

Date: 12/02/2022

<p>To, The Manager, Listing & 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 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 Q3FY22 Results

Revenue from Operations at ₹107 Crores, EBITDA at ₹11 Crores and PAT at ₹7 Crores.

Bhilai, February 12, 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 December 31st, 2021.

Standalone Financial Highlights for quarter ended December 31st, 2021:

- **Revenue from Operations** stood at an all-time high of **₹ 106.8 Crore** in Q3FY22, an increase of 81% YoY and decline of 1% sequentially.
- **EBITDA** (excluding Other Incomes) stood at **₹ 10.8 Crores** in Q3FY22, an increase of 75% YoY and 42% sequentially.
- **EBITDA Margins** stood at **10.2%** in Q3FY22, compared to 10.5% in Q3FY21 and 7.1% in Q2FY22.
- **Net Profit** stood at an all-time high of **₹ 7.1 Crores** in Q3FY22, an increase of 90% YoY and 44% sequentially.

Commenting on the Q3FY22 performance, Sanjay Shah, Executive Director, said:

"We are pleased to share that Sarthak Metals has maintained its growth trajectory and has delivered a robust performance, at par with the previous quarters. Our Revenue from Operations for Q3FY22 stood at INR 106.8 crores as compared to INR 59.1 crores in corresponding Q3FY21, a growth of 81% on a YoY basis. On the profitability front, our EBITDA margins grew from 7.1% in Q2FY22 to 10.2% in Q3FY22. The robust 9MFY22 performance of your company all but guarantees a strengthened position as a market leader in its industry. With such performance being delivered quarter on quarter, we are certain that we will end this year on a firm footing for future growth.

This performance is on the backdrop of a solid industry outlook and strong tailwinds. Our clients, some of the largest steel players in India, are on a constant lookout for expansion opportunities, as India eyes to become an export hub for the steel industry in the coming decade. Union Budget affirms this assertion by prioritizing investments and spending in the infrastructure sector & special steels sector. The government's expenditure on special steel & infrastructure is a good macro setting for our business to grow and expand. We are well-positioned to corner a higher market share in our existing product categories, while harnessing new opportunities coming up in integrated applications both at vertical & horizontal levels. To capitalize on the new & existing opportunities, your company has recently acquired a 5-acre plot next to our facility, which will be utilized for a new strategic business opportunity that the Board and Management is currently validating.

As for our existing business, all efforts are being undertaken to run our manufacturing lines at peak productivity levels. We see headroom for growth, with debottlenecking and additional manufacturing lines within the same premises to cater to unfulfilled demand. We look forward to expanding our capacity of aluminium flipping coils by 50% in H1FY23 and are confident of a quick turnaround time for the future expansion of our existing product categories.

Lastly, we are happy to report that we had announced an interim dividend of Re 1 to our shareholders in Jan 2022, and we look forward to building on this further and sharing value with our stakeholders. Your company looks forward to capitalize on the long-term opportunities offered by the Indian steel industry and the growing Indian economy."

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:

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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.