

October 14, 2022

<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: Submission of Unaudited Financial Results for the quarter and half year ended on September 30, 2022**

Pursuant to the Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we hereby inform you that the Board of Directors of the Company at its meeting held today i.e. October 14, 2022 has inter alia, considered, approved and taken on record the Unaudited (Standalone and Consolidated) Financial Results for the quarter and half year ended on September 30, 2022 together with the Limited Review Report from the Statutory Auditors.

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

- (i) A copy of Unaudited (Standalone and Consolidated) Financial Results for the quarter and half year ended on September 30, 2022.
- (ii) Limited Review Report on the aforesaid Unaudited (Standalone and Consolidated) Financial Results for the quarter and half year ended on September 30, 2022.
- (iii) A copy of Press Release on the aforesaid Unaudited (Standalone and Consolidated) Financial Results.

The Board Meeting commenced at 11.15 a.m. and concluded at 12.55 p.m.


The said details are also available on the website of the Company at [www.drcsystems.com](http://www.drcsystems.com)

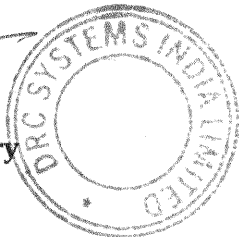
Kindly take the same on your records.

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

# RAJPARA ASSOCIATES

Chartered Accountants

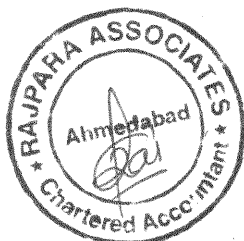
D -1107, The First, Near Hotel ITC Narmada, Behind Keshavbaug Party Plot, Vastrapur,  
Ahmedabad-380 015. Phone: 079-4849 3366. E mail: admin@carajpara.com  
carajpara.com

**Limited Review Report on unaudited standalone financial results of DRC SYSTEMS INDIA LIMITED for the quarter ended September 30, 2022 and year to date from April 1, 2022 to 30 September, 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**To the Board of Directors**

**DRC SYSTEMS INDIA LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of DRC SYSTEMS INDIA LIMITED ("the Company"), for the quarter ended 30 June 2022 and year to date from April 1, 2022 to 30 September, 2022 ("the Statement"), being submitted by the 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').
2. This Statement, which is the responsibility of the Company's management has been reviewed by the Audit Committee and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



4. Based on our review conducted and procedures performed as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place : Ahmedabad

Date : 14/10/2022

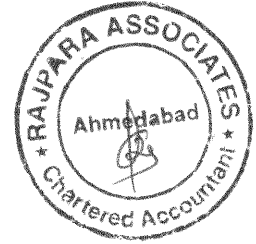
UDIN : 22046922 AZQXMX2354

For Rajpara Associates  
Chartered Accountants  
FRN 113428W

*Rajpara*

C J Rajpara  
Partner

M. No. 046922

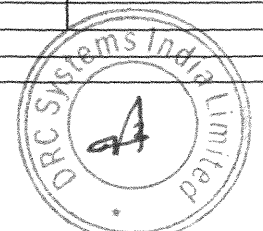
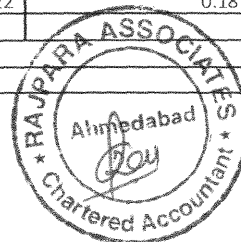


DRC Systems India Limited  
CIN: L72900GJ2012PLC070106  
24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Standalone Unaudited Financial Results for the Quarter and Six Months Ended September 30, 2022

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

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations						
	Income from operations	531.5	447.2	534.8	978.7	1,056.7	1,950.1
	<b>Total income from operations</b>	<b>531.5</b>	<b>447.2</b>	<b>534.8</b>	<b>978.7</b>	<b>1,056.7</b>	<b>1,950.1</b>
2	Other income	(3.5)	14.7	0.2	11.1	14.8	33.1
3	<b>Total income (1+2)</b>	<b>528.0</b>	<b>461.9</b>	<b>535.0</b>	<b>989.8</b>	<b>1,071.5</b>	<b>1,983.2</b>
4	Expenses						
	Employee benefits expenses	250.7	203.7	217.8	454.4	431.1	931.9
	Contracting expenses	41.8	40.4	202.7	82.2	435.6	615.7
	Finance costs	24.7	27.0	0.7	51.7	0.9	7.2
	Depreciation and amortisation expenses	26.1	25.3	40.9	51.4	81.4	132.1
	Other expenses	65.9	63.4	50.3	129.3	82.5	175.5
	<b>Total expenses</b>	<b>409.2</b>	<b>359.8</b>	<b>512.4</b>	<b>768.9</b>	<b>1,031.5</b>	<b>1,862.4</b>
5	<b>Profit/(Loss) before exceptional item and tax (3-4)</b>	<b>118.8</b>	<b>102.1</b>	<b>22.6</b>	<b>220.9</b>	<b>40.0</b>	<b>120.8</b>
6	Exceptional items		-	-	-	-	-
7	<b>Profit/(Loss) before tax (5-6)</b>	<b>118.8</b>	<b>102.1</b>	<b>22.6</b>	<b>220.9</b>	<b>40.0</b>	<b>120.8</b>
8	Tax expenses	35.0	32.1	8.1	67.1	12.5	50.5
9	<b>Profit/(Loss) after tax (7-8)</b>	<b>83.8</b>	<b>70.0</b>	<b>14.5</b>	<b>153.8</b>	<b>27.5</b>	<b>70.3</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	-	-	-	-	-	(0.8)
	-Income tax relating to items that will not be reclassified to Profit or loss	-	-	-	-	-	
11	<b>Other comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.8)</b>
12	<b>Total Comprehensive Income for the Period (after tax) (9+11)</b>	<b>83.8</b>	<b>70.0</b>	<b>14.5</b>	<b>153.8</b>	<b>27.5</b>	<b>69.5</b>
13	Paid-up equity share capital (Face Value of the share Re. 1/- each)	386.5	386.5	386.5	386.5	386.5	386.5
14	Other equity						291.6
15	Earnings per share (not annualised for the quarter) (refer note: 3)						
	(a) Basic	0.22	0.18	0.04	0.40	0.07	0.18
	(b) Diluted	0.22	0.18	0.04	0.40	0.07	0.18

See accompanying notes to the financial results

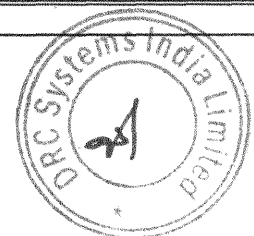
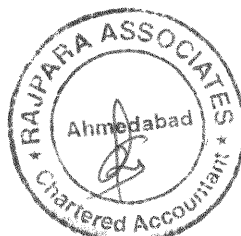


DRC Systems India Limited  
CIN: L72900GJ2012PLC070106  
24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Standalone Unaudited Assets And Liabilities as at September 30, 2022

(Rupees in Lakhs)

PARTICULARS	September 30, 2022	March 31, 2022
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
Property, plant and equipment	22.9	17.2
Right-of-use assets	62.6	67.7
Other intangible assets	144.0	185.1
Intangible assets under development	201.1	-
Financial assets		
Investments	1,462.6	1,439.9
Other financial assets	16.0	14.6
Deferred tax assets (net)	33.6	30.4
Income tax assets (net)	15.2	15.3
<b>Total non-current assets</b>	<b>1,958.0</b>	<b>1,770.2</b>
<b>II. Current assets</b>		
Financial assets		
Trade receivables	305.9	598.3
Cash and cash equivalents	35.9	50.5
Others financial assets	223.1	55.2
Other current assets	65.1	21.4
<b>Total current assets</b>	<b>630.0</b>	<b>725.4</b>
<b>Total Assets</b>	<b>2,588.0</b>	<b>2,495.6</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	386.5	386.5
Other equity	482.1	291.6
<b>Total equity</b>	<b>868.6</b>	<b>678.1</b>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>		
Financial liabilities		
Borrowings	1,325.0	1,515.0
Other financial liabilities	56.1	60.5
Provisions	44.5	39.5
<b>Total non-current liabilities</b>	<b>1,425.6</b>	<b>1,615.0</b>
<b>II. Current liabilities</b>		
Financial liabilities		
Trade payables		
Total outstanding dues to micro and small enterprises	-	-
Total outstanding dues to other than micro and small enterprises	-	-
Other financial liabilities	122.4	85.9
Other current liabilities	130.8	95.6
Provisions	20.9	21.0
Current tax liabilities (net)	19.7	-
<b>Total current liabilities</b>	<b>293.8</b>	<b>202.5</b>
<b>Total Equity and Liabilities</b>	<b>2,588.0</b>	<b>2,495.6</b>

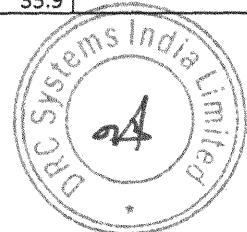
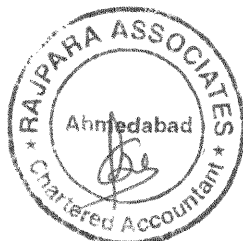
See accompanying notes to the financial results



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 Unaudited Cash Flows for the Six Months Ended September 30, 2022

(Rupees in Lakhs)

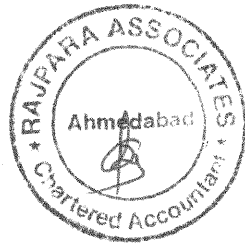
Sr. No.	PARTICULARS	Six Month Ended September 30, 2022 (Unaudited)	Six Month Ended September 30, 2021 (Unaudited)
A	<b>Cash Flow from operating activities:</b>		
	Profit/(Loss) Before taxation	220.9	40.0
	Adjustments to reconcile profit before tax to net cash flows:		
	Depreciation and amortization expenses	51.4	81.4
	Employee stock option expense	23.9	-
	Interest expenses	51.7	0.9
	Interest income	(0.2)	(0.6)
	Unrealised foreign currency loss / (gain) - net	1.8	(11.7)
	Liability no longer required	-	(2.5)
	<b>Operating Profit before Working Capital Changes</b>	<b>349.5</b>	<b>107.5</b>
	Adjustments for:		
	Changes in trade & other payables	-	39.4
	Changes in trade receivables	290.6	2.5
	Changes in other current & non current assets	(213.2)	(329.4)
	Changes in other current & non current liabilities and provisions	23.7	23.8
	<b>Net Changes in Working Capital</b>	<b>101.1</b>	<b>(263.7)</b>
	<b>Cash Generated from Operations</b>	<b>450.6</b>	<b>(156.2)</b>
	Direct taxes paid	(50.6)	(5.2)
	<b>Net Cash (used in) Operating Activities (A)</b>	<b>400.0</b>	<b>(161.4)</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)	(199.2)	(1.6)
	Interest received	0.2	0.6
	Investments in equity instruments of subsidiary	(22.7)	-
	<b>Net cash (used in) Investing Activities (B)</b>	<b>(221.7)</b>	<b>(1.0)</b>
C	<b>Cash Flow from Financing Activities</b>		
	Interest paid	(2.9)	(0.9)
	Proceeds / (repayment) of borrowings	(190.0)	-
	<b>Net Cash (used in) Financing Activities (C)</b>	<b>(192.9)</b>	<b>(0.9)</b>
	<b>Net Increase / (Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(14.6)</b>	<b>(163.3)</b>
	Cash & Cash equivalent at the beginning of the period	50.5	170.5
	<b>Cash &amp; Cash equivalent at the end of the period</b>	<b>35.9</b>	<b>7.2</b>



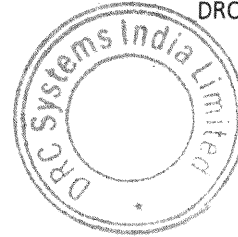
**Notes:**

- 1 The above statement of unaudited standalone financial results for the quarter and six months ended September 30, 2022 ('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 October 14, 2022. 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 During the previous year, the Shareholders of the Company have approved the Split/Sub-division of each Equity Share of the Company from the existing Face Value of Rs. 10/- (Rupees Ten Only) per Equity Share to Face Value of Re. 1/- (Rupee One Only) per Equity Share in Extra Ordinary General Meeting dated February 25, 2022. The Record Date for Sub-division was March 17, 2022. The Earning Per Share ("EPS") have been calculated /restated, as applicable, for the quarter and six months ended on September 30, 2021 after considering the new number of Equity Shares post Sub-division in line with the provisions of applicable Ind As to make figures of EPS comparable with previous period.
- 4 During the quarter under review, the Board, in its meeting held on September 20, 2022, has approved Preferential Issue of Equity Shares for a cash consideration not exceeding Rs. 2,000 Lacs subject to approval by the shareholders and such other regulatory / statutory authorities as may be applicable.
- 5 The figures for comparative period/year have been regrouped/ reclassified, wherever necessary, to make them comparable.

Date: October 14, 2022  
Place: Gandhinagar



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



Hiten A. Barchha  
Managing 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**

**Limited Review Report on unaudited consolidated financial results of DRC SYSTEMS INDIA LIMITED for the quarter ended September 30, 2022 and year to date from April 1, 2022 to 30 September, 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

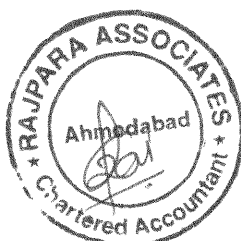
**To the Board of Directors**

**DRC SYSTEMS INDIA LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of DRC SYSTEMS INDIA LIMITED ("the Holding Company") and its subsidiary company (the holding and its subsidiaries are referred to as 'the group'), for the quarter ended on 30 September, 2022 half year ended 30 September, 2022 ("the Statement"), being submitted by the Parent 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').

2. This Statement, which is the responsibility of the Holding Company's management has been reviewed by the Audit Committee and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would





become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. The Statement includes the financial results of the following entities:

a) DRC Systems EMEA LLC

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial results of the Subsidiary Companies included in the Consolidated Unaudited Financial Results, whose interim financial results reflect total profit Rs. 3.73 Lakhs for the half year ended on 30 September, 2022. These interim financial results and other financial information have been reviewed by other auditors, whose reports have been furnished to us by the management. Our conclusion, in so far as it relates to the affairs of such subsidiaries is based solely on the report of other auditors. Our conclusion is not modified in respect of this matter.

**Place : Ahmedabad**

**Date : 14/10/2022**

**UDIN : 22046922AZQWXM3607**

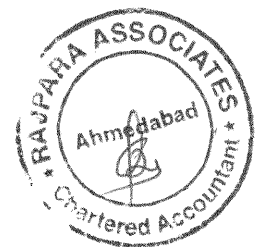
**For Rajpara Associates  
Chartered Accountants  
FRN 113428W**

*C J Rajpara*

**C J Rajpara**

**Partner**

**M. No. 046922**



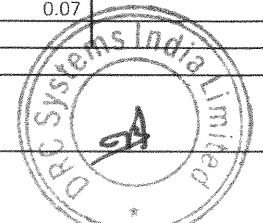
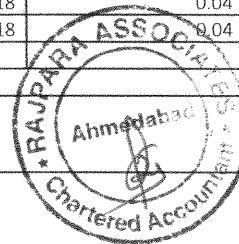
DRC Systems India Limited  
CIN: L72900GJ2012PLC070106

24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Consolidated Unaudited Financial Results for the Quarter and Six Months Ended September 30, 2022

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

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		(Refer note 5)	(Refer note 5)		(Refer note 5)	(Refer note 5)	
1	<b>Income from operations</b>						
	Income from operations	574.0	447.2	534.8	1,021.2	1,056.7	1,950.1
	<b>Total income from operations</b>	<b>574.0</b>	<b>447.2</b>	<b>534.8</b>	<b>1,021.2</b>	<b>1,056.7</b>	<b>1,950.1</b>
2	Other income	(3.5)	14.7	0.2	11.1	14.8	33.1
3	<b>Total income (1+2)</b>	<b>570.5</b>	<b>461.9</b>	<b>535.0</b>	<b>1,032.3</b>	<b>1,071.5</b>	<b>1,983.2</b>
4	<b>Expenses</b>						
	Employee benefits expenses	285.5	203.7	217.8	489.2	431.1	931.9
	Contracting expenses	41.8	40.4	202.7	82.2	435.6	615.7
	Finance costs	24.7	27.0	0.7	51.7	0.9	7.2
	Depreciation and amortisation expenses	26.1	25.3	40.9	51.4	81.4	132.1
	Other expenses	69.8	63.4	50.3	133.2	82.5	175.5
	<b>Total expenses</b>	<b>447.9</b>	<b>359.8</b>	<b>512.4</b>	<b>807.7</b>	<b>1,031.5</b>	<b>1,862.4</b>
5	<b>Profit/(Loss) before exceptional item and tax (3-4)</b>	<b>122.6</b>	<b>102.1</b>	<b>22.6</b>	<b>224.6</b>	<b>40.0</b>	<b>120.8</b>
6	<b>Exceptional items</b>		-	-	-	-	-
7	<b>Profit/(Loss) before tax (5-6)</b>	<b>122.6</b>	<b>102.1</b>	<b>22.6</b>	<b>224.6</b>	<b>40.0</b>	<b>120.8</b>
8	Tax expenses	35.1	32.1	8.1	67.1	12.5	50.5
9	<b>Profit/(Loss) after tax (7-8)</b>	<b>87.5</b>	<b>70.0</b>	<b>14.5</b>	<b>157.5</b>	<b>27.5</b>	<b>70.3</b>
10	<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	-	-	-	-	-	(0.8)
	-Income tax relating to items that will not be reclassified to Profit or loss	-	-	-	-	-	
11	<b>Other comprehensive income, net of tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.8)</b>
12	<b>Total Comprehensive Income for the Period (after tax) (9+11)</b>	<b>87.5</b>	<b>70.0</b>	<b>14.5</b>	<b>157.5</b>	<b>27.5</b>	<b>69.5</b>
13	Paid-up equity share capital (Face Value of the share Re. 1/- each)	386.5	386.5	386.5	386.5	386.5	386.5
14	Other equity						291.6
15	<b>Earnings per share (not annualised for the quarter) (refer note: 3)</b>						
	(a) Basic	0.23	0.18	0.04	0.41	0.07	0.18
	(b) Diluted	0.22	0.18	0.04	0.40	0.07	0.18

See accompanying notes to the financial results

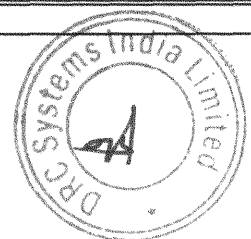
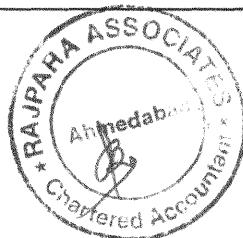


DRC Systems India Limited  
CIN: L72900GJ2012PLC070106  
24th Floor, GIFT Two Building, Block No. 56, Road-5C, Zone-5, GIFT CITY, Gandhinagar 382355  
Statement of Consolidated Unaudited Assets And Liabilities as at September 30, 2022

(Rupees in Lakhs)

PARTICULARS	September 30, 2022	March 31, 2022
	(Unaudited)	(Audited)
		(Refer note 5)
<b>ASSETS</b>		
<b>I. Non-current assets</b>		
Property, plant and equipment	22.9	17.2
Right-of-use assets	62.6	67.7
Other intangible assets	144.0	185.1
Intangible assets under development	201.1	-
Financial assets		
Investments	1,439.9	1,439.9
Other financial assets	16.0	14.6
Deferred tax assets (net)	33.6	30.4
Income tax assets (net)	15.2	15.3
<b>Total non-current assets</b>	<b>1,935.3</b>	<b>1,770.2</b>
<b>II. Current assets</b>		
Financial assets		
Trade receivables	328.1	598.3
Cash and cash equivalents	41.4	50.5
Others financial assets	223.2	55.2
Other current assets	103.6	21.4
<b>Total current assets</b>	<b>696.3</b>	<b>725.4</b>
<b>Total Assets</b>	<b>2,631.6</b>	<b>2,495.6</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	386.5	386.5
Other equity	485.3	291.6
<b>Total equity</b>	<b>871.8</b>	<b>678.1</b>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>		
Financial liabilities		
Borrowings	1,325.0	1,515.0
Other financial liabilities	56.1	60.5
Provisions	44.5	39.5
<b>Total non-current liabilities</b>	<b>1,425.6</b>	<b>1,615.0</b>
<b>II. Current liabilities</b>		
Financial liabilities		
Trade payables		
Total outstanding dues to micro and small enterprises	-	-
Total outstanding dues to other than micro and small enterprises	-	-
Other financial liabilities	122.4	85.9
Other current liabilities	171.2	95.6
Provisions	20.9	21.0
Current tax liabilities (net)	19.7	-
<b>Total current liabilities</b>	<b>334.2</b>	<b>202.5</b>
<b>Total Equity and Liabilities</b>	<b>2,631.6</b>	<b>2,495.6</b>

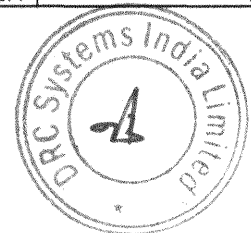
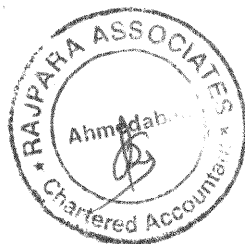
See accompanying notes to the financial results



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 Unaudited Cash Flows for the Six Months Ended September 30, 2022

(Rupees in Lakhs)

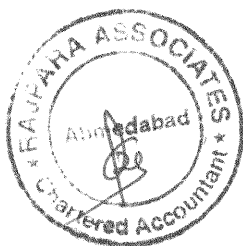
Sr. No.	PARTICULARS	Six Month Ended September 30, 2022	Six Month Ended September 30, 2021
		(Unaudited)	(Unaudited) (Refer note 5)
A	<b>Cash Flow from operating activities:</b>		
	Profit/(Loss) Before taxation	224.6	40.0
	<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
	Depreciation and amortization expenses	51.4	81.4
	Employee stock option expense	23.9	-
	Interest expenses	51.7	0.9
	Interest income	(0.2)	(0.6)
	Unrealised foreign currency loss / (gain) - net	1.8	(11.7)
	Liability no longer required	-	(2.5)
	<b>Operating Profit before Working Capital Changes</b>	<b>353.2</b>	<b>107.5</b>
	<b>Adjustments for:</b>		
	Changes in trade & other payables	-	39.4
	Changes in trade receivables	268.4	2.5
	Changes in other current & non current assets	(251.7)	(329.4)
	Changes in other current & non current liabilities and provisions	63.5	23.8
	<b>Net Changes in Working Capital</b>	<b>80.2</b>	<b>(263.7)</b>
	<b>Cash Generated from Operations</b>	<b>433.4</b>	<b>(156.2)</b>
	Direct taxes paid	(50.6)	(5.2)
	<b>Net Cash (used in) Operating Activities (A)</b>	<b>382.8</b>	<b>(161.4)</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)	(199.2)	(1.6)
	Interest received	0.2	0.6
	Investments in equity instruments of subsidiary	-	-
	<b>Net cash (used in) Investing Activities (B)</b>	<b>(199.0)</b>	<b>(1.0)</b>
C	<b>Cash Flow from Financing Activities</b>		
	Interest paid	(2.9)	(0.9)
	Proceeds / (repayment) of borrowings	(190.0)	-
	<b>Net Cash (used in) Financing Activities (C)</b>	<b>(192.9)</b>	<b>(0.9)</b>
	<b>Net Increase / (Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(9.1)</b>	<b>(163.3)</b>
	Cash & Cash equivalent at the beginning of the period	50.5	170.5
	<b>Cash &amp; Cash equivalent at the end of the period</b>	<b>41.4</b>	<b>7.2</b>



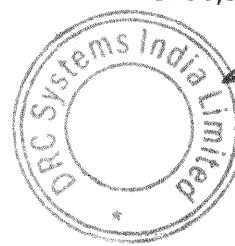
**Notes:**

- 1 The above statement of unaudited consolidated financial results for the quarter and six months ended September 30, 2022 ('the Statement') of DRC Systems India Limited ('the Company') and its subsidiary ('the Group') are reviewed and recommended by the Audit Committee and taken on record by the Board of Directors at its meeting held on October 14, 2022. 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 During the previous year, the Shareholders of the Company have approved the Split/Sub-division of each Equity Share of the Company from the existing Face Value of Rs. 10/- (Rupees Ten Only) per Equity Share to Face Value of Re. 1/- (Rupee One Only) per Equity Share in Extra Ordinary General Meeting dated February 25, 2022. The Record Date for Sub-division was March 17, 2022. The Earning Per Share ("EPS") have been calculated /restated, as applicable, for the quarter and six months ended on September 30, 2021 after considering the new number of Equity Shares post Sub-division in line with the provisions of applicable Ind As to make figures of EPS comparable with previous period.
- 4 During the quarter under review, the Board, in its meeting held on September 20, 2022, has approved Preferential Issue of Equity Shares for a cash consideration not exceeding Rs. 2,000 Lacs subject to approval by the shareholders and such other regulatory / statutory authorities as may be applicable.
- 5 During the quarter under review, the Subsidiary company has commenced its business operations and accordingly the results (including balance sheet and cash flow statement) for the quarter and six months ended September 30, 2022 are reported on a consolidated basis and comparative period and year ended results (including balance sheet and cash flow statement) are reported on standalone basis.
- 6 The figures for comparative period/year have been regrouped/ reclassified, wherever necessary, to make them comparable.

Date: October 14, 2022  
Place: Gandhinagar



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



Hiten A. Barchha  
Managing Director

## MEDIA RELEASE

### DRC Systems India Limited Announces Unaudited Financial Results for the Second Quarter (Q2) of the Fiscal Year 2022-23

**Consolidated Profit before tax up 443%, Y-o-Y to INR 123 Lacs.**

**Consolidated Profit after tax up 503%, Y-o-Y to INR 88 Lacs.**

**Consolidated EBITDA up 170%, Y-o-Y to INR 173 Lacs.**

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**Gandhinagar, India, 14<sup>th</sup> October, 2022:** Information Technology and Software Consultancy Services provider, DRC Systems India Limited “**DRC Systems**” “the Company”, today announced its standalone unaudited financial results for the Second Quarter (Q2), ended September 30, 2022, for the fiscal year 2022 23.

#### **Acquisition of stake in Nextenders (India) Private Limited**

The Board of Directors at its meeting held today has considered and approved to acquire 23.34% stake in Nextenders (India) Private Limited (“Nextenders”). Post-acquisition, Nextenders would become an Associate Company. The Target Company is engaged in the business of Electronic Procurement Software Systems, Solutions & Related Services. The target company has strong presence in India, Africa, Philippines and Mauritius in public sector. Till date, the company has processed over 625,000 worth over 15 Billion USD. The company has patented its systems in countries including India, UK and USA. DRC is seeing business opportunity through these presences to package product and software services.

#### **Consolidated Performance Review for Q2 FY22-23:**

- Operating Revenue stood at Rs. 574.0 Lacs up 7.3% Y-o-Y, up 28.4% Q-o-Q.
- EBITDA for the quarter is Rs. 173.4 Lacs up 170.1% Y-o-Y, up 12.3% Q-o-Q.
- EBITDA Margins stood at 30.2% for the quarter vs 12.0% in Q2 FY 2021-22
- Profit After Tax (PAT) is at Rs. 87.5 Lacs up 503.5 % Y-o-Y, up 25.0% Q-o-Q.

## Consolidated Financial Highlights – Quarter Ended September 30, 2022

Particulars	Q2 FY23	Q2 FY22	% change Y-o-Y	Q1 FY23	% change Q-o-Q
Revenue	574.0	534.8	7.3%	447.2	28.4%
EBITDA	173.4	64.2	170.1%	154.4	12.3%
Profit Before Tax	122.6	22.6	442.5%	102.1	20.1%
Profit After Tax	87.5	14.5	503.5%	70.0	25.0%

*Figures in INR Lacs*

**Managing Director Mr. Hiten Barchha** said, “Worldwide the internet penetration is exponentially increasing at almost every single businesses & governments, which has become a major driving factor in the growing demand for IT & software services market. There has been excellent demand recovery across verticals and geographies, as demand for our products/services has substantially gained in domestic and international markets. While on the one hand, our business deal pipeline has continued to improve, on the other hand, there has been an uptick in our margins, thanks to better utilization and lowering operating costs. We expect this performance to continue in coming years/quarters as well, as the post-pandemic world keeps moving towards digitalization, hunting for more digital solutions to replace and improvise its old business work model and adapt new way of doing the business through digital means.”

### 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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**+91 98790 70927**