



September 27, 2022

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 Company Code No.: 543268	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 Company Symbol: DRCSYSTEMS
--	--

Sub: Notice convening the Extraordinary General Meeting

Dear Sir/ Ma'am,

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we are enclosing herewith the Notice of Extraordinary General Meeting ('EGM') of DRC Systems India Limited ('the Company') to be held on Wednesday, October 19, 2022 at 11.00 a.m. (IST) through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM'), which is being sent to the Members of the Company through electronic mode in compliance with the relevant circulars issued by Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI').

Members are requested to note the following information:

Sr. No.	Particular	Details
1	EGM date and time	Wednesday, October 19, 2022 at 11.00 a.m.
2	Cut-off date for e-voting	Wednesday, October 12, 2022
3	E-voting start time	9.00 a.m. on Saturday, October 15, 2022
4	E-voting end time	5:00 p.m. on Tuesday, October 18, 2022

The Notice is also available on the website of the Company at www.drcsystems.com.

We request you to kindly take the same on your records.

Thanking you,

Yours faithfully,

For DRC Systems India Limited

Jainam Shah
Company Secretary

DRC SYSTEMS INDIA LIMITED

24th Floor, GIFT Two Building, Block no. 56, Road – 5C, Zone – 5, GIFT CITY, Gandhinagar – 382355, Gujarat, India

Contact: +91-79-67772222 | ir@drcsystems.com | www.drcsystems.com

CIN: L72900GJ2012PLC070106



DRC SYSTEMS INDIA LIMITED

[CIN: L72900GJ2012PLC070106]

Registered Office: 24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar, Taluka & District - Gandhinagar - 382 355. Tel: +91 79 6777 2222

Email: ir@drcsystems.com; Website: www.drcsystems.com

NOTICE OF THE EXTRA ORDINARY GENERAL MEETING

NOTICE is hereby given that the **EXTRA ORDINARY GENERAL MEETING** of the Members of **DRC SYSTEMS INDIA LIMITED** will be held on Wednesday, October 19, 2022 at 11.00 a.m. IST through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") to transact the following businesses:

SPECIAL BUSINESSES:

Item No. 1

To Offer and Issue Equity Shares on Preferential Basis:

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

"RESOLVED THAT pursuant to the provisions of Sections 23(1)(b), 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended (the "Act"), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in terms of the provisions of Foreign Exchange Management Act, 1999, as amended or restated ("FEMA"), and rules, circulars, notifications, regulations and guidelines issued under FEMA, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Regulations") each as amended from time to time, the listing agreements entered into by the Company with the BSE Limited and the National Stock Exchange of India Limited (together, the "Stock Exchanges") where the securities of the Company are listed, and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications

issued thereunder from time to time by the Ministry of Corporate Affairs ("MCA"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI") and/or any other competent authorities (hereinafter referred to as "Applicable Regulatory Authorities") from time to time to the extent applicable and the enabling provisions of the Memorandum of Association and Articles of Association of the Company and such approvals, consents, permissions and sanctions as may be necessary or required and subject to such conditions as may be imposed or prescribed while granting such approvals, consents, permissions and sanctions, if any, and which may be agreed upon by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall be deemed to include Securities Allotment Committee or any other committee, which the Board has constituted or may constitute to exercise its powers, including the powers conferred on the Board by this resolution), the consent of the Members of the Company be and is here by accorded to the Board of Directors of the Company to create, issue, offer and allot up to 50,00,000 (Fifty Lakhs) fully paid up Equity Shares of Re. 1/- (Rupee One Only) each at a price of Rs. 40/- (Rupees Forty only) per Equity Share [including a premium of Rs 39/-(Rupees Thirty Nine Only) per Equity Share] each payable in cash ("Issue Price") aggregating upto Rs. 20 Crores, to Somani Multibiz

Limited ("Proposed Allottee"), not being Promoter or Promoter Group entity, on Preferential Issue basis in accordance with the provisions of Chapter V of SEBI ICDR Regulations, in such manner and on such terms and conditions as are stipulated in the explanatory statement attached hereto and as may be determined by the Board in its absolute discretion in accordance with the SEBI ICDR Regulations and other applicable laws.

RESOLVED FURTHER THAT in accordance with the provision of Chapter V of the SEBI ICDR Regulations, the Relevant Date determining the floor price for the Preferential Issue of Equity Shares is Monday, September 19, 2022, being the date 30 days prior to the date of Extraordinary General Meeting ("Relevant Date") on which the special resolution is proposed to be passed.

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the Equity Shares being offered, issued and allotted to the proposed allottees by way of preferential issue shall inter-alia be subject to the following:

- a. The Equity Shares shall be allotted in dematerialized form within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.
- b. The Equity Shares to be issued and allotted shall be fully paid up and rank pari passu with the existing Equity Shares of the Company in all respects from the date of allotment thereof, be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company.
- c. The issue of Equity Shares shall be governed by the regulations issued by the SEBI or any other statutory authority as the case may be or any modifications thereof.
- d. The Equity Shares to be issued and allotted pursuant to the Preferential Issue shall be listed and traded on the Stock Exchanges subject to

receipt of necessary regulatory permissions and approvals as the case maybe.

- e. The pre-preferential allotment shareholding of the Proposed Allottee, if any, in the Company shall be subject to lock-in as specified in the provisions of Chapter V of the SEBI ICDR Regulations.
- f. The Equity Shares allotted shall be subject to lock-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations.
- g. The Equity Shares being offered, issued and allotted to the proposed allottees, are being issued for a cash consideration.
- h. The Equity Shares so offered, issued and allotted shall not exceed the numbers of Equity Shares as approved herein above.

RESOLVED FURTHER THAT the monies received by the Company from the proposed allottee, for subscription of the Equity Shares pursuant to the Preferential Issue shall be kept by the Company in a separate account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the SEBI Regulations and the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification(s) in the terms of issue of Equity Shares, subject to the provisions of the Act and the SEBI ICDR Regulations, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT subject to the receipt of such approvals as may be required under applicable laws, the consent of the Members of the Company be and is hereby accorded to record the names and details of the Proposed Allottee in Form PAS-5, and issue a private placement offer cum application letter in Form PAS-4, to the Proposed Allottee in accordance with the provisions of the Act, after passing of this resolution with a stipulation that the allotment would be made only upon receipt of In-principle approval from the Stock Exchange(s) i.e., BSE Limited and National Stock Exchange of India Limited within the timelines prescribed under the applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors or Securities Allotment Committee or any other committee constituted for the purpose be and is hereby severally authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, issuing clarifications, resolving all questions of doubt effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and listing of Equity Shares with the Stock Exchanges as appropriate and utilization of proceeds of the issue, filing of requisite documents with the Registrar of Companies, Depositories and/ or such other authorities as may be necessary and take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred, as it may deem fit in its absolute direction to Securities Allotment Committee or any other Committee of the Board or any one or more Director(s) or any Officer(s) of the Company including making necessary filings with the Stock Exchanges and Regulatory Authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors and Legal Advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.”

Item No. 2

To consider and approve revision in remuneration of Mr. Hiten Barchha (DIN: 05251837), Managing Director of the Company:

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

“**RESOLVED THAT** pursuant to the provisions contained in Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Rules framed thereunder, including any statutory modifications or re-enactment thereof or any other law and the Articles of Association of the Company and in furtherance of the special resolution passed in the Extraordinary General Meeting held on November 25, 2020 and subject to such other approvals as may be necessary, and based on the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board, the consent of the Members of the Company be and is hereby accorded to increase the limit of overall remuneration payable to Mr. Hiten Barchha (DIN: 05251837), Managing Director of the Company upto Rs. 1.00 Crore (Rupees One Crore Only) per annum for the remaining term of his appointment as a Managing Director which includes any bonus/ incentive/ performance linked incentive or other perquisites, if any, on such terms and conditions with a liberty to the Board of Directors to revise the remuneration including bonus/ incentive/ performance linked incentive or other perquisites in respect of any Financial Year without seeking any further approval of Shareholders in compliance with the Schedule V and other applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to approve any variation in the terms and conditions of the remuneration payable to Mr. Hiten Barchha, Managing Director, so long as it is in conformity with the provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT save and except as aforesaid, all other existing terms and conditions of appointment and remuneration of Mr. Hiten Barchha passed at the EGM held on November 25, 2020 shall continue to remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, and to take such actions/ decisions in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit without being required to seek any further consent or approval of the Members of the Company.”

Item No. 3

To consider and approve revision in remuneration of Mr. Janmaya Pandya (DIN: 09019756), Executive Director and Chief Financial Officer of the Company

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

“**RESOLVED THAT** pursuant to the provisions contained in Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Rules framed thereunder, including any statutory modifications or re-enactment thereof or any other law and the Articles of Association of the Company and in furtherance of the special resolution passed in the 9th Annual General Meeting held on September 28, 2021 and subject to such other approvals as may be necessary, and based on the recommendation of the Nomination and Remuneration Committee, Audit Committee and the Board, the consent of the Members of the Company be and is hereby accorded to increase the limit of overall remuneration payable to Mr. Janmaya Pandya (DIN: 09019756), Executive Director and Chief Financial Officer of the Company upto Rs. 50.00 Lakhs (Rupees Fifty Lakhs Only)

Registered Office:

24th Floor, GIFT Two Building,
Block No. 56, Road-5C, Zone-5,
GIFT CITY, Gandhinagar
Taluka & District - Gandhinagar – 382 355

Date: September 20, 2022

per annum for the terms of his appointment as an Executive Director which includes any bonus/ incentive/ performance linked incentive or other perquisites, if any, on such terms and conditions with a liberty to the Board of Directors to revise the remuneration including bonus/ incentive/ performance linked incentive or other perquisites in respect of any Financial Year without seeking any further approval of Shareholders in compliance with the Schedule V and other applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to approve any variation in the terms and conditions of the remuneration payable to Mr. Janmaya Pandya, Executive Director and Chief Financial Officer, so long as it is in conformity with the provisions of Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT save and except as aforesaid, all other existing terms and conditions of appointment and remuneration of Mr. Janmaya Pandya passed at the 9th AGM held on September 28, 2021 shall continue to remain in full force and effect.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, consider necessary, and to take such actions/ decisions in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit without being required to seek any further consent or approval of the Members of the Company.”

By the Order of the Board,
For DRC Systems India Limited

Jainam Shah
Company Secretary

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("Act") in respect of the special businesses set out as an item of the accompanying notice is annexed herewith.
2. The relevant details for variation terms of remuneration as set out in the Notice is annexed herewith as required under the provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ('ICSI').
3. In view of the continuing COVID-19 pandemic, pursuant to the General Circular No. 14/2020 dated April 8, 2020 read with other relevant circulars including General Circular no. 3/2022 dated May 05, 2022 issued by the MCA (collectively referred to as "MCA Circulars") and the applicable circulars issued by Securities and Exchange Board of India ("SEBI"), the Extraordinary General Meeting ("EGM") of the Members of the Company is being held through VC / OAVM without the physical presence of the Members at a common venue.
4. This EGM is being convened in compliance with applicable provisions of the Act and the rules made thereunder, provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
5. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification / Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the proceedings of the EGM will be deemed to be conducted at the Registered Office of the Company at 24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar Gujarat - 382355 India. Since the EGM will be held through VC / OAVM, the route map of the venue of the Meeting is not annexed hereto.
6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this EGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM and hence the Proxy Form, Attendance Slip and route map of the EGM are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the EGM through VC/OAVM and participate thereat and cast their votes through e-voting.
7. Institutional/Corporate Shareholders (i.e. other than Individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or Governing Body Resolution/ Authorization Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Company by e-mail at ir@drcsystems.com.
8. Participation of Members through VC will be reckoned for the purpose of quorum for the EGM as per section 103 of the Act.
9. In line with the aforesaid Circulars, the Notice of EGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice has been uploaded on the website of the Company at www.drcsystems.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. the BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM Notice is also available on the e-voting website of Link Intime India Private Limited ("Link Intime") (agency for providing the Remote e-Voting facility) i.e. <https://instavote.linkintime.co.in>.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

11. To support the "Green Initiative", the Members holding shares in physical form are requested to notify/send their email addresses to the Registrar & Transfer Agent (RTA) of the Company i.e. Link Intime. In addition, Members holding shares in the demat form are requested to contact their respective Depository Participant(s) and register their email addresses and bank account(s) for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant(s) in case the shares are held in electronic form and to the RTA in case the shares are held in physical form.
13. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated September 07, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the RTA of the Company i.e. Link Intime., 5th Floor, 506 to 508 Amarnath Business Centre - I (ABC - I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C G Road, Navarangpura, Ahmedabad - 380 009, Gujarat, India for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website www.drcsystems.com.
14. SEBI has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and Members holding shares in physical form to the Company / RTA.
15. Shareholders seeking any information with regard to the matter to be placed at the EGM are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
16. During the EGM, all the documents referred to in the Notice and Explanatory Statement will be available for inspection through electronic mode.
17. The Members can join the EGM through the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available for 1,000 Members on first come first served basis. This will not include Large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM without restriction on account of first come first served basis.
18. Pursuant to Section 72 of the Act, Members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the RTA of the Company i.e. Link Intime. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant. The Nomination Form is available on the Company's website www.drcsystems.com.

19. Pursuant to SEBI circulars dated November 3, 2021 and December 15, 2021, with regards to common and simplified norms for processing investors' service request by Registrars and norms for furnishing PAN, KYC details and nomination by the holders of physical securities, SEBI has made it mandatory for holders of physical securities to furnish PAN, KYC and nomination details by March 31, 2023, and link their PAN with Aadhaar by March 31, 2022. Members are requested to submit their PAN, KYC and nomination details to the Company's Registrar through the forms available at www.drcsystems.com. In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, the Company's Registrar are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. In case the securities continue to remain frozen as on December 31, 2025, such securities shall be referred by the Registrar/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and/or Prevention of Money Laundering Act, 2002.

The investor service requests forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR1, ISR-2, ISR-3, SH-13, SH-14 and the said SEBI circular are available on the website of the Company at www.drcsystems.com. In view of the above, we urge the Shareholders to submit the Investor Service Request form along with the supporting documents at the earliest.

20. Pursuant to SEBI circular SEBI/ HO/ MIRSD/ MIRSD_RTAMB/ P/ CIR/ 2022/ 8 dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

To avoid any inconvenience, you are requested to kindly convert your shares in demat form. In case of any clarification, Shareholders are requested contact to the RTA at ahmedabad@linkintime.co.in.

21. Members desiring to claim unclaimed shares and net proceeds of Fractional Shares are requested to correspond with RTA as mentioned above or to the Company at its Registered Office. Members are requested to note that, shares and net proceeds of Fractional Shares if not claimed for a consecutive period of 7 years from the date of its allotment, are liable to be transferred to the to the demat account of the IEPF Authority and Investor Education and Protection Fund ("IEPF"), respectively as per Section 124 of the Act read with applicable IEPF rules. In view of this, Members/Claimants are requested to claim their dividends from the Company, within the stipulated timeline.

22. Process for those members whose email addresses are not registered- for registration of Email addresses to obtain EGM Notice:

- a. For members holding shares in Physical mode - please provide necessary details like Folio No., Name of the shareholder by email to ir@drcsystems.com or by duly filed in E-communication Registration Form available on the website of the Company i.e. www.drcsystems.com.
- b. Members holding shares in Demat mode can get their E-mail address registered by contacting their respective Depository Participant(s).

23. General Information:

- i. Shareholders/Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- ii. Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- iii. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

- iv. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
 - v. Shareholders who would like to express their views or ask questions during the EGM may register themselves as a speaker in advance at least 7 days before the EGM by sending their request from their registered email address mentioning their name, DP ID and Client ID / Folio Number, PAN, mobile number at ir@drcsystems.com. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the EGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the EGM.
- D. The remote e-voting period commences from 09:00 a.m. on Saturday, October 15, 2022 and ends at 5:00 p.m. on Tuesday, October 18, 2022. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, October 12, 2022, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Link Intime India Private Limited for e-voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-Voting facility either during the period commencing from 09:00 a.m. on Saturday, October 15, 2022 and ends at 5:00 p.m. on Tuesday, October 18, 2022 or e-Voting during the EGM. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.

24. VOTING THROUGH ELECTRONIC MEANS:

- A. In compliance with provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility provided by Listed Entities, and any other applicable provisions as amended, the Company is pleased to offer the facility of voting through electronic means and the businesses as set out in the Notice above may be transacted through such electronic voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the EGM ('remote e-voting') is provided by Link Intime.
 - B. The Members, who will be present in the EGM through VC 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 facility during the meeting.
 - C. The Members who have cast their vote by remote e-voting prior to the EGM may also attend / participant in the EGM through VC but shall not be entitled to cast their vote again.
- E. The voting rights of shareholders shall be in proportion to their shares in the Paid Up Equity Share Capital of the Company as on the cut-off date, being Wednesday, October 12, 2022.

25. Instructions for Remote E-voting and E-voting at the Extraordinary General Meeting ('EGM'):

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post June 09, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> • If you are already registered for NSDL IDeAS facility, please visit the e-Services web-site 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 and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • 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 • 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 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.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINKINTIME, CDSL. Click on e-Voting service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> • You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.

- Once 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.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINK-INTIME.

1. Open the internet browser and launch the URL:
<https://instavote.linkintime.co.in>
 - ▶ Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -
 - A. User ID:** Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company.
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company
 - Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above
 - ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - ▶ Click “confirm” (Your password is now generated).
2. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.
4. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
7. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME, have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click '**forgot password?**'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants' website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-voting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

26. Process and manner for attending the Extraordinary General Meeting ('EGM') through InstaMeet:

For a smooth experience of EGM proceedings, shareholders who are registered for the event are requested to download and install the Webex application in advance on the device that you would be using to attend the meeting by clicking on the link <https://www.webex.com/downloads.html/>.

Shareholders also have an option to click on the URL provided to attend the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions.

- a. Open the internet browser and launch the URL for InstaMeet <<<https://instameet.linkintime.co.in>>> and register with your following details:

DP ID / Client ID or Beneficiary ID or Folio No.	Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company.
PAN	Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
Mobile No.	Enter your mobile number.
Email ID	Enter your email id, as recorded with your DP/Company.

- b. Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

27. Instructions for Shareholders/Members to Vote during the Extraordinary General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

- a. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".

- b. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
- c. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- d. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
- e. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- f. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

28. In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

29. Other Instructions:

- i. M/s. SPANJ & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as the e-voting system on the date of the EGM, in a fair and transparent manner.
- ii. Based on the report received from the scrutinizer, the Company will submit within Two working days of the conclusion of the Meeting to the Stock Exchanges i.e. the BSE Limited and the National Stock Exchange of India Limited, details of the voting results as required under Regulation 44(3) of the Listing Regulations and shall also be placed on the Company's website www.drcsystems.com and on the website of Link Intime <http://instavote.linkintime.co.in>.
- iii. Subject to the receipt of requisite number of votes, the Resolutions forming part of the EGM Notice shall be deemed to be passed on the date of the EGM i.e. Wednesday, October 19, 2022.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1

The Board of Directors at its meeting held on Tuesday, September 20, 2022, subject to the approval of the Members of the Company and such other necessary approvals as may be required, resolved for raising funds by way of issuance and allotment of upto 50,00,000 (Fifty lakhs) Equity Shares having Face Value of Re. 1/- each at a price of Rs. 40/- (Rupees Forty Only) per Equity Share [at a premium of Rs. 39/- (Rupees Thirty Nine Only) per Equity Share], aggregating upto Rs. 20,00,00,000/- (Rupees Twenty Crores Only) on Preferential Issue Basis to Somani Multibiz Limited, ("Proposed Allottee") in accordance with the provisions of Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations").

Pursuant to the above transaction, there would be no change in the management or control or would not result in transfer of ownership of the Company to the Proposed Allottee.

Necessary information/details in relation to the Preferential Issue as required under the SEBI ICDR Regulations and the Companies Act, 2013 ("Act") read with the rules issued thereunder, are set forth below:

1. The Objects of the Issue:

The Company shall utilize the proceeds from the Preferential Issue of Equity Shares to improve the net worth and financial position, augment the long term resources for business expansion, ensure long term viability and growth of the Company, Repayment of debt, meet working capital requirements, M & A activities, making investments including investment in Subsidiaries Companies, acquisition of new projects, Organic and/or inorganic growth opportunities, meeting Company's capital expenditure, build brand, and for other general corporate purposes.

2. Kinds of securities offered and the price at which security is being offered and the total number of shares or other securities to be issued:

Up to 50,00,000 Equity Shares at a price of Rs. 40/- (including a premium of Rs. 39/-) per Equity Share being

not less than the price determined in accordance with the provisions of Chapter V of SEBI ICDR Regulations aggregating to not exceeding Rs. 20 Crores (Rupees Twenty Crores Only).

3. Basis on which the price has been arrived at:

The shares of the Company are infrequently traded on the BSE Limited and National Stock Exchange of India Limited, hence the price is determined in compliance with the applicable provisions of SEBI ICDR Regulations for Preferential Issues taking into account valuation parameters including book value, comparable trading multiples and such other parameters as are customary for valuation of shares and as per Articles of Association of the Company.

As per the valuation report dated September 19, 2022 issued by Chetankumar J Shah, an Independent Registered Valuer, (Reg. No. IBBI/RV/06/2020-13505) certifying the minimum price to be Rs. 32.11/- (Thirty Two Rupees and Eleven Paise Only) per Equity Share. The Valuation Report dated September 19, 2022 is available for inspection at the Registered Office of the Company between 11:00 a.m. to 02:00 p.m. on all working days upto the date of EGM and also made available on the website of the Company at www.drcsystems.com in compliance of SEBI ICDR Regulations.

In terms of the applicable provisions of the SEBI ICDR Regulations, the Board proposes the price, at which the Equity Shares shall be issued and allotted, is Rs. 40/- per Equity Share, which is not lower than the floor price determined by the Independent Registered Valuer in accordance with SEBI ICDR Regulations.

4. The price or price band at/within which the allotment is proposed:

The price per Equity Share to be issued is fixed at Rs. 40/- (Rupees Forty Only) which consists of Re. 1/- (Rupee One Only) as Face Value and Rs. 39/- (Rupees Thirty Nine Only) as premium per Equity Share. Kindly refer to the abovementioned point no. 3 for the basis of determination of the price.

5. Relevant Date with reference to which the price has been arrived at:

The "Relevant Date" as per Chapter V of the SEBI ICDR Regulations for the determination of the floor price for the Equity Shares of the Company is Monday, September 19, 2022, being the date 30 days prior to the date of Extraordinary General Meeting ("EGM").

6. The pre issue and post issue shareholding pattern of the Company:

The pre issue shareholding pattern of the Company as on June 30, 2022 and the post-issue shareholding pattern is mentioned hereinbelow:

Sr. No.	Description	Pre-Issue shareholding		Post issue shareholding*	
		No. of shares	% of shares	No. of shares	% of shares
(A)	Promoter and Promoter Group's Shareholding				
1	Indian				
(a)	Individuals/ Hindu Undivided Family	99,07,760	25.63	99,07,760	22.70
(e)	Any Others (Specify)	-	-	-	-
	Sub Total(A)(1)	99,07,760	25.63	99,07,760	22.70
2	Foreign				
A	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-
B	Bodies Corporate	-	-	-	-
C	Institutions	-	-	-	-
D	Any Others (Specify)	-	-	-	-
	Sub Total(A)(2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	99,07,760	25.63	99,07,760	22.70
(B)	Public shareholding				
1	Institutions				
(a)	Foreign Portfolio Investors	5,39,850	1.40	5,39,850	1.24
(b)	Any Other (specify)	-	-	-	-

	Sub-Total (B)(1)	5,39,850	1.40	5,39,850	1.24
B2	Non-institutions				
A	Bodies Corporate	1,48,58,638	38.44	1,98,58,638	45.49
B	Individuals				
I	Individual shareholders holding nominal share capital up to Rs. 2 Lakh	26,41,645	6.83	26,41,645	6.05
II	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakh	95,67,217	24.75	95,67,217	21.91
C	Any Other (specify)				
	- Non Resident Indians	4,45,850	1.15	4,45,850	1.02
	- Foreign Nationals	0.00	0.00	0.00	0.00
	- Clearing Member	80	0.00	80	0.00
	- Hindu Undivided Family	6,45,000	1.67	6,45,000	1.48
	- LLP	47,380	0.12	47,380	0.11
	- Trusts	140	0.00	140	0.00
	Sub-Total (B)(2)	2,82,05,950	72.97	3,32,05,950	76.07
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	2,87,45,800	74.37	3,37,45,800	77.30
(C)	Non Promoter - Non Public				
1	Shares held by Custodian for GDRs & ADRs	-	-	-	-
2	Employee Benefit Trust (under SEBI (SBEBSE) Reg., 2021)	-	-	-	-
	Sub-Total (C):	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	3,86,53,560	100.00	4,36,53,560	100.00

*** Note:**

1. The post issue shareholding pattern in the above table has been prepared on the basis that the Proposed Allottee would have subscribed to and been allotted all the Equity Shares. In the event for any reason, the Proposed Allottee does not or are unable to subscribe to and/or are not allotted the Equity Shares, the shareholding pattern in the above table would undergo corresponding changes.
2. It is further assumed that shareholding of the Company in all other categories will remain unchanged.
3. In the event of any further issue of shares by the Company between the date of this notice and the date of allotment of Equity Shares, the shareholding pattern in the above table would undergo corresponding changes.

The Company will ensure compliance with all applicable laws and regulations including the SEBI ICDR Regulations at the time of allotment of Equity Shares.

7. Name and address of valuer who performed valuation:

The Valuation was performed by Chetankumar J Shah, an Independent Registered Valuer, (Reg. No. IBBI/RV/06/2020-13505), a Registered Valuer, having his office at 311, Sampada, Nr. Mithakhali Cross Road, B/H L G Showroom, Navrangpura, Ahmedabad - 380009.

8. Amount which the Company intends to raise by way of such securities:

The Company intends to raise upto Rs. 20.00 Crores (Rupees Twenty Crores Only).

9. Material terms of the proposed Preferential Issue of Equity Shares

The material terms of the proposed Preferential Issue of Equity Shares are stipulated in the special resolution as set out at Item No. 1 of this Notice.

10. The class or classes of persons to whom the allotment is proposed to be made:

The Equity Shares are proposed to be issued to Somani Multibiz Limited on Preferential Issue basis under the Non-Promoter Category of the Company.

11. Principle terms of assets charged as securities:
Not Applicable**12. Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer:**

The Promoters or the Promoter Group, Directors and/or the Key Management Personnel do not intend to subscribe to the offer of Equity Shares under the Preferential Issue.

13. The proposed time within which the allotment shall be completed:

In accordance with SEBI ICDR Regulations, the Company shall complete the preferential allotment on or before the expiry of 15 (fifteen) days from the date of passing of the special resolution by the Members, provided that where the allotment is pending on account of pendency of any approval or permission by any regulatory authority, if applicable, the allotment would be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals or permissions.

14. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

The Company has not made any preferential allotment during the Financial Year 2022-23.

15. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not Applicable as the allotment of Equity Shares under the Preferential Issue is for cash consideration.

16. Lock-in Period:

The Equity Shares shall be locked-in for such minimum period as specified under Chapter V of the SEBI ICDR Regulations. The entire pre-preferential allotment shareholding of the above Allottee, if any, shall be locked-in from the Relevant Date up to a period of 90 trading days from the date of the trading approval as per the SEBI ICDR Regulations.

17. Listing:

The Equity Shares will be listed on the Stock Exchanges at which the existing shares are listed subject to the receipt of necessary regulatory permissions and approvals as the case may be. The above shares, once allotted, shall rank pari passu with the then existing Equity Shares of the Company in all respects.

18. The name of the Proposed Allottee, the identities of the persons who are the ultimate beneficial owners of the shares and/ or who ultimately control the Proposed Allottee:

The name of the Proposed Allottee is Somani Multibiz Limited.

Mr. Prabhat Vishnu Somani having PAN FKUPS2602K is ultimate beneficial owner of the Proposed Allottee and ultimately controls the Proposed Allottee.

19. The name of the Proposed allottee, percentage of post preferential issue capital that may be held by the allottees and change in control, if any, in the issuer consequent to the preferential issue

The percentage of post preferential issue capital that may be held by the Proposed Allottee and change in control, if any in the Company consequent to the preferential issue is as below:

Sr. No.	Name of Proposed Allottee	Category	Natural persons who are the ultimate beneficial owners	Pre Issue Shareholding		No. of Equity Shares to be allotted	Post Issue Shareholding	
				No. of Shares	% of Shareholding		No. of Shares	% of Shareholding
1.	Somani Multibiz Limited	Non-Promoter	Mr. Prabhat Vishnu Somani (PAN: FKUPS2602K)	0	0.00	50,00,000	50,00,000	11.45%

Further, there will be no change in the management or control of the Company consequent upon proposed offer and allotment .

20. The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter.

The Current and proposed status of the Proposed Allottee post the preferential issue is "Non-Promoter Category".

21. Practicing Company Secretary's Certificate

A certificate from Mr. Ashish Doshi, Partner of M/s. SPANJ & Associates, Practicing Company Secretary, certifying that the Preferential issue is being made in accordance with requirements of SEBI ICDR Regulations shall be placed before the General Meeting of the shareholders. The same is also available at the website of the Company at www.drcsystems.com.

22. Undertaking

- Neither the Company, nor any of its Directors and / or Promoters have been declared as willful defaulter or a fraudulent borrower as defined under the SEBI ICDR Regulations;
- Neither the Company nor any of its Directors and / or Promoters are a fugitive economic offender as defined under the SEBI ICDR Regulations;
- The Company is in compliance with the conditions for continuous listing, and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations.
- The Proposed Allottee have confirmed that they have not sold any Equity Shares of the Company during the 90 (Ninety) trading days preceding the Relevant Date.

- e. The Company is not required to re-compute the price of the relevant securities to be allotted under the preferential allotment in terms of the provisions of SEBI ICDR Regulations, if it is required to do so, including pursuant to Regulation 166 of the SEBI ICDR Regulations. If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the relevant securities to be allotted under the preferential issue shall continue to be locked-in till the time such amount is paid.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested in the proposed resolution.

The Board, accordingly, recommends passing of the Special Resolution as set out in Item No. 1 of this Notice, for the approval of the Members.

Item No. 2

Mr. Hiten Barchha (DIN: 05251837) was appointed and designated as the Managing Director of the Company by the Board at its Meeting held on November 09, 2020 for a period of 3 years i.e. from November 09, 2020 and his appointment was subsequently approved by the Members at the Extra Ordinary General Meeting held on November 25, 2020.

Further, considering the contribution of Mr. Hiten Barchha (DIN: 05251837) and the progress made by the Company under his leadership and guidance and based on the recommendation of the Nomination and Remuneration Committee and Audit Committee, the Board in its meeting held on September 20, 2022 had approved the revision in the remuneration of Mr. Hiten Barchha (DIN: 05251837) for the remaining tenure of his appointment with effective from October 01, 2022 for an amount not exceeding Rs. 1.00 Crore (Rupees One Crore Only) per annum including bonus/ incentive/ performance linked incentive or other perquisites, if any, on terms and conditions enumerated in the Resolution subject to the approval of the Shareholders.

Pursuant to Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being force), the revised remuneration of Mr. Hiten Barchha (DIN: 05251837) as decided by the Board is required to be approved by the Members at their meeting.

The statement pursuant to Clause (IV) of Section II of Schedule V of Companies Act, 2013 is as under:

I. General Information	
(1) Nature of Industry	Information Technology
(2) Date or expected date of commencement of commercial production:	Not Applicable.
(3) In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.
(4) Financial Performance based on given indicators	Performance for Financial Year 2021-22: 1. Revenue from Operations: Rs. 1,950.11 Lakhs 2. Profit After Tax: Rs. 70.32 Lakhs 3. Earnings per share: Rs. 0.18

(5)	Foreign investments or collaborations, if any.	Rs. 1,439.87 Lakhs (equivalent to EUR 16.76 Lakhs)
II. Information about the appointee:		
(1)	Background details	He holds a Bachelor's degree in computer science from DDU, Nadiad.
(2)	Past remuneration	Rs. 51.00 Lakhs
(3)	Job profile and his suitability	Mr. Hiten Barchha is an experienced professional with a demonstrated history of working in the information technology and services industry. He has over 13+ years of industry experience and focused on bringing innovation and efficiency to business by leveraging the right IT tools and technologies. Passionate about the potential use of new technologies that can help the business remain ahead of curve.
(4)	Remuneration proposed	As mentioned in the Resolution stated above.
(5)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and board level positions held in similar sized and similarly positioned business.
(6)	Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel	Mr. Hiten Barchha holds 8,98,910 Equity Shares of the Company.
III. Other information:		
(1)	Reasons of loss or inadequate profits	The Company has incurred profits during the year. However, the resource utilisation levels were affected due to competition resulting in lower margins. Further, the Company has taken several strategic and contracting expenses in order to stay competitive in the current environment which also affected profitability and its margins. Also, there was an increase in the employee benefit expenses and other expenses over the previous year.
(2)	Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position.
(3)	Expected increase in productivity and profits in measurable terms	The Company is conscious about improvement in productivity and continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving sustained revenue growth in the future.

Except Mr. Hiten Barchha and his relatives, none of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of their respective shareholding, if any, in the Company.

Accordingly, the Board recommends passing of the Resolution as set out in Item No. 2 of the accompanying Notice as a Special Resolution.

Item No. 3

Mr. Janmaya Pandya (DIN: 09019756) was appointed as an Executive Director of the Company by the Board at its Meeting held on January 06, 2021 for a period of 3 years with effect from January 06, 2021 and his appointment was subsequently approved by the Members at the 9th Annual General Meeting held on September 28, 2021.

Further, considering the contribution made by Mr. Janmaya Pandya (DIN: 09019756) in the Company and based on the recommendation of the Nomination and Remuneration Committee and Audit Committee, the Board in its meeting held on September 20, 2022 has approved the revision in the remuneration of Mr. Janmaya Pandya (DIN: 09019756) for the remaining tenure of his appointment with effective from October 01, 2022 for an amount not exceeding Rs. 50.00 Lakhs (Rupees Fifty Lakhs Only) per annum including bonus/ incentive/ performance linked incentive or other perquisites, if any, on terms and conditions enumerated in the Resolution and subject to the approval of the Shareholders.

Pursuant to Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act), and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being force), the revised remuneration of Mr. Janmaya Pandya (DIN: 09019756) as decided by the Board is required to be approved by the Members at a general meeting.

The statement pursuant to Clause (IV) of Section II of Schedule V of Companies Act, 2013 is as under:

I. General Information	
(1) Nature of Industry	Information Technology
(2) Date or expected date of commencement of commercial production:	Not Applicable.
(3) In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.
(4) Financial Performance based on given indicators	Performance for Financial Year 2021-22: 1. Revenue from Operations: Rs. 1,950.11 Lakhs 2. Profit After Tax: Rs. 70.32 Lakhs 3. Earnings per share: Rs. 0.18
(5) Foreign investments or collaborations, if any.	Rs. 1,439.87 Lakhs (equivalent to EUR 16.76 Lakhs)

II. Information about the appointee:	
(1) Background details	Mr. Janmaya Pandya holds a Bachelor's degree in Commerce from H.L. College of Commerce, Gujarat and a PGDM – Finance from Goa Institute of Management, Goa. He has cleared Level II of the Chartered Financial Analyst Program of CFA Institute.
(2) Past remuneration	Rs. 11.10 Lakhs
(3) Job profile and his suitability	Mr. Janmaya Pandya offers a rich blend of finance, operations, accounting, auditing and advisory gained from 9 years of experience in the finance sector. He brings vast expertise and experience in managing financial accounts, developing and allocating budgets, IFC, business strategies, MIS and Financial Modelling. Adept at adding value, reorganizing, streamlining and strengthening finance operations to maximize performance and profitability.
(4) Remuneration proposed	As mentioned in the Resolution stated above.
(5) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and board level positions held in similar sized and similarly positioned business.
(6) Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel	Mr. Janmaya Pandya holds 70 Equity Shares of the Company.
III. Other information:	
(1) Reasons of loss or inadequate profits	The Company has incurred profits during the year. However, the resource utilisation levels were affected due to competition resulting in lower margins. Further, the Company has taken several strategic and contracting expenses in order to stay competitive in the current environment which also affected profitability and its margins. Also, there was an increase in the employee benefit expenses and other expenses over the previous year.
(2) Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position.
(3) Expected increase in productivity and profits in measurable terms	The Company is conscious about improvement in productivity and continually undertakes measures to improve its productivity and profitability. The Management is confident of achieving sustained revenue growth in the future.

Except Mr. Janmaya Pandya, none of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of their respective shareholding, if any, in the Company.

Accordingly, the Board recommends passing of the Resolution as set out in Item No. 3 of the accompanying Notice as Special Resolution.

Registered Office:

24th Floor, GIFT Two Building,
Block No. 56, Road-5C, Zone-5,
GIFT CITY, Gandhinagar
Taluka & District - Gandhinagar – 382 355

By the Order of the Board,
For DRC Systems India Limited

Jainam Shah
Company Secretary

Date: September 20, 2022

DETAILS OF DIRECTORS

[Pursuant to Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India]

Particulars	Profile of the Director	
Name of the Director(s)	Mr. Hiten Barchha	Mr. Janmaya Pandya
DIN	05251837	09019756
Date of Birth	December 03, 1985	February 22, 1990
Age	37 Years	32 Years
Date of appointment on the Board	June 08, 2020	January 06, 2021
Qualifications	Bachelor's degree in computer science from DDU, Nadiad.	Bachelor's Degree in Commerce, PGDM – Finance and Level II Chartered Financial Analyst
Experience & Expertise in specific functional areas	<p>Mr. Hiten Barchha is an experienced professional with a demonstrated history of working in the information technology and services industry. He has over 13+ years of industry experience and focused on bringing innovation and efficiency to business by leveraging the right IT tools and technologies. Passionate about the potential use of new technologies that can help the business remain ahead of curve.</p>	<p>Janmaya Pandya, holds the position of Executive Director and Chief Financial Officer at DRC Systems India Limited. He has over 9 years of experience in the finance sector He offers a rich blend of finance, operations, accounting, auditing and advisory and has vast expertise and experience in managing financial accounts, developing and allocating budgets, IFC, business strategies, MIS and Financial Modeling. He can adapt his expertise at adding value, reorganizing, streamlining and strengthening finance operations to maximize performance and profitability.</p>
Terms and conditions of appointment/ re-appointment	<p>Terms and Conditions of appointment or re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website i.e. www.drcsystems.com</p>	
Details of remuneration sought to be paid	<p>The details of remuneration sought to be paid is given in resolution proposed at Item No. 2 of the Notice.</p>	<p>The details of remuneration sought to be paid is given in resolution proposed at Item No. 3 of the Notice.</p>
Remuneration last drawn (including sitting fees, if any)	Rs. 51.00 Lakhs	Rs. 11.10 Lakhs
Number of Meeting of the Board attended during the Financial Year (2021-22)	7(Seven)	7(Seven)

Names of other Companies in which the Director holds Directorship as on 31.03.2022	Nil	Nil
Names of Committees of other listed Companies in which the Director holds Chairmanship/ Membership as on 31.03.2022	Nil	Nil
Shareholding in the Company as on 31.03.2022	8,98,910 Equity Shares of Re. 1/- each	70 Equity Shares of Re. 1/- each
Relationships between Directors, Key Managerial Personnel and Managers of the Company	N.A.	N.A.