

To
Bombay Stock Exchange Limited,
2nd Floor, PJ Towers,
Dalal Street, Mumbai – 400001

Date – 20.05.2023

**SUBJECT: SUBMISSION OF ANNUAL REPORT FOR FINANCIAL YEAR 2022-23
ALONG WITH THE ADDENDUM TO NOTICE OF 06TH ANNUAL GENERAL
MEETING (AGM) OF THE COMPANY UNDER REGULATION 34(1) OF THE SEBI
(LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS,
2015**

**REF: DRONEACHARYA AERIAL INNOVATION LIMITED (SECURITY ID.:
DRONACHRYA, SECURITY CODE: 543713)**

Dear Sir(s),

In terms of provision of Regulation 34 (1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed the 06th Annual Report for the financial year 2022-23 along with the Addendum to Notice of 06th Annual General Meeting of the Company to be held on Monday, 12th June 2023 at 12:30 p.m. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”). The proceedings of the AGM shall be deemed to be conducted at the registered office of the Company at Cabin No. - 10, 5th Floor, IndiQube Penta, New No. 51, (Old No.14) Richmond Road, Bangalore – 560025, Karnataka, India.

We are commencing the process of sending the said documents by e – mail today i.e., 20th May 2023 to the members of the Company who had registered their e – mail IDs with the depositories and with the Company.

The schedule of events is set out as below:

Events	Particulars
Cut-off of date to vote of AGM resolutions	02 nd June 2023
Commencement of E-Voting	09 th June 2023; 09:00 A.M.
End of E-Voting	11 th June 2023; 05:00 P.M.
Date of Annual General Meeting	12 th June 2023 at 12:30 P.M.

The Annual Report as well as the Notice of Annual General Meeting has been uploaded on the website of the Company at <https://droneacharya.com/investors-relations/>.

This is for your information & records.

Thanking you

Yours Faithfully,

For, **DroneAacharya Aerial Innovations Limited**

Mukula Jayant Joshi
Company Secretary & Compliance Officer

Enclosures: As above

NOTICE OF ANNUAL GENERAL MEETING

VOTING STARTS ON	VOTING ENDS ON
09 th June, 2023; at 09:00 A.M. (IST)	11 th June 2023; at 05:00 P.M. (IST)

Dear Member (s),

NOTICE is hereby given to the shareholders of DroneAacharya Aerial Innovations Limited that the **Annual General Meeting** of the members of the company will be held on **Monday, 12th Day of June, 2023 at 12:30 P.M.**, through video conferencing mode and e - voting pursuant to provisions of section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, (including any statutory modification(s), amendment(s) or re – enactment(s) thereto) and other relevant circulars issued by Ministry of Corporate Affairs for which purpose the Registered office of the Company shall be deemed as the venue and the proceedings of the AGM shall be deemed to be made thereat.

Pursuant to Section 102 and Section 108 and other applicable provisions of the Act, the statement pertaining to the said Resolutions setting out the material facts and the reasons/ rationale thereof are annexed to this Notice of Annual General Meeting (‘Notice’) for your consideration and forms part of this Notice.

The Company is sending this Notice in electronic form to those Members whose e-mail addresses are registered with the Company/ Registrar and Transfer Agent (‘RTA’) / Depositories. The communication of the assent or dissent of the Members would take place through the remote e-voting only. The details of the procedure to cast the vote forms part of the ‘Notes’ to this Notice.

In compliance with Regulation 44 of the SEBI Listing Regulations and pursuant to the provisions of Section 108 of the Act read with the Rules, the Company has engaged the services of Bigshare Services Private Limited for the purpose of providing remote e-voting facility to its Members. The instructions for remote e-voting are appended to this Notice.

The Board of Directors of the Company, appointed M/s. More Daliya & Associates, Practising Company Secretaries, Nagpur (FRN - P2018MH066400), as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

The remote e-voting period commences from IST 09.00 A.M. on Friday, 09th June 2023 and ends at IST 05.00 P.M. on Sunday, 11th June, 2023. The Scrutinizer will submit its report to the Chairman of the Company, or any person authorized by him upon completion of the scrutiny of the votes cast through remote e-voting. The results of the e - voting will be announced at or before IST 02.00 P.M. on Tuesday, 13th June, 2023. The said results along with the Scrutinizer's Report will be displayed at BSE Limited where the equity shares of the Company are listed.

Additionally, the results will also be uploaded on the Company's website <https://droneacharya.com/> and Bigshare Services Private Limited's website <https://ivote.bigshareonline.com/landing>. The Members are requested to carefully read the instructions printed in this Notice and follow the same for voting.

ORDINARY BUSINESS

1. To Receive, Consider And Adopt Financial Statements And Director's Report for the Financial Year ended as on 31st March 2023
2. To appoint a Director in place of Mr. Mangina Srinivas Rao (DIN - 08095079), who retires by rotation and being eligible, offers himself for re – appointment.

SPECIAL BUSINESS

3. To alter the Articles of Association to appoint a same individual as the Chairperson as well as the Managing Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to section 14 and section 203 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) the consent of the members be and is hereby accorded to alter the articles of association of the Company to appoint a same individual as the Chairperson as well as the Managing Director of the Company at the same time.”

“RESOLVED FURTHER THAT “RESOLVED FURTHER THAT the Board of Directors of the Company are hereby authorized to sign and file all requisite forms including Form MGT - 14 along with such other documents as may be required, with the concerned Registrar of Companies, and to do all such acts, deeds and things as may be ancillary and incidental thereto for giving effect to this resolution”.

By the Order of the Board

For, DRONEACHARYA AERIAL INNOVATIONS LIMITED

Sd/-

Mukula Joshi
Company Secretary

Date – 20/05/2023

Place – Pune



+91 98 900 03 590



info@droneacharya.com



www.droneacharya.com



Corporate Address:

1st & 2nd Floor, Galore Tech
IT Park, LMD Square, Bavdhan,
Pune - 411021



Registered Address:

Cabin No. - 10, 5th Floor, IndiQube
Penta, New No. - 51, (Old No. 14)
Richmond Road, Bangalore - 560025

NOTES: -

1. In compliance with the provisions of Section 108 of the Act read with Rule 20 and 22 of the Rules, Regulation 44 of the SEBI Listing Regulations, and SS-2, the Company is pleased to provide remote e-voting facility to its Members, to enable them to cast their votes electronically. The detailed procedure with respect to remote e-voting is mentioned in this Notice.
2. Pursuant to section 102 of the Companies Act 2013 read with section 108 of the Act and Rule 22 of the Companies (Management and Administration) Rules, 2014 ('Rules'), each as amended, setting out the material facts relating to the aforesaid Resolutions and the reasons thereof is annexed hereto and forms part of this Notice, a statement is annexed to the notice for matter of special business to be transacted at the meeting.
3. Voting through e-voting, can be exercised only by the Member or his/her duly constituted attorney or in case of bodies corporate, the duly authorized person with the proof of their authorization.
4. Please note that the Company is providing voting by electronic means to its Members as well as voting on the day of Annual General Meeting. Members who do not exercise casting votes through e – voting, can vote at the Annual General Meeting by self or through appointment of proxy. Corporate and institutional members shall be entitled to vote through their authorized representatives with proof of their authorization.
5. Only those Members whose names are appearing in the Register of Members / List of Beneficial Owners as on the Cut-Off Date shall be eligible to cast their votes by remote e-voting. A person who is not a Member on the Cut-Off Date should treat this Notice for information purposes only.
6. The voting shall commence on Friday, 09th June, 2023, at 9:00 A.M. (IST) and shall end on Sunday, 11th June, 2023, at 05:00 P.M. (IST). During this period, Members of the Company holding shares in physical or electronic form as on the Cut-Off Date may cast their vote electronically. The remote e-voting module shall be disabled by Bigshare Services Private Limited for voting thereafter.
7. The notice of the Annual General Meeting has been uploaded on the website of the Company at www.droneacharya.com . The Notice can also be accessed from the website of the Stock Exchange i.e., Bombay Stock Exchange at <https://www.bsesme.com/> . The notice of the meeting is also disseminated on the website of Bigshare Services Private Limited (agency providing the Remote e – Voting facility) at <https://ivote.bigshareonline.com>
8. The Company has appointed M/s. More Daliya and Associates, Practicing Company Secretaries, Nagpur as the scrutinizer to scrutinize the voting and the voting process in a fair and transparent manner.
9. The Scrutinizer will submit his consolidated report to the Chairman, or any other person authorised by him, after completion of scrutiny of the votes cast, and the result of the voting through e – voting will be announced by the Chairman or any other

person authorized by him, on or before Tuesday, 13th June, 2023. The Scrutinizer's decision on the validity of votes cast will be final.

10. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website <https://droneacharya.com/> and on the website of Bigshare Services Private Limited at <https://ivote.bigshareonline.com/landing> immediately after the result is declared by the Company and the same shall be communicated to the Stock Exchange, where the equity shares of the Company are listed viz. BSE Limited ('BSE') and be made available on their respective websites viz. www.bseindia.com.
11. The Resolutions, if passed by the requisite majority through e - voting, will be deemed to have been passed on the last date specified for voting i.e., Sunday, 11th June, 2023. Further, Resolutions passed by the members through e - voting are deemed to have been passed as if they are passed at a General Meeting of the Members.
12. The Company has notified closure of Register of Members and Share Transfer Books from Monday, 05th June, 2023 to Monday, 12th June, 2023 (both days inclusive) for the purpose of the Annual General Meeting.
13. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate any change in their address or bank mandates immediately to the company or Bigshare Services Private Limited (Registrar and Transfer Agent).
14. Members desirous of getting any information on the accounts or operations of the Company are requested to forward their queries to the Company at least Ten (10) working days prior to the meeting, so that the required information can be made available at the meeting.
15. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

16. Process to cast votes through remote e-voting is as follows:

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- i. The voting period begins on 09th June, 2023 at 09:00 A.M. and ends on 11th June, 2023 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 (record date) i.e., 02nd June, 2023 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 would 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 CDSL	<ol style="list-style-type: none"> 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 are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 BIGSHARE the e-Voting service provider and you will be re-directed to i-Vote website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. BIGSHARE, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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 BIGSHARE and you will be re-directed to i-Vote website for casting your vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with NSDL

- 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: <https://eservices.nsdl.com> 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 **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- 2) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select “Register Online for IDeAS” “Portal” or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> 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 **BIGSHARE** and you will be redirected to **i-Vote** website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	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 CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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
Shareholder’s other than individual shareholders holding shares in Demat mode & Physical mode.	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 https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22.

4. Procedure for joining the AGM 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 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 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 are as under:-

- The Members can join the 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 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.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

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 or call us at: 1800 22 54 22.

By the Order of the Board

For, DRONEACHARYA AERIAL INNOVATIONS LIMITED

Sd/-

Mukula Joshi
Company Secretary

Date – 20/05/2023

Place – Pune

**Statement to be annexed to the notice
(Pursuant to Section 102 (1) of the Companies Act 2013)**

3. TO ALTER THE ARTICLES OF ASSOCIATION TO APPOINT A SAME INDIVIDUAL AS THE CHAIRPERSON AS WELL AS THE MANAGING DIRECTOR OF THE COMPANY

Members are hereby informed that board of directors in their meeting held on 29th April 2023 has proposed & accorded their consent to alter the articles of association of the Company to appoint a same individual as the Chairperson as well as the Managing Director of the Company at the same time.”

Pursuant to Section 14 and section 203 of the Companies Act 2013, company has to accord the consent of the members for alteration of the articles of association of the Company to appoint a same individual as the Chairperson as well as the Managing Director of the Company at the same time.

Hence, members are requested to pass the Resolution No. 03 as a special resolution.

None of the directors are interested in above resolution.

By the Order of the Board

For, DRONEACHARYA AERIAL INNOVATIONS LIMITED

Sd/-

Mukula Joshi
Company Secretary

Date – 20/05/2023

Place – Pune

Form No. MGT-11**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	U29308KA2017PLC101287
Name of the company:	DRONEACHARYA ARIAL INNOVATIONS LIMITED
Registered office:	Cabin No. - 10, 5th Floor, IndiQube Penta, New No. 51, (Old No.14) Richmond Road, Bangalore – 560025, Karnataka, India
Corporate Office:	At 1st & 2nd Floor, Galore IT Park, LMD Square, Bavdhan Pune - 411021, Maharashtra, India.

Name of the member(s):
Registered address:
Email Id:
Folio No./Client Id:
DP ID:

I/We, being the member (s) of M/s **DRONEACHARYA ARIAL INNOVATIONS LIMITED** holding _____ shares of the above named company, hereby appoint

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on the **Monday 12th Day of June, 2023 at 12.30 P.M** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	No. of Equity Shares	I/We Assent the Resolution	I/We Dissent the Resolution
SPECIAL BUSINESS:				
1	To Receive, Consider And Adopt Financial Statements And Director's Report for the Financial Year ended as on 31st March 2023			
2	To appoint a Director in place of Mr. Mangina Srinivas Rao (DIN - 08095079), who retires by rotation and being eligible, offers himself for re - appointment.			
3	To alter the Articles of Association to appoint a same individual as the Chairperson as well as the Managing Director of the Company.			

Signed this..... day of May / June 2023

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

Annual General Meeting of members of M/s Droneacharya Aerial Innovations Limited (“CIN: U29308KA2017PLC101287”) will be held on Monday, 12th day of June, 2023 at 12.30 P.M.

Regd. Folio No. _____

No. of shares held _____

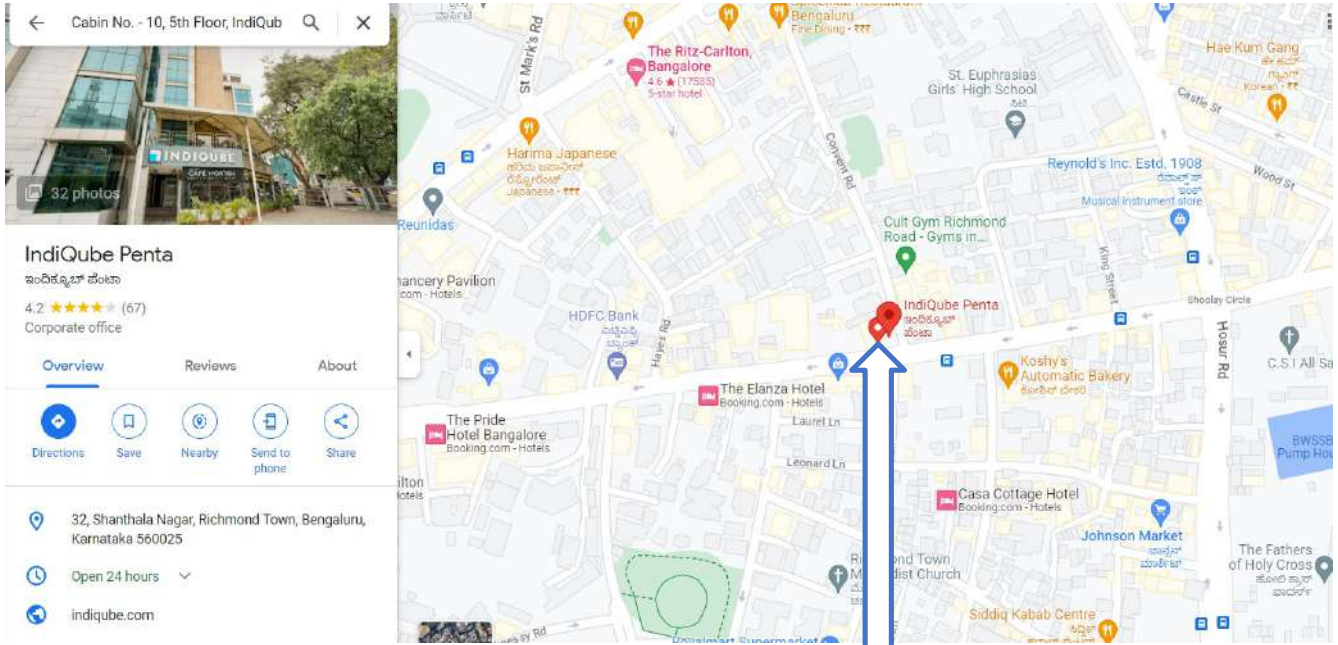
I hereby certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the Annual General Meeting of the company, to be held on the **Monday, the 12th day of June, 2023 at 12.30 P.M.**

(Member’s/Proxy’s name in Block Letters)

(Member’s/Proxy’s Signature)

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

ROUTE MAP-VENUE OF THE AGM AS ON 12TH JUNE 2023



VENUE OF THE AGM



DRONEACHARYA[®]
AERIAL INNOVATIONS

ANNUAL REPORT

FINANCIAL YEAR

2022 - 2023



www.droneacharya.com

TABLE OF CONTENT

Chairman's Note	3
Mission and Vision	4
Corporate Information	5
Board of Directors	6
Review of the Company for FY 2022 - 2023	7
Government's Vision	9
Global Expansion	13
Upcoming Franchises	14
Special Highlights on the IPO of the Company	16
Contract and Agreement in FY 2022 - 2023	18
DA's foothold in various sectors	20
Added advantage to DA for being 1 st listed company in Drone Sector	22
Looking forward	24
Road Map	25
Management's Discussion and Analysis	29
Director's Report	33
Auditor's Report	50
Financial Statements	63

“Only those who will risk going too far can possibly find out how far one can go.”
– T.S. Eliot, author

These are the words of wisdom from one of the most renowned poets in English literature, emphasizing the value of having an appetite for risks. And truly so, unless you tread the path unknown, there is no way of knowing whether you'll be able to withstand it. In the case of DroneAcharya, precisely six months back, at our Pre - IPO stage, we took a step towards becoming India's first listed Drone Startup, with so many unknowns and knowing fully well that with all the perks come a ton of responsibilities.

Today, we are one of the most recommended drone service and training companies in India, on our way to becoming a Global drone brand for the complete ecosystem of Drone offerings. We owe greatly to all our investors, supporters and partners, who have shown immense confidence in us and kept us in their prayers throughout. Growing from 3 members in 2020, to now a 85 members family has been an eventful journey with so many moments of learning, humility, failing and yet going on.

What I'd like to convey to every supporter out there is that we will keep going strong, growing organically and giving every shot our very best. We are constantly treading unknown territories, exploring the integration of Drones with Artificial Intelligence, Machine Learning and Internet of Things, for new and innovative solutions across industries. As we are constantly learning, adapting and evolving in our growth journey, we look forward to your support and blessings.



PRATEEK SRIVASTAVA
Founder & Managing Director

**Chairman's
Note**

MISSION

To Make Individuals &
Business Adopt Drone &
GIS Technology

VISION

To Create An Aerially
Intelligent Ecosystem.





Welcome to Our Annual Report FY 2022-23

BOARD OF DIRECTORS

Mr. Prateek Srivastava
Managing Director

Mrs. Nikita Srivastava
Director and Chief Financial Officer

Mrs. Bhanupriya Thakur
Independent Director

Mr. Mangina Srinivas Rao
Independent Director

Mr. Utsav Jasapara
Independent Director

COMPANY SECRETARY
Ms. Mukula Joshi

STATUTORY AUDITORS
KPRK & ASSOCIATES
Chartered Accountants.
Peer Review Regn. No.: PRB/21-22 /376

ISIN - INE0MQD01015
CIN - U29308KA2017PLC101287
BSE Scrip Code - 543713

REGISTERED OFFICE

Cabin No. - 10, 5th Floor, IndiQube Penta,
New No. 51, (Old No.14) Richmond Road,
Bangalore - 560025, Karnataka

Bankers

Axis Bank Limited
ICICI Bank Limited

R & T AGENT

M / s. Bigshare Services Private Limited
Pinnacle Business Park, Office No.
S6-2, 6th, Mahakali Caves Rd,
Next to Ahura Centre, Andheri East,
Mumbai, Maharashtra 400093

SECRETARIAL AUDITORS

More Daliva & Associates
Company Secretaries
Peer Review Certificate: 1411/2021

INTERNAL AUDITOR

Veena Agrawal & Associates
Chartered Accountants

WEBSITE

<https://droneacharya.com>

AGM Date & Time: 12th June, 2023 at 12:30 P.M.
AGM Venue - At the Registered Office

CORPORATE OFFICE

1st and and 2nd Floor, Galore Tech IT Park,
LMD Square, Bawdhan,
Pune - 411021, Maharashtra

Board of Directors

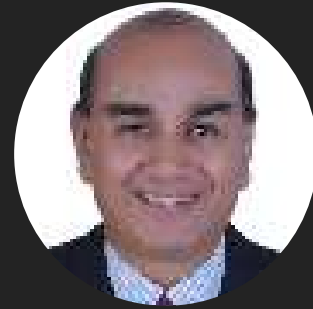


PRATEEK SRIVASTAVA
Founder & Managing Director



Currently the Founder & Director of DroneAcharya Aerial Innovations, Prateek Srivastava has come a long way from being a GIS Developer to a serial entrepreneur and Founder of multiple GIS companies. Nominated as AsiaOne 40 Under 40 Most Influential Indians 2018-19, his business acumen and market potential is widely being noticed and applauded.

Holding an M. E. Degree in Remote Sensing and GIS from Asian Institute of Technology, Bangkok, Prateek possesses the right balance of technology and business, needed to lead a technology-driven company.



MANGINA SRINIVAS RAO
Independent Director



M.Srinivas Rao, has been a visionary, strategist and leader, in developing entrepreneurial and inclusive business models that impact the bottom of the pyramid sector and has combined the best of technological breakthroughs with market imperatives that have led to large scale sustainable impact. His belief is that economic empowerment and innovative collaborations are the key to large scale inclusive change and impact.



BHANUPRIYA NIKHIL THAKUR
Independent Director



Bhanupriya, has been a leader and one of prominent member, in setting up corporate governance and system in the corporate houses. Bhanupriya, having about one decade of experience in the areas of corporate governance and compliance management system.



NIKITA SRIVASTAVA
CFO (Chief Financial Officer)



Nikita has an extensive hands-on experience in HR Generalist affairs, with more than 12 years of experience in a fast paced Human Resource Department. Specialising in Recruitment, Compensation and benefits, HR records management, HR policies development, Employee orientation, Developing team building programs, Performance Reviews and Accounting, Nikita toggles between a multitude of responsibilities and provides her undue attention to all.



UTSAV JASAPARA
Independent Director



Mr. Utsav Jasapara, aged 27 years, an Independent Director of our Company, He is a young, dynamic and enthusiastic Practicing Chartered Accountant having a rich professional experience of more than 5 Years. He is Fellow member of ICAI. He has also been awarded with the silver medal for the chartered accountancy examination. He has been providing the consultancy services to the pharmaceutical sector, Mining sector, power sector, Automobiles sector, Food and Beverages sector, IT sector, Agriculture Sector, Banking sector etc. Utsav is having the overall experience of 9 years in this



Chairperson



Member



Audit Committee



Nomination and Remuneration Committee:



Stakeholders Relationship Committee:

Review of the Company for FY 2022 - 23



 Team During IPO (Dec 22)

DroneAacharya Aerial Innovations Limited, a leading player in the Indian drone industry, has had a successful year in FY 2022-23. The company has achieved great development in a variety of facets of its operations, including cooperation with educational institutions, expansion of its workforce, and tapping into a clientele that is well-known in its industry.

DroneAacharya has collaborated with various renowned educational institutions from India and abroad. Some of these being **Savitribai Phule Pune University (SPPU) in Pune, Indian Institute Technology Ropar in Punjab, Asian Institute of Technology in Bangkok, Thailand.** The major aim of collaborating with these renowned institutes is to integrate the As a result of these partnerships, the company has access to some of the world's most respected experts in the field of drones and associated technology. The company has been able to use the resources provided by these partnerships to create cutting-edge services for their customers.

In the past DroneAacharya has partnered with the prestigious **Rashtriya Raksha University in Gandhinagar Gujarat** with an aim to provide training related to Drones and related courses to the Defence personnel. The company has also partnered with **Whistling Woods International in Mumbai** to promote and train the students from cinematography and filmmaking background to take up Drones in their curriculum. DroneAacharya's partnership with **Tata Strive** aims to attract the underprivileged community to take up drones as a career option.

DroneAcharya has also made significant progress in the training and education of drone pilots. The company has completed training more than 350 DGCA drone pilots and 600 other drone and GIS related training. Moreover, the company has counseled and educated more than 6,000 students in the year. Such initiatives have contributed to the development of a skilled workforce in the drone industry and have helped the company to tap into new markets.

DroneAcharya has also embarked on a journey to build a robust business and expand its horizons. The company has seen a growth in its team, with over 60 people currently employed. This growth has enabled the company to take on larger and more complex projects, while maintaining its focus on innovation and quality. In terms of client acquisition, DroneAcharya has successfully built acceptance among reputed clients by offering innovative solutions to business challenges. This has enabled the company to tap into new markets and expand its customer base. With its focus on innovation and quality, the company hopes to continue its growth trajectory in the coming years.

In conclusion, FY 2022-23 has been a successful year for DroneAcharya Aerial Innovations Limited. The company has made significant progress in various aspects of its operations, including collaborations with educational institutions, expansion of its team, and tapping into a reputed clientele. With its focus on innovation and quality, the company is well-positioned to continue its growth trajectory in the years to come.

3816

Total DGCA Drone Pilot Till Mar 23

2991

DGCA Drone Pilot Certified by Government RPTO

825

DGCA Drone Pilot Certified by Private RPTO

313

DGCA Drone Pilot Certified by  RPTO

37.9%

Share in DGCA Certification Captured by 

350+

DGCA Drone Pilot

600+

Other drone and GIS related training





Shri Narendra Modi
Honorable prime minister of India

Government's Vision



Jyotiraditya Scindia
Union Minister of Civil Aviation of India

The Honourable Prime Minister **Shri Narendra Modi** has envisioned India becoming the **Drone Hub of the World by 2030**. The following are some of the major developments that have taken place to leverage this goal:

1. Liberalisation of rules with the introduction of the New Drone Rules 2021 from the **Directorate General of Civil Aviation (DGCA)**.

The New Drone Rules 2021 introduced by the DGCA have brought significant liberalisation in rules related to drone operations in India. The new rules have simplified the process of obtaining a licence to fly drones, reducing the complexity and paperwork required, and removing many restrictions that were previously in place. The new rules have also allowed for Beyond Visual Line of Sight (BVLOS) operations, which will enable the deployment of drones for delivery, surveillance, and other critical applications.

2. Approval of **Production Linked Incentive (PLI)** Schemes for Drones and Drone Components.

The Indian government has approved Production Linked Incentive (PLI) schemes for drones and drone components. The PLI scheme aims to encourage the domestic manufacturing of drones and drone components by providing incentives to manufacturers based on their production volume. The scheme is expected to boost the growth of the drone industry in India and increase the country's self-reliance in drone manufacturing.



Nirmala Sitharaman
Minister of Finance of India

Pradhan Mantri Kaushal Vikas Yojana 4.0

The Scheme Will Encourage New Age Courses For Industry 4.0 Like Coding, AI, Robotics, Mechatronix, 3d Printing, Internet Of Things, Drones And Other Soft Skills.

3. The announcement of Drone Shakti in the Union Budget 2022 to boost or promote '**Drone-As-A-Service (DrAAS)**'.

The announcement of Drone Shakti in the Union Budget 2022 is a major step towards promoting Drone-as-a-Service (DrAAS) in India. The initiative aims to create a drone service network that will enable the deployment of drones for various applications such as surveying, mapping, and surveillance. This will provide opportunities for drone service providers and create new jobs in the drone industry.

4. Promotion of the use of '**Kisan Drones**' for crop assessment.

The promotion of 'Kisan Drones' for crop assessment is an innovative step taken by the Indian government to assist farmers in improving their crop yields. The use of drones for crop assessment can help farmers to identify the health of their crops, detect pests and diseases, and estimate yields. This will enable farmers to take corrective measures and increase their productivity.

5. Encouragement of **Drone manufacturers and service providers** to collaborate to enhance the technology.

The encouragement of collaboration between drone manufacturers and service providers is a crucial step towards enhancing the technology and capabilities of drones. Collaboration between these stakeholders can lead to the development of new and innovative drone applications and technologies, which can benefit the drone industry as a whole.



6. Drone Pilot Certificate validity extended to **10 years**, while Drone Pilot Certificate abolished for **Nano and Micro** categories for commercial

The extension of Drone Pilot Certificate validity to 10 years is a welcome step for drone pilots in India. This will reduce the administrative burden on pilots, who will not have to renew their certificates frequently. Additionally, the abolition of Drone Pilot Certificate for nano and micro categories for commercial usage will encourage more people to operate drones for commercial purposes, further promoting the growth of the drone industry in India.

7. The government shall train lakhs of youth in AI, drones, and coding in the next 3 years under Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 4.0, as mentioned in Union Budget 2023.

The government's plan to train lakhs of youth in AI, drones, and coding under PMKVY 4.0 is a significant step towards creating a skilled workforce in the drone industry. This will provide opportunities for young people to acquire skills and knowledge in emerging technologies, making them job-ready and promoting the growth of the drone industry in India. The initiative will also help to bridge the skills gap in the drone industry and increase India's competitiveness in the global drone market.



"Drones are a powerful tool for surveillance and can play a vital role in disaster management and security. However, their misuse can also lead to security threats. It is important that we regulate their usage effectively." -

Narendra Modi, Prime Minister of India

"Drones are the future of warfare and technology. We need to embrace this technology and ensure that we have the right policies in place to harness its potential."- **Rajnath Singh, Defense Minister of India**



"We Need Close To A Lakh Drone Pilots In The Years To Come. So The Opportunity Is Tremendous"-

Jyotiraditya Scinida, Minister of Civil Aviation



"Use Of Drones In Farm Sector Can Generate 50 LAKH JOBS."- **Nitin Gadkari, Minister of Road Transport and Highways**

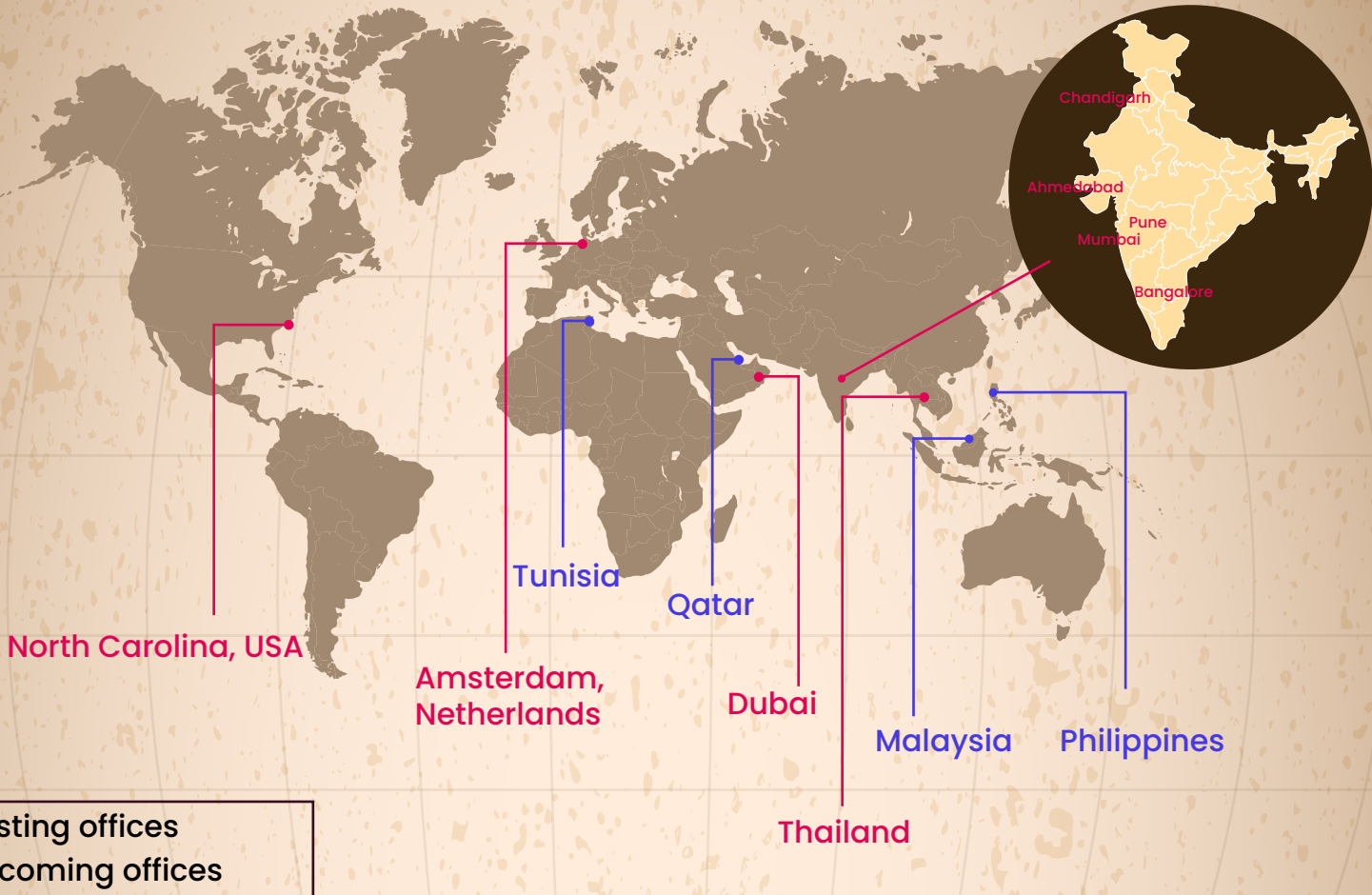


"Drones can be a valuable tool for agriculture, especially in precision farming. We need to encourage the adoption of this technology to increase farm productivity and reduce costs." -

Narendra Singh Tomar, Minister of Agriculture and Farmers' Welfare



Global Expansion



DroneAcharya's considerable development and success in FY 2022-23 may be attributed, in large part, to the company's global expansion efforts. The firm has strategically expanded across numerous countries throughout this time, opening additional offices and training centers to match the rising demand for its services. North Carolina, Amsterdam, Thailand, the Philippines, Malaysia, and Dubai are some of the most important centers.

In order to better serve the **Data Analytics And Data Processing Needs Of The Industry** and aid businesses in deriving meaningful insights from drone-collected data, an office has been strategically established in **North Carolina, USA** to take advantage of the region's rich technology and innovation ecosystem.

Establishing a presence in both Amsterdam and Dubai was a natural decision in light of the regions' considerable potential in terms of technical development and experience in drone applications. The **Dubai** office is a hub for **executing drone and GIS-related projects and providing training**, whereas the **Amsterdam** office is where the company is **partnering with local businesses, governments, and businesses** to implement innovative drone solutions in fields like construction, infrastructure, security, and more.

Centers in **Thailand, Malaysia, and the Philippines** are committed to providing in-depth **training** on Drones and GIS, as well as establishing **Drone Centres of Excellence** to provide participants with the skills they need to fully realize the potential of drone and GIS technology and successfully implement **projects** tailored to the specific requirements of the region.

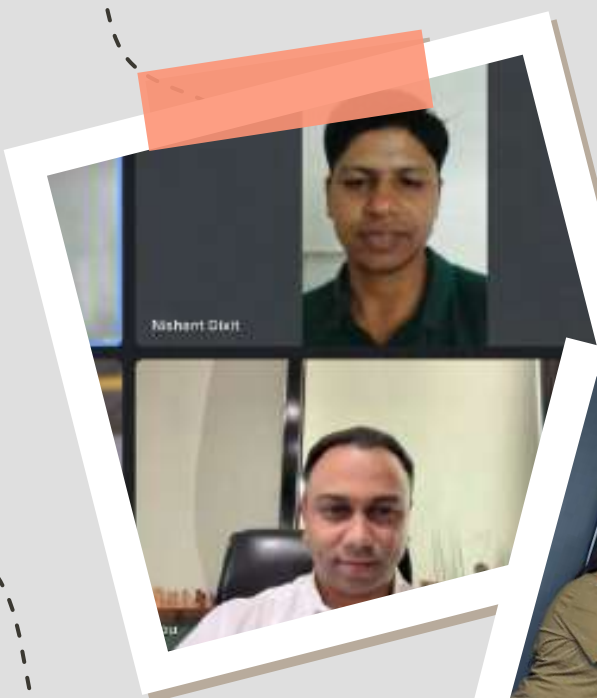
DroneAcharya is also planning to launch branches in **Qatar and Tunisia**. These next locations will focus on implementing state-of-the-art drone solutions by collaborating with businesses, agencies, and organizations on drone and GIS-related initiatives. The company's goal is to use its knowledge and experience to promote innovation and provide meaningful outcomes via the use of drones and GIS in these areas.



DRONEACHARYA

AERIAL INNOVATIONS

Upcoming Franchises



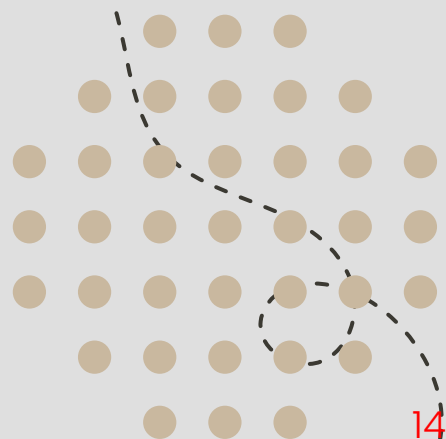
Uttar Pradesh



Madhya Pradesh



Rajasthan



DroneAcharya Aerial Innovations, has introduced a groundbreaking initiative to expand its reach throughout India. Through the establishment of DroneAcharya-Powered Drone Training Organizations, the company aims to contribute to the vision set forth by India's Honorable Prime Minister, Shri Narendra Modi, to transform India into a global drone hub by 2030.

The Rise of Drones in India:

Drones have witnessed a significant surge in popularity and utility in recent years. Their applications span diverse sectors, including agriculture, infrastructure, logistics, surveillance, and entertainment. Recognizing the immense potential of drones, the Indian government has been actively promoting adoption of Drones in various departments and industries.

Introducing DroneAcharya's Franchise Model:

To expedite its expansion and enhance its outreach across India, DroneAcharya has devised an ingenious strategy of establishing drone training organizations through Franchises Pan - India. These franchises will be powered by DroneAcharya's proven curriculum, expertise, and support system, ensuring standardized training programs across the country. The franchise model will accelerate the growth of drone training centers, enabling a larger number of aspiring drone pilots to receive quality education. It will also address the challenge of geographical limitations, ensuring access to training resources in remote areas.

Advantages for Franchisees:

The Franchise model offers a unique opportunity for drone enthusiasts, entrepreneurs, and existing training institutes to venture into the burgeoning field of drone education. Franchisees will not only be able to deliver high-quality training but also create job opportunities and contribute to building a skilled workforce to support India's drone ecosystem. DroneAcharya is successful in setting up 3 Franchises till now in India. The Locations of these franchises are: Madhya Pradesh, Uttar Pradesh, Rajasthan. These locations are a stepping stone for DroneAcharya's success with many more Franchises to come in the near future.



Special Highlights on IPO of the Company

₹54
Per Share Price

2000
Lot Size

₹6000
crores
Worth of
Applications Received

262
Times
Subscribed

₹33 crores
Amount expected to raised





 Team During IPO (Dec 22)

The prospect of listing **DroneAcharya on the Bombay Stock Exchange** was highly engaging for every employee of the company. Drone companies in India had never tried to venture into the blitz and dynamics of the stock markets. However, on **December 13th, 2022**, everyone associated with DroneAcharya became a part of history as the country witnessed the first-ever drone company to open its extremely sought-after IPO.

The initial share price was stipulated at **₹ 52 to ₹ 54 per share**, with a face value of ₹ 10 per share. Investors had the opportunity to buy a single lot of 2000 shares at one go. The huge demand for the company's stocks was felt across the country. On **December 15th, the IPO closed with a record oversubscription by 243.70 times.**

The listing price for the share was at a **95% premium of ₹ 102.00**, which is also a rarity when referring to the BSE SME IPO. Stockholders were in for a treat during the coming days as the share price rose to **₹ 231.80** while approaching the first day of trading. Recently, the stock price has been performing well and has been varying between **₹ 140 and ₹ 150** for traders in general.

Contracts And Agreements Entered In FY 2022 - 23

During the financial year 2022–2023, DroneAcharya Aerial Innovations made tremendous progress towards achieving its aim of providing creative and sustainable drone solutions. As DroneAcharya continues to expand its presence and offerings, partnerships and agreements are critical in driving innovation and growth. By collaborating with leading institutions and organizations like **GridBots Technologies, Savitribai Phule Pune University (SPPU), IIT Ropar, Asian Institute of Technology (AIT), Philippines**, the students will be able to access the latest technologies, research, and insights to enhance its solutions and services.

The collaboration between **DroneAcharya Aerial Innovations and Gridbots Technologies** includes the **production of drones and other related products**, the **cross-selling of products and services** created jointly and currently offered, and the **exchange of technological know-how, professional networks, and resources for joint project development**. Through this collaboration, we will enter a new market segment focused on the production of unmanned aerial vehicles.



Gridbots Technologies
Location - Gujarat, India



DroneAcharya Aerial Innovations has partnered with **Savitribai Phule Pune University** to take drone technology education to new heights. Collectively, we are **developing courses** that will expose students to more than just the fundamentals of drone construction and operation. Drones have many potential uses, and **our courses** will explore them all, from data processing and Python programming to agricultural and disaster relief. The students will have an advantage in the market as our flagship DGCA Certified Drone Pilot Training Course is even more thorough and well-rounded thanks to these cutting-edge additions.



The collaboration with **IIT Ropar** seeks to encourage a culture of excellence and a conducive learning environment that would produce technologically-enabled, socially-conscious leaders who will make significant contributions to the benefit of society as a whole. By working together, we plan to investigate the viability of **creating a Centre of Excellence on Drone Technology** to tackle the many open research topics and problems in this field. The objective is to encourage the growth of a drone ecosystem in Punjab and the other states of North India

We have also partnered with the prestigious **Asian Institute of Technology**, marking our entry into the Southeast Asian market.

Our collaboration with AIT will open up exciting opportunities for **co-developing cutting-edge** projects that incorporate the latest advancements in drone technology and GIS. This partnership is a significant milestone for DroneAcharya as we **expand our global reach and build relationships with world-class institutions** throughout Southeast Asia. By combining our expertise in drone technology with AIT's knowledge of regional needs and challenges, we're poised to tackle some of the most pressing issues facing the region today.



Savitribai Phule Pune University

Location : Pune, India.



Indian Institute of Technology Ropar

Location : Punjab, India.

DroneAcharya has collaborated with the prestigious **Rashtriya Raksha University (RRU) in Gandhinagar, Gujarat**. The collaboration primarily focuses on preparing defense personnel as well as civilians from Gujarat and neighboring states for DGCA Pilot certification and other courses including drone building, drone data processing, applications of drones in disaster and agriculture, and Python coding.

How Has DA Established A Foothold In The Sectors



Education

Employment

Entertainment

Manufacturing
and Technology

DroneAcharya's flagship course is the DGCA Certified Drone Pilot Training, which has produced more than 350 Certified Drone Pilots from the organisation in the last year alone.

Furthermore, application-based training has been the unique selling point when it comes to drone-based training courses. Courses range from Drone Building, Drones in Agriculture, Drone-based Disaster Management, Aerial Cinematography, and Drone Racing, to GIS-based Drone Data Processing Course along with Python Coding for GIS course. Such courses not only make any candidate a job-ready prospect for drone companies but also enable people to become freelancers and run their businesses based on their knowledge.

DroneAcharya has also been able to fulfil multiple placement requirements from candidates attending the courses. More than 50 candidates have been placed in multiple drone manufacturing and drone application-based companies in India. The candidates are now flying drones for multiple purposes in their respective companies, some of which are logistics, agriculture, manufacturer testing, aerial surveying, mapping, and much more.

The entertainment industry has been using drones widely to shoot cinematic views for their projects. DroneAcharya has been able to provide its services to multiple clients in terms of grabbing aerial cinematography. Shoots for sports entertainment have also been a part of our client roster recently. The **aerial videography of the Indian Navy Sailing Championship 2022 presents itself as an example of the skills from our talented in-house drone flying experts.**

Drone Technology has been highly dependent on the available talent to enhance industrial innovation. DroneAcharya is thus helping to bridge the gap between talent and technology with its sought-after drone and GIS training courses. Apart from that, there are multiple service-based avenues that our teams have explored in various sectors, such as oil and gas, mining, infrastructure, defence, agriculture, and many more.

We have been fortunate enough to be a part of the upcoming revolution of making India the Drone Hub of the world under the honorary guidance of India's Prime Minister, Shri Narendra Modi. DroneAcharya aims to keep excelling to provide better solutions to all forms of drone and GIS-based applications for the country and the world.





How Has Gained An **ADDED ADVANTAGE** In The Drone Sector After Being 1st Listed Entity In The Drone Industry?

NEW OFFICES | FRANCHISE FOR TRAINING

MANUFACTURING UNIT | TEAM GROWTH

Being the first listed Drone Startup in India, we have enabled drone startups to look into the possibilities of becoming a Public Limited company and reap its benefits. We as a company, have received a very positive response from the shareholders and the public in general as an emerging technology company. Through our company status, enquiries for training, partnerships and projects have increased to a great extent.

A few major developments post our IPO, are listed below:

NEW OFFICES:

The investment that we raised through the IPO has enabled us to expand nationally as well as globally. We have currently set up a new branch in Chandigarh and are in the process of doing the same in Jaipur and Ahmedabad. Globally, we have opened our office in North Carolina (USA), Dubai (UAE), Amsterdam (EU) and Bangkok (Thailand). Through strategic partnerships, we are also opening collaborative offices in Malaysia, Philippines, Qatar and Tunisia.

FRANCHISE FOR TRAINING:

In February, 2023, we announced our Franchise offering for DroneAcharya's DGCA certified drone pilot training and all Drone and GIS (Geographic Information System) related training. Since then, we have confirmed four new franchises in Jabalpur (Madhya Pradesh), Satara (Maharashtra), Noida (New Delhi) and Jaipur (Rajasthan). Through partnerships with educational institutes as well, we are setting up additional DGCA certified drone pilot training centers in Pune in collaboration with Savitribai Phule Pune University and drone and GIS centric courses with Manipal Institute of Technology, Bengaluru.

MANUFACTURING UNIT:

Since the inception of the company, we have been conducting research and development for drones and niche products that we would one day produce through our manufacturing unit. Today, we have initiated the process of establishing our very own manufacturing unit in Maharashtra for production of Agricultural drones and drones for surveying and surveillance.

TEAM GROWTH:

With multiple arms of the business spreading through DroneAcharya, we have been continuously acquiring new talent in the field of Aeronautics, Engineering, Data Analytics, Web Development, Testing, Business Development and Marketing. Overall, we are now a team of 70 team members, positioned in multiple offices in India as well as our global offices.

All in all, we have been fortunate enough to have received the support and trust from our well wishers and will continue to perform and move forward.





LOOKING FORWARD ...

We are looking at dominating the Indian Drone industry and creating a mark globally as well in the years to come. Having grown to become one of the most recommended **DGCA certified drone pilot training organizations** in India today, we aim to capture the maximum drone pilot training market in the coming years.

In terms of the Franchise offering, we are planning to have a **PAN India presence through our Franchises**, such that at any given point in time, any prospect would easily be able to access our centers within their state or the neighboring state.

Also, we have already initiated the **manufacturing unit** set up in **Maharashtra**, we are hopeful to complete the set up and roll out our drone products in the coming 2 years.



April 2022

Multi-Sensor Drone Survey of the Historical Town of Vadnagar (Gujarat) , and Supply and Installation of "Unmanned Aerial Vehicle (UAV) System at IIT Gandhinagar

May 2022



DroneAcharya now has a new address. A Bigger office!!

May 2022

DroneAcharya closes one of the biggest Pre Seed Rounds for an Indian Drone startup with \$4.6Million!



June 2022

Tata Strive Partners with DroneAcharya Aerial Innovations for generating drone based employment opportunities across their 150+ centers in India.



June 2022

We are Glad to partner with TSAW Drones and are looking forward to many more!



July 2022

DroneAcharya Aerial Innovations signs a MOU with Rashtriya Raksha University, India, An Institution of national importance, under the able guidance of Prime minister Narendra Modi and Home minister Shri Amit Shah.

October 2022

GITEX Global 2022 - Attended the GITEX Global 10th to 14th of October, 2022 at Dubai World Trade Centre.



October 2022

Acquired DroneEntry - Canadian Drone SaaS company DroneEntry was acquired to the better serve the Data Analytics And Data Processing Needs Of The Industry and aid businesses in deriving meaningful insights from drone-collected data



October 2022

Partnership with BECIL - MOU with Broadcast Engineering Consultants India Ltd (BECIL) to cater to their requirements related to Drones and related hardware, software and services.

November 2022

ADIPEC Exhibition and Conference 2022 - hosted by ADNOC Group An opportunity to meet notable companies from the oil and gas and share the use of drones in this industry.



November 2022

First Batch of RRU - we certified the first batch of DGCA certified drone pilots from our RRU - DroneAacharya RPTO at Gujarat



December 2022

Edelweiss Emerging Ideas Conference 2022 | Listed Training Partner of NSDC



December 2022

"Entrepreneurship Ecosystem Enabler Award" to DroneAacharya - DroneAacharya was awarded the "Entrepreneurship Ecosystem Enabler Award" at the SMX Entrepreneurship Summit & Awards 2022, on Implementing Business Strategies for Entrepreneurial Growth & Success, hosted by ASM Group of Institutes in association with NextGenInnov8

December 2022

BSE SME IPO live



December 2022

BSE SME Listing Ceremony - DroneAcharya experienced a Bumper Listing yesterday, having hit the upper circuit within minutes of listing at 90% premium of its listed price!



January 2023

Asian Institute of Technology - Tie up with Asian Institute of Technology, Thailand, to start our operations in Southeast Asia!

February 2023

Attended Aero India 2023 - Aero India 2023 Bengaluru "The runway to a billion opportunities" The event was focussed on indigenous aerospace and defense technologies, aligned with the Modi government's push for 'Atma Nirbhar Bharat' (self-reliant India).



February 2023

Announcement of Franchise Model - Public Announcement of DroneAcharya - Powered Drone Training Organisations



February 2023

Partnership with Gridbots Technologies - Partnership to Integrate drones, bots and IoT solutions to cater to the advanced needs of the Defence and Industrial Organisations.

March 2023

Partnership with StudioTrika - Drone Based Immersive Solutions. To engage drone light shows, eye catching 3D projections and accurately engineered Experiential Concepts for events, product launch, customer experience and marketing.



March 2023

Attended the National Science Day Exhibition at BVB's Muktangan Exploratory



March 2023

Partnership with SPPU - Partnership to provide Drone Training, establish Drone Centre of Excellence and jointly conduct Research and Development activities. This is a major step in creating jobs for the new generation of students in the Drone and GIS and Aerospace industry.



WE HAVE TRAINED

MORE THAN **313**
PILOTS

TILL DATE!



Management Discussion and Analysis:

Half Year & Full Year, ended March 31st, of FY 2023 Financials and Business Updates: Revenue from operations stood at INR Rs. 13.58 Crores, for half year ended of FY2023 and PAT at Rs. 2.57 Crores for the half year ended March 31, 2023.

For the full year FY23, revenue clocked was RS. 18.57 Crores, with PAT of Rs. 3.42 Crores. These numbers are largely driven owing to strong tie ups and rapid execution in Drone Training, better brand visibility & higher quality training, leading to relatively better realizations and increasing the proportion of higher margin product sales, a strategy which has started to yield significantly positive results.

Seasonally, December quarter is a slower quarter for the industry. Typically, in Q4, ie, March 23 quarter, the Drone industry experiences an increase in demand for new projects.

- DroneAcharya delivered a robust set of operating results for the half year ended 31st March, 2023. The revenue from operations for the year ended March 31, 2023 increased by 417 % to ₹1856.94 Lakhs from ₹358.73 lakhs in year ended for FY 2021-22.

Increasing Profitability:

- EBITDA increased by 768.65% to ₹498.74 Lakhs for the year ended for FY 2022 – 2023 from 57.30 in year ended for FY 2021-22 and PAT to 741.57% to 342.10 Lakhs for the year ended for FY 2022 – 2023 from Rs. 40.65 Lakhs in the year ended for FY 2021-22.
 1. Robust numbers driven by increase in scale
 2. Focused on strategic cost rationalization
- Company is focused on rationalizing working capital significantly, to improve cash generation and Return on Capital Employed.
- Overall cash generation improved due to dual factors:
 1. Increase in operational efficiency and scale
 2. Better utilization of capital employed


The Company is focused on improving Return on Equity and Return on Capital Employed, and this will become visible in the coming quarters, beginning from the reported one.

Business Outlook & Broad Guidance for FY24

- Management expects revenue to be in the range of Rs. 45 crores to Rs. 50 Crores for FY24, mainly on account of strongly increasing demand for drone pilot training courses, manufacturing of drones, overseas opportunities, sales avenues in the defense sector and other Drone related activities.
- EBITDA & PAT margins for FY24 will be in line with FY23 reported margins. All efforts as highlighted below will be made to improve the margins going forward as benefits of scale will kick in.

Growth Initiatives

- As a part of our growth strategy, DroneAcharya has partnered with several educational institutes to set its position as one of the leading Drone centric training providers:
 1. Opening up a 2nd DGCA certified Drone pilot training center in collaboration with Rashtriya Raksha University: This tie up with Rashtriya Raksha University (Gujarat), an educational organization of National importance, is of great importance as it will enable us to share our technical expertise with the Defence as well as civilians in terms of Drone and GIS centric courses.
 2. Collaboration with Whistling Woods International (Mumbai): This collaboration enables us to cater to the upcoming generation of videographers, filmmakers and directors who will inherently be using drones in taking cinematic shots and providing a better visual experience to the audience. Other than this, we are jointly also offering GIS and drone building courses for the students.
 3. Collaboration with Tata STRIVE: Our collaboration with Tata STRIVE is keeping in mind the growing need for certified talent in the Drone and GIS industry. In order to cater to this, we are equipping the youth of India with DGCA certified drone pilot training and knowledge of its applications in various industries. Through Tata STRIVE, we plan to reach the masses that are in need of livelihood and a better standard of living.
 4. Tie up with Savitribai Phule Pune University (Pune): Our tie up with the “Oxford of the East” will enable us to provide Drone Training, establish Drone Centre of Excellence and jointly conduct Research and Development activities. This is a major step in creating jobs for the new generation of students in the Drone and GIS and Aerospace industry.
 5. Tie up with Asian Institute of Technology (Thailand): Expanding our training base to Thailand, we have partnered with Asian Institute of Technology to provide Drone Pilot training and related courses, jointly take up drone and GIS projects and tenders and provide internship and job opportunities to the students of AIT.
 6. We are also expanding our base to Philippines, Tunisia and Malaysia through some strategic tie ups and will be disclosing the details soon.
 7. We have partnership with the Gridbots Technology for manufacturing of the Drones and related equipment's

- 
- DroneAcharya is at the border of a major transformational journey and is currently in the process of implementing strategy to strengthen its brand and expand its presence globally. The core aspect of this strategy is stated as below:
 - Investing in human capital with unparalleled and industry leading experience: We are adding individuals with exceptional marketing and sales acumen who have a proven track record of creating and expanding highly customer-focused brands with strong recall value
 - Invest in Training Infrastructure: We aim to seize the expanding potential in the drone pilot training market by establishing Remote Pilot Training Organization (RP-TO's) throughout India and enhancing our offerings for services through drones and other drone related courses.
 - Actively tying up with various universities and companies in the drone sector, which are designed to seamlessly integrate with its huge client base and provide DroneAcharya with useful information about the market's pulse, product demand, and customer preferences across the regions we serve.
 - In the process of implementing an expansive footprint strategy which will allow us to expand into new geographies and solidify our position in the markets where our services are well received.
 - DroneAcharya is in the process of granting its franchisee and partnering with various universities across India for establishing its presence and enhancing brand value.
 - We are thrilled to announce that we will be foraying into "Manufacturing of Drones", in the near future, a market that has increasing demand in Indian markets.

Capital Raise via IPO, in FY23:

- Raised a capital of ₹ 33,96,60,000/- through the Initial public Offer (IPO), held in the month of December 2022.

Management Comments:

"We understand the importance of adapting to changing market conditions and evolving customer needs and believe that continuous improvement is key to staying ahead of the competition. Our focus is on streamlining processes, improving efficiency, and leveraging technology to drive growth and improve client satisfaction. Our aim is to create a more agile and innovative organization that is better equipped to respond to market changes and capitalize on new opportunities.

We align with our goal of bolstering our financial performance by:

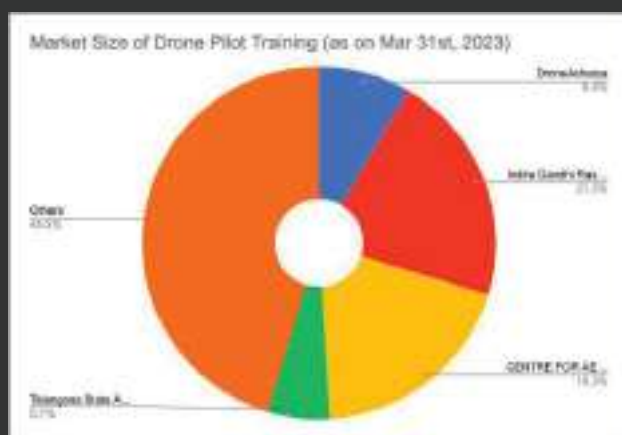
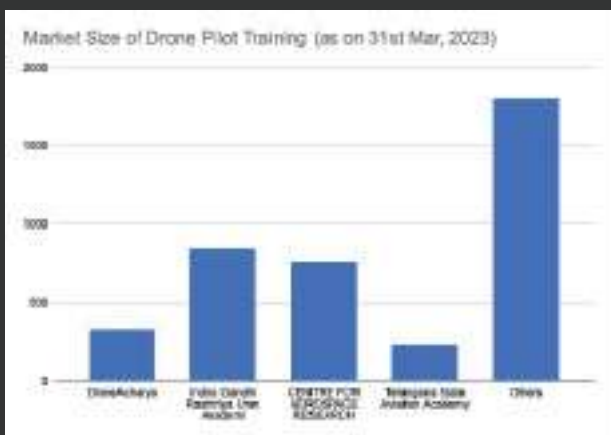
- Increasing our profitability, while growing revenues strongly
- Increasing in the optimization of cost

We are confident that this transformation will position our company for long-term success and growth, and we look forward to working with our team to make this vision a reality.

We would like to thank our employees for their efforts and our investors/stakeholders for their continued trust, support and encouragement."

Training Industry Outlook

With the current growth rate of the Drone Pilot Training Sector in India, the requirement has been estimated at 1,00,000 drone pilots until the year 2025. The country has been boosted by the recently opened DGCA Authorized Remote Pilot Training Organizations (RPTO) within the last financial year. As of 31st March 2023, there are 50 RPTOs that have been set up across multiple states to certify individuals for flying drones legally throughout the country. Currently there are more than 4000 DGCA Certified Drone Pilots, out of which DroneAcharya holds the share of 8.4% of the total market size. DroneAcharya endeavors to achieve 20% market share by the end of this financial year.



DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 06th Annual Report together with the Audited Statement of Accounts of our Company for the Year ended 31st March, 2023.

1. FINANCIAL PERFORMANCE:

The Company's Financial Performance for the year ended 31st March, 2023 is summarized as under:

Particulars	FY 2022 - 23	FY 2021 - 22
Revenue from Operations	18,56,95,000.00	3,58,73,000.00
Other Income	56,61,000.00	1,000.00
Total Income	19,13,56,000.00	3,58,74,000.00
Total Expenses	14,49,05,000.00	3,03,18,000.00
Profit Before Tax	4,64,51,000.00	55,56,000.00
(Less): Current Tax	1,06,35,000.00	14,59,000.00
Deferred Tax	14,74,000.00	32,000.00
Income Tax earlier years	0.00	0.00
Profit for the Year	3,43,42,000.00	40,65,000.00

2. DIVIDEND:

Considering future growth prospects for the company, the Board of Directors decided to retain the profits earned and therefore does not recommend any dividend for the financial year 2022-2023.

3. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

The Company understands the importance of adapting to changing market conditions and evolving customer needs and believe that continuous improvement is key to staying ahead of the competition. Our focus is on streamlining processes, improving efficiency, and leveraging technology to drive growth and improve client satisfaction. Our aim is to create a more agile and innovative organization that is better equipped to respond to market changes and capitalize on new opportunities. The management is confident that the transformation will position the company for long-term success and growth.

4. THE AMOUNTS TRANSFERRED TO RESERVES, IF ANY:

Pursuant to provisions of section 134(1)(j) of the Companies Act, 2013, the Company has transferred an amount of Rs. 42,28,35,000/- (Securities Premium and profit during the year) to reserve account during the year under review.

5. THE CHANGE IN THE NATURE OF BUSINESS IF ANY:

During the year, there is no change in the nature of business of the Company.

6. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the company have occurred from the closure of the financial year till the date of this report.

7. LISTING OF SHARES:

The Shares of the Company were listed on Bombay Stock Exchange SME platform, Mumbai on 23rd of December 2022. The Company has paid the annual listing fee for the financial year 2022-2023.

The Equity Shares of the Company has the electronic connectivity under **ISIN No. INE0MQD01015**. To provide service to the Shareholders, the Company has appointed M/s. Bigshare Services Private Limited, Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, Next to Ahura Centre, Andheri East, Mumbai, Maharashtra 400093 as Registrar and Transfer Agent of the Company for existing physical based and allied Secretarial Services for its Members / Investors and for Electronic Connectivity with NSDL and CDSL.

8. SHARE CAPITAL:

A. Authorized Capital and Changes thereon, if any:

The Authorized Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crore Only) divided into 2,99,50,000 (Two Crore Ninety - Nine Lakh and Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten) each and 50,000 (Fifty Thousand) Preference Shares Rs.10/- (Rupees Ten) each.

During the year authorized capital of the Company was increased from Rs. 50,00,000/- (Rupees Fifty Lakh only) to Rs. 30,00,00,000/- (Rupees Thirty Crore Only) in the Extra – Ordinary General Meeting of the Company held on 27th April, 2022 at the Corporate of the Company.

B. Paid up Capital and Changes thereon, if any:

The Paid-up Share Capital of the Company is Rs. 23,98,86,000/- (Rupees Twenty – Three Crore Ninety – Eight Lakh and Eighty – Six Thousand Only) divided into 2,39,88,600 (Two Crore Thirty – Nine Lakh Eighty – Eight Thousand and Six Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each.

During the year, the Company had issued Shares by way of following Allotments:

Sr. No	Type of Issue	Type of Shares	Number of Shares Issued	Face Value (in Rs.)	Total Amount (in Rs.)
1	Issue of 9% Compulsorily Convertible Preference Shares	Preference Shares	23,688	Rs.10/-	Rs. 2,36,880/-
2	Issue of 9% Compulsorily Convertible Preference Shares	Preference Shares	12,348	Rs. 10/-	Rs. 1,23,480/-
3	Bonus Shares	Equity Shares	1,75,21,614	N.A.	N.A.
4	Initial Public Offer (IPO)	Equity Shares	62,90,000	Rs.10/-	Rs. 6,29,00,000/-

*Note – All the preference shares have been converted into Equity Shares bearing face value of Rs. 10/- each.

9. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH INITIAL PUBLIC OFFER (IPO):

During the year under review, the Company raised funds aggregating to Rs. 33.96 Crores through public issue. The Company has utilized the funds raised through issue for the purpose as stated in the Letter of Offer. Details of utilization of fund as on 31st March, 2023 are as under:

Sr. No.	Original Object	Original Allocation	Funds Utilized	Amount of Deviation
1	Purchase of Drones and Other accessories	Rs. 27,98,66,000.00	Rs. 6,62,64,307.58	NIL
2	General Corporate Expenses	Rs. 5,97,94,000.00	Rs. 5,97,94,000.00	NIL

10. DEPOSITS:

The Company has not accepted nor renewed any deposits falling within the purview of section 73 of Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time, during the year under the review and therefore details mentioned in Rule 8(5)(v) & (vi) of Companies (Accounts) Rules, 2014 relating to deposits covered under chapter V is not required to be given.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has not entered in to any transaction viz. loan, guarantees or investments in any other company or person as specified under section 186 therefore other requirement under this section are **Not Applicable** to the Company.

Particulars	CIN of Company	Name of other Company	Amount Involved (in INR)
Loan Given	NA	NA	NA
Investment Made	NA	NA	NA
Guarantee Provided	NA	NA	NA

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 IN THE FORM AOC-2:

There are five (5) related party transactions as referred under Section 188(1) of the Companies Act, 2013 for the Financial Year 2022 - 23. All the related party transactions were carried out at arm's length. Form AOC – 2 has been annexed to this Report as “Annexure A”.

13. DETAILS OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

During the year no company has become or ceased to become subsidiary or joint venture or associate of the company.

14. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUBSECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

The auditor has not reported any frauds pursuant to provisions of section 143 (12) of the Companies Act, 2013 in his report.

15. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT:

The Auditors have not given any qualification, reservation, Adverse remark or Disclaimer in his Auditor Report for the financial year ended 31st March, 2023. The Observations made by the Auditors are self-explanatory and have been dealt with an Independent Auditor's Report and its Annexures forming part of this Annual Report and hence do not require any further clarification.

16. SECRETARIAL AUDITOR:

The Board of Directors of the Company has appointed M/s. More Daliya & Associates, Practicing Company Secretaries, Nagpur, to conduct Secretarial Audit for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year ended on March 31, 2023 is annexed to this Report as "Annexure B".

The auditor has given following qualifications in his report:

Auditor's Qualifications	Management's Response
The Company has not complied with the Secretarial Standards issued by ICSI for conducting Board Meetings and General Meetings.	The Management is striving to comply with all the applicable rules, regulations and standards. There shall be an endeavour to avoid non – compliance in the future.

The Company has failed to update its CIN from unlisted to Listed till date.

The Company has filed a e – form GNL – 2 with the Registrar of Companies (ROC), Bangalore and also couriered physical copies of required documents to ROC for change in CIN. But the form has not been processed and approved by the ROC yet.

17. INTERNAL AUDITOR:

The Board has appointed M/s. Veena Agrawal & Associates, Chartered Accountants, Firm Reg. No.145240W as Internal Auditors for the Financial Year 2022-23 under Section 138 of the Companies Act, 2013.

18. THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, IN SUCH MANNER AS MAY BE PRESCRIBED:

1) Conservation of energy:

Your Directors are of the opinion that with respect to conservation of energy and technology absorption as prescribed under Section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014 are not relevant in view of the nature of business activities of the Company and hence, are not required to be given.

2) Technology absorption:

The company is using latest technology and indigenization, which keeps on absorbing latest technology for the betterment of society at large.

3) Foreign exchange earnings and Outgo:

Your company has the following Foreign Exchange Earning and Outgo (after converting into INR) during the year:

Foreign Exchange Earnings – Rs. 3,10,57,084/-

Foreign Exchange Outgo – Rs. 63, 97, 064/-

19. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Present Composition of Board of Directors:

As on the date of the report, the Board of Directors of the Company comprises of total Five (5) directors. The Composition of the Board of Directors is as under:

Sr. No.	Name of the Director	DIN	Designation
1	Mr. Prateek Srivastava	07709137	Managing Director
2	Mrs. Nikita Srivastava	08082593	Director
3	Mrs. Bhanupriya Nikhil Thakur	08276607	Additional Director (Women Independent Director)
4	Mr. Mangina Srinivas Rao	08095079	Additional Director (Independent)
5	Mr. Utsav Jasapara	09711346	Additional Director (Independent)

B. Appointment/Cessation/ change in designation of directors:

During the year under review, there is no Appointment / Cessation or Change in designation of any Director.

However, the following appointments were made:

Name of the Director	DIN/ PAN	Designation	Date of Appointment/ Change in Designation	Nature of Change
Mrs. Bhanupriya Nikhil Thakur	08276607	Additional Director (Women Independent Director)	25/06/2022	Appointment
Mr. Mangina Srinivas Rao	08095079	Additional Director (Independent)	22/08/2022	Appointment
Mr. Utsav Jasapara	09711346	Additional Director (Independent)	22/08/2022	Appointment

Appointment of Key Managerial Personnel (KMP):

During the year the following appointments were made:

Name of the KMP	PAN	Designation	Date of Appointment/ Change in Designation	Nature of Change
Mrs. Nikita Srivastava	BAZPM2614N	Chief Financial Officer (CFO)	02/07/2022	Appointment

Ms. Mukula Joshi	AZHPJ1038K	Company Secretary (CS)	27/06/2022	Appointment
------------------	------------	------------------------	------------	-------------

20. NUMBER OF MEETINGS OF THE BOARD:

The Board of Directors met at Regular Intervals to transact business and the gap between two meetings was less than one hundred and twenty days. During the Financial Year 2022-23, Twenty - Three (23) meetings of the Board of Directors of the Company were held i.e., on the following dates: 01.04.2022, 05.04.2022, 16.05.2022, 21.05.2022, 09.06.2022, 10.06.2022, 17.06.2022, 25.06.2022, 27.06.2022, 30.06.2022, 02.07.2022, 05.07.2022, 11.07.2022 at 11:00 A.M, 11.07.2022 at 03:00 P.M., 06.08.2022, 12.08.2022, 22.08.2022, 25.08.2022, 27.08.2022, 20.10.2022, 27.10.2022, 08.11.2022, 20.12.2022 at 02:30 P.M., 20.12.2022 at 07:00 P.M., 20.12.2022 at 09:00 P.M. and 06.01.2023.

21. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

During the year under review, a separate meeting of Independent Directors without the attendance of Non-Independent Directors and members of the Management, was held on 06th Day of January, 2023, as required under Schedule IV of the Companies Act, 2013 (Code for Independent Directors) read with Regulations 25(3) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

The Independent Directors inter-alia reviewed the performance of the Non-Independent Directors, Chairman of the Company and the Board as a whole

22. DIRECTOR RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- a) In the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a 'going concern' basis.

e) The Directors have laid down internal financial controls, which are adequate and are operating effectively.

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

23. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

The Company has received necessary declarations from all the Independent Directors of the Company Under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013.

24. STATUTORY DISCLOSURES:

None of the Directors of your Company are disqualified as per the provisions of Section 164(2) of the Companies Act, 2013. Your directors have made necessary disclosures, as required, under various provisions of the Companies Act, 2013 and SEBI LODR.

25. BOARD EVALUATION:

The Companies Act 2013 states that a formal annual evaluation needs to be made by the Board and Schedule IV of the Companies Act 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated. The performance of the Board was evaluated by the Board and after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information flow, frequency of meetings and functioning etc. The performance of the Committees was evaluated by the Board and after seeking inputs from the Committee Members. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings. The Chairman was also evaluated on the key aspects of his role. In a separate Meeting of Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated

26. AUDIT COMMITTEE:

In terms of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Audit Committee of the Board of Directors consisting of below mentioned Independent Directors as a practice of good governance:

- (i) Mr. Utsav Jasapara (DIN: 09711346) - Chairman (Independent Director)
- (ii) Mrs. Bhanupriya Thakur (DIN: 08276607) - Member (Independent Director)
- (iii) Mr. Mangina Srinivas Rao (DIN: 08095079) - Member (Independent Director)

All the recommendations made by the Audit Committee were accepted by the Board.

27. NOMINATION & REMUNERATION COMMITTEE:

In terms of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has constituted Nomination & Remuneration Committee of the Board of Directors consisting of below mentioned Independent Directors as a practice of good governance:

- (i) Mr. Mangina Srinivas Rao (DIN: 08095079) - Chairman (Independent Director)
- (ii) Mrs. Bhanupriya Thakur (DIN: 08276607) - Member (Independent Director)
- (iii) Mr. Utsav Jasapara (DIN: 09711346) - Member (Independent Director)

28. STAKEHOLDERS RELATIONSHIP COMMITTEE:

In terms of section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 20 (1) of the SEBI (Listing Obligations and Disclosure Requirement), 2015, the Company has constituted Stakeholders Relationship Committee of the Board of Directors consisting of below mentioned Independent Directors as a practice of good governance:

- (i) Mrs. Bhanupriya Thakur (DIN: 08276607) - Chairperson (Independent Director)
- (ii) Mr. Utsav Jasapara (DIN: 09711346) - Member (Independent Director)
- (iii) Mr. Mangina Srinivas Rao (DIN: 08095079) - Member (Independent Director)

29. VIGIL MECHANISM:

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015, includes an Ethics comprising senior Executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or letter. The policy on vigil mechanism may be accessed on the Company's website at <https://droneacharya.com/>.

30. CODE OF CONDUCT:

Your Directors informed that pursuant to provisions of Regulation 17(5) of SEBI (Listing Obligation & Disclosure requirement) Regulations, 2015 every Listed Company is under an obligation to adopt a policy on Code of Conduct for all the Members of the Board of Directors and Senior Management. As per the said Regulation, the Board of Directors adopted the Policy on code of conduct for all the Members of Board of Directors and Senior management of the Company.

31. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of section 135 of Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, regarding Corporate Social Responsibility is not applicable to the company.

32. RISK MANAGEMENT POLICY:

The Company has well laid out risk management policy, which periodically assess the threats and opportunities that will impact the objectives set for the Company as a whole. The policy is designed to provide the categorization of risks into threats and its causes, impact, treatment and control measures. As a part of the Risk Management Policy, the relevant parameters for protection of environment, safety of operations and health of people at work especially those working in food value chain are monitored regularly.

33. DISCLOSURE UNDER SEXUAL HARASSEMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESAL) ACT, 2013:

The company has formed Internal Complaint Committee to address issues pertaining to sexual harassment at work place, during the period under the review no complaint has been received to Internal Complaint Committee.

Following is the constitution of the Internal Committee:

Sr. No.	Designation	Name of Officer/ Member
1	Presiding Officer	Mrs. Sapna Sharma (Admin Executive)
2	Member	Ms. Purva Dhuri (Asst. Manager, HR & Culture)
3	Member	Ms. Mukula Joshi (Manager, Legal & Compliance)
4	Member	Col. Sunil Sharma (President, Business & Strategy)

5	Member	Adv. Sadanand Sonar (External Member)
---	--------	---------------------------------------

34. IN CASE OF A COMPANY COVERED UNDER SUB-SECTION (1) OF SECTION 178, COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:

The Company has well laid out the policy for Directors' appointment and remuneration, which determines the terms of appointment, qualification, independence of directors along with remuneration payable. The policy is designed to provide such terms for appointment and levels of remuneration such that they attract, retain and motivate directors of the quality and ability required to run the Company successfully.

35. STATUTORY AUDITORS:

The tenure of appointment of M/s KPRK & Associates, Chartered Accountants, Nagpur (Firm Reg. No. 108051W), the existing Statutory Auditors will expire at the conclusion of the 10th Annual General Meeting as per the provisions of Section 139(2) of the Act and Rules framed thereunder.

The Board of Directors and Members of the Company at its previous Annual General Meeting held on 30.09.2022 has, approved the appointment of M/s KPRK & Associates, Chartered Accountants, Nagpur having Firm Reg. No. 108051W as the Statutory Auditors of the Company for a term of 5 (five) years commencing from the conclusion of the 05th AGM till the conclusion of the 10th AGM.

36. COST RECORDS AND AUDIT:

The provisions of section 148 of Companies Act, 2013 about maintenance of cost records and audit are not applicable to the Company.

37. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Board of Directors, had laid down internal financial controls with reference to the financial statements to be followed by the company and that such internal financial controls are adequate and operating effectively. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

37. EXTRACT OF ANNUAL RETURNS:

In terms of provisions of section 92, 134(3)(a) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the details forming part of extract of the Annual Return are hosted on <https://droneacharya.com/investors-relations/annual-returns/>. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's report

38. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There has been no significant and material order passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

39. ACKNOWLEDGEMENTS:

Your directors take this opportunity to place on record their sincere appreciation of all stakeholders, bankers, dealers, auditors, vendors and other business partners which have contributed to the successful management of the Company's affairs. Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

For and on behalf of Board of Directors of

DRONEACHARYA AERIAL INNOVATIONS LIMITED

Mr. Prateek Srivastava
(Managing Director, DIN: 07709137)

Mrs. Nikita Srivastava
(Director, DIN: 08082593)

Date: 29.04.2023

Place: Pune

**“ANNEXURE A” TO DIRECTORS’ REPORT
FORM AOC - 2**

**{Pursuant to clause (h) of sub-section (3) of section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014}**

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

1. Details of contracts or arrangements or transactions not at arm’s length basis - **Not Applicable**
2. Details of material contracts or arrangement or transactions at arm’s length basis: -

Sr. no.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangement s/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any (Amount in Lakhs)	Date (s) of approval by the Board	Amount paid as advances
1.	Pradeep Srivastava	Director’s Father	Consultancy for Strategies, Education and Research	From 08 th November 2022 to 31 st March 2023	To act as a President - Strategies, Education and Research on consultancy basis	08.11.2022	Nil

**For and on behalf of the Board of Directors,
DRONEACHARYA AERIAL INNOVATIONS LIMITED**

Mr. Prateek Srivastava
Managing Director
(DIN – 07709137)

Date – 29.04.2023

Place – Pune

“ANNEXURE B” TO DIRECTORS’ REPORT

FORM MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 2022-23

[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: U29308KA2017PLC101287
Cabin No. - 10, 5th Floor, IndiQube Penta,
New No. 51, (Old No.14) Richmond Road,
Bangalore – 560025, Karnataka, India

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices for the Financial Year 2022-23 of **M/s DRONEACHARYA AERIAL INNOVATIONS LIMITED** (hereinafter called the “**Company**”), incorporated on 10th March, 2017 and having CIN- U29308KA2017PLC101287 and Registered office at Cabin No. - 10, 5th Floor, IndiQube Penta, New No. 51, (Old No.14) Richmond Road, Bangalore Bangalore KA 560025 IN. 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 by the Company and also information provided by the Company, 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 31st March, 2023 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 31st March, 2023 according to the

applicable provisions of the

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) 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 2nd 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) Listing Agreement entered into by the Company with BSE Limited.

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 Company has not complied with the Secretarial Standards issued by ICSI for conducting Board Meetings and General Meetings.
- **That** the Company has failed to update its CIN from unlisted to Listed till date.

For More Daliya and Associates

Company Secretaries

Peer Review Certificate: 1411/2021

Keshav Daliya

Partner

Mem. No. 11258

CP No. 15581

UDIN: F011258E000223723

Independent Auditor's Report to the Members of

DroneAcharya Aerial Innovations Limited (CIN: U29308KA2017PLC101287)

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 2023, 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, 2023, 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.

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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of

Section 164 (2) of the Act.

- f) Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017;
- 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.
 - 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 it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other 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 it's 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
CHARTERED ACCOUNTANTS
FRN: 103051W**

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

**PLACE: NAGPUR
DATE: 29.04.2023
UDIN: 23046239BGXMLZ5875**

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 maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) The company has maintained proper records showing full particulars of intangible assets;
 - (b) 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 been physically verified by the management at reasonable intervals; except on one occasion and one discrepancy was noticed on such verification is that the two vehicles purchased by the company during the year for Rs. 7,50,000/- & Rs 31,00,000/- and Vehicle purchased last year whose WDV as on 01/04/2022 is Rs. 12,61,298/- the title of such vehicles is not yet transferred in the name of the company. Depreciation on such asset charged by the company for Rs 1,95,188/-, Rs.8,06,775/- & Rs. 3,93,903/- and value as on 31st March 2023 was Rs. 5,54,812/-, Rs. 22,93,225/- & Rs. 8,67,395/- respectively.
 - (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 favour 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 thereunder.
- (ii) (a) The Company does not hold any inventory. Hence, the question of physical verification of the same does not arise.
- (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 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.

Particulars	Amount
Fixed Deposit	Rs.25,05,68,250.00
Share Subscription of TechNet Space and Aero Works Private limited (allotment is yet not done by the company)	Rs. 11,20,000.00
Mutual Fund	Rs.13,00,00,000.00 (Amount of Investment as on 31st March 2023 Rs.10,02,97,029.00)

- (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:

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 the details of the same as follows

Particulars	Amount
Awyam Synergies Private Limited	Rs 10,80,00,000.00 (Amount outstanding as on 31st March 2023 Rs 50500000)
EFC Limited	Rs 50000000.00 (Amount outstanding as on 31st March 2023 Rs 31000000)

- (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. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable, except in case of Professional Tax amounting to Rs. 1,06,800/-
- (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) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (b) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (c) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (d) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(f) is not applicable.
- (x) The company has raised money by way of initial public offer during the year. Accordingly, clause 3(x)(a) of the Order is applicable.

Nature of Securities viz. Equity shares /Preference shares /Convertible debentures	Purpose for which funds were raised	Total Amount Raised /opening un- utilized balance	Amount utilized for the other purpose	Un-utilized balance as at Balance sheet date	Remarks, if any
Equity Share Capital	Operations	Rs. 33,96,60,000/-	Rs. 0.00	Rs. 33,96,60,000/-	NA

Note: The Company has raised money through IPO for operations and acquisition of Fixed assets etc. however for the time being the amount so raised is invested in FDR and Mutual Fund.

- (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.

Nature of Securities viz. Equity shares /Preference shares /Convertible debentures	Purpose for which funds were raised	Total Amount Raised /opening un- utilized balance	Amount utilized for the other purpose	Un-utilized balance as at Balance sheet date	Remarks , if any
Convertible Preference Shares	Operations	Rs. 19,31,16,924/-	Rs. 0.00	Rs. 19,31,16,924/-	

- a. (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
- b. 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.
- c. 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;
- d. (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 appointment for the whole year and the point so raised by the internal auditor has been considered and rectified by the management of the company and the same has being considered by the statutory auditor.
- e. 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
- f. (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.
- g. Based on our examination, the company has not incurred cash losses in the financial year and immediately preceding Financial Year.
- h. There has been no resignation of the statutory auditors.
- i. 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.

- j. 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.
- k. The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

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

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

**PLACE: NAGPUR
DATE: 29.04.2023
UDIN: 23046239BGXMLZ5875**

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Balance Sheet as at March 31, 2023

(Rs. In Lacs)

Particulars	Note No.	As at	
		31-Mar-2023	31-Mar-2022
ASSETS			
Non - Current Assets			
(a) Property, Plant and Equipments	2	165.55	30.81
(b) Intangible Assets	3	535.89	0.60
(c) Intangible Assets under Development	4	-	10.73
		701.44	42.14
(c) Non - Current Tax Assets			-
(d) Financial Assets			
(i) Non-Current Investments	5	2,564.60	-
(ii) Long term Loan and Advances	6	1,110.97	10.00
(iii) Other Non- Current Financial assets		-	-
		3,675.57	10.00
(e) Other Non - Current Assets		-	-
Current Assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Trade Receivables	7	1,127.26	124.59
(ii) Cash and Cash Equivalents	8	244.76	1,221.61
(iii) Short Term Loans and Advances		-	-
(iv) Other Current Financial Assets	9	1,004.10	-
		2,376.12	1,346.20
(c) Other Current Assets	10	218.75	148.18
		6,971.88	1,546.52
TOTAL			
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	11	2,398.86	14.10
(b) Other Equity	12	4,228.35	1,433.67
		6,627.21	1,447.77
Non-Current Liabilities			
(a) Non Current Financial Liabilities			
(i) Long Term Borrowings	13	-	46.25
(ii) Lease Liabilities			-
(b) Long term Provisions	14	10.35	2.80
(c) Deferred Tax Liability	15	15.06	0.32
		25.41	49.37
Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings			-
(ii) Trade Payables	16	183.55	0.99
(iii) Lease Liabilities			-
(iv) Other Current Financial Liabilities	17	3.38	2.99
		186.93	3.98
(b) Other Current Liabilities			-
(c) Short Term Provisions	18	132.33	45.40
		6,971.88	1,546.52
TOTAL			

Significant Accounting Policies and Notes on Financial Statements

1 to 34

As per our report of even date attached

For KPRK & Associates
Chartered Accountants
Firm No. 108051W

For and on behalf of the Board of Directors

CA Kishan R Verma
Partner
M.No: 046239
Place : Nagpur
Date : 29/04/2023
UDIN: 23046239BGXMLZ5875

Prateek Srivastava
Managing Director
DIN - 07709137

Nikita Srivastava
CFO & Director
DIN - 08082593

Mukula Joshi
Company Secretary

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Statement of Profit and Loss for the year ended March 31, 2023

(Rs. In Lacs)

Particulars	Note No.	Year Ended 31-Mar-2023	For the period 01-Oct-22 to 31- Mar-23	Year Ended 31-Mar-2022
INCOME				
(a) Revenue from operations	19	1,856.95	1,357.89	358.73
(b) Other income	20	56.61	56.58	0.01
Total Income		1,913.56	1,414.47	358.74
EXPENSES				
(a) Cost of Material Consumed	21	2.43	2.04	4.01
(b) Direct Costs	22	576.11	523.39	73.30
(b) Changes in inventories				
(c) Employee benefits expenses	23	453.88	263.99	187.34
(d) Finance costs	24	2.71	2.23	0.15
(e) Depreciation and amortisation expenses	2 & 3	90.83	72.53	1.80
(f) Other expenses	25	323.22	168.67	36.58
Total Expenses		1,449.18	1,032.85	303.18
Profit / (Loss) before tax		464.38	381.62	55.56
Tax expense:	26			
(a) Current year tax expense		106.35	76.22	14.59
(b) Deferred Tax Expenses		14.74	(0.61)	0.32
Current tax expense				-
Profit / (Loss) for the year (A)		343.29	304.79	40.65
Other comprehensive income/(loss)				
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	1.32	1.32	-
Other comprehensive Income/ (Loss) for year net of tax (B)		341.97	303.47	0.00
Total comprehensive income/ (loss) for year (A+B)		341.97	303.47	40.65
Earnings/(Loss) per share of Rs. 10/- each	28			
(a) Basic Earnings/(Loss) Per Share (Rs.)		1.77	-	0.35
(b) Diluted Earnings/(Loss) Per Share (Rs.)		1.77	-	0.29

Significant Accounting Policies and Notes on Financial Statements

1 to 34

As per our report of even date attached

For KPRK & Associates
Chartered Accountants
Firm No. 108051W

For and on behalf of the Board of Directors

CA Kishan R Verma
Partner
M.No: 046239
Place : Nagpur
Date : 29/04/2023
UDIN: 23046239BGXMLZ5875

Prateek Srivastava
Managing Director
DIN - 07709137

Nikita Srivastava
CFO & Director
DIN - 08082593

Mukula Joshi
Company Secretary

DroneAcharya Aerial Innovations Limited

CIN : U29308KA2017PLC101287

Cash Flow Statement for the year ended March 31, 2023

(Rs. in Lacs)

Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit / (Loss) before tax	464.38	55.56
Adjustments for:		
Depreciation and amortisation expenses	90.83	1.80
Ind As Impact Unbilled Revenue	-	-
Interest & borrowing cost	-	-
Interest Income	-53.52	(0.01)
(Gain)/ Loss on Sales of Property, Plant and Equipments (Net)	-	-
Dividend Income	-	-
Capital (Gain) / Loss from Real Estate Fund (Net)	-	-
Net (Gain) / loss on sale / redemption of Investments	-	-
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	-	-
Share of (Profit)/Loss from LLP	-	-
Fair Value gain on Investments classified as FVTPL	-	-
Gratuity Expenses	7.55	2.80
Other Non Cash items	-	-
Operating Profit/(Loss) Before Working Capital Changes	509.24	60.15
Adjustments for Changes in Working Capital:		
(Increase)/ Decrease in Inventories	-	-
(Increase)/ Decrease in Trade receivables	-1,002.67	(124.08)
(Increase)/ Decrease in Other current assets	-70.57	-
(Increase)/ Decrease in Other Current Financial Assets	-1,004.10	(147.17)
(Increase)/ Decrease in Other Non Current Financial Assets	-1,100.97	(10.00)
(Decrease)/Increase in Trade Payables	182.56	(2.67)
(Decrease)/Increase in other current financial liabilities	0.39	2.87
(Increase)/ Decrease in Security Deposits and Loans & advances	-	-
(Decrease)/Increase in other current liabilities	86.93	35.40
Cash Generated by/(Used) In Operations	-2,399.19	(185.50)
Taxes Paid (including Tax Deducted at Source and Net of IT Refund)	-106.35	(14.59)
Net Cash Generated by/(Used) in Operating Activities (A)	-2,505.54	(200.09)
CASH FLOW FROM INVESTING ACTIVITIES:		
Proceeds from Sale of Property Plant & Equipment	-	-
Acquisition of Property Plant & Equipment	-189.59	(32.53)
Acquisition of Intangible Assets	-560.54	(11.41)
Proceeds from Sale & Purchase of Investments (Net)	-2,564.60	-
Dividend Received	-	-
Interest Received	53.52	0.01
Income From Real Estate Funds (Net)	-	-
Share of (Profit)/Loss from LLPs	-	-
Cash Generated/(Used) in Investing Activities (Net) (B)	-3,261.21	(43.93)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceed from issue of shares	4,836.15	1,303.04
Proceed from Long Term Borrowings	-46.25	44.98
Repayment of Long Term Borrowings	-	-
Proceed from Short Term Borrowings	-	-
Repayment of Short Term Borrowings	-	-
Interest & borrowing cost	-	-
Cash Generated/(Used) From Financing Activities (Net) (C)	4,789.90	1,348.02
Increase / (Decrease) in Cash and Cash equivalents (Net) (A + B + C)	-976.85	1,104.00
Opening Cash and Cash Equivalents	1,221.61	117.61
Cash and Cash Equivalents Comprise	244.76	1,221.61
Cash on hand	1.22	151.85
Balance with Scheduled Banks	243.54	1,069.76

As per our report of even date attached

 For KPRK & Associates
 Chartered Accountants
 Firm No. 108051W

For and on behalf of the Board of Directors

 CA Kishan Verma
 Partner
 M.No: 046239
 Place : Nagpur
 Date : 29/04/2023
 UDIN: 23046239BGXMLZ5875

 Prateek Srivastava
 Managing Director
 DIN - 07709137
 Nikita Srivastava
 CFO & Director
 DIN - 08082593

 Mukula Joshi
 Company Secretary

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Statement of changes in equity for the year ended March 31, 2023

A. EQUITY SHARE CAPITAL

Equity shares of Rs. 10 each issued, subscribed and fully paid

As at 31 March 2021

Changes in Equity share capital

As at 31 March 2022

Changes in Equity share capital

As at 31 March 2023

	No. in Value	Amount (Rs in Lacs)
As at 31 March 2021	16660	1.67
Changes in Equity share capital	99,960.00	10.00
As at 31 March 2022	116,620.00	11.67
Changes in Equity share capital	23871980	2387.19
As at 31 March 2023	23,988,600.00	2,398.86

A. 9% PREFERENCE SHARE CAPITAL

Preference shares of Rs. 10 each issued, subscribed and fully

As at 31 March 2021

Changes in preference share capital

Issued during the year - bonus on ESOP

As at 31 March 2022

Issued during the year

Converted to equity

As at 31 March 2023

	No. in Value	Amount (In Rs. Lacs)
As at 31 March 2021	-	-
Changes in preference share capital	24,330.00	2.43
Issued during the year - bonus on ESOP	-	-
As at 31 March 2022	24,330.00	2.43
Issued during the year	36,036.00	3.60
Converted to equity	60,366.00	6.04
As at 31 March 2023	-	(0.00)

Note : 12

B. OTHER EQUITY	Reserves and surplus		
	Securities premium	Retained earnings	Total
As at 31 March 2021	119.21	-16.8	102.41
Profit for the period	-	40.65	40.65
Other comprehensive income for the period, net of tax			-
Total	119.21	23.85	143.06
Transferred to securities premium account	1,301.41	-	1,301.41
Bonus Shares issued out of securities premium	(10.00)		(10.00)
Expenses related to the issue of shares (As per section 52 of companies act 2013)	(5.00)		(5.00)
Prior Period Error adjusted		4.20	4.20
Transferred to statement of profit and loss (net)			-
Others			-
As at 31 March 2022	1,405.62	28.05	1,433.67
Profit for the period	-	341.97	341.97
Other comprehensive income for the period, net of tax			-
Total	1,405.62	370.02	1,775.6405
Security Premium received on account of Preference shares and Initial Public offer	4695.17	0	4695.17
Bonus Shares issued out of securities premium	-1752.16		-1752.16
Expenses related to the issue of shares (As per section 52 of companies act 2013)*	-490.29		-490.29
Prior Period Error adjusted			0
Transferred to statement of profit and loss (net)			0
Others - rounding off		-0.01	-0.01
As at 31 March 2023	3858.34	370.01	4228.35

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

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

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 Cabin No. - 10, 5th Floor, IndiQube Penta, New No. 51, (Old No.14) Richmond Road, Bangalore Bangalore KA 560025 IN. The Corporate Office of the company is 1st & 2nd Floor, Galore Tech IT Park, LMD Chowk, Bavdhan, Pune, Maharashtra 411021.

The company has passed the special resolution for conversion of Private limited company into public limited company which was approved by the Shareholders. As a result of which the name of the company has been changed to Droneacharya Aerial innovations Private Limited to Droneacharya Aerial Innovations Limited. The CIN of the company has been changed to U29308KA2017PLC101287 from U29308KA2017PTC101287.

The company has passed the resolution for changing the Address of the registered office of the company within the city. The same has been changed in the record of the ROC. The registered office of the company was, 706, 7th Floor, B Block Sai Kalyan Ultima, Thanisandra, RAC Henahalli Bangalore Bangalore KA 560077 IN, which is changed to :Cabin No. - 10, 5th Floor, IndiQube Penta, New No. 51, (Old No.14) Richmond Road, Bangalore Bangalore KA 560025 IN

The company's shares has recently got listed on the BSE SME platform on 23 - Dec- 2023. Thus the company is now a Listed Entity on the stock exchange. However, the CIN of the company still has not been changed.

The company has passed a special resolution in the EGM where it has been resolved to Shift the Registered office of the company to Pune where the corporate office of the company is currently situated. However, the same is not yet shifted as it is under the procedural compliance phase.

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 useful 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:

j) 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 :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

1.3 Capital Commitments

Particulars	As at 31-Mar - 2023	As at 31-Mar-2022
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)	-	-
TOTAL		

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

Particular	(Rs. In Lacs)	
	As at 31-Mar - 2023	As at 31-Mar-2022
Value of imports calculated on CIF basis:		
Raw Material	NIL	NIL
Stores & Spares	NIL	NIL
Capital Goods	NIL	NIL
Expenditure in Foreign currency on:		
Professional and Consultancy fee	65.28	NIL
Tours and Travels *	-	NIL
Contracts	NIL	NIL
Others	NIL	NIL
Earnings in Foreign Exchange:		
Consultancy	310.57	48.75
Interest	NIL	NIL
Others	NIL	NIL
Value of Components, spare parts, Raw material & store consumed /		
Purchase of Stock :		
Imported	NIL	NIL
Indigenous	8.66	4.15

* 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-2023

Particulars	As at 31-Mar - 2023	As at 31-Mar-2022
Amount remaining unpaid to any supplier:		
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	8.13	30.26	-73.14%	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	0.03	-100.00%	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	8.47%	39.11%	-78.34%	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	2.70	5.74	-52.95%	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	0.82	0.25	228.70%	Due to increase in the revenue base.

Net profit ratio	Percentage (%)	Net Profit after tax	Revenue from operations	18.42%	11.33%	62.52%	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	6.96%	3.71%	87.56%	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	2.21%	NA	NA	NA

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

Notes forming part of the financial statements as on March 31, 2023

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

Particulars	Furniture & Fixtures	Plant & Machinery (Drones)	Computer & Peripherals	Office Equipments	Vehicles	Total
Cost						
Year ended 31-Mar-2022						
Opening gross carrying amount	-	-	-	-	-	-
Additions	0.80	15.96	2.50	0.32	12.95	32.53
Disposals	-	-	-	-	-	-
Closing gross carrying amount	0.80	15.96	2.50	0.32	12.95	32.53
Year ended 31-Mar-2023						
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	-	-	-	-	-	-
Closing gross carrying amount	19.40	98.86	23.54	14.46	65.86	222.12
Accumulated depreciation						
Year ended 31-Mar-2022						
Opening accumulated depreciation	-	-	-	-	-	-
Depreciation charge during the year	0.13	0.77	0.44	0.05	0.33	1.72
Disposals	-	-	-	-	-	-
Closing accumulated depreciation	0.13	0.77	0.44	0.05	0.33	1.72
Year ended 31-Mar-2023						
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	-	-	-	-	-	-
Closing accumulated depreciation	3.00	23.45	8.37	4.53	17.22	56.57
Net carrying amounts						
At 31-Mar-2022	0.67	15.19	2.06	0.27	12.62	30.81
At 31-Mar-2023	16.40	75.41	15.17	9.93	48.64	165.55

14.57

3 Intangible Assets (Rs. In Lacs)

Particulars	CRM Software	GIS Software	Trademark	Website	Total
Cost					
Year ended 31-Mar-2022					
Opening gross carrying amount	-	-	-	-	-
Additions	0.18	-	0.50	-	0.68
Disposals	-	-	-	-	-
Closing gross carrying amount	0.18	-	0.50	-	0.68
Year ended 31-Mar-2023					
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	-	-	-	-	-
Closing gross carrying amount	1.00	548.13	0.50	22.32	571.95
Accumulated Amortization					
Year ended 31-Mar-2022					
Opening accumulated amortisation	-	-	-	0	-
Amortisation charge during the year	0.01	-	0.07	-	0.08
Disposals	-	-	-	-	-
Closing accumulated amortisation	0.01	-	0.07	-	0.08
Year ended 31-Mar-2023					
Opening accumulated amortisation	0.01	-	0.07	-	0.08
Additions	0.48	33.61	0.08	1.81	35.98
Disposals	-	-	-	-	-
Closing accumulated amortisation	0.49	33.61	0.15	1.81	36.06
Net carrying amounts					
At 31-Mar-2022	0.17	-	0.43	-	0.60
At 31-Mar-2023	0.51	514.52	0.35	20.51	535.89

4 Intangible Assets Under Development (Rs. In Lacs)

Particulars	Website under Development	Total
Year ended 31-Mar-2022		
Opening gross carrying amount	-	-
Additions	10.73	10.73
Disposals	-	-
Closing gross carrying amount	10.73	10.73
Year ended 31-Mar-2023		
Opening gross carrying amount	10.73	10.73
Additions	-	-
Disposals	-	-
Transfer to Intangible Assets	(10.73)	(10.73)
Closing gross carrying amount	-	-

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 :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

Note 5 : Non current investments

(Rs.In Lacs)

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Investment in FD	2,505.68	
b) Investment in Equity	11.20	
c) Interest Receivable - FDR	47.72	
Total	2,564.60	-

Note 6 : Long Term loans and advances

(Rs.In Lacs)

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Security Deposit - Office	100.97	10.00
b) Intercorporate Advances	1,010.00	
Total	1,110.97	10.00

Note 7 : Trade Receivables

(Rs.In Lacs)

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Trade Receivables	1,127.26	124.59
Total	1,127.26	124.59

Figures For the Current 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	-	-	-	-	-	-

Figures For the Previous Reporting Period 31 March 2022

(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	124.08	-	-	-	-	124.08
Undisputed Trade Receivables- Considered Doubtful	-	-	0.51	-	-	0.51
Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-
Others	-	-	-	-	-	-

Note 8 : Cash & Cash Equivalents

(Rs.In Lacs)

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Cash in Hand	1.22	151.85
a) Bank Balance	243.54	1,069.76
Total	244.76	1,221.61

Note 9 : Other Current Financial Assets

(Rs.In Lacs)

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Investment In Mutual Fund	1,002.97	-
b) Prepaid Expenses	1.13	-
Total	1,004.10	-

Note 10 : Other Current Assets

(Rs.In Lacs)

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Advance to Employees	-	1.06
b) Duties and Taxes Receivable - TDS and GST	209.65	28.16
c) Other Advances to creditors and parties	6.10	118.96
d) Misc pre operating exp		
e) Advance to suppliers	3.00	
Total	218.75	148.18

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

Note 11 : Share Capital

(Rs. In Lacs)

Particulars	As at 31- Mar-2023		As at 31- Mar-2022	
	In Numbers	Amount	In Numbers	Amount
(a) Authorised Capital				
Equity shares of Rs.10/- each	29,950,000.00	2,995.00	450,000	45.00
9% Cumulative Optionally convertible Preference Shares of Rs.10/- each	50,000.00	5.00	50,000	5.00
	30,000,000	3,000	500,000	50.00
(b) Issued , Subscribed & Paid Up				
Equity shares of Rs.10/- each	23,988,600.00	2,398.86	116,620	11.67
9% Cumulative Optionally convertible Preference Shares of Rs.10/- each	-	-	24,330	2.43
Total	23,988,600	2,398.86	140,950	14.10

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) Issue of Bonus Shares

The Company has issued the Bonus shares to the existing share holder in the ratio of 99:1, i.e. the company has issued 99 shares for every one equity share held. The special resolution has been passed by the company for issue of the Bonus equity shares to the existing equity share holders.

c) Issue of Preference Shares

The company has issued the 9% optionally convertible cumulative preference shares through the private placement officer. The Preference shares are issued at the Rate of Rs. 5359/- per share including face value of Rs. 10. The Premium valuation is taken as per the Valuation Report provided by the company. All the optionally convertible preference shares are fully converted into equity shares.

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

Name of shareholder	As at 31- Mar-2023		As at 31- Mar-2022	
	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	5,623,200	23.44%	57,398	49.22%
Mrs. Nikita Srivastava	1,140,600	4.77%	11,436	9.81%
Mr. Ashish Nanda	2,309,769	9.63%	23,331	20.01%
Mr. V C Kartic	971,600	4.05%	9,716	8.33%

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

Name of shareholder	As at 31- Mar-2023		As at 31- Mar-2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Preference Share of Rs. 10/- each				
Mr. Samit Rameshchandra Bhartia	-	-	2,612	10.74%
Vikas Arora	-	-	2,238	9.20%
Savio Gerard Pinto	-	-	1,398	5.75%
Vineet Arora	-	-	1,306	5.37%

Note:

- 1) The Company has received Rs 100000 in cash as subscription amount from Rinku Selvani.
- 2) The Company has refunded amount of Rs 90110 share application money in cash.

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

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

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Unsecured loans from Directors	-	46.25
Total	-	46.25

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

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Provision for Gratuity	10.35	2.80
Total	10.35	2.80

Note 15 : Deferred Tax Liabilities (Net) (Rs.In Lacs)

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Deferred Tax liabilities	15.06	0.32
Total	15.06	0.32

Note 16 : Trade Payable (Rs.In Lacs)

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Trade Payable	183.55	0.99
	183.55	0.99

Figures For the Current 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	-	-	-	-	-
	-	-	-	-	-
Total					183.55

Figures For the Previous Reporting Period 31 March 2022

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	0.99	-	-	-	0.99
Dispute dues - MSME	-	-	-	-	-
Dispute dues - Others	-	-	-	-	-
	-	-	-	-	-
Total					0.99

Note 15 : Other current Financial Liabilities

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Share Application money refundable	2.29	2.99
b) Credit Card	1.09	
Total	3.38	2.99

Note 18 : Short Term Provisions

(Rs.In Lacs)

Particulars	As at 31-Mar-23	As at 31-Mar-22
a) Duties and Taxes Payable - TDS	16.96	44.65
b) Directors Sitting Fees Payable	1.21	-
c) Audit Fees Payable	1.75	0.75
c) Internal Audit Fees Payable	0.6	-
c) More Daliya & Associates	0.89	-
d) Electricity Bill payable	1.68	-
f) PF & ESIC Payable	1.74	-
g) Interns Salary Payable	1.13	-
Provision for Gratuity - CL	0.02	-
i) Income tax payable	106.35	-
Total	132.33	45.40

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

Note 19 : Revenue From Operations

(Rs.In Lacs)

Particulars	Year Ended 31-Mar-23	Half year Ended 31-Mar-23	Year Ended 31-Mar-22
(a) Sale of Services			
Drone - Sales	0.05	0.05	6.50
Drone - Training and other Revenue	1856.90	1,357.84	352.23
Total	1,856.95	1,357.89	358.73

Note 20 : Other Income

(Rs.In Lacs)

Particulars	Year Ended 31-Mar-23	Half year Ended 31-Mar-23	Year Ended 31-Mar-22
Interest on Income tax refund	0.50	0.50	0.01
Discount received	0.12	0.09	
Capital Gain	2.97	2.97	
Other Interest	53.02	53.02	
Total	56.61	56.58	0.01

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

Note 21: Cost of Material Consumed

(Rs.In Lacs)

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-23	31-Mar-23	31-Mar-22
a) Drone Material and equipment purchase	2.43	2.04	3.50
b) Batteries	-		0.51
Total	2.43	2.04	4.01

Note 22 : Direct Costs

(Rs.In Lacs)

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-23	31-Mar-23	31-Mar-22
a) Commission on enrollments	9.37	2.38	0.06
b) Drone Controller - for training	6.23	-	0.14
c) Professional and consultancy Fees	123.29	90.39	69.99
d) Drone insurance	-		0.14
e) Drone training fees	6.29	3.69	0.84
f) System Rent	10.93	6.93	2.12
g) Management Consultancy Services	420.00	420.00	
Total	576.11	523.39	73.30

Note 23 : Employee Benefits Expenses

(Rs.In Lacs)

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-23	31-Mar-23	31-Mar-22
a) Director Salary & sitting fees	124.08	65.37	93.00
b) Staff Salary	294.32	174.41	87.81
c) Gratuity (Including interest Element)	6.26	6.26	2.80
d) Staff Welfare	29.22	17.95	3.73
Total	453.88	263.99	187.34

Note 24 : Finance Cost**(Rs.In Lacs)**

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-23	Ended 31-Mar-23	31-Mar-22
a) Bank Charges	2.71	2.23	0.15
Total	2.71	2.23	0.15

Note 25 : Other Expenses**(Rs.In Lacs)**

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-23	Ended 31-Mar-23	31-Mar-22
Accounting Charges	0.50	-	1.10
Attestation Service	-	-	0.49
Audit Fees (Including Internal Audit)	2.60	2.60	0.75
Branch Expense (Chandigarh)	2.65	2.65	
Business Marketing Service	32.89	29.58	
Client Gifts	3.94	1.57	0.03
Computer Equipments - Expense	-	-	0.05
Conveyance Expense	0.59	0.22	0.15
Contract Charges	10.29	8.27	
COVID - 19 Expense	-	-	0.01
Digital Advertising Expenses	-	-	0.10
Donation Expense	11.00	-	
Electricity Expenses	18.32	10.12	
Event Expences	-	-	0.01
Foreign Currency Translation	0.06	0.06	0.03
Generator and Diesel Exp	6.19	3.58	0.04
Genius TDS Software	-	-	0.03
Gst Interest and Late fees	0.48	0.48	0.01
G-Suite Expenses	-	-	0.12
Insurance Expenses	2.65	-	0.15
Interest on TDS	0.55	-	0.01
Internet & Telephone Expense	4.88	2.70	
Legal & Corporate Fee	7.14	2.48	1.64
Lodging & Boarding	7.88	5.84	
Maintenance Charges - Galore Tech	15.04	10.86	0.32
Miscellaneous Expenses	4.77	2.74	0.54
Office Expences	16.21	14.99	1.01
Office Rent	98.14	41.11	11.36
Other Expenses	1.25	0.63	0.86
Postage & Courier	1.71	1.44	0.19
Pre Operating Exp Written Off	-	-	0.93
Printing and Stationery Charges	6.56	3.26	1.28
Recruiting Expense	-	-	3.09
Repairs and Maintenance	-	-	0.12
Roc Challan Charges	27.63	1.08	0.89
Secreterial Audit Fees	0.60	0.60	
Security Expense	1.95	1.06	
Software Subscription	2.70	1.85	0.02
Subscriptions (Google)	-	-	0.12
Travel Expense	33.51	18.61	11.06
Tender Portal Subscription Charges	0.54	0.29	0.06
Total	323.22	168.67	36.58

Note 27 : Remeasurement Gain / (Loss) of Post employment benefit obligation**(Rs.In Lacs)**

Particulars	Year Ended	Half Year	Year Ended
	31-Mar-23	Ended 31-Mar-23	31-Mar-22
Actuarial Gain due to change in Financial Assumptions	-0.29	-0.29	-
Actuarial Loss due to experience Variance	1.61	1.61	-
Total	1.32	1.32	-

Droneacharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

Note 24 : Tax Reconciliation

(a) Income Tax Expenses

(Rs.In Lacs)

Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
Income tax expense		
Current Tax (A)		
Current tax on profits for the year	106.48	14.59
Adjustments for current tax of prior periods	-	-
Deferred Tax (B)		
Decrease / (increase) in deferred tax asset	13.62	-
(Decrease) / increase in deferred tax liabilities	-	0.32
Total (A+B)	120.10	14.91

(b) Reconciliation of tax expense and applicable tax rate

Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
Profit/(loss) for the year before income tax expense	465.20	55.56
Tax at applicable tax rate of @ 26%	106.48	14.59
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	13.62	0.32
(v) Short/(Excess) provision for tax in respect of earlier years	-	-
Income Tax Expense	120.10	14.91

* 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, 2023

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-23	Year Ended 31-Mar-22
Profit/ (Loss) after tax (Rs. In Hundreds)	341.97	40.65
Weighted average number of shares	19,251,905	11,545,380
Diluted Equity Shares	19,251,905	13,954,050
Earnings/ (Loss) Per share (Rs.)		
- Basic	1.776	0.352
- Diluted	1.776	0.291
Face Value per Share (Rs.)	10.00	

29 Auditor's Remuneration

Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
Statutory Audit Fees	1.75	0.60
Tax Audit Fees	0.50	0.15
Taxation Matters	-	
Certification Fees/ other services	0.85	

30 Contingent Liabilities

Particulars	Year Ended 31-Mar-23	Year Ended 31-Mar-22
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

(i) Shareholder & Directors
Prateek Srivastava - Managing Director & Shareholder
Nikita Srivastava - CFO, Whole Time Director & Shareholder
(ii) Relative
Dr. Pradeep Srivastava - prateek Srivastava's Father

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

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-2023	Year Ended 31-Mar-2022	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Remuneration Paid to *				
Prateek Shrivastava	98.58	80.00	-	-
Nikita Shrivastava	23.25	13.00	-	-
Short Term Borrowings from :				
Prateek Srivastava	0.19	45.00		
Nikita Srivastava	-	5.00	-	-
Short Term Borrowings Repaid :				
Prateek Srivastava	41.02	4.36	-	-
Nikita Srivastava	5.41	5.00		
Purchase of Plant Property and equipmenet				
Prateek Srivastava	3.00	0.50		
Professional consultancy fees Paid:				
Dr. Pradeep Srivastava	11.80	-		
Sale of Service - DGCA Course				
Prateek Srivastava	0.65			
Nikita Srivastava	0.65			

C. Balances with Related Parties

(Rs. In Lacs)

Particulars	Shareholders/ Key		Enterprise over which Key	
	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Short Term Borrowings from :				
Prateek Shrivastava	-	40.83	-	-
Nikita Shrivastava	-	5.41	-	-
Sundry Debtors - sales of Services				
Prateek Shrivastava	0.65	-	-	-
Nikita Shrivastava	0.65	-	-	-

Droneacharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

Note 32(i) : Non Current Investments

Particulars	Classification	As at 31-Mar-2023		As at
		No of Units	Amount	No of Units
Quoted:				
NIL				
Unquoted:				
(a) In Equity Shares				
Technit Space and Aeroworks Private Limited	FVTOCI	-	11.20	-
Total			11.20	
(b) In Fixed Deposits with Bank				
FDR with Axis Bank	Amortised cost	-	2,505.68	-
Interest on Fixed Deposit (Compounding Effect)	Amortised cost	-	47.71	
Total			2,553.39	
Total Non Current Investment			2,564.59	

FDR of Rs. 0.68 is lien Marked against the Bank Guarantee for Tender

Note 32(ii) : Current Investments

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

The company has sold/ redeemed the Mutual funds of Rs. 3 Crores where the capital gain of Rs. 2.97 lakhs has earned by the company. The amount is considered in the Statement of profit and loss as the mutual funds are classified as FVTPL

Droneacharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes forming part of the financial statements as on March 31, 2023

Note 32(i) : Non Current Investments

(Rs in Lacs)

Particulars	Classification	As at 31-Mar-2023		As at 31-Mar-2022	
		No of Units	Amount	No of Units	Amount
Quoted:					
NIL					
Unquoted:					
(a) In Equity Shares					
Technit Space and Aeroworks Private Limited	FVTOCI	-	11.20	-	-
Total			11.20		-
(b) In Fixed Deposits with Bank					
FDR with Axis Bank	Amortised cost	-	2,505.68	-	-
Interest on Fixed Deposit (Compounding Effect)	Amortised cost	-	47.71		
Total			2,553.39		-
Total Non Current Investment			2,564.59		-

FDR of Rs. 0.68 is lien Marked against the Bank Guarantee for Tender

Note 32(ii) : Current Investments

(Rs in Lacs)

Particulars	Classification	As at 31-Mar-2023		As at 31-Mar-2022	
		No of Units	Amount	No of Units	Amount
Quoted:					
(a) In Mutual Funds					
Axis Liquid Fund	FVTPL	20,153.36	500.00	-	-
Axis Overnight Fund	FVTPL	42,315.31	500.00		
Total			1,000.00		-
Total Current Financial Investment			1,000		-

The company has sold/ redeemed the Mutual funds of Rs. 3 Crores where the capital gain of Rs. 2.97 lakhs has earned by the company. The amount is considered in the Statement of profit and loss as the mutual funds are classified as FVTPL

DroneAcharya Aerial Innovations Limited

CIN : U29308KA2017PLC101287

Notes Forming part of Financial Statements as on 31st March 2023.

33 Employee benefit obligations

I. Defined Contribution Plans

- Provident Fund
- 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-23	Year Ended 31-Mar-22
Employers' Contribution to Provident Fund	8.10	-
Employer's contribution to ESIC	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-2023		As at 31-Mar-2022	
	Current	Non-current	Current	Non-current
Gratuity	0.02	10.36	-	2.80
Total		10.38		2.80

Particulars	As at 31-Mar-2023			As at 31-Mar-2022		
	Present value of obligation	Fair value of plan assets	Net amount (Unfunded)	Present value of obligation	Fair value of plan assets	Net amount (Unfunded)
As at the beginning of the year	2.80	-	2.80	-	-	-
Current service cost	6.06	-	6.06	2.80	-	2.80
Past service cost	-	-	-	-	-	-
Interest expense / (income)	0.20	-	0.20	-	-	-
Transfer out	-	-	-	-	-	-
Total amount recognized in profit or loss	6.26	-	6.26	2.80	-	2.80

Remeasurements:						
(Gain)/loss from change in Demographic Assumptions	-	-	0.00	0.00	-	0.00
(Gain)/loss from change in Financial Assumptions	(0.29)	-	(0.29)	0.00	-	0.00
Effect of Experience Adjustments	1.6	-	1.6	0.00	-	0.00
Total amount recognised in other comprehensive income	1.3	-	1.3	0.00	-	0.00
Benefit payments	-	-	-	-	-	-
As at end of the year	10.38	-	10.38	2.80	-	2.80

The significant actuarial assumptions were as follows:

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Discount Rate	7.29%	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-2023		As at 31-Mar-2022	
		Increase in assumption	Decrease in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	-0.71	0.78	-	-
Salary growth rate	1.00%	1.16	-1.37	-	-
Attrition Rate	5.00%	-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, 2023 as follows

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Year 1	0.02	0.00
Year 2	0.02	0.00
Year 3	0.02	0.00
Year 4	0.47	0.00
Year 5	0.65	0.18
Year 6 and above	3.77	9.95

DroneAcharya Aerial Innovations Limited

CIN :U29308KA2017PLC101287

Notes Forming part of Financial Statements as on 31st March 2023.

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 :

- a The input tax credit availed and utilised by the company is subject to the GSTR 2A and GSTR 2B 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



investor.relations@droneacharya.com
+91 989 000 35590
www.droneacharya.com

Registered office

Cabin no – 10, 5th Floor IndiQube Penta,
New No. 51, (Old No.14) Richmond Road,
Bangalore 560025

Corporate office

1st & 2nd Floor, Galore Tech IT Park,
LMD Chowk, Bavdhan
Pune 411021