



IPO INSIGHTS



Droneacharya Aerial Innovations Ltd

Issue Dates - Opens: 13-12-2022 | Closes: 15-12-2022

IPO Note	<ol style="list-style-type: none"> 1. Engaged in end-to-end Aerial and Geospatial solutions which includes drone surveys, surveillance, data processing, manufacturing, training and reselling 2. Drone Industry is in a Sunrise phase and it is expected to grow at CAGR 80% between 2020-2025 3. Unlevered company 4. Robust earnings and margins grew exponentially in Q1FY23 5. High P/E but Q1FY23 earnings suggest wide scope for earnings growth 6. Marquee Clientele and Collaborations with Reputed companies such as Tata Strive, Apollo Hospitals etc.
Rating	★ ★ ★ (Good)

IPO SNAPSHOT

Issue Size	₹ 33.97 Crores
Issue Type	Fresh
Fresh Issue	₹ 33.97 Crores
Offer for Sale	-
Face Value Per Share	₹ 10
Price Band Per Share	₹52- ₹54
Minimum Lot Size	2000 shares
Listing On	BSE SME

Registrar to the Issue

Bigshare Services Private Limited

IPO SNAPSHOT – Droneacharya Aerial Innovations Ltd.

About the Company

- Incorporated on March 10, 2017
- Engaged in providing end-to-end drone solutions starting with drone survey, data processing, training and manufacturing
- Their operations can be classified into following segments:
 1. **Training**
 - DGCA authorized Remote Pilot Training Organization to conduct drone training
 - Offers various courses and training in the domain which includes DGCA Certified Drone Pilot, Drone building, Aerial cinematography, Drone data processing etc.
 - Trained more than 150 individuals across different categories
 - Formed alliance with various organizations for the same namely Rashtriya Raksha University, Whistling Woods International and Tata Group
 2. **Services**
 - Offers end-to-end Aerial and Geospatial Drone solutions which includes multi-sensor drone surveys, data processing, high configuration data, and customized Mobile and Web applications for specific Geospatial requirements
 - Caters an array of industries like Agriculture, Defence, Mining, Energy, Infrastructure, Oil & Gas, Urban planning and Disaster Management
 - Completed 40+ such surveys covering for more than 10,000 sq. km. of area
 3. **Surveillance**
 - Company offers all type of Land and Underwater surveyings providing data driven solutions for Urban-Rural planning, Roads-Highways, Power Lines-Utilities, Underwater inspection and bathymetry
 4. **Other**
 - Additional offerings include Drone surveying for mapping, 3D modelling, drone logistics and manufacturing
 - Premium reseller of Blueye Robotics's underwater drone products and Reality Capture's flagship 3D photogrammetry software

Competitive Strengths

- Well equipped with advance technology
- Vision to offer end to end solutions with regards to DaaS – Drone as a Service
- Various MOUs, partnerships and collaborations with several esteemed organizations and institutions across the segments
- Marquee Clientele: Commandant Armoured Crops Centre and School, ASC Centre and College, 100 Mountain Brigade, Bhonsala Military School, Disaster Management and Research Foundation, Value Network Ventures Advisory Services Pte Ltd
- Collaborated with Apollo Hospitals for supply of medicines from The Sky Initiative (Govt. of Telangana Initiative, partnered with Tata Strive

Financials (₹ in Crores)

Particulars	31-3-2020	31-3-2021	31-3-2022	30-6-2022
Revenue from Operations	0.00	1.00	358.73	308.96
EBITDA	-2.29	-14.88	57.50	103.30
EBITDA Margin	-	-	16.03%	33.43%
Profit After Tax	-2.30	-14.89	40.65	72.06
Profit After Tax Margin	-	-	11.33%	23.32%

- Since no earnings were reported in fiscal 2020 and 2021 it is not reasonable enough to compare the financial on YoY basis
- Furthermore, there was a sharp rise in earnings and margins in Q1FY23 still there are no standard basis for comparison, but it nearly reached the FY22 earnings in Q1FY23 which further indicates robust revenue growth in FY23

Valuation

- Attributing FY22 Earnings P/E = 154.28

Peers

- Genesys International Corporation Limited (Standalone) - EPS = ₹ -18.38

Promoters

- Mr. Prateek Srivastava and Mrs. Nikita Srivastava

Objects of the issue

- Purchase of Drone and other accessories
- General Corporate Purposes

Recent Development

- Company closed a pre-seed funding round for USD 4.6 Million nearly 35 Crores

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