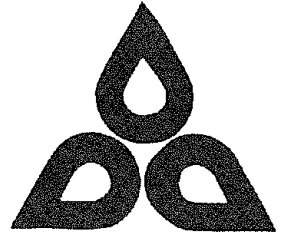


# NELCAST LIMITED



1<sup>st</sup> February 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 31<sup>st</sup> December 2022**

We are enclosing the Press Release on the Unaudited Financial Results of the Company for the quarter and nine months ended 31<sup>st</sup> December 2022.

We request you to take this information on record.

Thanking you.

For **NELCAST Ltd**

SRIKALATHI Digitally signed by  
SRIKALATHI  
SIVAKUMAR SIVAKUMAR  
R Date: 2023.02.01  
20:13:25 +05'30'

**(S.K.SIVAKUMAR)**  
**Company Secretary**

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CIN : L27109AP1982PLC003518

IATF 16949 : 2016 \* ISO 14001 : 2015 \* ISO 50001 : 2018



ISO 9001 : 2015

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ISO 45001 : 2018

**Nelcast Ltd reports Q3 FY 2023 Results**

***Revenue at Rs 334 Crores, up 41% YoY;  
EBITDA grew by 38% YoY and PAT by 156% YoY in Q3 FY23***

**Chennai, India, February 01, 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 **Third quarter and Nine months ended December 31, 2022**.

**Commenting on the performance Mr. P Deepak, Managing Director & CEO, said** “We witnessed another quarter of record revenues in Q3FY23 despite disruption in company’s operations for a week due to temporarily shutdown of power supply which led to lower volumes. Revenue grew significantly by 41% YoY to Rs 334 crores, and a marginal increase on a sequential basis. During the quarter, the M&HCV segment continued to perform well while tractor sales were impacted on the back of normal seasonality. Our revenue from exports stood at Rs. 90.73 Crores in Q3FY23 and Rs. 246.01 Crores in 9MFY23. The new product launches are at final stage of ramp-up and will reach peak production by end of FY23.

We envisage a decent demand opportunity in the markets we cater, which should drive growth across all our segments. Our guidance for FY23 remains intact with our revenue from exports expected to exceed Rs. 300 Crores and EBITDA/kg to be at approximately Rs. 12.

Looking forward to FY24, we expect double-digit top line growth in revenue driven by strong demand in M&HCV, pick-up in tractors boosted by a strong rural economy and growth in export markets on the back of a strong order backlog.”

**Consolidated Performance Highlights**

*(In Rs. crores, unless otherwise mentioned)*

Particulars	Q3 FY23	Q3 FY22	YoY Growth	Q2 FY23	QoQ Growth	9MFY23	9MFY22	YoY Growth
<b>Total Revenue</b>	<b>333.7</b>	237.1	40.8%	331.7	0.6%	964.9	667.4	44.6%
<b>EBITDA</b>	<b>21.3</b>	15.4	38.0%	30.1	(29.2) %	74.7	46.6	60.3%
<b>EBITDA Margin %</b>	<b>6.4%</b>	6.5%	(13) bps	9.1%	(269) bps	7.7%	7.0%	76 bps
<b>EBITDA/kg (in INR)</b>	<b>10.0</b>	8.1	24.2%	13.5	(25.4) %	11.9	8.5	40.3%
<b>PAT</b>	<b>5.3</b>	2.1	156.4%	12.2	(56.1) %	25.3	7.5	238.1%
<b>PAT Margin %</b>	<b>1.6%</b>	0.9%	72 bps	3.7%	(206) bps	2.6%	1.1%	150 bps

**Q3FY23 Financial highlights**

- **Total Revenue was at Rs 333.7 Crores, up 40.8% YoY and 0.6% QoQ**
  - YoY growth was due to increase in volumes (21,513 Tonnes in Q3FY23 vs 17,571 Tonnes in Q3FY22) and strong growth in the Commercial Vehicle segment.
  - QoQ growth was flat due to transformer failure and decrease in tractor demand resulting in low volumes
- **EBITDA grew by 38.0% YoY and down 29.2% QoQ to Rs 21.3 Crores; EBITDA margin at 6.4%**

- EBITDA improved on a YoY basis on account of increase in sale volumes and better realization due to export growth
- QoQ decline was due to low volumes, one off cost related to transformer failure and additional hiring in new and existing plants.
- **The bottom-line stood at Rs 5.3 Crores, up by 156.4% YoY**
- **Segmental Revenue**
  - In 9M FY23, the largest share was contributed by M&HCV making up 37.7% of the total revenues, followed by Tractors – 31.3%, Exports – 26.0%, Off-highway equipment – 1.7%, Railways – 3.0% and Others – 0.3%
  - In 9M FY22, M&HCV contributed 31.5% to revenues, Tractors – 35.8%, Exports – 25.5%, Off-highway equipment – 2.7%, Railways – 4.1% and Others – 0.4%

### **Key Business Developments in Q3FY23**

- Tractor segment witnessed a large dip due to normal seasonality. Expect impact of seasonality to remain in Q4FY23 as well.
- M&HCV segment witnessed a strong demand in Q3FY23, and the growth momentum is expected to continue.
- In exports, demand remained strong with new product launches to be fully ramped up by next quarter.

### **About Nelcast Ltd**

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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 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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#### **Nelcast Limited**

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For further information on Nelcast Limited, please visit [www.nelcast.com](http://www.nelcast.com)

### **Safe Harbor**

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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.