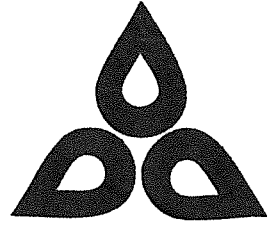


NELCAST LIMITED



23rd May 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 Audited Financial Results of the Company for the quarter and year ended 31st March 2022

We are enclosing the Press Release on the Audited Financial Results of the Company for the quarter and year ended 31st March 2022.

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 Madai, 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 2022 Results

Revenue grows 51% YoY to Rs 927 Crores; PAT at Rs 14 Crores, a growth of 57% YoY in FY22

Chennai, India, May 23, 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 **Fourth quarter and Full year ended March 31, 2022.**

Commenting on the performance Mr. P Deepak, Managing Director & CEO, said, “*The quarter and year gone by represents the highest sales turnover we have ever achieved in our history. Revenue for the full year grew to 927.3 Cr which represents a growth of around 50% over FY21. This growth was driven by a mix of increased sales realisation and increased tonnage for the year. This result was achieved despite weakness in the Tractor demand in H2. This weakness was offset by growth in the M&HCV segment. Export growth for the company remained extremely strong at Rs. 221.5 Cr which represents a YOY growth of around 75%. Margins were impacted due to substantial increase in raw material prices through the year and lower capacity utilisations.*

We are currently seeing very strong demand in M&HCV, Tractor & Export segments in Q1FY23 which constitute more than 90% of our sales. While there were some headwinds due to non-availability of electricity and high raw material prices driven by the Russia-Ukraine war in the first half of Q1, we have seen these headwinds dissipating in the last few days and expect to see an excellent year ahead.”

Consolidated Performance Highlights

(In INR crores, unless otherwise mentioned)

Particulars	Q4 FY22	Q4 FY21	YoY Growth	Q3 FY22	QoQ Growth	FY22	FY21	YoY Growth
Revenue from Operations	267.9	221.6	20.9%	235.5	13.8%	927.3	615.0	50.8%
EBITDA	20.9	21.5	(2.9) %	15.4	35.4%	67.5	51.3	31.6%
EBITDA Margin %	7.8%	9.7%	(191) bps	6.6%	125 bps	7.3%	8.3%	106 bps
EBITDA/kg (in INR)	10.5	11.0	(4.3) %	8.08	29.6%	9.01	9.20	(2.1) %
PAT	6.8	6.6	1.7%	2.1	224.7%	14.2	9.0	57.3%
PAT Margin %	2.5%	3.0%	(48) bps	0.9%	164 bps	1.5%	1.5%	06 bps

FY22 Financial highlights

- **Revenue from operations was at Rs 927.3 Crores, a 50.8% YoY growth**
 - The growth was led by increased volumes (71,905 Tonnes in FY22 vs 58,550 Tonnes in FY21) and better realization due to model mix and pass through of raw material increases
 - Exports for FY22 stood at Rs 221.5 Crores, up 75% YoY
- **EBITDA improved by 31.6% YoY to Rs 67.5 Crores; EBITDA margin at 7.3%**
 - EBITDA Growth was primarily driven by increased production
 - Margin % was negatively impacted due to continued Raw Material price increases

- **The bottom-line stood at Rs 14.2 Crores, up by 57.3%**
- **Segmental Revenue**
 - In FY22, the largest share was contributed by M&HCV making up 36.7% of the total revenues, followed by Tractors – 32.2%, Exports – 24.0%, Off-highway equipment – 2.4%, Railways – 4.4% and Others – 0.3%
 - Similarly, in FY21, M&HCV contributed 31.5% to revenues followed by Tractors - 40.1%, Exports – 20.7%, Off-highway equipment – 3.2%, Railways – 3.8% and Others -0.7%

Q4FY22 Financial highlights

- **Revenue from operations was at Rs 267.9 Crores, a 20.9% YoY growth**
 - The growth was due to better realization while YOY volumes were marginally lower (19,389 Tonnes in Q4FY22 vs 19,857 Tonnes in Q4FY21).
- **EBITDA dropped by 2.9% YoY to Rs 20.9 Crores; EBITDA margin at 7.8%**
 - Degrowth was due to sudden spike in raw material prices due to Russia-Ukraine war.
- **The bottom-line stood at Rs 6.8 Crores, up by 1.7%**

Key Developments in Q4FY22

- M&HCV segment shows a sign of recovery which is continuing onto FY23
- Tractor segment demand was weak but showing strong signs of growth in FY23
- Export demand remains strong and expected to get stronger with improvement in supply constraints and new product launches in FY23

About Nelcast Ltd

Incorporated in 1982, Nelcast manufactures grey and ductile castings for the M&HCV and tractor industry segments. Around 24% 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
Company Secretary
E-mail: nelcast@nelcast.com

Ernst & Young

Sonia Keswani, Senior Analyst
Diwakar Pingle, Partner
Email: sonia.keswani@in.ey.com
diwakar.pingle@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.