



30th October 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 and half-year ended 30th September 2023**

We are enclosing the Press Release on the Unaudited Financial Results of the Company for the quarter and half-year ended 30th September 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

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OHSAS 18001 : 2007

Nelcast Ltd reports Q2 & H1 FY 2024 Results

***Exports surpassed the Rs. 100 Crore mark in Q2 FY2024
PAT at Rs 17 Crores, up 37% YoY; EBITDA/kg at Rs. 14.9***

Chennai, India, October 30, 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 **second quarter and half year ended September 30, 2023**.

Commenting on the performance Mr. P Deepak, Managing Director & CEO, said “We ended the quarter on a good note given the decent top line growth that was driven by exports and the M&HCV segment. On the export front, I’m very happy to share that we crossed the Rs. 100 Crore milestone and clocked ~Rs. 130 Crores, which was a growth of over 58% on a year-on-year basis. Going forward, we expect this segment to continue to grow at a steady pace on the back of our strong order book, however, the strike situation in the US might have a minimal impact in the coming quarter. Moreover, with the construction activity picking up, we also expect strong demand for tippers and hence, a significant contribution from the M&HCV segment in the coming quarters. Improvement in EBITDA/kg was due to increase in volume, increased contribution from exports, that tend to have better margins, alongside normalization of raw material prices. Going forward, we expect raw material prices to remain stable at current levels.

FY24 is expected to end with a decent top line growth driven by pick-up in M&HCV segment and steady growth in our export business. Besides this, we will continue to focus on enhancing our capacity utilization levels to take advantage of economies of scale and aid our margins.”

Consolidated Performance Highlights

(In Rs. crores, unless otherwise mentioned)

Particulars	Q2 FY24	Q2 FY23	YoY Growth	Q1 FY24	QoQ Growth	H1 FY24	H1 FY23	YoY Growth
Total Revenue	362.6	331.7	9.3%	296.4	22.4%	659.0	631.2	4.4%
EBITDA	36.1	30.1	19.9%	23.0	57.1%	59.0	53.4	10.5%
EBITDA Margin %	9.9%	9.1%	87 bps	7.7%	220 bps	9.0%	8.5%	50 bps
EBITDA/kg (in INR)	14.9	13.5	11.0%	11.7	27.1%	13.5	12.9	5.0%
PAT	16.6	12.2	36.9%	7.2	131.9%	23.8	19.9	19.6%
PAT Margin %	4.6%	3.7%	92 bps	2.4%	217 bps	3.6%	3.2%	46 bps

Q2 FY24 Financial highlights

- **Total Revenue was at Rs 362.6 Crores, up 9.3% YoY and 22.4% QoQ**
 - Growth was driven by increase in overall sale volumes (22,953 Tonnes in Q2FY24 vs 22,090 Tonnes in Q2FY23) given good performance in Medium & Heavy Commercial Vehicle (M&HCV) and Export segments.
- **EBITDA at Rs 36.1 Crores, up 19.9% YoY and up 57.1% QoQ; EBITDA margin at 9.9%**
 - Growth was due to increase in revenue contribution from exports and normalization of raw material prices.

- **The bottom-line stood at Rs 16.6 Crores**
- **Sector-wise Revenue**
 - In H1FY24, the largest share was contributed by M&HCV making up 37% of the total revenues, followed by Tractors – 23%, Exports – 34%, Railways – 3%, Off-highway equipment – 2%, and Others – 1%.
 - In H1FY23, M&HCV contributed 36% to revenues, Tractors – 34%, Exports – 25%, Railways – 3%, Off-highway equipment – 2%, and Others – ~0%.

Outlook for FY24

- Expect strong growth driven by strong demand in M&HCV and exports.
- Exports sales likely to record reasonable level of growth due to good order book.

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

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.vermal@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.