

Date: 16/08/2022

<p>To, The Manager, Listing &amp; Compliance, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.</p> <p><u>Ref: Scrip Code - 540393</u></p>	<p>To, Listing Department, National Stock Exchange of India Limited, C-1, G-Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051</p> <p><u>Ref: Scrip Symbol - SMLT</u></p>
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**Subject: Press and Media release.**

Dear Sir/Ma'am,

Pursuant to Regulation 30 (6) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we are enclosing herewith press and media release of the Company. The said release is also being made available at the website of the Company at [www.sarthakmetals.com](http://www.sarthakmetals.com) You are requested to kindly take the same on your record.

Thanking You,

**For, Sarthak Metals Limited**



**Pratik Jain**

**Company Secretary and Compliance Officer**

Encl. as above.

## Sarthak Metals Limited announced its Q1FY23 Results

**Revenue from Operations for Q1FY23 stood at ₹134 Crores, EBITDA at ₹11 Crores and PAT at ₹9 Crores.**

**Bhilai, August 16, 2022:** Sarthak Metals Limited, one of India's leading manufacturer of cored wires and aluminium flipping coils, that find application in the metallurgical industry, has announced its financial results for the quarter ended June 30<sup>th</sup>, 2022.

### Standalone Financial Highlights for quarter ended June 30<sup>th</sup>, 2022:

- **Revenue from Operations** stood at an all-time high of **₹ 133.7 Crore** in Q1FY23, an increase of 40% YoY and a decrease of 9% sequentially.
- **EBITDA** (excluding Other Income) stood at **₹ 10.9 Crores** in Q1FY23, an increase of 7% YoY and a decrease of 8% sequentially.
- **EBITDA Margins** stood at **8.2%** in Q1FY23, compared to 8.1% in Q4FY22 and 10.7% in Q1FY22.
- **Net Profit** stood at an all-time high of **₹ 8.6 Crores** in Q1FY23, an increase of 24% YoY and 6% sequentially.

### Commenting on the Q1FY23 performance, Sanjay Shah, Executive Director, said:

*"We are pleased to report a good start to the new financial year, with a decent Q1FY23. The Company reported a robust 40% increase in top-line YoY and a marginal drop of 9% QoQ. While April started out good, the Company witnessed a slower May and June primarily on account of the immediate effects of the Government of India's notification of an increase in export duty on various metals and minerals. Pick-up from the steel sector was a little slow during the quarter; however, things are progressing smoothly now.*

*Our Revenue from Operations stood at 133.7 Crores, compared to the high of 147.2 Crore in Q4FY22. Although volumes witnessed some compression during the Q1FY23, it was compensated by an increase in Realisations of Cored Wires. The Company did witness some decrease in the realisation of Aluminium Flipping Coil during the quarter. On the profitability front, our EBITDA margins remained strong at 8.2% in Q1FY23. Subsequently, PAT for the quarter stood at an all-time high of 8.6 Crores, an increase of 24% YoY and 6% QoQ.*

*Considering the external environment during the quarter, the Company's performance was good, which was aided by our team's hard work and strategic marketing efforts. We expect the immediate effects of export duty-related hiccups & subsequent fall in the steel prices to wear off in the coming quarter and the normalisation of demand in Q2FY22. Our outlook for the year remains solid on the back of incremental capacities coming up at Sarthak Metals during the current year, and the CAPEXs announced by our clients, some of India's most prominent steel players."*

### About Sarthak Metals Limited

Sarthak Metals Limited is a part of the Desraj Bansal Group of Companies, which is a leading business group with interests in the Metals and Energy sector. Certified with ISO 9001-2015, Sarthak is India's leading manufacturer and exporter of Cored Wires and Aluminium Flipping Coils, that find application in the metallurgical industry. Sarthak provides products and solutions targeted to attain precise metallurgy of steel. The Company's focus on rigorous testing and inspection processes enables it to manufacture products conforming to the highest standards of accuracy, consistency and quality. Sarthak's 25+ years of experience and expertise, along with its quality consciousness, makes it the preferred supplier to some of India's largest steel units for these products.

The Company is headquartered at Bhilai, Chhattisgarh with state-of-the-art facilities and is also strategically located in close proximity to a critical steel hub in India, supported by a marketing office in Nagpur. Sarthak's success in the domestic market led it to pursue exports, and today it delivers quality products to 30+ clients across the globe. Some of its prominent clients in India are Tata Steel, JSW Steel, SAIL, while it serves global clients such as Isdemir and Gerdau among others.

**For more information, contact us:****Anirudh Singhal**

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**Safe Harbour**

*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. Sarthak Metals Limited 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.*