



# Shyam Metals and Energy Limited (SMEL)

## **Shyam Metals announces 20% increase in Sponge Iron manufacturing capacity, boosting from 1.39 MTPA to 1.67 MTPA**

### **Investor Release**

**Kolkata, West Bengal, 9<sup>th</sup> December 2021;** Shyam Metals and Energy Limited (SMEL), a leading integrated metal producing company based in India with a focus on long steel products and ferro alloys, announced a capacity expansion as outlined in the capex plans for Financial Year 2021-22. The company has made significant progress in its endeavor to increase the existing integrated installed facility of 5.7 million tons to 11.6 million tons by 2025.

We are pleased to announce that the Company and its Material Wholly Owned Subsidiary i.e., M/s Shyam SEL & Power Ltd has received **“Consent to Operate”** from State Pollution Control Board, Odisha and West Bengal Pollution Control Board respectively. Following the clearances, the total installed capacity for sponge iron products will **increase by 20%, from 1.39 million tons per annum (MTPA) to 1.67 MTPA**. The incremental capacity to commence operations in December 2021.

Furthermore, the company is also expecting to receive similar clearances for commissioning an aluminum foil plant in West Bengal. The proposed installed capacity of 0.03 MTPA is also expected to start commercial operations in December 2021.

Commenting on the developments, Mr. Brij Bhushan Agarwal, Vice Chairman & Managing Director said, “The capacity expansion at our Sambalpur & Jamuria plants comes at an opportune time as the steel industry continues to expand and the demand for our product remains high. We are committed to our expansion plans and have already invested Rs 464 crores from the total budget of Rs 850 crores earmarked towards capital expenditure from internal accruals in Financial Year 2022. We also look forward to further expansions in our captive power projects. We are optimistic about achieving our goals and generate value for all our stakeholders.”

#### **About Shyam Metals And Energy Limited (SMEL)**

SMEL is a leading integrated metal producing company based in India with a focus on long steel products and ferro alloys. We are amongst the largest producers of ferro alloys, one of the leading players in terms of pellet capacity and the fourth largest player in the sponge iron industry in terms of sponge iron capacity in India.

We have a diversified product mix which enables us to sell both intermediates and final products across the steel value chain. The Company has a consistent track record of delivering profitability since the commencement of our operations in Fiscal 2005.

SMEL has a rating of **CRISIL AA- (Positive) for Long Term Bank Facilities, CRISIL A1+ (Positive)** for Short Term Bank Facilities. SMEL is one of the least leveraged Steel Company in India.



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## **Safe Harbor Statement**

Any forward-looking statements about expected future events, financial and operating results of the Company are based on certain assumptions which the Company does not guarantee the fulfilment of. These statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry, global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest, and other costs. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

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