



STORAGE TECHNOLOGIES AND AUTOMATION LIMITED

CIN: U74900KA2010PLC052918
GST: 29AAOCS1579F1ZU
PAN: AAOCS1579F



**RACKS &
ROLLERS**
STORAGE TECHNOLOGIES AND AUTOMATION

Date: 12th November 2024

To
The Bombay Stock Exchange
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400001

BSE Script Code/Script ID: **544171/STAL**

ISIN: **INEORGMO1016**

Sub: Investors' presentation on the Unaudited Standalone and Consolidated financial results of Storage Technologies and Automation Limited ("the Company") for the first half year ended 30th September 2024.

Ref: Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Dear Sir,

Pursuant to the Listing Regulations, enclosed herewith a detailed Investors' presentation on the unaudited Standalone and Consolidated financial results for the first half year ended September 30, 2024.

You are requested to take the same on records.

For **Storage Technologies and Automation Limited**

Vijaylaxmi Kedia
Company Secretary & Compliance officer

Encl.: As above



REGISTERED OFFICE

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STORAGE TECHNOLOGIES AND AUTOMATION LIMITED

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INVESTORS' PRESENTATION

DATED: 30 SEPTEMBER, 2024

Safe Harbor

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Earning Highlights

Revenue from Operations:

- Standalone revenue grew by 18.5% to ₹4,361.54 lakhs in H1FY25, up from ₹3,681.87 lakhs in H1FY24.
- Consolidated revenue increased by 31.3%, reaching ₹4,942.53 lakhs in H1FY25, compared to ₹3,765.42 lakhs in H1FY24.

Gross Profit:

- Standalone gross profit increased by 62.2%, totalling ₹1,225.32 lakhs in H1FY25, up from ₹755.27 lakhs in H1FY24.
- Consolidated gross profit rose by 65.6%, reaching ₹1,343.47 lakhs in H1FY25, compared to ₹811.09 lakhs in H1FY24.

Gross Margin:

- On a standalone basis, gross margin improved to 28.1% in H1FY25 from 20.5% in H1FY24. The consolidated gross margin also rose to 27.2% from 21.6%.

EBITDA:

- Standalone EBITDA grew by 3.8X to ₹403.59 lakhs in H1FY25, compared to ₹106.9 lakhs in H1FY24.
- Consolidated EBITDA increased by 6.5x, reaching ₹440.45 lakhs in H1FY25 from ₹67.43 lakhs in H1FY24.

EBITDA Margin: Improved to 9.3% from 2.9% on a standalone basis, while the consolidated EBITDA margin rose to 8.9% from 1.8%.

Profit Before Tax (PBT):

- Standalone PBT was ₹199.67 lakhs in H1FY25, marking a 374.2% improvement from a loss of ₹-72.83 lakhs in H1FY24.
- Consolidated PBT was ₹234.52 lakhs in H1FY25, a 307.8% increase from a loss of ₹-112.86 lakhs in H1FY24.

Profit After Tax (PAT):

- Standalone PAT reached ₹124.48 lakhs in H1FY25, compared to a loss of ₹-84.28 lakhs in H1FY24, showing a 3.5x improvement.
- Consolidated PAT was ₹143.03 lakhs in H1FY25, up from a loss of ₹-105.71 lakhs in H1FY24, representing a 3.4x increase.

PAT Margin:

- Increased to 2.9% from -2.3% on a standalone basis, while the consolidated PAT margin improved to 2.9% from -2.8%.

Key Financial Performance - H1'FY25

Standalone basis				Consolidated basis			
Particulars (Rs Lacs.)	H1FY25	H1FY24	YoY Growth	Particulars (Rs Lacs.)	H1FY25	H1FY24	YoY Growth
Revenue from operations	4361.54	3681.87	18.5%	Revenue from operations	4942.53	3765.42	31.3%
Cost of goods Sold	3136.22	2926.6		Cost of goods Sold	3599.06	2954.33	
Gross Profit	1225.32	755.27	62.2%	Gross Profit	1343.47	811.09	65.6%
<i>Gross Margin</i>	<i>28.1%</i>	<i>20.5%</i>		<i>Gross Margin</i>	<i>27.2%</i>	<i>21.5%</i>	
Total expenses	821.73	648.37		Total expenses	903.02	743.66	
EBITDA	403.59	106.9	277.5%	EBITDA	440.45	67.43	553.2%
<i>EBITDA Margin</i>	<i>9.3%</i>	<i>2.9%</i>		<i>EBITDA Margin</i>	<i>8.9%</i>	<i>1.8%</i>	
Depreciation and amortization	85.08	96.78		Depreciation and amortization	87.7	96.78	
EBIT	318.51	10.12		EBIT	352.75	-29.35	
Other income	2.38	9.03		Other income	5.03	9.03	
Finance cost	121.22	91.98		Finance cost	123.26	92.54	
Profit before tax	199.67	-72.83		Profit before tax	234.52	-112.86	
Current tax expense	70.41			Current tax expense	76.34		
Deffered tax	4.78	11.45		Deffered tax	4.71	11.45	
Profit after tax	124.48	-84.28	247.7%	Minority Interest	10.44	-18.61	
<i>PAT Margin</i>	<i>2.9%</i>	<i>-2.3%</i>		Profit after tax	143.03	-105.7	235.3%

Management discussion

We are pleased to report strong financial performance for the first half of FY25, driven by strong growth in both our standalone and consolidated revenue. Standalone revenue rose by 18.5% year-on-year, reaching ₹4,361.54 lakhs, while consolidated revenue increased by a remarkable 31.3% to ₹4,942.53 lakhs. This growth was supported by solid demand across our markets and reflects our commitment to deliver. Gross profit also rose, with standalone gross profit up by 62.2% to ₹1,225.32 lakhs and consolidated gross profit climbing 65.6% to ₹1,343.47 lakhs, leading to significant gross margin improvements to 28.1% and 27.2%, respectively.

Our EBITDA performance was a standout, with standalone EBITDA increasing by 3.8x to ₹403.59 lakhs, while consolidated EBITDA surged by 6.5x to ₹440.45 lakhs. This substantial growth shows our focus on enhancing profitability while scaling our operations. Additionally, we achieved a turnaround in our Profit Before Tax and Profit After Tax, with standalone PBT reaching ₹199.67 lakhs and consolidated PBT reaching ₹234.52 lakhs. Both standalone and consolidated PAT also saw significant improvements, standalone PAT stood at ₹124.48 lakhs while consolidated PAT stood at ₹143.03 lakhs with margins rising to 2.9%, demonstrating the impact of our strategic initiatives on the bottom line.

Order Book: Our recent achievements include securing a total order pipeline of ₹18 crore, comprising a committed hard order of ₹11 crore and an additional verbal commitment of ₹7 crore. This robust pipeline reflects strong demand and confidence in our offerings, providing a solid foundation for future growth and revenue generation.

Cyclical Nature of the Business: We experience a cyclical revenue pattern, with higher sales typically recorded in the second half of the fiscal year. This seasonality is driven by customer demand cycles and project timelines that align with H2. The company anticipates stronger financial performance in the latter half of the year, consistent with historical trends, positioning STA to capitalize on peak demand periods for improved year-end results.

Storage and Warehousing industry

Warehousing or storage refers to “holding and preservation of goods until they are dispatched to the consumers”. A large variety of commodities create demand for suitable storage facilities, post-harvest or post- production or post-manufacturing. The primary objective for storage is to make commodities available for final (or intermediate) consumption to meet consumers (or food processing industry) demand independent of time and space barriers, since the production of several commodities is seasonal in nature (mostly agricultural produce).

The Storage and Warehousing (S&W) industry is one of a critical link in a country’s overall logistics value chain, whose growth and modernization are imperative to overall economic growth. S&W units have evolved rapidly from the traditional four-walled godowns to modern and sophisticated multi-purpose, non-refrigerated, and climate controlled refrigerated (cold) stores which are equipped with modern facilities for collecting, segregating, sorting, and storing agricultural perishable and non-perishable goods, raw materials and finished manufactured goods.

Warehouses can be classified into different types on the basis of criteria such as its stage in the supply chain, geographic area, product type, function performed, type of ownership, company usage (dedicated or shared-user), area, height and equipment.



About our company

Our Company was incorporated in the year 2010. We are an **ISO 9001:2015 certified and one of a leading storage solution manufacturing company**, which specialize in design, manufacturing, installation services of metal storage racks, automated warehouses and other storage solutions.

We are a **customer-centric business** driven company. Our manufacturing process, combined with our competitive strengths and strategic business approaches, **positions us to meet the evolving needs of our clients effectively**. We are dedicated to innovation, quality, and providing economically feasible solutions that don't just meet but exceed our clients' expectations.

Our expansive manufacturing facility, spanning approximately **56,240 square feet** in Singanayakanahalli, Yelahanka Hobli, Bangalore-560064, Karnataka and approximately **20,000 square feet of storage facility** which supports a streamlined manufacturing process.

**Our Factory
External view**



**Our Factory
Internal view**





ISO 14001:2015
Environmental



ISO 9001:2015
Quality Management



ISO 45001:2018
Occupational
Health & Safety

We adhere to guidelines specified in the following
International Design standards

Our products are CE Compliant
Our design standards are compliant with EN 15512



Storage Technologies and Automation Limited

Storage Solutions we provide

RACKING

Our racking solutions comprise of recommendation and provision of exceptional quality racks of all kinds and structures for a holistic racking solution.

SHELVING

Our world-class, holistic shelving solutions are recommended and supplied to clients based exclusively on their unique requirements and overall organizational perspective.

AUTOMATION

We Integrate automation along with storage facility leading to reduction in labour, higher efficiency, overall intralogistics optimisation and faster operations along with minimized error.

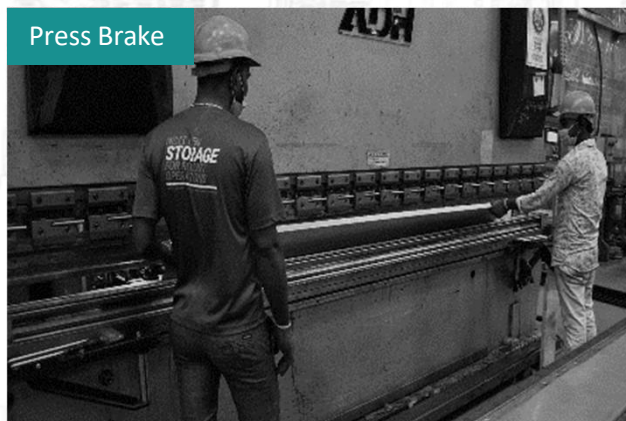
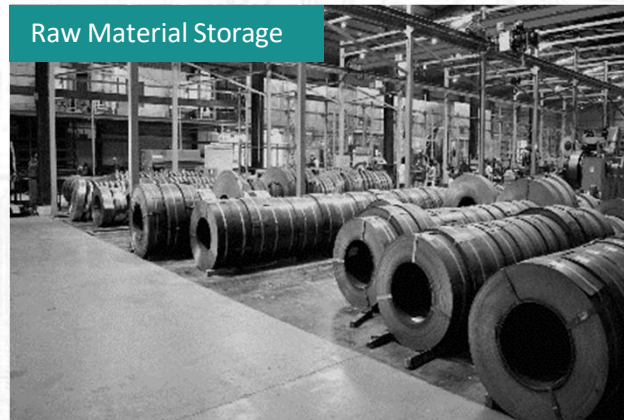
STRUCTURAL

Our expertise persists in various categories of warehouse design but specifically, it would be on rack supported warehouses (RSW) from simple to semi to fully automated.

CONSULTING

Consultancy is the core principle by which we work as an organization. Our team has vast experience in designing warehouses & delivering value for various.

Our factory infrastructure



Our Competitive strength

Long-term brand loyalty and positive consumer experience

We believe that quality is a pre-requisite for a positive consumer experience and long-term brand loyalty. Our focus on quality is maintained at all stages right from the sourcing of raw materials to the product manufacturing and assembly.

Experienced Promoters supported by senior management team

Led by qualified and experienced senior management team with expertise in our industry. This assist us to capture market opportunities, formulate and execute business strategies and manage client expectations.

Wide range of products and solutions for our client

Our wide range of products and ability to develop new ones based on client requirements, coupled with our extensive resources of engineers, positions us uniquely in the market. Our design prioritizes ergonomics & economic feasibility,

Product development and design optimisation capabilities

The evolution of our product portfolio and our ability to provide customised manufacturing solutions to our customers have been driven by our product development and design capabilities. We rely on our integrated location-focused manufacturing operations.

Highest standard manufacturing process approach

Our manufacturing process is followed by tried and tested process. We have set our manufacturing flow guidelines start from client approach, problem assessment, budget decision, research and design, raw material, final order installation, service & maintenance, training/consultancy and more.

Our Business Strategies for growth

Focus on Quality, and ability to respond to any demand volatility

We focus on quality of our products by maintaining highest manufacturing standards. We strive to offer our customers value added and customised products and solutions

Goal: Sustainable Growth

Strengthen customer relationship and adding new customers

We intend to strengthen our relationships with our existing customers and explore opportunities to expand the array of our existing products and solutions as per need of new clients and new sectors.

Goal: Become a preferred supplier

Reduce operating costs and improve operational efficiencies

Enhancing our operational efficiencies, to increase economies of scale, better absorb our fixed costs, reduce our other operating costs and strengthen our competitive position.

Goal: offering quality products at attractive prices

Optimal Utilization of team and other resources

Skill up gradation of workers, and take corrective measures for smooth and efficient working. We regularly analyse our material procurement policy, employee skills and manufacturing process.

Goal: De-bottle neck the grey areas

Adopting technological advancement approach

leveraging cutting-edge tools and solutions,, Incorporating automated design and planning through advanced software and CAD technologies to enhance various business aspects.

Goal: Remain ahead of market

Future Outlook



Dealer Alliances: Forge strategic associations with dealers in India and Globally.



Export Advantages: Capitalize on Indian manufacturing for export benefits.



Global Presence: Participation in International exhibitions.



Industrial Focus: Target industrial sectors for market expansion.



Competitive Edge: Leveraging competitive pricing, quick turnaround times.



Strategic Move

Establishment of Strategic Partnership in MENA region



International Clientele Expansion

Onboarding major international clients, and prominent Indian and Fortune 500 entities.

Diversification and new product development

Since our manufacturing facilities are equipped with most of the metal fabrication machinery, we tend to diversify in new product development to cater Retail and machine manufacturing.

Also, our prowess extends beyond storage solutions and automation to include a dedicated future plan on machinery manufacturing.



Diversification in Retail Shelving and Supermarkets Rack Market

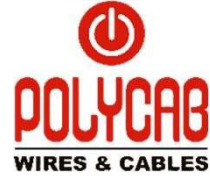
We tend to diversify in Retail Shelving and supermarket rack market as we expect to witness 8.8% CAGR (2023 - 2030) primarily driven by the growing consumer spends



Machines manufacturing unit

Our in-house expertise encompasses the design and fabrication of roll forming machines, Rack Beam Welding machines and Inline Punching Press. These machines are precision- engineered to shape materials with accuracy and efficiency, catering to a wide spectrum of industry needs.

Some of our Customers





Thank You

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