



May 21, 2024

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001  <b>Company Code No.: 543268</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051  <b>Company Symbol: DRCSYSTEMS</b>
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Dear Sir/ Ma'am,

**Sub: Outcome of Board Meeting**

**Re: Submission of Audited Financial Results for the quarter and year ended March 31, 2024 pursuant to Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations")**

This is to inform you that the Board of Directors at its meeting held today i.e. May 21, 2024 has inter-alia considered, approved and taken on record the Audited Financial Results for the quarter and year ended on March 31, 2024 together with the Audit Reports from the Statutory Auditors.

Pursuant to Regulation 33 of the Listing Regulations, we enclose herewith the following:

1. A copy of Audited (Standalone and Consolidated) Financial Results for the quarter and year ended on March 31, 2024.
2. Auditor's Report with unmodified opinion issued by the Statutory Auditors.
3. Declaration that the Report of Statutory Auditors is with unmodified opinion.
4. A copy of Press Release.

The Board Meeting commenced at 11.00 a.m. and concluded at 12.40 p.m.

The above intimation is also available on the website of the Company at [www.drcsystems.com](http://www.drcsystems.com)

Kindly take the same on your records.

Thanking you,

Yours faithfully,

**For DRC Systems India Limited**

**Jainam Shah**  
**Company Secretary**

**Encl.:** As above

**DRC SYSTEMS INDIA LIMITED**

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

**Contact:** +91-79-67772222 | [ir@drcsystems.com](mailto:ir@drcsystems.com) | [www.drcsystems.com](http://www.drcsystems.com)

**CIN: L72900GJ2012PLC070106**

May 21, 2024

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

**Sub: Declaration pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to provisions of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we hereby declare that Rajpara Associates, Statutory Auditors of the Company have issued an Audit Report with unmodified opinion on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended on March 31, 2024.

We request you to kindly take the same on record.

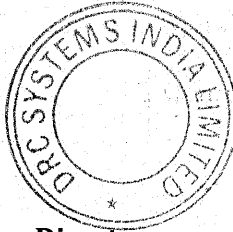
Thanking you,

Yours faithfully,

**For DRC Systems India Limited**



**Janmaya Pandya**  
**Chief Financial Officer & Executive Director**



# RAJPARA ASSOCIATES

Chartered Accountants

D -1107, The First, Near Hotel ITC Narmada, Behind Keshavbaug Party Plot, Vastrapur,  
Ahmedabad-380 015. Phone: 079-4849 3366. E mail: admin@carajpara.com  
**carajpara.com**

**Independent Auditor's Report on Audited Standalone Financial Results for the quarter and Year ended March 31, 2024 of DRC Systems India Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**TO THE BOARD OF DIRECTORS OF  
DRC SYSTEMS INDIA LIMITED**

**Report on audit of the Standalone Financial Results**

## **Opinion**

We have audited the accompanying Standalone Financial Results of DRC Systems India Limited ('the Company') for the quarter and year ended March 31, 2024 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial results:

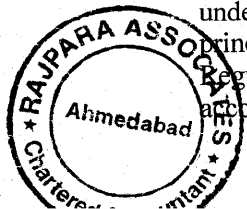
- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2024.

## **Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results for the quarter and year ended March 31, 2024 under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Management's and Board of Director's Responsibility for the Standalone Financial Results**

These Standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Management and the Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for



effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

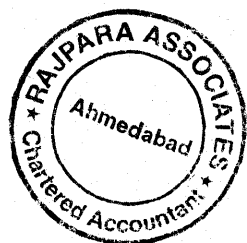
The Management and the Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditors Responsibilities for the Audit of Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matter**

The Standalone financial results include the results for the quarter ended March 31, 2024 being the balance figures between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.


Place : Ahmedabad

Date : 21/05/2024

UDIN: 24046922BKWS05461

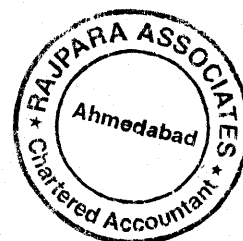
For, Rajpara Associates  
Chartered Accountants

FRN 113428W



C J Rajpara  
Partner

M. No. 046922

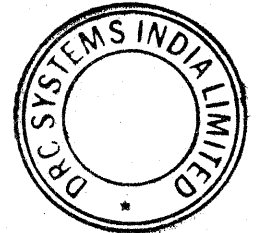
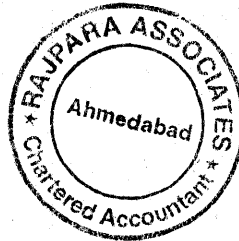


DRC Systems India Limited  
CIN: L72900GJ2012PLC070106  
24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Standalone Audited Financial Results for the Quarter and Year Ended March 31, 2024

(Rupees in lakhs, except per share data and if otherwise stated)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		(Audited) (Refer Note 4)	(Unaudited)	(Audited) (Refer Note 4)	(Audited)	(Audited)
1	Income from operations					
	Income from operations	1,255.1	788.3	600.6	3,588.0	2,181.8
	<b>Total income from operations</b>	<b>1,255.1</b>	<b>788.3</b>	<b>600.6</b>	<b>3,588.0</b>	<b>2,181.8</b>
2	Other income	3.8	4.5	399.7	10.0	422.8
3	<b>Total income (1+2)</b>	<b>1,258.9</b>	<b>792.8</b>	<b>1,000.3</b>	<b>3,598.0</b>	<b>2,604.6</b>
4	Expenses					
	Employee benefits expenses	417.5	437.2	377.0	1,671.6	1,099.5
	Contracting expenses	655.1	218.0	376.6	1,126.5	476.4
	Finance costs	1.5	1.6	1.3	6.0	62.1
	Depreciation and amortisation expenses	71.8	70.3	40.5	243.4	118.5
	Other expenses	72.7	62.8	78.0	245.2	281.9
	<b>Total expenses</b>	<b>1,218.6</b>	<b>789.9</b>	<b>873.4</b>	<b>3,292.7</b>	<b>2,038.4</b>
5	<b>Profit/(Loss) before exceptional item and tax (3-4)</b>	<b>40.3</b>	<b>2.9</b>	<b>126.9</b>	<b>305.3</b>	<b>566.2</b>
6	Exceptional items	-	-	-	-	-
7	<b>Profit/(Loss) before tax (5-6)</b>	<b>40.3</b>	<b>2.9</b>	<b>126.9</b>	<b>305.3</b>	<b>566.2</b>
8	Tax Expenses					
	- for current period/year	6.9	0.8	22.4	74.7	146.1
	- for previous period/year	4.1	(7.7)	-	(3.6)	-
9	<b>Profit/(Loss) after tax (7-8)</b>	<b>29.3</b>	<b>9.8</b>	<b>104.5</b>	<b>234.2</b>	<b>420.1</b>
10	Other Comprehensive Income/(Expenses) (net of tax)					
	Items that will not be reclassified to Profit or loss					
	-Remeasurements of the defined benefit plans	(1.2)	-	(6.7)	(1.2)	(6.7)
	-Income tax relating to items that will not be reclassified to Profit or loss	-	-	-	-	-
11	<b>Other comprehensive income, net of tax</b>	<b>(1.2)</b>	<b>-</b>	<b>(6.7)</b>	<b>(1.2)</b>	<b>(6.7)</b>
12	<b>Total Comprehensive Income for the Period (after tax) (9+11)</b>	<b>28.1</b>	<b>9.8</b>	<b>97.8</b>	<b>233.0</b>	<b>413.4</b>
13	Paid-up equity share capital (Face Value of the share Re. 1/- each)	1,324.7	441.6	439.0	1,324.7	439.0
14	Other equity				2,248.9	2,731.9
15	Earnings per share (not annualised for the quarter) (Refer note : 3)					
	(a) Basic	0.02	0.01	0.09	0.18	0.34
	(b) Diluted	0.02	0.01	0.08	0.17	0.34

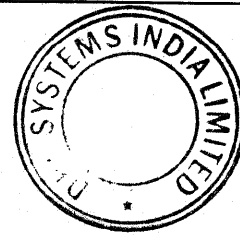
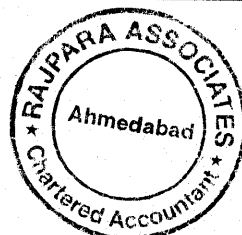
See accompanying notes to the



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DRC Systems India Limited  
CIN: L72900GJ2012PLC070106  
24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Standalone Audited Assets And Liabilities as at March 31, 2024

PARTICULARS	(Rupees in Lakhs)	
	March 31, 2024 (Audited)	March 31, 2023 (Audited)
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
Property, plant and equipments	35.1	21.7
Right-of-use assets	70.1	57.4
Other intangible assets	711.6	383.7
Financial assets		
Investments	2,101.4	2,000.3
Other financial assets	12.3	17.8
Income tax assets (net)	13.8	63.1
<b>Total non-current assets</b>	<b>2,944.3</b>	<b>2,544.0</b>
<b>II. Current assets</b>		
Financial assets		
Trade receivables	849.3	425.0
Cash and cash equivalents	144.6	206.9
Others financial assets	217.7	456.4
Other current assets	101.8	13.0
<b>Total current assets</b>	<b>1,313.4</b>	<b>1,101.3</b>
<b>Total Assets</b>	<b>4,257.7</b>	<b>3,645.3</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	1,324.7	439.0
Other equity	2,248.9	2,731.9
<b>Total equity</b>	<b>3,573.6</b>	<b>3,170.9</b>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>		
Financial liabilities		
Lease liabilities	60.6	51.5
Provisions	64.2	50.4
Deferred tax liabilities (net)	62.5	58.5
<b>Total non-current liabilities</b>	<b>187.3</b>	<b>160.4</b>
<b>II. Current liabilities</b>		
Financial liabilities		
Trade payables		
Total outstanding dues to micro and small enterprises	3.2	15.0
Total outstanding dues to other than micro and small enterprises	7.1	82.4
Lease liabilities	14.5	9.0
Other financial liabilities	135.9	122.3
Other current liabilities	311.7	62.0
Provisions	24.4	23.3
Current tax liabilities (net)	-	-
<b>Total current liabilities</b>	<b>496.8</b>	<b>314.0</b>
<b>Total Equity and Liabilities</b>	<b>4,257.7</b>	<b>3,645.3</b>
See accompanying notes to the financial results		



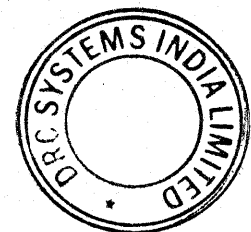
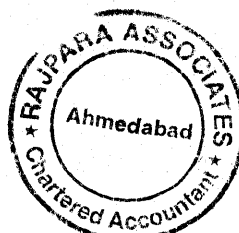
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DRC Systems India Limited  
CIN: L72900GJ2012PLC070106  
24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Standalone Audited Cash Flows for the Year Ended March 31, 2024

(Rupees in Lakhs)

Sr. No.	PARTICULARS	Year Ended March 31, 2024	Year Ended March 31, 2023
		(Audited)	(Audited)
<b>A</b>	<b>Cash Flow from operating activities:</b>		
	Profit/(Loss) Before taxation	305.3	566.1
	<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
	Depreciation and amortization expenses	243.4	118.5
	Employee stock option expense	167.1	56.7
	Finance cost	6.0	62.1
	Interest income on bank deposits	(0.3)	(1.1)
	Interest income - others	(4.0)	-
	Unrealised foreign currency loss / (gain) - net	(3.6)	(1.0)
	Gain on sale of investment	-	.*
	Liability no longer required	-	.*
	Fair value gain on investment	(1.0)	(400.2)
	Balances written off	0.2	-
	Bad debts written off	-	8.1
	<b>Operating Profit before Working Capital Changes</b>	<b>713.1</b>	<b>409.2</b>
	<b>Adjustments for:</b>		
	Changes in trade & other payables	(87.0)	97.4
	Changes in trade receivables	(420.8)	166.3
	Changes in other current & non current assets	151.7	(394.5)
	Changes in other current & non current liabilities and provisions	276.8	17.8
	<b>Net Changes in Working Capital</b>	<b>(79.3)</b>	<b>(113.0)</b>
	<b>Cash Generated from Operations</b>	<b>633.8</b>	<b>296.2</b>
	Direct taxes paid	(17.8)	(105.1)
	<b>Net Cash (used in) Operating Activities (A)</b>	<b>616.0</b>	<b>191.1</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Payment for acquisition of property, plant and equipment and intangible asset (including capital work-in-progress and intangible under development)	(570.6)	(291.1)
	Interest received	4.3	1.1
	Fixed deposits with bank (net)	3.7	(1.6)
	Investments in equity instruments (net)	(100.1)	(160.2)
	<b>Net cash (used in) Investing Activities (B)</b>	<b>(662.7)</b>	<b>(451.8)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from preferential issue of shares	-	2,000.0
	Repayment of lease liabilities	(12.1)	(8.3)
	Proceeds from exercise of stock options	2.5	2.5
	Finance cost	(6.0)	(62.1)
	Proceeds/(Repayment) of borrowings	-	(1,515.0)
	<b>Net Cash (used in) Financing Activities (C)</b>	<b>(15.6)</b>	<b>417.1</b>
	<b>Net Increase / (Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(62.3)</b>	<b>156.4</b>
	Cash & Cash equivalent at the beginning of the year	206.9	50.5
	<b>Cash &amp; Cash equivalent at the end of the year</b>	<b>144.6</b>	<b>206.9</b>

\* Represents amount less than ten thousand



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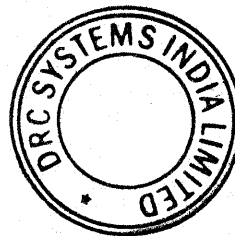
**Notes:**

- 1 The above statement of audited standalone financial results for the quarter and year ended March 31, 2024 ('the Statement') of DRC Systems India Limited ('the Company') are reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at its meeting held on May 21, 2024. The report has been filed with the stock exchanges and is available on the Company's website at "www.drcsystems.com".
- 2 In accordance with Ind AS-108 - "Operating Segments" and evaluation by the Chief Operating Decision Maker, the Company operates in one business segment i.e. IT and IT enabled Services including web and mobile app development, maintenance, testing and related ancillary services, which is reflected in the above results.
- 3 The Board of Directors approved the issue of 2 (Two) Bonus Equity Shares for every 1 (One) Equity Share held by the Equity Shareholders of the Company as on "Record Date" out of share premium account of the Company available as on March 31, 2023. The Bonus Issue of Equity Shares was approved by the shareholders in their EGM held on February 15, 2024. The "Record Date" was fixed as February 27, 2024 for determining the eligible shareholders entitled to receive Bonus Shares. The Bonus Equity Shares were allotted on February 29, 2024 and the trading approval for the same was received on March 06, 2024. These bonus shares are ranking pari-passu in all respects and carry the same rights as that of the existing equity shares.

Accordingly, as per the IndAS 33 - Earning per Share, the calculation of basic and diluted earnings per share for all periods/year presented have been adjusted retrospectively.

- 4 The standalone figures of the last quarter are the balancing figure between the audited figures in respect of the full financial year upto March 31, 2024 and March 31, 2023 and the unaudited year-to-date figures upto December 31, 2023 and December 31, 2022 respectively being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 5 The figures for comparative period/year have been regrouped/ reclassified, wherever necessary, to make them comparable.

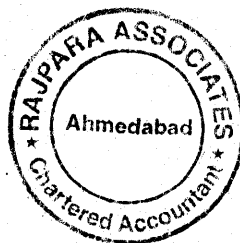
For and on behalf of Board of Directors of  
DRC Systems India Limited



A handwritten signature in black ink, appearing to read "Hiten A. Barchha".

Hiten A. Barchha  
Managing Director  
DIN: 05251837

Date: May 21, 2024  
Place: Gandhinagar



# RAJPARA ASSOCIATES

Chartered Accountants

D -1107, The First, Near Hotel ITC Narmada, Behind Keshavbaug Party Plot, Vastrapur,  
Ahmedabad-380 015. Phone: 079-4849 3366. E mail: admin@carajpara.com  
**carajpara.com**

**Independent Auditor's Report on the Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2024 of DRC Systems India Limited Pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.**

**TO THE BOARD OF DIRECTORS OF  
DRC SYSTEMS INDIA LIMITED**

**Report on the audit of Consolidated Financial Results**

## **1. Opinion**

We have audited the accompanying Statement of Consolidated Financial Results of DRC Systems India Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates for the quarter ended March 31, 2024 and for the year ended March 31, 2024 ('the Statement'), attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate audit financial statements/financial results/financial information of the subsidiaries and associates, the Statement:

- i. Includes the results of the following entities:

Sr. No.	Name of the entities	Relationship
1	DRC Systems EMEA LLC-FZ (w.e.f. 06 July, 2022)	Subsidiary
2	DRC Systems USA LLC (w.e.f. 17 July, 2023)	Subsidiary
3	Nighthack Technology Private Limited (w.e.f. 27 October, 2023)	Associate
4	AppiZap L.L.C-FZ (w.e.f. 24 July 2023)	Associate

- ii. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- iii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2024 and for the year ended March 31, 2024.



## **2. Basis of Opinion**

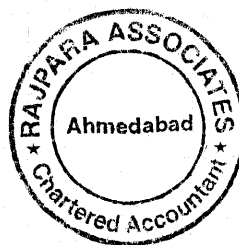
We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group and its associates in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.

## **3. Management's and Board of Director's Responsibility for the consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including associates in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Annual Financial Results, the respective Management and Board of Directors of the entities included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

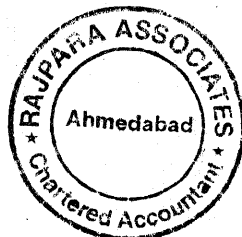


#### **4. Auditors Responsibilities for the Audit of Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

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

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Statement made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group and its associates of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings; including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Master Circular issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

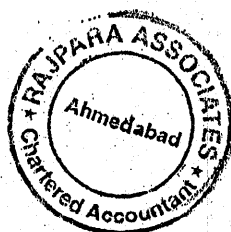
#### **5. Other Matter**

The accompanying Statement includes the audited financial statements and other financial information, in respect of;

- **2 Subsidiaries** whose Financial Results/statements reflects total assets of Rs. 3627.42 Lacs as at March 31, 2024, total revenue of Rs. 462.91 Lacs & Rs 1446.57 Lacs, net Profit after tax of Rs. 363.38 Lacs & Rs. 926.45 Lacs and total comprehensive income of Rs. 363.38 Lacs & Rs. 926.45 Lacs for the quarter and year ended on that date respectively and net cash flow of Rs 239.18 Lacs for the year ended on March 31, 2024.
- **2 Associates** whose Financial Results/statements reflects group's share of total comprehensive income of Rs. 2.85 Lacs & total comprehensive income of Rs. 4.71 Lacs for the quarter and year ended on that date respectively.

These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such subsidiaries and associates, is based solely on the report of other auditors and the procedures performed by us are as stated in paragraph above. Our opinion is not modified in respect of this matter

The subsidiaries and associate is located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements and other financial information of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of subsidiaries and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.




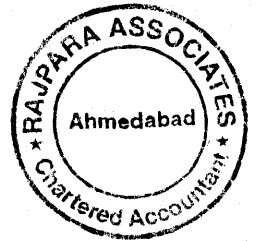
The Statement includes the results for the quarter ended March 31, 2024 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Our opinion on the Statement is not modified in respect of the above matters.

Place : Ahmedabad  
Date : 21/05/2024  
UDIN : 24046922BKCWSP5226

For, Rajpara Associates  
Chartered Accountants  
FRN 113428W

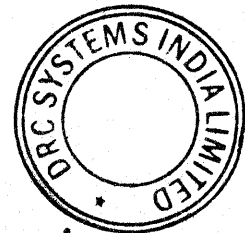
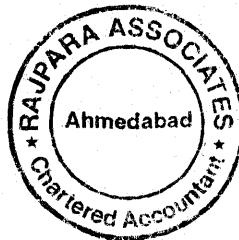
  
C J Rajpara  
Partner  
M. No. 046922



DRC Systems India Limited  
CIN: L72900GJ2012PLC070106  
24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Consolidated Audited Financial Results for the Quarter and Year Ended March 31, 2024

Sr. No.	Particulars	(Rupees in lakhs, except per share data and if otherwise stated)				
		Quarter Ended			Year Ended	
		March 31, 2024 (Audited) (Refer Note 4)	December 31, 2023 (Unaudited)	March 31, 2023 (Audited) (Refer Note 4)	March 31, 2024 (Audited)	March 31, 2023 (Audited)
1	<b>Income from operations</b>					
	Income from operations					
	<b>Total income from operations</b>	1,712.4	1,356.1	677.4	4,768.3	2,562.5
2	Other income	1,712.4	1,356.1	677.4	4,768.3	2,562.5
3	<b>Total income (1+2)</b>	3.1	5.1	399.7	11.0	422.8
4	<b>Expenses</b>	1,715.5	1,361.2	1,077.1	4,779.3	2,985.3
	Employee benefits expenses					
	Contracting expenses	460.2	477.4	412.0	1,829.8	1,203.7
	Finance costs	690.2	235.5	380.5	1,179.6	480.3
	Depreciation and amortisation expenses	1.5	1.6	1.3	6.0	62.1
	Other expenses	77.5	72.2	42.2	254.8	120.1
	<b>Total expenses</b>	82.4	73.0	81.9	277.3	292.9
5	<b>Profit/(Loss) before exceptional items/ share in net profit/(loss) of associates and tax (3-4)</b>	1,311.8	859.7	917.9	3,547.5	2,159.1
6	Exceptional items	403.7	501.5	159.2	1,231.8	826.2
7	<b>Profit/(Loss) before share in net profit/(loss) of associates and tax (5-6)</b>	-	-	-	-	-
8	Share in net profit / (loss) of associate	403.7	501.5	159.2	1,231.8	826.2
9	<b>Profit/(Loss) before tax (7-8)</b>	2.9	1.8	(18.2)	4.7	(10.7)
10	<b>Tax Expenses</b>	406.6	503.3	141.0	1,236.5	815.5
	- for current period/year					
	- for previous period/year	6.9	0.8	22.4	74.7	146.1
11	<b>Profit/(Loss) after tax (9-10)</b>	4.1	(7.7)		(3.6)	-
		395.6	510.3	118.6	1,165.4	669.4
12	<b>Other Comprehensive Income/(Expenses) (net of tax)</b>					
	Items that will not be reclassified to Profit or loss					
	-Remeasurements of the defined benefit plans	(1.2)	-	(6.7)	(1.2)	(6.7)
	-Income tax relating to items that will not be reclassified to Profit or loss	-	-	-	-	-
13	<b>Other comprehensive income, net of tax</b>	(1.2)	-	-	(1.2)	(6.7)
14	<b>Total Comprehensive Income for the Period (after tax) (11+13)</b>	394.4	510.3	111.9	1,164.2	662.7
15	<b>Profit for the period / year attributable to:</b>					
	Owners of the company	395.6	510.3	118.6	1,165.4	669.4
	Non-controlling Interest	-	-	-	-	-
16	<b>Other comprehensive Income/ (loss) attributable to:</b>					
	Owners of the company	(1.2)	-	(6.7)	(1.2)	(6.7)
	Non-controlling Interest	-	-	-	-	-
17	<b>Total Comprehensive Income/ (Expenses) attributable to:</b>					
	Owners of the company	394.4	510.3	111.9	1,164.2	662.7
	Non-controlling Interest	-	-	-	-	-
18	Paid-up equity share capital (Face Value of the share Re. 1/- each)					
19	Other equity	1,324.7	441.6	439.0	1,324.7	439.0
20	<b>Earnings per share (not annualised for the quarter) (Refer note: 3)</b>				3,458.4	2,988.5
	(a) Basic	0.30	0.39	0.10	0.88	0.55
	(b) Diluted	0.30	0.38	0.10	0.87	0.54

See accompanying notes to the financial results



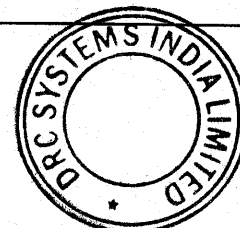
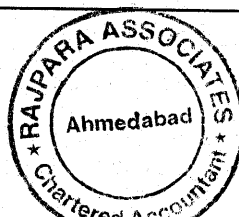
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DRC Systems India Limited  
CIN: L72900GJ2012PLC070106  
24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Consolidated Audited Assets And Liabilities as at March 31, 2024

(Rupees in Lakhs)

PARTICULARS	March 31, 2024	March 31, 2023
	(Audited)	(Audited)
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
Property, plant and equipments	35.2	22.1
Right-of-use assets	70.1	57.4
Other intangible assets	1,628.6	455.1
Intangible assets under development	1,042.5	-
Financial assets		
Investments	2,084.0	1,966.9
Other financial assets	12.3	17.8
Income tax assets (net)	13.8	63.1
<b>Total non-current assets</b>	<b>4,886.5</b>	<b>2,582.4</b>
<b>II. Current assets</b>		
Financial assets		
Trade receivables	1,969.1	572.9
Cash and cash equivalents	413.7	236.8
Loans	35.7	-
Others financial assets	356.2	466.5
Other current assets	195.2	47.3
<b>Total current assets</b>	<b>2,969.9</b>	<b>1,323.5</b>
<b>Total Assets</b>	<b>7,856.4</b>	<b>3,905.9</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	1,324.7	439.0
Other equity	3,458.4	2,988.5
<b>Total equity</b>	<b>4,783.1</b>	<b>3,427.5</b>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>		
Financial liabilities		
Lease liabilities	60.6	51.5
Provisions	64.1	50.4
Deferred tax liabilities (net)	62.6	58.5
<b>Total non-current liabilities</b>	<b>187.3</b>	<b>160.4</b>
<b>II. Current liabilities</b>		
Financial liabilities		
Trade payables		
Total outstanding dues to micro and small enterprises	3.2	15.0
Total outstanding dues to other than micro and small enterprises	10.1	82.4
Lease liabilities	14.5	9.0
Other financial liabilities	1,909.3	122.3
Other current liabilities	924.5	66.0
Provisions	24.4	23.3
<b>Total current liabilities</b>	<b>2,886.0</b>	<b>318.0</b>
<b>Total Equity and Liabilities</b>	<b>7,856.4</b>	<b>3,905.9</b>

See accompanying notes to the financial results



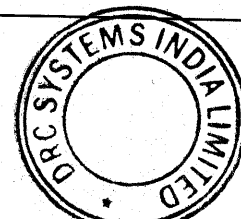
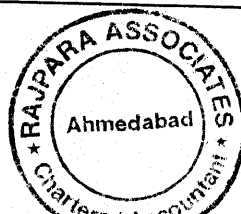
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DRC Systems India Limited  
CIN: L72900GJ2012PLC070106  
24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Consolidated Audited Cash Flows for the Year Ended March 31, 2024

Sr. No.	PARTICULARS	(Rupees in Lakhs)	
		Year Ended March 31, 2024	Year Ended March 31, 2023
		(Audited)	(Audited)
<b>A</b>	<b>Cash Flow from operating activities:</b>		
	Profit/(Loss) Before taxation	1,231.8	826.2
	<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
	Depreciation and amortization expenses	254.8	120.1
	Employee stock option expense	167.1	56.7
	Finance cost	6.0	62.1
	Interest income on bank deposits	(0.3)	(1.1)
	Interest income - Others	(4.0)	-
	Unrealised foreign currency loss / (gain) - net	15.0	(1.0)
	Gain on sale of investment	-	-*
	Fair value gain on investment	(1.0)	(400.2)
	Liability no longer required	-	-*
	Balances written off	0.6	-
	Bad debts written off	-	8.1
	<b>Operating Profit before Working Capital Changes</b>	<b>1,670.0</b>	<b>670.9</b>
	<b>Adjustments for:</b>		
	Changes in trade & other payables	(84.0)	97.4
	Changes in trade receivables	(1,411.2)	18.3
	Changes in other current & non current assets	(36.3)	(431.6)
	Changes in other current & non current liabilities and provisions	2,659.0	21.8
	<b>Net Changes in Working Capital</b>	<b>1,127.5</b>	<b>(294.1)</b>
	<b>Cash Generated from Operations</b>	<b>2,797.5</b>	<b>376.8</b>
	Direct taxes paid	(17.8)	(105.1)
	<b>Net Cash (used in) Operating Activities (A)</b>	<b>2,779.7</b>	<b>271.7</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	Payment for acquisition of property, plant and equipment and intangible asset (including capital work-in-progress and intangible under development)	(2,448.1)	(364.5)
	Interest received	4.3	1.1
	Loans and advances given	(35.7)	-
	Fixed deposits with bank (Net)	3.7	(1.6)
	Investments in equity instruments (net)	(111.4)	(137.5)
	<b>Net cash (used in) Investing Activities (B)</b>	<b>(2,587.2)</b>	<b>(502.5)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from preferential issue of shares	-	2,000.0
	Repayment of lease liabilities	(12.1)	(8.3)
	Proceeds from exercise of stock options	2.5	2.5
	Finance cost	(6.0)	(62.1)
	Proceeds/ Repayment of borrowings	-	(1,515.0)
	<b>Net Cash (used in) Financing Activities (C)</b>	<b>(15.6)</b>	<b>417.1</b>
	<b>Net Increase / (Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>176.9</b>	<b>186.3</b>
	Cash & Cash equivalent at the beginning of the year	236.8	50.5
	<b>Cash &amp; Cash equivalent at the end of the year</b>	<b>413.7</b>	<b>236.8</b>

\* Represents amount less than ten thousand

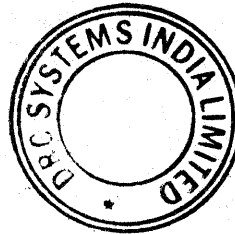
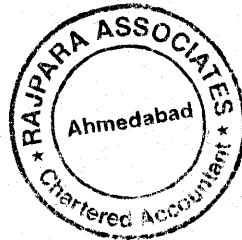


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**Notes:**

- 1 The above statement of audited consolidated financial results for the quarter and year ended March 31, 2024 ('the Statement') of DRC Systems India Limited ('the Company') and its subsidiaries and associate ('the Group') are reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at its meeting held on May 21, 2024. The report has been filed with the stock exchanges and is available on the Company's website at "www.drcsystems.com".
- 2 In accordance with Ind AS-108 - "Operating Segments" and evaluation by the Chief Operating Decision Maker, the Group operates in one business segment i.e. IT and IT enabled Services including web and mobile app development, maintenance, testing and related ancillary services, which is reflected in the above results.
- 3 The Board of Directors approved the issue of 2 (Two) Bonus Equity Shares for every 1 (One) Equity Share held by the Equity Shareholders of the Company as on "Record Date" out of share premium account of the Company available as on March 31, 2023. The Bonus Issue of Equity Shares was approved by the shareholders in their EGM held on February 15, 2024. The "Record Date" was fixed as February 27, 2024 for determining the eligible shareholders entitled to receive Bonus Shares. The Bonus Equity Shares were allotted on February 29, 2024 and the trading approval for the same was received on March 06, 2024. These bonus shares are ranking pari-passu in all respects and carry the same rights as that of the existing equity shares.  
  
Accordingly, as per the IndAS 33 - Earning per Share, the calculation of basic and diluted earnings per share for all periods presented have been adjusted retrospectively.
- 4 The consolidated figures of the last quarter are the balancing figure between the audited figures in respect of the full financial year upto March 31, 2024 and March 31, 2023 and the unaudited year-to-date figures upto December 31, 2023 and December 31, 2022 respectively being the date of the end of the third quarter of the financial year which were subjected to limited review.
- 5 The figures for comparative period/year have been regrouped/ reclassified, wherever necessary, to make them comparable.

Date: May 21, 2024  
Place: Gandhinagar



For and on behalf of Board of Directors of  
DRC Systems India Limited

Hiten A. Barchha  
Managing Director  
DIN: 05251837

## Media Release

# DRC Systems India Limited Announces Financial Results for the Fourth Quarter (Q4) FY24 and Full Year FY23-24

- Consolidated revenue from operations for the year up 86% Y-o-Y to INR 4768 Lacs.
- Consolidated EBITDA for the year up 50% to INR 1497 Lacs.
- Consolidated PAT for the year up 74% INR 1165 Lacs.
- Quarterly revenue from operations up 153% Y-o-Y at INR 1712 Lacs.
- Quarterly PAT up 233% Y-o-Y at INR 396 Lacs.

**Gandhinagar, India, 21st May, 2024** : Information Technology and Software Consultancy Services provider, DRC Systems India Limited “DRC Systems” “the company” today announced its Audited financial results for the fourth quarter (Q4) and full financial year ended March 31st, 2024.

The company has recorded its highest ever yearly consolidated profit of INR 1165 Lacs, up 74%, in the fiscal year 2023-24, along with a record yearly consolidated operating revenue of INR 4768 Lacs, up 86%. On a quarterly basis as well the revenue has stood strong at INR 1712 Lacs and net profit at INR 396 Lacs, up 153% and 233% respectively.

**Mr. Hiten Barchha, Managing Director of DRC Systems India Limited, stated,** : “Our strategic shift towards becoming an internationally focused technology company is finally bearing fruit. Our fourth-quarter results and overall annual financial performance have shown tremendous growth due to our efforts to expand in the Middle East, Europe, and US markets. We have also begun making inroads into the Australian market. While we grow and transform our fortunes through international expansion, India will continue to be our home base for pursuing lucrative business opportunities.”

DRC Systems India Limited has commenced the fiscal year with strategic initiatives aimed at expanding its international presence and securing long-term business opportunities. The company had entered into a joint venture agreement with UAE-based EZMS LLC FZ to offer Platform as a Service (PaaS) on a Low-Code No-Code (LCNC) platform. This venture is designed to aggressively expand DRC Systems’ reach and secure lucrative business opportunities in the UAE Free Zones and other regions in the Middle East.

In the first half of this fiscal year, DRC Systems also strengthened its presence in the US market by establishing a wholly-owned subsidiary, DRC Systems USA LLC. This move targets the burgeoning demand in the US tech market for high-quality, cost-effective tech solutions.

Keeping international market in sight, this fiscal year, DRC Systems accomplished a significant milestone by earning the prestigious CMMI Level 3 Certification from the US-based CMMI Institute. The Capability Maturity Model Integration (CMMI) is a globally recognized performance improvement framework that helps organizations enhance their operations and deliver high-quality services. This accreditation reflects DRC Systems’ proficiency in software development and its ability to consistently meet or exceed customer expectations.

“With CMMI Level 3 certification, we are well-prepared in targeting major government projects as well as high-end corporate projects in the international markets,” said **Mr. Hiten Barchha, Managing Director of DRC Systems.**

DRC Systems has also expanded its product and solution offerings by incorporating Artificial Intelligence (AI), Machine Learning (ML), and Blockchain technologies. In FY24, the company acquired approximately a 45% stake in Nighthack Technology Private Limited, a Bangalore-based tech company specializing in AI, ML, and Blockchain technologies. “We have successfully delivered blockchain and AI-embedded platforms for our international clients, meeting the growing demand in the global market,” added **Mr. Hiten Barchha.**

Apart from the strategic decision to target the international market, the company also had parallelly implemented its branding strategy, where DRC Systems has actively promoted its products and increased brand visibility through participation in diverse trade shows, both domestically and internationally. The company recently showcased its offerings at DIDAC INDIA, Bangalore’s premier technology trade show, and later at GITEX Global Dubai 2023, a leading tech event in the Middle East, North Africa, and South Asia.

### Consolidated Financial Highlights – Quarter and year ended March 31, 2024

(all figures in lacs)

Particulars	Q4 FY'24	Q4 FY'23	Y-o-Y %	FY'24	FY'23	Y-o-Y %
Revenue from operations	1712	677	153%	4768	2563	86%
PBT	407	141	189%	1237	816	52%
EBIDTA	486	185	163%	1497	998	50%
EBITDA Margin	28%	27%		31%	39%	
PAT	396	119	233%	1165	669	74%
Net Margin	23%	11%		24%	22%	

### Consolidated Performance Review for the period

- Company’s revenue from operations was INR 1712 Lacs during the quarter, up 153 % Y-o-Y primarily due to strong revenue growth witnessed international markets.
- Revenue from operations for the full year FY'24 period grew 86% Y-o-Y from INR 2563 Lacs to INR 4768 Lacs.
- EBITDA for the quarter came at INR 486 Lacs up 163 % Y-o-Y and INR 1497 Lacs for the year, up 50%.
- EBITDA margins for the quarter were 28% while EBITDA margins for full year came at 31%.
- Profit before tax for the quarter was INR 407 Lacs up 189 % Y-o-Y, and INR 1237 Lacs for the full year FY'24 up by 52%.
- Company’s profit after tax for the quarter was INR 396 Lacs, marking a 233 % Y-o-Y increase. For the full fiscal year 2024, it reached INR 1165 Lacs, a rise of 74 %.
- Net margins for the quarter were 23%, while for the full year, they stood at 24%.

### **About DRC Systems India Limited**

DRC Systems is an IT services and Consultancy Company in India focused on providing viable and lasting solutions to businesses. We are focused on innovation and creativity to lead the change, since its advent in 2012. With competent teams of developers, project managers, and strategists, we help our customers overcome their business challenges with customized software development. Our services and solutions help businesses scale the market. Over the years, we have diversified our service offerings through a mix of organic growth and strategic transactions. We believe the wide range of services that we offer enables us to build stronger relationships with our clients and cross sell our services. Our customer base is spread across geographies and majorly to Europe, USA, Middle East and Asia.

### **Contact**

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