

## Drone startup Garuda Aerospace raises \$22 million in funding led by SphitiCap

### Synopsis

The Series A funding round provides Garuda Aerospace a \$250-million valuation, its founder and CEO Agnishwar Jayaprakash told ET in an interaction.



Agnishwar Jayaprakash, founder and CEO, Garuda Aerospace

Drone startup [Garuda Aerospace](#) on Monday said it has raised \$22 million in an early stage funding round led by venture capital firm [SphitiCap](#).

The Series A funding round provides Garuda Aerospace a \$250-million valuation, its founder and CEO Agnishwar Jayaprakash told ET in an interaction.

SphitiCap invested \$12 million in the round. Other investors included Canada-based Ocgrow Ventures, the United Kingdom-based [Silverstone Capital](#), an undisclosed infra development company, high net-worth individuals (HNI) and angel investors, Jayaprakash said.

"Garuda Aerospace aims to sell 25,000 drones in the next 18 months and is looking forward to exporting 10,000 drones to about 100 countries in the next 15 months," he said.

The company had last raised funding of about \$1 million in 2021.

Founded in 2015, Garuda Aerospace manufactures and sells drones (55% of revenues) and also offers 'drone-as-a-service' (45%). Besides India, it currently does business in Malaysia, Singapore, the United States, Panama, and the United Arab Emirates, Jayaprakash said.

He said the company will be closing the financial year ending March 2023 with Rs 40 crore in revenues – a number he pegs will reach Rs 800-1,000 crore by FY24.

Garuda Aerospace will use the new capital to scale up and expand its operations, while also accelerating its development of building advanced drone solutions for the armed forces and the aerospace sector in collaboration with global companies.

The funds will also be used for the skilling and training of drone pilots and help create employment with deepening its footprints in Tier II and III cities. Beyond catering its sales and services in industries of agriculture, defense and industrial plants, Garuda Aerospace also pulls revenue out of a new segment of drone pilot training courses.

It manufactures 30 types of drones and offers 50 types of services and claims to have served over 750 clients including Tata, Godrej, Adani, [Reliance](#), [Swiggy](#), Flipkart, Delhivery, L&T, Survey of India, Lockheed Martin, Cognizant, and Elbit Systems.

The firm currently operates over 400 drones with about 500 pilots in 84 cities.

Late-stage and growth-stage technology institutional venture capital investors have largely stayed away from drone startups. Founders told ET that these funds are taking time to evaluate the business. Startups hence end up choosing strategic investors that then present themselves with go-to-market opportunities across the globe.

Another funded player in the space is [Qualcomm Ventures](#) and Infosys-backed ideaForge, which develops and manufactures drones meant for the Indian Army's surveillance capabilities among other use cases and clients. The Mumbai-based company is set to raise about Rs 750 crore (\$90.89 million) through an initial public offer (IPO) – valuing itself at Rs 3,000 crore (about \$363.55 million) – [as ET reported on Friday](#).