

**IN THE SECURITIES APPELLATE TRIBUNAL
AT MUMBAI**

DATED THIS THE 3RD DAY OF FEBRUARY, 2026

**CORAM: Justice P.S. Dinesh Kumar, Presiding Officer
Ms. Meera Swarup, Technical Member
Dr. Dheeraj Bhatnagar, Technical Member**

**Misc. Application No.108 of 2026
In
Appeal No.549 of 2025**

1. Droneacharya Aerial Innovations Ltd.
1st & 2nd Floor, Galore Tech IT Park,
LMD Square, Bavdhan, Pune 411021.
2. Prateek Srivastava
Plot No.48, Aditya Nagar,
Bavdhan, Pune – 411021.
3. Nikita Srivastava
Plot No.48, Aditya Nagar,
Bavdhan, Pune – 411021. ...Appellant

(By Mr. Vedchetan Patil, Advocate with Ms. Delzeen Dastoor and Mr. Parth Munde, Advocates for Appellants.)

Securities and Exchange Board of India
Plot No.C-7, G Block,
Bandra-Kurla Complex,
Bandra (E), Mumbai,
Maharashtra, India -400051. ...Respondent

(By Mr. Chetan Kapadia, Senior Advocate with Mr. Suraj Choudhary, Mr. Ravishekhar Pandey and Mr. Rushikesh Dusane, Advocates i/b. Agama Law Associates for the Respondent).

THIS MISCELLANEOUS APPLICATION IS FILED IN APPEAL NO.549 OF 2025 SEEKING SPECIFIC INTERIM RELIEFS FROM THIS TRIBUNAL.

THIS MISCELLANEOUS APPLICATION HAVING BEEN HEARD AND RESERVED FOR ORDERS ON FEBRUARY 2, 2026 COMING ON FOR PRONOUNCEMENT OF ORDER THIS DAY, THE TRIBUNAL MADE THE FOLLOWING:

ORDER ON MISC. APPLICATION

Per: Justice P. S. Dinesh Kumar, Presiding Officer

We have heard Mr. Vedchetan Patil, learned Advocate for the appellants and Mr. Chetan Kapadia, learned Senior Advocate for the SEBI.

2. Brief facts of the case are, first appellant Company is involved in 'Drone' operation training, supply and maintenance etc. SEBI¹ issued a SCN² mainly alleging mis-utilisation of IPO³ funds, misrepresentation in financial statements. After adjudication, SEBI passed its order dated November 20, 2025 debarring Noticee Nos.1 to 5 from accessing the securities market for 2 years and Noticee No.9 for one year; and imposing monetary penalties as mentioned in Table 20 in paragraph 138

¹ Securities and Exchange Board of India

² Show Cause Notice

³ Initial Public Offering

of the said order. Appellants have challenged the said order and the appeal has been admitted and pending consideration.

3. In the meanwhile, appellants have moved this Misc. application with following prayers:

“41. In view of the foregoing facts and circumstances, it is most respectfully prayed that this Hon'ble Securities Appellate Tribunal as follows:

- a. Pending the hearing and final disposal of the present Appeal, be pleased to permit the Applicant No.2 and 3 to pledge their shares to Banks, Financial Institutions and/or Private Lenders strictly for the limited purpose of raising working capital and funds required for execution of existing, time-bound, and mission-critical orders placed by the Indian Army and furnish Bank Guarantee(s) up to 15% of the value of the work orders, for work orders as mentioned at sr. no.1-4 in para no.23.*
- b. Pending the hearing and final disposal of the present Appeal, be pleased to permit the Applicant No.1 to issue the 10,11,000 equity shares by way of preferential issue, subject to such terms, conditions, and safeguards as this Hon'ble Tribunal may deem fit, to enable funding of working capital, research and development, sustenance of RPTO centres, and operational continuity;*
- c. Pending the hearing and final disposal of the Appeal, be pleased to allow/permit the Company issue NCDs/CCDs (Non-Convertible Debentures/Compulsorily Convertible Debentures) to raise funds to the tune of Rs.6,00,00,000/- (Rupees Six Crores only).*
- d. Pending the hearing and final disposal of the present Appeal, be pleased pass a an appropriate clarificatory order/direction that the impugned order does not prohibit the Applicant No.1 from availing Debt or Credit Facilities from Banks or Financial Institutions.*

- e. *Pending the hearing and final disposal of the present Appeal, be pleased to permit the Applicant No.3 to liquidate in full or in part the following Mutual Funds or:*

SCHEME	FOLIO NO	BALANCE UNIT	PURCHASE VALUE	CURRENT VALUE
ICICI Pru Manufacturing Fund Reg (G)	36381165/32	2736.101	90375.43	96009.78
Kotak Multicap Fund (G)	15843526	4939.975	90351.68	97865.84
Mirae Asset ELSS Tax Saver Fund Reg (G)	77719161815	16867.889	381055.46	843394.45
Nippon India Small Cap Fund (G)	499372925316	500.599	83000.03	79990.01
Quant Large and Mid Cap (G)	51088389876	801.853	90393.89	86706.85
Nippon India Low Duration Fund (G)	499372925316	2.02	7183.75	7801.62

- f. *Costs of this Application;*
- g. *Pass such other or further orders as this Hon'ble Tribunal may deem fit in the interest of justice, equity, national interest, and to prevent irreparable harm to the Company, its employees, the youth of India, and the operational preparedness of the Indian Army."*

4. Mr. Patil for the appellants submitted that Indian Army has sent an email on January 10, 2026 attaching a letter dated January 9, 2026 conveying satisfactory evaluation of advance samples and authorising the appellant to proceed with bulk production of drones and therefore, appellants need funds urgently. He submitted that appellants desire to raise funds by selling their mutual funds, pledge their shares with the banks and financial institutions and also by issuing preferential shares

and non-convertible/ compulsorily convertible debentures and prayed that this application may be considered.

5. At the outset, Mr. Kapadia submitted that this application does not merit any consideration because there is no new material after the last date of hearing i.e. December 19, 2025.

6. However, on instructions, Mr. Kapadia submitted that this Tribunal may grant prayer Clause (a) and (e) and permit the appellants to pledge their shares with banks and financial institutions to raise funds. He submitted that this concession is made in peculiar facts of this case and may not be treated as precedent.

7. With regard to prayer Clause (b) and (c), Mr. Kapadia submitted that in view of serious allegations against the appellants of mis-utilising the IPO funds and other allegations, this Tribunal may reject the said prayers.

8. In reply, Mr. Patil submitted that the evaluation of samples was concluded on January 7, 2026 and based on satisfactory result, bulk clearance order has been issued and it was communicated on January 10, 2026, which is a subsequent development.

9. We have carefully considered the rival contentions and perused the records.

10. In substance, appellants have sought for three sets of prayers. Firstly, relaxation of debarment from accessing the securities market to raise money by issuing preferential shares

and NCDs/CCDs, secondly, to sell their mutual funds and thirdly, to pledge their shares with banks and financial institutions to raise funds.

11. Mr. Kapadia has submitted that this Tribunal may consider the second and third set of prayers subject to not treating this order as a precedent. Therefore, what remains for consideration is permitting the appellants to raise funds by issuing preferential shares and debentures.

12. Undisputed fact is, this appeal was last considered on December 19, 2025, on which date the appeal has been admitted and the interim order for stay of recovery has been granted subject to deposit of 50% of the penalty. Thereafter, this Misc. application has been filed. It was urged by Mr. Kapadia that there are no subsequent developments after December 19, 2025 warranting consideration of this application. Appellants have produced an email received by them on January 10, 2026. We have perused the same. A letter dated January 9, 2026 is attached to that email and it reads thus:

“BULK PRODUCTION CLEARANCE

To

*DroneAcharya Pvt Ltd
Galore Tech IT Park,
LMD Square Bavdhan, Pune, Maharashtra-411021
Email: info@droneacharya.com*

Subject: Bulk Production Clearance for FPV Drone Digital.

I Please refer the following:-

*1.1 Supply Order No A/30298/EP/FP/ARTRAC/DTB/SO
dated 15 Nov 2025.*

1.2 GeM Contract no GEMC-511687774940350 dated 08 Nov 2025 & GEMC-511687726411240 dated 09 Nov 2025.

1.3 Evaluation of the Advance samples concluded on 07 Jan 2026.

2 Post testing of your advance samples of FPV Drone Digital we hereby confirm that the samples have been reviewed and approved as per our specifications and quality requirements.

3 Based on the satisfactory evaluation results you are authorised to proceed with bulk/mass production of the above-mentioned product with following conditions:-

3.1 *Quantity and Delivery - As per Supply Order as mentioned in para 1.1 above.*

3.2 *Quality and Compliance.*

3.2.1 *Bulk production must strictly conform to approved sample, drawings, specifications and quality standards.*

3.2.2 *No change in material, spare parts, process, tooling, supplier, or design is permitted.*

3.2.3 *School of Artillery reserves the right to inspect, audit, or test the production lot at any stage.*

4. *Rejection & Liability at ATP Stage.*

4.1 *The products will undergo ATP as per terms and condition mentioned at para 3 of Part of Supply Order. Any deviation or non-conformance observed during ATP stage may lead to rejection of the complete lot.*

4.2 *Rejection material shall be replaced at vendor's cost as per agreed terms.*

5 *Please acknowledge receipt of this clearance and confirm. You are requested to reply to us with your production and*

delivery schedule as mentioned at para 5 of Part II of the Supply Order.

*(Prodipto Goswami)
Brig
Presiding Offr
PCMC*

Date : 09 Jan 2026''

(Emphasis Supplied)

13. The above letter shows that evaluation of samples was concluded on January 7, 2026, based on which appellants have been authorised to proceed with the mass production. This is a subsequent development and therefore, the objection that there are no subsequent developments is untenable.

14. Mr. Patil submitted that individuals and entities are prepared to invest in appellants' Company despite the impugned order challenged in this appeal. Mr. Kapadia pointed out that appellants, in their disclosures made to the BSE on November 30, 2025 and December 2, 2025 have stated that the penalty imposed has no impact on the day to day functioning of business of the Company; and argued that if that be so, there is no need for seeking any relaxation of the directions issued by the SEBI.

15. We may record that the disclosures made by the appellants are in November and December, 2025, authorisation for mass production is given on January 10, 2026. Therefore, in our view, this application merits consideration. However, we hasten to add that the allegation of mis-utilisation of IPO proceeds is still under consideration in this pending appeal and therefore, it is not appropriate to permit the appellants to raise funds from the

securities market. When we queried on this aspect, Mr. Patil submitted that appellants shall raise funds from private parties and entities on preferential basis, who voluntarily desire to invest with full knowledge of pendency of this appeal. In our view, if any investor desires to invest in the preferential issue of shares of the Company after acquainting himself with entire affairs of the Company, keeping in view the peculiar nature of this case where appellant has procured order from Indian Defence, the same may be permitted by putting the appellants on strict terms. Hence, the following:

ORDER

- i. Misc. Application No.108 of 2026 is ***allowed in part*** .
- ii. Appellant No.3 is permitted to sell her mutual funds to raise money as prayed for in prayer Clause (e) in para 41 of the application.
- iii. Appellant Nos.2 and 3 are permitted to pledge their shares with Banks and Financial Institutions to raise funds strictly for the limited purpose of raising working capital fund and for execution of existing, time bound orders placed by Indian Army and to furnish bank guarantees upto 15% of the value of the work as prayed for in prayer Clause (a) in para 41.
- iv. First appellant Company is permitted to raise funds by preference issue of shares as prayed for in prayer Clause (b) in para 41, by making proper disclosure of SEBI's order dated November 28, 2025 and pendency of this appeal to

the prospective investor/s. The said disclosure shall be made in the prospectus document in bold letters in a conspicuous place which shall be acknowledged with the signature of the prospective investor/s.

v. No costs.

Justice P.S. Dinesh Kumar
Presiding Officer

Ms. Meera Swarup
Technical Member

Dr. Dheeraj Bhatnagar
Technical Member

03.02.2026
RHN