To,
**Bombay Stock Exchange**, 2nd Floor,
PJ Towers,
Dalal Street, Mumbai-400001 Dear Sir/Madam,

Date: 06th September, 2026

**Subject: Sub: Notice of 9th Annual General Meeting and Annual Report for the Financial Year 2025-2026 (Scrip Code: 543713)**

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the Companies Act, 2013, rules framed thereunder, please find enclosed herewith the notice of 8th Annual General Meeting of the Company scheduled to be held on **Wednesday, September 30, 2026 at 12.00 PM** through video conferencing (VC) /Other audio-visual means (OAVM) and the Annual report for the Financial Year 2025-2026.

The proceedings of the 9th Annual General Meeting shall be deemed to be conducted at the Registered Office of the Company at 4th Floor, Vishal Complex, DSK Ranwara, Ram Nagar, NDA Pashan Road, Bavdhan, Pune, 411021.

In compliance with the circulars issued by MCA, the notice of the AGM along with the Annual Report for the Financial Year 2025-26 are being sent to the Shareholders of the Company, holding shares as on the cut-off date.

The notice and the Annual Report shall be available on the website of the Company at www.droneacharya.com.

Information at glance:

| Particulars | Details |
|---|---|
| Time and Date of AGM | Wednesday, September 30, 2026 at 12.00 P.M |
| Mode | Video Conferencing (VC) and Other Audio-Visual Means (OAVM) |
| Cut-off date for e-voting | 23rd September, 2026 |
| E-voting start time and date | 27th September, 2026 , 12:00 PM |
| E-voting end time and date | 29th September, 2026 , 05:00 PM |

Please take the above-mentioned information on record.

Thanking you.

For **DroneAcharya Aerial Innovations Limited**



**Prateek Srivastava**

**Managing Director**

**DIN: 07709137**

Encl: As above

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**Bombay Stock Exchange**, 2nd Floor,
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Thanking you.
For **DroneAcharya Aerial Innovations Limited**

**Sd/-**

**Prateek Srivastava**

**Managing Director**

**DIN: 07709137**

Encl: As above

**NOTICE OF THE 9TH ANNUAL GENERAL MEETING OF THE COMPANY**

**NOTICE** is hereby given that the **9th Annual General Meeting ("AGM")** of the members of **DroneAcharya Aerial Innovations Limited** ("the Company") is scheduled to be held on 30th of September 2026 at 12.00 P.M. through video conferencing ("VC") /Other Audio-Visual Means ("OAVM") facility to transact the following business:

**Ordinary Business**

**1.** To receive, consider and adopt:

a) The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026 and the report of the Board of Directors and Auditors thereon; and

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026, together with the Reports of the Board of Directors and the Statutory Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

b) The Audited Consolidated Financial Statements for the Financial Year ended March 31, 2026 and the report of Auditors thereon;

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, together with the Reports of the Board of Directors and the Statutory Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

**2.** To appoint a director in place of Mr. Prateek Srivastava, Director (DIN: 07709137) who retires by rotation and being eligible, offers himself for re-appointment.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and the Articles of Association of the Company, Mr. Prateek Srivastava (DIN: 07709137), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

**3.** To consider and approve the appointment of Statutory Auditors for a term of five consecutive years.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors, M/s. **Haziyani & Associates, Chartered Accountants (Firm Registration No. 030087C),** who have confirmed their eligibility for appointment and that they satisfy the criteria provided under Section 141 of the Act, be and are hereby appointed as the Statutory Auditors of the Company to hold office for a term of five financial years, commencing from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be held in the year 2031, at such remuneration, plus applicable taxes and reimbursement of out-of-pocket expenses, as may be determined by the Board of Directors of the Company in consultation with the Statutory Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to this resolution."

**4.** To consider and approve the appointment of Secretarial Auditor for a term of five consecutive years.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, to the extent applicable, and other applicable laws, **M/s. Akshay R. Birla and Associates**, Practicing Company Secretaries (Certificate of Practice No. 25084), be and are hereby appointed as the Secretarial Auditor of the Company to conduct the Secretarial Audit for the Financial Year 2026-27, and be and are hereby recommended for appointment as the secretarial auditor of the Company to hold office for a term of **five financial years**, from the conclusion of the ensuing Annual General Meeting until the conclusion of the **[Fourteenth]** Annual General Meeting of the Company at such remuneration and on such terms and conditions as may be mutually agreed upon between the Company and the Secretarial Auditor.

**RESOLVED FURTHER THAT** the Board hereby authorizes Mr. Prateek Srivastava, Managing Director, and Mrs. Nikita Srivastava, Director and CFO severally, to communicate the appointment to the Secretarial Auditor, finalize and execute the engagement letter, determine the remuneration, and do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the Secretarial Audit Report received from the Secretarial Auditor shall be placed before the Board upon completion of the audit and shall form part of the Board's Report for the Financial Year 2026-27, in accordance with the applicable provisions of the Companies Act, 2013."

**By Order of the Board**
**For DroneAcharya Aerial Innovations Limited**

Sd/-
**Prateek Srivastava**
**Managing Director**
**DIN: 07709137**

**Date:** 04th September 2026
**Place:** Pune

**Registered Office:**
4th Floor, Vishal Complex,
DSK Ranwara, Ram Nagar, NDA Pashan Road,
Bavdhan, Pune- 411021
**CIN:** L29308PN2017PLC224312
**Website:** www.droneacharya.com
**E-mail ID:** cs@droneacharya.com

**Notes:**

1. The Ministry of Corporate Affairs, Government of India, through circulars numbered 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 02/2022, 10/2022, and 09/2023 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023, 09/2024 (19" September, 2024) and the latest being 03/2025 (September 22, 2025) respectively ("MCA Circulars"), has permitted companies to conduct Extraordinary General Meetings ("EGMs") via video conferencing or any other audio visual means (OAVM) pursuant to compliance with provisions outlined in paragraphs 3 and 4 of MCA General Circular no. 20/2020. Concurrently, the Securities and Exchange Board of India ("SEBI") has, through its circulars numbered SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 13, 2022, and SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 ("SEBI Circulars") and the latest being SEBI/HO/CFD/CFDPoD-2P/CIR/ 2024/133 (03" October, 2024) provided relaxations from certain provisions of the Companies Act and SEBI Listing Regulations. The AGM of the company is therefore being conducted via Video Conference (VC) and other audio-visual means (OAVM), eliminating the need for physical presence of members at a common venue, with the registered office of the Company.

2. In terms of MCA Circulars and other relevant circulars issued by SEBI, the Annual report for the financial year ended March 31, 2026 along with the Notice of 9th AGM are being sent to the members through electronic mode to those whose email addresses are registered with the Company/ Registrar and Share transfer agent/ Depository participants. The same shall also be available on the website of the Company at www.droneacharya.com , website of Bombay Stock Exchange at www.bseindia.com and on the website of Bigshare Services Private Limited at www.bigshareonline.com. Since the AGM is being conducted through VC/OAVM facility, the route map is not annexed hereto the notice.

3. In compliance with Regulation 44 of Listing Regulations, the MCA Circulars, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Secretarial Standard-2 issued by ICSI, the manner of voting on the proposed resolution is restricted only to e-voting i.e. by

casting votes electronically. The Company has engaged Bigshare Services Private Limited (hereinafter referred to as "Bigshare") for facilitating remote e-voting to enable the Members to cast their votes electronically on the resolutions proposed in the Notice of 9th AGM.

4. Members entitled to vote on the resolutions are entitled to appoint proxy as per the Companies Act, 2013. However, since we are conducting the 9th AGM through VC/OAVM mode as per the MCA Circulars, the facility for the appointment of proxies will not be available.

5. Members desiring to join the 9th AGM may do so through the VC/OAVM facility, following the procedure outlined below. The facility for joining the meeting will open 30 minutes before the scheduled time of the meeting, i.e.,12.00 P.M. (IST), and will remain open until 30 minutes after the scheduled time. After this period, the facility will be closed.

6. Members attending the meeting through VC/OAVM facility shall be counted for the purpose of reckoning the quorum for the 9th AGM.

7. **Instructions For Remote E-Voting:**

i. The voting period begins on **Sunday, September 27th, 2026 at 12:00 P.M.** and ends on **Tuesday, September 29th, 2026 at 5:00 P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date**, i.e. **Wednesday, September 23rd, 2026** may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date will not be entitled to vote at the meeting venue.

iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

| **Type of shareholders** | **Login Method** |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL** | 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.<br>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. 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/myeasitoken/Registration/EasiRegistration<br><br>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin 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.<br>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<br>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<br>4) For OTP based login you can<br>5) click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-vote (E-voting 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 toll free No. 1800 22 55 33. |
| 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.com or call at 022-48867000. |

**2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com
- Click on "**LOGIN**" button under the '**INVESTOR LOGIN**' section to Login on E-Voting Platform.
- Please enter you '**USER ID**' (User id description is given below) and '**PASSWORD**' which is shared separately on you register email id.
  - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
  - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
  - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

***Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

**NOTE:** If Shareholders are holding shares in demat form and have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on '**LOGIN**' under '**INVESTOR LOGIN**' tab and then Click on '**Forgot your password**?
- Enter "**User ID**" and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**Reset**'.

*(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).*

**Voting method for shareholders on i-Vote E-voting portal:**

- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option "**IN FAVOUR**", "**NOT IN FAVOUR**" or "**ABSTAIN**" and click on "**SUBMIT VOTE**". A confirmation box will be displayed. Click "**OK**" to confirm, else "**CANCEL**" to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on investor portal.

3. **Custodian registration process for i-Vote E-Voting Website:**

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com
- Click on "**REGISTER**" under "**CUSTODIAN LOGIN**", to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with **"User id and password will be sent via email on your registered email id"**.

**NOTE**: If Custodian have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on '**LOGIN**' under '**CUSTODIAN LOGIN**' tab and further Click on '**Forgot your password**?
- Enter "**User ID**" and "**Registered email ID**" Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on '**RESET**.

*(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).*

**Voting method for Custodian on i-Vote E-voting portal:**

- After successful login, **Bigshare E-voting system** page will appear.

**Investor Mapping:**

- First you need to map the investor with your user ID under "**DOCUMENTS**" option on custodian portal.
  - Click on "**DOCUMENT TYPE**" dropdown option and select document type power of attorney (POA).
  - Click on upload document "**CHOOSE FILE**" and upload power of attorney (POA) or board resolution for respective investor and click on "**UPLOAD**".

**Note**: The power of attorney (POA) or board resolution has to be named as the "**InvestorID.pdf**" (Mention Demat account number as Investor ID.)

  - Your investor is now mapped and you can check the file status on display.

**Investor vote File Upload:**

- To cast your vote select "**VOTE FILE UPLOAD**" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "**UPLOAD**". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on custodian portal.

**Helpdesk for queries regarding e-voting:**

| Login type | Helpdesk details |
|---|---|
| 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, 022-62638338 |

**4. Procedure for joining the AGM/EGM through VC/ OAVM:**

**For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- The Members may attend the AGM through VC/ OAVM at https://ivote.bigshareonline.com under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on "**VIEW EVENT DETAILS (CURRENT)**" under '**EVENTS**' option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on "VC/OAVM" link placed beside of "**VIDEO CONFERENCE LINK"** option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**The instructions for Members for e-voting on the day of the AGM/EGM are as under:-**

- The Members can join the 9th AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.

- Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.

- Members who have already exercised their right to vote through remote e-voting shall not be permitted to vote again on the resolutions during the 9th AGM. However, they may participate in the meeting through VC/OAVM facility.

**Helpdesk for queries regarding virtual meeting:**

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at https://ivote.bigshareonline.com, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338

8. All documents referred to in this notice and explanatory statement are available for inspection to members during the business hours. Those who desire to inspect the same can email us at cs@droneacharya.com .

9. The relevant details of director seeking reappointment under Item No. 2 as required under Regulations 36(3) of SEBI Listing Regulations read with applicable provisions of the Companies Act, 2013 and Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India, are given separately as an Annexure to this Notice.

10. The Register of Directors & Key Managerial Personnel and their shareholding as required to be maintained under section 170 of the Companies Act, 2013, Register of contracts and arrangements in which directors are interested as required to be maintained under section 189 of the Companies Act, 2013 shall be made available for inspection electronically to the members of the company during the AGM.

11. Corporate shareholders who wish to authorize their representatives to attend AGM are required to submit certified copy of Board resolution to the company in this behalf. This resolution should authorize the representatives to attend and vote at the meeting on their behalf. Further, pursuant to section 113 of the Companies Act, 2013 the scanned copy of the Board resolution in PDF/JPEG format, along with the attested copy of the specimen signature of the authorized representative(s) shall be sent to following:

A. Company Secretary: cs@droneacharya.com
B. Scrutinizer: mnjainoffice@gmail.com
C. A copy marked to E-voting agency: ivote@bigshareonline.com

The scanned copy of the above document shall be sent in the name of "Corporate Name and Event No."

12. **Other guidelines for Members**

a. The voting rights of a person shall be in proportion to their shareholding in the company (paid up equity share capital) as on the cut-off date, i.e. **Wednesday, September 23rd, 2026.**

b. A person, whose name appears in the register of members or in the register of beneficial owners maintained by depositories as on the cut-off dates only shall be entitled to avail the facility of casting vote either through remote e-voting or e-voting during the 9th AGM.

c. The Chairman shall, after response to the queries raised by members in advance, formally ask the members attending the meeting through VC/OAVM to vote on the proposed resolutions and announce the start of the casting of vote through e-voting system.

d. Mr. Arpit Agrawal, Practicing Chartered Accountant and partner at M/s MANISH N JAIN & CO., Nagpur have been appointed as the scrutinizer to scrutinize the remote e-voting process and e-voting process during the 9th AGM in a fair and transparent manner.

e. After the completion of scrutiny of e-voting (the votes cast during the AGM and through e-voting) the scrutinizer shall submit his report to the Chairman or any other person so authorized by the Chairman, not later than two working days from the conclusion of the 9th AGM. The results so declared by the scrutinizer shall be uploaded on the website of the Company at www.droneacharya.com , BSE and Bigshare Services Private Limited.

**By order of Board of Directors**
**For DroneAcharya Aerial Innovations Limited**

Sd/-
**Prateek Srivastava**
**Managing Director**
**DIN: 07709137**

Date: 04th September 2026
Place: Pune

**Additional information on directors for appointment/reappointment as required under section 102 of the Act, 2013, Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and applicable Secretarial Standards:**

| **Name of the Director** | **Mr. Prateek Srivastava (DIN: 07709137)** |
|---|---|
| **Brief Profile** | Mr. Prateek Srivastava, Chairman and Managing Director founded DroneAcharya Aerial Innovations Ltd in the year 2017 with a vision to lead innovation in the Drone/UAV industry. Over the past few years, under his leadership, the company has flourished, distinguishing itself through innovative design, advanced engineering and fostered strategic partnerships and collaborations that have expanded the company's global footprint. Beyond technological innovations, Mr. Prateek envisions drones as a catalyst for positive change.<br><br>Known for his unwavering dedication and entrepreneurial spirit, Mr. Prateek believes in pushing boundaries and challenging conventional thinking. He inspires his team to embrace creativity, driving continuous innovation in the drone technology.<br><br>Given Mr. Prateek's extensive entrepreneurial experience and exemplary leadership, the Board strongly believes that his continued stewardship will significantly benefit the Company. Therefore, we kindly request the members to consider his re-appointment within the organization. |
| **Age** | 42 years |
| **Nature of Expertise in specific functional area** | Rich experience in Business Operations, Strategy & Planning, Technology, Leadership, and Risk Management. |

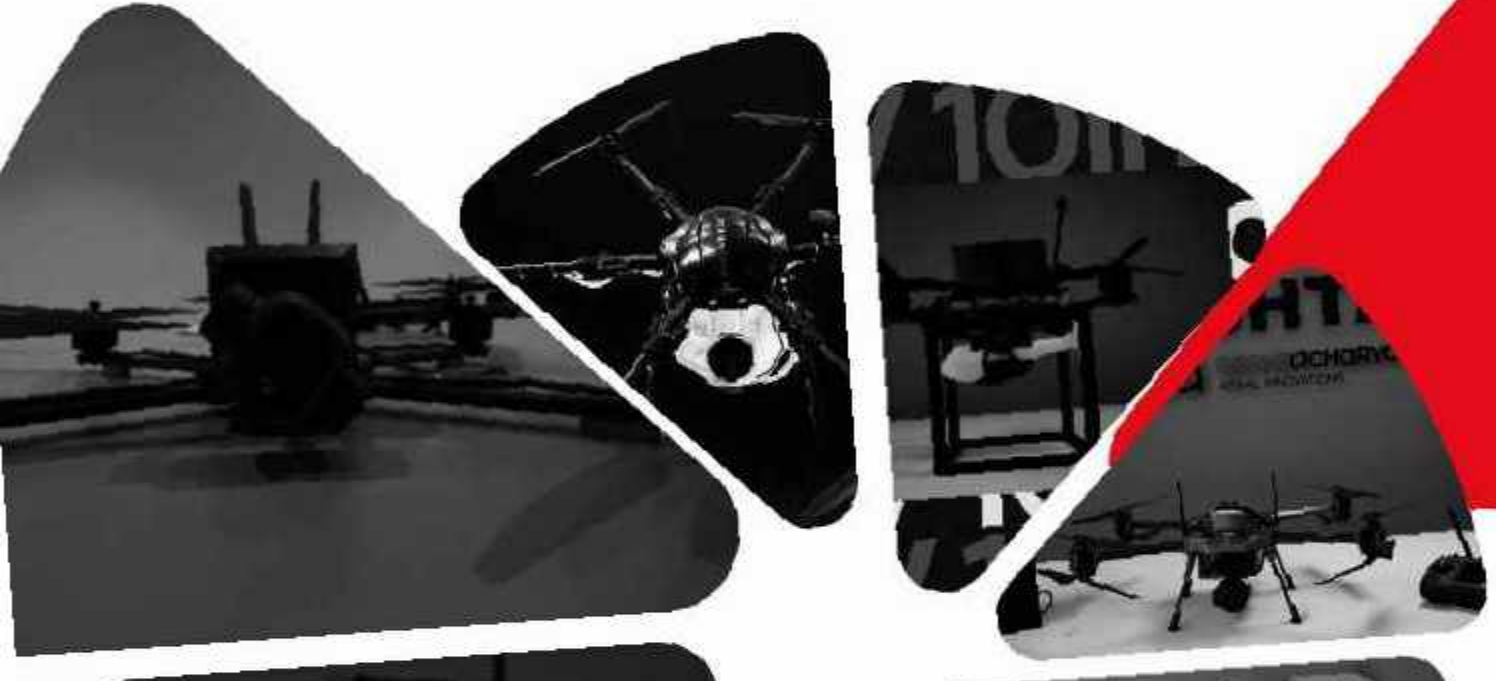
| | | | |
|---|---|---|---|
| **Disclosure of relationship between inter se KMP and other Directors** | **Name** | **Designation** | **Nature of relationship** |
| | Mrs. Nikita Srivastava | Director & CFO | Spouse |
| **Listed Entities (Other than DroneAcharya Aerial Innovations Ltd) in which Mrs. Nikita Srivastava holds directorship and committee membership:** | NIL | | |
| **Listed entities from which Mrs. Nikita Srivastava has resigned in the past 3 years.** | NIL | | |
| **Shareholding in the Company as on 31.03.2026** | **Name** | **Category** | **No. of Equity Shares held** |
| | Mr. Prateek Srivastava | Managing Director | 56,23,200 |
| | Mrs. Nikita Srivastava | Director & CFO Relative (Spouse) | 11,43,600 |
| **Key terms & conditions of appointment** | Re-appointment in terms of Section 152(6) of the Companies Act, 2013 | | |
| **Date of first appointment to the Board** | 10.03.2017 | | |
| **No. of Board meetings attended during the financial year 2025-26.** | The company has conducted a total of 8 Board meetings in the Financial Year 2025-26 and Mr. Prateek Srivastava attended all 8 Board meetings. | | |

Registered Address: 4th Floor, Vishal Complex, DSK Ranwara, NDA Pashan Road, Bavdhan, Pune - 411021

+91 98 900 03 590 info@droneacharya.com www.droneacharya.com

DRONEACHARYA®
AERIAL INNOVATIONS

# ANNUAL REPORT 2025-26





www.droneacharya.com
4th Floor, Vishal Complex, DSK Ranwara Rd, near NDA Pashan Road, Ram Nagar, Bavdhan, Pune, Maharashtra 411021

DRONEACHARYA®
AERIAL INNOVATIONS

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# CHAIRMAN'S NOTE



## Building the Next Chapter of DroneAcharya

Dear Shareholders,

It gives me great pleasure to present the Annual Report of DroneAcharya Aerial Innovations Limited for the financial year 2025–26.

FY 2025–26 has been an important year in the journey of DroneAcharya. We have continued to strengthen our position as an integrated drone technology company, while laying the foundation for our next phase of growth — from providing drone solutions to building indigenous drone products and manufacturing capabilities.

The Indian drone industry is entering an important phase of maturity. What began primarily as an emerging technology is increasingly becoming a critical capability across defence, agriculture, infrastructure, mining, energy, governance and industrial applications. The rapid adoption of unmanned systems, particularly in defence and strategic applications, presents a significant opportunity for Indian technology companies.

At DroneAcharya, we intend to be at the forefront of this transformation.

## A Year of Stronger Defence Momentum

One of the most significant developments during FY 2025–26 has been the continued strengthening of our presence in the defence and security segment.

The changing nature of modern warfare has demonstrated the strategic importance of unmanned aerial systems. FPV drones, tactical UAVs, surveillance platforms and specialised unmanned systems are increasingly becoming important components of modern defence operations.

During the year, DroneAcharya secured and executed multiple defence-related drone deployment and demonstration projects and continued to strengthen its engagement with defence establishments and industry partners. We also advanced the indigenous development of FPV, surveillance and tactical drone systems.

This is an area where we see considerable long-term potential. Our objective is not merely to supply drones, but to develop mission-specific, reliable and indigenous unmanned systems that address the evolving requirements of India's defence ecosystem.

## FY 2025–26 Financial Performance

The Company delivered a positive financial performance during the year. Although revenue declined, the Company achieved significant improvements in operational efficiency.

Standalone Revenue from Operations stood at **₹1,466.97 lakh**, while Total Revenue stood at **₹1,827.44 lakh**. The Company reported EBITDA of **₹709.90 lakh**, with an EBITDA margin of **48.39%**. Profit Before Tax stood at **₹52.43 lakh**, while Profit After Tax stood at **₹37.97 lakh**. Cash Profit for the year stood at **₹258.86 lakh**.

These results are particularly meaningful in the context of the investments we continue to make in technology, product development and building capabilities for the next phase of the business.

Our focus going forward will remain on improving the quality of revenues, strengthening execution, managing working capital prudently and building a scalable and sustainable business.

## From Drone Services to Drone Technology

DroneAcharya's evolution is an important part of our strategy.

We started our journey by building capabilities in drone operations, training, surveying, mapping and data services. Over time, we have expanded into defence applications, specialised drone systems, agriculture and enterprise solutions.

The next logical step in this journey is manufacturing and indigenous product development.

We believe that the future value of the drone industry will increasingly lie not only in operating drones, but in owning the underlying technology — including airframes, electronics, payload integration, software, data systems and mission-specific platforms.

Accordingly, we are working towards strengthening our manufacturing capabilities and developing a portfolio of indigenous drone platforms.

## The Road Towards Self-Reliance

The global supply-chain environment has reinforced an important lesson for the Indian drone industry: **self-reliance is not merely an aspiration; it is a strategic necessity.**

Dependence on imported components can create challenges related to availability, pricing, logistics and delivery timelines. Building greater control over our products and supply chain will therefore be central to DroneAcharya's long-term strategy.

Our objective is to progressively increase indigenous content, strengthen our engineering capabilities, establish scalable manufacturing, and develop products that can compete in both Indian and international markets.

This journey will require investment, technical capabilities and disciplined execution. However, we believe it will also create a stronger and more resilient business with greater control over product quality, costs, delivery schedules and innovation.

## Building an Integrated Drone Ecosystem

Another important strength of DroneAcharya is our ability to operate across multiple layers of the drone ecosystem.

Our business encompasses:

**Training → Drone Operations → Data & GIS → Technology → Product Development → Manufacturing → Defence & Enterprise Solutions**

Our DGCA-approved Remote Pilot Training Organisation network continues to contribute to India's growing requirement for trained drone professionals. During the year, we expanded our training initiatives, conducted pilot and instructor programmes and collaborated with educational institutions and industry partners to strengthen drone skilling.

We believe that this integrated approach provides DroneAcharya with the ability to understand the complete lifecycle of drone adoption — from training and operations to technology development and product deployment.

## Innovation at the Core

Innovation will remain at the heart of our strategy.

During FY 2025–26, we continued our research and development initiatives across surveillance drones, inspection solutions, tactical systems and advanced autonomous applications.

Our R&D approach is focused on solving real-world problems and creating practical, scalable solutions.

Going forward, our technology roadmap will increasingly focus on:

- Indigenous drone platforms;
- Defence and tactical UAV systems;
- Advanced FPV systems;
- Agriculture drone technology;
- Surveillance and inspection solutions;
- Payload integration;
- Autonomous drone applications;
- Drone data and analytics; and
- Manufacturing technologies.

## Looking Ahead

As we enter FY 2026–27, our priorities are becoming increasingly clear.

**1. Execute and Scale the Defence Business**

We intend to deepen our presence in defence and security applications and build capabilities to participate in larger and more sophisticated programmes.

**2. Build Manufacturing Capabilities**

We are working towards establishing scalable manufacturing capabilities that enable us to move further towards being an indigenous drone OEM.

**3. Develop Proprietary Products**

We will continue investing in R&D and product development to create differentiated drone platforms for defence, agriculture, enterprise and industrial applications.

**4. Strengthen Our Training Ecosystem**

We will continue expanding our RPTO and institutional training ecosystem and contribute to the creation of India's skilled drone workforce.

**5. Expand Internationally**

With a strong domestic technology and manufacturing base, we see opportunities to take Indian drone technology into international markets.

## The Road Ahead

The opportunity before the Indian drone industry is substantial.

India has the opportunity not only to become one of the world's largest users of drones, but also to become a **global hub for drone design, engineering, manufacturing and applications.**

DroneAcharya's ambition is to contribute meaningfully to this journey.

Our vision is to build a company that is **technology-led, manufacturing-driven and globally relevant**, while remaining firmly aligned with India's vision of *Atmanirbhar Bharat*.

We are moving from being primarily a company that **uses drone technology** to becoming a company that increasingly **builds drone technology**.

That transition will define the next chapter of DroneAcharya.

I would like to thank our shareholders, customers, defence and government institutions, technology partners, educational institutions and, most importantly, our employees for their continued trust, commitment and support.

The journey ahead will demand innovation, resilience and disciplined execution. We are committed to embracing these challenges and creating sustainable long-term value for all our stakeholders.

## Regulatory Matter and Interim Relief from SAT

The Company addressed the regulatory proceedings arising from the SEBI order, which included a penalty of ₹10 lakh and certain restrictions concerning the Company and its promoter/director-level conduct. The Company pursued its remedies before the Hon'ble Securities Appellate Tribunal ("SAT").

As a significant subsequent development, vide its order dated 3 February 2026, the Hon'ble SAT partly allowed the Company's application and permitted the Company to raise funds through issuance of preference shares, subject to the terms and conditions of the order and applicable disclosures. The matter continues to remain pending before the Hon'ble SAT for final adjudication.

## ROC Compliance

The Company successfully resolved the matter relating to the delay in holding its Annual General Meeting. A penalty of *₹71,000/-* was paid to the Registrar of Companies ("ROC") towards the said matter, which has been *settled in full and final and stands closed*. The Company remains committed to strengthening its compliance framework and ensuring timely statutory compliances.

Whatever is in bold, keep it bold.

**Thank you for your continued confidence in DroneAcharya**

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

# KEY HIGHLIGHTS OF FY 2025–26

## A Year of Defence Momentum, Innovation and Strategic Transformation

### 01 | STRONGER DEFENCE PRESENCE

DroneAcharya strengthened its position in India's rapidly expanding defence drone ecosystem, securing and executing multiple defence-related drone deployment and demonstration projects. The Company also continued to develop FPV, surveillance and tactical drone systems.

### 02 | POSITIVE FINANCIAL PERFORMANCE IN FINANCIAL YEAR 2025-26

The Company recorded:

₹1,466.97 Lakh

**Revenue from Operations**

₹1,827.44 Lakh

**Total Revenue**

₹709.90 Lakh

| PARTICULARS | STANDALONE (In Lakhs) | CONSOLIDATED (In Lakhs) |
|---|---|---|
| Revenue from Operations | 1466.97 | 1466.97 |
| Total Revenue | 1827.44 | 1827.69 |
| EBITDA | 709.90 | 708.33 |
| Net Profit | 37.97 | 37.20 |

### 03| MOVING TOWARDS INDIGENOUS MANUFACTURING

FY 2025–26 marked an important strategic shift towards greater ownership of drone technology and manufacturing capabilities.

The Company is building capabilities to move from dependence on externally sourced drone systems towards indigenous product development, manufacturing and technology ownership.



**04 | FPV & TACTICAL DRONE DEVELOPMENT**

The Company advanced indigenous development of:

- FPV drone systems
- Surveillance drones
- Tactical drone platforms
- Specialised defence systems

The focus is on developing mission-specific systems for India's evolving defence requirements.

**05 | EXPANDING R&D CAPABILITIES**

DroneAcharya continued to invest in research and development across surveillance, inspection, tactical and autonomous drone applications, strengthening its foundation for future proprietary products.

**06 | DGCA-APPROVED TRAINING ECOSYSTEM**

The Company continued to expand its DGCA-approved Remote Pilot Training Organisation network and conducted multiple pilot and instructor training programmes.

**07 | BUILDING THE DRONE SKILLING ECOSYSTEM**

DroneAcharya continued collaborations with educational institutions and industry partners to promote drone education, training and skill development across India.

**08 | DIVERSIFIED APPLICATIONS**

The Company continued strengthening its capabilities across:

Defence | Surveillance | Industrial Inspection | Agriculture | Mapping | GIS | Training | Enterprise Applications

**09 | STRATEGIC PARTNERSHIPS**

DroneAcharya continued to strengthen collaborations with Indian defence establishments, educational institutions, industry partners and global OEMs to accelerate technology development and market access.

**10 | BUILDING THE FOUNDATION FOR SCALE**

The Company enters FY 2026–27 with an expanding opportunity pipeline across defence and enterprise applications, increasing opportunities in drone manufacturing and exports, and a growing domestic training ecosystem.

# WAY AHEAD





**FROM DRONE SOLUTIONS TO DRONE MANUFACTURING**

**YESTERDAY**

Drone Services

Training

Surveying

GIS

↓

**TODAY**

Defence

FPV

Surveillance

Agriculture

Enterprise Solutions

R&D

↓

**TOMORROW**

**INDIGENOUS DRONE MANUFACTURING**

Design

Develop

Manufacture

Integrate

Deploy

Maintain



# OUR AMBITION

To build DroneAcharya into an integrated, technology-led and manufacturing-driven drone company, contributing to India's journey towards self-reliance in unmanned systems.

## THE FIVE PRIORITIES AHEAD

| Strategic Priority | Objective |
|---|---|
| Defence | Build deeper capabilities in tactical & specialised drones |
| Manufacturing | Develop scalable indigenous OEM capabilities |
| Products | Build proprietary drone platforms |
| R&D | Develop differentiated technology |
| Globalisation | Take Indian drone technology to international markets |

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

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

**Mrs. Nikita Srivastava**
**Executive Director**

**Mr. Mangina Srinivas Rao**
**Independent Director**

**Mrs. Meenakshi Niraj Gupta**
**Independent Director** (Director appointed in a casual vacancy (w.e.f 16th Feb 2026 to 24th June 2027)

**Mr. Shyam Shankar Jedhe**
Independent Director (Director appointed in a casual vacancy (w.e.f 16th Feb 2026 to 21st August 2027)

**STATUTORY AUDITORS**
**M/s.** HAZIYANI & ASSOCIATES
CHARTERED ACCOUNTANTS

**INTERNAL AUDITORS**
**M/s.Gita Kulkarni & Associates**
**Chartered Accountants**

**SECRETARIAL AUDITORS**
**M/s More Daliya and Associates,**
**Company Secretaries, Nagpur**

**SHARE TRANSFER AGENT**
**Bigshare Services Private Limited**
**SEBI Registration No : INR000001385**
**Website: www.bigshareonline.com**

**BANKER**
**Axis Bank Limited**
**HDFC Bank Limited**
**ICICI Bank Limited**

**CIN: L29308PN2017PLC224312**

**NOTE**

Subsequent to the financial year-end, the registered office of the Company was shifted from 1st & 2nd Floor, Galore Tech IT Park, LMD Square, Bavdhan, Pune – 411021 to 4th Floor, Vishal Complex, DSK Ranwara Gate, Ram Nagar, Bavdhan, Pune – 411021 with effect from May 4, 2026.

# BOARD OF DIRECTORS



**Mr. Prateek Srivastava**

**Founder and Managing Director**



**Mrs. Nikita Srivastava**

**Executive Director**



**Mr. Mangina Srinivas Rao**

**Independent Director**



**Mrs. Meenakshi Niraj Gupta**

**Independent Director**



**Mr. Shyam Shankar Jedhe**

**Independent Director**

# CSR & ESG INITIATIVES

The provisions relating to Corporate Social Responsibility ("CSR") under Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, are applicable to companies meeting any of the prescribed thresholds relating to net worth, turnover or net profit during the immediately preceding financial year.

Based on the financial position of the Company for the financial year ended March 31, 2025, the Company does not meet any of the thresholds prescribed under Section 135(1) of the Companies Act, 2013. Accordingly, the provisions relating to Corporate Social Responsibility, including constitution of a CSR Committee, formulation of a CSR Policy and mandatory CSR expenditure, were not applicable to the Company during the financial year ended March 31, 2026.

Consequently, the Company was not required to incur any expenditure towards CSR activities or undertake any CSR reporting as prescribed under Section 135 of the Companies Act, 2013 and the rules made thereunder.

The Company shall continue to monitor the applicability of the CSR provisions and shall comply with the requirements of Section 135 of the Companies Act, 2013, as and when applicable.

# BOARDS REPORT

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

The Directors of your company are pleased to present the Ninth (9th) Annual Report on the business and operations of the Company along with the Audited Standalone as well as Consolidated Financial statements for the Financial Year ended 31.03.2026.

Highlights of the Financial year 2025-26 are as follows:

## 1. FINANCIAL SUMMARY

**(INR in Lakhs)**

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | FY 2025 -26 | FY 2024-25 | FY 2025-26 | FY 2024-25 |
| Revenue from operations | 1466.97 | 3451.89 | 1466.97 | 3451.89 |
| Other income | 360.47 | 217.86 | 360.72 | 217.86 |
| **Total Income** | **1827.44** | **3669.75** | **1827.69** | **3669.75** |
| EBITDA | 709.90 | (1300.89) | 708.33 | (1301.59) |
| Tax Expenses:<br>Current Tax Expenses<br>Deferred Tax Expenses | 18.89<br>-4.43 | -<br>(447.07) | 18.89<br>-5.34 | -<br>(447.07) |
| **Net PAT** | **37.97** | **(1,346.73)** | **37.20** | **(1346.95)** |
| **Total Comprehensive Income** | **42.07** | **(1,345.62)** | **41.30** | **(1,345.84)** |
| Diluted EPS | 0.16 | (5.61) | 0.16 | (5.62) |
| Earning Before Interest, Tax, Depreciation, Amortization (EBITDA) & Provision for Expected Credit Loss | - | -35.46 | - | -36.29 |

## 2. STATE OF COMPANY'S AFFAIRS

The financial year 2025–26 was an important year for DroneAcharya Aerial Innovations Limited ("DroneAcharya" or "the Company"), marked by continued strengthening of its presence across defence, drone technology, training and drone-centric solutions, while laying the foundation for its next phase of growth through indigenous product development and manufacturing.

During the financial year under review, the Company recorded standalone revenue from operations of INR 1,466.97 Lakhs, as compared to INR 3,451.89 Lakhs in the previous financial year. The Company reported Profit After Tax ("PAT") of INR 37.97 Lakhs, as

against a loss of INR 1,346.73 Lakhs in FY 2024–25, reflecting a significant improvement in profitability and a return to a positive bottom line.

On a consolidated basis, the Company recorded revenue of INR 1,466.67 Lakhs and PAT of INR 37.20 Lakhs during FY 2025–26. The consolidated financial statements include the financial results of PYI Technologies Private Limited, in which the Company acquired 100% shareholding, and DroneAcharya Miltech Private Limited, in which the Company acquired 51% shareholding.

During the year, DroneAcharya continued to strengthen its position as an integrated drone technology company, with increasing focus on high-value applications in defence, surveillance, industrial inspection, drone services, training and indigenous drone technology.

The Company made notable progress in developing and advancing indigenous drone platforms, particularly in the areas of FPV, surveillance and tactical drone systems. It also continued to undertake defence-related trials, demonstrations and deployment projects, while strengthening collaborations with Indian defence establishments, industry partners and global OEMs.

## 3. TRANSFER TO RESERVES

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

## 4. DIVIDEND

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

## 5. CHANGE IN THE NATURE OF BUSINESS

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

## 6. FINANCIAL STATEMENTS

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

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

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

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

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

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

## 9. DEPOSITS

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

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

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

### i) Subsidiaries

As on March 31,2026, the Company has two subsidiaries namely PYI Technologies Private Limited and Droneacharya Miltech Private Limited.

During the year under review, the Company has acquired 4,900 equity shares i.e. 49% stake in the PYI Technologies Private Limited.

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

As of March 31, 2026, we do not have any material subsidiary as per the threshold requirements given in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

## 11. SHARE CAPITAL

**Authorized Equity Share Capital:**

As on March 31, 2026, the Authorized Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crores) divided into 3,00,00,000 (Three Crores) Equity Shares of Rs. 10/- (Rupees Ten) each.

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

**Paid-up Equity Share Capital:**

As on March 31, 2026, the Paid-up Equity Share Capital of the Company is Rs. 23,98,86,000/- (Rupees Twenty-Three Crores Ninety-Eight Lakhs and Eighty-Six Thousand) divided into 2,39,88,600 (Two Crores Thirty-Nine Lakhs Eighty-Eight Thousand and Six Hundred) Equity Shares of Rs. 10/- (Rupees Ten) each.

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

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

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

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

The Company has not entered into any material Related Party Transaction ("RPT") during the financial year 2025-26. All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the RPTs which are repetitive or when the need for these transactions cannot be foreseen in advance. The company has adopted a Related Party Transaction Policy in line with the requirements of the Companies Act, 2013 and the Listing Regulations, as amended from time to time, which is available on the website at www.droneacharya.com. The policy intends to ensure proper reporting, approval and disclosure processes are in place for all the transactions between the company and its related parties.

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

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

## 13. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

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

## 14. DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS

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

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

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

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

**Board Composition and Size**

The Board establishes a positive leadership culture, which is vital for the company's long-term success. By emphasizing strategic decision-making and promoting collaboration, Board members play a key role in driving sustainable growth. Their vision and guidance enable management and employees at every level to contribute effectively, fostering a prosperous organization.

The Board comprises individuals with diverse skills, perspectives, and expertise in essential business areas, drawn from varied backgrounds. As part of its succession planning, the Board regularly reviews its composition to ensure alignment with the company's strategy and long-term objectives.

The Board of Directors of the company has an optimum combination of Executive and Non-Executive Independent Directors with rich professional experience and background. As on March 31, 2026, the Company's Board Consists of 5 Directors as follows:

| NAME OF THE DIRECTOR | DIN | CATEGORY |
|---|---|---|
| Mr. Prateek Srivastava | 07709137 | Chairman and Managing Director |
| Mrs. Nikita Srivastava | 08082593 | CFO & Executive Director |
| Mr. Mangina Srinivas Rao | 08095079 | Non-Executive Independent Woman Director |

| | | |
|---|---|---|
| Mrs, Meenakshi Niraj Gupta | 00349862 | Non-Executive Independent Director |
| Mr. Shyam Shankar Jedhe | 08126983 | Non-Executive Independent Director |

*During the year under review, The Board of Directors appointed **Mrs. Meenakshi Niraj Gupta** to fill the casual vacancy arising from the resignation of Ms. Bhanupriya Thakur with effect from 31 December 2025, and her appointment was subsequently approved by the members at the Extra-Ordinary General Meeting held on 16 February 2026.

The Board of Directors appointed **Mr. Shyam Shankar Jedhe** to fill the casual vacancy arising from the resignation of Mr. Utsav Jasapara with effect from 31 December 2025, and his appointment was subsequently approved by the members at the Extra-Ordinary General Meeting held on 16 February 2026."

they became Members of the Committee with effect from the same date.

Pursuant to section 152 of the Companies Act 2013, Mr.Prateek Srivastava (DIN: 07709137) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

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

**Key Managerial Personnel (KMP)**

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

| NAME OF THE KMP | DESIGNATION |
|---|---|
| Mr. Prateek Srivastava | Managing Director |
| Mrs. Nikita Srivastava | Chief Financial Officer |
| Mr. Adhir Sunil Kuntawar* | Company Secretary and Compliance Officer |
| Mr. Jayesh Sharad Kulkarni** | Company Secretary and Compliance Officer |

During the year under review, Mr. Adhir Sunil Kuntawar , former Company Secretary and Compliance officer of the Company tendered her resignation on July 31, 2025 from the said position and consequently, the Board of Directors appointed Mr. Jayesh Sharad Kulkarni as the Company Secretary and Compliance Officer of the Company with effect from November 14,2025.

**Post the year under review, Mr. Jayesh Sharad Kulkarni, Company Secretary and Compliance Officer, resigned from the Company with effect from 31 July 2026. Accordingly, as on the date of this Report, the office of Company Secretary and Compliance Officer is vacant and the Company is in the process of appointing a suitable candidate in accordance with applicable law.

## 16. BOARD OF DIRECTORS AND ITS MEETINGS

**Number of Board Meetings**

During the Financial Year 2025-26, **8 (Eight )** Board meetings were held and the details of the number of directors present along with the dates are mentioned below in the table:

| Sr. No | Date of the Board Meetings | Board strength as on the date of the Board Meeting | No. of Directors Present |
|---|---|---|---|
| 1. | May 14, 2025 | 5 | 5 |
| 2. | July 11,2025 | 5 | 5 |
| 3. | September 27,2025 | 5 | 4 |
| 4. | October 29,2025 | 5 | 5 |
| 5. | November 14 ,2025 | 5 | 5 |
| 6. | November 18, 2025 | 5 | 4 |
| 7. | December 02,2025 | 5 | 4 |
| 8. | December 31, 2025 | 3 | 3 |

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

## 17. COMMITTEES OF THE BOARD

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

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

Details of each of the committees are mentioned below:

- **Audit Committee**

In accordance with the requirements of section 177 of the Act, the Board has established a qualified and independent Audit Committee. The committee comprises of 5 (Five) members and the majority of members are Independent Directors. The members of the Audit Committee have relevant experience in financial matters as well as have

accounting or related financial management expertise and all of them are financially literate. The Chairman of the Audit Committee is an Independent Director and has expert knowledge in accounts & finance, banking, corporate laws, and governance matters.
The composition of the Audit Committee as on March 31, 2026 including the changes made in the committee during the year is as under:

| Name of the Director | Designation | Category |
|---|---|---|
| Mr. Shyam Shanak Jedhe** | Chairman and Member | Non-Executive Independent Director |
| Mr. Mangina Srinivas Rao | Member | Non-Executive Independent Director |
| Mrs. Meenakshi Niraj Gupta** | Member | Non-Executive Independent Director |
| Mrs. Nikita Srivastava | Member | CFO & Director |
| Mrs. Bhanupriya Thakur* | Member | Non-Executive Independent Director |
| Mr. Utsav Jasapara* | Chairman | Non-Executive Independent Director |

*Mr. Utsav Jasapara was appointed as a Chairman of the Audit Committee & post his resignation on December 04 ,2025, is not a member and Chairman of the Committee.

*Mrs. Bhanupriya Nikhil Thakur was a member of the Audit Committee and post her resignation on December 03, 2025, is not a member of the Committee.

**The Board of Directors appointed **Mrs. Meenakshi Niraj Gupta** to fill the casual vacancy arising from the resignation of Ms. Bhanupriya Thakur with effect from 31 December 2025, and her appointment was subsequently approved by the members at the Extra-Ordinary General Meeting held on 16 February 2026.

The Board of Directors appointed **Mr. Shyam Shankar Jedhe** to fill the casual vacancy arising from the resignation of Mr. Utsav Jasapara with effect from 31 December 2025, and his appointment was subsequently approved by the members at the Extra-Ordinary General Meeting held on 16 February 2026."

they became Members of the Committee with effect from the same date.

During the year under review, the audit committee met 8 Eight ) times on May 14, 2025, July 11, 2025 September 27,2025, October 29, 2025 November 14, 2025, November 18, 2025, December 02, 2025 and March 16, 2026.
The Company Secretary acts as the Secretary of the Audit Committee.

- **Nominations and Remuneration Committee (NRC)**

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments, including Managing Director and Management Committee.
In accordance with the provisions of Section 178 of the Act, the Company has constituted Nomination and Remuneration Committee (NRC), composition, terms of reference of which are in conformity with the said provisions.

The committee comprises of 5 (Five) members and majority members are Independent Directors.
The composition of NRC as on March 31, 2026 including the changes made in the committee during the year is as under:

| Name of the Director | Designation | Category |
|---|---|---|
| Mr. Mangina Srinivas Rao | Chairman | Non-Executive Independent Director |
| Mrs. Meenakshi Niraj Gupta** | Member | Non-Executive Independent Director |
| Mr, Shyam Shankar Jedhe** | Member | Non-Executive Independent Director |
| Mr. Prateek Srivastava | Member | Chairman & Managing Director |
| Mrs. Bhanupriya Thakur* | Member | Non-Executive Independent Director |
| Mr. Utsav Jasapara* | Member | Non-Executive Independent Director |

*Mr. Utsav Jasapara was appointed as a member of the NRC & post his resignation on December 04 ,2025, is not a member of the Committee.

*Mrs. Bahunpriya Nikhil Thakur was appointed as a member of the NRC and post her resignation on December 03, 2025, is not a member of the Committee.

**The Board of Directors appointed **Mrs. Meenakshi Niraj Gupta** to fill the casual vacancy arising from the resignation of Ms. Bhanupriya Thakur with effect from 31 December 2025, and her appointment was subsequently approved by the members at the Extra-Ordinary General Meeting held on 16 February 2026.

The Board of Directors appointed **Mr. Shyam Shankar Jedhe** to fill the casual vacancy arising from the resignation of Mr. Utsav Jasapara with effect from 31 December 2025, and his appointment was subsequently approved by the members at the Extra-Ordinary General Meeting held on 16 February 2026."

They became Members of the Committee with effect from the same date.

During the year under review, the Nomination and Remuneration Committee met 4 (Four ) time on May 14, 2025, November 14, 2025, November 18, 2025 and December 31, 2025.

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

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

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

The detailed policy on terms and conditions for the appointment of Independent Directors the policy of making payment to Non-Independent Directors is available on the website of the Company at www.droneacharya.com.

- **Stakeholder's Relationship Committee (SRC)**

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

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

The composition of SRC as on March 31, 2026 including the changes made in the committee during the year is as under:

| Name of the Director | Designation | Category |
|---|---|---|
| Mrs. Meenakshi Niraj Gupta** | Chairman | Non-Executive Independent Director |
| Mr. Shyam Shankar Jedhe** | Member | Non-Executive Independent Director |
| Mr. Mangina Srinivas Rao | Member | Non-Executive Independent Director |
| Mrs. Nikita Srivastava | Member | CFO & Director |
| Mrs. Bhanupriya Thakur* | Chairman | Non-Executive Independent Director |
| Mr. Utsav Jasapara* | Member | Non-Executive Independent Director |

* Mr. Utsav Jasapara was appointed as a member of the SRC & post his resignation on December 04 ,2025, is not a member of the Committee.

*Mrs. Bhanupriya Nikhil Thakur was appointed as a member of the SRC and post her resignation on December 03, 2025, is not a member of the Committee.

**The Board of Directors appointed **Mrs. Meenakshi Niraj Gupta** to fill the casual vacancy arising from the resignation of Ms. Bhanupriya Thakur with effect from 31 December 2025, and her appointment was subsequently approved by the members at the Extra-Ordinary General Meeting held on 16 February 2026.

The Board of Directors appointed **Mr. Shyam Shankar Jedhe** to fill the casual vacancy arising from the resignation of Mr. Utsav Jasapara with effect from 31 December 2025, and his appointment was subsequently approved by the members at the Extra-Ordinary General Meeting held on 16 February 2026."

they became Members of the Committee with effect from the same date.

During FY 2025-26, queries/complaints were received by the Company from members/investors, which have been redressed / resolved to date, satisfactorily as shown below:
Details of investor queries/complaints/request received and attended during FY 2025-26:

| Name | Received | Resolved | Pending |
|---|---|---|---|
| Number of complaints received | 3 | 3 | 0 |
| Number of complaints auto assigned to entity | 0 | 0 | 0 |
| Number of complaints pending with complainant awaiting first level review | 0 | 0 | 0 |
| Number of complaints escalated to Designated Body for first level review | 0 | 0 | 0 |
| Number of complaints pending with complainant awaiting second level review | 0 | 0 | 0 |
| Number of complaints escalated to SEBI for second level review | 0 | 0 | 0 |

During the year under review, the Stakeholder's Relationship Committee met 1 (One) times on **November 14, 2025.**

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

## 18. DEMATERIALISATION OF SHARES

The breakup of the Equity Shares held in dematerialized and physical form as on March 31, 2026 is as follows:

| Mode | Shares | % of Capital |
|---|---|---|
| Shares in Demat mode with NSDL | 15126753 | 63.058090 |
| Shares in Demat mode with CDSL | 8733108 | 36.4052 |
| Shares in Physical mode | 128739 | 0.54 |
| Total | 23988600 | 100.00 |

## 19. COMPLIANCE WITH SECRETARIAL STANDARD

During the period from April 01, 2025 to March 31, 2026, the Company has complied with the Secretarial Standard – 1 and Secretarial Standard – 2 issued by the Institute of

Company Secretaries of India.

## 20. POLICY ON CORPORATE SOCIAL RESPONSIBILITY

During the period under review, the provisions relating to Corporate Social Responsibility (CSR) were not applicable to the Company, as the Company incurred losses during the Financial Year 2024-25.

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

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

## 22. DIRECTOR'S RESPONSIBILITY STATEMENT

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

a) In the preparation of Annual Accounts, the applicable accounting standards had been followed along with a proper explanation of material departures;

b) They had selected and applied such accounting policies consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2026 and of the profit of the company for that period;

c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) They had prepared the annual accounts on a going concern;

e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) They had devised a proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 23. BOARD EVALUATION

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

The assessments of Non-Independent Directors are performed by the Independent Directors during a distinct meeting held annually.

## 24. COMPLIANCE WITH THE MATERNITY BENEFIT ACT,1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including all applicable amendments and rules framed thereunder. The Company is committed to ensuring a safe, inclusive, and supportive workplace for women employees. All eligible women employees are provided with maternity benefits as prescribed under the Maternity Benefit Act, 1961, including paid maternity leave, nursing breaks, and protection from dismissal during maternity leave.

The Company also ensures that no discrimination is made in recruitment or service conditions on the grounds of maternity. Necessary internal systems and HR policies are in place to uphold the spirit and letter of the legislation.

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

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

## 26. RISK MANAGEMENT POLICY

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

## 27. ANNUAL RETURN

In compliance with section 92(3) read with section 134(3) of the Act, the annual returns of the Company as on March 31, 2026 is available on the website of the Company at www.droneacharya.com

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

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

Prohibition and Redressal) Act, 2013. During the year under review, the Company has not received any complaints of sexual harassment.

| | | |
|---|---|---|
| Number of complaints of Sexual Harassment received in the Year | - | - |
| Number of Complaints disposed off during the year | - | - |
| Number of cases pending for more than ninety days | - | - |

## 29. HUMAN RESOURCES / INDUSTRIAL RELATIONS

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

## 30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

## 31. WHISTLE BLOWER POLICY / VIGIL MECHANISM

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

## 32. FRAUDS REPORTED BY AUDITORS

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

## 33. AUDITORS

### a. Statutory Auditors

The Members of the Company had approved the appointment of M/s K P R K & Associates, Chartered Accountants, Nagpur (FRN: 103051W), as the Statutory Auditors of the Company for a term of five consecutive years at the Annual General Meeting held on September 30, 2022, to hold office until the conclusion of the Annual General Meeting for the financial year 2026–27.

Subsequently, M/s K P R K & Associates tendered their resignation as the Statutory Auditors of the Company, resulting in a casual vacancy. Accordingly, the Board of Directors, at its meeting held on November 18, 2025, appointed M/s Haziyani &

Associates, Chartered Accountants (FRN: 030087C) as the Statutory Auditors of the Company to fill the casual vacancy for the Financial Year 2025–26, subject to the approval of the Members. The appointment was subsequently approved by the Members of the Company at the Extraordinary General Meeting held on February 16, 2026, in accordance with the applicable provisions of the Companies Act, 2013.

**b. Secretarial Auditors**

During the year under review, the Board of Directors had appointed M/s More Daliya and Associates, Practicing Company Secretaries, Nagpur, as the Secretarial Auditors of the Company for the Financial Year 2025-26.

Accordingly, the Board of Directors, at its meeting held on September,4th , 2026, appointed M/s Akshay R. Birla and Associates. COP: 25084 as the Secretarial Auditors of the Company subject to the approval of the Members. The Members will subsequently approve the appointment at the ensuing Annual General Meeting held on September, 30 ,2026 in accordance with the applicable provisions of the Companies Act, 2013.

**c. Internal Auditors**

M/s. Geeta Kulkarni and Assocites, Chartered accountants, Pune were appointed as Internal Auditors of the Company for conducting Internal Audit functions for the Financial Year 2025-26.

Accordingly, For the financial year 2026-27, the Board of Directors, at its meeting held on 4 September 2026, appointed M/s SRAS & Associates, Chartered Accountants, FRN 038028C, as the Internal Auditor of the Company.

## 34. STATUTORY AUDITORS' REPORT

The Auditor's Report for the FY 2025-26 on the standalone as well consolidated financial statements of the Company is attached to this Annual Report. The notes on Financial Statements referred to in the Annual Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

## 35. SECRETARIAL AUDITORS' REPORT

The Board of Directors has reviewed the observations made by the Secretarial Auditor in the Secretarial Audit Report for the Financial Year under review. The specific comments of the Board on each of the observations made by the Secretarial Auditor are provided below:

1. It was observed that the Company had delayed filing of Form MGT-14 with the Registrar of Companies in respect of the appointment of Mr. Jayesh Kulkarni as the Company Secretary of the Company, pursuant to the resolution passed by the Board of Directors in accordance with

the applicable provisions of the Companies Act, 2013. However, the Company has subsequently complied with the said requirement as on the date of signing of this Report.

2. It was observed that Mr. Adhir Kuntawar, Company Secretary and Compliance Officer, resigned from the Company with effect from 31 July 2025. The resultant vacancy was filled only on 14 November 2025 upon appointment of Mr. Jayesh Kulkarni as the Company Secretary. Accordingly, the office of the Company Secretary remained vacant for a period exceeding three months, resulting in non-compliance with the provisions of Regulation 6(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. It was observed that certain clerical errors were made in Form ADT-1 filed in respect of the appointment of the Auditor at the Extra-Ordinary General Meeting held on 16 February 2026. Under the field "Membership Number of Auditor signing the Balance Sheet of the Company", the membership number was mentioned as "1" instead of the correct particulars. Further, under the field "Name of the Auditor", the Membership Number of the Auditor, i.e. "115123", was mentioned instead of the name of the Auditor.

4. It was observed that the Annual Foreign Liabilities and Assets (FLA) Return for FY 2024-25 was filed after the stipulated timeline. However, the Company has subsequently complied with the said requirement as on the date of signing of this Report.

5. It was observed that Form MGT-14 has not been filed with the Registrar of Companies in respect of the approval and adoption of the Audited Financial Statements for the financial year ended 31 March 2025.
   In terms of Section 117(3)(g) of the Companies Act, 2013, where the Board of Directors has passed a resolution under Section 179(3) in relation to the approval of the Board's Report and Financial Statements before the same are placed before the members at the Annual General Meeting, such resolution is required to be filed with the Registrar of Companies in Form MGT-14, unless specifically exempted under the applicable provisions of the Act or the Rules made thereunder.

6. It was observed that the SDD Compliance Certificate for Quarter 2 (July 2025 to September 2025) was not filed/made available for verification. Accordingly, the quarterly compliance for the said period could not be independently verified.

7. It was observed that the Non-Applicability Certificate in respect of Corporate Governance for Quarter 2 (July 2025 to September 2025) was not made available in the records and documents

produced before us for verification. Accordingly, the compliance in this regard could not be independently verified.

8. Based on the records and information made available to us, certain details relating to the disclosure pertaining to orders received by the Company could not be fully verified. Certain supporting records were not available for our verification. Accordingly, our comments on the completeness of the disclosure in this regard are subject to the records and information made available to us.

**We report that,**

**a)** The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year under review following changes have took place;

- Mrs. Bhanupriya Thakur has resigned from the position of Independent Director with effect from 03rd December, 2025.
- Mr. Utsav Jasapara has resigned from the position of Independent Director with effect from 04th December, 2025.
- Mrs. Meenakshi Niraj Gupta was appointed as Independent Director with effect from 31st December, 2025.
- Mr. Shyam Shankar Jedhe was appointed as Independent Director with effect from 31st December, 2025.

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

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

**d) Material Orders Passed during the year:**

1. During the year under review, the Company has received order from Securities and Exchange Board of India dated 28th November, 2025 wherein the adjudicating officer has imposed penalty of Rs. 10,00,000/- (Rupees Ten Lakh) under Section 15HA of SEBI Act, 1992 and restraining the company for accessing securities market for a period of 2 years on alleged violation of;

- Provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003) for devising the fraudulent scheme.
- Regulation 3(a), (b), (c), (d) and 4(1), 4(2)(a), (e) of SEBI PFUTP Regulations, 2003 for mis-utilization of IPO funds.
- Clause 7(b) of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2018 ("ICDR Regulations") for non-disclosure of quotation of software and computers in prospectus under objects of issue.
- Regulation 31(1) and 32(1), (2) of LODR Regulations for disclosing incorrect shareholding percentages of promoter and public as on December 21, 2022 and for not disclosing Statement of deviation on utilization of IPO funds for half year ended March 2024.
- Regulation 3(b), (c), (d), Regulation 4(1), 4(2)(f), (k) & (r) of PFUTP Regulations, and Regulation 4(1), 33(1)(a) & (c), and 48 of the LODR Regulations for inflation of revenue and profit and thus misrepresenting financial statements and presenting financial statements which were not true and fair and not depicting true financial position.
- Regulation 4(1)(c), (d), (e), (g), and (h) of LODR Regulations, read with Regulation 30(1), 30(3) read with Regulation 30(4) and Schedule III Part A Para B (1), (2), (4) and Schedule III Part A Para C of LODR Regulations, Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 and Regulation 30(7), (8) and (10) of LODR Regulations, for misleading corporate announcements.

Further, as represented by the management of the Company, the Company has filed an application/appeal before the Securities Appellate Tribunal ("SAT") in relation to the aforesaid matter. The management has further represented that the Hon'ble SAT has passed an interim stay order dated 19 December 2025 in the matter, pursuant to which the proceedings/action in respect of the matter have been stayed, subject to the terms and conditions of the said order. The management has also represented that the matter is presently pending before the Hon'ble SAT for further consideration/adjudication.

2. During the year the company had undergone GST Audit for the period September 2021 to March 2023 where the department had made following observations dated 02nd June, 2025 and 16th July, 2025:

- Non-Payment of Late fee on delayed filing of GSTR-1 u/s 47 of CGST Act, 2017.
- Short payment of Interest on late payment of tax (GSTR 3B late filed after due date) on GST cash component.
- Excess ITC availed on account of GSTR3B vs GSTR 2B comparison along with non-payment of interest.
- Duplicate ITC availed on comparison of GSTR -2B and GSTR3B/ ITC Register.
- Short Payment of Tax in comparison of GSTR1 vs GSTR3B
- Non- Payment of Interest on delayed payment of tax under Reverse Charge Mechanism.
- Short payment of tax on account of wrong rate adopted in respect of certain finished products.
- Penalty for non-filing of GSTR9 for FY 2023-24.
- Penalty for non-filing of GSTR9C for FY 2022-23 & 2023-24.
- Wrong availment of blocked ITC.
- Short-Payment of tax on GTA Services under RCM.
- Short Payment of tax on account of non-realization of export sales proceeds in terms of Rule 96A of CGST Rules.

Further, based on the records and supporting documents produced before us by the Company, it was observed that the Company has paid penalties aggregating to Rs. 18,78,267/- in respect of the aforesaid observations/matters. The said amount represents the penalties paid by the Company pursuant to the regulatory proceedings/actions referred to above. The details and supporting records relating to the payment of such penalties were made available to us for our verification.

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

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

During the Financial Year under review, the Company received an order from the Securities and Exchange Board of India (SEBI). Aggrieved by the said order, the Company has preferred an appeal before the Securities Appellate Tribunal (SAT). The matter is presently under adjudication, and the final order is awaited.

Further, the Company has filed a compounding application before the Regional Director for condonation of the delay in holding the Annual General Meeting for the previous Financial Year. Pursuant thereto, the Company has received final order from the Regional Director.

Pursuant to the said order, the Company and the concerned Directors have duly complied with the directions contained therein and have paid the penalties imposed by ROC. Accordingly, DroneAcharya Aerial Innovations Limited has paid a penalty of ₹76,000, Ms. Nikita Srivastava has paid a penalty of ₹76,000, Mr. Prateek Srivastava has paid a penalty of ₹76,000, and Mr. Jayesh Kulkarni has paid a penalty of ₹31,000. The said penalties have been duly paid and the directions contained in the ROC order have been complied with by the respective parties.

The Company and the management remain committed to ensuring timely and effective compliance with all applicable statutory and regulatory requirements.

## 37. REPLIES TO OBSERVATIONS

### 1. Delay in Filing of Form MGT-14 – Appointment of Company Secretary

The Company acknowledges the observation regarding the delay in filing of Form MGT-14 with the Registrar of Companies in connection with the appointment of Mr. Jayesh Kulkarni as the Company Secretary of the Company.

The delay was primarily attributable to certain procedural and administrative requirements. The Company has subsequently completed the requisite statutory filing and regularised the compliance. The Company remains committed to maintaining timely and effective compliance with all applicable statutory and regulatory requirements.

The Company has also enhanced its internal compliance monitoring mechanism to ensure timely completion and review of statutory filings going forward.

### 2. Vacancy in the Office of Company Secretary and Compliance Officer.

The Company acknowledges the observation regarding the vacancy in the office of Company Secretary and Compliance Officer following the resignation of Mr. Adhir Kuntawar with effect from 31 July 2025.

During the intervening period, the Company undertook a structured process to identify and appoint a suitable and competent professional for the position, keeping in view the requirements of the Company and the applicable regulatory framework. Pursuant thereto, Mr. Jayesh Kulkarni was appointed as the Company Secretary and Compliance Officer on 14 November 2025.

The Company recognises the importance of a robust and adequately staffed compliance function in a listed company. The Company has duly paid the applicable penalty levied by BSE Limited in respect of the said matter and has further strengthened its compliance and succession-planning processes to ensure continuity of the compliance function and timely filling of any such vacancy in the future.

### 3. Clerical Errors in Form ADT-1

The Company acknowledges the observation regarding certain clerical errors appearing in Form ADT-1 filed in connection with the appointment of the Statutory Auditor at the Extra-Ordinary General Meeting held on 16 February 2026.

The errors were inadvertent and clerical in nature and arose due to an oversight during the preparation and submission of the e-form. The Company confirms that such clerical errors do not affect the validity of the appointment of the Statutory Auditor or the resolution duly approved by the members of the Company.

The Company has taken note of the observation and has further strengthened its maker-checker and review mechanisms for statutory filings to ensure greater accuracy and consistency in future filings.

### 4. Delay in Filing of Annual FLA Return

The Company acknowledges the observation relating to the filing of the Annual Foreign Liabilities and Assets (FLA) Return for the financial year 2024-25 beyond the prescribed timeline.

The delay was attributable to certain procedural and administrative requirements. The requisite FLA Return has subsequently been filed and the applicable compliance has been completed.

The Company recognises the importance of timely regulatory reporting and has further strengthened its compliance calendar, responsibility matrix and periodic monitoring mechanism to ensure that all applicable regulatory returns and disclosures are identified, reviewed and submitted within the prescribed timelines.

The Company remains committed to maintaining timely, transparent and accurate regulatory reporting as an integral part of its governance framework.

### 5. Non-Filing Of Form Mgt-14 In Respect Of Board Resolution

The Company acknowledges the observation relating to the non-filing of Form MGT-14 in respect of the resolution passed by the Board of Directors for approval of the Board's Report and Audited Financial Statements for the financial year ended 31 March 2025.

The matter arose due to an inadvertent oversight in the statutory filing process. The Company has taken due cognisance of the requirements prescribed under Section 117 of the Companies Act, 2013 and is taking necessary steps to regularise the filing with the Registrar of Companies, together with applicable additional fees and statutory charges, if any, in accordance with the applicable provisions of law.

As a preventive measure, the Company has further strengthened its statutory compliance framework by introducing enhanced filing trackers, responsibility-based monitoring and periodic review of pending and completed statutory compliances.

The Company considers timely statutory compliance to be an essential element of responsible corporate governance and is committed to ensuring that appropriate systems and controls remain in place to support the same.

**6. Non-Availability of SDD Compliance Certificate For Quarter 2**

The Company acknowledges the observation regarding the non-availability of the SDD Compliance Certificate for Quarter 2, covering the period from July 2025 to September 2025, at the time of verification.

The Company submits that while the certificate pertaining specifically to Quarter 2 was not available among the records produced for verification, the SDD Compliance Certificate pertaining to the year-end was duly maintained and produced for verification.

The Company has taken due note of the observation. The matter has been addressed from a process and documentation perspective, and the Company has strengthened its record-maintenance and compliance documentation framework to ensure that all quarterly SDD-related certifications and supporting records are systematically prepared, reviewed, maintained and readily available for future verification.

**7. Non-Availability Of Non-Applicability Certificate Relating To Corporate Governance For Quarter 2**

The Company acknowledges the observation regarding the non-availability of the Non-Applicability Certificate in respect of Corporate Governance for Quarter 2, covering the period from July 2025 to September 2025.

The Company submits that while the certificate specifically pertaining to Quarter 2 was not available among the records produced for verification, the relevant documentation evidencing the applicable position at the year-end was duly maintained and produced for verification.

The observation relates to a documentation and record-maintenance gap and does not detract from the Company's continued focus on compliance with the applicable corporate governance framework.

The Company has taken corrective measures to strengthen its compliance documentation, certification and record-retention processes. Going forward, all applicable quarterly certificates, confirmations and supporting documents will be systematically tracked, reviewed and preserved to facilitate timely verification and ensure appropriate governance oversight.

The Company views corporate governance as a continuous process and remains committed to maintaining high standards of accountability, transparency and responsible management in the interest of all stakeholders.

**8. Material order passed during the year**

**Reply of the company**

The Company acknowledges the observation relating to the order dated 28 November 2025 passed by the Adjudicating Officer of the Securities and Exchange Board of India ("SEBI") in respect of the matters referred to in the Secretarial Audit Report.

The Company has exercised its statutory right of appeal and has preferred an appeal/application before the Securities Appellate Tribunal ("SAT") against the said order. The Company further submits that the matter is presently under consideration before the Hon'ble SAT and that the Hon'ble SAT, vide its interim order dated 19 December 2025, granted interim relief to the Company, subject to the terms and conditions stipulated therein.

Subsequently, the Company received an order dated 3 February 2026 passed by the Hon'ble SAT, Mumbai, in Miscellaneous Application No. 108 of 2026 in Appeal No. 549 of 2025, whereby the application filed by the Company and its promoters seeking specific interim reliefs was partly allowed. Pursuant to the said order, the Company has been permitted to raise funds through a preference issue of shares, subject to making appropriate disclosures regarding SEBI's order dated 28 November 2025 and the pendency of the appeal to the prospective investors. Further, the promoters have been permitted to pledge their shares with banks and financial institutions for the limited purpose of raising working capital and for execution of existing time-bound orders.

The management has further represented that the appeal against SEBI's order dated 28 November 2025 continues to remain pending before the Hon'ble SAT for final adjudication.

The Company successfully resolved the matter relating to the delay in holding its Annual General Meeting dated **4th August, 2026**. A penalty of was paid to the Registrar of Companies ("ROC") towards the said matter, which has been **settled in full and final and stands closed**. The Company remains committed to strengthening its compliance framework and ensuring timely statutory compliances.

**38. PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year under review, no application has been made under the Insolvency and Bankruptcy Code, 2016, therefore there are no details of application or proceedings pending to disclose under the Insolvency and Bankruptcy Code, 2016.

**39. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

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

**40. ACKNOWLEDGEMENT**

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

**For DroneAcharya Aerial Innovations Limited**

**Place: Pune**
**Date:4th September 2026**

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **Prateek Srivastava** | **Nikita Srivastava** |
| **Managing Director** | **Director and CFO** |
| **DIN: 07709137** | **DIN: 08082593** |

**Form AOC-1**

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

**Rs. In thousands**

| **Name of the subsidiary** | M/s PYI Technologies Private Limited |
|---|---|
| **Reporting period for the subsidiary concerned** | April 01, 2025 to March 31, 2026 |
| **Share capital** | INR 1,00.00 |
| **Reserves and surplus** | INR (3,74.60) |
| **Total assets** | INR 18,85,540 |
| **Total liabilities** | INR 18,85,540 |
| **Investments** | NIL |
| **Turnover** | NIL |
| **Profit before tax** | INR (57.29) |
| **Provision for taxation** | NIL |
| **Profit after tax** | INR (33.62) |
| **Proposed dividend** | NIL |
| **% shareholding** | 100% |

**For DroneAcharya Aerial Innovations Limited**

**Place: Pune**
**Date: 4th September, 2026**

| | | |
|---|---|---|
| | **Sd/-** | **Sd/-** |
| | **Prateek Srivastava** | **Nikita Srivastava** |
| | **Managing Director** | **Director and CFO** |
| **DIN:** | **07709137** | **DIN: 08082593** |

## Form AOC-1

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

| | |
|---|---|
| **Name of the subsidiary** | M/s Droneacharya Miltech Private Limited |
| **Reporting period for the subsidiary concerned** | April 01, 2025 to March 31, 2026 |
| **Share capital** | INR 1,00,000 |
| **Reserves and surplus** | - |
| **Total assets** | INR 1,00,000 |
| **Total liabilities** | - |
| **Investments** | NIL |
| **Turnover** | - |
| **Profit before tax** | - |
| **Provision for taxation** | NIL |
| **Profit after tax** | - |
| **Proposed dividend** | NIL |
| **% shareholding** | 51% |

**For DroneAcharya Aerial Innovations Limited**

**Place: Pune**
**Date: 4th September, 2026**

**Sd/-**
**Prateek Srivastava**
**Managing Director**
**DIN: 07709137**

**Sd/-**
**Nikita Srivastava**
**Director and CFO**
**DIN: 08082593**

**ANNEXURE A**

**FORM NO. 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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

| SL. No. | Particulars | Details |
|---|---|---|
| a) | Name (s) of the related party & nature of relationship | NA |
| b) | Nature of contracts/arrangements/transaction | NA |
| c) | Duration of the contracts/arrangements/transaction | NA |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | NA |
| e) | Justification for entering into such contracts or arrangements or transactions' | NA |
| f) | Date of approval by the Board | NA |
| g) | Amount paid as advances, if any | NA |
| h) | Date on which the special resolution was passed in General meeting as required under first proviso to section 188 | NA |

2. Details of contracts or arrangements or transactions at Arm's length basis.

| SL. No. | Particulars | Details |
|---|---|---|
| a) | Name (s) of the related party & nature of relationship | 1.Prateek Srivastava<br>2. Nikita Srivastava<br>3.Dr. Pradeep Srivastava<br>4. PYI Technologies Private Limited<br>5.DroneAcharya Miltech Private Limited |
| b) | Nature of contracts/arrangements/transaction | 1. Remuneration<br>2. Reimbursement<br>3. Consultancy Charges<br>4. Investment |

| | | |
|---|---|---|
| | | 5. Purchase of Fixed Assets<br>6. Unsecured Loans |
| c) | Duration of the contracts/arrangements/transaction | FY 2025-26 |
| d) | Salient terms of the contracts or arrangements or transaction including the value, if any | Remuneration to Executive Director(s): 132.18 Lakhs<br>Reimbursement to Executive Director(s): 2.88 Lakhs<br>Consultancy Charges: 3.81 Lakhs<br>Investment in Subsidiary: 0.49 Lakhs<br>Repayment of unsecured loans: 0.10 Lakhs |
| e) | Date of approval by the Board | 14th November, 2025 |
| f) | Amount paid as advances, if any | NA |

**For DroneAcharya Aerial Innovations Limited**

**Place: Pune**
**Date: 4th September, 2026**

**Sd/-**
**Prateek Srivastava**
**Managing Director**
**DIN: 07709137**

**Sd/-**
**Nikita Srivastava**
**Director and CFO**
**DIN: 08082593**

**ANNEXURE -B**

**CSR REPORT FINANCIAL YEAR** 2025-26

1. Brief outline on CSR Policy of the Company: The Company has formulated the CSR Policy as per provisions of Section 135 of the Companies Act, 2013 and the policy has been approved by the Board of Directors of the Company.

2. Composition of CSR Committee: NOT APPLICABLE

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://droneacharya.com/investor-relations/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NA

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (in Rs) | Amount required to be set-off for the financial year, if any (in Rs) |
|---|---|---|---|
| 1 | - | NA | NA |
| 2 | | | |
| 3 | | | |
| | **Total** | | |

6. Average net profit of the company as per section 135(5):

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

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NA

(c) Amount required to be set off for the financial year, if any: NA

(d) Total CSR obligation for the financial year (7a+7b-7c): NA

8. (a) CSR amount spent or unspent for the financial year:

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

(b) Details of CSR amount spent against ongoing projects for the financial year: NA

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | (9) | (10) | (11) | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the Project. | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/ No). | Location of the project. | | Project duration. | Amount allocated for the project (in Rs.). | Amount spent in the current financial Year (in Rs.). | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.). | Mode of Implementation - Direct (Yes/No). | Mode of Implementation - Through Implementing Agency | |
| | | | | State. | District. | | | | | | Name | CSR Registration number. |
| 1. | | | | | | | | | | | | |
| 2. | | | | | | | | | | | | |
| 3. | | | | | | | | | | | | |
| | Total | | | | | | | | | | | |

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:NA

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the | Item from the | Local area | Location of the project. | Amount spent | Mode of implementatio | Mode of implementation - |

| | Project | list of activities in schedule VII to the Act. | (Yes/ No). | | | for the project (in Rs.). | n - Direct (Yes/No). | Through implementing agency. | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | State. | District. | | | Name. | CSR registration number. |
| | | | | | | | | | |
| | Total | | | | | | | | |

(d) Amount spent in Administrative Overheads: NA

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): NA

(g) Excess amount for set off, if any NA

| Sl. No. | Particular | Amount (in Rs.) |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) | |
| (ii) | Total amount spent for the Financial Year | |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | |

9. (a) Details of Unspent CSR amount for the preceding three financial years: NA

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.). | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years. (in Rs.) |
|---|---|---|---|---|---|---|---|
| | | | | Name of the Fund | Amount (in Rs). | Date of transfer. | |
| 1. | | | | | | | |
| 2. | | | | | | | |
| 3. | | | | | | | |
| | Total | | | | | | |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
|---|---|---|---|---|---|---|---|---|

| Sl. No. | Project ID. | Name of the Project. | Financial Year in which the project was commenced. | Project duration. | Total amount allocated for the project (in Rs.). | Amount spent on the project in the reporting Financial Year (in Rs). | Cumulative amount spent at the end of reporting Financial Year. (in Rs.) | Status of the project - Completed /Ongoing. |
|---|---|---|---|---|---|---|---|---|
| 1 | | | | | | | | |
| 2 | | | | | | | | |
| 3 | | | | | | | | |
| | Total | | | | | | | |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year; NA

**(asset-wise details).**

(a) Date of creation or acquisition of the capital asset(s).
(b) Amount of CSR spent for creation or acquisition of capital asset.
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

**For DroneAcharya Aerial Innovations Limited**

**Place: Pune**
**Date: 4th September, 2026**

**Sd/-**
**Prateek Srivastava**
**Managing Director**
**DIN: 07709137**

**Sd/-**
**Nikita Srivastava**
**Director and CFO**
**DIN: 08082593**

## ANNEXURE-C

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

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

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

| Sr. No. | Name of Director/KMP | Designation | Ratio of the Remuneration of each Director to Median Remuneration of Employees |
|---|---|---|---|
| 1) | Mr. Prateek Srivastava | Managing Director | 15 |
| 2) | Mrs. Nikita Srivastava | Executive Director | 5 |
| 3) | Mr. Mangina Srinivas Rao | Independent Director | 0.30 |
| 4) | Mrs. Bhanupriya Thakur* | Independent Woman Director | 0.16 |
| 5) | Mr. Utsav Jasapara* | Independent Director | 0.27 |
| 6) | Mrs. Meenakshi Niraj Gupta | Independent Director | - |
| 7) | Mr. Shyam Shankar Jedhe | Independent Director | - |
| 8) | Mr. Adhir Sunil Kuntawar** | Company Secretary & Compliance Officer | 0.33 |
| 9) | Mr. Jayesh Sharad Kulkarni | Company Secretary & Compliance Officer | 1.63 |

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

* During the year under review, Mrs. Bhanupriya Thakur and Mr. Utsav Jasapara has tendered her resignation from the position of Independent Director with effect from December 03, 2025 and December 04 , 2025 respectively.

** During the year under review, Mr.Adhir Sunil Kuntawar , former Company Secretary and Compliance officer of the Company tendered her resignation on July 31, 2025 from the said position.

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

| Sr. No. | Name of Director/KMP | Designation | % increase in remuneration in the financial year |
|---|---|---|---|
| 1) | Mr. Prateek Srivastava | Managing Director | - |
| 2) | Mrs. Nikita Srivastava | Executive Director and Chief Financial Officer | - |
| 3) | Mr. Mangina Srinivas Rao | Independent Director | - |
| 4) | Mrs. Bhanupriya Thakur | Independent Woman Director | - |
| 5) | Mr. Utsav Jasapara | Independent Director | - |
| 6) | *Mr, Adhir Kuntawar | Company Secretary & Compliance Officer | - |
| 7) | Mr. Jayesh Sharad Kulkarni | Company Secretary & Compliance Officer | - |

* * During the year under review, Mrs. Bhanupriya Thakur and Mr. Utsav Jasapara has tendered theur resignation from the position of Independent Director with effect from December 03 and December 04 , 2025 respectively.

** During the year under review, Mr. Adhir Sunil Kuntawar, former Company Secretary and Compliance officer of the Company tendered her resignation on July 31, 2025 from the said position.

3. The percentage increase in the median remuneration of employees in the financial year:

4. The number of permanent employees on the rolls of Company: 51

5. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase in the salaries of employees other than the managerial personnel in the last financial year is 9.09%. However, there was no increase in the

salaries of managerial personnel in the last financial year. The increments given to each individual employee is based on the employees' performance and retention & motivation policy of the Company. There are no exceptional circumstances for increase in the managerial remuneration.

6. Affirmation that the remuneration is as per the Remuneration Policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees, adopted by the Company.

7. Details of employees who received remuneration in excess of Rupees One crore and Two lakh or more per annum:

- During the year, none of the employees received remuneration in excess of ₹ 102.00 Lakh or more per annum or ₹ 8.50 Lakhs per month for part of the year. In accordance with the provisions of Section 197 of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, therefore there is no information available to disclose.

- During the year, none of the employees received remuneration in excess of that drawn by the Whole-time director and none of the employees hold two percent of the equity shares of the Company.

**ANNEXURE-D**

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

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

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

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

| Particulars | FY 2025-26 | |
|---|---|---|
| | Standalone | Consolidated |
| Foreign Exchange Earnings in terms of actual inflows | INR 46,45,57,390/- | INR 46,45,57,390/- |
| Foreign Exchange Outgo in terms of actual outflows | NIL | NIL |

**For DroneAcharya Aerial Innovations Limited**

**Place: Pune**
**Date: 4th September, 2026**

**Sd/-**
**Prateek Srivastava**
**Managing Director**
**DIN: 07709137**

**Sd/-**
**Nikita Srivastava**
**Director and CFO**
**DIN: 08082593**

**FORM NO. MR-3**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED 2025-26**

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

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices for the Financial Year 2025-26 of **M/s DRONEACHARYA AERIAL INNOVATIONS LIMITED** (hereinafter called the "**Company**"), incorporated on 10th March, 2017 and having CIN- L29308PN2017PLC224312 and Registered office at 1st & 2nd Floor, Galore Tech IT Park, LMD Square, Bavdhan, Pune, Pune City, Maharashtra, India, 411021. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minutes books, forms, and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents, and authorized representative during the course of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 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, 2026 according to the applicable provisions of the:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v)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;
(c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
(d)The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
(f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations,2011;

(iii) Other laws applicable to the Company as given below, we have relied on the compliance system prevailing in the Company and on the basis of information provided to us;
i) Reserve Bank of India Act, 1934
ii) Prevention of Sexual Harassment Act, 2013

We have also examined compliance with the applicable clauses of the following:
(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

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

9. It was observed that the Company had delayed filing of Form MGT-14 with the Registrar of Companies in respect of the appointment of Mr. Jayesh Kulkarni as the Company Secretary of the Company, pursuant to the resolution passed by the Board of Directors in accordance with the applicable provisions of the Companies Act, 2013. However, the Company has subsequently complied with the said requirement as on the date of signing of this Report.

10. It was observed that Mr. Adhir Kuntawar, Company Secretary and Compliance Officer, resigned from the Company with effect from 31 July 2025. The resultant vacancy was filled only on 14 November 2025 upon appointment of Mr. Jayesh Kulkarni as the Company Secretary. Accordingly, the office of the Company Secretary remained vacant for a period exceeding three months, resulting in non-compliance with the provisions of Regulation 6(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11. It was observed that certain clerical errors were made in Form ADT-1 filed in respect of the appointment of the Auditor at the Extra-Ordinary General Meeting held on 16 February 2026. Under the field "Membership Number of Auditor signing the Balance Sheet of the Company", the membership number was mentioned as "1" instead of the correct particulars. Further, under the field "Name of the Auditor", the Membership Number of the Auditor, i.e. "115123", was mentioned instead of the name of the Auditor.

12. It was observed that the Annual Foreign Liabilities and Assets (FLA) Return for FY 2024-25 was filed after the stipulated timeline. However, the Company has subsequently complied with the said requirement as on the date of signing of this Report.

13. It was observed that Form MGT-14 has not been filed with the Registrar of Companies in respect of the approval and adoption of the Audited Financial Statements for the financial year ended 31 March 2025. In terms of Section 117(3)(g) of the Companies Act, 2013, where the Board of Directors has passed a resolution under Section 179(3) in relation to the approval of the Board's Report and Financial Statements before the same are placed before the members at the Annual General Meeting, such resolution is required to be filed with the Registrar of Companies in Form MGT-14, unless specifically exempted under the applicable provisions of the Act or the Rules made thereunder.

14. It was observed that the SDD Compliance Certificate for Quarter 2 (July 2025 to September 2025) was not filed/made available for verification. Accordingly, the quarterly compliance for the said period could not be independently verified.

15. It was observed that the Non-Applicability Certificate in respect of Corporate Governance for Quarter 2 (July 2025 to September 2025) was not made available in the records and documents produced before us for verification. Accordingly, the compliance in this regard could not be independently verified.

16. Based on the records and information made available to us, certain details relating to the disclosure pertaining to orders received by the Company could not be fully verified. Certain supporting records were not available for our verification. Accordingly, our comments on the completeness of the disclosure in this regard are subject to the records and information made available to us.

**We report that,**

**e)** The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year under review following changes have took place;

- Mrs. Bhanupriya Thakur has resigned from the position of Independent Director with effect from 03rd December, 2025.
- Mr. Utsav Jasapara has resigned from the position of Independent Director with effect from 04th December, 2025.
- Mrs. Meenakshi Niraj Gupta was appointed as Independent Director with effect from 31st December, 2025.
- Mr. Shyam Shankar Jedhe was appointed as Independent Director with effect from 31st December, 2025.

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

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

h) **Material Orders Passed during the year:**

3. During the year under review, the Company has received order from Securities and Exchange Board of India dated 28th November, 2025 wherein the adjudicating officer has imposed penalty of Rs. 10,00,000/- (Rupees Ten Lakh) under Section 15HA of SEBI Act, 1992 and restraining the company for accessing securities market for a period of 2 years on alleged violation of;

   - Provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003) for devising the fraudulent scheme.
   - Regulation 3(a), (b), (c), (d) and 4(1), 4(2)(a), (e) of SEBI PFUTP Regulations, 2003 for mis-utilization of IPO funds.
   - Clause 7(b) of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirement) Regulation, 2018 ("ICDR Regulations") for non-disclosure of quotation of software and computers in prospectus under objects of issue.
   - Regulation 31(1) and 32(1), (2) of LODR Regulations for disclosing incorrect shareholding percentages of promoter and public as on December 21, 2022 and for not disclosing Statement of deviation on utilization of IPO funds for half year ended March 2024.
   - Regulation 3(b), (c), (d), Regulation 4(1), 4(2)(f), (k) & (r) of PFUTP Regulations, and Regulation 4(1), 33(1)(a) & (c), and 48 of the LODR Regulations for inflation of revenue and profit and thus misrepresenting financial statements and presenting financial statements which were not true and fair and not depicting true financial position.
   - Regulation 4(1)(c), (d), (e), (g), and (h) of LODR Regulations, read with Regulation 30(1), 30(3) read with Regulation 30(4) and Schedule III Part A Para B (1), (2), (4) and Schedule III Part A Para

C of LODR Regulations, Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 and Regulation 30(7), (8) and (10) of LODR Regulations, for misleading corporate announcements.

Further, as represented by the management of the Company, the Company has filed an application/appeal before the Securities Appellate Tribunal ("SAT") in relation to the aforesaid matter. The management has further represented that the Hon'ble SAT has passed an interim stay order dated 19 December 2025 in the matter, pursuant to which the proceedings/action in respect of the matter have been stayed, subject to the terms and conditions of the said order. The management has also represented that the matter is presently pending before the Hon'ble SAT for further consideration/adjudication.

4. During the year the company had undergone GST Audit for the period September 2021 to March 2023 where the department had made following observations dated 02nd June, 2025 and 16th July, 2025
   - Non-Payment of Late fee on delayed filing of GSTR-1 u/s 47 of CGST Act, 2017.
   - Short payment of Interest on late payment of tax (GSTR 3B late filed after due date) on GST cash component.
   - Excess ITC availed on account of GSTR3B vs GSTR 2B comparison along with non-payment of interest.
   - Duplicate ITC availed on comparison of GSTR -2B and GSTR3B/ ITC Register.
   - Short Payment of Tax in comparison of GSTR1 vs GSTR3B
   - Non- Payment of Interest on delayed payment of tax under Reverse Charge Mechanism.
   - Short payment of tax on account of wrong rate adopted in respect of certain finished products.
   - Penalty for non-filing of GSTR9 for FY 2023-24.
   - Penalty for non-filing of GSTR9C for FY 2022-23 & 2023-24.
   - Wrong availment of blocked ITC.
   - Short-Payment of tax on GTA Services under RCM.
   - Short Payment of tax on account of non-realization of export sales proceeds in terms of Rule 96A of CGST Rules.

Further, based on the records and supporting documents produced before us by the Company, it was observed that the Company has paid penalties aggregating to Rs. 18,78,267/- in respect of the aforesaid observations/matters. The said amount represents the penalties paid by the Company pursuant to the regulatory proceedings/actions referred to above. The details and supporting records relating to the payment of such penalties were made available to us for our verification.

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

**For More Daliya and Associates**
**Company Secretaries**
**Peer Review Certificate: 8923/2026**

**Keshav Daliya**
**Partner**
**Mem. No. 11258**
**CP No. 15581**
**UDIN:F011258H001384630**

**Date: 05/09/2026**
**Place: Nagpur**

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

**Annexure-A**

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

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

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

1. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the COMPANY. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the COMPANY, along with explanations where so required.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the COMPANY.

4. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.

5. The Secretarial Audit Report is neither an assurance as to the future viability of the COMPANY nor of the efficacy or effectiveness with which the management has conducted the affairs of the COMPANY.

**For More Daliya and Associates**
**Company Secretaries**
**Peer Review Certificate: 8293/2026**

**Sd/-**
**Keshav Daliya**
**Partner**
**Mem. No. 11258**
**CP No. 15581**
**UDIN: F011258H001384630**

**Date: 05/09/2026**
**Place: Nagpur**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

**DRONEACHARYA AERIAL INNOVATIONS LIMITED**

**For the Financial Year Ended 31 March 2026**

The Management Discussion and Analysis Report ("MD&A") forms part of the Annual Report of DroneAcharya Aerial Innovations Limited ("DroneAcharya", "DAIL" or "the Company") for the financial year ended 31 March 2026 ("FY 2025–26" or "FY26") and should be read together with the Audited Financial Statements, Notes to Accounts, Directors' Report and other disclosures forming part of the Annual Report.

The discussion below reflects the management's assessment of the Company's business performance, operating environment, financial position, opportunities, risks and outlook based on information available to the management as on the date of this report.

## 1.BUSINESS OVERVIEW

DroneAcharya Aerial Innovations Limited is a listed Indian drone technology company operating across multiple segments of the unmanned aerial systems ("UAS")/drone ecosystem.

The Company's business activities broadly encompass drone manufacturing and technology, drone pilot training, aerial and geospatial services, defence and enterprise drone solutions, research and development, drone data processing and technology-enabled applications.

The Company's business model is designed to participate across multiple stages of the drone technology value chain, including:

- Drone manufacturing and assembly;
- Development of application-specific drone platforms;
- Defence and tactical drone solutions;
- Agriculture and precision-agriculture applications;
- Drone pilot and technical training through DGCA-approved Remote Pilot Training Organisations ("RPTOS");
- Aerial surveying, mapping, inspection and geospatial data services;
- Drone data processing and GIS solutions;
- Research and development in autonomous, surveillance and industrial drone applications;
- Technology integration and consultancy; and
- International collaborations and technology partnerships.

During FY26, the Company continued to strengthen its positioning as an integrated drone technology and solutions provider, with increasing emphasis on defence applications, indigenous product development, training, enterprise applications and technology partnerships.

The Company believes that its integrated capabilities across hardware, software, training, services and data provide a differentiated platform from which it can address the evolving requirements of defence, government, infrastructure, agriculture, enterprise and institutional customers.

**2.INDUSTRY STRUCTURE AND DEVELOPMENTS**

The Indian drone industry continues to evolve from an emerging technology market towards a broader technology and industrial ecosystem. Increasing adoption of drones across defence, agriculture, infrastructure, mining, energy, utilities, disaster management, surveying, surveillance and other applications is creating opportunities for manufacturers, technology developers, service providers and training organisations.

Technological developments in artificial intelligence, computer vision, autonomous navigation, advanced sensors, communication systems, edge computing, battery technology, geospatial technology and data analytics are expanding the potential applications of drones.

The industry is also moving towards integrated solutions where the value proposition extends beyond the drone hardware itself to include:

- Mission-specific drone platforms;
- Payload and sensor integration;
- Autonomous operations;
- Command-and-control systems;
- Data acquisition and processing;
- GIS and analytics;
- Artificial intelligence-enabled decision support;
- Training and skill development; and
- Drone-as-a-Service models.

Defence continues to represent a significant opportunity for the Indian drone ecosystem, particularly in areas such as surveillance, reconnaissance, tactical operations, logistics, FPV systems, counter-drone applications and other mission-specific requirements.

During FY26, DroneAcharya continued to increase its focus on defence and enterprise applications and executed and participated in multiple defence-related drone deployment and demonstration opportunities. The Company also continued to develop its capabilities in FPV, surveillance and tactical drone systems.

The Company believes that the increasing focus on indigenous technology, self-reliance and domestic defence capabilities provides a long-term opportunity for Indian drone technology companies with appropriate technical, manufacturing and execution capabilities.

**3.FINANCIAL PERFORMANCE**

The Company's financial performance for FY26 should be evaluated in the context of both the decline in revenue and the significant improvement in cost efficiency and profitability.

Consolidated Financial Performance

| **Particulars** | **FY 2025–26** | **FY 2024–25** |
|---|---|---|
| Revenue from Operations | ₹14.67 Cr | ₹34.52 Cr |
| Other Income | ₹3.61 Cr | ₹2.18 Cr |
| Total Income | ₹18.28 Cr | ₹36.70 Cr |
| Profit/(Loss) Before Tax | ₹0.51 Cr | (₹17.95 Cr) |
| Profit/(Loss) After Tax | ₹0.37 Cr | (₹13.47 Cr) |

The Company reported consolidated revenue from operations of approximately ₹14.67 crore during FY26 compared with ₹34.52 crore in FY25.

Despite the lower revenue, the Company reported a consolidated Profit Before Tax of approximately ₹0.51 crore and Profit After Tax of approximately ₹0.37 crore in FY26, compared with a loss before tax of approximately ₹17.95 crore and loss after tax of approximately ₹13.47 crore in FY25.

The improvement in profitability was supported by a substantial reduction in operating expenses and continued focus on cost optimisation and operational efficiency.

The Company also reported EBITDA of approximately ₹7.1 crore during FY26.

The management's focus going forward will remain on improving the quality of revenue, increasing utilisation of existing capabilities, improving gross margins, strengthening working-capital discipline and converting the Company's business pipeline into executable revenue.

**Audit Report**

The Statutory Auditor has issued an unmodified opinion on both standalone and consolidated financial statements for FY 2025–26. The financial statements have been prepared in accordance with Indian Accounting Standards (IND-AS) and other regulatory requirements, ensuring a true and fair view of the Company's performance.

## 4.REASONS FOR CHANGE IN REVENUE AND PROFITABILITY

The decline in FY26 revenue compared with FY25 was primarily attributable to delays and disruptions in the execution of certain business opportunities and the timing of procurement and customer deliveries.

The drone industry continues to be dependent on specialised electronic components, sensors, batteries, communication equipment and other components, many of which are sourced through international supply chains.

During the year, global geopolitical developments and supply-chain disruptions affected the availability, pricing and logistics of certain components and consequently affected the timing and economics of project execution.

The Company also adopted a more selective approach towards project execution and expenditure, with greater emphasis on opportunities with strategic relevance, stronger commercial potential and sustainable margins.

At the same time, significant improvement in cost management resulted in a substantial reduction in operating expenses and enabled the Company to return to profitability during FY26.

The management considers the improvement in profitability, despite lower operating revenue, to be an important indicator of the Company's progress towards establishing a more disciplined and sustainable operating structure.

## 5.RESEARCH AND DEVELOPMENT AND PRODUCT DEVELOPMENT

Research and development is an important component of the Company's long-term strategy.

The Company is focused on developing indigenous and application-specific drone technologies for defence, agriculture, enterprise and other industrial applications.

The Company's product development initiatives encompass areas such as:

- FPV drone platforms;
- Surveillance and tactical drone systems;
- Payload and sensor integration;
- Autonomous and semi-autonomous flight;
- Drone data acquisition and processing;
- AI-enabled applications; and
- Mission-specific drone solutions.

The Company intends to continue investing selectively in R&D and product development based on market demand, customer requirements and commercial viability.

## 6.INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems commensurate with its size and nature of operations. These systems ensure accuracy in financial reporting, safeguard assets, and promote operational efficiency. During the year, the management further strengthened compliance processes and internal audits to support transparent governance.

## 7.COMPETITIVE POSITIONING

DroneAcharya seeks to position itself as an integrated drone technology company rather than solely as a drone hardware manufacturer.

The Company's capabilities span multiple complementary areas:

| Area | Company Capability |
|---|---|
| Drone Technology | Drone platforms, systems and allied equipment |
| Defence | FPV, surveillance, tactical and mission-specific solutions |
| Manufacturing | Drone assembly, product development and integration |
| Training | DGCA-approved remote pilot training and technical programmes |
| Drone Services | Aerial surveys, mapping, inspection and data acquisition |
| GIS & Data | Geospatial data processing and analytics |

| | |
|---|---|
| Agriculture | Precision agriculture and spraying solutions |
| R&D | Product development and technology innovation |
| AI & Automation | AI-enabled and autonomous drone applications |
| Consultancy | Drone technology and application consulting |
| International | Technology collaborations and international opportunities |

This diversified business model enables the Company to address multiple segments of the growing drone ecosystem and provides opportunities to develop cross-selling and integrated solution capabilities.

**8.THREATS, RISKS AND CHALLENGES**

- **Rapid Technological Change**

Drone technology is evolving rapidly. Advances in artificial intelligence, autonomous flight, sensors, battery technology, communication systems, navigation and data analytics can shorten product life cycles.

The Company will therefore need to maintain continuous focus on R&D, product improvement, technology partnerships and employee skill development.

- **Regulatory and Compliance Risk**

Drone operations are subject to aviation, safety, security, certification, airspace and other regulatory requirements.

Changes in applicable regulations, certification requirements, operating permissions, import restrictions or government policies may affect the Company's operations.

The Company remains committed to monitoring regulatory developments and maintaining appropriate compliance systems.

- **Defence Procurement and Government Customer Risk**

A significant part of the Company's growth opportunity is linked to government, defence and institutional customers.

Such projects may involve longer procurement cycles, technical evaluations, demonstrations, certifications, tender conditions and payment cycles.

Delays in procurement decisions or project execution can consequently affect revenue recognition and working-capital requirements.

- **Competition**

The Indian drone ecosystem is attracting manufacturers, technology companies, service providers, training organisations and established businesses.

The Company may face competition from domestic and international players across manufacturing, services, training, software and technology.

The Company intends to differentiate itself through integrated capabilities, execution experience, technology development, customer relationships and application-specific solutions.

- **Imported Components and Supply-Chain Risk**

Certain specialised components, sensors, electronics, semiconductors and other drone technologies may be sourced from international markets.

Supply-chain disruptions, geopolitical developments, foreign exchange movements, import restrictions, logistics disruptions and shortages can affect availability and cost.

The Company seeks to mitigate these risks through supplier diversification, inventory planning, localisation and development of alternative technologies wherever commercially feasible.

- **Skilled Manpower Risk**

The drone industry requires specialised personnel across aviation, electronics, embedded systems, software, AI, GIS, data analytics, manufacturing and operations.

Competition for skilled manpower may increase as the industry expands.

The Company's training capabilities provide an opportunity to develop internal talent and create a broader ecosystem of trained professionals.

- **Cybersecurity and Data Privacy**

Drone operations increasingly involve the collection, transmission, processing and storage of potentially sensitive information.

Cybersecurity incidents, unauthorised access, data breaches or misuse of drone-generated information may adversely affect customer confidence and operations.

The Company continues to recognise cybersecurity and data protection as important operational priorities.

- **Working-Capital and Liquidity Risk**

The Company's project-based business model can require working capital for procurement, manufacturing, deployment and execution before corresponding customer collections are received.

Management continues to focus on collections, project-level cash-flow planning, cost control and prudent deployment of financial resources.

## 9.HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Human resources remain a critical component of the Company's ability to execute its technology, manufacturing, training and services businesses.

The Company requires personnel with specialised skills across drone operations, engineering, electronics, software, GIS, data processing, sales, project management, manufacturing and defence applications.

During FY26, the Company undertook measures to align its manpower and operating structure with business requirements and the prevailing scale of operations.

The Company continues to focus on employee capability development, technical training, productivity and efficient deployment of human resources.

Industrial relations during the year remained satisfactory.

## 10.OUTLOOK

The management remains positive about the medium- to long-term prospects of the Indian drone ecosystem.

The convergence of drones with artificial intelligence, computer vision, geospatial technology, automation, advanced sensors and data analytics is expected to create opportunities across defence, agriculture, infrastructure, mining, energy, utilities, logistics, surveillance and government applications.

The Company's strategy is to focus on commercially viable and scalable opportunities across:

- Defence and tactical drones;
- Drone manufacturing and allied equipment;
- Drone-as-a-Service;
- DGCA-approved drone training;
- Infrastructure surveying and inspection;
- Agriculture and precision farming;
- Geospatial mapping;
- Surveillance and reconnaissance;
- AI-enabled drone solutions;
- Drone software and data analytics;
- • Government and institutional projects;
- R&D and product development; and
- International technology and business opportunities.

The Company intends to prioritise opportunities where it can leverage its existing technology, training, manufacturing and execution capabilities while maintaining disciplined financial and operational management.

The management's focus will be on improving revenue quality, strengthening margins, increasing order execution capability, improving working-capital efficiency and building sustainable long-term shareholder value.

## 11.GOVERNANCE, REGULATORY AND COMPLIANCE ENVIRONMENT

As a listed company operating in the technology and drone sector, DroneAcharya is subject to applicable corporate, securities, aviation, taxation, labour and other regulatory requirements.

The Company continues to monitor developments relating to the Securities and Exchange Board of India ("SEBI"), stock exchange requirements, Directorate General of Civil Aviation ("DGCA") regulations and other applicable authorities.

The Company remains committed to strengthening its governance, disclosure, compliance and internal-control processes as it scales its operations.

## 12.CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, expectations, estimates, projections or predictions may constitute "forward-looking statements" within the meaning of applicable securities laws and regulations.

These statements are based on certain assumptions and expectations concerning future events and are subject to risks and uncertainties.

Actual results may differ materially from those expressed or implied due to various factors including changes in economic conditions, industry conditions, demand, competition, raw-material and component prices, supply-chain conditions, regulatory developments, government procurement cycles, taxation, interest rates, foreign exchange movements, technological changes and other risks and uncertainties.

The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of future events or otherwise, except as required under applicable laws and regulations.

## 13.CONCLUSION

FY26 represented an important year of operational restructuring and strategic consolidation for DroneAcharya.

Although the Company experienced a significant decline in operating revenue during the year, it substantially reduced its cost base and returned to profitability. The Company reported consolidated Profit After Tax of approximately ₹0.37 crore compared with a loss of approximately ₹13.47 crore in FY25.

The management believes that the Company's expanding capabilities in defence, drone manufacturing, training, aerial and geospatial services, product development and technology integration provide a foundation for future growth.

Going forward, the Company will focus on:

- Strengthening its defence and enterprise business;
- Increasing execution of confirmed orders and business opportunities;
- Developing and commercialising indigenous drone products;
- Expanding manufacturing and technology capabilities;
- Strengthening the DGCA-approved training ecosystem;
- Improving revenue quality and operating margins;
- Enhancing working-capital and cash-flow management;
- Continuing selective investment in R&D and product development; and
- Building strategic domestic and international partnerships.

The management remains committed to strengthening the Company's fundamentals, improving operational efficiency, maintaining appropriate governance and compliance standards, managing liquidity and execution risks prudently, and creating sustainable long-term value for shareholders and other stakeholders.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**
**DRONEACHARYA AERIAL INNOVATIONS LIMITED**

**Place: Pune**
**Date: 4th September, 2026**

| | |
|---|---|
| **Sd/-** | **Sd/-** |
| **Prateek Srivastava** | **Nikita Srivastava** |
| **Managing Director** | **Director and CFO** |
| **DIN: 07709137** | **DIN: 08082593** |

*HAZIYANI & ASSOCIATES*
CHARTERED ACCOUNTANTS

# INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF,**
**DRONEACHARYA AERIAL INNOVATION LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **DRONEACHARYA AERIAL INNOVATION LIMITED** (the "Company"), which comprises the Balance Sheet as at **March 31, 2026**, the Statement of Profit and Loss {including the Other Comprehensive Income / (Losses)}, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information, (hereinafter referred to as "the standalone financial statements").

In our opinion, and to the best of our information and according to the explanation given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2026**, and its standalone profit / (losses) including total comprehensive income / (losses), its standalone cash flows and the standalone changes in equity for the year ended on that date.

**Basis of Opinion**

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

**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

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**Office:** 286, M-007, Suprabhat Sankul, Beside Purushottam Super Bazar, Shivaji Nagar, Dharampeth Extension, Nagpur (M.H.) – 440010, Cell: 9823825941, Ph: 0712 – 3575051, Email: haziyaniandassociates@gmail.com

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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters and to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone financial statements.

| The Key Audit Matters | How was the matter addressed in our Audit |
|---|---|
| **Revenue Recognition *(Refer Note No. 1.4.(d) and 28 of the standalone financial statements)*** | |
| Revenue is one of the key drivers of profitability and is therefore susceptible to the risk of material misstatement. The Company recognizes revenue net of applicable discounts, rebates, and other variable considerations. Accordingly, revenue from the sale of products has been identified as a Key Audit Matter. The key areas of judgment and estimation involved in revenue recognition include:<br>* **Determination of performance obligations**: Assessing whether revenue recognition criteria are satisfied in accordance with the applicable accounting standards, including the identification and satisfaction of performance obligations.<br>* **Estimation of variable consideration:** Evaluating management's estimates relating to discounts, rebates, and other incentives, which may impact the | Our audit procedures in relation to revenue recognition included, among others, the following:<br>* Assessed the appropriateness of the Company's revenue recognition accounting policies in accordance with the applicable accounting standards.<br>* Evaluated the design, implementation, and operating effectiveness of key internal controls over revenue recognition, including controls over recording of sales, discounts, rebates, and related adjustments.<br>* Tested, on a sample basis, revenue transactions recorded during the reporting period by verifying supporting documents such as sales invoices, dispatch documents, and customer purchase orders.<br>* Performed cut-off testing by examining transactions recorded before and after the year-end to assess whether revenue has been recognized in the appropriate accounting |

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| measurement of revenue.<br><br>* **Cut - off procedures:** Ensuring that revenue is recognized in the correct accounting period, as inappropriate cut-off may result in material misstatement of standalone financial statements. | period.<br><br>* Evaluated the reasonableness of management's estimates relating to variable consideration, including discounts and rebates, by comparing historical trends and examining subsequent settlements, where applicable.<br><br>* Performed analytical procedures on revenue, including comparison with prior periods and investigation of significant fluctuations and unusual trends.<br><br>* Assessed the adequacy and appropriateness of disclosures made in the standalone financial statements in respect of revenue recognition. |
| **Carrying Value of Trade Receivables** | |
| As at March 31, 2026, trade receivables constitute approximately 46.41% of the total assets of the Company (refer *"Note No. 12"* of the standalone financial statements). The Company is required to regularly assess the recoverability of its trade receivables.<br><br>The Company applies the Expected Credit Loss (ECL) model for the measurement and recognition of impairment loss on trade receivables. The impairment allowance is determined using a provision matrix, which is based on historically observed default rates over the expected life of receivables and is adjusted for forward-looking information.<br><br>This has been identified as a Key Audit Matter due to the significant judgment involved in determining the assumptions used in the provision matrix, including historical default rates, ageing profiles, and forward-looking estimates, which may have a material impact on the | Our audit procedures in relation to impairment of trade receivables included, among others, the following:<br><br>* Assessed the appropriateness of the Company's accounting policy for impairment of financial assets in accordance with the applicable accounting standards.<br><br>* Evaluated the design, implementation, and operating effectiveness of key internal controls over credit control, monitoring of receivables, and estimation of expected credit losses.<br><br>* Obtained an understanding of the methodology used by management for computing ECL, including the construction and application of the provision matrix.<br><br>* Tested the accuracy and completeness of data used in the ECL computation, including ageing of receivables, by verifying underlying records on a sample basis.<br><br>* Assessed the reasonableness of historical default rates used in the provision matrix by comparing with past trends and actual credit loss experience. |

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| standalone financial statements. | * Evaluated the appropriateness of forward-looking adjustments applied by management, including consideration of current and expected economic conditions.<br>* Reviewed subsequent collections from customers to assess the recoverability of outstanding receivables as at the reporting date.<br>* Performed external balance confirmations on a sample basis and followed up on non-responses or differences, where applicable.<br>* Examined specific overdue and high-value receivable balances to assess whether additional provisions were required.<br>* Assessed the adequacy and appropriateness of disclosures made in the standalone financial statements in respect of trade receivables and impairment thereof. |

## Information Other than the Financial Statements and Auditor's Report thereon

The Company's Management and the Board of Directors are responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, Board's Report including Annexure to the Board's Report, Report on Corporate Governance, Business Responsibility and Sustainability Report and Shareholder's information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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.

## Management's Responsibility for the Standalone Financial Statements

The Company's Management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the standalone financial position, the standalone financial performance including the other comprehensive income / (losses), standalone cash flows and standalone changes in equity of the Company in accordance with the accounting principle generally accepted in India, including the Indian Accounting Standards (Ind AS) as specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentations of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive

to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Management and Board of Directors.

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 users 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.

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

**Report on Other Legal and Regulatory Requirements**

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

2. As required by section 143(3) of the Act, based on our audit, 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss including the Other Comprehensive Income / (Losses), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity dealt with by this Reports are in agreement with the relevant books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards as specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, time to time.

e. On the basis of the written representation received from the directors as on March 31, 2026, taken on the record by the Board of Directors, none of directors is disqualified as on March 31, 2026, from being appointed as a director in term of section 164(2) of the Act.

f. With respect to adequacy of the internal financial controls with reference to these standalone financial statements of the Company and the operating effectiveness of such control, refer to our separate report in **Annexure "B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, time to time, in our

opinion and to the best of our information and explanations given to us, the remuneration paid / provided by the Company to its directors, during the reporting period is in accordance with the provision of section 197 of the Act.

h. With respect to the other matters to be included in the Independent Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, time to time, in our opinion and to the best of our information and according to the explanations given to us;

(i) The Company has disclosed, wherever applicable, the impact of pending litigations on its standalone financial positions in its standalone financial statements. (Refer *"Note No. 44"* of the standalone financial statements).

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

(iii)There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv)a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed fund or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including the foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries 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 to or on behalf of the Ultimate Beneficiaries;

b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on 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 misstatement.

(v) There were no amounts which were declared or paid during the reporting period as dividend by the Company, hence the requirement to report in accordance with section 123 of the Act is not applicable.

(vi) Based on our examination, which included test check, the Company has used accounting software for maintaining its books of accounts for the financial period ended March 31, 2026, which has a feature of recording audit trail (edit log) facilities and the same has operated throughout the period for all the relevant transactions recorded in the software systems. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with and the audit trails have been preserved by the Company as per the statutory requirements for the record retention.

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No. 0030087C

Place: Nagpur
Dated: **May 29, 2026**
UDIN No.: **26115123FZFWUO3198**

**AMIN HAZIYANI**
Partner
Membership No. 115123

# ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

*(Referred to in Paragraph 1 under "Report on the Other Legal and Regulatory Requirements" section of our report of Even Date)*

In terms of the information and explanations sought by us and given by the Company and the books of accounts and records examined by us in the normal course of our audit and to the best of our knowledge and belief, we state that:

1. In respect of the Company's Property, Plants and Equipment and Intangible assets and relevant details in respect of Right-of-use-assets;

a)i) The Company has maintained proper records showing full particulars, including the quantitative details and situation of property, plants and equipment, capital work-in-progress and relevant details in respect of Right-of-use-assets.

ii) The Company has maintained proper records showing full particulars of its intangible assets, including details of description, location (wherever applicable), and relevant quantitative information.

b) The Company has a regular program at reasonable interval for physical verification of property, plants and equipment and capital work-in-progress, so as to cover all the assets, the periodicity of physical verification, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.

c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company), disclosed in the standalone financial statements and included under property, plants and equipment and capital work-in-progress are held in the name of the Company as at the Balance Sheet date. In respect of the immovable properties taken on lease by the Company, the lease agreements are held in the name of the Company as at the Balance Sheet date, if any.

d) The Company has not revalued any of its property, plants (including right-of-use-assets) and equipment and intangible assets during the reporting period.

e) According to information and explanations given to us and on the basis of our examination of the records of the Company, no proceeding has been initiated during the reporting period or are pending against the Company as at March 31, 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and Rules made thereunder.

2. In respect of Company's inventories;

a) As explained to us, inventories except goods-in-transit and the stock lying with third parties have been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, in respect of stock lying with third parties at the end of the year, written confirmations have been obtained. In our opinion, the frequency of such verification is reasonable. In our opinion, and according to information and explanations given to us, the coverage and the procedure adopted by the management for the physical verification are appropriate considering the size and the nature of the products dealt in by the Company. As explained to us, there were no discrepancies of 10% or more in the aggregate for each class of inventories that were noticed on such physical verification of inventories. However, any other discrepancies, if any, noticed on such physical verification have been properly dealt with in the books of accounts.

b) During the reporting period, the Company has not availed working capital limit in excess of five crore rupees, in aggregate, at point of time during the reporting period, from banks or financial institutions on the basis of security of current assets, hence the requirement to report under clause 3(ii)(b) of the said Order is not applicable in case of the Company.

3. The Company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties, during the reporting period, in respect of which;

a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, nor has it provided any guarantee or security to any entities, including subsidiaries, associates and joint ventures, during the reporting period. Accordingly, the reporting requirement under clause 3(iii)(a)(A) and 3(iii)(a)(B) of the said Order is not applicable.

b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made investment in, during the reporting period, in respect of investment made in, the terms and conditions attached, prima facie, not prejudicial to the interest of the Company. During the reporting period, the Company has not granted any loans and advances in the nature of loan to any entities including subsidiaries, associates and joint ventures.

c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not granted any loans and advances in the nature of loans, to any entities, including subsidiaries, associates and joint ventures, during the reporting period. Accordingly, the requirement to report under clause 3(iii)(c) of the said Order, relating to stipulation of repayment terms and regularity of principal and payment of interest, is not applicable.

d) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not granted any loans and advances in the nature of loans to any entities, including subsidiaries, associates and joint ventures, during the reporting period. Accordingly, the requirement to report under clause 3(iii)(d) of the said Order, relating to overdue amounts remaining outstanding for more than ninety days as at the date of balance sheet, is not applicable.

e) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not granted any loans and advances in the nature of loans to any entities, including subsidiaries, associates and joint ventures, during the reporting period. Accordingly, the requirement to report under clause 3(iii)(e) of the said Order, relating to loans which has fallen due during the reporting period and have been renewed or extended, or fresh loans granted to settle the overdue of the existing loans given to the same parties, is not applicable.

f) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment, during the reporting period. Accordingly, the requirement to report under clause 3(iii)(f) of the said Order is not applicable.

The Company has not made any investment in firms and limited liabilities partnership, during the reporting period. Further, the Company has not provided any guarantees or security, nor has it granted any loans or advances in the nature of loans, whether secured or unsecured, to companies, firms and limited liability partnership or any other parties, during the reporting period.

4. In our opinion and according to information and explanations given to us, and based on our examination of the records of the Company, the Company has complied with the provisions of section 185 and section 186 of the Act, in respect to grant of loans, making of investments, and providing of guarantees and securities, as applicable.

5. The Company has neither accepted any deposits from public nor accepted any amounts which are deemed to be the deposits of the Company within the meaning of section 73 to section 76 of the Companies Act, 2013, or rules made thereunder, during the reporting period. Accordingly, the requirement to report under clause 3(v) of the said Order is not applicable.

6. We have broadly reviewed the cost records as maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, time to time, prescribed by the Central Government under section 148(1) of the Companies Act, in respect of the Company's products / services to which said Rules are made applicable, and Based on the information and explanations provided to us, the provisions of section 148(1) and the

Companies (Cost Records and Audit) Rules, 2014, are not applicable to the Company during the reporting period. Accordingly, no cost records have been maintained by the Company in respect of the reporting period.

7. According to the information and explanations given to us and based on our examination of the records of the Company, in respect of statutory dues, we report that;

a) The Company has generally been regular in depositing undisputed statutory dues, including goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duties of custom, duties of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable, except the following case as mentioned below:

(Amount ` in Lakhs)

| Name of the Statue | Natures of the Dues | Period to which the amounts relate | Amount Involved (` in Lakhs) |
|---|---|---|---|
| Income Tax Act, 1961 | Self - Assessment Tax (Income Tax) | F. Y. 2023 - 2024 | ` 126.79 |
| Income Tax Act, 1961 | Interest on Self - Assessment Tax (Income Tax) | F. Y. 2022 - 2023 | ` 05.04 |

b) According to the information and explanation given to us, there are no material statutory dues referred to in sub-clause (a) above which have not been deposited with the appropriate authority on account of any dispute except in the following matters;

(Amount ` in Lakhs)

| Name of the Statue | Nature of the Dues | Forum where dispute is pending | Period to which the amount relates | Amount Involved |
|---|---|---|---|---|
| Income Tax Act, 1961 | Income Tax | Commissioner of Income Tax (Appeals) {CIT (A)} | F. Y. 2021 - 22 | ` 1,627.53 |

8. According to the information and explanation given to us and based on our examination of the record of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the reporting period in

the tax assessments under the Income Tax Act, 1961. Accordingly, the requirement to report under clause 3(viii) of the said order is not applicable.

9.a) In our opinion and according to the information and explanation given to us and based on our examination of the records of the Company, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender, during the reporting period. Accordingly, the requirement to report under clause 3(ix)(a) of the said Order is not applicable.

b) The Company has not been declared as a willful defaulter by banks or financial institutions or government or any government authority.

c) The Company has obtained term loan during the reporting period and there was unutilized balance of term loans at the beginning of the reporting period. The said term loans have been applied for the purposes for which they were obtained. Pending such utilization, certain amounts were temporarily deployed elsewhere and were subsequently applied for the intended purposes.

d) According to the information and explanations given to us and based on our examination of the standalone financial statements of the Company, on an overall basis, funds raised on a short-term basis have, prima facie, not been used for long-term purposes by the Company during the reporting period.

e) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures, as defined under the Companies Act, 2013. Accordingly, the requirement to report under clause 3(ix)(e) of the said Order is not applicable.

f) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any loans during the reporting period on the basis of pledge of securities held in its subsidiaries, joint ventures, or associate companies, as defined under the Companies Act, 2013. Accordingly, the requirement to report under clause 3(ix)(f) of the said Order is not applicable.

10.a) The Company has not raised any money by way of an initial public offer or further public offer (including debt instruments) during the reporting period and hence the requirement to report under clause 3(x)(a) of the said Order is not applicable.

b) In our opinion and according to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible), during the reporting period. Accordingly, the requirement to report under clause 3(x)(b) of the said Order is not applicable to the Company.

11.a) According to the information and explanation given to us and based on our examinations of records of the Company, and considering the principles of materiality outlined in the Standards of Auditing, we report that, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the reporting period.

b) According to the information and explanations given to us and based on our examination of the records of the Company, no report under sub - section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4, as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014, with the Central Government during the reporting period and up to the date of this report.

c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not received any whistle-blower complaints during the reporting period.

12. The Company is not a Nidhi Company as prescribed under section 406 of the Companies Act, 2013. Accordingly, the requirement to report under clause 3(xii) of the said Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with section 177 and section 188 of the Companies Act, 2013, wherever applicable and details of such related party transactions have been disclosed in the financial statements, under *"Note No. 42 - the transactions with Related Parties"* in accordance with the requirements of Indian Accounting Standards (Ind AS) - 24, *"Related Party Disclosure"* specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014, as amended, time to time.

14.a) In our opinion, the Company has an adequate internal audit system, commensurate with the size and the nature of its business.

b) We have considered the internal audit reports issued to the Company during the reporting period and up to the date of this report, covering the period up to March 31, 2026, in determining the nature, timing and extent of our audit procedures.

15. In our opinion and according to the information and explanation given to us based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors, or the persons connected with him, during the reporting period, hence provisions of section 192 of the Act are not applicable. Accordingly, the requirement to report under clause 3(xv) of the said Order is not applicable.

16.a) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India

# ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

*(Referred to in paragraph 2(f) under "Report on the Other Regulatory Requirements" section of our report of even date)*

**Report on the Internal Financial Controls with reference to Standalone Financial Statements over the Financial Reporting under Clause (i) of sub - section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to these standalone financial statements of **"DRONEACHARYA AERIAL INNOVATION LIMITED"** ("the Company") as at **March 31, 2026,** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively to ensure the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their

operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company's internal financial controls with reference to standalone financial statements.

### Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to standalone financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

### Inherent Limitations of Internal Financial Controls over the Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls with

reference to standalone financial statements and such internal financial controls were operating effectively as at **March 31, 2026**, based on the criteria for internal financial control with reference to standalone financial statements established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No. 0030087C

Place: Nagpur
Dated: **May 29, 2026**
UDIN No.: **26115123FZFWUO3198**

**AMIN HAZIYANI**
Partner
Membership No. 115123

# DRONEACHARYA AERIAL INNOVATIONS LIMITED

Registered Office: 4th Floor, Vishal Complex, DSK Rajwara, Ram Nagar, NDA Pashan Road, Bavdhan, Pune - 411021, MH - IN
Email: cs@droneacharya.com
CIN NO.: L29308PN2017PLC226312
Web site: www.droneacharya.com

## Statement of Standalone Financial Results for the Half Year and Year ended March 31, 2026

(₹ in Lakhs, except earnings per share data)

| S. No. | Particulars | Half Year Ended | | | Year Ended | |
|---|---|---|---|---|---|---|
| | | 31.03.2026 (Audited) | 30.09.2025 (Unaudited) | 31.03.2025 (Audited) | 31.03.2026 (Audited) | 31.03.2025 (Audited) |
| I | **Income** | | | | | |
| 1 | Revenue from Operations | 557.06 | 957.93 | 761.82 | 1,466.97 | 3,451.89 |
| 2 | Other Income | 240.22 | 120.25 | 142.00 | 360.47 | 217.86 |
| II | **Total Income (Total of 1 to 2)** | **749.29** | **1,078.18** | **903.82** | **1,827.44** | **3,669.75** |
| III | **Expenses** | | | | | |
| 1 | Cost of Materials Consumed | 107.71 | 16.51 | 10.09 | 124.22 | 1,032.68 |
| 2 | Purchase of Trading Stock | - | - | - | - | - |
| 3 | Changes in Inventories of Finished Goods, Work-in-Progress and Trading Stock | - | - | - | - | - |
| 4 | Employee Benefits Expense | 277.87 | 213.25 | 351.00 | 491.12 | 656.35 |
| 5 | Finance Costs | (7.21) | 16.28 | 35.96 | 9.07 | 38.01 |
| 6 | Depreciation and Amortization Expenses | 340.45 | 307.95 | 296.39 | 648.40 | 854.90 |
| 7 | Other Expenses | 236.24 | 265.96 | 2,257.46 | 502.20 | 3,781.61 |
| IV | **Total Expenses (Total 1 to 7)** | **955.05** | **819.96** | **2,950.91** | **1,775.01** | **5,463.56** |
| V | **Profit Before Exceptional Item and Tax (II - IV)** | **(205.79)** | **258.22** | **(2,047.08)** | **52.43** | **(1,793.80)** |
| | Exceptional Items | - | - | - | - | - |
| VI | **Profit Before Tax (PBT)** | **(205.79)** | **258.22** | **(2,047.08)** | **52.43** | **(1,793.80)** |
| VII | **Tax Expense** | | | | | |
| 1 | Current tax | (13.50) | 32.70 | (103.92) | 18.89 | - |
| 2 | Deferred tax | (36.16) | 31.73 | (434.01) | (4.43) | (447.07) |
| VIII | **Total Tax Expense (Total 1 to 2)** | **(50.06)** | **64.52** | **(538.93)** | **14.46** | **(447.07)** |
| IX | **Profit After Tax (PAT) (VI - VIII)** | **(155.73)** | **193.70** | **(1,508.15)** | **37.97** | **(1,346.73)** |
| X | **Other Comprehensive Income** | | | | | |
| | **A) Item that will not be reclassified to the Statement of Profit and Loss** | | | | | |
| | a)i) Remeasurement of the defined benefits plan | 4.72 | 0.76 | 1.49 | 5.48 | 1.49 |
| | ii) Income tax expenses on the above | (1.19) | (0.19) | (0.37) | (1.38) | (0.37) |
| | b)i) Net fair value gain / (loss) on investment in equity instruments through OCI | - | - | - | - | - |
| | ii) Income tax expenses on the above | - | - | - | - | - |
| | **B) Items that will be reclassified subsequently to the Statement of Profit and Loss** | | | | | |
| | a)i) Net fair value gain / (loss) on investments in debt instruments through OCI | - | - | - | - | - |
| | ii) Income tax expenses on the above | - | - | - | - | - |
| XI | **Total Other Comprehensive Income** | **3.53** | **0.57** | **1.11** | **4.10** | **1.11** |
| XII | **Total Comprehensive Income for the period (IX + XI)** | **(152.20)** | **194.27** | **(1,507.04)** | **42.07** | **(1,345.62)** |
| XIII | **Paid Up Equity Share Capital** | | | | | |
| | (Face Value of ₹ 10 per Share) | 2,398.86 | 2,398.86 | 2,398.86 | 2,398.86 | 2,398.86 |
| | (Other Equity (Excluding Revaluation Reserve)) | | - | - | 3,453.04 | 3,410.97 |
| XIV | **Earnings per Share (in ₹) (before extraordinary item) (not annualised)** | | | | | |
| | Basic (₹) | (0.65) | 0.81 | (6.29) | 0.16 | (5.61) |
| | Diluted (₹) | (0.65) | 0.81 | (6.29) | 0.16 | (5.61) |
| | **Earnings per Share (in ₹) (after extraordinary item) (not annualised)** | | | | | |
| | Basic (₹) | (0.65) | 0.81 | (6.29) | 0.16 | (5.61) |
| | Diluted (₹) | (0.65) | 0.81 | (6.29) | 0.16 | (5.61) |

Droneacharya Aerial Innovations Limited ★ Pune

DRONEACHARYA AERIAL INNOVATIONS LIMITED
Registered Office: 4th Floor, Vishal Complex, DSK Ramvara, Ram Nagar, NDA Pashan Road, Bavdhan, Pune - 411021, MH - IN
Email: cs@droneacharya.com
CIN NO.: L29308PN2017PLC224312
Web site: www.droneacharya.com

## Standalone Statement of Assets and Liabilities

(₹ in Lakhs)

| S. No. | Particulars | 31.03.2026 (Audited) | 31.03.2025 (Audited) |
|---|---|---|---|
| A | **ASSETS** | | |
| 1 | **Non - Current Assets** | | |
| | Property, Plants and Equipment | 427.65 | 761.70 |
| | Right-of Use Assets | 46.55 | 294.86 |
| | Other Intangible Assets | 391.69 | 442.71 |
| | Capital Work-in-Progress | 287.10 | 134.39 |
| | Financial Assets | | |
| | Investments | 72.71 | 475.07 |
| | Loans | - | - |
| | Other Financial Assets | 60.31 | 75.83 |
| | Other Non - Current Assets | 750.92 | 220.76 |
| | Current Tax Assets (Net) | 23.20 | 25.30 |
| | Deferred Tax Assets (Net) | 450.04 | 446.98 |
| | **Total Non - Current Assets** | **2,510.16** | **2,677.61** |
| 2 | **Current Assets** | | |
| | Inventories | 165.51 | - |
| | Financial Assets | | |
| | Trade Receivables | 2,925.19 | 2,539.98 |
| | Cash and Cash Equivalents | 7.25 | 298.88 |
| | Other Balances with Banks | - | - |
| | Loans | - | - |
| | Other Financial Assets | 105.27 | 353.91 |
| | Other Current Assets | 589.17 | 665.77 |
| | **Total Current Assets** | **3,792.40** | **3,858.53** |
| | **Total Assets** | **6,302.56** | **6,736.14** |
| B | **EQUITY AND LIABILITIES** | | |
| a) | **EQUITY** | | |
| | Equity Share Capital | 2,398.86 | 2,398.86 |
| | Other Equity | 3,453.04 | 3,410.97 |
| | | **5,851.90** | **5,809.83** |
| b) | **LIABILITIES** | | |
| 1 | **Non - Current Liabilities** | | |
| | Financial Liabilities | | |
| | Borrowings | 24.31 | 0.20 |
| | Lease Liabilities | 38.13 | 189.86 |
| | Long - Term Financial Liabilities | - | - |
| | Long - Term Provisions | 23.85 | 24.07 |
| | Other Non - Current Liabilities | - | - |
| | **Total Non - Current Liabilities** | **86.28** | **214.13** |
| 2 | **Current Liabilities** | | |
| | Financial Liabilities | | |
| | Borrowings | 12.44 | - |
| | Lease Liabilities | 10.71 | 130.43 |
| | Trade Payables | | |
| | Total Outstanding dues to Micro Enterprises and Small Enterprises | - | - |
| | Total Outstanding dues of Creditors other than to Micro Enterprises and Small Enterprises | 49.74 | 264.94 |
| | Other Financial Liabilities | 167.28 | 220.84 |
| | Other Current Liabilities | 27.68 | 2.10 |
| | Short - Term Provisions | 2.72 | 0.06 |
| | Current Tax Liabilities (Net) | 93.81 | 93.81 |
| | **Total Current Liabilities** | **364.37** | **712.17** |
| | **Total Equity and Liabilities** | **6,302.56** | **6,736.14** |

Droneacharya Aerial Innovations Limited ★ Pune

DRONEACHARYA AERIAL INNOVATIONS LIMITED
Registered Office: 4th Floor, Vishal Complex, HSK Ranwara, Ram Nagar, NDA Pashan Road, Baner, Pune - 411021, MH - IN
Email: cs@droneacharya.com
CIN: NO: U93090PN2017PLC170312
Web site: www.droneacharya.com

## Standalone Statement of Cash Flows

(₹ in Lakhs)

| S. No. | Particulars | 31.03.2026 (Audited) | 31.03.2025 (Audited) |
|---|---|---|---|
| A) | **Cash Flow from Operating Activities** | | |
| | **Net Profit / (Loss) before Tax for the year as per the Standalone Statement of Profit and Loss** | 52.43 | (1,793.80) |
| | Adjustments For: | | |
| | Depreciation and Amortization Expenses | 648.40 | 454.90 |
| | Interest Income | (4.99) | (114.44) |
| | Finance Costs | 9.07 | 38.01 |
| | (Surplus) / Loss on Disposal of Property, Plants and Equipment | (1.27) | - |
| | (Surplus) / Loss on Disposal of Investments | (10.83) | (3.13) |
| | Provision for Unsecured Doubtful Debts and Advances | 42.52 | 1,303.33 |
| | **Operating Profit before Working Capital Changes** | 735.33 | (115.13) |
| | Adjustments For: | | |
| | (Increase) / Decrease in Trade Receivables | (421.73) | (936.10) |
| | (Increase) / Decrease in Other Financial Assets | 30.97 | 39.80 |
| | (Increase) / Decrease in Inventories | (165.51) | 0.96 |
| | (Increase) / Decrease in Other Current Assets | 76.59 | 251.47 |
| | Increase / (Decrease) in Short - Term Borrowings | 12.44 | - |
| | Increase / (Decrease) in Trade Payables | (215.20) | 260.04 |
| | Increase / (Decrease) in Financial Liabilities | (53.57) | (181.57) |
| | Increase / (Decrease) in Other Current Liabilities | 25.58 | (17.94) |
| | Increase / (Decrease) in Provisions | 7.93 | 9.79 |
| | **Cash Generated from Operating Activities** | 26.82 | (688.68) |
| | Income Tax Paid (Net of Refund) | (16.79) | (24.84) |
| | **Net Cash Generated / (Used) from Operating Activities** | 10.04 | (713.51) |
| B) | **Cash Flow from Investing Activities** | | |
| | Investment in Property, Plants and Equipment (Net of Disposal) | (140.83) | (633.20) |
| | (Increase) / Decrease in Capital Work-in-Progress | (152.72) | (66.52) |
| | (Increase) / Decrease in Non - Current Investments | 413.19 | (354.28) |
| | Payment for acquiring Right-of-Use Assets | 127.09 | (427.82) |
| | Purchases / Redemption of Term Deposits (Net) | 133.19 | 1,763.34 |
| | Capital Advances | (530.16) | 54.74 |
| | Interest Income | 4.99 | 114.44 |
| | **Net Cash Generated / (Used) from Investing Activities** | (45.25) | 450.70 |
| C) | **Cash Flow from Financing Activities** | | |
| | Proceeds from Fresh Issue of Equity Shares | - | - |
| | Expenditure towards Issuance of Share Capital | - | (94.44) |
| | Proceeds / (Repayments) from Non - Current Borrowings | 24.11 | 0.20 |
| | Increase / (Decrease) in Lease Liabilities | (271.45) | 320.29 |
| | Finance Costs | (9.07) | (38.01) |
| | Dividend Paid | - | - |
| | **Net Cash Received / (Used) from Financing Activities** | (256.41) | 188.03 |
| (D) | **Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)** | (291.63) | (74.78) |
| (E) | Cash and Cash Equivalents at the beginning of the period | 298.88 | 373.66 |
| (F) | Cash and Cash Equivalents at the end of the period | 7.25 | 298.88 |
| (G) | **Increase / (Decrease) in Cash and Cash Equivalents (G = F - E)** | (291.63) | (74.78) |

**Note:**

a) **Cash and Cash Equivalents Comprises of:**

(₹ in Lakhs)

| S. No. | Particulars | 31.03.2026 ₹ | 31.03.2025 ₹ |
|---|---|---|---|
| 1 | Balances with Banks | | |
| | i) Current Accounts | 6.24 | 297.50 |
| 2 | Cash-in-Hand | 1.01 | 1.37 |
| 3 | **Cash and Cash Equivalents (Total of 1 to 2)** | 7.25 | 298.88 |

Droneacharya Aerial Innovations Limited ★ Pune

**Notes:**

1. The figures for the corresponding previous periods have been regrouped, reclassified and / or re-casted, wherever considered necessary, to conform with the current period presentation and to ensure comparability of the standalone financial results.

2. The standalone financial results for all reporting periods have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other recognized accounting practices and policies generally accepted in India, to the extent applicable.

3. On November 21, 2025, the Government of India notified four Labour Codes - namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour and Employment has also issued draft Central Rules and FAQs to facilitate assessment of the financial impact arising from the regulatory changes. The Company has assessed the impact on its financial results and has appropriately considered the same; however, the impact is not material to the Company.

4. During the current reporting period, the Company has further acquired the remaining 49% equity stake in PYI Technologies Private Limited, pursuant to which PYI Technologies Private Limited has become a wholly owned subsidiary of the Company with effect from the date of acquisition.

5. The figure for the half year ended March 31, 2026, and March 31, 2025, are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the first half year of the relevant financial year.

6. The above standalone financial results were reviewed and recommended by the Audit Committee and subsequently the same has been approved by the Board of Directors at their respective meetings held on May 29, 2026. The Statutory Auditor has issued unmodified report on these standalone financial results.

7. The management note on guidance, industry update, key performance highlights and outlook of the Company is annexed and should be read with the disclaimer thereof.

8. As per the Regulation 46(2) of the SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015, the standalone financial results are available of the Company's website; www.droneacharya.com

**FOR AND BEHALF OF THE BOARD**

Prateek Srivastava
Digitally signed by Prateek Srivastava
Date: 2026.05.29 18:13:18 +05'30'

Droneacharya Aerial Innovations Limited ★ Pune

**PRATEEK SRIVASTAVA**
Managing Director
DIN No. 07709137

Place: Pune
Dated: **May 29, 2026**

## DRONEACHARYA AERIAL INNOVATIONS LIMITED

### Standalone Statement of Changes in Equity for the Year then ended on March 31, 2026

### A) Equity Share Capital

(Amount ` in Lakhs)

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Equity Share Capital** | | |
| **Balance at the beginning of the reporting period...(`)** | 2,398.86 | 2,398.86 |
| Changes in Equity Share capital due to prior period errors | - | - |
| **Restated balances at the beginning of the current reporting period...(`)** | 2,398.86 | 2,398.86 |
| Changes in Equity Share capital during the reporting period | - | - |
| **Balance at the end of the reporting period...(`)** | 2,398.86 | 2,398.86 |

### B) Other Equity

(Amount ` in Lakhs)

| | Reserves and Surplus | | | Item of OCI | | Total Other Equity |
|---|---|---|---|---|---|---|
| | Capital Reserve | Securities Premium | Retained Earning | Equity Instruments through OCI | Remeasurement of Defined Benefits Plan | |
| | - | - | - | - | - | - |
| **Balance as at April 01, 2024 (A)** | - | 3,860.62 | 989.69 | - | 0.72 | 4,851.03 |
| **Addition made during the reporting period** | | | | | | |
| Net Profit / (Loss) during the reporting period | - | - | (1,346.73) | - | - | (1,346.73) |
| Addition made during the reporting period | - | - | - | - | - | - |
| Transferred from Statement of Profit and Loss | - | - | - | - | - | - |
| **Items of the Other Comprehensive Income for the period (Net of taxes)** | | | | | | |
| Remeasurement benefit of defined benefits plan (Net) | - | - | - | - | 1.11 | 1.11 |
| Net fair value gain in equity instruments through OCI (Net) | - | - | - | - | - | - |
| **Total Comprehensive Income for the year 2024 - 2025 (B)** | - | - | (1,346.73) | - | 1.11 | (1,345.62) |
| **Reduction made during the reporting period** | | | | | | |
| Final Dividend (Refer *"Note No. 46"*) | - | - | - | - | - | - |
| Expenses towards issuance of Equity Shares | - | 94.44 | - | - | - | 94.44 |
| **Total reductions made during the reporting period (C)** | - | 94.44 | - | - | - | 94.44 |
| **Balance as at March 31, 2025 (D) = (A + B - C)** | - | 3,766 | (357) | - | 2 | 3,411 |
| **Addition made during the reporting period** | | | | | | |
| Net Profit / (Loss) during the reporting period | - | - | 37.97 | - | - | 37.97 |
| Addition made during the reporting period | - | - | - | - | - | - |
| Transferred from Statement of Profit and Loss | - | - | - | - | - | - |
| **Items of the Other Comprehensive Income for the period (Net of taxes)** | | | | | | |
| Remeasurement benefit of defined benefits plan (Net) | - | - | - | - | 4.10 | 4.10 |
| Net fair value gain in equity instruments through OCI (Net) | - | - | - | - | - | - |
| **Total Comprehensive Income for the year 2025 - 2026 (E)** | - | - | 37.97 | - | 4.10 | 42.07 |
| **Reduction made during the reporting period** | | | | | | |
| Final Dividend (Refer *"Note No. 46"*) | - | - | - | - | - | - |
| Expenses towards issuance of Equity Shares | - | - | - | - | - | - |
| **Total reductions made during the reporting period (F)** | - | - | - | - | - | - |
| **Balance as at March 31, 2026 (G) = (D + E - F)** | - | 3,766.18 | (319.08) | - | 5.94 | 3,453.04 |

**MATERIAL ACCOUNTING POLICIES** 1

**THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No.: 0030087C

**AMIN HAZIYANI**
Partner
Membership No. 115123

Place: Nagpur
Dated: **May 29, 2026**
UDIN No.: **26115123FZFWUO3198**

**FOR AND ON BEHALF OF THE BOARD**

**PRATEEK SRIVASTAVA**
Managing Director
DIN No.: 07709137

**JAYESH KULKARNI**
Company Secretary

Place: Pune
Dated: **May 29, 2026**

**NIKITA SRIVASTAVA**
CFO & Director
DIN No.: 08082593

Place: Pune
Dated: **May 29, 2026**

## 2) Property, Plants and Equipment

| S. No. | Particulars | Gross Carrying Value | | | | Depreciation | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition made during the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition made during the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | ***Furniture and Fixtures*** | | | | | | | | | | |
| | Furniture and Fixtures | 21.90 | - | - | 21.90 | 10.89 | 2.85 | - | 13.74 | 8.16 | 11.01 |
| B | ***Plant and Equipment*** | | | | | | | | | | |
| | Plants and Equipment | 875.31 | 5.70 | 3.63 | 877.38 | 171.86 | 317.68 | 1.99 | 487.54 | 389.85 | 703.45 |
| | Office Equipments | 15.14 | - | - | 15.14 | 11.88 | 1.47 | - | 13.35 | 1.79 | 3.27 |
| C | ***Motor Vehicles*** | | | | | | | | | | |
| | Motor Vehicles | 80.74 | - | - | 80.74 | 48.78 | 9.98 | - | 58.76 | 21.98 | 31.96 |
| D | ***Computers and Peripherals*** | | | | | | | | | | |
| | Computer and Peripherals | 45.77 | 1.91 | - | 47.68 | 33.77 | 8.05 | - | 41.82 | 5.86 | 12.00 |
| | Total...(*) | **1,038.87** | **7.60** | **3.63** | **1,042.85** | **277.18** | **340.02** | **1.99** | **615.21** | **427.65** | **761.70** |

| S. No. | Particulars | Gross Carrying Value | | | | Depreciation | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition made during the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition made during the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2025 | As At 31.03.2024 |
| A | ***Furniture and Fixtures*** | | | | | | | | | | |
| | Furniture and Fixtures | 19.40 | 2.50 | - | 21.90 | 7.25 | 3.64 | - | 10.89 | 11.01 | 12.15 |
| B | ***Plant and Equipment*** | | | | | | | | | | |
| | Plants and Equipment | 252.45 | 622.86 | - | 875.31 | 95.84 | 76.02 | - | 171.86 | 703.45 | 156.61 |
| | Office Equipments | 15.09 | 0.06 | - | 15.14 | 9.21 | 2.66 | - | 11.88 | 3.27 | 5.88 |
| C | ***Motor Vehicles*** | | | | | | | | | | |
| | Motor Vehicles | 80.74 | - | - | 80.74 | 34.26 | 14.52 | - | 48.78 | 31.96 | 46.48 |
| D | ***Computers and Peripherals*** | | | | | | | | | | |
| | Computer and Peripherals | 38.29 | 7.49 | - | 45.77 | 20.57 | 13.21 | - | 33.77 | 12.00 | 17.72 |
| | Total...(*) | **405.97** | **632.91** | **-** | **1,038.87** | **167.13** | **110.04** | **-** | **277.18** | **761.70** | **238.83** |

1) The amount of contractual commitments, if any, towards the acquisition or constructions of the property, plants and equipment is disclosed under*Note No. 45*.

## 3) Right-of-Use Assets*

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | ***Right-of-Use Assets*** | | | | | | | | | | |
| | Leasehold Land | 427.82 | 4.19 | 131.28 | 300.73 | 132.96 | 121.22 | - | 254.18 | 46.55 | 294.86 |
| | Total...(*) | **427.82** | **4.19** | **131.28** | **300.73** | **132.96** | **121.22** | **-** | **254.18** | **46.55** | **294.86** |

** All the lease agreements are duly executed in favour of the Company. Please refer "Note No. 19" for addition and movement in the lease liabilities and for further references.*

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2025 | As At 31.03.2024 |
| A | ***Right-of-Use Assets*** | | | | | | | | | | |
| | Leasehold Land | - | 427.82 | - | 427.82 | - | 132.96 | - | 132.96 | 294.86 | - |
| | Total...(*) | **-** | **427.82** | **-** | **427.82** | **-** | **132.96** | **-** | **132.96** | **294.86** | **-** |

** All the lease agreements are duly executed in favour of the Company. Please refer "Note No. 19" for addition and movement in the lease liabilities and for further references.*

## 4) Other Intangible Assets

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | ***Intangible Assets*** | | | | | | | | | | |
| | Softwares | 972.05 | 136.14 | - | 1,108.18 | 529.57 | 187.11 | - | 716.68 | 391.50 | 442.48 |
| | Trademark | 0.50 | - | - | 0.50 | 0.27 | 0.04 | - | 0.31 | 0.19 | 0.23 |
| | Total...(*) | **972.55** | **136.14** | **-** | **1,108.68** | **529.84** | **187.16** | **-** | **716.99** | **391.69** | **442.71** |

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2025 | As At 31.03.2024 |
| A | ***Intangible Assets*** | | | | | | | | | | |
| | Softwares | 971.75 | 0.30 | - | 972.05 | 317.72 | 211.85 | - | 529.57 | 442.48 | 654.03 |
| | Trademark | 0.50 | - | - | 0.50 | 0.22 | 0.05 | - | 0.27 | 0.23 | 0.28 |
| | Total...(*) | **972.25** | **0.30** | **-** | **972.55** | **317.94** | **211.90** | **-** | **529.84** | **442.71** | **654.31** |

1) The amount of contractual commitments, if any, towards the acquisition or constructions of the Other Intangible Assets are disclosed under*Note No. 45*.

## 10 Income Taxes

**A The major components of income tax expenses during the year are as under:**

| S. No. | Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ₹ | ₹ |
| i) | **Income tax recognized in the Statement of Profit and Loss** | | |
| | **Current tax** | | |
| | In respect of current year | 18.89 | - |
| | Adjustment in respect of previous year | - | - |
| | **Deferred Tax** | | |
| | In respect of current year | (4.43) | (447.07) |
| | **Income tax expenses recognized in the Statement of Profit and Loss** | **14.46** | **(447.07)** |
| ii) | **Income tax recognized in the Other Comprehensive Income** | | |
| | **Deferred tax** | | |
| | On account of remeasurement of defined benefit plans | 1.38 | 0.37 |
| | On account of net fair value gain on investments in equity instruments | - | - |
| | **Income tax expenses recognized in the Other Comprehensive Incom** | **1.38** | **0.37** |

**B Reconciliation of Tax Expenses and the Accounting Profit for the year is as under:**

| S. No. | Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ₹ | ₹ |
| 1 | **Net Profit / (Loss) Before Tax** | **52.43** | **(1,793.80)** |
| 2 | Income tax rate | 25.168% | 25.168% |
| 3 | **Income tax expenses calculated on above** | **13.20** | **(451.46)** |
| 4 | Tax effect on non-deductible expenses | 0.48 | 2.29 |
| 5 | Tax effect on difference in carrying value and tax base of land | - | - |
| 6 | Others | 0.79 | 2.10 |
| 7 | **Total** | **14.46** | **(447.07)** |
| 8 | Adjustment in respect of current income tax of previous year | - | - |
| 9 | **Tax expenses as per Statement of Profit and Loss** | **14.46** | **(447.07)** |

**The tax rate used for reconciliation above is Corporate Tax rate at the rate 25.168% (Prev Year 25.168%) payable by the Corporate Entities on taxable profits under Indian Tax Laws.**

**C The major components of Deferred Tax Liabilities / (Assets) arising on account of timing differences as**

**As At March 31, 2026**

| S. No. | Particulars | Balance Sheet | Profit and Loss |
|---|---|---|---|
| | | 01.04.2025 | 2025 - 2026 |
| 1 | Difference between written down value on Property, Plants and Equipment as per books of accounts and Income Tax Act, 1961 | (40.26) | (58.54) |
| 2 | Allowance for unsecured doubtful debts and advances | (328.02) | (10.70) |
| 3 | Provision for expenses allowed for tax purpose on payment basis | (6.45) | (1.99) |
| 4 | Difference in Right-of-Use Asset and Lease Liabilities | (6.40) | 0.58 |
| 5 | On account of Income Tax Losses | (66.95) | 66.95 |
| 6 | Difference in carrying amount and tax base of Investments in mutual funds measured at FVTPL | 0.72 | (0.72) |
| 7 | Remeasurements of defined benefit plans through Other Comprehensive Income | 0.37 | - |
| **8** | **Deferred Tax Expenses / (Benefits)** | | **(4.43)** |
| **9** | **Net Deferred Tax Liabilities / (Assets)** | **(446.98)** | |

**As At March 31, 2025**

| S. No. | Particulars | Balance Sheet | Profit and Loss |
|---|---|---|---|
| | | 01.04.2024 | 2024 - 2025 |
| 1 | Difference between written down value on Property, Plants and Equipment as per books of accounts and Income Tax Act, 1961 | (0.29) | (39.97) |
| 2 | Allowance for unsecured doubtful debts and advances | - | (328.02) |
| 3 | Provision for expenses allowed for tax purpose on payment basis | - | (6.45) |
| 4 | Difference in Right-of-Use Asset and Lease Liabilities | - | (6.40) |
| 5 | On account of Income Tax Losses | - | (66.95) |
| 6 | Difference in carrying amount and tax base of Investments in mutual funds measured at FVTPL | - | 0.72 |
| 7 | Remeasurements of defined benefit plans through Other Comprehensive Income | - | - |
| **8** | **Deferred Tax Expenses / (Benefits)** | **-** | **(447.07)** |
| | | | |
| **9** | **Net Deferred Tax Liabilities / (Assets)** | **(0.29)** | |

## 5 Capital Work-in-Progress*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Capital Work-in-Progress** | | |
| For Electrical Installations | - | - |
| For Factory Building | - | - |
| For Plants and Equipment | 287.10 | 134.39 |
| For Other Property, Plants and Equipment | - | - |
| **Total...(`)** | **287.10** | **134.39** |

* Refer *"Note No. 37"* for aging analysis of Capital Work-in-Progress.

## 6 Non - Current Investments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Investment in Equity Instruments** | | |
| **Unquoted Equity Shares, Fully Paid Up** | | |
| **Investments in Subsidiary Companies** | | |
| **{Measured at Cost (Referred at *"Note No. 1.4.j"*)}** | | |
| Fully Paid up with Face Value of ` 10 each unless otherwise specified | | |
| 10,000 (Prev Year 5,100) Equity Share of PYI Technologies Private Limited | 1.00 | 0.51 |
| 5,100 (Prev Year 5,100) Equity Share of DroneAcharya Miltech Private Limited | 0.51 | 0.51 |
| **Total...(`) (A)** | **1.51** | **1.02** |
| **Investment in Preference Instruments** | | |
| **Unquoted Preference Shares, Fully Paid Up** | | |
| **Investments in Other Body Corporates** | | |
| Fully Paid up with Face Value of ` 10 each unless otherwise specified | | |
| 500 (Prev Year 500) Compulsory Convertible Preference Share of Technit Space Aero Works Private Limited | 11.20 | 11.20 |
| 256 (Prev Year 256) Preference Share of Gridbots Technologies Private limited | 60.00 | 60.00 |
| **Total...(`) (B)** | **71.20** | **71.20** |
| **Investments in Mutual Funds** | | |
| **Quoted Mutual Fund, Fully Paid Up** | | |
| Fully Paid up with Face Value of ` 10 each unless otherwise specified | | |
| NIL (Prev Year 14,086.087 Units) of Axis Liquid Fund - Regular Growth (CFGPG) - (Debt Mutual Fund) | - | 402.85 |
| **Total...(`) (C)** | **-** | **402.85** |
| | | |
| **Total...(`) (A + B + C)** | **72.71** | **475.07** |

## 6.1 Classification of Investments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Investments in Equity Instruments** | | |
| **Quoted, Fully Paid Up** | | |
| Aggregate Amount of Quoted Investments - At Cost | - | - |
| Aggregate Amount of Quoted Investments - At Market Value | - | - |
| Aggregate Amount of Unquoted Investments | 72.71 | 72.22 |
| Aggregate Amount of Impairment in Value of Investments | - | - |

## 6.2 Classification of Investments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Investments in Mutual Funds** | | |
| **Quoted, Fully Paid Up** | | |
| Aggregate Amount of Quoted Investments - At Cost | - | 400.00 |
| Aggregate Amount of Quoted Investments - At Market Value | - | 402.85 |
| Aggregate Amount of Unquoted Investments | - | - |
| Aggregate Amount of Impairment in Value of Investments | - | - |

## 6.3 Category Wise Classification of Investments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Investments in Instruments** | | |
| Financial Assets measured at Amortized Costs | - | - |
| Financial Assets measured at Costs | 72.71 | 72.22 |
| Financial Assets measured at Fair Value through Other Comprehensive Income | - | - |
| Financial Assets measured at Fair Value through Profit and Loss | - | 402.85 |

## 7 Other Non - Current Financial Assets

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others*** ** | | |
| Security Deposits* | 37.45 | 56.21 |
| Term Deposits held as Margin Money against Bank Guarantee and Other Commitments** | 22.87 | 19.62 |
| **Total...(`)** | **60.31** | **75.83** |

* Security deposits are long-term in nature and have been made in the ordinary course of business. These deposits are refundable upon completion of the respective contractual tenure, subject to the fulfillment of the applicable terms and conditions stipulated in the respective agreements.

** The term deposits held by the Company with banks and financial institutions comprise time deposits with varying maturities ranging from one year to two years and earn interest at the respective contracted deposit rates. These deposits are held under lien or pledged as security against bank guarantees issued by the Company in favour of government authorities and other institutions, amounting to ₹ 7.22 Lakhs (Prev Year ₹ 7.22 Lakhs).

*** Refer *"Note No. 36B"* for the information of credit risk and market risk.

## 8 Other Non - Current Assets

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Capital Advances* | 750.92 | 220.76 |
| Advances other than Capital Advances | - | - |
| Income Tax Refund Receivables | - | - |
| **Total...(`)** | **750.92** | **220.76** |

* No capital advances are due from any director or other officer of the Company, either individually or jointly with any other person. Further, no capital advances are due from any firm or private company in which any director is a partner, director, or member.

## 9 Current Tax Assets (Net)

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Income Tax (Net)** | | |
| Advance Income Tax | - | - |
| Tax Deducted at Source Receivables | 42.09 | 25.30 |
| Tax Collected at Source Receivables | - | - |
| Less: Provision for Income Tax | 18.89 | - |
| **Total...(`)** | **23.20** | **25.30** |

The tax rate used for the above calculation represents the applicable corporate tax rate of 25.168% (Prev Year 25.168%), being the rate payable by corporate entities on taxable profits in accordance with the provisions of applicable Indian tax laws.

## 11 Inventories*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Inventories**** | | |
| **(Valued at lower of Cost and Net Realizable Value)** | | |
| Raw Materials | 165.51 | - |
| Finished Goods | - | - |
| **Total...(`)** | **165.51** | **-** |

* Cost of inventories recognized as an expense during the reporting period is disclosed in *"Note No. 30"*.

** Cost of inventories recognized as an expense included ` NIL (Prev Year ` NIL) in respect of written down value of inventories to the net realizable value. There has been no reversal towards such written down value in the current reporting period and previous reporting period.

## 12 Trade Receivables*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Unsecured**** | | |
| Considered Good | 4,271.04 | 3,843.31 |
| Considered Doubtful | - | - |
| Receivables - Credit Impaired | - | - |
| Less: Allowances for Unsecured Doubtful Debts & Advances | 1,345.85 | 1,303.33 |
| **Total...(`)** | **2,925.19** | **2,539.98** |

* Refer *"Note No. 36B"* for the Information of credit risk and market risk for Trade Receivables.

** Refer *"Note No. 38"* for aging analysis of Trade Receivables.

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other persons, nor due from firms or private companies respectively in which director is partner, a director or a member.

## 13 Cash and Cash Equivalents

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **A) Cash and Cash Equivalents*** | | |
| Balances with Banks | | |
| In Current Account | 6.24 | 297.50 |
| Cash-in-Hand | 1.01 | 1.37 |
| **Total...(`) (A)** | **7.25** | **298.88** |
| **B) Other Balances with Banks** | | |
| Unpaid / Unclaimed Dividend | - | - |
| **Total...(`) (B)** | **-** | **-** |
| **Total...(`) (A + B)** | **7.25** | **298.88** |

* There are no restrictions with regards to cash and cash equivalents as at the end of reporting period and previous reporting period.

## 14 Other Current Financial Assets

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Interest Receivables | 2.00 | 14.21 |
| Receivables from Subsidiary Company | 0.00 | - |
| Term Deposits held as Margin Money with Banks against Bank Guarantee and Commission* | 103.26 | 339.69 |
| **Total...(`)** | **105.27** | **353.91** |

* The term deposits held by the Company with banks and financial institutions comprise time deposits with original maturities of less than one year. These deposits earn interest at the respective contractual deposit rates and are held under lien or pledged as security against bank guarantees issued by the banks on behalf of the Company in favour of Government authorities and other institutions. The aggregate amount of such deposits under lien as at the reporting date is ₹ 11.36 Lakhs (Prev Year: ₹ 11.36 Lakhs).

## 15 Other Current Assets*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Advances to Vendor's | 329.64 | 305.70 |
| Advances towards Expenditures | 6.94 | 8.70 |
| Balances with the Revenue Authorities | 250.85 | 340.73 |
| Employee Advances | 1.75 | 3.25 |
| Other Receivables | - | 7.38 |
| **Total...(`)** | **589.17** | **665.77** |

* No advances and receivables are due from directors or other officers of the Company either severally or jointly with any other persons, nor due from firms or private companies respectively in which director is partner, a director or a member except ` 181.78 Lakhs (Prev Year ` 384.00 Lakhs) due from the related parties. (Refer *"Note No. 42"* for further reference).

## 16 Equity Share Capital

(Amount ` in Lakhs, except number of share data)

| | 31.03.2026 | | 31.03.2025 | |
|---|---|---|---|---|
| | Nos. | ` | Nos. | ` |
| **Authorized** | | | | |
| Equity Shares of ` 10 Each | 3,00,00,000 | 3,000.00 | 3,00,00,000 | 3,000.00 |
| | **3,00,00,000** | **3,000.00** | **3,00,00,000** | **3,000.00** |
| **Issued, Subscribed and Fully Paid Up** | | | | |
| Equity Shares of ` 10 Each | 2,39,88,600 | 2,398.86 | 2,39,88,600 | 2,398.86 |
| **Total...(`)** | **2,39,88,600** | **2,398.86** | **2,39,88,600** | **2,398.86** |

### a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

| | 31.03.2026 | | 31.03.2025 | |
|---|---|---|---|---|
| | Nos. | ` | Nos. | ` |
| **Shares outstanding at the beginning of the reporting period...(`)** | **2,39,88,600** | **2,398.86** | **2,39,88,600** | **2,398.86** |
| Shares issued during the reporting period | - | - | - | - |
| Shares bought Back during the reporting period | - | - | - | - |
| **Shares outstanding at the end of the reporting period...(`)** | **2,39,88,600** | **2,398.86** | **2,39,88,600** | **2,398.86** |

### b) Terms / Rights attached to Equity Shares

i) The Company has only one class of shares - referred to as - equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share.

ii) In Accordance with the Companies Act, 2013, in the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. The distribution will be in the proportion to the number of equity shares held by the Shareholders.

iii) The Company declares and pays the dividend in Indian Rupees (`). The payment of dividend is also made in foreign currency to the shareholders outside India. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in their ensuing Annual General Meeting (AGM), except in case of interim dividend.

### c) Details of Shareholders holding more than 5% shares in the Company*

| Name of Shareholders | 31.03.2026 | | 31.03.2025 | |
|---|---|---|---|---|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| **Equity Shares of ` 10 Each Fully Paid Up** | | | | |
| Mr. Prateek Srivastava | 56,23,200 | 23.44% | 56,23,200 | 23.44% |
| **Total Nos. of Shares Held** | **56,23,200** | **23.44%** | **56,23,200** | **23.44%** |

* The above details are based on the records of the Company, including the register of members and have been certified by the Registrar and Share Transfer Agents.

The Board of Directors of the Company has not declared any interim dividend at its meetings held during the reporting period. Further, no final dividend was declared during the current or previous reporting periods. (Refer *"Note No. 47"*)

### d) Shares held by the promotors as defined in the Companies Act, 2013 at the end of period

| Name of Promotors | 31.03.2026 | | 31.03.2025 | |
|---|---|---|---|---|
| | No. of Shares held | Percentage of Holding | No. of Shares held | Percentage of Holding |
| **Equity Shares of ` 10 Each Fully Paid Up** | | | | |
| Mr. Prateek Srivastava | 56,23,200 | 23.44% | 56,23,200 | 23.44% |
| Mrs. Nikita Srivastava | 11,43,600 | 4.77% | 11,43,600 | 4.77% |
| **Total Nos. of Shares** | **67,66,800** | **28.21%** | **67,66,800** | **28.21%** |

## 17 Other Equity

| | Reserves and Surplus | | | Item of OCI | | Total Other Equity |
|---|---|---|---|---|---|---|
| | Capital Reserve | Securities Premium | Retained Earning | Equity Insutruments through OCI | Remeasurement of Defined Benefits Plan | |
| | - | - | - | - | - | - |
| **Balance as at April 01, 2024 (A)** | - | 3,860.62 | 989.69 | - | 0.72 | 4,851.03 |
| **Addition made during the reporting period** | | | | | | |
| Net Profit / (Loss) during the reporting period | - | - | (1,346.73) | - | - | (1,346.73) |
| Addition made during the reporting period | - | - | - | - | - | - |
| Transferred from Statement of Profit and Loss | - | - | | - | | - |
| **Items of the Other Comprehensive Income for the period (Net of taxes)** | | | | | | |
| Remeasurement benefit of defined benefits plan (Net) | - | - | - | - | 1.11 | 1.11 |
| Net fair value gain on investments in equity instruments through OCI (Ne | - | - | - | - | - | - |
| **Total Comprehensive Income for the year 2024 - 2025 (B)** | - | - | (1,346.73) | - | 1.11 | (1,345.62) |
| **Reduction made during the reporting period** | | | | | | |
| Final Dividend (Refer *"Note No. 46"*) | - | - | - | - | - | - |
| Expenses towards issuance of Equity Shares | - | 94.44 | - | - | - | 94.44 |
| **Total reductions made during the reporting period (C)** | - | 94.44 | - | - | - | 94.44 |
| **Balance as at March 31, 2025 (D) = (A + B - C)** | - | 3,766.18 | (357.04) | - | 1.84 | 3,410.97 |

| | Reserves and Surplus | | | Item of OCI | | Total Other Equity |
|---|---|---|---|---|---|---|
| | Capital Reserve | Securities Premium | Retained Earning | Equity Insutruments through OCI | Remeasurement of Defined Benefits Plan | |
| | - | - | - | - | - | - |
| **Balance as at April 01, 2025 (A)** | - | 3,766.18 | (357.04) | - | 1.84 | 3,410.97 |
| **Addition made during the reporting period** | | | | | | |
| Net Profit / (Loss) during the reporting period | - | - | 37.97 | - | - | 37.97 |
| Addition made during the reporting period | - | - | - | - | - | - |
| Transferred from Statement of Profit and Loss | - | - | | - | | - |
| **Items of the Other Comprehensive Income for the period (Net of taxes)** | | | | | | |
| Remeasurement benefit of defined benefits plan (Net) | - | - | - | - | 4.10 | 4.10 |
| Net fair value gain on investments in equity instruments through OCI (Ne | - | - | - | - | - | - |
| **Total Comprehensive Income for the year 2025 - 2026 (B)** | - | - | 37.97 | - | 4.10 | 42.07 |
| **Reduction made during the reporting period** | | | | | | |
| Final Dividend (Refer *"Note No. 46"*) | - | - | - | - | - | - |
| Expenses towards issuance of Equity Shares | - | - | - | - | - | - |
| **Total reductions made during the reporting period (C)** | - | - | - | - | - | - |
| **Balance as at March 31, 2026 (D) = (A + B - C)** | - | 3,766.18 | (319.08) | - | 5.94 | 3,453.04 |

**Description of Nature and Purpose of the Reserves**

a) **Securities Premium**: The Securities Premium Account is used to record the premium received on the issue of equity shares. This reserve can be utilized only in the manner prescribed under the provisions of the Companies Act, 2013. The balance has already been adjusted against the expenses incurred towards the issuance of equity shares.

b) **Remeasurement of Defined Benefits Plan**: This represents the cumulative gains and losses arising on the remeasurements of the defined benefits plan in accordance with the Ind AS - 19 which have been recognised in Other Comprehensive Income.

c) **Retained Earnings**: Retained earning reserves represents the undistributed accumulated earnings of the Company as at the date of standalone financial statements.

## 18 Borrowings

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Non - Current** | | |
| **Secured** | | |
| *From Banks and Financial Institutions* | | |
| Indian Rupee Loans | - | - |
| Foreign Rupee Loans | - | - |
| **Total...(`) (A)** | - | - |
| **Unsecured** | | |
| From Banks and Financial Institutions | 24.31 | - |
| From Related Parties | - | 0.20 |
| **Total...(`) (B)** | **24.31** | **0.20** |
| **Total...(`) (A + B)** | **24.31** | **0.20** |

**Nature of Securities and Terms of Repayments**

The Company had availed an unsecured SME loan amounting to ₹ 41.36 Lakhs from Bajaj Finance Limited for business purposes. The loan was repayable in equated monthly instalments (EMIs) in accordance with the agreed repayment schedule and was fully repaid on or before October 2028.

## 19 Non - Current Lease Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Non - Current** | | |
| Lease Liabilities - Leasehold Land | 38.13 | 189.86 |
| **Total...(`)** | **38.13** | **189.86** |

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Movement in Lease Liabilities** | | |
| **Balance at the beginning of the reporting period** | **189.86** | - |
| Add: Addition made during the reporting period | 150.00 | 427.82 |
| Add: Finance Costs incurred during the reporting period | - | 36.06 |
| Less: Repayment made during the reporting period | 291.03 | 143.60 |
| Less: Current Maturities of Lease Liabilities for the period | 10.71 | 130.43 |
| **Balance as at March 31, 2026...(`)** | **38.13** | **189.86** |

* For additions and movements in Right-of-Use Assets, Refer *"Note No. 3"* for further reference.

## 20 Long - Term Provisions

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Provision for Employee Benefits*** | | |
| Gratuity (Unfunded) | 23.85 | 24.07 |
| Leave Encashment (Unfunded) | - | - |
| **Total...(`)** | **23.85** | **24.07** |

* Refer *"Note No. 41"* for further reference.

## 21 Short - Term Borrowings

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Current Maturities** | | |
| **Unsecured** | | |
| From Banks and Financial Institutions | 12.44 | - |
| From Other Term Loans | - | - |
| **Total...(`)** | **12.44** | **-** |

## 22 Current Lease Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Current** | | |
| Lease Liabilities - Leasehold Land | 10.71 | 130.43 |
| **Total...(`)** | **10.71** | **130.43** |

* For additions and movements in Right-of-Use Assets, Refer *"Note No. 3"* for further reference.

## 23 Trade Payables*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Trade Payables (Including Acceptance)**** | | |
| Due to Micro and Small Enterprises*** | - | - |
| Due to Others# | 49.74 | 264.94 |
| **Total...(`)** | **49.74** | **264.94** |

* Refer *"Note No. 39"* for aging analysis of Trade Payables.

** Acceptance include the arrangments where operational suppliers of goods and services are initially paid by the banks and financial institutions, while the Company continues to recognize the liabilities till the settlement with the banks and financial institutions, which are normally effected within a period of 90 days amounting to ` NIL (Prev Year ` NIL).

*** The Company has certain dues to the suppliers of Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act 2006"). The disclousre pursuant to the said MSMED Act, 2006 are as follows:

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Principal amount due to the suppliers registered under the MSMED Act, 2006 and remaining amount unpaid at the end of the reporting period** | - | - |
| Interest due to the suppliers registered under the MSMED Act, 2006 and remaining unpaid at the end of the period | - | - |

| | | |
|---|---|---|
| Principal amount paid to the suppliers registered under the MSMED Act, 2006 beyond the stipulated day during the period | - | - |
| Interest paid, under Section 16 of MSMED Act, 2006 to the suppliers registered under the Act, beyond the "Appointed Day" during the period | - | - |
| Interest due or payable towards the suppliers registered under the MSMED Act, 2006 for the payments already made | - | - |
| Further interest remaining due and payable for the earlier period | - | - |

Based on the representation received from the Company's management and the information furnished in Form MSME-1 filed with the Ministry of Corporate Affairs (MCA) for the reporting periods ended March 31, 2026 and March 31, 2025, the amount payable to Micro and Small Enterprises during the current and previous reporting periods has been reported by the management as "NIL".

# Refer *"Note No. 36B"* for the information of credit risk and market risk for Trade Payables.

## 24 Other Financial Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Audit Fees Payable | 6.00 | 6.00 |
| Capital Creditors* | 8.02 | 7.86 |
| Interest Accrued but not yet due | 0.47 | - |
| Liabilities for Expenses | 19.06 | 15.77 |
| Liabilities towards Services** | 79.29 | 10.66 |
| Payable towards Employees | 38.60 | 1.28 |
| Payable towards Direct Tax | 14.07 | 9.89 |
| Payable towards Indirect Tax | - | 167.09 |
| Statutory Dues Payables | 1.78 | 2.30 |
| **Total...(`)** | **167.28** | **220.84** |

* Out of the above Capital Creditors, ` NIL (Prev Year ` NIL) are dues to the suppliers of Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act 2006"). Refer *"Note No. 39.1"* for aging analysis of Capital Creditors.

** Out of the above Liabilities towards Services, ` NIL (Prev Year ` NIL) are dues to the suppliers of Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act 2006"). Refer *"Note No. 39.2"* for aging analysis of Liabilities towards Services.

## 25 Other Current Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Advance received from Customer's | 27.68 | 2.10 |
| **Total...(`)** | **27.68** | **2.10** |

## 26 Short - Term Provisions

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Provision for Employee Benefits*** | | |
| Gratuity (Unfunded) | 2.72 | 0.06 |
| Leave Encashment (Unfunded) | - | - |
| **Total...(`)** | **2.72** | **0.06** |

* Refer *"Note No. 41"* for further reference.

## 27 Current Tax Liabilities (Net)

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Provision for Income Tax (Net)** | | |
| Provision for Income Tax (Earlier Periods) | 93.81 | 93.81 |
| **Total...(`)** | **93.81** | **93.81** |

The tax rate used for the above calculation is the applicable corporate tax rate of 25.168% (Prev Year 25.168%) payable by corporate entities on taxable profits in accordance with the provisions of the applicable Indian tax laws.

## 28 Revenue from Operations

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Revenue from Operations** | | |
| **Sale of Products*** | | |
| Domestic Market | 364.74 | 128.76 |
| Export Market | 143.55 | 2,150.65 |
| **Total Sale of Products...(`) (A)** | **508.29** | **2,279.42** |
| **Sale of Services*** | | |
| Domestic Market | 267.34 | 312.75 |
| Export Market | 691.34 | 859.72 |
| **Total Sale of Services...(`) (B)** | **958.68** | **1,172.47** |
| **Total...(`) (A + B)** | **1,466.97** | **3,451.89** |

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Timing of Revenue Recognition** | | |
| Goods transferred at a point in time | 508.29 | 2,279.42 |
| Services transferred over the time | 958.68 | 1,172.47 |
| **Total revenue from contract with customers** | **1,466.97** | **3,451.89** |
| Add: Export Incentives | - | - |
| **Total Revenue from Operations...(`)** | **1,466.97** | **3,451.89** |

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Disaggregation of revenue based on products and services** | | |
| From Sale of Drone and Components | 508.29 | 2,279.42 |
| From Sales of Services | 958.68 | 1,172.47 |
| **Total Revenue from Operations...(`)** | **1,466.97** | **3,451.89** |

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Disaggregation by locations of customers** | | |
| In India | 632.08 | 441.52 |
| Outside India | 834.89 | 3,010.37 |
| **Total revenue from contract with customers** | **1,466.97** | **3,451.89** |
| Add: Export Incentives | - | - |
| **Total Revenue from Operations...(`)** | **1,466.97** | **3,451.89** |

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Reconciliation of Revenue recongnized in the Statement of Profit and Loss with Contracted Price** | | |
| Revenue as per Contracted Price | 1,466.97 | 3,451.89 |
| Less: Rebates, discounts and other deductions | - | - |
| **Total revenue from contract with customers** | **1,466.97** | **3,451.89** |
| Add: Export Incentives | - | - |
| **Total Revenue from Operations...(`)** | **1,466.97** | **3,451.89** |

**Peformance Obligations**

**Sales of Product:** Performance obligations in respect of the sale of goods are satisfied when control of the goods is transferred to the customer, which generally occurs upon delivery of the goods. Payment is generally due in accordance with the credit terms specified in the respective contracts with customers.

**Sales of Services:** Performance obligations in respect of the rendering of services are satisfied over a period of time, with revenue being recognised based on the stage of completion of the services, subject to customer acceptance where contractually required. Payment is generally due upon completion of the services and acceptance by the customer, in accordance with the terms of the respective contracts.

During the current and previous reporting periods, the Company did not have any remaining performance obligations as at the reporting date, as contracts relating to the sale of goods and rendering of services are generally of a short-term nature and are completed within the reporting period.

* Revenue from operations is recognised net of Goods and Services Tax (GST), as the Company collects GST on behalf of the Government and, accordingly, such amounts do not constitute economic benefits flowing to the Company.

## 29 Other Income

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Interest Income** | | |
| On Other Financial Assets carried at Amortized Costs | 4.99 | 114.44 |
| On Other Assets | - | - |
| **Total Interest Income...(`) (A)** | **4.99** | **114.44** |
| **Other Non - Opearting Revenues** | | |
| Surplus on Disposal of Current Investments | 10.83 | 3.13 |
| Surplus on Disposal of Property, Plants and Equipment | 1.27 | - |
| Misc Income | - | 0.60 |
| **Total Non - Operating Income...(`) (B)** | **12.10** | **3.73** |
| **Other Gain / (Losses)** | | |
| Exchange Rate Difference (Net) | 343.38 | 99.69 |
| Sundry Balances Written Off (Net) | - | - |
| **Total Gain / (Losses)...(`) (C)** | **343.38** | **99.69** |
| **Total...(`) (A + B + C)** | **360.47** | **217.86** |

## 30 Cost of Materials Consumed

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Consumption of Raw Materials** | | |
| Stock at the beginning of the reporting period | - | 0.96 |
| Add: Purchases made during the reporting period | 287.36 | 1,024.30 |
| Add: Direct expenses incurred during the reporting period | 2.38 | 7.43 |
| Less: Stock at the end of the reporting period | 165.51 | - |
| **Total Consumption of Materials...(`)** | **124.22** | **1,032.68** |

## 31 Employee Benefits Expense*

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Employee Benefits Expense** | | |
| Salary, Wages, Incentives and Managerial Remuneration | 452.05 | 611.33 |
| Contributions to: | | |
| Provident Fund | 13.34 | 14.19 |
| Other Fund | 0.19 | 0.19 |
| Bonus | - | 0.09 |
| Staff Welfare Expenses | 25.53 | 30.55 |
| **Total...(`)** | **491.12** | **656.35** |

* Refer *"Note No. 41"* for further reference.

## 32 Finance Costs

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Interest on Financial Liabilities carried at Amortized Cost** | | |
| On Bank Borrowings | 3.26 | - |
| Other Borrowing Expenses | 5.81 | 38.01 |
| **Total...(`)** | **9.07** | **38.01** |

## 33 Depreciation and Amortization Expenses

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Depreciation and Amortization Expenses** | | |
| Depreciation Expenses | 340.02 | 110.04 |
| Amortization Expenses | 308.38 | 344.86 |
| **Total...(`)** | **648.40** | **454.90** |

## 34 Other Expenses

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Administrative and Other Expenses | 25.32 | 55.28 |
| Commission and Brokerage | 0.60 | 19.37 |
| Conveyance and Travelling Expenses | 42.11 | 90.68 |
| Corporate Social Responsibilities Expenses | - | 9.09 |
| Director Sitting fees | 4.35 | 3.60 |
| Insurance Charges | 4.57 | 8.82 |
| Legal and Professional Fees | 43.71 | 146.71 |
| Payments to the Auditor (Refer *"Note No. 34.1"* ) | 6.00 | 6.32 |
| Provision for Unsecured Doubtful Debts and Advance | 42.52 | 1,303.33 |
| Power and Fuel | 28.24 | 37.66 |
| Rent, Rates and Taxes | 51.79 | 58.57 |
| Repair and Maintenance Expenses | | |
| For Other Assets | 19.03 | 10.33 |
| For Plant and Machineries | - | 8.16 |
| Security Charges | 5.06 | 3.48 |
| Service Expenses | 214.77 | 1,509.48 |
| Selling and Distribution Expenses | 14.13 | 10.75 |
| **Total...(`)** | **502.20** | **3,281.61** |

### 34.1 Payments to the Auditor

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **As Auditor's:** | | |
| Audit Fees | 5.00 | 5.00 |
| Tax Audit Fees | 1.00 | 1.00 |
| Reimbursement of Expenses | - | 0.32 |
| **Total...(`)** | **6.00** | **6.32** |

## 35 Category Wise Classification of Financial Instruments

| | Note | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| **Financial Assets** | | | |
| **Non - Current** | | | |
| **Financial assets measured at fair value through profit and loss (FVTPL)** | | | |
| Investment in Quoted Mutual Funds | 6 | - | 402.85 |
| Investment in Unquoted Mutual Funds | | - | - |
| **Total...(`) (A)** | | - | **402.85** |
| **Financial assets measured at fair value through other comprehensive income (FVTOCI)** | | | |
| Investment in Quoted Equity Shares / Debentures | | - | - |
| **Total...(`) (B)** | | - | - |
| **Financial assets measured at amortized costs** | | | |
| Investment in Subsidiary Companies | 6 | 1.51 | 1.02 |
| Investment in Other Body Corporates | 6 | 71.20 | 71.20 |
| Security Deposits | 7 | 37.45 | 56.21 |
| Term Deposits with maturity of more than 12 months | 7 | 22.87 | 19.62 |
| **Total...(`) (C)** | | **133.02** | **148.05** |
| **Total...(`) (A + B + C)** | | **133.02** | **550.90** |

| | Note | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| **Financial Assets** | | | |
| **Current** | | | |
| **Financial assets measured at fair value through profit and loss (FVTPL)** | | | |
| Investment in Quoted Mutual Funds | | - | - |
| Investment in Unquoted Mutual Funds | | - | - |
| **Total...(`) (A)** | | - | - |
| **Financial assets measured at fair value through other comprehensive income (FVTOCI)** | | | |
| Investment in Quoted Equity Shares / Debentures | | - | - |
| **Total...(`) (B)** | | - | - |
| **Financial assets measured at amortized costs** | | | |
| Trade Receivables (Net of Provisions) | 12 | 2,925.19 | 2,539.98 |
| Cash and Cash Equivalents | 13A | 7.25 | 298.88 |
| Other Balances with Banks | 13B | - | - |
| Interest Receivables | 14 | 2.00 | 14.21 |
| Term Deposits with Banks and Financial Institutions | 14 | 103.26 | 339.69 |
| Receivables from Subsidiary Company | 14 | 0.00 | - |
| **Total...(`) (C)** | | **3,037.71** | **3,192.76** |
| **Total...(`) (A + B + C)** | | **3,037.71** | **3,192.76** |

| | Note | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| **Financial Liabilities** | | | |
| **Non-Current** | | | |
| **Financial liabilities measured at amortized costs** | | | |
| Borrowings from Banks and Financial Institutions | 18 | - | - |
| Inter - Corporate and Related Parties Loans | 18 | 24.31 | 0.20 |
| Lease Liabilities | 19 | 38.13 | 189.86 |
| **Total...(`)** | | **62.44** | **190.06** |

| | Note | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| **Financial Liabilities** | | | |
| **Current** | | | |
| **Financial liabilities measured at amortized costs** | | | |
| Borrowings from Banks and Financial Institutions | 21 | 12.44 | - |
| Lease Liabilities | 22 | 10.71 | 130.43 |
| Trade Payables - MSME | 23 | - | - |
| Trade Payables - Dues to MSME | 23 | 49.74 | 264.94 |
| Audit Fees Payable | 24 | 6.00 | 6.00 |
| Capital Creditors | 24 | 8.02 | 7.86 |
| Liabilities for Expenses | 24 | 19.06 | 15.77 |
| Interest Accrued but not yet due | 24 | 0.47 | - |
| Liabilities towards Services | 24 | 79.29 | 10.66 |
| Payable towards Employees | 24 | 38.60 | 1.28 |
| Payable towards Direct Tax | 24 | 14.07 | 9.89 |
| Payable towards Indirect Tax | 24 | - | 167.09 |
| Statutory Dues Payable | 24 | 1.78 | 2.30 |
| **Total...(`)** | | **240.16** | **616.21** |

## "Note No. - 36A" - Fair Value Measurements

### i) Financial Instruments measured at Fair Value through Other Comprehensive Income

The Company does not hold any quoted or unquoted debentures or bonds, nor does it have investments in quoted equity instruments measured at Fair Value through Other Comprehensive Income (FVTOCI). Accordingly, the requirements of Ind AS 109, *"Financial Instruments"*, relating to fair value measurement and their related disclosures are not applicable to the Company for any of the reporting periods presented in these standalone financial statements.

### ii) Financial Instruments measured at Fair Value through Profit or Loss

(Amounts ` in Lakhs)

| Financial Assets / Financial Liabilities | Fair Value As At 31.03.2026 | Fair Value Hierarchy | | |
|---|---|---|---|---|
| | | Quoted Price in Active Market (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Units of Mutual Funds | -- | -- | -- | -- |

(Amounts ` in Lakhs)

| Financial Assets / Financial Liabilities | Fair Value As At 31.03.2025 | Fair Value Hierarchy | | |
|---|---|---|---|---|
| | | Quoted Price in Active Market (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Units of Mutual Funds | ` 402.85 | -- | -- | -- |

The Company does not hold any unquoted equity shares (other than investments in associates and subsidiaries, which are measured at amortized cost) nor any quoted mutual funds measured at Fair Value through Profit and Loss (FVTPL). Accordingly, the requirements of Ind AS 109, *"Financial Instruments"*, relating to fair value measurement and their related disclosures are not applicable to the Company for any of the reporting periods presented in these standalone financial statements.

The Company does not have any financial liabilities measured at Fair Value Through Profit or Loss (FVTPL). Accordingly, the requirements of Ind AS 109, *"Financial Instruments"*, relating to fair value measurement and their related disclosures are not applicable to the Company for all reporting periods presented in these standalone financial statements.

### iii) Financial Instruments measured at Amortized Costs

The carrying amounts of financial assets and financial liabilities measured at amortized cost as presented in the standalone financial statements are considered to be a reasonable

approximation of their respective fair values. This is primarily due to the short-term nature of certain financial instruments and / or because such instruments bear interest rates that are considered to be at market rates. Accordingly, the Company does not expect any material differences between the carrying amounts and the amounts that would ultimately be realized or settled.

## "Note No. - 36B" - Financial Risk Management - Objectives and Policies

The Company's principal financial assets primarily comprise investments, security deposits, cash and cash equivalents, other balances with banks, and trade and other receivables arising directly from its business operations. The Company's financial liabilities mainly comprise borrowings in Indian currency, retention money, trade payables, and other payables. These financial liabilities are primarily incurred to finance the Company's business operations and to support its working capital requirements and other operational obligations.

The Company is exposed to market risk, credit risk, and liquidity risk arising from its financial instruments. The Board of Directors ("the Board") oversees the management of these financial risks. The risk management policy of the Company, formulated by the management and approved by the Board of Directors, sets out the Company's approach to addressing uncertainties in its efforts to achieve its stated and implicit objectives. It defines the roles and responsibilities of management, the structure for managing risks, and the overall risk management framework. The framework is designed to identify, assess, and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance. The Board has taken necessary actions to mitigate the risks identified based on the information and circumstances prevailing at the time.

The following disclosures summarize the Company's exposure to financial risks and provide information regarding the use of derivatives, if any, employed to manage such exposures. A quantitative sensitivity analysis has also been provided to reflect the impact of reasonably possible changes in market rates on the Company's financial results, cash flows, and financial position.

### 1) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk. The Company is exposed to market risk through various financial instruments, including loans and borrowings denominated in domestic currency, deposits, retention money, trade and other payables, and trade receivables.

### a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. An increase in interest rates would

adversely impact the Company's borrowing costs. The Company is exposed to interest rate risk primarily on its long - term and short - term borrowings. Interest rate risk is managed by monitoring the proportion of fixed and floating rate borrowings and taking appropriate actions, as necessary, to maintain a balanced exposure to interest rate fluctuations. The Company has not used any interest rate derivatives to hedge its interest rate risk during the reporting period.

**i) Interest Rate Risk Exposure**

(Amount ` in Lakhs)

| Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|
| Variable Rate Borrowing | -- | -- |
| Fixed Rate Borrowing | 36.75 | 00.20 |

**ii) Sensitivity Analysis**

Profit and Loss estimate to higher / lower interest rate expense from borrowing as a result of changes in interest rate.

(Amount ` in Lakhs)

| Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|
| Interest Rate - Increase by 70 Basis Points | (00.26) | (00.001) |
| Interest Rate - Decrease by 70 Basis Points | 00.26 | 00.001 |

**b) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company operates globally and a portion of its transactions are denominated in foreign currencies; consequently, it is exposed to foreign exchange risk arising from sales to overseas customers and purchases from overseas suppliers. The Company manages its foreign currency exposure through natural hedging, to the extent possible, by matching foreign currency inflows with corresponding foreign currency outflows, such as procuring goods in the same currencies in which sales are denominated. This approach helps in mitigating the impact of exchange rate fluctuations on the Company's financial results.

The carrying amount of the Company's foreign currency denominated monetary items is as follows:

(Amount in Lakhs)

| Currency | Liabilities | | Assets | |
|---|---|---|---|---|
| | 31.03.2026 | 31.03.2025 | 31.03.2026 | 31.03.2025 |
| USD ($) | --- | 453.08 | 4,645.57 | 2,700.40 |
| EURO (€) | -- | -- | -- | -- |

The above table represents the Company's total exposure to foreign currency - denominated monetary items. The Company has not entered into any hedging

arrangements to mitigate its foreign currency exposure during the current reporting period as well as the previous reporting period.

The Company is mainly exposed to fluctuations in USD ($) and EURO (€). The table below demonstrates the sensitivity to a 5% increase or decrease in USD ($) against INR and EURO (€) against INR, assuming all other variables remain constant. The sensitivity analysis is based on the net unhedged exposure of the Company as at the reporting date and the previous reporting date. A 5% movement represents management's assessment of a reasonably possible change in foreign exchange rates.

(Amount ` in Lakhs)

| Change in USD ($) Rate | Effect on Profit after Tax (PAT) | | Effect on Total Equity | |
|---|---|---|---|---|
| | 31.03.2026 | 31.03.2025 | 31.03.2026 | 31.03.2025 |
| -5% | (173.82) | (84.09) | (173.82) | (84.09) |
| +5% | 173.82 | 84.09 | 173.82 | 84.09 |

(Amount ` in Lakhs)

| Change in EURO (€) Rate | Effect on Profit after Tax (PAT) | | Effect on Total Equity | |
|---|---|---|---|---|
| | 31.03.2026 | 31.03.2025 | 31.03.2026 | 31.03.2025 |
| -5% | -- | -- | -- | -- |
| +5% | -- | -- | -- | -- |

### c) Other Price Risk

Other price risk is the risk that the fair value of financial instruments will fluctuate due to changes in market traded prices. Other price risk arises primarily from financial assets such as investments in quoted equity instruments. The Company is exposed to price risk mainly on account of investments in quoted equity instruments measured at fair value through other comprehensive income (FVTOCI), if any. As at March 31, 2026, the carrying value of such quoted equity instruments measured at FVTOCI is ` NIL (March 31, 2025: ` NIL).

## 2) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, balances with banks, and other financial assets of the Company.

The Company has adopted a policy of dealing only with counterparties that have sufficiently high credit ratings. The Company's exposure to credit risk and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions is reasonably diversified across counterparties.

Credit risk arising from term deposits and other balances with banks is considered limited, as these balances are placed with banks and recognized financial institutions having high credit ratings assigned by international credit rating agencies. No collateral is held against such balances. The average credit period on sale of products ranges from 60 to 90 days.

Credit risk arising from trade receivables is managed in accordance with the Company's established credit risk management policies, procedures, and controls. Customer creditworthiness is assessed based on detailed evaluation, and individual credit limits are defined or modified accordingly. The concentration of credit risk is limited due to a diversified customer base. No customer represents more than 10% of the total trade receivables balance. For trade receivables, as a practical expedient, the Company recognizes expected credit loss allowance using a provision matrix approach. The provision matrix is based on historically observed default rates over the expected life of trade receivables and is adjusted for forward - looking estimates at each reporting date. The provision matrix as at the end of the reporting period is as follows:

| Net Outstanding > 365 Days | Percentage of Collection to Gross Outstanding in Current Year | Credit Loss Allowances |
|---|---|---|
| Yes | < 25% | Yes, to the extent of lifetime expected credit losses outstanding as at reporting date. |
| Yes | > 25% | Yes, to the extent of lifetime expected credit losses pertaining to balances outstanding for more than one year. |

(Amount ` in Lakhs)

| Movement in Expected Credit Loss Allowance on Trade Receivables | 31.03.2026 | 31.03.2025 |
|---|---|---|
| **Balance at the beginning of the reporting period** | **1,303.33** | **--** |
| Add: Loss allowance measured at lifetime expected credit losses | 42.52 | 1,303.33 |
| Less: Bad Debts written off during the reporting period | -- | -- |
| **Balance at the end of reporting period** | **1,345.85** | **1,303.33** |

### 3) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its obligations associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may also arise due to an inability to realize a financial asset quickly at or near its fair value.

The Company has established a liquidity risk management framework for managing its short - term, medium - term, and long - term funding and liquidity requirements. The Company's exposure to liquidity risk arises primarily from mismatches in the maturities of financial

| | | | | | |
|---|---|---|---|---|---|
| **Financial Liabilities** | | | | | |
| **Lease Liabilities** | 130.43 | 189.86 | -- | **320.29** | **320.29** |
| **Trade Payables** | 264.94 | -- | -- | **264.94** | **264.94** |

## "Notes - 36C" - Capital Management

The Company adheres to a robust capital management framework, which is underpinned by the following guiding principles:

a) Maintain the financial strength to ensure stable ratings domestically and investment grade ratings internationally.

b) Ensure financial flexibility and diversify the source of financing and their maturities to minimize liquidity risk while meeting its investment requirements.

c) Ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business.

d) Minimize the finance costs while taking into consideration current and future industry, market and economic risks and conditions.

e) Safeguard its ability to continue as going as a going concern.

f) Leverage optimally in order to maximize shareholders' returns while maintaining strength and flexibility of the Balance Sheet.

This framework is adjusted based on underlying macro-economic factors affecting the business environment, financial market conditions and interest rates environment.

The Board of Directors has the primary responsibility for maintaining a strong capital base and optimizing the cost of capital through prudent management of deployed funds and judicious leverage in domestic and international financial markets, thereby maintaining investors, creditors, and market confidence and supporting the future development of the business.

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to equity shareholders. The primary objective of capital management is to safeguard the Company's ability to continue as a going concern and to maintain an optimal capital structure in order to maximize shareholder value.

As at March 31, 2026, the Company has only one class of equity shares and has a low level of debt. Consequently, there are no externally imposed capital requirements. To maintain or achieve an optimal capital structure, the Company allocates capital towards dividend distribution or reinvestment in the business based on its long-term financial plans.

assets and liabilities. The Company manages liquidity risk by maintaining adequate cash and cash equivalents. The Company also has adequate credit facilities with banks to ensure availability of sufficient funds to meet its normal operating and financial obligations in a timely and cost - effective manner.

The Company believes that its liquidity positions {As At March 31, 2026, ` 133.38 Lakhs (Prev Year ` 658.19 Lakhs)}, along with anticipated future internally generated cash flows from operations and fully available undrawn credit facilities, will enable it to meet its future obligations in the ordinary course of business. In addition, in the event of any liquidity requirement, the Company believes it has access to financing arrangements and unencumbered assets that would enable it to meet its capital and other liquidity requirements.

The liquidity position of the Company mentioned above, includes:

i) Cash and Cash Equivalents as disclosed in the Cash Flows Statements

ii) Current / non - current term deposits as disclosed in the other financial assets

The Company's liquidity management process as monitored by the management, includes:

i) Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met.

ii) Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

iii) Maintaining diversified credit lines.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table represent contractual undiscounted cash flows.

(Amount in ` Lakhs)

| Particulars | Less than 1 Year | Between 1 to 5 Year | More than 5 Year | Total | Carrying Value |
|---|---|---|---|---|---|
| **As At March 31, 2026** | | | | | |
| **Borrowings** | 12.44 | 24.31 | -- | **36.75** | **36.75** |
| **Other Financial Liabilities** | 167.28 | -- | -- | **167.28** | **167.28** |
| **Lease Liabilities** | 10.71 | 38.13 | -- | **48.84** | **48.84** |
| **Trade Payables** | 29.42 | 20.31 | -- | **49.74** | **49.74** |
| **As At March 31, 2025** | | | | | |
| **Borrowings** | -- | 00.20 | -- | **00.20** | **00.20** |
| **Other** | 220.84 | -- | -- | **220.84** | **220.84** |

The Company monitors its capital structure on the basis of the Net Debt to Equity ratio, where Net Debt is defined as total borrowings less cash and cash equivalents, divided by total equity.

(Amount ` in Lakhs)

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Total Liabilities | 450.66 | 926.30 |
| Less: Cash and Cash Equivalents | 7.25 | 298.88 |
| **Net Debt (A)** | **443.41** | **627.42** |
| **Total Equity** | **5,851.90** | **5,809.83** |
| **Net Debts to Total Equity** | **00.08** | **00.11** |

The Company has complied with all covenants under the terms and conditions of its major borrowing facilities throughout the current reporting period as well as the previous reporting period.

## 37 Capital Work-in-Progress ageing Schedule

| S. No. | Particulars | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|
| 1 | Projects-in-Progress | 220.58 | 66.52 | - | - | **287.10** |
| 2 | Projects temporarily suspended | - | - | - | - | - |

| S. No. | Particulars | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|
| 1 | Projects-in-Progress | 66.52 | 67.87 | - | - | **134.39** |
| 2 | Projects temporarily suspended | - | - | - | - | - |

There are no capital work-in-progress, where completion is overdue against the original planned timelines or where the estimated cost exceeded its original planned costs as at March 31, 2026, and March 31, 2025.

## 38 Trade Receivables ageing Schedule

| S. No. | Particulars | Not Due | Less than Six Months | Six Months to One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|---|---|
| **Trade Receivable - Unsecured** | | | | | | | | |
| a) | Undisputed, Considered Good | 1,148.42 | 39.59 | 1.37 | 505.74 | 2,575.92 | - | **4,271.04** |
| b) | Undisputed, Considered Doubtful | - | - | - | - | - | - | - |
| c) | Disputed, Considered Good | - | - | - | - | - | - | - |
| d) | Disputed, Considered Doubtful | - | - | - | - | - | - | - |
| | | **1,148.42** | **39.59** | **1.37** | **505.74** | **2,575.92** | **-** | **4,271.04** |
| e) | Less: Allowance for Doubtful Debts | - | - | - | - | - | - | **1,345.85** |
| | **Total...(*)** | | | | | | | **2,925.19** |

| S. No. | Particulars | Not Due | Less than Six Months | Six Months to One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|---|---|
| **Trade Receivable - Unsecured** | | | | | | | | |
| a) | Undisputed, Considered Good | 301.69 | 117.72 | 847.98 | 2,575.92 | - | - | **3,843.31** |
| b) | Undisputed, Considered Doubtful | - | - | - | | - | - | - |
| c) | Disputed, Considered Good | - | - | - | - | - | - | - |
| d) | Disputed, Considered Doubtful | - | - | - | - | - | - | - |
| | | **301.69** | **117.72** | **847.98** | **2,575.92** | **-** | **-** | **3,843.31** |
| e) | Less: Allowance for Doubtful Debts | - | - | - | - | - | - | **1,303.33** |
| | **Total...(*)** | | | | | | | **2,539.98** |

The Company does not have any unbilled dues as at March 31, 2026, and March 31, 2025.

## 39 Trade Payables ageing Schedule

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|---|
| **Trade Payable (Including Acceptance)** | | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 7.45 | 21.98 | 19.79 | 0.52 | - | 49.74 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **7.45** | **21.98** | **19.79** | **0.52** | **-** | **49.74** |

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|---|
| **Trade Payable (Including Acceptance)** | | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 33.46 | 229.59 | 1.89 | - | - | 264.94 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **33.46** | **229.59** | **1.89** | **-** | **-** | **264.94** |

The Company does not have any unbilled dues as at March 31, 2026, and March 31, 2025.

## 39.1 Capital Creditors ageing Schedule

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|---|
| **Capital Creditors (Including Acceptance)** | | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | - | 0.49 | 7.53 | - | - | 8.02 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **-** | **0.49** | **7.53** | **-** | **-** | **8.02** |

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|---|
| **Capital Creditors (Including Acceptance)** | | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 7.86 | - | - | - | - | 7.86 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **7.86** | **-** | **-** | **-** | **-** | **7.86** |

The Company does not have any unbilled dues as at March 31, 2026, and March 31, 2025.

## 39.2 Liabilities towards Service ageing Schedule

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|---|
| **Liabilities towards Service (Including Acceptance)** | | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 79.29 | - | - | - | - | **79.29** |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(*)** | **79.29** | - | - | - | - | **79.29** |

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|---|
| **Liabilities towards Service (Including Acceptance)** | | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 10.66 | - | - | - | - | **10.66** |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(*)** | **10.66** | - | - | - | - | **10.66** |

The Company does not have any unbilled dues as at March 31, 2026, and March 31, 2025.

## 40 Key Financial Ratio

| S. No. | Ratio | Numerator | Denominator | As At 31.03.2026 | As At 31.03.2025 | % Variation |
|---|---|---|---|---|---|---|
| 1 | Current Ratio[a] | Current Assets | Current Liabilities | 10.41 | 5.42 | 92.10% |
| 2 | Debt to Equity Ratio | Total Debts (Borrowings) | Total Equity | 0.01 | 0.00 | N. A. |
| 3 | Debt Service Coverage Ratio | Earning available for debt service (EBITDA) | Finance Costs + Repayaments of Borrowings | 78.66 | 0.00 | N. A. |
| 4 | Return on Equity[b] | Profit after tax (PAT) | Average Total Equity | 0.65% | -20.62% | -103.16% |
| 5 | Inventory Turnover Ratio[c] | Cost of Goods Sold | Average Inventory | 4.10 | 5323.56 | -99.92% |
| 6 | Trade Receivable Turnover Ratio[d] | Revenue from Sale of Products and Services | Average Trade Receivables | 0.54 | 1.27 | -57.64% |
| 7 | Trade Payable Turnover Ratio[e] | Net Purchase of Raw Materials, Packing Material and Stock-in-Trade | Average Trade Payables | 0.79 | 7.65 | -89.68% |
| 8 | Net Capital Turnover Ratio[f] | Revenue from Operations | Working Capital (Current Assets - Current Liabilities) | 0.43 | 1.10 | -60.99% |
| 9 | Net Profit Ratio[g] | Profit after tax (PAT) | Revenue from Operations | 2.59% | -39.01% | -106.63% |
| 10 | Return on Capital Employed[h] | Profit before interest (excluding interest on lease liabilities), exceptional items and tax | Average Capital Employed (Total Assets - Total Current Liabilities (Excepts Borrowings)) | 1.03% | -26.42% | -103.89% |

a) The increase in current assets relative to current liabilities during the current year has resulted in an improvement in the current ratio.

b) The improvement in the Return on Equity (ROE), Return on Capital Employed (ROCE), and Net Profit Ratio is primarily attributable to the Company earning a profit during the current financial year as against a loss incurred in the immediately preceding financial year.

c) The decline in the Inventory Turnover Ratio is primarily attributable to higher average inventory levels relative to the cost of goods sold during the current year.

d) Due to slower realization of trade receivables during the current year as compared to the previous year has impacted the Trade Receivable Turnover Ratio.

e) Substantially longer to pay its suppliers as compared to the previous reporting period has impacted the Trade Payable Turnover Ratio.

f) Increase in net working capital during the current year, which was proportionately higher than the increase in revenue from operations has impacted Net Capital Turnover Ratio.

## 41 Employee Benefits

### 1 Post Employment Benefits

### i) Defined Benefit Gratuity Plan (Unfunded)

The Company operates a defined benefit gratuity plan for its eligible employees, which is governed by the provisions of the Payment of Gratuity Act, 1972. The gratuity plan is funded through contributions made to a separately administered fund. Under the Act, employees who have completed a minimum of five years of continuous service are entitled to gratuity benefits. The amount of gratuity payable is based on the employee's length of service and the last drawn salary at the time of retirement, resignation, death, or disablement, in accordance with the provisions of the Act.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out as at March 31, 2026, by M/s KP Actuaries and Consultants LLP, an actuarial consulting firm registered with the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost have been determined using the Projected Unit Credit Method.

The following tables summarise the components of defined benefits expense recognized in the standalone statement of profit and loss / other comprehensive income and amount recognized in the Balance Sheets for the respective plans:

### i) Statement showing the Present Value of the Obligations

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Present Value Obligation** | | |
| **Present value of obligation at the beginning of the period** | **24.13** | **15.83** |
| Interest cost | 7.73 | 8.64 |
| Current service cost | 1.64 | 1.14 |
| Past service cost | - | - |
| Benefit paid (if any) | (1.44) | - |
| Actuarial (gain) / loss | (5.48) | (1.49) |
| **Present Value of Obligation at the end of the period...(`)** | **26.57** | **24.13** |

### ii) Bifurcation of Total Actuarial (Gain) / Loss on Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Bifurcation** | | |
| Changes in demographics assumptions (Mortality) | (2.45) | - |
| Changes in financial assumptions | 0.81 | 1.29 |
| Experience adjustments (gain) / loss for plan liabilities | (3.84) | (2.78) |
| **Total amount recognized in Other Comprehensive Income** | **(5.48)** | **(1.49)** |

iii) **Key Results**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Results** | | |
| **Present value of the obligation at the end of the period** | **26.57** | **24.13** |
| Fair value of plan assets at the end of the period | - | - |
| Net libailities / (assets) to be recognized in the Balance Sheet | 26.57 | 24.13 |
| **Funded Status - Surplus / (Deficit)...(`)** | **(26.57)** | **(24.13)** |

iv) **Expenses recognized in the Statement of Profit and Loss**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Breakup of Expenses** | | |
| Interest Costs | 7.73 | 8.64 |
| Current Service Costs | 1.64 | 1.14 |
| Past Service Costs | - | - |
| Expected return on plan assets | - | - |
| **Expenses to be recognized in Statement of Profit and Loss** | **9.37** | **9.79** |

v) **Experience Adjustments**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Experience Adjustments** | | |
| Experience adjustments (gain) / loss - plan liabilities | (3.84) | (2.78) |
| Experience adjustments (gain) / loss - plan assets | - | - |

vi) **Other Comprehensive (Income) / Expenses {Remeasurements)**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Other Comprehensive Income** | | |
| **Opening cumulative unrecognized actarial (gain) / loss** | **(2.21)** | **(0.72)** |
| Actuarial (gain) / loss - obligations | (5.48) | (1.49) |
| Actuarial (gain) / loss - plan assets | - | - |
| **Total actuarial (gain) or loss** | **(5.48)** | **(1.49)** |
| **Closing cumulative unrecognized actarial (gain) / loss** | **(7.69)** | **(2.21)** |

vii) **Net Interest Costs**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Interest Costs** | | |
| Interest cost on defined benfits plans | 7.73 | 8.64 |
| Interest income on plan assets | - | - |
| **Net Interest Cost...(`)** | **7.73** | **8.64** |

viii) **Summary of Membership Data at the date of valuation and statistics based thereon**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Summary** | | |
| Number of employees | 48.00 | 61.00 |
| Total monthly salary (In Lakhs) | 14.87 | 18.59 |
| Average past service (years) | 2.23 | 1.62 |
| Average future service (years) | 28.40 | 29.51 |
| Average age (years) | 31.63 | 30.57 |
| Average monthly salary (In Lakhs) | 0.31 | 0.30 |

ix) **Assumptions**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Assumptions** | | |
| Discount rate (per annum) | 7.00% | 6.79% |
| Salary growth rate (per annum) | 8.00% | 8.00% |
| Average Future Services (in Years) | 28.4 | 29.51 |

The estimate of future salary escalation considered in the actuarial valuation takes into account inflation, seniority, promotions, and other relevant factors, including supply and demand in the employment market. The above information has been certified by the actuary.

x) **Bifurcation of Liabilities**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Break-up of Liabilities** | | |
| Current Liabilities (Short - Term) | 2.72 | 0.06 |
| Non - Current Liabilities (Long - Term) | 23.85 | 24.07 |
| **Total Liabilities...(`)** | **26.57** | **24.13** |

xi) **Sensitivity Analysis**

The principal actuarial assumptions used in determining the present value of the defined benefit obligation are the discount rate and the expected rate of future salary escalation. The impact of changes in mortality assumptions is considered to be insignificant. The sensitivity analysis presented below is based on a change in one actuarial assumption while holding all other assumptions constant. In practice, such changes are unlikely to occur in isolation, as certain actuarial assumptions may be interrelated. Accordingly, the sensitivity analysis may not be representative of the actual change in the defined benefit obligation. The results of the sensitivity analysis are presented below:

| | 31.03.2026 |
|---|---|
| **Sensitivity** | |
| Defined Benefit Obligation (Base) | 26.57 |
| Liability with 00.50% Incresae in Discount Rate | 25.54 |
| Liability with 00.50% Decrease in Discount Rate | 27.68 |

| | |
|---|---|
| Liability with 1.00% Increase in Salary Growth Rate | 27.41 |
| Liability with 1.00% Decrease in Salary Growth Rate | 25.77 |
| Liability with 5.00% Increase in Attrition Rate | 26.21 |
| Liability with 5.00% Decrease in Attrition Rate | 26.57 |
| Liability with 10.00% Increase in Mortality Rate | 26.58 |
| Liability with 10.00% Decrease in Mortality Rate | 26.56 |

### xii) Reconciliation of Liabilities at Balance Sheet

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Reconciliation** | | |
| **Opening Gross Defined Benefit Liability / (Assets)** | **24.13** | **15.83** |
| Expense recognized in Statement of Profit and Loss | 9.37 | 9.79 |
| Other Comprehensive Income - Actuarial (Gain) / Loss - Total Current Period | (5.48) | (1.49) |
| Benefit Paid (If any) | (1.44) | - |
| **Closing Gross Defined Benefit Liability / (Assets)** | **26.57** | **24.13** |

## 2 Defined Contribution Plans

### i) Provident Fund

The provident fund assets and liabilities are managed by the Company in line with the Employees' Provident Fund and Miscellaneous Provision Act, 1952.

The plan guarantees minimum interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefit vests immediately on redering of the service by the employee. In term of Guidance Note isused by the Institute of Actuaries of India for measurement of provident fund liabilities, the Actuary has provided a valuation of provident fund liabilities and based on assumptions provided. There is no shortfall in the contribution as at March 31, 2026.

The details of contibution made by the Company to the resepctive funds are given as below:

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Contributions** | | |
| Employee's Share of Contribution | 12.00 | 13.14 |
| Employer's Share of Contribution | 12.00 | 14.19 |
| **Total Contrbution during the Reporting Period...(`)** | **24.00** | **27.33** |

## Note No. 42: Information on Related Party Transaction as required by Ind AS - 24 - *"RELATED PARTY DISCLOSURE"* for the year ended March 31, 2026

Related parties, as defined under Ind AS - 24, *"Related Party Disclosure"* have been identified on the basis of written representations provided by the Company's management and information available with the Company. The Company's material related party transactions and outstanding balances with such related parties, entered into in ordinary course of Business, are as follows:

### 1. Subsidiary Companies

a) PYI Technologies Private Limited (Wholly Owned Subsidiary)
b) DroneAcharya Miltech Private Limited (Holds 51.00 % of Total Equity)

### 2. Entities where Key Managerial Personnel / Close Family Members of Key Managerial Personnel have control / significant influence and where transactions have taken places

a) Awyam Synergies Private Limited

### 3. Key Managerial Person Name and their Designation

| S. No. | Name of the Persons | Designation |
|---|---|---|
| a) | Mr. Prateek Srivastava | Managing Director (MD) |
| b) | Mrs. Nikita Srivastava | Director & Chief Financial Officer |
| c) | Mr. Mangina Srinivas Rao | Independent Director |
| d) | Mrs. Bhanupriya Thakur | Independent Director (Retired on December 03, 2025) |
| e) | Mr. Utsav Jasapara | Independent Director (Retired on December 04, 2025) |
| f) | Mr. Raj Kumar Srivastava | Independent Director (Retired on April 01, 2025) |
| g) | Mrs. Meenakshi Niraj Gupta | Independent Director (Joined on December 31, 2025) |
| h) | Mr. Shyam Shankar Jedhe | Independent Director (Joined on December 31, 2025) |

### 4. Relatives of Key Managerial Person

| S. No. | Name of the Persons | Relationship with the Company |
|---|---|---|
| a) | Dr. Pradeep Srivastava | Father of Managing Director |

### Terms and Conditions with the transactions with Related Parties as under:

a) The Company has been entering into transactions with related parties for its business purpose. The process followed for entering into transactions with these related parties is the same as that followed for unrelated parties. Vendors are selected on a competitive

basis, having regard to strict adherence to quality standards, timely service, and cost advantages. Further, related party vendors provide additional advantage in term of:

i) Supplying products primarily to the Company;

ii) Advanced and innovative technologies;

iii) Customization of products to suit the Company's specific performance;

iv) Enhancement of the Company's purchase cycle and assurance of just in time supply with resultant benefits - notably on working capital.

b) Purchases from and sales to related parties are undertaken on terms equivalents to those applicable to unrelated parties, on arm's length basis.

c) Outstanding balances with related parties as at the end of the reporting period are unsecured, interest free and are repayable / receivable in demand, and expected to be settled in cash.

**Transaction with Related Parties is as under:**

(Amount in ` Lakhs)

| S. No. | Particulars | Subsidiary Company / Related Companies | Key Managerial Person | Relative of Key Managerial Person |
|---|---|---|---|---|
| 1. | **Remuneration** | | | |
| | Mr. Prateek Srivastava | -- | ` 96.18<br>(P. Y. ` 90.00) | -- |
| | Mrs. Nikita Srivastava | -- | ` 36.00<br>(P. Y. ` 36.38) | -- |
| 2. | **Director Sitting Fees** | | | |
| | Mr. Mangina Srinivas Rao | -- | ` 01.80<br>(P. Y. ` 00.90) | -- |
| | Mrs. Bhanupriya Thakur | -- | ` 00.95<br>(P. Y. ` 01.10) | -- |
| | Mr. Utsav Jasapara | -- | ` 01.60<br>(P. Y. ` 01.10) | -- |
| | Mr. Raj Kumar Srivastava | -- | ` 00.40<br>(P. Y. ` 00.50) | -- |
| 3. | **Reimbursement of Expenses Incurred** | | | |
| | Mr. Prateek Srivastava | -- | ` 00.58 | -- |

| | | | | |
|---|---|---|---|---|
| | | | (P. Y. ` 02.20) | |
| | Mrs. Nikita Srivastava | -- | ` 02.30<br>(P. Y. ` 00.61) | -- |
| | Mr. Mangina Srinivas Rao | -- | ` 00.03<br>(P. Y. ` 00.28) | -- |
| | Mrs. Bhanupriya Thakur | -- | ` 00.00<br>(P. Y. ` 00.01) | -- |
| | Mr. Utsav Jasapara | -- | ` 00.49<br>(P. Y. ` 00.27) | -- |
| | Mr. Raj Kumar Srivastava | -- | ` NIL<br>(P. Y. ` 00.15) | -- |
| **4.** | **Investment in Subsidiary Companies** | | | |
| | PYI Technologies Private Limited | ` 00.49<br>(P. Y. ` NIL) | -- | -- |
| | DroneAcharya Miltech Private Limited | ` NIL<br>(P. Y. ` 00.51) | -- | -- |
| **5.** | **Professional and Consultancy Charges** | | | |
| | Dr. Pradeep Srivastava | -- | -- | ` 03.81<br>(P. Y. ` 20.87) |
| **6.** | **Purchase of Material and Fixed Assets** | | | |
| | PYI Technologies Private Limited | ` NIL<br>(P. Y. ` 13.16) | -- | -- |
| **7.** | **Receipt of Unsecured Loans** | | | |
| | Mr. Prateek Srivastava | -- | ` NIL<br>(P. Y. ` 00.10) | -- |
| | Mrs. Nikita Srivastava | -- | ` NIL<br>(P. Y. ` 00.10) | -- |
| **8.** | **Repayment of Unsecured Loans** | | | |

| | | | | |
|---|---|---|---|---|
| | Mr. Prateek Srivastava | -- | ` 00.10<br>(P. Y. ` NIL) | -- |
| | Mrs. Nikita Srivastava | -- | ` 00.10<br>(P. Y. ` NIL) | -- |
| **9.** | **Advances to Vendor's** | | | |
| | Awyam Synergies Private Limited | ` NIL<br>(P. Y. ` 50.00) | -- | -- |
| **10.** | **Repayment Received towards Advances to Vendor's** | | | |
| | Awyam Synergies Private Limited | ` NIL<br>(P. Y. ` 252.50) | -- | -- |

**Balances payable / receivable to the related parties as on March 31, 2026**

(Amount in ` Lakhs)

| S. No. | Particulars | Subsidiary Company / Related Companies | Key Managerial Person | Relative of Key Managerial Person |
|---|---|---|---|---|
| **1.** | **Advance towards Expenditures** | | | |
| | PYI Technologies Private Limited | ` 00.28<br>(P. Y. ` NIL) | -- | -- |
| **2.** | **Director Sitting Fees Payable** | | | |
| | Mr. Mangina Srinivas Rao | -- | ` NIL<br>(P. Y. ` 00.36) | -- |
| | Mrs. Bhanupriya Thakur | -- | ` NIL<br>(P. Y. ` 00.36) | -- |
| | Mr. Utsav Jasapara | -- | ` NIL<br>(P. Y. ` 00.36) | -- |
| **3.** | **Investment in Subsidiary Companies** | | | |
| | PYI Technologies Private Limited | ` 01.00<br>(P. Y. ` 00.51) | -- | -- |
| | DroneAcharya Miltech Private Limited | ` 00.51<br>(P. Y. ` 00.51) | -- | -- |

| | | | | |
|---|---|---|---|---|
| **4.** | **Unsecured Loans** | | | |
| | Mr. Prateek Srivastava | -- | ` NIL<br>(P. Y. ` 00.10) | -- |
| | Mrs. Nikita Srivastava | -- | ` NIL<br>(P. Y. ` 00.10) | -- |
| **5.** | **Advances to Vendor's** | | | |
| | Awyam Synergies Private Limited | ` 181.50<br>(P. Y. ` 384.00) | -- | -- |

## "Note No. 43 - Additional Regulatory Information as required by the Schedule - III of the Companies Act, 2013"

i) The Company has utilized the borrowing from banks and financial institutions for the purpose for which they were obtained, as at the standalone balance sheet date. The Company has not defaulted in the repayment of principal or payment of interest thereon in respect of ant borrowings from banks and financial institutions during the current and previous reporting period.

ii) The title deed in respect of self-constructed building and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in the favor of the Company), disclosed in the standalone financial statements and included under the head of property, plants and equipment are held in the name of the Company as at the standalone balance sheet date. In respect of the immovable properties taken on lease by the Company, the lease agreements are duly executed in the favor of the Company as at the Balance Sheet date.

iii) Loans and advances in the nature of loans are granted to promoters, directors, key managerial parties and the other related parties including the subsidiaries, associates and joint ventures (as defined under the Companies Act, 2013), either severally and jointly with any other person that are:

a) Repayable on demand or;

b) Without specifying any terms or period of repayments.

iv) The Company does not have benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the relevant Rules made thereunder.

v) The Company has not been sanctioned working capital limit from bank and financial institutions on the basis of security of current assets, hence the requirement to report related to the monthly / quarterly returns and the statements filed by the Company with such banks and financial institutions are in agreements with the books of accounts of the Company is not applicable.

vi) The Company has not been declared as willful defaulter by the banks and the financial institutions or other lenders or government or any government authorities.

vii) The Company has not entered any transactions with the companies struck off as per section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 2013, hence the details related to the same have not been furnished.

viii) The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of Company beyond the statutory period.

ix) The Company has complied with the requirements with respect to the number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

x) Utilization of borrowed funds and share premium

1) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediaries shall:

a) 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;

b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

2) The Company has not received any funds from persons or entities, including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) 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;

b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

xi) There have been no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the reporting period and previous reporting period in the tax assessments under the Income Tax Act, 1961.

xii) The Company has neither traded nor invested nor advanced in Crypto or Virtual Currency during the reporting period and previous reporting period.

## 44 Contingent Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Contingent Liabilities** | | |
| a) Bank Guarantees given by the Company's Banker's towards the Other Institutions | 18.59 | 18.59 |
| b) Income Tax Appeal with Commissioner of Income Tax (Appeals) [CIT(A)] for the Financial Year 2021 - 22 | 1,627.53 | - |
| c) Inland Letter of Credit or Buyer's Credit against the Raw Materials and Trading Goods Purchases | - | - |
| **Total...(`)** | **1,646.11** | **18.59** |

## 45 Capital and Other Commitments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Capital Commitments** | | |
| Estimated amount of contracts remaining to be executed by the Company on Capital and not provided for; | | |
| towards Property, Plants and Equipment | 102.37 | 70.53 |
| towards Other Intangible Assets | - | - |
| **Total Capital Commitments...(`) (A)** | **102.37** | **70.53** |
| **Other Commitments** | | |
| Bill discounted and letter of credit issued by the Company's Bankers | - | - |
| For derivative contract related commitments | - | - |
| **Total Other Commitments...(`) (B)** | **-** | **-** |
| **Total...(`) (A + B)** | **102.37** | **70.53** |

## 46 Corporate Social Responsibilities

The Company does not fall within the applicability criteria prescribed under Section 135 of the Companies Act, 2013. Accordingly, the provisions relating to Corporate Social Responsibility (CSR) are not applicable to the Company for both the current and previous reporting periods.

## 47 Dividend

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Dividend** | | |
| Final Dividend paid on Equity Shares | - | - |
| Interim Dividend paid on Equity Shares | - | - |
| **Total...(`)** | **-** | **-** |

The Board of Directors of the Company did not declare any interim dividend during the current or the previous reporting period.

## 48 Details of Hedge and Unhedged Exposures in Foreign Currency Denominated Monetary Items

### A) Exposure in Foreign Currency - Hedged

The Company has not entered into forward exchange contracts to hedge its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any of the derivative instruments for trading and speculation purposes during the reporting period and previous reporting period.

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | $ | ` |
| **Hedged Exposures** | | |
| Forward Contract to Sell / Buy USD ($) as at March 31, 2026 | - | - |
| Forward Contract to Sell / Buy EURO (€) as at March 31, 2026 | - | - |

### B) Exposure in Foreign Currency - Unhedged

The foreign currency exposures which are not hedged during the reporting period and previous reporting period are as under:

#### i) Payable during the Reporting Period

| | Payable (In Foreign Currency) | |
|---|---|---|
| | 31.03.2026 | 31.03.2025 |
| **Foreign Currency - Unhedged** | | |
| USD ($) | - | 5.29 |
| EURO (€) | - | - |

| | Payable (In Indian Currency) | |
|---|---|---|
| | 31.03.2026 | 31.03.2025 |
| | ` | ` |
| **Foreign Currency - Unhedged** | | |
| USD ($) | - | 453.08 |
| EURO (€) | - | - |

#### ii) Receivable during the Reporting Period

| | Receivable (In Foreign Currency) | |
|---|---|---|
| | 31.03.2026 | 31.03.2025 |
| **Foreign Currency - Unhedged** | | |
| USD ($) | 45.25 | 31.55 |
| EURO (€) | - | - |

| | Receivable (In Indian Currency) | |
|---|---|---|
| | 31.03.2026 | 31.03.2025 |
| | ` | ` |
| **Foreign Currency - Unhedged** | | |
| USD ($) | 4,645.57 | 2,700.40 |
| EURO (€) | - | - |

## 49 Pending Litigation - SEBI Proceedings

The Securities and Exchange Board of India (SEBI), vide Show Cause Notice No. SEBI/HO/QJC-1/P/OW/2025/13314/1 dated May 15, 2025, initiated adjudication proceedings against the Company and certain of its directors under the provisions of the Securities and Exchange Board of India Act, 1992, read with the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995. Pursuant to the adjudication proceedings, SEBI passed an order imposing a monetary penalty of ₹ 10.00 Lakhs on the Company and ₹ 20.00 Lakhs each on its directors, Mr. Prateek Srivastav and Mrs. Nikita Srivastav. Further, the Company and the aforesaid directors were restrained from accessing or dealing in the securities market for a period of two years from the date of the said order.

The Company has deposited the aforesaid penalty amount under protest and, along with the concerned directors, filed an appeal before the Securities Appellate Tribunal (SAT) on December 19, 2025, seeking appropriate relief, including setting aside of the SEBI order and waiver of the penalties imposed.

Subsequently, vide its interim order dated February 2026, the Securities Appellate Tribunal (SAT) granted interim relief permitting the Company and its promoters to raise funds and create a pledge over their securities in favour of banks and financial institutions for the purpose of obtaining borrowings, subject to the terms and conditions specified in the said order.

The appeal is presently pending before the Securities Appellate Tribunal (SAT), and the final outcome of the matter is awaited.

## 51 Earnings Per Share

(Amount ` in Lakhs, except number of share and earnings per share data)

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Earnings Per Share** | | |
| **Net Profit / (Loss) after tax as per the Standalone Statement of Profit or Loss attributable to the holder of Equity Shares** | **37.97** | **(1,346.73)** |
| Nominal Value of Equity Shares (`) | 10.00 | 10.00 |
| Weighted average number of Equity shares used as denominator for calculating the earnings per share | 2,39,88,600 | 2,39,88,600 |
| **Basic and Diluted Earnings Per Share...(`)** | **0.16** | **(5.61)** |

**52** The standalone financial statements are approved for issue by the Audit Committee at its meeting held on May 29, 2026, and by the Board of Directors on their meeting held on May 29, 2026.

**53** Previous years audited figures has been regrouped / recasted / rearranged wherever necessary to make them comparable for the purpose of preparation and presentation of standalone financial statements.

**SIGNATURE TO THE NOTE "1" TO NOTE "53"**

**MATERIAL ACCOUNTING POLICIES** **1**

**THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No.: 0030087C

**AMIN HAZIYANI**
Partner
Membership No. 115123

Place: Nagpur
Dated: **May 29, 2026**
UDIN No.: **26115123FZFWUO3198**

**FOR AND ON BEHALF OF THE BOARD**

**PRATEEK SRIVASTAVA** **NIKITA SRIVASTAVA**
Managing Director CFO & Director
DIN No.: 07709137 DIN No.: 08082593

**JAYESH KULKARNI**
Company Seceretary

Place: Nagpur
Dated: **May 29, 2026**

**HAZIYANI & ASSOCIATES**
CHARTERED ACCOUNTANTS

# INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF,**
**DRONEACHARYA AERIAL INNOVATION LIMITED**

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of **DRONEACHARYA AERIAL INNOVATION LIMITED** (hereinafter referred to as "the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at **March 31, 2026**, the Consolidated Statement of Profit and Loss {including the Other Comprehensive Income / (Losses)}, the Consolidated Statement of Profit and Loss (including the Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the *"Other Matters"* section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at **March 31, 2026**, and their consolidated profits including their consolidated other comprehensive income / (losses), their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

**Basis of Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *"Auditor's Responsibilities for the Audit of the Consolidated Financial Statements"* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these

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requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and audit evidence obtained by the other auditors in term of their report referred to in "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters and to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the consolidated financial statements. The results of our audit procedures performed by us and performed by the other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the Parent's Management, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

| The Key Audit Matters | How was the matter addressed in our Audit |
|---|---|
| **Revenue Recognition *(Refer Note No. 1.5.(d) and 29 of the consolidated financial statements)*** | |
| Revenue is one of the key drivers of profitability and is therefore susceptible to the risk of material misstatement. The Group recognizes revenue net of applicable discounts, rebates, and other variable considerations. Accordingly, revenue from the sale of products has been identified as a Key Audit Matter. The key areas of judgment and estimation involved in revenue recognition include:<br><br>* **Determination of performance obligations**: Assessing whether revenue | Our audit procedures in relation to revenue recognition included, among others, the following:<br><br>* Assessed the appropriateness of the Group's revenue recognition accounting policies in accordance with the applicable accounting standards.<br><br>* Evaluated the design, implementation, and operating effectiveness of key internal controls over revenue recognition, including controls over recording of sales, discounts, rebates, and related adjustments. |

| | |
|---|---|
| recognition criteria are satisfied in accordance with the applicable accounting standards, including the identification and satisfaction of performance obligations.<br><br>* **Estimation of variable consideration:** Evaluating management's estimates relating to discounts, rebates, and other incentives, which may impact the measurement of revenue.<br><br>* **Cut - off procedures:** Ensuring that revenue is recognized in the correct accounting period, as inappropriate cut-off may result in material misstatement of consolidated financial statements. | * Tested, on a sample basis, revenue transactions recorded during the reporting period by verifying supporting documents such as sales invoices, dispatch documents, and customer purchase orders.<br><br>* Performed cut-off testing by examining transactions recorded before and after the year-end to assess whether revenue has been recognized in the appropriate accounting period.<br><br>* Evaluated the reasonableness of management's estimates relating to variable consideration, including discounts and rebates, by comparing historical trends and examining subsequent settlements, where applicable.<br><br>* Performed analytical procedures on revenue, including comparison with prior periods and investigation of significant fluctuations and unusual trends.<br><br>* Assessed the adequacy and appropriateness of disclosures made in the consolidated financial statements in respect of revenue recognition. |
| **Carrying Value of Trade Receivables** | |
| As at March 31, 2026, trade receivables constitute approximately 46.34% of the total assets of the Company (refer *"Note No. 13"* of the consolidated financial statements). The Group is required to regularly assess the recoverability of its trade receivables.<br><br>The Group applies the Expected Credit Loss (ECL) model for the measurement and recognition of impairment loss on trade receivables. The impairment allowance is determined using a provision matrix, which is based on historically | Our audit procedures in relation to impairment of trade receivables included, among others, the following:<br><br>* Assessed the appropriateness of the Group's accounting policy for impairment of financial assets in accordance with the applicable accounting standards.<br><br>* Evaluated the design, implementation, and operating effectiveness of key internal controls over credit control, monitoring of receivables, and estimation of expected credit losses.<br><br>* Obtained an understanding of the methodology used by management for |

| | |
|---|---|
| observed default rates over the expected life of receivables and is adjusted for forward-looking information.<br><br>This has been identified as a Key Audit Matter due to the significant judgment involved in determining the assumptions used in the provision matrix, including historical default rates, ageing profiles, and forward-looking estimates, which may have a material impact on the consolidated financial statements. | computing ECL, including the construction and application of the provision matrix.<br><br>* Tested the accuracy and completeness of data used in the ECL computation, including ageing of receivables, by verifying underlying records on a sample basis.<br><br>* Assessed the reasonableness of historical default rates used in the provision matrix by comparing with past trends and actual credit loss experience.<br><br>* Evaluated the appropriateness of forward-looking adjustments applied by management, including consideration of current and expected economic conditions.<br><br>* Reviewed subsequent collections from customers to assess the recoverability of outstanding receivables as at the reporting date.<br><br>* Performed external balance confirmations on a sample basis and followed up on non-responses or differences, where applicable.<br><br>* Examined specific overdue and high-value receivable balances to assess whether additional provisions were required.<br><br>* Assessed the adequacy and appropriateness of disclosures made in the consolidated financial statements in respect of trade receivables and impairment thereof. |

## Information Other than the Financial Statements and Auditor's Report thereon

The Parent's Board of Directors are responsible for the other information. The other information comprises the information included in the Management's Discussion and Analysis, Board's Report including Annexure to the Board's Report, Report on Corporate Governance, Business Responsibility and Sustainability Report and Shareholder's information, but does not include the consolidated financial statements, Consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, compare with the separate financial statements of the subsidiaries audited by their auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of other auditors and consider whether the other information is materially inconsistent with the consolidated Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is obtained from their separate financial statements audited by their auditors.

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.

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

The Parent's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, the consolidated financial performance including the other comprehensive income / (losses), the consolidated cash flows and the consolidated changes in equity of the Group in accordance with the accounting principle generally accepted in India, including the Indian Accounting Standards (Ind AS) as specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, time to time. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentations of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management's and the Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the

respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated 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 controls.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's Management and Board of Directors.

- Conclude on the appropriateness of the Parent 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carries out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable users of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Parent, and such other entities, included in the consolidated financial statements of which we are the independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

## Other Matters

We have not audited the standalone financial statements and other financial information of the subsidiary companies, whose standalone financial statements have been audited by their respective auditors, whose financial information reflects the total assets of ` 10.03 Lakhs, total revenue of ` NIL and cash flows (net) amounting to ` (00.82) Lakhs for the year ended March 31, 2026, in respect of two of such subsidiaries. These amounts have been considered in the consolidated financial statements, based solely on the audited standalone financial statements and other financial information have been audited by their respective auditors, whose report has been furnished to us by the Parent's management. Our opinion on the consolidated financial statements, in so as far, as it relates to the amounts and disclosures, and our report in term of section 143(3) of the Act, in so far, as it relates to the aforesaid, is based solely on the report of other auditors.

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

## Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and the consideration of the report of the other auditors of their separate financial statements / financial information, referred to in the Other Matters paragraph above, we report, to the extent applicable, that:

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

b. In our opinion, proper books of account as required by law relating to the preparation of the consolidated financial statements has been kept by the Group, including relevant records, so far as it appears from our examination of those books and reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Other Comprehensive Income / (Losses), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Reports are in agreement with the books of account maintained for the purpose of the preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards as specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, time to time.

e. On the basis of the written representation received from the directors of the Parent as on March 31, 2026, taken on the record by the Board of Directors of the Parent and based on the reports of the Statutory Auditors of the subsidiaries, none of directors of the Group companies, is disqualified as on March 31, 2026, from being appointed as a director in term of section 164(2) of the Act.

f. With respect to adequacy of the internal financial controls with reference to these consolidated financial statements and the operating effectiveness of such control, refer to our separate report in **Annexure "A"**, which is based on the auditor reports of the Parent, subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to the consolidated financial statements of those companies.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, time to time, in our opinion and to the best of our information and explanations given to us, the remuneration paid / provided by the Parent to its directors during the reporting period is in accordance with the provision of section 197 of the Act.

h. With respect to the other matters to be included in the Independent Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, time to time, in our opinion and to the best of our information and according to the explanations given to us;

(i) The consolidated financial statements disclosed, wherever applicable, the impact of pending litigation on the consolidated financial positions of the Group. (Refer *"Note No. 46"* of the consolidated financial statements).

(ii) The Group have made the necessary provisions, as required under the applicable law or the Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

(iii) There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Parent.

iv)a) The respective Managements of the Parent and its subsidiaries, whose financial statements, have been audited under the Act, have represented to us respectively and to the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as discloses in the notes to the accounts of the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed fund or share premium or any other sources or kind of funds) by the Parent or any of such subsidiary companies included in the Group, to or in any other person or entities, including the foreign entities ("Intermediaries"), with

the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent and any of such subsidiary companies included in the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

b) The respective Managements of the Parent and its subsidiaries, whose financial statements, have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, as disclosed in notes to the accounts of the consolidated financial statements, no funds (which are material either individually or in the aggregate) have been received by the Parent and any of such subsidiaries included in the Group, from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent and any of such subsidiary included in the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the other auditors of the subsidiary companies, include in the Group, whose financial statements audited under the Act, nothing has come to our or other auditors notice that has caused us and other auditors 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 misstatement.

(v) The dividend declared and paid, if any, by the Parent during the reporting period has been in compliance with provision of the section 123 of the Companies Act,2013.

(vi) Based on our examination, which included test check, and based on the other auditors of its subsidiaries company, whose financial statements have been audited under the Act, the Parent and its subsidiaries, has used accounting software for maintaining their respective books of accounts for the financial period ended March 31, 2026, which has a feature of recording audit trail (edit log) facilities and the same has operated throughout the period for all the relevant transactions recorded in the software. Further, during the course of audit, we and respective other auditors, whose report have been furnished to us by the Management of Parent, have not come across any instances of the audit trail feature being tampered with.

Additionally, where the audit trail (edit log) facility was enabled and operated in the previous year, the audit trail has been preserved by the Parent and it subsidiaries, as per the statutory requirement of record retention.

2. With respect to the matters specified in clause (xxi) of the paragraph 3 and paragraph 4 of the Companies (Auditors Report) Order, 2020, ("the Order"), issued by the Central Government, in terms of section 143(11) of the Act, according to information and explanations given to us and based on the CARO reports issued by us and the auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Parent's management, we report that, there are no qualification or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No. 0030087C

Place: Nagpur
Dated: **May 29, 2026**
UDIN No.: **26115123SDXFNU1864**

**AMIN HAZIYANI**
Partner
Membership No. 115123

# ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

*(Referred to in paragraph 2(f) under "Report on the Other Regulatory Requirements" section of our report of even date)*

## Report on the Internal Financial Controls with reference to Consolidated Financial Statements over the Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Group as of for the year ended **March 31, 2026**, we have audited the internal financial controls with reference to these consolidated financial statements of **"DRONEACHARYA AERIAL INNOVATION LIMITED"** (the "Parent"), and its subsidiary companies, (herein after the Parent and its subsidiary companies together referred to as "the Group"), as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Company's Management and the Board of Directors of the Parent and its subsidiary companies, are responsible for establishing and maintaining internal financial controls with reference to the consolidated financial statements based on the internal control with reference to the consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on internal financial controls with reference to the consolidated financial statements of the Parent and subsidiary companies, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable, to an audit of internal financial controls with reference to the consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

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whether adequate internal financial controls with reference to the consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of internal financial controls with reference to the consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and audit evidence obtained by the other auditors of companies included in the Group, in term of their report referred to in Other Matters paragraph below, is sufficient and appropriate to provide the basis for our audit opinion on the internal financial controls with reference to the consolidated financial statements of the Parent and its subsidiary companies.

## Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial controls with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to the consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Parent are being made only in accordance with authorizations of Management and directors of the Parent; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated financial statements.

## Inherent Limitations of Internal Financial Controls over the Financial Reporting

Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk

that the internal financial controls with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanation given to us and based on the consideration of the reports of the other auditors referred to in Other Matters below, the Parent and its subsidiary companies, have, in all material respects, an adequate internal financial controls with reference to the consolidated financial statements and such internal financial controls with reference to the consolidated financial statements were operating effectively as at **March 31, 2026**, based on the criteria for internal financial control with reference to the consolidated financial statements established by the respective companies included in the Group, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**Other Matters**

Our aforesaid report, under section 143(3)(i) of the Act, on the adequacy and operating effectiveness of internal financial controls with reference to the consolidated financial statements, in so far as it relates to two of the subsidiary companies, which are incorporated in India, on their separate financial statements is based solely on corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters.

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No. 0030087C

Place: Nagpur
Dated: **May 29, 2026**
UDIN No.: **26115123SDXFNU1864**

**AMIN HAZIYANI**
Partner
Membership No. 115123

# DRONEACHARYA AERIAL INNOVATIONS LIMITED

## Consolidated Balance Sheet as at March 31, 2026

(Amount ₹ in Lakhs)

| S. No. | Particulars | Note | 31.03.2026 | 31.03.2025 |
|---|---|---|---|---|
| | | | ₹ | ₹ |
| A | **ASSETS** | | | |
| 1 | **Non - Current Assets** | | | |
| | Property, Plants and Equipment | 2 | 442.87 | 777.03 |
| | Right-of Use Assets | 3 | 46.55 | 294.86 |
| | Goodwill | 4 | 1.57 | - |
| | Other Intangible Assets | 5 | 391.69 | 442.71 |
| | Capital Work-in-Progress | 6 | 278.21 | 125.50 |
| | Financial Assets | | | |
| | Investments | 7 | 71.20 | 474.05 |
| | Loans | | - | - |
| | Other Financial Assets | 8 | 60.31 | 75.83 |
| | Other Non - Current Assets | 9 | 750.92 | 220.76 |
| | Current Tax Assets (Net) | 10 | 23.20 | 25.30 |
| | Deferred Tax Assets (Net) | 11 | 451.57 | 447.62 |
| | **Total Non - Current Assets** | | **2,518.09** | **2,883.66** |
| 2 | **Current Assets** | | | |
| | Inventories | 12 | 165.51 | - |
| | Financial Assets | | | |
| | Trade Receivables | 13 | 2,925.19 | 2,539.98 |
| | Cash and Cash Equivalents | 14A | 8.19 | 300.64 |
| | Other Balances with Banks | 14B | - | - |
| | Loans | | | - |
| | Other Financial Assets | 15 | 105.26 | 353.91 |
| | Other Current Assets | 16 | 590.34 | 666.09 |
| | **Total Current Assets** | | **3,794.50** | **3,860.62** |
| | **Total Assets** | | **6,312.59** | **6,744.27** |
| B | **EQUITY AND LIABILITIES** | | | |
| a) | **EQUITY** | | | |
| | Equity Share Capital | 17 | 2,398.86 | 2,398.86 |
| | Other Equity | 18 | 3,441.56 | 3,399.96 |
| | **Equity attributable to Owners of the Company** | | **5,840.42** | **5,798.82** |
| | Non - Controlling Interests | 18 | 0.09 | (0.69) |
| | | | **5,840.51** | **5,798.13** |
| b) | **LIABILITIES** | | | |
| 1 | **Non - Current Liabilities** | | | |
| | Financial Liabilities | | | |
| | Borrowings | 19 | 42.73 | 18.61 |
| | Lease Liabilities | 20 | 38.13 | 189.86 |
| | Long - Term Financial Liabilities | | - | - |
| | Long - Term Provisions | 21 | 23.85 | 24.07 |
| | Other Non - Current Liabilities | | - | - |
| | **Total Non - Current Liabilities** | | **104.70** | **232.55** |
| 2 | **Current Liabilities** | | | |
| | Financial Liabilities | | | |
| | Borrowings | 22 | 12.44 | - |
| | Lease Liabilities | 23 | 10.71 | 130.43 |
| | Trade Payables | | | |
| | Total Outstanding dues to Micro Enterprises and Small Enterprises | 24 | - | - |
| | Total Outstanding dues of Creditors other than to Micro Enterprises and Small Enterprises | 24 | 51.84 | 265.72 |
| | Other Financial Liabilities | 25 | 168.18 | 221.49 |
| | Other Current Liabilities | 26 | 27.68 | 2.10 |
| | Short - Term Provisions | 27 | 2.72 | 0.06 |
| | Current Tax Liabilities (Net) | 28 | 93.81 | 93.81 |
| | **Total Current Liabilities** | | **367.38** | **713.60** |
| | **Total Equity and Liabilities** | | **6,312.59** | **6,744.27** |

**MATERIAL ACCOUNTING POLICIES** 1

**THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**FOR AND ON BEHALF OF THE BOARD**

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No.: 0030087C

**AMIN HAZIYANI**
Partner
Membership No. 115123

Place: Nagpur
Dated: **May 29, 2026**
UDIN No.: **26115123SDXFNU1864**

**PRATEEK SRIVASTAVA**
Managing Director
DIN No.: 07709137

**JAYESH KULKARNI**
Company Secretary

Place: Pune
Dated: **May 29, 2026**

**NIKITA SRIVASTAVA**
CFO & Director
DIN No.: 08082593

Place: Pune
Dated: **May 29, 2026**

## DRONEACHARYA AERIAL INNOVATIONS LIMITED

### Consolidated Statement of Profit and Loss for the Period ended on March 31, 2026

(Amount ₹ in Lakhs, except earnings per share data)

| S. No. | Particulars | Note | 2025 - 2026 (₹) | 2024 - 2025 (₹) |
|---|---|---|---|---|
| I | **INCOME** | | | |
| 1 | Revenue from Operations | 29 | 1,466.97 | 3,451.89 |
| 2 | Other Income | 30 | 360.72 | 217.86 |
| II | **Total Income (Total of 1 to 2)** | | **1,827.69** | **3,669.75** |
| III | **EXPENSES** | | | |
| 1 | Cost of Materials Consumed | 31 | 124.25 | 1,031.55 |
| 2 | Purchase of Trading Stock | | - | - |
| 3 | Changes in Inventories of Finished Goods, Work-in-Progress and Trading Stock | | - | - |
| 4 | Employee Benefits Expense | 32 | 491.12 | 656.35 |
| 5 | Finance Costs | 33 | 9.07 | 38.03 |
| 6 | Depreciation and Amortization Expenses | 34 | 648.50 | 455.04 |
| 7 | Other Expenses | 35 | 503.99 | 3,283.45 |
| IV | **Total Expenses (Total of 1 to 7)** | | **1,776.93** | **5,464.41** |
| V | **Profit Before Exceptional Item and Tax (II - IV)** | | **50.76** | **(1,794.66)** |
| | Exceptional Items | | - | - |
| VI | **Profit Before Tax (PBT)** | | **50.76** | **(1,794.66)** |
| VII | **Tax Expenses** | | | |
| 1 | Current tax | 11 | 18.89 | - |
| 2 | Deferred tax | 11 | (5.34) | (447.70) |
| VIII | **Total Tax Expenses (Total of 1 to 2)** | | **13.56** | **(447.70)** |
| IX | **Profit After Tax (PAT) (VI - VIII)** | | **37.20** | **(1,346.95)** |
| X | **Other Comprehensive Income / (Loss)** | | | |
| | **A) Items that will not be reclassified to the Statement of Profit and Loss** | | | |
| | a)i) Remeasurement of the defined benefit plans | | 5.48 | 1.49 |
| | ii) Income tax expenses on the above | | (1.38) | (0.37) |
| | b)i) Net fair value gain / (loss) on investment in equity instruments through Other Comprehensive Income | | - | - |
| | ii) Income tax expenses on the above | | - | - |
| | **B) Items that will be reclassified subsequently to the Statement of Profit and Loss** | | | |
| | a)i) Net fair value gain / (loss) on investments in debt instruments through Other Comprehensive Income | | - | - |
| | ii) Income tax expenses on the above | | - | - |
| XI | **Total Other Comprehensive Income** | | **4.10** | **1.11** |
| XII | **Total Comprehensive Income for the year (IX + XI)** | | **41.30** | **(1,345.84)** |
| XIII | **Profit for the year attributable to:** | | | |
| | Owners of the Company | | 37.50 | (1,347.03) |
| | Non - Controlling Interests | | (0.30) | 0.08 |
| XIV | **Other Comprehensive Income for the year attributable to:** | | | |
| | Owners of the Company | | 4.10 | 1.11 |
| | Non - Controlling Interests | | - | - |
| XIV | **Total Other Comprehensive Income for the year attributable to:** | | | |
| | Owners of the Company | | 41.60 | (1,345.92) |
| | Non - Controlling Interests | | (0.30) | 0.08 |
| XV | **Earnings per Equity Share** | | | |
| | **Basic (In ₹)** | 52 | **0.16** | **(5.62)** |
| | **Diluted (In ₹)** | 52 | **0.16** | **(5.62)** |

**MATERIAL ACCOUNTING POLICIES** 1

**THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No.: 0030087C

**AMIN HAZIYANI**
Partner
Membership No. 115123

Place: Nagpur

**FOR AND ON BEHALF OF THE BOARD**

**PRATEEK SRIVASTAVA**
Managing Director
DIN No.: 07709137

**NIKITA SRIVASTAVA**
CFO & Director
DIN No.: 08082593

**JAYESH KULKARNI**
Company Secretary

## DRONEACHARYA AERIAL INNOVATIONS LIMITED

### Consolidated Statement of Profit and Loss for the Period ended on March 31, 2026

(Amount ₹ in Lakhs, except earnings per share data)

| S. No. | Particulars | Note | 2025 - 2026 (₹) | 2024 - 2025 (₹) |
|---|---|---|---|---|
| I | **INCOME** | | | |
| 1 | Revenue from Operations | 29 | 1,466.97 | 3,451.89 |
| 2 | Other Income | 30 | 360.72 | 217.86 |
| II | **Total Income (Total of 1 to 2)** | | **1,827.69** | **3,669.75** |
| III | **EXPENSES** | | | |
| 1 | Cost of Materials Consumed | 31 | 124.25 | 1,031.55 |
| 2 | Purchase of Trading Stock | | - | - |
| 3 | Changes in Inventories of Finished Goods, Work-in-Progress and Trading Stock | | - | - |
| 4 | Employee Benefits Expense | 32 | 491.12 | 656.35 |
| 5 | Finance Costs | 33 | 9.07 | 38.03 |
| 6 | Depreciation and Amortization Expenses | 34 | 648.50 | 455.04 |
| 7 | Other Expenses | 35 | 503.99 | 3,283.45 |
| IV | **Total Expenses (Total of 1 to 7)** | | **1,776.93** | **5,464.41** |
| V | **Profit Before Exceptional Item and Tax (II - IV)** | | **50.76** | **(1,794.66)** |
| | Exceptional Items | | - | - |
| VI | **Profit Before Tax (PBT)** | | **50.76** | **(1,794.66)** |
| VII | **Tax Expenses** | | | |
| 1 | Current tax | 11 | 18.89 | - |
| 2 | Deferred tax | 11 | (5.34) | (447.70) |
| VIII | **Total Tax Expenses (Total of 1 to 2)** | | **13.56** | **(447.70)** |
| IX | **Profit After Tax (PAT) (VI - VIII)** | | **37.20** | **(1,346.95)** |
| X | **Other Comprehensive Income / (Loss)** | | | |
| | **A) Items that will not be reclassified to the Statement of Profit and Loss** | | | |
| | a)i) Remeasurement of the defined benefit plans | | 5.48 | 1.49 |
| | ii) Income tax expenses on the above | | (1.38) | (0.37) |
| | b)i) Net fair value gain / (loss) on investment in equity instruments through Other Comprehensive Income | | - | - |
| | ii) Income tax expenses on the above | | - | - |
| | **B) Items that will be reclassified subsequently to the Statement of Profit and Loss** | | | |
| | a)i) Net fair value gain / (loss) on investments in debt instruments through Other Comprehensive Income | | - | - |
| | ii) Income tax expenses on the above | | - | - |
| XI | **Total Other Comprehensive Income** | | **4.10** | **1.11** |
| XII | **Total Comprehensive Income for the year (IX + XI)** | | **41.30** | **(1,345.84)** |
| XIII | **Profit for the year attributable to:** | | | |
| | Owners of the Company | | 37.50 | (1,347.03) |
| | Non - Controlling Interests | | (0.30) | 0.08 |
| XIV | **Other Comprehensive Income for the year attributable to:** | | | |
| | Owners of the Company | | 4.10 | 1.11 |
| | Non - Controlling Interests | | - | - |
| XIV | **Total Other Comprehensive Income for the year attributable to:** | | | |
| | Owners of the Company | | 41.60 | (1,345.92) |
| | Non - Controlling Interests | | (0.30) | 0.08 |
| XV | **Earnings per Equity Share** | | | |
| | **Basic (In ₹)** | 52 | **0.16** | **(5.62)** |
| | **Diluted (In ₹)** | 52 | **0.16** | **(5.62)** |

**MATERIAL ACCOUNTING POLICIES** 1

**THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**FOR AND ON BEHALF OF THE BOARD**

**For HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No.: 0030087C

**AMIN HAZIYANI**
Partner
Membership No. 115123

Place: Nagpur

Dated: May 29, 2026
UDIN No.: 26115123SDXFNU1864

**PRATEEK SRIVASTAVA**
Managing Director
DIN No.: 07709137

**JAYESH KULKARNI**
Company Secretary

Place: Pune
Dated: May 29, 2026

**NIKITA SRIVASTAVA**
CFO & Director
DIN No.: 08082593

Place: Pune
Dated: May 29, 2026

# DRONEACHARYA AERIAL INNOVATIONS LIMITED

## Consolidated Statement of Cash Flows for the Year then ended March 31, 2026

(Amount ` in Lakhs)

| S. No. | Particulars | 31.03.2026 (`) | 31.03.2025 (`) |
|---|---|---|---|
| A) | **Cash Flow from Operating Activities** | | |
| | **Net Profit / (Loss) Before Tax for the year as per the Standalone Statement of Profit and Loss** | **50.76** | **(1,794.66)** |
| | Adjustments For: | | |
| | Depreciation and Amortization Expenses | 648.50 | 455.04 |
| | Interest Income | (5.01) | (114.44) |
| | Finance Costs | 9.07 | 38.03 |
| | (Surplus) / Loss on Disposal of Property, Plants and Equipment | (1.27) | - |
| | (Surplus) / Loss on Disposal of Investments | (10.83) | (3.13) |
| | Provision for Unsecured Doubtful Debts and Advances | 42.52 | 1,303.33 |
| | **Operating Profit before Working Capital Changes** | **733.74** | **(115.83)** |
| | Adjustments For: | | |
| | (Increase) / Decrease in Trade Receivables | (427.73) | (935.61) |
| | (Increase) / Decrease in Other Financial Assets | 30.97 | 39.80 |
| | (Increase) / Decrease in Inventories | (165.51) | 0.96 |
| | (Increase) / Decrease in Other Current Assets | 75.75 | 250.91 |
| | Increase / (Decrease) in Short - Term Borrowings | 12.44 | - |
| | Increase / (Decrease) in Trade Payables | (213.88) | 260.66 |
| | Increase / (Decrease) in Financial Liabilities | (53.31) | (181.47) |
| | Increase / (Decrease) in Other Current Liabilities | 25.58 | (17.94) |
| | Increase / (Decrease) in Provisions | 7.93 | 9.79 |
| | **Cash Generated from Operating Activities** | **25.97** | **(688.72)** |
| | Income Tax Paid (Net of Refund) | (16.79) | (24.84) |
| | **Net Cash Generated / (Used) from Operating Activities** | **9.19** | **(713.56)** |
| B) | **Cash Flow from Investing Activities** | | |
| | Investment in Property, Plants and Equipments (Net of Disposal) | (140.83) | (633.20) |
| | (Increase) / Decrease in Capital Work-in-Progress | (152.72) | (66.52) |
| | (Increase) / Decrease in Non - Current Investments | 413.19 | (353.77) |
| | Payment for acquiring Right-of-Use-Assets | 127.09 | (427.82) |
| | Purchases / Redemption of Term Deposits (Net) | 233.19 | 1,763.34 |
| | Capital Advances | (530.16) | 54.74 |
| | Interest Income | 5.01 | 114.44 |
| | **Net Cash Generated / (Used) from Investing Activities** | **(45.23)** | **451.21** |
| C) | **Cash Flow from Financing Activities** | | |
| | Proceeds from Fresh Issue of Equity Shares | - | - |
| | Expenditure towards issuance of Share Capital | - | (94.44) |
| | Proceeds / (Repayments) from Non - Current Borrowings | 24.11 | 0.32 |
| | Increase / (Decrease) in Lease Liabilities | (271.45) | 320.29 |
| | Finance Costs | (9.07) | (38.03) |
| | **Net Cash Received / (Used) from Financing Activities** | **(256.41)** | **188.14** |

| | | | |
|---|---|---|---|
| (D) | **Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)** | **(292.45)** | **(74.21)** |
| (E) | Cash and Cash Equivalents at the beginning of the period | 300.64 | 374.85 |
| (F) | Cash and Cash Equivalents at the end of the period | 8.19 | 300.64 |
| (G) | **Increase / (Decrease) in Cash and Cash Equivalents (G = F - E)** | **(292.45)** | **(74.21)** |

**Note:**

a) **Cash and Cash Equivalents Comprises of:**

(Amount ` in Lakhs)

| S. No. | Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| 1 | Balances with Banks | | |
| | i) Current Accounts | 6.65 | 298.67 |
| 2 | Cash-in-Hand | 1.53 | 1.97 |
| **3** | **Cash and Cash Equivalents (Total of 1 to 2)** | **8.19** | **300.64** |

**MATERIAL ACCOUNTING POLICIES** 1

**THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No.: 0030087C

**AMIN HAZIYANI**
Partner
Membership No. 115123

Place: Nagpur
Dated: **May 29, 2026**
UDIN No.: **26115123SDXFNU1864**

**FOR AND ON BEHALF OF THE BOARD**

**PRATEEK SRIVASTAVA**
Managing Director
DIN No.: 07709137

**NIKITA SRIVASTAVA**
CFO & Director
DIN No.: 08082593

**JAYESH KULKARNI**
Company Secretary

Place: Pune
Dated: **May 29, 2026**

Place: Pune
Dated: **May 29, 2026**

## DRONEACHARYA AERIAL INNOVATIONS LIMITED

### Consolidated Statement of Changes in Equity for the Year then ended on March 31, 2026

**A) Equity Share Capital**

(Amount in Lakhs)

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | - | - |
| **Equity Share Capital** | | |
| **Balance at the beginning of the reporting period...(')** | 2,398.86 | 2,398.86 |
| Changes in Equity Share capital due to prior period errors | - | - |
| **Restated balances at the beginning of the current reporting period...(')** | 2,398.86 | 2,398.86 |
| Changes in Equity Share capital during the reporting period | - | - |
| **Balance at the end of the reporting period...(')** | 2,398.86 | 2,398.86 |

**B) Other Equity**

| | Reserves and Surplus | | | Item of OCI | | Total attributable to owners of the Company | Non - Controlling Interest | Total Other Equity |
|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Securities Premium | Retained Earning | Equity Instruments through OCI | Remeasurement of Defined Benefits Plan | | | |
| | - | - | - | - | - | - | - | - |
| **Balance as at April 01, 2024 (A)** | - | 3,860.62 | 978.98 | - | 0.72 | 4,840.32 | (1.26) | 4,839.07 |
| **Addition made during the reporting period** | | | | | | | | |
| Net Profit / (Loss) during the reporting period | - | - | (1,347.03) | - | - | (1,347.03) | - | (1,347.03) |
| Non - Controlling Interest arising during consolidation of subsidiaries | - | - | - | - | - | - | 0.57 | 0.57 |
| Addition made during the reporting period | - | - | - | - | - | - | - | - |
| Transferred from Statement of Profit and Loss | - | - | - | - | - | - | - | - |
| **Items of the Other Comprehensive Income for the period (Net of taxes)** | | | | | | | | |
| Remeasurement benefit of defined benefits plan (Net) | - | - | - | - | 1.11 | 1.11 | - | 1.11 |
| Net fair value gain in equity instruments through OCI (Net) | - | - | - | - | - | - | - | - |
| **Total Comprehensive Income for the year 2024 - 2025 (B)** | - | - | (1,347.03) | - | 1.11 | (1,345.92) | 0.57 | (1,345.35) |
| **Reduction made during the reporting period** | | | | | | | | |
| Final Dividend (Refer "Note No. 48") | - | - | - | - | - | - | - | - |
| Expenses towards issuance of Equity Shares | - | 94.44 | - | - | - | 94.44 | - | 94.44 |
| **Total reductions made during the reporting period (C)** | - | 94.44 | - | - | - | 94.44 | - | 94.44 |
| **Balance as at March 31, 2025 (D) = (A + B - C)** | - | 3,766.18 | (368.05) | - | 1.84 | 3,399.96 | (0.69) | 3,399.27 |
| **Addition made during the reporting period** | | | | | | | | |
| Net Profit / (Loss) during the reporting period | - | - | 37.50 | - | - | 37.50 | (0.30) | 37.20 |
| Non - Controlling Interest arising during consolidation of subsidiaries | - | - | - | - | - | - | 1.08 | 1.08 |
| Addition made during the reporting period | - | - | - | - | - | - | - | - |
| Transferred from Statement of Profit and Loss | - | - | - | - | - | - | - | - |
| **Items of the Other Comprehensive Income for the period (Net of taxes)** | | | | | | | | |
| Remeasurement benefit of defined benefits plan (Net) | - | - | - | - | 4.10 | 4.10 | - | 4.10 |
| Net fair value gain in equity instruments through OCI (Net) | - | - | - | - | - | - | - | - |
| **Total Comprehensive Income for the year 2025 - 2026 (E)** | - | - | 37.50 | - | 4.10 | 41.60 | 0.78 | 42.38 |
| **Reduction made during the reporting period** | | | | | | | | |
| Final Dividend (Refer "Note No. 48") | - | - | - | - | - | - | | - |
| Expenses towards issuance of Equity Shares | - | - | - | - | - | - | | - |
| **Total reductions made during the reporting period (F)** | - | - | - | - | - | - | - | - |
| **Balance as at March 31, 2026 (G) = (D + E - F)** | - | 3,766.18 | (330.56) | - | 5.94 | 3,441.56 | 0.09 | 3,441.65 |

**MATERIAL ACCOUNTING POLICIES** 1

**THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**FOR AND ON BEHALF OF THE BOARD**

**For NAZIYANI & ASSOCIATES**
*Chartered Accountants*
**FRN No.: 0030087C**

**PRATEEK SRIVASTAVA**
Managing Director
DIN No.: 07709137

**NIKITA SRIVASTAVA**
CFO & Director
DIN No.: 08082593

**AMIN NAZIYANI**
Partner
Membership No. 115123

**JAYESH KULKARNI**
Company Secretary

**Place: Nagpur**
**Dated: May 29, 2026**
**UDIN No.: 26115123DXFNU1864**

**Place: Pune**
**Dated: May 29, 2026**

**Place: Pune**
**Dated: May 29, 2026**

## 2) Property, Plants and Equipment

| S. No. | Particulars | Gross Carrying Value | | | | Depreciation | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition made during the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition made during the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Furniture and Fixtures** | | | | | | | | | | |
| | Furniture and Fixtures | 22.08 | - | - | 22.08 | 10.93 | 2.87 | - | 13.80 | 8.28 | 11.15 |
| B | **Plants and Equipment** | | | | | | | | | | |
| | Plants and Equipment | 890.40 | 5.70 | 3.63 | 892.47 | 171.86 | 317.75 | 1.99 | 487.62 | 404.85 | 718.54 |
| | Office Equipments | 15.14 | - | - | 15.14 | 11.88 | 1.47 | - | 13.35 | 1.79 | 3.27 |
| C | **Motor Vehicles** | | | | | | | | | | |
| | Motor Vehicles | 80.74 | - | - | 80.74 | 48.78 | 9.98 | - | 58.76 | 21.98 | 31.96 |
| D | **Computers and Peripherals** | | | | | | | | | | |
| | Computer and Peripherals | 46.14 | 1.91 | - | 48.04 | 34.03 | 8.05 | - | 42.08 | 5.96 | 12.10 |
| | Total...(') | 1,054.50 | 7.60 | 3.63 | 1,058.48 | 277.47 | 340.12 | 1.99 | 615.61 | 442.87 | 777.03 |

| S. No. | Particulars | Gross Carrying Value | | | | Depreciation | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition made during the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition made during the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2025 | As At 31.03.2024 |
| A | **Furniture and Fixtures** | | | | | | | | | | |
| | Furniture and Fixtures | 19.58 | 2.50 | - | 22.08 | 7.28 | 3.65 | - | 10.93 | 11.15 | 12.31 |
| B | **Plants and Equipment** | | | | | | | | | | |
| | Plants and Equipment | 267.53 | 622.86 | - | 890.40 | 95.84 | 76.02 | - | 171.86 | 718.54 | 171.69 |
| | Office Equipments | 15.08 | 0.06 | - | 15.14 | 9.21 | 2.66 | - | 11.88 | 3.27 | 5.88 |
| C | **Motor Vehicles** | | | | | | | | | | |
| | Motor Vehicles | 80.74 | - | - | 80.74 | 34.26 | 14.52 | - | 48.78 | 31.96 | 46.48 |
| D | **Computers and Peripherals** | | | | | | | | | | |
| | Computer and Peripherals | 38.65 | 7.49 | - | 46.14 | 20.70 | 13.33 | - | 34.03 | 12.10 | 17.95 |
| | Total...(') | 421.59 | 632.91 | - | 1,054.50 | 167.29 | 110.18 | - | 277.47 | 777.03 | 254.30 |

i) The amount of Contractual Commitments for the purpose of acquisition or constructions of the Property, Plants and Equipments are disclosed under *"Note No. 47"*, if any.

## 3) Right-of-Use Assets*

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Right-of-Use Assets** | | | | | | | | | | |
| | Leasehold Land | 427.82 | 4.19 | 131.28 | 300.73 | 132.96 | 121.22 | - | 254.18 | 46.55 | 294.86 |
| | Total...(') | 427.82 | 4.19 | 131.28 | 300.73 | 132.96 | 121.22 | - | 254.18 | 46.55 | 294.86 |

** All the lease agreements are duly executed in favour of the Parent. Please refer "Note No. 20" for addition and movement in the lease liabilities and for further references.*

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2025 | As At 31.03.2024 |
| A | **Right-of-Use Assets** | | | | | | | | | | |
| | Leasehold Land | - | 427.82 | - | 427.82 | - | 132.96 | - | 132.96 | 294.86 | - |
| | Total...(') | - | 427.82 | - | 427.82 | - | 132.96 | - | 132.96 | 294.86 | - |

## 4) Goodwill

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Goodwill** | | | | | | | | | | |
| | Goodwill | - | 1.57 | - | 1.57 | - | - | - | - | 1.57 | - |
| | Total...(') | - | 1.57 | - | 1.57 | - | - | - | - | 1.57 | - |

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Goodwill** | | | | | | | | | | |
| | Goodwill | - | - | - | - | - | - | - | - | - | - |
| | Total...(') | - | - | - | - | - | - | - | - | - | - |

## 5) Other Intangible Assets

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Software** | | | | | | | | | | |
| | Softwares | 972.05 | 136.14 | - | 1,108.18 | 529.57 | 187.11 | - | 716.68 | 391.50 | 442.48 |
| | Trademark | 0.50 | - | - | 0.50 | 0.27 | 0.04 | - | 0.31 | 0.19 | 0.23 |
| | Total...(') | 972.55 | 136.14 | - | 1,108.68 | 529.84 | 187.16 | - | 716.99 | 391.69 | 442.71 |

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2025 | As At 31.03.2024 |
| A | **Software** | | | | | | | | | | |
| | Softwares | 971.75 | 0.30 | - | 972.05 | 317.72 | 211.85 | - | 529.57 | 442.48 | 654.03 |
| | Trademark | 0.50 | - | - | 0.50 | 0.22 | 0.05 | - | 0.27 | 0.23 | 0.28 |
| | Total...(') | 972.25 | 0.30 | - | 972.55 | 317.94 | 211.90 | - | 529.84 | 442.71 | 654.31 |

1) The amount of Contractual Commitments for the purpose of acquisition or constructions of the Other Intangible Assets are disclosed under *"Note No. 47"*, if any.

## 2) Property, Plants and Equipment

| S. No. | Particulars | Gross Carrying Value | | | | Depreciation | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition made during the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition made during the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Furniture and Fixtures** | | | | | | | | | | |
| | Furniture and Fixtures | 22.08 | - | - | 22.08 | 10.93 | 2.87 | - | 13.80 | 8.28 | 11.15 |
| B | **Plants and Equipment** | | | | | | | | | | |
| | Plants and Equipment | 890.40 | 5.70 | 3.63 | 892.47 | 171.86 | 317.75 | 1.99 | 487.62 | 404.85 | 718.54 |
| | Office Equipments | 15.14 | - | - | 15.14 | 11.88 | 1.47 | - | 13.35 | 1.79 | 3.27 |
| C | **Motor Vehicles** | | | | | | | | | | |
| | Motor Vehicles | 80.74 | - | - | 80.74 | 48.78 | 9.98 | - | 58.76 | 21.98 | 31.96 |
| D | **Computers and Peripherals** | | | | | | | | | | |
| | Computer and Peripherals | 46.14 | 1.91 | - | 48.04 | 34.03 | 8.05 | - | 42.08 | 5.96 | 12.10 |
| | Total...(') | 1,054.50 | 7.60 | 3.63 | 1,058.48 | 277.47 | 340.12 | 1.99 | 615.61 | 442.87 | 777.03 |

| S. No. | Particulars | Gross Carrying Value | | | | Depreciation | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition made during the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition made during the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2025 | As At 31.03.2024 |
| A | **Furniture and Fixtures** | | | | | | | | | | |
| | Furniture and Fixtures | 19.58 | 2.50 | - | 22.08 | 7.28 | 3.65 | - | 10.93 | 11.15 | 12.31 |
| B | **Plants and Equipment** | | | | | | | | | | |
| | Plants and Equipment | 267.53 | 622.86 | - | 890.40 | 95.84 | 76.02 | - | 171.86 | 718.54 | 171.69 |
| | Office Equipments | 15.08 | 0.06 | - | 15.14 | 9.21 | 2.66 | - | 11.88 | 3.27 | 5.88 |
| C | **Motor Vehicles** | | | | | | | | | | |
| | Motor Vehicles | 80.74 | - | - | 80.74 | 34.26 | 14.52 | - | 48.78 | 31.96 | 46.48 |
| D | **Computers and Peripherals** | | | | | | | | | | |
| | Computer and Peripherals | 38.65 | 7.49 | - | 46.14 | 20.70 | 13.33 | - | 34.03 | 12.10 | 17.95 |
| | Total...(') | 421.59 | 632.91 | - | 1,054.50 | 167.29 | 110.18 | - | 277.47 | 777.03 | 254.30 |

i) The amount of Contractual Commitments for the purpose of acquisition or constructions of the Property, Plants and Equipments are disclosed under *"Note No. 47"*, if any.

## 3) Right-of-Use Assets*

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Right-of-Use Assets** | | | | | | | | | | |
| | Leasehold Land | 427.82 | 4.19 | 131.28 | 300.73 | 132.96 | 121.22 | - | 254.18 | 46.55 | 294.86 |
| | Total...(') | 427.82 | 4.19 | 131.28 | 300.73 | 132.96 | 121.22 | - | 254.18 | 46.55 | 294.86 |

** All the lease agreements are duly executed in favour of the Parent. Please refer "Note No. 20" for addition and movement in the lease liabilities and for further references.*

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2025 | As At 31.03.2024 |
| A | **Right-of-Use Assets** | | | | | | | | | | |
| | Leasehold Land | - | 427.82 | - | 427.82 | - | 132.96 | - | 132.96 | 294.86 | - |
| | Total...(') | - | 427.82 | - | 427.82 | - | 132.96 | - | 132.96 | 294.86 | - |

## 4) Goodwill

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Goodwill** | | | | | | | | | | |
| | Goodwill | - | 1.57 | - | 1.57 | - | - | - | - | 1.57 | - |
| | Total...(') | - | 1.57 | - | 1.57 | - | - | - | - | 1.57 | - |

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Goodwill** | | | | | | | | | | |
| | Goodwill | - | - | - | - | - | - | - | - | - | - |
| | Total...(') | - | - | - | - | - | - | - | - | - | - |

## 5) Other Intangible Assets

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2025 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2026 | Depreciation Upto 01.04.2025 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2026 | As At 31.03.2026 | As At 31.03.2025 |
| A | **Software** | | | | | | | | | | |
| | Softwares | 972.05 | 136.14 | - | 1,108.18 | 529.57 | 187.11 | - | 716.68 | 391.50 | 442.48 |
| | Trademark | 0.50 | - | - | 0.50 | 0.27 | 0.04 | - | 0.31 | 0.19 | 0.23 |
| | Total...(') | 972.55 | 136.14 | - | 1,108.68 | 529.84 | 187.16 | - | 716.99 | 391.69 | 442.71 |

| S. No. | Particulars | Gross Carrying Value | | | | Amortization | | | | Net Carrying Value | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Cost As At 01.04.2024 | Addition during made the period | Deduction / Adjustment | Cost As At 31.03.2025 | Depreciation Upto 01.04.2024 | Addition during made the period | Deduction / Adjustment | Depreciation As At 31.03.2025 | As At 31.03.2025 | As At 31.03.2024 |
| A | **Software** | | | | | | | | | | |
| | Softwares | 971.75 | 0.30 | - | 972.05 | 317.72 | 211.85 | - | 529.57 | 442.48 | 654.03 |
| | Trademark | 0.50 | - | - | 0.50 | 0.22 | 0.05 | - | 0.27 | 0.23 | 0.28 |
| | Total...(') | 972.25 | 0.30 | - | 972.55 | 317.94 | 211.90 | - | 529.84 | 442.71 | 654.31 |

1) The amount of Contractual Commitments for the purpose of acquisition or constructions of the Other Intangible Assets are disclosed under *"Note No. 47"*, if any.

## 6 Capital Work-in-Progress*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Capital Work-in-Progress** | | |
| For Electrical Installations | - | - |
| For Factory Building | - | - |
| For Plants and Equipment | 278.21 | 125.50 |
| For Other Property, Plants and Equipment | - | - |
| **Total...(`)** | **278.21** | **125.50** |

* Refer *"Note No. 38"* for aging analysis of Capital Work-in-Progress.

## 7 Non - Current Investments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Investment in Preference Shares** | | |
| **Unquoted Preference Shares, Fully Paid Up** | | |
| **a) Investments in Other Body Corporates** | | |
| Fully Paid up with Face Value of ` 10 each unless otherwise specified | | |
| 500 (Prev Year 500) Compulsory Convertible Preference Share of Technit Space Aero Works Private Limited | 11.20 | 11.20 |
| 256 (Prev Year 256) Preference Share of Gridbots Technologies Private limited | 60.00 | 60.00 |
| **Total...(`) (A)** | **71.20** | **71.20** |
| **Investments in Mutual Funds** | | |
| **Quoted Mutual Fund, Fully Paid Up** | | |
| Fully Paid up with Face Value of ` 10 each unless otherwise specified | | |
| NIL (Prev Year 14,086.087 Units) of Axis Liquid Fund - Regular Growth (CFGPG) - (Debt Mutual Fund) | - | 402.85 |
| **Total...(`) (B)** | **-** | **402.85** |
| | | |
| **Total...(`) (A + B )** | **71.20** | **474.05** |

## 7.1 Classification of Investments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Investments in Preference Instruments** | | |
| **Quoted, Fully Paid Up** | | |
| Aggregate Amount of Quoted Investments - At Cost | - | - |
| Aggregate Amount of Quoted Investments - At Market Value | - | - |
| Aggregate Amount of Unquoted Investments | 71.20 | 71.20 |
| Aggregate Amount of Impairment in Value of Investments | - | - |

## 7.2 Classification of Investments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Investments in Mutual Funds** | | |
| **Quoted, Fully Paid Up** | | |
| Aggregate Amount of Quoted Investments - At Cost | - | 400.00 |
| Aggregate Amount of Quoted Investments - At Market Value | - | 402.85 |
| Aggregate Amount of Unquoted Investments | - | - |
| Aggregate Amount of Impairment in Value of Investments | - | - |

## 7.3 Category Wise Classification of Investments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Investments in Instruments** | | |
| Financial Assets measured at Amortized Costs | - | - |
| Financial Assets measured at Costs | 71.20 | 71.20 |
| Financial Assets measured at Fair Value through Other Comprehensive Income | - | - |
| Financial Assets measured at Fair Value through Profit and Loss | - | 402.85 |

## 8 Other Non - Current Financial Assets

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others*** ** | | |
| Security Deposits* | 37.45 | 56.21 |
| Term Deposits held as Margin Money against Bank Guarantee and Other Commitments** | 22.87 | 19.62 |
| **Total...(`)** | **60.31** | **75.83** |

* Security deposits are long-term in nature and have been made in the ordinary course of business. These deposits are refundable upon completion of the respective contractual tenure, subject to the fulfillment of the applicable terms and conditions stipulated in the respective agreements.

** The term deposits held by the Parent with banks and financial institutions comprise time deposits with varying maturities ranging from one year to two years and earn interest at the respective contracted deposit rates. These deposits are held under lien or pledged as security against bank guarantees issued by the Parent in favour of government authorities and other institutions, amounting to ₹ 7.22 Lakhs (Prev Year ₹ 7.22 Lakhs).

*** Refer *"Note No. 37B"* for the information of credit risk and market risk.

## 9 Other Non - Current Assets

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Capital Advances* | 750.92 | 220.76 |
| Advances other than Capital Advances | - | - |

| | | |
|---|---|---|
| **Total...(`)** | **750.92** | **220.76** |

* No capital advances are due from any director or other officer of the Parent, either individually or jointly with any other person. Further, no capital advances are due from any firm or private company in which any director is a partner, director, or member.

## 10 Current Tax Assets (Net)

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Income Tax (Net)** | | |
| Advance Income Tax | - | - |
| Tax Deducted at Source Receivables | 42.09 | 25.30 |
| Tax Collected at Source Receivables | - | - |
| Less: Provision for Income Tax | 18.89 | - |
| **Total...(`)** | **23.20** | **25.30** |

The tax rate used for the above calculation represents the applicable corporate tax rate of 25.168% (Prev Year 25.168%), being the rate payable by corporate entities on taxable profits in accordance with the provisions of applicable Indian tax laws.

## 11 Income Taxes

**A The major components of income tax expenses during the year are as under:**

| S. No. | Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| i) | **Income tax recognized in the Statement of Profit and Loss** | | |
| | Current tax | | |
| | In respect of current year | 18.89 | 240.98 |
| | Adjustment in respect of previous year | - | - |
| | Deferred Tax | | |
| | In respect of current year | (5.34) | (447.70) |
| | **Income tax expenses recognized in the Statement of Profit and Loss** | **13.56** | **(206.72)** |
| ii) | **Income tax recognized in the Other Comprehensive Income** | | |
| | Deferred tax | | |
| | On account of remeasurement of defined benefit plans | 1.38 | - |
| | On account of net fair value gain on investments in equity instruments | - | - |
| | **Income tax expenses recognized in the Other Comprehensive Income** | **1.38** | - |

**B Reconciliation of Tax Expenses and the Accounting Profit for the year is as under:**

| S. No. | Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| 1 | **Net Profit / (Loss) Before Tax** | **50.76** | **(1,792.28)** |
| 2 | Income tax rate | 25.168% | 25.168% |
| 3 | **Income tax expenses calculated on above** | **12.77** | **(451.08)** |
| 4 | Tax effect on non-deductible expenses | 0.48 | 2.29 |

| | | | |
|---|---|---|---|
| 5 | Tax effect on difference in carrying value and tax base of land | - | - |
| 6 | Others | 0.31 | 1.09 |
| **7** | **Total** | **13.56** | **(447.70)** |
| 8 | Adjustment in respect of current income tax of previous year | - | - |
| **9** | **Tax expenses as per Statement of Profit and Loss** | **13.56** | **(447.70)** |

**The tax rate used for reconciliation above is Corporate Tax rate at the rate 25.168% (Prev Year 25.168%) payable by the Corporate Entities on taxable profits under Indian Tax Laws.**

**C The major components of Deferred Tax Liabilities / (Assets) arising on account of timing differences as follows:**

**As At March 31, 2026**

| S. No. | Particulars | Balance Sheet 01.04.2025 | Profit and Loss 2025 - 2026 | OCI 2025 - 2026 | Balance Sheet 31.03.2026 |
|---|---|---|---|---|---|
| 1 | Difference between written down value on Property, Plants and Equipments as per books of accounts and Income Tax Act, 1961 | (40.26) | (58.54) | - | (98.80) |
| 2 | Allowance for unsecured doubtful debts and advances | (328.02) | (10.70) | - | (338.72) |
| 3 | Provision for expenses allowed for tax purpose on payment basis | (6.45) | (1.99) | - | (8.44) |
| 4 | Difference in Right-of-Use Asset and Lease Liabilities | (6.40) | 0.58 | - | (5.82) |
| 5 | On account of Income Tax Losses | (66.57) | 66.57 | - | 0.00 |
| 6 | Difference in carrying amount and tax base of Investments in mutual funds measured at FVTPL | 0.72 | (0.72) | - | - |
| 7 | Remeasurements of defined benefit plans through Other Comprehensive Income | 0.37 | - | 1.38 | 1.75 |
| 8 | On Account of Income Tax Losses of Subsidiary Companies | (1.01) | (0.52) | - | (1.54) |
| **9** | **Deferred Tax Expenses / (Benefits)** | **(447.62)** | **(5.34)** | **1.38** | |
| **10** | **Net Deferred Tax Liabilities / (Assets)** | **(446.60)** | | | **(451.57)** |

**As At March 31, 2025**

| S. No. | Particulars | Balance Sheet 01.04.2024 | Profit and Loss 2024 - 2025 | OCI 2024 - 2025 | Balance Sheet 31.03.2025 |
|---|---|---|---|---|---|
| 1 | Difference between written down value on Property, Plants and Equipments as per books of accounts and Income Tax Act, 1961 | (0.29) | (39.97) | - | (40.26) |
| 2 | Allowance for unsecured doubtful debts and advances | - | (328.02) | - | (328.02) |
| 3 | Provision for expenses allowed for tax purpose on payment basis | - | (6.45) | - | (6.45) |
| 4 | Difference in Right-of-Use Asset and Lease Liabilities | - | (6.40) | - | (6.40) |
| 5 | On account of Income Tax Losses | - | (66.57) | - | (66.57) |
| 6 | Difference in carrying amount and tax base of Investments in mutual funds measured at FVTPL | - | 0.72 | - | 0.72 |
| 7 | Remeasurements of defined benefit plans through Other Comprehensive Income | - | - | 0.37 | 0.37 |
| 8 | On Account of Income Tax Losses of Subsidiary Companies | - | (1.01) | - | (1.01) |
| 9 | **Deferred Tax Expenses / (Benefits)** | - | (447.70) | 0.37 | - |
| 10 | **Net Deferred Tax Liabilities / (Assets)** | (0.29) | | | (447.62) |

## 12 Inventories*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Inventories**** | | |
| **(Valued at lower of Cost and Net Realizable Value)** | | |
| Raw Materials | 165.51 | - |
| Finished Goods | - | - |
| **Total...(`)** | **165.51** | **-** |

* Cost of inventories recognized as an expense during the reporting period is disclosed in *"Note No. 31"*.

** Cost of inventories recognized as an expense included ` NIL (Prev Year ` NIL) in respect of written down value of inventories to the net realizable value. There has been no reversal towards such written down value in the current reporting period and previous reporting period.

## 13 Trade Receivables*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Unsecured**** | | |
| Considered Good | 4,271.04 | 3,843.31 |
| Considered Doubtful | - | - |
| Receivables - Credit Impaired | - | - |
| Less: Allowances for Unsecured Doubtful Debts & Advances | 1,345.85 | 1,303.33 |
| **Total...(`)** | **2,925.19** | **2,539.98** |

* Refer *"Note No. 37B"* for the Information of credit risk and market risk for Trade Receivables.

** Refer *"Note No. 39"* for aging analysis of Trade Receivables.

No trade receivables are due from directors or other officers of the Parent either severally or jointly with any other persons, nor due from firms or private companies respectively in which director is partner, a director or a member.

## 14 Cash and Cash Equivalents

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **A) Cash and Cash Equivalents*** | | |
| Balances with Banks | | |
| In Current Account | 6.65 | 298.67 |
| Cash-in-Hand | 1.53 | 1.97 |
| **Total...(`) (A)** | **8.19** | **300.64** |
| **B) Other Balances with Banks** | | |
| Unpaid / Unclaimed Dividend | - | - |
| **Total...(`) (B)** | **-** | **-** |
| **Total...(`) (A + B)** | **8.19** | **300.64** |

* There are no restrictions with regards to cash and cash equivalents as at the end of reporting period and previous reporting period.

## 15 Other Current Financial Assets

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Interest Receivables | 2.00 | 14.21 |
| Term Deposits held as Margin Money with Banks against Bank Guarantee and Commission* | 103.26 | 339.69 |
| **Total...(`)** | **105.26** | **353.91** |

* The term deposits held by the Company with banks and financial institutions comprise time deposits with original maturities of less than one year. These deposits earn interest at the respective contractual deposit rates and are held under lien or pledged as security against bank guarantees issued by the banks on behalf of the Company in favour of Government authorities and other institutions. The aggregate amount of such deposits under lien as at the reporting date is ₹ 11.36 Lakhs (Prev Year: ₹ 11.36 Lakhs).

## 16 Other Current Assets*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Advances to Vendor's | 330.33 | 305.82 |
| Advances towards Expenditures | 6.94 | 8.70 |
| Balances with the Revenue Authorities | 251.21 | 340.94 |
| Employee Advances | 1.87 | 3.25 |
| Other Receivables | - | 7.38 |
| **Total...(`)** | **590.34** | **666.09** |

* No advances and receivables are due from directors or other officers of the Group either severally or jointly with any other persons, nor due from firms or private companies respectively in which director is partner, a director or a member except ` NIL (Prev Year ` 00.25 Lakhs) due from the related parties. (Refer *"Note No. 43"* for further reference).

## 17 Equity Share Capital

| | 31.03.2026 | | 31.03.2025 | |
|---|---|---|---|---|
| | Nos. | ₹ | Nos. | ₹ |
| **Authorized** | | | | |
| Equity Shares of ₹ 10 Each | 3,00,00,000 | 3,000.00 | 3,00,00,000 | 3,000.00 |
| | **3,00,00,000** | **3,000.00** | **3,00,00,000** | **3,000.00** |
| **Issued, Subscribed and Fully Paid Up** | | | | |
| Equity Shares of ₹ 10 Each | 2,39,88,600 | 2,398.86 | 2,39,88,600 | 2,398.86 |
| **Total...(₹)** | **2,39,88,600** | **2,398.86** | **2,39,88,600** | **2,398.86** |

### a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

| | 31.03.2026 | | 31.03.2025 | |
|---|---|---|---|---|
| | Nos. | ₹ | Nos. | ₹ |
| **Shares outstanding at the beginning of the reporting period...(₹)** | **2,39,88,600** | **2,398.86** | **2,39,88,600** | **2,398.86** |
| Shares issued during the reporting period | - | - | - | - |
| Shares bought Back during the reporting period | - | - | - | - |
| **Shares outstanding at the end of the reporting period...(₹)** | **2,39,88,600** | **2,398.86** | **2,39,88,600** | **2,398.86** |

### b) Terms / Rights attached to Equity Shares

i) The Parent has only one class of shares - referred to as - equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

ii) As per the Companies Act, 2013, in the event of liquidation of the Parent, the holders of equity shares will be entitled to receive remaining assets of the Parent, after distribution of all the preferential amounts. However, no such preferential amounts exists currently. The distribution will be in the proportion to the number of equity shares held by the Shareholders.

iii) The Parent declares and pays the dividend in Indian Rupees (₹). The payment of dividend is also made in foreign currency to the shareholders outside India. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in their ensuing Annual General Meeting (AGM), except in case of interim dividend.

### c) Details of Shareholders holding more than 5% shares in the Company*

| Name of Shareholders | 31.03.2026 | | 31.03.2025 | |
|---|---|---|---|---|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| **Equity Shares of ₹ 10 Each Fully Paid Up** | | | | |
| Mr. Prateek Srivastava | 56,23,200 | 23.44% | 56,23,200 | 23.44% |
| **Total Nos. of Shares Held** | **56,23,200** | **23.44%** | **56,23,200** | **23.44%** |

* As per the records of the Parent, including the register of members. The above details are certified by the Registrar and Share Transfer Agents.

The Board of Directors of the Parent has not declared any interim dividend at its meetings held during the reporting period. Further, no final dividend was declared during the current or previous reporting periods. (Refer *"Note No. 48"* for further details.)

### d) Shares held by the promotors as defined in the Companies Act, 2013 at the end of period

| Name of Promotors | 31.03.2026 | | 31.03.2025 | |
|---|---|---|---|---|
| | No. of Shares held | Percentage of Holding | No. of Shares held | Percentage of Holding |
| **Equity Shares of ₹ 10 Each Fully Paid Up** | | | | |
| Mr. Prateek Srivastava | 56,23,200 | 23.44% | 56,23,200 | 23.44% |
| Mrs. Nikita Srivastava | 11,43,600 | 4.77% | 11,43,600 | 4.77% |
| **Total Nos. of Shares** | **67,66,800** | **28.21%** | **67,66,800** | **28.21%** |

## 18 Other Equity

| | Reserves and Surplus | | | Item of OCI | | Total attributable to owners of the Company | Non - Controlling Interest | Total Other Equity |
|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Securities Premium | Retained Earning | Equity Insutruments through OCI | Remeasurement of Defined Benefits Plan | | | |
| | - | - | - | - | - | - | - | - |
| **Balance as at April 01, 2024 (A)** | - | 3,860.62 | 978.98 | - | 0.72 | 4,840.32 | (1.26) | 4,839.07 |
| **Addition made during the reporting period** | | | | | | | | |
| Net Profit / (Loss) during the reporting period | - | - | (1,347.03) | - | - | (1,347.03) | - | (1,347.03) |
| Non - Controlling Interest arising during consolidation of subsidiaries | - | - | - | - | - | - | 0.57 | 0.57 |
| Addition made during the reporting period | - | - | - | - | - | - | - | - |
| Transferred from Statement of Profit and Loss | - | - | | - | | - | - | - |
| **Items of the Other Comprehensive Income for the period (Net of taxes)** | | | | | | | | |
| Remeasurement benefit of defined benefits plan (Net) | - | - | - | - | 1.11 | 1.11 | - | 1.11 |
| Net fair value gain on investments in equity instruments through OCI (Ne | - | - | - | - | - | - | - | - |
| **Total Comprehensive Income for the year 2024 - 2025 (B)** | - | - | (1,347.03) | - | 1.11 | (1,345.92) | 0.57 | (1,345.35) |
| **Reduction made during the reporting period** | | | | | | | | |
| Final Dividend (Refer *"Note No. 48"*) | - | - | - | - | - | - | - | - |
| Expenses towards issuance of Equity Shares | - | 94.44 | - | - | - | 94.44 | - | 94.44 |
| **Total reductions made during the reporting period (C)** | - | 94.44 | - | - | - | 94.44 | - | 94.44 |
| **Balance as at March 31, 2025 (D) = (A + B - C)** | - | 3,766.18 | (368.05) | - | 1.84 | 3,399.96 | (0.69) | 3,399.27 |

| | Reserves and Surplus | | | Item of OCI | | Total attributable to owners of the Company | Non - Controlling Interest | Total Other Equity |
|---|---|---|---|---|---|---|---|---|
| | Capital Reserve | Securities Premium | Retained Earning | Equity Insutruments through OCI | Remeasurement of Defined Benefits Plan | | | |
| | - | - | - | - | - | - | - | - |
| **Balance as at April 01, 2025 (A)** | - | 3,766.18 | (368.05) | - | 1.84 | 3,399.96 | (0.69) | 3,399.27 |
| **Addition made during the reporting period** | | | | | | | | |
| Net Profit / (Loss) during the reporting period | - | - | 37.50 | - | - | 37.50 | (0.30) | 37.20 |
| Non - Controlling Interest arising during consolidation of subsidiaries | - | - | - | - | - | - | 1.08 | 1.08 |
| Addition made during the reporting period | - | - | - | - | - | - | - | - |
| Transferred from Statement of Profit and Loss | - | - | - | - | - | - | - | - |
| **Items of the Other Comprehensive Income for the period (Net of taxes)** | | | | | | | | |
| Remeasurement benefit of defined benefits plan (Net) | - | - | - | - | 4.10 | 4.10 | - | 4.10 |
| Net fair value gain on investments in equity instruments through OCI (Ne | - | - | - | - | - | - | - | - |
| **Total Comprehensive Income for the year 2025 - 2026 (B)** | - | - | 37.50 | - | 4.10 | 41.60 | 0.78 | 42.38 |
| **Reduction made during the reporting period** | | | | | | | | |
| Final Dividend (Refer *"Note No. 48"*) | - | - | - | - | - | - | - | - |
| Expenses towards issuance of Equity Shares | - | - | - | - | - | - | - | - |
| **Total reductions made during the reporting period (C)** | - | - | - | - | - | - | - | - |
| **Balance as at March 31, 2026 (D) = (A + B - C)** | - | 3,766.18 | (330.56) | - | 5.94 | 3,441.56 | 0.09 | 3,441.65 |

**Description of Nature and Purpose of the Reserves**

a) **Securities Premium**: The Securities Premium Account is used to record the premium received on the issue of equity shares. This reserve can be utilized only in the manner prescribed under the provisions of the Companies Act, 2013. The balance has already been adjusted against the expenses incurred towards the issuance of equity shares.

b) **Remeasurement of Defined Benefits Plan**: This represents the cumulative gains and losses arising on the remeasurements of the defined benefits plan in accordance with the Ind AS - 19 that have been recognised in Other Comprehensive Income.

c) **Retained Earnings**: Retained earning reserves represents the undistributed accumulated earnings of the Company as at the date of consolidated financial statements.

## 19 Borrowings

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Non - Current** | | |
| **Secured** | | |
| *From Banks and Financial Institutions* | | |
| Indian Rupee Loans | - | - |
| Foreign Rupee Loans | - | - |
| **Total...(`) (A)** | **-** | **-** |
| **Unsecured** | | |
| From Banks and Financial Institutions | 24.31 | - |
| From Related Parties | 18.41 | 18.61 |
| **Total...(`) (B)** | **42.73** | **18.61** |
| **Total...(`) (A + B)** | **42.73** | **18.61** |

**Nature of Securities and Terms of Repayments**

The Parent had availed an unsecured SME loan amounting to ₹ 41.36 Lakhs from Bajaj Finance Limited for business purposes. The loan was repayable in equated monthly instalments (EMIs) in accordance with the agreed repayment schedule and was fully repaid on or before October 2028.

## 20 Non - Current Lease Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Non - Current** | | |
| Lease Liabilities - Leasehold Land | 38.13 | 189.86 |
| **Total...(`)** | **38.13** | **189.86** |

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Movement in Lease Liabilities** | | |
| **Balance at the beginning of the reporting period** | **189.86** | - |
| Add: Addition made during the reporting period | 150.00 | 427.82 |
| Add: Finance Costs incurred during the reporting period | - | 36.06 |
| Less: Repayment made during the reporting period | 291.03 | 143.60 |
| Less: Current Maturities of Lease Liabilities for the period | 10.71 | 130.43 |
| **Balance as at March 31, 2026...(`)** | **38.13** | **189.86** |

* For additions and movements in Right-of-Use Assets, Refer *"Note No. 3"* for further reference.

## 21 Long - Term Provisions

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Provision for Employee Benefits*** | | |
| Gratuity (Unfunded) | 23.85 | 24.07 |
| Leave Encashment (Unfunded) | - | - |
| **Total...(`)** | **23.85** | **24.07** |

* Refer *"Note No. 42"* for further reference.

## 22 Short - Term Borrowings

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Current Maturities** | | |
| **Unsecured** | | |
| From Banks and Financial Institutions | 12.44 | - |
| From Other Term Loans | - | - |
| **Total...(`)** | **12.44** | **-** |

## 23 Current Lease Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Current** | | |
| Lease Liabilities - Leasehold Land | 10.71 | 130.43 |
| **Total...(`)** | **10.71** | **130.43** |

* For additions and movements in Right-of-Use Assets, Refer *"Note No. 3"* for further reference.

## 24 Trade Payables*

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Trade Payables (Including Acceptance)**** | | |
| Due to Micro and Small Enterprises*** | - | - |
| Due to Others# | 51.84 | 265.72 |
| **Total...(`)** | **51.84** | **265.72** |

* Refer *"Note No. 40"* for aging analysis of Trade Payables.

** Acceptance include the arrangments where operational suppliers of goods and services are initially paid by the banks and financial institutions, while the Parent continues to recognize the liabilities till the settlement with the banks and financial institutions, which are normally effected within a period of 90 days amounting to ` NIL (Prev Year ` NIL).

*** The Group has certain dues to the suppliers of Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act 2006"). The disclousre pursuant to the said MSMED Act, 2006 are as follows:

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Principal amount due to the suppliers registered under the MSMED Act, 2006 and remaining amount unpaid at the end of the reporting period** | - | - |
| Interest due to the suppliers registered under the MSMED Act, 2006 and remaining unpaid at the end of the period | - | - |

| | | |
|---|---|---|
| Principal amount paid to the suppliers registered under the MSMED Act, 2006 beyond the stipulated day during the period | - | - |
| Interest paid, under Section 16 of MSMED Act, 2006 to the suppliers registered under the Act, beyond the "Appointed Day" during the period | - | - |
| Interest due or payable towards the suppliers registered under the MSMED Act, 2006 for the payments already made | - | - |
| Further interest remaining due and payable for the earlier period | - | - |

Based on the representation received from the Parent's management and the MSME - 1 forms filed by the management with the Ministry of Corporate Affairs (MCA) for the reporting periods ended March 31, 2026, and March 31, 2025, the amount payable to such parties during the current and previous reporting periods has been reported as *"NIL"*.

# Refer *"Note No. 37B"* for the information of credit risk and market risk for Trade Payables.

## 25 Other Financial Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Audit Fees Payable | 6.75 | 6.65 |
| Capital Creditors* | 8.02 | 7.86 |
| Interest Accrued but not yet due | 0.47 | - |
| Liabilities for Expenses | 19.06 | 15.77 |
| Liabilities towards Services** | 79.29 | 10.66 |
| Payable towards Employees | 38.60 | 1.28 |
| Payable towards Direct Tax | 14.07 | 9.89 |
| Payable towards Indirect Tax | - | 167.09 |
| Statutory Dues Payables | 1.93 | 2.30 |
| **Total...(`)** | **168.18** | **221.49** |

* Out of the above Capital Creditors, ` NIL (Prev Year ` NIL) are dues to the suppliers of Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act 2006"). Refer *"Note No. 40.1"* for aging analysis of Capital Creditors.

** Out of the above Liabilities towards Services, ` NIL (Prev Year ` NIL) are dues to the suppliers of Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act 2006"). Refer *"Note No. 40.2"* for aging analysis of Liabilities towards Services.

## 26 Other Current Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Advance received from Customer's | 27.68 | 2.10 |
| **Total...(`)** | **27.68** | **2.10** |

## 27 Short - Term Provisions

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Provision for Employee Benefits*** | | |
| Gratuity (Unfunded) | 2.72 | 0.06 |
| Leave Encashment (Unfunded) | - | - |
| **Total...(`)** | **2.72** | **0.06** |

* Refer *"Note No. 42"* for further reference.

## 28 Current Tax Liabilities (Net)

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Provision for Income Tax (Net)** | | |
| Provision for Income Tax (Earlier Periods) | 93.81 | 93.81 |
| **Total...(`)** | **93.81** | **93.81** |

The tax rate used for the above calculation is the applicable corporate tax rate of 25.168% (Prev Year 25.168%) payable by corporate entities on taxable profits in accordance with the provisions of the applicable Indian tax

## 29 Revenue from Operations

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Revenue from Operations** | | |
| **Sale of Products*** | | |
| Domestic Market | 364.74 | 128.76 |
| Export Market | 143.55 | 2,150.65 |
| **Total Sale of Products...(`) (A)** | **508.29** | **2,279.42** |
| **Sale of Services*** | | |
| Domestic Market | 267.34 | 312.75 |
| Export Market | 691.34 | 859.72 |
| **Total Sale of Services...(`) (B)** | **958.68** | **1,172.47** |
| **Total...(`) (A + B)** | **1,466.97** | **3,451.89** |

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Timing of Revenue Recognition** | | |
| Goods transferred at a point in time | 508.29 | 2,279.42 |
| Services transferred over the time | 958.68 | 1,172.47 |
| **Total revenue from contract with customers** | **1,466.97** | **3,451.89** |
| Add: Export Incentives | - | - |
| **Total Revenue from Operations...(`)** | **1,466.97** | **3,451.89** |

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Disaggregation of revenue based on products and services** | | |
| From Sale of Drone and Components | 508.29 | 2,279.42 |
| From Sales of Services | 958.68 | 1,172.47 |
| **Total Revenue from Operations...(`)** | **1,466.97** | **3,451.89** |

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Disaggregation by locations of customers** | | |
| In India | 632.08 | 441.52 |
| Outside India | 834.89 | 3,010.37 |
| **Total revenue from contract with customers** | **1,466.97** | **3,451.89** |
| Add: Export Incentives | - | - |
| **Total Revenue from Operations...(`)** | **1,466.97** | **3,451.89** |

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Reconciliation of Revenue recongnized in the Statement of Profit and Loss with Contracted Price** | | |
| Revenue as per Contracted Price | 1,466.97 | 3,451.89 |
| Less: Rebates, discounts and other deductions | - | - |
| **Total revenue from contract with customers** | **1,466.97** | **3,451.89** |
| Add: Export Incentives | - | - |
| **Total Revenue from Operations...(`)** | **1,466.97** | **3,451.89** |

**Peformance Obligations**

**Sales of Product:** Performance obligations in respect of the sale of goods are satisfied when control of the goods is transferred to the customer, which generally occurs upon delivery of the goods. Payment is generally due in accordance with the credit terms specified in the respective contracts with customers.

**Sales of Services:** Performance obligations in respect of the rendering of services are satisfied over a period of time, with revenue being recognised based on the stage of completion of the services, subject to customer acceptance where contractually required. Payment is generally due upon completion of the services and acceptance by the customer, in accordance with the terms of the respective contracts.

During the current and previous reporting periods, the Group did not have any remaining performance obligations as at the reporting date, as contracts relating to the sale of goods and rendering of services are generally of a short-term nature and are completed within the reporting period.

* Revenue from operations is recognised net of Goods and Services Tax (GST), as the Company collects GST on behalf of the Government and, accordingly, such amounts do not constitute economic benefits flowing to the Group.

## 30 Other Income

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Interest Income** | | |
| On Other Financial Assets carried at Amortized Costs | 4.99 | 114.44 |
| On Other Assets | 0.02 | - |
| **Total Interest Income...(`) (A)** | **5.01** | **114.44** |
| **Other Non - Opearting Revenues** | | |
| Surplus on Disposal of Current Investments | 10.83 | 3.13 |
| Surplus on Disposal of Property, Plants and Equipment | 1.27 | - |
| Misc Income | 0.23 | 0.60 |
| **Total Non - Operating Income...(`) (B)** | **12.32** | **3.73** |
| **Other Gain / (Losses)** | | |
| Exchange Rate Difference (Net) | 343.38 | 99.69 |
| Sundry Balances Written Off (Net) | - | - |
| **Total Gain / (Losses)...(`) (C)** | **343.38** | **99.69** |
| **Total...(`) (A + B + C)** | **360.72** | **217.86** |

## 31 Cost of Materials Consumed

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Consumption of Raw Materials** | | |
| Stock at the beginning of the reporting period | - | 0.96 |
| Add: Purchases made during the reporting period | 287.38 | 1,023.16 |
| Add: Direct expenses incurred during the reporting period | 2.38 | 7.43 |
| Less: Stock at the end of the reporting period | 165.51 | - |
| **Total Consumption of Materials...(`)** | **124.25** | **1,031.55** |

## 32 Employee Benefits Expense*

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Employee Benefits Expense** | | |
| Salary, Wages, Incentives and Managerial Remuneration | 452.05 | 611.33 |
| Contributions to: | | |
| Provident Fund | 13.34 | 14.19 |
| Other Fund | 0.19 | 0.19 |
| Bonus | - | 0.09 |
| Staff Welfare Expenses | 25.53 | 30.55 |
| **Total...(`)** | **491.12** | **656.35** |

* Refer *"Note No. 42"* for further reference.

## 33 Finance Costs

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Interest on Financial Liabilities carried at Amortized Cost** | | |
| On Bank Borrowings | 3.26 | - |
| Other Borrowing Expenses | 5.81 | 38.03 |
| **Total...(`)** | **9.07** | **38.03** |

## 34 Depreciation and Amortization Expenses

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Depreciation and Amortization Expenses** | | |
| Depreciation Expenses | 340.12 | 110.18 |
| Amortization Expenses | 308.38 | 344.86 |
| **Total...(`)** | **648.50** | **455.04** |

## 35 Other Expenses

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Others** | | |
| Administrative and Other Expenses | 26.58 | 55.75 |
| Commission and Brokerage | 0.60 | 19.37 |
| Conveyance and Travelling Expenses | 42.11 | 90.70 |
| Corporate Social Responsibilities Expenses | - | 9.09 |
| Director Sitting fees | 4.35 | 3.60 |
| Insurance Charges | 4.57 | 8.82 |
| Legal and Professional Fees | 43.41 | 146.97 |
| Payments to the Auditor (Refer *"Note No. 35.1"*) | 6.75 | 6.92 |
| Provision for Unsecured Doubtful Debts and Advance | 42.52 | 1,303.33 |
| Power and Fuel | 28.24 | 37.66 |
| Rent, Rates and Taxes | 51.88 | 58.77 |
| Repair and Maintenance Expenses | | |
| For Other Assets | 19.03 | 10.33 |
| For Plant and Machineries | - | 8.16 |
| Security Charges | 5.06 | 3.48 |
| Service Expenses | 214.77 | 1,509.76 |
| Selling and Distribution Expenses | 14.13 | 10.75 |
| **Total...(`)** | **503.99** | **3,283.45** |

### 35.1 Payments to the Auditor

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **As Auditor's:** | | |
| Audit Fees | 5.75 | 5.60 |
| Tax Audit Fees | 1.00 | 1.00 |
| Reimbursement of Expenses | - | 0.32 |
| **Total...(`)** | **6.75** | **6.92** |

## 36 Category Wise Classification of Financial Instruments

| | Note | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| **Financial Assets** | | | |
| **Non - Current** | | | |
| **Financial assets measured at fair value through profit and loss (FVTPL)** | | | |
| Investment in Quoted Mutual Funds | 7 | - | 402.85 |
| Investment in Unquoted Mutual Funds | | - | - |
| **Total...(`) (A)** | | **-** | **402.85** |
| **Financial assets measured at fair value through other comprehensive income (FVTOCI)** | | | |
| Investment in Quoted Equity Shares / Debentures | | - | - |
| **Total...(`) (B)** | | **-** | **-** |
| **Financial assets measured at amortized costs** | | | |
| Investment in Other Body Corporates | 7 | 71.20 | 71.20 |
| Security Deposits | 8 | 37.45 | 56.21 |
| Term Deposits with maturity of more than 12 months | 8 | 22.87 | 19.62 |
| **Total...(`) (C)** | | **131.51** | **147.03** |
| **Total...(`) (A + B + C)** | | **131.51** | **549.88** |

| | Note | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| **Financial Assets** | | | |
| **Current** | | | |
| **Financial assets measured at fair value through profit and loss (FVTPL)** | | | |
| Investment in Quoted Mutual Funds | | - | - |
| Investment in Unquoted Mutual Funds | | - | - |
| **Total...(`) (A)** | | **-** | **-** |
| **Financial assets measured at fair value through other comprehensive income (FVTOCI)** | | | |
| Investment in Quoted Equity Shares / Debentures | | - | - |
| **Total...(`) (B)** | | **-** | **-** |
| **Financial assets measured at amortized costs** | | | |
| Trade Receivables (Net of Provisions) | 13 | 2,925.19 | 2,539.98 |
| Cash and Cash Equivalents | 14A | 8.19 | 300.64 |
| Other Balances with Banks | 14B | - | - |
| Interest Receivables | 15 | 2.00 | 14.21 |
| Term Deposits with Banks and Financial Institutions | 15 | 103.26 | 339.69 |
| **Total...(`) (C)** | | **3,038.64** | **3,194.52** |
| **Total...(`) (A + B + C)** | | **3,038.64** | **3,194.52** |

| | Note | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| **Financial Liabilities** | | | |
| **Non-Current** | | | |
| **Financial liabilities measured at amortized costs** | | | |
| Borrowings from Banks and Financial Institutions | 19 | 24.31 | - |
| Inter - Corporate and Related Parties Loans | 19 | 18.41 | 18.61 |
| Lease Liabilities | 20 | 38.13 | 189.86 |
| **Total...(`)** | | **80.85** | **208.47** |

| | Note | 31.03.2026 | 31.03.2025 |
|---|---|---|---|
| | | ` | ` |
| **Financial Liabilities** | | | |
| **Current** | | | |
| **Financial liabilities measured at amortized costs** | | | |
| Borrowings from Banks and Financial Institutions | 22 | 12.44 | - |
| Lease Liabilities | 23 | 10.71 | 130.43 |
| Trade Payables - MSME | 24 | - | - |
| Trade Payables - Dues to MSME | 24 | 51.84 | 265.72 |
| Audit Fees Payable | 25 | 6.75 | 6.65 |
| Capital Creditors | 25 | 8.02 | 7.86 |
| Interest Accrued but not yet due | 25 | 0.47 | - |
| Liabilities for Expenses | 25 | 19.06 | 15.77 |
| Liabilities towards Services | 25 | 79.29 | 10.66 |
| Payable towards Employees | 25 | 38.60 | 1.28 |
| Payable towards Direct Tax | 25 | 14.07 | 9.89 |
| Payable towards Indirect Tax | 25 | - | 167.09 |
| Statutory Dues Payables | 25 | 1.93 | 2.30 |
| **Total...(`)** | | **243.17** | **617.64** |

## "Note No. - 37A" - Fair Value Measurements

### i) Financial Instruments measured at Fair Value through Other Comprehensive Income

The Parent does not hold any quoted or unquoted debentures or bonds, nor does it have investments in quoted equity instruments measured at Fair Value through Other Comprehensive Income (FVTOCI). Accordingly, the requirements of Ind AS 109, *"Financial Instruments"*, relating to fair value measurement and their related disclosures are not applicable to the Parent for any of the reporting periods presented in these consolidated financial statements.

### ii) Financial Instruments measured at Fair Value through Profit or Loss

**(Amounts ` in Lakhs)**

| Financial Assets / Financial Liabilities | Fair Value As At 31.03.2026 | Fair Value Hierarchy | | |
|---|---|---|---|---|
| | | Quoted Price in Active Market (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Units of Mutual Funds | -- | -- | -- | -- |

**(Amounts ` in Lakhs)**

| Financial Assets / Financial Liabilities | Fair Value As At 31.03.2025 | Fair Value Hierarchy | | |
|---|---|---|---|---|
| | | Quoted Price in Active Market (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Units of Mutual Funds | ` 402.85 | -- | -- | -- |

The Parent does not hold any unquoted equity shares (other than investments in associates and subsidiaries, which are measured at amortized cost) nor any quoted mutual funds measured at Fair Value through Profit and Loss (FVTPL). Accordingly, the requirements of Ind AS 109, *"Financial Instruments"*, relating to fair value measurement and their related disclosures are not applicable to the Parent for any of the reporting periods presented in these consolidated financial statements.

The Parent does not have any financial liabilities measured at Fair Value Through Profit or Loss (FVTPL). Accordingly, the requirements of Ind AS 109, *"Financial Instruments"*, relating to fair value measurement and their related disclosures are not applicable to the Parent for all reporting periods presented in these standalone financial statements.

### iii) Financial Instruments measured at Amortized Costs

The carrying amounts of financial assets and financial liabilities measured at amortized cost as presented in the consolidated financial statements are considered to be a reasonable

of certain financial instruments and / or because such instruments bear interest rates that are considered to be at market rates. Accordingly, the Parent does not expect any material differences between the carrying amounts and the amounts that would ultimately be realized or settled.

## "Note No. - 37B" - Financial Risk Management - Objectives and Policies

The Group's principal financial assets primarily comprise investments, security deposits, cash and cash equivalents, other balances with banks, and trade and other receivables arising directly from its business operations. The Group's financial liabilities mainly comprise borrowings in Indian currency, retention money, trade payables, and other payables. These financial liabilities are primarily incurred to finance the Group's business operations and to support its working capital requirements and other operational obligations.

The Group is exposed to market risk, credit risk, and liquidity risk arising from its financial instruments. The Board of Directors ("the Board") oversees the management of these financial risks. The risk management policy of the Group, formulated by the management and approved by the Board of Directors, sets out the Group's approach to addressing uncertainties in its efforts to achieve its stated and implicit objectives. It defines the roles and responsibilities of management, the structure for managing risks, and the overall risk management framework. The framework is designed to identify, assess, and mitigate financial risks in order to minimize potential adverse effects on the Group's financial performance. The Board has taken necessary actions to mitigate the risks identified based on the information and circumstances prevailing at the time.

The following disclosures summarize the Group's exposure to financial risks and provide information regarding the use of derivatives, if any, employed to manage such exposures. A quantitative sensitivity analysis has also been provided to reflect the impact of reasonably possible changes in market rates on the Group's financial results, cash flows, and financial position.

### 1) Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, and other price risk. The Group is exposed to market risk through various financial instruments, including loans and borrowings denominated in domestic currency, deposits, retention money, trade and other payables, and trade receivables.

### a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. An increase in interest rates would adversely impact the Group's borrowing costs. The Group is exposed to interest rate risk

primarily on its long-term and short-term borrowings. Interest rate risk is managed by monitoring the proportion of fixed and floating rate borrowings and taking appropriate actions, as necessary, to maintain a balanced exposure to interest rate fluctuations. The Group has not used any interest rate derivatives to hedge its interest rate risk during the reporting period.

**i) Interest Rate Risk Exposure**

(Amount ` in Lakhs)

| Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|
| Variable Rate Borrowing | -- | -- |
| Fixed Rate Borrowing | 55.16 | 18.61 |

**ii) Sensitivity Analysis**

Profit and Loss estimate to higher / lower interest rate expense from borrowing as a result of changes in interest rate.

(Amount ` in Lakhs)

| Particulars | 31.03.2026 | 31.03.2025 |
|---|---|---|
| Interest Rate - Increase by 70 Basis Points | (00.39) | (00.13) |
| Interest Rate - Decrease by 70 Basis Points | 00.39 | 00.13 |

**b) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Parent operates globally and a portion of its transactions are denominated in foreign currencies; consequently, it is exposed to foreign exchange risk arising from sales to overseas customers and purchases from overseas suppliers. The Parent manages its foreign currency exposure through natural hedging, to the extent possible, by matching foreign currency inflows with corresponding foreign currency outflows, such as procuring goods in the same currencies in which sales are denominated. This approach helps in mitigating the impact of exchange rate fluctuations on the Group's financial results.

The carrying amount of the Group's foreign currency denominated monetary items is as follows:

(Amount in Lakhs)

| Currency | Liabilities | | Assets | |
|---|---|---|---|---|
| | 31.03.2026 | 31.03.2025 | 31.03.2026 | 31.03.2025 |
| USD ($) | --- | 453.08 | 4,645.57 | 2,700.40 |
| EURO (€) | -- | -- | -- | -- |

The above table represents the Group's total exposure to foreign currency - denominated monetary items. The Group has not entered into any hedging arrangements to mitigate its foreign currency exposure during the current reporting period as well as the previous reporting period.

The Group is mainly exposed to fluctuations in USD ($) and EURO (€). The table below demonstrates the sensitivity to a 5% increase or decrease in USD ($) against INR and EURO (€) against INR, assuming all other variables remain constant. The sensitivity analysis is based on the net unhedged exposure of the Group as at the reporting date and the previous reporting date. A 5% movement represents management's assessment of a reasonably possible change in foreign exchange rates.

(Amount ` in Lakhs)

| Change in USD ($) Rate | Effect on Profit after Tax (PAT) | | Effect on Total Equity | |
|---|---|---|---|---|
| | 31.03.2026 | 31.03.2025 | 31.03.2026 | 31.03.2025 |
| -5% | (173.82) | (84.09) | (173.82) | (84.09) |
| +5% | 173.82 | 84.09 | 173.82 | 84.09 |

(Amount ` in Lakhs)

| Change in EURO (€) Rate | Effect on Profit after Tax (PAT) | | Effect on Total Equity | |
|---|---|---|---|---|
| | 31.03.2026 | 31.03.2025 | 31.03.2026 | 31.03.2025 |
| -5% | -- | -- | -- | -- |
| +5% | -- | -- | -- | -- |

### c) Other Price Risk

Other price risk is the risk that the fair value of financial instruments will fluctuate due to changes in market traded prices. Other price risk arises primarily from financial assets such as investments in quoted equity instruments. The Group is exposed to price risk mainly on account of investments in quoted equity instruments measured at fair value through other comprehensive income (FVTOCI), if any. As at March 31, 2026, the carrying value of such quoted equity instruments measured at FVTOCI is ` NIL (March 31, 2025: ` NIL).

## 2) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Group. Credit risk arises primarily from financial assets such as trade receivables, balances with banks, and other financial assets of the Group.

The Group has adopted a policy of dealing only with counterparties that have sufficiently high credit ratings. The Group's exposure to credit risk and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions is reasonably diversified across counterparties.

Credit risk arising from term deposits and other balances with banks is considered limited, as these balances are placed with banks and recognized financial institutions having high credit ratings assigned by international credit rating agencies. No collateral is held against such balances. The average credit period on sale of products ranges from 60 to 90 days. Credit risk arising from trade receivables is managed in accordance with the Group's established credit risk management policies, procedures, and controls. Customer

creditworthiness is assessed based on detailed evaluation, and individual credit limits are defined or modified accordingly. The concentration of credit risk is limited due to a diversified customer base. No customer represents more than 10% of the total trade receivables balance. For trade receivables, as a practical expedient, the Group recognizes expected credit loss allowance using a provision matrix approach. The provision matrix is based on historically observed default rates over the expected life of trade receivables and is adjusted for forward - looking estimates at each reporting date. The provision matrix as at the end of the reporting period is as follows:

| Net Outstanding > 365 Days | Percentage of Collection to Gross Outstanding in Current Year | Credit Loss Allowances |
|---|---|---|
| Yes | < 25% | Yes, to the extent of lifetime expected credit losses outstanding as at reporting date. |
| Yes | > 25% | Yes, to the extent of lifetime expected credit losses pertaining to balances outstanding for more than one year. |

(Amount ` in Lakhs)

| Movement in Expected Credit Loss Allowance on Trade Receivables | 31.03.2026 | 31.03.2025 |
|---|---|---|
| **Balance at the beginning of the reporting period** | **1,303.33** | -- |
| Add: Loss allowance measured at lifetime expected credit losses | 42.52 | 1,303.33 |
| Less: Bad Debts written off during the reporting period | -- | -- |
| **Balance at the end of reporting period** | **1,345.85** | **1,303.33** |

### 3) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet its obligations associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may also arise due to an inability to realize a financial asset quickly at or near its fair value.

The Group has established a liquidity risk management framework for managing its short - term, medium - term, and long - term funding and liquidity requirements. The Group's exposure to liquidity risk arises primarily from mismatches in the maturities of financial assets and liabilities. The Group manages liquidity risk by maintaining adequate cash and cash equivalents. The Group also has adequate credit facilities with banks to ensure

availability of sufficient funds to meet its normal operating and financial obligations in a timely and cost - effective manner.

The Group believes that its liquidity positions (As At March 31, 2026, ` 134.31 Lakhs (Prev Year ` 659.95 Lakhs)), along with anticipated future internally generated cash flows from operations and fully available undrawn credit facilities, will enable it to meet its future obligations in the ordinary course of business. In addition, in the event of any liquidity requirement, the Group believes it has access to financing arrangements and unencumbered assets that would enable it to meet its capital and other liquidity requirements.

The liquidity position of the Group mentioned above, includes:

i) Cash and Cash Equivalents as disclosed in the Cash Flows Statements

ii) Current / non - current term deposits as disclosed in the other financial assets

The Group's liquidity management process as monitored by the management, includes:

i) Day-to-day funding, managed by monitoring future cash flows to ensure that requirements can be met.

ii) Maintaining rolling forecasts of the Group's liquidity position on the basis of expected cash flows.

iii) Maintaining diversified credit lines.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table represent contractual undiscounted cash flows.

(Amount in ` Lakhs)

| Particulars | Less than 1 Year | Between 1 to 5 Year | More than 5 Year | Total | Carrying Value |
|---|---|---|---|---|---|
| **As At March 31, 2026** | | | | | |
| **Borrowings** | 12.44 | 42.73 | -- | **55.16** | **55.16** |
| **Other Financial Liabilities** | 168.18 | -- | -- | **168.18** | **168.18** |
| **Lease Liabilities** | 10.71 | 38.13 | -- | **48.84** | **48.84** |
| **Trade Payables** | 31.53 | 20.31 | -- | **51.84** | **51.84** |
| **As At March 31, 2025** | | | | | |
| **Borrowings** | -- | 18.61 | -- | **18.61** | **18.61** |
| **Other Financial Liabilities** | 221.49 | -- | -- | **221.49** | **221.49** |

| | | | | | |
|---|---|---|---|---|---|
| **Lease Liabilities** | 130.43 | 189.86 | -- | **320.29** | **320.29** |
| **Trade Payables** | 265.72 | -- | -- | **265.72** | **265.72** |

## "Notes - 37C" - Capital Management

The Group adheres to a robust capital management framework, which is underpinned by the following guiding principles:

a) Maintain the financial strength to ensure stable ratings domestically and investment grade ratings internationally.

b) Ensure financial flexibility and diversify the source of financing and their maturities to minimize liquidity risk while meeting its investment requirements.

c) Ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business.

d) Minimize the finance costs while taking into consideration current and future industry, market and economic risks and conditions.

e) Safeguard its ability to continue as going as a going concern.

f) Leverage optimally in order to maximize shareholders' returns while maintaining strength and flexibility of the Balance Sheet.

This framework is adjusted based on underlying macro-economic factors affecting the business environment, financial market conditions and interest rates environment.

The Board of Directors has the primary responsibility for maintaining a strong capital base and optimizing the cost of capital through prudent management of deployed funds and judicious leverage in domestic and international financial markets, thereby maintaining investors, creditors, and market confidence and supporting the future development of the business.

For the purpose of the Group's capital management, capital includes issued equity share capital and all other equity reserves attributable to equity shareholders. The primary objective of capital management is to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure in order to maximize shareholder value.

As at March 31, 2026, the Parent has only one class of equity shares and has a low level of debt. Consequently, there are no externally imposed capital requirements. To maintain or achieve an optimal capital structure, the Parent allocates capital towards dividend distribution or reinvestment in the business based on its long-term financial plans.

The Parent monitors its capital structure on the basis of the Net Debt to Equity ratio, where Net Debt is defined as total borrowings less cash and cash equivalents, divided by total equity.

(Amount ` in Lakhs)

| Particulars | March 31, 2026 | March 31, 2025 |
|---|---|---|
| Total Liabilities | 472.08 | 946.14 |
| Less: Cash and Cash Equivalents | 8.19 | 300.64 |
| **Net Debt (A)** | **463.89** | **645.50** |
| **Total Equity** | **5,840.42** | **5,798.82** |
| **Net Debts to Total Equity** | **00.08** | **00.11** |

The Group has complied with all covenants under the terms and conditions of its major borrowing facilities throughout the current reporting period as well as the previous reporting period.

## 38 Capital Work-in-Progress ageing Schedule

| S. No. | Particulars | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|
| 1 | Projects-in-Progress | 211.69 | 66.52 | - | - | 278.21 |
| 2 | Projects temporarily suspended | - | - | - | - | - |

| S. No. | Particulars | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|
| 1 | Projects-in-Progress | 66.52 | 58.98 | - | - | 125.50 |
| 2 | Projects temporarily suspended | - | - | - | - | - |

There are no capital work-in-progress, where completion is overdue against the original planned timelines or where the estimated cost exceeded its original planned costs as at March 31, 2026, and March 31, 2025.

## 39 Trade Receivables ageing Schedule

| S. No. | Particulars | Not Due | Less than Six Months | Six Months to One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|---|---|
| **Trade Receivable - Unsecured** | | | | | | | | |
| a) | Undisputed, Considered Good | 1,148.42 | 39.59 | 1.37 | 505.74 | 2,575.92 | - | 4,271.04 |
| b) | Undisputed, Considered Doubtful | - | - | - | - | - | - | - |
| c) | Disputed, Considered Good | - | - | - | - | - | - | - |
| d) | Disputed, Considered Doubtful | - | - | - | - | - | - | - |
| | | 1,148.42 | 39.59 | 1.37 | 505.74 | 2,575.92 | - | 4,271.04 |
| e) | Less: Allowance for Doubtful Debts | | | | | | | 1,345.85 |
| | Total...(*) | | | | | | | 2,925.19 |

| S. No. | Particulars | Not Due | Less than Six Months | Six Months to One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|---|---|
| **Trade Receivable - Unsecured** | | | | | | | | |
| a) | Undisputed, Considered Good | 301.69 | 117.72 | 847.98 | 2,575.92 | - | - | 3,843.31 |
| b) | Undisputed, Considered Doubtful | - | - | - | | - | - | - |
| c) | Disputed, Considered Good | - | - | - | - | - | - | - |
| d) | Disputed, Considered Doubtful | - | - | - | - | - | - | - |
| | | 301.69 | 117.72 | 847.98 | 2,575.92 | - | - | 3,843.31 |
| e) | Less: Allowance for Doubtful Debts | | | | | | | 1,303.33 |
| | Total...(*) | | | | | | | 2,539.98 |

The Group does not have any unbilled dues as at March 31, 2026, and March 31, 2025.

## 40 Trade Payables ageing Schedule

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|---|
| | **Trade Payable (Including Acceptance)** | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 9.55 | 21.98 | 19.79 | 0.52 | - | 51.84 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **9.55** | **21.98** | **19.79** | **0.52** | **-** | **51.84** |

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|---|
| | **Trade Payable (Including Acceptance)** | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 34.23 | 229.59 | 1.89 | - | - | 265.72 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **34.23** | **229.59** | **1.89** | **-** | **-** | **265.72** |

The Group does not have any unbilled dues as at March 31, 2026, and March 31, 2025.

## 40.1 Capital Creditors ageing Schedule

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|---|
| | **Capital Creditors (Including Acceptance)** | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 8.02 | - | - | - | - | 8.02 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **8.02** | **-** | **-** | **-** | **-** | **8.02** |

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|---|
| | **Capital Creditors (Including Acceptance)** | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 7.86 | - | - | - | - | 7.86 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **7.86** | **-** | **-** | **-** | **-** | **7.86** |

The Group does not have any unbilled dues as at March 31, 2026, and March 31, 2025.

## 40.2 Liabilities towards Service ageing Schedule

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2026 |
|---|---|---|---|---|---|---|---|
| **Liabilities towards Services** | | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 79.29 | - | - | - | - | 79.29 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **79.29** | - | - | - | - | **79.29** |

| S. No. | Particulars | Not Due | Less than One Year | One to Two Years | Two to Three Years | More than Three Years | Total As At 31.03.2025 |
|---|---|---|---|---|---|---|---|
| **Liabilities towards Services** | | | | | | | |
| a) | MSME | - | - | - | - | - | - |
| b) | Other than MSME | 10.66 | - | - | - | - | 10.66 |
| c) | Disputed Dues - MSME | - | - | - | - | - | - |
| d) | Disputed Dues - Other than MSME | - | - | - | - | - | - |
| | **Total...(`)** | **10.66** | - | - | - | - | **10.66** |

The Group does not have any unbilled dues as at March 31, 2026, and March 31, 2025.

## 41 Key Financial Ratio

| S. No. | Ratio | Numerator | Denominator | As At 31.03.2026 | As At 31.03.2025 | % Variation |
|---|---|---|---|---|---|---|
| 1 | Current Ratio[a] | Current Assets | Current Liabilities | 10.33 | 5.41 | 90.91% |
| 2 | Debt to Equity Ratio | Total Debts (Borrowings) | Total Equity | 0.01 | 0.00 | N. A. |
| 3 | Debt Service Coverage Ratio | Earning available for debt service (EBITDA) | Finance Costs + Repayaments of Borrowings | 78.48 | 0.00 | N. A. |
| 4 | Return on Equity[b] | Profit after tax (PAT) | Average Total Equity | 0.64% | -20.66% | -103.09% |
| 5 | Inventory Turnover Ratio[c] | Cost of Goods Sold | Average Inventory | 4.10 | 5321.77 | -99.92% |
| 6 | Trade Receivable Turnover Ratio[d] | Revenue from Sale of Products and Services | Average Trade Receivables | 0.54 | 1.27 | -57.64% |
| 7 | Trade Payable Turnover Ratio[e] | Net Purchase of Raw Materials, Packing Material and Stock-in-Trade | Average Trade Payables | 0.78 | 7.62 | -89.73% |
| 8 | Net Capital Turnover Ratio[f] | Revenue from Operations | Working Capital (Current Assets - Current Liabilities) | 0.43 | 1.10 | -60.98% |
| 9 | Net Profit Ratio[b] | Profit after tax (PAT) | Revenue from Operations | 2.54% | -39.02% | -106.50% |
| 10 | Return on Capital Employed[b] | Profit before Interest (excluding interest on lease liabilities), exceptional items and tax | Average Capital Employed (Total Assets - Total Current Liabilities (Excepts Borrowings)) | 1.00% | -26.41% | -103.78% |

a) The increase in current assets relative to current liabilities during the current year has resulted in an improvement in the current ratio.

b) The improvement in the Return on Equity (ROE), Return on Capital Employed (ROCE), and Net Profit Ratio is primarily attributable to the Company earning a profit during the current financial year as against a loss incurred in the immediately preceding financial year.

c) The decline in the Inventory Turnover Ratio is primarily attributable to higher average inventory levels relative to the cost of goods sold during the current year.

d) Due to slower realization of trade receivables during the current year as compared to the previous year has impacted the Trade Receivable Turnover Ratio.

e) Substantially longer to pay its suppliers as compared to the previous reporting period has impacted the Trade Payable Turnover Ratio.

f) Increase in net working capital during the current year, which was proportionately higher than the increase in revenue from operations has impacted Net Capital Turnover Ratio.

## 42 Employee Benefits

### 1 Post Employment Benefits

### i) Defined Benefit Gratuity Plan (Unfunded)

The Parent operates a defined benefit gratuity plan for its eligible employees, which is governed by the provisions of the Payment of Gratuity Act, 1972. The gratuity plan is funded through contributions made to a separately administered fund. Under the Act, employees who have completed a minimum of five years of continuous service are entitled to gratuity benefits. The amount of gratuity payable is based on the employee's length of service and the last drawn salary at the time of retirement, resignation, death, or disablement, in accordance with the provisions of the Act.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation was carried out as at March 31, 2026, by M/s KP Actuaries and Consultants LLP, an actuarial consulting firm registered with the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost have been determined using the Projected Unit Credit Method.

The following tables summarise the components of defined benefits expense recognized in the standalone statement of profit and loss / other comprehensive income and amount recognized in the Balance Sheets for the respective plans:

### i) Statement showing the Present Value of the Obligations

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Present Value Obligation** | | |
| **Present value of obligation at the beginning of the period** | **24.13** | **15.83** |
| Interest cost | 7.73 | 8.64 |
| Current service cost | 1.64 | 1.14 |
| Past service cost | - | - |
| Benefit paid (if any) | (1.44) | - |
| Actuarial (gain) / loss | (5.48) | (1.49) |
| **Present Value of Obligation at the end of the period...(`)** | **26.57** | **24.13** |

### ii) Bifurcation of Total Actuarial (Gain) / Loss on Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Bifurcation** | | |
| Changes in demographics assumptions (Mortality) | (2.45) | - |
| Changes in financial assumptions | 0.81 | 1.29 |
| Experience adjustments (gain) / loss for plan liabilities | (3.84) | (2.78) |
| **Total amount recognized in Other Comprehensive Income** | **(5.48)** | **(1.49)** |

iii) **Key Results**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Results** | | |
| **Present value of the obligation at the end of the period** | **26.57** | **24.13** |
| Fair value of plan assets at the end of the period | - | - |
| Net libailities / (assets) to be recognized in the Balance Sheet | 26.57 | 24.13 |
| **Funded Status - Surplus / (Deficit)...(`)** | **(26.57)** | **(24.13)** |

iv) **Expenses recognized in the Statement of Profit and Loss**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Breakup of Expenses** | | |
| Interest Costs | 7.73 | 8.64 |
| Current Service Costs | 1.64 | 1.14 |
| Past Service Costs | - | - |
| Expected return on plan assets | - | - |
| **Expenses to be recognized in Statement of Profit and Loss** | **9.37** | **9.79** |

v) **Experience Adjustments**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Experience Adjustments** | | |
| Experience adjustments (gain) / loss - plan liabilities | (3.84) | (2.78) |
| Experience adjustments (gain) / loss - plan assets | - | - |

vi) **Other Comprehensive (Income) / Expenses (Remeasurements)**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Other Comprehensive Income** | | |
| **Opening cumulative unrecognized actarial (gain) / loss** | **(2.21)** | **(0.72)** |
| Actuarial (gain) / loss - obligations | (5.48) | (1.49) |
| Actuarial (gain) / loss - plan assets | - | - |
| **Total actuarial (gain) or loss** | **(5.48)** | **(1.49)** |
| **Closing cumulative unrecognized actarial (gain) / loss** | **(7.69)** | **(2.21)** |

vii) **Net Interest Costs**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Interest Costs** | | |
| Interest cost on defined benfits plans | 7.73 | 8.64 |
| Interest income on plan assets | - | - |
| **Net Interest Cost...(`)** | **7.73** | **8.64** |

**viii) Summary of Membership Data at the date of valuation and statistics based thereon**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Summary** | | |
| Number of employees | 48.00 | 61.00 |
| Total monthly salary (In Lakhs) | 14.87 | 18.59 |
| Average past service (years) | 2.23 | 1.62 |
| Average future service (years) | 28.40 | 29.51 |
| Average age (years) | 31.63 | 30.57 |
| Average monthly salary (In Lakhs) | 0.31 | 0.30 |

**ix) Assumptions**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Assumptions** | | |
| Discount rate (per annum) | 7.00% | 6.79% |
| Salary growth rate (per annum) | 8.00% | 8.00% |
| Average Future Services (in Years) | 28.4 | 29.51 |

The estimate of future salary escalation considered in the actuarial valuation takes into account inflation, seniority, promotions, and other relevant factors, including supply and demand in the employment market. The above information has been certified by the actuary.

**x) Bifurcation of Liabilities**

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Break-up of Liabilities** | | |
| Current Liabilities (Short - Term) | 2.72 | 0.06 |
| Non - Current Liabilities (Long - Term) | 23.85 | 24.07 |
| **Total Liabilities...(`)** | **26.57** | **24.13** |

**xi) Sensitivity Analysis**

The principal actuarial assumptions used in determining the present value of the defined benefit obligation are the discount rate and the expected rate of future salary escalation. The impact of changes in mortality assumptions is considered to be insignificant. The sensitivity analysis presented below is based on a change in one actuarial assumption while holding all other assumptions constant. In practice, such changes are unlikely to occur in isolation, as certain actuarial assumptions may be interrelated. Accordingly, the sensitivity analysis may not be representative of the actual change in the defined benefit obligation. The results of the sensitivity analysis are presented below:

| | 31.03.2026 |
|---|---|
| **Sensitivity** | |
| Defined Benefit Obligation (Base) | 26.57 |
| Liability with 00.50% Incresae in Discount Rate | 25.54 |
| Liability with 00.50% Decrease in Discount Rate | 27.68 |

| | |
|---|---|
| Liability with 1.00% Increase in Salary Growth Rate | 27.41 |
| Liability with 1.00% Decrease in Salary Growth Rate | 25.77 |
| Liability with 5.00% Increase in Attrition Rate | 26.21 |
| Liability with 5.00% Decrease in Attrition Rate | 26.57 |
| Liability with 10.00% Increase in Mortality Rate | 26.58 |
| Liability with 10.00% Decrease in Mortality Rate | 26.56 |

### xii) Reconciliation of Liabilities at Balance Sheet

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Reconciliation** | | |
| **Opening Gross Defined Benefit Liability / (Assets)** | **24.13** | **15.83** |
| Expense recognized in Statement of Profit and Loss | 9.37 | 9.79 |
| Other Comprehensive Income - Actuarial (Gain) / Loss - Total Current Period | (5.48) | (1.49) |
| Benefit Paid (If any) | (1.44) | - |
| **Closing Gross Defined Benefit Liability / (Assets)** | **26.57** | **24.13** |

## 2 Defined Contribution Plans

### i) Provident Fund

The provident fund assets and liabilities are managed by the Parent in line with the Employees' Provident Fund and Miscellaneous Provision Act, 1952.

The plan guarantees minimum interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with interest accumulated thereon are payable to employees at the time of separation from the Parent or retirement, whichever is earlier. The benefit vests immediately on redering of the service by the employee. In term of Guidance Note isused by the Institute of Actuaries of India for measurement of provident fund liabilities, the Actuary has provided a valuation of provident fund liabilities and based on assumptions provided. There is no shortfall in the contribution as at March 31, 2026.

The details of contibution made by the Parent to the resepctive funds are given as below:

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Contributions** | | |
| Employee's Share of Contribution | 12.00 | 13.14 |
| Employer's Share of Contribution | 12.00 | 14.19 |
| **Total Contrbution during the Reporting Period...(`)** | **24.00** | **27.33** |

## Note No. 43: Information on Related Party Transaction as required by Ind AS - 24 - *"RELATED PARTY DISCLOSURE"* for the year ended March 31, 2026

Related parties as defined under Ind AS - 24, *"Related Party Disclosure"* have been identified on the basis of written representations provided by the Group's management and information available with the Group. The Group's material related party transactions and outstanding balances with such related parties, entered into in ordinary course of Business, are as follows:

**1. Entities where Key Managerial Personnel / Close Family Members of Key Managerial Personnel have control / significant influence and where transactions have taken places**

a) Awyam Synergies Private Limited

**2. Key Managerial Person Name and their Designation**

| S. No. | Name of the Persons | Designation |
|---|---|---|
| a) | Mr. Prateek Srivastava | Managing Director (MD) |
| b) | Mrs. Nikita Srivastava | Director & Chief Financial Officer |
| c) | Mr. Mangina Srinivas Rao | Independent Director |
| d) | Mrs. Bhanupriya Thakur | Independent Director (Retired on December 03, 2025) |
| e) | Mr. Utsav Jasapara | Independent Director (Retired on December 04, 2025) |
| f) | Mr. Raj Kumar Srivastava | Independent Director (Retired on April 01, 2025) |
| g) | Mrs. Meenakshi Niraj Gupta | Independent Director (Joined on December 31, 2025) |
| h) | Mr. Shyam Shankar Jedhe | Independent Director (Joined on December 31, 2025) |

**3. Relatives of Key Managerial Person**

| S. No. | Name of the Persons | Relationship with the Company |
|---|---|---|
| a) | Dr. Pradeep Srivastava | Father of Managing Director |

**Terms and Conditions with the transactions with Related Parties as under:**

a) The Group has been entering into transactions with related parties for its business purpose. The process followed for entering into transactions with these related parties is the same as that followed for unrelated parties. Vendors are selected on a competitive basis, having regard to strict adherence to quality standards, timely service, and cost advantages. Further, related party vendors provide additional advantage in term of:

i) Supplying products primarily to the Group;

ii) Advanced and innovative technologies;

iii) Customization of products to suit the Group's specific performance;

iv) Enhancement of the Group's purchase cycle and assurance of just in time supply with resultant benefits - notably on working capital.

b) Purchases from and sales to related parties are undertaken on terms equivalents to those applicable to unrelated parties, on arm's length basis.

c) Outstanding balances with related parties as at the end of the reporting period are unsecured, interest free and are repayable / receivable in demand, and expected to be settled in cash.

**Transaction with Related Parties is as under:**

(Amount in ` Lakhs)

| S. No. | Particulars | Related Companies | Key Managerial Person | Relative of Key Managerial Person |
|---|---|---|---|---|
| 1. | **Remuneration** | | | |
| | Mr. Prateek Srivastava | -- | ` 96.18<br>(P. Y. ` 90.00) | -- |
| | Mrs. Nikita Srivastava | -- | ` 36.00<br>(P. Y. ` 36.38) | -- |
| 2. | **Director Sitting Fees** | | | |
| | Mr. Mangina Srinivas Rao | -- | ` 01.80<br>(P. Y. ` 00.90) | -- |
| | Mrs. Bhanupriya Thakur | -- | ` 00.95<br>(P. Y. ` 01.10) | -- |
| | Mr. Utsav Jasapara | -- | ` 01.60<br>(P. Y. ` 01.10) | -- |
| | Mr. Raj Kumar Srivastava | -- | ` 00.40<br>(P. Y. ` 00.50) | -- |
| 3. | **Reimbursement of Expenses Incurred** | | | |
| | Mr. Prateek Srivastava | -- | ` 00.58<br>(P. Y. ` 02.20) | -- |
| | Mrs. Nikita Srivastava | -- | ` 02.30<br>(P. Y. ` 00.61) | -- |
| | Mr. Mangina Srinivas Rao | -- | ` 00.03<br>(P. Y. ` 00.28) | -- |
| | Mrs. Bhanupriya Thakur | -- | ` 00.00 | -- |

| | | | | |
|---|---|---|---|---|
| | | | (P. Y. ` 00.01) | |
| | Mr. Utsav Jasapara | -- | ` 00.49<br>(P. Y. ` 00.27) | -- |
| | Mr. Raj Kumar Srivastava | -- | ` NIL<br>(P. Y. ` 00.15) | -- |
| **4.** | **Professional and Consultancy Charges** | | | |
| | Dr. Pradeep Srivastava | -- | -- | ` 03.81<br>(P. Y. ` 20.87) |
| **5.** | **Receipt of Unsecured Loans** | | | |
| | Mr. Prateek Srivastava | -- | ` NIL<br>(P. Y. ` 00.10) | -- |
| | Mrs. Nikita Srivastava | -- | ` NIL<br>(P. Y. ` 00.10) | -- |
| **6.** | **Repayment of Unsecured Loans** | | | |
| | Mr. Prateek Srivastava | -- | ` 00.10<br>(P. Y. ` NIL) | -- |
| | Mrs. Nikita Srivastava | -- | ` 00.10<br>(P. Y. ` NIL) | -- |
| **7.** | **Advances to Vendor's** | | | |
| | Awyam Synergies Private Limited | ` NIL<br>(P. Y. ` 50.00) | -- | -- |
| **8.** | **Repayment Received towards Advances to Vendor's** | | | |
| | Awyam Synergies Private Limited | ` NIL<br>(P. Y. ` 252.50) | -- | -- |

## Balances payable / receivable to the related parties as on March 31, 2026

(Amount in ` Lakhs)

| S. No. | Particulars | Related Companies | Key Managerial Person | Relative of Key Managerial Person |
|---|---|---|---|---|
| **1.** | **Director Sitting Fees Payable** | | | |

| | | | | |
|---|---|---|---|---|
| | Mr. Mangina Srinivas Rao | -- | ` NIL<br>(P. Y. ` 00.36) | -- |
| | Mrs. Bhanupriya Thakur | -- | ` NIL<br>(P. Y. ` 00.36) | -- |
| | Mr. Utsav Jasapara | -- | ` NIL<br>(P. Y. ` 00.36) | -- |
| **2.** | **Unsecured Loans** | | | |
| | Mr. Prateek Srivastava | -- | ` NIL<br>(P. Y. ` 00.10) | -- |
| | Mrs. Nikita Srivastava | -- | ` NIL<br>(P. Y. ` 00.10) | -- |
| **3.** | **Advances to Vendor's** | | | |
| | Awyam Synergies Private Limited | ` 181.50<br>(P. Y. ` 384.00) | -- | -- |

## "Note No. 44 - Additional Regulatory Information as required by the Schedule - III of the Companies Act, 2013"

i) The Parent and its subsidiaries included in the Group has utilized the borrowings from banks and financial institutions for the purpose for which they were obtained, as at the consolidated financial statements. The Group has not defaulted in the repayment of principal or payment of interest thereon in respect of any borrowings from banks and financial institutions during the reporting period and previous reporting period.

ii) The title deed in respect of self-constructed building and title deeds of all other immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in the favor of the Group), disclosed in the consolidated financial statements and included under the head of property, plants and equipment are held in the name of the Group as at the Balance Sheet date. In respect of the immovable properties taken on lease by the Group, the lease agreements are duly executed in the favor of the Group as at the Balance Sheet date.

iii) Loans and advances in the nature of loans are granted to promoters, directors, key managerial parties and the other related parties including the subsidiaries, associates and joint ventures (as defined under the Companies Act, 2013), either severally and jointly with any other person that are:

a) Repayable on demand or;

b) Without specifying any terms or period of repayments.

iv) The Parent and its subsidiaries included in the Group does not have benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the relevant Rules made thereunder.

v) The Parent and its subsidiaries which are included in the Group for the purpose of consolidation has not been sanctioned working capital limit from bank and financial institutions on the basis of security of current assets, hence the requirement to report related to the monthly / quarterly returns and the statements filed by the Group with such banks and financial institutions are in agreements with the books of accounts is not applicable.

vi) The Parent and its subsidiaries included in the Group has not been declared as willful defaulter by the banks and the financial institutions or other lenders or government or any government authorities.

vii) The Parent and its subsidiaries included in the Group has not entered any transactions with the companies struck off as per section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 2013, hence the details related to the same have not been furnished.

viii) The Group does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of Company beyond the statutory period.

ix) The Parent has complied with the requirements with respect to the number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.

x) Utilization of borrowed funds and share premium

1) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (intermediaries) with the understanding that the intermediaries shall:

a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or;

b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

2) The Group has not received any funds from persons or entities, including foreign entities (Funding Parties) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a) 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;

b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.

xi) There have been no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the reporting period and previous reporting period in the tax assessments under the Income Tax Act, 1961.

xii) The Group has neither traded nor invested nor advanced in Crypto or Virtual Currency during the reporting period and previous reporting period.

45 Additional Information as required under Schedule - III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries and Associates

| S. No. | Name of the Company | Net Assets (Total Assets - Total Liabilities) | | Share in Profit or Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|---|---|---|---|---|---|---|---|---|
| | | 31.03.2026 | | 31.03.2026 | | 31.03.2026 | | 31.03.2026 | |
| | | As % of Consolidated Net Assets | Net Assets | As % of Consolidated Profit or Loss | Profit/ (Loss) | As % of Other Consolidated Comprehensive Income | Other Comprehensive Income | As % of Total Consolidated Comprehensive Income | Total Comprehensive Income |
| Parent Company | | | | | | | | | |
| 1 | DroneAcharya Aerial Innovations Limited | 100.02% | 5,841.61 | 102.06% | 37.97 | 100.00% | 4.10 | 101.86% | 42.07 |
| Subsidiary Company | | | | | | | | | |
| 1 | PYI Technologies Private Limited | -0.02% | (1.28) | 0.12% | 0.05 | 0.00% | - | 0.11% | 0.05 |
| 2 | DorneAcharya Miltech Private Limited | 0.00% | 0.19 | -2.19% | (0.81) | 0.00% | - | -1.97% | (0.81) |
| | Total..(*) | 100.00% | 5,840.51 | 100.00% | 37.20 | 100.00% | 4.10 | 100.00% | 41.30 |

| S. No. | Name of the Company | Net Assets (Total Assets - Total Liabilities) | | Share in Profit or Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---|---|---|---|---|---|---|---|---|---|
| | | 31.03.2025 | | 31.03.2025 | | 31.03.2025 | | 31.03.2025 | |
| | | As % of Consolidated Net Assets | Net Assets | As % of Consolidated Profit or Loss | Profit/ (Loss) | As % of Other Consolidated Comprehensive Income | Other Comprehensive Income | As % of Total Consolidated Comprehensive Income | Total Comprehensive Income |
| Parent Company | | | | | | | | | |
| 1 | DroneAcharya Aerial Innovations Limited | 100.02% | 5,799.54 | 100.01% | (1,347.11) | 100.00% | 1.11 | 100.01% | (1,346.00) |
| Subsidairy Company | | | | | | | | | |
| 1 | PYI Technologies Private Limited | -0.04% | (2.41) | -0.01% | 0.16 | 0.00% | - | -0.01% | 0.16 |
| 2 | DorneAcharya Miltech Private Limited | 0.02% | 1.00 | 0.00% | - | 0.00% | - | 0.00% | - |
| | Total..(*) | 100.00% | 5,798.13 | 100.00% | (1,346.95) | 100.00% | 1.11 | 100.00% | (1,345.84) |

## 46 Contingent Liabilities

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Contingent Liabilities** | | |
| a) Bank Guarantees given by the Company's Banker's towards the Other Institutions | 18.59 | 18.59 |
| b) Income Tax Appeal with Commissioner of Income Tax (Appeals) [CIT(A)] for the Financial Year 2021 - 22 | 1,627.53 | - |
| c) Inland Letter of Credit or Buyer's Credit against the Raw Materials and Trading Goods Purchases | - | - |
| **Total...(`)** | **1,646.11** | **18.59** |

## 47 Capital and Other Commitments

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Capital Commitments** | | |
| Estimated amount of contracts remaining to be executed by the Group on Capital and not provided for; | | |
| towards Property, Plants and Equipment | 102.37 | 70.53 |
| towards Other Intangible Assets | - | - |
| **Total Capital Commitments...(`) (A)** | **102.37** | **70.53** |
| **Other Commitments** | | |
| Bill discounted and letter of credit issued by the Group's Bankers | - | - |
| For derivative contract related commitments | - | - |
| **Total Other Commitments...(`) (B)** | - | - |
| **Total...(`) (A + B)** | **102.37** | **70.53** |

## 48 Corporate Social Responsibilities

The Parent does not fall within the applicability criteria prescribed under section 135 of the Companies Act, 2013. Accordingly, the provisions relating to Corporate Social Responsibility (CSR) are not applicable to the Parent for both the current and previous reporting periods.

## 48 Dividend

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Dividend** | | |
| Final Dividend paid on Equity Shares | - | - |
| Interim Dividend paid on Equity Shares | - | - |
| **Total...(`)** | - | - |

The Board of Director's of the Parent did not declare any interim dividend during the current or previous reporting period.

## 49 Details of Hedge and Unhedged Exposures in Foreign Currency Denominated Monetary Items

### A) Exposure in Foreign Currency - Hedged

The Parent has not entered into forward exchange contracts to hedge its foreign currency exposures relating to the underlying transactions and firm commitments. The Parent does not enter into any of the derivative instruments for trading and speculation purposes during the reporting period and previous reporting period.

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | $ | ` |
| **Hedged Exposures** | | |
| Forward Contract to Sell / Buy USD ($) as at March 31, 2026 | - | - |
| Forward Contract to Sell / Buy EURO (€) as at March 31, 2026 | - | - |

### B) Exposure in Foreign Currency - Unhedged

The foreign currency exposures which are not hedged during the reporting period and previous reporting period are as under:

#### i) Payable during the Reporting Period

| | Payable (In Foreign Currency) | |
|---|---|---|
| | 31.03.2026 | 31.03.2025 |
| **Foreign Currency - Unhedged** | | |
| USD ($) | - | 5.29 |
| EURO (€) | - | - |

| | Payable (In Indian Currency) | |
|---|---|---|
| | 31.03.2026 | 31.03.2025 |
| | ` | ` |
| **Foreign Currency - Unhedged** | | |
| USD ($) | - | 453.08 |
| EURO (€) | - | - |

#### ii) Receivable during the Reporting Period

| | Receivable (In Foreign Currency) | |
|---|---|---|
| | 31.03.2026 | 31.03.2025 |
| **Foreign Currency - Unhedged** | | |
| USD ($) | 45.25 | 31.55 |
| EURO (€) | - | - |

| | Receivable (In Indian Currency) | |
|---|---|---|
| | 31.03.2026 | 31.03.2025 |
| | ` | ` |
| **Foreign Currency - Unhedged** | | |
| USD ($) | 4,645.57 | 2,700.40 |
| EURO (€) | - | - |

## 50 List of Subsidiaries included in the Consolidated Financial Statements

| | 31.03.2026 | 31.03.2025 |
|---|---|---|
| | ` | ` |
| **Name of the Company** | | |
| PYI Technologies Private Limited | 100.00% | 51.00% |
| DroneAcharya Miltech Private Limited | 51.00% | 51.00% |

All of the above mentioned companies, which are being used for the purpose of consolidation are having the principal place of business in India only.

## 51 Pending Litigation - SEBI Proceedings

The Securities and Exchange Board of India (SEBI), vide Show Cause Notice No. SEBI/HO/QJC-1/P/OW/2025/13314/1 dated May 15, 2025, initiated adjudication proceedings against the Company and certain of its directors under the provisions of the Securities and Exchange Board of India Act, 1992, read with the Securities and Exchange Board of India (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995. Pursuant to the adjudication proceedings, SEBI passed an order imposing a monetary penalty of ₹ 10.00 Lakhs on the Company and ₹ 20.00 Lakhs each on its directors, Mr. Prateek Srivastav and Mrs. Nikita Srivastav. Further, the Company and the aforesaid directors were restrained from accessing or dealing in the securities market for a period of two years from the date of the said order.

The Company has deposited the aforesaid penalty amount under protest and, along with the concerned directors, filed an appeal before the Securities Appellate Tribunal (SAT) on December 19, 2025, seeking appropriate relief, including setting aside of the SEBI order and waiver of the penalties imposed.

Subsequently, vide its interim order dated February 2026, the Securities Appellate Tribunal (SAT) granted interim relief permitting the Company and its promoters to raise funds and create a pledge over their securities in favour of banks and financial institutions for the purpose of obtaining borrowings, subject to the terms and conditions specified in the said order.

The appeal is presently pending before the Securities Appellate Tribunal (SAT), and the final outcome of the matter is awaited.

## 52 Earnings Per Share

(Amount ` in Lakhs, except number of share data and earnings per share data)

| | 2025 - 2026 | 2024 - 2025 |
|---|---|---|
| | ` | ` |
| **Earnings Per Share** | | |
| **Net Profit / (Loss) after tax as per the Standalone Statement of Profit or Loss attributable to the holder of Equity Shares** | **37.20** | **(1,347.03)** |
| Nominal Value of Equity Shares (`) | 10.00 | 10.00 |
| Weighted average number of Equity shares used as denominator for calculating the earnings per share | 2,39,88,600 | 2,39,88,600 |
| **Basic and Diluted Earnings Per Share...(`)** | **0.16** | **(5.62)** |

**53** The consolidated financial statements are approved for issue by the Audit Committee at its meeting held on May 29, 2026, and by the Board of Directors on their meeting held on May 29, 2026.

**54** Previous years audited figures has been regrouped / recasted / rearranged wherever necessary to make them comparable for the purpose of preparation and presentation of consolidated financial statements.

## SIGNATURE TO THE NOTE "1" TO NOTE "54"

**MATERIAL ACCOUNTING POLICIES** **1**

**THE ACCOMPANYING NOTES ARE FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS**

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

For **HAZIYANI & ASSOCIATES**
*Chartered Accountants*
FRN No.: 0030087C

**AMIN HAZIYANI**
Partner
Membership No. 115123

Place: Nagpur
Dated: **May 29, 2026**
UDIN No.: **26115123SDXFNU1864**

**FOR AND ON BEHALF OF THE BOARD**

**PRATEEK SRIVASTAVA**
Managing Director
DIN No.: 07709137

**NIKITA SRIVASTAVA**
CFO & Director
DIN No.: 08082593

**JAYESH KULKARNI**
Company Seceretary

Place: Pune
Dated: **May 29, 2026**

Place: Pune
Dated: **May 29, 2026**

# Notes to the Consolidated financial statements for the year then ended on March 31, 2026

**Group Information**

The consolidated financial statements comprise the financial statements of **DRONEACHARYA AERIAL INNOVATIONS LIMITED** (the "Parent") and its subsidiaries (collectively referred to as the "Group") for the period ended March 31, 2026.

The Parent is a Public Limited Company, domiciled and incorporated in India, under the provisions of Companies Act, 2013. The Registered office of the Parent is situated at "1st & 2nd Floor, Galore Tech IT Park, LMD Square, Bavdhan, Pune (M.H.) – 411021". The books of accounts and other related documents and information are maintained at "1st & 2nd Floor, Galore Tech IT Park, LMD Square, Bavdhan, Pune (M.H.) – 411021". The Company's shares are listed on "Bombay Stock Exchange" (BSE).

The Group is primarily engaged in the business of manufacture, import, export, alter, convert, modify, buy, sell, give or take on lease or hire purchase or on deferred credit or on license, service and repair or otherwise deal in any other manner, in appliances and apparatus and systems including but not limited to drones, equipment, software and hardware, silicon chips, or any other equipment, communication equipment, display devices, high frequency apparatus, magnetic components, air borne equipment, generation and servo control equipment and to act as drone specialist, counselors, advisors, programmers.

The Parent's Board of Directors approved the consolidated financial statements for the year ended March 31, 2026, and authorized for issue on May 29, 2026.

## 1. MATERIAL ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

### MATERIAL ACCOUNTING POLICIES

### 1.1 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements are the separate financial statements of the Parent (also called as "consolidated financial statements") prepared in accordance with Indian Accounting Standard ("Ind AS") as notified under section 133 of the Companies Act, 2013

("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Rule, 2016, as amended, time to time. The preparation and presentation of the consolidated financial statements is based on the Indian Accounting Standards (Ind AS), Division - II of the Schedule - III of the Companies Act, 2013.

Entity specific disclosure of material accounting policies, where the Indian Accounting Standards permits options are disclosed hereunder:

The Parent's management and respective Board of Directors included in the Group has assessed the materiality of accounting policy information, which involves the exercise of judgment and consideration of both qualitative and quantitative factors. Such assessment takes into account not only the size and nature of items or conditions, but also the characteristics of the related transactions, events, or circumstances that could make the information more likely to influence the decisions of users of the consolidated financial statements. An entity's conclusion that an accounting policy is immaterial does not affect the disclosures requirements set out in the Indian Accounting Standards.

The Company has adopted Ind AS from April 01, 2023. The accounting policies have been consistently applied, except where a newly issued accounting standard has been initially adopted or a revision to an existing accounting standard requires a change in the accounting policies hitherto adopted. These consolidated financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting, except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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 consolidated statement of cash flows has been prepared using the indirect method, whereby consolidated profit or loss is adjusted for the effects of non-cash transactions, deferrals and accruals of past or future operating cash receipts or payments, and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing, and financing activities of the Parent are separately presented. The Parent considers all highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value as cash equivalents.

The Parent's consolidated financial statements are prepared and presented in Indian Rupees (₹) in lakhs, which is also the functional currency of the Group. All amounts are rounded off to the nearest ₹ in Lakhs up to two decimal places, unless otherwise stated.

**1.2 PRINCIPLE OF CONSOLUIDATION**

The consolidated financial statements of DroneAcharya Aerial Innovations Limited (the "Parent") comprise the financial statements of the Parent and its subsidiaries companies (collectively referred to as the "Group") as at and for the year ended March 31, 2026. These consolidated financial statements have been prepared in accordance with the principles of consolidation prescribed under the applicable Indian Accounting Standards and the provisions of the Companies Act, 2013.

The Parent consolidates all entities over which it exercises control. Control exists when the Parent is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee. The Parent has power over an investee when it possesses existing rights that give it the current ability to direct the relevant activities, i.e., the activities that significantly affect the investee's returns. The Parent reassesses whether it controls an investee whenever facts and circumstances indicate that there are changes to one or more elements of control.

**Subsidiary Companies**

Subsidiaries are consolidated from the date on which the Parent, directly or indirectly, obtains control over the subsidiary and continue to be consolidated until the date such control ceases. The income and expenses of a subsidiary are included in the consolidated statement of profit and loss from the date the Parent, directly or indirectly, acquires control until the date the Parent, directly or indirectly, loses control. Any change in the Parent' ownership interest in subsidiary that do not result in a loss of control are accounted for as an equity transaction.

The consolidated financial statements have been prepared in accordance with the principles of consolidation prescribed under Ind AS 110, "Consolidated Financial Statements". The financial statements of the Parent and its subsidiary are combined on a line-by-line basis by adding together like items of assets, liabilities, equity, income, expenses and cash flows. All intra-group balances, transactions, income, expenses, and unrealized profits or losses arising from intra-group transactions are eliminated in full on consolidation. Temporary differences arising from the elimination of unrealized profits and losses on intra-group transactions are accounted for in accordance with Ind AS 12, "Income Taxes".

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent and to non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interests represent the portion of equity, profit or loss, and other comprehensive income of a subsidiary attributable to interests that are not owned, directly or indirectly, by the Parent. Non-controlling interests are presented separately within equity in the consolidated balance sheet and separately from the equity of the equity holders of the Parent in the consolidated statement of profit and loss and the consolidated statement of changes in equity.

Gains or losses arising from partial divestment or dilution of shareholding in subsidiary companies that do not result in a loss of control are recognized directly in other equity attributable to the owners of the Parent in the consolidated financial statements. Gains or losses arising from divestment of shareholding that results in a loss of control over a subsidiary are recognized in the consolidated statement of profit and loss. Any investment retained in the former subsidiary is initially measured at fair value on the date control is lost, and the resulting gain or loss is recognized in the statement of profit and loss. Such retained interest is subsequently accounted for either as an investment in an associate or joint venture, as applicable, or as a financial asset, depending on the level of influence retained.

The consolidated financial statements are prepared using the uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent's separate financial statements, unless otherwise stated. Where a member of the Group uses accounting polices other than those adopted in the consolidated financial statements for like transactions and other events in the similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The standalone financial statements of all entities included in the Group, which are used for the purpose of consolidation, are drawn up to the same reporting period as that of the Parent i.e. the year ended March 31, 2026. Where the reporting period of the Parent is different from that of its subsidiaries, additional financial information as of the same date as the Parent's financial statements is prepared for consolidation purposes to enable the Parent to consolidate the financial information of such subsidiary companies, unless it is impracticable to do so.

Gains or losses arising from partial divestment or dilution of shareholding in subsidiary companies that do not result in a loss of control are recognized directly in other equity attributable to the owners of the Parent in the consolidated financial statements. Gains or losses arising from divestment of shareholding that results in a loss of control over a subsidiary are recognized in the consolidated statement of profit and loss. Any investment retained in the former subsidiary is initially measured at fair value on the date control is lost, and the resulting gain or loss is recognized in the statement of profit and loss. Such retained interest is subsequently accounted for either as an investment in an associate or joint venture, as applicable, or as a financial asset, depending on the level of influence retained.

The consolidated financial statements are prepared using the uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent's separate financial statements, unless otherwise stated. Where a member of the Group uses accounting polices other than those adopted in the consolidated financial statements for like transactions and other events in the similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The standalone financial statements of all entities included in the Group, which are used for the purpose of consolidation, are drawn up to the same reporting period as that of the Parent i.e. the year ended March 31, 2026. Where the reporting period of the Parent is different from that of its subsidiaries, additional financial information as of the same date as the Parent's financial statements is prepared for consolidation purposes to enable the Parent to consolidate the financial information of such subsidiary companies, unless it is impracticable to do so.

| S.No. | Name of the Company | Nature of the Company | 31.03.2026 | 31.03.2025 | Country of Incorporation |
|---|---|---|---|---|---|
| | | | Ownership in percentage either through directly or indirectly | | |
| 1 | Drone Acharya Miltech Private Limited | Subsidiary Company | 51.00% | 51.00% | India |
| 2 | PYI Technologies Private Limited | Wholly Owned Subsidiary Company | 100.00% | 51.00% | India |

**1.3 APPLICATION OF NEW ACCOUNTING PRONOUNCEMENTS**

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standard) Rules, as issued from time to time. In May 2025, MCA notified amendments to Ind AS - 21, "The Effects of Changes in Foreign Exchange Rates", applicable w.e.f. April 01, 2025. The Company has evaluated the impact of the said amendments and concluded that they do not have any material impact on its consolidated financial statements.

**1.4 CURRENT AND NON - CURRENT CLASSIFICATION**

The Group presents the assets and liabilities in the balance sheet based on current / non-current classification. An asset or liabilities are classified as current when it satisfies any of the following criteria:

- The assets / liabilities are expected to be realized / settled in the Group's normal operating cycle.
- The assets are intended for sales or consumption.
- The assets / liabilities are held primarily for the purpose of trading.

- The assets / liabilities are expected to be realized / settled within twelve months after the end of reporting date.
- The assets are cash or cash equivalents unless they are restricted from being exchanged or used to settle liabilities for at least twelve months after the reporting period.
- In the case of liabilities, the Group does not have an unconditional right to defer the settlement of the liabilities for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current and non - current classification of assets and liabilities, the Parent has determined its operating cycle as twelve (12) months. This is based on the nature of its operations and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

## 1.5 SUMMARY OF MATERIAL ACCOUNTING POLICIES

a) Property, Plants and Equipment

**Measurement at Recognition**

An item of property, plants and equipment that qualifies as an asset is measured on the initial recognition at cost. Following the initial recognition, item of property, plants and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any. The Group identifies and determines cost of each part of an item of property, plants and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plants and equipment and has useful life that is materially different from that of the remaining items.

The cost of an item of property, plants and equipment comprises of its purchase price net of discounts, if any, including import duties and other non-refundable purchase taxes or levies, directly attributable

to cost of bringing the assets to its present location and working condition for its intended use and the initial estimate of decommissioning, restoration, and similar liabilities, if any. Cost includes the cost of replacing a part of the plants and equipment, if the recognition criteria are met. Expenses directly attributable to new manufacturing facilities during its construction period are capitalized, if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plants and machinery are capitalized under the relevant heads of property, plants and equipment, if the recognition criteria are met. When significant parts of property, plants and equipment are required to be replaced at periodical intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any components accounted for as a separate asset is de-recognized when replaced. All the costs, including administrative, financing and general overhead expenses, as are specifically attributable to construction of a specific projects or to the acquisition of a property, plants and equipment or bringing it to its present location and working condition, is includes, as a part of the cost of construction of the project or as a part of the cost of property, plants and equipment, till the commencement of its commercial production. Any adjustments arising from exchange rate variations attributable to the property, plants and equipment are capitalized as aforementioned.

Borrowing costs relating to the acquisition / construction of property, plants and equipment which takes the substantial period of time to get ready for its intended use are also included in the cost of property, plants and equipment / cost of constructions, to the extent they relate to the period till such property, plants and equipment are ready to be put to use.

Any subsequent expenditure related to an item of property, plants and equipment is added to its book value only and only if it increases the future economic benefits from the existing assets beyond its previously assessed standard of performance.

Any items such as spare parts, stand-by equipment and servicing equipment that meet the definitions criteria of the property, plants and equipment are capitalized at cost and depreciated over the useful life of the respective property, plants and equipment. Cost is in the nature of repairs and maintenances are recognized in the consolidated statement of profit and loss as and when incurred.

**Capital Work-in-Progress and Capital Advances**

Cost of property, plants and equipment not ready for intended use, as at the balance sheet date, is shown as a "Capital Work-in-Progress". The capital work-in-progress is stated at cost. Any expenditure in relation to survey and investigation of the properties is carried out as capital work-in-progress, such expenditure is either capitalized as cost of the projects on completion of construction project or the same is expensed in the period in which it is decided to abandon such projects. Any advances given towards acquisition of property, plants and equipment outstanding at each consolidated balance sheet date is disclosed as "Other Non - Current Assets".

Depreciation

Depreciation on each part of property, plants and equipment are provided to the extent of the depreciable amount of the assets on the basis of "Written Down Value Method (WDV)" on the useful lives of the tangible property, plants and equipment as estimated by the Parent's management and is charged to the consolidated statement of profit and loss, as per the requirement of Schedule - II to the Companies Act, 2013. The estimated useful lives of the property, plants and equipment has

been assessed based on the technical advice, which is considered in the nature of the property, plants and equipment, the usage of the property, plants and equipment, expected physical wear and tear of such property, plants and equipment, the operating conditions, anticipated technological changes, manufacturer warranties and maintenance support of the property, plants and equipment etc.

When the parts of an item of the property, plants and equipment have different useful lives, they are accounted for as separate items (major components) and are depreciated over their useful lives or over the remaining useful lives of the principal property, plants and equipment, whichever is less.

The useful lives of the items of property, plants and equipment as estimated by the Parent's management is mentioned below:

| S.No. | Name of Property, Plants and Equipment | Useful Life (In Years) |
|---|---|---|
| 1. | Plant and Machineries (Comprising Production Equipment and Drones) | 5 Years |
| 2. | Furniture and Fixtures | 10 Years |
| 3. | Office Equipment | 5 Years |
| 4. | Computer and Other Data Processing units | 3 Years |
| 5. | Motor Vehicles | 8 Years |
| 6. | Electrical Installation and Other Equipment | 10 Years |

The Parent based on technical assessment made by the technical experts and the Parent's management estimate, depreciate certain items of property, plants and equipment over the estimated useful lives which are different from the useful lives as prescribed under Schedule - II of the Companies Act, 2013. The Parent's management believes that the useful lives given above are best to represent the period over which Parent's management expects to use this property, plants and equipment.

Freehold land and Building are not depreciated. Leasehold land and Buildings and their improvement cost are amortized over the period of the lease.

The useful lives, residual value of each part of an item of property, plants and equipment and method of depreciation is reviewed at the end of each reporting period, if any, of these expectations differ from the previous estimates, such change is accounted for as a change in accounting estimate and adjusted prospectively, if appropriate.

**Derecognition**

The carrying amount of an item of property, plants and equipment and other intangible assets are recognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from derecognition of the property, plants and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the assets and is recognized in the consolidated statement of profit and loss, as and when the assets are de-recognized.

b) Intangible Assets

**Measurement at Recognition**

Intangible assets acquired separately measured on the initial recognition at cost. Intangible assets arising on the acquisition of businesses are measured at fair value as at the date of acquisition. Internally generated

intangible assets including research costs are not capitalized and the related expenditure is recognized in the consolidated statement of profit and loss in the period, in which the expenditure is incurred. Following the initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.

**Amortization**

Intangible assets with the finite lives are amortized on a "Written Down Value Method" over the estimated useful economics lives of such intangible assets. The amortization expenses on intangible assets with finite lives are recognized in the consolidated statement of profit and loss. The estimated useful lives of intangible assets are mentioned below:

| S.No. | Particulars | Useful Life (In Years) |
|---|---|---|
| 1. | Software and Websites | 7 Years |
| 2. | Trademarks | 15 Years |

The amortization period and the amortization method for an intangible asset with the finite useful lives are reviewed at the end of each financial year. If any of these expectations differ from the previous estimates, such changes are accounted for as a change in an accounting estimate and adjusted prospectively, if appropriate.

**Derecognition**

The carrying amount of an intangible asset is de-recognized at disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an intangible assets is measured as the difference between the net disposal proceeds and the carrying amount of the intangible assets and is recognized in the consolidated statement of profit and loss, as and when such assets are de-recognized.

c) Impairment

Assessment for impairment is done at each consolidated balance sheet date as to whether there is any indication that a non-financial asset may be impaired. Assets that have an indefinite useful life are not subject to amortization and are tested for impairment annually and whenever there is an indication that the assets may be impaired.

Assets that are subject to depreciation and amortization and assets representing investment in subsidiary and associate companies are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environments.

The Parent assesses at each reporting date, whether there is an indication that assets may be impaired, if any indication exists based on internal or external factors, or when Annual impairment testing for assets is required, the Parent estimates the asset's recoverable amount. Where the carrying amount of the assets or its cash generating unit (CGU) exceeds its recoverable amount, the assets are considered impaired and written down to its recoverable amount. The recoverable amount is greater of the fair value less cost to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax rate that reflects current market rates and the risk specific to the assets. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the assets belong. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of an assets in an arm's length transactions between knowledgeable, willing parties, less cost of disposal. After the impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful lives.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exists or has decreased. However, the increase in the carrying amount of assets due to the reversal of an impairment loss is recognized to the extent it does exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the assets in the prior years.

Impairment losses, if any, are recognized in the consolidated statement of profit and loss and included in depreciation and amortization expense. Impairment losses are reversed in the consolidated statement of profit and loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

d) Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured in the amount of transaction price (net of variable consideration on accounts of various discounts and schemes offered by the Group as a part of the Contracts) allocated to that performance obligation. These variable considerations are estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of Products

Revenue from sales of goods is recognized when control on the goods has been transferred to the customers. The performance obligation in the case of sale of goods is satisfied at a point in time i.e. when the material is shipped to the customers or delivery to the customers as may be specified in the contracts with them.

Sales (Gross) excludes Goods and Service Tax (GST) and is a net of discounts and incentives to the customers.

**Sale of Services**

Revenue from sales of service is recognized over the period of time by measuring the progress towards satisfaction of performance obligation for the service rendered. The revenue is recognized based on the agreements / arrangements with the customers as the service is performed and based on the satisfaction of performance obligation. Advances from customers are recognized under "Other Current Liabilities" and released to revenue on satisfaction of performance obligation.

Interest

Revenue from interest income is recognized using the effective interest method. Effective interest rate (EIR) is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instruments or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortized cost of financial liabilities.

**e) Government Grants and Subsidies**

**Recognition and Measurements**

The Parent recognizes grant as income when there is reasonable assurance that the Parent will comply with all the necessary conditions attached to them and the grant will be received, in accordance with Ind AS - 20,

"Accounting for Government Grants and Disclosure of Government Assistance". The Parent is entitled to receive, certain non-refundable subsidies from the Government in respect of manufacturing units located in the State of Maharashtra, which are measured, when the right to receive the amounts from the Government is established.

Government grants are recognized in the consolidated statement of profit and loss on a systematic basis over the periods in which related costs, which the grants are intended to compensate, are recognized as expenses. Government grants related to property, plants and equipment are presented at fair value, and grants are recognized as deferred income.

**Presentation**

Income from the above grants and subsidies are presented under Revenue from Operations. Government grants related to property, plants and equipment are presented at fair value, and grants are recognized as deferred income.

f) Inventories

Raw material, work-in-progress, finished goods, packing material, stores and spares, components, consumables and trading stock are carried at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written-down below cost, if the finished goods in which they will be incorporated are expected to be sold at or above costs. The comparison of costs and net realizable value is made on an item-by-item basis. In determining the cost of raw materials, work-in-progress, finished goods, packing materials, stores and spares, components and trading stock, "Weighted Average" method is used. Cost of inventories comprises all costs of purchase, non-refundable duties and taxes, cost of conversion including an appropriate share of fixed and variable production overheads and all other costs incurred in bringing the inventory to its present location and conditions.

"Net Realizable Value" is the estimated selling price of inventories in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sales of the products.

The Parent considers factors like estimated shelf life, product discontinuances and aging of inventory in determining the provision for slow moving, obsolete and other non-saleable inventory and adjusts the inventory provision to reflect the recoverable value of the inventory.

g) Financial Instruments

A financial instrument is in any contract that gives rise to the financial assets of one entity and financial liabilities or equity instruments of another entity.

**Financial Assets**

**Initial Recognition and Measurements**

The Group recognizes a financial asset in its consolidated balance sheet as and when it becomes party to the contractual provisions of the instruments. All the financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Where the fair value of a financial assets at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the consolidated statement of profit and loss at initial recognition, if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the consolidated statement of profit and loss only to the extent that such gain or loss arises due to a change in factor that market participants taken into account, when pricing the financial assets.

**Subsequent Measurements**

For subsequent measurements, the Group classifies a financial asset in accordance with the below criteria:

- The Group's business model for managing the financial assets and
- The contractual cash flows characteristics of the financial assets.

Based on the above criteria, the Group classifies, its financial assets into the following categories:

- Financial assets measured at amortized costs
- Financial assets measured at fair value through other comprehensive income (FVTOCI)
- Financial assets measured at fair value through profit or loss (FVTPL)

Financial Assets measured at Amortized Costs

A financial asset is measured at the amortized costs if both the following conditions are met:
a) The Group's business model objective for managing the financial assets is to hold financial assets in order to collect contractual cash flows, and

b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Group. Such financial assets are

subsequently measured at amortized cost using the effective interest method. Under the effective interest method, the future cash receipts are discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amounts and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial assets over the relevant period of the financial assets to arrive at the amortized costs at each reporting date. The corresponding effect of the amortization, under effective interest method is recognized as interest income over the relevant period of the financial assets. The same is included under "Other Income" in the consolidated statement of profit and loss. The amortized costs of financial assets are also adjusted for loss allowance, if any.

**Financial Assets measured at FVTOCI**

A financial asset is measured at FVTOCI, if both of the following conditions are met:

a) The Group's business model objective for managing the financial assets is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Other Comprehensive Income (OCI). However, the Group recognizes interest income and impairment losses and its reversals in the consolidated statement of profit and loss.
On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI, is reclassified from equity to consolidated statement of profit and loss.

Further, the Group, through an irrevocable election at initial recognition, has measured certain investments in equity instruments at FVTOCI. The Group has made such selection on an instrument-by-instrument basis. These equity instruments are neither held for trading nor are contingent consideration recognized, under a business combination. Pursuant to such irrevocable election, subsequent changes in the fair value of such equity instruments are recognized in other comprehensive income. However, the Company recognizes dividend income from such instruments in the consolidated statement of profit and loss, when the right to receive such payment is established, it is probable that the economic benefits will flow to the Group and the amount can be measured reliably. On de-recognition of such financial assets, cumulative gain or loss previously recognized in OCI is not reclassified from equity to consolidated statement of profit and loss. However, the Group may transfer such cumulative gain or loss into retained earnings within equity.

**Financial Assets measured at FVTPL**

A financial asset is measured at FVTPL unless it is measured at amortized costs or at FVTOCI as explained above. This is a residual category applied to all other investments of the Group excluding investments in subsidiary and associate companies. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the consolidated statement of profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial assets or part of a group of similar financial assets) is de-recognized (i.e. removed from the Group's consolidated balance sheet) when any of the following occurs:

- The contractual rights to cash flows from the financial assets expire.
- The Group transfers its contractual rights to receive cash flows of the financial assets and has substantially transferred all the risks and rewards of ownership of the financial asset.

- The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a "pass-through" arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial assets).
- The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial assets.

In cases, where the Group has neither transferred nor retained substantially all the risks and rewards of the financial assets, but retains control of the financial assets, the Group continues to recognize such financial assets to the extent of its continuing involvement in the financial assets. In that case, the Group also recognizes an associated liability. The financial assets and the associated liabilities are measured on a basis that reflects the rights and obligations that the Company has retained.

On de-recognition of financial assets, (except as mentioned in above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received is recognized in the consolidated statement of profit and loss.

Impairment of Financial Assets

The Group applies expected credit losses (ECL) model for measurements and recognition of loss allowance on the following:

- Trade receivables
- Financial assets measured at amortized costs (other than trade receivables)
- Financial assets measured at fair value through other comprehensive income (FVTOCI)

In the case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance. In the case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of

the financial assets since the initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to twelve months ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial assets improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on twelve months ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expected to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of financial assets. Twelve months ECL is a portion of the lifetime ECL which results from default events that are possible within twelve months from the reporting date.

ECL are measured in a manner that they reflect unbiased, and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the reporting period are recognized as income / expense in the consolidated statement of profit and loss under the head "Other Expenses".

**Financial Liabilities**

**Initial Recognition and Measurements**

The Group recognizes financial liabilities in its balance sheet when it becomes party to the contractual provisions of the instruments. All financial liabilities are recognized initially at fair value, in the case of financial liabilities not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial liabilities. Where the fair value of a financial liabilities at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognized as a gain or loss in the consolidated statement of profit and loss at initial recognition, if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input). In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognized as a gain or loss in the consolidated statement of profit and loss, only to the extent that such gain or loss arises, due to a change in factor that market participants taken into account when pricing the financial liabilities.

**Subsequent Measurements**

All the financial liabilities of the Group are subsequently measured at amortized costs using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortization using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liabilities over the relevant period of the financial liabilities to arrive at the amortized costs at each reporting date.

The corresponding effect of the amortization, under effective interest method are recognized as interest expense over the relevant period of the financial liabilities. The same is included under finance costs in the consolidated statement of profit and loss.

**Derecognition**

A financial liability is de-recognized when the obligation under the liabilities is discharged or cancelled or expires. When existing financial liabilities are replaced by another from the same lender on substantially different terms, or the terms of an existing liabilities are substantially modified, such an exchange or modification are treated as the de-recognition of the original liabilities and the recognition of a liabilities. The difference between the carrying amount of the financial liabilities de-recognized and the consideration paid is recognized in the consolidated statement of profit and loss.

**Offsetting of Financial Assets and Financial Liabilities**

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 recognized amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

h) Derivative Financial Instruments and Hedge Accounting

The Group enters into derivative financial contracts in the nature of forward currency contracts with external parties to hedge its foreign currency risks relating to foreign currency denominated financial liabilities measured at amortized cost. The Group formally establishes a hedge relationship between such forward currency contracts ("Hedging Instruments") and recognized financial liabilities ("Hedged Items") through a formal documentation at the inception of the hedge relationship in line with the Group's Risk Management objective and strategy. The hedge relationship so designated is accounted for in accordance with the accounting principles prescribed for a fair value hedge under Ind AS - 109, "Financial Instruments".

**Recognition and Measurement of Fair Value Hedge**

Hedging instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value at each reporting date. Gain or loss arising from such changes in the fair value of hedging instruments is recognized in the consolidated statement of profit and loss. Hedging instruments is recognized as financial assets in the consolidated balance sheet, if it's fair value as at reporting date is positive as compared to carrying value and as financial liabilities, if it's fair value as at reporting date is negative as compared to carrying value.

Hedged items (recognized financial liabilities) are initially recognized at fair value on the date of entering into the contractual obligation and are subsequently measured at amortized costs. The hedging gain or loss on the hedged items is adjusted to the carrying value of the hedged item as per the effective interest method and the corresponding effects are recognized in the consolidated statement of profit and loss.

**Derecognition**

On de-recognition of the hedged items, the unamortized fair value of the hedging instrument adjusted to the hedged items, is recognized in the consolidated statement of profit and loss.

i) Fair Value

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. 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 assets or transfer the liabilities takes place either:

* In the principal market for the assets or liabilities, or

* In the absence of a principal market, in the most advantageous market for the assets or liabilities.

All the assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within fair value hierarchy that categorizes into three levels, described are as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly.
Level 3 - Inputs that are unobservable for the assets or liabilities.

For assets and liabilities that are recognized in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**j) Foreign Currency Transactions**

- **Initial Recognition**

Transactions in the foreign currencies entered into by the Group are accounted in the functional currency (i.e. Indian Rupee `), by applying the exchange rates prevailing on the date of the transaction i.e. spot exchange rate. Any exchange difference arising on foreign exchange transactions settled during the reporting period are recognized in the consolidated statement of profit and loss except to the extent that they are regarded as an adjustment to the finance costs on foreign currency borrowings that are directly attributable to the acquisition or constructions of the qualifying assets, are capitalized to the qualifying assets.

- **Measurement of Foreign Currency Items at Reporting Date**

Foreign currency monetary items of the Group are restated as at the end of the reporting date by using the closing exchange rate as prescribed by the Reserve Bank of India. Non-monetary items are recorded at the exchange rate prevailing on the date of the transactions i.e. measured at historical costs. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is measured i.e. using the exchange rate at the date of transactions. Exchange differences arising out of foreign exchange translations and settlements during the period are recognized in the consolidated statement of profit and loss.

k) Taxes on Income

Tax expense comprises current tax and deferred income tax. Tax expenses are the aggregate amount included in the determination of profit or loss for the reporting period current tax and deferred income tax. Tax expenses are recognized in the consolidated statement of profit and loss, except to the extent that it relates to the items recognized in the other comprehensive income or in the equity. In that case, tax is also recognized in other comprehensive income or equity.

Current income tax is the amount of income tax payable in respect of taxable profit for the reporting period. Taxable profit differs from "Profit Before Tax" as reported under consolidated statement of profit and loss because of item of expenses or income that are taxable or deductible in other years and items that are never taxable or deductible under Income Tax Act, 1961.

Current tax assets and liabilities are measured by using the tax rates that have been enacted by the end of the reporting period for the amounts expected to be recovered from or paid to the income tax authorities. Current tax also includes any adjustment amount to tax payable / receivable in respect of previous reporting period.

- Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961 and their carrying amounts. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

- Deferred tax assets and liabilities are generally recognized for all deductible and taxable temporary differences. However, in the case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profits nor the accounting profits or does not give rise to equal taxable and deductible temporary difference, deferred tax assets and liabilities are not recognized. Also, for temporary differences, if any, that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences, and any unused tax losses and unused tax credits, to the extent, it is probable that taxable profits will be available against which that deductible temporary difference can be utilized. In the case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profits nor the accounting profits, deferred tax assets are not recognized.

The carrying amount of deferred tax assets / liabilities are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all such deferred tax assets to be utilized. Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the consolidated balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**Uncertain Tax Positions**

The Parent's management periodically evaluates the positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and consider whether it is probable that a taxation authority will accept uncertain tax treatments. The Parent reflects the effect of uncertainty for each uncertain tax treatment by using one of two methods, the expected value method (the sum of the possibility-weighted amounts in range of possible outcomes) or the most likely amount (single most likely amount method in a range of possible outcomes), depending on which is expected to better predict the resolution of the uncertainty. The Parent applies consistent judgments and estimates, if an uncertain tax treatment affects both the current and deferred income tax.

**Presentation**

Current tax and deferred tax are recognized as income or an expense in the consolidated statement of profit and loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current tax and deferred tax income / expense are recognized in other comprehensive income. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset, if the Group has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Group.

l) Lease

A lease is classified at the inception date, as finance lease or an operating lease. A lease that transfers substantially all the risk and rewards incidental to the ownership of the Group is classified as a finance lease. All other leases are classified as operating leases.

**The Parent as a Lessee**

- **Operating Lease:** Rental payable under the operating lease is charged to the consolidated statement of profit and loss on a "Straight - line" basis over the term of the relevant lease except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

- **Finance Lease:** Finance leases are capitalized at the commencement of the lease, at the lower of the fair value of the property or the present value of the minimum lease payments. The corresponding liabilities for the lessor are included in the Consolidated Balance Sheet as a finance lease obligation. Lease payments are appropriated between finance expenses and the reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liabilities. Finance expenses are charged directly against the income over the period of the lease unless they are directly attributable to the qualifying assets, in which case they are capitalized. Contingent rental is recognized as an expense in the period in which they are incurred.

A leased assets are depreciated over the useful lives of the assets, however, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the assets are depreciated over the shorter of the estimated useful lives of the assets and the lease terms.

**The Parent as a Lessor:**

Lease payments under operating leases are recognized as an income on a straight-line basis in the consolidated statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation. The respective leased assets are included in the consolidated balance sheet based on their nature.

m) Treatment of Lease Accounting

**Assets taken on lease**

The Parent mainly has lease arrangements for land and building for offices, Guesthouse, training Ground and Training Classroom.

The Parent assesses whether a contract is or contains a lease, at inception of a contract in accordance with Ind AS 116. The assessment involves the exercise of judgement about whether (i) the contract involves the use of an identified asset, (ii) the Parent has substantially all the economic benefits from the use of the asset through the period of the lease, and (iii) the Parent has the right to direct the use of the asset.

The Parent recognizes a right-of-use asset ("ROU") and a corresponding lease liability at the lease commencement date. The ROU asset is initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The ROU asset is depreciated using the straight-line method from the commencement date to the earlier of, the end of the useful life of the ROU asset or the end of the lease term or useful life of the underlying asset if the Parent expects to exercise a purchase option in the lease. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the right-of use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, generally discounted using an incremental borrowing rate specific to the Company, term and currency of the contract.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payment which the Parent is reasonably certain to exercise.

Variable lease payments that do not depend on an index or rate are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other Expenses" in the consolidated statement of profit or loss. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessment of options.

**Short - Term leases and leases of Low - Value Assets**

The Parent has elected not to recognize ROU assets and lease liabilities for short-term leases as well as low value assets and recognize the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

n) Borrowing Costs

Borrowing cost include the interest, commitments charges on bank borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost. Borrowing costs, if any, that are directly attributable to the acquisition or constructions or production of qualifying property, plant and equipment are capitalized as a part of cost of that property, plant and equipment until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for the intended use or sale.

When the Group borrows the funds specially for the purpose of obtaining the qualifying assets, the borrowing costs incurred are capitalized with the qualifying assets. When the Group borrows fund generally and uses them for obtaining a qualifying asset, the capitalization of borrowing costs is computed on weighted average cost of general costs that are outstanding during the reporting period and used for acquisition of the qualifying assets. Capitalization of the borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for intended use are complete.

Other borrowing costs are recognized as expenses in the period in which they are incurred. Any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

o) Employee Benefits

**Short - Term Employee Benefits**

All the employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits and they are recognized in the period in which the employee renders the related services. The Parent recognizes the undiscounted amount of short-term employee benefits expected to be paid in exchange for services are rendered as a liability (accrued expense) after deducting any amount already paid.

**Post - Employment Benefits**

- **Defined Contribution Plans**

Defined contribution plans are employee state insurance scheme and Government administrated pension fund scheme for all the applicable employees and superannuation scheme for all the eligible employees, who met eligible criteria. The Parent's contribution to defined contribution plans is recognized in the consolidated statement of profit and loss in the reporting period to which they relate.

- **Recognition and Measurement of Defined Contribution Plans**

The Parent recognizes contribution payable to a defined contribution plan as an expense in the consolidated statement of profit and loss, when the employees render services to the Parent during the reporting period. If the contributions payable for services received from employees before the reporting date exceed the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

- **Defined Benefits Plans**

**i) Gratuity**

The Group operates a defined benefits plan for its employees. The Group pays the gratuity to employee whoever has completed its five years of service with the Group at the time of retirement or resignation or superannuation. The gratuity is paid @ 15 Days salary for every completed year of service as per the Payment of Gratuity Act, 1972. The liabilities in respect of gratuity are calculated using "Project Unit Credit Method" and spread over the period during which the benefits are expected to be derived from employee services. The remeasurements of defined benefits plan in respect of post-employments are charged to the other comprehensive income (OCI).

- **Provident Fund Scheme**

Provident fund is defined contribution plan covering certain eligible employees. The Group and the eligible employees make a monthly contribution to the provident fund maintained by the regional provident fund commissioners equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the consolidated statement of profit and loss for the period when the contributions are due. The Group has no obligation, other than the contributions payable to the provident fund.

**Recognition and Measurement of Defined Contribution Plans**

The cost of providing defined benefits is determined using the "Projected Unit Cash Credit" method with actuarial valuations being carried out at each consolidated balance sheet date. The defined benefit obligations recognized in the consolidated balance sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if any. Any defined benefit assets (negative benefit defined obligations resulting from these calculations) are recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on defined benefit liabilities / (assets) are recognized in the consolidated statement of profit and loss. Remeasurement of the net defined benefits liabilities/ (assets) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liabilities /assets), are recognized in other comprehensive income. Such remeasurements are not reclassified to the consolidated statement of profit and loss in the subsequent periods. Past service cost is recognized immediately to the extent that the benefits are already vested, else is amortized on a straight-line basis over the average period until the amended benefits become vested. Actuarial gain or losses in respect of the defined benefits plan are recognized in the consolidated statement of profit and loss in the year in which they arise. The Group presents the above liabilities as current and non-current in the consolidated balance sheet as per the actuarial valuation by the independent actuary.

p) Earnings per Share

The Group reports the basic and diluted Earnings per Share (EPS) in accordance with Ind AS - 33, "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to the equity shareholders of the Parent for the period by the weighted average number of Equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit or loss attributable to the equity shareholders for the period by the weighted average number of Equity shares outstanding during the period as adjusted for the effects of all potential equity shares, except where the results are anti-dilutive.

The weighted average number of Equity shares outstanding during the period is adjusted for events such a bonus Issue, bonus elements in right issue, share splits, and reverse share split (consolidation of shares) that have changed the number of Equity shares outstanding, without a corresponding change in resources.

q) Provisions and Contingencies

The Group recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists, and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liabilities. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A disclosure for contingent liabilities is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

A provision is recognized if, as a result of a past event, the Group has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as Contingent Liabilities.

Contingent assets are a possible asset arising from past events, the existence of which will be confirmed, only by the occurrence and non-occurrence of one or more uncertain future events not wholly within the controls of the Group. Contingent assets are not recognized till realization of the income is virtually certain and are not recognized in the consolidated financial statements. The nature of such assets and an estimate of its financial effects are disclosed in the notes to the consolidated financial statements.

r) Exceptional Items

Exceptional items are disclosed separately in the consolidated financial

statements, where it is necessary to do so to provide further understanding of the financial performance of the Group. These are the material items of income or expenses that have shown separately due to their nature and incidence. An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Group is treated as an exceptional item in the consolidated statement of profit and loss.

s) Event after Reporting Date

Adjusting events are those events that provides further evidence of conditions that existed at the end of the reporting period. The consolidated financial statements are adjusted for such events before authorization for issue. Non-adjusting events are those events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the end of the reporting period are not accounted, but disclosed if material.

All the events occurring after the balance sheet date up to the date of the approval of the consolidated financial statement of the Group by the board of directors on May 29, 2026, have been considered, disclosed and adjusted, wherever applicable, as per the requirement of Indian Accounting Standards.

**t) Cash Flow Statements**

Cash flows statements are reported using the method set out in the Ind AS - 7, "Cash Flow Statements" and is prepared by using indirect method adjusting the net profit / (losses) before tax excluding exceptional items for the effect of:

i) Changes during the period in inventories and other operating receivables and payables;

ii) Non-cash items such as depreciation, provisions, unrealized foreign currency gain / (losses); and

iii) all other items for which the cash effects are investing and financing cash flows.

The cash flows from operating, investing and financing activities of the Group are segregated. The cash and cash equivalents (including balances with banks), shown in the consolidated statement of cash flows exclude items, which are not available for general use as at the date of consolidated balance sheet.

**u) Cash and Cash Equivalents**

Cash and cash equivalents include cash and cheques-in-hand, balances with banks, and demand deposits with banks where the original maturity is three months or less and other short-term highly liquid investments net of bank of overdrafts, which are repayable on demand as these from an integral part of the Group's cash management.

**v) Commitments**

Commitments are the future liabilities for contractual expenditure, classified and disclosed as follows:

i) estimated amounts of contracts remaining to be executed on capital account and not provided for;

ii) other non-cancellable commitment, if any, to the extent they are considered material and relevant in the opinion of the Company's management.

Other commitments related to sales / procurements made in the normal course of business are not disclosed to avoid the excessive details.

## 1.6 RECENT ACCOUNTING PRONOUNCEMENT

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time. For the financial year ended March 31, 2026, MCA has notified the following amendments on August 2025;

**a) Ind AS - 1 - Presentation of Financial Statements, applicable w.e.f. April 1, 2025**

The amendments relate to the classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current or non-current, the amendments clarify that the right to defer settlement of the liability for at least twelve months after the reporting date must exist at the reporting date and should have substantive rights. The amendments also introduce additional guidance for the classification of liabilities subject to covenants. The Group has evaluated the impact of these amendments and concluded that they do not have any impact on its classification of current and non-current liabilities.

**b) Ind AS - 7 – Statement of Cash Flows and Ind AS - 107 Financial Instruments - Disclosures, applicable w.e.f. April 1, 2025**

The amendments to Ind AS 7 require entities to provide disclosures regarding supplier finance arrangements, including the nature of such arrangements, the carrying amount of related liabilities, and the range of payment due dates. Consequential amendments to Ind AS 107 introduce supplier finance arrangements as a factor that may give rise to concentration of liquidity risk. The Group has evaluated the applicability of these amendments and concluded that they do not have any material impact on its consolidated financial statements.

**c) Ind AS - 12 – International Tax Reform – Pillar Two Model Rules apply immediately**

The amendments provide a temporary mandatory relief from accounting for deferred taxes arising from the implementation of the Pillar Two Rules and require entities to disclose the application of such relief. The said relief is applicable immediately and retrospectively. Based on the Group's evaluation, the application of the Pillar Two Rules does not have any material financial impact on its consolidated financial statements.

**1.7 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the Parent's consolidated financial statements is in conformity with the Ind AS, which requires the Parent's managements to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of the assets, liabilities, incomes, and expenses (including the contingent liabilities) and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities effected in future periods. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revision to accounting estimates is recognized in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key resources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities within the next financial year, are described as follow:

- **Income Tax:** The Parent's tax jurisdiction is in India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the income tax provisions, including the amount expected to be paid / recovered for uncertain tax provisions (Refer "Note No. 11").

- **Property, Plants and Equipment:** Property, plants and equipment represent a significant proportion of assets base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and expected residual value at the end of its life. The useful lives and residual values of assets are determined by the Group's management at the time the assets are acquired and reviewed periodically, including at each financial year end. The useful lives of each of these assets are based on the life prescribed in Schedule - II to the Companies Act, 2013, or based on the technical estimates, taken into the account the nature of the assets, estimated usage, expected residual values and operating conditions of the assets. The useful lives are based on historical experience with the similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the assets.

- **Defined Benefits Obligations:** The costs of providing gratuity and other post-employment benefits are charged to the Consolidated Statement of Profit and Loss in accordance with Ind AS - 19, "Employee Benefits" over the period during which benefit is derived from the employees' services. It is determined by using the actuarial valuation and assessed on the basis of assumptions selected by the Parent's management. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in "Note No. 42", "Employee Benefits". Due to complexities involved in the valuation and its long-term in nature, a defined benefit obligation is highly sensitive to change in these assumptions. All assumptions are reviewed at each balance sheet date by the Parent's Management.

- **Fair Value measurements of Financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the Consolidated Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cashflow model, which involves various judgments and assumptions. The input to these models is taken from observable markets wherever possible, where this is not feasible, a degree of judgment is required in establishing fair value. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instruments.

- **Recoverability of Trade Receivables:** Judgment is required in assessing the recoverability of overdue trade receivables and determining whether a provision is against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payments.

- **Provisions and Contingent Liabilities:** The Parent's management estimates the provision that have present obligation as a result of past events, and it is probable that outflow of resources will be required to settle the obligation. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Parent uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the controls of the Parent or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

**Impairment of Financial and Non-Financial Assets:** The impairment provision of financial assets is based on the assumptions about the risk of default and expected cash loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history, existing market conditions as well as forward looking estimates at the end of the reporting period.

In case of non-financial assets, the Group estimates asset's recoverable amount, this is higher of an assets or cash generating units (CGU) fair value less the cost of disposal and the value-in-use. In assessing the value-in-use, the estimated future cash flows are discounted using the pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets. In determining the fair value less cost of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is being used.

- **Recognition of Deferred Tax Assets and Liabilities:** Deferred tax assets and liabilities are recognized for deductible temporary differences and unused tax losses or unused tax credit for which there is probability of utilization against the future taxable profits. The Group uses judgments to determine the amount of deferred tax that can be recognized, based upon the likely timing and the level of future taxable profits and business developments.

DRONEACHARYA®
AERIAL INNOVATIONS LIMITED
CIN: L29308PN2017PLC224312

## NOTICE OF THE 9TH ANNUAL GENERAL MEETING OF THE COMPANY

**NOTICE** is hereby given that the **9th Annual General Meeting ("AGM")** of the members of **DroneAcharya Aerial Innovations Limited** ("the Company") is scheduled to be held on 30th of September 2026 at 12.00 P.M. through video conferencing ("VC") /Other Audio-Visual Means ("OAVM") facility to transact the following business:

**Ordinary Business**

**1.** To receive, consider and adopt:

a) The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026 and the report of the Board of Directors and Auditors thereon; and

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026, together with the Reports of the Board of Directors and the Statutory Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

b) The Audited Consolidated Financial Statements for the Financial Year ended March 31, 2026 and the report of Auditors thereon;

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

**"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, together with the Reports of the Board of Directors and the Statutory Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

**2.** To appoint a director in place of Mr. Prateek Srivastava, Director (DIN: 07709137) who retires by rotation and being eligible, offers himself for re-appointment.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and the Articles of Association of the Company, Mr. Prateek Srivastava

(DIN: 07709137), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

**3.** To consider and approve the appointment of Statutory Auditors for a term of five consecutive years.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee and the Board of Directors, M/s. **Haziyani & Associates, Chartered Accountants (Firm Registration No. 030087C),** who have confirmed their eligibility for appointment and that they satisfy the criteria provided under Section 141 of the Act, be and are hereby appointed as the Statutory Auditors of the Company to hold office for a term of five consecutive years, commencing from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be held in the year 2031, at such remuneration, plus applicable taxes and reimbursement of out-of-pocket expenses, as may be determined by the Board of Directors of the Company in consultation with the Statutory Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient to give effect to this resolution."

**4.** To consider and approve the appointment of Secretarial Auditor for a term of five consecutive years.

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable, and other applicable laws, **M/s. Akshay R. Birla and Associates**, Practicing Company Secretaries (Certificate of Practice No. 25084), be and are hereby appointed as the Secretarial Auditor of the Company to conduct the Secretarial Audit for the Financial Year 2026-27, and be and are hereby recommended for appointment as the secretarial auditor of the

Company to hold office for a term of **five financial years**, from the conclusion of the ensuing Annual General Meeting until the conclusion of the **[Fourteenth]** Annual General Meeting of the Company at such remuneration and on such terms and conditions as may be mutually agreed upon between the Company and the Secretarial Auditor.

**RESOLVED FURTHER THAT** the Board hereby authorizes Mr. Prateek Srivastava, Managing Director, and Mrs. Nikita Srivastava, Director and CFO severally, to communicate the appointment to the Secretarial Auditor, finalize and execute the engagement letter, determine the remuneration, and do all such acts, deeds, matters and things as may be necessary or expedient to give effect to this resolution.

**RESOLVED FURTHER THAT** the Secretarial Audit Report received from the Secretarial Auditor shall be placed before the Board upon completion of the audit and shall form part of the Board's Report for the Financial Year 2026-27, in accordance with the applicable provisions of the Companies Act, 2013."

**By Order of the Board**
**For DroneAcharya Aerial Innovations Limited**

Sd/-
**Prateek Srivastava**
**Managing Director**
**DIN: 07709137**

**Date:** 04th September 2026
**Place:** Pune

**Registered Office:**
4th Floor, Vishal Complex,
DSK Ranwara, Ram Nagar, NDA Pashan Road,
Bavdhan, Pune- 411021
**CIN:** L29308PN2017PLC224312
**Website:** www.droneacharya.com
**E-mail ID:** cs@droneacharya.com

**Notes:**

1. The Ministry of Corporate Affairs, Government of India, through circulars numbered 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 02/2022, 10/2022, and 09/2023 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 5, 2022, December 28, 2022, September 25, 2023, 09/2024 (19" September, 2024) and the latest being 03/2025 (September 22, 2025) respectively ("MCA Circulars"), has permitted companies to conduct Extraordinary General Meetings ("EGMs") via video conferencing or any other audio visual means (OAVM) pursuant to compliance with provisions outlined in paragraphs 3 and 4 of MCA General Circular no. 20/2020. Concurrently, the Securities and Exchange Board of India ("SEBI") has, through its circulars numbered SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 13, 2022, and SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 ("SEBI Circulars") and the latest being SEBI/HO/CFD/CFDPoD-2P/CIR/ 2024/133 (03" October, 2024) provided relaxations from certain provisions of the Companies Act and SEBI Listing Regulations. The AGM of the company is therefore being conducted via Video Conference (VC) and other audio-visual means (OAVM), eliminating the need for physical presence of members at a common venue, with the registered office of the Company.

2. In terms of MCA Circulars and other relevant circulars issued by SEBI, the Annual report for the financial year ended March 31, 2026 along with the Notice of 9th AGM are being sent to the members through electronic mode to those whose email addresses are registered with the Company/ Registrar and Share transfer agent/ Depository participants. The same shall also be available on the website of the Company at www.droneacharya.com , website of Bombay Stock Exchange at www.bseindia.com and on the website of Bigshare Services Private Limited at www.bigshareonline.com. Since the AGM is being conducted through VC/OAVM facility, the route map is not annexed hereto the notice.

3. In compliance with Regulation 44 of Listing Regulations, the MCA Circulars, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Secretarial Standard-2 issued by ICSI, the manner of voting on the proposed resolution is restricted only to e-voting i.e. by casting votes electronically. The Company has engaged Bigshare Services Private Limited (hereinafter referred to as "Bigshare") for facilitating remote e-voting to enable the Members to cast their votes electronically on the resolutions proposed in the Notice of 9th AGM.

4. Members entitled to vote on the resolutions are entitled to appoint proxy as per the Companies Act, 2013. However, since we are conducting the 9th AGM through VC/OAVM mode as per the MCA Circulars, the facility for the appointment of proxies will not be available.

5. Members desiring to join the 9th AGM may do so through the VC/OAVM facility, following the procedure outlined below. The facility for joining the meeting will open 30 minutes before the scheduled time of the meeting, i.e.,12.00 P.M. (IST), and will remain open until 30 minutes after the scheduled time. After this period, the facility will be closed.

6. Members attending the meeting through VC/OAVM facility shall be counted for the purpose of reckoning the quorum for the 9th AGM.

7. **Instructions For Remote E-Voting:**

i. The voting period begins on **Sunday, September 27th, 2026 at 12:00 P.M.** and ends on **Tuesday, September 29th, 2026 at** 5.00 **P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off** date, i.e. Wednesday, September 23rd 2026 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date will not be entitled to vote at the meeting venue.

iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

iv. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding

securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

| **Type of shareholders** | **Login Method** |
|---|---|
| Individual Shareholders holding securities in Demat mode with **CDSL** | 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is https://web.cdslindia.com/myeasitoken/home/login or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.<br>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. 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.<br>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration<br>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful |

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|---|---|
| | 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.<br>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<br>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 |

| | |
|---|---|
| | 4) For OTP based login you can<br>5) click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-vote (E-voting 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 toll free No. 1800 22 55 33. |

| | |
|---|---|
| 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.com or call at 022-48867000. |

**2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com
- Click on **"LOGIN"** button under the **'INVESTOR LOGIN'** section to Login on E-Voting Platform.
- Please enter you **'USER ID'** (User id description is given below) and **'PASSWORD'** which is shared separately on you register email id.
  - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
  - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
  - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

***Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).*

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

**NOTE**: If Shareholders are holding shares in demat form and have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on **'LOGIN'** under **'INVESTOR LOGIN'** tab and then Click on **'Forgot your password?**
- Enter **"User ID"** and **"Registered email ID"** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **'Reset'**.

*(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).*

**Voting method for shareholders on i-Vote E-voting portal:**

- After successful login, **Bigshare E-voting system** page will appear.
- Click on **"VIEW EVENT DETAILS (CURRENT)"** under **'EVENTS'** option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on **"VOTE NOW"** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option **"IN FAVOUR"**, **"NOT IN FAVOUR"** or **"ABSTAIN"** and click on **"SUBMIT VOTE"**. A confirmation box will be displayed. Click **"OK"** to confirm, else **"CANCEL"** to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can **"CHANGE PASSWORD"** or **"VIEW/UPDATE PROFILE"** under **"PROFILE"** option on investor portal.

**3. Custodian registration process for i-Vote E-Voting Website:**

- You are requested to launch the URL on internet browser: https://ivote.bigshareonline.com
- Click on **"REGISTER"** under **"CUSTODIAN LOGIN"**, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with **"User id and password will be sent via email on your registered email id"**.

**NOTE**: If Custodian have registered on to e-Voting system of https://ivote.bigshareonline.com and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on **'LOGIN'** under **'CUSTODIAN LOGIN'** tab and further Click on **'Forgot your password?**
- Enter **"User ID"** and **"Registered email ID"** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **'RESET.**

*(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).*

**Voting method for Custodian on i-Vote E-voting portal:**

- After successful login, **Bigshare E-voting system** page will appear.

**Investor Mapping:**

- First you need to map the investor with your user ID under "**DOCUMENTS**" option on custodian portal.
  - Click on "**DOCUMENT TYPE**" dropdown option and select document type power of attorney (POA).
  - Click on upload document "**CHOOSE FILE**" and upload power of attorney (POA) or board resolution for respective investor and click on "**UPLOAD**".

**Note**: The power of attorney (POA) or board resolution has to be named as the "**InvestorID.pdf**" (Mention Demat account number as Investor ID.)

  - Your investor is now mapped and you can check the file status on display.

**Investor vote File Upload:**

- To cast your vote select "**VOTE FILE UPLOAD**" option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on "**UPLOAD**". Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can "**CHANGE PASSWORD**" or "**VIEW/UPDATE PROFILE**" under "**PROFILE**" option on custodian portal.

**Helpdesk for queries regarding e-voting:**

| Login type | Helpdesk details |
|---|---|
| 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, 022-62638338 |

4. **Procedure for joining the AGM/EGM through VC/ OAVM:**

**For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- The Members may attend the AGM through VC/ OAVM at https://ivote.bigshareonline.com under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on **"VIEW EVENT DETAILS (CURRENT)"** under **'EVENTS'** option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on "VC/OAVM" link placed beside of **"VIDEO CONFERENCE LINK"** option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**The instructions for Members for e-voting on the day of the AGM/EGM are as under:-**

- The Members can join the 9th AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.

- Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.

- Members who have already exercised their right to vote through remote e-voting shall not be permitted to vote again on the resolutions during the 9th AGM. However, they may participate in the meeting through VC/OAVM facility.

**Helpdesk for queries regarding virtual meeting:**

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at https://ivote.bigshareonline.com, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338

8. All documents referred to in this notice and explanatory statement are available for inspection to members during the business hours. Those who desire to inspect the same can email us at cs@droneacharya.com .

9. The relevant details of director seeking reappointment under Item No. 2 as required under Regulations 36(3) of SEBI Listing Regulations read with applicable provisions of the Companies Act, 2013 and Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India, are given separately as an Annexure to this Notice.

10. The Register of Directors & Key Managerial Personnel and their shareholding as required to be maintained under section 170 of the Companies Act, 2013, Register of contracts and arrangements in which directors are interested as required to be maintained under section 189 of the Companies Act, 2013 shall be made available for inspection electronically to the members of the company during the AGM.

11. Corporate shareholders who wish to authorize their representatives to attend AGM are required to submit certified copy of Board resolution to the company in this behalf. This resolution should authorize the representatives to attend and vote at the meeting on their behalf. Further, pursuant to section 113 of the Companies Act, 2013 the scanned copy of the Board resolution in PDF/JPEG format, along with the attested copy of the specimen signature of the authorized representative(s) shall be sent to following:

A. Company Secretary: cs@droneacharya.com
B. Scrutinizer: mnjainoffice@gmail.com
C. A copy marked to E-voting agency: ivote@bigshareonline.com

The scanned copy of the above document shall be sent in the name of "Corporate Name and Event No."

12. **Other guidelines for Members**

a. The voting rights of a person shall be in proportion to their shareholding in the company (paid up equity share capital) as on the cut-off date, i.e. Wednesday, September 23rd 2026

b. A person, whose name appears in the register of members or in the register of beneficial owners maintained by depositories as on the cut-off dates only shall be entitled to avail the facility of casting vote either through remote e-voting or e-voting during the 9th AGM.

c. The Chairman shall, after response to the queries raised by members in advance, formally ask the members attending the meeting through VC/OAVM to vote on the proposed resolutions and announce the start of the casting of vote through e-voting system.

d. Mr. Arpit Agrawal, Practicing Chartered Accountant and partner at M/s MANISH N JAIN & CO., Nagpur have been appointed as the scrutinizer to scrutinize the remote e-voting process and e-voting process during the 9th AGM in a fair and transparent manner.

e. After the completion of scrutiny of e-voting (the votes cast during the AGM and through e-voting) the scrutinizer shall submit his report to the Chairman or any other person so authorized by the Chairman, not later than two working days from the conclusion of the 9th AGM. The results so declared by the scrutinizer shall be uploaded on the website of the Company at www.droneacharya.com , BSE and Bigshare Services Private Limited.

**By order of Board of Directors**
**For DroneAcharya Aerial Innovations Limited**

Sd/-
**Prateek Srivastava**
**Managing Director**
**DIN: 07709137**

Date: 04th September 2026
Place: Pune

**Additional information on directors for appointment/reappointment as required under section 102 of the Act, 2013, Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and applicable Secretarial Standards:**

<table>
<tr><td>Name of the Director</td><td colspan="3">Mr. Prateek Srivastava (DIN: 07709137)</td></tr>
<tr><td>Brief Profile</td><td colspan="3">Mr. Prateek Srivastava, Chairman and Managing Director founded DroneAcharya Aerial Innovations Ltd in the year 2017 with a vision to lead innovation in the Drone/UAV industry. Over the past few years, under his leadership, the company has flourished, distinguishing itself through innovative design, advanced engineering and fostered strategic partnerships and collaborations that have expanded the company's global footprint. Beyond technological innovations, Mr. Prateek envisions drones as a catalyst for positive change.<br><br>Known for his unwavering dedication and entrepreneurial spirit, Mr. Prateek believes in pushing boundaries and challenging conventional thinking. He inspires his team to embrace creativity, driving continuous innovation in the drone technology.<br><br>Given Mr. Prateek's extensive entrepreneurial experience and exemplary leadership, the Board strongly believes that his continued stewardship will significantly benefit the Company. Therefore, we kindly request the members to consider his re-appointment within the organization.</td></tr>
<tr><td>Age</td><td colspan="3">42 years</td></tr>
<tr><td>Nature of Expertise in specific functional area</td><td colspan="3">Rich experience in Business Operations, Strategy & Planning, Technology, Leadership, and Risk Management.</td></tr>
<tr><td>Disclosure of relationship between inter se KMP and other Directors</td><td>Name</td><td>Designation</td><td>Nature of relationship</td></tr>
<tr><td></td><td>Mrs. Nikita Srivastava</td><td>Director & CFO</td><td>Spouse</td></tr>
</table>

<table>
<tr><td>Listed Entities (Other than DroneAcharya Aerial Innovations Ltd) in which Mrs. Nikita Srivastava holds directorship and committee membership:</td><td>NIL</td></tr>
<tr><td>Listed entities from which Mrs. Nikita Srivastava has resigned in the past 3 years.</td><td>NIL</td></tr>
<tr><td>Shareholding in the Company as on 31.03.2026</td><td>
<table>
<tr><th>Name</th><th>Category</th><th>No. of Equity Shares held</th></tr>
<tr><td>Mr. Prateek Srivastava</td><td>Managing Director</td><td>56,23,200</td></tr>
<tr><td>Mrs. Nikita Srivastava</td><td>Director & CFO<br>Relative (Spouse)</td><td>11,43,600</td></tr>
</table>
</td></tr>
<tr><td>Key terms & conditions of appointment</td><td>Re-appointment in terms of Section 152(6) of the Companies Act, 2013</td></tr>
<tr><td>Date of first appointment to the Board</td><td>10.03.2017</td></tr>
<tr><td>No. of Board meetings attended during the financial year 2024-25.</td><td>The company has conducted a total of 8 Board meetings in the Financial Year 2025-26 and Mr. Prateek Srivastava attended all 8 Board meetings.</td></tr>
</table>







DRONEACHARYA®

AERIAL INNOVATIONS

# Thank You!

## REGISTERED OFFICE


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