



NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extra Ordinary General Meeting of the members of the DCM Infotech Limited will be held on Friday, 14th February, 2020 at the Registered Office of the Company at Vikrant Tower, 4 Rajendra Place, New Delhi-110008 at 5.00 P.M. to transact the following business:-

1. APPROVAL FOR APPOINTMENT OF MR. VARUN SARIN AS WHOLE-TIME DIRECTOR OF THE COMPANY DESIGNATED AS EXECUTIVE DIRECTOR AND TO FIX HIS REMUNERATION

To consider and pass, if thought fit, with or without modification, the following resolution as a **Special Resolution**:-

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule - V of the Companies Act, 2013, relevant provisions of the Articles of Association of the Company approval of the members of the Company be and is hereby accorded for the appointment of Mr. Varun Sarin (DIN-00273947), as Whole-Time Director of the Company designated as Executive Director w.e.f. December 09, 2019 upto April 30, 2020 on the remuneration and terms and conditions as given below:

Sl. No.	Particulars	Amount in Rs. (Per Month)
I	SALARY AND ALLOWANCES	
	Basic Salary	2,02,500
	House Rent Allowance	1,21,500
	Special Allowance	2,50,000
	Education Allowance	200
	Medical Allowance	4,167
	LTA	4,167
	Group Medical	139
	Sub-Total (I)	5,82,673

DCM Infotech Limited

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Regd. Office : Vikrant Tower, 4, Rajendra Place, New Delhi-110008 Phone : 011-25719967, CIN : U72100DL1992PLC047018

II	OTHERS	
	Company Contribution to Provident Fund as per policy/rules of the Company.	24,300
	Company Contribution to NPS	20,250
	Gratuity as per policy/rules of the Company	9,720
	Sub-Total (II)	54,270
III	Total (I)+(II)	6,36,943

In addition to the above, he shall also be entitled to following facilities necessary for the purposes of business, which will not be considered as perquisites:

- i. Company maintained car.
- ii. Telephone(s) facility.

Other Terms and Conditions:

- a. The Board in its discretion may pay to him lower remuneration than the maximum remuneration stipulated hereinabove and revise it from time to time within the limits stipulated herein or if it exceeds, then with the necessary approval, if any, at the appropriate time, within the provisions of the Companies Act, 2013.
- b. Subject to overall superintendence, direction and control of the Board of Directors, Mr. Varun Sarin be responsible for day to day affair of the Company.
- c. For the discharge of duties, Mr. Varun Sarin shall report to and derive his authorities and functional responsibilities from the Board of Directors.
- d. Either party may terminate the appointment by giving to the other, three calendar months' notice in writing.
- e. In the event of termination of appointment by the Company, he shall not be entitled to receive any compensation.
- f. Pursuant to provisions of Paragraph 1 of Section IV of Part- II of Schedule V of the Companies Act, 2013, the following perquisites shall not be included in the computation of ceiling on remuneration:
 - (i) Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961;
 - (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
 - (iii) Encashment of leave as per rules/ policy of the Company.
- g. Remuneration for a part of the year shall be computed on a pro-rata basis.
- h. He shall not be entitled to any sitting fees for attending the meeting of Board of Directors or Committee(s) thereof.
- i. Subject to limits as prescribed in Company's policies, he shall be entitled to reimbursement of expenses including on entertainment and traveling incurred in

the course of business of the Company, which will not be treated as an item of remuneration for the purpose of Section 197 of the Companies Act, 2013. The re-imbursement of entertainment expenses to him shall be to the extent of Rs. 10,000/- per month for the expenses actually incurred in the course of business of the company.

- j. For the purposes of retirement benefits like Gratuity, Provident Fund etc., the service of Mr. Varun Sarin, Whole-Time Director designated as Executive Director of the Company will be considered as continuation of service from the date of his joining with the IT Business undertaking namely 'DCM Data Systems' purchased by the Company from DCM Limited, a holding Company of the Company.

RESOLVED FURTHER THAT pursuant to provisions of Section 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and Rules issued there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, wherein in any financial year during his tenure as Whole-Time Director designated as Executive Director, the Company has no profits or its profits are inadequate under Section 198 of the Companies Act, 2013, the Company may, subject to necessary approvals, pay to Mr. Varun Sarin, Whole-Time Director designated as Executive Director of the Company, remuneration by way of salary, perquisites and other terms as specified supra, as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and execute all such documents, instruments and writings things and to delegate all or any of its powers herein conferred to any Director(s) or officer(s) or any other person(s) to give effect to the above resolution.

For and on behalf of the Board of Directors

DCM Infoetch Limited



Anukita Jain

Company Secretary

Membership No.: ACS 55307

Date: 15.01.2020

Place: New Delhi

NOTES:

1. Explanatory statement setting out all material facts pursuant to section 102 of the Companies Act, 2013, in respect of business to be transacted at the meeting is annexed hereto.
2. A member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of on his/her behalf and the proxy need not be a member of the Company.

A Proxy Form (enclosed herewith), duly completed and stamped, in order to be effective, must reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting.

3. Pursuant to the provisions of Section 105 of the Companies Act, 2013 and rules made there under, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
4. Members/Proxies are requested to bring the attendance slips duly filled in for attending the meeting.
5. All documents referred to in the accompanying notice and explanatory statement are open for inspection at the Registered Office of the Company on all working days during the business hours.
6. Corporate Members intending to send their authorised representatives to attend the EGM are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
7. Route map of the venue of the meeting is attached herewith.

Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013

Item No. 1

In furtherance to carry on its Objects, the Company has taken over the IT Division namely 'DCM Data System' of DCM Limited, Holding Company of the Company, by way of slump sale with effect from September 16, 2019. Mr. Varun Sarin has been working as Chief of Operations and Finance of DCM Data Systems.

The Board of Directors of the Company have appointed Mr. Varun Sarin as an Additional Director of the Company with effect from December 9, 2019, in accordance with the provisions of section 161 (1) of the Companies Act, 2013 and Articles of Association of the Company. Accordingly, Mr. Varun Sarin resigned as Chief of Operations and Finance of DCM Data Systems.

The Board of Directors have also appointed Mr. Varun Sarin as Whole-Time Director designated as Executive Director of the Company with effect from the said date upto April 30, 2020, subject to the approval of members, on payment of remuneration and on such terms and conditions as stated in the resolution.

It is proposed to seek the members' approval for the appointment of Mr. Varun Sarin, as Whole-Time Director designated as Executive Director of the Company, by way of Special Resolution in case of no profit or inadequate profit, as required under Part-II of Schedule V and relevant provisions of the Companies Act, 2013.

The proposed remuneration is in line with the remuneration being paid to the Whole Time Directors in the Industry for similar sized Companies. Further, the educational

background, experience and job profile of Mr. Varun Sarin justify his entitlement to the remuneration proposed in the resolution.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The information required to be disclosed in the explanatory statement to the Notice as per item (iv) to third proviso of Section II of Part II of Schedule V of the Companies Act, 2013 is detailed below:

I. General Information		
1.	Nature of Industry	The Company is engaged in providing managed IT infrastructure services focused on cloud, digital and automation services and engaged inter alia, in the business of administering and managing software and software tools, and providing consultancy services connected with computer and other electronic systems.
2.	Date or expected date of commencement of commercial production	Not Applicable
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable

4. Financial performance based on given indicators

Particulars	FY 2018-19	FY 2017-18	FY 2016-17
Revenue from Operations	-	68,320	2,63,983
Other Income	-	1,53,401	18,955
Total Income	-	2,21,721	2,82,938
Other Expenditure	34,923	41,509	36,571
Profit/ (Loss) before Tax	(34,923)	1,80,212	2,46,367
Tax Expense	0	5,100	47,000
Profit/ (Loss) after Tax	(34,923)	1,75,112	1,99,367
5.	Foreign investments or collaborations, if any	NIL	

II. Information about the appointee:		
1.	Background details	Mr. Varun Sarin is a commerce graduate and a member of The Institute of Chartered Accountants of India. He has a rich experience of 32 years in the field of operations, finance, accounts and administration.
2.	Past Remuneration (p.a.)	Mr. Varun Sarin has been drawing remuneration in the capacity as Chief Operations and Finance of erstwhile IT Division namely 'DCM Data Systems' of DCM Limited, which was purchased by the Company through slump sale with effect from September 16, 2019.
3.	Recognition or awards	None
4.	Job profile and his suitability	<p>Mr. Varun Sarin was associated with the erstwhile IT Division namely 'DCM Data Systems' of DCM Limited as Chief of Operations and Finance.</p> <p>Mr. Varun Sarin has a rich and varied experience in the IT Industry.</p> <p>His educational background, role and responsibilities undertaken by him and his vast experience of 32 years in the field of operations, finance, accounts and administration, makes him suitable for appointment as Whole-Time Director of the Company</p>
5.	Remuneration proposed (p.a.)	As set out in the Special Resolution
6.	Comparative remuneration profile with respect to industry, size of company, profile of the position and person	The remuneration proposed to be paid to Mr. Varun Sarin is in line with the remuneration paid to the Whole-Time Directors of the similar sized companies in the Industry.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Varun Sarin holds NIL equity shares in the Company and does not have any relationship financial or otherwise, directly or indirectly with Board of Directors of the Company.
III. Other Information		
1.	Reasons of loss or inadequate profits	The Company was drawing its income from brokerage before taken on the business of IT and IT related services

		<p>with effect from September 16, 2019.</p> <p>The Company has recorded a Net Loss after Tax of Rs. 34,923 during the financial year 2018-19 against Net Profit after Tax of Rs. 1,75,112 of previous financial year 2017-18. The dip in profit during the financial year 2018-19, is due to overall recession in the real estate sector and the Company was not able to procure sufficient business in the real estate sector.</p>
2.	Steps taken or proposed to be taken for improvement	<p>In furtherance to carry on its Objects of IT Business, the Company has purchased the IT Division namely 'DCM Data Systems' of DCM Limited, Holding Company of the Company, by way of slump sale with effect from September 16, 2019.</p> <p><u>Steps proposed to be taken:</u></p> <ul style="list-style-type: none"> • Continued focus to achieve improved quality standard, skill set improvement and enhancement of IT services efficiencies for better productivity and cost effectiveness. • Consistently investing to build new capabilities which complement the core area of IT infrastructure management to target newer area, which will help it to grow faster.
3.	Expected increase in productivity and profits in measurable terms	<p>The series of steps taken/to be taken by the company would increase productivity and profits. With these measures the company would expect increase in sales and profitability.</p>

IV. Disclosures:

The following disclosures shall be mentioned in the Board of Director's Report:

1. All elements of remuneration package, such as salary, benefits, perquisites etc.
2. Details of fixed component and performance linked incentives along with the performance criteria
3. Service contracts, notice period, severance fee
4. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Information pursuant to 1.2.5 of the Secretarial Standard-2 regarding Director seeking appointment

Name	Varun Sarin
Age	58 years
Qualification Experience	32 years
Terms and conditions of appointment	Please refer Resolution No. 1 and explanatory statement in respect of the said Resolution No.1 for terms and conditions of appointment of Mr. Varun Sarin, along with the details of remunerations sought to be paid to him.
Last drawn remuneration	Mr. Varun Sarin has been drawing remuneration in the capacity as Chief Operations and Finance of erstwhile IT Division namely 'DCM Data Systems' of DCM Limited, which was purchased by the Company through slump sale with effect from September 16, 2019.
Date of first appointment on the Board	December 9, 2019
No. of shares held	Nil
Relationship with Directors, Managers & KMP	Nil
Number of Board Meetings attended during the financial year	1 (One)
Other Directorship	Nil
Chairman/ Member of the Committees of Boards of other Companies	Nil

The Board of Directors recommends the resolutions as set out under Item No. 1 of this Notice for the approval of the members of the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Varun Sarin and his relatives are interested or concerned, financially or otherwise, in the aforesaid resolution.

For and on behalf of the Board of Directors
DCM Infoetch Limited



Anukita Jain
Company Secretary
Membership No.: ACS 55307

Date: 15.01.2020
Place: New Delhi

Route map for the venue of Extra Ordinary General Meeting

