



17th January, 2022

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.
Tel.: 22721233/4
Fax: 022 2272 2039
Scrip Code: 532538

The Manager
Listing Department
The National Stock Exchange of India Limited
"Exchange Plaza", Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051.
Tel.: 26598236
Fax: 2659 8237 / 38.
Scrip Code: ULTRACEMCO

Dear Sirs

Sub: Investor Presentation for the quarter ended 31st December, 2021.

Attached is an investor's presentation on the performance of the Company for the quarter ended 31st December, 2021.

The same is for your information please.

Yours very truly,

For UltraTech Cement Limited

Sanjeeb Kumar Chatterjee
Company Secretary

Encl: A/a

Luxembourg Stock Exchange
BP 165 / L – 2011
Luxembourg
Scrip Code:
US90403E1038 and
US90403E2028

Singapore Exchange
11 North Buona Vista Drive,
#06-07
The Metropolis Tower 2,
Singapore 138589
ISIN Code:
US90403YAA73 and USY9048BAA18



UltraTech Cement Limited

India's Largest Cement Company

EARNINGS: Q3 FY22

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

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ESG update

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Key
Highlights

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Financial
Performance

G L O S S A R Y

MNT – Million Metric Tons, **LMT** – Lakh Metric Tons, **MTPA** – Million 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)

UltraTech among top 10 Construction Material companies globally in DJSI

UltraTech's score in S&P's Dow Jones Sustainability Index (DJSI) **has improved 11 points to 79** in FY21 and ranked 7th globally by DJSI in the construction material sector.

UltraTech scores higher than industry average:

Environment: 126%

Social: 108%

Governance: 71%



Key areas that contributed to significant improvement:

- Adoption of new policies
 - Anti-corruption and Bribery
 - Anti-discrimination policy
- Process and performance improvement against sustainable supply chain KPIs
- Adoption of TCFD framework and SBTi target validation
- Human rights due diligence
- Improved disclosure on people development metrics





UltraTech wins 'Leaders Award- Mega Large Business, Process Sector' at Frost & Sullivan & TERI Sustainability 4.0 Awards 2021.



Highest Award in the category



This award recognizes the Sustainability Excellence on People, Purpose, Partnership, and Planet pillars, along with Sustainability Analytics and the Renewable Energy Consumption initiatives of Organizations in India.

UltraTech helps reduce water borne diseases in local communities



Dalla Cement Works has enabled safe drinking water for over **20,000 people** in a village in the state of Uttar Pradesh, by cleaning and disinfecting the community water tanks as well as repairing the filtration system.

Purvanchal Expressway project

Purvanchal Expressway is 340.8 kms long 6 lane wide access expressway in the State of Uttar Pradesh, India. It is a critical infrastructure that reduces impact of congestion and travel time on environment. The project will benefit the society by reduction of ~ 19 million tons of CO₂ emissions over its life, based on estimated fuel savings from the project.

Key
Highlights

76% of the expressway is made using UltraTech Cement

Macro indicators

Economy Update



- ❑ Composite PMI rose to 56.4 in December vs 53.3 in September



- ❑ December points towards strong improvement in consumption led by overall positive economic sentiment



- ❑ NSO estimates FY22 GDP growth at 9.2%, helped by a robust farm sector and strengthening recovery in manufacturing

Industry Update



- ❑ Demand is likely to be resilient. Rural and infrastructure growth has been the key driver during the last year; Consumption for Urban Housing has started improving.



- ❑ Union Budget and elections in key states could also drive infrastructure-driven demand.



- ❑ Input cost inflation due to rise in cost of fuel, raw material and transportation. However, costs seem to have likely peaked.

Sectoral update Q3 FY22

State/Region wise performance

State/Region	Volume Growth	I	R	H	C	Key drivers
North	↑	●	●	●	●	<ul style="list-style-type: none"> Urban housing demand slowed due to unseasonal rains, festivities and construction ban in NCR Rural housing registered marginal growth. Infrastructure segment registered relatively higher growth
Central	↓	●	●	●	●	<ul style="list-style-type: none"> Rural housing registered growth except Kashi; Infrastructure segment de-growth due to near completion of major projects. High Sand prices and labour unavailability impacted overall construction demand
East	↓	●	●	●	●	<ul style="list-style-type: none"> Rural and Infrastructure segment demand was impacted by unseasonal rains and festivities
West	↓	●	●	●	●	<ul style="list-style-type: none"> Maharashtra: Mumbai maintained housing growth. Rural housing saw growth in all regions. Gujarat: Overall housing demand impacted by labour unavailability and Gram Panchayat elections
South	↓	●	●	●	●	<ul style="list-style-type: none"> Housing de-growth in Karnataka and Tamil Nadu due to cyclonic rains; Growth in Andhra Pradesh, Telangana & Kerala Infrastructure segment de-growth except in Andhra Pradesh

Key Performance Drivers (India Operations): Q3 FY22

Blended Realization



Rs 5527/ton
7% YoY



Premium Product Mix



15.5% of trade
1.1% YoY



Green Power Mix



15.6%
2.8% YoY



Alternative Fuel



5.2%
2.4% YoY



UBS Outlets



2759 Outlets
15% YoY



Projects commissioned during the quarter



Patliputra Cement Works, Bihar

Commissioned additional cement capacity of 0.6 mtpa at the grinding unit



Dankuni Cement Works, West Bengal

Commissioned additional cement capacity of 0.6 mtpa at the grinding unit



Kalamboli Bulk Terminal, Maharashtra

Commenced operations at bulk terminal with a handling capacity of 1.2 mtpa cement



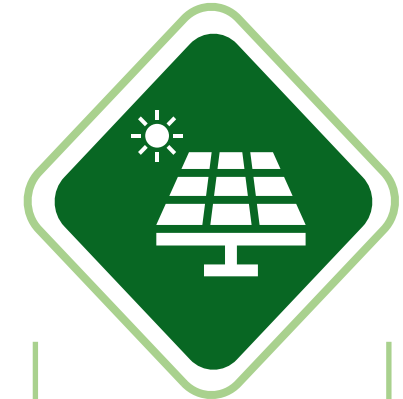
Bicharpur Coal Mine, Madhya Pradesh

Commenced operations at coal mine having extractable reserves of ~29 MMT



Bara Cement Works, Uttar Pradesh*

Commencement of Line II having capacity of 2 mtpa



Green Power

Commissioned Solar power capacity of 53 MW and WHRS capacity of 19 MW

Grey Cement capacity increased to 114.55 mtpa in January 2022

White Cement Expansion Plan

- **Modernization and Expansion of capacity at Kharia, Rajasthan**
- **Nearly doubling capacity from 6.5 LTPA to 12.53 LTPA**
- **Capital outlay of Rs 965 Crs**
- **Capacity will be commissioned in phased manner**



The first Cement brand from India to win Global awards for media innovation





Financial Performance



Sidhi Cement Works, Madhya Pradesh

Sales: Q3 FY22

	Grey Cement (India)	RMC	White Cement	Export and Others	Grey Cement (Overseas)	Consolidated [^]
 Volumes (Mnt)	21.43	151 <i>No of RMC plants</i>	0.41	0.16	1.24	23.13
Growth (YoY)	-3%	42 <i>No of RMC plants</i>	5%	-45%	-9%	-3%
 Revenues (Rs Crs)	10,629	668	543	316	593	12,710
Growth (YoY)	3%	17%	1%	5%	13%	5%



[^]After elimination of inter company sales

Performance at a glance

Particulars	Revenues	EBITDA	Normalised PAT
Q3 FY22			
Consolidated (Rs Crs)	12,710	2,490	1,173*
Growth – YoY	5%	-26%	-26%
Margin		20%	9%
9M FY22			
Consolidated (Rs Crs)	36,151	8,857	4,189*
Growth – YoY	20%	4%	14%
Margin		24%	12%

* Excluding reversal of provision of Tax of Rs 535 Crs pursuant to completion of prior year tax assessments

Key Cost Indicators: Q3 FY22

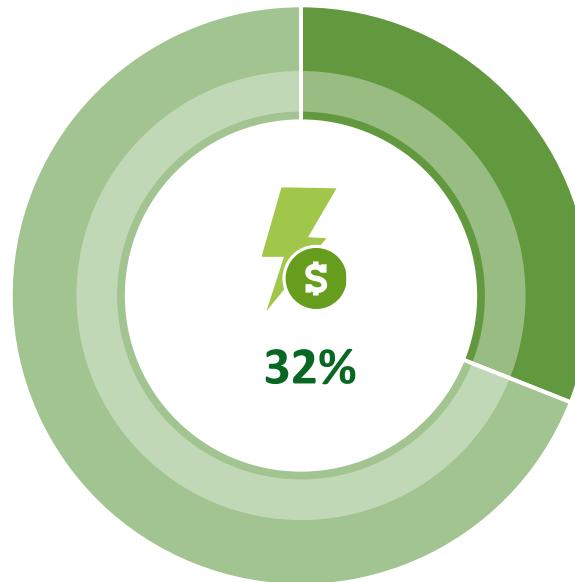
Logistic Cost



Increased 4% YoY to Rs. 1229/t

Diesel prices higher by ~24%

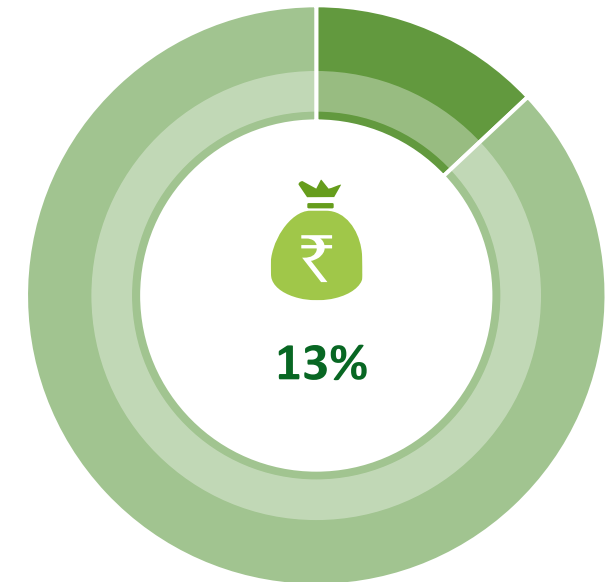
Energy Cost



Increased 39% YoY to Rs. 1327/t

Increase in prices of fuel

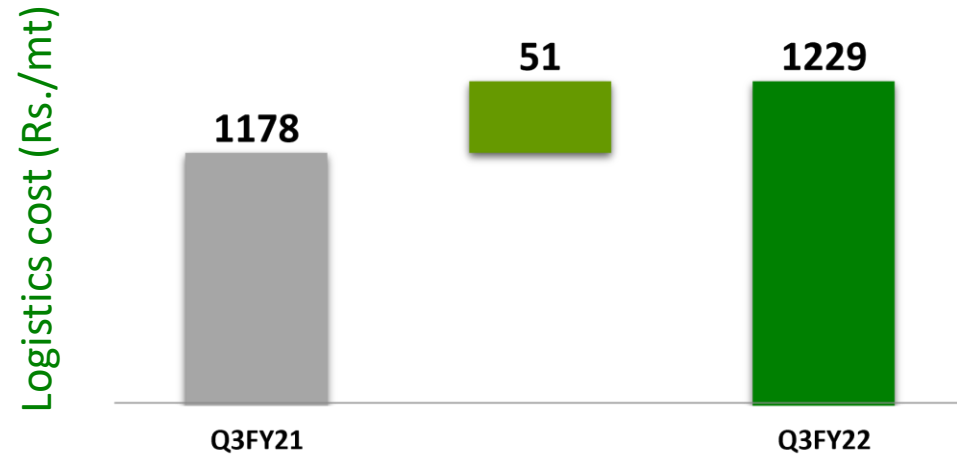
Raw Material Cost



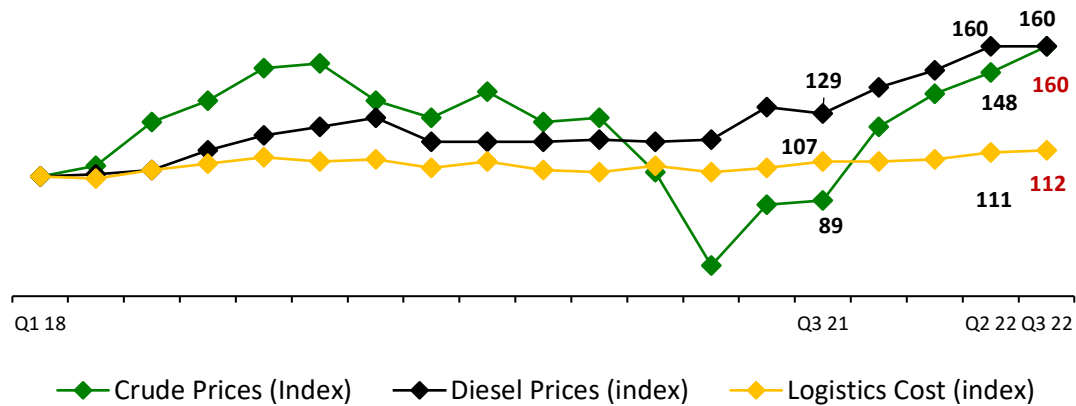
Increased 7% YoY to Rs. 538/t

Increase in prices of input material and diesel

Logistics Cost Trend



Logistics cost v/s Diesel Price Index



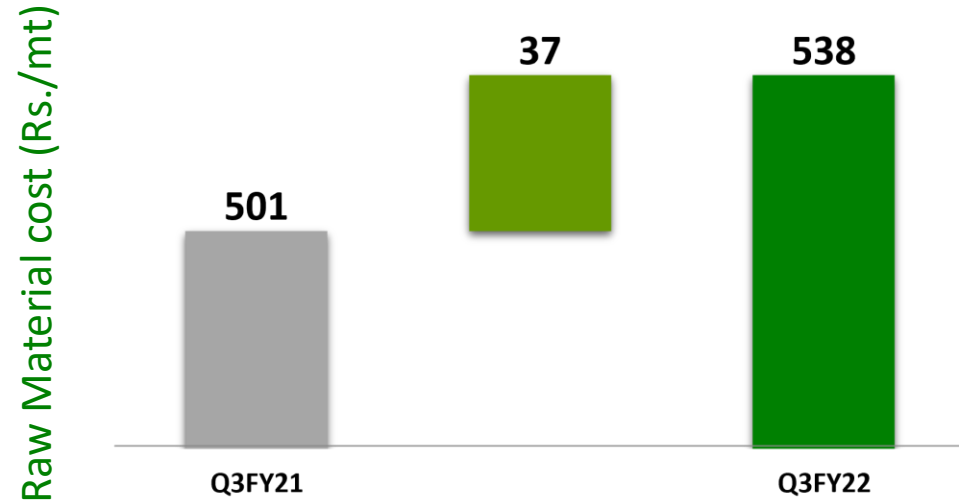
YoY cost increase : 4%

- Diesel price higher by ~24%
- Inflationary increase in cost partially mitigated by improved efficiency
- Favourable rail - road mix

QoQ cost increase : 1%

- Diesel prices remained stable
- Geographical mix impact

Raw Material Cost Trend

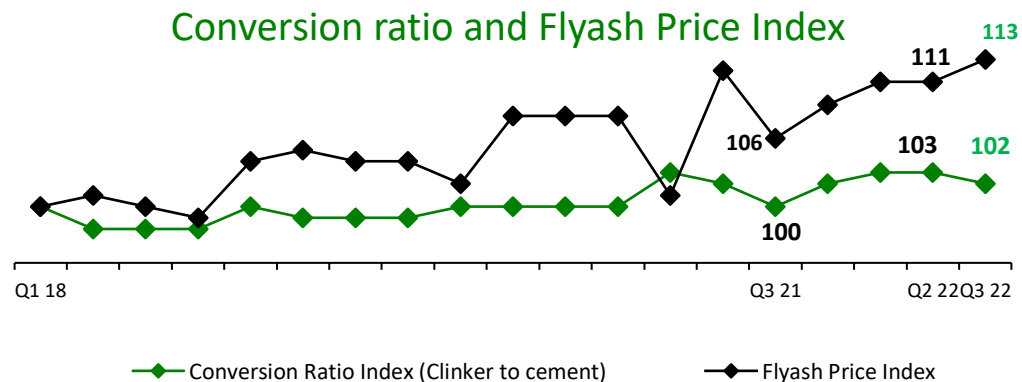


YoY cost increase : 7%

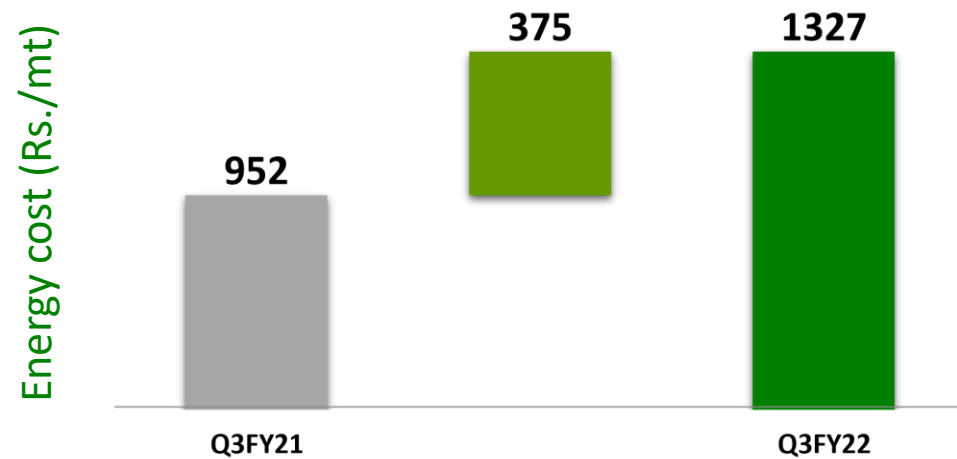
- Increase in flyash, gypsum prices
- Improved Clinker to Cement conversion ratio by ~ 1%

YoY cost increase : 4%

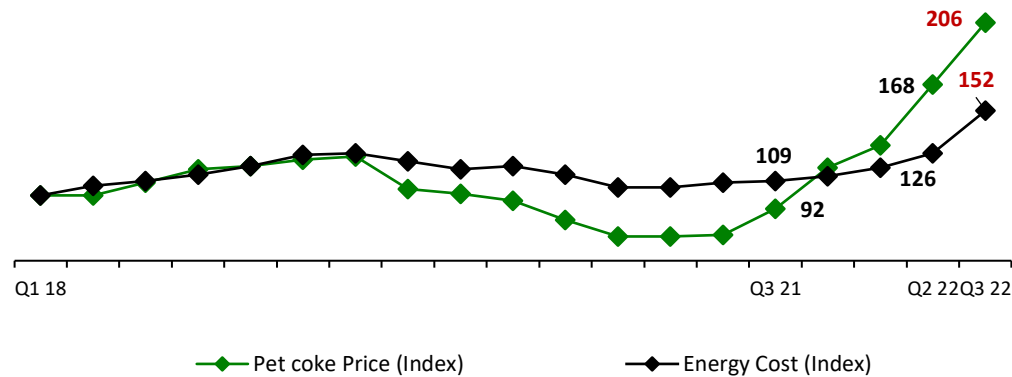
- Increase in flyash, gypsum and HSD prices



Energy Cost Trend



Energy cost v/s Petcoke Price Index



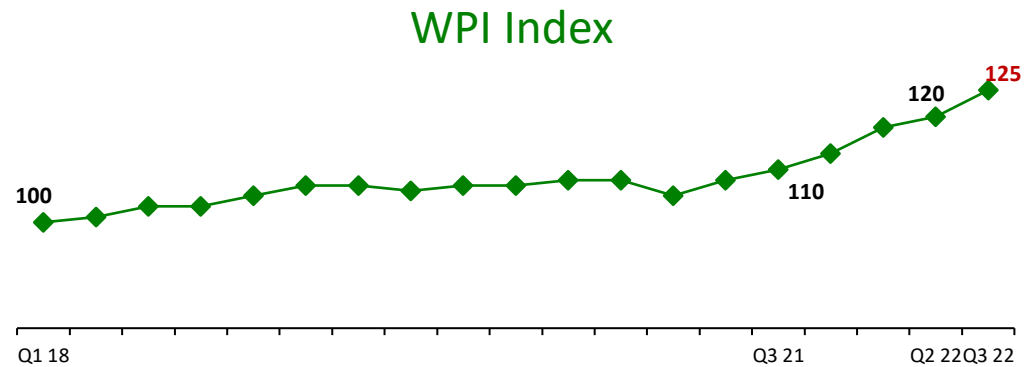
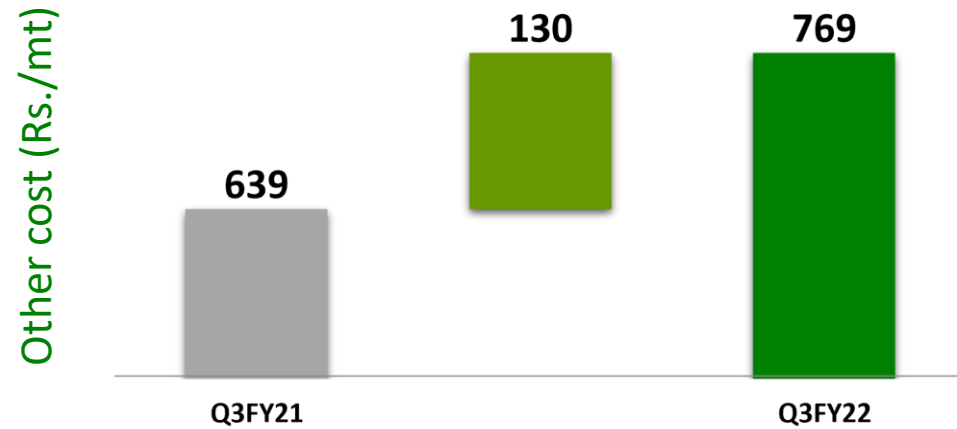
YoY cost increase : 39%

- Average fuel consumption cost at USD 151/t vs USD 67/t in Q3 LY
- Reduced power consumption by ~ 2%
- Green Power Mix : 15.6%

QoQ cost increase : 21%

- Average fuel consumption cost at USD 151/t vs USD 120/t in Q2

Other Cost Trend



YoY cost increase : 20%

- Increase in packing cost ~ 24%
- Normalised fixed cost

QoQ cost decrease : 4%

- fixed cost absorption due to higher QoQ volume

Q3 FY22 Financial Performance

Rs Crs

Consolidated		Particulars	India Operations	
CY	LY		CY	LY
12,710	12,144	Revenues (Net of Taxes) ^	12,156	11,698
275	118	Operating Income	288	127
71	260	Other Income	70	254
13,055	12,522	Total Income	12,514	12,079
		Expenses :		
1,715	1,669	Raw Materials Consumed	1,626	1,554
331	250	Purchase of Traded Goods	251	205
14	(125)	Changes in Inventory	(22)	(134)
643	610	Employee Costs	614	582
3,221	2,402	Power and Fuel	3,075	2,298
2,905	2,848	Logistics Cost	2,872	2,831
1,736	1,505	Other Expenses	1,692	1,459
2,490	3,362	EBITDA	2,406	3,282

^After elimination of inter company sales

Income Statement: Q3 FY22



Rs Crs

Consolidated *			Particulars	India Operations		
CY	LY	%		CY	LY	%
12,710	12,144	5	Revenues (net of taxes)^	12,156	11,698	4
2,490	3,362	(26)	EBITDA	2,406	3,282	(27)
182	356	49	Finance costs	178	346	49
674	674	-	Depreciation and Amortization	645	637	(1)
459	747	39	Tax expenses	460	753	43
2.4	0.2		Minority interest	-	-	
1,173*	1,584	(26)	Normalised PAT	1,123*	1,546	(27)
1,708	1,584	8	Reported PAT	1,658	1,546	7
208.2	168.0	24	EPS (Rs.) (basis trailing 12 months and before exceptional items)	205.2	165.2	24

^After elimination of inter company sales

* Excluding reversal of provision of Tax of Rs 535 Crs pursuant to completion of prior year tax assessments

Financial Position

Consolidated		Particulars	India Operations	
Mar – 21	Dec – 21		Mar – 21	Dec – 21
64,482	58,325	Capital Employed (Rs Crs)	64,432	58,327
6,717	6,147	Net Debt (Rs Crs)	6,353	5,786
15.3%	16.1%	ROCE (basis trailing 12 months)	15.6%	16.0%
15.6%	15.1%	ROE (basis trailing 12 months)	15.1%	14.7%
0.55	0.49	Net Debt : EBITDA	0.53	0.47

Recognition of UltraTech's sustainability progress

Five-star rating for Sustainable Mine Management

UltraTech's 15 limestone mines were awarded 30 five-star rating awards for the last three years (2017-18, 2018-19 and 2019-20) by the Ministry of Mines and Indian Bureau of Mines.



UltraTech wins FICCI Indian Circular Economy Award 2021

This award appreciates our efforts to accelerate our business towards a circular economy model and identifies UltraTech as most innovative and impactful in its practices.

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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