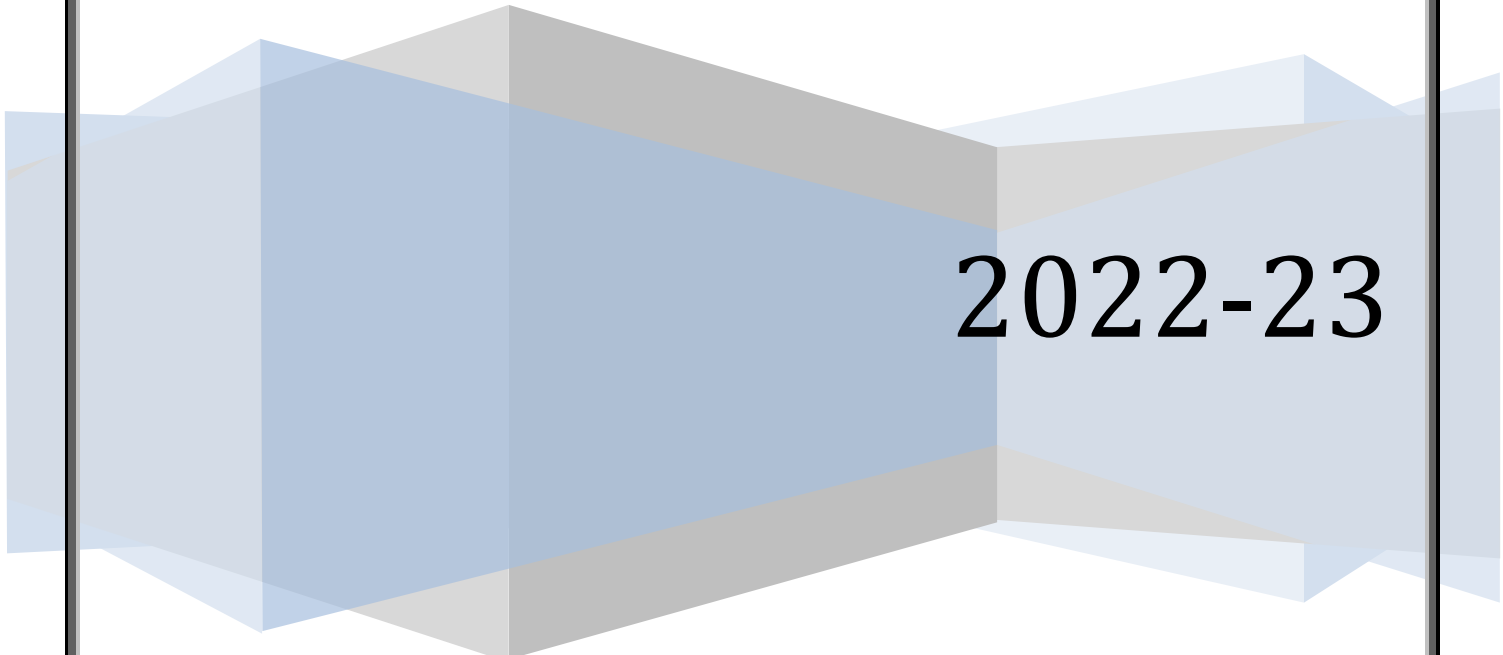


DC Infotech and Communication Limited

Annual Report 2023



2022-23

KEY DRIVERS OF COMPANY:

Board of Directors and Key-Managerial Persons

Mr. Chetankumar Timbadia	-	Managing Director
Mr. Devendra Sayani	-	Whole-time Director
Mr. Jayeshkumar Sayani	-	Non Executive Director
Mr. Chandrashekar Gaonkar	-	Independent Director
Mrs. LippeeRajani	-	Independent Director (Woman Director)
Ms. Sneha Chotai	-	Independent Director (Woman Director)
Mr. Piyush Shah	-	Chief Financial Officer
Mr. Bhavesh Singh	-	Company Secretary & Compliance Officer

Statutory Auditor

M/s D G M S & CO.

Chartered Accountants

Add:Office No. 10,VihangVihar, Opp.

Gautam Park, Panchpakhadi,

Thane West – 400602

Firm Registration No.:0112187W

Membership No.:115279

Internal Auditor

G.V.Radia & Associates

Chartered Accountants

Add:223, 2nd Floor, Naman Plaza, S V

Road,Kandivali (West), Mumbai – 67

Firm Registration No.: 138160W

Membership No.: 156857

Registrar and Transfer Agent

Satellite Corporate Services Pvt. Ltd.

Add:Office No. 106 & 107, Dattani Plaza, East West

Compound, AndheriKurla Road,Safedpul,

Saki Naka, Andheri (E),Mumbai – 72

SEBI Registration No: INR000003639

Email ID: service@satellitecorporate.com

Website: www.satellitecorporate.com

Banks / NBFC

ICICI Bank Limited

Kotak Mahindra Bank

Axis Bank

Yes Bank

Hero Fincorp

Managing Director's Letter

Dear All,

The IT industry is not merely a business endeavour; it is a force of change and progress. We are the architects of the digital revolution, and our work touches every aspect of modern society. From communication and healthcare to education, banking and entertainment, the IT industry has left an indelible mark on humanity's journey.

The IT sector has not only survived the recent disruptions brought on by the pandemic, but it has also thrived. The crisis accelerated digital transformation and fundamentally altered labour paradigms, propelling many firms into the future. But in 2023, the IT sector is expected to continue to deal with problems with Skilled labour and supply chains disruption triggered by chip shortages — problems that are currently being made worse by significant macroeconomic and international uncertainty. Despite these headwinds, the sector continues to grow.

Even when lockdowns were reopened, many businesses continued to provide the option of working from home since it had become widely accepted. Even educational institutions held sessions online and many of them continued to provide the online option. Due to this, a fresh and steady stream of demand has emerged, considerably enhancing our industry.

As we look ahead to the future, we must acknowledge the challenges and uncertainties that lie before us. Rapid technological advancements, evolving consumer demands, and global dynamics make our path unpredictable. However, let us embrace these challenges with enthusiasm, for they present us with unparalleled opportunities for growth and innovation.

One of our primary objectives as an industry should be to make technology more inclusive and accessible to all. We must strive to bridge the digital divide, ensuring that the benefits of our advancements reach even the most marginalized communities. By doing so, we can empower individuals and uplift societies, fostering a world where everyone can thrive.

Network and security solutions are becoming more and more necessary as a result of this paradigm shift, particularly at the enterprise level. Data breaches and network attacks are common as more company activities move online, necessitating the need for strong digital security. This is where DC Info steps in. We provide a value-added offering to our clients by utilising our core strength in digital installations and end-to-end networking and security solutions.

Over the last year, the company has continued on its growth trajectory and found new opportunities even during the slowdown. In the financial year ended 31st March 2023 we reported a 54.67 % year-on-year growth in revenue at Rs. 359.63 cr, while EBITDA and PAT stood at Rs. 12.72 cr and Rs. 7.08 cr, a year-on-year growth of 73.63 % and 76.73 %, respectively. Our diverse product portfolio, value-added business model, and widespread network enabled us to navigate through turbulent phases successfully.

In terms of geographical expansion, we are really excited to share that we opened a new branch in Surat, Gujarat, offering the entire basket of our products. We continuously add new products and brands in our portfolio while expanding our client-base. Some recent additions include Maruti Suzuki Gujarat, Bluestar and Tata Play, and latest brand addition being Array

Networks. Array Networks, based in Milpitas, California, offers a complete range of application delivery and security solutions across India. We bagged orders for security product line “Netscout” from three new clients namely Kotak Mahindra Bank, Tata Teleservices and Bharat Petroleum Corporation (BPCL) and entered into a distribution agreement with Versa Network Inc. Versa is one of the leading networking solutions provider. We won their mandate for India as well as the SAARC region. During the year our Company ranked 13th out of 125 companies in Economic Times and Statista's India’s Growth Champions 2023 that have achieved the highest percentage growth in revenues between 2019 and 2022.

Such developments continue to enhance our clientele and build on a strong order book. Such associations further solidify our position as the Architect of complete and customized secured intelligent networks. We have long standing relationships with most of the OEMs, many of which have been associated with us for more than 10 years. Moreover, we won several awards during the year from our partners, such as D-Link and Samsung, for our contribution to their business.

We have also been actively involved in social responsibility initiatives, supporting local communities and providing assistance to those in need. We believe that it is our duty as a responsible corporate citizen to give back to society and make a positive impact on the world.

Looking ahead, we are planning to increase the pocket share of existing and new solutions technologies by adding high growth potential products as per changing technological trend and the core competencies which we have developed in our networking & security solutions. As smart cities and Make in India initiatives are also boosting business from OEMs and Service Providers which leads to drive the transformation in the global networking industry.

We are excited to explore new opportunities and continue to push the boundaries of innovation. Our focus remains on delivering exceptional value to our clients and stakeholders, and we are confident that our dedicated team will continue to drive our success.

I would like to express my gratitude to our clients, shareholders, and partners for their continued trust and support. With your help, we will continue to lead the way in the Information Technology industry and achieve our goals.

Thank you for being a part of our journey, and I look forward to the exciting future that lies ahead.

NOTICE

NOTICE is hereby given that the 5th **Annual General Meeting** of the Members of **DC INFOTECH AND COMMUNICATION LIMITED** will be held at Unit No.13, Aristocrate, Lajya Compound, Mogra Road, Andheri (E), Mumbai - 400069, Maharashtra, India, on Thursday, **28th September, 2023 at 11:00 am** to transact the following business:

Ordinary Business:

1. Adoption of Accounts:

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2023, together with the Reports of the Board of Directors and Auditors thereon.

2. Re-Appointment of Director:

To re-appoint a Director Mr. Chetankumar Hasmukhlal Timbadia (DIN 06731478) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Increase in borrowing limits from Rs. 100 Crores to Rs. 300 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher, under section 180(1)(c) of the Companies Act, 2013.

To consider and if thought fit, to pass, with or without modification, the following as an Special Resolution:

“RESOLVED THAT in supersession of the resolution passed by the shareholders of the Company at the general meeting held on 01st March 2019, and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed Rs. 300 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and are hereby authorized to arrange to fix the terms and conditions of all such borrowings from time to time as it may deem fit and to sign and execute all such deeds, contracts, instruments, agreements and any other documents as may be required and to do all such acts, deeds, matters, things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred by this resolution to any committee of Directors and/or Directors and/or Officers of the Company to give effect to this resolution.”

4. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings, under section 108(1)(a) of the Companies Act, 2013.

To consider and if thought fit, to pass, with or without modification, the following as an Special Resolution:

“RESOLVED THAT in supersession of the resolution passed by shareholders of the Company at the general meeting held on 01st March 2019, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, or to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) on such terms and conditions at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole or substantially the whole of the Company's any one or more of the undertakings or all of the undertakings of the Company in favour of any Bank(s) or Financial Institutions or any other Lender(s), Agent(s) and Trustee(s) whether shareholders of the Company or not, to secure borrowing availed or to be availed by the Company or subsidiary(ies) or associates of Company, whether by way of debentures, loans, credit facilities, debts, financial obligations or any other securities or otherwise by the Company, in foreign currency or in Indian rupees, shall not, at any time exceed Rs. 300 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and is hereby authorized to finalize with the Banks or Financial Institutions or any other Lender(s), Agent(s) and Trustee(s) all such deeds, contracts, instruments, agreements and any other documents for creating the aforesaid mortgages, pledge, charges and /or hypothecations and to accept any modifications to, or to modify, alter or vary, the terms and conditions of the existing deeds, contracts, instruments, agreements documents and to do all such acts, deeds, matters, things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred by this resolution to any committee of Directors and/ or Directors and/or officers of the Company to give effect to this resolution.”

Place: Mumbai

Date: 01st September 2023

By Order of the Board of Directors

Mr. Chetankumar Timbadia
Managing Director
DIN: 06731478

Registered Office: Unit No.2 Aristocrat, Ground Floor,
Lajya Compound, Mogra Road, Andheri (E),
Mumbai - 400069, Maharashtra

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE.

Item no 3. Increase in borrowing limits from Rs. 100 Crores to Rs. 300 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher, under section 180(1)(c) of the Companies Act, 2013.

The Shareholders of the Company at their meeting held on 01st March, 2019 considered and authorized the Company to borrow upto Rs. 100 Crore by way of Inter Corporate Deposits, Long Term Loans, and External Commercial Borrowings or through issue of any securities, instruments, etc. pursuant to Section 180(1)(c) and other applicable provisions, if any, of Companies Act, 2013. It is proposed to increase the limit of borrowings to Rs. 300 Crores.

The provisions of Section 180 of the Companies Act, 2013 requires the Companies to pass Special resolution to authorize the Board to borrow funds which will exceed the aggregate of the paid-up capital and free reserves. In view thereof, it is proposed to obtain a fresh approval of Shareholders by a Special Resolution.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP are concerned or interested in this resolution.

The Board has unanimously approved the above proposal at its meeting held on 01st September, 2023.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution.

The Board of Directors recommends resolution as set out in the notice for approval of the members of the Company by way of a Special Resolution.

Item no 4. Creation of Charges on the movable and immovable properties of the Company, both present and future, in respect of borrowings, under section 108(1)(a) of the Companies Act, 2013.

In order to facilitate securing the borrowing availed / to be availed by the Company or subsidiary(ies) or associates of Company, by way of loans, debentures or any other securities or otherwise, in foreign currency or in Indian rupees, it is proposed to obtain the approval of the shareholders by way of a Special Resolution under Section 180(1)(a) of the Companies Act, 2013, to create charge/ mortgage/ hypothecation /pledge on the Company's assets including tangible and intangible, both present and future, or provide other securities in favour of the Banks, Financial Institutions, any other Lender(s), Agent(s) and Trustee(s), from time to time, shall not, at any time exceed Rs. 300 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

The Board has unanimously approved the above proposal at its meeting held on 01st September, 2023.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution.

The Board of Directors recommends resolution as set out in the notice for approval of the members of the Company by way of a Special Resolution.

Notes:

1. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed herewith.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and on poll, to vote on his/her behalf. Such a proxy need not be a member of the Company. The enclosed proxy form should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the AGM. A person shall not act as a Proxy for more than 50 members and holding in the aggregate not more than 10% of the total voting share capital of the Company. However, a single person may act as a proxy for a member holding more than 10% of the total voting share capital of the Company provided that such person shall not act as a proxy for any other person.
3. Proxy-holders are requested to carry an Identity Proof at the time of attending the meeting.
4. Members are requested to send in their queries at least a week in advance to the Chief Financial Officer & Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.
5. Pursuant to the provisions of Section 108 and all other applicable provisions of the Act read with the Companies(Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically and has engaged the services of NDSL’s E-voting as the agency to provide e-voting facility. Instructions for the process to be followed for e-voting are annexed with this Annual Report.
6. During the voting period, members can login to NDSL’s-voting platform any number of times till they have voted on all the resolutions. Once the vote on a resolutions cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
7. Members can opt for only one mode of voting, that is, either by physical Ballot voting at AGM or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through physical Ballot will be treated as “INVALID”.
8. **The e-voting period commences on Monday, September 25, 2023 at 9:00 a.m. (IST) and ends on Wednesday, September 27, 2023 at 5:00 p.m. (IST). During this period, members of the Company, holding shares either in physical or dematerialised form, as on the cut-off date, that is, Thursday, September 21, 2023, may cast their vote electronically.**
9. Members who have not registered their e-mail addresses are requested to register the same with the Company’s Registrars and Transfer Agents / Depository Participant(s) for sending future communication(s) in electronic form.
10. A member need not use all his / her / its votes nor does he / she / it need to cast all his / her / its votes in the same way.
11. M/s Dilip Vasudeo Gupta., Practising Company Secretary, (Membership No. ACS 21727, CP No. 21634) have been appointed as the Scrutiniser to scrutinise the voting process in a fair and transparent manner.
12. The Scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman of the Company who shall countersign the same.
13. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the resolutions.
14. The results declared along with the Scrutiniser’s Report shall be placed on the Company’s website www.dcinfotech.com after same has been communicated to the NSE.

15. The route map for the venue of the meeting has been given in the attendance slip.

Place: Mumbai

Date: 01st September, 2023

By Order of the Board of Directors



Mr. Chetankumar Timbadia

Managing Director

DIN: 06731478

Registered Office: Unit No.2 Aristocrat, Ground Floor,
Lajya Compound, Mogra Road, Andheri (E),
Mumbai - 400069, Maharashtra

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on September 25, 2023 at 09:00 A.M. and ends on September 27, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 21, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 21, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are 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.jspVisit 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 i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click

	<p>on login & New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "[Forgot User Details/Password?](#)"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dilipgupta123@yahoo.co.in with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 and 022 - 2499 7000 or send a request to (Prajakta Pawale) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@dcinfotech.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@dcinfotech.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Annexure-A

Details of Directors seeking appointment/re-appointment at the 5th Annual General Meeting to be held on 28th September, 2023 [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Sr. No.	Nature of Information	Director seeking re-appointment)
1	Name	Mr. Chetankumar Hasmukhlal Timbadia
	Date of birth	September 20, 1969
2	Age	55 Years
3	Director Identification Number	06731478
4	Qualifications	Computer Engineer (B.E)
5	Expertise in specific functional area and Experience:	He is graduated with a degree of Bachelor of Engineering (Computer Engineering). He has experience of around two decades in the Information technology (IT) sector. Over the years, he has developed the network of vendors, channel partners and customers through his adeptness in building long term relationships across technologies, verticals, compliances and geographies.
6	Terms and conditions of re-appointment	5 Years - He shall be liable to retire by rotation.
7	Date of appointment	15/01/2019
8	Shareholding in the Company	28,80,000
9	Relationship with other Directors, Manager and KMP, if any	Nil
10	No. of Meetings of the Board held during the Financial year 31 st March 2023	Held Attended 8 8
11	Board Membership of other listed company as on 31 st March 2023.	Nil
12	Chairmanship/Membership of Committees of other public Companies as on 31 st March, 2023	Nil

Brief profile of Directors seeking appointment/re-appointment at the 5th Annual General Meeting to be held on 28th September, 2023.

Brief profile: Chetankumar Hasmukhlal Timbadia

Mr. Chetankumar Hasmukhlal Timbadia, aged about 54 Years, is the Managing Director of The Company. He is graduated with a degree of Bachelor of Engineering (Computer Engineering). He has experience of around two decades in the Information technology (IT) sector. Over the years, he has developed the network of vendors, channel partners and customers through his adeptness in building long term relationships across technologies, verticals, compliances and geographies.

DIRECTORS' REPORT

To,
The Members,
DC Infotech and Communication Limited

Your Directors have pleasure in presenting the Fifth Annual Report on business and operations along with the Audited Financial Statements for the year ended March 31, 2023.

BACKGROUND:

Company was originally formed as a Partnership Firm, under the Indian Partnership Act, 1932 in the name and style of "DC Infotech" pursuant to partnership deed dated April 01, 1998. Further the Partnership Firm was converted into Public Limited Company "DC Infotech and Communication Limited" on January 15, 2019 pursuant to Part I of Chapter XXI of the Companies Act, 2013 vide certificate of incorporation issued by Registrar of Companies, Central Registration Centre. The Corporate Identification Number of our Company is U74999MH2019PLC319622

FINANCIAL HIGHLIGHTS

The highlights of the Financial Results are:

<i>Particulars</i>	<i>(Amount Rs. in Lacs)</i>	
	<i>March 31, 2023</i>	<i>March 31, 2022</i>
Revenue from Operations and Other Income	35989.39	23260.36
Less: Expenses	35040.51	22713.03
Profit Before Tax	948.88	547.33
Less: Exceptional Items	-	-
Less: Extraordinary Items	-	-
Less: Tax Expenses	241.31	146.94
Profit after Tax	707.57	400.39
Balance brought forward	805.29	404.90
Amount available for Appropriation,		
Add: Share Premium Account	240.00	840.00
Less: Share Premium transferred to Equity Share Capital for Bonus	-	600.00
Less: Dividend Paid	-	-
Less: Dividend Distribution Tax Paid	-	-
Balance carried to Balance Sheet	1752.86	1045.29
Earnings per Share (Basic)	5.90	3.34
Earnings per Share (Diluted)	5.90	3.34

BUSINESS PERFORMANCE

The year gone by has been really profitable. The Company's revenue increased to Rs. 35962.51 as compared to Rs. 23251.18 in the previous year marking an increase by Rs.12711.33.

The Company's Net Profit after Tax stood at 707.57 as compared to Rs. 400.39 in the previous year registering an increase of by Rs. 307.18.

DIVIDEND

In order to conserve the financial resources for the further growth and aiding the financial resources, your directors have decided not to recommend any dividend for the financial year ended 31st March, 2023. Dividend distribution policy is available on below link:
<https://www.dcinfotech.com/investor-relationships/1>

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013, do not apply as there was no dividend which were unclaimed or unpaid since last seven years.

TRANSFER TO RESERVES

The whole profit after tax has been transferred to Surplus in the Statement of Profit & Loss.

ALTERATION OF MEMORANDUM OF ASSOCIATION

During the period under review the company has not altered Memorandum of Association of the company.

ALTERATION OF ARTICLES OF ASSOCIATION

During the period under review the company has not altered Memorandum of Association of the company.

SHARE CAPITAL

The Authorized Share Capital of your Company is Rs. 15,00,00,000 (Rupees Fifteen Crore) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs. 10/- each.

The Issued, Subscribed and Paid Up Share Capital of the Company Rs. 12,00,00,000 divided into 1,20,00,000 Equity Shares of face value of Rs. 10.00 each

DEPOSITORY SYSTEM

The Company has entered into an agreement with the National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL) to enable shareholders to hold shares in dematerialized form. The Company also offers simultaneous dematerialisation of the physical shares lodged for transfer.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board consists of Executive and Non-executive Directors including Independent Directors along with Key Managerial Personnel who have vast experience in the core business activity of the Company. The composition of the Board is in consonance with norm specified in the SEBI Regulations with the Stock Exchange.

Sr No	Name of Director	Designation	Date of Appointment	Date of Resignation	DIN
1	Mr. Chetankumar Hasmukhlal Timbadia	Managing Director	15/01/2019	-	06731478
2	Mr. Devendra Kishorkumar Sayani	Wholetime Director	15/01/2019	-	06731484
3	Mr. Jayeshkumar Kishorekumar Sayani	Director	15/01/2019	-	08332277
4	Ms. Sneha Atul Chotai	Independent Director	30/05/2019	-	08456107
5	Mrs. Lipee Rajesh Rajani	Independent Director	29/07/2019	-	08521484
6	Mr. Chandrashekar Maruti Gaonkar	Independent Director	27/06/ 2022	-	00002016
7	Mr. Piyush Shah	Chief Financial officer	02/05/2019	-	-
8	Mr. Bhavesh Singh	Company Secretary & Compliance Officer	16/03/2020	-	-

In terms of the provisions of the Act, Mr. Chetankumar Hasmukhlal Timbadia (DIN: 06731478), Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

BOARD MEETINGS

During the year, 8 Meetings of Board of Directors were convened and held on 05/05/2022, 30/05/2022, 27/06/2022, 02/09/2022, 14/11/2022, 03/12/2022, 14/02/2023 and 30/03/2023. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Sr. No.	Name of Director	Category of Director	No of Board Meetings attended	
			Held	Attended
1.	Mr. Chetankumar Hasmukhlal Timbadia	Managing Director	8	8
2.	Mr. Devendra Kishorkumar Sayani	Wholetime Director	8	8
3.	Mr. Jayeshkumar Kishorekumar Sayani	Non Executive Director	8	8
4.	Ms. Sneha Atul Chotai	Independent Director	8	8
5.	Mrs. Lipee Rajesh Rajani	Independent Director	8	8

6	Mr. Chandrashekar Maruti Gaonkar	Independent Director	5	5
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GENERAL MEETING

Below are the details of General Meeting held during the financial year.

Sr No	Types of Meeting	Date of Meeting
1	Extra Ordinary General Meeting (EGM)	Nil
2	Annual General Meeting	30/09/2022

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in accordance with the provisions of Section 134 (3) (c) and 134(5) of the Companies Act, 2013:

1. That in preparation of the Annual Accounts for the year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
2. That the directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2023 and the profits of the Company for the year under review;
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the annual accounts for the year ended March 31, 2023, have been prepared on a 'going concern basis.'
5. That proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.
6. That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Act read with the Companies (Audit & Auditors) Rules, 2014 and the rules framed there under, appointment of M/s. D G M S & Co, Chartered Accountants, (Firm Registration No. 0112187W), as the Statutory Auditors of the Company were done at 1st Annual General Meeting of the company for the period of 5 years.

The Company has obtained a certificate for their independence and eligibility for their appointment as Statutory Auditors, and the same are within the limits as specified in section 141 of the Companies Act, 2013.

The Auditors' Report for the financial year 2022-23 does not contain any qualification, reservation or adverse remark.

The Auditors' Report on the financial statements for the financial year 2022-23 is self-explanatory and do not call for any further explanation of the Board.

During the Period under review, no matter of actual or alleged fraud were reported by the auditor (Statutory Auditor, Secretarial Auditor) to the Board.

The Auditors' Report on the financial statements of the Company for the year ending March 31, 2023 is unmodified i.e. it does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements forming part of the Annual Report.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROLS

The Company has in place well defined and adequate internal controls commensurate with the size of the Company and the same were operating effectively throughout the year. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Apart from in-house Internal Audit function, to strengthen and maintain transparency, the Company has also appointed M/s Gaurav Radia., Chartered Accountants, Mumbai, as Internal Auditors of the Company in accordance with Section 138 of the Companies Act, 2013, to examine the effectiveness of internal control system.

INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 161 of the Act, Ms. Sneha Atul Chotai (DIN: 08456107), Mrs. Lipee Rajesh Rajani (DIN: 08521484) and Mr. Chandrashekar Maruti Gaonkar (DIN: 00002016) were appointed as an Independent Directors by members of the Company w.e.f 30/05/2019, 29/07/2019 and 27/06/2022 respectively.

DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI Listing Regulations 2015. Further, The Independent Directors are not liable to retire by rotation.

The Board of Directors has adopted the Code of Conduct for the Independent directors of the Company and the compliance of the same is affirmed by them annually.

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14th February, 2023 to review the performance of Non-independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content

and timelines of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of section 135(1) of the Companies Act, 2013 the Company has earned a Net Profit after tax of Rs.707.57 Lac during the Financial Year 2022-23, and the company is falling under the prescribed limit for constitution of CSR committee to allocate expenditure, monitor policy, undertake, supervise & report the CSR Activities of the Company as prescribed under the Act.

Accordingly, the Board of Directors have constituted Corporate Social Responsibility (CSR) Committee on 11th August 2023 and prepared a policy on CSR Activities to be undertaken.

The details regarding constitution of CSR Committee, terms of reference are as follows:

Sr No	Names	Designation	Status
1	Ms. Lipee Rajesh Rajani	Chairman	Independent Director
2	Mr. Chetankumar Timbadia	Member	Managing Director
3	Mr. Jayeshkumar Sayani	Member	Non-Executive Director

Terms of Reference:

- i. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by our company in accordance with the provisions of Section 135 of the Companies Act, 2013.
- ii. Review and recommend the amount of expenditure to be incurred on activities to be undertaken by the Company.
- iii. Monitor the Corporate Social Responsibility of the Company and its implementation from time to time: and
- iv. Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

AUDIT COMMITTEE

During the year, 5 Meetings of Audit Committee were convened and held on 05/05/2022, 30/05/2022, 02/09/2022, 14/11/2022 and 14/02/2023. Your Directors ensures that Audit Committee meets regularly to review reports, including significant audit observations and follow-up actions thereon. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on financial statements, including the financial reporting system, related parties transactions, compliance to accounting policies and procedures.

Composition and Details of Meeting of Audit Committee:

Sr No	Names	Designation	Status	5 Meeting held in 2022-23	
				Held	Attended
1	Ms. Lipee Rajesh Rajani	Chairman	Independent Director	5	5
2	Ms. Sneha Chotai	Member	Independent Director	5	5
3	Mr. Chandrashekhar Gaonkar*	Member	Independent Director	1	1
4	Mr. Chetankumar Timbadia*	Member	Managing Director	4	4

*During the year under review Mr. Chandrashekhar Gaonkar appointed as member of Audit Committee w.e.f 03.12.2022 and Mr. Chetankumar Timbadia resigned as member of Audit Committee w.e.f 03.12.2022.

NOMINATION AND REMUNERATION COMMITTEE

During the year, Two Meeting of Nomination and Remuneration Committee was convened and held on 30/05/2022 and 27/06/2022. Your Directors ensures that the Company follows a Policy on Remuneration of Directors and Senior Management Employees. The policy shall be approved by the Nomination & Remuneration Committee and the Board. The main objective of the said policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and Senior Management employees.

Composition and Details of Meeting of Nomination And Remuneration Committee:

Sr No	Names	Designation	Status	2 Meeting held in 2022-2023	
				Held	Attended
1	Ms. SnehaChotai	Chairman	Independent Director	2	2
2	Ms. Lipee Rajesh Rajani	Member	Independent Director	2	2
3	Mr. Jayeshkumar Sayani	Member	Non Executive Director	2	2

The policy of the Company on Director's appointment and remuneration is uploaded on to the Company's website and the same is available at <http://dcinfotech.com/investor-relationships/1>.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

During the year, One Meeting of Stakeholders' Relationship Committee was convened and held on 14/02/2023. During the year, under review, Company has complied with all compliances as mandated by various government authorities and Company has not received any complaint from its Investor or shareholders or any individuals.

Composition and Details of Meeting of Stakeholders' Relationship Committee:

Sr No	Names	Designation	Status	1 Meeting held in 2022-2023	
				Held	Attended
1	Ms. Sneha Chotai	Chairman	Independent Director	1	1
2	Ms. Lipee Rajesh Rajani	Member	Independent Director	1	1
3	Mr. Devendra Sayani	Member	Whole Time Director	1	1

RISK MANAGEMENT COMMITTEE

During the year, One Meeting of Risk Management Committee was convened and held on 05/05/2022 and 14/02/2023. During the year, under review, Company has complied with all compliances as mandated by provisions of SEBI LODR Regulation 2015.

Composition and Details of Meeting of Risk Management Committee:

Sr No	Names	Designation	Status	2 Meeting held in 2022-2023	
				Hel d	Attende d
1	Mr. Devendra Sayani	Chairman	Whole Time Director	2	2
2	Mr. Chetankumar Timbadia	Member	Managing Director	2	2
3	Ms. Sneha Chotai	Member	Independent Director	2	2

PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

During the year, No Meeting of Internal Compliant Committee (under Sexual Harassment Policy) were held. The Company has a Policy on "Prevention of Sexual Harassment of Women at Work Place" and matters connected therewith or incidental thereto covering all the aspects as contained under the 'The Sexual Harassment of Women at Work Place (Prohibition, Prevention and Redressal) Act, 2013'. Your Directors state that during the year under review, no cases were filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or other policies. The policy provides for adequate safeguards against victimization of employees who avail of mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website.

The policy of the Company on Vigil Mechanism / Whistle Blower is uploaded on to the Company's website and the same is available at <https://dcinfotech.com/investor-relationships/4>.

FAMILIARIZATION PROGRAMME

The familiarization programme aims to provide Independent Directors with the industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. This programme also seeks to update the Directors on the roles, responsibilities, rights and duties under various Acts and other statutes.

CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS

The policy of the Company on Criteria of making payments to Non-executive Directors is uploaded on to the Company's website and the same is available at <http://dcinfotech.com/investor-relationships/1>.

BOARD EVALUATION

In compliance with the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the Board carried out annual evaluation of its own performance, that of its Committees and individual directors.

The performance of the Board and its committees and individual directors were evaluated by the Board after seeking inputs from all the Directors on the basis of criteria, such as composition and structure of the Board, quality of deliberations, effectiveness of the procedures adopted by the Board, participation of the Board and committee meetings and governance reviews etc.

As per Schedule IV to the Companies Act, 2013 a separate meeting of Independent Directors was held to be held to reviewed the performance of Non-Independent Directors, the Board as a whole, and the Chairman of the Company.

Criteria for evaluation of Board as a whole

- i. The frequency of meetings;
- ii. The length of meetings;
- iii. The administration of meeting;
- iv. The number of committees (if any) and their roles ;
- v. The flow of information to board members and between board members;
- vi. The quality and quantity of information; and
- vii. The Disclosure of Information to the stakeholders.

Criteria for evaluation of the Individual Directors

- i. Ability to contribute and monitor corporate governance practices;
- ii. Ability to contribute by introducing best practices to address top management issues;
- iii. Participation in long term strategic planning;
- iv. Commitment to the fulfilment of director obligations and fiduciary responsibilities;

- v. Guiding strategy;
- vi. Monitoring management performance and development;
- vii. Statutory compliance & corporate governance;
- viii. Attendance and contribution at Board /Committee (if any) meetings;
- ix. Time spent by each of the member; and
- x. Core competencies.

REMUNERATION OF DIRECTORS AND EMPLOYEES OF COMPANIES

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report is appended as to the Board's report. In terms of first proviso to Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars as required pursuant to provisions of Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

The Information Required under Section 197 of the Act read with rule 5(1) Of The Companies (Appointment & Remuneration Of Managerial Personnel) Rules, 2014 A. Remuneration of each Director & Key Managerial Personnel, percentage of increase during the FY 2022-23, the ratio of the remuneration of each of the director to the median remuneration of the employees of the company for the financial year 2022-23 is marked as **Annexure A**.

DEPOSITS

Your Company has not accepted any deposit and as such no amount of principal and interest were outstanding as at the Balance Sheet date.

HUMAN RESOURCES

A. Employee Relations

We believe that success of Company depends on the talent and dedication of our employees and we strive to attract, hire, develop and retain outstanding employees. In view of this, we have laid down a comprehensive set of policies aiming at attracting, retaining and motivating employees. We believe significant benefits are realized from having a strong and seasoned management team with many years of experience in technology distribution and related industries. We consider relations with our employees to be good.

B. Trade Relations

The Company maintained healthy, cordial and harmonious industrial relations at all levels. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry.

This accord incorporates novel elements such as introducing wide range of products, nurturing healthy competition, giving pocket friendly credit cycles, timely clearance of dues,

easy accessibility to product heads, etc. Your Company will continue in its endeavour to build and nurture strong links with trade allies, based on mutuality, respect and co-operation with each other and with consistent consumer interest.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is given hereunder:

A. Conservation of energy

Your Company is primarily engaged in Trading activities and has not consumed energy of any significant level and hence no additional investment is required to be made for reduction of energy consumption. However, the Company will continue with its efforts to conserve the energy.

B. Technology absorption

The Company's operations do not require significant absorption of technology.

C. Foreign Exchange Earnings and Outgo

Particulars	Current Year (in Rs. Lacs)	Previous Year (in Rs. Lacs)
Foreign Exchange Earnings	448	404.89
Foreign Exchange Outgo	13,017.07	8,094.09

EXTRACT OF THE ANNUAL RETURN

In terms of Section 92(3) and section 134(3)(a) of the Companies Act, 2013 read with Rule 12 of The Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2023 is available on the Company's website on www.dcinfotech.com

RELATED PARTY TRANSACTIONS

During the year, Company has made several related party transactions which were in the ordinary course of business and on an "arm's length" basis. The particulars of contracts or arrangements entered into by the Company with related parties as referred in sub-section (1) of section 188 of the Companies Act, 2013, in prescribed Form No. AOC-2, is appended as **Annexure – B** to the Board's Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis as required under the Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulation is annexed herewith as **Annexure – C** and forms part of the Boards' Report.

SECRETARIAL AUDIT

The Secretarial Audit Report in form MR-3, for the financial year 2022-23, forms part of the Directors' Report as **Annexure-D**.

Further the Secretarial Audit Report doesn't contain any adverse remark or comments.

CORPORATE GOVERNANCE

A separate report on Corporate Governance is provided together with the Certificate from the Practicing Company Secretary confirming compliance of conditions of Corporate Governance as stipulated under the SEBI Listing Regulations is attached separately as **Annexure – E** and forms part of this Annual Report.

DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

As on March 31, 2023, Company does not have any Subsidiary/Joint Ventures/Associate Companies.

LOANS, GUARANTEES & INVESTMENTS:

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

MATERIAL CHANGES AND COMMITMENTS

No material changes have taken place affecting the financial position of the Company from the date of closure of financial year till the date of signing of this report.

CHANGE IN ACCOUNTING TREATMENT

There has been no change in the accounting policies during the period under review.

CHANGE IN NATURE OF BUSINESS

There has been no change in nature of business of the Company, during the period, under review.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

MATERIAL ORDERS OF JUDICIAL BODIES/REGULATORS:

During the year, there were no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future

operations. Further, no penalties have been levied by the RBI or any other regulator during the year under review.

DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR AND THEIR STATUS AS AT THE END OF THE YEAR:

No application was made, or any proceedings was pending under the Insolvency and Bankruptcy Code, 2016 during the Year under review.

DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

This provision is not applicable on the Company.

APPRECIATION

The Directors wish to place on record their sincere appreciation for the continued co-operation, guidance, support and assistance extended during the period under report by the bankers, suppliers and Government agencies. The Board of Directors wishes to express its appreciation for the valuable contribution made by the employees at all levels during the year under report.

**For and on behalf of Board of Directors
DC Infotech & Communication Limited**



**Mr. Chetankumar Timbadia
Managing Director
DIN: 06731478**



**Mr. Devendra Sayani
Whole-Time Director
DIN: 06731484**

Place: Mumbai

Date: 1st September, 2023

Place: Mumbai

Registered Office:

DC Infotech and Communication Limited

Registered Office:

Unit No.2, Aristocrate, Lajya Compound, Mogra Road, Andheri (E),

Mumbai - 400069, Maharashtra, India

Telephone No. 022 28329000(Hunting),

Email: info@dcinfotech.com website : www.dcinfotech.com

Annexure – B

Form No. AOC-2

As on the financial year ended on 31st March, 2023

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 the Companies Act, 2013, including arms' length transactions under third proviso thereto:

1. Details of material contracts or arrangement or transactions NOT at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contract s/ arrangements/ transactions	Duration of the contract s / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts / arrangements / transactions	Date(s) of approval by the Board	Amount paid as advances	Date on which special resolution was passed in General meeting
1	NIL	NA	NA	NA	NA	NA	NA	NA

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value, if any	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any
1.	Mr. Chetankumar Hasmukhlal Timbadia (Managing Director)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 60,00,000	01/02/2019	NA
2.	Mr. Devendra Kishorkumar Sayani	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 60,00,000	01/02/2019	NA
3.	DC Systems (Entity over which Key	Purchases	On such Terms and Conditions and amount as	Rs. 84,32,787	29/06/2021	NA

	Managerial Persons have significant influence / control)	Sales Incentive Paid	may be decided by the Board of Directors	Rs. 15,37,73,387 Rs. 39,47,280	29/06/2021 29/06/2021	
4	Mr. Yash Devendra Sayani	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 23,53,800	29/06/2021	NA
5	Mr. Devansh Kamleshkumar Sayani	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 23,53,800	29/06/2021	NA
6	Mr. Dharmik Chetankumar Timbadia	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 23,53,800	29/06/2021	NA
7	Mr. Dhairya Chetankumar Timbadia	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 23,53,800	29/06/2021	NA

**For and on behalf of the Board of Directors
By Order of the Board of Directors**

**Mr. Chetankumar Timbadia
Managing Director**

DIN: 06731478

Registered Office: Unit No.2 Aristocrat, Ground Floor,
Lajya Compound, Mogra Road, Andheri (E),
Mumbai - 400069, Maharashtra

Annexure - A TO THE DIRECTORS' REPORT

Information as required under the Companies (Appointment and Remuneration of Managerial Personnel Rules), 2014

Sr. No.	Name of the employee	Designation of the employee	Remuneration Received	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of Commencement of employment	Age	Last employment held	The Percentage of Equity Shares held	Whether any such employee is a relative of any director or manager of the company and if so, name of the such Director or manager
1	Mr. Chetankumar Hasmukhlal Timbadia	Managing Director	60,00,000	contractual	BE - Computer	15th January, 2019	53	NA	24%	NA
2	Mr. Devendra Kishorkumar Sayani	Whole Time Director	60,00,000	contractual	BE - Electronics	15th January, 2019	54	NA	21%	Mr. Jayeshkumar Sayani

Annexure-A

Details of the ration of remuneration of each Director to the median employee's remuneration		
Median Remuneration of the employees of the company for the financial year is Rs. 928245		
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	
Sr. No.	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1	Mr. Chetankumar Hasmukhlal Timbadia	6.46
2	Mr. Devendra Kishorkumar Sayani	6.46
(ii)	The Percentage increase in remuneration of each Director, Company secretary, if any, in the financial year	
Sr. No.	Name of the Director	% Increase over last F.Y.
1	Mr. Chetankumar Hasmukhlal Timbadia	Nil
2	Mr. Devendra Kishorkumar Sayani	Nil
(iii)	The Percentage increase in the median remuneration of employees in the financial year	35.91%
(iv)	The number of Permanent employees on the rolls of the Company	77
(VIII)	Average Percentile Increase already made in the salaries of employee other than the managerial personal in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification there of and point out if there are any exceptional circumstances for increase in the managerial remuneration	Not Applicable

We hereby confirm that the remuneration is as per the Companies Act, 2013 and policy adopted by the Company

Annexure – B

Form No. AOC-2

As on the financial year ended on 31st March, 2023

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 the Companies Act, 2013, including arms' length transactions under third proviso thereto:

1. Details of material contracts or arrangement or transactions NOT at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contract s/ arrangements/ transactions	Duration of the contract s / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts / arrangements / transactions	Date(s) of approval by the Board	Amount paid as advances	Date on which special resolution was passed in General meeting
1	NIL	NA	NA	NA	NA	NA	NA	NA

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value, if any	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any
1.	Mr. Chetankumar Hasmukhlal Timbadia (Managing Director)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 60,00,000	01/02/2019	NA
2.	Mr. Devendra Kishorkumar Sayani	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 60,00,000	01/02/2019	NA
3.	DC Systems (Entity over which Key	Purchases	On such Terms and Conditions and amount as	Rs. 84,32,787	29/06/2021	NA

	Managerial Persons have significant influence / control)	Sales Incentive Paid	may be decided by the Board of Directors	Rs. 15,37,73,387 Rs. 39,47,280	29/06/2021 29/06/2021	
4	Mr. Yash Devendra Sayani	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 23,53,800	29/06/2021	NA
5	Mr. Devansh Kamleshkumar Sayani	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 23,53,800	29/06/2021	NA
6	Mr. Dharmik Chetankumar Timbadia	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 23,53,800	29/06/2021	NA
7	Mr. Dhairya Chetankumar Timbadia	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 23,53,800	29/06/2021	NA

**For and on behalf of the Board of Directors
By Order of the Board of Directors**

**Mr. Chetankumar Timbadia
Managing Director**

DIN: 06731478

Registered Office: Unit No.2 Aristocrat, Ground Floor,
Lajya Compound, Mogra Road, Andheri (E),
Mumbai - 400069, Maharashtra

MANAGEMENT DISCUSSION AND ANALYSIS

Forward looking statement

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Indian Accounting Standards as pronounced by the Institute of Chartered Accountants of India (ICAI) from time to time. The Management of DC Infotech & Communication Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements, reflect in a true and fair manner, the state of affairs and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "DC Info" are to "DC Infotech & Communication Limited".

ECONOMIC OVERVIEW

Global & India Scenario

According to the World Bank's latest Global Economic Prospects report, global growth is slowing sharply in the face of elevated inflation, higher interest rates, reduced investment, and disruptions caused by Russia's invasion of Ukraine.

Given fragile economic conditions, such as higher-than-expected inflation, unexpected rises in interest rates, a resurgence of the COVID-19 pandemic, could push the global economy into recession. This would mark the first time in more than 80 years that two global recessions have occurred within the same decade.

The global economy is expected to grow by 1.7% in 2023 and 2.7% in 2024. This growth will be slow, and many countries, both advanced and emerging markets, will experience a sharp downturn in growth. The forecast for 2023 has been revised downwards for 95% of advanced economies and nearly 70% of emerging market and developing economies. This suggests that the economic slowdown will be widespread and affect many countries around the world.

By the end of 2024, GDP levels in emerging and developing economies will be roughly 6% below levels expected before the pandemic.

Source: [Global Economic Prospects: Sharp, Long-lasting Slowdown to Hit Developing Countries Hard \(worldbank.org\)](#)

Business and Commerce

In recent years India has experienced a boom in internet and smartphone penetration. The number of internet connections in 2021 increased significantly to 830 million, driven by the 'Digital India' Programme. Out of the total internet connections, ~55% of connections were in urban areas, of which 97% of connections were wireless. The smartphone base has also increased significantly and is expected to reach 1 billion by 2026. This has helped India's digital sector and it is expected to reach US\$ 1 trillion by 2030.

The Indian e-commerce market is estimated to reach US\$ 26.93 billion in 2027 from US\$ 3.95 billion in FY21, expanding at a CAGR of 33%. India's consumer digital economy is expected to become a US\$ 1 trillion market by 2030, growing from US\$ 537.5 billion in 2020, driven by the strong adoption of online services such as e-commerce and edtech in the country. According to Grant Thornton, e-commerce in India is expected to be worth US\$ 188 billion by 2025.

Since 2014, the Government of India has announced various initiatives, namely Digital India, Make in India, Start-up India, Skill India and Innovation Fund. Initiatives under the Digital India movement, including the invitation to startups to register at GeM, the hike in FDI limit in e-commerce marketplace models, Open Network for Digital Commerce (ONDC) to systematize the onboarding process of retailers on e-commerce platforms, heavy investment in rolling out fiber networks for 5G is expected to boost e-commerce in India.

Source: <https://www.ibef.org/industry/ecommerce>

About DC Infotech & Communication Limited

DC Infotech & Communication Limited has been specializing in the IT networking and security business since last twenty years, with a national footprint. The company was founded in April 1998 by Mr. Devendra Sayani & Mr. Chetankumar Timbadia, who between them, have a combined experience of four decades in the field. From an initial six-member outfit, the Company has now grown into an organization with a team of more than seventy.

The idea was and still is to provide innovative networking, security products and solutions by utilizing the latest technology know-how. Today, DC Infotech has established itself as one of the leading architects and solution providers of networking, security and unified communication products and services. The main objective is to be “one step ahead”, i.e., to understand the future market needs and trends before they become obvious and to accommodate demands before they occur.

www.dcinfotech.com

FINANCIAL OVERVIEW –

The consolidated financial performance of the Company for the financial year ended March 31st, 2023, is as follows:

Total revenue from operations stood at Rs. 359.63 crore for the year ended March 31, 2023, as against Rs. 232.51 crore for the corresponding previous period, an increase of 54.67%, mainly on account of due to strong demand for products like Samsung, Netgear and Software & Services.

EBITDA for the full year is Rs. 12.72 cr, an increase of 73.63% year-on-year.

The Net Profits during this full year is Rs. 7.08 cr, as against profit of Rs. 4.00 cr in FY22.

Net Profit margin stood at 1.97%

EPS for this period is Rs. 5.90

RESOURCES AND LIQUIDITY

As on March 31, 2023, the consolidated net worth stood at Rs. 29.53 crore and the consolidated debt was at Rs. 26.01 crore.

The cash, cash equivalents and bank balances at the end of March 31, 2023 were Rs. 3.46 crore.

The net debt to equity ratio of the Company stood at 0.76 as on March 31, 2023.

Business Category wise Performance

DC Info operates in two broad segments covering Products, Solutions and other services pertaining to IT networking, security and unified communication solutions:

1. Products
2. Security Software and Services

The Company is performing well in all product categories and expects the momentum to continue in next financial year.

ACHIEVEMENTS IN BUSINESSES DURING THE YEAR:

- DC Info ranks 13th out of 125 companies in Economic Times and Statista's India's Growth Champions 2023 that have achieved the highest percentage growth in revenues between 2019 and 2022
- DC Info enters into a partnership with Array Networks to offer entire suite of Array Network solutions across India
- DC Info bags new orders from prestigious clients namely Kotak Mahindra Bank, Tata Teleservices and Bharat Petroleum Corporation (BPCL) for value added Security Product line – “Netscout”
- DC Infotech added several new clients, including Maruti Suzuki Gujarat, Bluestar and Tata Play, among others
- The Company signed up with Versa Networks to distribute their range of products across India and SAARC region
- DC Info won an award from Samsung for significantly contributing to their smart signage business
- DC Info opened a new branch in Surat, Gujarat, offering the entire basket of products
- The Company won an Award of Excellence from D-Link as a top SMB partner

RISKS AND CONCERNS

Like every business, the Company faces risks, both internal and external, in the undertaking of its day-to-day operations and in pursuit of its longer-term objectives. A detailed policy drawn up and dedicated risk workshops are conducted for each business vertical and key support functions wherein risks are identified, assessed, analyzed and accepted / mitigated to an acceptable level within the risk appetite of the organization. The risk registers are also reviewed from time to time.

The Company faces the following Risks and Concerns:

Rapid Obsolescence of Technology & Change in Consumer Preferences

A technology business is always exposed to sudden and unanticipated changes in technology and consumer trends and preferences. This exposes the company to the risk of becoming uncompetitive in terms of product/services offering to the customers. There is a need to constantly upgrade the product and service portfolio (e.g. Cloud, IoT, Mobility Analytics, etc.), and stay on top of changing consumer preferences.

Credit Risk

To manage its credit exposure, DC Info has determined a credit policy with credit limit requests and approval procedures. Company does its own research of clients' financial health and project prospects before entering into an agreement with them. Timely and rigorous process is followed up with clients for payments as per schedule. The company has suitably streamlined the process to develop a focused and aggressive receivables management system to ensure timely collections.

Interest Rate Risk

The Company has judiciously managed the debt-equity ratio. It has been using a mix of loans and internal cash accruals. The Company has well managed the working capital to reduce the overall interest cost.

Competition Risk

Like in most other industries, strong scope of opportunities come with intense competition. We face different levels of competition in each of our operating categories, from domestic as well as multinational companies. DC Info has created strong differentiators in project execution, portfolio, level on involvement in marketing and delivery, which make it resilient to competition. Furthermore, the Company continues to invest in technology and people to remain ahead of the curve. A strong and stable client base, comprising large and mid-sized corporations, further helps mitigate this risk. We counter this risk with the quality of our infrastructure, our customer-centric approach, value-added services and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined project executions, along with prudent financial and human resources management and better control over costs. Thus, we expect to be significantly insulated from this risk.

Risk from COVID-19

Many of the products under the Company's portfolio classify as non-essential. Therefore, any potential lockdown in any region, or restrictions on logistics, could impact the operations and sales of such products.

OPPORTUNITIES

- Rapid growth in digital economy and online business activity, presents many new opportunities for networking, security and unified communication solutions.
- Changing consumer preferences and growing urbanization:
 - With evolving consumer needs and preferences, there is a strong growth in demand for good quality products, services and a unique customer experience.
 - With rising disposable incomes and urbanization, consumers demand better experiences and after sales service, which paves the way for new innovations.

- Technological Tie-ups – With many technological tie-ups and extensive R&D there's huge scope for new and innovative products to enter the market.
- Distribution agreements with renowned brands: An increasing number of international brands want to come to India to tap into the market potential. Such brands typically want ready and modern distribution system covering the geographical territories of the country and serving customers on a pan-India basis which will grow their brand quicker.
- Growth in the existing and new product lines: Consumer electronics are evolving rapidly, giving rise to many new product concepts. This gives scope to not only grow the existing products but also venture into new product lines to fulfill the needs of the consumers.

THREATS

- Competition from local and multinational players.
- Regulatory changes including unfavorable tax changes or import regulations.
- Attraction and retention of talented human resources.
- Frequent and rapid technological advancements leading to early obsolescence of products in inventory.
- Over-dependence on few brands which account for majority revenue.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has an internal audit function designed to review the adequacy of internal control checks in the system which covers all significant areas of Company's operations such as accounting and finance, procurement, business operations, statutory compliances, IT processes, safeguarding the assets and their protection against unauthorized use, among others. The Internal Audit function performs the internal audit of Company's activities based on an internal audit plan, which is reviewed each year and is approved by the Board of Audit Committee. The Audit Committee reviews the report submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. Disciplinary action is taken, wherever required, for non-compliance to corporate policies and controls.

The Company has also implemented effective systems for achieving highest level of efficiency in operations, to achieve optimum and effective utilization of resources, monitoring thereof and the compliance with provisions all laws including the Companies Act, 2013, Listing Agreement, directions issued by the Securities and Exchange Board of India, labour laws, tax laws etc. It also aims at improvement in financial management, and investment policy. The System ensures appropriate information flow to facilitate effective monitoring.

HUMAN RESOURCES

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As on March 31, 2023, the Company had 77 employees on payroll. The manpower is a prudent mix of experienced and young professionals which gives us the dual advantage of stability and growth. The work progress and skilled/ semi-skilled/ unskilled resources, together with the Company's strong management team, have enabled it to successfully implement our growth plans.

The Company also imparts behavioral, technical and on the job training to our employees. Technical trainings are mandated by the vendor whenever the employees have to deal with pre-technical or post technical issues. Training calendars are set by the vendors and nominated employees from our Company attend the program and obtain a feedback on the completion of the program.

OUTLOOK

After the epidemic, networking solutions have become even more important. Increased need for networking solutions that enable secure and dependable communication and collaboration between employees, customers, and partners is a result of the trend towards remote work and the digital revolution.

Organizations have had to quickly adjust to new networking requirements as remote work has become the new norm. Companies must make sure that remote employees have access to the resources and equipment they need to do their jobs efficiently and safely where DC Infotech stands for. This comprises platforms for virtual meetings, cloud-based collaboration tools, and secure VPN connections. Surge in e-commerce and online business activities. This has resulted in an increased demand for networking solutions that provide secure and reliable online transactions and data exchange. This includes secure payment gateways, encrypted data transfer, and reliable network infrastructure.

The Company is positive on both its immediate and long term prospects. DC Infotech is well positioned to cater to the domestic as well as international markets while keeping a lean and efficient value added business model, diverse product portfolio and strong client relationships help us to sustain and continue growing. Some of the recent addition in the Company's portfolio enables it to strengthen their networking solutions and expand geographical footprint in the overseas markets.

In line with the Company's strategy, it continues to build on their portfolio to bring cutting- edge technologies and solutions to more and more consumers. Their value-addition in terms of installation and end-to-end execution, allows the Company to get good margins.

The Company is well positioned to leverage its strengths and is optimistic for the ongoing fiscal year.

CS Dilip Gupta

CS, LLB

Practicing Company Secretary

8, Ellora CHS Ltd, Daftary Road, Malad East, Mumbai 400097, Maharashtra.

Mob: 9870047608, Email id: dilipgupta123@yahoo.co.in

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration) Rules, 2014]

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023**

To,
The Members,
DC INFOTECH AND COMMUNICATION LIMITED
Mumbai

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DC INFOTECH AND COMMUNICATION LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

On the Basis of verification of the secretarial compliance and on the basis of secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the company as given in **Annexure I** and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by DC INFOTECH AND COMMUNICATION LIMITED for the financial year ended on 31st March, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
- v. Other laws as may be applicable specifically to the company as identified by the management, that is to say:
 - a. Employees' Provident Fund & Miscellaneous Provisions Act, 1952,
 - b. Maternity Benefit Act, 1961,
 - c. Payment of Bonus Act, 1956,
 - d. Payment of Gratuity Act,

CS Dilip Gupta

CS, LLB

Practicing Company Secretary

8, Ellora CHS Ltd, Daftary Road, Malad East, Mumbai 400097, Maharashtra.

Mob: 9870047608, Email id: dilipgupta123@yahoo.co.in

I have also examined the compliance on Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I Further Report that:

- a) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.
- b) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
- c) The company has advanced loans, given guarantees and provided securities amounting to Rs Nil to companies in which directors were interested, and has complied with the provisions of the Companies Act, 2013.
- d) The Company has made loans and investments; or given guarantees or provided securities to other business entities and has complied with the provisions of the Companies Act, 2013 and any other statutes as may be applicable.
- e) The amount borrowed by the Company from its directors, members, bank(s)/ financial institution(s) and others were within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws.
- f) The Company has not defaulted in the repayment of public deposits, unsecured loans and debentures, facilities granted by bank(s)/financial institution(s) and non-banking financial companies.
- g) The Company has created charges on the assets of the company and complied with the applicable laws.
- h) All registrations under the various state and local laws as applicable to the company are valid as on the date of report.
- i) The Company has issued and allotted the securities to the persons-entitled thereto and has also issued letters and certificates thereof as applicable to the concerned persons

CS Dilip Gupta

CS, LLB

Practicing Company Secretary

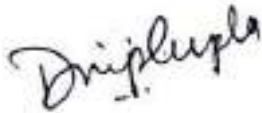
8, Ellora CHS Ltd, Daftary Road, Malad East, Mumbai 400097, Maharashtra.

Mob: 9870047608, Email id: dilipgupta123@yahoo.co.in

its shares within the stipulated time in compliance with the provisions of the Companies Act, 2013 and other relevant statutes during the period under review.

- j) The Company has not declared dividends to its shareholders during the year under review.
- k) The Company has paid all its Statutory dues except to the extent disputed amounting to Rs. 40.55 Lacs pending with VAT / Sales Tax and satisfactory arrangements have been made for arrears of any such dues.
- l) The Company has complied with the provisions of the Listing Regulations during the period under review.

I further report that during the review period, no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. above have taken place.



CS Dilip Gupta

Practising Company Secretary

ACS No - 21727

C.P. No.: 21634

Date: 01st September, 2023

Place: Mumbai

UDIN number: A021727E000907260

CS Dilip Gupta

CS, LLB

Practicing Company Secretary

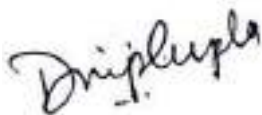
8, Ellora CHS Ltd, Daftary Road, Malad East, Mumbai 400097, Maharashtra.

Mob: 9870047608, Email id: dilipgupta123@yahoo.co.in

ANNEXURE I

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the Company.
3. Minutes of the meetings of the Board of Directors and various Committees along with Attendance Register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year under report.
5. Statutory Registers viz.
 - Register of Directors' & Key Managerial Personnel.
 - Register of Directors' Shareholding.
 - Register of Investment.
 - Register of Charge.
 - Register of Contracts.
6. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to the provisions of 184 and 164 of the Companies Act, 2013.
8. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.



CS Dilip Gupta

Practising Company Secretary

ACS No - 21727

C.P. No.: 21634

Date: 01st September, 2023

Place: Mumbai

CERTIFICATE ON CORPORATE GOVERNANCE

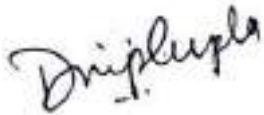
To,
The Members,
DC INFOTECH AND COMMUNICATION LIMITED
Mumbai

We have examined the compliance of conditions of Corporate Governance by DC Infotech and Communication Limited for the year ended March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) for the financial year ended March 31, 2023.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the ongoing outbreak of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended March 31, 2023.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.



CS Dilip Gupta
Practising Company Secretary
ACS No - 21727
C.P. No.: 21634

Date: 01st September, 2023
Place: Mumbai
UDIN number: A021727E000921989

**I could not generate UDIN on 01ST September, 2023 (date of issuance of Certificate) due to technical issue.*

REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance for the year ended March 31, 2023 is as under: -

CORPORATE GOVERNANCE – PHILOSOPHY

The Company philosophy on Corporate Governance aims at upholding core values of transparency, professionalism, accountability, honesty and integrity in its functioning and conduct of business with due respect to laws and regulations and attaining highest standard of business ethics and commitment to transparency in business dealings, essential for long term success. It is directed in such a way that it performs effectively keeping in view customers, employees and long-term interests and confidence of the stakeholders. It adheres to the code of conduct formulated which serves as a guide to each employee on standards, values, ethics and principles.

1. BOARD OF DIRECTORS

The composition of the Board of Directors of the Company is in accordance with the relevant provisions of Companies Act, 2013 and Rules framed thereunder as amended, from time to time (hereinafter referred to as “the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”). As on 31st March, 2023, the Board comprised of 6 Directors with One Whole Time Director, One Managing Director, Three Non-Executive Independent Directors (including two Woman Director) and One Non-Executive Director. The Non-Executive Directors are eminent professionals, drawn from amongst persons with experience in business, finance, law and corporate management. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in the Listing Regulations, across all the Companies in which he/ she is a director. The Committees for determining this criterion shall include Audit Committee and Stakeholders Relationship Committee.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 (the Act) and Regulation 16(1)(b) and 25(8) of the LODR Regulations.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

As of 31st March, 2023, none of the Directors of the Company held shares in the Company except Mr. Chetankumar Hasmukhlal Timbadia who holds 28,80,000 equity shares, Mr. Devendra Kishorkumar Sayani who holds 25,20,000 equity shares and Mr. Jayeshkumar Kishorekumar Sayani who holds 3,60,000 equity shares which accounts for 24.00%, 21.00 % and 3.00%, respectively, of the total paid-up equity share capital of the Company.

There are no inter-se relationships between the Directors of the Company except Mr. Devendra Kishorkumar Sayani, Whole-Time Director and Mr. Jayeshkumar Kishorekumar Sayani, Non-Executive Director relatives being brothers.

The Independent Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. Details of Independent Directors’ familiarization program are part of the Directors’ Report.

The Company has in place a succession plan for the Board of Directors and Senior Management of the Company.

The composition of the Board during the financial year ended 31st March, 2023 is as under: -

Sr No	Name of Director	Designation	Date of Appointment	Date of Resignation	DIN
1	Mr. Chetankumar Hasmukhlal Timbadia	Managing Director	15/01/2019	-	06731478
2	Mr. Devendra Kishorkumar Sayani	Wholetime Director	15/01/2019	-	06731484
3	Mr. Jayeshkumar Kishorekumar Sayani	Director	15/01/2019	-	08332277
4	Ms. Sneha Atul Chotai	Independent Director	30/05/2019	-	08456107
5	Mrs. Lipee Rajesh Rajani	Independent Director	29/07/2019	-	08521484
6	Mr. Chandrashekar Maruti Gaonkar	Independent Director	27/06/ 2022	-	00002016
7	Mr. Piyush Shah	Chief Financial officer	02/05/2019	-	-
8	Mr. Bhavesh Singh	Company Secretary & Compliance Officer	16/03/2020	-	-

Disqualification of Directors:

As required under Schedule-V of SEBI (LODR) (Amendment) Regulations, 2018 and certificate obtained from Mr. Dilip Gupta, Practicing Company Secretary, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

2. BOARD MEETINGS AND BOARD PROCEDURES

During the year under review, the Board of Directors of the Company met 08 (Eight) times on 05/05/2022, 30/05/2022, 27/06/2022, 02/09/2022, 14/11/2022, 03/12/2022, 14/02/2023 and 30/03/2023 and the gap between two consecutive Board Meetings did not exceed one hundred and twenty days as mentioned under Section 173(1) of the Companies Act, 2013 (“the Act”) and Regulation 17(2) of the Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India.

The necessary quorum was present for all the meetings. The details of meetings held and attendance of directors are given in the following table. Agenda papers along with explanatory notes were circulated to the Directors well in advance of the meeting. The senior management personnel were invited to participate in matters of interest, importance and relevance. The Board has access to any information within your Company and every effort is made to ensure that the information is adequate and appropriate to enable the Board to take considered decisions on issues.

Your Company has placed all relevant information before the Board as mandated under Listing Regulations.

Sr. No.	Name of Director	Category of Director	No of Board Meetings attended	
			Held	Attended
1.	Mr. Chetankumar Hasmukhlal Timbadia	Managing Director	8	8
2.	Mr. Devendra Kishorkumar Sayani	Wholetime Director	8	8

3.	Mr. Jayeshkumar Kishorekumar Sayani	Non Executive Director	8	8
4.	Ms. Sneha Atul Chotai	Independent Director	8	8
5.	Mrs. Lipee Rajesh Rajani	Independent Director	8	8
6	Mr. Chandrashekar Maruti Gaonkar	Independent Director	5	5

GENERAL MEETING

Below are the details of General Meeting held during the financial year.

Sr No	Types of Meeting	Date of Meeting
1	Extra Ordinary General Meeting (EGM)	Nil
2	Annual General Meeting	30/09/2022

SEPARATE INDEPENDENT DIRECTORS' MEETINGS

Pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25 of Listing Regulations, the Independent Directors met once during the year i.e. on February 14, 2023 without the presence of Non-Independent Directors, Executive Directors and management representatives.

The Independent Directors inter alia discussed the performance of the Board, Non-Independent Directors, Chairperson, the management of the Company, matters arising out of the Board and Committee meetings and assessed the quality, quantity and timeliness of flow of necessary information between the management and the Board, required for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting through video conferencing. The Independent Directors expressed their satisfaction with reference to governance standards adopted by the Company and advised strategic road-map for overall functioning of Board processes and Company management.

Terms and Conditions of appointment of Independent Directors

All the Independent Directors of the Company have been appointed as per the provisions of the Act and the Listing Regulations. Formal letters of appointment were issued to the above Independent Directors. As required by Regulation 46 of the Listing Regulations, the terms and conditions of their appointment have been disclosed on the website of the Company at <http://dcinfotech.com>.

Familiarisation Programme

The familiarization programme aims to provide Independent Directors with the industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. This programme also seeks to update the Directors on the roles, responsibilities, rights and duties under various Acts and other statutes.

Skill of Board of Directors:

The Board comprises of the qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees. The table below summarizes the key qualifications, skills and attributes which are taken into consideration when nominating Directors on the Board:

Leadership	Ability to inspire, motivate and offer direction and leadership to others and represent the Company before internal and external stakeholders
------------	-----------------------------------------------------------------------------------------------------------------------------------------------

Mrs. Sneha Atul Chotai	✓	✓	✓	✓	✓	✓	✓	✓	
Mrs. Lipee Varun Vasani	✓	✓	✓	✓	✓	✓	✓	✓	
Mr. Chandrashekhar Maruti Gaonkar	✓	✓	✓	✓	✓	✓	✓	✓	✓

Committees of the Board of Directors

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has constituted various Committees. These Committees are entrusted with such powers and functions as detailed in its respective terms of reference. Besides, the approval(s), criteria of consideration of transactions and recommendations of the Committee serve as a road-map for the Board of Directors in governance and strategic decision making.

3. AUDIT COMMITTEE

The Audit Committee of the Company at the Board level, inter alia, provides assurance to the Board on the adequacy of the internal control system. The Committee periodically reviews financial reporting process and financial results, statement and disclosures, generally accepted accounting principles and on measures taken in safeguarding of assets of the Company, internal audit reports and internal control systems and procedures. The Committee discusses with Internal Auditors, Statutory Auditors scope of findings of audit, audit qualifications, if any, related party transactions and appraises Board on the above.

The terms of reference of the Audit Committee cover all areas specified, thereby meeting the requirements of the Section 177 of the Companies Act, 2013 and also in line with Regulation 18 of the Listing Regulations and other terms as may be referred by Board of Directors.

The Audit Committee comprised of three members. During the year under review, all members including the Chairman of the Committee are non-Executive and two-third members were independent. The Members of the Audit Committee are financially literate. The Statutory Auditor, Internal Auditor and Chief Financial Officer of the Company are the Invitees to all Audit Committee Meetings. The Company Secretary and Compliance Officer who is Secretary to the Audit Committee. Minutes of the Audit Committee are circulated to all Directors and discussed at the Board Meetings.

The Audit Committee met 5 (Five) times during the year on 05/05/2022, 30/05/2022, 02/09/2022, 14/11/2022 and 14/02/2023. The requisite quorum was present at all the Meetings. The composition of the Audit Committee and the details of meetings are as follows: -

Sr No	Names	Designation	Status	5 Meeting held in 2022-23	
				Held	Attended
1	Ms. Lipee Rajesh Rajani	Chairman	Independent Director	5	5
2	Ms. Sneha Chotai	Member	Independent Director	5	5
3	Mr. Chandrashekhar Gaonkar*	Member	Independent Director	1	1
4	Mr. Chetankumar Timbadia*	Member	Managing Director	4	4

*During the year under review Mr. Chandrashekhar Gaonkar appointed as member of Audit Committee w.e.f 03.12.2022 and Mr. Chetankumar Timbadia resigned as member of Audit Committee w.e.f 03.12.2022.

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee met Two times during the year on 30/05/2022 and 27/06/2022. The requisite quorum was present at the Meeting. The terms of reference of the Committee are in line with the provisions of Sections 178 of the Companies Act, 2013, Regulation 19 of the Listing Regulations and other terms as may be referred by Board of Directors.

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Committee has formulated a Policy on the appointment of person as Director and evaluation of Directors & Senior Management Personnel (SMP).

The Nomination and Remuneration Policy as prescribed under the Companies Act, 2013 has been adopted by the Board. The Board has formulated criteria for evaluation of Independent Director which includes qualification, positive attributes and independence of Directors, this forms a part of the Remuneration Policy.

Sr No	Names	Designation	Status	2 Meeting held in 2022-2023	
				Held	Attended
1	Ms. Sneha Chotai	Chairman	Independent Director	2	2
2	Ms. Lipee Rajesh Rajani	Member	Independent Director	2	2
3	Mr. Jayeshkumar Sayani	Member	Non Executive Director	2	2

The policy of the Company on Director's appointment and remuneration is uploaded on to the Company's website and the same is available at <http://dcinfotech.com/investor-relationships/1>.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has formed "Stakeholders' Relationship Committee" on under the Chairmanship of a Non-Executive Director to specifically look into shareholders' issues including but not limited to share transfer, transmission, and issue of duplicate certificates and redressing of shareholder complaints like non receipt of balance sheet, etc.

The Stakeholders' Relationship Committee met once during the year on 14/02/2023. The requisite quorum was present at all the Meetings. The composition of the Stakeholders' Relationship Committee and the details of meetings are as follows: -

Sr No	Names	Designation	Status	1 Meeting held in 2022-2023	
				Held	Attended
1	Ms. Sneha Chotai	Chairman	Independent Director	1	1
2	Ms. Lipee Rajesh Rajani	Member	Independent Director	1	1
3	Mr. Devendra Sayani	Member	Whole Time Director	1	1

Particulars	Information
No. of Complaints received so far	0 (NIL)
No. of complaints resolved	1 (One)
No. of complaints not resolved to the satisfaction of shareholders;	1 (One)
No. of pending complaints	0 (NIL)

6. REMUNERATION TO DIRECTORS

REMUNERATION TO THE EXECUTIVE DIRECTORS AND KMP

Following are the details of Remuneration paid to Executive Directors and KMP of the Company during Financial year ended at 31st March, 2023.

(Amount in Rs. Lakhs)

Sr. No.	Name of Director / KMP	Designation	Education Qualification	Gross Remuneration Paid per annum for FY 2022-23
1.	Mr. Chetankumar Hasmukhlal Timbadia	Managing Director	Computer Engineer (B.E)	60.00
2.	Mr. Devendra Kishorkumar Sayani	Whole-time Director	Electronic Engineer	60.00
3.	Mr. Piyush Shah	Chief Financial Officer	B. Com, CA	9.29
4.	Mr. Bhavesh Singh	Company Secretary and Compliance Officer	CS, B.Com	1.91
TOTAL				131.20

The performance criteria of the Directors have been laid down by the Nomination and Remuneration Committee in accordance with the Nomination and Remuneration Policy of the Company.

For the year under review, the Company does not have a scheme for grant of stock options nor has it issued any stock options to any of the Directors, senior management personnel or employees of the Company.

REMUNERATION TO NON-EXECUTIVE INDEPENDENT DIRECTORS

The non-executive Directors are entitled to sitting fees for attending the meetings of the Board of Directors and Committees thereof. Sitting fees paid to non-executive Directors are within the prescribed limits under the Companies Act, 2013 and as determined by the Board of Directors from time to time. The criteria for making payments to Non-Executive Directors is placed on the website of the Company at <http://dcinfotech.com/>.

The company has no pecuniary relationship or transactions with its Non-Executive Directors, other than payment of sitting fees for attending meetings of the Board or Committee thereof.

As per Company's policy as approved by Nomination and Remuneration Committee and Board of Directors, each director shall be paid for attending Board Meeting and Committee Meeting.

The Company has no pecuniary relationship or transactions with its Non-Executive Directors, other than payment of sitting fees for attending meetings of the Board or Committee thereof.

For the year under review, the Company does not have a scheme for grant of stock options nor has it issued any stock options to any of the Directors, senior management personnel or employees of the Company.

7. POLICY ON RISK MANAGEMENT

Pursuant to the requirement of Corporate Governance, the Board of Directors of the Company has adopted a policy on risk management for assessment and minimization procedure of risk for periodical review by the Board. The Risk Management Policy is available on Company's website.

During the year, One Meeting of Risk Management Committee was convened and held on 05/05/2022 and

14/02/2023. During the year, under review, Company has complied with all compliances as mandated by provisions of SEBI LODR Regulation 2015.

Composition and Details of Meeting of Risk Management Committee:

Sr No	Names	Designation	Status	2 Meeting held in 2022-2023	
				Held	Attended
1	Mr. Devendra Sayani	Chairman	Whole Time Director	2	2
2	Mr. Chetankumar Timbadia	Member	Managing Director	2	2
3	Ms. Sneha Chotai	Member	Independent Director	2	2

8. MEANS OF COMMUNICATION:

a.	Quarterly, Half yearly, yearly report/ highlights sent to each household of shareholders	The quarterly, half-yearly and annual financial results are submitted to National Stock Exchange of India Limited and BSE Limited within 30 minutes from the conclusion of the Board Meeting in which the same is approved.
b.	Quarterly results, which newspapers normally published in	Active Times (English) Mumbai Lakshadeep (Marathi)Prathkal (Marathi)
c.	Any website, where displayed	www.dcinfotech.com
d.	Whether it also displays officialnews release	Press Release, if any, made by the Company from time to time shall also displayed on the Company's website and uploaded on the website of Stock Exchanges.
e.	Whether MD & A is a part of Annual Report	Yes

9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting – Date, Time and Venue	28 th September 2023, Thursday at 11:00 A.M at Unit No.13, Aristocrate, Lajya Compound, Mogra Road, Andheri (E), Mumbai - 400069, Maharashtra, India
Financial Year	01 st April 2022 to 31 st March 2023
Dividend payment date	NA
Registered Office	Address: Unit No. 2, Aristocrate, Ground Floor, Lajya Compound, Mogra Road, Andheri (E), NA MUMBAI Mumbai City MH 400069 Tel: +91 22 28329000 email: accounts1@dcinfotech.com
Name and Address of Stock Exchanges where Company's securities are listed	National Stock Exchange of India Limited Address: Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Trading Symbol: DCI BSE Limited Address: 25 TH Floor, P J Towersdalal Street Mumbai-400001 MH IN Script Code: 543636
Listing Fees	The Annual Listing fees for the financial year 2022-23 have been paid to the Nation Stock Exchange and BSE Limited

Share Registrar and Transfer Agents	Satellite Corporate Services Pvt Ltd Add: 106 & 107 Dattani Plaza, Kurla Andheri Road, Kurla (w), Nr. Safed Poll East West Ind Estate, Mumbai-400072 MH IN Email ID: service@satellitecorporate.com ; scs_pl@yahoo.co.in Website: www.satellitecorporate.com Tel No.: 022 28520461/2 SEBI Registration No: INR000003639
Address for Investor's Correspondence	Mr. Bhavesh Singh (Compliance Officer & Company Secretary) DC Infotech and Communication Limited Address: Unit No. 2, Aristocrate, Ground Floor, Lajya Compound, Mogra Road, Andheri (E), Mumbai-400069 Tel: 8898059812 Email: cs@dcinfotech.com
Name of the Compliance Officer	Mr. Bhavesh Singh (Compliance Officer and Company Secretary)

a. Market Price Data

Month	NSE			
	High (Rs.)	Low (Rs.)	Volume (in Lakhs)	Value (in Lakhs)
April, 2022	45.75	42.25	0.78	34.07
May, 2022	44.25	44.75	1.62	69.06
June, 2022	41.50	40.00	0.36	14.61
July, 2022	40.50	40.25	0.12	4.84
August, 2022	41.35	40.75	0.30	12.32
September, 2022	58.50	45.00	0.78	39.95
October, 2022	124.65	44.20	4.55	407.54
November, 2022	175.25	90.80	2.48	335.81
December, 2022	145.20	116.35	1.05	137.92
January, 2023	141.90	123.60	0.20	27.11
February, 2023	137.85	107.50	0.18	21.64
March, 2023	128.00	91.15	0.75	81.44

*Note: Company has migrated from NSE Emerge to NSE Main board in the month of October, 2022.

Month	BSE			
	High (Rs.)	Low (Rs.)	Volume (in Lakhs)	Value (in Lakhs)
October, 2022	124.65	49.70	0.20	76.08
November, 2022	183.15	90.55	0.01	50.05
December, 2022	146.05	118.80	0.01	29.14
January, 2023	139.65	124.65	0.00	11.60
February, 2023	144.65	110.10	0.00	8.52
March, 2023	128.70	91.35	0.01	26.15

*Note: Company has listed on BSE Main board in the month of October, 2022.

(Source: This information is compiled from the data available on NSE and BSE websites)

b. Share Transfer System

Satellite Corporate Services Private Limited has been appointed as Registrar and Transfer Agent to carry out share transfer activities and processed by NSDL/CDSL through respective Depository Participants in compliance with the applicable SEBI Regulations and SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/ LAD-NRO/GN/2018/49 dated November 30, 2018.

A Stakeholders Relationship Committee has been constituted to review and approve the requests of the shareholders relating to transmission of shares, issue of duplicate share certificates and allied matters within its terms of reference.

The Company obtains from a Practicing Company Secretary a half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the compliance certificate with the Stock Exchanges where the shares of the Company are listed.

c. Distribution of Shares by Categories of Shareholders as of March 31, 2023

Shareholding of Nominal Rs. Range	No. of shareholders	% of shareholders	Value of Shares	% of Value of shares
1 – 5,000	1891	94.74	7,99,130	0.66
5,001- 10,000	20	1.00	1,55,420	0.15
10,001 - 20,000	10	0.50	1,51,990	0.12
20,001 - 30,000	3	0.15	71,190	0.06
30,001 - 40,000	2	0.10	73,730	0.06
40,001 - 50,000	1	0.05	45,000	0.04
50,001 - 1,00,000	26	1.30	15,57,020	1.30
1,00,001 & above	43	2.15	11,71,46,520	97.61
Total	1996	100.00	12,00,00,000	100.00

d. Dematerialisation of Shares and Liquidity

The shares of the Company are regularly traded at National Stock Exchanges (NSE) and BSE Limited where they are listed, which ensure the necessary liquidity to shareholders. Trading of shares is permitted only in dematerialized form.

Physical and Dematerialised Shares as on March 31, 2023	No. of Shares	% of Total Issued Capital
No. of Shares held in dematerialised form in CDSL	53,64,057	44.70
No. of Shares held in dematerialised form in NSDL	66,35,943	55.30
No. of Physical Shares	Nil	-
Total	1,20,00,000	100.00

- e. **Outstanding GDRs / ADRs / Warrants or any Convertible Instruments: Not Applicable**
- f. **Commodity price risk or foreign exchange risk and hedging activities: Not Applicable**
- g. **Plant location: Not Applicable**
- h. **List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: Not Applicable**

10. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or other policies. The policy provides for adequate safeguards against victimization of employees who avail of mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website.

The policy of the Company on Vigil Mechanism / Whistle Blower is uploaded on to the Company's website and the same is available at <https://dcinfotech.com/investor-relationships/4>.

11. PREVENTION OF INSIDER TRADING CODE

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees at senior management level and other employees who could have access to unpublished price sensitive information of the Company are governed by this code.

12. POLICY FOR PREVENTION OF SEXUAL HARASSMENT IN THE COMPANY

During the year, No Meeting of Internal Compliant Committee (under Sexual Harassment Policy) were held. The Company has a Policy on “Prevention of Sexual Harassment of Women at Work Place” and matters connected therewith or incidental thereto covering all the aspects as contained under the ‘The Sexual Harassment of Women at Work Place (Prohibition, Prevention and Redressal) Act, 2013’. Your Directors state that during the year under review, no cases were filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

13. DISCRETIONARY REQUIREMENTS

The Company has also adopted certain discretionary requirements of the Listing Regulations.

The Internal Auditor periodically provides its reports to the Audit Committee. The Financial Statements of the Company are unqualified.

14. MATERIAL CONTRACTS/TRANSACTIONS CONCERNING DIRECTOR’S INTEREST

There has been no transaction of material in nature that may have a potential conflict with interest of your Company. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with Act. A statement in summary form of transactions with Related Parties in ordinary course of business and arm’s length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions.

15. DISCLOSURE REGARDING SENIOR MANAGEMENT’S MATERIAL FINANCIAL AND COMMERCIAL TRANSACTIONS

There has been no transaction of material, financial and commercial nature having personal interest of the Senior Management that may have a potential conflict with the interest of the company at large, during the period under review.

16. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY

In accordance with the requirement of Corporate Governance, the Board of Directors of the Company has formulated a code of conduct for Directors and Senior Management of the Company, the compliance of which has been affirmed by all Board Members and Senior Management Personnel. The required declaration to this effect signed by the Whole Time Director is appended as a separate Annexure to the report.

17. CEO / CFO CERTIFICATION

In accordance with the requirement of Corporate Governance, as specified in Regulation 17(8) of the Listing Regulations, the Board of Directors of the Company have been furnished with the requisite certificate from the Chief Financial Officer (CFO) of the Company.

18. COMPLIANCE WITH CODE OF CONDUCT

In accordance with Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2023.

19. DISCLOSURES:

a) Disclosures on materially significant related party transactions of the Company that may have potential conflict with the interests of the Company at large :

Disclosures on transactions with related parties have also been disclosed in the Notes to Accounts of financial statements.

b) Non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange, or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There was no non-compliance, penalties or stricture imposed on company by any Stock Exchanges, SEBI or any other statutory authority or any matters relating to capital market during the last three years.

c) The Company has in place all the mandatory Policies which are also available on the Company's website www.dcinfotech.com.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

The Company is in full compliance with the mandatory requirements as contained in the Listing Regulations.

e) web link where policy for determining 'material' subsidiaries is disclosed;

The Company has formulated a policy for determining material subsidiaries in terms of the Listing Regulations. This Policy which are also available on the Company's website: www.dcinfotech.com.

f) web link where policy on dealing with related party transactions;

The Company has formulated a policy on dealing with related party transactions. This Policy which are also available on the Company's website: www.dcinfotech.com.

g) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not Applicable

h) Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof;

In terms of the Listing Regulations, there have been no instances during the year when the recommendations of any of the Committees were not accepted by the Board.

i) Total fees paid by the Company to M/s. D G M S & Co., Chartered Accountants, Statutory Auditor and all entities in its network firm/network entity, during the Financial Year 2022-23.

Total fees for all services paid by the Company to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during the year ended March 31, 2023, is as follows:

Fees paid by the Company to M/s. D G M S & Co., Chartered Accountants, Statutory Auditor:

Particulars	Amount (In Rs. Lakhs)
Fees for audit and related services	3.60
Fees for other Certifications	1.15
TOTAL	4.75

- j) In line with the requirements of the Regulation 17(9) of the Listing Regulations, the Board reviewed the Management's perception of the risks facing the Company and measures taken to minimize the same.
- k) **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.:** As on 31.03.2023 the company has no material subsidiaries.
- l) **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.:** The company has not advanced any loan to firms/companies in which directors are interested during the FY 2022- 23.

20. General body meetings:

a. Annual General Meeting

The details of Annual General Meetings convened during the last three years are as follows:

Financial Year	AGM	Date and Time	Venue	Special Resolution(s)
2022	AGM	Friday, 30 th September 2022 at 12.00 Noon.	Unit No.13, Aristocrate, Lajya Compound, Mogra Road, Andheri (E), Mumbai - 400069, Maharashtra, India	Following Special Resolution passed: - 1. To Regularize Appointment of Mr. Chandrashekar Maruti Gaonkar (DIN 00002016)
2021	AGM	Thursday, 30 th September 2021 at 12:00 Noon	Unit No.13, Aristocrate, Lajya Compound, Mogra Road, Andheri (E), Mumbai - 400069, Maharashtra, India	Following Ordinary Resolution passed: - 1. Increase in the Authorized Share Capital 2. Alteration of Capital Clause V of Memorandum of Association
2020	AGM	Wednesday, 30 th September, 2020 at 12:00 Noon	Unit No.13, Aristocrate, Lajya Compound, Mogra Road, Andheri (E), Mumbai - 400069, Maharashtra, India	There was no matter that required passing of Special Resolution.

- b. There was no special resolution passed last year through postal ballot.
- c. person who conducted the postal ballot exercise: Not Applicable
- d. Details of resolutions passed through Postal Ballot : There were no resolutions passed by the Members of the Company through Postal Ballot during the year under review
- e. Procedure for postal ballot: Not Applicable

21. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF.

There is no non-compliance with any requirement of Corporate Governance Report of sub-paras (2) to (10) of the Corporate Governance Report as given in Schedule V(C) of the Listing Regulation.

22. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, have been made in this Corporate Governance report.

For DC Infotech & Communication Limited



Chetankumar Hasmukhlal Timbadia
Managing Director
DIN: 06731478
Date: September 01, 2023
Place: Mumbai



Bhavesh Singh
Compliance Officer and Company Secretary
ACS: 35224
Date: September 01, 2023
Place: Mumbai

Declaration pursuant to Regulation 26 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Declaration pursuant to Regulation 26 (3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Chetankumar Hasmukhlal Timbadia, Managing Director of DC Infotech and Communication Limited, hereby confirm that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March, 2023.

For DC Infotech & Communication Limited



Chetankumar Hasmukhlal Timbadia
Managing Director
DIN: 06731478

Date: September 01, 2023
Place: Mumbai

ATTENDANCE SLIP

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

DC INFOTECH AND COMMUNICATION LIMITED
5th Annual General Meeting – Thursday, 28th September, 2023 at 11:00 A.M.

Registered Folio No./DP ID No./Client ID No.: _____

No. of Shares held (in Numbers): _____

No. of Shares held (in Numbers): _____

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the at the 5th Annual General Meeting of the Company to be held at Unit No.13, Aristocrate, Lajya Compound, Mogra Road, Andheri (E), Mumbai - 400069, Maharashtra, India on **Thursday, 28th September, 2023 at 11:00 A.M.**

NAME of Member / Proxy
(In Block Letters)

SIGNATURE of Member / Proxy

Note:

Please fill up the attendance slip and after duly signed, hand it over at the entrance of the meeting hall at Attendance Verification Counter, before Annual General Meeting commences.

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

DC INFOTECH AND COMMUNICATION LIMITED
5th Annual General Meeting – Thursday, 28th September, 2023 at 11:00 A.M.

Name of Member(s):	Email ID:
Registered Address:	Folio No. / Client ID:
	DP ID:
	No. of Shares held:

I/We being the holders of _____ shares of the above named Company hereby appoint

Name	
Email ID	
Address	
Or failing him	
Name	
Email ID	
Address	
Or failing him	
Name	
Email ID	
Address	

as my/our proxy, whose signature is appended overleaf, to attend and vote (on a poll) for me/us on my/our behalf in respect of such resolutions as are indicated below, at the 4th Annual General Meeting of the Company to be held at **Unit No.13, Aristocrate, Lajya Compound, Mogra Road, Andheri (E), Mumbai - 400069, Maharashtra, India on Thursday, 28th September, 2023 at 11:00 A.M.**

Signature of Member

Signature of First Proxy Holder Signature of Second Proxy Holder Signature of Third Proxy Holder

Sr. No.	Particulars	Date / Particulars
1	Benpos date to send Notice and Annual Report to Shareholders	1 st September, 2023
2	Cut-off date to determine the eligibility of the members to cast their votes by electronic means.	21 st September, 2023
3	Book Closure Date (Beginning)	22 nd September, 2023
4	e-Voting Starts	25 th September, 2023 @ 09.00 am
5	e-Voting ends	27 th September, 2023 @ 5.00 pm
6	Annual General Meeting Date & Time	28 th September, 2023 @ 11.00 A.M.
7	Book Closure Date (End)	28 th September, 2023
9	Annual General Meeting Venue	Unit No.13, Aristocrate, Lajya Compound, Mogra Road, Andheri (E), Mumbai - 400069, Maharashtra, India
9	Contact details for any support / grievance	Mr. Bhavesh Singh Company Secretary and Compliance Officer Email : cs@dcinfotech.com Contact No. : +91 22 28329000

INDEPENDENT AUDITOR'S REPORT
TO MEMBERS OF
D C INFOTECH & COMMUNICATION LIMITED

Report on the Indian Accounting Standards (Ind AS) Financial Statements

Opinion

We have audited the accompanying financial statements of **D C Infotech & Communication Limited**, which comprise the Balance Sheet as at **31st March 2023**, and the Statement of Profit and Loss (Including Other Comprehensive Income) and Cash Flow Statement and the statement of Changes in Equity for the period ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as the “standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements 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 financial statements 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, are not applicable to the Company as it is an unlisted company.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements 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 statements.

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 statements, 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 financial statements, 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 statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in "**Annexure A**", a statement on the matter specified in the paragraph 3 and 4 of the Order.
2. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet and Statement of Profit and Loss including Other Comprehensive Income Statement of Cash Flow and Statement of Changes of Equity dealt with this report are in agreement with the books of account;

- d. In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Ind AS specified in section 133 of the Act, read with relevant rule issued thereunder.
- e. On the basis of written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in “**Annexure B**”.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note (vii) of Annexure – A to the standalone financial statements
 - (b) The Company did not have any long-term and derivative contracts as at March 31, 2023.
 - (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.
 - (d) The management has;

(i) represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material mis-statement.

(e) The company has not neither declared nor paid any dividend during the year under Section 123 of the Act.

FORD G M S & Co.
Chartered Accountants



Place: Mumbai
Date: 8th May 2023

Hiren J Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 23115279BGTWHU1663

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENT OF D C INFOTECH & COMMUNICATION LIMITED FOR THE YEAR ENDED 31ST MARCH 2023

In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

(i) Property, Plant & Equipment and Intangible Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- b) The Company has maintained proper records showing full particulars of intangible assets.
- c) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; any material discrepancies were noticed on such verification and if so, the same have been properly dealt with in the books of account.
- d) According to the information and explanation given to us the title deeds of all the immovable properties. (Other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company.
- e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- f) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) Inventory and working capital:

- a) The stock of inventory has been physically verified during the year by the Management at reasonable intervals, except stock lying with third parties. Confirmations of such stocks with third parties have been obtained by the Company in most of the cases. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our

opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company

(iii) Investments, any guarantee or security or advances or loans given:

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

1. The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year.
2. In our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest;
3. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per stipulation.
4. In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
5. No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
6. The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii) (6) is not applicable.

(iv) Loan to directors:

a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

(v) Deposits:

- a) The company has not accepted any deposits from the public within the meaning of sections 73 to 76 or any relevant provisions of the 2013 act and the rules framed there under to the extent notified.

(vi) Maintenance of Cost Records:

- a) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/ or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

(vii) Statutory Dues:

- a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Duty of Customs, GST, Cess and any other statutory dues applicable to it. According to the information and explanations given to us, there is no undisputed amounts payable in respect of income tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.03.2023 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are dues of sales tax, income tax, custom duty, wealth tax, GST, excise duty and cess which have not been deposited on account of any dispute.

Name of Statue	Nature of Dues	Period	Amount (In lakhs)	Forum where the dispute is pending
The Maharashtra Value Added Tax Act 2002	VAT	AY 2016-17	27.14	Appeal with JC Haryana
The Maharashtra Value Added Tax Act 2002	VAT	AY 2017-18	13.40	Appeal with JC Haryana

(viii) Disclosure of Undisclosed Transactions:

- a) There According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) Loans or Other Borrowings:

- a) Based on our audit procedures and according to the information and explanations given to us, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) According to the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) Money Raised by IPOs, FPOs:

- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.

(xi) Fraud:

- a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

(xii) Nidhi Company:

- a) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) Related Party Transactions:

- a) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) Internal Audit System:

- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) Non-cash Transactions:

- a) According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) Registration under section 45-IA of RBI Act, 1934:

- a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi) (a), (b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.

(xvii) Cash losses:

- a) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) Resignation of statutory auditors:

- a) There has been no resignation of the statutory auditors of the Company during the year.

(xix) Material uncertainty on meeting liabilities:

- a) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) Compliance of CSR:

- a) According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to spent amount towards Corporate Social Responsibility (CSR) as per the section 135 of companies' act, 2013, reporting under clause 3(xx)(a) of the Order is applicable for the year.

FORD G M S & Co.
Chartered Accountants



Place: Mumbai
Date: 8th May 2023

Hiren J Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 23115279BGTWHU1663

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT ON THE FINANCIAL STATEMENT OF D C INFOTECH & COMMUNICATION LIMITED FOR THE YEAR ENDED 31ST MARCH 2023

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **D C Infotech & Communication Limited** ('the Company') as of 31st March, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Opinion

We have audited the internal financial control with reference to financial statement of D C Infotech & Communication Limited ("The Company") as of 31st March 2023 in conjunction with our audit of the financial statement of the company at and for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**FORD G M S & Co.
Chartered Accountants**



**Place: Mumbai
Date: 8th May 2023**

**Hiren J Maru
Partner
M. No. 115279
FRN: 0112187W
UDIN: 23115279BGTWHU1663**

D C INFOTECH & COMMUNICATION LIMITED**CIN: U74999MH2019PLC319622****Standalone Balancesheet as at 31st March ,2023****(Rs. In Lakhs)**

Particulars	Note No.	March 31, 2023	March 31, 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	139.98	181.42
Financial Assets			
i) Investments	3	0.49	0.49
Deferred tax assets [Net]	4	24.30	18.62
		164.77	200.53
Current Assets			
Inventories	5	5,422.86	3,665.40
Financial Assets			
i) Trade Receivables	6	7,100.25	4,602.93
ii) Loans	7	-	-
ii) Cash and Cash Equivalents	8	8.31	774.99
iii) Other Bank Balance	9	338.00	117.29
iv) Other Current Financial Assets	10	19.86	26.10
v) Derivative Financial Instrument	11	-	-
Other Current Assets	12	947.58	783.47
		13,836.86	9,970.18
Total Assets		14,001.63	10,170.71
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	1,200.00	1,200.00
Other Equity	14	1,752.86	1,045.29
		2,952.86	2,245.29
Liabilities			
Non-Current Liabilities			
Financial Liabilities	15	248.65	377.55
Provisions			
Deferred tax Liabilities [Net]	4		
		248.65	377.55
Current Liabilities			
Financial Liabilities			
i) Borrowings	16	2,352.05	1,402.36
ii) Trade Payables	17		
Total outstanding dues of micro enterprises and small enterprises		7,905.68	5,514.34
Total outstanding dues creditors other than micro enterprises and small enterprises		196.14	193.82
iii) Other Financial Liabilities	18	196.14	193.82
Provisions	19	12.29	23.76
Current Tax Liabilities [Net]	20	247.00	235.37
Other Current Liabilities	21	86.97	178.23
		10,800.13	7,547.88
Total Equity and Liabilities		14,001.64	10,170.72

Significant Accounting Policies**1****Notes to the Financial Statements****2 to 48****Significant Accounting Policies and Notes attached thereto form an integral part of Financial Statements****As per our report of even date****For and on behalf of the Board****For D G M S & Co.****D C Infotech & Communication Limited****Chartered Accountants****Firm Registration No. : 0112187W**



Hiren J. Maru**Managing Director**
Chetankumar Timbadia
DIN : 06731478**Director**
Devendra Sayani
DIN : 06731484**Partner****Membership No : 115279****UDIN: 23115279BGTWHU1663****Place: Mumbai****Date : 08th May 2023**


Chief Financial Officer**Company Secretary****Piyush Shah**
PAN : AZTPS0999Q**Bhavesh Singh**
PAN : BKEPS0087E

D C INFOTECH & COMMUNICATION LIMITED
CIN: U74999MH2019PLC319622
Standalone Statement of Profit and Loss for the year ended 31st March 2023

(Rs. in Lakhs)

Particulars	Note No.	For the year ended	For the year ended
		March 31, 2023	March 31, 2022
REVENUE			
Revenue from Operations	22	35,962.51	23,251.18
Other Income	23	26.88	9.18
Total Income (A)		35,989.39	23,260.36
EXPENDITURE			
Purchase of Product and Software		34,990.10	21,951.38
Changes in Inventory	24	-1,757.46	-454.11
Employee Benefits Expense	25	727.81	536.15
Finance Costs	26	276.56	152.91
Depreciation and Amortization Expenses	2	73.50	41.57
Other Expenses	27	730.00	485.13
Total Expenses (B)		35,040.51	22,713.03
Profit Before Exceptional Item and Tax [C = (A-B)]		948.88	547.33
Less: Tax Expense:			
Current Tax		247.00	144.53
Earlier year		-	8.03
Deferred Tax		-5.69	-5.62
Total (D)		241.31	146.94
Profit After Tax (C-D)		707.57	400.39
OTHER COMPREHENSIVE INCOME:			
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods			
-Remeasurement Gain / (Loss) on defined benefit plan			
Income tax relating to items that will not be reclassified to profit or loss			
-Deferred tax on OCI			
Other Comprehensive Income for The Year, Net of Tax		-	-
Total Comprehensive Income for The Year, Net of Tax		707.57	400.39
Basic Earnings per Share of Face Value of Rs. 10 each (Rs.)	28	5.90	3.34
Diluted Earnings per Share of Face Value of Rs. 10 each (Rs.)	28	5.90	3.34
Refer Note No. 28			

Significant Accounting Policies

1

Notes to Accounts

2 to 48

Significant Accounting Policies and Notes attached thereto form an integral part of Financial Statements.

As per our report of even date

For and on behalf of the Board

For D G M S & Co.

D C Infotech & Communication Limited

Chartered Accountants

Firm Registration No. : 0112187W





Hiren J. Maru

Managing Director

Director

Partner

Chetankumar Timbadia

Devendra Sayani

Membership No : 115279

DIN : 06731478

DIN : 06731484

UDIN: 23115279BGTWHU1663

Place: Mumbai




Date : 08th May 2023

Chief Financial Officer

Company Secretary

Piyush Shah

Bhavesh Singh

PAN : AZTPS0999Q

PAN : BKEPS0087E

D C INFOTECH & COMMUNICATION LIMITED
CIN: U74999MH2019PLC319622
Standalone Cash Flow Statement for the financial year 2022-23

(Rs. In Lakhs)

Particulars	Amount in Rs March 31, 2023	Amount in Rs March 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax as per Statement of Profit and Loss	948.88	547.33
Adjustment for:		
Bad Debts	0.20	10.14
Provision for Gratuity	(7.28)	18.14
Depreciation/ Amortisation	71.76	39.83
Unrealised Foreign Exchange Gain/Loss	(22.73)	(9.85)
GST Expense	8.13	-
Profit on Sale of Fixed Asset	(0.01)	-
Sundry dr/cr w.off	(11.34)	0.90
Preliminary Expenses	1.75	1.75
Interest Income	(26.87)	(9.18)
Interest Expenses	218.48	232.09
Operating Profit before Working Capital Changes	1,180.97	712.24
Adjusted for :		
Other Current Assets (Excluding Advance Tax)	(132.67)	(230.28)
Other Financial Assets	6.24	(0.37)
Derivative Financial Instrument	-	-
Loans	-	-
Other Financial Liabilities	2.32	113.64
Inventories	(1,757.46)	(454.11)
Trade Receivable	(2,497.33)	(1,328.78)
Trade Payable	2,391.34	1,982.75
Bank Overdrafts	-	-
Other Current Liabilities	(91.26)	161.74
Cash Generated from Operations	(897.85)	956.83
Taxes refund / (paid) - (net)	(247.00)	-
Net Cash from/(used in) Operating Activities (A)	(1,144.85)	956.83
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(30.41)	(148.51)
Sale of Fixed Assets	0.11	-
Interest Received	26.87	9.18
Net Cash from Investing Activities (B)	(3.43)	(139.33)
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend including Dividend distribution tax	-	-
Long term borrowings	(128.90)	(247.13)
Short term borrowings	949.69	307.99
Interest expenses	(218.48)	(113.18)
Net Cash from Financing Activities (C)	602.31	(52.32)
Net cash and cash equivalents (A + B + C)	(545.97)	765.18
Cash and cash equivalents at beginning of the period	892.28	127.10
Cash and cash equivalents at end of the period	346.31	892.28

Notes:-

1. Figures in bracket indicates cash outflow .
2. Components of cash and cash equivalents at the year end comprise of;

Balances with bank	6.93	774.75
Fixed deposits	338.00	117.29
Cheque in hand	0.00	0.00
Cash on hand	1.38	0.24
Total	346.31	892.28

As per our report of even date
For D G M S & Co.
Chartered Accountants
Firm Registration No. : 0112187W



Hiren J. Maru
Partner
Membership No : 115279
UDIN: 23115279BGTWHU1663
Place: Mumbai
Date : 08th May 2023

For and on behalf of the Board
D C Infotech & Communication Limited



Managing Director
Chetankumar Timbadia
DIN : 06731478



Chief Financial Officer
Piyush Shah
PAN : AZTPS0999Q



Director
Devendra Sayani
DIN : 06731484



Company Secretary
Bhavesh Singh
PAN : BKEPS0087E

D C INFOTECH & COMMUNICATION LIMITED**CIN: U74999MH2019PLC319622****Statement of Change in Equity as at 31st March 2023****(No and Rs. In Lakhs)****A Equity Share Capital:**

	<u>No of shares</u>	<u>Amount In Rs.</u>
Equity Shares of INR 10/- each, Issued, Subscribed and Fully Paid-up:		
As at April 01, 2021	60.00	600.00
Issued during the period	60.00	600.00
As at March 31, 2022	120.00	1,200.00
Issued during the period	-	-
As at March 31, 2023	120.00	1,200.00

B Other Equity:

Particulars	Items of Other			Total (In Rs.)
	Securities Premium	Retained earnings	Comprehensi ve Income	
As at April 1, 2021	840.00	404.90		1,244.90
Add: Profit for the year		400.39		400.39
Less : Utilised for Issue of Bonus Shares Employee defined benefit obligation	(600.00)			(600.00)
As at March 31, 2022	240.00	805.29	-	1,045.29
Add: Profit for the year		707.57		707.57
Less : Utilised for Issue of Bonus Shares Employee defined benefit obligation				
As at March 31, 2023	240.00	1,512.86	-	1,752.86

As per our report of even date
For D G M S & Co.
Chartered Accountants
Firm Registration No. : 0112187W



Hiren J. Maru
Partner
Membership No : 115279
UDIN: 23115279BGTWHU1663
Place: Mumbai
Date : 08th May 2023

For and on behalf of the Board
D C Infotech & Communication Limited



Managing Director
Chetankumar Timbadia
DIN :
06731478



Chief Financial Officer
Piyush Shah
PAN : AZTPS0999Q



Director
Devendra Sayani
DIN :
06731484



Company Secretary
Bhavesh Singh
PAN : BKEPS0087E

D C INFOTECH & COMMUNICATION LIMITED
CIN: U74999MH2019PLC319622

Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2022.

1) Nature of Operations

DC Infotech & Communication Limited (the Company) is a public company limited by shares domiciled in India, incorporated under the provisions of Companies Act, 2013. Its shares are listed on National Stock Exchange of India Limited (Emerge Platform). Its registered office is situated at Unit No 2, Aristocrate, Lajya Compound, Mogra Road, Andheri East, Mumbai – 400069. The Company is engaged in digital transformation enablement solutions, our Company has partnered with a number of networking and security brands for representing them in the country. Our is a solution centric model which is based on multiple products and multiple brand strategy.

The Financial statements were approved for issuance by the Company's Board of Director on 08th May 2023.

2) Summary of the significant accounting policies

(a) Basis of Preparation

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (IND - AS) as per Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act. The financial statements have been prepared on a going concern basis. The Company uses accrual basis of accounting except in case of significant uncertainties.

For all periods up to and including the year ended 31 March 2020, the Company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 (hereinafter referred as 'Previous GAAP'). These financial statements for the year ended 31 March 2022 are the first the Company had prepared in accordance with IND - AS. The Company had applied IND - AS 101 'First-time Adoption of Indian Accounting Standards', for transition from previous GAAP to IND - AS.

a. IND AS - 1 Presentation of Financial Statement :-

The Company presents its Balance Sheet in order of liquidity.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

Critical accounting estimates and judgments

The preparation of the Company's financial statements requires Management to make use of estimates and judgments. In view of the inherent uncertainties and a level of subjectivity involved in measurement of items, it is possible that the outcomes in the subsequent financial years could differ from those on which the Management's estimates are based.

b. IND AS - 101 First time adoption of IND AS:-

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company had prepared its Ind AS compliant financial statements for year ended on 31 March 2022, the comparative period ended on 31 March 2021 and an opening Ind AS Balance Sheet as at 1 April 2019 (the date of transition), as described in the summary of significant accounting policies.

D C INFOTECH & COMMUNICATION LIMITED

CIN: U74999MH2019PLC319622

Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2022.

The Financial Statement have been prepared under historical cost convention basis except the following assets and liabilities which have been measured at fair value or revalued amounts.

1. Certain Financial instruments measured at fair value through other comprehensive income (FVTOCI);
2. Certain Financial instruments measured at fair value through Profit and Loss (FVTPL);
3. Defined Benefit Plan asset measured at fair value;

The functional and presentation currency of the company is Indian rupees. This financial statement is presented in Indian rupees. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

(b) Use of estimates

The presentation of the financial statements are in conformity with the Ind AS which requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statement are as below:

1. Valuation of Financial instruments;
2. Evaluation of recoverability of deferred tax assets;
3. Useful lives of property, plant and equipment and intangible assets;
4. Obligations relating to employee benefits;
5. Provisions and Contingencies;
6. Provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions;
7. Recognition of Deferred Tax Assets.

(c) Current versus Non-Current classification

All assets and liabilities have been classified as Current or Non Current as per the Company's normal operation cycle i.e. twelve months and other criteria set out in the Schedule III of the Act.

(d) Property, plant and equipment (PP&E)

Items of Property, Plant and Equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

(e) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal /external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

D C INFOTECH & COMMUNICATION LIMITED

CIN: U74999MH2019PLC319622

Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2022.

(f) Investments

Investments in Subsidiaries and other investments of long term nature are carried at cost in the financial statements. Provision for diminution is made, if of permanent nature.

Other Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis.

(g) Inventories

Items of Inventory are measured at lower of the cost and Net Realizable value. Cost of inventory comprises of cost of purchase and other cost incurred to acquire it.

The cost formula used for this purpose is first in first out (FIFO) method and includes direct cost incurred in bringing the items of inventory to their present location and condition.

(h) Cash and cash equivalents

Cash and Cash Equivalents comprise cash and deposits with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(i) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(j) Contingent Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liability is disclosed in the case of: -

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation

- a present obligation arising from past events, when no reliable estimate is possible - a possible obligation arising from past events, unless the probability of outflow of resources is remote.

D C INFOTECH & COMMUNICATION LIMITED

CIN: U74999MH2019PLC319622

Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2022.

(k) Financial assets & liabilities

(i) Financial assets

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement

After initial recognition, financial assets (other than investments in subsidiaries and joint ventures) are measured either at:

i) fair value (either through other comprehensive income or through profit or loss) or,

ii) amortized cost

Measured at amortized cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any, the amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

Measured at fair value through other comprehensive income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI) net of taxes. Interest income measured using the EIR method and impairment losses, if any are recognized in Profit and Loss. Gains or Losses on De-recognition In case of investment in equity instruments classified as the FVOCI, the gains or losses on de-recognition are reclassified to retained earnings. In case of Investments in debt instruments classified as the FVOCI, the gains or losses on de-recognition are reclassified to statement of Profit and Loss.

Measured at fair value through profit or loss (FVTPL):

A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Statement of Profit and Loss. The Company measures all its investments in equity (other than investments in subsidiaries and joint ventures) and mutual funds at FVTPL. Changes in the fair value of financial assets measured at fair value through profit or loss are recognized in Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are recognised in Profit and Loss.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortized cost, FVTPL and FVOCI and debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivable only, the Company applies the simplified approach permitted by Ind AS - 109 Financial Instruments, De-recognition:

D C INFOTECH & COMMUNICATION LIMITED

CIN: U74999MH2019PLC319622

Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2022.

A financial asset is de-recognized only when

- i) The Company has transferred the rights to receive cash flows from the financial asset or
- ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(ii) Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

Subsequent measurement

Financial liabilities other than those measured at fair value through profit and loss are subsequently measured at amortized cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in Profit and Loss.

De-recognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government

1. Sale of goods: Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is exclusive of tax which is collected on behalf of government.

2. Profit/ (Loss) on derivatives : Profit/ (Loss) on derivatives contracts on account of fair value changes are recognised as either income or expenses as the case may be in the profit and loss statement.

D C INFOTECH & COMMUNICATION LIMITED

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Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2022.

3. Interest Income : Interest is recognized on time proportion basis.

4. Other income: Other income is recognized only when it is reasonably certain that the ultimate collection will be made.

(m) Depreciation and Amortisation

Depreciation is calculated to systematically allocate the cost of Property, Plant and Equipment net of the estimated residual values over the estimated useful life. Depreciation is computed using Written Down Value Method (WDV) over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the item of Property, Plant and Equipment. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Assets Amortization Period

Computers 3 Years

Office

Equipment 5 Years

Vehicle 8

Years

Furniture & Fixtures 10

Years

Electrical Installatin and Equipments

10 Years

(n) Leases

Ind AS 116 sets out the principles for the recognition, measurement and disclosure of leases for both lessees and lessors. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Company will adopt Ind AS 116, effective annual reporting period beginning 1 April 2019.

The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at 1 April 2019. In accordance with the standard, the Company has elected not to apply the requirements of Ind AS 116 to leases for which the underlying asset is of low value.

(o) Income taxes

The income tax expense is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in Deferred Tax Assets and Liabilities attributable to temporary difference.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

Deferred Taxes

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in standalone financial statements. Deferred tax amounts of income taxes recoverable in future periods in respect of deductible temporary differences.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred Tax Assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set

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Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2022.

off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current and Deferred Tax is recognized in the Statement of Profit and Loss, The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax Asset to be utilized. Unrecognized Deferred Tax Assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

(p) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

(q) Employee benefits

The Company operates the following post-employment schemes:

- A. Defined benefit plans Gratuity; and
- B. Defined contribution Plan - Provident Fund

Defined benefit plans – Gratuity Obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined Contribution Plans

Eligible employees of company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The Company contributes a portion to Recognized provident Fund set up by Employees Provident Fund Organization of India which is deposited to government account within due date as set under Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government.

(r) Foreign currencies Transaction and translation

a) Monetary items: Transactions in foreign currencies are initially recorded at their respective functional currency spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

b) Non-Monetary items: Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.

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Note :- 1.

Significant Accounting Policies and Notes to Accounts forming part of financial Statement for year ended March 31, 2022.

(s) Earnings per share

Basic earnings per share is calculated by dividing the net profit / (loss) for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit / (loss) for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted at the beginning of the year and not issued at a later date.

In computing the diluted EPS, potential equity shares that either increase earnings per share or decrease loss per equity share, being anti-dilutive are ignored.

(t) Statement of Cashflow:

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing Cash Flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(u) Segment Reporting Policies:

The Company is operating in two different business segments i.e. Sale of Products and Sale of Software and Services. Segments have been identified and reported taking into account nature of products and services, the different risk and returns and internal business reporting system. The accounting policy adopted for Segment Reporting are in line with Company's accounting policy.

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Notes to the Financial Statements

(Rs. In Lakhs)

Note: 2-Property, Plant & Equipment

	Tangible Assets				Total
	Computer	Office Equipments	Furniture & Fixtures	Motor Vehicles	
Gross Block:					
As at April 1, 2021	9.14	29.01	30.62	90.04	158.81
Additions	10.30	31.88	0.27	106.06	148.51
Disposal / Adjustments					
As at March 31, 2022	19.44	60.89	30.89	196.10	307.32
Additions	9.25	19.50	1.18	0.48	30.41
Disposal / Adjustments				0.10	0.10
As at March 31, 2023	28.69	80.39	32.07	196.48	337.63
Depreciation and Impairment:					
As at April 1, 2021	6.38	12.68	9.72	57.30	86.08
For the year 21-22	5.07	11.47	5.45	17.83	39.82
Disposal 21-22					
As at March 31, 2022	11.45	24.15	15.17	75.13	125.90
For the year 22-23	10.35	21.30	4.30	35.80	71.75
Disposal 22-23					
As at March 31, 2023	21.80	45.45	19.47	110.93	197.65
Net Block:					
<u>Tangible assets</u>					
As at March 31, 2022	7.99	36.74	15.72	120.97	181.42
As at March 31, 2023	6.89	34.94	12.60	85.55	139.98

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Notes to the Financial Statements

Particulars	(Rs. In Lakhs)	
	As at	As at
	March 31, 2023	March 31, 2022
Note: 3 Investments		
Investment in Equity instruments		
- Unquoted - (Valued at cost)		
The Shamrao Vital Co-op Bank Limited		
1975 no of equity shares at face value of Rs 10/- each	0.49	0.49
Total	0.49	0.49
Note: 4 Deferred Tax		
Break up of Deferred Tax Liabilities and Assets into major components of the respective balances are as under:		
Deferred Tax Liabilities		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books		
On unrealised profit on derivatives		
	-	-
Deferred Tax Assets		
Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	21.54	13.40
Provision for gratuity	2.76	5.22
	24.30	18.62
Net Deferred Tax Asset/ (Liabilities)	24.30	18.62
Note: 5 Inventories		
Classification of Inventories:		
Stock-In-Trade*	5,422.86	3,665.40
Total	5,422.86	3,665.40
(Refer Note Number 16 on Borrowings)		
Note: 6 Trade Receivables		
(A) Trade Receivables		
Considered Good - Secured	6,975.97	4,498.44
Trade Receivable which have significant increase in credit risk	124.28	104.49
Trade Receivable - credit impaired		
Others		
TOTAL	7,100.25	4,602.93
NOTE No. 6.1 :Classification of Trade Receivables		
Classification of Trade Receivables		
(A) Ageing of Trade Receivables		
Less than 6 months	6,832.29	4,234.37
6 Months -1 Year	134.05	264.07
1 yr - 2 Years	39.73	7.47
2 yrs - 3 Years	4.50	42.40
More than 3 Years	89.68	54.61
(B) Considered Good - Secured		
Undisputed Trade Receivables - considered good	6,966.34	4,498.44
Disputed Trade Receivables - considered good		
(C) Trade Receivable which have significant increase in credit risk		
Undisputed Trade Receivables - which have significant significant increase in credit risk	95.20	65.78
Disputed Trade Receivables - which have significant significant increase in credit risk	38.71	38.71

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Notes to the Financial Statements

Particulars	(Rs. In Lakhs)	
	As at	As at
	March 31, 2023	March 31, 2022
(D) Trade Receivable - credit impaired		
Undisputed Trade Receivable - credit impaired		
Disputed Trade Receivable - credit impaired		
(Refer note number 37 on related party)		
(Refer Note Number 16 on Borrowings)		
Note: 7 Loans		
Loan to Related party	-	-
Total	-	-
(Refer note number 35 on related party)		
Note: 8 Cash and Cash Equivalent*		
Balances with banks	6.93	774.75
Fixed deposits with maturity less than 3 months	-	-
Cheque in hand	-	-
Cash in Hand	1.38	0.24
Total	8.31	774.99
*Cash and cash equivalents are held for the purpose of meeting short term commitments rather than for investment purpose.		
Note: 9 Other Bank Balances		
Fixed Deposit /Margin Money with maturity more than 3 months but less than 12 months	338.00	117.29
Total	338.00	117.29
Note 9.1		
FDR under lien amounting to Rs. 2.02 Crores (Previous Year Nil) given to ICICI Bank for availing LC Limit worth Rs. 12 Crores and Rs. : 1.36 Crores (Previous Year 1.09 Crores) given to Kotak Mahindra Bank for availing LC Limit worth Rs. 8.55 Crores and as per sanction terms, FD was lien marked at 10% cash margin		
Note: 10 Other Current Financial Assets		
Deposits	15.34	16.62
Margins & balance with brokers	-	9.17
Interest accrued but not due on fixed deposits	4.52	0.31
Total	19.86	26.10
Note: 11 Derivative Financial Asset		
Currency Derivatives		
Fair Value - Assets	-	-
Fair Value - Liabilities	-	-
Total Fair Value - Asset / (Liability)	-	-
Note: 11.1 : Notional Amount		
Currency Derivatives		
Note: 12 Other Current Assets		
[Unsecured, Considered Good]		
Advance Tax		
Balance with revenue authorities	897.49	736.63
Prepaid expenses	7.19	6.89
Advance to employee	4.98	3.45
Other receivables	36.17	32.99
Preliminary Expenses	1.75	3.51
Total	947.58	783.47

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Notes to the Financial Statements

Particulars	(Rs. In Lakhs)	
	As at	As at
	March 31, 2023	March 31, 2022
Note: 13 Equity Share Capital		
Authorised		
Equity Shares		
15,000,000 nos. - face value of Rs 10/- each	1,500.00	1,500.00
Total	1,500.00	1,500.00
Issued, Subscribed and Paid-up		
Equity Shares		
12,000,000 nos. - face value of Rs 10/- each	1,200.00	1,200.00
Out of 12,000,000 Equity Shares, 6,000,000 Equity shares were issued as bonus of face Value of Rs. 10/- each		
Total	1,200.00	1,200.00
A. The details of shareholders holding more than 5% equity shares :-		
Name of the Shareholder		
1) Chetankumar Hasmukhlal Timbadia		
% held	24.00%	24.00%
No. of Shares	28.80	28.80
2) Devendra Kishorkumar Sayani		
% held	21.00%	21.00%
No. of Shares	25.20	25.20
B. Reconciliation of number of equity shares :-		
At the beginning of the year	120.00	60.00
Add : Shares issued / Bonus issued		60.00
At the End of the year	120.00	120.00
C. Rights, Preferences and Restrictions of share holder :-		
The company has only single class of equity shares. Each shareholder is eligible for one vote per share. one class of equity share have been issued having a par value of Rs.10/- each.		
The company declares and pays dividend if any, in Indian Rupee. The dividend proposed if any, by the board of Directors is subject to the approval of the share holders at the ensuing Annual General meeting except in case of interim dividend.		
In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of remaining assets of the company after distribution of preferential amount. The distribution will be in proportion to the number of equity shares held by the share holders.		
D. Particulars of shares issued for consideration other than cash, shares bought back and bonus shares in last five years :-		
The company has issued bonus shares in the year (FY 2021-2022) in ratio of 1:1		
Note: 14 Other Equity		
Equity Share Securities Premium		
Opening Balance	240.00	840.00
Add : Addition during the year	-	-
Less: Transfer to Equity Share Capital during the year for bonus shares	-	600.00
Closing Balance	240.00	240.00
Profit & Loss balance		
Opening Balance	805.29	404.90
Add : Profit during the year	707.57	400.39
Less : Dividend (including DDT)		
Closing Balance	1,512.86	805.29
Items of Other Comprehensive Income		
Opening Balance		
Less : Employee benefit		
Closing Balance		
Total	1,752.86	1,045.29

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Notes to the Financial Statements

Particulars	(Rs. In Lakhs)	
	As at	As at
	March 31, 2023	March 31, 2022
Note: 15 Long Term Borrowings		
Secured Term Loan	60.87	129.41
Unsecured loans from Directors	187.78	248.14
Total	248.65	377.55
Note: 16 Borrowings		
Financial liabilities carried at amortised cost		
Secured working capital facilities from banks	1,014.61	483.13
Unsecured Intercompany Deposit	45.00	-
Unsecured working capital facilities from banks	1,292.44	919.23
Total	2,352.05	1,402.36
Non-current Borrowings		
Term loans	69.44	111.11
Indian rupee loan from banks (secured)		
Car Loan	59.96	104.48
General purpose borrowings		
Less : current maturities	68.54	86.18
Total (a)	60.87	129.41
Indian rupee loan from financial institutions (secured)		
Project loans for SPVs		
Equipment finance		
General purpose borrowing	946.07	396.95
Less : current maturities	946.07	396.95
Total (b)	-	-
Loan from Directors and Shareholders & ICD	232.78	248.14
Less : current maturities	45.00	-
Total (c)	187.78	248.14
TOTAL A+B-C Non Current Borrowings	248.65	377.55
Current Borrowings		
From Banks (Secured)		
a) Indian rupee loan from banks	68.54	86.18
b) Indian rupee loan from financial institutions	-	-
c) Overdraft	-	-
d) Cash credit and working capital demand loan	946.07	396.95
Unsecured loans		
a) Indian rupee loan from banks	395.97	447.70
b) Indian rupee loan from financial institutions	896.48	471.53
c) Loan from Directors and Shareholders & ICD	45.00	-
Total current borrowings	2,352.06	1,402.36
Aggregate Secured loans	1,075.48	612.54
Aggregate Unsecured loans	1,525.23	1,167.37

The Company has availed working capital facilities from banks on following Terms and Conditions;

1. Secured by

Primary Security:

- Secured by Exclusive Charge on Current Assets of the Company.
- Car Loans are secured by respective cars.

Collateral Security:

b. Residential properties along with the Personal Gaurantees of director Mr. Chetankumar Timbadia, Mr. Devendra Sayani, Mr. Jayesh Sayani, Mr. Kamlesh Sayani, Mrs. Jasmina Timbadia, Mrs. Ketana Sayani, Mr. Hasmukh Timbadia and Mrs. Rita Timbadia

- Interest rate varies from 7% to 12.5%
- Loans are due within a period of twelve months.

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Notes to the Financial Statements

Particulars	(Rs. In Lakhs)	
	As at	As at
	March 31, 2023	March 31, 2022
Note 17: Payables		
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,905.68	5,514.34
Other Payables		
Total outstanding dues of micro enterprises and small enterprises - Others		
Total outstanding dues of creditors other than micro enterprises and small enterprises - Others		

Total**Note 17.1: Trade Payables ageing schedule**

Particulars	Ageing as on 31st	Ageing as on
	March 2023	31st March 2022
(i) MSME		
(ii) Others		
Less than 1 yr	7,890.33	5,513.31
1 yr - 2 yrs	15.16	1.03
2 yrs - 3 yrs	0.19	-
More than 3 yrs		
(iii) Disputed Dues -MSME		
(iv) Disputed Dues -Others		
Total	7,905.68	5,514.34

(Refer note number 37 on related party)

Note: 18 Other Financial Liabilities

Audit Fees Payable	3.00	1.50
Other payables	193.14	192.32
Total	196.14	193.82

Note: 19 Provisions

Provision for Bonus	1.32	5.62
Provision for Gratuity	10.97	18.14
Total	12.29	23.76

Note: 20 Current Tax Liabilities [Net]

Provision for Taxation (net of advance tax)	247.00	235.37
Total	247.00	235.37

Note: 21 Other Current Liabilities

Advance Received from Customers		
Deferred Income	57.53	115.06
Statutory Liabilities	29.44	63.17
Total	86.97	178.23

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Notes to the Financial Statements**(Rs. In Lakhs)**

	<u>For the year ended</u>	<u>For the year ended</u>
	March 31, 2023	March 31, 2022
Note: 22 Revenue from Operations		
Sale of Product	29,593.88	18,915.19
Sale of Software & Services	6,368.63	4,335.99
Total	35,962.51	23,251.18
Note: 23 Other Income		
Interest Income	26.87	9.18
Profit on Sale of Fixed Assets	0.01	-
Net gain on Foreign Exchange	-	-
Total	26.88	9.18
Note: 24 Changes in Inventory		
Opening stock of Inventory	3,665.40	3,211.29
Less: Closing Stock of Inventory	5,422.86	3,665.40
Total	(1,757.46)	(454.11)
Note: 25 Employee Benefits Expense		
Salaries and Wages	594.75	383.23
Directors Salary	120.00	120.00
Provision for gratuity	(7.28)	18.14
Contribution to provident and other funds	10.39	6.05
Staff welfare expenses	9.95	8.73
Total	727.81	536.15
Note: 26 Finance Cost		
Interest on financial liabilities carried at amortised cost		
Interest expenses - amortised cost	218.48	111.58
Other cost		
Processing and Bank charges	50.83	39.73
Interest on late deposit of statutory liabilities	7.25	1.60
Total	276.56	152.91
Note: 27 Other Expenses		
Audit Fees	3.00	1.50
Bad Debts	0.20	10.14
Commission	88.52	75.44
Conveyance	83.03	35.37
Depository & RTA Expenses	0.24	1.10
Discount & Incentives	53.22	43.54
Donation	-	-
Electricity Expenses	4.21	3.95
Net Loss on Foreign Exchange	102.94	47.86
Insurance	40.50	28.21
Legal & Professional Fees	99.52	52.28
Rent Expenses	97.87	54.72
Sales Tax / GST (Earlier Years)	37.41	7.34
Sales Promotion and Advertisement	43.38	58.67
Printing & Stationery	4.02	4.28
Telephone	2.81	3.57
Traveling Expenses	24.28	25.92
Other Expenses	44.85	31.24
Total	730.00	485.13
Note: 2 Depreciation		
Depreciation	71.75	39.82
Amortisation of Preliminary Expenses	1.75	1.75
Total	73.50	41.57

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Notes to the Financial Statements

(Numbers and Amount in Lakhs except for Earnings per share)

Note: 28 Calculation of earning per share (EPS)

The numerators and denominators used to calculate basic and diluted EPS are as follows:

Particulars		Units	Year ended	
			March 31, 2023	March 31, 2022
Profit attributable to Equity shareholder	(A)	Rs	707.54	400.35
Number of equity shares		Nos	120.00	120.00
Weighted average number of shares for calculation of Basic EPS	(B)	Nos	120.00	120.00
Weighted average number of shares for calculation of Diluted EPS	(C)	Nos	120.00	120.00
Nominal value of equity shares		Rs	10.00	10.00
Basic EPS			5.90	3.34
Diluted EPS			5.90	3.34

Note: 29 Details of auditors remuneration

Particulars	Year ended	
	March 31, 2023	March 31, 2022
As auditor :		
Audit fees	3.00	1.50
Tax audit fees	0.60	0.50
other matters	1.15	1.23
Total payment to auditors	4.75	3.23

Note: 30 Contingent Liabilities and Commitments (to the extent not provided for):

There has been contingent liability in respect of orders passed by Dy. Commissioner of Sales Tax and appeals against the same are pending with Joint Commissioner of Sales Tax in Maharashtra in the name of erstwhile partnership firm as follows:

Particulars	March 31, 2023	March 31, 2022
2016-17 VAT & CST	-	40.39
2015-16 VAT & CST	-	17.99
2014-15 VAT & CST	-	62.71

There has been contingent liability in respect of orders passed by Dy. Commissioner of Sales Tax and appeals against the same are pending with Joint Commissioner of Sales Tax in Gujarat in the name of erstwhile partnership firm as follows:

Particulars	March 31, 2023	March 31, 2022
2015-16 CST	-	1.85

There has been contingent liability in respect of orders passed by Dy. Commissioner of Sales Tax and appeals against the same are pending with Joint Commissioner of Sales Tax in Haryana in the name of erstwhile partnership firm as follows:

Particulars	March 31, 2023	March 31, 2022
2016-17 VAT & CST	13.41	13.41
2015-16 VAT & CST	27.14	27.14

There has been contingent liability in respect of orders passed by Dy. Commissioner of Sales Tax and appeals against the same are pending with Joint Commissioner of Sales Tax in West Bengal in the name of erstwhile partnership firm as follows:

Particulars	March 31, 2023	March 31, 2022
2016-17 VAT	-	1.97

Capital Commitments:

There are no material pending capital commitments which the company believes could reasonably be expected to have a material adverse effect on the result of operations, cash flow or the financial position of the company.

Note: 31 Property, Plant and Equipment

There is no impairment loss on property, plant and equipment assets on the basis of review carried out by the management. Company carries out physical verification of its Property, Plant and Equipment at regular interval.

Note: 32 Inventory

The inventory comprising of Traded goods is physically verified by the management at regular intervals and as at the end of the year. Company obtains written confirmations in respect of stock lying with third parties, if any, as at the year end. The quantity and valuation of inventory at the year end has been certified by the management.

Note: 33 Trade Receivable

Loan and Advances, Trade receivables and Other Receivables are subject to confirmation and reconciliation.

Note: 34 Employee Benefits

Particulars	March 31, 2023	March 31, 2022
Gratuity - Current	3.52	6.84
Gratuity - Non-current	7.45	11.30
Compensated Absences (Leave Salary) - Current		
Compensated Absences (Leave Salary) - Non-current		
Total outstanding as on reporting date	10.97	18.14

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Notes to the Financial Statements

A. Gratuity (Defined Benefit Plan)

i) General Description:

The Company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company's liability towards gratuity is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method (as per Ind AS 19) done by an independent actuary.

Particulars	<u>March 31, 2023</u>	<u>March 31, 2022</u>
ii) Change in the present value of the defined benefit obligation		
Opening defined benefit obligation	18.14	-
Past service cost	-	11.30
Current service cost	3.52	6.84
Interest cost	1.33	-
Actuarial (gain) / loss due to remeasurement on change in assumptions	-12.02	-
Experience (gain) / loss on plan liability		
Benefits paid and transfer out		
Contributions by employee		
Transfer in		
Closing defined benefit obligation	<u>10.97</u>	<u>18.14</u>
iii) Change in the fair value of plan assets:		
Opening fair value of plan assets	-	-
Investment Income	-	-
Contributions by employer	-	-
Contributions by employee	-	-
Benefits paid	-	-
Return on plan assets , excluding amount recognised in net interest expense	-	-
Acquisition adjustments	-	-
Closing fair value of plan assets	<u>-</u>	<u>-</u>
iv) Breakup of Actuarial gain/loss		
Actuarial [gain]/ loss arising from change in demographic assumption	-	-
Actuarial [gain]/ loss arising from change in financial assumption	-	-
Actuarial [gain]/ loss arising from experience adjustment	-	-
v) Expenses/ [Incomes] recognised in the Statement of Profit and Loss:		
Current service cost	3.52	6.84
Past service cost	-	11.30
(Gains) / losses - on settlement	-	-
Interest cost / (Income) on benefit obligation	-	-
Net expenses/ (benefits)	<u>3.52</u>	<u>18.14</u>
vi) Other Comprehensive Income		
Actuarial (Gain)/Loss recognized for the period due to change in assumptions	-	-
Asset limit effect	-	-
Return on plan assets excluding net interest	-	-
Unrecognized Actuarial (Gain) / Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in OCI	<u>-</u>	<u>-</u>
vii) Movement in net liabilities recognised in Balance Sheet:		
Opening net liabilities	18.14	-
Expenses as above [P & L Charge]	-7.17	18.14
Benefits Paid	-	-
Other Comprehensive Income (OCI)	-	-
Liabilities/ [Assets] recognised in the Balance Sheet	<u>10.97</u>	<u>18.14</u>
viii) Amount recognized in the balance sheet:		
PVO at the end of the year	-18.14	18.14
Fair value of plan assets at the end of the year	-	-
Deficit	7.17	-18.14
Unrecognised past service cost	-	-
(Liabilities)/Assets recognized in the Balance Sheet	<u>(10.97)</u>	<u>(18.14)</u>
ix) Principal actuarial assumptions as at Balance sheet date:		
<u>Discount rate</u>	7.50%	7.32%
[The rate of discount is considered based on market yield on Government Bonds having currency and terms in consistence with the currency and terms of the post-employment benefit obligations].		
<u>Annual increase in salary cost</u>	10.00%	10.00%

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Notes to the Financial Statements

[The estimates of future salary increases are considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market].

Employee Attrition Rate (Past Services (PS))

Upt to 30 Years	30.00%	30.00%
From 31 to 44 Years	30.00%	18.00%
Above 44 Years	20.00%	6.00%

Decrement adjusted remaining working life (years)

Sensitivity analysis:

	<u>Discount rate of 0.5%</u>	<u>Salary Escalation rate of 0.5%</u>	
March 31, 2023			
Impact on statement of Profit & Loss increase in rate	-0.20	0.21	
Impact on statement of Profit & Loss of decrease in rate	0.21	-0.20	
March 31, 2022			
Impact on statement of Profit & Loss increase in rate	-0.64	0.66	
Impact on statement of Profit & Loss of decrease in rate	0.68	-0.63	

Note 35 : Financial Instruments - Fair Value and Risk Management

A. Accounting classification

	<u>Fair Value through Profit / (Loss)</u>	<u>Fair Value through OCI</u>	<u>Amortised Cost</u>
March 31, 2023			
<u>Financial assets - Current</u>			
Trade Receivables			7,100.26
Loans			-
Cash and Cash Equivalents			8.30
Other bank balances			338.00
Others			19.86
Derivative Financial Instrument			-
Total Financial Assets	-	-	7,466.42
<u>Financial liabilities – Current</u>			
Working Capital Loan			1,014.61
Trade Payables			7,905.68
Other Financial Liabilities			196.14
Total Financial Liabilities	-	-	9,116.43
March 31, 2022			
<u>Financial assets - Current</u>			
Trade Receivables			4,602.93
Cash and Cash Equivalents			-
Other bank balances			774.99
Others			117.29
Derivative Financial Instrument			26.10
Total Financial Assets	-	-	5,521.31
<u>Financial liabilities – Current</u>			
Working Capital Loan			483.13
Trade Payables			5,514.34
Other Financial Liabilities			193.82
Total Financial Liabilities	-	-	6,191.29

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Notes to the Financial Statements

B. Fair value Measurement

Financial instruments measured at FVTPL / FVOCI :

All assets and liabilities for which the fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement are (other than quoted prices) included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

C. Valuation techniques used to determine fair value

Specific valuation techniques used to value financial instruments include:

1. Derivative Financial Instruments - mark to market based on closing price on stock exchange

Financial instruments measured at FVTPL

March 31, 2022

Financial assets

Derivative financial instruments

Total Financial Assets

Level 1

Level 2

Level 3

-

-

-

-

-

-

Financial instruments measured at FVTPL

March 31, 2021

Financial assets

Derivative financial instruments

Total Financial Assets

Level 1

Level 2

Level 3

-

-

-

-

-

-

Financial instruments measured at amortised cost:

The carrying value approximates fair value for long term financial assets and liabilities measured at amortised cost. There are no transfers during the year in level 1, 2 and 3. The Company policy is to recognize transfers into and transfers out of fair value hierarchy level as at the end of reporting period.

D. Financial risk management

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has exposure to the following risks arising from financial instruments:

1. Credit risk
2. Liquidity risk and
3. Market risk

1. Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date. The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. The Company has no history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good. The credit risk for cash and cash equivalents, mutual funds, bank deposits, loans and derivative financial instruments is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings. Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions, if any, are disclosed under each sub-category of such financial assets.

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Notes to the Financial Statements**2. Liquidity risk**

Liquidity Risk is defined as the risk that the Company will not be able to settle or meets its obligations on time at a reasonable price In addition; processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity through rolling forecasts of expected cash flows.

Exposure to liquidity risk

The table below is an analysis of Company's financial liabilities based on their remaining contractual maturities of financial liabilities at the reporting date.

March 31, 2023**Non-derivative financial liabilities :**

Working Capital Facilities from banks
Trade payables
Other

	Contractual cash flows	
	Within 1 year	1 year and above
	2,352.06	-
	7,905.68	-
	196.14	-

March 31, 2022**Non-derivative financial liabilities :**

Working Capital Facilities from banks
Trade payables
Other

	Contractual cash flows	
	Within 1 year	1 year and above
	1,402.36	-
	5,514.34	-
	193.82	-

3. Market risk

Changes in market prices which will affect the Company's income or the value of its holdings of financial instruments is considered as market risk. It is attributable to all market risk sensitive financial instruments.

4. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Particulars

Interest rates – increase by 100 basis points (100 bps)
Interest rates – decrease by 100 basis points (100 bps)

	Impact on statement of profit and (loss) - [Net	
	March 31,2023	March 31,2022
	-13.89	-9.24
	13.89	9.24

Note: 36 Capital Management

The primary objective of the Group's capital management is to maximize the shareholders' interest, safeguard its ability to continue as a going concern and reduce its cost of capital. Company is focused on keeping strong total equity base to ensure independence, security as well as high financial flexibility for potential future borrowings required if any. Company's capital for capital management includes debt and total equity . As at March 31, 2023 and March 31, 2022 total capital is Rs 29,52,79,643/- and Rs 22,45,25,759/- respectively. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023, March 31, 2022.

Note: 37 Related party disclosure**A. List of related party**

Relationship Category	Particulars	Name
1	Key Management Personnel	Mr. Chetankumar Timbadia, Mr. Devendra Sayani, Mr. Jayesh Sayani, Mr. Piyush Shah and Mr. Bhavesh Singh
2	Relatives of Key Management Personnel	Mr. Dharmik Timbadia, Mr. Dhairya Timbadia, Mr. Yash Sayani, Mr. Devansh Sayani
3	Enterprises owned or significantly influenced by Key Management Personnel	DC Systems

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Notes to the Financial Statements

B. The Following transactions were carried out with the related parties in the ordinary course of business and at arm's length.

<u>Nature of transactions</u>	<u>Relationship Category</u>	<u>March 31, 2023</u> <u>(Amount in Lakhs)</u>	<u>March 31, 2022</u> <u>(Amount in Lakhs)</u>
Remuneration payment			
Chetankumar Timbadia	1	60.00	60.00
Devendra Sayani	1	60.00	60.00
Dhairya Timbadia	2	23.54	9.79
Dharmik Timbadia	2	23.54	9.79
Yash Sayani	2	23.54	9.79
Devansh Sayani	2	23.54	9.79
Piyush Shah	1	9.29	7.58
Bhavesh Singh	1	1.91	1.75
Total		<u>225.35</u>	<u>168.47</u>
Purchase			
DC Systems	3	84.33	36.35
Total		<u>84.33</u>	<u>36.35</u>
Sales			
DC Systems	3	1,537.73	1,173.06
Total		<u>1,537.73</u>	<u>1,173.06</u>
Incentive Paid			
DC Systems	3	39.47	35.44
Total		<u>39.47</u>	<u>35.44</u>
Loan Received (Net)			
Devendra Sayani	1	25.00	-
Loan Repaid (Net)			
Chetankumar Timbadia	1	85.08	124.06
Devendra Sayani	1	0.58	58.92
Dhairya Timbadia	2	-	5.26
Dharmik Timbadia	2	-	5.26
Yash Sayani	2	-	11.37
Devansh Sayani	2	-	5.26
Total		<u>85.66</u>	<u>210.14</u>

C. Closing Balance of Related Party

<u>Name</u>	<u>Nature</u>	<u>March 31, 2023</u> <u>(Amount in Lakhs)</u>	<u>March 31, 2022</u> <u>(Amount in Lakhs)</u>
DC Sytsems	Debtor	(25.20)	293.78
DC Sytsems	Creditor	4.40	17.38
Chetankumar Hasmukhlal Timbadia	Unsecured Loan	42.59	127.37
Devendra Kishorkumar Sayani	Unsecured Loan	140.46	116.03
Jayeshkumar Kishorekumar Sayani	Unsecured Loan	4.74	4.74
Chetankumar Hasmukhlal Timbadia	Remuneration Payable	4.98	3.63
Devendra Kishorkumar Sayani	Remuneration Payable	3.81	4.07
Devansh K Sayani	Remuneration Payable	1.39	1.61
Dhairya ChetanKumar Timbadia	Remuneration Payable	0.86	1.61
Dharmik ChetanKumar Timbadia	Remuneration Payable	0.86	1.61
Yash Devendra Sayani	Remuneration Payable	0.86	1.61
Piyush Shah	Remuneration Payable	0.72	0.65
Bhavesh Singh	Remuneration Payable	0.20	0.15

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Notes to the Financial Statements**NOTE 38: Segment Reporting****Primary segment (Business segment)**

The Company is engaged in general trading of commodities and trading in derivatives on recognized exchange. Segments have been identified and reported taking into account nature of products and services, the different risk and returns and internal business reporting system. The accounting Policy adopted for segment reporting are in line with Company's accounting policy.

Particulars	Year ended	
	March 31, 2023 (Amount in Rs)	March 31, 2022 (Amount in Rs)
1. Segment Revenue		
a) Segment - Sale of Product	29,593.88	18,915.19
b) Segment - Sale of Software & Services	6,368.63	4,335.99
Total	35,962.51	23,251.18
Less: Inter Segment Revenue		
Total Sales / Income from Operations	35,962.51	23,251.18
2. Segment Results		
Profit / (Loss) before tax and interest from each segment		
a) Segment - Sale of Product	1,940.05	1,154.15
b) Segment - Sale of Software & Services	789.81	599.75
Total	2,729.86	1,753.90
Less		
Unallocable Expenses		
Finance cost	276.56	152.91
Total profit before exceptional item & tax	2,453.30	1,600.99
3. Capital Employed		
Segment Assets		
a) Segment - Trading in Goods	10,920.72	8,043.54
b) Segment - Trading in Software & Services	1,602.39	224.79
c) Segment - Others / un allocable	1,313.70	1,701.83
Total	13,836.81	9,970.16
Segment Liabilities		
a) Segment - Trading in Goods	6,696.00	5,514.34
b) Segment - Trading in Software & Services	1,209.68	121.23
c) Segment - Others / un allocable	2,894.45	1,912.30
Total	10,800.13	7,547.88

Note 39: Tax expense

Reconciliation of tax expense

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
a) Income tax recognised in profit & loss account		
Current tax	247.00	144.53
Earlier year tax	-	8.03
Deferred tax	-5.69	-5.62
	241.31	146.94

Note: 40 Relationship with Struck Off Companies

During the year, the company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

Note: 41 Wilful Defaulter

During the year, the company is not declared as wilful defaulter by any bank or financial Institution or other lender

Note: 42 Borrowings from Banks & Financial Institution

The Company has borrowings from banks & financial Institution on the basis of security of current assets.

a. the company has submitted the quarterly returns/ statements with the banks & financial institution are in the agreement with the books of accounts and there is no discrepancies found

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Notes to the Financial Statements

Note: 43 Registration of charges or satisfaction with Registrar of companies (ROC)

There are no charges or satisfaction yet to be registered with ROC beyond the statutory period.

Note: 44 Foreign Currency Transactions

Expenditure in Foreign Currency:-

Particulars	For the year ended March 31,2023		For the year ended March 31,2022	
	US\$	Rupees	US\$	Rupees
Import Purchase	158.21	13,017.07	108.11	8,094.09
Capital Goods (Machinery)	-	-	-	-
Total	158.21	13,017.07	108.11	8,094.09

Earnings in Foreign Currency:-

Particulars	For the year ended March 31,2023		For the year ended March 31,2022	
	US\$	Rupees	US\$	Rupees
Export Sales	5.55	448.00	5.50	404.89
Total	5.55	448.00	5.50	404.89

Note: 45 Assets Pledged as Security

The carrying amounts of assets pledged as security for borrowings are:

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Current Assets		
i)Trade Receivables	7,100.26	4,602.93
ii)Cash and Cash Equivalents	8.30	774.99
iii)Other Bank Balance	338.00	117.29
iv)Other Current Financial Assets	19.86	26.10
Other Current Assets	947.54	783.44

Note: 46 Charge on Assets

1. Charge created in favour of the charge holder (ICICI Bank) on 29/11/2021 of Rs 2000 Lakhs over certain assets of the company.

The charged asset shall mean and include: the whole of cash, cash equivalent, inventory, prepaid expenses, other liquid assets, book debts, bills, whether documentary or clean, and all other assets each recognised as current assets under the applicable law and accounting norms both present and future, whether in possession or under the control of the Borrower or not, but including Fixed Deposits. The charged asset shall also mean Movable Assets, Motor Vehicles and Plant & Machinery.

2. Charge created in favour of the charge holder (Kotak Bank) on 25/06/2019 of Rs 900 Lakhs over certain assets of the company.

The charged asset shall mean and include: the whole of cash, cash equivalent, inventory, prepaid expenses, other liquid assets, book debts, bills, whether documentary or clean, and all other assets each recognised as current assets under the applicable law and accounting norms both present and future, whether in possession or under the control of the Borrower or not, but including Fixed Deposits. The charged asset shall also mean Movable Assets, Motor Vehicles and Plant & Machinery.

Note: 47 Other

Previous year's figures have been regrouped/rearranged/reworked wherever necessary and possible so as to confirm to current year's classification.

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Notes to the Financial Statements

Note 48: Ratios

Sr. No.	Particulars	Numerator	Denominator	FY 2022-2023			FY 2021-2022			Variance (%)	Remarks
				(Rs in Lacs)	(Rs in Lacs)	Ratio	(Rs in Lacs)	(Rs in Lacs)	Ratio		
1	Debt-Equity Ratio	Debt Consist of Borrowings and Lease Liabilities	Total Equity	2,600.71	2,952.80	0.88	1,779.91	2,245.26	0.79	11.10%	The Company has borrowed funds from Banks. Hence there is increase in Debt Equity Ratio. Decrease in ratio is on account of increase in Borrowings and Trade Payables.
2	Current Ratio	Total Current Assets Profit for the year Less Preference	Total Current Liabilities	13,836.81	10,800.13	1.28	9,970.16	7,547.88	1.32	-3.01%	Increase in Profit is on account of increase in trading in current year.
3	Return on Equity Ratio	Dividend if any	Average Total Equity	707.54	2,599.03	0.27	400.35	2,045.08	0.20	39.06%	Reduction is on account of increase in working capital as compared to increase in sales
4	Net Capital Turnover Ratio	Total Income	Average Working Capital (i.e. Total Current Assets Less Total Current Liabilities)	35,989.38	2,729.48	13.19	23,260.36	1,168.02	19.91	-33.79%	Increase in Profit is on account of increase in trading in current year.
5	Net Profit Ratio	Profit for the year	Total Income	707.54	35,989.38	0.02	400.35	23,260.36	0.02	14.22%	Profit increased during the year due to increase in turnover.
6	Return on Capital Employed	Profit before tax and Finance Cost	Employed (Equity + Long Term Debt)	1,225.41	2,912.13	0.42	700.21	2,546.19	0.28	53.01%	Increase on account of investment in Fixed Deposits in Current Year
7	Return on Investment	Income generated from Invested Funds	Average Investment (Cost)	12.84	227.65	0.06	4.87	113.30	0.04	31.11%	
8	Debt Service Coverage Ratio	Earnings for Debt Service= Net profit after tax+Non cash operating expenses+Interest+other non cash adjustments	Finance Cost + Principal repayment of Long Term Debt	958.37	405.46	2.36	574.45	400.04	1.44	64.60%	Due to increase in Profit during the year Debt Service Coverage Ratio has improved. Due to covid there was shortage in stock in 2021-22 and the stock level has increased to normal level in 2022-23 and so the inventory turnover has increased.
9	Inventory Turnover Ratio	Raw material, finished goods and work in progress consumed Revenue from Operations (Sales of Products and Sale of Service)	Average Inventories	33,232.65	4,544.13	7.31	21,497.27	3,438.35	6.25	16.97%	Due to market practise we had to give more credit period to debtors in 2022-23 and so this ratio has increased.
10	Trade Receivable Turnover Ratio	Trade Payables Turnover	Average Trade Payables	34,990.10	6,710.01	5.21	21,951.38	4,522.97	4.85	7.44%	Due to market practise of giving more credit to debtors we negotiated with the vendors for more credit period and so this ratio has also seen an increase.

As per our report of even date
For D G M S & Co.
Chartered Accountants
Firm Registration No. : 0112187W



Hiren J. Maru
Partner
Membership No : 115279
UDIN: 2115279AJVRC117152
Place: Mumbai
Date : 08th May 2023

For and on behalf of the Board
D C Infotech & Communication Limited



Managing Director
Chetankumar Timbadia
DIN : 06731478



Chief Financial Officer
Piyush Shah
PAN : AZTPS0999Q



Director
Devendra Sayani
DIN : 06731484



Company Secretary
Bhavesh Singh
PAN : BKEPS0087E