



18th May 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 Audited Financial Results of the Company for the quarter and year ended 31st March 2023**

We are enclosing the Press Release on the Audited Financial Results of the Company for the quarter and year ended 31st March 2023.

We request you to take this information on record.

Thanking you.

For **Nelcast Ltd**

(S.K. Sivakumar)
Company Secretary

159, T T K ROAD, ALWARPET, CHENNAI - 600 018. INDIA
Tel.:+91-44-2498 3111/2498 4111 Fax : 91-44-24982111
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

*

OHSAS 18001 : 2007

Nelcast Ltd reports Q4 & FY 2023 Results

***FY23 Total Revenue at Rs 1,280 Crores, up 37% YoY;
EBITDA grew by 42% YoY and PAT more than doubled in FY23***

Chennai, India, May 18, 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 **Fourth quarter and Full year ended March 31, 2023.**

Commenting on the performance Mr. P Deepak, Managing Director & CEO, said “I am pleased to share that our revenues crossed the Rs. 1000 crores mark as we saw significant growth across segments. During the year, our M&HCV segment reported a strong growth of 47% YoY while tractors were up 24% YoY driven by recovery in the automotive industry and healthy rural economy respectively. We surpassed our export revenue guidance and generated Rs. 329 crores from exports in FY23, a growth of 49% YoY. While majority of this growth came from our base business, we expect new launches to contribute materially in the upcoming quarters. These new launches are expected to help us grow our exports by ~20% and improve margins in FY24.

We expect a double-digit top line growth in FY24. This will come on the back of growth in our M&HCV segment due to increased infrastructure spends, pick-up in export markets due to strong order backlog and marginal growth in tractors.”

Consolidated Performance Highlights

(In Rs. crores, unless otherwise mentioned)

Particulars	Q4 FY23	Q4 FY22	YoY Growth	Q3 FY23	QoQ Growth	FY23	FY22	YoY Growth
Total Revenue	315.2	271.8	16.0%	333.7	(5.6) %	1,280.1	936.7	36.7%
EBITDA	20.8	20.9	(0.4) %	21.3	(2.3) %	95.5	67.5	41.5%
EBITDA Margin %	6.7%	7.8%	(115) bps	6.5%	15 bps	7.5%	7.3%	26 bps
EBITDA/kg (in INR)	9.7	10.5	(7.5) %	10.0	(3.3) %	11.3	9.0	25.8%
PAT	4.5	6.8	(33.6) %	5.3	(16.0) %	29.7	14.2	109.1%
PAT Margin %	1.4%	2.5%	(106) bps	1.6%	(18) bps	2.3%	1.5%	80 bps

FY23 Financial highlights

- **Total Revenue was at Rs 1,280.1 Crores, up 36.7% YoY**
 - YoY growth was driven by strong growth in railways, exports, and commercial vehicles.
- **EBITDA grew by 41.5% YoY touching Rs 95.5 Crores; EBITDA margin at 7.5%**
 - EBITDA improved due to increase in volumes and better realization due to increase in exports.
- **The bottom-line stood at Rs 29.7 Crores, up by 109.1% YoY**

- **Segmental Revenue**

- In FY23, the largest share was contributed by M&HCV making up 39.4% of the total revenues, followed by Tractors – 29.3%, Exports – 26.2%, Railways – 3.1%, Off-highway equipment – 1.7%, and Others – 0.3%
- In FY22, M&HCV contributed 36.7% to revenues, Tractors – 32.2%, Exports – 24.0%, Railways – 4.4%, Off-highway equipment – 2.4%, and Others – 0.3%

Q4FY23 Financial highlights

- **Total Revenue was at Rs 315.2 Crores, up 16.0% YoY and down 5.6% QoQ**
 - YoY growth was driven by increase in volumes (20,620 Tonnes in Q4FY23 vs 19,389 Tonnes in Q4FY22) and ~53% growth in exports.
 - QoQ growth was impacted due to operational challenges within the Company. These are expected to be resolved in FY24.
- **EBITDA was down 0.4% YoY and down 2.3% QoQ to Rs 20.8 Crores; EBITDA margin at 6.7%**
 - EBITDA was impacted due to lower volume, slowdown in tractor segment and increased operating cost.
- **The bottom-line stood at Rs 4.5 Crores, down 33.6% YoY**

Outlook for FY24

- Expect double-digit top line growth driven by strong demand in M&HCV and exports
- Sales volumes expected to grow by 10-15% in FY24
- Exports revenues expected to grow ~20% driven by demand pick up and increased contribution from new launches

About Nelcast Ltd

Incorporated in 1982, Nelcast manufactures grey and ductile castings for the M&HCV and tractor industry segments. Around 26% 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

Nelcast Limited

S. K. Sivakumar
CFO & Company Secretary
E-mail: nelcast@nelcast.com

Ernst & Young LLP

Sonia Keswani
Vikash Verma
Email: sonia.keswani@in.ey.com
vikash.verma1@in.ey.com

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.