



2nd August 2023

BSE Limited
Listing Operations
Phiroze Jeejeebhoy Towers,
Dalai Street,
Mumbai - 400 001
Maharashtra, India
BSE Script Code: 532864

National Stock Exchange of India Limited
Listing Department,
Exchange Plaza,
Bandra Kurla Complex, Bandra (E),
Mumbai - 400 051
Maharashtra, India
NSE Script Code: NELCAST

Dear Sir/Madam

Sub: **Press Release on the Unaudited Financial Results of the Company for the quarter ended 30th June 2023**

We are enclosing the Press Release on the Unaudited Financial Results of the Company for the quarter ended 30th June 2023.

We request you to take this information on record.

Thanking you.

For **NELCAST Ltd**

S K SIVAKUMAR
Digitally signed by S K
SIVAKUMAR
Date: 2023.08.02 19:41:11
+05'30'

(S.K.SIVAKUMAR)
Company Secretary

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IATF 16949 : 2016 * ISO 14001 : 2015 * ISO 50001 : 2011



ISO 9001 : 2015

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OHSAS 18001 : 2007

Nelcast Ltd reports Q1 FY 2024 Results

***Total Revenue at Rs 296 Crores; Export revenues up 23% YoY
EBITDA/kg at Rs. 11.7***

Chennai, India, August 02, 2023 – Nelcast Ltd (referred to as the “Company”; NSE Symbol: NELCAST, BSE Scrip Code: 532864), a leading producer of Ductile and Grey Iron castings in India, announced its financial results for the **First quarter ended June 30, 2023**.

Commenting on the performance Mr. P Deepak, Managing Director & CEO, said “Our overall performance in Q1 was primarily impacted due to slowdown in the tractor segment and modest performance in the M&HCV segment on a year-on-year basis. However, I am pleased to share that our export revenues reported a strong growth of 23% YoY and stood at Rs. 89 crores during the quarter driven by healthy order backlog. On the margin front, last quarter our EBITDA per kg was impacted due to divergence in international and domestic raw material prices, however, as expected, we saw some convergence this quarter that led to a significant improvement in the same. Our exports tend to have better realizations and contributed towards quarter-on-quarter improvement in EBITDA per kg as well.

In FY24, we expect a double-digit top line growth driven by pick-up in M&HCV segment and strong growth in export markets.”

Consolidated Performance Highlights

(In Rs. crores, unless otherwise mentioned)

Particulars	Q1 FY24	Q1 FY23	YoY Growth	Q4 FY23	QoQ Growth
Total Revenue	296.4	299.6	(1.1) %	315.2	(6.0) %
EBITDA	23.0	23.3	(1.5) %	20.8	10.2%
EBITDA Margin %	7.8%	7.9%	(5) bps	6.7%	119 bps
EBITDA/kg (in INR)	11.7	12.2	(3.5) %	9.7	21.1%
PAT	7.2	7.8	(7.6) %	4.5	60.3%
PAT Margin %	2.4%	2.6%	(17) bps	1.4%	100 bps

Financial highlights

- **Total Revenue was at Rs 296.4 Crores, down 1.1% YoY and 6.0% QoQ**
 - YoY and QoQ growth were impacted due to slowdown in tractor segment and decrease in overall sale volumes (19,145 Tonnes in Q1FY24 vs 20,158 Tonnes in Q1FY23 and 20,620 Tonnes in Q4FY23)
- **EBITDA at Rs 23.0 Crores was down 1.5% YoY and up 10.2% QoQ; EBITDA margin at 7.8%**
 - YoY degrowth was due to impact on top-line, while QoQ improvement was due to increase in contribution from export segment and better realization.
- **The bottom-line stood at Rs 7.2 Crores**

- **Segmental Revenue**

- In Q1FY24, the largest share was contributed by M&HCV making up 38.9% of the total revenues, followed by Tractors – 24.6%, Exports – 30.6%, Railways – 3.0%, Off-highway equipment – 2.5%, and Others – 0.4%.
- In Q1FY23, M&HCV contributed 38.3% to revenues, Tractors – 31.7%, Exports – 24.7%, Railways – 3.3%, Off-highway equipment – 1.6%, and Others – 0.4%.

Outlook for FY24

- Expect double-digit top line growth driven by strong demand in M&HCV and exports
- Sales volumes expected to grow in line with the sales revenue.
- Exports sales likely to record reasonable level of growth due to good order book position and new product launches.

About Nelcast Ltd

Incorporated in 1982, Nelcast manufactures grey and ductile castings for the M&HCV and tractor industry segments. Around 25-30% of its overall revenues is also generated from export markets. Key products supplied to its M&HCV clients include differential carriers, differential cases, bogie suspension brackets, and conventional brackets, among others. For the tractor segment, the company's major products are transmission casing, centre housing, axle housing and hydraulic lift cover. It also supplies base plates and brake discs for metro rail projects and the railways respectively. Nelcast has an aggregate installed production capacity of 160,000 tonnes per annum. Its factories are located at Ponneri in Tamil Nadu, and at Gudur and Pedapariya in Andhra Pradesh.

Contact Details

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For further information on Nelcast Limited, please visit www.nelcast.com

Safe Harbor

This release contains statements that may contain “forward-looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Nelcast Ltd future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Nelcast Ltd undertake no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.