

Date: 14/02/2023

To, The Manager, Listing & Compliance, BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	To, Listing Department, National Stock Exchange of India Limited, C-1, G-Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051
Ref: Scrip Code - 540393	Ref: Scrip Symbol - SMLT

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 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 Q3FY23 Results

**Revenue from Operations stood at ₹93 Crores,
EBITDA at ₹10 Crores and PAT at ₹8 Crores.**

Bhilai, February 14, 2023: 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 December 31st, 2022.

Standalone Financial Highlights for quarter ended December 31st, 2022:

- **Revenue from Operations** stood at **₹ 92.6 Crore** in Q3FY23, a decrease of 13% YoY and 9% QoQ.
- **EBITDA** (excluding Other Income) stood at **₹ 10.1 Crores** in Q3FY23, a decrease of 7% YoY and 10% QoQ.
- **EBITDA Margins** stood at **10.9%** in Q3FY23, compared to 11.1% in Q2FY23 and 10.2% in Q3FY22.
- **Net Profit** stood at **₹ 7.5 Crores** in Q3FY23, an increase of 7% YoY and a decrease of 4% QoQ.

Commenting on the Q3FY23 performance, Sanjay Shah, Executive Director, said:

"Q3FY23 continued to pose a challenging operating environment for the steel industry, with adverse effects of the export duty announcement on various metals & minerals. The challenging industry environment led to flattish volumes, with a marginal volume growth in the Cored Wires product category and a marginal degrowth in the Aluminium Flipping Coils category. On the cored wires front, realisations witnessed a decrease of 28% QoQ, on account of a higher base in Q2FY23 which witnessed more contribution of certain high-value products. The contribution of these high-value products was lower in Q3, coupled with a general decline in the prices of the entire Cored Wires product basket to the tune of 20%. The Aluminium Flipping Coils product category witnessed flattish realisations with a marginal increase of 1% QoQ.

The Company did however manage to protect its profitability margins by focusing only on profitable orders, and some improvement in the exports business compared to Q2. Operating margins remained stable at 10.9% as compared to 11.1% in the previous quarter.

On the project side, we are in the process of setting up a rooftop solar capacity of 335.88 kWp, which is expected to be commissioned in Q4. This project will lead to annual power savings to the tune of 30 lakhs from the next financial year.

We remain confident in the long-term outlook of the Indian steel industry and are hopeful of a better operating environment with the advent of the new financial year."

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 Gerdaul among others.

For more information, contact us:

Anirudh Singhal

Sarthak Metals Limited
cfo@sarthakmetals.com

Pratik Jain

Sarthak Metals Limited
cs@sarthakmetals.com

Sayam Pokharna

TIL Advisors Private Limited
sayam@theinvestmentlab.in
+91 94266 60791

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.