



24<sup>th</sup> April, 2017

BSE Limited  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai 400 001.  
Tel.: 2272 1233/34  
Fax: 022 2272 2039/3121  
**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 year ended 31<sup>st</sup> March, 2017**

Attached is an investor's presentation on the performance of the Company for the year ended 31<sup>st</sup> March, 2017.

The same is for your information, please.

Yours very truly,

A handwritten signature in blue ink, appearing to read "S. K. Chatterjee".

S. K. Chatterjee  
Company Secretary

Encl: A/a



**UltraTech Cement Limited**

Registered Office : Ahura Centre, B - Wing, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093, India

T : +91 22 6691 7800 / 2926 7800 | F : +91 22 6692 8109 | W : www.ultratechcement.com / www.adityabirla.com | CIN : L26940MH2000PLC128420



# UltraTech Cement Limited

INDIA'S LARGEST CEMENT COMPANY

Resisting sectoral downturn, Q4, FY17



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

FY2017  
INDIAN CEMENT  
INDUSTRY COULD  
POSSIBLY SEE  
WEAKEST GROWTH  
IN 15 YEARS.



# Q4 FY2017

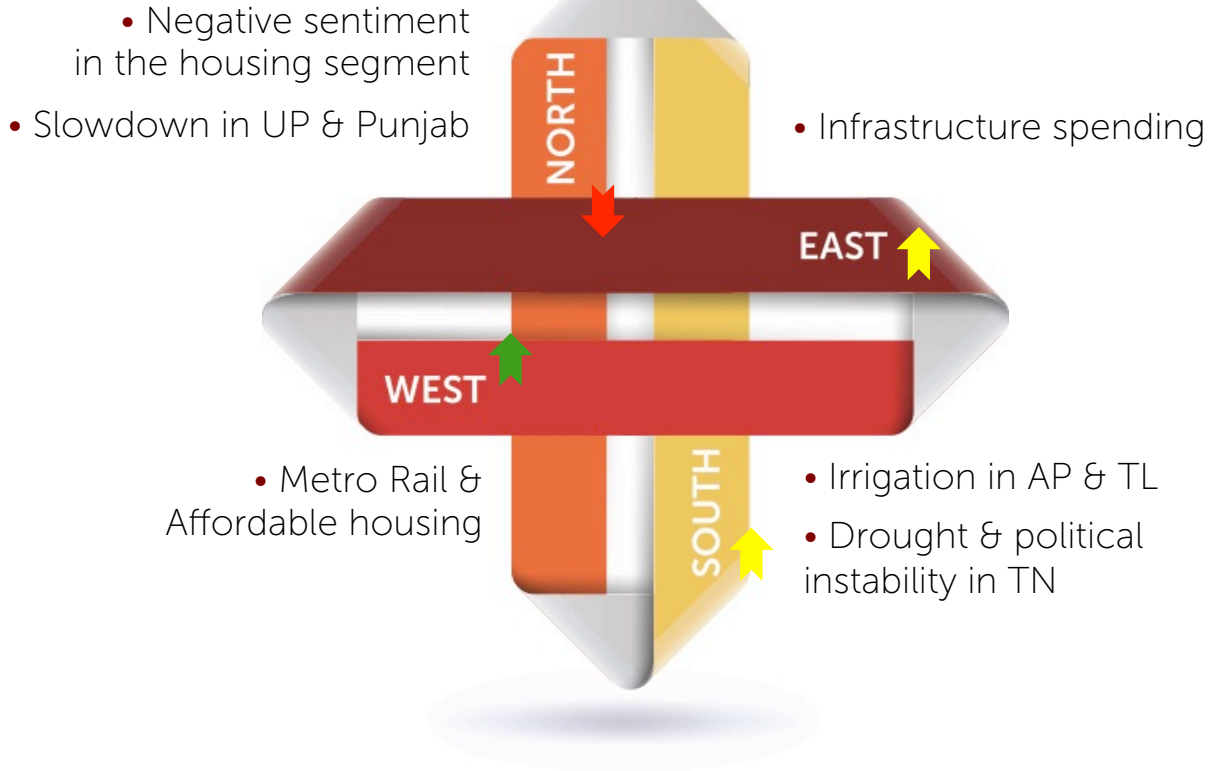
Usually the  
best of all  
quarters for  
the Cement  
Industry.

Not this time.  
*Possibly the  
weakest fourth  
quarter in years.*

SUBDUED HOUSING DEMAND | CAPACITY UTILISATION < 70%.  
VOLATILE CEMENT PRICES | RISING FUEL COSTS.



# Regional demand trend, Q4 FY17



# UltraTech

*We banked on our usual 'insurance'.  
A captive stretch culture.*

CAPITALISING ON OUR  
BRAND, FOOTPRINT,  
SIZE & SCALE,  
AND KNOWLEDGE.



# UltraTech

Temporary blip during  
sectoral turbulence

TOTAL SALES  
VOLUME (MnT)

14.07

(+) 1%

CAPACITY  
UTILISATION

82%

(-) 1%

EBITDA  
(RS, CRS)

1381\*

(-) 10%

PAT  
(RS,CRS)

688

(-) 12%

*\* Excluding Rs. 138 Crs being provisions no longer required*



# UltraTech

Focused on selling more  
when most were buying *less*

Increased UBS span –  
volume share up 20%

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Continuous thrust on  
retail market

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Blended cement sales up 1%





# UltraTech

*Ameliorating performance*

SUPERIOR EQUIPMENT  
MANAGEMENT

USE OF INDUSTRIAL  
WASTE OVER COAL

FOCUS ON CASH  
MAXIMISATION



# UltraTech

*Increased manufacturing efficiencies  
in an inflationary environment*

Energy cost at Rs 840/t – up 23%  
with increase in pet coke price ~ 55%

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Reduced power consumption – 4%

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Improved captive power plants efficiency – 2%

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Enhanced waste heat recovery share – 2%

**IMPACT: TOTAL MANUFACTURING COST INCREASE RESTRICTED TO 13%**



# UltraTech

*Enhanced logistics efficiencies  
in an inflationary environment*

Increased use of sea routes

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Road freight increase restricted to 5%  
v/s increase in diesel prices by 27%

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Market mix alignment – increased  
supply from new grinding units

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Supplied material across longer  
distances to service demand

**IMPACT: COST AT RS 1104/T, AN INCREASE OF ONLY 1%**



# UltraTech

*Enhanced liquidity in  
a weak environment*

CONTROLLED CAPITAL  
EXPENDITURE

REDUCED WORKING CAPITAL ~ 65%  
OVER MARCH 16

REDUCED NET DEBT > RS. 3700 CR  
OVER MARCH 16

IMPACT: CONSOLIDATED NET DEBT / EBITDA AT (-) 0.04



# UltraTech

## Outperformance

Lower costs + Increased off-take + Superior liquidity

ROCE

FY 16

12.3%

FY 17

13.4%

EBITDA  
PER TONNE  
(Rs.)

1036

FY 16

1094

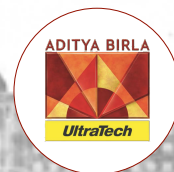
FY 17

# INCOME STATEMENT

Rs. Crs

Q4			Particulars	FY		
CY	LY	▲ %		CY	LY	▲ %
13.35	13.32	0.3	Domestic Sales (MnT)	47.62	47.13	1
<b>14.07</b>	<b>13.96</b>	<b>1</b>	<b>Total Sales (MnT)</b>	<b>50.19</b>	<b>49.28</b>	<b>2</b>
6500	6332	3	Revenues (net of excise duty)	23616	23440	1
240	140	71	<b>Other Income</b>	660	481	37
<b>1518</b>	<b>1517</b>	<b>-</b>	<b>EBITDA*</b>	<b>5629</b>	<b>5107</b>	<b>10</b>
<b>1079</b>	<b>1087</b>	<b>(1)</b>	<b>EBITDA (Rs/Mt)*</b>	<b>1122</b>	<b>1036</b>	<b>8</b>
23%	24%	(1)	Margin (%)	24%	22%	2
<b>688</b>	<b>781</b>	<b>(12)</b>	<b>PAT</b>	<b>2628</b>	<b>2370</b>	<b>11</b>
<b>25.1</b>	<b>28.5</b>	<b>(12)</b>	<b>EPS (Rs)</b>	<b>95.7</b>	<b>86.4</b>	<b>11</b>

\* CY include Rs. 138 Crs being provisions no longer required



# FINANCIAL POSITION

Rs. Crs

Consolidated		Particulars	Standalone	
31.03.17	31.03.16		31.03.17	31.03.16
35648	35008	Total Capital Employed	32955	32313
(215)	3523	Net Debt	(2422)	1181
(373)	72	Net Working Capital	(956)	(574)
<b>Key Ratios:</b>				
(0.01)	0.16	Net Debt : Equity	(0.10)	0.05
(0.04)	0.66	Net Debt : EBITDA	(0.43)	0.23
7.7%	7.4%	ROIC	8.1%	7.7%
889	800	Book Value per share (Rs)	872	788



# SECTORAL OUTLOOK

## FAVORABLE FACTORS

AFFORDABLE HOUSING AND  
INTEREST SUBVENTION SCHEME

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INFRASTRUCTURE GROWTH

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IMPROVING DEMAND SENTIMENTS IN  
SOUTHERN MARKETS

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BETTERING OF RURAL HOUSING DEMAND  
DUE TO IMPROVED RURAL CASH FLOWS





# SECTORAL OUTLOOK

## CHALLENGING FACTORS

SLOWED GROWTH OF URBAN HOUSING &  
PRIVATE SECTOR CAPEX

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INDUSTRY CAPACITY UTILIZATION 70%

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INCREASE IN FUEL COSTS AFFECTING  
OPERATING MARGINS



# 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 Government 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, on the basis of any subsequent development, information or events, or otherwise.

## ULTRATECH CEMENT LIMITED

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