

Date: 12/08/2023

<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 Q1FY24 Results

**Revenue from Operations stood at ₹81.80 Crores,
EBITDA at ₹8.04 Crores and PAT at ₹5.35 Crores.**

Bhilai, August 11, 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 June 30th, 2023.

Financial Highlights for quarter ended June 30th, 2023:

- **Revenue from Operations** stood at **₹ 81.80 Crore** in Q1FY24, a decrease of 39% YoY and increase of 1% QoQ.
- **EBITDA** (excluding Other Income) stood at **₹ 8.03 Crores** in Q1FY24, a decrease of 43% YoY and 12% QoQ.
- **EBITDA Margins** stood at **9.8%** in Q1FY24, compared to 11.2% in Q4FY23 and 10.5% in Q1FY23.
- **Net Profit** stood at **₹ 5.35 Crores** in Q1FY24, a decrease of 38% YoY and 7% QoQ.

Commenting on the Q1FY24 performance, Sanjay Shah, Executive Director, said:

"I am pleased to present you an update on our performance for the first quarter of the financial year. The start of this financial year has presented us with some challenges, primarily in our Cored Wire product segment. The demand environment for Cored Wires has remained subdued, influenced by a combination of factors. During Q1, our exports for Cored Wires experienced a decline. Additionally, soft domestic demand prevailed due to seasonal factors such as the impact of rains and planned maintenance shutdowns by a number of our valued clients.

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

On a brighter note, our Aluminium Flipping Coil business has shown resilience. We achieved noteworthy volume growth both year-on-year and quarter-on-quarter, leading to a robust performance during the quarter. This accomplishment underscores our commitment to adapting to market dynamics and delivering positive results to our stakeholders.

Furthermore, we are excited to share developments in our Flux Cored Wire project. Progress is proceeding as planned, with the machinery for the upcoming manufacturing line now on-site and currently undergoing installation. We envision trial production to commence in September, with the anticipation of achieving commercial production volumes by Q3. 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 for a stronger performance in the second half of the year across our existing businesses, encompassing both Aluminium Flipping Coils and Cored Wires, and the addition of Flux Cored Wires. Further, we feel as far as realisations for both the products are concerned, there are signs of price stabilisations, and we may witness improvements in the same in 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:

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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.