significant accounting policies and other explanatory information
(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| 3 Share capital | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **a) Authorized Share Capital** | | |
| 1,90,000 Equity Shares of ₹ 10/- each (Previous year: 1,90,000) | 19.00 | 19.00 |
| 10,000 Preference Shares of ₹ 10/- each (Previous year: 10,000) | 1.00 | 1.00 |
| | **20.00** | **20.00** |
| **b) Issued, subscribed and fully paid-up Capital** | | |
| 1,08,355 Equity Shares of ₹ 10/- each (Previous year: 1,08,288) | 10.84 | 10.83 |
| 3,210 Series A 0.001% Compulsorily Convertible Cumulative Preference Shares of Rs. 10/- each (Previous year: 3,210) | 0.32 | 0.32 |
| 2,756 Series A1 0.001% Compulsorily Convertible Cumulative Preference Shares of Rs. 10/- each (Previous year: 2,756) | 0.28 | 0.28 |
| 595 Series B 0.001% Compulsorily Convertible Cumulative Preference Shares of Rs. 10/- each (Previous year: 330) | 0.06 | 0.03 |
| 196 Series B1 0.001% Compulsorily Convertible Cumulative Preference Shares of Rs. 10/- each (Previous year: Nil) | 0.02 | - |
| 1,945 Series B2 0.001% Compulsorily Convertible Cumulative Preference Shares of Rs. 10/- each (Previous year: Nil) | 0.19 | - |
| 343 Series B3 0.001% Compulsorily Convertible Cumulative Preference Shares of Rs. 10/- each (Previous year: Nil) | 0.03 | - |
| **Total** | **11.74** | **11.46** |
| **c) Par value (in ₹)** | | |
| Equity Share | 10 | 10 |
| Compulsorily Convertible Preference Shares | 10 | 10 |

**d) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period**

| **Equity shares** | As at March 31, 2025 No. of shares | As at March 31, 2024 No. of shares |
|---|---|---|
| At the beginning of the period | 108,288 | 107,312 |
| Add: Number of Preference converted into Equity during the period | - | - |
| Add: Shares issued during the period | 67 | 976 |
| **Balance at the end of the period** | **108,355** | **108,288** |

| **Preference shares** | As at March 31, 2025 No. of shares | As at March 31, 2024 No. of shares |
|---|---|---|
| At the beginning of the period | 6,296 | - |
| Less: Number of Preference converted into Equity during the period | - | - |
| Add: Shares issued during the period | | |
| Series A | - | 3,210 |
| Series A1 | - | 2,756 |
| Series B | 265 | 330 |
| Series B1 | 196 | - |
| Series B2 | 1,945 | - |
| Series B3 | 343 | - |
| **Balance at the end of the period** | **9,045** | **6,296** |

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(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

**e) Rights, preferences, restrictions attached to shares**

**Equity Shares**

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting (AGM) except interim dividend, subject to the approval of the shareholders in the ensuing AGM except interim dividend. In the event of liquidation, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by shareholders.

**Preference Shares**

The Company has Six classes of preference shares - Series A Compulsorily Convertible Cumulative Preference, Series A1 Compulsorily Convertible Cumulative Preference issued at a premium of Rs 75,296.88/- each (Face Value Rs. 10 each) and Series B, Series B1, Series B2, Series B3 Compulsorily Convertible Cumulative Preference shares issued at a premium of Rs 1,75,324.93/- each (Face Value Rs. 10 each). Each holder has a preferential right to be paid dividend at fixed amount and at a fixed rate of 0.001%. At the option of the holders, these share, either in whole or in part, may be converted into equity shares in the ratio as agreed before the expiry of 19 years from the issuance of such Compulsorily Convertible Cumulative Preference Shares. In the event of liquidation of the Company, the holders of Compulsorily Convertible Cumulative Preference Shares shall have a preference over other share holders of the Company.

**f) Shares held by holding company and ultimate holding company**

Nil

**g) Details of shareholders holding more than 5% of the shares**

| Name of the shareholder | As at March 31, 2025 | | As at March 31, 2024 | |
|---|---|---|---|---|
| | Number | % | Number | % |
| **Equity shares of ₹ 10/- each** | | | | |
| Agnishwar Jayaprakash | 95,723 | 88.34% | 94,563 | 87.33% |
| **Preference shares of ₹ 10/- each** | | | | |
| **Series A CCPS** | | | | |
| ZNL Growth Fund Scheme | 1,326 | 41.31% | 1,326 | 41.31% |
| Invstt Trust | 933 | 29.07% | 933 | 29.07% |
| **Series A1 CCPS** | | | | |
| Bharat Taparia | 664 | 24.09% | 664 | 24.09% |
| Invstt Trust | 313 | 11.36% | 313 | 11.36% |
| **Series B CCPS** | | | | |
| Hathor Corporate | 274 | 46.05% | 274 | 83.03% |
| Rishab Homes Private Limited | 56 | 9.41% | 56 | 16.97% |
| Vikram Gajiwala | 33 | 5.55% | 0 | 0.00% |
| **Series B1 CCPS** | | | | |
| Amit Bhor | 16 | 8.16% | - | - |
| C D Investments | 16 | 8.16% | - | - |
| Deshpande Nitin Gopal | 16 | 8.16% | - | - |
| Makarand Dattaraya Phadke | 16 | 8.16% | - | - |
| Nirwana Growth LLP | 26 | 13.27% | - | - |
| Nitin Kariwala | 17 | 8.67% | - | - |
| R. G. Kasat Industries Private Limited | 16 | 8.16% | - | - |
| Sanjay Krishnarao Gaat | 16 | 8.16% | - | - |
| Shashank Deshpande | 16 | 8.16% | - | - |
| Shirish Prabhakar Deodhar | 16 | 8.16% | - | - |
| Zalak Jatin Sanghvi | 25 | 12.76% | - | - |
| **Series B2 CCPS** | | | | |
| Biz Secure Labs Private Limited | 284 | 14.60% | - | - |
| Kailash Ramlal Jhaveri | 284 | 14.60% | - | - |
| Kirti Family Trust | 113 | 5.81% | - | - |
| Padma Lochan Mohanty | 455 | 23.39% | - | - |

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Garuda Aerospace Pvt. Ltd. Chennai 600 018

| | | | | |
|---|---|---|---|---|
| **Series B3 CCPS** | | | | |
| Agrisearch Limited | 86 | 25.07% | - | - |
| Hitesh Mehra | 86 | 25.07% | - | - |
| Pranav Dushyant Patel | 71 | 20.70% | - | - |
| Sunil Nayyar | 100 | 29.15% | - | - |

**h) Shares reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including terms and amounts**

The Company had entered into a celebrity endorsement agreement with Mahendra Singh Dhoni (MSD) dated May 12, 2022, whereby MSD shall provide brand endorsement services over a defined tenure of six committed days during the two year term of the agreement for a remuneration of Rs. 700 Lakhs, which has been accounted over the period in which the services were rendered. Additionally, they have entered into a Right to Subscribe agreement (RTS agreement) with MSD on the same date. As per the terms of the RTS agreement, the Company shall allot 1,025 shares to MSD at an exercise price of Rs. 20,429.07 per share and such rights shall be exercised by him between the 24th and 36th month from the date of the RTS agreement.

However, the Company had entered into an addendum to the RTS agreement post the end of the financial year, whereby it was agreed the said 1,025 shares shall be allotted to MSD without any consideration being receivable against the same and such modification of the contract terms shall be accounted during the financial year 2025-26

**i) Details of bonus shares, shares bought back and shares allotted as fully paid up pursuant to contract without payment being received in cash**

During the immediately preceding five years, there were no shares allotted pursuant to any contract without payment being received in cash, no shares allotted as fully paid up by way of bonus shares and no shares bought back by the Company.

**j) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date**

| S. No. and Type of Security | Conversion Terms | Earliest date of conversion | Conversion Ratio / Price |
|---|---|---|---|
| 1. Compulsorily Convertible Debentures (CCD) | Convertible after 10 years from Issue | 06-Jan-35 | 1 CCD = 1 Equity Shares @ ₹10 |
| 2. Compusorily Convertible Preference Shares (CCPS) | Convertible within 19 years from issue | 31-Oct-42 | 1 CCPS = 1 Equity Shares @ ₹10 |

**k) Calls unpaid**
Not applicable

**l) Forfeited shares**
Not applicable

**m) Equity shares held by promoters at the end of the year**

| S. No. and Promoter Name | As at March 31, 2025 | | As at March 31, 2024 | | % change during the year |
|---|---|---|---|---|---|
| | No. of shares | % of total shares | No. of shares | % of total shares | |
| Equity shares of ₹ 10/- each<br>1. Agnishwar Jayaprakash | 95,723 | 88.34% | 94,563 | 87.33% | 1.02% |

| S. No. and Promoter Name | As at March 31, 2024 | | As at March 31, 2023 | | % change during the year |
|---|---|---|---|---|---|
| | No. of shares | % of total shares | No. of shares | % of total shares | |
| Equity shares of ₹ 10/- each<br>Agnishwar Jayaprakash | 94,563 | 87.33% | 99,900 | 99.90% | (12.57%) |

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Garuda Aerospace Pvt. Ltd. Chennai 600 018

**Garuda Aerospace Private Limited**
**Corporate Identity Number: U74900TN2015PTC102474**
**Regd. Office: Third Floor, Agni Business Centre, No. 24/46, K B Dasan Road, Alwarpet, Chennai - 600018**
**Summary of significant accounting policies and other explanatory information**
(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **4 Reserves and Surplus** | | |
| **Retained earnings** | | |
| Balance at the beginning of the period | 2,416.02 | 833.56 |
| Add : Transferred from statement of profit and loss | 1,726.74 | 1,582.46 |
| **Balance at the end of the period** | **4,142.76** | **2,416.02** |
| **Securities Premium** | | |
| Balance at the beginning of the period | 7,635.34 | 2,095.34 |
| Premium on shares issued during the year | 5,289.55 | 5,807.69 |
| Less: Issue expenses | (275.76) | (267.68) |
| **Balance at the end of the period** | **12,649.14** | **7,635.34** |
| **Total** | **16,791.90** | **10,051.36** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **5 Share application money pending allotment** | | |
| Share application money pending allotment | - | 408.01 |
| | **-** | **408.01** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **6 Long-term borrowings** | | |
| **(a) Bonds/Debentures** | | |
| Compulsorily Convertible Debentures | 0.02 | - |
| **(b) Term loan** | | |
| **(A) from Banks** | | |
| Vehicle loan | 45.90 | 66.70 |
| **(B) from other parties** | | |
| Prabhakar Associates Private Limited | 1.67 | 200.32 |
| Hinduja Leyland Finance Ltd | - | 161.72 |
| | **47.59** | **428.73** |

| Particulars | Security | Terms of Repayment | Interest rate |
|---|---|---|---|
| ICICI Bank - Vehicle loan | Hypothecation of Maruti Suzuki Eeco cargo | 60 Months | 12.00% |
| Prabhakar Associates Private Limited | Unsecured | 6 Months | 18.00% |
| Hinduja Leyland Finance Ltd. | Unsecured | 120 Months | 9.95% |

During the year under review, the Company has preclosed the unsecured loan availed from Hinduja Leyland Finance Ltd.
There is no default in payment of interest or repayment of loan

**Compulsorily Convertible Debentures**

During the year, the Company issued 201 Compulsorily Convertible Debentures (CCDs) of ₹10/- each at a premium of ₹ 1,75,325 per debenture, aggregating to ₹ 352.42 Lakhs. These CCDs are compulsorily convertible into equity shares with a conversion ratio of 1:1. The CCDs carry a coupon rate of 0.001% per year and are unsecured.

Each holder of CCD may, at any time, but prior to the expiry of 10 (Ten) years from the date of issuance of the CCD, issue a notice to the Company for conversion of its CCDs into Equity Shares of the Company at the Conversion Ratio, on the occurrence of the following:
(i) Prior to the last day permitted under applicable Law in connection with an initial public offering ("IPO"); or
(ii) At any time at the option of the holders of the CCDs; or
(iii) 1 (One) day prior to the expiry of 10 (Ten) years from date of allotment of the CCDs, whichever is earlier. The Conversion Ratio will be suitably adjusted on the occurrence of Anti-Dilution.

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Garuda Aerospace Pvt. Ltd. Chennai 600 018

Garuda Aerospace Private Limited
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Summary of significant accounting policies and other explanatory information
(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **7 Other long-term liabilities** | | |
| **Creditors other than micro enterprises and small enterprises** | | |
| Amounts due under contractual obligations for purchase of property, plant and equipments, intangible assets etc., | 151.20 | 152.48 |
| | **151.20** | **152.48** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **8 Long-term provisions** | | |
| **Provision for employee benefits** | | |
| Provision for gratuity | 29.52 | 15.47 |
| | **29.52** | **15.47** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **9 Short-term borrowings** | | |
| **Secured loan** | | |
| Current maturities of long-term debt - ICICI term loan | 24.83 | 26.07 |
| Bank overdraft | 598.77 | 1,513.57 |
| | **623.60** | **1,539.64** |

Bank overdraft with ICICI Bank is secured by exclusive charge over the current assets, movable properties and Fixed Deposit of Rs. 3.60 Crores.

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **10 Trade payables** | | |
| Dues of micro enterprises and small enterprises | 1,365.99 | - |
| Dues of creditors other than micro enterprises and small enterprises | 1,216.08 | 1,570.19 |
| | **2,582.07** | **1,570.19** |

**Trade payables ageing schedule**

| Particulars | Outstanding for following periods from transaction date as on March 31, 2025 | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 1,310.75 | 55.24 | - | - | 1,365.99 |
| (ii) Others | 1,213.84 | 2.24 | - | - | 1,216.08 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| **Total** | **2,524.59** | **57.48** | - | - | **2,582.07** |

| Particulars | Outstanding for following periods from transaction date as on March 31, 2024 | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 1,562.86 | 7.33 | - | - | 1,570.19 |
| (iii) Disputed dues - MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |
| **Total** | **1,562.86** | **7.33** | - | - | **1,570.19** |

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GARUDA AEROSPACE PVT. LTD. CHENNAI 600 018 ★

Garuda Aerospace Private Limited
Corporate Identity Number: U74900TN2015PTC102474
Regd. Office: Third Floor, Agni Business Centre, No. 24/46, K B Dasan Road, Alwarpet, Chennai - 600018
Summary of significant accounting policies and other explanatory information
(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **11 Other current liabilities** | | |
| Statutory dues | 89.48 | 33.68 |
| Expenses payable | 2.70 | 74.35 |
| Caution Deposit refundable | 25.50 | 120.88 |
| Salary payable | 100.92 | 54.73 |
| Other payables | 18.08 | 102.83 |
| Audit fees Payable | 8.00 | 7.88 |
| Customer Advance | 59.86 | 215.72 |
| | **304.54** | **610.07** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **12 Short-term provisions** | | |
| Provision for gratuity | 0.75 | 1.19 |
| Provision for income tax (Net of prepaid taxes) | 563.28 | 78.30 |
| Provision for product warranties | 23.36 | - |
| | **587.39** | **79.48** |

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13 Property, plant and equipment, Intangible Assets and Intangible Assets under development

| Particulars | Property, plant and equipment (Own assets) | | | | | | Intangible (Own assets) | Intangible Assets under Development | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Computers and Data Processing units | Plant and machinery | Furniture & Fixtures | Office Equipment | Vehicles | Total | Software | Drone Development | Product Development | App Development |
| **Gross Block** | | | | | | | | | | |
| **Opening balance** | 70.37 | 651.70 | 14.83 | 23.46 | 143.46 | 903.82 | 6.49 | - | - | - |
| Additions | 39.06 | 788.70 | - | - | - | 827.76 | 62.87 | - | - | - |
| Deletions | - | - | - | - | - | - | - | - | - | - |
| **Balance as at March 31, 2024** | **109.43** | **1,440.40** | **14.83** | **23.46** | **143.46** | **1,731.58** | **69.36** | - | - | - |
| Additions | 21.79 | 439.08 | 31.95 | 11.31 | - | 504.12 | 22.63 | 143.30 | 87.29 | 122.00 |
| Deletions | - | 14.52 | - | - | - | 14.52 | 42.50 | - | - | - |
| **Balance as at March 31, 2025** | **131.22** | **1,864.97** | **46.78** | **34.76** | **143.46** | **2,221.18** | **49.49** | **143.30** | **87.29** | **122.00** |
| **Accumulated depreciation** | | | | | | | | | | |
| **Opening balance** | 41.54 | 148.55 | 2.47 | 5.38 | 21.99 | 219.92 | 5.70 | - | - | - |
| Charge for the period | 27.99 | 99.47 | 3.34 | 8.15 | 39.77 | 178.72 | 19.78 | - | - | - |
| Reversal on disposal of assets | - | - | - | - | - | - | - | - | - | - |
| **Balance as at March 31, 2024** | **69.52** | **248.02** | **5.81** | **13.53** | **61.76** | **398.64** | **25.48** | - | - | - |
| Charge for the period | 33.17 | 237.90 | 5.00 | 6.25 | 25.52 | 307.84 | 16.03 | - | - | - |
| Depreciation added back | - | 2.40 | - | - | - | 2.40 | 9.84 | - | - | - |
| **Balance as at March 31, 2025** | **102.69** | **483.52** | **10.80** | **19.78** | **87.28** | **704.08** | **31.67** | - | - | - |
| **Net block** | | | | | | | | | | |
| **Balance as at March 31, 2024** | **39.91** | **1,192.38** | **9.02** | **9.92** | **81.70** | **1,332.93** | **43.88** | - | - | - |
| **Balance as at March 31, 2025** | **28.53** | **1,381.44** | **35.97** | **14.98** | **56.18** | **1,517.11** | **17.83** | 143.30 | 87.29 | 122.00 |

**Directly attributable costs of intangible assets under development**

| Particulars | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|
| Costs of Materials Consumed (Refer note 24) | 8.77 | - |
| Employee Benefit expenses (Refer note 25) | 25.26 | - |
| Other expenses (Refer note 28) | 53.26 | - |
| **Total** | **87.29** | |

**Intangible Assets under development**

| Product Development and App Development | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 352.59 | - | - | - | 352.59 |
| Projects temporarily suspended | - | - | - | - | - |
| **Total** | **352.59** | **-** | **-** | **-** | **352.59** |

Ageing is not applicable for the previous financial year.

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(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **14 Non-current investments** | | |
| Investment in Unquoted Equity Shares | | |
| Zuppa Geo Navigation Technologies Private Limited (2,390 Equity Shares of face value Rs. 10/- each) | 50.00 | - |
| | **50.00** | **-** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **15 Deferred tax assets (net)** | | |
| Opening balance | 10.31 | 9.03 |
| Timing difference on account of property, plant and equipment, depreciation and amortization | 10.10 | 2.65 |
| Tax on expense allowable on payment basis | 3.43 | (1.37) |
| | **23.83** | **10.31** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **16 Long-term loans and advances** | | |
| Unsecured, considered good | | |
| | - | - |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **17 Other non-current assets** | | |
| Unsecured, considered good | | |
| Government Grant | - | 50.77 |
| Capital Advances | 649.00 | - |
| Security deposits | 299.04 | 445.15 |
| BG Deposits | 187.45 | 43.63 |
| Deposits with bank with original maturity more 12 months | 99.07 | |
| | **1,234.56** | **539.55** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **18 Inventories** | | |
| Raw materials | 676.19 | 2,492.53 |
| Work-in-Progress | - | 32.12 |
| Finished goods | 1,782.56 | 91.22 |
| | **2,458.75** | **2,615.87** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **19 Trade receivables** | | |
| Unsecured, considered good | 11,483.12 | 7,381.14 |
| | **11,483.12** | **7,381.14** |

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Summary of significant accounting policies and other explanatory information
(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

**Trade receivables ageing schedule**

| Particulars | Outstanding for following periods from due date of payment as on March 31, 2025 | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **Considered good** | | | | | | |
| (i) Undisputed | 7,643.88 | 2,432.22 | 1,386.13 | - | 20.89 | 11,483.12 |
| (ii) Disputed | - | - | - | - | - | - |
| **Considered doubtful** | | | | | | |
| (i) Undisputed | - | - | - | - | - | - |
| (ii) Disputed | - | - | - | - | - | - |
| **Total** | **7,643.88** | **2,432.22** | **1,386.13** | - | **20.89** | **11,483.12** |

| Particulars | Outstanding for following periods from due date of payment as on March 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| **Considered good** | | | | | | |
| (i) Undisputed | 5,337.36 | 1,010.53 | 1,033.25 | - | - | 7,381.14 |
| (ii) Disputed | - | - | - | - | - | - |
| **Considered doubtful** | | | | | | |
| (i) Undisputed | - | - | - | - | - | - |
| (ii) Disputed | - | - | - | - | - | - |
| **Total** | **5,337.36** | **1,010.53** | **1,033.25** | - | - | **7,381.14** |

No trade receivables are due from directors or other officers of the company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **20 Cash and bank balances** | | |
| **a) Cash and cash equivalents** | | |
| i) Cash-in-hand | 0.04 | 3.11 |
| ii) Balance with banks | | |
| - in current account | 94.90 | 977.49 |
| **b) Other bank balances** | | |
| Deposits with banks held as margin money against guarantees | - | - |
| Deposits with bank with original maturity more than 3 months upto 12 months | 363.22 | 542.19 |
| | **458.17** | **1,522.79** |

| | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|
| **21 Short-term loans and advances** | | |
| Unsecured, considered good | | |
| Balance with revenue authorities | 760.13 | 316.80 |
| Advance for expenses | 3.28 | 22.20 |
| Earnest Money Deposit | 212.75 | 69.42 |
| Other supplier advances | 1,407.19 | 823.10 |
| Other advances | 1,132.43 | 12.51 |
| Prepaid expenses | 17.84 | 176.40 |
| | **3,533.61** | **1,420.44** |

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Garuda Aerospace Pvt. Ltd. Chennai 600 018

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(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| **22 Revenue from operations** | **Year ended March 31, 2025** | **Year ended March 31, 2024** |
|---|---|---|
| **Sale of products** | | |
| Sale of drone and drone accessories | 5,984.98 | 4,253.32 |
| **Sale of services** | | |
| Drone as a service | 5,615.05 | 6,736.07 |
| RPTO training | 167.85 | 5.16 |
| | **11,767.88** | **10,994.55** |

| **23 Other Income** | **Year ended March 31, 2025** | **Year ended March 31, 2024** |
|---|---|---|
| Interest income | 38.07 | 23.30 |
| Production Linked Incentive received | 578.42 | 50.77 |
| Net gain on foreign exchange transactions | 2.13 | 4.84 |
| Miscellaneous income | 93.54 | 2.60 |
| | **712.17** | **81.52** |

| **24 Cost of materials consumed** | **Year ended March 31, 2025** | **Year ended March 31, 2024** |
|---|---|---|
| Opening Stock | 2,492.53 | 135.31 |
| Purchases (including direct costs): | | |
| Purchase of Batteries | 460.24 | 811.41 |
| Purchase of Motors | 615.60 | 953.33 |
| Purchase of other Raw Materials and other direct costs | 1,760.79 | 2,709.79 |
| **Less: Transferred to Intangible assets under development** | **(8.77)** | - |
| | **2,827.86** | **4,474.54** |
| Outsourced contract cost | 2,177.45 | 2,512.29 |
| Clearing and forwarding expenses | 44.41 | 107.30 |
| Customs duty | 380.26 | 278.83 |
| Less: Closing Stock | (676.19) | (2,492.53) |
| | **7,246.30** | **5,015.75** |

| **25 Employee benefits expense** | **Year ended March 31, 2025** | **Year ended March 31, 2024** |
|---|---|---|
| Salaries and wages | 918.51 | 951.25 |
| **Less: Transferred to Intangible assets under development** | **(25.26)** | - |
| Contribution to provident fund and other funds | 23.97 | 27.41 |
| Gratuity | 13.61 | 8.80 |
| Staff welfare expenses | 24.97 | 71.36 |
| | **955.80** | **1,058.83** |

| **26 Finance costs** | **Year ended March 31, 2025** | **Year ended March 31, 2024** |
|---|---|---|
| Interest on vehicle loan | 9.95 | 12.62 |
| Interest on unsecured loan | 13.08 | 96.94 |
| Interest on overdraft facility | 69.31 | 64.99 |
| Other borrowing cost | 23.08 | 17.96 |
| | **115.43** | **192.52** |

SRBR & Associates LLP Chartered Accountants Chennai 600 034

Garuda Aerospace Pvt. Ltd. Chennai 600 018

Garuda Aerospace Private Limited
Corporate Identity Number: U74900TN2015PTC102474
Regd. Office: Third Floor, Agni Business Centre, No. 24/46, K B Dasan Road, Alwarpet, Chennai - 600018
Summary of significant accounting policies and other explanatory information
(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

| | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|
| **27 Depreciation and amortization** | | |
| Depreciation on property, plant and equipment | 305.44 | 178.72 |
| Amortization on intangible assets | 6.18 | 19.78 |
| | **311.62** | **198.51** |

| | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|
| **28 Other expenses** | | |
| Business promotion expenses | 1,131.96 | 664.76 |
| **Less: Transferred to Intangible assets under development** | **(0.79)** | - |
| Professional expenses | 712.50 | 770.69 |
| **Less: Transferred to Intangible assets under development** | **(50.27)** | - |
| Expenditure on CSR activities | - | 50.00 |
| Travelling & conveyance expenses | 350.89 | 640.65 |
| Rent | 38.90 | 15.72 |
| Commission & brokerage | 56.18 | 45.56 |
| Forms & fees | 22.92 | 32.32 |
| **Less: Transferred to Intangible assets under development** | **(1.45)** | - |
| Administrative expenses | 18.23 | 5.38 |
| **Less: Transferred to Intangible assets under development** | **(0.12)** | - |
| Repairs & maintenance | 41.41 | 36.15 |
| **Less: Transferred to Intangible assets under development** | **(0.42)** | - |
| Postage, Printing & Stationery | 24.33 | 36.70 |
| Communication expenses | 55.36 | 146.40 |
| **Less: Transferred to Intangible assets under development** | **(0.22)** | - |
| Rates and taxes | 41.46 | 7.77 |
| Power and fuel | 1.10 | 0.79 |
| Insurance | 48.29 | 41.91 |
| Transportation & Freight | 1.21 | 1.58 |
| Bank charges | 13.94 | 12.09 |
| Warranty expenses | 23.36 | - |
| Bad debts written off | 84.80 | - |
| Transportation charges | 247.40 | 60.08 |
| Software license charges | 215.96 | - |
| Payments to the auditors | | |
| (i) for Statutory Audit | 7.00 | 5.50 |
| (ii) For others matters | 0.55 | 0.25 |
| Miscellaneous expenses | 32.76 | 28.31 |
| | **3,117.25** | **2,602.63** |

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GARUDA AEROSPACE PVT. LTD. ★ CHENNAI 600 018

Garuda Aerospace Private Limited

Summary of significant accounting policies and other explanatory information

(All Amounts are in Lakhs of Indian Rupess (₹), unless otherwise stated)

**29 Disclosure of ratios**

| Ratio | March 31, 2025 | March 31, 2024 | % change | Explanation |
|---|---|---|---|---|
| **Current Ratio (Current Assets/Current Liabilities)** | | | | |
| Current Assets | 17,933.65 | 12,940.24 | | |
| Current Liabilities | 4,097.60 | 3,799.39 | 28.50% | |
| Current Ratio (times) | 4.38 | 3.41 | | |
| **Debt Equity Ratio (Debt/Equity)** | | | | |
| Debt | 671.19 | 1,968.38 | | The decrease in debt-equity ratio during the year is attributed to the repayment of borrowings made during the year and also due to proceeds raised through issue of CCPS |
| Equity | 16,803.64 | 10,470.83 | (78.75%) | |
| Debt Equity Ratio (times) | 0.04 | 0.19 | | |
| **Debt Service Coverage Ratio (Earnings available for Debt Service/Debt Service)** | | | | |
| Earnings available for debt service | 1,965.81 | 1,740.16 | | The increase in the debt service coverage ratio is due to the repayment of borrowings, closure of overdraft facilities during the year and also on account of increase in profits during the current year |
| Debt service | 1,384.44 | 1,725.67 | 40.81% | |
| Debt Service Coverage Ratio (times) | 1.42 | 1.01 | | |
| **Return on Equity Ratio (Net Profit after taxes - Preference Dividend)/Average Shareholder's Equity** | | | | |
| Net Profit after taxes | 1,726.74 | 1,582.46 | | |
| Preference Dividend | - | - | | |
| Average Shareholder's Equity | 13,637.23 | 6,733.63 | (10.84%) | |
| Return on Equity Ratio (%) | 12.66% | 23.50% | | |
| **Inventory Turnover Ratio (Sales/Average Inventory)** | | | | |
| Sales | 11,767.88 | 10,994.55 | | The decrease in the inventory turnover ratio is due to the closing inventory levels being consistent across the comparative periods and revenue trends in line with each other |
| Average Inventory | 2,537.31 | 1,375.59 | (41.97%) | |
| Inventory Turnover Ratio (times) | 4.64 | 7.99 | | |
| **Trade Receivables Turnover ratio (Net Credit Sales/Average Accounts Receivable)** | | | | |
| Net Credit Sales | 11,767.88 | 10,994.55 | | The decrease in the trade receivables turnover ratio is on account of increase in balances of trade receivables during the current year and revenue remaining in line with the previous year |
| Average accounts receivables | 9,432.13 | 5,577.23 | (36.71%) | |
| Trade receivables turnover ratio (times) | 1.25 | 1.97 | | |
| **Net Capital Turnover ratio (Net capital/Average working capital)** | | | | |
| Net Sales | 11,767.88 | 10,994.55 | | The decrease in the net capital ratio is on account of increase in trade receivables balances and the repayment of short term borrowings which formed part of current liabilities |
| Average working capital | 11,488.45 | 6,270.58 | (41.58%) | |
| Net Capital Turnover ratio (times) | 1.02 | 1.75 | | |
| **Net Profit ratio (Net profit/Sales)** | | | | |
| Net Profit | 1,726.74 | 1,582.46 | | |
| Net Sales | 11,767.88 | 10,994.55 | 0.28% | |
| Net Profit ratio (%) | 14.67% | 14.39% | | |
| **Return on capital employed (Earning before interest and taxes/Capital Employed)** | | | | |
| Earning before interest and taxes | 2,508.29 | 2,323.69 | | |
| Capital Employed | 16,851.23 | 10,899.56 | (6.43%) | |
| Return on capital employed (%) | 14.88% | 21.32% | | |

**Formula used**

1. Shareholder's equity includes share capital, retained earning and securities premium
2. Working capital = Current assets less current liabilities
3. Capital employed includes share capital, reserves and surplus and borrowings.

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Summary of significant accounting policies and other explanatory information
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## 30 Employee benefits

### Defined contribution plan

The Company makes contributions to Provident Fund and Employee State Insurance Schemes which are defined contributions plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll cost to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

### Defined benefit plan

**Gratuity plan**

The Company operates gratuity plan wherein every employee is entitled to benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on retirement or termination. The benefit vests after five years of continuous service.

| Particulars | Gratuity (Unfunded) | |
|---|---|---|
| | March 31, 2025 | March 31, 2024 |
| Projected benefit obligation at the beginning of the year | 16.66 | 22.11 |
| Service cost | 7.13 | 16.79 |
| Interest cost | 1.20 | 1.66 |
| Past Service cost | - | - |
| Actuarial (Gain)/Loss on liability | 5.28 | -23.89 |
| Benefits paid | - | - |
| Projected benefit obligation at the end of the year | 30.27 | 16.66 |

**Amount recognised in Balance sheet**

| Particulars | Gratuity (Unfunded) | |
|---|---|---|
| | March 31, 2025 | March 31, 2024 |
| Projected benefit obligation at the end of the year | 30.27 | 16.66 |
| Fair value of plan assets at the end of the year | - | - |
| Amount of liability recognised in the Balance sheet | 30.27 | 16.66 |
| Current Liability | 0.75 | 1.19 |
| Non Current Liability | 29.52 | 15.47 |

**Expense recognised in Statement of Profit and loss**

| Particulars | Gratuity (Unfunded) | |
|---|---|---|
| | March 31, 2025 | March 31, 2024 |
| Interest cost on obligation | 1.20 | 1.66 |
| Expected return on plan assets | - | - |
| Current service cost | 7.13 | 16.79 |
| Actuarial (Gain)/Loss | 5.28 | -23.89 |
| Expenses recognised in Statement of Profit and loss | 13.61 | -5.45 |

**Summary of Actuarial Assumptions**

| Particulars | Gratuity (Unfunded) | |
|---|---|---|
| | March 31, 2025 | March 31, 2024 |
| Mortality Rate | IALM 2012-14 Ult. | IALM 2012-14 Ult. |
| Salary Escalation Rate | 5.00% | 3.00% |
| Discount Rate | 6.89% | 7.21% |
| Vesting period (in years) | 5 | 5 |
| Benefit ceiling (INR) | 2,000,000 | 2,000,000 |

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**31 Related parties**

**a) Names of related parties**

| Description of Relationship | Name of the related party |
|---|---|
| Key Management Personnel (KMP) | Agnishwar Jayaprakash |
| | Rithika Mohan |
| Relatives of KMP | Bhavani Jayaprakash |
| | Vishnu Jayaprakash |
| | R N Jayaprakash |
| Entities in which KMP/Relatives of KMP can exercise significant influence | Agni Estates and Foundations Private Limited |
| | Flame Advertising Company Private Limited |
| | Fourthforce Surveillance Indo Private Limited |
| | Vagas Aqua Private Limited |
| | Vishnusurya Projects and Infra Limited |
| | Agni Business & Management Services Private Limited |
| | Sri Balaji Charitable and Educational Trust (Agni College of Technology) |

**b) Transactions with related parties**

(Amount exclusive of taxes)

| Nature of transactions | Name of the related party | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|---|
| Remuneration | Agnishwar Jayaprakash | - | 43.50 |
| | Rithika Mohan | 34.00 | 48.00 |
| Sale of services | Sri Balaji Charitable and Educational Trust | - | 183.20 |
| | Vishnusurya Projects and Infra Limited | 953.26 | 10.04 |
| Sale of goods | Vishnusurya Projects and Infra Limited | 7.11 | 7.99 |
| | Bhavani Jayaprakash | 0.81 | - |
| Market research and advisory expense | Flame Advertising Company Private Limited | - | 315.00 |
| Business Promotion | Flame Advertising Company Private Limited | 5.00 | - |
| Sponsorship expenses | Sri Balaji Charitable and Educational Trust | 106.00 | - |
| Expenses incurred on behalf of the Company | Agni Estates and Foundations Private Limited | - | 32.23 |
| Advance paid for purchase of land | Agni Estates and Foundations Private Limited | 1,059.00 | - |
| Refund of advance paid for purchase of land | Agni Estates and Foundations Private Limited | 277.37 | - |
| Loans and advances received | Sri Balaji Charitable and Educational Trust | - | 232.15 |
| | Agni Estates and Foundations Private Limited | - | 15.00 |
| Loans and advances repaid | Sri Balaji Charitable and Educational Trust | - | 230.70 |
| | Agni Estates and Foundations Private Limited | - | 15.00 |
| Purchase of fixed assets | Vishnusurya Projects and Infra Limited | - | 753.47 |

**c) Balances with related parties**

| Nature of transactions | Name of the related party | As at March 31, 2025 | As at March 31, 2024 |
|---|---|---|---|
| Advance paid | Agni Estates and Foundations Private Limited | 761.77 | - |
| Receivable | Sri Balaji Charitable and Educational Trust | 166.11 | - |
| | Vishnusurya Projects and Infra Limited | 1,008.57 | 673.26 |
| Payable | Agnishwar Jayaprakash | - | 36.29 |
| | R N Jayaprakash | - | 1.86 |
| | Bhavani Jayaprakash | - | 13.64 |
| | Agni Estates and Foundations Private Limited | - | 29.29 |
| | Sri Balaji Charitable and Educational Trust | 17.89 | 21.45 |

**32 Earnings & Expenditure in foreign currency (on accrual basis)**

| | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|
| Earnings in foreign currency | | |
| Sale of drones | 3.94 | - |
| Expenditure in foreign currency | | |
| Consultancy fees | 129.38 | 163.91 |
| Professional and technical services | 57.43 | 39.93 |
| Subscription | 6.79 | - |
| Purchase of Software | 193.25 | - |
| Purchase of Software | 18.73 | - |
| Public relation services | - | 7.50 |

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Summary of significant accounting policies and other explanatory information
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| | | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|---|
| **33** | **CIF Value of Imports** | | |
| | Raw Materials | 2,409.10 | 335.85 |
| | Capital Goods | 291.97 | - |
| | **Total** | **2,701.07** | **335.85** |

| | | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|---|
| **34** | **Payments to auditors (excluding tax)** | | |
| | As auditor | | |
| | Statutory audit | 7.00 | 5.50 |
| | Certification fees | 0.55 | - |
| | **Total** | **7.55** | **5.50** |

| | | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|---|---|---|
| **35** | **Earnings per share** | | |
| | Profit/(Loss) for the period | 1,726.74 | 1,582.46 |
| | Number of shares outstanding | | |
| | Weighted average number of equity shares outstanding during the period | 108,334 | 108,086 |
| | Weighted average number of diluted potential equity shares | 7,908 | 6,296 |
| | Weighted average number of equity shares for computing diluted earnings per share | 116,242 | 114,382 |
| | Earnings per share (Nominal value ₹ 10/- per share) | | |
| | Basic (₹) | 1,593.90 | 1,464.07 |
| | Diluted (₹) | 1,485.47 | 1,383.48 |

**36 Other Disclosures**

(a) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(b) The Company neither has any immovable property nor any title deeds of Immovable Property not held in the name of the Company.

(c) The Company neither has traded nor invested in crypto currency or virtual currency during the financial year.

(d) There is no charge or satisfaction of charge which is yet to be registered with the Registrar of Companies beyond the statutory period.

(e) The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment

(f) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(g) 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any parties (Funding Parties) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(h) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(i) The Company has been sanctioned working capital limit of ₹ 900 Lakhs by ICICI Bank Limited on the basis of book debts, stock, movable assets and entire current assets of the Company.

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

S R B R & Associates LLP ★ Chennai 600 034 ★ Chartered Accountants

GARUDA AEROSPACE PVT. LTD. CHENNAI 600 018 ★

37 **Reconciliation of quarterly statements filed with bankers**

| Quarter ended | Stock Value as per books | Stock Value as per Stock Statement submitted to bank | Difference | Reason for difference |
|---|---|---|---|---|
| June 30, 2025 | 2,877.18 | 2,877.42 | -0.24 | This difference is due to the invoice for the relevant month being received after the reporting period. |
| September 30, 2025 | 281.37 | 281.40 | -0.03 | The finished goods value was erroneously reported in place of the comprehensive inventory accumulation |
| December 31, 2025 | 305.41 | 305.19 | 0.22 | This difference is due to the invoice for the relevant month being received after the reporting period. |
| March 31, 2025 | 210.04 | - | 210.04 | Stock statement was not submitted for this quarter, as the facility has been closed subsequently. |

38 **Contribution to CSR Activities**

As per the Companies Act, 2013, the Company is required to spend atleast 2% of the average net profits of the three immediately preceding financial years on CSR.

The head wise amounts spent during the year are as follows:

| Corporate Social Responsibility | 31st March 2025 (in Lakhs) | 31st March 2024 (in Lakhs) |
|---|---|---|
| (a) amount required to be spent | 23.04 | 8.47 |
| (b) amount of expenditure incurred, | 0.00 | 50.00 |
| (c) shortfall at the end of the year, | 0.00 | 0.00 |
| (d) total of previous years shortfall, | 0.00 | 0.00 |
| (e) reason for shortfall, | NA | NA |
| (f) nature of CSR activities, | Education and Skill Development | Education and Skill Development |
| (g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard, | Not Applicable | Not Applicable |
| (h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. | Not Applicable | Not Applicable |

*Excess expenditure spent CSR has been carried forward to next financial year.

The Company is required to spend ₹ 23.04 Lakhs towards Corporate Social Responsibility (CSR) activities during the year, in accordance with the provisions of Section 135(5) of the Companies Act, 2013.

SRBR & Associates LLP ★ Chartered Accountants ★ Chennai 600 034

GARUDA AEROSPACE PVT. LTD. ★ CHENNAI 600 018

During FY 2023–24, the Company had spent ₹ 50 Lakhs against a requirement of ₹ 8.47 Lakhs, resulting in an excess CSR expenditure of ₹ 41.53 Lakhs. As permitted under the second proviso to Section 135(5) of the Companies Act, 2013 and Rule 7(3) of the Companies (CSR Policy) Rules, 2014 (as amended), the Company has set off ₹ 23.04 Lakhs of this excess against its CSR obligation for FY 2024–25. The remaining excess amount of ₹ 18.49 lakhs will be carried forward and eligible to be set off against CSR obligations of subsequent financial years, in line with the aforesaid provisions, subject to the three-year limit.

The excess CSR expenditure was disclosed in Form CSR-2 and filed along with Form AOC-4 for FY 2023–24.

**39 Contingent Liabilities**

(a) claims against the company not acknowledged as debt;

**1. Litigation – Pending Civil Case**

A civil suit filed by a vendor is pending before the Hon'ble High Court, demanding Rs.24.49 lakhs for alleged breach of contract. Based on legal advice, the Company believes that it has a strong case and the possibility of an outflow of resources is unlikely.

**2. Income Tax – TDS Demand**

The Company has received a demand notice from the Income Tax Department under Section 201 of the Income Tax Act, 1961, for short deduction of TDS amounting to Rs. 2.79 lakhs for FY 2024–25. The Company provided due explanations and awaiting response form the department.

| Nature of Contingent Liability | Amount | Remarks |
|---|---|---|
| Civil Suit – Vendor Dispute | Rs. 24.49 lakhs | Favourable outcome expected |
| TDS Demand under Sec 201 | Rs. 2.79 lakhs | explanations provided, awaiting response from IT. |

**40 Prior year comparatives**

Previous year figures have been re-grouped/re-classified wherever considered necessary to conform to the current year classification.

This is the summary of significant policies and other explanatory information referred to in our report of even date

As per our report of even date attached
**For S R B R & Associates LLP**
Chartered Accountants
FRN 049975/S200051

**R. Sundararajan**
Partner
Membership No. 029814

Place: Chennai
Date: August 4, 2025

S R B R & Associates LLP Chennai 600 034 Chartered Accountants

For and on behalf of the Board of Directors of
**Garuda Aerospace Private Limited**
CIN: U74900TN2015PTC102474

**Agnishwar Jayaprakash**
Whole Time Director
DIN: 02288785

Place: Chennai
Date: August 4, 2025

**Rithika Mohan**
Director
DIN: 08116670

Place: Chennai
Date: August 4, 2025

GARUDA AEROSPACE PVT. LTD. CHENNAI 600 018