

KSSL: SEC/NSE/PRESSRELEASE/2023-24

November 06, 2023

To

The Listing Department
National Stock Exchange of India Ltd. Exchange
Plaza, Plot No. C/1, G Block, Bandra Kurla
Complex, Bandra (E),
Mumbai – 400051

Script Symbol: KRISHCA

ISIN: INE0NR701018

Subject : Announcement under Regulation 30 (LODR)- Press Release/Media Release.

Dear Sir/Ma'am,

Pursuant to the provisions of Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are pleased to enclose herewith the Press Release relating to the performance of the Company for the Half Year ended on September 30, 2023.

You are requested to kindly take the aforesaid information on record.

Thanking You,

Yours faithfully,

KRISHCA STRAPPING SOLUTIONS LIMITED

Diya Venkatesan
Company Secretary & Compliance Officer
M.No: A55736

Encl: A/a



KRISHCA STRAPPING SOLUTIONS LIMITED Reports H1FY24 Results

November 6th, 2023 - Krishca Strapping Solutions Limited (NSE Code: KRISHCA), India's First and only "Lead-Free" Steel Strapping manufacturer has announced its unaudited financial results for the H1 FY24.

H1 FY24 KEY FINANCIALS AT A GLANCE:

- Revenue from Operations of ₹ 48.89 Cr (67% of the FY23 Revenue)
- EBITDA of ₹ 8.36 Cr
- EBITDA Margin at 17.10%
- Net Profit of ₹ 5.68 Cr
- Net Profit Margin of 11.61%
- EPS at ₹ 10.23

MR. L BALAMANIKANDAN, CHAIRMAN AND MANAGING DIRECTOR ON THE PERFORMANCE OF H1FY24:

Delighted to share an update on Krishca Strapping Solutions Limited's financial performance during H1FY24. We are thrilled to announce that KRISHCA has achieved remarkable revenue of Rs. 4,849.42 Lakhs during H1FY24. Which is nearly 67% of the entire revenue of the FY23

We take immense pride in the robust growth achieved in this initial period of FY24. Looking forward to H2FY24, our commitment to delivering an even more impressive performance remains unwavering. We anticipate further enhancements in our financial performance and eagerly embrace the upcoming opportunities.

From an operational perspective, we have made significant strides in fortifying our collaborative relationships with multiple clients, leading to a substantial upsurge in sales volumes. This achievement has not only fueled our sales growth but has also facilitated the acquisition of new clients, reaffirming our dedication to sustained expansion over the course of this half-year.

Our margins have experienced a slight 1% dip in comparison to the previous financial year. This decrease can be attributed to our current phase of aggressive growth and expansion, a strategic move we believe will yield significant long-term benefits. We anticipate that our growth will continue to thrive, with expectations of a substantial 35% - 40% growth rate.

H1 FY24 KEY OPERATIONAL HIGHLIGHTS:

UNLOCKING GROWTH THROUGH STRATEGIC PACKAGING CONTRACTS:

We are excited to share our recent achievements in the realm of packaging contracts, which are propelling our growth and expanding our horizons:

- **Successful Contract with Shyam Metallics Ltd:**

We are thrilled to announce our successful acquisition of the first packaging contract from Shyam Metallics Ltd, with an estimated value of Rs. 2 Crores (Rupees Two Crore Only). This contract is not only a significant milestone but also renewable, setting the stage for a long-term partnership.

- **Securing a Pivotal Contract with PSU - Steel Authority of India (SAIL):**

We are pleased to confirm the successful acquisition of our inaugural packaging contract with the prestigious PSU, Steel Authority of India (SAIL). This contract, effective until October 31, 2025, holds an initial value of Rs. 2.48 Crores.

Our active participation in a diverse range of public and private packaging contracts underscores our determination to further expand our footprints in this sector. With these two notable successes, we have established eligibility criteria that position us to pursue and secure high-value contracts in the near future.

EXPANDING GLOBAL REACH WITH NEW OVERSEAS SUBSIDIARIES:

We are thrilled to announce a significant expansion of our global presence through the establishment of two overseas subsidiaries in Dubai and Singapore. This strategic initiative is poised to substantially elevate KRISHCA's visibility on the global stage, enhancing our reach and impact.

- **KRISHCA's New Subsidiary in UAE:**

In September 2023, we established "Krishca Total Packaging Solutions FZCO" in United Arab Emirates. This strategic move allows us to diversify our product portfolio, now encompassing primary packaging items such as Tarpaulins, HDPE, Dunnage Air bags, Desiccant, and VCI corrosion protection products. We're excited about the opportunities this expansion brings to our customers in UAE and in Middle East region.

- **KRISHCA's New Subsidiary in Singapore:**

In October 2023, we established "Krishca Total Packaging and Preservation Solutions PTE LTD" in Singapore, marking another milestone in our global presence. This strategic move positions us to better serve our customers in Singapore and Southeast Asia, offering tailored packaging and preservation solutions.

DOUBLING THE CAPACITY WITH NEW PRODUCTION LINE:

In line with our commitment to continuous improvement and expansion, we are pleased to announce a substantial upgrade to our production capacity. We are doubling our installed capacity for steel strapping by introducing a cutting-edge production line with a capacity of 20,000 Metric Tons.

Scheduled to commence installation by the end of November 2023, this state-of-the-art strapping line is expected to be fully operational by January 2024.

NEW IOS/ANDROID MOBILE APP FOR KRISHCA:

We take pride in sharing with you that, our team at KRISHCA is highly talented, innovative and hardworking, involved at developing a mobile application for our sales team, providing them with all the necessary data, documents, and resources to serve our customers better.

IN CONCLUSION:

In summary, we are bolstering our systems, team, and capabilities as we embark on a journey of remarkable and sustainable growth. We firmly believe that this is just the beginning, and our journey has a long way to go. We extend our heartfelt gratitude to all our shareholders and stakeholders for your continuous support and trust in our company.

ABOUT KRISHCA STRAPPING SOLUTIONS LIMITED:

Krishca Strapping Solutions Limited, a Chennai-based startup established in December 2017, is a leading manufacturer and wholesaler of High Tensile Steel Straps, Strapping Seals, and Strapping Tools. It has swiftly emerged as a prominent manufacturer of eco-friendly High Tensile Steel Straps.

One of its notable achievements is being India's first "Lead-Free" and eco-friendly production line for the heat treatment of steel strapping. Located in Tamil Nadu, Krishca is the foremost major steel strap manufacturing unit in the region.

The company secures a substantial competitive edge by harnessing cutting-edge technology. Its production process stands out with reduced costs compared to industry standards, achieved through minimized scrap generation, heightened energy efficiency, and a reduced environmental footprint. The company operates an integrated Steel Strapping manufacturing facility with an annual capacity of 18,000 MT of Steel Straps and 80 MN Strapping Seals. This state-of-the-art facility, staffed by highly skilled personnel, consistently delivers top-quality products to customers.

In FY23, the company delivered remarkable financial results, achieving a Total Revenue of ₹72.41 Cr, EBITDA of ₹13.87 Cr, and a Net Profit of ₹9.34 Cr.



DISCLAIMER:

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward- looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Thanking You
L BALAMANIKANDAN
Chairman & Managing Director
Krishca Strapping Solutions Limited