

NUVOCO VISTAS CORP. LTD.



Ref. No.: Sec/71/2021-22

September 6, 2021

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
--	---

Dear Sir/Madam,

Sub: Investor and Analyst Conference Call presentation for the quarter ended June 30, 2021

In furtherance of our letter no. Sec/68/2021-22 dated September 3, 2021 giving intimation of the Investor and Analyst Conference Call, please find enclosed the presentation on business and results for the quarter ended June 30, 2021, to be made to Investor and Analyst on Tuesday, September 7, 2021.

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



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 66306511 | Fax: +91 (0) 22 66306510 | Website: www.nuvoco.com | CIN-U26940MH1999PLC118229



INVESTOR PRESENTATION

Q1 FY 2022



Content Flow



GLOSSARY : Mn T – Million Ton ; MTPA–Million Tons Per Annum; MW–Mega Watts; Q1 - April to June; FY – Financial Year (April- March)

Company Overview





VISION

Building a safer, smarter and sustainable world



MISSION

Leading Building Material Company Delivering Superior Performance

VALUES



Nuvoco at a glance...

Nuvoco - Major player in the building materials industry with diverse product portfolio

We are the **#1 cement company in East India** and
the **5th largest in India**

23.82 MTPA

Installed cement capacity

Fastest growing cement company
in terms of capacity addition

Market leading brands
with significant market share, market reputation and brand recall

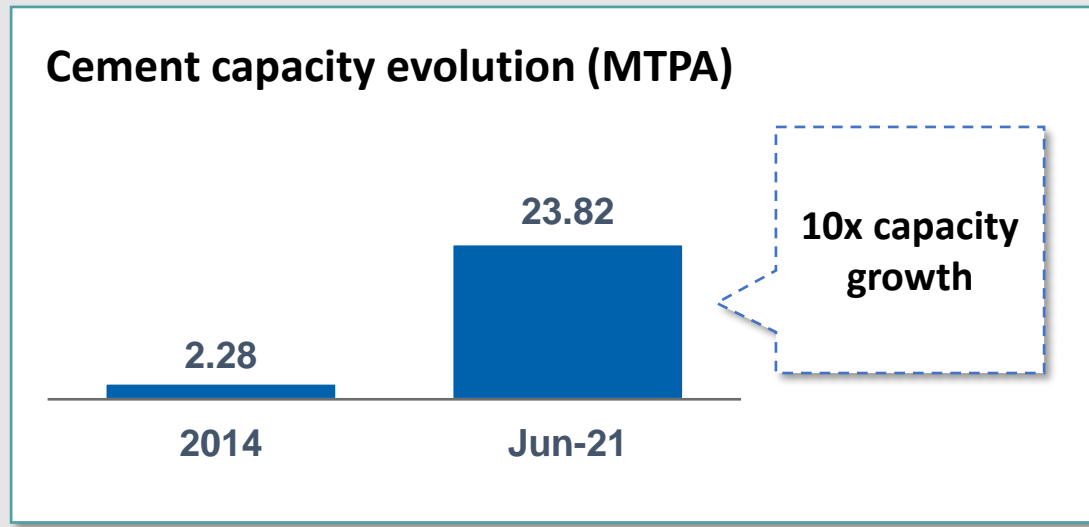


Strategically located production facilities
in close proximity to raw materials and key markets

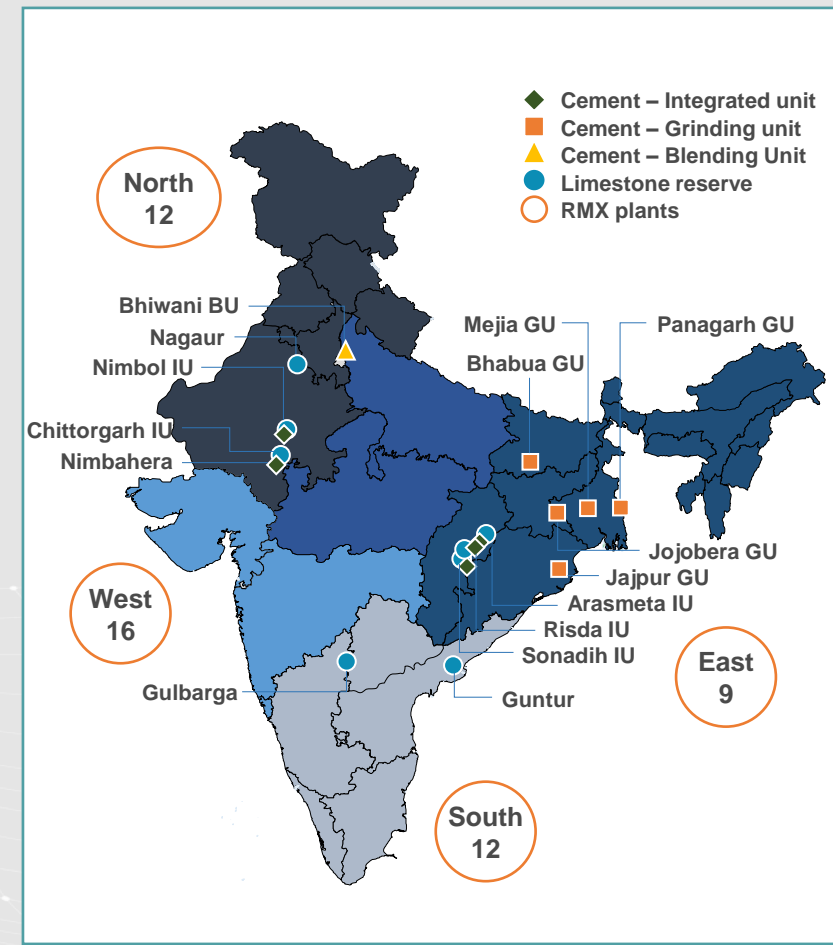
Focused on retail
(Major revenue driven by a robust distribution network)

Fastest growing + Strong Operational Footprint

Fastest growing cement company



Strategically located cement plants & pan-India RMX presence



Note: Facilities as on June FY 22

Comprehensive Portfolio : Market Leading Brands

Cement

CONCREVO



DURAGUARD



DOUBLE BULL CEMENT



Well developed brand verticals offering unique selling propositions, across wide demography with multiple price points

Ready-Mix Concrete (RMX)

CONCREVO

InstaMix

Artiste
Craft Concrete

X-Con

All India presence

Modern Building Materials

ZERO M

Well diversified range for company to foray from cement to building materials

InstaMix

Premixed RMX, DIY

Over 50 products across Cement, Ready-Mix Concrete and Modern Building Materials categories

Strong R&D and technical capabilities



- Dedicated Construction Development and Innovation Centre (CDIC) located in Mumbai
- 17,500 sq. feet, NABL¹-accredited facility serving as an incubation centre for innovative products

Innovative products

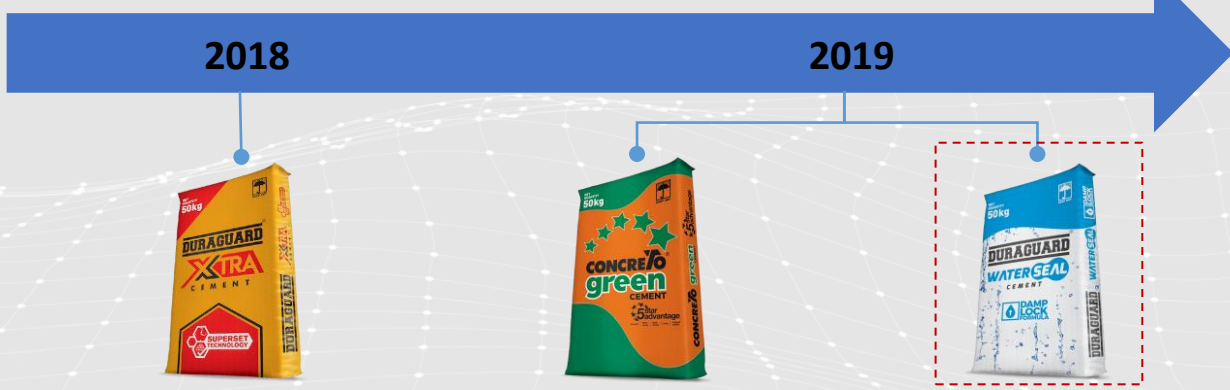
Cement with added microfiber

Ready-to-use wet micro concrete

Quick-setting OPC



Recent innovative products from CDIC



Awarded patent from April 2018 for a term of 20 years

accredited

4
Patent applications filed

1
Patent awarded

¹ National Accreditation Board for Testing and Calibration Laboratories

Successful track record of sustained growth

- **Nirma enters cement space in 2014 through Nimbol plant**
- **Nirma group acquired Lafarge India business in 2016 (NVCL)**
 - Leveraged the powerful Brands, Premium positioning and strong Trade channel
 - Focussed on Productivity Improvement
 - Investment in Captive Power Plants (CPP) - ~100 MW & Waste Heat Recovery (WHR) – ~25 MW – Total (~125 MW)
 - All Integrated units having WHR
 - CPPs across integrated units (one in advanced stage of completion in Chhattisgarh) and in grinding unit at Jharkhand (Advanced stage of completion)
- **NVCL acquired Emami Cement Business in 2020 (NVCL + NVL - Nuvoco)**
 - Fastest growing Brand in East
 - Best in Class manufacturing facilities; Among the lowest cost producers
 - High Value Unlocking Potential

Value Unlocking through Synergy between NVCL and NVL

Nu Vista acquisition to drive synergy benefits



Revenue

Range Extension

(through Portland Composite Cement)

Multiple price point strategy

(improve brand / customer mix)



Sourcing and scale

Cross sourcing of raw materials

(sourcing raw material on an integrated basis and delivering to the closest grinding units)

Economies of scale

(common procurement for raw material, fuel and services)



Operational

Manufacturing presence in all core states in East India

(access to production facilities in Bihar and Odisha)

Cross selling of brands and logistical improvements

(availability of brands throughout the distribution network)



Fiscal incentives

Fiscal incentive maximization opportunity

(Jharkhand, Bihar and West Bengal)

Presence in all core states in East India

IPO Update



Highlights

- Rs. 5000 Cr – Raised through IPO
 - Rs. 3500 Cr OFS + Rs.1500 Cr Primary
- Successful completion of Listing on 23th August, 2021
- Issue subscribed ~1.7 x
- Strong participation from marquee Institutional investors
- Proceeds to be used to reduce debt



L to R: Mr. Hiren Patel (Chairman, Nuvoco Vistas & MD, Nirma Ltd); Ashish Chauhan (MD & CEO, BSE)

Our Mission  **Leading Building Materials Company delivering Superior Performance**

Economy & Industry



Economy

- Economy has been improving since H2 FY 21 (Q3 GDP – 0.5% ; Q4 GDP – 1.6%)
- Q1 FY 22 marked by
 - High Inflation (~6% in Q1)
 - Improved Production (IIP increased by ~14% in June Y-o-Y)
 - Sequential Improvement in PMI (Manufacturing) – (~55 in June)
 - Strong Rupee (~3% Gain)
- Q1 FY22 GDP - ~20% on low base of last year
- FY 22 GDP (E) - ~10% growth - Strong global recovery & rural demand*

* Source: RBI estimates

On the path to Normalcy – Increased Vaccination + Eased Restrictions

Industry

Industry

- Demand improved in Q1 FY 22 on Y-o-Y basis – Aided by low base of last year
 - Rural Housing – Major Driver
 - Infrastructure – Garnered pace

Segments Outlook

Housing



- Affordable Housing – Major Driver
- Recovery in urban housing demand in Tier 2 and 3 cities

Infrastructure



- Focus on infra in recent Budget – ~Rs. 1.7 lakh Cr towards Road & highways, ~Rs. 2.1 lakh Cr towards railway capex

Industrial & Commercial



- Gradual Ramp up with pick up of deferred capex

Cement demand to be driven largely by housing & infrastructure

Business Strategy



Revenue growth levers



Consolidate and grow market share

Leverage leadership
in East and North

2.7* MTPA Cement capacity expansion
0.9 MTPA Clinker Debottlenecking

Target Central & West India
(by using reserves in Karnataka)

Growth opportunities in
RMX and modern building materials

*1.5 MTPA commissioned in Jharkhand



Strengthen brand outreach

Undertake marketing efforts to **strengthen brand outreach**



Volume growth to drive incremental EBITDA

Profitability growth levers



Operational efficiency

Full benefit of WHR across all IUs and **captive power plant** at Sonadih Cement Plant

New captive power plants in **Arasmeta IU** and **Jojobera GU**



Price Acceleration Programme

Focus on premiumization

Innovation
Value added products

Improve trade share and geo-mix optimization



Successful integration of Nu Vista

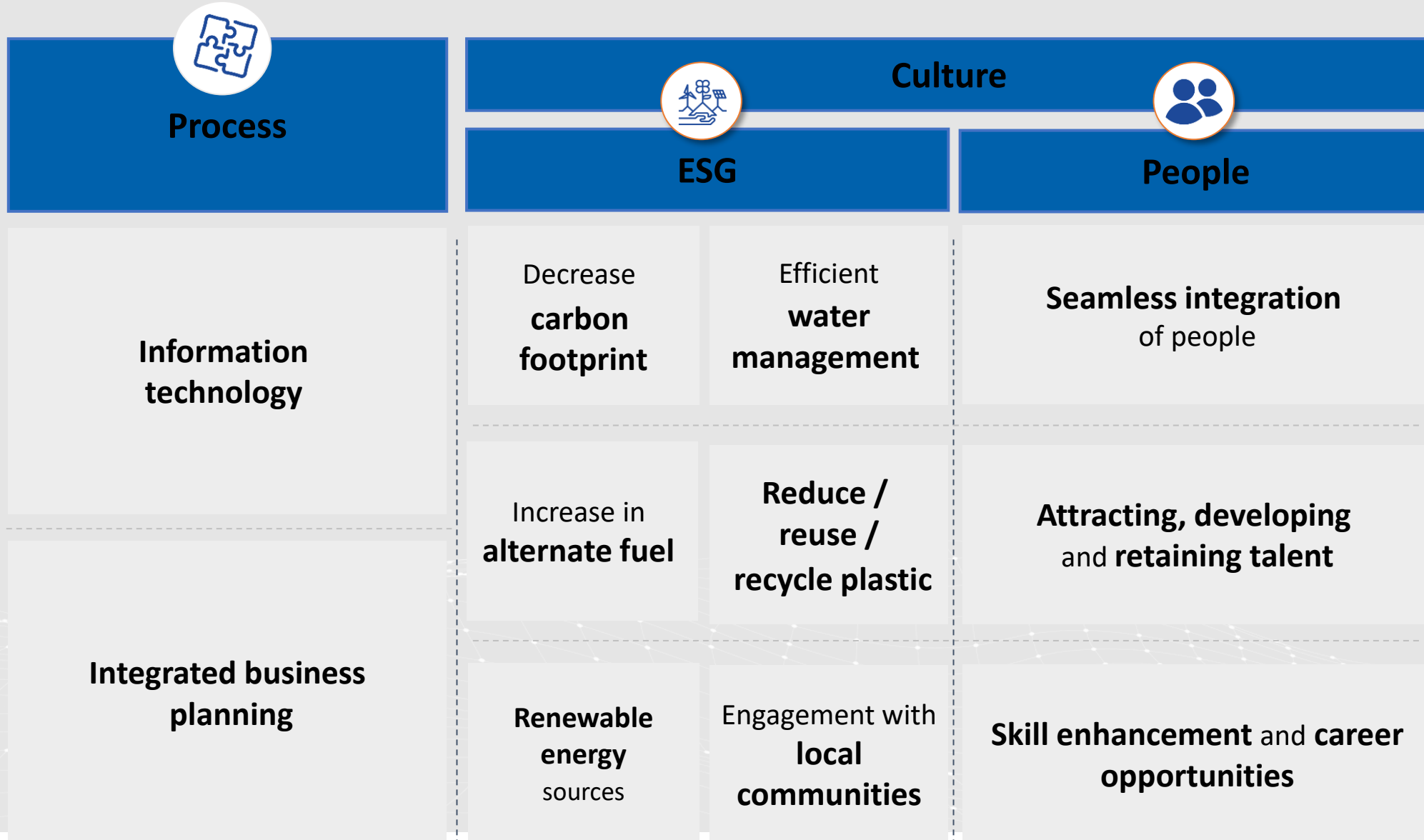
Leverage **enhanced scale** and **maximise incentive**

Derive **synergy benefits**

Achieve **operational efficiencies**

Operational efficiency, price improvement and synergies from Nu Vista integration to provide incremental EBITDA

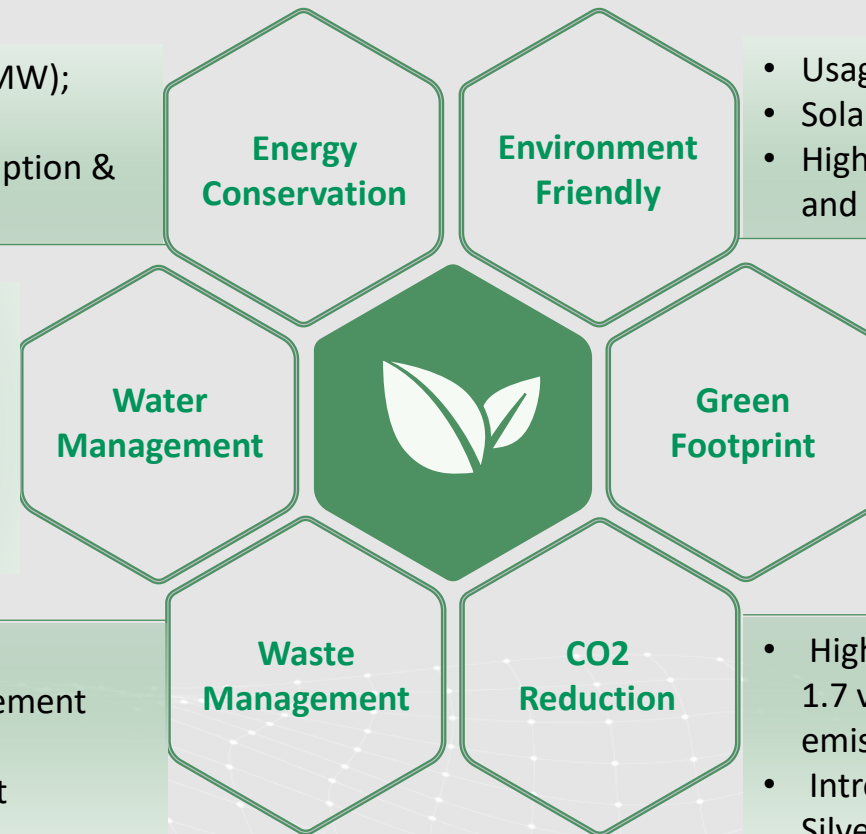
Process & Culture levers



ESG



Sustainability – Key Thrust Area



- WHR at all integrated plants (~45 MW); ~20% of the power mix
- Focus on reduction in heat consumption & power consumption

- Usage of alternate fuels
- Solar plant at Bhiwani & Chittorgarh plants
- High end equipments for real time tracking and control of fugitive dust emissions

- Water Reduction of ~10+% in FY21 over FY 20
- Rainwater Harvesting (~19 lakh cum) & Water re-use programs at plants
- Cement Product - Concreto Green – 25% lower water consumption

- Focus on greenbelt development in & around plants
- ~ 3 Lakh Tree in our operations area
- Green Concrete for durable Foundations (Concreto Ecodure)

- Concrete recycling
- Sewage treatment (STP at all our cement plants and colonies)
- Reusage of STP water for green belt development

- High usage of blended cement (ck ratio - 1.7 vs industry average of 1.4) - lower CO2 emissions
- Introduction of composite cement (DG Silver)

Pillars of CSR

Swastha Bharat

- ✓ Access to primary health care and improved sanitation for adolescent girls
- ✓ Establishment of anganwadis and Girls Health Groups

Surakshit Bharat

- ✓ Road safety awareness campaigns
- ✓ Grameen safety ambassadors' programmes

Shikshit Bharat

- ✓ Improved quality of education by provision of modern education facilities in ~50 government schools

Saksham Bharat

- ✓ Diversification of livelihood and self-reliance for rural community by imparting new skills
- ✓ Accelerated economic empowerment of rural women

Sanrachit Bharat

- ✓ Improved quality of life for villages in which we operate by upgradation of local infrastructure and provision of safe drinking water



CSR Activities in Q1 FY 22



Shikshit Bharat

- Youth leadership training programme benefitting 146 people at Risda cement Plant
- Running wall writing campaign - Awareness about environment, health and cleanliness of villages at Risda



Swastha Bharat

- ‘Health Check-up Camp and Adolescent Awareness Programme’ - Mejia Team in Barabaid Village
- Baby Care kits Distribution to New born Girl Child - Under “Beti Bachao-Beti Padhao” at Risda



Surakshit Bharat

- Protection & Conservation of Animal (Goat) - Awareness along with about the protection and conservation of goats at Mejia by conducting ‘Goat Vaccination and Treatment Camp’



Saksham Bharat

- Integrated goat farming project - Sustainable livelihood opportunities to 25 households at Panagarh
- Awareness & Promotion of organic kitchen garden to households by Mejia team



Sanrachit Bharat

- Repairing a 2.5 km dilapidated road connecting 9 villages - lifeline for ~25000 villagers at Panagarh
- Construction of 1545-meter of cement concrete by Risda Cement plant



Efforts during Second wave of Covid-19

Covid Hospitals

Extended support for establishing covid hospitals in 3 districts by providing medical equipments like table-top oxymeters, automatic blood analysers, patient beds, etc

Oxygen Cylinders & Concentrator

Donated 50 new jumbo oxygen cylinder at Sonadih and provided 7 oxygen concentrators to hospitals at Jamshedpur and Chittorgarh

Vaccination Camps

Extended support to local administration at all locations in organising COVID vaccination camps in nearby rural areas

Ventilators

Provided 2 ventilator system for district COVID hospital at Janjgir Champa near Arasmeta Cement Plant

PPE & Medicine Kits

Donated 200 PPE kits and 1000 COVID home isolation medicine kits to local hospital in Jamshedpur



Jumbo oxygen cylinders provided by Sonadih Cement Plant



COVID Hospital at Baloda Bazar



Citation received from district administration for COVID relief support



Relief activities at Jamshedpur

Governance

Board Structure and Compliance

- Following the best Corporate Governance practices - Integral part of the Company's operations since its inception
- Board composition - Optimum mix of Executive and Non-Executive Directors; including an Independent Woman Director.
- The Board and Audit Committee meet at least once in every calendar quarter and 4 times in a year.
- Audit Committee - Meeting with Rating Agency Pursuant to SEBI Circular

Robust Policies & disclosures

- Separate internal audit team as well as an external internal auditor.
- Separate meeting of the Statutory Auditors with the Chairperson of the Audit Committee - Every Quarter.
- All related party transactions are entered into at arm's length basis and in the ordinary course of business and are presented to the Audit Committee.

Commitment to highest Governance Standards

Key Projects Update



Projects Update

Captive Power Plants (CPPs)

- ✓ CPPs at Arasmeta and Jojobera cement plant under advanced stage of commissioning
- ✓ Expected to commission by Q2 FY 22

Clinker Debottlenecking

- ✓ Construction started at Clinker debottlenecking projects at Nimbol and Risda
- ✓ Expected to commission in FY 23

Cement Expansion

- ✓ Brownfield expansion of 1.5 MTPA commissioned at Jojobera

Capex incurred in Q1 FY 22 – Rs. 113 Cr

Synergy Update

Double Bull – Entry in North

- ✓ Double Bull PPC & Premium variant - Double Bull Master PPC launched



- ✓ One of the Major Milestone – Unlocking Synergy

Other Synergy Projects

- ✓ Logistics Synergy – Manufacturing presence in all core states of East optimizing distribution costs
- ✓ Clinker Rerouting – Optimizing the clinker transportation cost
- ✓ Procurement Synergy – Led by Scale benefits
- ✓ Other Manufacturing Synergy – Best practices being replicated

Synergy Levers – Delivering as per plans

Innovation Focused.....

External Accreditation

Cement - Composite Cement Roll Out in East

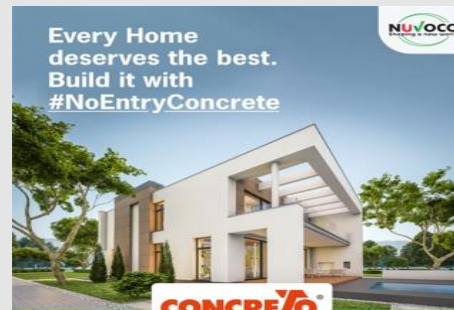
- ✓ Entry in Composite Cement Segment through "Duraguard Silver" in Bihar



- ✓ Roll Out of Composite cement in other Eastern states like West Bengal

RMX - 2 Launches in Q1

Concreto Permadure



Concreto Permadure is a special type of concrete that prevents water seepage and minimizes plastic shrinkage cracks in concrete elements.

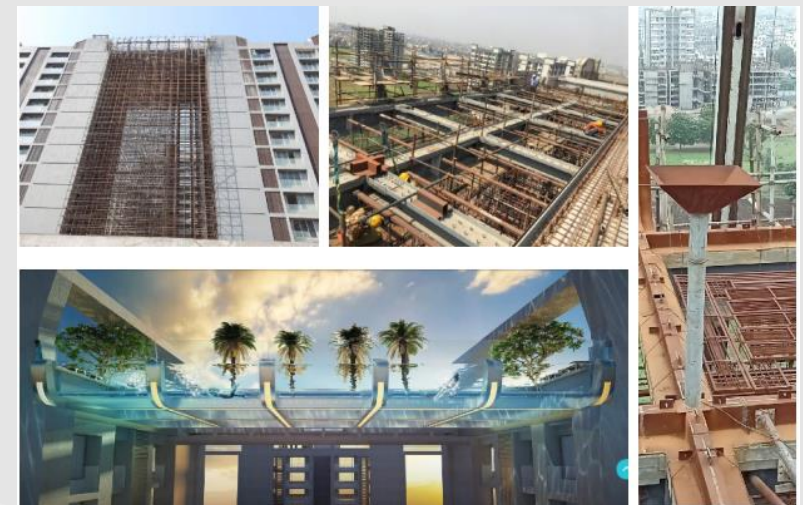
Concreto Corrosafe



Build structures that are sustainable and can withstand corrosion with



Award



- ✓ Secured " IC-ACI "Excellence in Concrete Construction Awards : 2021 , 2nd Place winner under "Mid Rise Building category" for our "Instamix Micro Concrete" - product & solution- For one of the Landmark Project at Surat , Gujarat,

Key Financials



Key Highlights – Q1 FY 22

Update on Key Areas Planned for Q1 FY 22

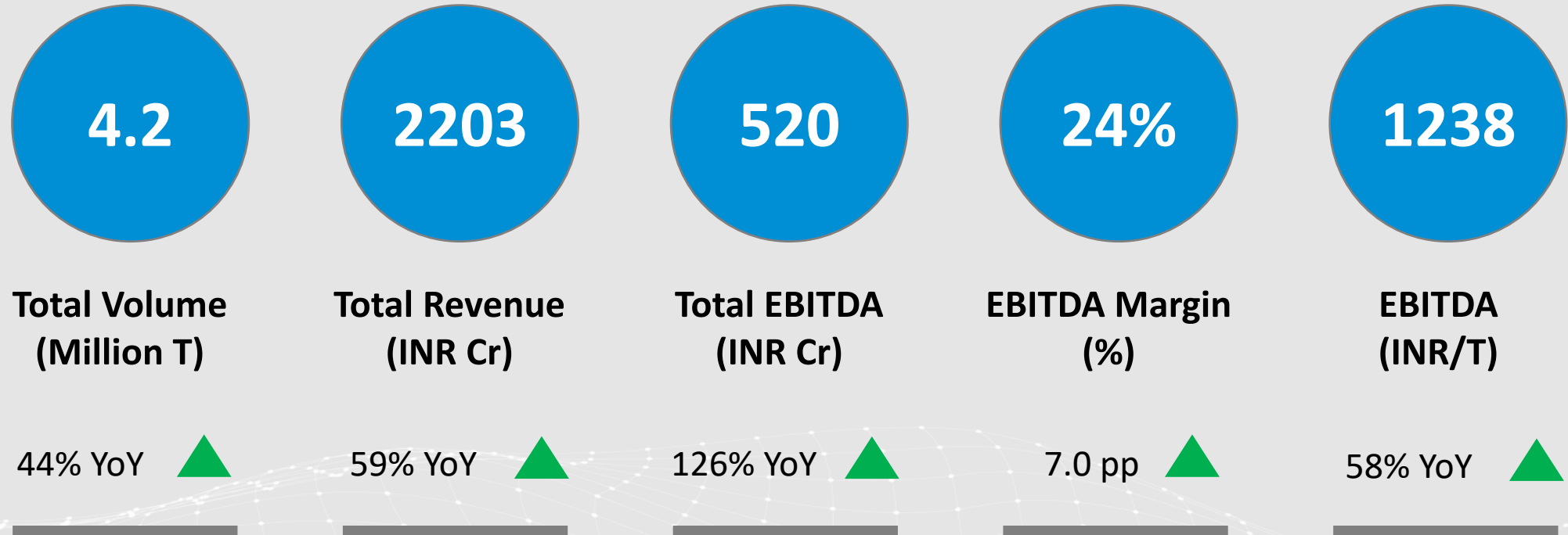
- ✓ **Recovery of Volumes post Covid in Q1 FY 22**
- ✓ **Price acceleration Program improved revenue**
- ✓ **Synergies Commenced across all themes**
- ✓ **CPP and WHR Savings – Driving lower Power & Fuel Cost**
- ✓ **Fixed Cost & SGA Optimization**
- ✓ **Turnaround of NVL business within 6 months of acquisition resulting in PAT improvement**

Note : Subsequent slides have combined operations result for Q1 FY 21 to ensure like to like comparison with Q1 FY 22 as NVL acquisition was done in July 2020

Key Indicators - Consolidated

For the period Q1 FY 2022

Note: Y-o-Y Change based on inclusion of NVL Financials for like to like comparison



Income Statement

(All amount in INR Cr)	Consolidated		
	Q1 FY21[^]	Q1 FY22	% Change
Revenue from Operations	1383	2203	59
EBITDA	230	520	126
EBITDA Margin	16.6%	23.6%	7.0pp
Finance costs	232	151	
Depreciation and Amortisation expense	185	212	
Profit/(Loss) before Tax	(187)	157	
Tax expense	(59)	43	
Profit/(Loss) after Tax	(128)	114	

[^]Q1 FY 21 Figures include NVL Financials for like to like comparison

Marked Improvement in Operational Performance

Key Cement Cost Elements – INR/T

Raw Material Cost

555

Led by raw mix optimization despite hike in input prices

Power & Fuel Cost

917

Led primarily by increased share of captive power

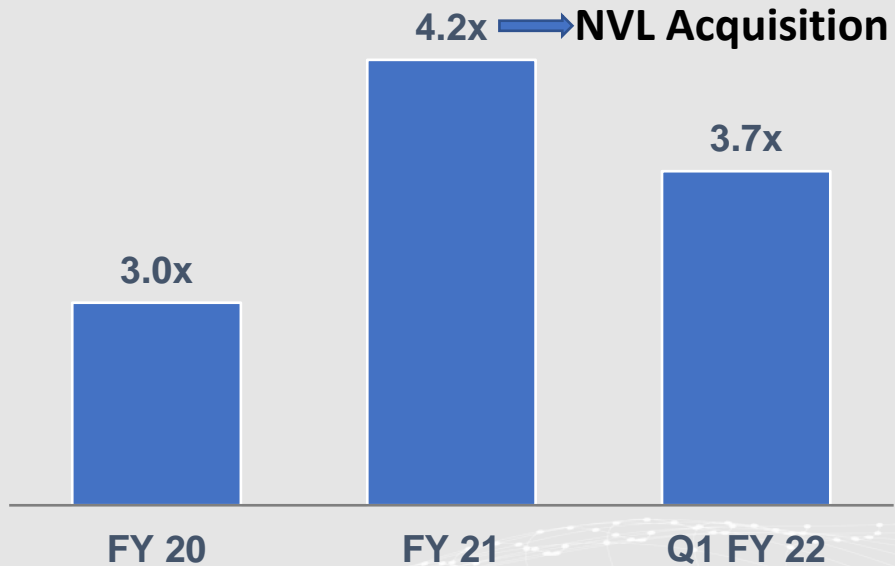
Distribution Cost

1343

Synergy Benefits offsetted by diesel price hike

Deleveraging...Key Focus Area

Net debt/EBITDA (x)



Note: TTM EBITDA for Q1 FY 22

✔ 0.5x reduction in Q1 FY 22

Focus on deleveraging

✔ IPO proceeds being used to repay / prepay debt

✔ Improved capital structure

✔ Flexibility to fund future growth

✔ Long Term Credit Rating Upgradation to CRISIL AA/Stable

Key building blocks of our success



Disclaimer

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.

Nuvoco Vistas Corporation Limited

Corporate Identity Number: U26940MH1999PLC118229

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 ; **E-mail:** investor.relations@nuvoco.com

CDR India

Gavin Desa – 09820637649; Email : gavin@cdr-india.com

Rishab Barar – 07777035061; Email : rishab@cdr-india.com