NUVOCO VISTAS CORP. LTD.

Ref. No.: Sec/112/2024-25

October 29, 2024

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 Scrip Code: **543334** Scrip ID: **NUVOCO**	**The National Stock Exchange of India Limited** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Trading Symbol: **NUVOCO**

Dear Sir/Madam,

Sub: Transcript of Investor and Analyst Conference Call on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2024

Further to our letter no. Sec/98/2024-25 dated October 01, 2024, letter no. Sec/109/2024-25 dated October 23, 2024 and letter no. Sec/110/2024-25 dated October 24, 2024, please find enclosed the transcript of the Investor and Analyst Conference Call held on Thursday, October 24, 2024 on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2024.

The same is also being made available on the Company's website at www.nuvoco.com.

This is for your information and records, please.

Thanking you,

Yours faithfully,
For **Nuvoco Vistas Corporation Limited**

SHRUTA JATIN SANGHAVI
Digitally signed by SHRUTA JATIN SANGHAVI
Date: 2024.10.29 17:35:11 +05'30'

Nuvoco Vistas Corp. Ltd. MUMBAI 70

Shruta Sanghavi
SVP and Company Secretary

Encl: a/a

"Nuvoco Vistas Corporation Limited Q2 & H1 FY 2025 Earnings Conference Call"

October 24, 2024

MANAGEMENT: **MR. JAYAKUMAR KRISHNASWAMY – MANAGING DIRECTOR, NUVOCO VISTAS CORPORATION LIMITED**
MR. MANEESH AGRAWAL – CHIEF FINANCIAL OFFICER, NUVOCO VISTAS CORPORATION LIMITED
MS. MADHUMITA BASU – CHIEF INVESTOR RELATIONS, NUVOCO VISTAS CORPORATION LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to Q2 & H1 FY '25 Earnings Conference Call of Nuvoco Vistas Corporation Limited.

We must remind you that the discussion on today's call may include certain forward-looking statements and must be therefore viewed in conjunction with the risk that the Company faces.

The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statement on the basis of any subsequent development, information, or events, or otherwise. As a reminder, all participants' lines will be in the listen-only mode. And there will be an opportunity for you to ask questions after the presentation concludes.

Should you need assistance during the conference call, please signal an operator by pressing "*" then "0" on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Madhumita Basu – Chief Investor Relations. Thank you, and over to you.

Madhumita Basu: Good afternoon, everyone, and thank you for joining our second quarter of fiscal 2025 earnings conference call.

Let me start by briefly discussing the broader macroeconomic landscape linked to cement demand, followed by a review of our performance for the quarter:

The macroeconomic environment remained challenging, with key indicators signaling a slowdown in capital expenditure. YTD August, Union Government capex dropped 19% Y-o-Y. Central public sector enterprises and other agencies' capital expenditure fell 11% Y-o-Y in H1 FY '25, led by a slower pace of investments by Railways and NHAI. State governments' capex declined by 6% Y-o-Y in the first five months of FY '25, following a 40% surge in the previous year. States such as Bihar, Gujarat, Haryana, West Bengal and Chhattisgarh witnessed 6% to upto 37% drops in State capex.

Housing sales across the top 30 Tier-2 cities fell by 30% in Q2 FY '25, while new launches declined by 34%.

The industrial landscape is also under pressure, with India's manufacturing PMI dropping to an 8-month low in September; and core sector output contracting by 1.8% in August, the first decline in 42 months.

As you are aware, the Union Budget for FY '25 was presented only in July, following the General Election, with presidential assent received in August. This delay has led to a slower rollout of capital expenditures, particularly for government-funded infrastructure projects, including PMAY and the Purvodaya Schemes. Furthermore, the prolonged and intense monsoon this year, while a boon for agriculture, has hampered construction activity, delaying projects and dampening demand for materials such as cement. Thus, the combination of delay in public spending and weather disruptions has created a tough environment during the current fiscal.

Now, let's turn our attention to our performance for the quarter where we will explore our progress and output going forward.

In Q2 FY '25, the Company recorded revenue and EBITDA of Rs. 2,269 crores and Rs. 229 crores, respectively.

Let me take a moment to break down some of the key elements behind these headline figures:

Firstly, let me touch upon the volume which declined by 5% Y-o-Y in Q2 FY '25, attributable to the subdued macro environment outlined earlier. East and North regions faced a challenging landscape, marked by demand contraction. The subdued demand has not only affected sales volumes across the industry but has also put significant pressure on prices. All India cement prices experienced a dip of 4% quarter-over-quarter. Notably, the North region saw a decrease of 3%, while the East region faced a more pronounced drop of 5%. In this scenario, Nuvoco has been working on a balancing act between volume and managing prices, resorting in a blended realization per ton drop of 2.7% quarter-on-quarter, which is lower than the industry average. We managed revenue per ton better than the industry, primarily driven by our continuous focus on premiumization and geo-optimization.

Premiumization remains a key focus area for the Company, with premium product share in the trade segment reaching a record high of 43% in Q2 FY '25. Amongst the offerings, Concreto Uno, a premium cement variant, is catering to the growing demand for high-quality construction materials in the East and is gaining traction. Secondly, given significant headwinds of weak demand and pricing pressure, the Company remained focused on operational excellence. At this point, I'd like to provide an overview of the quarter's performance with respect to key cement cost elements.

Power and fuel costs per ton reduced by 3% quarter-on-quarter. The Company has reached the lowest blended fuel cost in the last 12 quarters at Rs. 1.54 per Mcal. I would like to reiterate that Nuvoco's power and fuel cost continues to be amongst the lowest in industry. On the raw material side, Nuvoco continues to be better placed due to its long-term slag supply agreement. Distribution cost per ton also declined by 1% quarter-on-quarter due to efficiency in operations. On cost efficiency, we are happy to report that Project Bridge 2.0 is on track and has yielded a reduction of Rs. 50 per ton in operating cost in Q2 FY '25.

We successfully commissioned a new clinker wagon loading system at Sonadih, which enables enhancement of clinker dispatch via rail, and is expected to aid in cost savings. The Odisha railway siding project is expected to be commissioned by Q4 FY '25. During this quarter, we also completed grid integration project across integrated units in Chhattisgarh, enabling savings in power cost.

Our net debt as of September 30, 2024, stands at Rs. 4,501 crores, which is a reduction of Rs. 233 crores on a year-on-year basis. Historically, we have maintained a declining trend in net debt as debt reduction remains a top priority for us. It is important to note that net debt at the end of September is higher compared to the March period due to cyclical impact of working capital requirements.

Regarding cement demand, as I mentioned earlier in my comments on the macroeconomic situation, the industry has encountered significant challenges due to a slowdown in the overall capex environment, which has impacted the infrastructure sector as a whole. Additionally, this situation was exacerbated with a prolonged and intense monsoon. Going forward, the execution of projects announced under the Union Budget will be a key monitorable for any demand revival.

Notably, in the Union Budget 2024-’25, the government has outlined several programs for the infrastructure development, including developments in eastern regions of the country. For example, Rs. 26,000 crores have been allocated for various infrastructure developments in Bihar. The Purvodaya scheme also focuses on the overall development of the eastern region. This is promising for Nuvoco, given our substantial presence in the east. However, the timing and pace of demand recovery will depend on the on-ground execution of infrastructure and housing projects.

Additionally, sustainability of price improvement is contingent upon sustained demand growth. Meanwhile, Nuvoco is navigating these volatilities with resilience by prioritizing on premiumization, key optimization, brand strength building, and operational excellence. We are confident that with the main focus remaining on operational cost efficiency, we will also see the benefit when demand and pricing cycles turn.

With respect to Ready-Mix and MBM business, focus on innovation continues. In Ready-Mix business, Ecodure Thermal Insulated concrete, which helps reduce indoor temperature, and Concreto Uno concrete, India’s first hydrophobic concrete designed to protect against water damage, was launched in Q1 FY ‘25 and has seen good momentum in Q2 FY ‘25. The MBM business introduced Zero M Roof Shield, a single-component waterproofing coating that reduces surface temperatures by up to 10 degrees Celsius, ensuring cooler living spaces.

Our commitment to sustainability is a vital aspect of our operations, as evidenced by our position as one of the industry leaders in low carbon emission. Our audited figure for FY ‘24 shows an impressive emission rate of 457 kg CO_2 per ton of cementitious material. We believe that our sustainable practice will continue to add value to various stakeholders, including the communities we serve.

With this, I conclude my opening remarks. I am joined here by Mr. Jayakumar Krishnaswamy, Managing Director, Nuvoco Vistas; and Mr. Maneesh Agrawal – our Chief Financial Officer. We are here together to answer your questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. We will take our first question from the line of Satyadeep Jain from Ambit Capital. Please go ahead.

Satyadeep Jain: First question, wanted to check on the entire debt situation. So, maybe can you help us understand what is the debt repayment schedule? And are there any particular restricted covenants that stand out? Just on the leverage, I wanted to get some idea.

Jayakumar Krishnaswamy: Yes, Satyadeep, good afternoon. Thank you for your question. So, first of all, in terms of our debt repayment schedule, I guess everything is on course. This is the first quarter after many quarters where I guess the overall industry has not performed well, and then consequently all the players have had a little bit of a downside. But suffice to say that in terms of our payment schedule, in terms of our covenants, I think everywhere we are on course. And as informed to investors in the past calls, we are well on the way to kind of paring the debt to just about less than 4,000, between Rs. 3,500 crores to Rs. 4,000 crores in the next two quarters.

Satyadeep Jain: But is there any major bullet payment or something coming due in the next maybe 12 months or so?

Jayakumar Krishnaswamy: I think that's there. I think we have payments coming in the next, every year I think we have got payments, in the next 10 months also we have got payments coming. Certainly, I think we are well on the way to kind of ensure payments will happen when it happens. And even if somewhat muted demand is there, I think we always have the leverage of refinancing it, and it should not be a problem at all.

And in terms of covenants, I guess, I think all of us know various covenants which are net debt to EBITDA, net debt to equity, security coverage, debt servicing, all of them are in the published result. We have to declare in our quarterly results to the Board as well as the shareholders, and to the other statutory bodies, I think, all of them we are comfortable meeting all their requests and requirements.

Satyadeep Jain: Secondly, I think last quarter you mentioned that certain particular micro-markets, I am not sure if I missed it, certain micro-markets like West Bengal, Bihar, Chhattisgarh, particularly margins were low and the Company decided to walk away from certain low-profit micro-markets. Is that something that continued in this quarter? And you are still seeing that maybe in the third quarter so far, these certain micro-markets where you are deciding not to be aggressive?

Jayakumar Krishnaswamy: In general, as Mita mentioned in her speech, one of the key strategies for the Company which I mentioned in the previous calls as well as certainly one of the priorities is to ensure value over volume. That's something which we have been doing. If you remember, you had asked this question two quarters ago also, and we had a conversation, discussion on the objective of the Company, prioritizing value over volume. I think as of now we are still continuing.

As regards to the market scenario, I guess this is a little bit of – in any case, monsoon months are weak demand months for industry, but this year specifically the monsoon quarter has been a little bit worse than the previous monsoon quarters, at least in the last six, seven years as seen in the industry. But certainly, as regards to our strategy of walking away from any market, so let me just clarify to you. Certainly, I think we will never walk away from a market, but it is not kind of participating aggressively in the market to ensure that we push volumes in this key market where the pricing is pretty low.

But then, if you really look at the market of Bihar, historical high Concreto sales happened in the H1 of this period. We are continuously increasing our premium product share in the East and as well as in the North, our Concreto, regular Concreto, Concreto Uno, the Duraguard Microfiber, these numbers are all kind of trending at historical high levels in terms of percentage. This quarter we had 43% premium product sale for the Company, which is the highest, at least in the last six, seven years I have seen the business. So, prioritizing value over volume is important. But in certain markets where the pricing is really bad, may be certain, West Bengal, one, two, three, there are certain markets where the freight cost is high, reach is expensive, and markets are inherently not that great, certainly we will not push volumes for the sake of pushing volumes.

Moderator: Thank you. Next question is from the line of Kunal Shah from DAM Capital. Please go ahead.

Kunal Shah: Sir, just one question on this value over volume strategy. Now, one thing that I am not able to understand is, given the dealer incentives are inherently volume-driven in this business, so for implementation of this strategy and pushing the premium products, we would be paying more commission to the dealers to offset for the volume loss, right, I mean?

Jayakumar Krishnaswamy: Yes, I guess, let us not get into all the nitty-gritties of the discount schemes for the Company, because I think that's something which we own very closely, how do we run schemes and plan schemes. But if you really look at the various schemes in the market, you have got monthly target, quarterly target, annual targets. The targets are all kind of based on overall volume link. But within the overall volume linked scheme, we also have some schemes based on direct dispatch, some schemes based on the level of premium sold. So, those things are all added benefits to the dealers. So, I guess, when we incentivize dealers to kind of on these lines, there is normally a tendency for the dealers to sell some of these more. Even the fact that the market itself is a little bit tepid so there is a little bit of added incentive for dealers to push premium or direct sale or SO dispatches. So, it is kind of helping them. So, that's how we kind of structure the scheme.

Kunal Shah: But just one or maybe just putting it the other way, so let's say selling these premium products, incurring more expenses on the costing, packaging, advertisement, dealer discounts, and taking some bit of hit on your potential operating leverage, what you are trying to say is we would still be making more absolute EBITDA versus volume-led strategy?

Jayakumar Krishnaswamy: Let's look at it in two parts. One is, when you push absolute volumes more, then I guess the overall absolute EBITDA which the Company will make will be dependent on the total amount of volumes which you sell. But the fact that the market is a little bit tepid, one of the things for us is, instead of participating in those markets where the contribution margin or the overall EBITDA is low, we prioritize pushing more premium in the more attractive market. And certainly, when we sell a Concreto or a Duraguard Microfiber or Concreto Uno, the contribution margin for these products vis-a-vis a normal product in the market is much, much more. And hence the realization and hence the EBITDA levels for the Company is better. That's one of the broad themes which we are working at this point of time.

But in any case, our brands are so strong, in a place like Bihar, we are selling more Concreto than ever before. In Rajasthan and Chhattisgarh, we are selling more Duraguard Microfibers than ever before actually, where Duraguard Microfiber and all are trending at close to about 17%, 18% numbers and Concreto is much higher. In fact, in Bihar, Concreto volumes are close to 75%, 80%. That's the kind of volumes we are able to push. And net-net, in states where we have a strong position on premium category, we end up getting more realization and better EBITDA margins.

Kunal Shah: And one last bit here, you mentioned twice on this market being tepid and that gives some bit of cushioning. But in your experience, I do not know how to put it, but does the market share loss sort of aggravate during inflationary times of cement pricing?

Jayakumar Krishnaswamy: I am not going to quantify what's the kind of share loss which is happening.

Kunal Shah: No, no, not from quantification, from a trend perspective is something that I wanted to understand.

Jayakumar Krishnaswamy: Yes, absolutely. I would certainly admit that in these times there is an option available for us to kind of go hammer and tongs in pushing volumes in market, thereby not giving up our space in the shell. But given the fact that overall market growth itself is negative to neutral at this point of time, and pricing power for industry is almost the lowest in the last five years in this quarter. So, it's a bit sensible to kind of play the premium game rather than to push volumes.

Kunal Shah: And just one last bit, in terms of this October pricing, because we are getting some sense that prices have actually declined in October in your eastern micro-market. So, could you please help us with how the trend is in October versus the September exit?

Jayakumar Krishnaswamy: A little bit of a next quarter, so for me to kind of tell anything about this quarter is not appropriate in this call. But suffice to say there has been an upward movement as well as a downward movement. So, it's kind of yoyo in it actually, literally there is no firm trend which is there which is kind of giving any great confidence to the industry that it will go one way up.

Moderator: Thank you. We will take our next question from the line of Shravan Shah from Dolat Capital. Please go ahead.

Shravan Shah: A couple of questions, ma'am. First, a couple of data points, lead distance for this quarter, trade share, and road/rail mix this quarter.

Jayakumar Krishnaswamy: Okay. Road/rail mix for Quarter 2 is, 60% road share and 40% rail share, second decimal first decimal some changes, but I am rounding out to 60:40. Lead distance, we are at 330 kilometers. We used to be 332 in Q1, two kilometers reduction in the overall lead distance. In terms of trade mix, it is somewhat lower in Q2 when compared to Q1. We are 71% trade mix as against the 73% in Q1.

Shravan Shah: Okay. And is it fair to say, let's say, when we say that our prices have declined just about 2.7%, so the non-trade prices would have declined much higher in Q2 versus the trade prices?

Jayakumar Krishnaswamy: The 2.7% is a blend of trade and non-trade. Then if you see, my trade share is 71%, non-trade share is 29%. So, we have got to find a way to do mathematical algorithm to get, obviously, 71% of trade less and 29% non-trade.

Shravan Shah: And then given that for 1H we have seen a 4.8% volume decline, so just wanted to understand the sense for second half, is it possible that we can still see the full year will be a negative on the volume front?

Jayakumar Krishnaswamy: Tough to say, but last year H2 was not very great for the industry as such actually. To that extent, I think the base number for, at least, Q3 and January and February was not that great for the industry last year. So, I am really looking at a 4% volume growth for the full year. So, we would get growth from November, post-Pooja, post-Chhath pooja and Dussehra. So, come November, till November 15 till March I guess there should be a home stretch for the industry and certainly for us as well.

Shravan Shah: So, that means more than a kind of 10% growth that we are looking at in the second half?

Jayakumar Krishnaswamy: Certainly, I am targeting a high single digit growth, only in the coming October end and till 15th of November we will get a good sense of whether there is a little bit of a shift in momentum in the overall offtake. As Mita mentioned in her speech, post the budget a lot of schemes were announced by the government, but they have not kicked-off on the ground as of now. But I am optimistic that once the Pooja is done, money has to flow into the market and construction will pick up and then overall the cement demand will also go up. Plus, the monsoon this year was a little bit severe, so that's something which has kind of adversely impacted. Some broad macro stuff, if you look at the states of Bengal, Bihar, Chhattisgarh, overall capital spend is not great, it has not gathered momentum, change of government has happened, but from now on things should improve. So, the overall demand uptake will also improve maybe November 15th onwards.

Shravan Shah: And on the capex front, so in the 1H we have done Rs. 220 odd crores, and we previously said Rs. 300 crores to Rs. 400 odd crores kind of a capex in the FY '25, and for Rs. 900 crores to Rs. 1,000 crores in FY '26. So, does that number hold?

Jayakumar Krishnaswamy: Absolutely holds good. We may even be shy of maybe Rs. 400 crores by 20 odd crores in H2. So, there are no new projects which are kicking off. The big projects are basically the GU in Haryana, or the railway siding in Sonadih, railway siding in Jajpur, and then the grid integration project as well as AFR. So, all of them are completed or more or less at the end of it. I am not picking up any new project now till March, and just waiting for this year to tide over so that we start our expansion Capex end of this fiscal, early next year.

Shravan Shah: And the net debt increase of Rs. 470 odd crores, obviously, it is a seasonality which has increased in the 1H, so by the end of this year do we expect that it will come back to normal kind of a 4,000 odd level?

Jayakumar Krishnaswamy: If you see September '21 we were 5718, September '22, 5283, September '23, 4734, September '24, 4501. This is year-on-year every quarter we are better off than the previous same quarter previous year. So, end of March certainly we will test this year March's number, so we are in a good position to reduce the debt.

Moderator: Thank you. We will take our next question from the line of Aditya Desarda from Motilal Oswal. Please go ahead.

Aditya Desarda: So, basically I just wanted to know what's the current net debt position?

Jayakumar Krishnaswamy: You are asking current net debt? Net debt as of September 30, 2024 is ~Rs 4500.

Aditya Desarda: Yes. So, as I mentioned, what is the Company's current Net Debt position? And how much progress has been made towards achieving the targeted debt reduction?

Jayakumar Krishnaswamy: Can you repeat the second part of your question, you said something after the Company's net debt. What was the second part?

Aditya Desarda: Like how much progress has been made toward achieving the targeted net debt position?

Jayakumar Krishnaswamy: Still not clear. How much what? Just repeat one more time little bit slowly. I did not pick up the second part of your question, please.

Aditya Desarda: Yes, I am asking, how much progress has been made towards achieving the targeted debt reduction?

Jayakumar Krishnaswamy: The current net debt for the Company end of September is Rs. 4,500 crores. And our stated objective is, we should pare the debt to Rs. 3,500 to Rs. 4,000 crores. And the view currently I have for our Company is, by the end of this fiscal we should be lower than last year's Rs. 4,030 crores. So, we should be thereabout say by end of this fiscal. And in the long term we are comfortable operating the Company at Rs. 3,500 to Rs. 4,000 crores.

Aditya Desarda: Okay. One more thing, how has the realization per ton changed over there in the last quarter?

Jayakumar Krishnaswamy: Our Q2 blended realization is Rs. 5,362 as against Rs. 5,513

Aditya Desarda: Okay. So, can you let me know what are the factors basically that contributed to these changes?

Jayakumar Krishnaswamy: I told you it's price.

Aditya Desarda: Okay, it was predominantly price

Jayakumar Krishnaswamy: In terms of cost line, we are equal to or better than many competitors on line by line of the cost side. Our fuel cost currently is trending at Rs. 1,046, which is one of the lowest in the industry. We reduced fuel cost by Rs. 30 from Q1. Our distribution cost came down by close to about 1% over Q1. In terms of other expenditure, the cost of materials consumed, we have come down by 2%. So, the cost line is well under control. As Mita mentioned in her speech, the Bridge agenda is certainly benefiting us. So, I am really looking for a price movement in the market in the positive direction. We will get the leverage going forward.

Moderator: Thank you. We will take our next question from the line of Rajesh Ravi from HDFC Securities. Please go ahead.

Rajesh Ravi: Sir, just wanted to check the North clinker expansion, what is the progress on that?

Jayakumar Krishnaswamy: Yes. Thanks, Rajesh. We did clinker expansion in two sites, one was in Risda, that's done and dusted, and we have the capability to take the clinker to 12,000 tons. And in Nimbol, which is in the North, we have taken the clinker expansion to 6,000 TPD. I think the report is that we have already touched 5,700 tons per day throughput. So, the clinker is under shutdown right now. Once the shutdown is done by, I think January, February, Q4 this year our target is to get to 6,000. Overall clinker capacity for the Company would be 28,000 tons clinker in East per day, and North 12,000, 9.5 million tons in East, and 4 million tons in North.

Rajesh Ravi: Was talking about the slag clinker Brownfield expansion in North, which you are planning to take up by 2026.

Jayakumar Krishnaswamy: Oh, okay, you are talking about the Brownfield expansion, okay. As informed in the previous call, I was looking at an expansion for the Company happening end of this fiscal or early part of next fiscal. So, the technical work is all happening currently, and then sometime end of this year, early next year, we should start our next expansion.

Rajesh Ravi: How much time will it take for the commissioning once you start the project?

Jayakumar Krishnaswamy: Okay. I am looking at close to about 18 months for the land to be commissioned.

Moderator: Thank you. We will take a follow-up question from the line of Shravan Shah from Dolat Capital. Please go ahead.

Shravan Shah: Ma'am, you have mentioned that we have seen a Rs. 50 cost reduction through the project Bridge in 2Q. So, this is Q-o-Quarter we are talking about and how much more further reduction we are looking at in the second half?

Madhumita Basu: So, Shravan, Bridge 2 Agenda, just to recall the major heads, we were looking at the grid integration project covered in my speech, slag cost reduction, distribution cost reduction. So, these projects are well on track against a budget of Rs. 50 per ton which we had shared earlier. H1, we are already trending at Rs. 50. We hope to see some upside on this figure. In H2, we should be looking at about Rs. 75 per ton, given the pace at which these various projects are moving.

Shravan Shah: And just to check this Chittorgarh expansion, so previously we have mentioned 2 to 2.5 MTPA clinker. And in terms of the grinding level, broadly it would be a 3.5 million ton, 4 million ton that one can look at. And broadly, in terms of the capex, it would be Rs. 1,500 crores to Rs. 2,000 crores kind of a capex?

Madhumita Basu: Yes, Shravan. No specific update over what we shared in the last call.

Moderator: Thank you. I would now like to hand the conference over to Ms. Madhumita Basu for closing comments, over to you.

Madhumita Basu: In conclusion, I would like to share that we are cautious about the demand outlook and pricing dynamics in the cement industry. While the Union Budget has announced an infrastructure investment of Rs. (+11) lakh crores, actual disbursement of funds and project execution on the ground remains a key monitorable. Despite these challenges, our strategic priorities will continue to focus on premiumization, geo-mix optimization, enhancing fuel mix efficiency, strengthening our brand, and maintaining focus on cost excellence. Our investor relations team will remain available for any further clarification required.

I take this opportunity to wish you all a happy Diwali and a prosperous New Year. Thank you for being with us today.

Moderator: Thank you, ma'am. On behalf of Nuvoco Vista Corporation Limited that concludes this conference. Thank you for joining us. And you may now disconnect your lines.