



26th July 2024

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 2024**

We are enclosing the Press Release on the Unaudited Financial Results of the Company for the quarter ended 30th June 2024.

We request you to take this information on record.

Thanking you.

For **Nelcast Limited**

(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 Q1FY25 Financial Results

***Exports for Q1FY25 grew by 10.5% YoY
Revenue at Rs 302 Crores with an EBITDA/kg of Rs. 11.80 in Q1FY25***

Chennai, India, July 26, 2024 – 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, 2024.**

Commenting on the performance, Mr. Deepak Reddy Ponnaveolu, Managing Director & CEO of Nelcast, said

“In Q1FY25, despite a widespread softening in demand for commercial vehicles within India and in key export markets like the Europe and the US, our company experienced a 10.5% year-on-year growth in exports. This growth comes amidst macroeconomic challenges and political uncertainties. We have proactively managed our inventory to reflect the reduced demand, ensuring a healthy Balance Sheet. With the electric vehicle market evolving, we are developing new EV products and staying adapted to trends regarding the adoption of EV market. Looking forward, we are cautiously optimistic about a rebound in performance in the second half of FY25, expecting an uptick in EBITDA per kg. FY25 is a consolidation year for us, but we are preparing for a surge in demand post this fiscal. Our strategic efforts are aimed at capitalising on these opportunities, with a steadfast commitment to generating shareholder value and a positive outlook for the coming quarters.”

Consolidated Performance Highlights

(In Rs. Crores, unless otherwise mentioned)

Particulars	Q1 FY25	Q1 FY24	YoY Growth	Q4 FY24	QoQ Growth
Total Revenue	302.3	296.4	2.0%	299.2	1.0%
EBITDA	22.4	23.0	-2.3%	19.3	16.2%
EBITDA Margin %	7.42%	7.74%	-32.58 bps	6.40%	101.83 bps
EBITDA/kg (in INR)	11.8	11.7	0.5%	10.53	12.1%
PAT	8.0	7.2	10.9%	5.1	56.0%
PAT Margin %	2.63%	2.42%	21.01 bps	1.69%	94.13 bps

Q1FY25 Financial highlights

- **Total Revenue was at Rs. 302.3 Crores, up marginally by 2.0% YoY and by 1.0% QoQ**
 - The topline remained muted amid subdued domestic and export demand for CVs and a deliberate reduction in production to manage inventory levels

- **EBITDA at Rs. 22.4 Crores, de-grew by (2.3)% YoY and reported a growth of 16.2% QoQ; EBITDA margin at 7.42%**
 - The EBITDA margin was supported by enhanced operational efficiencies
- **The Profit After Tax stood at Rs. 8.0 Crores, a growth of 10.9% YoY and 56.0% QoQ**
- **Sector-wise Revenue**
 - In Q1FY25, largest share was contributed by M&HCV making up 37.9% of the total revenues, followed by Tractors – 25.0%, Exports – 33.2%, Railways – 0.5%, Off-highway equipment – 3.0%, and Others – 0.4%.
 - In Q1FY24, M&HCV contributed 38.9% to revenues, Tractors – 24.6%, Exports – 30.6%, Railways – 3.0%, Off-highway equipment – 2.5%, and Others – 0.4%.

Outlook for FY25

- Anticipated surge in market demand in the second half of FY25, the launch of new products is under planning
- Expectations of a marked demand increase beyond 2025, signaling an optimistic growth outlook

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.