

Date: August 13, 2024

To,  
BSE Limited  
2<sup>nd</sup> Floor, PJ Towers,  
Dalal Street, Mumbai-400001

Dear Sir/Madam,

**Sub: Submission of Annual Report for the Financial Year 2023-2024 along with the Notice of 7<sup>th</sup> Annual General Meeting (Scrip Code: 543713)**

Pursuant to Regulation 30 read with Schedule III and Regulation 34 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, as amended from time to time, we submit herewith the Annual Report for the Financial Year 2023-2024 including the Notice of 7<sup>th</sup> Annual General Meeting (AGM) of the Company which is scheduled to be held on Wednesday, September 04, 2024 at 12.00 PM (IST).

Please take the above-mentioned information on record.

Thanking you.

For **DroneAacharya Aerial Innovations Limited**



**Harshal Kher**  
**Company Secretary and Compliance Officer**  
**ACS 69147**

Encl: As above



**Registered Address:** 1<sup>st</sup> & 2<sup>nd</sup> Floor, Galore Tech IT Park, LMD Square, Bavdhan, Pune - 411021



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www.droneacharya.com

2024

ANNUAL  
REPORT



**DRONEACHARYA**®

AERIAL INNOVATIONS

[www.droneacharya.com](http://www.droneacharya.com)

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## **Chairman's Note**



*"Charting New Horizons:  
Pioneering Multi-Fold Growth  
and Elevating Excellence at  
DroneAcharya"*

- **PRATEEK SRIVASTAVA**  
Founder & Managing Director

### **Dear Shareholders,**

It is my privilege to present the performance of DroneAcharya Aerial Innovations Limited for the Financial Year 2023-2024. I hope this letter finds you all in good health and high spirits.

The year 2023 was a thrilling journey—filled with challenges, intense efforts, and significant milestones. The Financial Year 2023-2024 has been a compelling illustration of DroneAcharya's successful and progressive trajectory. We have demonstrated our robust and crisis-resistant business model, achieving remarkable growth and solidifying our market position. As we step into the new Financial Year 2024-2025, I am excited to share that it holds even greater promise. We have ventured into drone manufacturing, and we will soon be rolling out our Made in India drones, tailored for Industrial, Agricultural, and Defence applications. This expansion marks a significant chapter in our journey, poised to drive further innovation and success.



## EXCEPTIONAL FINANCIAL PERFORMANCE

I am proud to announce that DroneAcharya has achieved a staggering 90% growth in revenue compared to the previous year. These results are a testament to our relentless focus on becoming a leading 100% Indian Drone Solution Provider. We have also made significant inroads into the Southeast Asian market, marking our presence in Thailand.

### HERE'S A BRIEF OVERVIEW OF OUR FINANCIAL PERFORMANCE:

- **Sales and Profitability:** Our topline increased by 89.52% year-on-year, leading to INR 35.19 Crores worth of Revenue from Operations (previous year: INR 18.57 Crores). Despite substantial investments, our operating result (EBITDA) rose from INR 4.99 Crores in 2022-23 to INR 10.38 Crores in 2023-24, with an improved EBITDA margin of 29.50% with previous year being 26.85% (Figures are based on standalone financials).
- **Market Recognition:** Our strong performance and growth potential have been recognized by the capital markets. We ended the year with a stock price of INR 129.15, 5.35% above the year-end price in 2022-23 (Figures are based on standalone financials).

### STRATEGIC DEVELOPMENTS DRIVING GROWTH

Our multi-pronged approach has been crucial to our success this year:

Winning International Drone Projects:

- Secured a drone-based project worth INR 10.48 Crores in Qatar, focusing on the oil and gas sector.
- Won a project valued at INR 4.67 Crores in the United Kingdom for drone and GIS data processing.

### DELIVERING DEFENSE DRONE SOLUTIONS:

- **Supply of FPV Drones:** DroneAcharya has secured multiple tenders to supply FPV (First Person View) drones to various defense organizations, becoming one of the pioneering companies to offer reliable and high-quality FPV drones.
- **Training for Defense Drone Flying:** DroneAcharya also won several tenders to provide FPV drone pilot training, given the advanced skills required to handle and operate these sophisticated drones.

### HIGHLIGHTS OF AWARDED INDIAN DRONE PROJECTS:

- High-End Survey Drone Supply: Secured a tender worth INR 1.41 Crores from DRIISHYA, Government of Haryana.
- Training for Karnataka Forest Department: Won a tender worth INR 96 Lakhs to train 240 officials.
- Supply of Drones and Sensors: Awarded a tender worth INR 55.43 Lakhs from the Karnataka State Remote Sensing Applications Centre (KSRSAC).
- Ministry of Defence Projects: Completed 14 projects for the Ministry of Defence in the financial year 2023-2024.
- Artillery Formation Tender: Won a notable tender from an artillery formation of the Eastern Command, Indian Army, for the supply of FPV drones with night vision capability.
- Indian Army Contract: Secured a contract to supply IT hardware for a drone lab setup in J&K
- Tata Community Initiatives Trust (TATA STRIVE): Received a second work order for providing drone and GIS training in Bengaluru, Karnataka.
- Capacity Building and Advanced Training: Awarded a contract from the Indian Army, Ministry of Defence, for capacity building and advanced drone training at the Mechanised Army Courses Group in Ahmednagar.

### ESTABLISHING A MANUFACTURING LINE:

- Setting up Our Manufacturing Unit: This year, we have established our manufacturing unit in Pune, Maharashtra. This includes shortlisting products for development, setting up a robust supply chain and creating a sustainable working model.
- Agricultural Drones: We are set to launch our 100% Make in India Agricultural Spraying Drones with a 10-liter tank capacity. These drones are currently under DGCA evaluation, and we anticipate certification soon.

### SUSTAINING LEADERSHIP AS INDIA'S TOP DGCA CERTIFIED DRONE PILOT TRAINING ORGANIZATION:



- 4.9 Rating on Google: DroneAcharya has successfully upheld its status as India's leading DGCA certified drone pilot training organization for over a year by consistently enhancing the quality of its training and providing comprehensive post-training consultancy to students.
- Training 391 DGCA Certified Drone Pilots this year: In the financial year 2023-24, DroneAcharya trained 391 DGCA certified drone pilots, achieving the highest number of trainees among private organizations.

### **DOUBLING THE NUMBER OF DGCA CERTIFIED DRONE PILOT TRAINING CENTERS:**

- Expansion to Four Centers in Financial Year 2023-24: Last year, DroneAcharya operated two DGCA certified drone pilot training centers in Pune and Gujarat. This year, they have doubled their presence by adding two new centers at IIT Ropar, Punjab, and Jaipur. Further, we plan to open DGCA certified training centers in Dharwad, Noida, Bangalore, Coimbatore, Palampur, Ram Nagar as well.
- Increasing Demand for DroneAcharya Franchises: DroneAcharya has seen a surge in inquiries from private organizations and educational institutions interested in acquiring their franchises. This growing interest has further solidified the organization's reputation as a trusted brand in the drone training industry.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

- Empowering Communities: We partnered with organizations like Cybage, Airbus, ITC, and Tata Community Initiatives Trust (TATA STRIVE) to provide drone pilot training, focusing on women empowerment and skill development for youth and the underprivileged.

## **EXCITING TIMES AHEAD PLAN FOR FINANCIAL YEAR 2024 - 2025**

# **300%**

**INCREASE**

YoY Revenue, EBITDA and PAT Growth  
in Financial Year 2024 - 2025.

# **600%**

**INCREASE**

In The Number of DGCA certified  
drone pilot training centers



Launch of DroneAacharya's Type Certified Agricultural Spraying Drones.



Roll out of tried and tested and market ready combat drones for Defence.

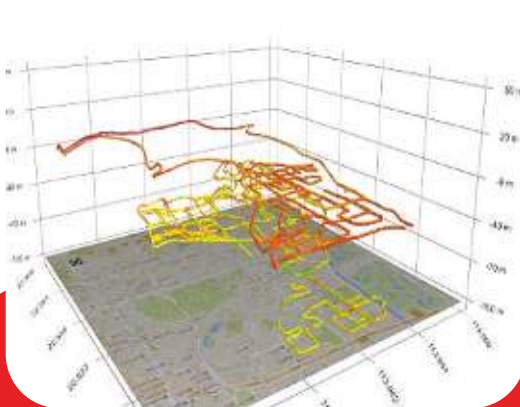


Targeting 600% growth in the number of Drone pilot training.



Greater market capture in terms of Drone - as - a - Service.





Promoting the use of Drones for Air Quality Monitoring.



Promoting the use of ROV for Underwater Asset Inspection.



Providing Anti Drone Solutions Through Effective Partnerships.



Developing Make In India Loitering Munitions for Defence.

## CLOSING COMMENTS

We have made significant progress in establishing our presence as a prominent brand in drone pilot training and services within India. Building on this momentum, we have begun our foray into drone manufacturing under the 'Make in India' initiative and are steadily advancing our international presence.

We are optimistic about the future. The growing recognition of drone technology's potential across industries, particularly in national security and industrial efficiency, bodes well for our continued growth and profitability. We remain committed to consolidating our leadership position, driving innovation, and progressing on our ESG targets.

I thank all our stakeholders for your unwavering support. Together, we will continue to contribute to India's remarkable rise as a global drone hub.

With warm regards,

**Prateek Srivastava**  
**Founder & Managing Director**  
**DroneAcharya Aerial Innovations Limited**



## Our Vision

We aspire to be the most trusted global drone technology & services company.

## Our Mission

Continuously thriving to upskill and empower the world through drones.

## Our Purpose

Building efficient & sustainable world with drone technology.

## Our Values

### Excellence

Striving for unparalleled quality and performance in all endeavours.

### Integrity

Upholding honesty, transparency, and ethical conduct in every interaction.

### Innovation

Embracing challenges to drive ground-breaking solutions.

### Sustainability & Social-good

Committed to environmental responsibility, sustainable practices and support for social cause.

### Collaboration

Fostering teamwork and partnership to achieve shared goals and success.

## Key Numbers

**₹ 3,528.26 Lakhs**

Revenue from Operations for FY 2023-24

**04**

Number of RPTOs

**391**

Number of DGCA Pilots Trained

**159**

Number of Non-DGCA Students Trained

**01**

Number of Franchises



# Corporate Information



## BOARD OF DIRECTORS

**Mr. Prateek Srivastava**  
Founder and Managing Director

**Mrs. Nikita Srivastava**  
Executive Director

**Mr. Mangina Srinivas Rao**  
Independent Director

**Mrs. Bhanupriya Thakur**  
Independent Director

**Mr. Utsav Jasapara**  
Independent Director

**Mr. Raj Kumar Srivastava**  
Independent Director

## KEY MANAGERIAL PERSONNEL

Chief Financial Officer  
**Mrs. Nikita Srivastava**

Company Secretary and  
Compliance Officer

**Ms. Mukula Joshi**  
(Up to October 10, 2023)

**Mr. Harshal Kher**  
(From December 22, 2023)

## STATUTORY AUDITORS

M/s. K P R K and Associates,  
Chartered Accountants, Nagpur

## INTERNAL AUDITORS

M/s. Veena Agrawal and Associates,  
Chartered Accountants, Nagpur

## SECRETARIAL AUDITORS

M/s More Daliya and Associates,  
Company Secretaries, Nagpur

## SHARE TRANSFER AGENT

Bigshare Services Private Limited  
SEBI Registration No : INR000001385  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

## BANKER

Axis Bank Limited  
HDFC Bank Limited  
ICICI Bank Limited

**CIN: L29308PN2017PLC224312**

## REGISTERED OFFICE

1<sup>st</sup> and 2<sup>nd</sup> Floor, Galore Tech IT Park, LMD Square,  
Bavdhan, Pune - 411021  
Phone: +91 8600009947 / +91 8600009902  
Email: [cs@droneacharya.com](mailto:cs@droneacharya.com) / [info@droneacharya.com](mailto:info@droneacharya.com)  
Website: [www.droneacharya.com](http://www.droneacharya.com)



## Board of Directors and Key Managerial Personnel



**Prateek Srivastava**  
Chairman & Managing Director



Mr. Prateek Srivastava, the Chairman and Managing Director, founded DroneAcharya Aerial Innovations Ltd in 2017 with a vision to pioneer innovation in the Drone/UAV industry. Under his stewardship, the company has thrived, distinguishing itself through groundbreaking design, advanced engineering, and strategic partnerships that have expanded its global presence. Beyond technological advancements, Mr. Prateek sees drones as agents of positive transformation.

Renowned for his steadfast dedication and entrepreneurial drive, Mr. Prateek is committed to pushing boundaries and challenging conventional norms. Through his tireless efforts and visionary leadership, Mr. Prateek exemplifies a transformative force, dedicated to advancing both his field and the broader community.

**Nikita Srivastava**  
Chief Financial Officer & Director



Mrs. Nikita Srivastava, with over a decade of experience in HR and finance, serves as CFO and Director at DroneAcharya. Her background includes diverse roles in financial planning, analysis, and HR management, supported by a solid educational foundation and professional certifications. Mrs. Srivastava excels in aligning financial strategies with organizational goals, driving strategic decision-making and sustainable growth.

She leverages her dual expertise to foster a collaborative environment and spearhead employee engagement initiatives, emphasizing innovation and accountability. Her integrated approach to finance and HR management underscores her pivotal role in DroneAcharya's success, ensuring the company remains at the forefront of financial innovation and organizational development.



**Mangina Srinivas Rao**  
Independent Director



Mr. Rao, serving as an Independent Director on the Board of DroneAcharya since 2022, is an accomplished mentor & strategist and brings a wealth of experience and expertise across multiple domains like technology, agriculture, FMCG etc. With a career spanning over three decades, he has excelled in roles focusing on mentorship, strategic guidance, investment, corporate governance, shareholder value, and fostering public good.

Previously, Mr. Rao held key positions including Executive Director at TIE Hyderabad, and CEO of the Cereal Systems Initiative for South Asia (CSISA) where he dedicated himself to nurturing entrepreneurship, supporting startups through training, mentoring, and facilitating investor connections.

Under his guidance, our company has experienced significant growth over the past 2 years.

## Board of Directors and Key Managerial Personnel



### Raj Kumar Srivastava

Independent Director



Mr. Raj Kumar Srivastava, Independent Director at DroneAcharya, brings over 32 years of expertise in forestry with a focus on digitalization strategy and strategy actualization. A retired Indian Forest Service official, Mr. Srivastava's distinguished career includes over 22 years of field experience in forest management and afforestation schemes. He has significantly contributed to the Karnataka Forest Department, managing initiatives such as the Green India Mission and the National Bamboo Mission, and spearheading digital strategy efforts including the establishment of the ICT Centre.

Under Mr. Srivastava's guidance, we are expecting to leverage his extensive experience to drive innovative solutions and enhance our strategic capabilities.

### Utsav Jasapara

Independent Director



Utsav Jasapara, a Chartered Accountant by profession and an Independent Director at DroneAcharya, possesses a strong background in finance and has over 7 years of extensive experience in the field of venture capital. He's an entrepreneur who specializes in nurturing startups, leading efforts to raise funds, and managing the capital and resources needed to turn innovative ideas into successful businesses.

His visionary approach and astute business acumen have been instrumental in shaping strategic financial decisions and driving growth at our company.



### Bhanupriya Thakur

Independent Director



Bhanupriya Thakur, a Company Secretary by profession with over 10 years of experience in law and governance who serves as an Independent Director in our company. Her expertise in corporate compliance & governance has been instrumental in ensuring regulatory compliance. She also holds roles as a Non-Executive Director on boards of companies like Bajaj Steel and Virtual Galaxy Private Ltd underscoring her commitment to governance excellence and strategic oversight.

Bhanupriya's deep understanding of corporate governance has played a pivotal role in ensuring our company's adherence to regulatory standards while executing strategic decisions.

**90%**  
**YoY GROWTH IN REVENUE**

**AS COMPARED TO FY 2022 - 23**

# Financial Highlights Of Fy 2023-24

**108.15%**

**EBITDA GROWTH**

MARKING  
₹ 10.38 CRORE  
EBITDA

**₹35.19**

**CRORE TOPLINE**

ACHIEVED IN  
FY 2023 - 24

**81.35%**

**PAT GROWTH**

MARKING  
₹ 6.20 CRORE  
PAT





## International Partnerships



Memorandum Of Understanding (Mou) With King Mongkut's Institute Of Technology Ladkrabang (KMITL)



Memorandum Of Understanding (Mou) With Mariano Marcos State University (MMSU).



DroneAcharya Expands To South East Asia Through Partner Company Drone Entry.



MoU with Dhurakij Pundit University, Bangkok.

# Partnerships



DroneAcharya Launches DGCA Certified Drone Pilot Training Institute In Collaboration With IIT Ropar, Punjab.



DroneAcharya Signs MoU With D.Y. Patil International University For Establishing Centre Of Excellence And Providing Drone - Centric Courses.



DroneAcharya And Whistling Woods Have A Star -Studded Launch Of Drone Centric Courses For Filmmaking.



DroneAcharya Signs Term Sheet To Acquire 51% Stake In M/S PYI Technology Private Limited Future In Drone Technology.

## Partnerships



Savitribai Phule Pune University (SPPU) Along With DroneArya Introduces India'S First Credit Based DGCA Certified Remote Pilot Certification And Other Drone And Data Centric Courses.



DroneArya And JAIN University, Bangalore Collaborate To Advance Aviation And Aerospace Education.



DroneArya Conducts DGCA Certified Drone Pilot Training For Maharashtra Police, Pioneering Statewide Program.



DroneArya In Partnership With ITC Limited, Completes Its First All Women'S NamO Drone Didi Batch.

## Partnerships

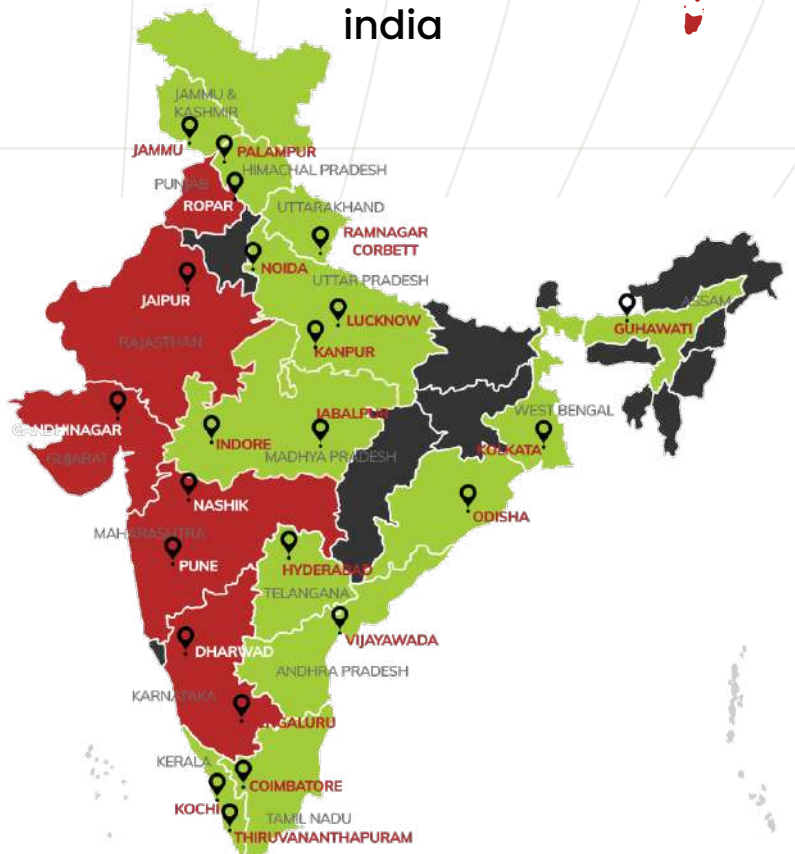


DroneAcharya Signs Mou With Yashwantrao Chavan Maharashtra Open University (YCMOU) To Pave The Way For An Exciting Future In Drone Technology.



DroneAcharya Aerial Innovations And Hadron Aviation Enter Into Memorandum Of Understanding To Create A Stream Of 1,000 Trained Personnel In The First Year Through Their Drone Centric Diploma And Certificate Courses.


# Steady Today, Scale Tomorrow



# Road Map

**April 2023**

Signs an MoU with Indian Institute of Technology, Ropar for setting up a DGCA Certified Remote Pilot Training Organisation and establishing a Drone Centre of Excellence.




**April 2023**

Completed its 50<sup>th</sup> Batch of DGCA Drone Certified Training.

**April 2023**

Conducted 1<sup>st</sup> Aeromodelling Workshop for kids in Muktangan Exploratory with a huge success.




**April 2023**


Honoured as the Best Startup at Pune Management Association (PMA) Eminence Awards 2023.

**May 2023**

Exhibited at the G20 India Prasar Doot at Savitribai Phule Pune University.




**April 2023**



**June 2023**

**June 2023**

Partnered with King Mongkut's Institute of Technology Ladkrabang (KMITL) Thailand as an effort to capture the Southeast Asian market. This collaboration is aimed at conjointly developing a Drone Center of Excellence for projects and advanced research in Drone and Geospatial Technologies.




**June 2023**

Partnered with PDRL - Passenger Drone Research Pvt. Ltd. to elevate professional training on Aeromegh platform


**August 2023**

Signed an MoU with Mariano Marcos State University Philippines for developing a Drone Center of Excellence for fostering the use of Drone Tech and GIS for sustainable development.




**August 2023**

DroneAcharya got featured on 93.5 RedFM.



**August 2023**


DroneAcharya was invited to the K-Engineering World Tour and Workshop 2023 in King Mongkut's Institute of Technology Ladkrabang (KMITL) Thailand.



# Road Map


**September 2023**

Secured a game changing contract worth US\$1.26 Million (INR 10.5 Crore) in Qatar for Drone Sales, Service and Software Development exclusively for the Oil & Gas sector.




**September 2023**

Launched the first training program aimed at upskilling and providing opportunities to underprivileged individuals in collaboration with TATA Strive.




**September 2023**

DroneAcharya becomes first company to train 500 DGCA certified drone pilots




**September 2023**

DroneAcharya partners with DY Patil international university for providing drone courses and drone centre of excellence




**January 2024**

DroneAcharya announce acquisition of 51% shares in PYI Technologies




**January 2024**

DroneAcharya started DGCA certified drone pilot training in punjab in partnership with IIT, Ropar.




**February 2024**

Strategic partnership with Vimaan Aerospace




**February 2024**

DroneAcharya Exhibited MSME Defence expo




**March 2024**

DroneAcharya completed 7 years



**March 2024**

DroneAcharya got DGCA Certification for the Medium class.



## Board's Report

TO  
THE MEMBERS OF  
**DRONEACHARYA AERIAL INNOVATIONS LIMITED**

The Directors of your company are pleased to present the seventh (7<sup>th</sup>) Annual Report on the business and operations of the Company along with the Audited Standalone as well as Consolidated Financial statements for the financial year ended 31.03.2024.

Highlights of the Financial year 2023-24 are as follows:

### 1. FINANCIAL SUMMARY

(INR in lakhs)

Particulars	Standalone		Consolidated	
	FY 2023 -24	FY 2022-23	FY 2023-24	FY 2022-23
Revenue from operations	3519.37	1856.94	3525.28	1856.94
Other income	200.61	56.61	201.18	56.61
<b>Total Income</b>	<b>3719.98</b>	<b>1913.55</b>	<b>3726.46</b>	<b>1913.55</b>
EBITDA	1239.31	557.92	1229.06	557.92
Tax Expenses:				
Current Tax Expenses	240.98	106.35	240.98	106.35
Deferred Tax Expenses	(15.34)	14.74	(15.34)	14.74
<b>Net PAT</b>	<b>620.39</b>	<b>341.97</b>	<b>610.02</b>	<b>341.97</b>
Diluted EPS	2.59	1.77	2.54	1.77

### 2. STATE OF COMPANY'S AFFAIRS

The company registered a stellar growth in standalone revenue at INR 3519.37 Lakhs during the Financial Year 2023-24 as compared to INR 1856.94 Lakhs in the Financial Year 2022-23. The Profits after Tax ("PAT") stood at INR 620.39 Lakhs in Financial Year 2023-24 as compared to INR 341.97 Lakhs in the previous financial year.

The consolidated revenue stood at INR 3525.28 Lakhs and the PAT was INR 610.02 Lakhs during the Financial Year 2023-24. The Company has consolidated its accounts with M/s PYI Technologies Private Limited pursuant to the acquisition of 51% in the later on January 02, 2024.

The meteoric performance is due to the company's steady and consistent growth as a Drone Solution Provider and Drone Centric Training Organization. Currently, DroneAacharya is India's leading and pioneering DGCA-certified Drone pilot training in the private segment. The company has also made significant strides in bagging multiple International Drone service projects and valuable industrial connections with Drone manufacturers,





investment in drone-centric companies and acquisitions of value-adding firms in India and globally.

### **3. TRANSFER TO RESERVES**

During the year under review, the Company has not transferred any amount to Reserves.

### **4. DIVIDEND**

Your directors have not recommended any dividend on equity shares for the year under review to conserve the resources for the future growth of the Company.

### **5. CHANGE IN THE NATURE OF BUSINESS**

During the year under review, there was no change in the nature of the business of the Company.

### **6. FINANCIAL STATEMENTS**

Your Company has consistently applied applicable accounting policies during the year under review. Management evaluates all recently issued or revised accounting standards on an ongoing basis. The Company has published standalone financial results on a half-yearly basis which were subjected to limited review and published the audited consolidated and standalone audited financial results on an annual basis along with the auditor's report. There were no revisions made to the financial statements during the year under review.

The Financial Statements of the Company are prepared in accordance with the applicable Indian Accounting Standards ("Ind-AS") as issued by the Institute of Chartered Accountants of India and form an integral part of this Report.

### **7. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There were no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### **8. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT UNDER SECTION 186 OF THE COMPANIES Act, 2013.**

Particulars of loans given, security provided, investments made and guarantees given during the year as covered under section 186 of the Companies Act, 2013 ("the Act") form part of the notes to the standalone financial statements of the Company as attached to this annual report.

### **9. DEPOSITS**

Your Company has not accepted any deposits from the public during the year under review, falling within the ambit of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

Further, Form DPT-3 has been filed with the Registrar of Companies, Pune (“ROC”) within the prescribed timeline.

## 10. DETAILS OF SUBSIDIARY, ASSOCIATES AND JOINT VENTURES

### i) Subsidiaries

During the year under review, the Company acquired 5,100 equity shares i.e 51% stake in M/s PYI Technologies Private Limited on January 02, 2024. This strategic acquisition was considered a pivotal move in DroneArya's expansion plan, aimed at broadening its service spectrum and enhancing its value-added offerings within the drone industry.

Pursuant to Section 129(3) of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures is given in **Form AOC-1** and forms an integral part of this Report.

As of March 31, 2024, we do not have any material subsidiary as per the threshold requirements given in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

## 11. SHARE CAPITAL

### Authorized Equity Share Capital :

As on March 31, 2024, the Authorized Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores) divided into 2,99,50,000 (Two Crores Ninety Nine Lakhs and Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each and 50,000 (Fifty Thousand) Preference Shares of Rs. 10/- (Rupees Ten) each.

There were no changes made to the Authorized Share Capital of the Company during the year under review.

### Paid-up Equity Share Capital:

As on March 31, 2024, the Paid-up Equity Share Capital of the Company is Rs. 23,98,86,000/- (Rupees Twenty-Three Crores Ninety-Eight Lakhs and Eighty-Six Thousand) divided into 2,39,88,600 (Two Crores Thirty-Nine Lakhs Eighty-Eight Thousand and Six Hundred) Equity Shares of Rs. 10/- (Rupees Ten) each.

Further, during the year under review, the Company did not issue any shares or grant stock options or equity shares to the employees.

### Issue of Debentures, Bonds and any other non-convertible securities/warrants:

During the year under review, the Company has not issued any debentures, bonds or any other non-convertible securities nor the Company has issued any warrants.



## **12. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY TRANSACTION**

The Company has not entered into any material Related Party Transaction (“RPT”) during the financial year 2023-24. All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the RPTs which are repetitive or when the need for these transactions cannot be foreseen in advance. The company has adopted a Related Party Transaction Policy in line with the requirements of the Companies Act, 2013 and the Listing Regulations, as amended from time to time, which is available on the website at [www.droneacharya.com](http://www.droneacharya.com). The policy intends to ensure proper reporting, approval and disclosure processes are in place for all the transactions between the company and its related parties.

All RPTs entered during the year were in the ordinary course of business and on an arm’s length basis and not material in nature in terms of Section 188 of the Act. Thus, disclosure in Form AOC-2 in terms of Section 134 is not required. There were no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel of the Company.

Details of all related party transactions are mentioned in the notes to financial statements forming part of the Annual Report.

## **13. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls with reference to the Financial Statements. The Board routinely assesses internal control systems, the effectiveness of the internal audit function, and important internal audit discoveries in collaboration with management.

## **14. DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS**

The Company has obtained the required declarations and disclosures from the Independent Directors in accordance with Section 149(7) and Section 184(1) of the Act, confirming their compliance with the independence criteria outlined in Section 149(6) of the Act and under the applicable provisions of the Listing Regulations by disclosing their interest in form MBP-1. All the Directors have certified that the disqualifications mentioned under sections 164, 167 and 169 of the Act do not apply to them.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. The Board of the Company has taken the disclosures on record after verifying the due veracity of the same.

In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act. The Directors and the senior management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel.

## **15. DETAILS OF THE DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

### **Board Composition and Size**

An enlightened Board sets the tone for a positive leadership culture which is essential for the long-term success of the company. By prioritizing strategic decision-making and fostering a collaborative environment, our Board members play a crucial role in achieving

the organization's growth while maintaining sustainable growth. Their vision and guidance empower the management and employees at all levels to contribute effectively ultimately leading to a thriving company.

Our Board brings together a blend of unique skills, qualities, viewpoints, and expert knowledge in key and technical areas concerning the field of business and are from a range of diverse backgrounds. The Board as part of its succession planning exercise, periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company.

The Board of Directors of the company has an optimum combination of Executive and Non-Executive Independent Directors with rich professional experience and background. As on March 31, 2024, the Company's Board Consists of 6 Directors as follows:

NAME OF THE DIRECTOR	DIN	CATEGORY
Mr. Prateek Srivastava	07709137	Chairman and Managing Director
Mrs. Nikita Srivastava	08082593	CFO & Executive Director
Mrs. Bhanupriya Thakur	08276607	Non-Executive Independent Woman Director
Mr. Utsav Jasapara	09711346	Non-Executive Independent Director
Mr. Mangina Srinivas Rao	08095079	Non-Executive Independent Director
Mr. Raj Kumar Srivastava*	07289955	Additional Director - Independent

\*During the year under review, Mr. Raj Kumar Srivastava (DIN: 07289955) was appointed as an Additional Director - Independent with effect from February 06, 2024 for a term of 5 years. His appointment is subject to approval from the Members of the Company through Special Resolution as per the provisions of Regulation 17 of the Listing Regulations.

Independent Directors fulfil the criteria as specified in section 149(6) of the Companies Act, 2013. The Board is Chaired by the Managing Director who is also a promoter of the Company.

### Key Managerial Personnel (KMP)

As on the date of this report, the following are the Key Managerial Personnel (KMPs) of the Company as per section 2(51) read with Section 203 of the Act:

NAME OF THE KMP	DESIGNATION
Mr. Prateek Srivastava	Managing Director
Mrs. Nikita Srivastava	Chief Financial Officer
Mr. Harshal Kher*	Company Secretary and Compliance Officer



During the year under review, Ms. Mukula Jayant Joshi, former Company Secretary and Compliance officer of the Company tendered her resignation on October 10, 2023 from the said position and consequently, the Board of Directors appointed Mr. Harshal Kher as the Company Secretary and Compliance Officer of the Company with effect from December 22, 2023.

## 16. BOARD OF DIRECTORS AND ITS MEETINGS

### Number of Board Meetings

During the financial year 2023-24, **5 (Five)** Board meetings were held and the details of the number of directors present along with the dates are mentioned below in the table:

Sr. No	Date of the Board Meetings	Board strength as on the date of the Board Meeting	No. of Directors Present
1.	April 29, 2023	5	5
2.	August 24, 2023	5	5
3.	October 27, 2023	5	4
4.	December 22, 2023	5	5
5.	February 06, 2024	5	5

The time gap between two consecutive Board meetings was less than 120 days and a necessary quorum as per the Act and the Listing Regulations was also present in all the meetings.

## 17. COMMITTEES OF THE BOARD

The Board committees play a crucial role in corporate governance. These committees are responsible for conducting detailed reviews of items under their purview before presenting them to the Board. Generally, committee meetings are held before the Board meetings and the chairperson of each of the committees reports to the Board about the decisions taken at the committee meetings. At times, committees also provide recommendations to the Board on matters under their purview. The Board has established several statutory committees in accordance with the Act and the Listing Regulations, which include:

- Audit Committee
- Nominations and Remuneration Committee
- Stakeholder's Relationship Committee

Details of each of the committees are mentioned below:

### • Audit Committee

In accordance with the requirements of section 177 of the Act, the Board has established a qualified and independent Audit Committee. The committee comprises of 5 (Five) members and the majority of members are Independent Directors. The members of the Audit Committee have relevant experience in financial matters as well as have accounting or related financial management expertise and all of them are financially literate. The Chairman of the Audit Committee is an Independent Director and has expert knowledge in accounts & finance, banking, corporate laws, and governance matters.

The composition of the Audit Committee as on March 31, 2024 including the changes made in the committee during the year is as under:

Name of the Director	Designation	Category
Mr. Utsav Jasapara	Chairman	Non-Executive Independent Director
Mr. Mangina Srinivas Rao	Member	Non-Executive Independent Director
Mrs. Bhanupriya Thakur	Member	Non-Executive Independent Director
Mr. Raj Kumar Srivastava*	Member	Non-Executive Independent Director
Mrs. Nikita Srivastava	Member	CFO & Director

\*Mr. Raj Kumar Srivastava was appointed as a member of the Audit Committee with effect from February 06, 2024.

During the year under review, the audit committee met 4 (Four) times on **April 29, 2023, August 24, 2023, October 27, 2023** and **February 06, 2024**.

The Company Secretary acts as the Secretary of the Audit Committee.

- Nominations and Remuneration Committee (NRC)**

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments, including Managing Director and Management Committee.

In accordance with the provisions of Section 179 of the Act, the Company has constituted Nomination and Remuneration Committee (NRC), composition, terms of reference of which are in conformity with the said provisions.

The committee comprises of 5 (Five) members and majority members are Independent Directors.

The composition of NRC as on March 31, 2024 including the changes made in the committee during the year is as under:

Name of the Director	Designation	Category
Mr. Mangina Srinivas Rao	Chairman	Non-Executive Independent Director
Mr. Utsav Jasapara	Member	Non-Executive Independent Director
Mrs. Bhanupriya Thakur	Member	Non-Executive Independent Director
Mr. Raj Kumar Srivastava*	Member	Non-Executive Independent Director
Mr. Prateek Srivastava	Member	Chairman & Managing Director

\*Mr. Raj Kumar Srivastava was appointed as a member of the NRC with effect from February 06, 2024.



During the year under review, the Nomination and Remuneration Committee met 4 (Four) times on **April 29, 2023, August 24, 2023, December 22, 2023** and **February 06, 2024**.

The Company Secretary acts as the Secretary of the Nomination and Remuneration Committee.

### **Company's policy on Directors' Appointment and Remuneration**

The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board To operate effectively and efficiently, the Board has identified key skills, expertise, and competencies that are relevant to the Company's business and sector.

The detailed policy on terms and conditions for the appointment of Independent Directors the policy of making payment to Non-Independent Directors is available on the website of the Company at [www.droneacharya.com](http://www.droneacharya.com).

### **• Stakeholder's Relationship Committee (SRC)**

In accordance with the provisions of section 178 of the Act, the Company has framed a Stakeholder's Relationship Committee (SRC) that is responsible for handling investor grievances.

The committee is comprised of 5 (Five) members, the majority of which are Independent Directors.

The composition of SRC as on March 31, 2024 including the changes made in the committee during the year is as under:

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
Mrs. Bhanupriya Thakur	Chairman	Non-Executive Independent Director
Mr. Utsav Jasapara	Member	Non-Executive Independent Director
Mr. Mangina Srinivas Rao	Member	Non-Executive Independent Director
Mr. Raj Kumar Srivastava*	Member	Non-Executive Independent Director
Mrs. Nikita Srivastava	Member	CFO & Director

\*Mr. Raj Kumar Srivastava was appointed as a member of the SRC with effect from February 06, 2024.

As on March 31, 2024, no complaints are pending on the SEBI SCORES portal.

During the year under review, the Stakeholder's Relationship Committee met 3 (Three) times on **April 29, 2023, August 24, 2023** and **February 06, 2024**.

The Company Secretary acts as the Secretary of the Stakeholder's Relationship Committee.

## **18. COMPLIANCE WITH SECRETARIAL STANDARD**

During the period from April 01, 2023 to March 31, 2024, the Company has complied with the Secretarial Standard – 1 and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India.

## **19. POLICY ON CORPORATE SOCIAL RESPONSIBILITY**

As of the financial year ending on March 31, 2024, the Company was not subject to the Corporate Social Responsibility (CSR) as per the provisions of section 135 of the Act.

## **20. PARTICULARS OF REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND EMPLOYEES**

The information required to be disclosed in the Board's Report pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached to this report as Annexure – A.

## **21. DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to section 134(5) of the Companies Act, 2013, the Directors based on the representations received from the operating management and after due enquiry, confirm that:

- a) In the preparation of Annual Accounts, the applicable accounting standards had been followed along with a proper explanation of material departures;
- b) They had selected and applied such accounting policies consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2024 and of the profit of the company for that period;
- c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They had prepared the annual accounts on a going concern;
- e) They had 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) They had devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **22. BOARD EVALUATION**

Pursuant to section 134(3)(p) read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and in terms of the framework of the Nomination and remuneration Policy, the Nomination and Remuneration Committee and the Board of Directors have carried out annual performance evaluation of the Board.





### **23. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars with respect to the conservation of energy, technology absorption and foreign exchange earnings and outgo are stipulated in **Annexure - B** which is enclosed to this report.

### **24. RISK MANAGEMENT POLICY**

In line with this requirement, the Company has framed and implemented a risk management policy to identify and assess the regulatory risk areas, and a risk mitigation process. A detailed exercise is being carried out at regular interval to identify, evaluate, manage and monitor all the business risks. The Board periodically review the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

### **25. ANNUAL RETURN**

In compliance with section 92(3) read with section 134(3) of the Act, the annual returns of the Company as on March 31, 2024 is available on the website of the Company at [www.droneacharya.com](http://www.droneacharya.com)

### **26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT A WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL), ACT 2013.**

The Company is committed to providing a healthy environment to all employees and thus does not tolerate any sexual harassment at the workplace. The Company has in place, a "Policy on Prevention, Prohibition and Redressal of Sexual Harassment." The policy aims to protect employees at the workplace and prevent and redress complaints of sexual harassment and it covers matters connected or incidental thereto. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Company has not received any complaints of sexual harassment.

### **27. HUMAN RESOURCES / INDUSTRIAL RELATIONS**

Your Company believes that Human resources is the principal driver of change. The Company focuses on providing individual development and growth in a professional work culture that enables innovation, ensures high performance and remains empowering. The HR management systems and processes are designed to enhance organizational effectiveness and employee alignment. Your company has put in place a performance appraisal system that covers all employees.

## 28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with Regulation 34 of the SEBI Listing Regulations, a separate section on Management Discussion and Analysis, as approved by the Board, which includes details on the state of affairs of the Company, forms part of this Annual Report.

## 29. WHISTLE BLOWER POLICY / VIGIL MECHANISM

The company has established a vigil mechanism for directors and employees to report concerns about unethical behavior. The mechanism provides adequate safeguard against victimization of employees raising any such concern and it allows direct access to the Chairperson of the Audit Committee in exceptional cases. During the financial year under review, no person was denied access to the Audit Committee. The whistle-blower policy is available on the website of the company at [www.droneacharya.com](http://www.droneacharya.com)

## 30. FRAUDS REPORTED BY AUDITORS

During the year under review, no frauds were reported by the auditors to the Audit Committee or the Board under Section 143(12) of the Act read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

## 31. AUDITORS

### a. Statutory Auditors

Members of the Company have approved the appointment of M/s K P R K & Associates, Chartered Accountants, Nagpur (FRN: 103051W), as the statutory auditors of the company for a consecutive term of five years at the Annual General Meeting held on September 30, 2022 till the conclusion of Annual General Meeting for the financial year 2026-27.

### b. Secretarial Auditors

During the year under review, the Board of Directors had appointed M/s More Daliya and Associates, Practicing Company Secretaries, Nagpur, as the Secretarial Auditors of the Company for the financial year 2023-24.

### c. Internal Auditors

M/s Veena Agrawal and Associates, Chartered accountants, Nagpur were as Internal Auditors of the Company for conducting Internal Audit functions for the financial year 2023-24.



### **32. STATUTORY AUDITORS' REPORT**

The Auditor's Report for the FY 2023-24 on the standalone as well consolidated financial statements of the Company is attached to this Annual Report. The notes on Financial Statements referred to in the Annual Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

### **33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

During the year there were no significant material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations. Your Board takes this opportunity to thank all its employees for their dedicated service and firm commitment to the goals of the Company. Your Board also wishes to place on record its sincere appreciation for the wholehearted support received from members, clients, bankers and all other business associates. We look forward to continued support of all these partners in progress.

### **34. ACKNOWLEDGEMENT**

Your Board expresses gratitude to all employees for their dedicated service and unwavering commitment to the Company's goals. We also extend our sincere appreciation for the wholehearted support received from members, clients, bankers, and all other stakeholders

**For DroneAcharya Aerial Innovations Limited**

**Prateek Srivastava**  
**Managing Director**  
**DIN: 07709137**

**Nikita Srivastava**  
**Director and CFO**  
**DIN: 08082593**

**Form AOC-1**

**Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures (Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

<b>Name of the subsidiary</b>	M/s PYI Technologies Private Limited
<b>Reporting period for the subsidiary concerned</b>	April 01, 2024 to March 31, 2024
<b>Share capital</b>	INR 1,00,000
<b>Reserves and surplus</b>	INR (3,56,700)
<b>Total assets</b>	INR 16,68,840
<b>Total liabilities</b>	INR 19,25,585
<b>Investments</b>	NIL
<b>Turnover</b>	INR 14,80,418
<b>Profit before tax</b>	INR (1,48,121)
<b>Provision for taxation</b>	NIL
<b>Profit after tax</b>	INR (1,48,121)
<b>Proposed dividend</b>	NIL
<b>% shareholding</b>	51%

**For DroneAcharya Aerial Innovations Limited**

**Prateek Srivastava**  
**Managing Director**  
**DIN: 07709137**

**Nikita Srivastava**  
**Director and CFO**  
**DIN: 08082593**

## ANNEXURE-A

### RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION

**DISCLOSURES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION), RULES, 2014**

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sr. No.	Name of Director/KMP	Designation	Ratio of the Remuneration of each Director to Median Remuneration of Employees
1)	Mr. Prateek Srivastava	Managing Director	18.1
2)	Mrs. Nikita Srivastava	Executive Director	6.08
3)	Mr. Mangina Srinivas Rao	Independent Director	0.18
4)	Mrs. Bhanupriya Thakur	Independent Woman Director	0.18
5)	Mr. Utsav Jasapara	Independent Director	0.18
6)	Mr. Raj Kumar Srivastava	Additional Director - Independent	NA

**(Explanation:** (i) the expression “median” means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one; (ii) if there is an even number of observations, the median shall be the average of the two middle values).

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, and Company Secretary in the financial year:

Sr. No.	Name of Director/KMP	Designation	% increase in remuneration in the financial year
1)	Mr. Prateek Srivastava	Managing Director	-
2)	Mrs. Nikita Srivastava	Executive Director and Chief Financial Officer	-
3)	Mr. Mangina Srinivas Rao	Independent Director	-
4)	Mrs. Bhanupriya Thakur	Independent Woman Director	-
5)	Mr. Utsav Jasapara	Independent Director	-
6)	Mr. Raj Kumar Srivastava	Additional Director - Independent	-
7)	*Ms. Mukula Joshi	Company Secretary & Compliance Officer	-
8)	*Mr. Harshal Kher	Company Secretary & Compliance Officer	-

\* Mr. Harshal Kher was appointed as Company Secretary and Compliance Officer of the Company w.e.f December 22, 2023 in place of Ms. Mukula Joshi, consequently, the percentage increase in the remuneration is not applicable as the remuneration was paid to both for the part of the year and hence, not stated.

3. The percentage increase in the median remuneration of employees in the financial year: 17.77%
4. The number of permanent employees on the rolls of Company: 56
5. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 17.77%. However, there was no increase in the salaries of managerial personnel in the last financial year. The increments given to each individual employee is based on the employees' performance and retention & motivation policy of the Company. There are no exceptional circumstances for increase in the managerial remuneration.

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.
7. Details of employees who received remuneration in excess of Rupees One crore and Two lakh or more per annum:
  - During the year, none of the employees received remuneration in excess of ₹ 102.00 Lakh or more per annum or ₹ 8.50 Lakhs per month for part of the year. In accordance with the provisions of Section 197 of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, therefore there is no information available to disclose.
  - During the year, none of the employees received remuneration in excess of that drawn by the Whole-time director and none of the employees hold two percent of the equity shares of the Company.

## ANNEXURE-B

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of Conservation of Energy, Technology, absorption and Foreign Exchange earning outgo in terms of section 134(3)(m), read with Companies (Accounts) Rules, 2014 and forming a part) :

Sr. No	Particulars	Remarks
1.	<p><b><u>CONSERVATION OF ENERGY</u></b></p> <p>Steps taken or impact on conservation, Process optimization and automation, Electricity consumption and key initiatives taken for energy conservation, the capital investment on energy conservation equipment.</p>	<p>We have implemented various initiatives to promote a culture of awareness among employees to turn off lights and equipment when not in use. These concerted efforts not only benefit the environment but also contribute to cost savings in the long run</p>
2.	<p><b><u>TECHNOLOGY ABSORPTION</u></b></p> <p>Efforts made by the Company towards technology absorption, the benefits derived like product improvement, cost reduction, product development or import substitution, in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year) and the expenditure incurred on Research and Development</p>	<p>The Company has not imported any technology during the financial year under review.</p> <p>The company is dedicated to incorporating advanced technologies into its services to meet the needs of a fiercely competitive global market.</p> <p>This proactive approach to technology absorption not only keeps us ahead of the curve but also ensures sustainable growth and success in the long term.</p>

### **DURING THE PERIOD UNDER REVIEW THE FOLLOWING IS THE FOREIGN EXCHANGE INFLOW AND OUTFLOW**

Particulars	FY 2023-24
Foreign Exchange Earnings in terms of actual inflows	INR 3,02,60,696/-
Foreign Exchange Outgo in terms of actual outflows	INR 83,46,508/-

#### **For DroneArya Aerial Innovations Limited**

**Prateek Srivastava**  
**Managing Director**  
**DIN: 07709137**

**Nikita Srivastava**  
**Director and CFO**  
**DIN: 08082593**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 2023-24**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**M/s DRONEACHARYA AERIAL INNOVATIONS LIMITED,**  
**CIN: L29308PN2017PLC224312**  
1st & 2nd Floor, Galore Tech IT Park,  
LMD Square, Bavdhan, Pune, Pune City,  
Maharashtra, India, 411021.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices for the Financial Year 2023-24 of **M/s DRONEACHARYA AERIAL INNOVATIONS LIMITED** (hereinafter called the “**Company**”), incorporated on 10<sup>th</sup> March, 2017 and having CIN- L29308PN2017PLC224312 and Registered office at 1st & 2nd Floor, Galore Tech IT Park, LMD Square, Bavdhan, Pune, Pune City, Maharashtra, India, 411021. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms, and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents, and authorized representative during the course of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliances-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and record maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2024 according to the applicable provisions of the:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-





- (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and amended on 2<sup>nd</sup> of February 2018;
- (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (iii) Other laws applicable to the Company as given below, we have relied on the compliance system prevailing in the Company and on the basis of information provided to us;
  - i) Reserve Bank of India Act, 1934
  - ii) Prevention of Sexual Harassment Act, 2013

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

**We report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For More Daliya and Associates  
Company Secretaries  
Peer Review Certificate: 1411/2021**

**Sd/-  
Keshav Daliya  
Partner  
Mem. No. 11258  
CP No. 15581  
UDIN: F011258F000498327**

**Date: May 30, 2024  
Place: Nagpur**

**Note: This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this Report**

#### **Annexure-A**

To,  
The Members,  
**M/s DRONEACHARYA AERIAL INNOVATIONS LIMITED,**  
CIN: L29308PN2017PLC224312  
1st & 2nd Floor, Galore Tech IT Park,  
LMD Square, Bavdhan, Pune,  
Pune City, Maharashtra, India, 411021.

Secretarial Audit Report of even date is to be read along with this letter.

The compliance of provisions of all laws, rules, regulations, standards applicable to **M/s DRONEACHARYA AERIAL INNOVATIONS LIMITED** (hereinafter called 'the **COMPANY**') is the responsibility of the management of the **COMPANY**. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

1. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the **COMPANY**. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the **COMPANY**, along with explanations where so required.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and



other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the COMPANY.
4. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the COMPANY nor of the efficacy or effectiveness with which the management has conducted the affairs of the COMPANY.

**For More Daliya and Associates  
Company Secretaries  
Peer Review Certificate: 1411/2021**

**Keshav Daliya  
Partner  
Mem. No. 11258  
CP No. 15581  
UDIN: F011258F000498327**

**Date: May 30, 2024  
Place: Nagpur**

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Company Management is pleased to present before the members of the Company, the Management Discussion & Analysis Report (“MDAR”) of the Company’s business for the financial year 2023-2024.

### **Economic overview:**

The global economy is anticipated to strengthen in 2025 as uncertainties diminish and major Western central banks are expected to lower interest rates towards the end of 2024. This shift is expected to boost capital flows to India, enhancing private investment and exports. While inflation concerns persist, they are projected to ease in the latter half of the next fiscal year, barring any unexpected spikes in oil or food prices. India has emerged as the fastest-growing economy in the world and is expected to be one of the top three economic powers over the next decade, backed by its robust democracy and strong partnerships. As India races to clinch the third spot in terms of GDP, the consumer market is also set to become the world’s third-largest by 2027.

Despite significant challenges in the global environment – including renewed disruptions of supply lines following the rise in geopolitical tensions, the synchronized tightening of global monetary policies, and inflationary pressures, the Indian economy has shown substantial growth. According to a survey by the Reserve Bank of India, consumer confidence has barely reached pre-pandemic levels, and the improvement over the past few months has been gradual, despite a strong pickup in economic activity. However, the rapid growth of the middle-income class has led to rising purchasing power and even created demand for premium luxury products and services. With the number of middle-to-high-income households with increasing disposable income to rise, this trend will likely get further amplified, driving overall private consumer expenditure growth. India’s per capita income has steadily increased by 140%—from US\$1,674 in 2014 to US\$2,341 in 2022.

India has successfully navigated multiple economic shocks in recent years, solidifying its position as one of the fastest growing major economies in the world. The IMF has raised India's economic growth forecast to 6.8% for 2024-25 and 6.5% for 2025-26, up from its previous forecast of 6.7% for 2024. The growth in GDP during the year 2023-24 is estimated at 7.6 % as compared to 7.0% in 2022-23. With inflation currently around 4.7%, close to the mid-target of 4%, further decreases in inflation are expected, which should bolster consumer spending. This positive outlook for consumption, combined with continued economic reforms and strong public investment, supports a robust growth trajectory for India in the coming years.

*(Source: IMF – April 2024, Deloitte: India economic outlook - April 2024)*

### **Drone Industry Analysis and Developments:**

India is positioning itself as a leader in Industry 4.0 by setting an ambitious goal to become a major global hub for drones by 2030. This move is projected to boost the country's GDP by 1-1.5% and create at least 500,000 jobs in the coming years. Central to this effort is the Production Linked Incentive (PLI) scheme, introduced by the government in 2021, which the drone industry is now calling to expand. Pawan Goenka, chairperson of the Steering



Committee for Advancing Local Value-add and Exports (SCALE), highlights the industry's satisfaction with the current scheme but emphasizes the need for its enlargement to include more players and increase financial outlay, especially benefiting startups and small to medium enterprises.

The drone manufacturing industry in India has seen significant growth, with annual sales turnover expected to increase from approximately Rs 60 crore in 2020-21 to around Rs 900 crore by 2024-25, according to Minister of State of Civil Aviation Gen. VK Singh (Retd.). This growth is underpinned by the government's liberalized drone regulations introduced in August 2021, which reduced bureaucratic hurdles and opened nearly 90% of Indian airspace as a green zone for drones flying up to 400 feet.

The PLI scheme has so far disbursed Rs 30 crore out of a total incentive pool of Rs 120 crore, with 23 beneficiaries selected, including 12 drone manufacturers and 11 component manufacturers. The government's comprehensive approach also includes the elimination of drone pilot license requirements, establishment of drone training schools, and a ban on the import of foreign drones with certain exceptions, all aimed at fostering a robust domestic drone market.

To further promote indigenous drone usage, the government has simplified export policies for civilian drones and rolled out a scheme to provide drones to over 15,000 women-led Self Help Groups (SHGs) between 2023-24 and 2025-26. This initiative enables SHGs to offer drone rental services to farmers. Additionally, the Kisan Drone Scheme offers incentives and subsidies for farmers to purchase drones for agricultural purposes, enhancing crop monitoring and fertilization.

Finance Minister Nirmala Sitharaman's interim budget on February 1, 2024, increased the allocation for the PLI scheme for drones and components to Rs 57 crore for FY 2024-25, up from Rs 33 crore in FY 2023-24. As per the EY-FICCI report 'Making India the Drone Hub of the World,' the global drone market is projected to reach \$54 billion by 2025, with India potentially capturing a \$4.2 billion share, expanding to \$23 billion by 2030.

However, challenges remain, particularly the lack of a robust component ecosystem, forcing domestic manufacturers to rely on imports. Investments are being made to develop this local ecosystem, with companies like IdeaForge leading efforts to indigenize drone technology. Establishing official testing facilities and fostering a skilled talent pool for UAV operations are also critical needs. Concerns about the PLI scheme's lack of checks and balances have been raised, with industry leaders urging for the inclusion of service-linked incentives alongside production-linked ones to ensure quality and comprehensive industry growth.

(Source: <https://economictimes.indiatimes.com/>)

### **Opportunities and threats:**

India's diverse landscape and growing economy present fertile ground for the drone industry. In agriculture, drones offer significant advancements through precision farming. By enabling efficient crop monitoring, precise pesticide application, and detailed soil analysis, drones can help farmers optimize resources and increase yields. Similarly, the expanding infrastructure sector can benefit from drones in surveying, mapping, and monitoring construction sites, enhancing efficiency and safety.

The logistics and delivery sector also stands to gain from drone technology. Drones can revolutionize last-mile delivery, especially in remote or congested urban areas, while also providing crucial services in medical supply delivery and disaster relief. Security applications for drones are equally promising, from border surveillance and industrial monitoring to supporting law enforcement and public safety efforts.

In India's defence sector, drones have become indispensable for enhancing surveillance, reconnaissance, and combat capabilities. Equipped with advanced sensors, UAVs monitor borders, detect threats, and provide real-time intelligence, particularly in challenging terrains. Armed drones enable precision strikes with minimal risk to personnel. Additionally, drones play crucial roles in counter-terrorism, internal security, disaster management, and humanitarian aid, showcasing their versatility and strategic importance in safeguarding national security.

On the other side, Drone companies in India face several risks and concerns that could hinder their growth and sustainability. A significant challenge is the regulatory landscape, which, despite improvements, remains complex and sometimes restrictive. Compliance with evolving regulations can be burdensome and costly, especially for smaller firms. Additionally, illegal imports of drones, often sold at lower prices without adhering to safety and quality standards, create unfair competition for legitimate businesses. This not only undermines market stability but also raises safety concerns, as these unregulated drones can pose significant risks to public safety and security.

Increasing competition, both domestic and international, also poses a threat to Indian drone companies. International firms, equipped with advanced technology and substantial financial resources, can outcompete local startups, making it difficult for them to establish a foothold in the market. This competitive pressure necessitates continuous investment in research and development to keep up with technological advancements, which can strain the financial resources of smaller companies. Furthermore, cybersecurity risks are a major concern, as drones are vulnerable to hacking and data breaches, potentially compromising sensitive information and operational integrity. Addressing these issues requires a concerted effort from the industry and regulatory bodies to ensure a fair, safe, and competitive market environment.

### **Outlook:**

The drone industry in India is set to experience significant growth, driven by expanding opportunities across various sectors. One of the most promising areas is agriculture, where drones are revolutionizing traditional farming practices. By enabling precision farming, drones allow for efficient crop monitoring, soil analysis, and pest management, which can lead to optimized resource use, reduced costs, and improved yields. With India's vast agricultural landscapes, the adoption of this technology is crucial for addressing challenges related to food security and sustainability. Government initiatives and technological advancements are making drones more accessible to farmers, further accelerating this trend.

In the defense and security sectors, drones are becoming indispensable tools for enhancing India's military capabilities. The demand for sophisticated military and surveillance drones is rising as India seeks to bolster its security infrastructure. Domestic manufacturers have a



significant opportunity to contribute to this demand by developing and producing state-of-the-art drones. This not only supports the country's defense objectives but also ensures that India remains at the forefront of technological advancements in this critical area

Drones are also proving to be vital in crisis and disaster relief efforts, offering support for search and rescue operations, damage assessments, and the delivery of essential supplies. The Indian government's focus on enhancing drone capabilities for these applications opens up new opportunities for improving disaster response and recovery efforts. By advancing drone technology, India can enhance its preparedness and response to emergencies, ultimately benefiting affected communities.

Another promising area is the use of drones in last-mile logistics. With the growth of e-commerce and the increasing demand for faster deliveries, drones offer a solution for more efficient and timely delivery of goods, especially in urban areas. This segment is expected to grow as India's online retail market expands, providing a lucrative opportunity for the application of drone technology in logistics.

Finally, the Indian government is promoting domestic manufacturing of drones as part of the 'Make in India' initiative. Regulations have been put in place to restrict the import of drones while encouraging the production of drone components and the establishment of manufacturing facilities within the country. This policy, coupled with a thriving ecosystem of startups and manufacturers, positions India to become a global leader in drone technology, capitalizing on the diverse opportunities the industry offers.

#### **Internal control system and their adequacy:**

The Company has mechanisms in place to establish and maintain adequate internal controls over all operational and financial functions. The Management continuously reviews the internal control systems and procedures to ensure orderly and efficient conduct of business. The Company deploys a robust system of internal control that ensures regulatory and statutory compliance; and safeguards investors' interests by ensuring the highest level of governance.

M/s Veena Agrawal & Associates, Chartered Accountants are the Internal Auditors of the Company, who conduct audits and submit reports to the Audit Committee and the board. The Internal Audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. Further, the Audit Committee annually reviews the Internal Auditor's independence and performance, and the effectiveness of the audit process.

#### **Financial Performance w.r.t Operational Performance:**

The financial performance of the company for the FY 2023-24 is set out in the Board's Report, which forms part of the annual report.

**Key Financial Ratios:**

Sr. No	Ratio	FY 2023-24	FY 2022-23	% change from previous year	Details of significant changes (more than 25% as compared to the previous year)
1	Debtors Turnover Ratio	1.75	2.97	-40.90%	The Company has grown multiple times in terms of revenue and is able to realize the amount of debtors, well within the operating cycle.
2	Inventory Turnover Ratio	NA	NA	NA	NA
3	Interest Coverage Ratio	NA	NA	NA	NA
4	Current Ratio	10.54	8.13	29.71%	The Company has grown multiple times in terms of revenue and is able to realize the amount of debtors, well within the operating cycle.
5	Debt Equity Ratio	0.00	0.00	-	N. A
6	Operating Profit Margin (%)	23.98%	25.01%	1.03%	Increase in the company's revenue base and hence, the margin is slightly lower to achieve the economies of scale. Overall in absolute terms, we have achieved higher profitability than last year due to economies of scale.
7	Net Profit Margin (%)	17.63%	18.42%	-4.28%	Due to economy of scale, the profit margin has decreased
8	Return on Net Worth	8.56%	5.16%	3.40%	Revenue base and profit have been increased and hence there is an increase in the Return on Equity

**Material development in Human Resource / Industrial Relation front:**

The Company has a committed and dedicated workforce with high enthusiasm. The Human Resource team identifies candidates who have the skills and experience, providing them with career opportunities with suitable training programs. The company offers attractive salaries and benefits packages based on the expertise and experience of the candidate. The company has also designed a succession plan to prevent sudden loss of experience and expertise, to mitigate the risk of decreased efficiency, productivity, and quality of work.

**Cautionary Statement:**

Statements in the management discussions and analysis section describing the company's projections, estimations, expectations and predictions may be 'forward-looking statements' within the meaning of applicable securities, laws and regulations. Actual results could defer materially from the expressed or implied ones. Important factors that would make a difference in the company's operations include demand-supply conditions, input costs escalations, changes in government regulations and tax regimes, competition, economic developments within and outside the country etc.



# Independent Auditor's Report

**Independent Auditor's Report to the Members of DroneArya Aerial Innovations Limited (CIN : L29308PN2017PLC224312)**

## **Report on the Audit of the Standalone Indian Accounting Standards (IND AS) Financial Statements**

### **Opinion**

We have audited the Standalone IND AS financial statements of Droneacharya Aerial Innovations Limited ("the Company"), which comprise the balance sheet as at 31st March 2024, and the statement of Profit and Loss and statement of cash flows for the year then ended, 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 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 31st March, 2024, its profit/loss 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 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.

### **Emphasis of Matter**

We draw attention to Note 1.3 of the financial statements which describes the negative impact on Profit of the company. Our opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not determined any key audit matters to be communicated in our report.

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

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's 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 during the course of our 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 Standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended]. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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, 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 cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone IND AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid Standalone IND AS Financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) 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.
- f) As per sec 134(5)(e) of the Companies Act 2013 requires a Company to have Internal Financial Controls (IFC) Policy. In case of Listed Companies, the Directors' Responsibilities states that the Directors have laid down IFC to be followed by the Company and that such control are adequate and operating effectively.  
While during audit it was observed that there is no adequate Internal Financial control policy commensurate with the nature and size of business of the company.
- g) With respect to the other matters to be included in the Auditor's report in accordance with the requirements of Sec 197(16) of the Act as amended, we report that the company has paid remuneration exceeding the limits and special resolution has been passed in the EGM(dated 03/09/2022).
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position, except for the Income Tax litigation pending as details provided in CARO Report-Annexure A. Further GSTR-9 and GSTR-9C has not been filed for the FY 2022-23, hence GST liability cannot be ascertained.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other 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;  
(b) The management has represented, that, to the best of its knowledge and belief, 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



(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

- v. No dividend has been declared or paid during the year by the company.
- vi. Based on our examination which included test checks, the Holding company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility except that audit trail was not enabled at the database level to log any direct changes for the accounting software used for maintaining the books of account. For accounting software for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

**FOR KPRK & ASSOCIATES LLP  
CHARTERED ACCOUNTANTS  
FRN: 103051W/W100965**

**PLACE: NAGPUR  
DATE: 29/05/2024  
UDIN: 24046239BKGQAX8989**

**CA KISHAN R VERMA  
PARTNER  
MEM NO.: 046239**

**Annexure 'A'****The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".**

We report that:

- (i) (a) (A) The company has not maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
  - (B) The company has not maintained proper records showing full particulars of intangible assets;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have not been physically verified by the management at reasonable intervals; one discrepancy was noticed on such verification is that the Car (Maruti Ertiga) purchased by the company during the year for Rs. 10,54,700/- title of such vehicles is not yet transferred in the name of the company. Depreciation on such asset charged by the company for Rs 2,18,610 and value as on 31st March 24 was Rs. 8,36,090.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company,  
  
The Company per se does not owns/ hold title of any property. Hence, no reporting is required.
- (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 (including Right of Use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
- (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 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 there under.
- (ii) The Company holds inventory of Drones amounting to Rs.95,506 for the current period. However, the management has not physically verified the inventory at reasonable intervals. 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 been sanctioned during any point of time of the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (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 and the details of the same as follows:

Particulars	Amount
Fixed Deposit	RS 21,64,57,998.00
Share Subscription of TechNet Space and Aero Works Private limited ( allotment is yet not done by the company)	Rs. 11,20,000.00
Investment in PYI Technologies Private Limited	Rs. 51,000.00
Mutual Fund	Rs. 4,00,00,000. 00 (Amount of Investment as on 31 <sup>st</sup> March 2024 Rs.45,95,072.04)
Tera Drone India Private Limited	Rs.10,00,000.00 (The company has not filed its Annual Returns for the last three financial years.)
GridBots Technologies Private Limited	Rs. 60,00,000.00

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 provided Loans and Advances the details of the same as follows

Particulars	Amount
Awyam Synergies Private Limited	Rs. 3,84,00,000.00
Ojas Aerospace Private Limited	Rs. 95,76,101.00
Endureair System Private Limited	Rs. 1,50,50,000.00
Instafin Financial Advisors LLP	Rs. 84,08,200.00

- (iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) As per information & explanation given by the management, maintenance of cost



records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is 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 any other statutory dues to the appropriate authorities.

(b) According to records of the company, there are no statutory dues which have not been deposited on account of any dispute. However there are certain litigations which are pending with the concerned authority, the details of the same are as under:

Period to which amount relates	Name of Statute	Nature of Dues	Amount (Rs)	Forum where dispute is pending
2021-22	Income Tax Act	Tax/Penalty	12,87,510.00	Commissioner Appeals
2021-22	Income Tax Act	Tax/Penalty	5,03,31,940.00	Commissioner Appeals

(viii) 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.

(ix) (a) The company has not been declared a willful defaulter by any bank or

(x) financial institution or any other lender.

(b) The company does not have term loans been used for the object for which they were obtained; as such this clause is not applicable.

(c) The company has not used funds raised for a short term basis for long term purposes.

(d) The company has not raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures.

(e) The company has not raised any loans during the year by pledging securities held in their subsidiaries, joint ventures or associate companies.



- (xi) (a) The company has not raised money by way of initial public offer during the year. Accordingly, clause 3(x)(a) of the Order is applicable.

<b>Nature of Securities viz. Equity shares /Preference shares /Convertible debentures</b>	<b>Purpose for which funds were raised</b>	<b>Total Amount Raised /opening un-utilized balance</b>	<b>Amount utilized for the other purpose</b>	<b>Un-utilized balance as at Balance sheet date</b>	<b>Remarks, if any</b>
NIL	NIL	NIL	NIL	NIL	NIL

- (b) 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 utilized funds raised by way of preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) for the purposes for which they were raised,

<b>Nature of Securities viz. Equity shares /Preference shares /Convertible debentures</b>	<b>Purpose for which funds were raised</b>	<b>Total Amount Raised /opening un-utilized balance</b>	<b>Amount utilized for the other purpose</b>	<b>Un-utilized balance as at Balance sheet date</b>	<b>Remarks, if any</b>

- (xii) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the course of audit.

(b) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company

- (xiii) The company is not a Nidhi Company. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.

- (xiv) In our opinion and according to the information and explanations given 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, as required by the applicable accounting standards;



- (xv) (a) In our opinion and based on our examination, the company require to have an internal audit system. Accordingly, clause 3(xiv)(a), of the Order is applicable.
- (b) The internal auditor is being appointed for the whole year and the point so raised by the internal auditor has been considered by the management of the company and the same has been considered by the statutory auditor.
- (xvi) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company
- (xvii) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given by the management, the Group does not have CIC as part of the Group.
- (xviii) Based on our examination, the company has not incurred cash losses in the financial year and immediately preceding Financial Year.
- (xix) There has been no resignation of the statutory auditors.
- (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, 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) Based on our examination, the provision of section 135 are not applicable on the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxii) There are no qualifications or adverse remarks in the audit reports issued by the respective auditors in case of companies included in the consolidated financial statements.

**FOR KPRK & ASSOCIATES LLP**

**CHARTERED ACCOUNTANTS**

**FRN: 103051W/W100965**

**PLACE: NAGPUR**

**DATE: 29/05/2024**

**UDIN: 24046239BKGQAX8989**

**CA KISHAN R VERMA**

**PARTNER**

**MEM NO.: 046239**



Droneacharya Aerial Innovations Limited  
CIN :L29308PN2017PLC224312

Balance Sheet as at March 31, 2024

(Rs. In Lacs)

Particulars	Note No.	As at	
		31-Mar-2024	31-Mar-2023
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipments	2	238.84	165.55
(b) Intangible Assets	3	654.31	535.89
(c) Intangible Assets under Development	4	67.87	-
		<b>961.02</b>	<b>701.44</b>
(c) Non - Current Tax Assets		0.28	-
(d) Financial Assets			
(i) Non-Current Investments	5	2,236.29	2,564.60
(ii) Long term Loan and Advances	6	792.63	1,110.97
(iii) Other Non- Current Financial assets		-	-
		<b>3,029.20</b>	<b>3,675.57</b>
(e) Other Non - Current Assets		-	-
<b>Current Assets</b>			
(a) Inventories		0.95	-
(b) Financial Assets			
(i) Trade Receivables	7	2,887.20	1,127.26
(ii) Cash and Cash Equivalents	8	373.35	244.76
(iii) Short Term Loans and Advances		-	-
(iv) Other Current Financial Assets	9	55.41	1,004.10
		<b>3,316.91</b>	<b>2,376.12</b>
(c) Other Current Assets	10	301.79	218.75
<b>TOTAL</b>		<b>7,608.92</b>	<b>6,971.88</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	11	2,398.86	2,398.86
(b) Other Equity	12	4,851.03	4,228.35
		<b>7,249.89</b>	<b>6,627.21</b>
<b>Non-Current Liabilities</b>			
(a) Non Current Financial Liabilities			
(i) Long Term Borrowings	13	-	-
(ii) Lease Liabilities		-	-
(b) Long term Provisions	14	15.78	10.35
(c) Deferred Tax Liability	15	-	15.06
		<b>15.78</b>	<b>25.41</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Short Term Borrowings		-	-
(ii) Trade Payables	16	12.76	183.55
(iii) Lease Liabilities		-	-
(iv) Other Current Financial Liabilities	17	3.28	3.38
		<b>16.04</b>	<b>186.93</b>
(b) Other Current Liabilities		-	-
(c) Short Term Provisions	18	327.21	132.33
<b>TOTAL</b>		<b>7,608.92</b>	<b>6,971.88</b>

Significant Accounting Policies and Notes on Financial Statements

1 to 34

As per our report of even date attached

For KPRK & ASSOCIATES LLP  
Chartered Accountants  
Firm No. 103051W/W100965

For and on behalf of the Board of Directors

CA Kishan R Verma  
Partner  
M.No: 046239  
Place : Nagpur  
Date : 29/05/2024  
UDIN: 24046239BKGQX8989

Prateek Srivastava Nikita Srivastava Harshal Kher  
Managing Director CFO & Director Company Secretary  
DIN - 07709137 DIN - 08082593 Mem No. ACS69147



Droneacharya Aerial Innovations Limited

CIN :L29308PN2017PLC224312

Cash Flow Statement for the year ended March 31, 2024

(Rs. in Lacs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit / (Loss) before tax	843.99	464.38
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	392.44	90.83
Ind As Impact Unbilled Revenue		-
Interest & borrowing cost		-
Interest Income	-170.10	(53.52)
(Gain)/ Loss on Sales of Property, Plant and Equipments (Net)	0.67	-
Dividend Income		-
Capital (Gain) / Loss from Real Estate Fund (Net)		-
Net (Gain) / loss on sale / redemption of Investments		-
Remeasurement Gain / (Loss) of Post employment benefit obligation	2.04	-
Unrealised (Gain)/loss on foreign currency transactions (Net)		-
Provision for Diminution in Investments		-
Provision for bad and doubtful debts		-
Write off / (Written back) of doubtful loans and advances and other current assets	1.77	-
Share of (Profit)/Loss from LLP		-
Fair Value gain on Investments classified as FVTPL		-
Gratuity Expenses	5.43	7.55
Other Non Cash items		-
<b>Operating Profit/(Loss) Before Working Capital Changes</b>	<b>1,076.24</b>	<b>509.24</b>
<b>Adjustments for Changes in Working Capital:</b>		
(Increase)/ Decrease in Inventories	-0.95	-
(Increase)/ Decrease in Trade receivables	-1,759.94	(1,002.67)
(Increase)/ Decrease in Other current assets	-84.81	(70.57)
(Increase)/ Decrease in Other Current Financial Assets	948.69	(1,004.10)
(Increase)/ Decrease in Other Non Current Financial Assets		(1,100.97)
(Decrease)/Increase in Trade Payables	-170.79	182.56
(Decrease)/Increase in other current financial liabilities	-0.10	0.39
(Increase)/ Decrease in Short term provisions	194.88	-
(Decrease)/Increase in other current liabilities		86.93
<b>Cash Generated by/(Used) in Operations</b>	<b>203.22</b>	<b>(2,399.19)</b>
Taxes Paid (including Tax Deducted at Source and Net of IT Refund)	-240.98	(106.35)
<b>Net Cash Generated by/(Used) in Operating Activities (A)</b>	<b>-37.76</b>	<b>(2,505.54)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Proceeds from Sale of Property Plant & Equipment	15.63	-
Acquisition of Property Plant & Equipment	-200.15	(189.59)
Acquisition of Intangible Assets	-400.30	(560.54)
Acquisition of Intangible Assets	-67.87	-
Proceeds from Sale & Purchase of Investments (Net)	328.31	(2,564.60)
Dividend Received		-
Interest Received	170.10	53.52
Income From Real Estate Funds (Net)		-
Share of (Profit)/Loss from LLPs		-
<b>Cash Generated/(Used) in Investing Activities (Net) (B)</b>	<b>-154.28</b>	<b>(3,261.21)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceed from issue of shares		4,836.15
Receipts from realisation from Long term Loans & Advances	318.34	
Proceed from Long Term Borrowings		(46.25)
Repayment of Long Term Borrowings		
Proceed from Short Term Borrowings		
Repayment of Short Term Borrowings		
Share Application money refund - forfeited	2.29	
Interest & borrowing cost		
<b>Cash Generated/(Used) From Financing Activities (Net) (C)</b>	<b>320.63</b>	<b>4,789.90</b>
<b>Increase / (Decrease) in Cash and Cash equivalents (Net) ( A + B + C )</b>	<b>128.59</b>	<b>(976.85)</b>
<b>Opening Cash and Cash Equivalents</b>	<b>244.76</b>	<b>1,221.61</b>
	<b>373.35</b>	<b>244.76</b>
<b>Cash and Cash Equivalents Comprise</b>		
Cash on hand	1.35	1.22
Balance with Scheduled Banks	372.00	243.54

As per our report of even date attached

For KPRK & ASSOCIATES LLP  
Chartered Accountants  
Firm No. 103051W/W100965

For and on behalf of the Board of Directors

CA Kishan Verma  
Partner  
M.No: 046239  
Place : Nagpur  
Date : 29/05/2024  
UDIN: 24046239BKGQAX8989

Prateek Srivastava  
Managing Director  
DIN - 07709137

Nikita Srivastava  
CFO & Director  
DIN - 08082593

Harshal Kher  
Company Secretary  
Mem No. ACS69147



Droneacharya Aerial Innovations Limited

CIN : L29308PN2017PLC224312

Statement of Profit and Loss for the year ended March 31, 2024

(Rs. In Lacs)

Particulars	Note No.	Year Ended 31-Mar-2024	For the period 01-Oct-23 to 31- Mar-24	Year Ended 31-Mar-2023
<b>INCOME</b>				
(a) Revenue from operations	19	3,519.37	1,430.51	1,856.95
(b) Other income	20	200.61	93.62	56.61
<b>Total Income</b>		<b>3,719.98</b>	<b>1,524.13</b>	<b>1,913.56</b>
<b>EXPENSES</b>				
(a) Cost of Material Consumed	21	224.49	173.65	2.43
(b) Direct Costs	22	541.27	405.53	576.11
(b) Changes in inventories		(0.95)	(0.95)	
(c) Employee benefits expenses	23	527.71	274.72	453.88
(d) Finance costs	24	2.88	0.58	2.71
(e) Depreciation and amortisation expenses	2 & 3	392.44	250.55	90.83
(f) Other expenses	25	1,188.15	368.52	323.22
<b>Total Expenses</b>		<b>2,875.99</b>	<b>1,472.60</b>	<b>1,449.18</b>
<b>Profit / (Loss) before tax</b>		843.99	51.53	464.38
<b>Tax expense:</b>	26			
(a) Current year tax expense		240.98	13.16	106.35
(b) Deferred Tax Expenses		(15.34)	(33.26)	14.74
<b>Current tax expense</b>				-
<b>Profit / (Loss) for the year (A)</b>		<b>618.35</b>	<b>71.63</b>	<b>343.29</b>
<b>Other comprehensive income/(loss)</b>				
Items that will not be reclassified to profit or loss account				
(a) Fair Value gain on Instrument classified as FVTOCI				-
(b) Net gain / (loss) on sale / redemption of Investments				-
(c) Remeasurement Gain / (Loss) of Post employment benefit obligation	27	(2.04)	(1.37)	1.32
<b>Other comprehensive Income/ (Loss) for year net of tax (B)</b>		<b>620.39</b>	<b>73.00</b>	<b>341.97</b>
<b>Total comprehensive income/ (loss) for year (A+B)</b>		<b>620.39</b>	<b>73.00</b>	<b>341.97</b>
<b>Earnings/(Loss) per share of Rs. 10/- each</b>	28			
(a) Basic Earnings/(Loss) Per Share (Rs.)		2.59	0.30	1.77
(b) Diluted Earnings/(Loss) Per Share (Rs.)		2.59	0.30	1.77

Significant Accounting Policies and Notes on Financial Statements

1 to 34

As per our report of even date attached

For KPRK &amp; ASSOCIATES LLP

Chartered Accountants

Firm No. 103051W/W100965

For and on behalf of the Board of Directors

CA Kishan R Verma

Partner

M.No: 046239

Place : Nagpur

Date : 29/05/2024

UDIN: 24046239BKGQAX8989

Prateek Srivastava

Managing Director

DIN - 07709137

Nikita Srivastava

CFO &amp; Director

DIN - 08082593

Harshal Kher

Company Secretary

Mem No. ACS69147



**Droneacharya Aerial Innovations Limited**

CIN :L29308PN2017PLC224312

**Statement of changes in equity for the year ended March 31, 2024**

**A. EQUITY SHARE CAPITAL**

	No. in Value	Amount (Rs in Lacs)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
<b>As at 31 March 2022</b>	<b>116620</b>	<b>11.67</b>
Changes in Equity share capital	2,38,71,980.00	2,387.19
<b>As at 31 March 2023</b>	<b>2,39,88,600.00</b>	<b>2,398.86</b>
Changes in Equity share capital	0	0.00
<b>As at 31 March 2024</b>	<b>2,39,88,600.00</b>	<b>2,398.86</b>

**A. 9% PREFERENCE SHARE CAPITAL**

	No. in Value	Amount (In Rs. Lacs)
Preference shares of Rs. 10 each issued, subscribed and fully paid		
<b>As at 31 March 2022</b>	<b>24,339.00</b>	<b>2.43</b>
Changes in preference share capital	36,036.00	3.60
Converted to equity	60,375.00	6.03
<b>As at 31 March 2023</b>	<b>-</b>	<b>-</b>
Issued during the year	-	-
Converted to equity	-	-
<b>As at 31 March 2024</b>	<b>-</b>	<b>-</b>

**Note : 12**

B. OTHER EQUITY	Reserves and surplus		
	Securities premium	Retained earnings	Total
<b>As at 31 March 2022</b>	<b>1405.62</b>	<b>28.04</b>	<b>1433.66</b>
Profit for the period	-	341.97	341.97
Other comprehensive income for the period, net of tax			-
<b>Total</b>	<b>1,405.62</b>	<b>370.01</b>	<b>1,775.63</b>
Securities Premium received on account of Preference share and IPO	4,695.17	-	4,695.17
Bonus Shares issued out of securities premium	(1,752.16)		(1,752.16)
Expenses related to the issue of shares (As per section 52 of companies act 2013)	(490.29)		(490.29)
Prior Period Error adjusted		-	-
Transferred to statement of profit and loss (net)			-
Others			-
<b>As at 31 March 2023</b>	<b>3,858.34</b>	<b>370.01</b>	<b>4,228.35</b>
Profit for the period	-	620.39	620.39
Other comprehensive income for the period, net of tax			-
<b>Total</b>	<b>3,858.34</b>	<b>990.40</b>	<b>4,848.7410</b>
Security Premium received on account of Preference shares and Initial Public offer	0	0	0
Bonus Shares issued out of securities premium	0		0
Expenses related to the issue of shares (As per section 52 of companies act 2013)*	0		0
Prior Period Error adjusted			0
Share Application money refund - forfeited	2.29		2.29
Others - rounding off		0	0
<b>As at 31 March 2024</b>	<b>3860.63</b>	<b>990.40</b>	<b>4851.03</b>

\* As per the detailed notes to accounts annexed herewith - Note : 34(i)



## Droneacharya Aerial Innovations Limited

CIN :L29308PN2017PLC224312

Notes forming part of the financial statements as on March 31, 2024

### Note 1: CORPORATE INFORMATION

- Droneacharya Aerial Innovations limited (Formerly known as Droneacharya Aerial Innovations Private Limited) is incorporated in India under the Companies Act, 2013 on March 10, 2017 . The main operations of the Company are Imparting the Drone operation Training, Drone supply and Maintenance services and Management consultancy and training services. The Address of Registered office of the company is 1st & 2nd Floor, Galore Tech IT Park, LMD Chowk, Bavdhan, Pune, Maharashtra 411021.
- The company has passed a special resolution for changing the registered address of the company from Karnataka to Pune. The same has been approved by ROC and the New registered address is : (Pune wala address). Further, the company got listed on BSE SME platform on 23-12-2022, and pursuant to both the situation, the CIN of the company has been Changed from U29308KA2017PLC101287 to L29308PN2017PLC224312

### Note 1.1 : SIGNIFICANT ACCOUNTING POLICIES

#### a) Basis of Accounting

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria's set out in Ind AS and the Schedule III to the Companies Act, 2013.

Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained it's operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

Tax assets (including MAT credit entitlement) are classified as non-current assets.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date. The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities and defined benefit plan that are measured at fair value

#### b) Functional and presentation currency

These Financial statements are presented in Indian Rupees (INR), which is also the company's functional currency. All the amounts have been rounded off to the nearest hundreds unless otherwise indicated

#### c) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and excluding taxes and duties collected on behalf of the government. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities as described below:

##### Sale of Services

- i. Revenue from imparting the Drone training and other Management Advisory services as per the agreement between the company and clients whether oral or written.
- ii. Income from other services rendered is recognised based on agreements/ arrangements with the customers as the service is performed/rendered.

Unbilled revenue represents service rendered but not yet billed.

##### Sale of Goods & Commodity Trading

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and the amount of revenue can be measured reliably. Here goods are drones Assembled by the company

##### Dividend, Interest and Other Income

- i. Dividend income is recognised when the right to receive the dividend is unconditionally established .
- ii. Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.
- iii. In respect of other heads of income the company accounts the same on accrual basis.



**d) Property, Plant and equipments (PPE) and Depreciation**

Property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

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

**Depreciation and useful life of assets**

Depreciation on assets is provided using Written down value method on pro rata basis over their estimated useful economic lives as given below. The useful life is taken as prescribed in Schedule II to the Companies Act, 2013 except where the estimated useful economic life has been assessed to be lower based on technical obsolescence, nature of assets, estimated usage of the assets, operating conditions of the asset and manufacturers warranties, maintenance and support period, etc. The assets are depreciated based on the estimated useful life as per below:

Particulars	Estimated Useful Life (in years)
Drones (Including Drone Simulators) (Plant and Machinery)	5 Years
Drones ( Batteries)	3 Years
Furniture and Fixtures	10 Years
Vehicles	8 years
Computers & Peripherals	3 years
Office Equipments	5 Years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals of assets are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

The company has changed the usefule life of Drones from 7 years to 5 years. The details of the same is given in Note : 1.2 (ii)

**e) Intangible Assets and Amortisation**

Intangible assets acquired separately are measured on initial recognition at cost. Cost includes all direct costs relating to acquisition of Intangible assets and borrowing cost relating to qualifying assets. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised.

Particulars	Estimated Useful Life (in years)
Trademark	15 Years
Software	7 Years
Accounting Software	3 Years

**f) Inventories**

Completed Inventories if any are stated at the lower of cost and net realisable value.

**g) Employee Benefits**

**Short-term obligations**

Liabilities for salaries and wages, including non-monetary 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 recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The company recognise provision for such obligations.

**Defined Benefit Plan**

In accordance with the local laws and regulations, all the employees of company are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula.

The Company provides for the liability towards the said plans on the basis of actuarial valuation carried out yearly as at the reporting date, by an independent qualified actuary using the projected unit-credit method.

The obligation towards the said benefits is recognised in the balance sheet, at the present value of the defined benefit obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows, using



interest rates of government bonds. The interest income / (expense) are calculated by applying the above mentioned discount rate to the defined benefit obligations liability. The net interest expense on the net defined benefit liability is recognised in the statement of profit and loss. However, the related re-measurements of the net defined benefit liability are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods.

#### **h) Foreign Currency Transactions**

##### **Functional and presentation currency**

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian Rupee (INR), which is company's functional and presentation currency.

##### **Transactions and balances**

Foreign currency transactions are reinstated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### **i) Impairment of Non Financial Assets**

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss

#### **j) Taxes on Income**

Taxes on Income comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income

##### **i. Current Tax Expenses**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous year (disclosed separately on the face of statement of profit and loss). The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (tax laws) enacted or substantively enacted by the reporting date.

Tax assets and tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the assets and settle the liability on a net basis or simultaneously

##### **ii. Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets so recognised are reviewed at each reporting date and are increased /reduced.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset tax liabilities and tax assets and they relate to income taxes levied by the same tax authority.

Minimum Alternative Tax ('MAT') credit is recognised as an asset to the extent it is allowable as per Income Tax Act over the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer be allowable as per Income Tax Act and charged to the Statement of Profit and Loss.

#### k) Provisions and Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or the outflow cannot be measured reliably. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is provided.

#### l) Financial Instruments

##### **Initial recognition and Measurement:**

Financial Instruments (assets and liabilities) are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

##### **Subsequent measurement:**

###### **i) Financial Assets :**

Financial assets are subsequently classified as measured at:

- Amortised cost
- Fair Value through Profit & Loss (FVTPL)
- Fair Value through Other Comprehensive Income (FVTOCI)

The above classification is being determined considering the:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the company changes its business model for managing financial assets.

###### **(i) Measured at amortised cost:**

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### **(ii) Measured at fair value through profit or loss (FVTPL):**

Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

###### **(iii) Measured at fair value through other comprehensive income (FVTOCI):**

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the Effective Interest Rate method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is not reclassified from the equity.

##### **Equity instruments:**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item.

#### **Impairment of Financial Assets :**

The Company recognises a loss allowance for Expected Credit Losses (ECL) on trade receivable, financial assets that are measured at amortised cost and at FVOCI other than investment in Subsidiaries. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

The Company recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

#### **Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

#### **(ii) Financial Liabilities**

Financial liabilities measured at amortised cost are subsequently measured at using Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### **Loans & Borrowings:**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

#### **De-recognition**

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

#### **(iii) Offsetting financial instruments**

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

**m) Fair value measurement**

The Company measures financial instruments (Other than investment in associates and subsidiaries) such as investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**n) Cash and Cash Equivalents:**

Cash and Cash equivalents include Cash and Cheques in hand, bank balances, demand deposits with banks with an original maturity of less than three months or less, which are subject to insignificant risk of change in value.

**o) Borrowing Cost:**

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**p) Earnings Per Share:**

Basic earnings per shares are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**q) Segment Reporting**

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. In this case segment reporting is not applicable and hence not reported

**Note 1.2 : Use of Estimates and Judgements**

In the application of the Company's accounting policies, which are described in Note 1.1, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.



**In the following areas the management of the Company has made critical judgements and estimates:**

**i) Fair Value of financial instrument**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument / assets. Management bases its assumptions on observable data as far as possible which may not always be available. In that case, management uses the best relevant information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**ii) Estimation of Useful life of Property, Plant and Equipment**

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Changes in useful life of Fixed Assets:**

The company has changed the useful life of Drones from 7 years to 5 Years. The Reason of this is as the company is majorly involved in the drone pilot training activities and insitutional training activities. Hence, because of this there will be the major wear and tear. Hence, the useful life of the drones should be reduced to 5 years from 7 years which was there in the last year. The company has passed the board resolution for giving effect of the same. As per IND AS, the change in useful life of fixed assets is considered as change in the accounting estimates. Hence, the effect of the same has not been given retrospectively. The effect has been given the prospectively. Becuase of the change in useful of life of drones, the Depreciation Rate has been increased to 45.07% on WDV basis

**iii) Defined Benefit Obligation**

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, this liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

**iv) Provision and Contingent Liabilities**

The company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision or contingent liability.

**v) Allowance for Trade Receivables**

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.

**Droneacharya Aerial Innovations Limited**
**CIN :L29308PN2017PLC224312**
**Notes forming part of the financial statements as on March 31, 2024**
**1.3 Capital Commitments**

Particulars	As at 31-Mar - 2024	As at 31-Mar-2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL
Uncalled liability on shares and other investments partly paid	NIL	NIL
Other commitments (specify nature)	NIL	NIL
<b>TOTAL</b>		

**1.4 Additional information pursuant to Schedule III of the Companies Act, 2013:**
**(Rs. In Lacs)**

Particular	As at 31-Mar - 2024	As at 31-Mar-2023
<b>Value of imports calculated on CIF basis:</b>		
Raw Material	NIL	NIL
Stores & Spares	NIL	NIL
Capital Goods	NIL	NIL
<b>Expenditure in Foreign currency on:</b>		
Professional and Consultancy fee	698.82	65.28
Tours and Travels *	-	-
Contracts	514.29	NIL
Others	NIL	NIL
<b>Earnings in Foreign Exchange:</b>		
Consultancy	1,481.38	310.57
Interest	NIL	NIL
Others	NIL	NIL
<b>Value of Components, spare parts, Raw material &amp; store consumed /</b>		
<b>Purchase of Stock :</b>		
Imported	NIL	NIL
Indigenous	221.49	8.66

\* It is not possible for us to identify the Expenses incurred in foreign currency on the tours and travels. It is because the consolidated record of the travelling expenses has been maintained by the company and the individual foreign trip expenses has not been identified by the company. Hence we cannot comment on the same

**1.5 Information in respect of Micro, Small and Medium Enterprises as at 31-Mar-2024**

Particulars	As at 31-Mar - 2024	As at 31-Mar-2023
<b>Amount remaining unpaid to any supplier:</b>		
Principal Amount	NIL	NIL
Interest due thereon	NIL	NIL
Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day:	NIL	NIL
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
Amount of interest accrued and remaining unpaid	NIL	NIL
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL



The company has a system of identifying amounts due to Micro Enterprises or Small Enterprises on the basis of the entrepreneurs memorandum number (EM Number) printed on their invoices, supply orders, letterheads, other relevant documents. Majority of the suppliers (Identified on the Sampling basis) of the company have not furnished status under Micro Enterprises or Small Enterprises under the Micro Small and Medium Enterprises Development Act, 2006. Therefore, disclosures under section 22 of the said act are not furnished.

#### **1.6 Additional regulatory information**

##### **I Title deeds of immovable Property not held in name of the Company**

The company does not own any immovable properties

##### **II Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017**

The Company has not revalued its Property, Plant and Equipment.

##### **III Where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as**

**(a) repayable on demand or**

**(b) without specifying any terms or period of repayment**

The Company has not granted Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

##### **IV Capital Work In Progress (CWIP)**

The Company has no Capital Work In Progress (CWIP).

##### **V Intangible assets under development:**

The Company has no Intangible assets under development. The Website under development has been completely developed and deployed.

##### **VI Details of Benami Property held**

The Company has no Benami Property held by itself or through others

##### **VII Borrowings from banks or financial institutions on the basis of current assets.**

The Company has no borrowings from banks or financial institutions on the basis of current assets.

##### **VIII Wilful Defaulter**

The Company has not defaulted in repayment of Loan

##### **IX Relationship with Struck off Companies**

The Company has no Relationship with Struck off Companies

##### **X Registration of charges or satisfaction with Registrar of Companies**

The company does not have any charge created

##### **XI Compliance with number of layers of companies**

The company has complied with the number of layers prescribed under regulations



## 1.7 Additional regulatory information

I

## Ratios

Ratios	Measured in	Numerator	Denominator	Current Reporting Period	Previous reporting period	% of Change	Reason for Variance
Current Ratio	times	Current assets	Current liabilities	10.54	8.13	29.71%	The company has grown multiple times in terms of revenue and is able to realise the amount from debtors, well within the operating cycle
Debt Equity Ratio	times	Total Debt Capital	Shareholder's Equity	0.00	0.00	NA	NA
Debt Service coverage ratio	times	Earnings available for debt service	Debt Service	NA	NA	NA	NA
Return on Equity Ratio	Percentage (%)	Net Profit after tax	Average Shareholder's Equity	8.56%	5.16%	65.84%	Revenue as compare to last year has been increased hence therefore increase in return on equity.
Inventory Turnover Ratio	times	Cost of Goods Sold	Average Inventory	NA	NA	NA	NA
Trade Receivables turnover ratio	times	Revenue from operations	Average trade receivables	1.75	2.97	-40.90%	The company has grown multiple times in terms of revenue and is able to realise the amount from debtors, well within the operating cycle
Trade payables turnover ratio	times	Total Purchases	Average Trade Payables	0.00	0.00	NA	No significant inventory
Net capital turnover ratio	times	Revenue from operations	Working capital	1.07	0.82	31.67%	Due to increase in the revenue base.

Net profit ratio	Percentage (%)	Net Profit after tax	Revenue from operations	17.63%	18.42%	-4.28%	Due to economy of scale, the profit margin has decreased
Return on Capital employed	Percentage (%)	Earnings before interest and tax	Capital Employed	11.64%	7.00%	66.31%	The company has grown multiple times in terms of revenue. There has been significant growth in the operations of the company and hence, it has resulted in the better economies of scale increasing the profit margin of the company
Return on investment	Percentage (%)	Income generated from investments	Time weighted average investments	8.97%	2.21%	305.28%	<b>Better ROI due to increase in interest rates</b>

Note 1 : Debt Capital means = Long-term borrowings + Other Long term Liabilities (debt used to finance a company's assets)

Note 2 : Shareholder's Equity refers to Tangible Net Worth which is equal to (Share Capital + Free Reserves – intangible assets)



Note 3 : Earnings available for debt service = Net Profit before taxes + Non-cash operating expenses like depreciation + Interest + other adjustments like loss on sale of Fixed assets etc.

Note 4 : Debt service = Interest & Lease Payments + Principal Repayments

Note 5 : Cost of Goods Sold = Cost of Material Consumed + Purchases + Changes in Inventory + Manufacturing Expenses

Note 6 : Working Capital = Current Assets - Current Liabilities

Note 7 : Earnings before interest and tax = PAT + Tax + Interest

Note 8 : Capital Employed = Tangible net worth + Deferred tax liabilities + Long-term borrowings + Other Long term Liabilities

## II Compliance with approved Scheme(s) of Arrangements

There is no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

## III Utilisation of Borrowed funds and share premium (either borrowed funds or share premium or any other source or kind of funds) :

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

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

(B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

Droneacharya Aerial Innovations Limited

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Notes forming part of the financial statements as on March 31, 2024

**Note 5 : Non current investments**

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Investment in FD	2,122.66	2,505.68
b) Investment in Equity	71.71	11.20
c) Interest Receivable - FDR	41.92	47.72
<b>Total</b>	<b>2,236.29</b>	<b>2,564.60</b>

**Note 6 : Long Term loans and advances**

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Security Deposit - Office	68.29	100.97
b) Intercompany Advances	724.34	1,010.00
<b>Total</b>	<b>792.63</b>	<b>1,110.97</b>

**Note 7 : Trade Receivables**

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Trade Receivables	2,887.20	1,127.26
<b>Total</b>	<b>2,887.20</b>	<b>1,127.26</b>

**Figures For the Current Reporting Period 31 March 2024**

(Rs. In Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Good	967.38	1,163.83	753.78	1.71	-	2,886.70
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	0.50	0.50
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Others	-	-	-	-	-	-

**Figures For the Previous Reporting Period 31 March 2023**

(Rs. In Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Good	846.20	275.66	4.90	-	-	1,126.76
Undisputed Trade Receivables- Considered Doubtful	-	-	-	0.50	-	0.50
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Others	-	-	-	-	-	-

**Note 8 : Cash & Cash Equivalents****(Rs.In Lacs)**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Cash in Hand	1.35	1.22
a) Bank Balance	372.00	243.54
<b>Total</b>	<b>373.35</b>	<b>244.76</b>

**Note 9 : Other Current Financial Assets****(Rs.In Lacs)**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Investment In Mutual Fund	45.95	1,002.97
b) Prepaid Expenses	9.46	1.13
<b>Total</b>	<b>55.41</b>	<b>1,004.10</b>

**Note 10 : Other Current Assets****(Rs.In Lacs)**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Advance to Employees	0.87	-
b) Duties and Taxes Receivable - TDS and GST	87.66	209.65
c) Other Advances to creditors and parties	135.00	6.10
d) Advance Tax	75.00	-
e) Advance to suppliers	0.43	3.00
f) TDS to be recovered	2.83	-
<b>Total</b>	<b>301.79</b>	<b>218.75</b>



**DRONEACHARYA AERIAL INNOVATIONS LIMITED**

Notes forming part of the financial statements as on March 31, 2024

**2 Property, plant and equipments (Rs. In Lacs)**

Particulars	Furniture & Fixtures	Plant & Machinery (Drones)	Computer & Peripherals	Office Equipments	Vehicles	Total
<b>Cost</b>						
<b>Year ended 31-Mar-2023</b>						
Opening gross carrying amount	0.80	15.96	2.50	0.32	12.95	32.53
Additions	18.60	82.90	21.04	14.14	52.91	189.59
Disposals	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>19.40</b>	<b>98.86</b>	<b>23.54</b>	<b>14.46</b>	<b>65.86</b>	<b>222.12</b>
<b>Year ended 31-Mar-2024</b>						
Opening gross carrying amount	19.40	98.86	23.54	14.46	65.86	222.12
Additions	-	161.22	14.75	0.63	23.55	200.15
Disposals	-	7.63	-	-	8.67	16.30
<b>Closing gross carrying amount</b>	<b>19.40</b>	<b>252.45</b>	<b>38.29</b>	<b>15.09</b>	<b>80.74</b>	<b>405.97</b>
<b>Accumulated depreciation</b>						
<b>Year ended 31-Mar-2023</b>						
Opening accumulated depreciation	0.13	0.77	0.44	0.05	0.33	1.72
Depreciation charge during the year	2.87	22.68	7.93	4.48	16.89	54.85
Disposals	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>3.00</b>	<b>23.45</b>	<b>8.37</b>	<b>4.53</b>	<b>17.22</b>	<b>56.57</b>
<b>Year ended 31-Mar-2024</b>						
Opening accumulated depreciation	3.00	23.45	8.37	4.53	17.22	56.57
Depreciation charge during the year	4.25	72.40	12.19	4.68	17.04	110.56
Disposals	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>7.25</b>	<b>95.85</b>	<b>20.56</b>	<b>9.21</b>	<b>34.26</b>	<b>167.13</b>
<b>Net carrying amounts</b>						
At 31-Mar-2023	16.40	75.41	15.17	9.93	48.64	165.55
At 31-Mar-2024	12.15	156.60	17.73	5.88	46.48	238.84

**3 Intangible Assets (Rs. In Lacs)**

Particulars	CRM Software & Other License Software	GIS & Heroku Server & Software	Trademark	Website	Total
<b>Cost</b>					
<b>Year ended 31-Mar-2023</b>					
Opening gross carrying amount	0.18	-	0.50	0	0.68
Additions	0.82	548.13	-	11.59	560.54
Intangible Asset Under Development Trf	-	-	-	10.73	10.73
Disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>1.00</b>	<b>548.13</b>	<b>0.50</b>	<b>22.32</b>	<b>571.95</b>
<b>Year ended 31-Mar-2024</b>					
Opening gross carrying amount	1.00	548.13	0.50	22.32	571.95
Additions	241.31	150.57	-	8.42	400.30
Intangible Asset Under Development Trf	-	-	-	0	-
Disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>242.31</b>	<b>698.70</b>	<b>0.50</b>	<b>30.74</b>	<b>972.25</b>
<b>Accumulated Amortization</b>					
<b>Year ended 31-Mar-2023</b>					
Opening accumulated amortisation	0.01	-	0.07	0	0.08
Additions	0.48	33.61	0.08	1.81	35.98
Disposals	-	-	-	-	-
<b>Closing accumulated amortisation</b>	<b>0.49</b>	<b>33.61</b>	<b>0.15</b>	<b>1.81</b>	<b>36.06</b>
<b>Year ended 31-Mar-2024</b>					
Opening accumulated amortisation	0.49	33.61	0.15	1.81	36.06
Additions	70.78	203.74	0.07	7.29	281.88
Disposals	-	-	-	-	-
<b>Closing accumulated amortisation</b>	<b>71.27</b>	<b>237.35</b>	<b>0.22</b>	<b>9.10</b>	<b>317.94</b>
<b>Net carrying amounts</b>					
At 31-Mar-2023	0.51	514.52	0.35	20.51	535.89
At 31-Mar-2024	171.04	461.35	0.28	21.64	654.31



#### 4 Assets Under Development

(Rs. In Lacs)

Particulars	Website under Development	Research and Development	Total
<b>Year ended 31-Mar-2023</b>			
Opening gross carrying amount	10.73		10.73
Additions	-		-
Disposals	-		-
Transfer to Intangible Assets	(10.73)		(10.73)
Closing gross carrying amount	-		-
<b>Year ended 31-Mar-2024</b>			
Opening gross carrying amount	-		-
Additions	-	67.87	-
Disposals	-		-
Transfer to Intangible Assets	-		-
Closing gross carrying amount	-	67.87	67.87

#### Vehicle:

The vehicle acquired by the company the title of such is yet to be transfer in the name of the company.

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Notes forming part of the financial statements as on March 31, 2024

#### Note 11 : Share Capital

(Rs. In Lacs)

Particulars	As at 31- Mar-2024		As at 31- Mar-2023	
	In Numbers	Amount	In Numbers	Amount
<b>(a) Authorised Capital</b>				
Equity shares of Rs.10/- each	2,99,50,000.00	2,995.00	2,99,50,000.00	2,995.00
9% Cumulative Optionally convertible Preference Shares of Rs.10/- each	50,000.00	5.00	50,000.00	5.00
	3,00,00,000	3,000	3,00,00,000	3,000
<b>(b) Issued , Subscribed &amp; Paid Up</b>				
Equity shares of Rs.10/- each	2,39,88,600.00	2,398.86	2,39,88,600.00	2,398.86
9% Cumulative Optionally convertible Preference Shares of Rs.10/- each	-	-	-	-
<b>Total</b>	<b>2,39,88,600</b>	<b>2,398.86</b>	<b>2,39,88,600</b>	<b>2,398.86</b>

#### a) Terms / Rights attached to Equity shares

The Company has only one class of shares referred to as Equity Shares having par value of Rs 10/- each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders. None of the above shares are reserved for issue against contract / commitments for sale of shares or disinvestment.

#### b) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31- Mar-2024		As at 31- Mar-2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs.10/- each				
Mr. Prateek Srivastava	56,23,200	23.44%	56,23,200	23.44%
Mrs. Nikita Srivastava	11,40,600	4.77%	11,40,600	4.77%
Mr. Ashish Nanda	21,93,769	9.15%	23,09,769	9.63%

**Droneacharya Aerial Innovations Limited**

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Notes forming part of the financial statements as on March 31, 2024

**Note 13 : Long Term Borrowings**

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Unsecured loans from Directors	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 14 : Long term Provisions**

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Provision for Gratuity	15.78	10.35
<b>Total</b>	<b>15.78</b>	<b>10.35</b>

**Note 15 : Deferred Tax Liabilities ( Net)**

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Deferred Tax liabilities	0	15.06
<b>Total</b>	<b>-</b>	<b>15.06</b>

**Note 16 : Trade Payable**

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Trade Payable	12.76	183.55
<b>Total</b>	<b>12.76</b>	<b>183.55</b>

**Figures For the Current Reporting Period 31 March 2024**

All the Trade Payables are Unsecured

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-
Others	12.76	-	-	-	12.76
Dispute dues - MSME	-	-	-	-	-
Dispute dues - Others	-	-	-	-	-
<b>Total</b>					<b>12.76</b>

**Figures For the Previous Reporting Period 31 March 2024**

All the Trade Payables are Unsecured

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-
Others	183.55	-	-	-	183.55
Dispute dues - MSME	-	-	-	-	-
Dispute dues - Others	-	-	-	-	-
<b>Total</b>					<b>183.55</b>

**Note 15 : Other current Financial Liabilities**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Share Application money refundable	0	2.29
b) Credit Card	3.28	1.09
<b>Total</b>	<b>3.28</b>	<b>3.38</b>

**Note 18 : Short Term Provisions****(Rs.In Lacs)**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Duties and Taxes Payable - TDS	68.39	16.96
b) Directors Sitting Fees Payable	0	1.21
c) Audit Fees Payable	3.68	1.75
c) Internal Audit Fees Payable	0.6	0.6
c) More Daliya & Associates	2.3	0.89
d) Electricity Bill payable	1.93	1.68
f) PF & ESIC Payable	2.22	1.74
g) Interns Salary Payable	0	1.13
Provision for Gratuity - CL	0.05	0.02
Rent Payable	0.37	0
Salary payable	0.07	0
Telephone exp payable	0.07	0
i) Income tax payable	247.53	106.35
<b>Total</b>	<b>327.21</b>	<b>132.33</b>

**Droneacharya Aerial Innovations Limited****CIN :L29308PN2017PLC224312****Notes forming part of the financial statements as on March 31, 2024****Note 19 : Revenue From Operations****(Rs.In Lacs)**

Particulars	Year Ended 31-Mar-24	Half year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>(a) Sale of Services</b>			
Drone - Sales	233.88	233.88	0.05
Drone - Services, training and Franchise Fees	3285.49	1,196.63	1856.90
<b>Total</b>	<b>3,519.37</b>	<b>1,430.51</b>	<b>1,856.95</b>

**Note 20 : Other Income****(Rs.In Lacs)**

Particulars	Year Ended 31-Mar-24	Half year Ended 31-Mar-24	Year Ended 31-Mar-23
Interest on Income tax refund	0.00	0.00	0.50
Discount received	0.00	0.00	0.12
Capital Gain	27.90	10.91	2.97
Other Interest	170.10	80.10	53.02
Fair Value through Profit & Loss - Mutual Fund- Marked to Market	2.61	2.61	
<b>Total</b>	<b>200.61</b>	<b>93.62</b>	<b>56.61</b>





Droneacharya Aerial Innovations Limited

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Notes forming part of the financial statements as on March 31, 2024

**Note 21: Cost of Material Consumed**

(Rs.In Lacs)

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-24	Ended 31-Mar-24	31-Mar-23
a) Drone Material and equipment purchase	224.49	173.65	2.43
b) Batteries	-	-	-
<b>Total</b>	<b>224.49</b>	<b>173.65</b>	<b>2.43</b>

**Note 22 : Direct Costs**

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-24	Ended 31-Mar-24	31-Mar-23
a) Commission on enrollments	9.74	6.19	9.37
b) Drone Controller - for training	-	-	6.23
c) Professional and consultancy Fees	530.32	398.13	123.29
d) Drone insurance	-	-	-
e) Drone training fees	-	-	6.29
f) System Rent	1.11	1.11	10.93
g)Management Consultancy Sevices	-	-	420.00
h)Drone Material Expenses	0.10	0.10	-
<b>Total</b>	<b>541.27</b>	<b>405.53</b>	<b>576.11</b>

**Note 23 : Employee Benefits Expenses**

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-24	Ended 31-Mar-24	31-Mar-23
a) Director Salary & sitting fees	136.94	74.46	124.08
b) Staff Salary	380.04	195.32	294.32
c) Gratuity (Including interest Element)	7.49	4.31	6.26
d) Staff Welfare	3.24	0.63	29.22
<b>Total</b>	<b>527.71</b>	<b>274.72</b>	<b>453.88</b>

**Note 24 : Finance Cost**

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-24	Ended 31-Mar-24	31-Mar-23
a) Bank Charges	2.88	0.58	2.71
<b>Total</b>	<b>2.88</b>	<b>0.58</b>	<b>2.71</b>

**Note 25 : Other Expenses**

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-24	Ended 31-Mar-24	31-Mar-23
Accounting Charges	-	-	0.50
Agriculture Drone charges	0.44	0.44	
AMC Expenses	2.58	2.58	
Annual Custody fee	0.75	0.75	-
Audit Fees (Including Internal Audit)	3.50	3.50	2.60
Bad Debte Written off	1.78	1.78	
Branch Expense (Chandigarh)	-	-	2.65
Business Marketing Service	19.04	15.14	32.89
Client Gifts	-	-	3.94
Computer Equipments - Expense	-	-	-
Conveyance Expense	0.23	0.23	0.59
Contract Charges	682.79	68.50	10.29
COVID - 19 Expense	-	-	-
Custome Expenses	3.75	3.75	
Digital Advertising Expenses	-	-	-
Documentation Expense	1.60	0.24	
Donation Expense	5.00	5.00	11.00
Electricity Expenses	22.41	10.05	18.32
Event Expences	-	-	-
Foreign Currency Translation	0.11	0.11	0.06
Generator and Diesel Exp	-	-	6.19
Genius TDS Software	-	-	-
Gst Interest and Late fees	-	-	0.48
GST Penalty	29.46	29.46	
G-Suite Expenses	-	-	-
Gift Expenses	16.45	6.75	
Hotel Expenses	12.40	7.60	
Insurance Expenses	-0.42	-0.42	2.65
Interest on TDS	0.27	0.27	0.55
Internet & Telephone Expense	5.17	1.91	4.88
Intern Staff Salary	8.50	2.24	
Legal & Corporate Fee	0.64	0.11	7.14
Lodging & Boarding	2.24	2.24	7.88
Loss on sale of car	0.67	0.67	
Maintenance Charges - Galore Tech	17.76	5.83	15.04
Miscellaneous Expenses	0.62	0.62	4.77
Meal Expenses	24.27	14.76	
Membership Fee Expenses	1.82	1.82	
Office Expences	91.03	66.96	16.21
Office Rent	151.77	72.88	98.14
Other Expenses	1.00	0.38	1.25
Other Material Expenses	1.55	1.55	
PF Admin Charges	0.88	0.44	
Postage & Courier	0.85	0.44	1.71
Pre Operating Exp Written Off	-	-	-
Printing and Stationery Charges	0.58	0.58	6.56
Recruiting Expense	-	-	-
Repairs and Maintenance	0.37	0.37	-
Roc Challan Charges	-	-	27.63
Secreterial Audit Fees	-	-	0.60
Security Expense	3.54	2.03	1.95
Software Subscription	3.46	2.32	2.70
Subscriptions (Google)	-	-	-
Travel Expense	64.82	30.16	33.51
Tender Portal Subscription Charges	-	-	0.54
Transport Expenses	0.47	0.47	
Utility Expenses	0.04	0.04	
Vehicle Maintenance Expenses	2.20	2.20	
Wages	1.77	1.77	
<b>Total</b>	<b>1,188.15</b>	<b>368.52</b>	<b>323.22</b>

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-24	Ended 31-Mar-24	31-Mar-23
Actuarial Gain due to change in Financial Assumptions	-2.60	-1.91	-0.29
Actuarial Loss due to experience Variance	0.56	0.54	1.61
<b>Total</b>	<b>-2.04</b>	<b>-1.37</b>	<b>1.32</b>

**Droneacharya Aerial Innovations Limited**
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**Notes forming part of the financial statements as on March 31, 2024**
**Note 24 : Tax Reconciliation**
**(a) Income Tax Expenses**
**(Rs.In Lacs)**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>Income tax expense</b>		
<b>Current Tax (A)</b>		
Current tax on profits for the year	240.98	106.48
Adjustments for current tax of prior periods	-	-
<b>Deferred Tax (B)</b>		
Decrease / (increase) in deferred tax asset	<b>(0.28)</b>	<b>13.62</b>
(Decrease) / increase in deferred tax liabilities	(15.06)	-
<b>Total (A+B)</b>	<b>225.64</b>	<b>120.10</b>

**(b) Reconciliation of tax expense and applicable tax rate**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>Profit/(loss) for the year before income tax expense</b>	<b>843.99</b>	<b>465.20</b>
<b>Tax at applicable tax rate of @ 26%</b>	<b>240.98</b>	<b>106.48</b>
Tax effect of		
(i) Exempt Income	-	-
(ii) Permanent Disallowance	-	-
(iii) Tax losses on which no deferred income tax was recognised	-	-
(iv) Impact on account of temporary taxable difference	(15.34)	13.62
(v) Short/(Excess) provision for tax in respect of earlier years	-	-
<b>Income Tax Expense</b>	<b>225.64</b>	<b>120.10</b>

\* The Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unabsorbed tax losses and depreciation is an evidence that future taxable profits may not be available. Therefore, in the case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax asset can be realised. Deferred tax assets (recognised or unrecognised) are reviewed at each reporting date and recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised. Therefore in previous year carry forward business losses and unabsorbed depreciation were restricted to an amount, so that deferred tax assets did not exceed deferred tax liabilities.


**Droneacharya Aerial Innovations Limi**
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**Notes forming part of the financial statements as on March 31, 2024**
**28 Earnings/ (Loss) Per Share**

Basic and Diluted loss per share are calculated by dividing the net profit for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year.

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Profit/ (Loss) after tax (Rs. In Hundreds)	620.39	341.97
Weighted average number of shares	2,39,88,600	1,92,51,905
Diluted Equity Shares	2,39,88,600	1,92,51,905
Earnings/ (Loss) Per share (Rs.)		
- Basic	2.586	1.776
- Diluted	2.586	1.776
Face Value per Share (Rs.)	10.00	10.00

**29 Auditor's Remuneration**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Statutory Audit Fees	3.00	1.95
Tax Audit Fees	0.50	0.30
Taxation Matters	-	-
Certification Fees/ other services	-	0.85

**30 Contingent Liabilities**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Warranty Obligation (for the 1 year period)	4.00	4.00

**31 Related Party Transactions**

The related parties where control and significant influence exists are subsidiaries and associates respectively. Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

**A List of Related Parties**

<b>(i) Shareholder &amp; Directors</b>
Prateek Srivastava - Managing Director & Shareholder
Nikita Srivastava - CFO, Whole Time Director & Shareholder
<b>(ii) Relative</b>
Dr. Pradeep Srivastava - prateek Srivastava's Father
PYI technologies Pvt. Ltd. - Subsidiary

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Notes forming part of the financial statements as on March 31, 2024

**B. Transactions with Related parties**

(Rs. In Lacs)

Particulars	Shareholders/ Key management Personnel		Enterprise over which Key Management Personnel/ Shareholder are able to exercise significant influence	
	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
<b>Remuneration Paid to *</b>				
Prateek Shrivastava	97.48	98.58	-	-
Nikita Shrivastava	32.27	23.25	-	-
<b>Short Term Borrowings from :</b>				
Prateek Shrivastava	-	0.19	-	-
Nikita Shrivastava	-	-	-	-
<b>Short Term Borrowings Repaid :</b>				
Prateek Shrivastava	-	41.02	-	-
Nikita Shrivastava	-	5.41	-	-
<b>Purchase of Plant Property and equipment</b>				
Prateek Shrivastava	-	3.00	-	-
<b>Professional consultancy fees Paid:</b>				
Dr. Pradeep Shrivastava	25.92	11.80	-	-
<b>Purchase of Material &amp; Fixed Assets :</b>				
PYI Technologies Private Limited	10.48	-	-	-
<b>Sale of Service - DGCA Course</b>				
Prateek Shrivastava	-	0.65	-	-
Nikita Shrivastava	-	0.65	-	-

**C. Balances with Related Parties**

(Rs. In Lacs)

Particulars	Shareholders/ Key		Enterprise over which Key	
	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
<b>Short Term Borrowings from :</b>				
Prateek Shrivastava	-	-	-	-
Nikita Shrivastava	-	-	-	-
<b>TDS Recovery :</b>				
Prateek Shrivastava	2.06	0.65	-	-
Nikita Shrivastava	0.53	0.65	-	-



## Droneacharya Aerial Innovations Limited

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Notes forming part of the financial statements as on March 31, 2024

## Note 32(i) : Non Current Investments

(Rs in Lacs)

Particulars	Classification	As at 31-Mar-2024		As at 31-Mar-2023	
		No of Units	Amount	No of Units	Amount
<b>Quoted:</b>					
<b>NIL</b>					
<b>Unquoted:</b>					
<b>(a) In Equity Shares</b>					
Technit Space and Aeroworks Private Limited	FVTOCI	-	11.20	-	11.20
PYI Technologies Pvt Ltd	FVTOCI		0.51		
Gridbots Technologies Pvt Ltd	FVTOCI		60.00		
<b>Total</b>			<b>71.71</b>		<b>11.20</b>
<b>(b) In Fixed Deposits with Bank</b>					
FDR with Axis Bank	Amortised cost	-	2,122.66	-	2,505.68
Interest on Fixed Deposit (Compounding Effect)	Amortised cost	-	41.92		47.71
<b>Total</b>			<b>2,164.58</b>		<b>2,553.39</b>
<b>Total Non Current Investment</b>			<b>2,236.29</b>		<b>2,564.59</b>

FDR of Rs. 2.76 is lien Marked against the Bank Guarantee for Tender

## Note 32(ii) : Current Investments

(Rs in Lacs)

Particulars	Classification	As at 31-Mar-2024		As at 31-Mar-2023	
		No of Units	Amount	No of Units	Amount
<b>Quoted:</b>					
<b>(a) In Mutual Funds</b>					
Axis Liquid Fund - Income oriented	FVTPL	1,724.70	45.95	20,153.36	500.00
Axis Overnight Fund	FVTPL	-	-	42,315.31	500.00
<b>Total</b>			<b>45.95</b>		<b>1,000.00</b>
<b>Total Current Financial Investment</b>			<b>45.95</b>		<b>1,000</b>

## Droneacharya Aerial Innovations Limited

CIN :L29308PN2017PLC224312

Notes Forming part of Financial Statements as on 31st March 2024

## 33 Employee benefit obligations

## I. Defined Contribution Plans

- a) Provident Fund
- b) Employee State Insurance Corporation (ESIC)

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	(Rs. in Lakhs)	
	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Employers' Contribution to Provident Fund	10.56	8.10
Employer's contribution to ESIC	0.05	0.15

**I. Defined Benefit Plans**
**Gratuity (Post-employment obligations)**

The Company provides for gratuity as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible

Particulars	As at 31-Mar-2024		As at 31-Mar-2023	
	Current	Non-current	Current	Non-current
Gratuity	0.05	15.78	0.02	10.36
<b>Total</b>		<b>15.83</b>		<b>10.38</b>

Particulars	As at 31-Mar-2024			As at 31-Mar-2023		
	Present value of obligation	Fair value of plan assets	Net amount (Unfunded)	Present value of obligation	Fair value of plan assets	Net amount (Unfunded)
<b>As at the beginning of the year</b>	<b>10.38</b>	-	<b>10.38</b>	<b>2.80</b>	-	<b>2.80</b>
Current service cost	6.71	-	<b>6.71</b>	6.06	-	<b>6.06</b>
Past service cost	-	-	-	-	-	-
Interest expense / (income)	0.77	-	<b>0.77</b>	0.20	-	<b>0.20</b>
Transfer out	-	-	-	-	-	-
<b>Total amount recognized in profit or loss</b>	<b>7.48</b>	-	<b>7.48</b>	<b>6.26</b>	-	<b>6.26</b>
Remeasurements:						
(Gain)/loss from change in Demographic Assumptions	-	-	<b>0.00</b>	-	-	<b>0.00</b>
(Gain)/loss from change in Financial Assumptions	0.56	-	0.6	(0.29)	-	(0.29)
Effect of Experience Adjustments	(2.60)	-	(2.60)	1.6	-	1.6
<b>Total amount recognised in other comprehensive income</b>	<b>(2.04)</b>	-	<b>(2.04)</b>	<b>1.3</b>	-	<b>1.3</b>
<b>Benefit payments</b>	-	-	-	-	-	-
<b>As at end of the year</b>	<b>15.82</b>	-	<b>15.82</b>	<b>10.38</b>	-	<b>10.38</b>

The significant actuarial assumptions were as follows:

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Discount Rate	7.21%	7.29%
Attrition Rate	5.00%	5.00%
Pre-retirement mortality	Indian Assured Lives Mortality	Indian Assured Lives Mortality
Salary growth Rate	8.00%	8.00%

A quantitative sensitivity analysis for significant assumptions on the defined benefit obligation is as below:

Particulars	Change in assumption by	As at 31-Mar-2024		As at 31-Mar-2023	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	-1.02	1.12	-0.71	0.78
Salary growth rate	1.00%	1.93	-1.67	1.16	-1.37
Attrition Rate	5.00%	-2.25	2.81	-1.85	2.41

The defined benefit obligations shall mature after year end 31st March, 2023 as follows

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Year 1	0.04	0.02
Year 2	0.31	0.02
Year 3	0.54	0.02
Year 4	0.80	0.47
Year 5	0.95	0.65
Year 6 and above	5.03	3.77


**Droneacharya Aerial Innovations Limited**
**CIN :U29308KA2017PLC101287**
**Notes Forming part of Financial Statements as on 31st March 2024**
**34 Additional Notes and Disclosures:**
**i Regarding Expenses Debited to Securities Premium Account**

The company has debited the amount to the tune of Rs. 490.29 Lacs to Securities Premium account. The amount includes the expenses in the nature of travelling expenses, Hotel, lodging and boarding expenses, Professional Fees and other expenses. The Company has claimed that such expenses is incurred on account of securing the funding through private placement and for securing funding through IPO. However, the nexus of proving that such amount has been incurred for the specified purpose of issuing the securities as per section 52 of the companies act 2013, has not been verified through any documentary evidence. However the management representation letter has been received by us stating the details and the expenditure has been incurred for the purpose of issue of equity shares. Hence, we have considered the same and debited the amount to the Securities premium account. The internal auditor has also specified the same in the report issued by them. The same is stated as below: *Securities premium must be used for the purpose as prescribed in Companies Act 2013. It can be used to write off expenses of issue of shares also. The expenses like hotel expenses, trip expenses, contractual and professional expenses are written off through securities premium account. The supporting documents to the expenses have direct nexus with the issue of shares is not provided. The said documents needs to be keep in place to justify the utilisation of securities premium reserve*

**ii Notes on Statutory Compliances :**

- The input tax credit availed and utilised by the company is subject to the GSTR 2A and GSTR 2B
- a Reconciliation. The company and the auditors have not vouched and reconciled the Input Tax credit as per GSTR 2A and GSTR 2B as required by the GST Act, 2017. it will be subject to the annual return to be filed by the company.
  - b TDS Return for the Q4 is yet to be filed by the company as the due date for the same is 31st May 2023.
  - c The Professional Tax Returns have not been furnished by the company till the date of finalisation of the audit
  - d The TDS claimed by the company for the period of Q4 is subject to the TDS return to be filed by the parties and the reflection of the same in the 26AS of the company
  - e TDS Late Filing (Late fees) is incurred by the company but the same has not been paid by the company and hence we have not debited the expenditure in the P & L and also have not considered the same in the financial statements

**iii Cash Expenses above 10,000**

The company has paid for the expenses above Rs. 10,000 in cash which is not allowed as per section 40A(3) of Income tax act

- iv The Company has given advance to Tera Drone India Private Limited for the purchase of drones and the company has not filled its financial statements & annual returns since 2019 it means company has entered into an transactions with dormant Company as per section 455 of the Companies Act 2013.

- v The company has deposited significantly material amount of cash in bank in start of the year which is out of the closing balance of 31.03.2022. The same has been Taken as per the management representation letter received .

- vi The balances of Loans and advances, debtors & Creditors are subject to the confirmation.

- vii Previous year's figures has been regrouped and rearranged wherever required for the purpose of fair presentation of the financial statements



**Independent Auditor's Report to the Members of Droneacharya Aerial Innovations Limited**  
**(CIN : L29308PN2017PLC224312)**

**Report on the Audit of the Consolidated Indian Accounting Standards (IND AS) Financial Statements**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of DRONEACHARYA AERIAL INNOVATIONS LIMITED (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act



and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the 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 consolidated state of affairs of the Group and jointly controlled entities as at 31st March, 2024, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

### **Other Matters**

(a) We did not audit the financial statements of PYI TECHNOLOGIES PRIVATE LIMITED, subsidiary, whose financial statements reflect total assets of Rs.16.68 Lakhs as at 31st March, 2024, total revenues of Rs. 5.91 Lakhs and net cash flows amounting to Rs. 1.15 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/(loss) of (Rs. 10.37 Lakhs) for the year ended 31<sup>st</sup> March, 2024, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors M/s D M K H & Co. whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled

entities, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies,

associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer CARO reporting of the consolidated financial statements.
- ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies, incorporated in India
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other 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;  
(b) The management has represented, that, to the best of its knowledge and belief, 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  
(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. No dividend have been declared or paid during the year by the company.

**FOR, KPRK & ASSOCIATES LLP  
CHARTERED ACCOUNTANTS  
FRN: 103051W/W100965**

**CA KISHAN R VERMA  
PARTNER  
MEM NO.: 046239**

**PLACE: NAGPUR  
DATE: 29/05/2024  
UDIN: 24046239BKGQAY9128**



Droneacharya Aerial Innovations Limited  
CIN : L29308PN2017PLC224312

Consolidated Balance Sheet as at March 31, 2024

(Rs. In Lacs)

Particulars	Note No.	As at	As at
		31-Mar-2024	31-Mar-2023
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
(a) Property, Plant and Equipments	2	254.31	165.55
(b) Intangible Assets	3	654.31	535.89
(c) Intangible Assets under Development	4	58.98	-
		<b>967.60</b>	<b>701.44</b>
(c) Non - Current Tax Assets		0.28	-
(d) Financial Assets			
(i) Non-Current Investments	5	2,235.78	2,564.60
(ii) Long term Loan and Advances	6	792.63	1,110.97
(iii) Other Non- Current Financial assets		-	-
		<b>3,028.69</b>	<b>3,675.57</b>
(e) Other Non - Current Assets		-	-
<b>Current Assets</b>			
(a) Inventories		0.95	-
(b) Financial Assets			
(i) Trade Receivables	7	2,886.95	1,127.26
(ii) Cash and Cash Equivalents	8	374.54	244.76
(iii) Short Term Loans and Advances		-	-
(iv) Other Current Financial Assets	9	55.41	1,004.10
		<b>3,317.85</b>	<b>2,376.12</b>
(c) Other Current Assets	10	301.82	218.75
<b>TOTAL</b>		<b>7,615.96</b>	<b>6,971.88</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	11	2,398.86	2,398.86
(b) Other Equity	12	4,839.07	4,228.35
		<b>7,237.93</b>	<b>6,627.21</b>
<b>Non-Current Liabilities</b>			
(a) Non Current Financial Liabilities			
(i) Long Term Borrowings	13	18.29	-
(ii) Lease Liabilities		-	-
(b) Long term Provisions	14	15.78	10.35
(c) Deferred Tax Liability	15	-	15.06
		<b>34.07</b>	<b>25.41</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Short Term Borrowings		-	-
(ii) Trade Payables	16	12.92	183.55
(iii) Lease Liabilities		-	-
(iv) Other Current Financial Liabilities	17	3.28	3.38
		<b>16.20</b>	<b>186.93</b>
(b) Other Current Liabilities		-	-
(c) Short Term Provisions	18	327.76	132.33
<b>TOTAL</b>		<b>7,615.96</b>	<b>6,971.88</b>

Significant Accounting Policies and Notes on Financial Statements

1 to 34

As per our report of even date attached

For KPRK & ASSOCIATES LLP  
Chartered Accountants  
Firm No. 103051W/W100965

For and on behalf of the Board of Directors

CA Kishan R Verma  
Partner  
M.No: 046239  
Place : Nagpur  
Date : 29/05/2024  
UDIN: 24046239BKGQAY9128

Prateek Srivastava Managing Director  
Nikita Srivastava CFO & Director  
Harshal Kher Company Secretary  
DIN - 07709137 DIN - 08082593 Mem No. ACS69147



Droneacharya Aerial Innovations Limited

CIN :L29308PN2017PLC224312

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

(Rs. In Lacs)

	Note No.	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023
<b>INCOME</b>			
(a) Revenue from operations	19	3,525.28	1,856.95
(b) Other income	20	201.18	56.61
<b>Total Income</b>		<b>3,726.46</b>	<b>1,913.56</b>
<b>EXPENSES</b>			
(a) Cost of Material Consumed	21	228.82	2.43
(b) Direct Costs	22	541.27	576.11
(b) Changes in inventories		(0.95)	
(c) Employee benefits expenses	23	534.14	453.88
(d) Finance costs	24	2.88	2.71
(e) Depreciation and amortisation expenses	2 & 3	392.56	90.83
(f) Other expenses	25	1,194.12	323.22
<b>Total Expenses</b>		<b>2,892.84</b>	<b>1,449.18</b>
<b>Profit / (Loss) before tax</b>		<b>833.62</b>	<b>464.38</b>
<b>Tax expense:</b>	26		
(a) Current year tax expense		240.98	106.35
(b) Deferred Tax Expenses		(15.34)	14.74
<b>Current tax expense</b>			-
<b>Profit / (Loss) for the year (A)</b>		<b>607.98</b>	<b>343.29</b>
<b>Other comprehensive income/(loss)</b>			
Items that will not be reclassified to profit or loss account			
(a) Fair Value gain on Instrument classified as FVTOCI			-
(b) Net gain / (loss) on sale / redemption of Investments			-
(c) Remeasurement Gain / (Loss) of Post employment benefit obligation	27	(2.04)	1.32
<b>Other comprehensive Income/ (Loss) for year net of tax (B)</b>		<b>610.02</b>	<b>341.97</b>
<b>Total comprehensive income/ (loss) for year (A+B)</b>		<b>610.02</b>	<b>341.97</b>
<b>Earnings/(Loss) per share of Rs. 10/- each</b>			
(a) Basic Earnings/(Loss) Per Share (Rs.)	28	2.54	1.43
(b) Diluted Earnings/(Loss) Per Share (Rs.)		2.54	1.43

Significant Accounting Policies and Notes on Financial Statements

1 to 34

As per our report of even date attached

For KPRK &amp; ASSOCIATES LLP

Chartered Accountants

Firm No. 103051W/W100965

For and on behalf of the Board of Directors

CA Kishan R Verma

Partner

M.No: 046239

Place : Nagpur

Date : 29/05/2024

UDIN: 24046239BKGQAY9128

Prateek Srivastava Nikita Srivastava Harshal Kher

Managing Director CFO &amp; Director Company Secretary

DIN - 07709137

DIN - 08082593

Mem No. ACS69147



Droneacharya Aerial Innovations Limited  
CIN : L29308PN2017PLC224312

Consolidated Cash Flow Statement for the year ended March 31, 2024

(Rs. in Lacs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit / (Loss) before tax	833.62	464.38
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	392.556	90.83
Ind As Impact Unbilled Revenue	-	-
Interest & borrowing cost	-	-
Interest Income	-170.10	(53.52)
(Gain)/ Loss on Sales of Property, Plant and Equipments (Net)	0.67	-
Dividend Income	-	-
Capital (Gain) / Loss from Real Estate Fund (Net)	-	-
Remeasurement Gain / (Loss) of Post employment benefit obligation	2.04	-
Unrealised (Gain)/Loss on foreign currency transactions (Net)	-	-
Provision for Diminution in Investments	-	-
Provision for bad and doubtful debts written off / (written back) of doubtful loans and advances and other current -----	1.77	-
Share of (Profit)/Loss from LLP	-	-
Fair Value gain on Investments classified as FVTPL	-	-
Gratuity Expenses	5.43	7.55
Other Non Cash items	-	-
<b>Operating Profit/(Loss) Before Working Capital Changes</b>	<b>1,065.99</b>	<b>509.24</b>
<b>Adjustments for Changes in Working Capital:</b>		
(Increase)/ Decrease in Inventories	-0.95	-
(Increase)/ Decrease in Trade receivables	-1,759.69	(1,002.67)
(Increase)/ Decrease in Other current assets	-84.84	(70.57)
(Increase)/ Decrease in Other Current Financial Assets	948.69	(1,004.10)
(Increase)/ Decrease in Other Non Current Financial Assets	-	(1,100.97)
(Decrease)/Increase in Trade Payables	-170.63	182.56
(Decrease)/Increase in other current financial liabilities	-0.10	0.39
(Increase)/ Decrease in Short term provisions	195.43	-
(Decrease)/Increase in other current liabilities	-	86.93
<b>Cash Generated by/(Used) In Operations</b>	<b>193.90</b>	<b>(2,399.19)</b>
Taxes Paid (including Tax Deducted at Source and Net of IT Refund)	-240.98	(106.35)
<b>Net Cash Generated by/(Used) in Operating Activities (A)</b>	<b>-47.08</b>	<b>(2,505.54)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Proceeds from Sale of Property Plant & Equipment	0.04	-
Acquisition of Property Plant & Equipment	-200.15	(189.59)
Acquisition of Intangible Assets	-400.30	(560.54)
Acquisition of Intangible Assets under Development	-58.98	-
Proceeds from Sale & Purchase of Non Current Investments	328.82	(2,564.60)
Dividend Received	-	-
Interest Received	170.10	53.52
Income From Real Estate Funds (Net)	-	-
Share of (Profit)/Loss from LLPs	-	-
<b>Cash Generated/(Used) in Investing Activities (Net) (B)</b>	<b>-160.47</b>	<b>(3,261.21)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceed from issue of shares - effect on account of consolidation	-	4,836.15
Receipts from recovery of long term loans and advances	318.34	-
Proceed from Long Term Borrowings	18.29	(46.25)
Share Application money refund - forfeited	2.29	-
Other equity adjustments	-1.59	-
Repayment of Long Term Borrowings	-	-
Proceed from Short Term Borrowings	-	-
Repayment of Short Term Borrowings	-	-
Interest & borrowing cost	-	-
<b>Cash Generated/(Used) From Financing Activities (Net) (C)</b>	<b>337.33</b>	<b>4,789.90</b>
<b>Increase / (Decrease) in Cash and Cash equivalents (Net) ( A + B + C )</b>	<b>129.78</b>	<b>(976.85)</b>
<b>Opening Cash and Cash Equivalents</b>	<b>244.76</b>	<b>1,221.61</b>
<b>Cash and Cash Equivalents Comprise</b>	<b>374.54</b>	<b>244.76</b>
Cash on hand	1.95	1.22
Balance with Scheduled Banks	372.59	243.54

As per our report of even date attached

For KPRK & ASSOCIATES LLP  
Chartered Accountants  
Firm No. 103051W/W100965

For and on behalf of the Board of Directors

CA Kishan Verma  
Partner  
M.No: 046239  
Place : Nagpur  
Date : 29/05/2024  
UDIN: 24046239BKGGQAY9128

Prateek Srivastava  
Managing Director  
DIN - 07709137

Nikita Srivastava  
CFO & Director  
DIN - 08082593

Harshal Kher  
Company Secretary  
Mem No. ACS69147



Droneacharya Aerial Innovations Limited

CIN :L29308PN2017PLC224312

## Statement of changes in equity for the year ended March 31, 2024

## A. EQUITY SHARE CAPITAL

	No. in Value	Amount (Rs in Lacs)
Equity shares of Rs. 10 each issued, subscribed and fully paid		
<b>As at 31 March 2022</b>	<b>116620</b>	<b>11.67</b>
Changes in Equity share capital	2,38,71,980.00	2,387.19
<b>As at 31 March 2023</b>	<b>2,39,88,600.00</b>	<b>2,398.86</b>
Changes in Equity share capital	0	0.00
<b>As at 31 March 2024</b>	<b>2,39,88,600.00</b>	<b>2,398.86</b>

## A. 9% PREFERENCE SHARE CAPITAL

	No. in Value	Amount (In Rs. Lacs)
Preference shares of Rs. 10 each issued, subscribed and fully		
<b>As at 31 March 2022</b>	<b>24,339.00</b>	<b>2.43</b>
Changes in preference share capital	36,036.00	3.60
Converted to equity	60,375.00	6.03
<b>As at 31 March 2023</b>	<b>-</b>	<b>-</b>
Issued during the year	-	-
Converted to equity	-	-
<b>As at 31 March 2024</b>	<b>-</b>	<b>-</b>

## Note : 12

B. OTHER EQUITY	Reserves and surplus		
	Securities premium	Retained earnings	Total
<b>As at 31 March 2022</b>	<b>1405.62</b>	<b>28.04</b>	<b>1433.66</b>
Profit for the period	-	341.97	341.97
Other comprehensive income for the period, net of tax			-
<b>Total</b>	<b>1,405.62</b>	<b>370.01</b>	<b>1,775.63</b>
Securities Premium received on account of Preference share and IPO	4,695.17	-	4,695.17
Bonus Shares issued out of securities premium	(1,752.16)		(1,752.16)
Expenses related to the issue of shares (As per section 52 of companies act 2013)	(490.29)		(490.29)
Prior Period Error adjusted		-	-
Transferred to statement of profit and loss (net)			-
Others			-
<b>As at 31 March 2023</b>	<b>3,858.34</b>	<b>370.01</b>	<b>4,228.35</b>
Profit for the period	-	610.02	610.02
Other comprehensive income for the period, net of tax			-
<b>Total</b>	<b>3,858.34</b>	<b>980.03</b>	<b>4,838.3710</b>
Less : Discount on acquisition of subsidiary	-1.59	0	-1.59
Less :	0		0
Expenses related to the issue of shares (As per section 52 of companies act 2013)*	0		0
Prior Period Error adjusted			0
Share Application money refund - forfeited	2.29		2.29
Others - rounding off		0	0
<b>As at 31 March 2024</b>	<b>3859.04</b>	<b>980.03</b>	<b>4839.07</b>

\* As per the detailed notes to accounts annexed herewith - Note : 34(i)



**Droneacharya Aerial Innovations Limited**

CIN :L29308PN2017PLC224312

Notes forming part of the financial statements as on March 31, 2024

**Note 1: CORPORATE INFORMATION**

Droneacharya Aerial Innovations Limited (the ' Holding Company' or ' Parent Company') is a limited company incorporated in

- i) India. The main operations of an Holding Company are Imparting the Drone operation Training, Drone supply and Maintenance services and Management consultancy and training services.
- ii) The Holding Company register office is at 1st & 2nd Floor, Galore Tech IT Park, LMD Chowk, Bavdhan, Pune, Maharashtra 411021.

These consolidated audited financial statements Droneacharya Aerial Innovations Limited (the Holding Company) and its subsidiaries (Collectively referred as the 'Group') have been prepared in accordance with the Indian Accounting Standards (Ind

- AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under section 133 of the Companies Act 2013 (the 'Act'). The Financial statements has been prepared on going concern basis. These Consolidated audited financial statements include financial statements of the following subsidiaries:

Name of the Entity	% of Shareholding and voting power of Holding Company	Consolidated as
PYI Technolgies Private Limited	51%	Subsidiary

**Note 1.1 : SIGNIFICANT ACCOUNTING POLICIES****a) Basis of Accounting**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities have been classified as current and non-current as per the company's normal operating cycle and other criteria's set out in Ind AS and the Schedule III to the Companies Act, 2013.

Based on the nature of products/services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained it's operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

Tax assets (including MAT credit entitlement) are classified as non-current assets.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date. The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities and defined benefit plan that are measured at fair value

**b) Functional and presentation currency**

These Financial statements are presented in Indian Rupees (INR), which is also the company's functional currency. All the amounts have been rounded off to the nearest hundreds unless otherwise indicated

**c) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns and excluding taxes and duties collected on behalf of the government. The Company recognises revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities as described below:

**Sale of Services**

- i. Revenue from imparting the Drone training and other Management Advisory services as per the agreement between the company and clients whether oral or written.

- ii. Income from other services rendered is recognised based on agreements/ arrangements with the customers as the service is performed/rendered.

Unbilled revenue represents service rendered but not yet billed.

**Sale of Goods & Commodity Trading**



Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and the amount of revenue can be measured reliably. Here goods are drones Assembled by the company

#### **Dividend, Interest and Other Income**

- i. Dividend income is recognised when the right to receive the dividend is unconditionally established .
- ii. Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable.
- iii. In respect of other heads of income the company accounts the same on accrual basis.

#### **d) Property, Plant and equipments (PPE) and Depreciation**

Property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the asset.

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

#### **Depreciation and useful life of assets**

Depreciation on assets is provided using Written down value method on pro rata basis over their estimated useful economic lives as given below. The useful life is taken as prescribed in Schedule II to the Companies Act, 2013 except where the estimated useful economic life has been assessed to be lower based on technical obsolescence, nature of assets, estimated usage of the assets, operating conditions of the asset and manufacturers warranties, maintenance and support period, etc. The assets are depreciated based on the estimated useful life as per below:

<b>Particulars</b>	<b>Estimated Useful Life (in years)</b>
Drones (Including Drone Simulators) (Plant and Machinery)	5 Years
Drones ( Batteries)	3 Years
Furniture and Fixtures	10 Years
Vehicles	8 years
Computers & Peripherals	3 years
Office Equipments	5 Years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals of assets are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

The company has changed the usefule life of Drones from 7 years to 5 years. The details of the same is given in Note : 1.2 (ii)

#### **e) Intangible Assets and Amortisation**

Intangible assets acquired separately are measured on initial recognition at cost. Cost includes all direct costs relating to acquisition of Intangible assets and borrowing cost relating to qualifying assets. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised.

The useful lives of intangible assets are assessed as either finite or indefinite. There are no intangible assets assessed with indefinite useful life.

Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each year. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. All the intangible assets are amortised on Written Down Value Method. The Useful life of the intangible assets are as follows:

Particulars	Estimated Useful Life (in years)
Trademark	15 Years
Software	7 Years
Accounting Software	3 Years

**f) Inventories**

Completed Inventories if any are stated at the lower of cost and net realisable value.

**g) Employee Benefits**

**Short-term obligations**

Liabilities for salaries and wages, including non-monetary 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 recognized in respect of employee's services up to the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The company recognise provision for such obligations.

**Defined Benefit Plan**

In accordance with the local laws and regulations, all the employees of company are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula.

The Company provides for the liability towards the said plans on the basis of actuarial valuation carried out yearly as at the reporting date, by an independent qualified actuary using the projected unit-credit method.

The obligation towards the said benefits is recognised in the balance sheet, at the present value of the defined benefit obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds. The interest income / (expense) are calculated by applying the above mentioned discount rate to the defined benefit obligations liability. The net interest expense on the net defined benefit liability is recognised in the statement of profit and loss. However, the related re-measurements of the net defined benefit liability are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods.

**h) Foreign Currency Transactions**

**Functional and presentation currency**

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in Indian Rupee (INR), which is company's functional and presentation currency.

**Transactions and balances**

Foreign currency transactions are reinstated into the functional currency using exchange rates at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

**i) Impairment of Non Financial Assets**

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.



When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss

**j) Taxes on Income**

Taxes on Income comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income

**i. Current Tax Expenses**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous year (disclosed separately on the face of statement of profit and loss). The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (tax laws) enacted or substantively enacted by the reporting date.

Tax assets and tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the assets and settle the liability on a net basis or simultaneously

**ii. Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets so recognised are reviewed at each reporting date and are increased /reduced.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset tax liabilities and tax assets and they relate to income taxes levied by the same tax authority.

Minimum Alternative Tax ('MAT') credit is recognised as an asset to the extent it is allowable as per Income Tax Act over the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is no longer be allowable as per Income Tax Act and charged to the Statement of Profit and Loss.

**k) Provisions and Contingent Liabilities**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or the outflow cannot be measured reliably. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is provided.

## l) Financial Instruments

### **Initial recognition and Measurement:**

Financial Instruments (assets and liabilities) are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

### **Subsequent measurement:**

#### **i) Financial Assets :**

Financial assets are subsequently classified as measured at:

- Amortised cost
- Fair Value through Profit & Loss (FVTPL)
- Fair Value through Other Comprehensive Income (FVTOCI)

The above classification is being determined considering the:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the company changes its business model for managing financial assets.

#### **(i) Measured at amortised cost:**

Financial assets are subsequently measured at amortised cost, if these financial assets are held within a business module whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **(ii) Measured at fair value through profit or loss (FVTPL):**

Financial assets other than equity instrument are measured at FVTPL unless it is measured at amortised cost or at FVTOCI on initial recognition. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

#### **(iii) Measured at fair value through other comprehensive income (FVTOCI):**

Financial assets are measured at FVTOCI, if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the Effective Interest Rate method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is not reclassified from the equity.

### **Equity instruments:**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income. The cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of the investments.

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in Statement of Profit and Loss are included in the 'Other income' line item.

**Impairment of Financial Assets :**

The Company recognises a loss allowance for Expected Credit Losses (ECL) on trade receivable, financial assets that are measured at amortised cost and at FVOCI other than investment in Subsidiaries. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

The Company recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

**Derecognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

**(ii) Financial Liabilities**

Financial liabilities measured at amortised cost are subsequently measured at using Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**Loans & Borrowings:**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using Effective Interest Rate (EIR) method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

**De-recognition**

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

**(iii) Offsetting financial instruments**

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

**m) Fair value measurement**

The Company measures financial instruments (Other than investment in associates and subsidiaries) such as investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**n) Cash and Cash Equivalents:**

Cash and Cash equivalents include Cash and Cheques in hand, bank balances, demand deposits with banks with an original maturity of less than three months or less, which are subject to insignificant risk of change in value.

**o) Borrowing Cost:**

Borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**p) Earnings Per Share:**

Basic earnings per shares are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**q) Segment Reporting**

Operating segments are reported in a manner consistent with the reporting provided to the chief operating decision maker. In this case segment reporting is not applicable and hence not reported

**Note 1.2 : Use of Estimates and Judgements**

In the application of the Company's accounting policies, which are described in Note 1.1 , the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

**In the following areas the management of the Company has made critical judgements and estimates:****i) Fair Value of financial instrument**

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument / assets. Management bases its assumptions on observable data as far as possible which may not always be available. In that case, management uses the best relevant information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**ii) Estimation of Useful life of Property, Plant and Equipment**

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**Changes in useful life of Fixed Assets:**

The company has changed the useful life of Drones from 7 years to 5 Years. The Reason of this is as the company is majorly involved in the drone pilot training activities and insitutional training activities. Hence, because of this there will be the major wear and tear. Hence, the useful life of the drones should be reduced to 5 years from 7 years which was there in the last year. The company has passed the board resolution for giving effect of the same. As per IND AS, the change in useful life of fixed assets is considered as change in the accounting estimates. Hence, the effect of the same has not been given retrospectively. The effect has been given the prospectively. Becuase of the change in useful of life of drones, the Depreciation Rate has been increased to 45.07% on WDV basis

**iii) Defined Benefit Obligation**

The Company's obligation on account of gratuity is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, this liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

**iv) Provision and Contingent Liabilities**

The company exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities which is related to pending litigation or other outstanding claims. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision or contingent liability.

**v) Allowance for Trade Receivables**

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables.



**Droneach:**

**CIN :L29308PN2017PLC224312**

**Notes forming part of the financial statements as on March 31, 2024**

### 1.3 Capital Commitments

Particulars	As at 31-Mar - 2024	As at 31-Mar-2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Uncalled liability on shares and other investments partly paid	-	-
Other commitments (specify nature)	-	-
<b>TOTAL</b>		

### 1.4 Additional information pursuant to Schedule III of the Companies Act, 2013:

(Rs. In Lacs)

Particular	As at 31-Mar - 2024	As at 31-Mar-2023
<b>Value of imports calculated on CIF basis:</b>		
Raw Material	NIL	NIL
Stores & Spares	NIL	NIL
Capital Goods	NIL	NIL
<b>Expenditure in Foreign currency on:</b>		
Professional and Consultancy fee	698.82	65.28
Tours and Travels *	-	-
Contracts	514.29	NIL
Others	NIL	NIL
<b>Earnings in Foreign Exchange:</b>		
Consultancy	1,481.38	310.57
Interest	NIL	NIL
Others	NIL	NIL
<b>Value of Components, spare parts, Raw material &amp; store consumed / Purchase of Stock :</b>		
Imported	NIL	NIL
Indigenous	221.49	8.66

\* It is not possible for us to identify the Expenses incurred in foreign currency on the tours and travels. It is because the consolidated record of the travelling expenses has been maintained by the company and the individual foreign trip expenses has not been identified by the company. Hence we cannot comment on the same

### 1.5 Information in respect of Micro, Small and Medium Enterprises as at 31-Mar-2024

Particulars	As at 31-Mar - 2024	As at 31-Mar-2023
<b>Amount remaining unpaid to any supplier:</b>		
Principal Amount	NIL	NIL
Interest due thereon	NIL	NIL
Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day:	NIL	NIL
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
Amount of interest accrued and remaining unpaid	NIL	NIL
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	NIL	NIL

The company has a system of identifying amounts due to Micro Enterprises or Small Enterprises on the basis of the entrepreneurs memorandum number (EM Number) printed on their invoices, supply orders, letterheads, other relevant documents. Majority of the suppliers (Identified on the Sampling basis) of the company have not furnished status under Micro Enterprises or Small Enterprises under the Micro Small and Medium Enterprises Development Act, 2006. Therefore, disclosures under section 22 of the said act are not furnished.

#### **1.6 Additional regulatory information**

##### **I Title deeds of immovable Property not held in name of the Company**

The company does not own any immovable properties

##### **II Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017**

The Company has not revalued its Property, Plant and Equipment.

##### **III Where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as (a) repayable on demand or (b) without specifying any terms or period of repayment**

The Company has not granted Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

##### **IV Capital Work In Progress (CWIP)**

The Company has no Capital Work In Progress (CWIP).

##### **V Intangible assets under development:**

The Company has no Intangible assets under development. The Website under development has been completely developed and deployed.

##### **VI Details of Benami Property held**

The Company has no Benami Property held by itself or through others

##### **VII Borrowings from banks or financial institutions on the basis of current assets.**

The Company has no borrowings from banks or financial institutions on the basis of current assets.

##### **VIII Wilful Defaulter**

The Company has not defaulted in repayment of Loan

##### **IX Relationship with Struck off Companies**

The Company has no Relationship with Struck off Companies

##### **X Registration of charges or satisfaction with Registrar of Companies**

The company does not have any charge created

##### **XI Compliance with number of layers of companies**

The company has complied with the number of layers prescribed under regulations

1.7 Additional regulatory information

I Ratios

Ratios	Measured in	Numerator	Denominator	Current Reporting Period	Previous reporting period	% of Change	Reason for Variance
Current Ratio	times	Current assets	Current liabilities	10.52	8.13	29.48%	The company has grown multiple times in terms of revenue and is able to realise the amount from debtors, well within the operating cycle
Debt Equity Ratio	times	Total Debt Capital	Shareholder's Equity	0.00	0.00	0.00%	Company has repaid the unsecured loan taken from the director
Debt Service coverage ratio	times	Earnings available for debt service	Debt Service	NA	NA	NA	NA
Return on Equity Ratio	Percentage (%)	Net Profit after tax	Average Shareholder's Equity	8.43%	5.16%	63.33%	The company has made the private placement of Optionally convertible preference share which has been converted into equity share. The same was issued on premium. Further, the company has come out with an initial public offer and for which the company has raised the share capital. Hence, the capital base has widened during the year and hence there is significant variance
Inventory Turnover Ratio	times	Cost of Goods Sold	Average Inventory	NA	NA	NA	NA
Trade Receivables turnover ratio	times	Revenue from operations	Average trade receivables	1.76	2.97	-40.86%	The company has grown multiple times in terms of revenue and is able to realise the amount from debtors, well within the operating cycle
Trade payables turnover ratio	times	Total Purchases	Average Trade Payables	NA	NA	NA	NA
Net capital turnover ratio	times	Revenue from operations	Working capital	1.08	0.82	31.24%	Due to increase in the revenue base.

Net profit ratio	Percentage (%)	Net Profit after tax	Revenue from operations	17.30%	18.42%	-6.06%	The company has grown multiple times in terms of revenue. There has been significant growth in the operations of the company and hence, it has resulted in the better economies of scale increasing the profit margin of the company
Return on Capital employed	Percentage (%)	Earnings before interest and tax	Capital Employed	11.52%	7.00%	64.53%	The company has grown multiple times in terms of revenue. There has been significant growth in the operations of the company and hence, it has resulted in the better economies of scale increasing the profit margin of the company
Return on investment	Percentage (%)	Income generated from	Time weighted average investments	9.00%	2.21%	307.16%	Better ROI due to increase in interest rates

Note 1 : Debt Capital means = Long-term borrowings + Other Long term Liabilities (debt used to finance a company's assets)

Note 2 : Shareholder's Equity refers to Tangible Net Worth which is equal to (Share Capital + Free Reserves – intangible assets)

Note 3 : Earnings available for debt service = Net Profit before taxes + Non-cash operating expenses like depreciation + Interest + other adjustments like loss on sale of Fixed assets etc.

Note 4 : Debt service = Interest & Lease Payments + Principal Repayments

Note 5 : Cost of Goods Sold = Cost of Material Consumed + Purchases + Changes in Inventory + Manufacturing Expenses

Note 6 : Working Capital = Current Assets - Current Liabilities

Note 7 : Earnings before interest and tax = PAT + Tax + Interest

Note 8 : Capital Employed = Tangible net worth + Deferred tax liabilities + Long-term borrowings + Other Long term Liabilities

II Compliance with approved Scheme(s) of Arrangements

There is no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

III Utilisation of Borrowed funds and share premium (either borrowed funds or share premium or any other source or kind of funds) :

(A) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(B) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party)

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries,

## DRONEACHARYA AERIAL INNOVATIONS LIMITED

Notes forming part of the financial statements as on March 31, 2024

2 Property, plant and equipments (Rs. In Lacs)						
Particulars	Furniture & Fixtures	Plant & Machinery (Drones)	Computer & Peripherals	Office Equipments	Vehicles	Total
<b>Cost</b>						
<b>Year ended 31-Mar-2023</b>						
Opening gross carrying amount	0.80	15.96	2.50	0.32	12.95	32.53
Additions	18.60	82.90	21.04	14.14	52.91	189.59
Disposals	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>19.40</b>	<b>98.86</b>	<b>23.54</b>	<b>14.46</b>	<b>65.86</b>	<b>222.12</b>
<b>Year ended 31-Mar-2024</b>						
Opening gross carrying amount	19.40	98.86	23.54	14.46	65.86	222.12
Additions	-	161.22	14.75	0.63	23.55	200.15
Disposals	-	7.63	-	-	8.67	16.30
<b>Closing gross carrying amount</b>	<b>19.40</b>	<b>252.45</b>	<b>38.29</b>	<b>15.09</b>	<b>80.74</b>	<b>405.97</b>
<b>Year ended 31-Mar-2024 (PYI)</b>						
Opening gross carrying amount	0.18	-	0.36	-	-	0.54
Additions	15.08	-	-	-	-	15.08
Disposals	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>15.26</b>	<b>-</b>	<b>0.36</b>	<b>-</b>	<b>-</b>	<b>15.62</b>
<b>Total Gross carrying amount</b>	<b>34.66</b>	<b>252.45</b>	<b>38.65</b>	<b>15.09</b>	<b>80.74</b>	<b>421.59</b>
<b>Accumulated depreciation</b>						
<b>Year ended 31-Mar-2023</b>						
Opening accumulated depreciation	0.13	0.77	0.44	0.05	0.33	1.72
Depreciation charge during the year	2.87	22.68	7.93	4.48	16.89	54.85
Disposals	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>3.00</b>	<b>23.45</b>	<b>8.37</b>	<b>4.53</b>	<b>17.22</b>	<b>56.57</b>
<b>Year ended 31-Mar-2024</b>						
Opening accumulated depreciation	3.00	23.45	8.37	4.53	17.22	56.57
Depreciation charge during the year	4.25	72.40	12.19	4.68	17.04	110.56
Disposals	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>7.25</b>	<b>95.85</b>	<b>20.56</b>	<b>9.21</b>	<b>34.26</b>	<b>167.13</b>
<b>Year ended 31-Mar-2024 (PYI)</b>						
Opening accumulated depreciation	0.01	-	0.03	-	-	0.03
Depreciation charge during the year	0.02	-	0.10	-	-	0.12
Disposals	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>0.02</b>	<b>-</b>	<b>0.13</b>	<b>-</b>	<b>-</b>	<b>0.15</b>
<b>Total:</b>	<b>7.27</b>	<b>95.85</b>	<b>20.69</b>	<b>9.21</b>	<b>34.26</b>	<b>167.28</b>
<b>Net carrying amounts</b>						
<b>At 31-Mar-2023</b>	<b>16.40</b>	<b>75.41</b>	<b>15.17</b>	<b>9.93</b>	<b>48.64</b>	<b>165.55</b>
<b>At 31-Mar-2024</b>	<b>27.39</b>	<b>156.60</b>	<b>17.96</b>	<b>5.88</b>	<b>46.48</b>	<b>254.31</b>

3 Intangible Assets (Rs. In Lacs)					
Particulars	CRM Software & Other License Software	GIS & Heroku Server & Software	Trademark	Website	Total
<b>Cost</b>					
<b>Year ended 31-Mar-2023</b>					
Opening gross carrying amount	0.18	-	0.50	0	0.68
Additions	0.82	548.13	-	11.59	560.54
Intangible Asset Under Development Trf	-	-	-	10.73	10.73
Disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>1.00</b>	<b>548.13</b>	<b>0.50</b>	<b>22.32</b>	<b>571.95</b>

<b>Year ended 31-Mar-2024</b>					
<b>Opening gross carrying amount</b>	<b>1.00</b>	<b>548.13</b>	<b>0.50</b>	<b>22.32</b>	<b>571.95</b>
Additions	241.31	150.57	-	8.42	400.30
Intangible Asset Under Development Trf				0	-
Disposals	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>242.31</b>	<b>698.70</b>	<b>0.50</b>	<b>30.74</b>	<b>972.25</b>
<b>Accumulated Amortization</b>					
<b>Year ended 31-Mar-2023</b>					
<b>Opening accumulated amortisation</b>	0.01	-	<b>0.07</b>	0	<b>0.08</b>
Additions	0.48	33.61	<b>0.08</b>	1.81	<b>35.98</b>
Disposals	-	-	-	-	-
<b>Closing accumulated amortisation</b>	<b>0.49</b>	<b>33.61</b>	<b>0.15</b>	<b>1.81</b>	<b>36.06</b>
<b>Year ended 31-Mar-2024</b>					
<b>Opening accumulated amortisation</b>	0.49	33.61	0.15	1.81	<b>36.06</b>
Additions	70.78	203.74	0.07	7.29	<b>281.88</b>
Disposals	-	-	-	-	-
<b>Closing accumulated amortisation</b>	<b>71.27</b>	<b>237.35</b>	<b>0.22</b>	<b>9.10</b>	<b>317.94</b>
<b>Net carrying amounts</b>					
<b>At 31-Mar-2023</b>	<b>0.51</b>	<b>514.52</b>	<b>0.35</b>	<b>20.51</b>	<b>535.89</b>
<b>At 31-Mar-2024</b>	<b>171.04</b>	<b>461.35</b>	<b>0.28</b>	<b>21.64</b>	<b>654.31</b>

4 Assets Under Development	(Rs. In Lacs)		
	Website under Development	Research and Development	Total
<b>Year ended 31-Mar-2023</b>			
<b>Opening gross carrying amount</b>	<b>10.73</b>		<b>10.73</b>
Additions	-		-
Disposals	-		-
<b>Transfer to Intangible Assets</b>	<b>(10.73)</b>		<b>(10.73)</b>
<b>Closing gross carrying amount</b>	<b>-</b>		<b>-</b>
<b>Year ended 31-Mar-2024</b>			
<b>Opening gross carrying amount</b>	<b>-</b>		<b>-</b>
Additions	-	67.87	-
Less : Intangible Assetes Acquired from Subsidiary	-	(8.89)	-
Transfer to Intangible Assets	-		-
<b>Closing gross carrying amount</b>	<b>-</b>	<b>58.98</b>	<b>58.98</b>

**Vehicle:**

The vehicle acquired by the company the title of such is yet to be transfer in the name of the company.

## Droneacharya Aerial Innovations Limited

CIN :L29308PN2017PLC224312

Notes forming part of the financial statements as on March 31, 2024

## Note 5 : Non current investments

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Investment in FD	2,122.66	2,505.68
b) Investment in Equity	71.20	11.20
c) Interest Receivable - FDR	41.92	47.72
<b>Total</b>	<b>2,235.78</b>	<b>2,564.60</b>

## Note 6 : Long Term loans and advances

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Security Deposit - Office	68.29	100.97
b) Intercompany Advances	724.34	1,010.00
<b>Total</b>	<b>792.63</b>	<b>1,110.97</b>

## Note 7 : Trade Receivables

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Trade Receivables	2,886.95	1,127.26
<b>Total</b>	<b>2,886.95</b>	<b>1,127.26</b>

## Figures For the Current Reporting Period 31 March 2024

(Rs. In Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Good	967.13	1,163.83	753.78	1.71	-	2,886.45
Undisputed Trade Receivables- Considered Doubtful	-	-	-	-	0.50	0.50
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Others	-	-	-	-	-	-

## Figures For the Previous Reporting Period 31 March 2023

(Rs. In Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months -1Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables- Considered Good	846.20	275.66	4.90	-	-	1,126.76
Undisputed Trade Receivables- Considered Doubtful	-	-	-	0.50	-	0.50
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Others	-	-	-	-	-	-

**Note 8 : Cash & Cash Equivalents**
**(Rs.In Lacs)**

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Cash in Hand	1.95	1.22
a) Bank Balance	372.59	243.54
<b>Total</b>	<b>374.54</b>	<b>244.76</b>

**Note 9 : Other Current Financial Assets**
**(Rs.In Lacs)**

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Investment In Mutual Fund	45.95	1,002.97
b) Prepaid Expenses	9.46	1.13
<b>Total</b>	<b>55.41</b>	<b>1,004.10</b>

**Note 10 : Other Current Assets**
**(Rs.In Lacs)**

Particulars	As at	
	31-Mar-24	31-Mar-23
a) Advance to Employees	0.87	-
b) Duties and Taxes Receivable - TDS and GST	87.69	209.65
c) Other Advances to creditors and parties	135.00	6.10
d) Advance Tax	75.00	-
e) Advance to suppliers	0.43	3.00
f) TDS to be recovered	2.83	-
<b>Total</b>	<b>301.82</b>	<b>218.75</b>

**Droneacharya Aerial Innovations Limited**
**CIN :L29308PN2017PLC224312**
**Notes forming part of the financial statements as on March 31, 2024**
**Note 11 : Share Capital**
**(Rs. In Lacs)**

Particulars	As at 31- Mar-2024		As at 31- Mar-2023	
	In Numbers	Amount	In Numbers	Amount
<b>(a) Authorised Capital</b>				
Equity shares of Rs.10/- each	2,99,50,000.00	2,995.00	2,99,50,000	2,995.00
9% Cumulative Optionally convertible Preference Shares of Rs.10/- each	50,000.00	5.00	50,000	5.00
	<b>3,00,00,000</b>	<b>3,000</b>	<b>3,00,00,000</b>	<b>3,000.00</b>
<b>(b) Issued , Subscribed &amp; Paid Up</b>				
Equity shares of Rs.10/- each	2,39,88,600.00	2,398.86	2,39,88,600	2,398.86
9% Cumulative Optionally convertible Preference Shares of Rs.10/- each	-	-	-	-
<b>Total</b>	<b>2,39,88,600</b>	<b>2,398.86</b>	<b>2,39,88,600</b>	<b>2,398.86</b>

**a) Terms / Rights attached to Equity shares**

The Company has only one class of shares referred to as Equity Shares having par value of Rs 10/- each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders. None of the above shares are reserved for issue against contract / commitments for sale of shares or disinvestment.

**d) Details of shares held by each shareholder holding more than 5% shares:**

Name of shareholder	As at 31- Mar-2024		As at 31- Mar-2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares of Rs.10/- each				
Mr. Prateek Srivastava	56,23,200	23.44%	56,23,200	23.44%
Mrs. Nikita Srivastava	11,40,600	4.77%	11,40,600	4.77%
Mr. Ashish Nanda	21,93,759	9.15%	23,09,769	9.63%

## Droneacharya Aerial Innovations Limited

CIN :L29308PN2017PLC224312

Notes forming part of the financial statements as on March 31, 2024

**Note 13 : Long Term Borrowings****(Rs.In Lacs)**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Unsecured loans from Directors	18.29	-
<b>Total</b>	<b>18.29</b>	<b>-</b>

**Note 14 : Long term Provisions****(Rs.In Lacs)**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Provision for Gratuity	15.78	10.35
<b>Total</b>	<b>15.78</b>	<b>10.35</b>

**Note 15 : Deferred Tax Liabilities ( Net)****(Rs.In Lacs)**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Deferred Tax liabilities	0	15.06
<b>Total</b>	<b>-</b>	<b>15.06</b>

**Note 16 : Trade Payable****(Rs.In Lacs)**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Trade Payable	12.92	183.55
<b>Total</b>	<b>12.92</b>	<b>183.55</b>

**Figures For the Previous Reporting Period 31 March 2023****All the Trade Payables are Unsecured**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-
Others	183.55	-	-	-	183.55
Dispute dues - MSME	-	-	-	-	-
Dispute dues - Others	-	-	-	-	-
<b>Total</b>					<b>183.55</b>

**Figures For the Current Reporting Period 31 March 2024****All the Trade Payables are Unsecured**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	-	-	-	-	-
Others	12.92	-	-	-	12.92
Dispute dues - MSME	-	-	-	-	-
Dispute dues - Others	-	-	-	-	-
<b>Total</b>					<b>12.92</b>



**Note 15 : Other current Financial Liabilities**

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Share Application money refundable	0	2.29
b) Credit Card	3.28	1.09
<b>Total</b>	<b>3.28</b>	<b>3.38</b>

**Note 18 : Short Term Provisions**

(Rs.In Lacs)

Particulars	As at 31-Mar-24	As at 31-Mar-23
a) Duties and Taxes Payable - TDS	68.39	16.96
b) Directors Sitting Fees Payable	0	1.21
c) Audit Fees Payable	4.23	1.75
c) Internal Audit Fees Payable	0.6	0.6
c) More Daliya & Associates	2.3	0.89
d) Electricity Bill payable	1.93	1.68
f) PF & ESIC Payable	2.22	1.74
g) Interns Salary Payable	0	1.13
Provision for Gratuity - CL	0.05	0.02
Rent Payable	0.37	0
Salary payable	0.07	0
Telephone exp payable	0.07	0
i) Income tax payable	247.53	106.35
<b>Total</b>	<b>327.76</b>	<b>132.33</b>

**Droneacharya Aerial Innovations Limited**
**CIN :L29308PN2017PLC224312**
**Notes forming part of the financial statements as on March 31, 2024**
**Note 19 : Revenue From Operations**

(Rs.In Lacs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>(a) Sale of Services</b>		
Drone - Sales	239.79	0.05
Drone - Training and other Revenue	3285.49	1856.90
<b>Total</b>	<b>3,525.28</b>	<b>1,856.95</b>

**Note 20 : Other Income**

(Rs.In Lacs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Interest on Income tax refund	0.00	0.50
Discount received	0.00	0.12
Capital Gain	27.90	2.97
Other Interest	170.10	53.02
Misc Income	0.05	0.00
Participation Fees	0.52	0.00
Fair Value through Profit & Loss - Mutual Fund- Marked to Market	2.61	0.00
<b>Total</b>	<b>201.175</b>	<b>56.61</b>

**Droneacharya Aerial Innovations Limited**

CIN :L29308PN2017PLC224312

Notes forming part of the financial statements as on March 31, 2024

**Note 21: Cost of Material Consumed**

(Rs.In Lacs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
a) Drone Material and equipment purchase	228.82	2.43
b) Batteries	-	-
<b>Total</b>	<b>228.82</b>	<b>2.43</b>

**Note 22 : Direct Costs**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
a) Commission on enrollments	9.74	9.37
b) Drone Controller - for training	-	6.23
c) Professional and consultancy Fees	530.32	123.29
d) Drone insurance	-	-
e) Drone training fees	-	6.29
f) System Rent	1.11	10.93
g) Management Consultancy Services	-	420.00
h) Drone Material Expenses	0.10	-
<b>Total</b>	<b>541.27</b>	<b>576.11</b>

**Note 23 : Employee Benefits Expenses**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
a) Director Salary & sitting fees	142.94	124.08
b) Staff Salary	380.47	294.32
c) Gratuity (Including interest Element)	7.49	6.26
d) Staff Welfare	3.24	29.22
<b>Total</b>	<b>534.14</b>	<b>453.88</b>

**Note 24 : Finance Cost**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
a) Bank Charges	2.88	2.71
<b>Total</b>	<b>2.88</b>	<b>2.71</b>

**Note 25 : Other Expenses**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Accounting Charges	0.30	0.50
Agriculture Drone charges	0.44	
AMC Expenses	2.58	
Annual Custody fee	0.75	-
Audit Fees (Including Internal Audit)	4.00	2.60
Bank Charges (PYI)	0.02	
Bad Debte Written off	1.78	
Branch Expense (Chandigarh)	-	2.65
Business Marketing Service	19.04	32.89
Client Gifts	-	3.94
Courier Expenses	0.05	-
Conveyance Expense	0.45	0.59
Contract Charges	682.79	10.29
COVID - 19 Expense	-	-
Custome Expenses	3.75	
Digital Advertising Expenses	-	-
Documentation Expensese	1.60	
Donation Expense	5.00	11.00
Electricity Expenses	22.41	18.32
Event Expences	-	-
Foreign Currency Translation	0.11	0.06
Generator and Diesel Exp	-	6.19
Genius TDS Software	-	-
Gst Interest and Late fees	-	0.48
GST Penalty	29.46	
G-Suite Expenses	-	-
Gift Expenses	16.45	
Hotel Expenses	13.18	
Insurance Expenses	-0.42	2.65
Interest on TDS	0.27	0.55
Internet & Telephone Expense	5.20	4.88
Intern Staff Salary	8.50	
Legal & Corporate Fee	0.64	7.14
Lodging & Boarding	2.24	7.88
Loss on sale of car	0.67	
Maintenance Charges - Galore Tech	17.76	15.04
Miscellaneous Expenses	1.04	4.77
Meal Expenses	24.27	
Membership Fee Expenses	1.82	
Office Expences	91.37	16.21
Office Rent	153.04	98.14
Other Expenses	1.00	1.25
Other Material Expenses	1.55	
PF Admin Charges	0.88	
Professional Tax	0.02	
Postage & Courier	0.85	1.71
Pre Operating Exp Written Off	-	-
Professional fees	0.17	
Printing and Stationery Charges	0.58	6.56
Recruiting Expense	-	-
Repairs and Maintenance	0.37	-
Roc Charges	0.36	27.63

Rawmaterial Expenses	0.04	
Secreterial Audit Fees	-	0.60
Security Expense	3.54	1.95
Software Subscription	3.46	2.70
Subscriptions (Google)	-	-
Travel Expense	66.16	33.51
Tender Portal Subscription Charges	-	0.54
Transport Expenses	0.51	
Utility Expenses	0.04	
Vehicle Maintenance Expenses	2.20	
Website Expenses	0.07	
Wages	1.77	
<b>Total</b>	<b>1,194.12</b>	<b>323.22</b>

Particulars	Year Ended	Year Ended
	31-Mar-24	31-Mar-23
Actuarial Gain due to change in Financial Assumptions	-2.60	-0.29
Actuarial Loss due to experience Variance	0.56	1.61
<b>Total</b>	<b>-2.04</b>	<b>1.32</b>

**Droneacharya Aerial Innovations Limited**

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Notes forming part of the financial statements as on March 31, 2024

**Note 24 : Tax Reconciliation****(a) Income Tax Expenses**

(Rs.In Lacs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>Income tax expense</b>		
<b>Current Tax (A)</b>		
Current tax on profits for the year	240.98	106.35
Adjustments for current tax of prior periods	-	-
<b>Deferred Tax (B)</b>		
Decrease / (increase) in deferred tax asset	(15.34)	14.74
(Decrease) / increase in deferred tax liabilities	-	-
<b>Total (A+B)</b>	<b>225.64</b>	<b>121.09</b>

**(b) Reconciliation of tax expense and applicable tax rate**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
<b>Profit/(loss) for the year before income tax expense</b>	<b>833.62</b>	<b>465.20</b>
<b>Tax at applicable tax rate of @ 26%</b>	<b>240.98</b>	<b>106.35</b>
Tax effect of		
(i) Exempt Income	-	-
(ii) Permanent Disallowance	-	-
(iii) Tax losses on which no deferred income tax was recognised	-	-
(iv) Impact on account of temporary taxable difference	(15.34)	14.74
(v) Short/(Excess) provision for tax in respect of earlier years	-	-
<b>Income Tax Expense</b>	<b>225.64</b>	<b>121.09</b>

\* The Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unabsorbed tax losses and depreciation is an evidence that future taxable profits may not be available. Therefore, in the case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax asset can be realised. Deferred tax assets (recognised or unrecognised) are reviewed at each reporting date and recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised. Therefore in previous year carry forward business losses and unabsorbed depreciation were restricted to an amount, so that deferred tax assets did not exceed deferred tax liabilities.

**Droneacharya Aerial Innovations Limited**
**CIN :U29308KA2017PLC101287**
**Notes forming part of the financial statements as on March 31, 2024**
**28 Earnings/ (Loss) Per Share**

Basic and Diluted loss per share are calculated by dividing the net profit for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year.

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Profit/ (Loss) after tax (Rs. In Hundreds)	610.02	341.97
Weighted average number of shares (Nos.)	2,39,88,600	2,39,88,600
Diluted Equity Shares	2,39,88,600	2,39,88,600
Earnings/ (Loss) Per share (Rs.)		
- Basic	2.543	1.426
- Diluted	2.543	1.426
Face Value per Share (Rs.)	10.00	10.00

**29 Auditor's Remuneration**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Statutory Audit Fees	3.00	1.95
Tax Audit Fees	0.50	0.30
Taxation Matters	-	-
Certification Fees/ other services	-	0.85

**30 Contingent Liabilities**

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Warranty Obligation (for the 1 year period)	4.00	4.00

**31 Related Party Transactions**

The related parties where control and significant influence exists are subsidiaries and associates respectively. Key Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

**A List of Related Parties**

<b>(i) Shareholder &amp; Directors</b>
Prateek Srivastava - Managing Director & Shareholder
Nikita Srivastava - CFO, Whole Time Director & Shareholder
<b>(ii) Relative</b>
Dr. Pradeep Srivastava - prateek Srivastava's Father

Droneacharya Aerial Innovations Limited  
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Notes forming part of the financial statements as on March 31, 2024

**B. Transactions with Related parties**

Particulars	(Rs. In Lacs)			
	Shareholders/ Key management Personnel		Enterprise over which Key Management Personnel/ Shareholder are able to exercise significant influence	
	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
<b>Remuneration Paid to *</b>				
Prateek Shrivastava	97.48	98.58	-	-
Nikita Shrivastava	32.27	23.25	-	-
<b>Short Term Borrowings from :</b>				
Prateek Srivastava	-	0.19		
Nikita Srivastava	-	-	-	-
<b>Short Term Borrowings Repaid :</b>				
Prateek Srivastava	-	41.02	-	-
Nikita Srivastava	-	5.41		
<b>Purchase of Plant Property and equipmenet</b>				
Prateek Srivastava	-	3.00		
<b>Professional consultancy fees Paid:</b>				
Dr. Pradeep Srivastava	25.92	11.80		
<b>Sale of Service - DGCA Course</b>				
Prateek Srivastava	-	0.65		
Nikita Srivastava	-	0.65		

**C. Balances with Related Parties**

Particulars	(Rs. In Lacs)			
	Shareholders/ Key		Enterprise over which Key	
	Year Ended 31-Mar-2024	Year Ended 31-Mar-2023	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
<b>Short Term Borrowings from :</b>				
Prateek Shrivastava	-	-	-	-
Nikita Shrivastava	-	-	-	-
<b>TDS Recovery :</b>				
Prateek Shrivastava	2.06	0.65	-	-
Nikita Shrivastava	0.53	0.65	-	-



**Droneacharya Aerial Innovations Limited**

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2024

**Note 32(i) : Non Current Investments**

(Rs in Lacs)

Particulars	Classification	As at 31-Mar-2024		As at 31-Mar-2023	
		No of	Amount	No of Units	Amount
<b>Quoted:</b>					
NIL					
<b>Unquoted:</b>					
<b>(a) In Equity Shares</b>					
Technit Space and Aeroworks Private Limited	FVTOCI	-	11.20	-	11.20
Gridbots Technologies Pvt Ltd	FVTOCI		60.00		
<b>Total</b>			<b>71.20</b>		<b>11.20</b>
<b>(b) In Fixed Deposits with Bank</b>					
FDR with Axis Bank	Amortised cost	-	2,122.66	-	2,505.68
Interest on Fixed Deposit (Compounding Effect)	Amortised cost	-	41.92		47.71
<b>Total</b>			<b>2,164.58</b>		<b>2,553.39</b>
<b>Total Non Current Investment</b>			<b>2,235.78</b>		<b>2,564.59</b>

FDR of Rs. 2.76 is lien Marked against the Bank Guarantee for Tender

**Note 32(ii) : Current Investments**

(Rs in Lacs)

Particulars	Classification	As at 31-Mar-2024		As at 31-Mar-2023	
		No of	Amount	No of Units	Amount
<b>Quoted:</b>					
<b>(a) In Mutual Funds</b>					
Axis Liquid Fund	FVTPL	1,724.70	45.95	20,153.36	500.00
Axis Overnigh Fund	FVTPL	-	-	42,315.31	500.00
<b>Total</b>			<b>45.95</b>		<b>1,000.00</b>
<b>Total Current Financial Investment</b>			<b>45.95</b>		<b>1,000</b>

**Droneacharya Aerial Innovations Limited**

CIN :U29308KA2017PLC101287

Notes Forming part of Financial Statements as on 31st March 2024

**33 Employee benefit obligations**

**I. Defined Contribution Plans**

- a) Provident Fund
- b) Employee State Insurance Corporation (ESIC)

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:

(Rs. in Lakhs)

Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
Employers' Contribution to Provident Fund	10.56	8.10
Employer's contribution to ESIC	0.05	0.15

**I. Defined Benefit Plans**

**Gratuity (Post-employment obligations)**

The Company provides for gratuity as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are

(Rs. In Lacs)

Particulars	As at 31-Mar-2024		As at 31-Mar-2023	
	Current	Non-current	Current	Non-current
Gratuity	0.05	15.78	0.02	10.36
<b>Total</b>		<b>15.83</b>		<b>10.38</b>

Particulars	As at 31-Mar-2024			As at 31-Mar-2023		
	Present value of obligation	Fair value of plan assets	Net amount (Unfunded)	Present value of obligation	Fair value of plan assets	Net amount (Unfunded)
<b>As at the beginning of the year</b>	<b>10.38</b>	-	<b>10.38</b>	<b>2.80</b>	-	<b>2.80</b>
Current service cost	6.71	-	6.71	6.06	-	6.06
Past service cost	-	-	-	-	-	-
Interest expense / (income)	0.77	-	0.77	0.20	-	0.20
Transfer out	-	-	-	-	-	-
<b>Total amount recognized in profit or loss</b>	<b>7.48</b>	-	<b>7.48</b>	<b>6.26</b>	-	<b>6.26</b>

Remeasurements:						
(Gain)/loss from change in Demographic Assumptions	-	-	0.00	-	-	0.00
(Gain)/loss from change in Financial Assumptions	0.6	-	0.6	(0.29)	-	(0.29)
Effect of Experience Adjustments	(2.60)	-	(2.60)	1.6	-	1.6
<b>Total amount recognised in other comprehensive income</b>	<b>(2.04)</b>	<b>-</b>	<b>(2.04)</b>	<b>1.3</b>	<b>-</b>	<b>1.3</b>
<b>Benefit payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at end of the year</b>	<b>15.82</b>	<b>-</b>	<b>15.82</b>	<b>10.38</b>	<b>-</b>	<b>10.38</b>

The significant actuarial assumptions were as follows:

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Discount Rate	7.21%	7.29%
Attrition Rate	5.00%	5.00%
Pre-retirement mortality	Indian Assured Lives Mortality	Indian Assured Lives Mortality
Salary growth Rate	8.00%	8.00%

A quantitative sensitivity analysis for significant assumptions on the defined benefit obligation is as below: (Rs. In Lacs)

Particulars	Change in assumption by	As at 31-Mar-2024		As at 31-Mar-2023	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	-1.02	1.12	-0.71	0.78
Salary growth rate	1.00%	1.93	-1.67	1.16	-1.37
Attrition Rate	5.00%	-2.25	2.81	-1.85	2.41

A quantitative sensitivity analysis for significant assumptions on the defined benefit obligation is not applicable for fy 2021-22 as it was first year of Applicability of Ind As 19, this was the first time assumption in FY 21-22 and hence the it is not applicable for fy 21-22

The defined benefit obligations shall mature after year end 31st March, 2024 as follows (Rs. In Lacs)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Year 1	0.04	0.02
Year 2	0.31	0.02
Year 3	0.54	0.02
Year 4	0.80	0.47
Year 5	0.95	0.65
Year 6 and above	5.03	3.77



## **NOTICE OF THE 7<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY**

**NOTICE** is hereby given that the **7<sup>th</sup> Annual General Meeting (“AGM”)** of the members of **DroneAcharya Aerial Innovations Limited** (“the Company”) is scheduled to be held on Wednesday, September 04, 2024 at 12.00 P.M. through video conferencing (“VC”) /Other Audio-Visual Means (“OAVM”) facility to transact the following business:

### **Ordinary Business**

1. To receive, consider and adopt:
  - a) The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024 and the report of the Board of Directors and Auditors thereon; and
  - b) The Audited Consolidated Financial Statements for the Financial Year ended March 31, 2024 and the report of Auditors thereon;
2. To appoint a director in place of Mr. Prateek Srivastava, Managing Director (DIN: 07709137) who retires by rotation and being eligible, offers himself for re-appointment.

**By Order of the Board  
For DroneAcharya Aerial Innovations Limited**

Sd/-  
**Harshal J Kher**  
**Company Secretary and Compliance Officer**  
**ACS 69147**

**Date:** August 05, 2024

**Place:** Pune

**Registered Office:**  
1<sup>st</sup> and 2<sup>nd</sup> Floor, Galore Tech IT Park,  
LMD Square, Bavdhan, Pune - 411021

**CIN:** L29308PN2017PLC224312

**Website:** www.droneacharya.com

**E-mail ID:** cs@droneacharya.com

**Notes:**

1. As there are no items of special business to be transacted in the AGM, Explanatory Statements as per Section 102 of the Act are not required to be attached to this Notice. The pertinent information as mandated by regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in compliance with Secretarial Standards-2 ("SS-2") on General Meetings issued by the Institute of Company Secretaries of India is attached to this notice.
2. The Ministry of Corporate Affairs, Government of India, through circulars numbered 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 02/2022, 10/2022, and 09/2023 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022, and September 25, 2023 respectively ("MCA Circulars"), has permitted companies to conduct Annual General Meetings ("AGMs") via video conferencing or any other audio visual means (OAVM) until September 30, 2024, pursuant to compliance with provisions outlined in paragraphs 3 and 4 of MCA General Circular no. 20/2020. Concurrently, the Securities and Exchange Board of India ("SEBI") has, through its circulars numbered SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 13, 2022, and SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 ("SEBI Circulars"), provided relaxations from certain provisions of the Companies Act and SEBI Listing Regulations. The 7th AGM of the company is therefore being conducted via Video Conference (VC) and other audio-visual means (OAVM), eliminating the need for physical presence of members at a common venue, with the registered office of the Company.
3. In terms of MCA Circulars and other relevant circulars issued by SEBI, the Annual report for the financial year ended March 31, 2024 along with the Notice of 7<sup>th</sup> AGM are being sent to the members through electronic mode to those whose email addresses are registered with the Company/ Registrar and Share transfer agent/ Depository participants. The same shall also be available on the website of the Company at [www.droneacharya.com](http://www.droneacharya.com), website of Bombay Stock Exchange at [www.bseindia.com](http://www.bseindia.com) and on the website of Bigshare Services Private Limited at [www.bigshareonline.com](http://www.bigshareonline.com). Since the AGM is being conducted through VC/OAVM facility, the route map is not annexed hereto the notice.
4. In compliance with Regulation 44 of Listing Regulations, the MCA Circulars, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Secretarial Standard-2 issued by ICSI, the manner of voting on the proposed resolution is restricted only to e-voting i.e. by casting votes electronically. The Company has engaged Bigshare Services Private Limited (hereinafter referred to as "Bigshare") for facilitating remote e-voting to enable the Members to cast their votes electronically on the resolutions proposed in the Notice of 7<sup>th</sup> AGM.

5. Members entitled to vote on the resolutions are entitled to appoint proxy as per the Companies Act, 2013. However, since we are conducting the 7<sup>th</sup> AGM through VC/OAVM mode as per the MCA Circulars, the facility for the appointment of proxies will not be available.
6. Members desiring to join the 7<sup>th</sup> AGM may do so through the VC/OAVM facility, following the procedure outlined below. The facility for joining the meeting will open 30 minutes before the scheduled time of the meeting, i.e., 12.00 P.M. (IST), and will remain open until 30 minutes after the scheduled time. After this period, the facility will be closed.
7. Members attending the meeting through VC/OAVM facility shall be counted for the purpose of reckoning the quorum for the 7<sup>th</sup> AGM.

#### **8. Instructions For Remote E-Voting:**

- i. The voting period begins on **Saturday, August 31, 2024 at 09.00 A.M.** and ends on **Tuesday, September 03, 2024 at 05.00 P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date**, i.e. **Friday, August 23, 2024** may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date will not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not

only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of <b>BIGSHARE</b> the e-Voting service provider and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. <b>BIGSHARE</b>, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link</li> </ol>

	<p><a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on <b>BIGSHARE</b> and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-voting period.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"><li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name <b>BIGSHARE</b> and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li><li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name <b>BIGSHARE</b> and you will be redirected to <b>i-Vote</b> website for casting your vote during the</li></ol>

	remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022-48867000.

**2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
  - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
  - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
  - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

**Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

**NOTE:** If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.  
(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

**Voting method for shareholders on i-Vote E-voting portal:**

- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.

- Select event for which you are desire to vote under the dropdown option.
- Click on **“VOTE NOW”** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option **“IN FAVOUR”**, **“NOT IN FAVOUR”** or **“ABSTAIN”** and click on **“SUBMIT VOTE”**. A confirmation box will be displayed. Click **“OK”** to confirm, else **“CANCEL”** to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can **“CHANGE PASSWORD”** or **“VIEW/UPDATE PROFILE”** under **“PROFILE”** option on investor portal.

### **3. Custodian registration process for i-Vote E-Voting Website:**

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **“REGISTER”** under **“CUSTODIAN LOGIN”**, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with **“User id and password will be sent via email on your registered email id”**.  
**NOTE:** If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on **‘LOGIN’** under **‘CUSTODIAN LOGIN’** tab and further Click on **‘Forgot your password?’**
- Enter **“User ID”** and **“Registered email ID”** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **‘RESET’**.  
*(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).*

### **Voting method for Custodian on i-Vote E-voting portal:**

- After successful login, **Bigshare E-voting system** page will appear.

### **Investor Mapping:**

- First you need to map the investor with your user ID under **“DOCUMENTS”** option on custodian portal.



- Click on “**DOCUMENT TYPE**” dropdown option and select document type power of attorney (POA).
  - Click on upload document “**CHOOSE FILE**” and upload power of attorney (POA) or board resolution for respective investor and click on “**UPLOAD**”.
- Note:** The power of attorney (POA) or board resolution has to be named as the “**InvestorID.pdf**” (Mention Demat account number as Investor ID.)
- Your investor is now mapped and you can check the file status on display.

**Investor vote File Upload:**

- To cast your vote, select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.

**Helpdesk for queries regarding e-voting:**

Login type	Helpdesk details
<p>Shareholder’s other than individual shareholders holding shares in Demat mode &amp; Physical mode.</p>	<p>In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions (‘FAQs’) and i-Vote e-Voting module available at <a href="https://ivote.bigshareonline.com">https://ivote.bigshareonline.com</a>, under download section or you can email us to <a href="mailto:ivote@bigshareonline.com">ivote@bigshareonline.com</a> or call us at: 1800 22 54 22, 022-62638338</p>

#### **4. Procedure for joining the AGM/EGM through VC/ OAVM:**

**For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on “VC/OAVM” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**The instructions for Members for e-voting on the day of the AGM/EGM are as under: -**

- The Members can join the 7<sup>th</sup> AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have already exercised their right to vote through remote e-voting shall not be permitted to vote again on the resolutions during the 7<sup>th</sup> AGM. However, they may participate in the meeting through VC/OAVM facility.

#### **Helpdesk for queries regarding virtual meeting:**

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions (‘FAQs’) available at <https://ivote.bigshareonline.com>, under download section or you can email us to [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com) or call us at: 1800 22 54 22, 022-62638338

9. All documents referred to in this notice are available for inspection to members during the business hours. Those who desire to inspect the same can email us at [cs@droneacharya.com](mailto:cs@droneacharya.com).

10. The Register of Directors & Key Managerial Personnel and their shareholding as required to be maintained under section 170 of the Companies Act, 2013, Register of contracts and arrangements in which directors are interested as required to be maintained under section 189 of the Companies Act, 2013 shall be made available for inspection electronically to the members of the company during the AGM.
11. Corporate shareholders who wish to authorize their representatives to attend AGM are required to submit certified copy of Board resolution to the company in this behalf. This resolution should authorize the representatives to attend and vote at the meeting on their behalf. Further, pursuant to section 113 of the Companies Act, 2013 the scanned copy of the Board resolution in PDF/JPEG format, along with the attested copy of the specimen signature of the authorized representative(s) shall be sent to following:
  - A. Company Secretary: [cs@droneacharya.com](mailto:cs@droneacharya.com)
  - B. Scrutinizer: [staff.csmda@gmail.com](mailto:staff.csmda@gmail.com)
  - C. A copy marked to E-voting agency: [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com)

The scanned copy of the above document shall be sent in the name of “Corporate Name and Event No.”

12. The Register of Members and Share Transfer books of the Company shall remain closed from **Saturday, August 24, 2024 to Wednesday, September 04, 2024** (both days inclusive) in connection with the AGM.

### 13. Other guidelines for Members

- a. The voting rights of a person shall be in proportion to their shareholding in the company (paid up equity share capital) as on the cut-off date, i.e. **Friday, August 23, 2024**.
- b. A person, whose name appears in the register of members or in the register of beneficial owners maintained by depositories as on the cut-off dates only shall be entitled to avail the facility of casting vote either through remote e-voting or e-voting during the 7<sup>th</sup> AGM.
- c. The Chairman shall, after response to the queries raised by members in advance, formally ask the members attending the meeting through VC/OAVM to vote on the proposed resolutions and announce the start of the casting of vote through e-voting system.



- d. Mr. Keshav Daliya, Practicing Company Secretary and partner at M/s More Daliya and Associates, Nagpur have been appointed as the scrutinizer to scrutinize the remote e-voting process and e-voting process during the 7<sup>th</sup> AGM in a fair and transparent manner.
- e. After the completion of scrutiny of e-voting (the votes cast during the AGM and through e-voting) the scrutinizer shall submit his report to the Chairman or any other person so authorized by the Chairman, not later than two working days from the conclusion of the 7<sup>th</sup> AGM. The results so declared by the scrutinizer shall be uploaded on the website of the Company at [www.droneacharya.com](http://www.droneacharya.com) , BSE and Bigshare Services Private Limited.

**By order of Board of Directors  
For DroneAcharya Aerial Innovations Limited**

Sd/-

**Harshal Kher**

**Company Secretary and Compliance Officer**

**ACS 69147**

Date: August 05, 2024

Place: Pune

**Additional information on directors for appointment/reappointment as required under section 102 of the Act, 2013, Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and applicable Secretarial Standards:**

<b>Name of the Director</b>	<b>Mr. Prateek Srivastava (DIN: 07709137)</b>		
<b>Brief Profile</b>	<p>Mr. Prateek Srivastava, Chairman and Managing Director founded DroneArya Aerial Innovations Ltd in the year 2017 with a vision to lead innovation in the Drone/UAV industry. Over the past few years, under his leadership, the company has flourished, distinguishing itself through innovative design, advanced engineering and fostered strategic partnerships and collaborations that have expanded the company's global footprint. Beyond technological innovations, Mr. Prateek envisions drones as a catalyst for positive change.</p> <p>Known for his unwavering dedication and entrepreneurial spirit, Mr. Prateek believes in pushing boundaries and challenging conventional thinking. He inspires his team to embrace creativity, driving continuous innovation in the drone technology.</p> <p>Given Mr. Prateek's extensive entrepreneurial experience and exemplary leadership, the Board strongly believes that his continued stewardship will significantly benefit the Company. Therefore, we kindly request the members to consider his re-appointment within the organization.</p>		
<b>Age</b>	38 years		
<b>Nature of Expertise in specific functional area</b>	Rich experience in Business Operations, Strategy & Planning, Technology, Leadership, and Risk Management		
<b>Disclosure of relationship between inter se KMP and other Directors</b>	<b>Name</b>	<b>Designation</b>	<b>Nature of relationship</b>
	Mrs. Nikita Srivastava	CFO & Director	Spouse
<b>Listed Entities (Other than DroneArya Aerial Innovations Ltd) in which Mr. Prateek Srivastava holds directorship and committee membership:</b>	NIL		
<b>Listed entities from which Mr. Prateek</b>	NIL		



<b>Srivastava has resigned in the past 3 years.</b>			
<b>Shareholding in the Company as on 31.03.2024</b>	<b>Name</b>	<b>Category</b>	<b>No. of Equity Shares held</b>
	Mr. Prateek Srivastava	Managing Director	56,23,200
	Mrs. Nikita Srivastava	Director and Relative (Spouse)	11,43,600
<b>Key terms &amp; conditions of appointment</b>	Re-appointment in terms of Section 152(6) of the Companies Act, 2013		
<b>Date of first appointment to the Board</b>	10.03.2017		
<b>No. of Board meetings attended during the financial year 2023-24.</b>	The company has conducted a total of 5 Board meetings in the financial year 2023-24 and Mr. Prateek Srivastava attended all 5 Board meetings.		



**DRONEACHARYA**®

AERIAL INNOVATIONS

# REGISTERED OFFICE

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Website: [www.droneacharya.com](http://www.droneacharya.com)

CIN: L29308PN2017PLC224312