

# NUVOCO VISTAS CORP. LTD.



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

August 10, 2023

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



**Nuvoco Vistas Corp. Ltd.**

Registered Office: Equinox Business Park, Tower-3, East Wing, 4th Floor, Off. Bandra Kurla Complex, LBS Road, Kurla (West), Mumbai 400070  
Tel: +91 (0) 22 67692500 / +91 (0) 22 67692525 | Fax: +91 (0) 22 67692572 | Website: [www.nuvoco.com](http://www.nuvoco.com) | CIN-L26940MH1999PLC118229



# 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

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# Nuvoco – A major player in building materials space



- ✓ 5<sup>th</sup> 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





# Economy and industry

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# 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



Source: Reserve Bank of India, Mospi







# 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

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# 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"

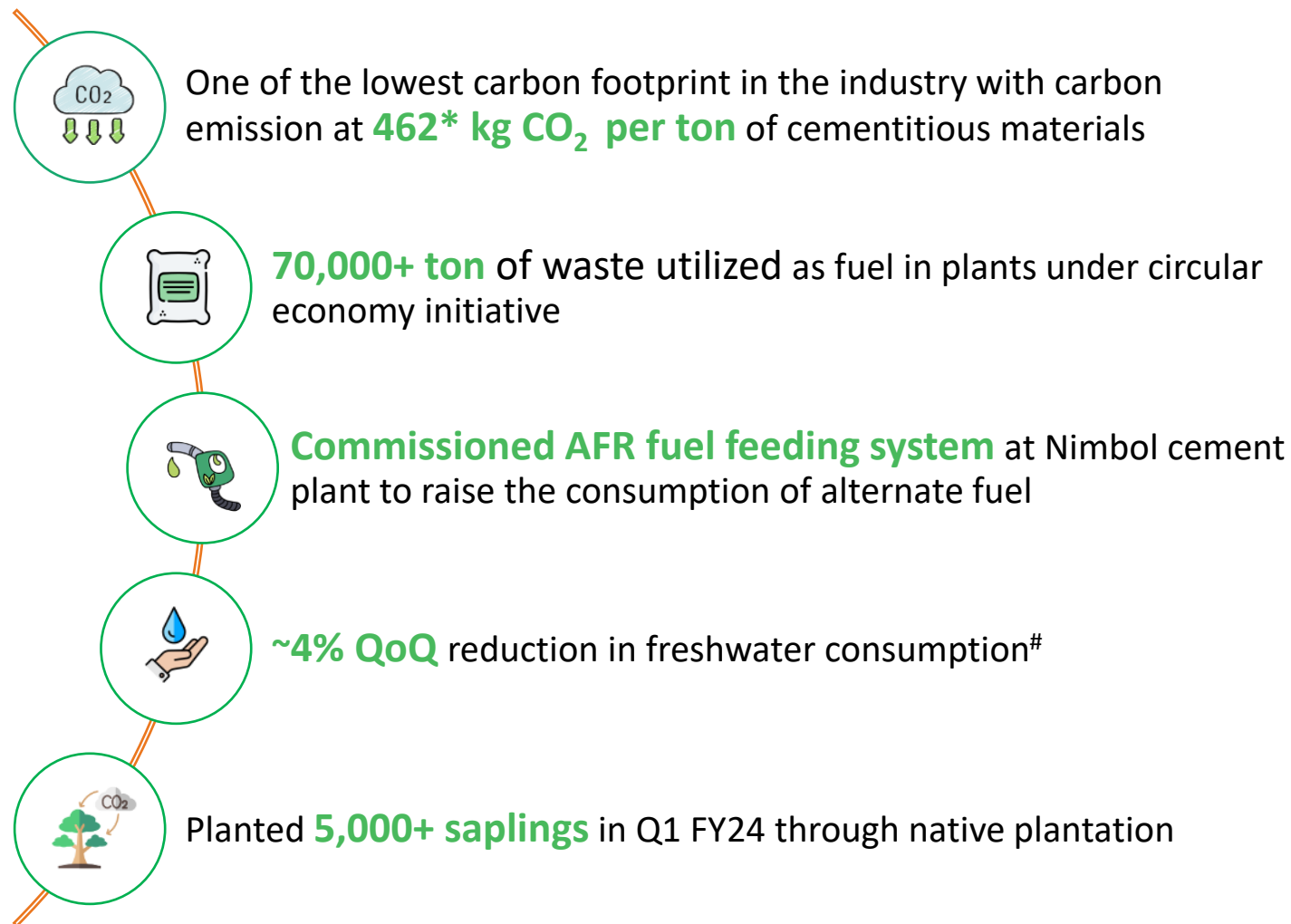


# Sustainability and CSR

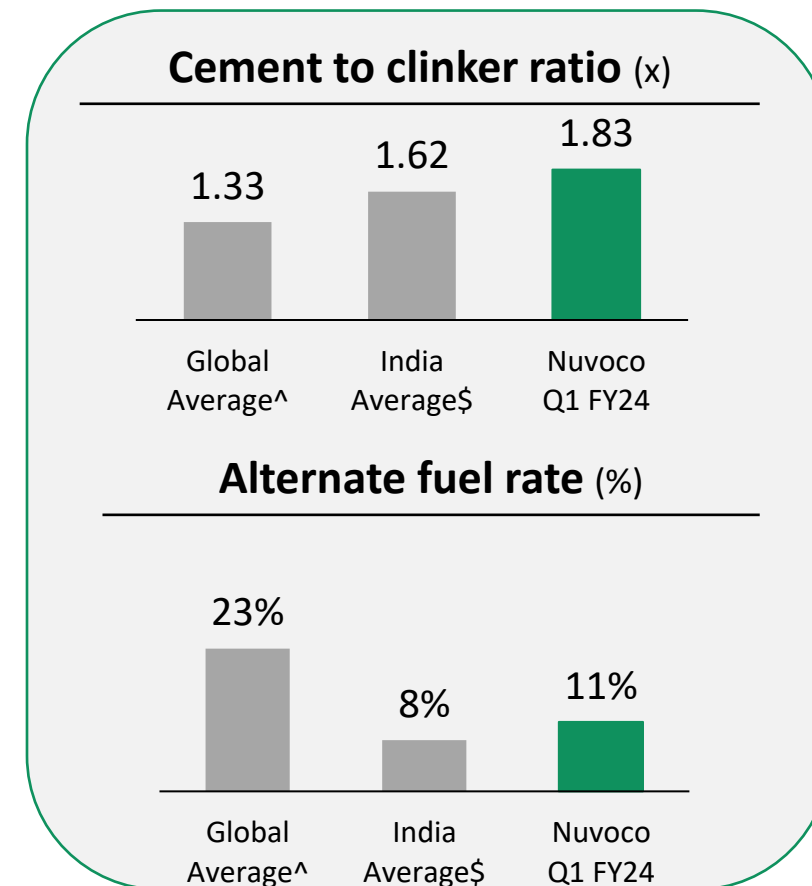
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# Sustainability – an integral part of Nuvoco's business strategy



## Sustainability agenda PROTECT OUR PLANET



Note: <sup>^</sup> average of top 5 Global peers - FY21  
<sup>\$</sup> 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 10<sup>th</sup> 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

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# Positive outlook on demand to ensure stability in prices



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



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

- ✓ Primarily impacted by rising prices of slag

## Power and fuel cost

**1,219**

(₹/ton)

Decreased by 10% YoY and  
12% QoQ

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

## Distribution cost

**1,575**

(₹/ton)

Increased by 4% YoY

- ✓ 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.)

Nuvoco's interest rate vs. repo rate



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





# Consolidated income statement

(₹ Cr.)	Q1 FY23	Q4 FY23	Q1 FY24
<b>Total Income</b>	<b>2,657</b>	<b>2,931</b>	<b>2,815</b>
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
<b>EBITDA</b>	<b>374</b>	<b>383</b>	<b>402</b>

**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

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## **Nuvoco Vistas Corporation Ltd.**

**Corporate Identity Number:** L26940MH1999PLC118229

**Registered and Corporate Office:** Equinox Business Park, Tower 3, East Wing, 4th Floor, LBS Marg, Kurla (West), Mumbai - 400 070, Maharashtra, India; Website: [www.nuvoco.com](http://www.nuvoco.com)

### **Company Contacts**

Madhumita Basu; Email: [investor.relations@nuvoco.com](mailto:investor.relations@nuvoco.com)

Bishnu Sharma; Email: [bishnu.sharma@nuvoco.com](mailto:bishnu.sharma@nuvoco.com)

Hari Gupta; Email: [hari.gupta@nuvoco.com](mailto:hari.gupta@nuvoco.com)