

NUVOCO VISTAS CORP. LTD.



Ref. No.: Sec/60/2023-24

August 10, 2023

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

Sub: Investor and Analyst Conference Call presentation for the quarter ended June 30, 2023

In furtherance of our letter no. Sec/55/2023-24 dated August 4, 2023 giving intimation of the Investor and Analyst Conference Call, please find enclosed the investor presentation on the performance of the Company for the quarter ended June 30, 2023, to be presented to Investors and Analysts on Friday, August 11, 2023.

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

We request you to take the above on record.

Thanking you,

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

Shruta Sanghavi
SVP and Company Secretary

Encl: a/a





Investor Presentation

First quarter ended June 30, 2023
August 10, 2023



Safe harbour clause



Statements in this ‘presentation’ describing the Company’s objectives, estimates, expectations or predictions may be “forward looking statements”. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company’s operations include Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in governmental regulations, tax regimes, economic developments within India and other factors such as litigation and labor negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement, due to any subsequent development, information or events, or otherwise.

Company overview

Nuvoco – A major player in building materials space



- ✓ 5th largest cement group in India and leading player in East India
- ✓ Installed cement capacity of 23.82 MMTPA and 50+ Ready-Mix Concrete plants
- ✓ Diverse product portfolio under Modern Building Materials
- ✓ Market leading brands with significant market share, reputation and brand recall
- ✓ Focused on retail with major revenue driven by a robust distribution network
- ✓ Strategically located production facilities in close proximity to raw materials and key markets



Vision

Building a Safer, Smarter and Sustainable World



Mission

Leading Building Material Company Delivering Superior Performance



Note: MMTPA - Million metric tons per annum



Q1 FY24 performance at a glance

Financial



₹ 2,805 Cr. ▲ 6% YoY

Revenue



₹ 402 Cr. ▲ 7% YoY

EBITDA



₹ 4,506 Cr. ▼ ₹ 841 Cr. YoY

Net debt

Operational



37% ▲ 3% YoY

Share of premium products in trade volumes - cement



73% ▲ 1% YoY

Trade Share



5 MMT ▲ 7% YoY

Cement sales volume

ESG



1.83 ▲ 0.5% YoY

Cement to clinker (c/k ratio)



11.2% ▲ 5.2% YoY

Alternate fuel rate



462 kg*

CO₂ emissions per ton of cementitious materials



Note: MMT - Million metric tons, *FY23 figures



Economy and industry



Macro indicators showcasing positive outlook



FY24 GDP is projected at 6.5% led by private consumption, public consumption and investments



Manufacturing PMI increased 6.4% YoY to 57.9 in Q1 FY24 indicating rise in economic activity



Annual consumer inflation eased to below 4.6% in Q1 FY24



Imported pet coke prices declined significantly QoQ in Q1 FY24



Crude oil prices remained stable QoQ in Q1 FY24



INR/ US\$ remained stable QoQ in Q1 FY24





Robust demand drivers in place



Infrastructure

- ✓ ₹ 8,000 Cr. for the Smart Cities Mission and ₹ 19,518 Cr. for metro projects allocated by the Government for FY24
- ✓ Road projects under Bharatmala Pariyojana
 - Phase 1 - 66% of the total 34,800 km targeted for award by FY24 to FY25*
 - Phase 2 - Tender for 5,000 km costing 3 lakh Cr. expected to begin within FY24

Housing

- ✓ Credit for housing sector is on the rise
- ✓ Housing demand remains strong with rapid urbanization, rising per capita income and nuclear families



Strong pre-election spend expected prior to Union & State Assembly elections scheduled in 2024



Source: Union budget announcement 2023-24,*CRISIL, news articles



Business update

New product launches



Cement

Extended 'Duraguard F2F' in West Bengal - a premium composite cement that strengthen the construction from foundation to finish



RMX

Specialized RMX Concrete solution meticulously designed for column construction

Artiste
FLOORING SOLUTIONS

RMX

Flooring solution which offers high abrasion resistance and a variety of color options when used with floor hardener



Growth projects on track

Cement expansion at Haryana

1.2 MMTPA is on schedule for commissioning in Sep' 23, which will take the Company's cement capacity to 25 MMTPA



Debottlenecking projects at Nimbol and Risda

Completed at Risda. Nimbol to go on stream by Sep' 23



Railway sidings at Odisha and Sonadih

Track laying activity is proceeding as planned; operations to commence from Q4 FY24



Note: MMTPA - Million metric tons per annum





RMX and MBM businesses provide additional lever for growth



Ready-Mix Concrete (RMX)

- ✓ Commissioned 3 RMX plants in Q1 FY24. Currently, 54 operational plants across India
- ✓ Continuous thrust to improve premiumisation - value added product mix at 34% of total sales volume in Q1 FY24 vs 25% in Q1 FY23



Modern Building Materials (MBM)

- ✓ Construction chemicals and tile adhesive segments continue to witness sales improvement



New RMX plant at Coimbatore





Awards and recognitions showcasing our achievements



Chittor Cement Plant (CCP) won the Golden Peacock Award for “Best Energy Efficient Plant” in the cement sector



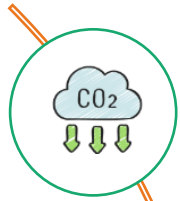
RMX team won the award for "Driving End-to-End Demand Supply Planning Transformation with IBP in Ready Mix Concrete Business“



Sustainability and CSR



Sustainability – an integral part of Nuvoco’s business strategy



One of the lowest carbon footprint in the industry with carbon emission at **462* kg CO₂ per ton** of cementitious materials



70,000+ ton of waste utilized as fuel in plants under circular economy initiative



Commissioned AFR fuel feeding system at Nimbol cement plant to raise the consumption of alternate fuel

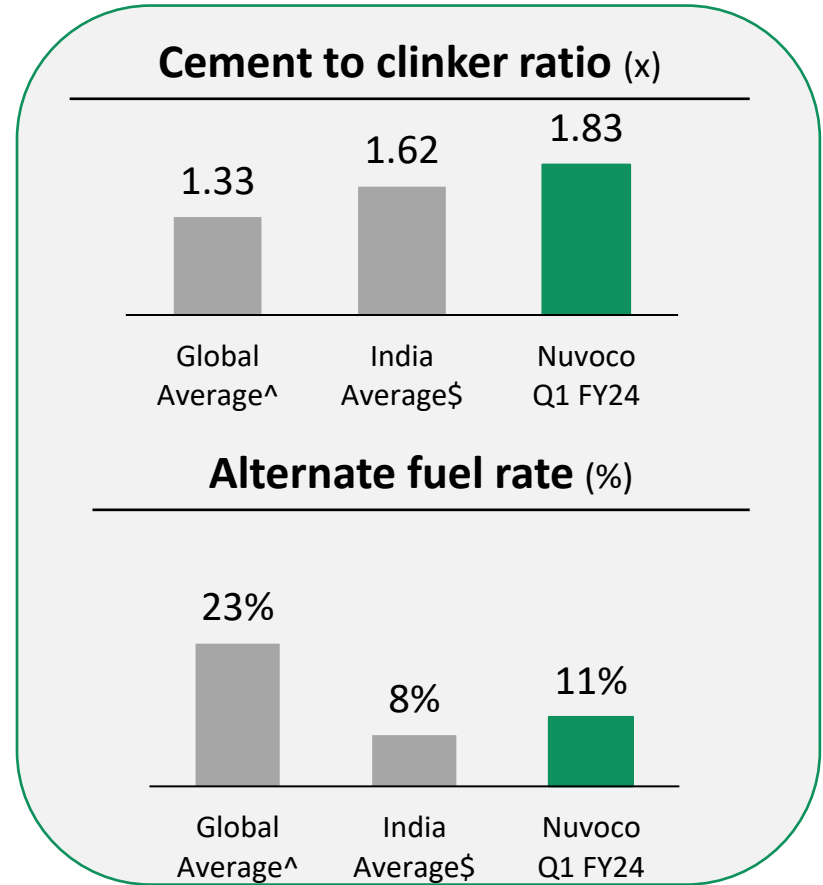


~4% QoQ reduction in freshwater consumption[#]



Planted **5,000+ saplings** in Q1 FY24 through native plantation

Sustainability agenda **PROTECT OUR PLANET**



Note: [^] average of top 5 Global peers - FY21
^{\$} average of top 5 Indian peers - FY23



Note: *FY23 figure, #Litre per ton of cementitious material



Touching lives of communities through CSR activities



Shikshit Bharat

Samarth scholarship distribution program for the Class 10th passed students



Swastha Bharat

Mobile medical van launched with the objective of providing primary health services to the rural population



Saksham Bharat

Stitching training on promotional items made of cotton and jute organized across locations



Sangrahit Bharat

Pond deepening activities were carried out across various villages, which increased the harvesting capacity by ~194 lakh litres



Sanrachit Bharat

Renovation of anganwadi center near Nimbol & construction of community hall at Sonadih village



Key financials



Positive outlook on demand to ensure stability in prices



	Market	Prices	Cost
Q1 FY24	<ul style="list-style-type: none"> ✓ Cement demand in East and North witnessed strong growth on YoY basis ✓ Demand was primarily driven by government initiatives in the infrastructure and housing segments 	<ul style="list-style-type: none"> ✓ East cement prices were on a decline till the mid of the quarter which eventually started recovering as the quarter progressed ✓ Pan-India prices marginally reduced by 0.7% QoQ* 	<ul style="list-style-type: none"> ✓ Reduction in Power & fuel cost on account of softening in pet coke and coal prices ✓ Raw material cost have increased led by rise in slag prices
Near-term outlook	<ul style="list-style-type: none"> ✓ Cement demand to moderate in near-term with the onset of monsoon ✓ Expected improvement in construction activities post-monsoon coupled with pre-election spending by the government to support demand 	<ul style="list-style-type: none"> ✓ Positive outlook on demand augurs well for stability in prices 	<ul style="list-style-type: none"> ✓ Near-term margins expected to be favourable due to consumption of low-cost pet coke and coal inventory ✓ Volatility in pet coke prices and increasing demand for slag expected to create uncertain outlook for cost



Source: *CRISIL



Key consolidated financial indicators

	Cement volumes (MMT)	Revenue (₹ Cr.)	EBITDA (₹ Cr.)
Q1 FY24	5.0	2,805	402
Q1 FY23	4.7	2,652	374

Note: MMT - Million metric tons



Key cement cost elements in Q1 FY24

Raw material cost

636

(₹/ton)

Increased by 13% YoY

Power and fuel cost

1,219

(₹/ton)

Decreased by 10% YoY and
12% QoQ

Distribution cost

1,575

(₹/ton)

Increased by 4% YoY

✓ Primarily impacted by rising prices of slag

✓ Softening in coal and pet coke prices coupled with higher usage of linkage coal and improvement in alternate fuel consumption

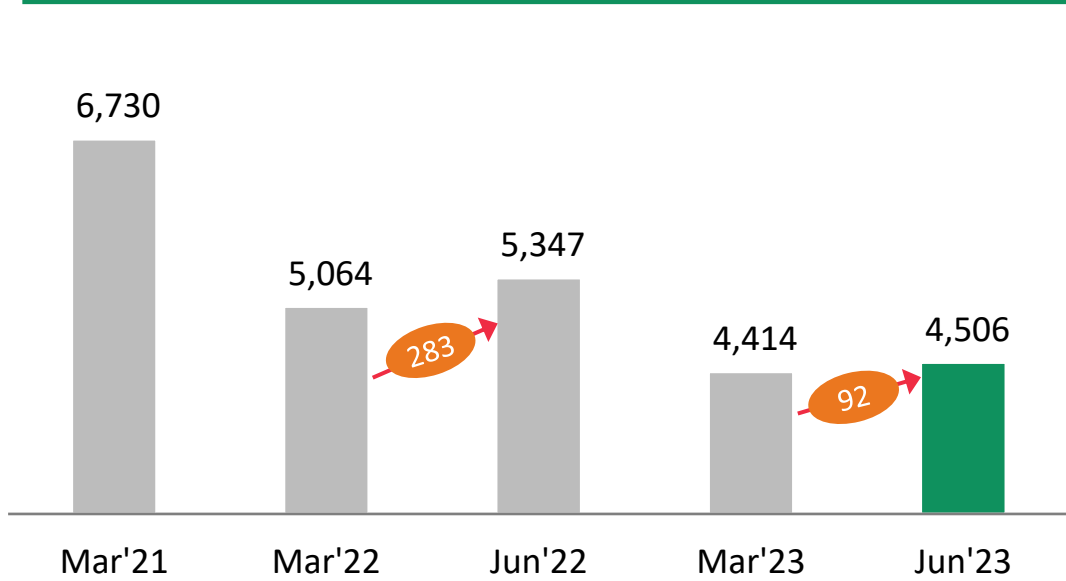
✓ Primarily impacted by busy season surcharge on rail freight

Note: Cement cost elements are calculated after adjusting the costs impact of 'Changes in inventories of finished goods, work-in-progress and stock-in-trade' by each cost heads



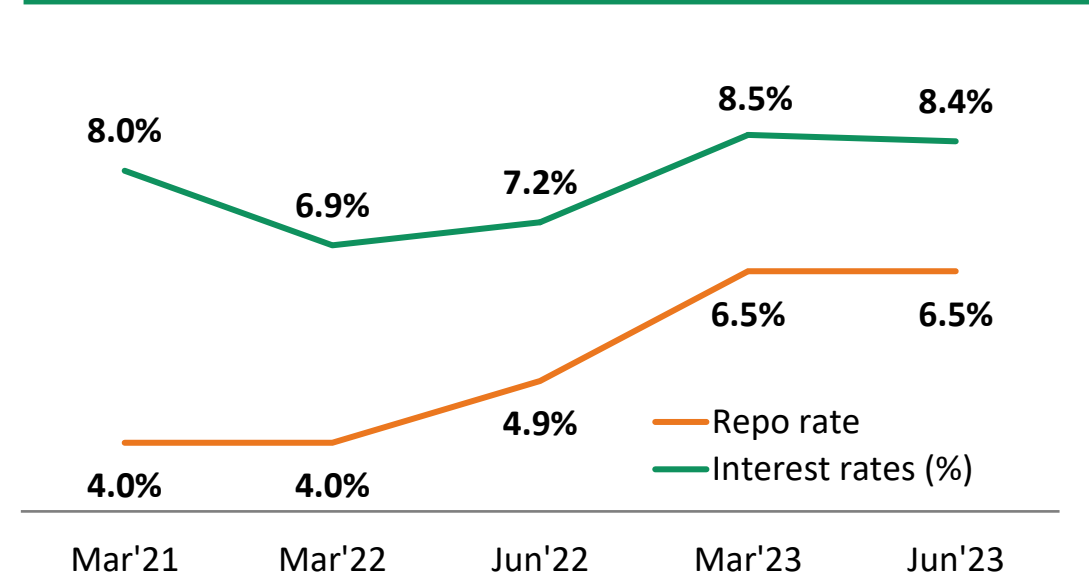
Net debt reduction remains a top priority

Net debt (₹ Cr.)



✓ Net debt up QoQ mainly due to working capital requirement and seasonality of the business

Nuvoco's interest rate vs. repo rate



✓ Interest rate reduced by 9 bps QoQ despite repo rate remaining the same



Note: Interest and repo rates as at the end of the month



Consolidated income statement

(₹ Cr.)	Q1 FY23	Q4 FY23	Q1 FY24
Total Income	2,657	2,931	2,815
Cost of materials consumed	436	433	487
Purchase of stock in trade	12	11	11
Changes in inventories	(133)	187	(44)
Power and fuel	710	612	622
Freight and forwarding charges	736	794	819
Employee benefits expense	154	157	174
Other expenses	368	354	344
EBITDA	374	383	402

EBITDA improved by 7% YoY mainly driven by softening in energy prices



Summary

- ✓ Cement demand to remain strong in FY24 led by Government continuous thrust on infrastructure
- ✓ The company will remain focused on improving cement to clinker ratio, increasing share of premium products, cost mitigating measures and continuous innovation
- ✓ Timely completion of planned capex
- ✓ Focus on ramping up number of RMX plants with back-to-back commissioning of 3 plants in Q1 FY24



Sonadih Cement Plant



Thank you

Nuvoco Vistas Corporation Ltd.

Corporate Identity Number: L26940MH1999PLC118229

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