



Date: 24/05/2025

To,
The Manager,
Listing & Compliance,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Ref: Scrip Code - 540393

To,
Listing Department,
National Stock Exchange of India
Limited,
C-1, G-Block, Bandra-Kurla
Complex
Bandra (E), Mumbai - 400 051

Subject: Earnings Presentation Q4 FY 2024-2025.

Dear Sir/Ma'am,

Pursuant to Regulation 30(6) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we are enclosing herewith Earnings Presentation of the Company. The said presentation is also being made available at the website of the Company at <a href="https://www.sarthakmetals.com">www.sarthakmetals.com</a> 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.

Head Office:
BBC Colony, G.E. Road,
BC : Khursings Bhilai - 490 011 (C)

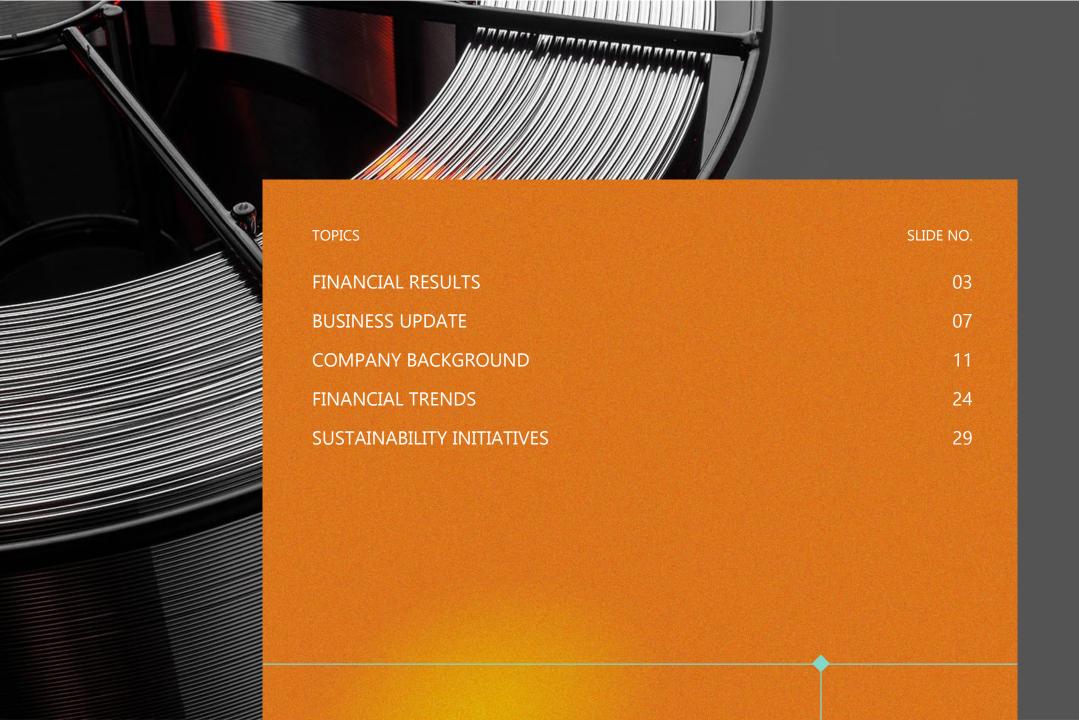
P.O.: Khursipar, Bhilai - 490 011 (C.G.) Contact :+91 91 1101 5041 Landline :+91 788 2296495, 2296499 Telefax :+91 788 2225874 E-mail :info@sarthakmetals.com Works: 17 - N, Heavy Industrial Area, hathkhoj, Bhilai - 490 026 (C.G.) Contact: +91 91 1101 5042 Web: www.sarthakmetals.com

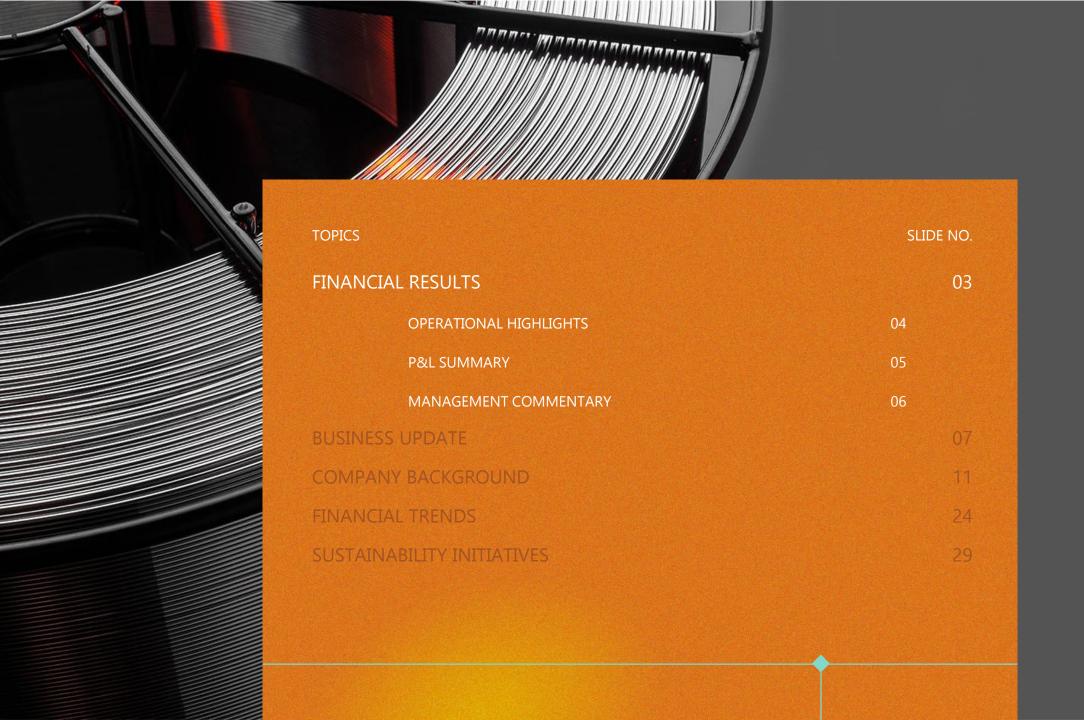




MODERN METALLURGICAL
SOLUTIONS FOR FINE
TUNING STEEL

# EARNINGS PRESENTATION Q4 FY25

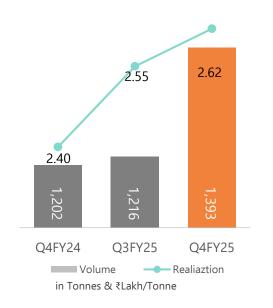




**CRORE REVENUE** 

**INCREASE IN VOLUME** 16% (YoY)

**INCREASE IN** REALIZATIONS (QoQ)

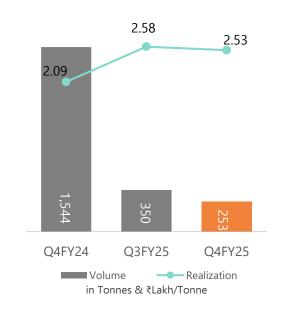


#### **ALUMINIUM FLIPPING COIL**



**DECREASE IN** -84% VOLUME (YoY)

> **DECREASE IN** REALIZATIONS (QoQ)



PARTICULARS (₹ IN CRORES)	Q4FY25	Q3FY25	Q4FY24	YOY% change	QOQ% change
Revenue from Operations	48.08	44.00	70.65	-32	9
Total Income	48.98	44.47	71.20	-31	10
Operating Expenses	46.72	41.94	68.01	-31	11
EBITDA (Excluding OI & EI)	1.36	2.06	2.64	-48	-34
EBITDA %	2.84%	4.67%	3.74%	- 90 bps	- 184 bps
Finance Cost	0.25	0.09	0.25	0	164
Depreciation & Amortization	0.81	0.79	0.63	30	3
PBT	1.20	1.64	2.31	-48	-27
PAT	0.67	1.22	1.73	-61	-45
EPS (₹)	0.49	0.92	1.28	-61	-45

SARTHAK METALS Q4 FY25 EARNINGS PRESENTATION

## **44** MANAGEMENT COMMENTARY

COMMENTING ON THE Q4 FY25 PERFORMANCE, SANJAY SHAH, EXECUTIVE DIRECTOR, SAID

"Growing risks in global trade and policy developments stemming from unpredictable U.S. tariff policies have led to trade-related uncertainties. Additionally, cheaper imports have reduced the market share of domestic manufacturers, making India a net importer in 2024-25 as well. The positive trend is that the cyclical trend of quality downgrades that began in 2021–2022 among our steel customers has ended. They are now ramping up capacity and demanding better quality and service.

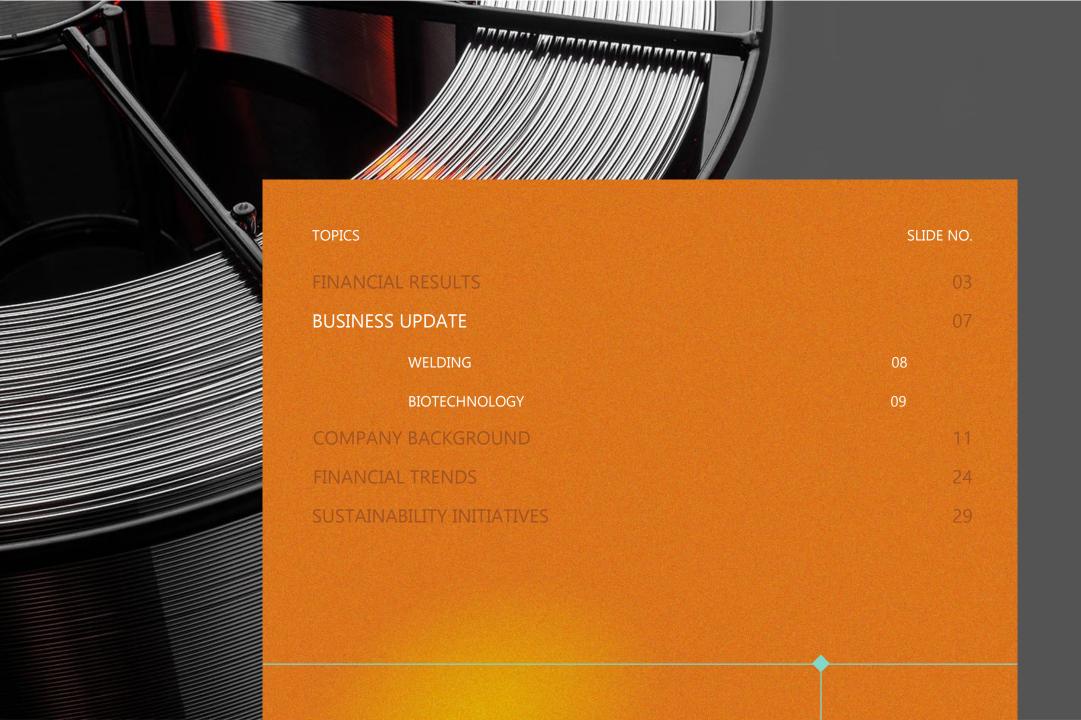
In our cored wire business, we have seen a sharp improvement in Q4 volumes, a trend that continued since January 2025. In a highly competitive environment, our technological edge and extensive experience have provided us with a significant advantage and we managed to increase our market share.

The aluminium flipping coil business has started showing positive EBITDA in the domestic market, supported by local sourcing (as against imports). High aluminium scrap prices and disrupted global supply chains have compressed margins across the industry. To protect profitability, we have scaled down operations rather than engage in unprofitable price competition. Once conditions stabilize, we plan to resume operations at full capacity.

Our welding division demonstrated strong momentum, achieving revenues of Rs 2.4 crore in Q4 FY25. Volumes grew by a sharp 39% quarter-on-quarter to 201 tonnes, with a price realization of Rs 1.18 lakh per tonne. The approval of Research Designs and Standards Organisation (RDSO), the technical advisor and consultant to Indian Railways, in April 2025 will open doors for gaining a foothold with major construction and engineering companies. Our distribution network has been expanded and some of our dealers hare already started giving repeat orders. With our brand's quality and service excellence, we are confident in capturing a significant share in the coming years.

In our biotechnology venture, we have made significant progress. The Solid State Fermentation (SSF) pilot facility, with a fermentation capacity of 14 kg, is now operational, and the first fermentation batch of production commenced in May 2025.

The year-over-year decline in company revenues for the March quarter of FY25 is attributable to our strategic decision to temporarily scale down our aluminium business in response to margin pressures. However, our long-term vision remains robust: we aim to transform from a steel consumables supplier into a diversified company with strong footholds in cored wire, welding consumables, and biotechnology. As we continue to innovate and diversify, we are committed to delivering sustainable value to shareholders. Our strategy of building multiple growth engines positions us for resilience and long-term success."



#### **OVERVIEW**

Flux Core Arc Welding is a type of welding process using consumable electrode that contains flux around it

Flux melts together with the electrode during the welding process and shields the joint

Presently, India has little to none manufacturing capacity for this product range

Its needs are met from imports, predominantly from China, thus offering an import substitution opportunity

#### **APPLICATIONS**

As a Welding consumable in various industries including Shipbuilding and Construction

Usable on plain, carbon, alloy, stainless as well as duplex steel Used for Hardfacing and Surfacing Mechanical Industries

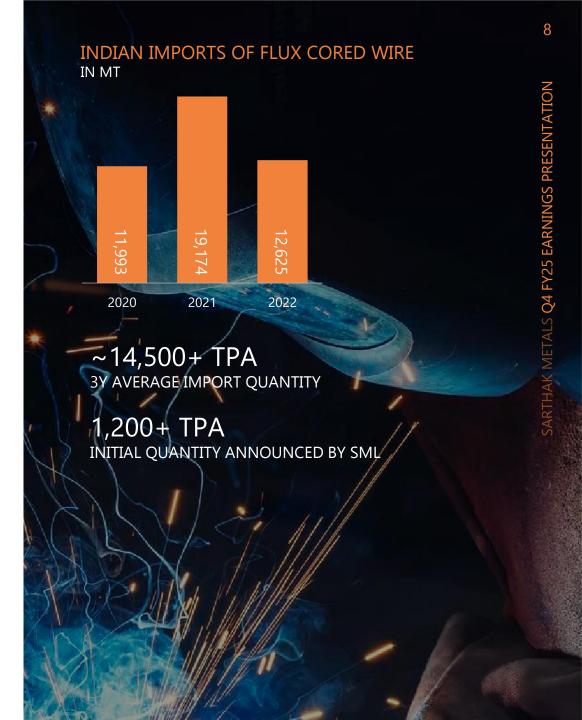
#### CURRENT PROJECT STATUS

We achieved revenues of Rs 2.4 crore in Q4 FY25. Volumes grew by 39% quarter-on-quarter to 201 tonnes, with a price realization of Rs 1.18 lakh per tonne. Currently, we sell  $\sim$ 70 tonnes of flux-cored arc welding consumables per month, with plans to increase it to 100 tonnes in the next few months. We aim to achieve annual sales of Rs 25 crore within two years.



In April 2025 received RDSO approval from Indian Railways. We have capacity to produce 2,500-3,000 tons of flux cored wire annually. We currently manufacture seven grades across three categories—carbon steel, stainless steel, and hardfacing.

## WELDING BUSINESS



Sarthak metals **Q4 fy25 earnings presentation** 

#### WHAT IS BIOTECHNOLOGY?

Biotechnology is the branch of applied science that uses living organisms and their derivatives to produce products and processes. These products and processes feature in healthcare, medicine, biofuels, and environmental safety.

India's BioEconomy crossed an estimated \$92 billion in 2022 and the policy makers and industry together have now set an ambitious target of \$150 Bn by 2025, and \$300 Bn by 2030 with a CAGR of ~17%.

This is possible by 2030 when the BioPharma sector races to hit the \$120-125 billion mark and each of the three segments—Bioagri, Bioindustrial and BioServices cross the \$60 billion mark.

CURRENT PROJECT STATUS

The Solid State Fermentation (SSF) pilot facility, with a fermentation capacity of 14 kg, is now operational, and the first fermentation batch of production commenced in May 2025.. We have on boarded an industry expert whose initial assessment of our facility has been encouraging. Following trial runs and tests, we plan to scale up production over long-term to a fermentation capacity of 100 tonnes, making it commercially viable.

**UPDATE ON** 

We have invested Rs 50 lakh to date, primarily for a pilot R&D facility in Nagpur including basic equipment and advisor salaries.

## BIOTECH NOLOGY









In enzyme manufacturing, a Koji room is used for **Solid-State Fermentation (SSF)**, a method where microorganisms grow on solid materials without free-flowing water. (Actual pictures from Nagpur SSF facility)

# COMPANY BACKGROUND BUSINESS UPDATE

## BIOTECH

#### **FOCUS AREAS & VISION**

THREE PRONGED APPROACH

01 INDUSTRIAL ENZYMES

#### **FOCUS**

**Alternate Energy:** Biofuel production like biogas and ethanol due to its higher efficiency and lesser environmental impact.

**Food & Beverage** to enhance quality, flavour, texture & nutritional value of products.

**Laundry Enzymes** in detergents and cleaning products for deeper cost-effective cleaning.

**Wastewater Treatment** by breaking organic pollutants and improving water quality.

02 MICRO-NUTRIENTS

#### **FOCUS**

**Soil health:** Soil enzymes assist in conversion of organic matter into nutrients that plants use to grow.

**Health and Animal Health Supplements:** Micro nutrients—tablet, nutraceutical systemic dietary enzymes promote general body support.

**Animal Supplements:** Cutting-edge animal diets by optimizing utilization of limited feed resources

03
PREBIOTICS &
PROBIOTICS

#### **FOCUS**

**Importance of Gut Health** in immunity development, active health food and numerous nutraceutical applications

**Animal Nutrition** for digestion improvement, immunity development and to increase the nutritional level of feed



External structure of SML's Solid-State Fermentation facility at Nagpur (Maharashtra)



leading business group with interests in the Metals and Energy sector

state-of-the-art fully-functional Manufacturing facilities in Bhilai, Chhattisgarh housed under

3 GROUP ENTITIES

SARTHAK METALS LTD SARTHAK ENERGY PVT LTD BANSAL BROTHERS

## DESRAJ BANSAL GROUP

### SARTHAK METALS LTD

CORED WIRES & ALUMINIUM FLIPPING COIL

10,000 TPA CORED WIRES CAPACITY

15,000 TPA

#### "SARTHAK" IS PART OF THE 650+ Cr DB GROUP

INDIA'S LEADING MANUFACTURER & EXPORTER OF CORED WIRES & ALUMINIUM FLIPPING COILS

Being an experienced and quality conscious manufacturer, Sarthak is the preferred supplier to some of India's largest steel units.

Headquartered in Bhilai, Chattisgarh with its state-of-the-art ISO 9001-2000 certified manufacturing units, the company is strategically located in close proximity to a critical steel hub in the country

425+ COMMITTED WORKFORCE 30+ ACTIVE CLIENTS

Celebrating 20 Years of Manufacturing Excellence

**Trusted Leader in Quality and Service** 



BANSAL 03 BROTHERS FERROALLOYS 6,000 TPA
FERROALLOYS CAPACITY



#### **INCORPORATED**

with an industrial gases unit producing industrial oxygen and carbon dioxide catering to industries units in its vicinity



OF ALUMINIUM **FLIPPING COILS** 

COMMENCED PRODUCTION

with the first mill built in-house



STARTED MANUFACTURING **CORED WIRE FEEDER MACHINES** 

#### FIRST CORED WIRE MILL

In efforts to cater to the growing metallurgical industry in the country, commenced its first cored wire mill built in-house







#### IPO & BSE LISTING

Raised funds through its initial public offer and got listed on BSE SME



COMMENCED BACKWARD INTEGRATION FOR FLIPPING COILS

Started producing aluminium wire rods



ENTERED FLUX CORED WIRE BUSINESS WITH HUGE IMPORT SUBSTITUTION OPPORTUNITY



#### **VENTURED INTO BIOTECH**

Starting with alternate energy production of bioethanol and biogas in Nagpur,

Maharashtra

## MILESTONES

## PRODUCT CATEGORIES

#### **CORED WIRES**

Cored Wires are a product of wire injection technology of steels. They consist of steel tubes (wires) filled with various alloys that are injected in molten metal for introducing different characteristic in the metal.

Some key cored wires manufactured by Sarthak are – Calcium Silicide, Calcium Iron, Calcium Aluminium Iron, Calcium Solid Wire, Lead Cored Wire, Ferro Titanium, Carbon, Ferro Boron, Magnesium Ferrosilicon, Nitride Manganese, Ferro Niobium.

Key functions of cored wires is steel refining, alloy addition, deoxidation, desulphurization, denitrification, etc.

WHY CORED WIRES? Cored wires (or wire injection technology) are a substitute to single-shot addition of alloys into molten metal. Cored wire helps in uniform and homogeneous mixing of alloys in the ladle. It is a more accurate and efficient process of adding chemical elements in the casting. Cored wires have become a indispensable part of metallurgical plants today.

### ALUMINIUM FLIPPING COILS

Aluminium flipping coils are used in steel manufacturing process for de-oxidising of molten steel, and as a alloying element for manufacturing specialized steel.

Key functions of aluminium wire are deoxidising, grain refining, nitride forming and alloying of steel.

## WIRE FEEDER MACHINES

Machines that are designed to inject cored wires into molten steel for metallurgical process control. The Company offers a wide range of customized machines, with 2 and 4 strand options that can draw wires from 5 to 15 mm diameter with a speed of up to 300 meters per minute.

#### FLUX CORED WIRE

Flux Core Arc Welding, a type of welding process using consumable electrode that contains flux around it Flux melts together with the electrode during the welding process and shields the joint. It is used widely in various industries including construction, fabrication workshops and shipbuilding.

#### **Manufacturing Capacity (Double Shift)**

**CORED WIRES** 

**ALUMINIUM FLIPPING COILS** 

10,000 TPA

15,000 TPA

Expanded in FY23

Manufacturing 04

02 Manufacturing Lines

Built in-house specific to company needs equipped with sophisticated machinery and testing equipment

State-of-the-art manufacturing facilities strategically located in Bhilai, 03 Chhattisgarh in proximity to main clients

~4,50,000 SQ. FT.

Cumulative plot area with land availability for future expansion

ISO 9001-2008 CERTIFIED

Equipped with a fully-functional chemical lab and atomic absorption spectrophotometer for testing and QC of raw materials & finished product





■ Aluminium Flipping Coil

#### INDIA

























#### & BEYOND











**SHADED IRON** & STEEL CO. LLC

## CLIENTS

**CLIENT PROFILE** 

STEEL PLANTS **FABRICATION UNITS FOUNDRIES** 

85% REPEAT BUSINESS

**TOP 5 CLIENTS SALES CONTRIBUTION** 

> 10+ YEAR **RELATIONSHIPS**

> 5+ YEAR **RELATIONSHIPS**

40%

**FLIPPING** 

COILS

1,500 SQ. MT. MATERIAL STORAGE SPACE 2,000 + TONNES **EQUIVALENT TO** 3 MONTHS' BUFFER

**ALUMINIUM** 

2,800 SQ. MT. MATERIAL STORAGE SPACE 4,000+ TONNES **EQUIVALENT TO** 4 MONTHS' BUFFER

SUFFICIENT SPACE TO STOCK FINISHED PRODUCTS AS WELL

State-of-the-art facilities

Ensuring uninterrupted and reliable supply of metallurgical solution

Establishing Sarthak as a preferred supplier with leading Indian steel mills

## WAREHOUSING CAPABILITIES

Sarthak metals **Q4 fy25 earnings presentation** 

## LEADERSHIP







#### **ANOOP KUMAR BANSAL**

#### MANAGING DIRECTOR

Mr Bansal has a Bachelors in Commerce degree from Nagpur, as Managing Director he has been instrumental in strategic planning. He brings innovative commercial ideas. execution-led experience, and vision to the table, which has contributed to the Company's success. He is also entrusted with looking after DB Group's ferroalloys division and the Company's industrial gases division (which has been sold in 2021). In addition, he leads the CSR initiatives at the Company.

#### **SANJAY SHAH**

#### WHOLE-TIME DIRECTOR

Mr Shah is a Whole-Time Director and the head of Marketing team at Sarthak. He has been instrumental in creating the domestic business of Sarthak, and getting the Company empaneled with leading steel institutions of the country, and as a result Sarthak works with the largest Indian steels mills today.

#### **MAYUR BHATT**

#### WHOLE-TIME DIRECTOR & CEO

Mr Bhatt is a Whole-Time Director and the Chief Executive Officer of the Company. He is an essential link between the production and sales functions of the organisation; he also manages the day-to-day business and financial activities of the Company. He also contributes to raw materials management. His contributions have been of great value to the Company.

RTHAK METALS Q4 FY25 EARNINGS PRESENTATION

## BOARD OF DIRECTORS

#### MR SUNIL KUMAR AGARWAL

#### CHAIRMAN & NON-EXECUTIVE, NON-INDEPENDENT DIRECTOR

Mr Agarwal holds a Bachelors Degree in Engineering (Mechanical) (Honors). In his past roles, Mr Agarwal has been associated with GCET Raipur, Indian Railways Traffic Services, and served prestigious roles such as Divisional Railway Manager, Chief Commercial Manager SEC Railway, Chief Operating Manager and additional member to the Ministry of Railways.

#### **MS RAMA KOHLI**

### NON-EXECUTIVE, INDEPENDENT WOMAN DIRECTOR

Ms Rama Kohli holds a Bachelors Degree in Science from Pt. Ravishankar Shukla University, Raipur. In addition, she has also completed her PGDBM from Pt. Ravishankar University, Raipur. She is currently undertaking various management advisory activities.

#### **MR SUNIL DUTT BHATT**

#### NON-EXECUTIVE, INDEPENDENT DIRECTOR

Ms Sunil Bhatt has more than 35 years of work experience as a part of the department of Instrument and Weighing in Bhilai Steel Plant, SAIL. He recently retired in 2020 and joined the Company's board in 2021.

#### MR DWADASI VENKATA GIRI

#### NON-EXECUTIVE, INDEPENDENT DIRECTOR

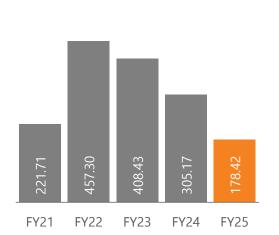
Mr Dwadasi Venkata Giri has completed his Post Graduation (M.Com) from Pt. Ravishankar Shukla University, Raipur. He also completed LLB and CA IIB from Raipur. He has vast experience in the banking and finance domain.

TOPICS	SLIDE NO.
FINANCIAL RESULTS	03
BUSINESS UPDATE	07
COMPANY BACKGROUND	11
FINANCIAL TRENDS	24
5 YEAR FINANCIAL TRENDS	25
SHAREHOLDER VALUE CREATION	26
OPERATIONAL EFFICIENCY METRICS	27
SUSTAINABILITY INITIATIVES	29

## YEAR FINANCIAL RENDS

**REVENUE FROM OPERATIONS** 

(₹ IN CRORES)



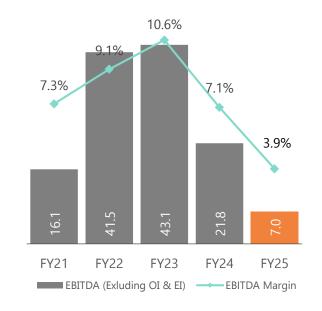
#### **PROFIT AFTER TAX**

(₹ IN CRORES)



#### EBITDA & EBITDA MARGINS

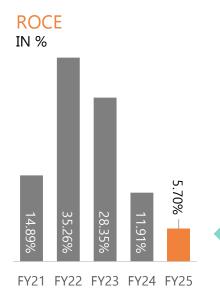
(₹ IN CRORES & IN %)



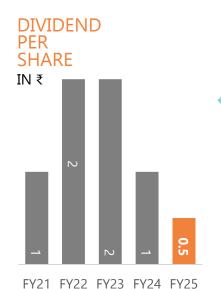
#### **EQUITY &** DEBT TO EOUITY

(₹ IN CRORES & TIMES)





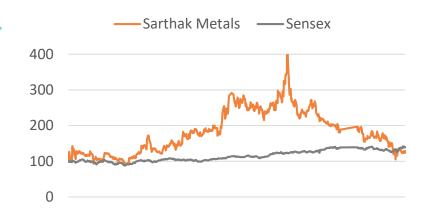
\*ROCE for FY25 is provisional estimate



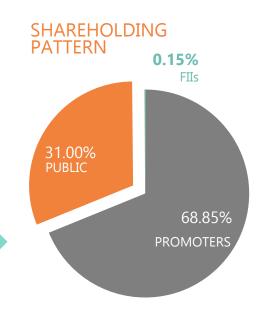
\*Dividend for FY25 subject to approval from Shareholders

#### SHARE PRICE SINCE LISTING\* V/S BSE SENSEX

SHARE PRICE (INDEXED) PERFORMANCE

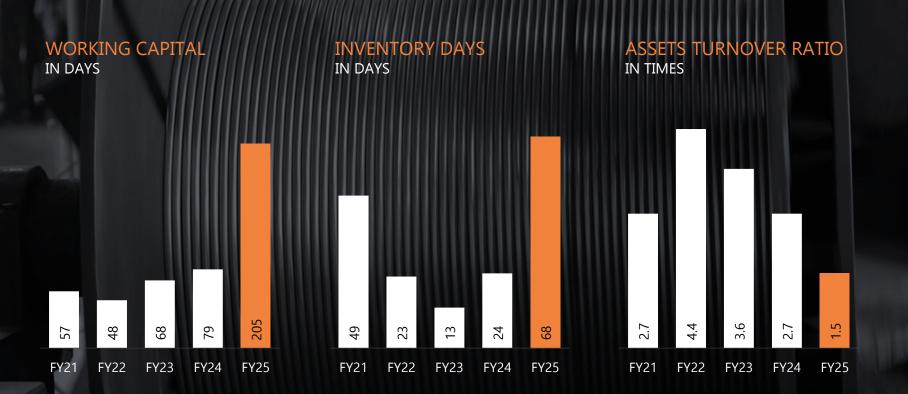


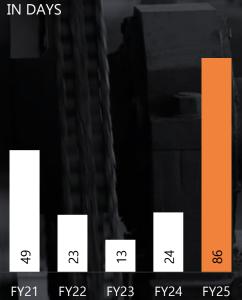
\*Since Nov 25, 2021 listing on BSE Main Board



## SHAREHOLDER VALUE CREATION

## OPERATIONAL EFFICIENCY METRICS





TRADE RECEIVABLES

**TURNOVER RATIO** 

\*All FY25 numbers are provisional estimates

TOPICS	SLIDE N
FINANCIAL RESULTS	(
BUSINESS UPDATE	(
COMPANY BACKGROUND	
FINANCIAL TRENDS	
SUSTAINABILITY INITIATIVES	

## SUSTAINABILITY INITIATIVES

### GOING GREEN WITH BIOTECHNOLOGY

Enzymes offer a sustainable alternative to traditional chemical processes due to their biodegradability, renewability and minimal environmental impact.

There is growing demand for processed and convenience foods, coupled with the need for natural and sustainable food additives.

Moreover, increasing focus on reducing greenhouse gas emissions and finding sustainable alternatives to fossil fuels, has fuelled demand for enzymes in the production of biofuels, such as ethanol and biogas, by converting biomass into usable forms of energy.

#### **USAGE OF ALUMINIUM SCRAP**

Production of about 75% of Aluminium Flipping Coil of Sarthak Metals is from usage of Aluminium scrap. Producing them from ores is very energy-intensive.

Recycling shifts the balance towards higher sustainability as

ENERGY NEEDED TO MELT ALUMINIUM 5% FROM SCRAP IS ONLY

of that consumed in ore reduction.

#### SOLAR POWER

With 400 KW of renewable energy used, the company demonstrates the group's commitment to sustainable practices, while remaining cost-competitive in an era of rising energy cost.

This renewable energy source will not only help substitute a portion of our energy consumption but also result in approximately a 50% reduction in electricity expenses due to captive consumption.

## GET IN TOUCH

Any forward-looking statements and projections made by third parties included in this Document are not adopted by the Company and the Company is not responsible for such third-party statements and projections.

ANIRUDH SINGHAL
Sarthak Metals Limited
cfo@sarthakmetals.com

PRATIK JAIN

Sarthak Metals Limited

cs@sarthakmetals.com

MUTHUKUMAR K
Wisdom IR
muthukumar@wisdomsmith.com
+91 9867191576

#### SAFE HARBOR

This document which has been prepared by Sarthak Metals Limited (the "Company", "Sarthak"), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This document has been prepared by the Company based on information and data which the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of this Document. This Document may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from this Document may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the truth, accuracy, completeness, fairness and reasonableness or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the incurrent may not contain all of the contents of, or any omission from its of this Document may not contain all of the information all of the contents of the information and reasonableness prospects that are individually and collectively forward-looking statements regarding the Company's market opportunity and business prospects that are individually and collectively forward-looking statements are not guarantees of the industry in India and world-wide, company's subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks

well as other risks. The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Document. The Company assumes no obligation to update any forward-looking information contained in this Document.