Dated: 19 Jan 2026

Nuvoco Vistas Corp. (NUVOCO) - BUY

Result Update

Current Market Price (CMP)	Fair Value
Rs.350	**Rs.420**

Rationale:

- Nuvoco's Q3FY26 EBITDA was in line with our estimates.
- Nuvoco grew 20% yoy in December 2025; expects robust demand trends to continue.
- Projects at Vadraj (VCL) in west and debottlenecking in east are on track; should add to volumes from FY27E.
- We expect leverage to peak in FY26E due to VCL acquisition and decline thereafter.
- We estimate EBITDA/ton of Rs890/907/936 in FY26E/27/28E vs Rs767 /ton in Q3FY26.
- Our revised FV of Rs420 (from Rs410) is based 8x EV/EBITDA on March 2028 estimate.
- Reduced regional concentration, reasonable valuations makes risk-reward favorable.

Positives:

- Volumes at 50 lakh tons, (+6.6% yoy/+16% qoq) were the highest ever for Q3.
- Costs fell 4.7% qoq, led by lower freight costs and lower raw material/energy costs.
- We expect Nuvoco's capacity utilization to remain above industry levels in FY26-28E.

Negatives:

- Blended realizations fell 5.5% qoq to Rs5,403/ton amid price cut in key eastern region.
- EBITDA, at Rs767/ton, decreased Rs86/ton qoq (-10% qoq), led by lower realizations.

(EV: Enterprise Value; EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization)

Holding Period: 12 months

Rating Scale (Private Client Group)

Definitions of ratings

BUY – We expect the stock to deliver more than 15% returns over the next 12 months

ADD – We expect the stock to deliver 5% - 15% returns over the next 12 months

REDUCE – We expect the stock to deliver -5% - +5% returns over the next 12 months

SELL – We expect the stock to deliver < -5% returns over the next 12 months

NR – **Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.

SUBSCRIBE – We advise investor to subscribe to the IPO.

RS – **Rating Suspended.** Kotak Securities has suspended the investment rating and price target for this stock, either because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.

NA – **Not Available or Not Applicable.** The information is not available for display or is not applicable

NM – **Not Meaningful.** The information is not meaningful and is therefore excluded.

NOTE – Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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