

Authorized Share Capital Rs. 14,00,00,000
Issued and Paid-Up Share Capital Rs. 9,78,21,960
CIN: U72200PN2010PLC135732

STATUTORY AUDIT REPORT

OF

SCHNELL DRONE TECHNOLOGIES LIMITED
(Formerly known as Schnell Drone Technologies Private Limited /
Schnell Informatics Private Limited)

ICON TOWER OFFICE No. 402 & 403, S.No. 114/5/1, 115/1/1,
114/6/3, 115/2, 4TH FLOOR, BANER, Baner Gaon, Pune, Haveli,
Maharashtra, India, 411045

F.Y. 2023-24

Statutory Auditors:

Malani Somani Chandak & Associates
Chartered Accountants,
2, Dream Presidency, 1202/17E, Apte Road,
Santosh Bakery Lane, Shivajinagar, Pune-411 004



INDEPENDENT AUDITOR'S REPORT

To the Members of SCHNELL DRONE TECHNOLOGIES LIMITED (Formerly known as Schnell Drone Technologies Private Limited / Schnell Informatics Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SCHNELL DRONE TECHNOLOGIES LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of profit and loss, statement of cash flows for the year then ended 31st March 2024, and notes to the 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 financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit and its cash flow for the year ended on that date.

Basis for Opinion

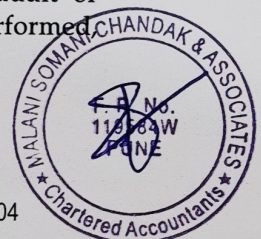
We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed



we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

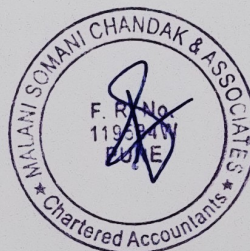
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

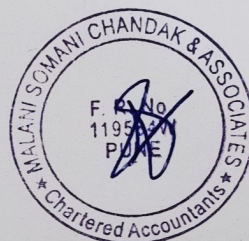
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (1) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (2) 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



(3) The Balance Sheet and the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the books of account

(4) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

(6) With respect to the adequacy of the internal financial controls over the financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"

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

(a) The Company does not have any pending litigations which would impact its financial position

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

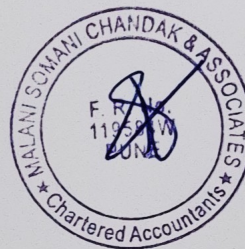
(c) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

(d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

(e) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.



(f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility.

(8) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the managerial remuneration paid by the company to its directors is in accordance with the provisions of Section 197 of the Companies Act, 2013.

For Malani Somani Chandak and Associates
Chartered Accountants
FRN: 119584W

Malani

CA Nandkishor R Malani
Partner
M. No: 042589
UDIN: 24042589BKCHKU9545



Place: Pune
Date: 12/07/2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report 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 (Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2024, we report the following:

(i)

(a) (A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The company is maintaining proper records showing full particulars of intangible asset.

(b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.

(c) The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company.

(d) The company has not revalued its Property, Plant and Equipment or intangible assets during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.

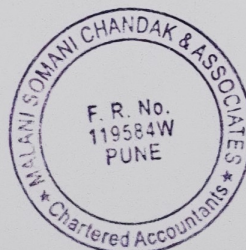
(e) No proceedings have been initiated or are pending against the company for holding any benami property under The Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.

(ii)

(a) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate. No material discrepancies were noticed on such verification.

(b) During the year, the company has not been sanctioned working capital limits in excess of five crore rupees in aggregate, from banks or financial institutions on the basis of security of current assets. Therefore, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company

(iii) During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of clause (iii) of paragraph 3 of the said Order are not applicable to the company.



(iv) The company has not made any loans, investments, guarantees and security on which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Therefore, the provisions of clause (iv) of paragraph 3 of the said Order are not applicable to the company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or deemed deposit from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.

(vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.

(vii) (a) The Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income tax, Sales Tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income tax, Sales Tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues which have remained outstanding as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are not any statutory dues referred in sub- clause (a) which have not been deposited on account of any dispute. Therefore, the provisions of Clause (vii)(b) of paragraph 3 of the order are not applicable to the Company.

(viii) In our opinion and according to the information and explanations given to us, there is no any transaction not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

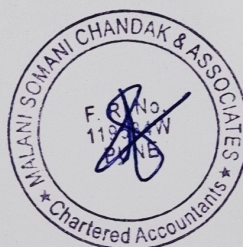
(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.

(b) In our opinion and according to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilized for long term purposes.

(e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.



(f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the company has made private placement of shares during the year. The requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.

(xi) (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.

(b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed 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 auditor, we did not receive any whistle-blower complaint during the year.

(xii) The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

(xiii) As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.

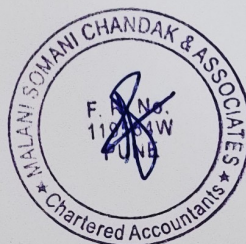
(xiv) The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appointed any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.



(d) As per the information and explanations received, the group does not have any CIC as part of the group.

(xvii) The company has not incurred cash loss in current financial year as well in immediately preceding financial year.

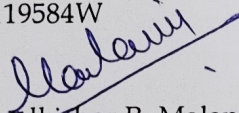
(xviii) There has been no resignation of the previous statutory auditors during the year.

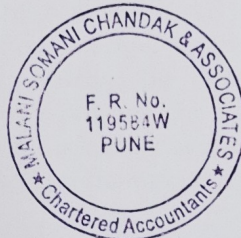
(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.

(xx) There is not liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

(xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For Malani Somani Chandak and Associates
Chartered Accountants
FRN: 119584W


CA Nandkishor R. Malani
Partner
M. No: 042589



Place: Pune
Date: 12/07/2024

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF 31st March, 2024 OF SCHNELL DRONE TECHNOLOGIES LIMITED. (Formerly known as SCHNELL INFORMATICS PRIVATE LIMITED)

[Referred to in paragraph 2(6) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

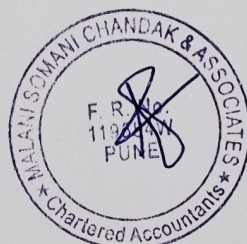
We have audited the internal financial controls with reference to financial statements of SCHNELL DRONE TECHNOLOGIES LIMITED ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). 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, including adherence to Company's policies, 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of the risks of material misstatement of 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 controls with reference to financial statements.

Meaning of Internal Financial Controls With Reference to Financial Statements

A Company's internal financial control with reference to financial statements 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 with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) provide reasonable assurance 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.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

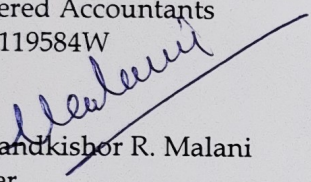
Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation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

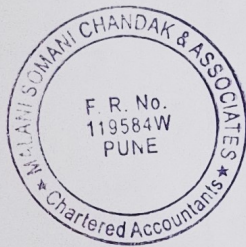


Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 issued by the Institute of Chartered Accountants of India.

For Malani Somani Chandak and Associates
Chartered Accountants
FRN: 119584W


CA Nandkishor R. Malani
Partner
M. No: 042589



Place: Pune
Date: 12/07/2024

Schnell Drone Technologies Limited
(Formerly known as Schnell Drone Technologies Private Limited / Schnell Informatics Private Limited)
S.NO. 114/5/1, 115/1/1, 114/6/3, 115/2, ICON TOWER OFFICE NO 402 & 403, 4TH FLOOR, BANER,
Baner Gaon, Pune, Haveli, Maharashtra, India, 411045
CIN: U72200PN2010PLC135732
Balance Sheet as at 31st March 2024

(Amount in '000)

	Particulars	Note No.	As at 31 March 2024		As at 31 March 2023	
			₹	₹	₹	₹
I.	EQUITY AND LIABILITIES					
1	Shareholders' Funds					
	(a) Share Capital	2	97,822		7,500	
	(b) Reserves & Surplus	3	16,182	1,14,003	6,149	13,649
2	Non-Current Liabilities					
	(a) Long-Term Borrowings	4	-		-	
	(b) Long-Term Provisions	5	1,458	1,458	-	-
3	Current Liabilities					
	(a) Short-Term Borrowings	6	(1,324)		14,477	
	(b) Trade Payables	7	-		-	
	(i) total outstanding dues of micro enterprises and small enterprises		-		-	
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprise		6,622		6,449	
	(c) Other Current liabilities	8	3,353		7,484	
	(d) Short Term Provisions	9	3,438	12,089	-	28,410
	Total			1,27,551		42,058
II.	ASSETS					
1	Non-Current Assets					
	(a) Property, Plant and Equipment					
	(i) Property, Plant and Equipment	10	1,722		1,746	
	(b) Non Current Investment	11	11,035		11,035	
	(c) Long-term loans and advances	12	60,000		-	
	(d) Other Non Current Asset	13	1,423		1,219	
	(e) Deferred Tax Asset (Net)	14	377	74,558	222	14,222
2	Current Assets					
	(a) Inventories	15	10,463		4,168	
	(b) Trade receivables	16	8,306		7,631	
	(c) Cash and Cash Equivalents	17	28,109		10,368	
	(d) Short term loans & Advances	18	4,973		5,247	
	(e) Other Current Assets	19	1,141	52,993	422	27,836
	Total			1,27,551		42,058

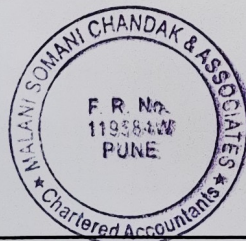
SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

In terms of our Report attached

For Malani Somani Chandak & Associates
Chartered Accountants
FRN : 119584W

CA Nandkishor R. Malani
Partner
Membership No. : 042589

Place: Pune
Date: 12-07-2024



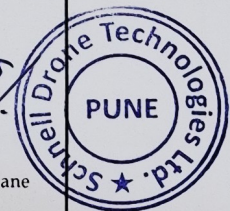
For and On behalf of the Board
Schnell Drone Technologies Limited

Satyawan Balwant Jadhav
Director
DIN: 06624235

Place: Pune
Date: 12-07-2024

Bhushan Sharad Khomane
Director
DIN: 02922158

Place: Pune
Date: 12-07-2024



Schnell Drone Technologies Limited
(Formerly known as Schnell Drone Technologies Private Limited / Schnell Informatics Private Limited)
S.NO. 114/5/1, 115/1/1, 114/6/3, 115/2, ICON TOWER OFFICE NO 402 & 403, 4TH FLOOR, BANER,
Baner Gaon, Pune, Haveli, Maharashtra, India, 411045
CIN: U72200PN2010PLC135732

Statement of Profit and Loss for the period from 1st April 2023 to 31st March 2024

(Amount in '000)

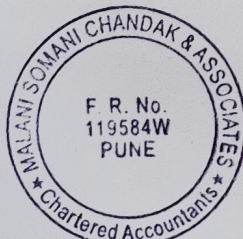
	Particulars	Note No.	For the year ended 31 March 2024	For the year ended 31 March 2023
I	Revenue from Operations	20	1,07,503	87,809
II	Other Income	21	498	454
III	TOTAL INCOME (I + II)		1,08,001	88,263
IV	EXPENSES			
	Purchase of stock in trade	22	33,296	66,130
	Changes in Inventories	23	(6,295)	(1,600)
	Employee Benefit Expenses	24	24,902	8,723
	Finance Cost	10	1,783	1,732
	Depreciation and Amortization Expenses	25	1,214	877
	Other Expenses	26	25,073	4,115
	TOTAL EXPENSES		79,974	79,976
V	Profit before tax (III - IV)		28,027	8,287
VI	Tax Expense			
	Income Tax		(7,807)	(2,286)
	Deferred Tax		155	94
VII	Profit after tax (V - VI)		20,375	6,095
VIII	Earning per Equity Share (In Rupees)			
	-Basic		2.09	107.63
	-Diluted		2.09	107.63
	-Restated for right issue		-	8.13

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

In terms of our Report attached

For Malani Somani Chandak & Associates
Chartered Accountants
FRN : 119584W

CA Nandkishor R. Malani
Partner
Membership No. : 042589



Place: Pune
Date: 12-07-2024

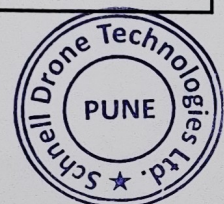
For and On behalf of the Board
Schnell Drone Technologies Limited

Satyawan Balwant Jadhav
Director
DIN: 06624235

Place: Pune
Date: 12-07-2024

Bhushan Sharad Khomane
Director
DIN: 02922158

Place: Pune
Date: 12-07-2024



Schnell Drone Technologies Limited
(Formerly known as Schnell Drone Technologies Private Limited / Schnell Informatics Private Limited)
S.NO. 114/5/1, 115/1/1, 114/6/3, 115/2, ICON TOWER OFFICE NO 402 & 403, 4TH FLOOR, BANER,
Baner Gaon, Pune, Haveli, Maharashtra, India, 411045
CIN: U72200PN2010PLC135732
Cash Flow Statement as at 31-March-2024

(Amount in '000)

Particulars	As at March 2024		As at 31 March 2023	
	Amount	Amount	Amount	Amount
A. Cash flow from operating activities				
Profit / (Loss) before tax		28,027		8,287
<u>Adjustments for:</u>				
Depreciation and amortisation expense	1,214		877	
Finance costs	1,783		1,732	
Interest income on Fixed Deposit	(289)		(49)	
		2,709		2,560
Operating profit / (loss) before working capital changes		30,736		10,847
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Trade receivables	(675)		(2,380)	
Loans and advances			364	
Short term loans and advances	274		(3,222)	
Current assets	(719)		(323)	
Other non-current assets	(204)		(1,219)	
Inventories	(6,295)		(1,600)	
<u>Adjustments for increase / (decrease) in operating liabilities:</u>				
Trade payables	174		1,697	
Other current liabilities	(4,131)		5,220	
Short-term provisions	3,438		-	
Long-term provisions	1,458		-	
		(6,681)		(1,464)
Cash generated from operations		24,055		9,383
Net income tax (paid) / refunds		(7,807)		(2,286)
Net cash flow from / (used in) operating activities (A)		16,248		7,097
B. Cash flow from investing activities				
Capital expenditure on property, plant and equipment	(61,191)		(362)	
Interest income on Fixed Deposit	289	(60,902)	49	(313)
Net cash flow from / (used in) investing activities (B)		(60,902)		(313)
C. Cash flow from financing activities				
(Repayment)/Proceeds of borrowings	(15,802)		4,704	
Proceed from Issue of Shares	652		-	
Proceed from Securities premium	79,328		-	
Interest expense on borrowings	(1,783)	62,395	(1,732)	2,972
Net cash flow from / (used in) financing activities (C)		62,395		2,972
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		17,741		9,756
Cash and cash equivalents at the beginning of the year		10,368		612
Cash and cash equivalents at the end of the year		28,109		10,368

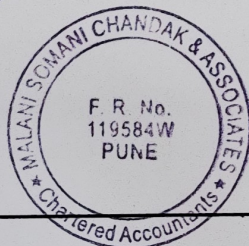
Particulars	As at March 2024		As at 31 March 2023	
	Amount	Amount	Amount	Amount
Cash and cash equivalents at the end of the year				
(a) Cash on hand	376		942	
(b) Balances with banks			308	
(i) In current accounts	20,011		9,117	10,368
(ii) In Deposit Accounts	7,722	28,109		10,368
		28,109		10,368

In terms of our Report attached

For Malani Somani Chandak & Associates
Chartered Accountants
FRN : 119584W

Malani

CA Nandkishor B. Malani
Partner
Membership No. : 042589



Place: Pune
Date: 12-07-2024

For and On behalf of the Board
Schnell Drone Technologies Limited

Satyawan

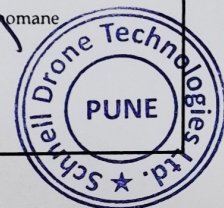
Satyawan Balwant Jadhav
Director
DIN: 06624235

Place: Pune
Date: 12-07-2024

Bhushan

Bhushan Sharad Khomane
Director
DIN: 02922158

Place: Pune
Date: 12-07-2024



Schnell Drone Technologies Limited
(Formerly known as Schnell Drone Technologies Private Limited / Schnell Informatics Private Limited)
Notes forming parts of Financial Statements as at 31st March, 2024.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Corporate Information:

Schnell Drone Technologies Limited (formerly known as Schnell Drone Technologies Private) is incorporated on 09/03/2010. CIN of the company is U72200PN2010PLC135732. The Company is in the business of manufacturing drones, trading in drones and offers services in drone operation, providing training, advisory, and technical expertise to meet the evolving demands of the drone industry.

The company was formerly known as Schnell Informatics Private Limited. The name of the Company was changed to Schnell Drone Technologies Private Limited during the period. Further, the Company has converted into a public company, the name of the Company has changed to Schnell Drone Technologies Limited on 02nd February 2024.

A. Basis of preparation of Financial Statements:

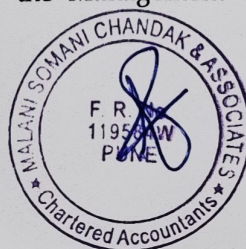
These Financial Statements of Schnell Drone Technologies Limited (formerly known as Schnell Drone Technologies Private Limited) (the Company') for the period ended 31st March 2024, comprise of the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss and the Statement of Cash Flows then ended, and a summary of material accounting policy information and other explanatory notes.

These Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

B. Significant accounting policies

1) USES OF ESTIMATES:

The preparation of the Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the Financial Statements and reported amounts of income and expenses during the period. Appropriate changes in estimates are made as the Management becomes aware of



changes in circumstances surrounding the estimates. Changes in estimates are reflected in the Financial Statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Financial Statements.

2) REVENUE RECOGNITION:

Revenue from sale of goods is recognized, net of returns and trade discounts, on the transfer of significant risks and rewards of ownership to the buyers, which generally coincides either on dispatch or delivery of goods to customer as per terms of contract.

We hereby confirm that other than as mentioned below, there has been no changes in the accounting policies of the company, in the preceding three financial years i.e. the 31st March, 2023, 31st March, 2022 and 31st March, 2021.

Further there is a change in accounting policy for the period ended March 31st, 2024. The changes are as follows:

Revenue from operations, purchases, finance cost, rent income and rates and taxes were including GST/custom duty/ import duty/ excise duty. From April 1, 2023, the Revenue from operation, purchases, finance cost, rent income and rates and taxes are being presented excluding GST/custom duty/import duty/excise duty in accordance with the guidance note issued by the Institute of Chartered Accounts of India (ICAI) as amended from time to time. The effect on the profit of the change in accounting policy of the Financial Statement for the period ended March 31st, 2024 is Nil.

Income from services rendered is accounted for under the completed service contract method. Interest income is recognized on time proportion basis. Other income is recognized on accrual basis.

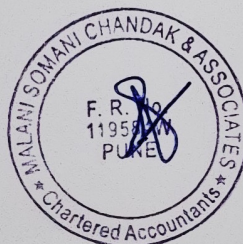
3) PROPERTY, PLANT AND EQUIPMENT:

i) Property, plant and equipment:

Property, plant and equipment are stated at cost less accumulated depreciation/amortization including where the same is acquired in full or in part with government grant. Cost for this purpose includes all attributable costs for bringing the assets to its location and condition, cost of computer software which is an integral part of the related hardware, and also includes borrowing costs during the acquisition/construction phase, if it is a qualifying asset requiring substantial period of time to get ready for intended use.

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

An item of property, plant and equipment is eliminated from the Financial Statements on disposal or when no further benefit is expected from its use and disposal. Losses



arising from retirement or gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

ii) Impairment of Assets:

The company assesses the impairment of assets with reference to each cash generating unit (CGU) at each Balance Sheet date, if events or changes in circumstances, based on internal and external factors, indicate that the carrying value may not be recoverable in full. The loss on account of impairment, which is the difference between the carrying amount and the recoverable amount, is accounted accordingly. Recoverable amount of a CGU is its Net Selling Price or Value in Use whichever is higher.

Reversal of impairment provision is made when there is an increase in estimated service potential of an asset, either from use or sale, on reassessment after the date when impairment loss for that asset was last recognized.

4) DEPRECIATION / AMORTIZATION:

In respect of property, plant and equipment (other than freehold land and capital work-in-progress) acquired during the year, depreciation / amortization is charged on a Written Down Value method basis using the rates arrived at based on the useful lives prescribed under the Schedule II to the Companies Act, 2013 so as to write-off the cost of the assets over the useful life and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life based on an evaluation.

5) CAPITAL COMMITMENTS:

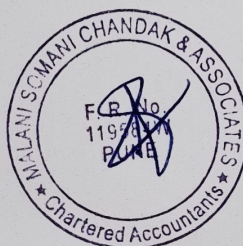
There are no such capital commitments regarding estimated amount of contracts remaining to be executed and not provided for in these accounts in respect of purchase of property, plant and equipment.

6) BORROWING COSTS:

Borrowing cost that are specifically attributable to qualifying assets as defined in Accounting Standard AS-16 are added to the cost of such assets until use or sale and the balance expensed in the year in which the same is incurred.

7) INVESTMENTS:

Investments are classified either as long-term or current, based on the Management's intention at the time of purchase. Long term investments are valued at acquisition cost. Any diminution in the value other than of temporary nature is provided for. Current investments are carried at lower of cost or fair value. Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.



8) OPERATING LEASES:

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

9) INCOME TAX :

Tax expense comprising current tax after considering deferred tax as determined under the prevailing tax laws are recognized in the Statement of Profit and Loss for the period.

Deferred Tax Provision:

Deferred Income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and tax laws enacted or substantively enacted at the time of reporting date.

10) PROVISIONS AND CONTIGENCIES:

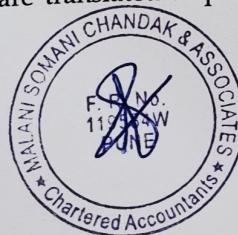
Provisions for losses and contingencies arising as a result of a past event where the Management considers it probable that a liability may be incurred, are made on the basis of the best reliable estimate of the expenditure required to settle the present obligation on the Balance Sheet date, and are not discounted to its present value. Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. Significant variations thereof are disclosed if any.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent liabilities to the extent the Management is aware, are disclosed by way of notes to accounts.

Contingent assets are neither recognized nor disclosed in Financial Statements.

11) FOREIGN CURRENCY TRANSACTIONS:

Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at period-end rates. The



resultant exchange difference arising from settlement of transactions during the period and translations at the period end, is recognized in the Statement of Profit and Loss.

12) EMPLOYEE BENEFITS:

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the related services are classified as short term employee benefits and they mainly include Wages and Salaries and incentives and bonuses, are recognized during the period in which the related services are rendered.

Post-employment benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined benefit plans

The Company offers its employees defined benefit plans in the form of gratuity scheme. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

The Company recognises all actuarial gains and losses arising from defined benefit plan immediately in the Statement of Profit and Loss. All expenses related to defined benefit plan are recognised in employee benefits expense in the Statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

13) EVENTS OCCURRING AFTER BALANCE SHEET DATE:

There are no significant events which could affect the financial position as on 31st March, 2024 to a material extent have been reported by the assesses, after the balance sheet date till signing of the report.



14) OPERATING CYCLE:

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

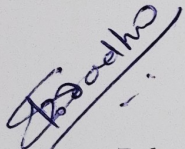
15) EARNINGS PER SHARE:

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders (after deducting preference dividend and attributable taxes, if any) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a right issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity share outstanding, without a corresponding change in resources.

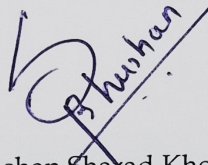
16) Figures pertaining to the previous year have been reclassified, recast / restated, or regrouped wherever necessary to bring them in line with current period's Financial Statements.

For and on Behalf of the Board

SCHNELL DRONE TECHNOLOGIES LIMITED



Satyawan Balwant Jadhav
Director
DIN: 06624235



Bhushan Sharad Khomane
Director
DIN: 02922158



Place: Pune
Date: 12/07/2024

Place: Pune
Date: 12/07/2024



Note 2 Share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised 1,40,00,000 Equity shares of Rs.10 each (As on 31.03.2023 : 20,00,000 Equity shares of Rs.10 each)	14,000	1,40,000	2,000	20,000
(b) Issued, Subscribed and fully paid up 97,82,196 Equity shares of Rs 10 each (As on 31.03.2023 : 7,50,000 Equity shares of Rs 10 each)	9,782	97,822	750	7,500
Total	9,782	97,822	750	7,500

(in '000)

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period: (in '000)

	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares with voting rights At the commencement of the year	750	7,500	10	100
Add: Additional shares issued during the year				
- Right Issue of Equity shares	65	652		
- Bonus Issue of Equity shares	8,967	89,670	740	7,400
Outstanding at the end of the year	9,782	97,822	750	7,500

(ii) Rights, preferences and restrictions attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iii) Details of shares held by each shareholder holding more than 5% shares: (in '000)

Class of shares / Name of shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares :				
Mr. Bhushan Khomane	3,248	33.20%	375	50.00%
Mr. Satyawar Jadhav	1,383	14.14%	150	20.00%
Mrs. Sharmin Inamdar	2,210	22.59%	225	30.00%

(iv) Details of Shares Held by Promoters at the end of the period:

Promotor Name	As at 31 March 2024		As at 31 March 2023		% change during the year
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Mr. Bhushan Khomane	3,248	33.20%	375	50%	33.59%
Mr. Satyawar Jadhav	1,383	14.14%	150	20%	29.30%
Mrs. Sharmin Inamdar	2,210	22.59%	225	30%	24.70%

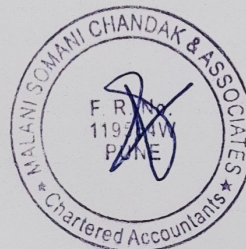
Promotor Name	As at 31 March 2023		As at 31 March 2022		% change during the year
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Mr. Bhushan Khomane	375	50.00%	5	50.00%	0.00%
Mr. Satyawar Jadhav	150	20.00%	2	20.00%	0.00%
Mrs. Sharmin Inamdar	225	30.00%	3	30.00%	0.00%

(v) 7,40,000 equity shares of face value of Rs. 10 per share were issued as fully paid bonus shares during the year 2022-23.

(vi) 65,183 shares of face value of Rs. 10 per share were allotted at a premium of Rs. 1,217 per share on Rights basis during the current period ended 31 January 2024

(vii) 89,67,013 equity shares of face value of Rs. 10 per share were issued as fully paid bonus shares during the year 2023-24.

(viii) The Company doesn't have any potential equity shares and thus weighted average number of the shares for computation of basic EPS and diluted EPS remain same.



Schnell Drone Technologies Limited
(Formerly known as Schnell Drone Technologies Private Limited / Schnell Informatics Private Limited)
CIN: U72200PN2010PLC135732

Notes forming part of Financial Statements for the period ended 31-March-2024

Note 3 : Reserves and surplus

(Amount in '000)

Particulars	As at 31 March 2024	As at 31st March 2023
Securities Premium		
Opening Balance	-	-
Add: Premium on shares issued during the year	79,328	-
Less: Utilisation of Premium during the year	79,328	-
Closing Balance	-	-
Other Reserves		
Surplus / (Deficit) in Statement of Profit and Loss		
Opening Balance	6,149	7,454
Add: Profit/ (Loss) during current year	20,375	6,095
Less: Bonus Issue	10,342	7,400
	16,182	6,149
Total	16,182	6,149

Note: Bonus Issue of Equity shares is made based on the Audited Financials for the period ended 31st January 2024

Note 4: Long-Term Borrowings

(Amount in '000)

Particulars	As at 31 March 2024	As at 31st March 2023
a) Term Loans from Banks		
Secured Loans:	-	-
b) Loans & Advances from Related Parties	-	-
Total	-	-

Note 5: Long-Term Provisions

(Amount in '000)

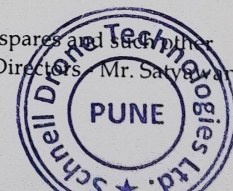
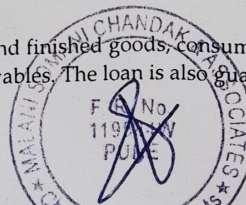
Particulars	As at 31 March 2024	As at 31st March 2023
Provision for employee benefits :		
Provision for gratuity	1,458	-
Total	1,458	-

Note 6: Short-Term Borrowings

(Amount in '000)

Particulars	As at 31 March 2024	As at 31st March 2023
a) Loans Payable on demand from Banks (secured)		
i) ICICI Bank Limited*	(1,324)	13,832
b) Current Maturities of long term debts	-	646
Total	(1,324)	14,477

*Loan is secured against stocks of raw materials, semi-finished and finished goods, consumable stores and spares and other movables including book-debts, bills, outstanding monies, receivables. The loan is also guaranteed by the Directors, Mr. Satish Jadhav and Mr. Bhushan Khomane.



Note 7: Trade Payables

Particulars	(Amount in '000)	
	As at 31 March 2024	As at 31st March 2023
Trade Payables	-	-
- total outstanding dues of micro enterprises and small enterprises	6,622	6,449
Total	6,622	6,449

Ageing Schedule

At the end of the period

Particulars	Accrued Expenses	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
As at 31 March 2024						
MSME	-	-	-	-	-	-
Others	330	-	-	-	-	330
Disputed dues - MSME	-	6,293	-	-	-	6,293
Disputed dues - Others	-	-	-	-	-	-
Total	330	6,293	-	-	-	6,622

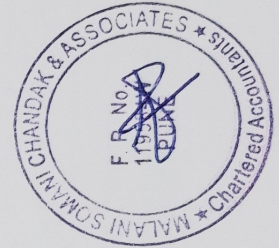
Particulars	Accrued Expenses	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 year	2-3 year	More than 3 Year	
As at 31st March 2023						
MSME	-	-	-	-	-	-
Others	499	-	-	-	-	499
Disputed dues - MSME	-	5,946	-	-	-	5,946
Disputed dues - Others	-	-	4	-	-	4
Total	499	5,946	4	-	-	6,449

Note 8: Other Current Liabilities

Particulars	(Amount in '000)	
	As at 31 March 2024	As at 31st March 2023
a) Payable to employees	180	-
b) Statutory remittances	1,905	1,891
i) Goods and Services Tax	205	27
ii) TDS	219	-
iii) Other Statutory dues	475	5,567
c) Advance from Customers	0.10	-
d) Application money received for allotment of securities and due for refund	369	-
e) Other Current Liabilities	-	-
Total	3,353	7,484

Note 9: Short term provisions

Particulars	(Amount in '000)	
	As at 31 March 2024	As at 31st March 2023
a) Provision for employee benefits : Provision for gratuity	79	-
b) Provision for Income Tax (Net of Advance tax, TDS and TCS)	3,359	-
Total	3,438	-

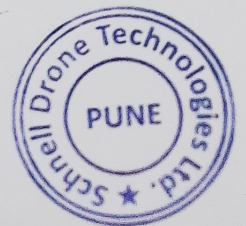
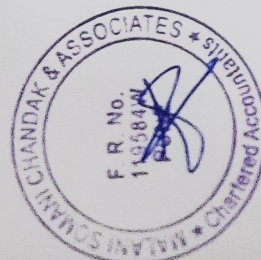


Notes forming part of Financial Statements for the period ended 31-March-2024

Note 10: Property, Plant and Equipment

Particulars	Gross Block			Depreciation and Amortization			Net Block	
	Opening Balance As on 01/04/2023	Additions	Closing Balance As on 31/03/2024	Opening Balance As on 01/04/2023	Depreciation For the Period 01/04/2023 to 31/03/2024	Closing Balance As on 31/03/2024	Opening Balance As on 01/04/2023	Closing Balance As on 31/03/2024
	₹	₹	₹	₹	₹	₹	₹	₹
Plant & Machinery	290	58	347	80	87	167	210	181
Computer	1,022	1,002	2,024	744	725	1,469	277	554
Furniture & Fixture	325	131	456	168	59	227	157	229
Vehicles	3,157	-	3,157	2,055	344	2,399	1,102	758
Total	4,793	1,191	5,984	3,047	1,214	4,262	1,746	1,722
Previous Year 2022-23	4,431	362	4,793	2,170	877	3,047	2,261	1,746

Particulars	Gross Block			Depreciation and Amortization			Net Block	
	Opening Balance As on 01/04/2022	Additions	Closing Balance As on 31/03/2023	Opening Balance As on 01/04/2022	Depreciation For FY 2022-23	Closing Balance As on 31/03/2023	Opening Balance As on 01/04/2022	Closing Balance As on 31/03/2023
	₹	₹	₹	₹	₹	₹	₹	₹
Plant & Machinery	204	86	290	41	39	80	163	210
Computer	-	244	1,022	450	294	744	328	277
Furniture & Fixture	-	33	325	124	43	168	168	157
Vehicles	3,157	-	3,157	1,555	500	2,055	1,602	1,102
Total	4,431	362	4,793	2,170	877	3,047	2,261	1,746
Previous Year 2021-22	2,396	2,035	4,431	1,740	430	2,170	656	2,261



Note 11 Non Current Investments

(Amount in '000)

Particulars	As at 31 March 2024	As at 31st March 2023
Investment in Property	11,035	11,035
Total	11,035	11,035

Note 12 Long-term loans and advances

(Amount in '000)

Particulars	As at 31 March 2024	As at 31st March 2023
Advance for Land	60,000	-
Total	60,000	-

Note 13: Other Non Current Asset

(Amount in '000)

Particulars	As at 31 March 2024	As at 31st March 2023
Security Deposits	1,423	1,219
Total	1,423	1,219

Note 14: Deferred Tax Asset/(Liability)

(Amount in '000)

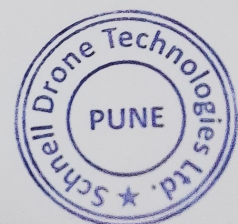
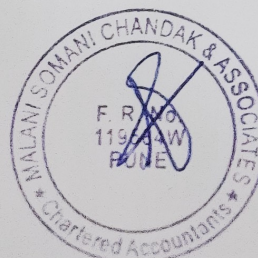
Particulars	As at 31 March 2024	As at 31st March 2023
Opening Balance	222	128
Tax effect of items constituting deferred tax liabilities	-	-
Tax effect of items constituting deferred tax assets		
- On difference between book balance and tax balance of property, plant and equipment	62	94
- Others	93	-
	155	94
Total	377	222

Note 15: Inventories

(At lower of cost and net realisable value)

(Amount in '000)

Particulars	As at 31 March 2024	As at 31st March 2023
Stock in Trade	10,463	4,168
Total	10,463	4,168



Note 16: Trade receivables

Particulars	(Amount in '000)	
	As at 31 March 2024	As at 31st March 2023
Trade receivable	8,306	7,631
Total	8,306	7,631

(Amount in '000)

Ageing Schedule

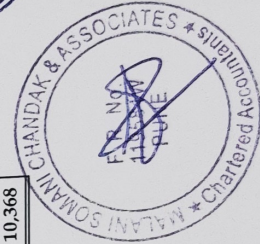
Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	
As at 31 March 2024						8,306
(i) Undisputed trade receivables – considered good	8,167	-	114	26	-	-
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

(Amount in '000)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 Month to 1 year	1-2 years	2-3 years	More than 3 Years	
As at 31st March 2023						7,631
(i) Undisputed trade receivables – considered good	7,457	149	26	-	-	-
(ii) Undisputed trade receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed trade receivables considered good	-	-	-	-	-	-
(iv) Disputed trade receivables considered doubtful	-	-	-	-	-	-

Note 17: Cash and Cash Equivalents

Particulars	(Amount in '000)	
	As at 31 March 2024	As at 31st March 2023
a) Cash In Hand	376	942
b) Balance with Banks		
i) In Current Accounts	20,011	308
ii) In Deposit Accounts	7,722	9,117
Total	28,109	10,368



Note 18: Short-Term Loans and Advances

(Amount in '000)

Particulars	As at 31 March 2024	As at 31st March 2023
a) Advance Given to -		
- Director	584	4,243
- Supplier	97	81
- Others	179	200
b) Prepaid Expense	3,933	67
c) Balance with Tax Authorities	180	656
Total	4,973	5,247

Note 19: Other Current Assets

(Amount in '000)

Particulars	As at 31 March 2024	As at 31st March 2023
a) Deposits	154	-
b) Demand Draft for Tender	364	243
c) Other Receivables	623	179
Total	1,141	422

Note 20: Revenue from Operations

(Amount in '000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from Operations	1,07,503	87,809
Total	1,07,503	87,809

Note 21: Other Income

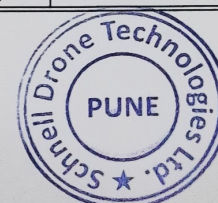
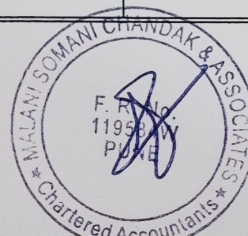
(Amount in '000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Rent Income	-	336
Interest	289	49
Interest on income tax refund	11	21
Liability Written Back	138	
Other Income	1	37
Discount Received	59	12
Total	498	454

Note 22: Purchase of stock in trade

(Amount in '000)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchases	33,296	66,130
Total	33,296	66,130



Note 23: Changes in Inventories

Particulars	(Amount in '000)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Stock in Trade		2,568
Less: Closing Stock in Trade	4,168	4,168
Total	(6,295)	(1,600)

Note 24: Employee Benefit Expenses

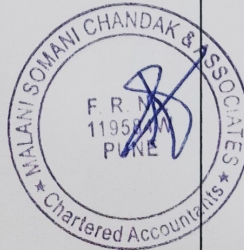
Particulars	(Amount in '000)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and Wages		4,223
Remuneration to Directors	17,078	4,500
Contribution to Provident & Other Funds	5,085	-
Gratuity Expenses	1,202	-
	1,537	-
Total	24,902	8,723

Note 25: Finance Cost

Particulars	(Amount in '000)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Bank Interest on Loan	1,783	1,732
Total	1,783	1,732

Note 26: Other Expenses

Particulars	(Amount in '000)	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Audit Fees (Statutory and Tax Audit)	300	200
Repairs and Maintenance	538	210
Travelling Expenses	5,313	157
Hotel, Boarding & Lodging	3,960	590
Professional Fees	573	474
Sales Promotion Expenses	-	31
Office Expenses	329	334
Bad Debts	-	428
Insurance	35	82
Printing & Stationary	44	10
Prior Period Expenses	2,103	55
Rates and Taxes	435	-
Customer redressal expenses	3,800	-
Property Tax	33	45
Courier & Postage	1,000	-
Telephone & Internet	78	16
Tender Fees	93	7
Electricity Expenses	336	38
Fees and Subscription	335	2
Training and Exhibition Expenses	313	84
ROC Fees	-	324
Foreign Exchange Loss	533	1,028
Rent	4,433	-
Brokerage and Commission	304	-
Miscellaneous Expenses	185	-
Total	25,073	4,115



Schnell Drone Technologies Limited

(Formerly known as Schnell Drone Technologies Private Limited / Schnell Informatics Private Limited)

Notes forming parts of Financial Statements as at 31st March, 2024.

Note: 27 GENERAL NOTES TO ACCOUNTS

a) Related Party Transactions (AS-18) :

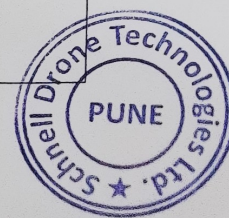
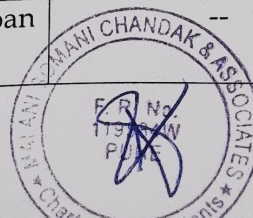
As per provisions of Accounting Standard-18 issued by the Institute of Chartered Accountants of India, the related parties are as follows:

Sr. No.	Name of the Related Party	Relation
1.	Mr. Bhushan Sharad Khomane	Managing Director
2.	Mr. Satyawan Balwant Jadhav	Whole-time director
3.	Mrs. Sharmin Sahil Inamdar	Whole-time director
4.	Mr. Anjani Kumar Agarwal	Director
5.	Mr. Pavan Joseph	Director
6.	Mr. Shailesh Shrinawas Rathi	Director
7.	Khyati Jadhav	Director's Wife
8.	Prachi Pansare	Director's Wife

The details of related party transactions are as follows:

(Amount in Rs. '000s)

Sr. No.	Name of Related Party	Description of relationship	Nature of transaction	Amount of transactions during the period from 01.04.2023 to 31.03.2024
1	Bhushan Khomane	Managing Director	Remuneration	2,230/-
			Loan Accepted	19,953/-
			Loan Repaid	22,179/-
			Closing Balance of Loan to/from Director Account	--
			Travelling Advance	279/-
2	Satyawan Jadhav	Whole-time director	Remuneration	1,955/-
			Loan Accepted	5,958/-
			Loan Repaid	6,330/-
			Closing Balance of Loan to/from Director.	--
			Travelling Advance	306/-
3	Sharmin Inamdar	Whole-time director	Remuneration	900/-
			Loan Accepted	--
			Loan Repaid	--
			Closing Balance of Loan to/from Director.	--



4.	Khyati Jadhav	Director's Wife	Remuneration	--
			Loan Given	400/-
			Loan Taken Back	400/-
			Closing Balance of Loan from director Account	--
5.	Prachi Pansare	Director's Wife	Remuneration	--
			Loan Given	450/-
			Loan Taken Back	450/-
			Closing Balance of Loan from director Account	--

b) Earnings Per Share (EPS) (AS-20):

(Amount in Rs.)

Particulars	As on 31/03/2024
Profit after Tax	2,03,75,404
Weighted Average Number of equity shares	97,30,433
Earnings Per Share (In Rupees)	2.09

c) Sundry Debtors, Sundry Creditors, Loans & Advances balances are subject to confirmation.

d) Taxation :

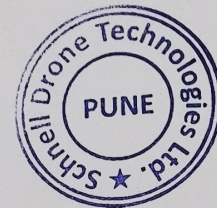
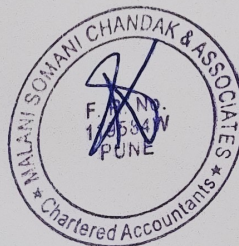
1. Current Taxation :

Provision for Current Tax is made on the basis of taxable income for the current accounting year for Rs. 7,806.84 (thousands) in accordance with Income Tax Act, 1961.

2. Deferred Tax :

Provision for Income Tax, comprising current tax and deferred tax, is made on the basis of the results of the financial year.
In Accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the deferred tax is timing differences between the book profit and the tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.

The accumulated deferred tax asset as on March 31st, 2024 has been recognized with a corresponding charge to the Profit and Loss Appropriation Account as disclosed in Note 13 to the special purpose financial statements.



e) PRIOR PERIOD ADJUSTMENTS AND EXTRAORDINARY ITEMS:

Prior period adjustments having material impact on the financial affairs of the company are disclosed. The details of prior period expenses are as follows:

Sr. No.	Extraordinary Items	(Amount in Rs. '000s)
		As on 31/03/2024
1.	Prior Period Expenses	583/-
2.	Assets Write Off	1,317/-
	Total	1,899/-

f) Contingent Liability:

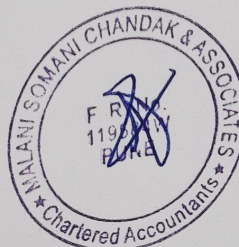
The Provision for Contingent Liability as per AS 29 Provisions, Contingent Liabilities and Contingent Assets is as follows:

Sr. No	Particulars	As on 31/03/2024
1.	Provision for Contingent Liability	-

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

Particulars	As at 31 st March, 2024
	Amount (Rs.)
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-
(iv) The amount of interest due and payable for the year.	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



i) Leasing arrangements:

As Lessee

The Company has entered into operating lease arrangements for office premises and facilities. The office premises lease is non-cancellable for a period of 3 years out of 5 years. The lease agreements provide for an increase in the lease payments by 5% every year.

(Amount in Rs. '000s)

Particulars	As on 31/03/2024
Future minimum lease payments (for non-cancellable period)	
not later than one year	3,682/-
later than one year and not later than five years	3,866/-
later than five years	Nil
	7,548/-
Total lease payments recognized in the Statement of Profit and Loss for all leases	4,433/-

j) Employee benefit plans:

Defined contribution plans

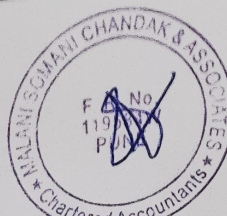
The Company makes Provident Fund, and Employee State Insurance Scheme contributions which are defined contribution plans. The Company recognized Rs. 1021 (thousands) as contributions during the period ended 31st March 2024.

Defined benefit plans

The Company offers Gratuity as employee benefit schemes to its employees

(Amount in Rs. '000s)

Particulars	As on 31/03/2024
Total expense recognized in the Statement of Profit and Loss	1,537/-
Actual contribution and benefit payments for the year	-
Actual benefit payments	-
Actual contributions	-
Net asset / (liability) recognized in the Balance Sheet	(1,537)/-
Present value of defined benefit obligation	-
Fair value of plan assets	(1,537)/-
Funded status [Surplus / (Deficit)]	-
Unrecognized past service costs	(1,537)/-
Net asset / (liability) recognized in the Balance Sheet	



Change in defined benefit obligations (DBO) during the year	
Present value of DBO at beginning of the year	-
Total expense recognized in the Statement of Profit and Loss	1,537/-
Benefits paid	-
Present value of DBO at the end of the year	1,537/-

Particulars	As on 31/03/2024
Actuarial assumptions	
Discount rate	7.20%
Salary escalation	9.00%
Attrition	Age upto 30 years: 8.00% p.a Age 31- 40 years: 8.00% p.a Age 41 - 50 years: 8.00% p.a Age above 50 years: 8.00% p.a

The discount rate is based on the market yield available on Government Bonds as at same date.

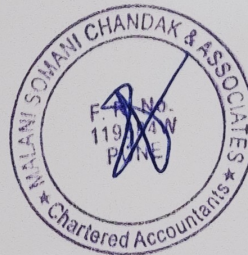
The estimate of future salary increases considered, takes into account the inflation rate, seniority, promotion and other relevant factors.

k) Earnings in foreign exchange:

		(Amount in Rs. '000s)
Sr. No	Particulars	For the period 1 April 2023 to 31 st March 2024
1.	Revenue from Operations	454/-

l) Expenditure in foreign currency :

		(Amount in Rs. '000s)
Sr. No	Particulars	For the period 1 April 2023 to 31 st March 2024
1.	Purchases	20,435/-



m) Unhedged foreign currency exposures

Nature of exposure	As on 31/03/2024	
	Foreign currency	INR
Trade Payables USD	15	1,225
Trade Receivables USD	-	-

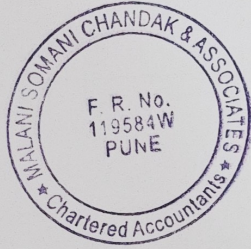
For Malani Somani Chandak & Associates
Chartered Accountants

For and on Behalf of the Board
Schnell Drone Technologies Limited

[Handwritten Signature]

CA Nandkishor R. Malani
Partner
M. No. 042589
FRN 119584W

Place: Pune
Date: 12/07/2024



[Handwritten Signature]

Satyawan Balwant Jadhav
Director
DIN: 06624235

Place: Pune
Date: 12/07/2024

[Handwritten Signature]

Bhushan Sharad Khomane
Director
DIN: 02922158

Place: Pune
Date: 12/07/2024



28 A) Analytical Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
(a) Current ratio	Current Assets	Current Liabilities	4.38	0.98	347%	There is reasonable increase in the current assets, also there is decrease in current liability as compared to last year. The increase in current assets is due to significant increase in Sundry Debtors and Cash and Bank Balance. The decrease in current liability is due to repayment of Bank loan and decrease in trade payables
(b) Debt-equity ratio	Total Debt	Shareholder's Equity	(0.01)	1.11	-101%	The total liabilities in comparison of Shareholder's Equity is low as compared to last year, due to bonus issue of equity shares
(c) Debt service coverage ratio	Earnings available for debt service	Debt Service	(17.65)	0.60	-3036%	The Earnings after Tax have increased compared to PY. Also the Interest on debt has decreased comparatively. Thus resulting in decrease in the ratio.
(d) Return on equity ratio	Profit for the year	Average Shareholder's Equity	0.32	0.57	-44%	There has been increase in the average Shareholders Equity as compared to the PY, hence resulting in decrease in the ratio.
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	3.69	19.16	-81%	There is decrease in COGS as compared to Previous Year, also there is comparative increase Inventory. Hence resulting in decrease in the Ratio.
(f) Trade receivables turnover ratio	Revenue from operations	Average Trade Receivables	13.49	8.56	58%	There is increase in Sales as compared to Previous Year, also there is comparative decrease in Trade Receivables. Hence resulting in increase in the Ratio.
(g) Trade payables turnover ratio	Purchases (Other Expenses)	Average Trade Payables	5.09	11.81	-57%	There is decrease in Total Purchases as compared to last year, hence resulting in decrease in the Ratio.
(h) Net capital turnover ratio	Revenue from operations	Working Capital	2.63	(153.11)	-102%	There is significant increase in working capital as compared to last year, hence resulting in decrease in the ratio
(i) Net profit ratio	Profit for the year	Revenue from operations	0.19	0.07	173%	As there is increase Closing stock there has been increase in the Net Profit as compared to the last year, hence increase in the Ratio
(j) Return on capital employed	Earnings before interest and tax	Capital Employed	0.26	0.73	-65%	There is increase in profit as compared to last year and decrease in capital employed, hence resulting in negative ratio
(k) Return on investment	Return	Average Investment	1.85	0.55	234%	The Operating profit has increased during the year as compared to the previous Year. Thus there is increase in the ratio.

B) Utilisation of Borrowed funds and share premium

- a) The Company has not advanced or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

- b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

