



UltraTech Cement Limited

Cementing growth with concrete results



Stock code: BSE: 532538 | NSE: ULTRACEMCO | Reuters: UTCL.NS | Bloomberg: UTCES IS/UTCES LX

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GLOSSARY

MNT - Million Metric Tons, **LMT** - Lakh Metric Tons, **MTPA** - Million Tons Per Annum, **LTPA** - Lacs Tons Per Annum, **MW** - Mega Watts, **Q1** - April-June, **Q2** - July-September, **Q3** - October-December, **Q4** - January-March, **CY** - Current Year period, **LY** - Corresponding period Last Year, **FY** - Financial Year (April-March)

01

Macro and
Sectoral
Update



Nathdwara Cement Works, Rajasthan was conferred a Silver trophy at the prestigious India Green Manufacturing Challenge 2022 (IGMC) during the year for its consistent efforts on improving its energy efficiency, water conservation, biodiversity protection and other aspects of sustainability.

Macro Indicators



FY23 GDP growth forecast at ~7%;
FY24 GDP growth is estimated at ~6%.



March CPI eased to 5.66% from 6.44% in February and it is projected to cool to ~5% in FY24 backed by lower fuel and food inflation.



India's interest rate cycle has most likely peaked unless there are inflation surprises.



Rupee depreciated by 8% over Mar-22.

Sectoral Update : Q4 FY23

Region	Volume Growth	I	C	H	R	Key drivers
North	↑	●	●	●	●	✓ Infrastructure segment registered growth on account of execution of major projects. ✓ Commercial demand registered growth in J&K. ✓ Housing segment growth in all the regions supported by increased cash flow from crop harvest except Punjab (sand mining restriction).
Central	↑	●	●	●	●	✓ Housing and Commercial segment: growth in all the regions. ✓ Infrastructure segment: degrowth across the regions with delays in commencement of new projects during the harvest season.
East	↑	●	●	●	●	✓ Overall growth driven by Housing & Rural (PMAY, PMGSY, Housing For All). Institutional strengthening of Gram Panchayat Program and support by farmers earning. ✓ Infrastructure segment slowed down in West Bengal and Jharkhand due to scarce availability of aggregates.
West	↑	●	●	●	●	✓ Maharashtra: Infrastructure segment grew in Mumbai led by Metro and Mumbai Trans Harbour Link (MTHL), Coastal road project. Housing segment: growth in all the regions. ✓ Gujarat: Housing growth in Urban and Rural areas due to improved cash flows. Infrastructure growth supported by major projects i.e., Bullet Train, Vadodara-Mumbai Expressway and Western Dedicated Freight Corridor etc.
South	↑	●	●	●	●	✓ Housing and Commercial segment grew in all the regions (except Telangana). ✓ Infrastructure grew in Andhra Pradesh, Telangana, Karnataka on execution of major projects. Rural demand growth across all regions except Telangana and Tamil Nadu (Unseasonal rains).

02

Business
Update



UltraTech supplied ~70% of cement for the ~ 14 kms Zuari Bridge, Goa;
the 2nd longest cable stayed bridge in India.

Highlights : Q4



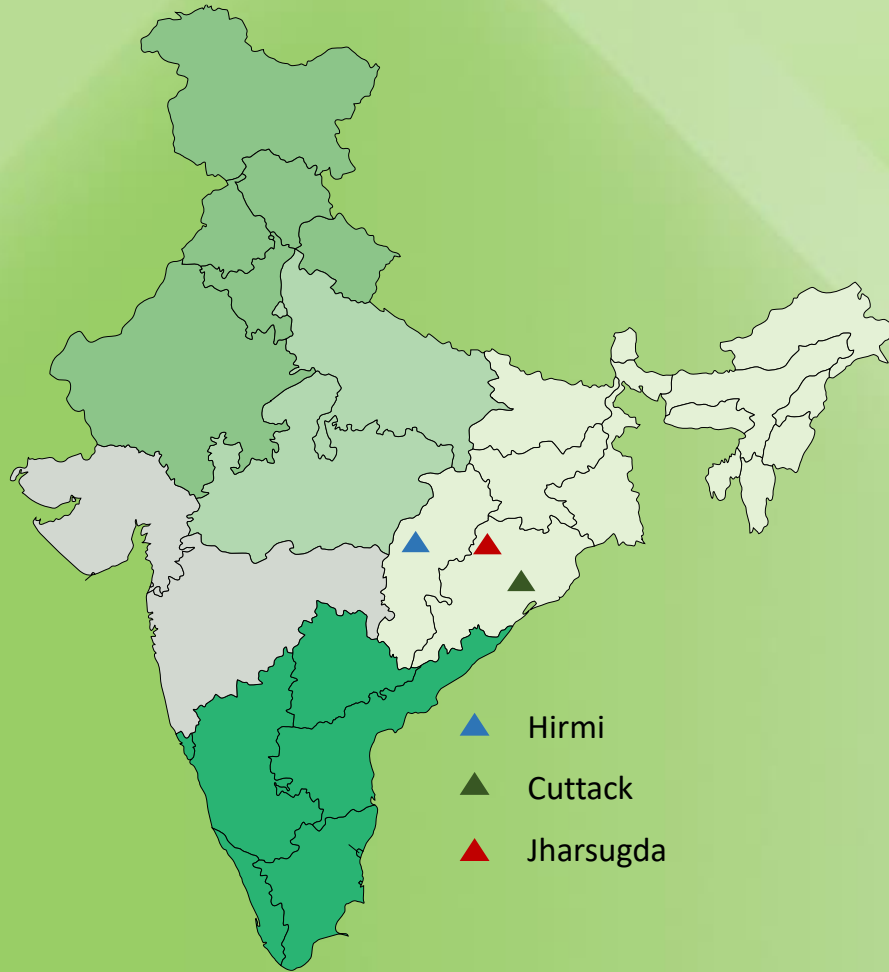
- Domestic sales grew 15% with capacity utilization of 95%.
- Operating EBITDA improved to ₹ 1060/Mt from ₹ 900/Mt in the last quarter.
- Commissioned cement capacity of 5.6 MTPA, taking total grey cement capacity of the Company to 126.95 MTPA in India.
- ReadyMix Concrete (RMC) network increased to 231 plants spread across more than 100 cities.
- Trade mix at 66% and Blended cement at 69%.
- Clinker conversion ratio at 1.42.
- Premium products mix contributed to 20.4% of trade sales; up 26% yoy.

Highlights : FY23



- Domestic sales grew 14% with capacity utilization of 84%.
- Operating EBITDA at ₹ 1,011/Mt compared to ₹ 1,266/Mt for last year (Impacted by higher energy costs)
- Commissioned 12.4 mtpa grey cement capacity in India ; 4 lac tpa wall care putty plant at Nathdwara, Rajasthan.
- 54 new ReadyMix Concrete (RMC) plants added.
- Blended cement at 70% with clinker conversion ratio at 1.41; up 2.4% from last year.
- Commissioned WHRS capacity of 43 MW during the year taking total WHRS capacity of the company to 210 MW.
- Implemented renewable power capacity of 76 MW during the year taking total renewable power capacity of the company to 345 MW.

Capacity expansion update



Chhattisgarh

- 1.3 mtpa brownfield grinding cement unit at Hirmi, Chhattisgarh, taking cement capacity of the Company in the State to 8.1 mtpa.



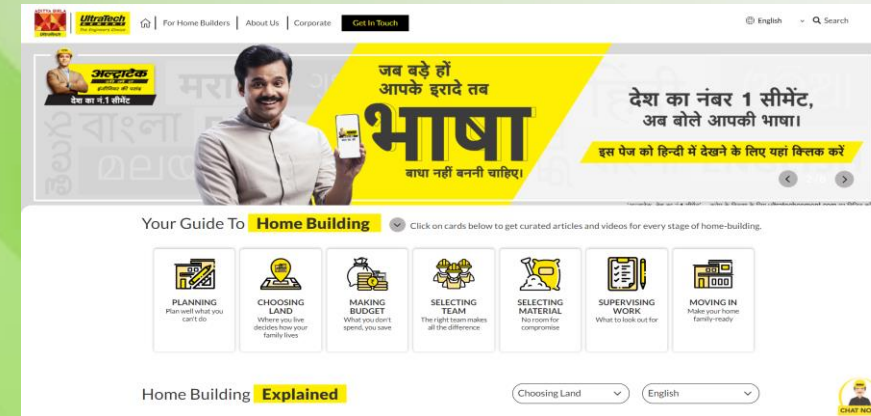
Odisha

- 2.8 mtpa greenfield grinding cement unit at Cuttack
- 1.5 mtpa brownfield grinding cement unit at Jharsuguda
- Taking cement capacity of the Company in the State to 6.9 mtpa.

Brand Recognition and Engagement



UltraTech
raked 118
awards in
last 4 years



23

Mn+ website
visits in FY23



UltraTech Crack Filler gets
awards for innovative pack design



#BaatGharKi Videos

350 Mn+ views as of
March, 2023

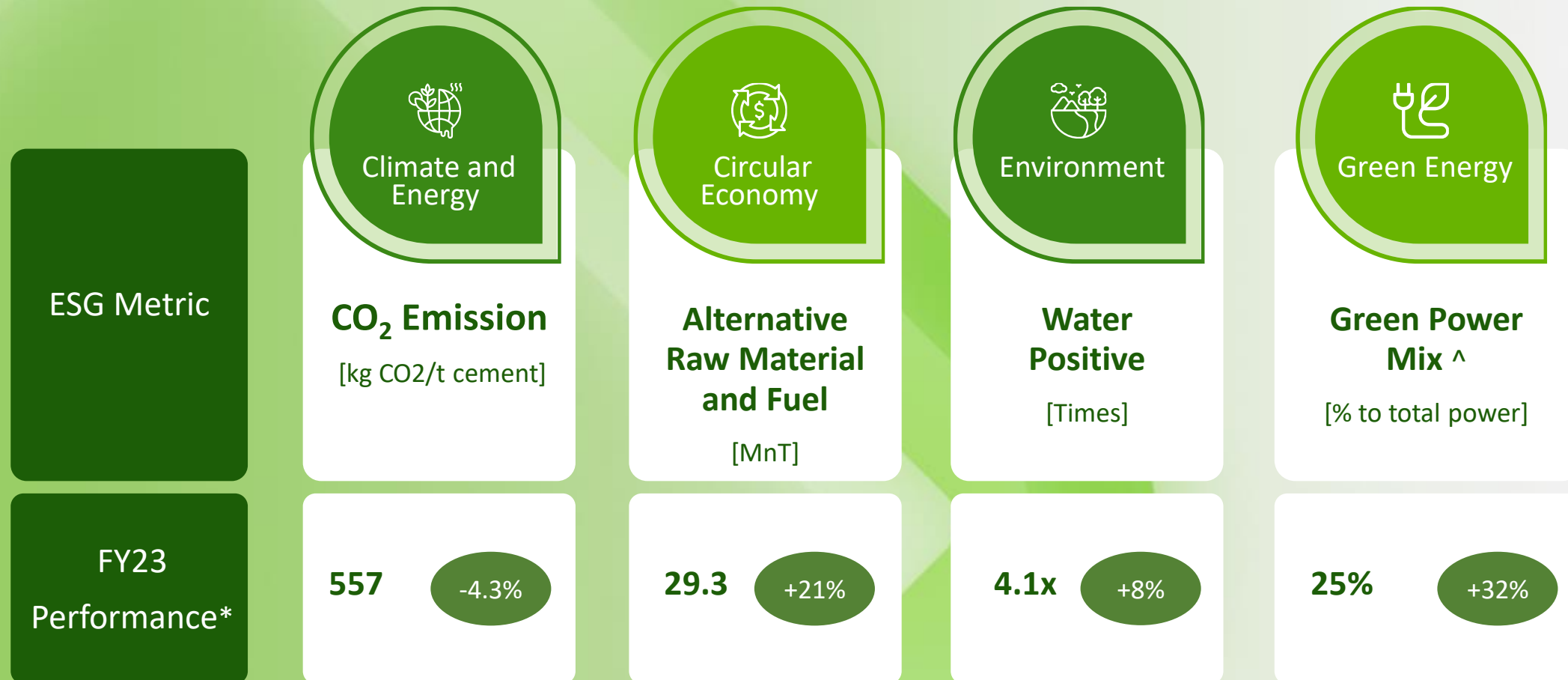
129 original videos and
500+ translated videos



UltraTech wins TERI-IWA-UNDP Water Sustainability Award for Integrated Watershed Management Project

The award recognizes the impact created by Andhra Pradesh Cement Works watershed project in Petnikota and Ayyavaripalli villages located near the unit. The initiative helped uplift the lives and livelihoods of over 500 families.

Leading the way to Sustainability



UltraTech's commitment to sustainability recognised



UltraTech Cement Ltd.
Construction Material

**Sustainability
Yearbook Member**
S&P Global ESG Score 2022

80 /100

As of February 7, 2023.
Position and Score are industry specific and reflect exclusion
screening criteria. Learn more at spglobal.com/esg/yearbook

S&P Global



UltraTech has been ranked 6th in the Construction Material sector globally on the S&P Global's Dow Jones Sustainability World Index (DJSI) for FY22.

UltraTech is the only Indian company to be featured in the global sectoral list by DJSI for FY22. The overall score of 80 on the index is a significant improvement over the last five years.

Going Green, Winning Big

Thirteen UltraTech mines awarded 5-star ratings



UltraTech creates history as thirteen of its limestone mines received 5-Star ratings at the 75th anniversary celebration of the Indian Bureau of Mines in March, 2023. These are the highest ever number of 5-Star ratings conferred to any company across all sectors in India.

Safety initiatives towards zero harm

Training through digitalization



Safety toll-free number



Virtual training for contractual workforce



E-learning modules on critical processes



3D animation incident learning videos



- Virtual Reality for contractual workforce
- Completed training for more than 14,000 workers
- As a result incidents of Lost Time Injuries (LTIs), Fatal Potential element of LTIs and Lost Time Injury Frequency Rate have reduced



CSR Outreach



Spread over
47 locations
in India.



Reaches out
to **~500**
villages in **16**
states across
India



More than
1.6 million
beneficiaries



Education
reaching out
to **0.13 million**
students



CSR spend of
₹ 115 Crores
in FY23

Creating lasting social impact



Skill development through 10 training centres



Education support across India through 31 schools



Women empowerment through training in various streams and making them self-reliant



Supported portable drinking water facilities for animals across unit locations



Healthcare support benefitted 17,953 beneficiaries



Training for Agniveer program at Dalla plant, Uttar Pradesh

04

Financial
Performance



UltraTech's Shared Service Centre has won the Best Shared Services Team of the Year Award at the 9th edition of Shared Service Summit & Award 2022, organised by UBS Forums.

UltraTech Knowledge Service Centre ("UKSC") is a digitally-enabled "Centre of Excellence", processing payments, performing accounting transactions, ensuring controls and managing compliances. The award recognizes the Shared Service Centre's teamwork and collaboration to grow as one of the best in class Share Service Centre.

Sales Volume



Volume in Million tons

Particulars	Q4 FY23	Growth (YoY)	Growth (QoQ)	FY23	Growth (YoY)
Grey Cement - Domestic	29.9	15%	23%	99.6	14%
Cement Export & Clinker Sales	0.2	-17%	50%	0.5	-43%
White Cement	0.5	19%	16%	1.6	11%
Total Sales Volume - India	30.5	15%	23%	101.7	14%
Grey Cement – Overseas	1.3	-2%	11%	4.4	-10%
Total Consolidated Sales Volume*	31.7	14%	22%	105.7	12%



* After elimination of inter company sales

Revenue

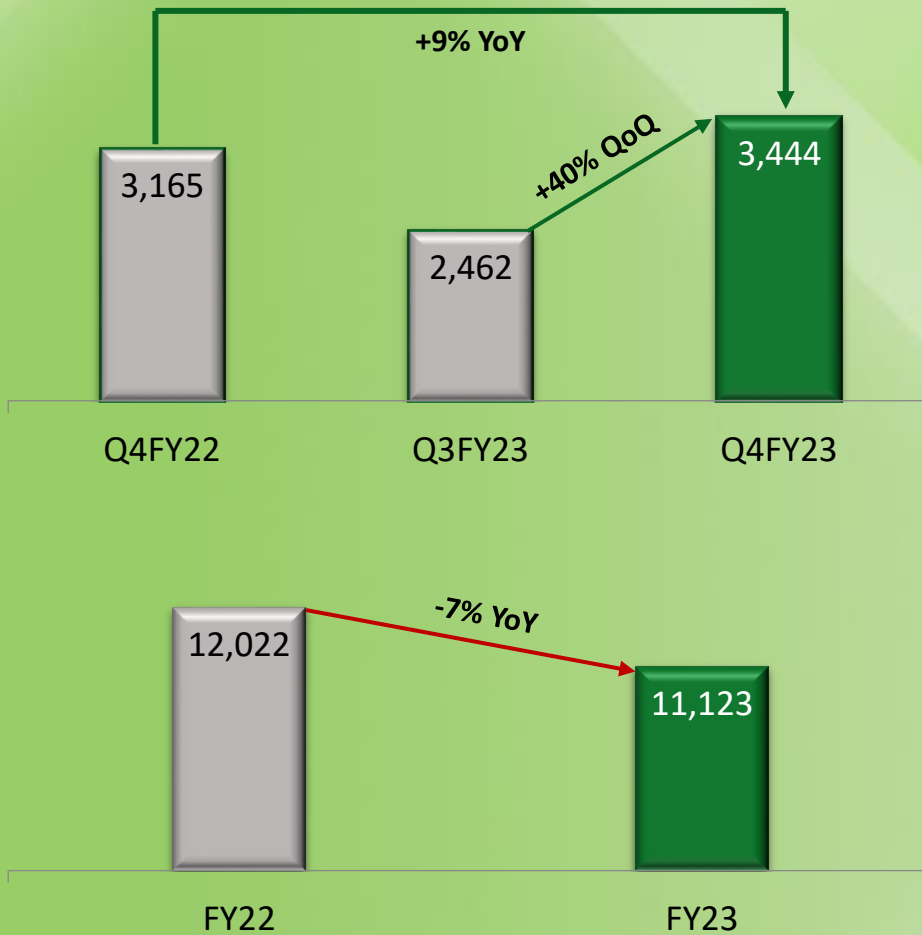
₹ Crores



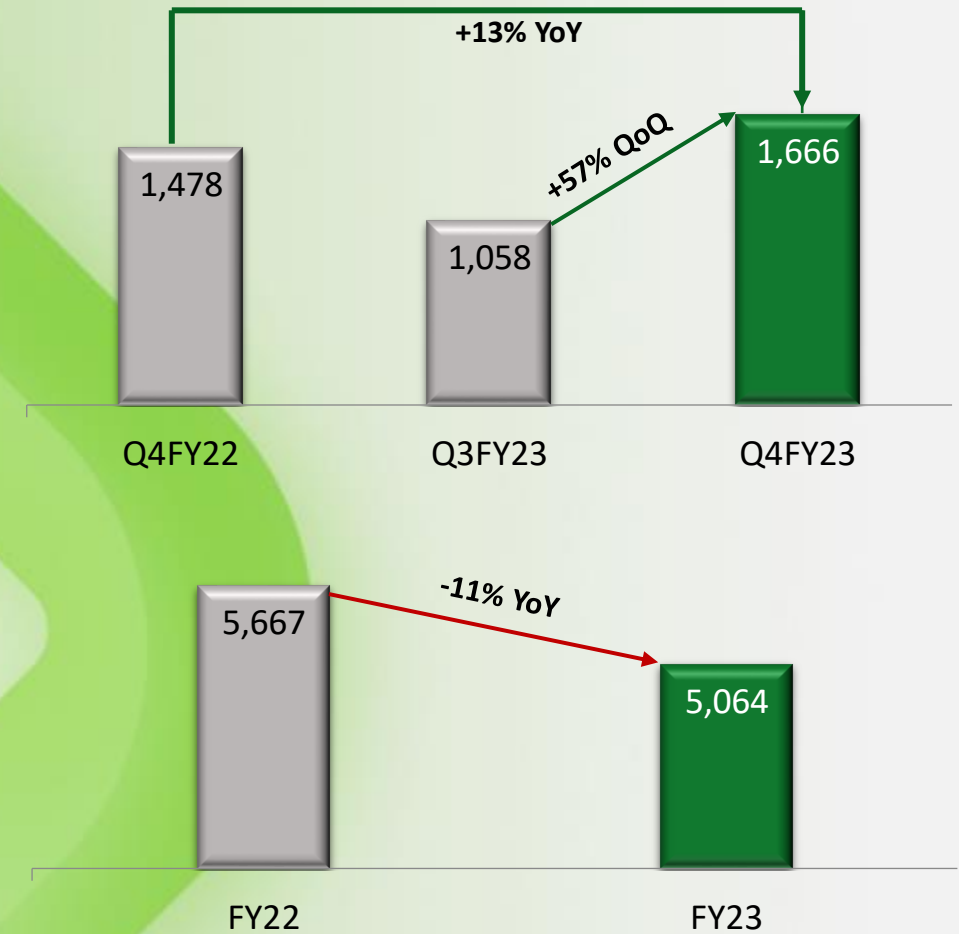
Particulars	Q4 FY23	Growth (YoY)	Growth (QoQ)	FY23	Growth (YoY)
Grey Cement - Domestic	16,039	20%	23%	53,788	21%
White Cement	664	22%	16%	2,278	17%
ReadyMix Concrete (RMC)	1,138	34%	14%	3,922	49%
Others	295	-25%	-18%	1,282	3%
Grey Cement – Overseas	616	-12%	7%	2,145	-4%
Total Consolidated Sales Volume*	18,436	19%	21%	62,338	21%

Profitability

EBITDA (₹ Crores)

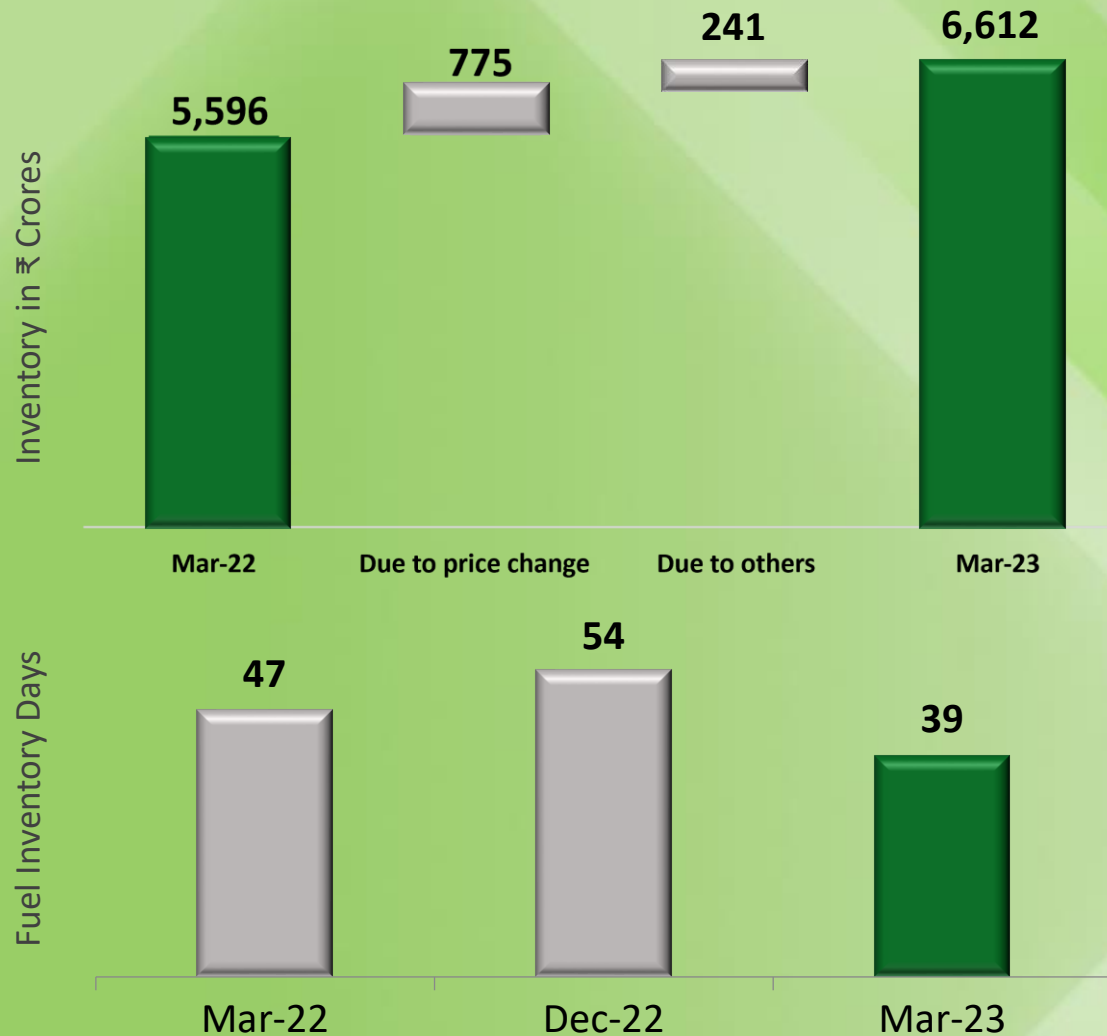


Normalized PAT* (₹ Crores)



* Excludes reversal of accumulated provision for tax and MAT credit availed amounting to ₹ 983 Crores for three months ended 31/03/2022 and ₹ 1,518 for year ended 31/03/2022.

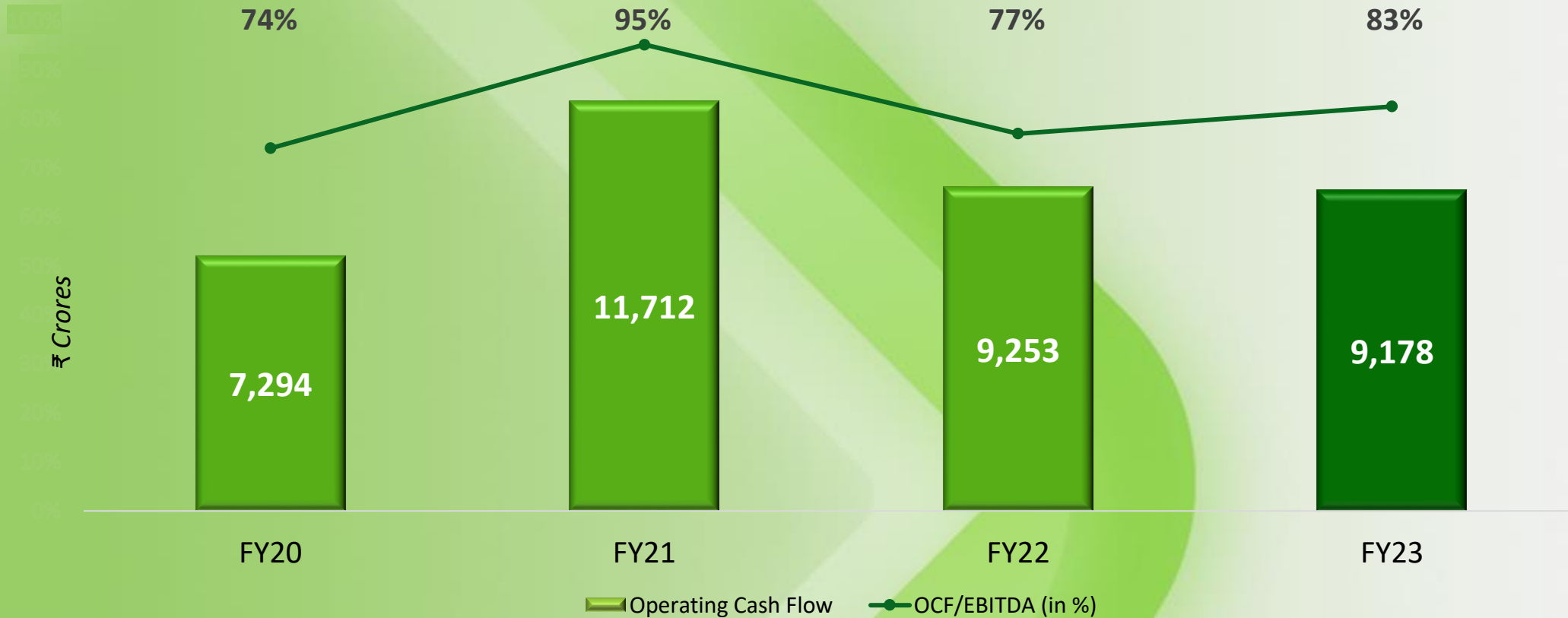
Inventory Management



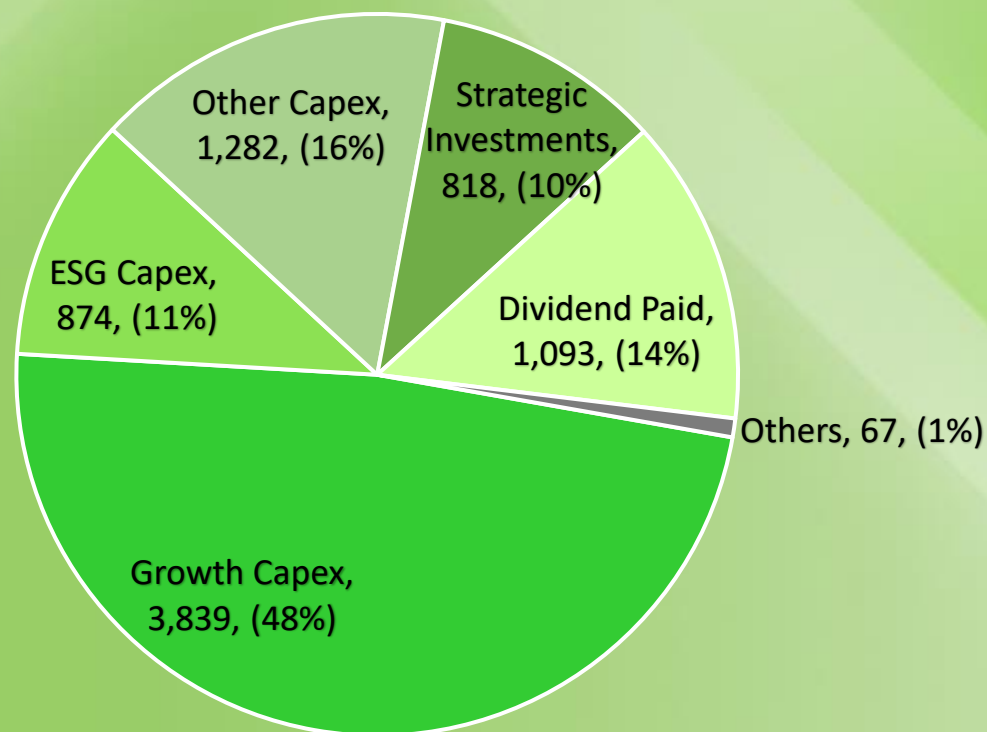
Increase in inventory of ₹ 1016 Crores

- Significant increase in input costs.
- Efficient working capital management.

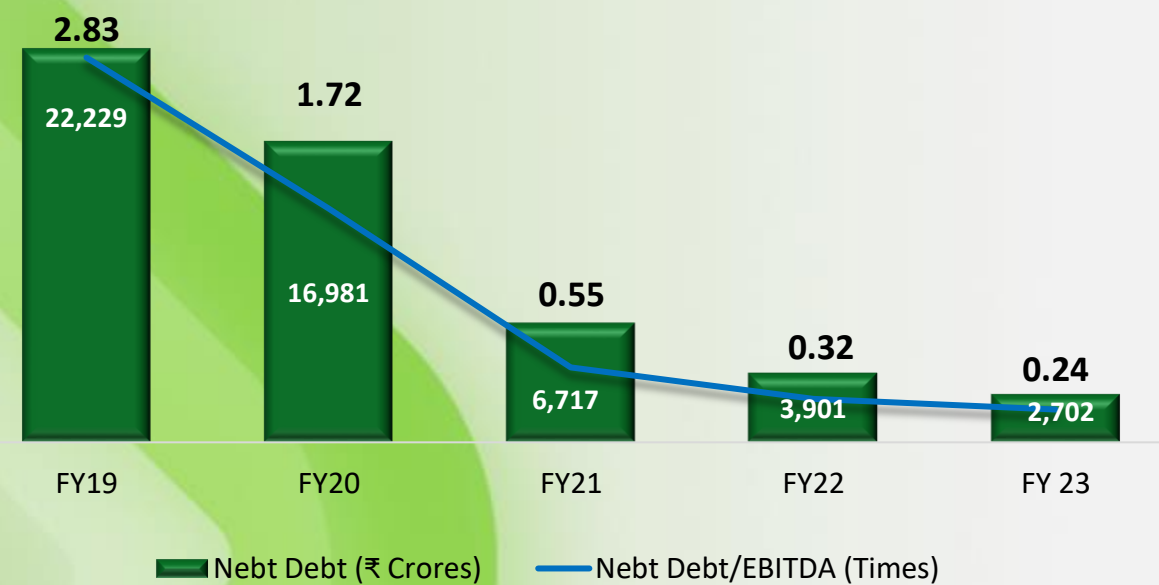
Operating Cash Flow



Application of funds

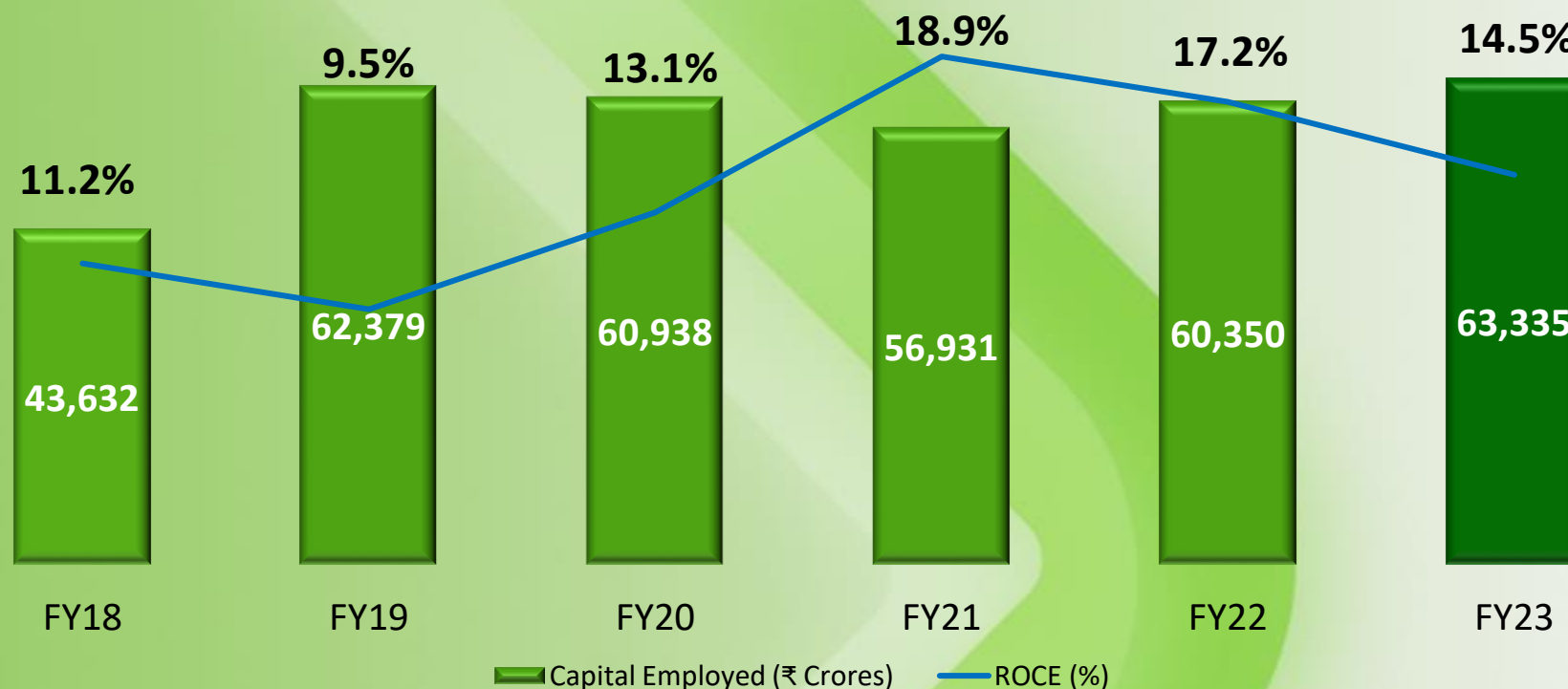


Amount in ₹ Crs



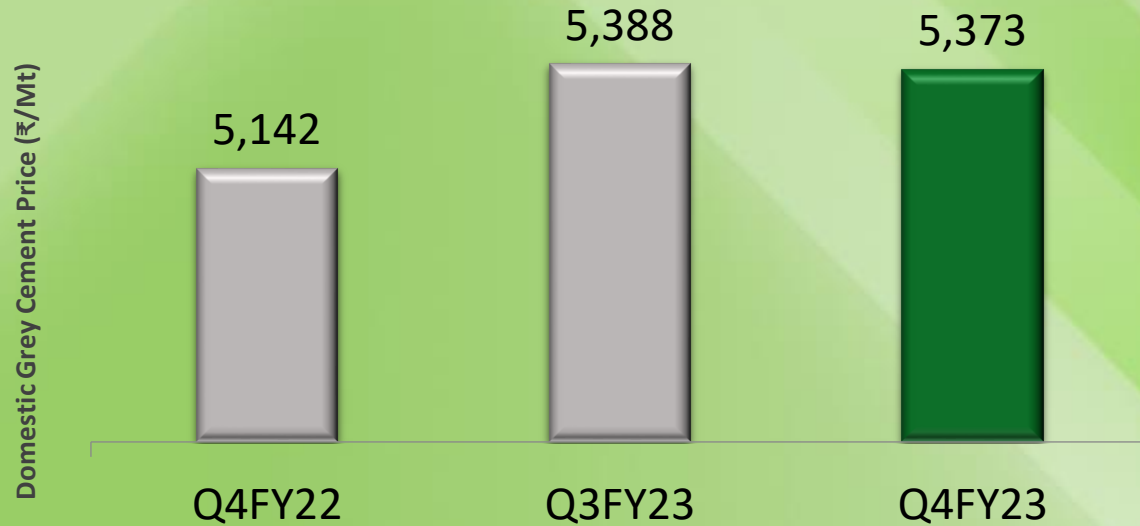
Deleveraged further after capex spends and dividend payout

Return on Capital Employed



ROCE is set to increase with additional returns from new investments

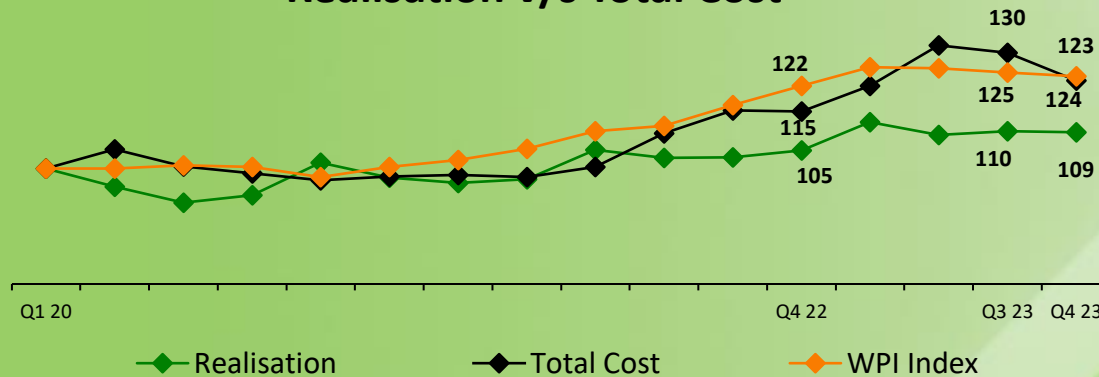
Realisation (Grey Cement)



Increase in Realization vs Increase in Cost

- Realization improved 4.5% yoy while costs increased 7%.
- Impacted EBITDA/Mt by ~ ₹ 60/Mt.

Realisation v/s Total Cost



Key Cost Indicators (Grey Cement): Q4 FY23



Logistics Cost

% to total costs

31%

₹ / Mt

1251

Increased 3% YoY



Energy Cost

37%

1697

Increased 17% YoY;
Decreased 4% QoQ



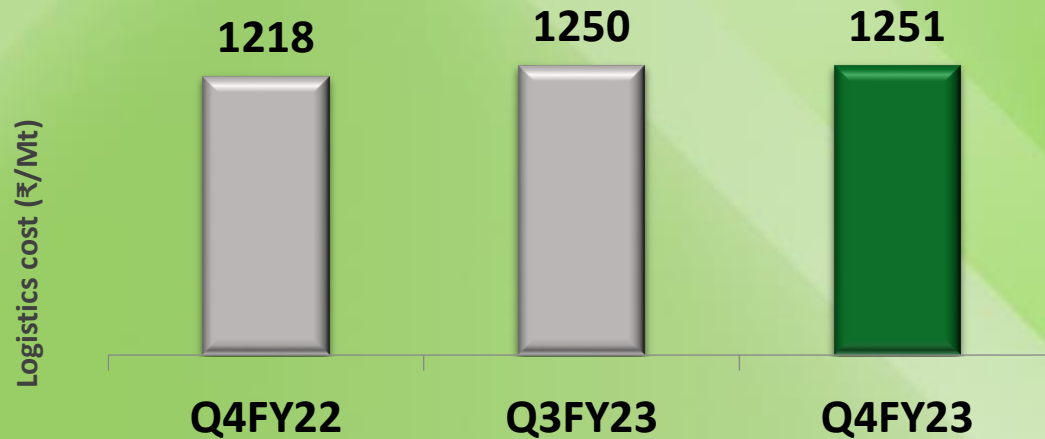
Raw Material Cost

14%

604

Increased 9% YoY

Logistics Cost (Grey Cement)



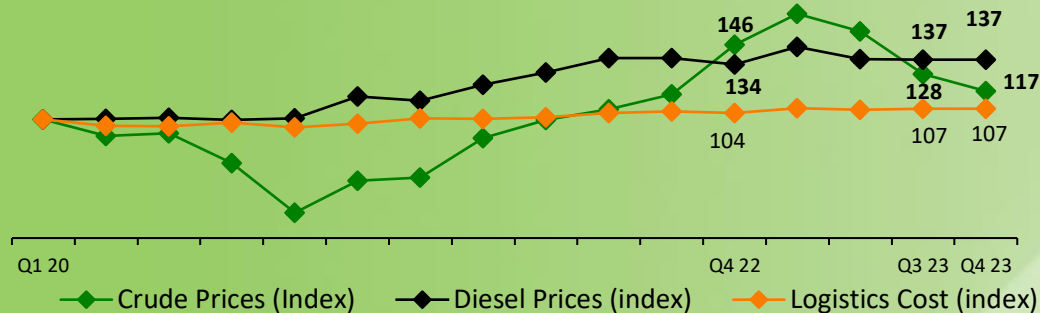
YoY costs increase: 3%

- Busy season surcharge on rail freight along with 2% diesel cost hike.
- Lead reduced to 413 km from 428 km in Q4 LY.

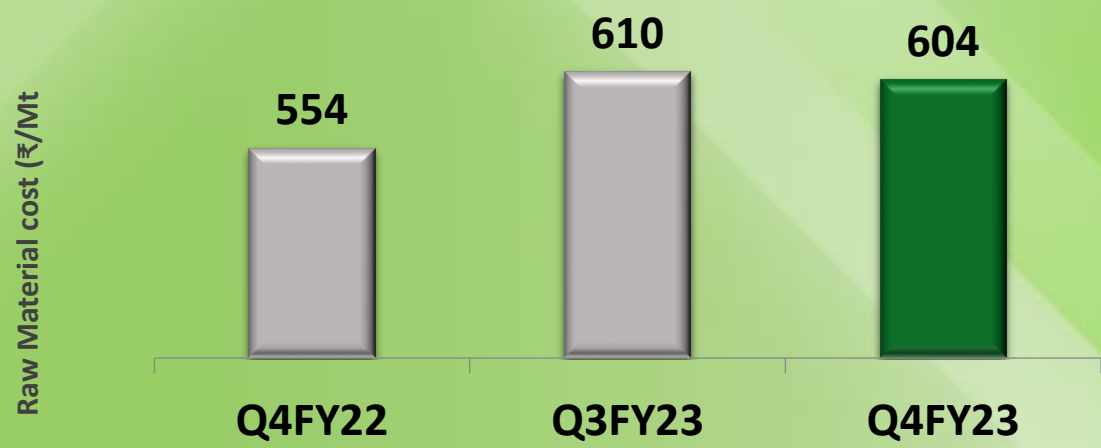
QoQ costs : neutral

- Diesel prices remain flat over previous two quarters due to which less volatility in costs.

Logistics cost v/s Diesel Price Index



Raw Material Cost (Grey Cement)

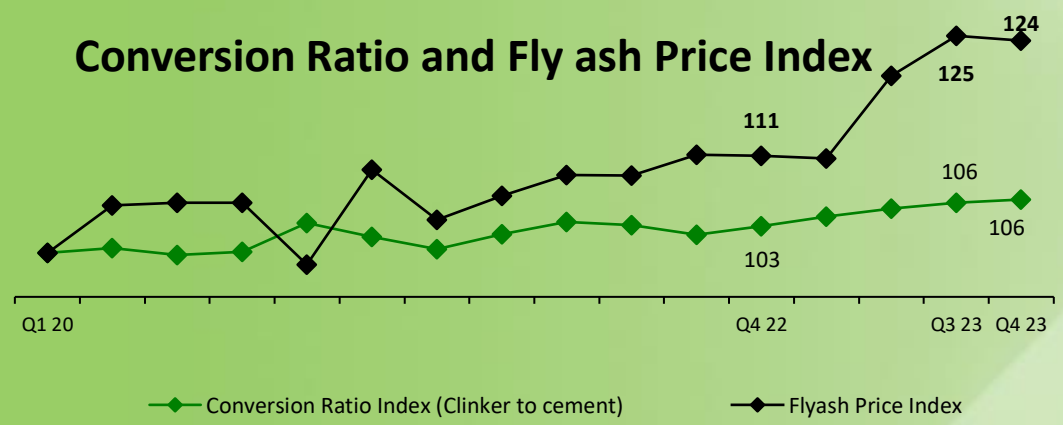


YoY cost increase: 9%

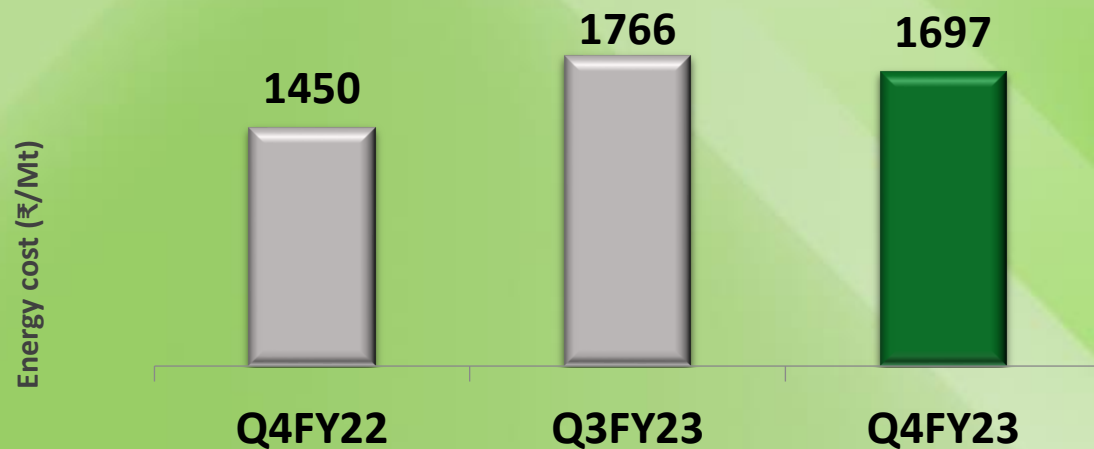
➤ Increase in cost of raw materials: fly ash, slag and gypsum etc.

QoQ cost decrease: 1%

➤ Improvement in clinker conversion ratio.



Energy Cost (Grey Cement)



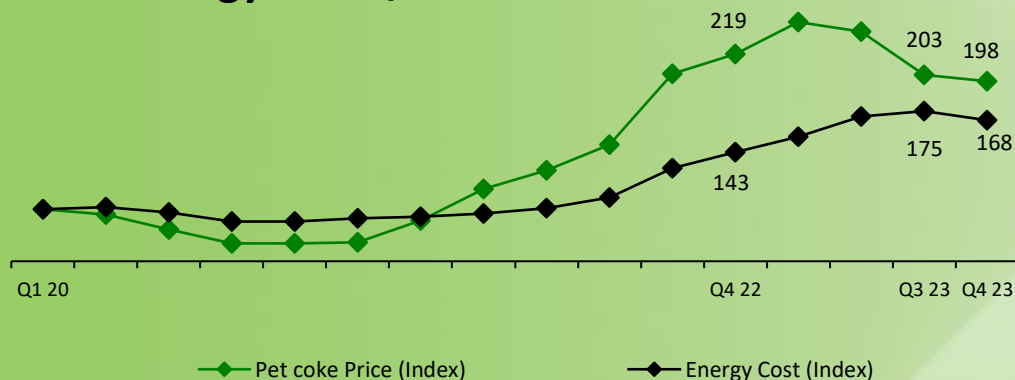
YoY cost increase: 17%

- Blended fuel consumption (CV: 7500) at ~USD 194/t compared to ~USD 164/t in Q4 FY22.
- Pet coke consumption at 52% vs 49% Q4 FY22.

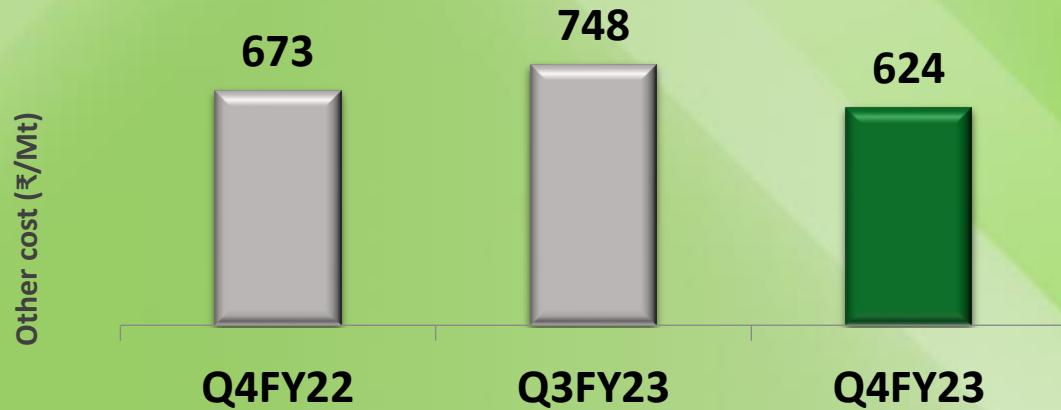
QoQ cost decrease: 4%

- Blended fuel consumption (CV: 7500) of ~USD 194/t compared to USD 200/t in Q3 FY23.
- Pet coke consumption increased to 52% vs 43% in Q3 FY23.

Energy cost v/s Pet coke Price Index



Other Costs



YoY cost decrease: 6%

- Operating leverage benefit; volume growth of 15%.

QoQ cost decrease: 17%

- Operating leverage benefit; volume growth of 23%.
- Higher plant maintenance in Q3 FY23.



Operational Performance : Q4 FY23



₹ Crores

Consolidated		Particulars	India Operations	
Q4 FY23	Q4 FY22		Q4 FY23	Q4 FY22
18,436	15,557	Net Sales ^	17,885	14,919
226	211	Operating Income	227	231
122	92	Other Income	151	105
18,784	15,860	Total Income	18,263	15,255
		Expenses:		
2,658	2,099	Raw Materials Consumed	2,470	1,985
230	461	Purchase of Traded Goods	302	329
283	163	Changes in Inventory	252	154
716	627	Employee Costs	688	602
5,309	3,968	Power and Fuel	5,108	3,822
4,195	3,479	Logistics Cost	4,158	3,452
1,948	1,896	Other Expenses	1,903	1,785
15,340	12,694	Total Expenses	14,881	12,128
3,444	3,165	EBITDA	3,383	3,126
1,050	1,108	Operating EBITDA per ton	1,060	1,138

^After elimination of inter company sales

Financial Statement : Q4 FY23



₹ crores

Consolidated		Particulars	India Operations	
Q4 FY23	Q4 FY22		Q4 FY23	Q4 FY22
18,436	15,557	Net Sales ^	17,885	14,919
3,444	3,165	EBITDA	3,383	3,126
191	206	Finance Costs	175	175
762	703	Depreciation and Amortization	733	680
822	785	Tax expenses	822	804
4	(7)	Minority interest	-	-
1,666	1,478 *	Normalized PAT	1,654	1,468 *
176	196	EPS (₹) (basis trailing 12 months and before exceptional items)	171	194

* Excludes reversal of accumulated provision for tax and MAT credit availed amounting to ₹ 983 Crores for three months ended 31/03/2022.

^After elimination of inter company sales

Operational Performance : Q4 FY23 (Overseas)



₹ Crores

Middle East		Particulars	Lanka	
Q4FY23	Q4FY22		Q4FY23	Q4FY22
480	463	Net Sales	136	308
3	2	Operating Income	1	-
1	6	Other Income	2	1
483	471	Total Income	139	309
87	165	Purchase/Consumption of Raw Material	99	237
26	14	Changes in Inventory	5	(3)
27	23	Employee Costs	2	2
201	146	Power and Fuel	-	-
36	25	Logistics Cost	2	2
37	34	Other Expenses	6	84
413	407	Total Expenses	114	322
70	64	EBITDA	25	(13)
19	38	PAT	21	(33)

Operational Performance : FY23



₹ Crores

Consolidated		Particulars	India Operations	
FY23	FY22		FY23	FY22
62,338	51,708	Net Sales ^	60,359	49,615
902	891	Operating Income	878	955
503	508	Other Income	505	522
63,743	53,107	Total Income	61,741	51,092
		Expenses:		
8,925	7,096	Raw Materials Consumed	8,704	6,477
1,300	1,252	Purchase of Traded Goods	1,051	1,025
(509)	(383)	Changes in Inventory	(492)	(382)
2,739	2,535	Employee Costs	2,621	2,421
18,491	12,137	Power and Fuel	17,726	11,613
14,009	11,712	Logistics Cost	13,884	11,609
7,666	6,735	Other Expenses	7,458	6,480
52,620	41,084	Total Expenses	50,950	39,243
11,123	12,022	EBITDA	10,791	11,849
1,005	1,223	Operating EBITDA per ton	1,011	1,266

Financial Statement : FY23



₹ Crores

Consolidated		Particulars	India Operations	
FY23	FY22		FY23	FY22
62,338	51,708	Net Sales ^	60,359	49,615
11,123	12,022	EBITDA	10,791	11,849
823	945	Finance Costs	756	898
2,888	2,715	Depreciation and Amortization	2,773	2,606
2,343	2,708	Tax expenses	2,329	2,744
10	(10)	Minority interest	-	-
5,064	5,667 *	Normalized PAT	4,933	5,601 *
176	196	EPS (₹) (basis trailing 12 months and before exceptional items)	171	194

Excludes reversal of accumulated provision for tax and MAT credit availed amounting to ₹ 1518 Crores for the year ended 31/03/2022.

^After elimination of inter company sales

Operational Performance : FY23 (Overseas)

₹ Crores

Middle East		Particulars	Lanka	
FY23	FY22		FY23	FY22
1,706	1,460	Net Sales	468	934
29	12	Operating Income	4	-
3	8	Other Income	22	5
1,738	1,480	Total Income	494	939
330	396	Purchase/Consumption of Raw Material	344	830
(19)	2	Changes in Inventory	1	(2)
111	103	Employee Costs	7	10
765	523	Power and Fuel	1	1
120	94	Logistics Cost	5	9
189	150	Other Expenses	60	115
1,496	1,269	Total Expenses	418	963
242	211	EBITDA	76	(25)
40	92	PAT	47	(50)

Financial Position



₹ Crores

Consolidated		Particulars	India Operations	
31.03.2023	31.03.2022		31.03.2023	31.03.2022
64,987	61,606	Net Fixed Assets^	62,121	59,008
1,017	101	Investment in Subs/Associates/JVs	3,187	2,183
(2,669)	(1,357)	Net Working Capital	(3,987)	(1,704)
63,335	60,350	Total Assets	61,321	59,488
54,380	50,432	Shareholders Fund (Incl. Minority Interest)	53,369	49,688
9,901	10,203	Total Debt	8,750	9,899
7,199	6,302	Less: Treasury Surplus	7,093	6,148
2,702	3,901	Net Debt	1,658	3,751
6,254	6,017	Deferred Tax Liability	6,295	6,049
63,335	60,350	Total Equity and Liabilities	61,321	59,488

^Includes goodwill and asset held for sale

Disclaimer



Statements in this ‘presentation’ describing the Company’s objectives, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company’s operations include global and Indian demand supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in governmental regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour 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.

UltraTech Cement Limited

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