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April 17, 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
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Dear Sir/Madam,

Sub: Transcript of Investor and Analyst Conference Call on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended March 31, 2026

Further to our letter no. Sec/02/2026-27 dated April 7, 2026, letter no. Sec/07/2026-27 dated April 14, 2026 and letter no. Sec/12/2026-27 dated April 15, 2026, please find enclosed the transcript of the Investor and Analyst Conference Call held on Wednesday, April 15, 2026 on the Audited Standalone and Consolidated Financial Results of the Company for the quarter and financial year ended March 31, 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 Sanghavi
SVP and Company Secretary



Encl: a/a



“Nuvoco Vistas Corporation Limited
Q4 FY '26 Earnings Conference Call”

April 15, 2026



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

Moderator:

Ladies and gentlemen, good day, and welcome to the Nuvoco Vistas Corporation Limited Q4 FY '26 Earnings Conference Call. 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:

Good evening, everyone, and a warm welcome to Nuvoco's FY '26 Earnings Call. We appreciate you taking the time to listen to us. Let me begin by sharing a few key highlights as we reflect on our performance in fiscal year 2026. We ended the year on a high note and delivered the strongest annual performance for Nuvoco, which is the highest volume of 20.4 million tons and EBITDA of INR1,881 crores in the history of the company. We expanded our industry-leading premiumization base by 300 basis points year-on-year to 43% in FY '26 and thus establishing a stronger base going forward.

The fourth quarter was also a landmark quarter as we, for the first time, reached 6 million ton volumes with a historic high quarterly EBITDA of INR 590 crores. We witnessed improvement in overall demand during fourth quarter as the capex by both state and central government gained momentum, which was up by approximately 12% in Q4 till February supporting infrastructure activities and cement demand. Overall, in our view, we performed well in FY '26 despite the challenging market conditions and headwinds witnessed during Q2 and Q3.

On the growth agenda, we are pleased to share that the Vadraj Cement project is progressing well and remains on schedule. The clinker unit and grinding units are planned to be commissioned in phases between Q3 FY '27 and Q1 FY '28.

Let me give you a quick on-the-ground update on project execution at both of Kutch and Surat facilities. In Surat grinding unit, key equipment and spare deliveries are completed. The 66 kV grid connection has been established. Equipment upgradation and electrical installations are nearing completion and trials commenced. In Kutch clinker unit, equipment upgradation and electrical panel testing are underway. Cyclone inspection for refractory assessment is in progress and deliveries are on track. In Kutch grinding unit, civil works are on track with work on silo VRM foundation, packing plant and hopper building are progressing as scheduled.

Installation work of VRM has also started. For Kutch, railway siding, engineering scale plan and detailed project approvals from Indian Railways is at an advanced stage and site execution has also commenced. We are also establishing a bulk cement terminal at Viramgam, Sachana, Gujarat, with a dedicated railway siding and handling capacity of approximately 1.5 million tons per annum. The terminal will enable efficient unloading and storage as well as dispatch of loose and bag cement. It will serve as a strategic distribution hub to expand our reach across the Gujarat market with commissioning targeted for FY '28.

As for the project, our East expansion program of adding 4 million tons per annum of grinding capacity in phases through FY '28 is also progressing well. Looking ahead, we remain confident

that the structural demand for cement is intact. On infra, central government capex for FY '27 is planned to grow by 20% and state government capex to grow by 15%, implying a meaningful step-up in construction activity.

On housing, the PMAY-Gramin allocation is now up 73% and in the East, specifically, state governments have planned housing schemes worth approximately INR 29,000 crores for FY '27, which is directly positive for Nuvoco, given our leadership in the geography. Moreover, the Asian Development Bank recently revised India's FY '27 GDP growth estimate upward by 40 basis points to 6.9% with a further acceleration to 7.3% projected for FY '28. This is a constructive signal for cement demand going forward.

While the structural demand outlook remains positive, we are mindful of near-term headwinds stemming from current geopolitical uncertainty, rising fuel prices, currency volatility, escalation in raw material costs, particularly for packing materials could exert pressure on margins in at least 1 to 2 quarters going forward. We are closely monitoring the situation on the ground. We have already initiated proactive measures of high size, prudent procurement practices, accelerated cost optimizing initiatives and strengthening supply chain efficiencies to mitigate the impact and protect our margin profile to the extent possible.

With that, I conclude my opening remarks. I'm here with Mr. Jayakumar Krishnaswamy, Managing Director of Nuvoco Vistas; and Mr. Maneesh Agrawal, CFO, Chief Financial Officer. We are happy to answer any questions you may have. Thank you very much. Over to you.

Moderator: Thank you very much. We'll take our first question from the line of Siddharth Mehrotra from Kotak Securities. Please go ahead.

Siddharth Mehrotra: Thank you for the opportunity. One quick question on our capex. Now it seems that Nuvoco first announced the expansion of...

Bishnu Sharma: You have to speak a little bit louder on the mic or if it's on the handset, so we can't hear.

Siddharth Mehrotra: Is it better now?

Moderator: Can you use the handset mode, please, Siddharth?

Siddharth Mehrotra: Yes, I'm using my handset mode. Is it better?

Jayakumar Krishnaswamy: Yes. Go ahead.

Siddharth Mehrotra: Yes. So I just wanted to check for at the time when we listed our East debottlenecking plans, I think it was mentioned that you plan to have them possibly by the end of FY 2027, with certain capacities coming online even by the end of FY 2026. Now it seems that we will be slightly delayed those plans. So I mean if you could help me sort of understand what sort of timelines you are looking at with respect to the expansions in the East, that would be really helpful?

Jayakumar Krishnaswamy: Okay. Thank you. So as mentioned in a couple of calls ago, we had clearly mentioned that we are doing a debottlenecking of close to about 4 million tons capacity expansion in East with 1 million tons coming from all the 4 plants of Jojobera, Odisha Cement plant, Panagarh Cement

plant and Arasmeta cement plant. The timelines we had mentioned was in end of FY '26 or Q1 FY '27, we will commission Jojobera, Panagarh and then subsequently, Jajpur and last would be Arasmeta.

So we have more or less done the debottlenecking in Jojobera, as well as Panagarh. We're just waiting for the CTO. So NIPL has been completed, which is no increase in pollution load with -- there's a clause which is that much amount of expansion we can do that is already done. And we're just waiting for the final approval.

So in terms of hardware modification, it's all done in these two plants. Jajpur should happen in the next 2 to 3 months, and Arasmeta will happen by the end of this year. So certainly, we should be able to -- once the CTO comes we should be able to make an announcement on completion of this expansion.

Siddharth Mehrotra: Understood. So everything should be online by the end of FY 2027, is that correct -- the correct way to look at it?

Jayakumar Krishnaswamy: Definitely, it should all more or less, we are waiting for the CTO to happen.

Siddharth Mehrotra: Understood. Second, sir, quickly on the fuel mix, given the sort of volatility in the energy markets due to the ongoing conflict could you just tell me what is our current kcal cost? And what sort of change do we sort of expect, once we sort of transition to the newer petcoke-- procurement or coal procurement as the case may be, and what sort of price increases you are looking at on the power and fuel cost side?

Jayakumar Krishnaswamy: Yes, I guess, a number of things which you asked, basically, the impact has happened on 3 levels. One is obviously petcoke, second is impact of international coal prices and the domestic coal prices and the third one is the impact of rupee depreciation because all the petcoke is imported. In Q4, our blended fuel cost for the company was INR1.44 per million kcal and that was more or less same as the previous quarter. We were already done at INR1.43 types. So we are more or less a little bit more than that at INR1.44, not too much of a difference.

But then as we enter Q1, petcoke, which was at INR1.84 per million kcal is becoming INR2.01 per million kcal and we also have adequate stocks for 6 to 8 weeks and some of the orders that we have booked on petcoke or on high seas at the rates which were prevailing during middle of March or end of March.

So we are foreseeing a number for fuel cost in Q1, anywhere between INR1.51 to INR1.55, so we will also keep on altering the mix to assume that we get churcha coal or Eastern collieries coal or increase or decrease of AFR. So that's how we should have a range of close to INR1.51 to INR1.55 would be the number I foresee for Q1.

But all the shipments which are currently booking, which should come around July, August, which will have the impact for Q2, there I guess, there will be a further increase in blended cost for the company, and there, I think it's too early for me to give an outlook what will be the cost that we see because we are already booking now.

And -- but suffice to say that this INR1.51 to INR1.55 which we are forecasting for Q1 will further increase in Q2. So that's the outlook I can give. Obviously, all this will have an impact on the energy cost for the company, a few things which we have taken during the month of March and certainly in the month of April, from the exit prices of March into the prices in April, we have taken price increases in both the trade and nontrade channel in all our markets.

In eastern markets, we have taken a price increase of INR10 in the trade channel and across the states of Bihar, Jharkhand, Bengal, Chhattisgarh and Odisha. And on the non-trade side, we obtain close to about INR20 per bag price increase in all our states. So East has been INR10 per bag in trade and INR20 per bag in non-trade is a price increase we have taken.

And this has not happened on first of April. It has happened around 6th, 7th and then non-trade price increase we taken on the 10th, once we finish the orders for the previous month. And hence, I think we would get a number which will be anywhere between INR7 to INR10 for the full month and also non-trade could be INR12 to INR18 for the full month. That's on the east side.

On the North side, similar price increases, we have taken in all of the key markets of Rajasthan, Haryana, Gujarat, Western MP and Punjab and Western UP. There, we have taken a INR10 price increase in trade and non-trade has been different in different places, close to INR15 price hike in Gujarat and about INR10 price hike in Rajasthan, Haryana and Western UP.

Here again, if you see the blended price increase in trade should be anywhere between INR8 to INR10 and non-trade will be INR10 to INR12. So technically, across the markets where we operate, we can say that we want to inform that price increase we have taken is anywhere between INR8 to INR12 in trade and INR10 to INR15 on non-trade.

Siddharth Mehrotra: Thank you sir, for the detailed answers, good luck. Thank you.

Moderator: We'll take our next question from the line of Pinakin from HSBC. Please go ahead. Your line is unmuted, please go ahead with the question. Since there is no response, we'll move to the next question. Next question is from the line of Navin Rameshwar Sahadeo from ICICI Securities. Please go ahead.

Navin Sahadeo: Good evening and thank you for the opportunity. Two questions. One was, if you could talk more about the cost that the cost impact probably which we faced in March month in particular because ever since this Middle East crisis broke out, we were hearing a lot about issues related to the packaging cost, especially the bag not being available. And so, did we face any impact in the month of March or we had inventory so not the impact of that front would come in Q1?

And then related to this, my cost -- related to the same cost angle, my second question was what was the petcoke mix in this particular quarter? And how flexible is it to like, I'm assuming you would be looking to lower it. So how flex how much could it go down further and offset by domestic coal so as to mitigate the impact? That is my first question.

Jayakumar Krishnaswamy: Okay. In the previous question, which was asked, I responded only for the petcoke and energy cost movement from Q4 to Q1 in terms of million kcal. Of course, in the month of March, we had a relatively sizable impact, which came from the packaging bags and granules. The granule

prices in the market, which was at INR99 per kilo, which was in February, over multiple phases have shot up to INR155 per kilo which resulted an increase in cost of packing bags, and that did impact the March costing of bags. We had an overall impact of close to about INR20 per ton at a consolidated level for the company.

But that is for -- since we also carried sufficient, what you call, bag's inventory as well as we are on a granular conversion model. So we also had granules of different values with us. And hence, the impact which happened in the month of March was close to about INR20 per ton. But the number is going to further increase in the month of April, certainly. Already, we are looking at close to about INR100 per ton increase due to packing bags cost increase and granular cost increase and conversion cost increase, which has happened. So that's something which currently loaded on the cost line.

Certainly, I have no view on whether this INR100 will remain INR100 or will go up. That's all subject to the granule cost, which has kind of gone up from INR 99 to INR120 to INR140 to INR150 to INR155 in multiple steps. Currently, it's holding out at this kind of number. But if the conflict were to continue for longer and then we are going to have issues with incoming crude, I think this number will also have a negative side because the Government of India has already asked the granule manufacturers to divert crude for making LPG and other stuff and hence, there is a general shortage of granules in the market.

So April, we're looking at INR100 per ton increase in packing bag costs. And May and June could be -- I can't make a guess. It could be at this level or a little bit go higher also in the coming months. Other than this, the cost inflation did not happen in March, but will happen going forward is the cost of minerals gypsum. Mineral gypsum is also used in manufacture of cement along with FGD as well as chemical gypsum. And there, we can see close to about INR20 per ton increase because of mineral gypsum import costs.

Most of the minerals gypsum from Oman. And there again, the supply lines are cut. So the second question is you asked what is the company doing to mitigate this cost inflation? As far as bag is concerned, it's going to be difficult because it's not possible to mitigate because that's the only source is the granule manufacturer in the country like IOCL or Reliance. So that's where the granules come and there, I think there is a challenge. So it can't be mitigated. It can be only offset by price increase.

As far as petcoke increase, obviously, we have a formula. We have a fuel mix in east and north is different. Nuvoco is also close to about 70 plus percentage sales which happens through east market. And there, our key factories of Arasmeta, Sonadih and Risda. One of the things which we have done in our 3 plants is, we have reducing continuously the use of petcoke, we are changing the fuel mix in the calcinar, and we are changing the fuel mix in the main kiln. As we speak, people are all working on this effort, to reduce the petcoke consumption in Arasmeta and Sonadih to less than 20% from the current 25% odd and also from Risda from the current 35% to less than 30%.

So that's going to have a good impact. And with this reduction, we are also looking at other coal sourcing from Eastern collieries and Churcha coal various other coal initiatives. So the blended

cost is being controlled by reducing the petcoke consumption as well as try and get local coal, which will offset the overall coal. Local coal price has also gone up. But overall, I guess, the initiatives are being taken to reduce the consumption of petcoke by at least 300 to 500 basis points from Q4 actual consumption. That's on the Eastern side.

On the Northern side, again, we have entered into some unique coal contracts with Central India as well as from Varanasi depot to get also some domestic coal which we have not used in the past to be used in the kiln our Chittor factory. There again, our target of petcoke consumption, which was in the 55% and 60% has been brought to 50%, and we are further reducing to 45% by use of domestic coal. In Nimbol, we are still trying to work out some new alternatives to see whether lignite can be blended on the kiln and reduce further the petcoke consumption.

So technically speaking, in Northern plant, our petcoke consumption is 50%, we're trying to come to 45%, which with the efforts of our manufacturing team, we will be able to certainly reduce by 200 to 300 basis points. Number two, increase of AFR in these 2 plants, we have full-fledged investments done in Chittor and Nimbol for AFR processing, which will have the refused material or carbon black or on the stuff. So North is going to be unique domestic coal into these plants, number 1 agenda. Number 2 agenda is to try and see whether we can process lignite.

Number 3, agenda is to increase our AFR quantity, so that our cost and North is brought down to less than 50% of petcoke consumption. East is going to be overall reduction in petcoke by about 300 to 400 basis points, supplemented by increasing use of Churcha coal, coal waste or get it from Eastern collieries. So that's the broad work the teams are doing.

And on gypsum usage, a big initiative we are doing is to find out how can we supplement mineral gypsum from -- replace mineral gypsum with FGD gypsum. I think our procurement teams are working with nearby power plants and all the plants to try and increase use of FGD gypsum and all the plants which will reduce the cost of gypsum usage. So gypsum will be controlled, fuel costs, we are working on. Bags, I don't think at this point of time, there's a clear cut way forward, so we'll have to live with the price increase. And that's broadly the agenda for the company to mitigate the cost challenges.

Navin Sahadeo:

Yes. So thank you for the detailed reply. My second question then was on the pricing and the competitive intensity. So you did mention in your, I think a previous question that the range of price hike that has happened both in North and as well as the East region. I think similar sort of a commentary, we had, I think, witnessed -- heard in the previous con-call also at the time of January that there is some price hike. Despite peak season demand, I think the price hikes that have happened in March quarter as a whole have been a little under just about 2% or so.

So I just wanted to get your view about the confidence of this price hike now sustaining because I think April, May onwards, you also start seeing the seasonally weak monsoons coming through and then the impact of overall volume and the regular weak season thing. So do you think these price hikes in April are more sustainable? Or do you think it can still be some -- it could still face challenges beyond set of monsoons? Thank you.

Jayakumar Krishnaswamy: Demand, supply and pricing typically will go through the classic demand supply model but right now, we are not on certainly demand supply framework at all. These are all unique times. And if you see almost every industry and every sector in India has taken price increase. Paint industry, adhesive industry, automobile industry, FMCG industry, almost every industry whose raw material is crude-linked have taken price increase.

So there is no escaping the fact that we will not absorb this. We will absorb this inflation and reduce the profitability of the company. So unless in a normal scenario where demand peaks and our demand drops and then supply that there'll always be pressure on pricing. But these are all abnormal times and I guess, every player in the industry in our sector or outside the sector is facing the impact of crude.

And I am fairly confident that the price hikes which we have taken will stay put in the near-term, and hopefully, further cost inflation doesn't happen, then I am confident we can stabilize with the current prices. But I certainly feel that if further cost inflation happens, I guess we will have to find a way to pass on the cost inflation down. So that's the view I have and that's how our thought process is.

Navin Sahadeo: Yes. So just to conclude, we will see more price hikes if there is a further cost inflation. Otherwise, so far, the cost -- the price hikes are good enough. Is that the way to look at it?

Jayakumar Krishnaswamy: If you really put the mathematics of it, I cannot get the details of the total cost increase and the total price increase, obviously, 100% one cannot defray on step one. But by and large, the efforts which we have taken to take the prices up in freight still doesn't meet all the cost inflation.

But there, again, I think efficiency programs are being run in the factory to offset the impact of the cost inflation but certainly supported by price increase, geo mix, product portfolio and trade, nontrade ratios, all the other agenda which we are working.

So it's not like a 1-to-1 ratio. Cost increase by 100, price increase by 100. That's not the way one works. So I guess there is certainly acknowledgment there's a cost increase. So we have done the price increase to kind of mitigate the issues coming out of the cost inflation.

But in parallel, as a company, as a manufacturing organization, we have embarked into a number of initiatives on energy side, raw material side, efficiency side, product mix side, rest of all the stuff to ensure that we are able to compensate for the cost to increase with some internal efficiencies as well.

Navin Sahadeo: Thank you, sir.

Moderator: Thank you. Next question is from the line of Satyadeep Jain from Ambit Capital. Please go ahead.

Satyadeep Jain: Hi. Thank you. Sir, just -- Mr. Jayakumar, just a follow-up on the packaging part. You mentioned that there is some conversion where you source granules on your own and then give to packing companies for conversion. Just a couple of questions around packaging specifically.

So, a, what is the inventory that you have for packaging? Just trying to understand, are there too many moving forces right now in terms of seasonality for packaging that we're hearing. So what is the inventory level you're carrying? Just trying to assess the risk of availability of packaging bags?

When you source granule on your own, is it something higher versus the industry? And are you facing any challenges like everybody else in sourcing the granules? And third, on this packaging specifically, that historically, when we saw fuel cost inflation in '22, there was a pivot to blending because you reduced the share of clinker in the overall mix for the industry.

Now you have higher fuel cost inflation, but you also have higher packing costs which would naturally mean companies try more non-trade cement. So where are you pivoting to in terms of trade, nontrade mix this year? So all these are tied to packaging. Then I have another question, I'll come back for balance sheet, cash flows and all.

Jayakumar Krishnaswamy: Okay. In terms of the bags, typically, we carry about 15 to 20 days of bag inventory, that's the stuff. And I guess it is so volatile that the bags currently, which I have or at a price which was already at INR155 per kg granules. And I guess, any further increase in price against the bag cost is going to increase.

When I mentioned the impact of granule price increase, which will come for a full month, April will be close to about INR100 per ton. So that's like kind of done deal for the month of April. Any further increase in granules will anyway go to month of May that can be next, cost impact will further go up in the month of May.

As regards the granules and conversion models, I don't know about other companies. So we had adopted this approach for more than a year now where we source granules from granule manufacturers and then put it on a conversion contract with our bag manufacturers and run. But currently, since the overall granule availability itself is kind of reduce.

So we still get granules from our granule manufacturers, but also use the granules which the stacking suppliers already have. So right now, it's a blend of granule supply model as well as outright bag purchase model. So that's how we are navigating. We'll continue to navigate the same way until such time the entire situation gets back to normal. That's the scene on packaging.

But in terms of impact of packaging into trade segment and non-trade segment or moving from bag cement to loose cement. Typically, we are a company which operates at a pretty high trade to non-trade ratio. And also our C/K ratio in East is already over 2.1 is the C/K ratio which we operate in East and then North, the C/K ratio is a little bit lower because we have more OPC content in North.

So overall, the company's C/K ratio is 1.72. It's pretty high per industry standards. I don't see the C/K ratio going much higher than this kind of number in the short-term. So we don't have any programs to move from C/K ratio at current level to any other number to compensate for the various cost increases.

As regards to the movement of non-trading from bag cement to loose cement, certain markets do operate at a loose cement model, which is typically the Gujarat market and also some parts of Chhattisgarh we still would send through loose cement. And if you ask the question, is there a huge thrust to move from bag in to loose, not really.

One thing which we are really focused on right now is to kind of move away from OPC to blended cement more in East in the short run so that our C/K ratio can further increase and our energy cost per ton of cement can come down. So that's the specific agenda in East. North, again OPC markets, we are trying to go a little bit slow. But in Gujarat, we won't be able to do because the market constructed itself in that way.

But as to the markets like Rajasthan or Haryana, our focus is to kind of move away from OPC to get blended cement. But that's independent of this energy agenda because in the past calls they had mentioned that our North capacity is more or less reaching capacity utilization.

So, if you have to kind of unlock cement in north in the short term till Vadraj comes into being, we will continuously move away from OPC to a blended cement to increase that much more cement available for sale in the market. So that is a separate agenda, not linked to the energy crisis.

Satyadeep Jain:

Thank you so much for this elaborate answer. Just a follow-up on this. So, cost increase on the packing side is well understood. Just on the availability of bag also either granule or bag, are you foreseeing any challenges where there is shortage and that restricts the ability for cement manufacturers to manufacture?

And in that context, we heard from some channel checks there were specific pockets where Nuvoco actually faced some challenges for a very short period in the quarter. And that was overcome through various means.

Maybe if you can talk about were there any challenges in the quarter in terms of availability and did that disrupt production at all? And how are you foreseeing the availability? And what actions can you take in this? So, generally there is a fear that there may be some disruption if you have lower availability of bags?

Jayakumar Krishnaswamy: I think it's an industry phenomena. So, everybody in the industry got impacted due to bag non-availability in the month of March, and it continues in April as well. So, if you look at the East market or any market for that matter, a lot of bag manufacturing capacity came into force 3 years ago. And hence, there has been a general reduction in capacity utilization about around COVID time and beyond that, I think lots of capacities came into being.

But typically, April, May is the time when fertilizer movement also happens. And also, with this Bangladesh issue of jute bag not coming to India, there was a general scarcity of bags, which starting happening from February onwards. So one was of the view that this entire fertilizer movement as soon as Bangladesh, nothing can happen because right now, there is no jute availability there.

But however, starting February, itself, this issue of overall bag availability and heating up of bag conversion costs happen Jan and February, March. This war is a new phenomena which happened. Additional phenomena, which happened in the month of March.

So we were of the view that come May, once this fertilizer momentum will happen, the capacity utilization of bag manufacturing will come back to normal and it should not be a problem. But with this issue of granule itself not available, then I think that is had a new layer of serious challenge, not even new layer.

It is a serious challenge, availability issue, price is a problem I certainly can talk for Nuvoco, but I think because bag manufacturers are all common for all the cement manufacturers. I guess there is a widespread challenge for timely bag availability in certain markets all over India, more so in East where capacity utilization of bag manufacturers are running to the extent of 90 plus percentage.

So, we did face in the month of March bags. And the number of 6 million, we would have done a little bit more in the month of March. We had two major disruptions, which happened in the March, one was rake availability was a serious problem in the month of March because the government decided to divert all rakes for movement of coal to power plants. So typically, we would get 4.5 rakes per day and that came down to 4 rakes per day.

So, there was overall clinker movement challenge as well as bag availability challenge. In spite of that, we hit a historical high of 6 million tons in the quarter. We could have done more because we had – we could have served the market, demand was pretty good for us. But I guess that is what we have to live with.

So, we have to save through the coming few months with this bag shortage and also that if somebody had asked the next question, I was anyway, I had to share the issue of rake availability in the month of March.

And as we sit right now, we are having serious problems of rake availability as well and we have resorted to moving material by road to some of our grinding units because rake is not available sufficiently, all rakes are diverted to power plants. So, I think this should reduce once the monsoon sets, but that's still the month and half 2 months away. So, we will face problems in that. We will continue to face problem.

So, I guess we will – it's a tightrope walking. It's an everyday journey where we kind of find a way to source back incentivized for short-term incentives for the bag manufacturers to make. So all net-net, with all the incentive annual cost increase, it came to about INR100 in the month of March. It is continuing at the similar levels in April.

Satyadeep Jain: Mr. Jayakumar, I'll just ask 1 quick follow-up...

Moderator: Thank you, Satyadeep, I request you to join back the queue, please, as we have other participants. Thank you.

Satyadeep Jain: Sure.

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

Shravan Shah: Yes. Sir, you mentioned about in terms of reducing the petcoke are both in east, north, so roughly around 3% to 5% odd. But currently, in Q4, what was the petcoke percentage and the AFR percentage in the fuel mix at the company level?

Jayakumar Krishnaswamy: Company level, our Q4 number for all blended fuel was INR1.44 million kcal -- yes, I'm answering your question.

Shravan Shah: Yes, sir, go ahead.

Jayakumar Krishnaswamy: Fuel cost for the company was INR1.44, coal came at INR1.27, petcoke came at INR1.84 and AFR was at INR0.9. That was a number which we had for last year.

Shravan Shah: And in terms of the fuel mix percentage, petcoke share and AFR share in Q4 was how much? And because we are looking at even AFR also to increase to 13% to 15%?

Jayakumar Krishnaswamy: Our whole percentage as a company was 53%, linkage 31% and non-linkage 21% which is domestic open market coal and the petcoke in Q4 was close to 37% and AFR was about 10%. That's the number we had in Q4.

Shravan Shah: And this AFR in Q1, can we see will further go up to 13%, 15%, that's what we were looking at?

Jayakumar Krishnaswamy: FY27, our target is to get this AFR percentage from -- as a company from 10% to plus 13% is what we will look at. That's the number we are targeting to offset the coal price increase.

Shravan Shah: And sir, in terms of cost, furthermore, let's assume by the end of this month and election is over state elections. And see if we further can see diesel price going up by INR10-odd, which the central government has to excise it. So how one can look at this INR10, let's assume 10% kind of increase? Will it be an entire 10% will be the direct increase in the freight cost? Or will it be a 60%, 70% and 30%, 40% is kind of a fixed, that's way 1 can look at?

Jayakumar Krishnaswamy: I don't think in this investors call, I wouldn't be able to give a pricing strategy of the company and what are the minute steps, how we're going to manage so I basically gave an overview because this is a strategy which we will work. Other companies will work. And I would refrain from giving what are all the details since the company will take in the coming 6 to 8 weeks to manage.

I give an overarching picture of reducing petcoke quantity, increasing geo mix, improving our premium share and moving away from mineral gypsum to FGD. These are the big initiatives we will work on but to kind of give a mathematical model, if this goes up, this will be the price rate, I don't think I would like to share such kind of information in this call.

Shravan Shah: Yes, I got it, sir. But just on a broader prospect so whatever we have said until now, INR8 to INR12 kind of a trade hike in INR10, INR15, so roughly INR10, INR11 kind of at a blended level price hike and given the -- obviously, the petcoke cost will be, if it stays as it is today,

maybe July, August onwards, we will have a hit. And let's assume that. Then roughly, we are still -- and then the INR100 packing cost increases there. So roughly, still, we are behind in terms of INR10-odd on the price hike. INR8 to INR10...

Jayakumar Krishnaswamy: I will not be answering this question because I cannot do a mathematical reconciliation and say that this much price increase, this much cost increase, suddenly, I will not be able to tell but that won't be -- that's not going to be my approach of giving both the details. But all I can share with you is certainly, costs have gone up, which I shared with you in a transparent manner, what has been the impact of bag and what has been the impact of fuel in March and March is all done now.

So, I guess, April, what will be the impact of bags and fuel. I guess, certainly the blended cost of fuel, diesel price hike, bags, gypsum, rest of all the stuff, I am really looking at a cost inflation of close to INR200 per ton. And hence, at INR200 per ton with the kind of price increase, net of GST, there is still going to be some gap.

But so our effort will be to work on the internal levers plus I guess an appropriate time when the year has started, I guess, quarter ending schemes have ended in the market, and then demand will pick up, summer is coming, with elections finishing and all the labour getting back to major markets from the post-election scenario in key states, I think I foresee a demand opening up to 7% to 8% going forward. That's when I plan to catch the pricing trajectory.

Moderator: Thank you, we will take a next question is from the line of Tejas Pradhan from Citigroup. Please go ahead.

Tejas Pradhan: Yeah, hi sir, just on the balance sheet, if I look at historical trends, 4Q has been typically a quarter when we have unwind in terms of the debt reduction, right? But this quarter, if I look at net debt has gone up from INR42 billion to INR44 billion. And in addition to that, we also had the CCD issue at Vadraj level, right? So, if I adjust for that, then maybe that INR3 billion also in addition, the debt would have gone up. So, any reason why we had an increase in net debt in the quarter?

Jayakumar Krishnaswamy: Let me ask Maneesh, our CFO, to address this query. Maneesh?

Maneesh Agrawal: Yes. So basically, if you look at during the quarter, so first of all, we had this CCD, which has come in and we used the proceeds to pay off the commercial paper or in terms of bridge finance that we have taken earlier to -- for the purpose of this Vadraj acquisition. So that is there. Besides that, in terms of -- if you look at the overall net debt for the entire year, right, so I'll just give you the whole waterfall for that.

So if you look at that, we started the year with INR3,640 crores and overall net debt we have ended with INR4,445 crores. So there's a INR900 crores increase that has happened. And this is primarily because of the Vadraj acquisition that has happened. So overall investment value for the Vadraj, if you recall in the previous calls, what we've talked about is INR1,800 crores.

And on top of it, there is this INR200 crores that we had funded or made the investment for the VEGE acquisition. So altogether, INR2,000 crores of investment has been done. And as against

that, we have INR900 crores of CCD that has come in. So this INR1,100 crores of internal accruals or the borrowing that has gone into funding the entire acquisition.

And from the operating cash flow, if you look at around INR1,880 crores of EBITDA that has been generated, there is an interest of around INR450 crores that has gone in. Besides that, the working capital to fund the scale of operations from 19.4 million tons to 20.4 million tons, so there's increase in the working capital.

Besides the capex that has gone in across the plant, the sustaining capex, the normal capex that has gone in for the land mining as well as the capex that has gone for the Vadraj stuff. So that is how the overall INR1,880 crores of operating cash flow has been utilized. And then there is income tax payment that has gone in this financial year. So all together, if you look at from the operating cash flow, there is actually a INR300 crores of net debt that has reduced, but because of this Vadraj acquisition that has happened, so there is an increase that is coming on the balance sheet side to the extent of INR900 crores.

Jayakumar Krishnaswamy: Let me just, Maneesh, finished it. Maneesh, thank you for explaining this. We started there with INR3,640 crores of net debt. We ended the year with INR4,445 crores of net debt. The INR3,640 crores you have to add close to INR200 crores of investment that you have made, it should have gone to has INR5,640.

INR5,640 crores has INR900 crores of CCD. So knock off INR900 crores from INR5,640 crores, so it will come to INR4,740 crores. Technically speaking, we had that. We bought something. We did CCD, we should have ended the year with INR4,740 crores, but we ended the year with INR4,445 crores, good INR300 crores reduction in debt on a like-to-like comparison coming out of operational efficiency, prudent capex and cash flow generation.

So I guess whatever things which I have been talking on every call to kind of find a way to restrict capex, reduce working capital, manage cash flows to do a debt reduction. And all the time, we have been talking about when our debt reaches INR3,500 crores to INR4,000 crores, we will make the next investment.

So that is how we made the next investment. The next investment took the debt up. Now the debt range is at INR4,445 crores. Technically on mathematical terms on a like-for-like comparison, it should have been INR4,745 crores, but wonderful work done by the teams, brought the number to INR4,445 crores.

Tejas Pradhan: Sure. Okay. So just to sort of clarify the question also. Just on a quarter-on-quarter basis, if I look at, at least the last 4, 5 years, generally 3Q end versus March there has been like a INR4 billion to INR5 billion quarter-on-quarter reduction in net debt versus that this quarter there is a INR2 billion increase. So anything specific in this quarter? I understand the full year. So that explanation, I understood. Just on a quarter-on-quarter, anything particular to flag off because of which that debt increased?

Jayakumar Krishnaswamy: Our net debt December stood at INR4,817 crores. And again, INR4,817 crores, we are at INR4,445 crores, so there again I say there is a.

Maneesh Agrawal: So the point that you're making is the net debt has gone down slightly higher this time has come to the previous quarter, previous year.

Tejas Pradhan: Okay. So my number was INR4,217 crores. I mean, correct me if I am wrong?

Maneesh Agrawal: That's not the right number. The number is INR4,817 crores.

Tejas Pradhan: Okay. Understood, sir. I'll take it offline not an issue. Just on the other data question that I had, was the clinker production in full year FY26 and the lead distance for the fourth quarter just these two?

Jayakumar Krishnaswamy: We don't report clinker production only company, we report cement production. As regards to the lead distance reduction Q4 to Q3, no substantial reduction in lead distance. We are at 325 just about a kilometre less 325 km largely coming due to our -- as I just explained a little while ago to Satyadeep's question, we had challenges in clinker moments.

So we had to kind of do a little bit of trade-off of how can I move clinker to the right places because rake availability was not there everywhere. And second also is the fact that we had to what you call packing bag was also a challenge in certain places and North factories, which was different, it was different. So we couldn't do too much of impact on the distance reduction it remained at 325.

Tejas Pradhan: Sure. Thanks. That's all from my side.

Moderator: Thank you. Next question is from the line of Gaurav Goel from UTI AMC. Please go ahead.

Gaurav Goel: Hi, thank you for the opportunity. So just one quick question. So if you could give the debt.

Jayakumar Krishnaswamy: Can you speak on the handset please? You are very, very feeble.

Gaurav Goel: Am I audible?

Jayakumar Krishnaswamy: Yes. At this level, you are audible.

Gaurav Goel: Thank you. So just one quick question. If you could give a guidance on the debt and capex for FY27?

Jayakumar Krishnaswamy: Okay. So on the capex, I would give a guidance erstwhile every quarter we've been talking about capex. So in FY26 the year gone by, I had given an outlook of INR700 crores for capex, we ended with INR712 crores, a small INR10 crores increase. So more or less exactly the same way which we planned for the year. '27 and '28 will be INR900 crores for '27 and INR960 crores for '28. That's all largely coming out of Vadraj refurbishment, INR627 crores and INR728 crores.

Overall, next 2 years, INR900 crores in FY27, INR960 crores in FY28. As regards to the debt level number, I guess there is going to be a period of few quarters where this debt is going to be around this number because we have borrowed and invested in Vadraj. However, our goal has been to maintain that debt level to 2x to 2.5x EBITDA. And there, we will meet our numbers during the fiscal FY27.

Gaurav Goel:

All right. Thank you so much.

Moderator:

Thank you. Next question is from the line of Girija Ray from Nirmal Bang. Please go ahead.

Girija Ray:

Hi, thanks for taking my question. So one confusion like if I go back to 2022 September, post COVID again, there was a spike in Pet coke even though after COVID, the market opened and everything, the infra also started moving. So the industry was struggling to pass on this input cost rise to the consumers. So even this normal course of situation when infra are doing well, and the things are getting in a good phase. So seeing this cost increase like Pet coke prices and packaging costs. So how do you see this -- the kind of price hike will take, which can be passed into the consumer post the GST?

If I remember, post-these GST rate cut, had given a headroom of INR35 to INR37 per bag of increase. So, so far, we have increased around INR10 to INR12 on a blended basis. So even in September '22 most of the pockets, they have taken a pricing of INR50 to INR70. Still, it was not adequate enough to pass on to the consumers, the profitability was impacting that trend. So how do you see this can be -- what kind of price hike we can take and how this will be feasible to pass into the consumers?

Jayakumar Krishnaswamy: If we look at 4-year window, I guess, a little bit jot from my memory and talk about September '22. It's pretty far away, but all I can say is at that time, Pet coke was trending nearly close to about \$250 per ton and then the rupees per million kcal was also pretty high at the time. It took a good 6 to 8 months for their prices to taper down.

But this time around if you see Pet coke is current trending at a INR2.04 per million kcal. And at this kind of level, the price hike, which we have taken just about meet the cost inflation. So whatever currently we have taken is just about meets the current kind of cost inflation which has happened. So it's kind of a neutral ground as we speak.

But any further increase in cost, I guess we will go for additional price increase. I will not be able to comment right now whether it will be INR10 per bag or INR15 per bag. God forbid the cost doesn't go so much, so we'll be mindful as a responsible company. But certainly, I think eventually, when the overall cost lines go up, I think it will have an impact on the overall economy of the country. So we will go by as the situation unfolds.

What is in our control is to tweak the fuel mixture, tweak the model mix, tweak the geo mix, bring about efficiencies and that's where our immediate focus, entire team is working on to squeeze out some of the money so that the cost increase can be obviated by any efficiency improvement within the company.

Beyond that, we will have to take a price increase. I hope this situation doesn't happen where we have to take big time increases, but I don't rule out any situation where we will not take price increase. I won't say we will take, but certainly, I will give a reference. Different way to answer your question. I'm not ruling out any price increase going forward.

Girija Ray:

Okay. My last question will be, now there is some kind of a decline from past three quarters. I can see the employee cost per ton has declined, so that is one. And second one is related to our

capacity utilization. It is very good to see that we have used a very significant capacity utilization in fourth quarter. Is there anything like we are trying to capture the market or gain the market share, breaking the pricing power? These 2 questions. This will be my last question.

Jayakumar Krishnaswamy: Certainly, I think we will not drop price to increase market share. So I think our focus is profitability, Nuvoco will have to find as a company, we do a good balancing act between ensuring profitability and also get growth. So we will not kind of buy growth by throwing money. So that's not in the DNA of the organization. We will work very hard to get the profitability right, but certainly, I think we'll run behind growth, but certainly not throw money to get growth. That's the DNA of the organization. That is how we have been running our company for last many years, and that's the way we look at things going forward.

As regards to the overall employee benefits per ton, I guess, scale also comes to picture. If you see our overall absolute volume growth in FY'24 and FY'25 was 18.8 and 19.4, two years we were stuck at 18.8 and other years, we went only to 19.4. This was a year where I think the market also improved, we also kind of improved to, what you call, 20.4. That's where I guess the volume scale benefit also comes to our cost per ton impact.

Girija Ray: Thank you, sir. All the best. Thank you, sir.

Moderator: We'll take the next question from the line of Pinakin from HSBC. Please go ahead.

Pinakin: Thank you very much. My first question is related to demand. So in your view, what was the industry growth in FY'26 and given in April, there has been so much disruption that we are hearing about, how is demand standing in April? Is it flat? Or has it started declining on a year basis?

Jayakumar Krishnaswamy: Looking at what's the demand has been, I guess, if you really recall our quarter two, I think we did not have aggressive volume growth, whereas quarter three and quarter four, I guess, we did grow. Industry, we are looking at volume growth in FY'26 anywhere between 6% to 9%. That's the outlook for the last year. I think that's my read of how the overall market.

But again, India is North, South, East, West, Central, so various markets have got various growth rates. And an all-India level, industry has grown by 6% to 9%, but certain markets like East or even Gujarat for many months during the year or Maharashtra for many months during the year, growth was tepid less than the national average.

But however, as in our opening speech, we mentioned about the infrastructure improvement and the investment government is going to make. I'm still looking positive for this industry to grow anywhere between 7% to 9% in the coming year as well.

Pinakin: Sure, sir. And related to that, how has demand shaped up in April so far given whatever disruptions we have seen?

Jayakumar Krishnaswamy: Okay. First week anyway, April typically first week is always a challenging week with the March annual targets for all the dealers across the staff. But as we speak, overall, I can basically say

there are a few markets where we don't operate all over India, but suddenly in the markets where we operate North, East, and West and some parts of Central.

I think there are pockets in India currently where there are -- demand is slightly weak. So I'm not going to get a list on which states the demand is weak. But in our core states of Bihar, Bengal, Jharkhand, Chhattisgarh, there is good demand. And in terms of the first 13, 14 days of the month, our pro rata is as per our plan.

Pinakin: So for FY27, you mentioned demand growth at industry level of 7% to 9%, so at a Nuvoco level, I mean it's very early days, but what is the target that you're working with? Do you -- because FY26 was 5%, should we see a pickup in volume sales in FY27?

Jayakumar Krishnaswamy: So you want what I tell my employees or you want what is likely to happen? So certainly, I think we will certainly want to grow in line with the industry of 7% to 9% for sure in the market. But practically, if you see markets in North, we are kind of operating at 95% capacity utilization.

So there, I think once our Vadraj comes in, there is going to be a few months in the coming year, where we will be short of cement in North. But that's nothing phenomena. That's part of the stuff. But I still have adequate capacity in East. I still have more cement availability in East. So we are targeting to grow anywhere between 7% to 9%, in line with the industry in the coming year as well.

Pinakin: Got it. Thank you very much, sir.

Moderator: Thank you. Ladies and gentlemen, we'll take that as the last question for today. I now hand the conference over to Mr. Bishnu Sharma for closing comments. Over to you, sir.

Bishnu Sharma: Thank you. Thank you everyone for the questions and engagement today. We hope that the discussion have been both informative and useful. The IR team remains available for any follow-up clarification you will need after the call.

As we close, let me leave you with a few thoughts on where Nuvoco stands and where we are headed. Our growth agenda is firmly on track. The Vadraj Cement project is progressing as planned with phased commissioning beginning Q3 FY27 further strengthening our presence across the western and northern markets.

Beyond capacity, our strategic priorities remain clear and consistent, premiumization, geographic optimization and cost discipline. These are not just aspirations as they are disciplines we have demonstrated quarter-after-quarter and they will continue to drive long-term shareholder value creation. Thank you for your continued support and trust. We look forward to speaking to you again next quarter. Thank you very much.

Moderator: Thank you. On behalf of Nuvoco Vistas Corporation Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.