



# UltraTech Cement Limited

Taking concrete actions for  
a sustainable future

**Results Q2 FY24**

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

**01**  
Macro and  
Sectoral  
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01  
Macro and  
Sectoral  
Update



The Government of Rajasthan conferred 'Shiksha Bhushan' award to Kotputli Cement Works, for contribution to the upliftment of education in Government schools in the Jaipur district, Rajasthan.



# Macro Indicators



GDP growth at 7.8% in Q1 FY24 with substantial contribution from the construction and services sector.



IIP grew by 10.3% YoY in August compared to 6% in July, driven by a low base effect and robust growth in the power, mining and manufacturing sectors.



Continuing the trend of the past few quarters, cement demand has remained strong in Q2 FY24 backed by robust infrastructure and rural demand.



Due to significant growth in rural housing and urban real estate, the housing segment will likely see consistent demand expansion.

# Sectoral Update : Q2 FY24



Zone	Volume Gr	I	C	H	R	Key drivers
North	↑	●	●	●	●	<ul style="list-style-type: none"> <li>✓ Housing segment registered growth in rural and urban segments, except Uttarakhand, Haryana and Delhi which were affected due to heavy rains.</li> <li>✓ Commercial segment growth sustained by industrial and commercial activity across regions.</li> <li>✓ Infrastructure segment growth momentum continued on account of Delhi Urban Extension Road, Delhi Metro, Delhi-Meerut Highway, Dwarka Expressway, Bharatpur and Jewar Airport.</li> </ul>
Central	↑	●	●	●	●	<ul style="list-style-type: none"> <li>✓ Infrastructure segment demand witnessed uptick on account of Gorakhpur Link Expressway, Ramvan Gaman Path Yojana, Ganga bridge.</li> <li>✓ Commercial segment growth sustained by industrial and commercial activity across regions.</li> </ul>
East	↑	●	●	●	●	<ul style="list-style-type: none"> <li>✓ Housing segment registered growth across regions, except West Bengal and Bihar.</li> <li>✓ Infrastructure and commercial segment demand adversely impacted due to heavy rains in West Bengal and Bihar.</li> <li>✓ In September, East zone was severely impacted due to heavy rains.</li> </ul>
West	↑	●	●	●	●	<ul style="list-style-type: none"> <li>✓ <b>Maharashtra:</b> Infrastructure segment demand supported by ongoing projects: Mumbai Metro, Mumbai Trans Harbour Link, Mumbai Goa Expressway, new phase of Pune metro.</li> <li>✓ Housing and Commercial segment growth across all regions.</li> <li>✓ <b>Gujarat:</b> Housing and Commercial segment grew across the regions.</li> <li>✓ Infrastructure segment registered robust growth as work progressed across major infra projects like Ahmedabad Mumbai High-Speed Railway, Vadodara - Mumbai Expressway and Vadodara Delhi Expressway.</li> </ul>
South	↑	●	●	●	●	<ul style="list-style-type: none"> <li>✓ Infrastructure segment demand supported by projects like Kasargode to Kozikode, Ernakulam road project etc.</li> <li>✓ Commercial segment growth supported by demand for office space and warehouses.</li> </ul>

02  
Business  
Update



UltraTech's diversity journey has achieved another milestone. Women constitute 80% of the operating team at Pune Bulk Terminal leading from the front and managing core functions viz., Mechanical, Electrical, Instrumentation, Safety and Security.

This initiative is a cornerstone in our journey towards greater inclusivity and cultural transformation.

# Highlights : Q2



- Domestic sales volume grew **15%** yoy with capacity utilization of 75%.
- Operating EBITDA/Mt of ₹ 955 an improvement of **17.6%** yoy
- Commissioned cement capacity of **2.5 MTPA**, taking total grey cement capacity of the Company to 132.45 MTPA in India.
- Commissioned **30 MW** of WHRS capacity and **83 MW** of renewable power capacity, taking total WHRS capacity to 262 MW and 429 MW of renewable power.
- Rural sales at 63% of trade - grew at **15%** for the quarter.
- Premium Eco-friendly sustainable product mix @ 21.7% of trade sales, **3%** improvement on yoy basis.
- Blended cement at 70%, clinker conversion ratio improved to 1.44 up **2%** yoy.



# Powering our Brand



UltraTech’s creative digital marketing campaigns strike gold for “Most creative banners” and “Best Digital Innovation” at Indian Digital Marketing Awards 2023.

**We celebrated Engineer’s Day and appreciated their efforts and work towards the society.**

Our Engineers are tirelessly working day and night to enable non-stop progress. They are braving difficult challenges because they know that their effort and resolve will take our Nation to greater heights.





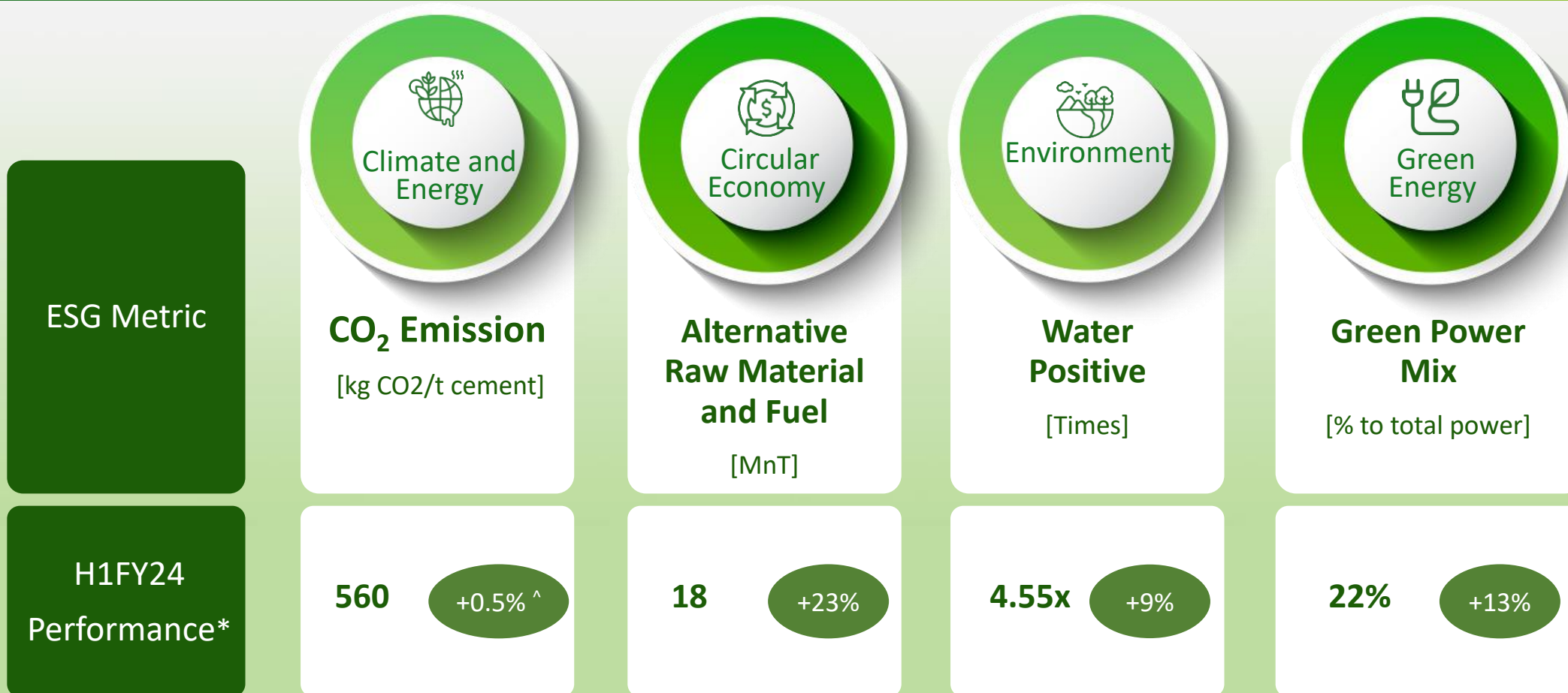
“To actively contribute to the social and economic development of the communities in which we operate. In so doing, in sync with the United Nations Sustainable Development Goals build a better, sustainable way of life for the weaker sections of society and raise the country’s human development index”.

**Mrs. Rajashree Birla,**

Chairperson, The Aditya Birla Centre for Community Initiatives and Rural Development



# Pioneering Sustainability




^ Increase in CO<sub>2</sub> emission of 3 kg compared to FY23 is **temporary** on account of:

- ✓ 5.5 mtpa of new capacities, which are under stabilization
- ✓ 52 MW of WHRS is under stabilisation for these new capacities



# Building a greener value chain through circular economy



UltraTech signed a long-term agreement with Steel Authority of India to procure 2.4 LMT blast furnace slag per annum, reiterating its commitment to driving circularity of materials.

Star Cement, a wholly owned subsidiary, has signed a cooperation agreement with Cemex UAE to boost circular economy in the building materials industry, aiming to recycle concrete waste and reduce carbon emissions.

# Health Care

Reached out to more than 45,000 beneficiaries



Health camp at Maihar Cement Works, Madhya Pradesh

Rural Mobile Health Camp

We are committed to provide better health services to the common man.

8,600

Beneficiaries benefited during the quarter

37,000

Children benefited through the immunization programs

Organized at UltraTech plant locations: Sewagram, Gujarat, Vikram, Hirmi, Baikunth, Aditya, Sidhi, Maihar, Dalla, Rajashree, Dhar, Nathdwara

Supplied safe drinking water to villages, benefitting more than 26,000 beneficiaries.



# Social Infrastructure

Reached out to more than 31,000 beneficiaries



*Reddipalayam Cement Works, Tamil Nadu*



*Kukurdiha Cement Works, Chhatisgarh*



*Andhra Pradesh Cement Works, Andhra Pradesh*

We are continuously developing need-based infrastructure near all our plants, strengthening village infrastructure for addressing the basic needs and aspirations of the community, fostering economic growth, improving living conditions, and enhancing the overall well-being of the villagers.

04  
Financial  
Performance



**UltraTech joins India's 1<sup>st</sup> zero-emissions road freight initiative**

We have partnered with World Economic Forum's (WEF) "Moving India" initiative which was launched by WEF at the G20 Energy Ministers' meeting. As the largest cement manufacturing company in India and as an industry leader, we are one of the partners of Moving India affirming our commitment to this crucial cause.




A transition to zero-emission trucks can lead to 2.8–3.8 gigatons of cumulative CO<sub>2</sub> savings through 2050, which is equal to or greater than India's entire economy-wide annual GHG emissions today.



# Sales Volume



Volume in Million tons

Particulars	Q2 FY24	Growth (YoY)	Growth (QoQ)
 Grey Cement - Domestic	25.08	15%	-12%
Cement Export & Clinker Sales	0.16	59%	58%
 White Cement	0.42	11%	2%
<b>Sales Volume - India</b>	<b>25.66</b>	<b>15%</b>	<b>-12%</b>
 Grey Cement – Overseas	1.18	22%	13%
<b>Consolidated Sales Volume*</b>	<b>26.69</b>	<b>16%</b>	<b>-11%</b>





**Trade Sales @ 67% ; RMC volume growth @ 31% yoy**

\* After elimination of inter company sales volume

# Revenue



₹ Crores

Particulars	Q2 FY24	Growth (YoY)	Growth (QoQ)
 <b>Grey Cement - Domestic</b>	<b>13,412</b>	<b>15%</b>	<b>-12%</b>
 <b>White Cement</b>	<b>587</b>	<b>9%</b>	<b>-1%</b>
 <b>ReadyMix Concrete (RMC)</b>	<b>1,161</b>	<b>31%</b>	<b>-6%</b>
<b>Others</b>	<b>315</b>	<b>-3%</b>	<b>24%</b>
 <b>Grey Cement – Overseas</b>	<b>600</b>	<b>30%</b>	<b>8%</b>
<b>Total Consolidated Revenues*</b>	<b>15,735</b>	<b>16%</b>	<b>-10%</b>

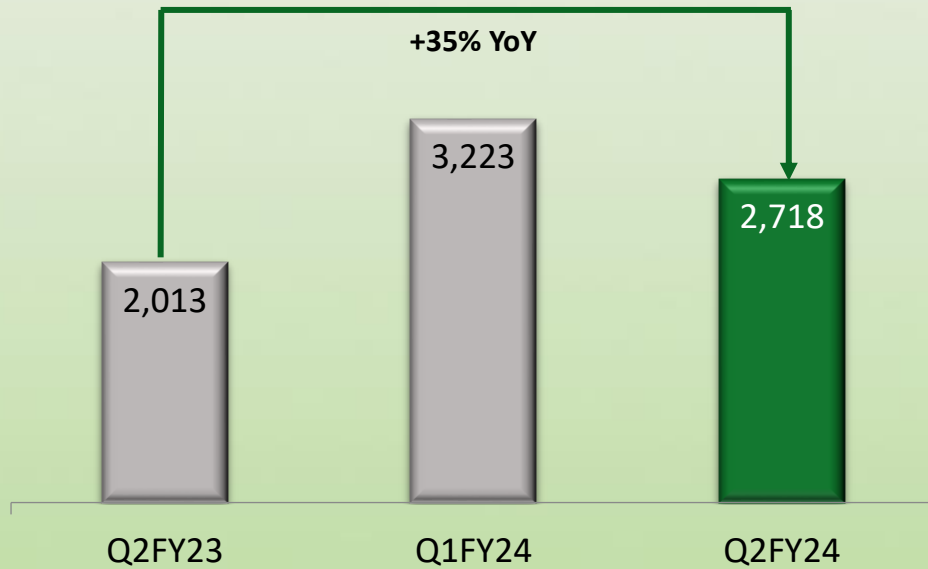
\* After elimination of inter company sales



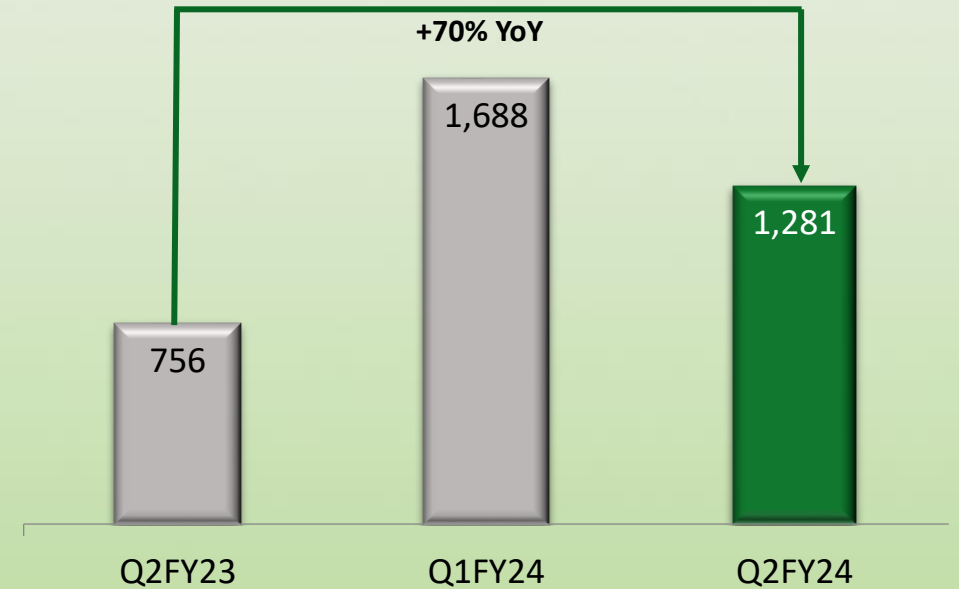
# Profitability



## EBITDA (₹ Crores)

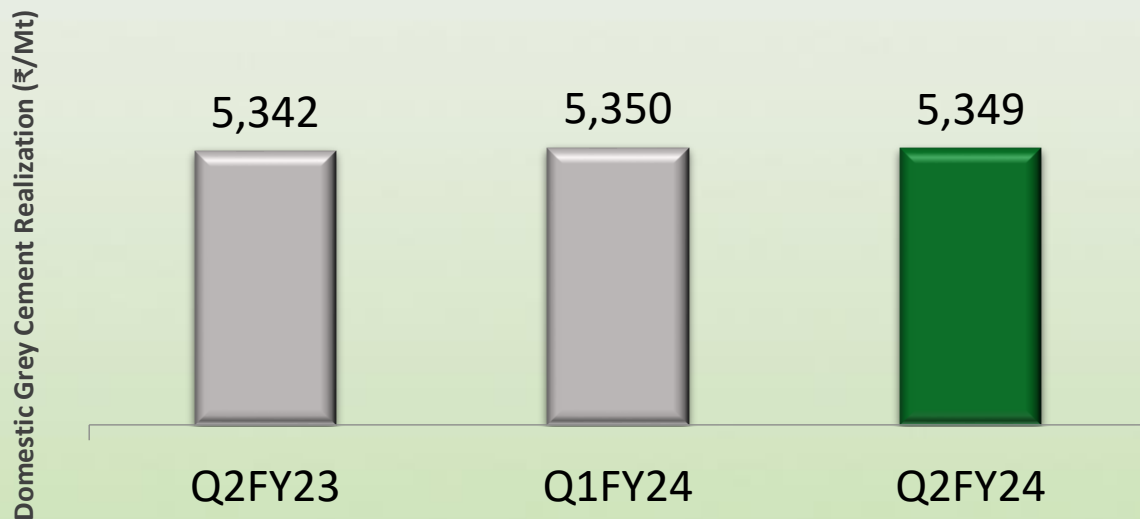


## Profit after tax (₹ Crores)

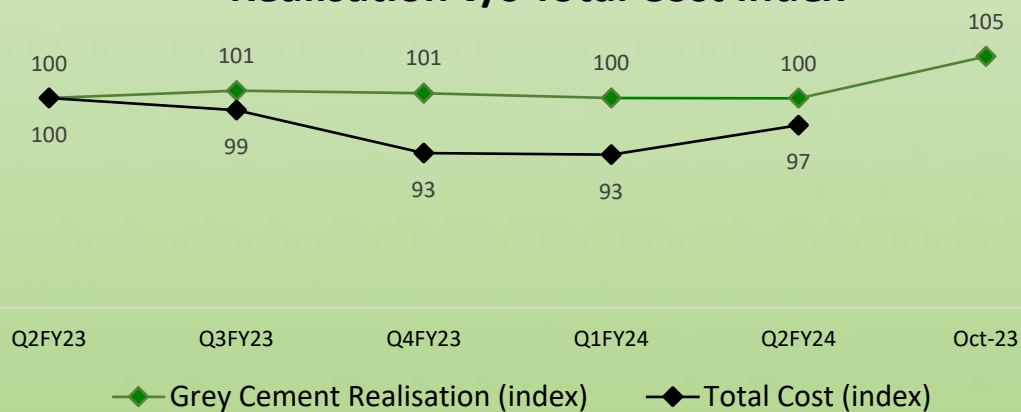


EBITDA margin improved 200bps yoy

# Sales Realisation (Grey Cement)



Realisation v/s Total Cost index



## Realization v/s Cost

- Realization remains flat on QoQ as well as YoY basis, while cost increased on QoQ basis mainly on account of maintenance and employee costs.



# Key Cost Indicators (Grey Cement): Q2 FY24



## Logistics Cost

% to total costs

28%

₹ / Mt

1,219

Decreased  
2% YoY and 4% QoQ



## Energy Cost

35%

1,555

Decreased  
10% YoY and 4% QoQ



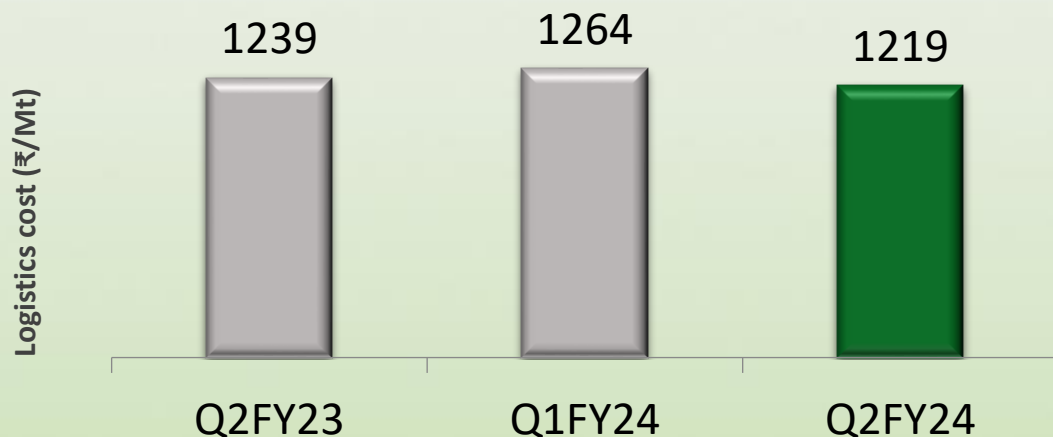
## Raw Material Cost

14%

634

Increased 4%  
YoY and QoQ

# Logistics Cost (Grey Cement)



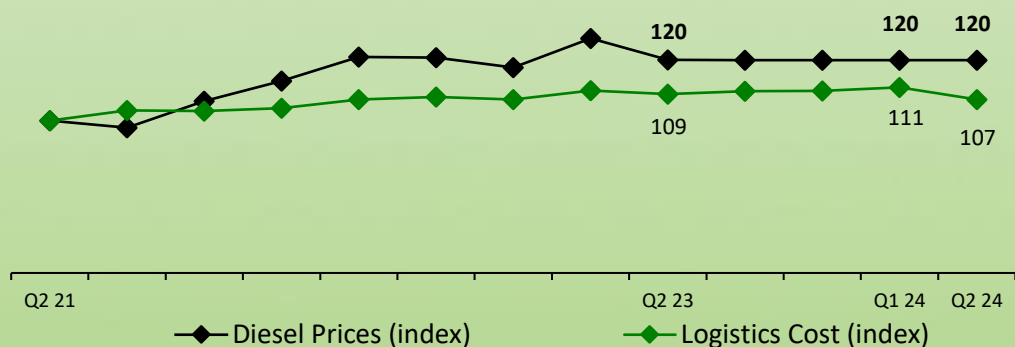
**YoY costs decrease: 2%**

- Benefit on account of lead optimization and improved operating efficiency.
- Lead reduced to 403 km in Q2 FY24 from 428 km in Q2 FY23.

**QoQ costs decrease: 4%**

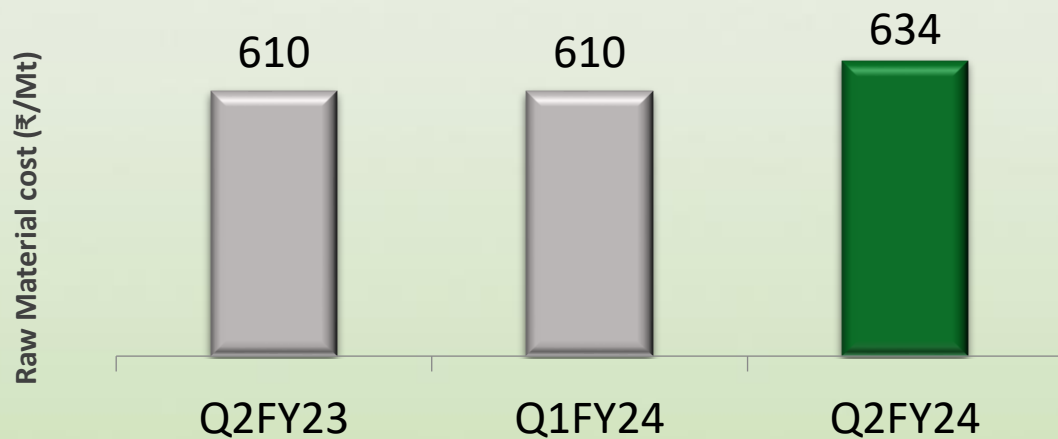
- Benefit of lean season rail freights in August and September.
- Lead reduced to 403 km in Q2 FY24 from 410 km in Q1 FY24.

**Logistics cost v/s Diesel price index**





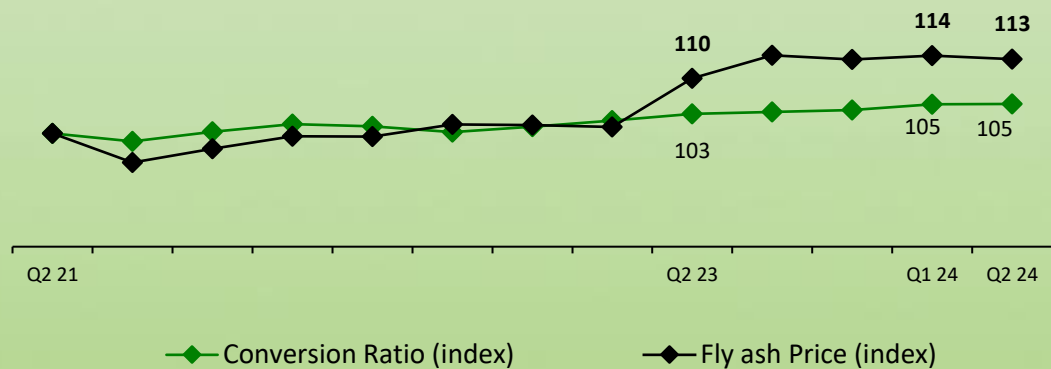
# Raw Material Cost (Grey Cement)



**YoY cost increase: 4%**

- Increase in cost of raw materials: fly ash, slag etc.
- Improvement in clinker conversion ratio to 1.44 vs 1.41 in Q2 FY23.

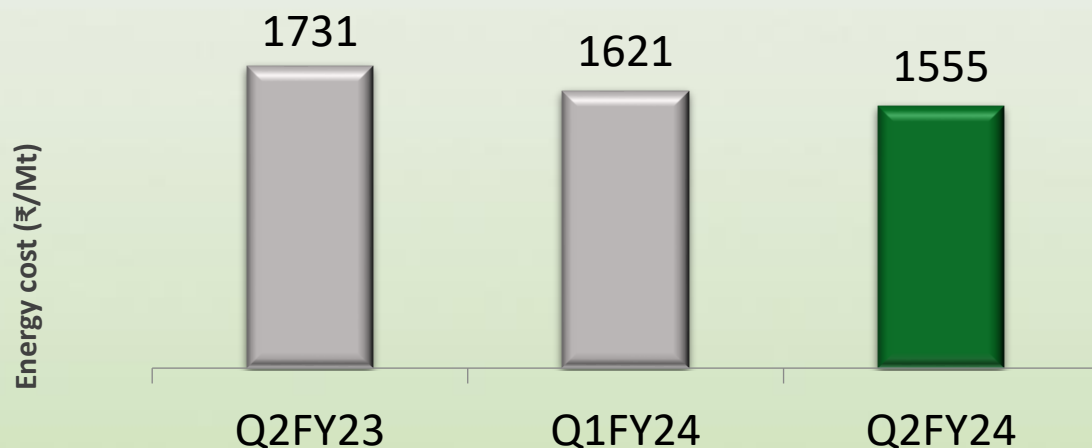
**Conversion Ratio and Fly ash Price index**



**QoQ cost increase: 4%**

- Increase in cost of raw materials: gypsum, slag, etc.

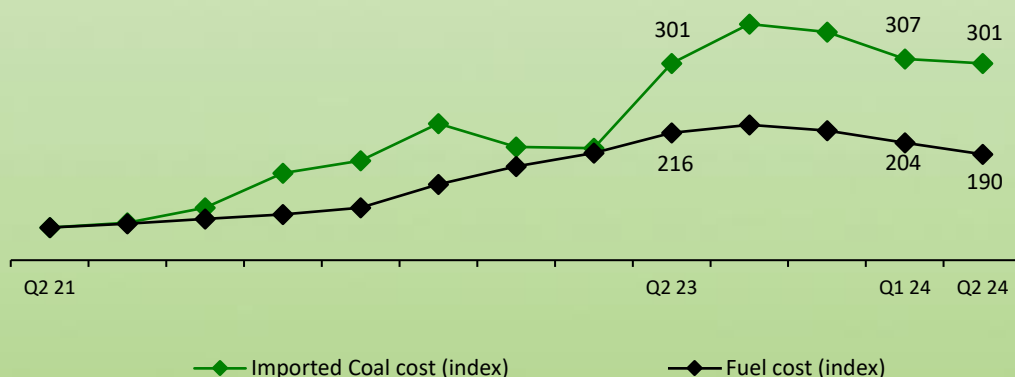
# Energy Cost (Grey Cement)



**YoY cost decrease: 10%**

- Blended fuel consumption (CV: 7500) at ~USD 162/t compared to ~USD 200/t in Q2 FY23.
- Pet coke consumption at 39% vs 40% in Q2 FY23.

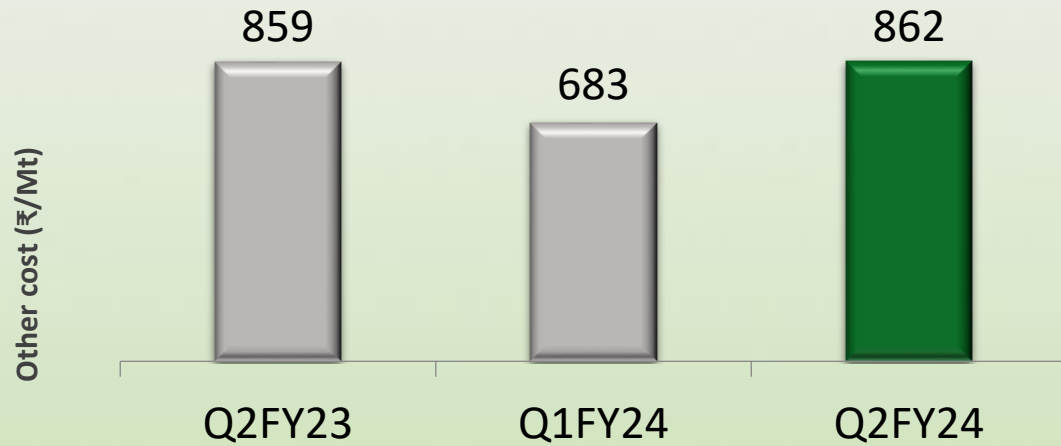
**Fuel cost v/s Blended fuel price index**



**QoQ cost decrease: 4%**

- Blended fuel consumption (CV: 7500) of ~USD 162/t compared to USD 178/t in Q1 FY24.
- Pet coke consumption of 7 LMT @ 39% mix of total fuel.

# Other Costs



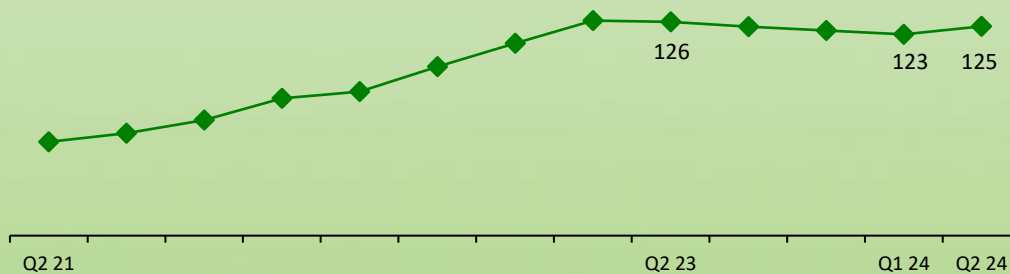
YoY cost : Flat

- Operating leverage benefits in the quarter offset by increase in maintenance cost and manpower cost.

QoQ cost increase: 26%

- Negative operating leverage due to lower volume in monsoon period.
- Higher plant maintenance and increase in employee costs during the current quarter.

## WPI index





# Operational Performance



₹ Crores

Consolidated		Particulars	India Operations	
Q2 FY24	Q2 FY23		Q2 FY24	Q2 FY23
15,735	13,596	Net Sales ^	15,195	13,176
277	297	Operating Income	281	271
167	146	Other Income	158	119
<b>16,179</b>	<b>14,039</b>	<b>Total Income</b>	<b>15,634</b>	<b>13,565</b>
		<b>Expenses:</b>		
2,348	2,004	Raw Materials Consumed	2,187	1,984
425	325	Purchase of Traded Goods	407	259
(279)	(312)	Changes in Inventory	(240)	(288)
812	691	Employee Costs	778	660
4,385	4,296	Power and Fuel	4,207	4,103
3,512	3,044	Logistics Cost	3,478	3,013
2,258	1,977	Other Expenses	2,211	1,910
<b>13,461</b>	<b>12,069</b>	<b>Total Expenses</b>	<b>13,026</b>	<b>11,640</b>
<b>2,718</b>	<b>2,013</b>	<b>EBITDA</b>	<b>2,608</b>	<b>1,926</b>
<b>956</b>	<b>808</b>	<b>Operating EBITDA per ton</b>	<b>955</b>	<b>812</b>

^After elimination of inter company sales

# Financial Statement



₹ Crores

Consolidated		Particulars	India Operations	
Q2 FY24	Q2 FY23		Q2 FY24	Q2 FY23
15,735	13,596	Net Sales ^	15,195	13,176
<b>2,718</b>	<b>2,013</b>	<b>EBITDA</b>	<b>2,608</b>	<b>1,926</b>
234	200	Finance Costs	211	187
798	708	Depreciation and Amortization	768	679
409	344	Tax expenses*	415	333
(1)	3	Minority interest	-	-
<b>1,281</b>	<b>756</b>	<b>Normalized PAT*</b>	<b>1,214</b>	<b>727</b>
<b>198</b>	<b>173</b>	<b>EPS (₹) (basis trailing 12 months)</b>	<b>193</b>	<b>169</b>

\* The Company has opted for new tax regime from the financial year 2023-24

# Operational Performance : Overseas



Amount in Mn AED		Particulars	Amount in Mn SLR	
Middle East			Lanka	
Q2FY24	Q2FY23		Q2FY24	Q2FY23
215	172	Net Sales	4,531	3,973
0.1	11	Operating Income	21	85
0.0	0.2	Other Income	89	365
<b>215</b>	<b>183</b>	<b>Total Income</b>	<b>4,641</b>	<b>4,423</b>
59	24	Purchase/Consumption of Raw Material	4,735	3,459
-16	-7	Changes in Inventory	-429	-388
14	13	Employee Costs	83	86
79	89	Power and Fuel	16	10
14	14	Logistics Cost	65	27
17	36	Other Expenses	311	222
<b>168</b>	<b>169</b>	<b>Total Expenses</b>	<b>4,780</b>	<b>3,415</b>
<b>46</b>	<b>15</b>	<b>EBITDA</b>	<b>-140</b>	<b>1008</b>
<b>26</b>	<b>-10</b>	<b>PAT</b>	<b>-200</b>	<b>675</b>



# Financial Position



₹ Crores

Consolidated		Particulars	India Operations	
30.09.2023	31.03.2023		30.09.2023	31.03.2023
67,846	64,987	Net Fixed Assets <sup>^</sup>	64,994	62,121
1,059	1,017	Investment in Subs/Associates/JVs	3,228	3,187
(1,500)	(2,669)	Net Working Capital	(3,048)	(3,987)
<b>67,404</b>	<b>63,335</b>	<b>Total Assets</b>	<b>65,173</b>	<b>61,321</b>
56,204	54,380	Shareholders Fund (Incl. Minority Interest)	55,066	53,369
10,319	9,901	Gross Debt	9,156	8,750
5,402	7,199	Less: Treasury Surplus	5,383	7,093
<b>4,917</b>	<b>2,702</b>	<b>Net Debt</b>	<b>3,773</b>	<b>1,658</b>
6,283	6,254	Deferred Tax Liability	6,335	6,295
<b>67,404</b>	<b>63,335</b>	<b>Total Equity and Liabilities</b>	<b>65,173</b>	<b>61,321</b>

<sup>^</sup>Includes goodwill and asset held for sale

# Cash Flow Statement: H1 FY24



₹ Crores

Particulars	India operations	Consolidated
<b>EBITDA</b>	<b>5,817</b>	<b>5,941</b>
Less : Interest & lease payments	(389)	(442)
Less : Tax paid	(706)	(711)
Less : Increase in working capital	(1313)	(1454)
<b>Operating Cash Flow</b>	<b>3,410</b>	<b>3,334</b>
Less : Capex spend	(4,328)	(4,341)
<b>Free Cash Flow to Firm</b>	<b>(918)</b>	<b>(1,008)</b>

# 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)
- **CPI** - Consumer Price Index
- **WPI** - Wholesale Price Index
- **IHB** - Individual Housing Builder
- **PMAY** - Pradhan Mantri Awas Yojana
- **PMGSY** - Pradhan Mantri Gram Sadak Yojana
- **CSR** - Corporate Social Responsibility
- **ESG** - Environmental, Social, and Governance
- **WHRS** - Waste Heat Recovery System
- **Green power Mix** includes WHRS and captive renewable power
- **Realization** = Selling Price *less* GST and Discounts
- **Blended Fuel** includes imported coal and petcoke
- **Blended Fuel cost/t** = CIF price at India port equivalent to 7500 CV
  - Receipt basis – Without taking moisture impact
  - Net basis – After considering moisture impact
- **EBITDA** = Profit Before Tax *plus* Finance Cost and Depreciation
- **Operating EBITDA** = EBITDA *less* Other Income
- **Net Debt** = Gross Debt *less* Liquid Investments



# 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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*[Corporate Identity Number L26940MH2000PLC128420]*

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