

Date: 08/11/2023

<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 Q2FY24 Results

**Revenue from Operations stood at ₹77.42 Crores,  
EBITDA at ₹7.20 Crores and PAT at ₹5.51 Crores.**

**Bhilai, November 8, 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 September 30<sup>th</sup>, 2023.

### Financial Highlights for quarter ended September 30<sup>th</sup>, 2023:

- **Revenue from Operations** stood at ₹ 77.42 Crore in Q2FY24, a decrease of 24% YoY and 5% QoQ.
- **EBITDA** (excluding Other Income) stood at ₹ 7.20 Crores in Q2FY24, a decrease of 36% YoY and 5% QoQ.
- **EBITDA Margins** stood at 9.2% in Q2FY24, compared to 9.2% in Q1FY24 and 11.1% in Q2FY23.
- **Net Profit** stood at ₹ 5.51 Crores in Q2FY24, a decrease of 30% YoY and an increase of 3% QoQ.

### Commenting on the Q2FY24 performance, Sanjay Shah, Executive Director, said:

*"I am pleased to present to you an update on our performance for the second quarter of the financial year. Q2 and the first half of this financial year have presented us with some challenges, marked by decreasing realisations as well as volumes. The demand environment has remained subdued, influenced by a combination of factors, primarily slower off-take by the domestic steel industry.*

*We did see some green shoots in Cored Wires exports this quarter, which has led to an overall volume growth of 12% YoY in the Cored Wires product segment. The decline in the Aluminium Flipping Coil business was a strategic move on the Company's part to curtail any adverse inventory losses due to falling input prices. Furthermore, given the current context, imports for raw materials (RM) of Aluminium Flipping Coils have become more attractive than domestic procurement. This used to be the case before Covid-19; however, due to supply-chain disruptions, the Company was importing less. This trend is now reversing, with imports becoming more cost-competitive.*

*Despite these challenges, we remain optimistic about the coming quarters. We anticipate a more favourable scenario in the second half of the year for our Cored Wire business. As market conditions evolve and normalise, we are confident in our ability to leverage opportunities and drive growth in this segment.*

*Our Flux Cored Wire project venture is progressing well. We have begun trial productions and are in the process of obtaining certain quality approvals, which will accelerate our progress in this product segment. We anticipate some commercial production volumes in H2; however, the true results of this venture will yield in the coming financial year. We hold a positive outlook on the market's reception of our Flux Cored Wire products and believe this category holds significant potential for the future.*

*Looking ahead, our focus remains unwavering. We are optimistic about a stronger performance in the second half of the year across our existing businesses, encompassing both Aluminium Flipping Coils and Cored Wires, as well as the addition of Flux Cored Wires. Furthermore, we believe that, regarding realisations for both products, there are signs of prices bottoming out, and we may witness improvements in the same in the coming quarters."*

## 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](mailto:cfo@sarthakmetals.com)

#### Pratik Jain

Sarthak Metals Limited  
[cs@sarthakmetals.com](mailto:cs@sarthakmetals.com)

#### Sayam Pokharna

TIL Advisors Private Limited  
[sayam@theinvestmentlab.in](mailto: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.*