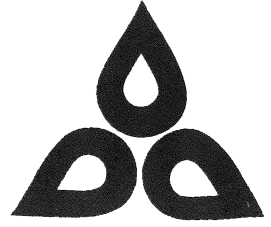


NELCAST LIMITED



2nd February 2022

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 and nine months ended 31st December 2021**

We are enclosing the Press Release on the Unaudited Financial Results of the Company for the quarter and nine months ended 31st December 2021.

We request you to take this information on record.

Thanking you.

For **NELCAST Ltd**

(S.K.SIVAKUMAR)
Company Secretary

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e-mail: nelcast@nelcast.com; web: www.nelcast.com
CIN : L27109AP1982PLC003518

Regd. Off.: 34, Industrial Estate, Gudur - 524 101 (A.P.) Tel.: 251266 / 251766 Fax: 08624-252066
Ponneri works : Madhavaram Village, Amur P.O, Ponneri - 601 204 .T.N Tel.: 27974165/27973532, Fax: 27973620
Pedapariya Works : 259 /261, Pedapariya Village, Ozili Madal, Nellore Dist - 524402. (A.P.)

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



ISO 9001 : 2015

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OHSAS 18001 : 2007

Nelcast Ltd reports Q3 & 9MFY 2022 Results

Revenue grows 67.4% YoY to Rs 653.9 Crores; EBITDA at Rs 46.6 Crores, a growth of 56.6% YoY in 9M FY22

Chennai, India, February 02, 2022 – 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 third quarter and nine months ended December 31, 2021.

Commenting on the performance Mr. P Deepak, Managing Director & CEO, said, “The Third Quarter turned out to be a very challenging quarter for us as we saw a drop in sales from the Tractor industry. This came at the back of OEMs reducing their production to dilute finished vehicle inventory due to lower sales than forecasted. This made the seasonality more severe than a typical year. The Commercial Vehicle segment started to show signs of a gradual recovery in Q3, however, it was a little slower than what was anticipated. Our export segment witnessed a slight slowdown as well due to chip shortages that impacted our end customers’ ability to assemble vehicles.

As we look forward, recovery in the Commercial Vehicle segment in Q4 seems strong and while Tractor segment appears to remain sluggish in the next quarter as well, we expect a very strong recovery to happen from Q1FY23 onwards. We also believe that the problem of semiconductor chip shortages is gradually improving, and this will help boost demand overseas as our customers build more vehicles and catch-up on the order backlogs. The recovery in the domestic and global markets, along with our upcoming product launches give us the confidence to experience strong growth in the years to come.”

Consolidated Performance Highlights

Particulars (In Rs Cr)	Q3 FY22	Q3 FY21	YoY (%)	9M FY22	9M FY21	YoY (%)
Revenue from Operations	232.2	185.8	25.0%	653.9	390.5	67.4%
EBITDA	15.4	20.0	(22.7) %	46.6	29.7	56.6%
EBITDA Margin %	6.5%	10.6%	(406) bps	7.0%	7.5%	(52) bps
EBITDA/kg (in INR)	8.1	11.5	(29.5) %	8.5	8.3	2.8%
PAT	2.1	6.1	(66.1) %	7.5	2.4	211.4%
PAT Margin %	0.9%	3.2%	(241) bps	1.1%	0.6%	51 bps

- **Revenue from operations was at Rs 232.2 Crores, a 25.0% YoY growth**
 - The growth was primarily led by increase in export volumes as well as better realizations.
 - Exports for 9M FY2022 stood at Rs. 166.9 Crores, up 102.5% YoY
- **EBITDA dropped by 22.7% YoY to Rs 15.4 Crores; EBITDA margin at 6.5%**
 - Degrowth was due to steep increase in all raw material prices specifically certain Ferro-alloys for which the pass-through to the customer did not happen in Q3.
- **The bottom-line stood at Rs 2.1 Crores, down by 66.1%**

- **Segmental Revenue**

- In 9MFY22, the largest share was contributed by tractors making up 35.8% of the total revenues, followed by HCV - 31.6%, exports - 25.5%, off-highways - 2.7% and others - 0.3%
- Similarly, in 9MFY21, tractors contributed 42.3% to revenues, HCV - 27.8%, exports - 21.1%, off-highways - 3.1% and others - 1.1%

About Nelcast Ltd

Incorporated in 1982, Nelcast manufactures grey and ductile castings for the M&HCV and tractor industry segments. Around 25% of its overall revenues is also generated from export markets. Key products supplied to its M&HCV clients include wheel hubs, brake drums, axle housing and 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 ribbed plates and brake discs for metro rail projects and the railways. 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

Nelcast Limited

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Christensen Advisory

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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.