

Media Release

DRC Systems India Limited announces Financial Results for the Third Quarter and Nine Months ended FY 2024-25.

Key Highlights (Consolidated)

Nine Months Ended December 31, 2024

- Revenue from Operations up **59%** Y-o-Y to **INR 4844.8 Lakhs**.
- EBITDA up **49%** Y-o-Y at **INR 1506.8 Lakhs**.
- Net Profit up **39%** Y-o-Y at **INR 1066.6 Lakhs**.
- EBITA Margin and Net Margin at **31%** and **22%** respectively.

Gandhinagar, India, February 07, 2025: Information Technology and Software Consultancy Services provider, DRC Systems India Limited (BSE: 543268) (NSE: DRCSYSTEMS), "DRC Systems" "The Company" today announced its financial results for the third quarter (Q3) and nine months ended period December 31, 2024, as approved by its Board of Directors.

The company has achieved commendable growth in its consolidated net profit, which increased by 39% year-on-year, amounting to INR 1066.6 Lakhs for the third quarter of FY2024-25. Additionally, DRC Systems reported a progressive revenue growth of 59% Y-o-Y, totalling INR 4844.8 Lakhs compared to INR 3055.9 Lakhs previous year for the nine-month period. The revenue growth was fueled by higher earnings from existing customers, customized IT solutions designed to meet client needs, and strengthened support through effective sales and marketing campaigns throughout the year.

Robust Overall Performance Driven by Strong Contributions from International Markets: Middle East, USA, and India

DRC Systems' third-quarter performance and overall financial growth for this year reflect significant progress, driven by our expansion efforts in the Middle East, Europe, and the US. Revenues from Middle East region have significantly boosted revenue from Free Zone clients while our strategic joint venture in UAE to offer Platform as a Service (PaaS) on a Low-Code No-Code (LCNC) platform has also grown well. The Indian and US markets also continue to generate strong revenues for software development services for the company.

"Our previous year's efforts to expand internationally along with offerings of PaaS on LCNC as service have delivered tangible results, with a substantial rise in revenue contribution this quarter. At the same time, our strategic move into GenAI is also expected to generate strong returns. With AI adoption accelerating across software, services and hardware, we anticipate GenAI services becoming one of the major revenue drivers of our diversified portfolio. At DRC Systems, our initial focus will be on GenAI services, paving the way for broader software-driven innovations at a later stage," **said Mr Hiten Barchha, Managing Director, DRC Systems India Limited.**

As per the market estimate, India's GenAI market is projected to grow from \$1.1 billion in 2023 to over \$17 billion by 2030 at a CAGR of 48%, with AI spending expected to reach \$6 billion by 2027. Globally, AI investments are set to exceed \$512 billion by 2027.

DRC Systems Expands into Product Information Management (PIM) Implementation and Support Services

During the third quarter, DRC Systems broadened its service portfolio by offering implementation and post-maintenance support for enterprises or organisations using Pimcore-licensed software. This initiative enables businesses/organisations to optimize service and maintenance costs by outsourcing deployment and ongoing support, enhancing their overall operational efficiency.

“We see strong demand for implementation and maintenance support from companies using Pimcore’s licensed software. This presents a new revenue opportunity for us. At DRC Systems, we have consistently built our services around niche and emerging markets, and this expansion aligns with our vision” **said Mr Hiten Barchha, Managing Director, DRC Systems India Limited.**

Consolidated Financial Highlights (INR Lakhs)

Particulars	Quarter Ended					Nine Months ended		
	December 31, 2024	September 30, 2024	Q-o-Q%	December 31, 2023	Y-o-Y%	December 31, 2024	December 31, 2023	Y-o-Y %
Revenue from Operations	1695.1	1614.1	5%	1356.1	25%	4844.8	3055.9	59%
Profit before Tax	407.8	378.2	8%	503.4	-19%	1218.0	830.1	47%
EBIDTA	525.7	454.2	16%	577.2	-9%	1506.8	1011.8	49%
EBITDA Margin	31%	28%		43%		31%	33%	
Profit after Tax	354.7	327.0	8%	510.3	-30%	1066.6	769.9	39%
Net Margin	21%	20%		37%		22%	25%	

- Revenue from operations for the nine month ended period December 31, 2024 was INR 4844.8 Lakhs marking a 59% Y-o-Y increase. Quarterly revenue from operations was INR 1695.1 Lakhs up 25% Y-o-Y and up 5% Q-o-Q. This growth trajectory is bolstered by new projects secured from both domestic and international markets as well as incremental revenue from existing clients.
- Company’s Profit before tax for the nine-month period was INR 1218.0 Lakhs up 47% Y-o-Y while company’s EBITA grew from INR 1011.8 Lakhs to INR 1506.8 Lakhs during the nine-month period up 49% Y-o-Y. Quarterly Profit before tax and quarterly EBITDA were at INR 407.8 Lakhs and INR 525.7 Lakhs respectively. EBITDA margins for the company were at 31% for the nine-month period ended December 31, 2024.
- Company’s net profit for the nine month ended period grew from INR 769.9 Lakhs to INR 1066.6 Lakhs, indicating an increase of 39% Y-o-Y. Quarterly net profit grew by 8% Q-o-Q to INR 354.7 Lakhs from INR 327.0 Lakhs. The growth is driven by greater operational efficiencies, expanded product offerings, strategic cost management efforts, increased market demand, effective digital transformation initiatives, and strengthened customer engagement strategies.

About DRC Systems India Limited

DRC Systems India Limited is an IT services, consulting and business solutions organisation that has been partnering with many of the world's largest businesses in their transformation journeys for over 13 years. Its consulting-led, cognitive powered, portfolio of business, technology and engineering services and solutions is delivered through its delivery model, recognized as a benchmark of excellence in software development. The company operates across three countries, serving clients globally majorly across with a team of approximately 200 employees. The CMMI Level-3 accredited company is listed on the BSE (BSE: 543268) and the NSE (NSE: DRCSYSTEMS) in India. For more information, please visit www.drccsystems.com

Our Tech Spectrum



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