

Ref. No.: Sec/120/2026-27

October 29, 2026

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, 2026

Further to our letter no. Sec/109/2026-27 dated October 9, 2026, letter no. Sec/116/2026-27 dated October 22, 2026 and letter no. Sec/117/2026-27 dated October 23, 2026, please find enclosed the transcript of the Investor and Analyst Conference Call held on Friday, October 23, 2026 on the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2026.

The same 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
JATIN
SANGHAVI

Digitally signed by
SHRUTA JATIN
SANGHAVI
Date: 2026.10.29
13:52:09 +05'30'

Shruta Sanghavi
SVP and Company Secretary



Encl: a/a



“Nuvoco Vistas Corporation Limited
Q2 FY27 Earnings Conference Call”

October 23, 2026



**MANAGEMENT: MR. JAYAKUMAR KRISHNASWAMY – MANAGING
DIRECTOR – NUVOCO VISTAS CORPORATION LIMITED
MR. MANEESH AGARWAL – CHIEF FINANCIAL
OFFICER – NUVOCO VISTAS CORPORATION LIMITED
MR. BISHNU SHARMA – HEAD OF INVESTOR
RELATIONS – NUVOCO VISTAS CORPORATION
LIMITED**

Moderator: Good day, and welcome to the Q2 FY27 Earnings Conference Call hosted by Nuvoco Vistas Corporation Limited. As a reminder, all participant 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 star, then zero on your touchtone phone.

I now hand the conference over to Mr. Bishnu Sharma, Head of Investor Relations from Nuvoco. Thank you, and over to you.

Bishnu Sharma: Thank you, Yashashri. Good afternoon, everyone and a warm welcome to the Nuvoco Vistas earnings conference call for the quarter ended September 30th, 2026. Before we begin, just wanted to state what we have achieved over the past decade.

So, this year, we have completed 10 years in the cement business. What began in 2014 with a single manufacturing operation at Nimbol with a 2.3 million tons of cement capacity has evolved into a diversified building materials company spanning cement, ready-mix concrete, and modern building materials.

October 2016 marked a defining inflection point with the completion of the acquisition of Lafarge. This was followed by the acquisition of Emami Cement in 2020 during the COVID-19 period, which also opened a new phase of growth. The growth agenda was further strengthened with the acquisition of Vadraj Cement Limited.

Today, Nuvoco has a diversified manufacturing presence across the East, North and West and is well-positioned to reach 35 million tons of cement capacity by FY28, representing nearly 15-times growth over the past decade. The journey reflects the commitment of our teams and continued trust of our customers, channel partners and shareholders.

Looking ahead, the journey continues and we have multiple options for growth, including expansion at Gulbarga and in the North. At the same time, we continue to build up strategic limestone resources, which will give us the raw material security to support sustained growth over the long term.

Before we open the floor for questions, I'd like to take you through the key developments of the quarter and how the business performed.

Let me begin with the operating environment, which was challenging. The Middle East conflict which towards the end of Q1 and the beginning of Q2 appeared to be settling, escalated once again. This led to a sharp jump in the input prices, including petcoke, coal, granules, gypsum, etc. Petcoke prices, in particular, surpassed the previous peaks we witnessed between March and April.

The pressure was not limited to the global front. Domestically, intense and erratic rainfall, especially in the East, brought thermal coal inventories at several power plants across the country to critical levels. As a result, coal supply was prioritized for the power sector. A consequence of

this was also reduced rake availability, which disrupted the supply chain and also led to the surge in domestic prices of e-auction coal. A brief trend of this is also being presented in our investor presentation.

On the demand side, all-India cement demand grew during the quarter, but regional trends varied. The monsoon disrupted construction activity, particularly in the East, while regions with relatively lower rainfall saw better demand. On the other hand, prices did not improve in line with expectations.

In short, it was a challenging quarter. Despite these macro challenges, the company delivered a resilient performance. Volume grew by 9% YoY. Revenue grew by approximately 14% and EBITDA grew by 11% on a YoY basis. Our strategic levers of premiumization and geo-mix supported this performance. Premiumization reached a historic high of 45%, whereas trade mix remained at 75%.

On the project progress on Vadraj Cement Limited, the 2 million tons grinding unit at Limla cement plant in Surat was commissioned during the quarter. The addition not only strengthens Nuvoco's manufacturing and distribution presence in Western India but will enable the company to release much-needed capacity at Rajasthan plant for the northern market.

At Kutch, project activities are progressing as planned, with phased operationalization planned from Q3 FY27. The construction of bulk cement terminal at Viramgam, Sachana, which will be equipped with a dedicated railway siding, is also on track. It will serve as a strategic distribution hub to deepen Nuvoco's presence and expand its reach across the Gujarat market.

During the quarter, the company also executed agreement with CleanMax for a 46.4-megawatt wind-solar hybrid renewable energy project in Rajasthan. Once operational, the project is expected to generate approximately 100 million units of renewable electricity annually and deliver long-term cost certainty by reducing dependence on conventional power sources, thereby strengthening the company's energy mix and improving long-term cost efficiency across the Rajasthan operations.

As we enter the upcoming quarters, we expect demand to remain healthy as monsoon conditions have receded in most regions. The company remains focused on delivering growth, and we'll continue to be watchful of the geopolitical developments.

With that, I'd like to open the floor for questions. Operator, please go ahead.

Moderator:

Thank you very much. We will now begin the question-and-answer session. We'll take our first question from the line of Navin Sahadeo from ICICI Securities. Please go ahead.

Navin Sahadeo:

Yes. Good afternoon, everyone, and thank you for the opportunity. So, I had two questions, but they are more on the cost front. So, I'm referring to your Slide number 11, wherein we are highlighting petcoke prices going up to almost \$187 and more importantly, the premiums in Coal India across all the subsidiaries more than doubling or going much higher in some cases.

So, my first question is, what was our average fuel cost in Q2? I believe in Q1, we were given a number of 1.52. So, against that, what was the cost in Q2? And at the current spot rates that which we are all worried about, which is \$187 and the premiums along, what will that transpire to on spot basis? I understand inventory comes with a lag, but just to get an impact on a upper end of the spectrum?

Jayakumar Krishnaswamy: Okay. Thanks. I guess first of all, again, just want to proudly inform the 10th anniversary of Nuvoco. So, literally “10 Saal Bemisal”, 10 years for the company from a single plant to now 12 plants and two more in the offing. And I think we are committed to growing this business and contributing to the growth of the country's infrastructure and housing requirements in the many decades going forward. And we are singularly poised to be a significant player in this category in the coming years.

Coming to the question, you had asked what has been our fuel cost from Q1 to Q2. So, when we did the Q1 earnings call, I had mentioned our fuel costs in Q1 came at INR1.52 per million kcal, translating to INR 1,005 per ton as energy cost for the company.

And what happened in Q2 is this INR1.52 went, crept all the way up to INR1.59, and we came with energy cost of INR1,080 per ton, technically close to about INR80 increase in power and fuel cost for the company in Q2 over Q1.

As I also mentioned, as we mentioned in the investor's presentation about the petcoke prices, as we speak and also what could be the petcoke prices going forward, currently petcoke prices spot prices available at \$190 and the current view is going forward, it may even cross \$200 per ton. So, if we have to translate the \$180 and \$187 and \$200 excess of \$200 per ton, the rupees per million kcal will at \$180 and the fuel mix with Nuvoco uses is blended.

Whatever fuel we use, AFR, domestic coal, open market coal, and petcoke, our rupees per million kcal fuel cost in Q3 will come to INR1.8 as against INR1.59 in Q2. So, there will be an increase of INR0.21 per million kcal in fuel, which will come in Q3 versus Q2, and that would translate to approximately INR70 to INR80 increase in energy cost in Q3 versus Q2.

As we speak, we also have to cover fuel for Q4. But one of the good things which our teams have done is we have gone ahead and bought -- we've been continuously buying petcoke in the last few months and as we speak as well, so that we have adequate petcoke coverage for the company in Q3 at this rate of 1.8.

Otherwise, if we were to buy at \$187 or \$190, this \$180 will already cross about INR2.50, and if petcoke prices were to go to \$215, the cost will go to INR3 per million KCal. It will be a phenomenal increase, but we are in a pretty comfortable position. All this quarter, we have petcoke, which petcoke and the rest of the fuel which will come to only 1.8, an increase of about INR70, INR80 per ton.

Whatever fuel which you are booking for Q4, again, we have coverage for the months of January until middle of February. The high-cost petcoke will come and hit us sometime in March. So, the full impact of the \$200 per ton petcoke will come and hit only in March next year. So, we are adequately covered for these three months and also a month and a half in Q4. So, to sum up,

Q1, rupees per million kCal was 1.52. Q2, it came at 1.59. Delta energy costs about INR90. Q3, it will come at 1.8. Delta energy cost will be INR70 to INR80 more than Q2.

Navin Sahadeo: Yes, thank you. Just a clarification that this 1.8 that you are mentioning for Q3 also factors in the surge in premiums for Coal India coal and all of that, right?

Jayakumar Krishnaswamy: Yes. Look, coal comes under premium is when -- Coal India has also come up with auctions for domestic coal. So, what the curve which you're shown is the auction rates which are currently trending. An auction came up for 5 lakh tons about 2 weeks ago, and that was the price which we have indicated.

But however, we are doing many spot buyings and inventory coverage and also some of the linkage coals which we have, which was a little bit of a challenge to procure in Q2 because of the reasons of power plant needs for coal.

Things are slightly easing in the eastern front, and couple of the coal mines which we have linkage coal, we expect to get coal from middle of -- early part of November onwards. All this put together doing conservative local coal and managing the petcoke and domestic coal mix, as well as judicious use of AFR, 1.8 is the number which we will get in Q3 versus Q2.

Moderator: Thank you. Navin, I request you to join back the queue, please. We'll take our next question from the line of Pinakin from HSBC. Please go ahead.

Pinakin: Yes. Thank you very much, sir. Sir, just continuing from the first question. So, the energy cost will be around INR70 to INR80 per ton higher Q-on-Q, but you should have benefits of higher volumes, operating deleverage, maybe some cost deflation in packaging. So, overall, how do you see cost trend in Q3 versus Q2?

Jayakumar Krishnaswamy: Okay. I think I'll just give you a complete picture because I can't give a piecemeal because number of such questions will come. So, I will try and answer the entire cost question that can come in one bucket. First of all, with the cost line in Q2 versus Q1 came up with the following negative number. One is adverse numbers, which I meant. Power and fuel cost was expensive in Q2 versus Q1 by close to about INR90.

Raw material, which constitutes fly ash, gypsum, clinker, slag, as well as in our case, because of shutdowns in northern kilns, as well as kilns in Risda, we also had to do some open-market purchase of clinker. That came as a negative of about INR60. Packing bags in Q2 versus Q1 with increase in granule prices, the early part, came at about INR10. So, net-net, we have cost inflation Q2 versus Q1 close to about INR180, INR190.

In comparison to that, in Q2, I'll first talk about the cost line. Power and fuel will come with a delta INR70 to INR80 more than Q2. Raw material, I think all our shutdowns are done and then rake availability is also improved in the last two weeks, and hence, this raw material cost in Q3 versus Q2 will be negligible about INR10.

So, that should not be a major stuff, unless and until we have to get some imported mineral gypsum from Oman, so that could be only it. Other than that, I think slag and fly ash, there could

be small market fluctuations. Maybe INR10 is what I'm kind of looking at. The one thing which will come slightly again cascading effect in Q3 versus Q2 is packing bags.

With volumes coming in and with LPP bags consumption going up and also granule prices in the market have got upward revised twice or thrice in the last one month. Here I'm looking at an INR20 increase per ton of cement through packing bags stuff. And in Q2, we had a busy season surcharge waiver that will come back in Q3, that should be a negative INR10.

Net-net, I'm looking at a cost inflation of Q3 versus Q2 about INR100 to INR120. And how do we plan to kind of offset all of it? Because the most important thing is while I will say what are the cost stuff, but as you mentioned, the fixed cost leverage, which was a case in Q2, will become almost zeroed or a positive in Q3 because our volumes will increase when compared to Q2, and we get some benefit of fixed cost.

But the most important thing is the agenda of price increase, which we are embarked on. Our price increase, our realization increase will be based on three levers, which was the case in Q2, it was the case in Q1, and it's going to be the case in Q3 as well. The first thing I want to inform the call is we have taken a price increase somewhat after 15th of September, where non-trade prices went up by about INR20 -- INR20, INR25 more in North.

Trade had corrections of INR5 to INR7 in the North markets in the second half of September. But in October, we already have a INR20 price increase in non-trade in North and non-trade in East, and also another INR20 price increase in trade prices in East. So, the average INR20 price increase should totally defray the cost increase, and we'll have a delta benefit in realization in Q3 versus Q2.

Pinakin: Thank you.

Moderator: Thank you. Next question is from the line of Siddharth Mehrotra from Kotak Securities. Please go ahead.

Siddharth Mehrotra: Thank you for the opportunity. Sir, given the fact that our Surat plant is now operational, could you just tell us what is the capacity utilization level of this plant right now, and what sort of run rate do we anticipate maybe say one or two quarters down the line?

Jayakumar Krishnaswamy: It's a little bit of premature for me to say capacity utilization of Surat because the baby has started walking. While we are very proud that we commissioned the plant in Q2 and September, we rolled the start and the volume started getting into the market. As we speak, yesterday was milestone day for us, where we churned out 3,500 tons of cement in one single day, which is the highest ever production, has a capacity of close to about 5,500 tons per day.

We have done 3,600 yesterday, so obviously, all of it will go to the market. But as I mentioned in my previous call, our target is in Q4 of this year, we will get into 2-million-ton annualized volume in Gujarat. We're currently about 1.5 million ton annualized, so excess volume will be available in the market in Q4.

And since Kutch grinding will not be available in Q4, all the incremental 0.5 million annualized volume will come from Surat blending unit only in Gujarat. So, I am looking at close to about 50%, 60% capacity utilization in Q4 of this year, and next year, it will reach about 70%, 75% capacity utilization.

Siddharth Mehrotra: Sir, just a clarification question. 0.5 MTPA run rate in 4Q from the Surat plant, did I hear that correctly?

Jayakumar Krishnaswamy: Yes.

Siddharth Mehrotra: Okay, but our capacity is 2 MTPA, so 0.5 MTPA implies almost 100% utilization?

Jayakumar Krishnaswamy: Yes, I can run, but I have to supply this, sell it in the market as well, so it's kind of a dual phenomenon because I'll have to introduce my product in western Maharashtra, which will happen. And as you -- I was anyway -- I would have mentioned about this going forward as well. Clinker will come from Kutch only by end of Q3. So, till such time, I'll have to get clinker from rest of India into that place, it becomes an expensive proposition.

So, we really have to -- we are not kind of going aggressive in the market. But once Kutch unit starts manufacturing, that's when clinker surplus will be the clinker availability of clinker will be there, and we will go -- when I say 0.5, it is incremental 0.5 over already 1.5 which I'm selling in Gujarat. And then even that 1.5 which is I'm selling in Gujarat will also come from Kutch, and rest of all the capacity which gets released from my Rajasthan plant will be there to fuel my growth in North India.

So, season will peak in Q3 and Q4 in North India. And if I had not had Surat, I would have been sold out condition then. Hence, my entire sale would have got impacted based on capacity non-availability. So, I will have a capacity release of close to about a million tons of cement in North from Q4 onwards.

So, that volume will be used to sell in North. So, it has to be looked at in both ways. How much incremental sale I get in North, and how much incremental sale I get out of Surat in Gujarat. Overall, we are looking at as a company, from the current run rate of 1.5 annualized tons per annualized volume, we'll go to 2 million tons in Q4 this year.

Siddharth Mehrotra: Understood, sir. Secondly, sir, on our East debottlenecking projects, it seems that is not the primary focus for us, at least this year. So, could you maybe tell us what sort of timelines we are looking at in terms of different projects?

Jayakumar Krishnaswamy: Yes. One of the things which should have covered later in the Q&A, in the previous call and the call before, I had mentioned that we would our capex spend for this year would be close to about INR900-odd crores, and then the year next will be about INR900-odd crores considering the bulk of the money is going to go into Kutch rebuilding.

But what we have realized is our teams, project teams in Gujarat are doing a fantastic job in bringing up the asset. So, I'm kind of front-ending some of the expenditure for Kutch, Surat, and Viramgam bulking terminal this year itself. And in H1 of this year, as against the original plan

of about INR450 crores, INR460 crores of capex spend, we have gone ahead and spent about INR780 crores.

And the balance of 5 months put together, we're looking at an INR1,200-crores capex in the company, out of which INR1,000 crores will be for Vadraj, INR50 crores for Viramgam, and balance for the running operations. So, it will be front ending the capex, and the balance capex for Vadraj will happen next year to complete the project.

In this bargain, we took a conscious call to slightly delay the East expansion from Q3, Q4 FY27 to Q1, Q2 FY28. So, it's just timing and a sequencing issue, however very much it is there.

Right now, in FY28 H1, I don't need any additional capacity in East to feed the market, hence we have taken a conscious call to prioritize Vadraj first and slightly move the East by 6 to 8 months just to manage the cash flow and the bandwidth for the company to focus on Vadraj Cement, because that is going to be a big-ticket agenda for the company's in since we invested quite a bit of money to acquire the company and rebuild the factories.

Siddharth Mehrotra: Thank you.

Moderator: Next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

Shravan Shah: Hi, sir. So, sir, this year as you said the INR1,200 crores capex will be there, so next year FY28, will it be a kind of INR650 crores, INR700 crores kind of a capex?

Jayakumar Krishnaswamy: No. Let me just give the details. FY27 H1, we ended up spending INR780 crores, and balance 5 months, we will do about INR420 crores, and FY27 full year, we will spend INR1,200 crores. And next year, we are looking at INR800 crores to INR900 crores as a capex outlay including which includes about INR800 crores for Kutch, Surat, and Sachana, East debottlenecking, as well as the capex for the existing plant. So, I'm looking at INR1,200 crores this year, anywhere between INR800 crores to INR900 crores next year. Net-net, 2 years put together, we're looking at a range of 2,000 to 2,100.

Shravan Shah: Okay. Got it. Second, sir, you have clearly articulated in terms of the INR100 to INR120 kind of a Q-o-Q increase in cost in third quarter, and in terms of the pricing, INR20-odd kind of a price increase likely to be there in the third quarter. So, net-net kind of a we are looking at INR70, INR80 kind of a if the prices remain the same and the cost remains the same, kind of a Q-o-Q improvement in the profitability.

Jayakumar Krishnaswamy: Yes, I will answer it -- obviously, I'll just restate what I said. One is the cost numbers which I indicated, by and large, we are fairly close to the actual numbers that will happen because we have adequate fuel stocks, and rest of the contracts are all lined up, and this is the kind of cost inflation I'm looking at Q3.

We are all well into October 20, and then this is the kind of outlook I have for the balance 2 months. Price increases which we have taken in the first in October 1st as well as the late September price increase in some markets and early October and mid-October price increases

in East market, this kind of numbers, I'm assuming will stick because post-Diwali, demand will open up, and there will be sufficient pull in the market.

And I'm hoping the prices price corrections which we have done will stay put in the balance two and a half months. So, if the price correction stay put and the cost time more or less certain with INR100 to INR120, there will be an improvement in the overall profitability.

Shravan Shah:

Great. Lastly, sir, on the net debt front, though it has increased to INR5,000 crores, INR1,600-odd crores. So, how now and then we have slightly up -- in terms of the capex has also increased for this year. So, how do we see this debt for this year and maybe next year? What's the broader thought there?

Jayakumar Krishnaswamy: Shravan, I will very clearly say that as a management and as I've been attending these calls for few years now, our stated position has been that we will we are comfortable anywhere between INR3,500 crores to INR4,000 crores, and our commitment is to find a way to get the net debt about two times EBITDA.

And you would remember recall when we did the Vadraj acquisition, our company's net debt had already reached about INR3,500 crores, and that's when we made the next biggest big investments. And that is how the overall debt level for the company in March went to about INR4,500-odd crores.

As we speak in this for September end, we have crossed INR5,000 crores. Largely, this ~INR500-odd crores has happened due to two reasons. One is I mentioned in my call about the petcoke stocking, and the overall cost of petcoke has also increased, and hence, it is a value impact as well as the volume impact, which has resulted in a working capital increase of close to about INR200 crores for the company.

In addition to that, capex spends, as I mentioned, as against INR900 crores, I will as against INR450 crores in H1, I've ended about spending INR780 crores. These two combinations have taken the net debt to about INR5,000 crores.

When we come to H2, my working capital release will happen. Number two, my cash flows will increase because of higher volumes, and always and H2 is always collection and because various other schemes run in the market, my overall cash generation will big time improve in H2.

With the increase in business activity, cash generation, and capex, which I assumed it will be 480 will be slightly 500 will be less in the next 4 months, and also the working capital release, our net debt should be touching in the same range as what it was March last year by end of this year.

And in the -- when I say in the short to medium-term, which is 4 to 6 quarters, our net debt will always hover between 2x to 2.5x. And once Vadraj volumes get absorbed in the market and we scale up Vadraj Cement, our net debt numbers will go back to our committed numbers of less than 2x EBITDA.

Shravan Shah:

Thank you.

Moderator: Next question is from the line of Tejas Pradhan from Citigroup. Please go ahead.

Tejas Pradhan: Yes. Hi, sir. On the cost bit, just a clarification. So, you mentioned that for third quarter...

Jayakumar Krishnaswamy: You are, speak on the handset if you can, please, and not speak on speaker.

Tejas Pradhan: Is this better?

Jayakumar K.: Yes, this is better, please.

Tejas Pradhan: Yes. So, on the cost bit, you mentioned that third quarter, it would be on a per kcal basis 1.8. And so, the same number for the fourth quarter because your current purchases you said will hit in March, right? So, considering that, what would be that per kcal cost number for fourth quarter?

Jayakumar Krishnaswamy: That will be a little bit of very long-term guidance, and I would refrain from making such a long-term guidance because we will -- as I mentioned in the little few minutes ago, I said January and mid-February, we are already covered with inventory, and the high-cost coal will come only in mid-February till March. So, if I have to stick my neck and say that I'm looking at further increase of about INR70, INR80 in Q4 versus Q3 in the worst-case scenario.

Tejas Pradhan: Understood. And for in the second quarter, was there any additional cost that we should consider for the Surat grinding unit because volume must not have been significant, right?

Jayakumar Krishnaswamy: In Q2, commissioning happened in the last week of September. Hence, I don't think we should consider any additional cost. But certainly, in Q3, there will be some costs of Surat will come, which will be interest charge will come, depreciation will also come. So, we're looking at close to about INR30 crores, INR40 crores, which will come. But the volumes also come, scale will happen and it will get some of it is going to be below the EBITDA line, some of it will be above the EBITDA line. So, net-net, it is not going to dramatically change the overall look and feel of the P&L.

Tejas Pradhan: Understood. Thanks, yes.

Moderator: Thank you. We'll take our next question from the line of Swatheka from Nomura. Please go ahead.

Swatheka: Hello.

Moderator: Yes, we can hear you.

Swatheka: Yes. Thanks for the opportunity. So, sir, my first question is that in the first half we have seen that volume growth.

Jayakumar Krishnaswamy: Could you mind speaking slightly louder, please?

Swatheka: Yes, sure. Is it audible now?

Jayakumar Krishnaswamy: Yes, please go ahead.

Swatheka: Yes. So, we have seen that the volume growth in the first half has been strong for the industry. Now that given the varied monsoon trends, how would we see the rural demand shaping up in the upcoming quarters, sir? That's my first question and also for FY28?

Jayakumar Krishnaswamy: I'm sorry, that's the question you are asking, what will happen to demand in H2 this year, you're asking, I guess?

Swatheka: How do you see the demand trends for rural regions?

Jayakumar Krishnaswamy: I still believe that 1 year of excess monsoon or 1 year of drought doesn't spoil the overall industry outlook. So, if I have to kind of I've really looked at last 10, 15 years of how the industry has performed and because I've done a little bit of work to see what happens to demand variation based on a drought-like condition or a extended monsoon-like condition.

My inference is if you have a back-to-back year where things go wrong either in monsoon or in drought, then the demand gets impacted to 5% kind of a number. That's what the historical data says. But I'm assuming that doesn't happen next year. Also, certainly even though costs have gone up, if you really look at the growth in India is still coming at 7.8 and fair amount of growth is happening in infrastructure.

And once the monsoon ends and the festival ends, I think construction activity will pick up speed going forward. And also, it coincidentally matches with the cement cycle from December to June. Hence, I'm pretty optimistic that demand for the industry should be in the range of 7% to 8% like before, maybe it could be a percent here and there a little bit more. But in all-India level India has multiple regions and multiple regions have got different growth rate. But if you put a blended growth for India, I'm really looking at about 8% industry growth in H2.

Swatheka: Understood, sir. So, my second question is on Vadraj assets. So, it may be too early to ask, but if you could guide us, what would be the EBITDA per ton on these assets and how much time will it bring to bring these assets to you know Nuvoco's standard cost?

Jayakumar Krishnaswamy: Okay. So, I will have to I will answer this question in two ways. One will be a little bit of theoretical way because when we made the acquisition and we looked at the market and the opportunity which we have and the value we are paying for asset and the cost of refurbishing the asset and looking at the very realistic growth which Nuvoco can get in Gujarat as well as Western Maharashtra.

We were looking at an EBITDA of Gujarat matching the North EBITDA in year 3 and that should be tallying with Nuvoco's blended EBITDA at a country level in year 3 of operations, so assuming FY26 is the first year, looking at FY28 is when the full assets will be sweated and the market will be fully developed and the EBITDA per ton of Vadraj will match the EBITDA per ton of Nuvoco in year 3.

But that is subject to two or three two things. One is how is the -- that model we developed based on the prevailing cost structure and prevailing price in the market. That has undergone a little bit of a change, but I'm assuming all this cost inflation which has happened due to various P&L

items will be offset by price increases in the coming quarters. So, in a steady state of next 2 to 3 years, cost inflation will be absorbed by the price increase.

What will Nuvoco bring to the table? I explained in the last call. We are uniquely positioned in Gujarat with the bulk terminal very close to Ahmedabad, the Kutch grinding unit and the Surat grinding unit, and the jetty movement from Kutch to Surat, as well as the railway movement from Kutch to Surat.

I think our costs will be under control and certainly in year three, which will be FY29, maybe FY28 Q4 and then on to 1Q FY29, Gujarat and Western Maharashtra EBITDA per ton should match Nuvoco's all-India EBITDA per ton.

Swatheka: Thank you.

Moderator: Next question is from the line of Parth Bhavsar from Investec. Please go ahead. Parth, your line is unmuted. Please go ahead with your question. Since there is no response, we'll move on to the next question from Jyoti from Ashika. Please go ahead.

Jyoti: Thank you so much. Good evening, and a great set of numbers. I only have one question is, what is the reason behind the interest expenses? Apparently, this quarter it has actually come down. Do we see the same trend, or is it very specific to this quarter? And what has resulted in the reduction of this interest cost, while the interest rate is going up?

Jayakumar Krishnaswamy: Jyoti, we missed your last bit. It kind of broke off. Can you just repeat the question one time, please?

Jyoti: I was asking, this quarter the interest...

Jayakumar Krishnaswamy: I heard about the interest thing, but then the second part of your question I missed. So, you said, what is the reason for the -- why don't you repeat that question, please?

Jyoti: What is the reason for the reduction in the interest expense? And do we expect this to continue in the subsequent quarters despite increasing interest rates? That's it...

Maneesh Agrawal: Okay. So, Jyoti, as you asked this question, so, basically, as what Jai mentioned sometime back, the commercial operations for the Surat plant started sometime in the last week of September. So, accordingly, all the borrowing cost as per the Indian accounting standards have been capitalized.

As the Surat operations pick up, there will be definitely impact of the interest cost that will be there clearly visible in the P&L going forward quarter-on-quarter. And besides that, there will be depreciation charge that also will be coming up.

Jyoti: Okay. So, which means this is very specific to this quarter. We will see impact of interest expense and depreciation going forward, right?

Maneesh Agrawal: Yes, predominantly because of that, Yes.

- Jyoti:** Okay. Thank you so much. Yes.
- Moderator:** Thank you. Next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Hi, sir. Sir, a couple of data points for this quarter. Lead distance, road rail share, blended cement share?
- Jayakumar Krishnaswamy:** Okay. Our road and rail share is rock solid at 64:36. Q1, Q2 numbers are almost same, so 64 road and 36 rail. A little bit of tweak in lead distance. Our lead distance has gone up by about 4 kilometers. So, 328 it was there, it has gone to 332. And in terms of blended fuel costs in Q2 is at 1.59, which I mentioned, out of which coal comes at 1.47, petcoke came at close to 2, and AFR at 0.95.
- And fuel mix, coal at 66%, petcoke at 27%. In fact, last call I mentioned that one of the big initiatives of the company was reduction in petcoke. So, we hung on to the same petcoke numbers in Q2 versus Q1. We still operate at 27% petcoke, AFR at 6%. This will increase in Q3 because Risda kiln will be up and running after shutdown and our AFR percentage will go up. So, coal at 66%, petcoke at 27%, AFR at 6%.
- Shravan Shah:** And the blended cement share would be 82% odd?
- Jayakumar Krishnaswamy:** Okay. So, blended cement ratio is at 83%, that's again 82% last time. CK ratio came at 1.75 in Q2. It was 1.73 in Q1. Premium was all-time high as Bishnu mentioned. We came at a 45% premium, which is the highest ever in the history of the company. I think that's an agenda which we have been pursuing, and then we will continue to pursue this agenda going forward as well.
- Very happy to report that our Duraguard Microfiber and Concreto Uno, both brands have become 1-million-ton brand. In fact, in the entire industry, if there's a premium product in the shortest possible time of less than 18 months reaching from 0 to 1 million, it's Concreto Uno. I think that's something which we are very proud of.
- Shravan Shah:** Lastly, sir, tax rate 41.6% for 1H, on a reported basis, so for full year will it – how one can look at and when it will be a -- kind of a 25%, 26% from FY28? Tax rate for 1H was 41.6% on a reported basis, the tax divided by PBT.
- Maneesh Agrawal:** So, for full year, we are evaluating the transition of tax from the old regime to new regime. It is still being evaluated, and we'll take a final call before the end of this financial year. So, that is the reason why you are seeing the tax rate being slightly higher than the normal stuff, at 41%, because since we are still under old regime, credit of MAT is not available under the provisions of new Income Tax Act. Hence, the tax expenses are higher, and that's the reason why it's slightly higher from 35% in the normal course to 41%.
- Shravan Shah:** Okay. Thank you, sir.
- Jayakumar Krishnaswamy:** By the time we reach end of this year, we'll have a good fix on we will move. It's a timing when will we move is a question. I think in the next 3 months to 4 months, we would have made a

decision which regime we will move in, and the implication of tax we will share with you at that time.

Moderator: Thank you. Next question is from the line of Siddharth Mehrotra from Kotak Securities. Please go ahead.

Siddharth Mehrotra: Thanks for the opportunity again, sir. Sir, I just wanted to check...

Moderator: I'm sorry, your audio is not very clear. Can you use your handset mode, please?

Siddharth Mehrotra: No thing. Is it better now?

Moderator: Yes.

Siddharth Mehrotra: So, sir, I just wanted to check. A couple of our peers had highlighted that there were very strong rains in the East region. So, could you just give us a sense of what was the regional growth in East region versus say, the North region?

Jayakumar Krishnaswamy: I think in terms of guidance of regional growth, it will be -- I won't be able to share in a forum where what is the regional growth. I think the different dynamics work. Suffice to say East had erratic monsoon, and in fact, monsoon was heavy in certain states. So, there was a little bit of a sluggishness in demand in East in Q2, but that will go away after the festival season. But net-net if you see, I think some months we have gone ahead in East, some months we have gone ahead in North. North has been pretty robust in Q2 in terms of volume growth. In fact, and hence, we could get the benefit of growth in North. Overall, I guess going forward, we still look at anywhere between 8%, 9% blended between North, West, and East for us.

Siddharth Mehrotra: Understood, sir. And just to confirm, the pricing you were saying has gone up by around INR20 in October versus average prices last quarter. Is that correct?

Jayakumar Krishnaswamy: Yes.

Siddharth Mehrotra: Okay, sir. Thank you.

Moderator: Thank you. Next question is from the line of Parth Bhavsar from Investec. Please go ahead.

Parth Bhavsar: Yes, hi sir. Thank you for the opportunity. So, I just had one question related to Surat operations. So, since we don't have clinker supply currently, so, where are we procuring our clinker from and what would be the landed cost and how would it change once we get supplies from December onwards?

Jayakumar Krishnaswamy: Yes. I guess this was part of the plan. There's nothing surprise at all. So, since we sequenced Surat to start first and Kutch, the quantum of work was much more than Surat. Surat was the first of the block in less than 12 months, we could commission the plant and commercialize it. That's why Surat came first. And hence, it was a call that we will move clinker from our Chhattisgarh cluster into Surat. But a little bit of an issue we had because of the overall rake non-availability.

We ended up moving less clinker from Chhattisgarh into Surat, and then we had to do a little bit of a clinker purchase which I mentioned and move clinker from North unit to Surat. So, it's a little bit of a mix and match has happened at least in August, September, and first week of October. So, I can give a -- I can -- we have-- obviously we know what has been the landed cost of clinker in Surat, but I guess that's a conscious call we took to bring expensive clinker into Surat. But by end of this year, Kutch will happen.

And once Kutch happens, I guess the clinker will come either through jetty route. By the way, very pleased to inform that we've already run trial runs of dummy items from Kutch into Hazira, and we have successfully learned how to manage the jetty operations. And as we speak, we are doing the dredging of jetty in Kutch, and by first week of December, we'll have operational jetty.

So, we should have once the clinker line starts in December in Q4 of this year, we should be moving clinker via jet through the sea route barge route from Kutch into Surat, which is the cheapest form of clinker movement from Kutch to Surat. Once Kutch starts, it will be Kutch clinker in Surat, and we don't have to bring high-cost clinker from Chhattisgarh into Surat.

The prevailing rates, all of us know, the ex-factory rates of clinker which is being sold by any cement companies is pretty high these days at about INR3,600, INR3,700 per ton, and add freight cost, obviously, it is much higher and not an economical model. Since we have to we started a plant and we have to run, and this part of the startup strategy is that first few months, we will run with clinker from Chhattisgarh.

Parth Bhavsar: So, sir, there would be some dent because of this in to Q3 as well and then some improvement in Q4. So, what would be that delta be from Q3 to Q4?

Jayakumar Krishnaswamy: Can I Can you reach out to Bishnu, and then he'll give the exact calculation to you?

Parth Bhavsar: Yes, I'll do that. Thank you so much.

Jayakumar Krishnaswamy: So, he will be able to give you all the, because right now, I have multiple sources. I have clinker coming from Chhattisgarh, I get clinker from Chittor plant also. I also bought clinker in Q2. So, all these assumptions will change. Currently, we are looking at some bartering of clinker for Q3. So, all this variables are at play right now. So, for me to give one number will not be right in this call...

Parth Bhavsar: Sir reach will out.

Jayakumar Krishnaswamy: So, best is you reach out to Bishnu, and he will give you a basis and the logic of this calculation.

Parth Bhavsar: I'll do that, sir. Thank you so much for answering my questions.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Bishnu Sharma for closing comments. Over to you.

Bishnu Sharma: All right. Thank you all for your participation. Before we conclude, I'd like to leave with a few closing remarks. Quarter after quarter, we have been delivering consistent results despite various

challenges, and this quarter was no exception. Our continued focus has been on the key levers of premiumization, geo-optimization, and operational excellence.

As we move forward, we remain committed to strengthening our position and creating sustainable value for our stakeholders. Our growth agenda remains firmly on track with the Kutch project progressing as planned and the bulk terminal at Sachana expected to further enhance our planning capability. We are confident in the resilience of our business and strategic initiatives underway to navigate the evolving operating environment.

Investor Relations team will remain available to address any further clarifications you may require. Thank you once again for your time and interest in the company. We look forward to engaging with you in our upcoming interactions. Thank you all.

Moderator:

Thank you, members of the management team. On behalf of Nuvoco Vistas Corporation Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.