

## Titan Intech Limited

### Investor's Insights – February 2025 Edition

Dear Valued Shareholders,

*Welcome to the premier issue of our monthly digest, 'Investor Insights' from Titan Intech Limited. Delivered directly to your inbox, this newsletter will keep you abreast of the latest developments and trends from our innovative technology landscape.*

#### February 2025 Highlights:

❖ **Another stellar result for 3<sup>rd</sup> Quarter and Nine Months ended for Financial Year 2024-25.**

The Company has announced its financial results for the quarter and nine months ended December 31, 2024 on February 13, 2025.

#### Key Metrics – Third Quarter (October - December 2024)

1. Revenue for December quarter Rs. 1121.54 lacs.
2. EBIDTA up by 27% quarter on quarter to Rs. 347.68 lacs. EBITDA margin at 31.00%
3. Profit after Tax (PAT) increased by 25% quarter on quarter to Rs. 212.49 lacs.

#### Key Metrics – Nine Months (April – December 2024)

1. Revenue for Nine months to Rs.2123.32 lacs.
2. EBIDTA up by 1% year over year to Rs.667.77 lacs. EBIDTA margin at 31.45%
3. Profit after Tax (PAT) low by 7% year on year to Rs.345.24 lacs.

We are confident in our outlook for continued revenue growth in the year ahead based on our technology leadership, strong customer momentum and the resiliency of our time-based business model.

#### ❖ **Credit Ratings**

The Company's present credit rating issued by **Acuite Ratings & Research Limited** is **"BB" (double B) i.e. stable**.

Acuite has considered the standalone business and financial risk profile of Titan Intech Limited (TIL) to arrive at the rating for the proposed Non-Convertible Debentures.

#### **Key Rating Drivers:**

##### **Strengths:**

*1) Experienced management and improving scale of operations:*

The management's extensive experience has helped maintaining customer base in USA for software business. Further, TIL's revenue has grown at CAGR of 102 % in last 3 years ending FY2024. Revenue stood at Rs.44.05 Cr in FY2024, compared to Rs.14.73 Cr in FY2023 and Rs.5.30 Cr. in FY2022. This growth is on the back of product diversification coupled by increasing orders.

## 2) Healthy financial risk profile:

TIL's financial risk profile is healthy marked by healthy net worth, low gearing and healthy debt protection metrics. The net worth of the company stood at Rs.46.25Cr as on March 31, 2024, compared to Rs.17.04 Cr as on March 31, 2023 and Rs.1.12 Cr as on March 31, 2022. The improvement in net worth is due to increase in equity capital and accretion of profits to the reserves.

### Weakness:

#### 1) Moderate working capital operations:

The working capital operations of the company are moderately intensive as evident from the gross current asset days (GCA) days ranging between 140-158 over the past three years ending FY2024. The elongation of GCA days is due to stretch in debtor days and presence of advances for suppliers.

### Liquidity position: Strong

TIL's liquidity position is strong as reflected through sufficient net cash accruals against the repayment obligations. The company registered NCA's of Rs.8.96Cr as on March 31, 2024 against the nil debt repayment obligation for the same period. NCA's are expected to further grow over the medium term against nominal repayment obligations.

### Key Financials:

Particulars	Unit	FY 24 (Actual)	FY 23 (Actual)
Operating Income	Rs. Cr.	44.05	14.73
PAT	Rs. Cr.	5.63	1.75
PAT Margin	(%)	12.78	11.89
Total Debt/Tangible Net Worth	Times	0.05	0.02
PBDIT/Interest	Times	238.36	80.25

### Outlook: Stable

Details of instruments rated:

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	50.00	Simple	ACUITE BB   Stable   Assigned

Thank You for your continued support and trust in Titan Intech Limited.

**With Best Regards**

Sd/-

**Sunil Ghanathe**

**Whole-time Director**

**Date: February 28, 2025**

**Place: Hyderabad**