

ADITYA BIRLA



12th August, 2016

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai 400 001.
Tel.: 2272 1233/34
Fax: 22721919
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 Sir,

Sub: Corporate Presentation

Please find attached the updated corporate presentation of the Company which will also be uploaded on the website of the Company.

This is for your information and records, please.

Thank You.

Yours very truly,

For UltraTech Cement Limited

Authorised Signatory

Encl: a/a

UltraTech Cement Limited

Registered Office :

B - Wing, Ahura Centre, 2nd Floor
Mahakali Caves Road, Andheri (E), Mumbai - 400093

Tel. 022-66917800 / 29267800
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Website www.ultratechcement.com
www.adityabirla.com
CIN L 26940MH2000PLC128420

ADITYA BIRLA



UltraTech



INDIA'S
LARGEST
CEMENT
COMPANY

CORPORATE
DOSSIER



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

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GLOSSARY

Mnt – Million Metric tons **Lmt** – Lakhs Metric tons **MTPA** – Million Tons Per Annum **Q1** – April-June **CY** – Current Year Period
LY – Corresponding Period last Year **FY** – Financial Year (April-March) **ROCE** – Return on Average Capital Employed **MW** – Mega Watts
ICU – Integrated Unit **GU** – Grinding Unit **BT** – Bulk Terminal



ADITYA BIRLA GROUP - OVERVIEW



Aditya Birla Group



Premium global conglomerate



ADITYA BIRLA GROUP

- ▶ US\$ ~41 billion Corporation
- ▶ In the League of Fortune 500
- ▶ Operating in 36 countries with over 50% Group revenues from overseas
- ▶ Anchored by about 120,000 employees from 42 nationalities
- ▶ Ranked 4th in global top companies for leaders and 1st in Asia Pacific

(Source: Aon Hewitt, Fortune & RBL - 2011)

Indian Listed Entities



HINDALCO



GRASIM



NUVO



UltraTech



IDEA Cellular



FASHION & RETAIL

- ▶ A global metal powerhouse – 3rd biggest producers of primary aluminum in Asia.
- ▶ No. 1 in viscose staple fibre in the world.
- ▶ No. 1 in carbon black in the world.
- ▶ Amongst the top global cement players.
- ▶ Globally 4th largest producer of insulators
- ▶ Globally 5th largest producer of acrylic fibre.
- ▶ Positioning in India:
 - ▶ Largest capacity in cement.
 - ▶ Top fashion and lifestyle player.
 - ▶ 2nd largest player in viscose filament yarn.
 - ▶ Among the top 3 mobile telephone companies.
 - ▶ A leading player in life insurance and asset management.
 - ▶ Among the top 2 supermarket chains in retail.

Our Values • Integrity • Commitment • Passion • Seamlessness • Speed

UltraTech Cement

India's largest cement company



India's Largest
Cement Selling Brand



No. 1 RMC player in
India with ~ 100 plants



Market Cap
of ~US\$ 15.5 Bn



FY16 Consolidated
Revenue ~US\$ 3.9 Bn



Different Products to
provide complete
Building Solutions
> 1200 stores



No.1 Player of White
Cement & Cement
based Putty



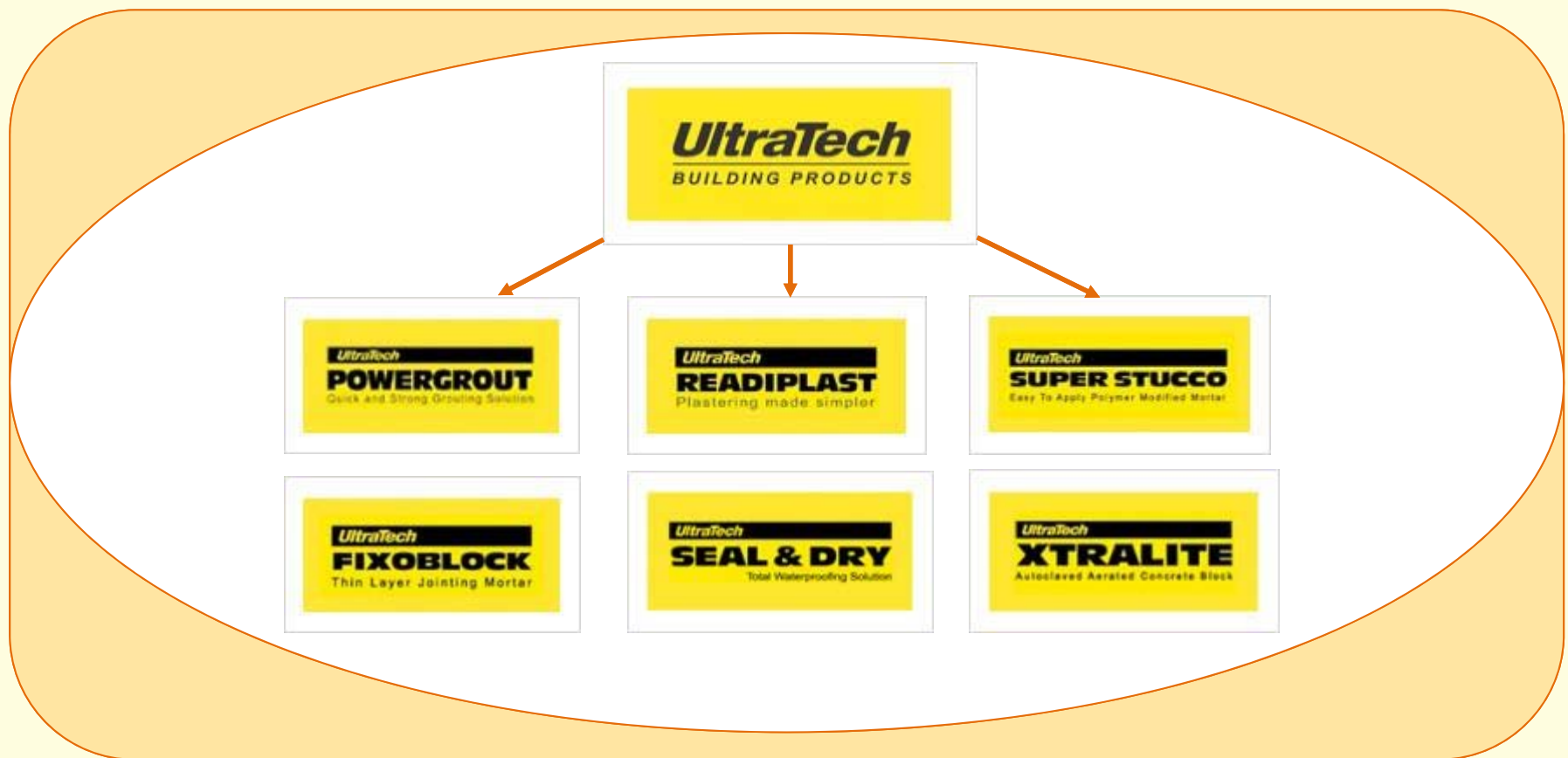
About 1,000 million
bags every year



~ 43,000 Direct &
Indirect Employment

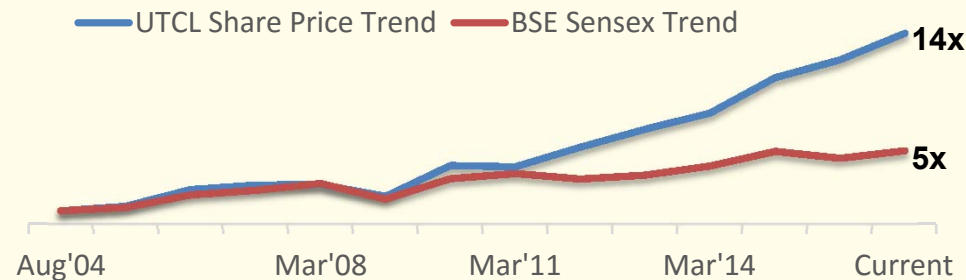
UltraTech Cement

Building Products Portfolio



Complete Building Solutions under one Umbrella

UltraTech Journey



69 MTPA
Current Mkt Cap –
US\$: 15.5 Bn

52 MTPA

2011
Mkt Cap –
US\$: 7 Bn

42 MTPA

2008
Mkt Cap –
US\$: 2 Bn

31 MTPA

2004
Mkt Cap –
US\$: 1 Bn

UTCL
Inception

Acquisition of
 L&T Cement
 Business

- Focus on Cost Leadership between 2005-2009
- Synergy of Cement Business of ABG under one roof;
- Investments in TPPs – 80% power self-sufficient

- Organic Capacity addition: 15 mtpa
- Group Cement business under one roof
- Became India's Largest Cement Company
- Acquisition of Star Cement: 3 MTPA

- Acquisition in progress: 21.20 MTPA
- Acquisition completed: 4.8 MTPA
- Commissioned brownfield projects - 7.9 MTPA
- Commissioned greenfield projects- 4.8 MTPA
- Capacity under commissioning – 0.6 MTPA

Governance



Board of Directors

Non-Executive Chairman

Mr. K M Birla

Independent Directors

Mr. GM Dave

Mr. SB Mathur

Mr. Arun Adhikari

Mrs. Renuka Ramnath

Mrs. Sukanya Kripalu

Ms. Alka Bharucha

Executive / Non- Executive Directors

Mrs. Rajashree Birla

Mr. K K Maheshwari- MD

Mr. Atul Daga- ED & CFO

Mr. D D Rathi

Mr. O P Puranmalka

Governance (contd..)



- ▶ **Audit Committee:** All members - Independent Directors
- ▶ **Nomination & Remuneration:** Majority members – Independent Directors
- ▶ **Stakeholders Committee:** Majority members – Independent Directors
- ▶ **Finance Committee:** Majority members – Independent Directors
- ▶ **Risk Management Committee:** Non-independent Directors
- ▶ **CSR Committee:** Majority Non-independent Directors

UltraTech is committed to create value for all its stakeholders

Management Team



Mr. KK Maheshwari- Managing Director

- He is a Fellow Chartered Accountant with over 38 years of experience. Held a variety of roles in Group having exposure in multi-business, multi-geography and multi-culture.
- He has brought in strong execution rigor to his work, and has considerably strengthened both innovation and new products development. He scripted the growth of the Group's VSF Business towards a more competitive and sustainable model.



Mr. KC Jhanwar - Chief Manufacturing Office

- A Fellow Chartered Accountant and has over 35 years of experience in Group. Has worked across finance, operations and general management roles in the Cement and Chemicals business of the Group. Carries deep expertise in project management and commercial skills, as well as significant experience in acquisitions and integration.
- Prior to moving current role, was heading Chlor Alkali Chemicals Business of the Group.



Mr. Atul Daga – Executive Director & CFO

- Mr. Atul Daga is a Chartered Accountant by profession and has over 27 years of experience. Started his journey in group as an Executive Assistant to Late Mr. Aditya Vikram Birla. Has gained experience different roles like Financial Planning, Treasury Management, Business Strategy, Merger & Acquisition, Investor Relations.



Mr. Vivek Agarwal- Chief Marketing Officer

- A bachelor of Engineering (Mechanical) and an MBA from FMS, Delhi, Mr Vivek has experience of over 30 years and with Group about 22 years. A veteran with the Cement business of the Group, brings with him a vast experience in marketing. Played key role in growing Ready Mix Concrete Business of the Company.
- Prior to moving into current role, was CEO our subsidiary Star Cement.



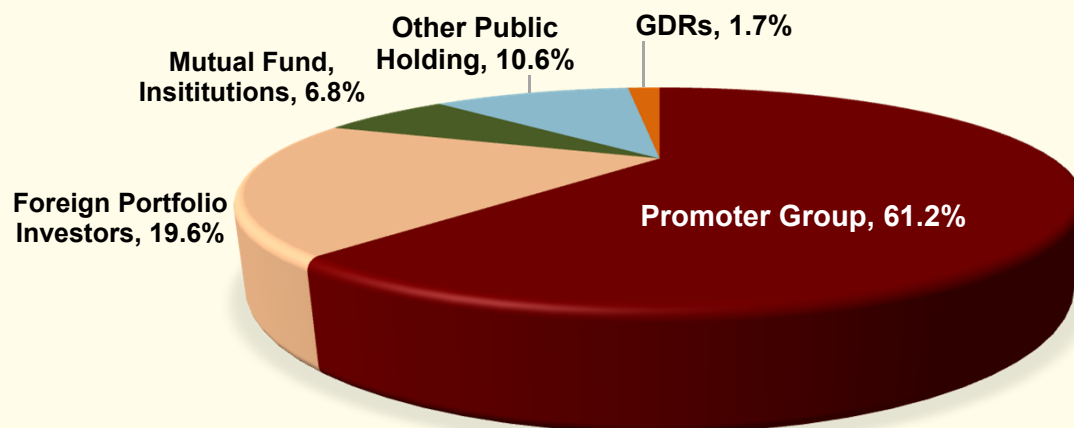
Mr. Gautam Chainani – Chief Human Resource Officer

- A post graduate in PM and IR, Mr. Chainani brings with him over 27 yrs of experience, with organizations like WNS Global Services Ltd., Bharati Cellular Ltd., Wipro Consumer & Hindustan Lever Ltd. in different roles of human resources management.
- Joined UltraTech in 2013 after spending more than six years in Financial Services Business of the Group

Shareholding Pattern



As on 30th June, 2016



Promoter Group

Name	Holding %
Grasim Industries Limited	60.25%
Turquoise Investments and Finance Pvt Ltd	0.28%
Hindalco Industries Limited	0.46%
Trapti Trading & Investments Pvt Ltd	0.25%
Others	0.03%

Non-promoter Shareholding > 1%

Name	Holding %
Aberdeen	3.29%
LIC of India	2.15%
Oppenheimer Developing Markets Fund	1.41%



Economic Environment



Macro Indicators ...

taking towards good growth cycle



Government- Continuous Focus on improving business sentiments

- ▶ GST – Bill has been cleared in Parliament, expected to come into force w.e.f. 01.04.17
- ▶ Relaxation in FDI policies, GAAR prospective from 2017
- ▶ “Make In India” “Skill India” and “Digital India” a boost to GDP
- ▶ Identified 98 Smart Cities for development plan has been finalized for first 20 cities with total expenditure of USD 7.5 bn in next 5 years

Improving Macro Indicators

- ▶ FY16: Highest GDP growth in last 4 years at 7.6%
- ▶ World Bank forecast FY17 – 7.8% and likely grow fastest in world for next 3 years
- ▶ IIP for Apr-May'16 : (0.1)%
- ▶ Inflation under control - Interest rate correction



Indian Cement Sector



Indian cement industry

Overview

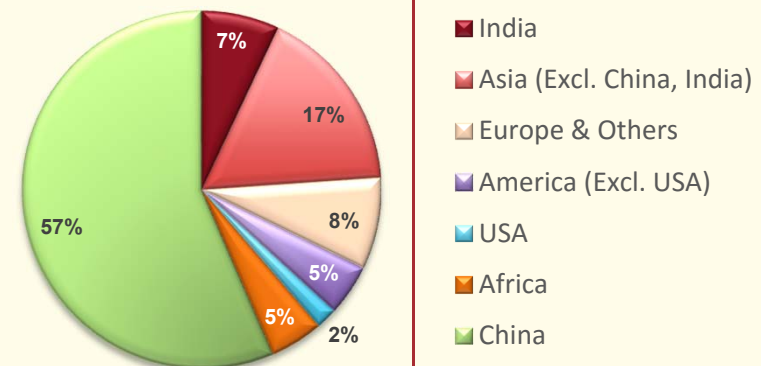


- ▶ Second largest market Globally with capacity of ~ 411 mtpa after China (~ 2400 MTPA).

- ▶ 2nd fastest-growing cement market globally: Compounded Average Growth: 8% (Last decade)

- ▶ **Market Composition:**
North - 35%, East - 16%,
West - 13%, South - 36%

GLOBAL CEMENT CONSUMPTION



Source: Cement Consumption Cembureau,
Company Estimates

Indian cement industry

Overview (contd...)



- ▶ Per Capita Cement Consumption at 200 kg lowest among the developing countries; World average ~ 580 Kg

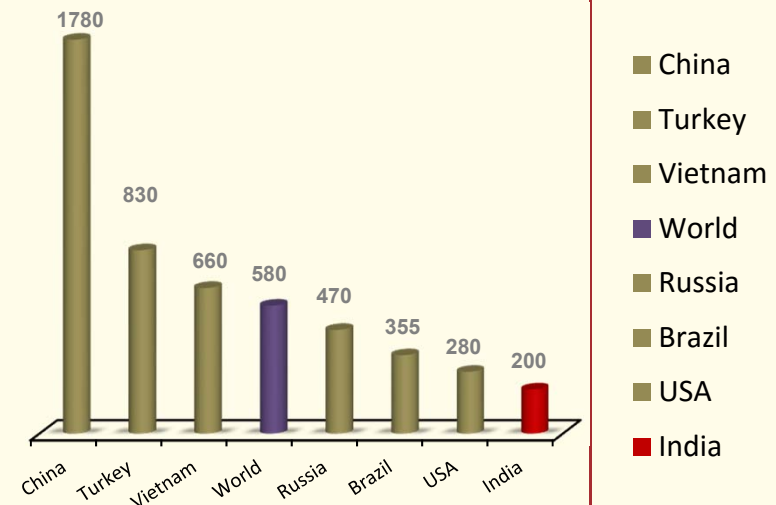
- ▶ Consolidation in industry at regular intervals

- ▶ Entry of new players (non-cement)

- ▶ **Fragmented Market:**

No of plants ~ 195, owned by ~ 50 players
Top 6 players holds ~ 50% of capacity

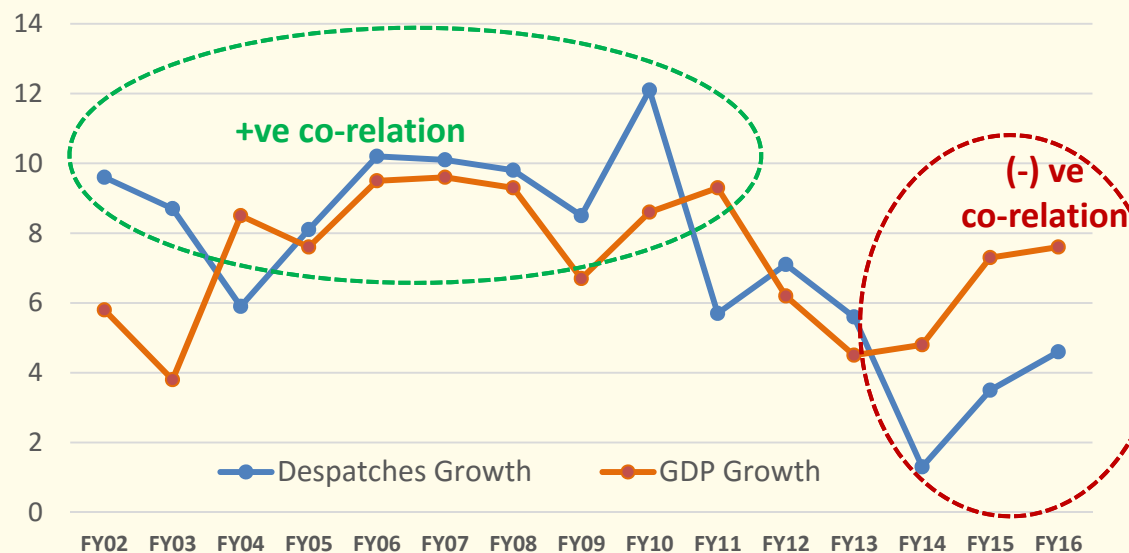
PER CAPITA CEMENT CONSUMPTION (KG)



Source: Cement Consumption Cembureau,
Company Estimates Population IMF

Indian cement industry

GDP growth v/s cement demand growth



► Long-term average cement demand growth: 1.2x of GDP

- Cement volume growth has been weak in past 3-4 years, led by a slowdown in infra, commercial and housing
- However, ...sustained cement consumption growth ~ 8% in last 14 years (2001 onwards)

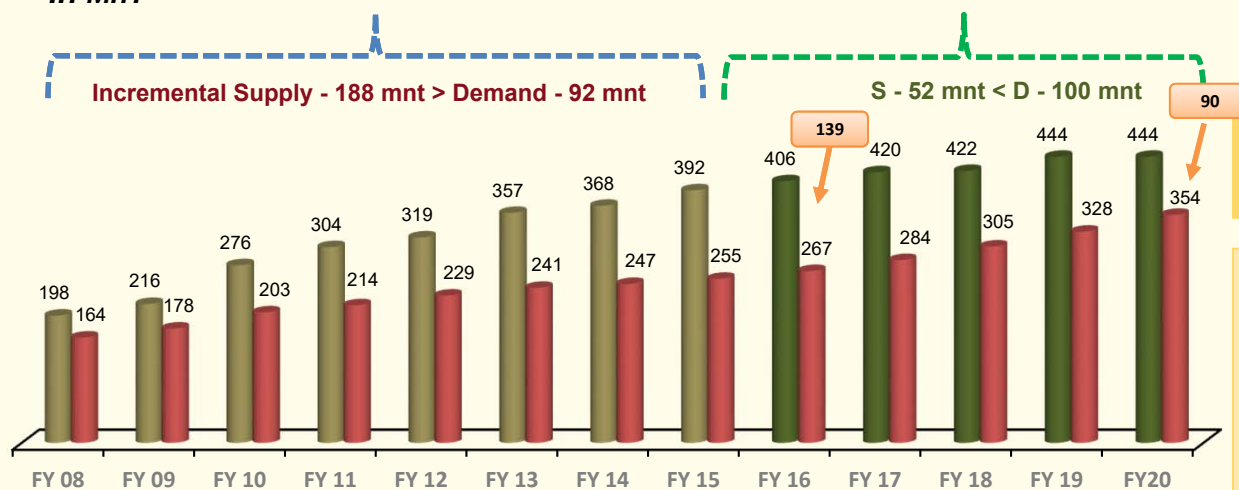
► Demand likely to reach it's normal level with improved focus on infrastructure and housing

Indian cement industry

Demand-supply trend



In MnT



► Industry capacity doubled in last decade

► Around 50 million tonnes capacity added in last 3 years

► Though demand remained low in last 3 years

► Surplus capacity in the sector c 140 million tonnes

	Capacity Demand													In %
FY	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19	'20	
Gr.	9.8	8.5	12.1	5.7	7.1	5.2	2.6	3.5	4.7	6.3	7.4	7.6	7.8	
Util.	83	82	74	70	72	68	67	65	66	68	72	74	80	

Source: Company estimates & DIPP data.

Demand – supply balance to improve gradually in next 3 years with slower pace of capacity addition and likely improvement in demand

Demand growth drivers



Housing (~60- ~65%)

- ▶ Rapid Urbanisation (28.7% in 2005 to 40% in 2030)
- ▶ Number of Cities(population of 1Mn.+) to grow from 33(2005) to 68(2030)
- ▶ Five year plan, housing requirement of 74 Million units
- ▶ Rural demand rising, additional boost from urban housing on softening of interest rates

Commercial & Industrial Investments (~20%)

- ▶ Strong demand from IT / ITES, historically south – like Chennai, Bangalore & Hyderabad
- ▶ Emerging Growth from Resource Based Industries from Eastern India
- ▶ Likely large corporate capex driven by higher Infrastructure spending and future potential growth

Infrastructure (~15-20%)

- ▶ Infrastructure investment of USD 1 Trillion the XIIth Plan(GOI) period
- ▶ Investment projected across sectors with power, roads, railways, irrigation and telecom constituting the major component
- ▶ Recent renewed focus of new govt. on infrastructure – E.g. New state formation like Andhra Pradesh and Telangana

Source: 1.Mckinsey Urbanisation Report 2.Working Group Report, Govt. of India m 3. Consultation paper , Planning Commission of India

Sector guidance



► Industry expected to grow 7% for FY17

► Demand to improve with government focusing on investment & infrastructure revival and various reforms:

- ❖ Government Housing Plan –
 - Housing for all: 20 ml Houses for urban areas and 40 ml in Rural areas
 - Pradhan Mantri Awas Yozana – Gramin : To construct 10 ml units (FY17-19)
- ❖ Roads (concrete) - **another 1,00,000 kms in addition to** 1,00,000 kms road which is already in process (Road Execution target for FY17 – 15000 kms)
- ❖ Western and Eastern dedicated freight corridor (~\$ 13 bln)
- ❖ 100 smart cities, Identified first 20 smart cities (Expenditure plan USD 7.5 bn in next 5 years)
- ❖ Swatchh Bharat Mission – government intent to construct 110 mln toilets in next 5 years (~ \$ 32 bln)
- ❖ Metro rail project coming up in tier-II cities like Lucknow, Kochi, Jaipur, Ahmedabad, Chandigarh, Nagpur, Kanpur, Patna, Surat and Pune (~ \$ 17Bn)
- ❖ 5 new Mega Power Projects each of 4000 MW in the Plug-and-Play mode (~ \$ 16 bln)
- ❖ Target of 175,000 MW renewable energy by 2022.
- ❖ Port Development – Handling capacity to increase more than double 3000 ml tonnes by 2025 (~ 15 bn)

Sector guidance ... (contd...)



- ▶ Capacity addition pace slowing down.... Leading towards improvement in utilization

- ❖ Expected capacity addition: FY17 – FY20 ~ 40 million tonnes
- ❖ Incremental demand: FY17- FY20 ~ 90 million tonnes

- ▶ Setting up new Cement Capacity becoming more challenging due to :

- ❖ Tougher land acquisition process
- ❖ Increased gestation period
- ❖ Availability of new limestone mines (through auction)

- ▶ Surplus capacity to reduce around 90 million tones by FY20, with south region continue to having 50% share in surplus capacity



UltraTech Landscape



UltraTech - A snapshot



Particulars	UOM	Current
<u>Capacity</u>		
Grey Cement - Domestic	Mtpa	66.3
- Overseas	Mtpa	3.0
White Cement	Mtpa	0.7
Wall Care Putty	Mtpa	0.8
RMC	Mn. Cub. Mtr	12.7
Captive Power Plants	In MW	717
WHRS + Wind Mill + Solar	In MW	63
<u>Plants & Terminals</u>		
Grey Cement (Composite Plant)	Nos.	12
Clinkerisation Plant (Overseas)	Nos.	1
Grinding Units (Overseas- 4)	Nos.	20
White Cement & Putty	Nos.	2
RMC Plants	Nos.	101
Bulk Terminals	Nos.	7

Growth

- ▶ Domestic Capacity increased > 10 fold since FY98 to 66.3 Mtpa. **Total Capacity 69.3 Mtpa**
- ▶ **Proven Capabilities to Grow Organically 44 Mtpa and Inorganically 25 Mtpa.**

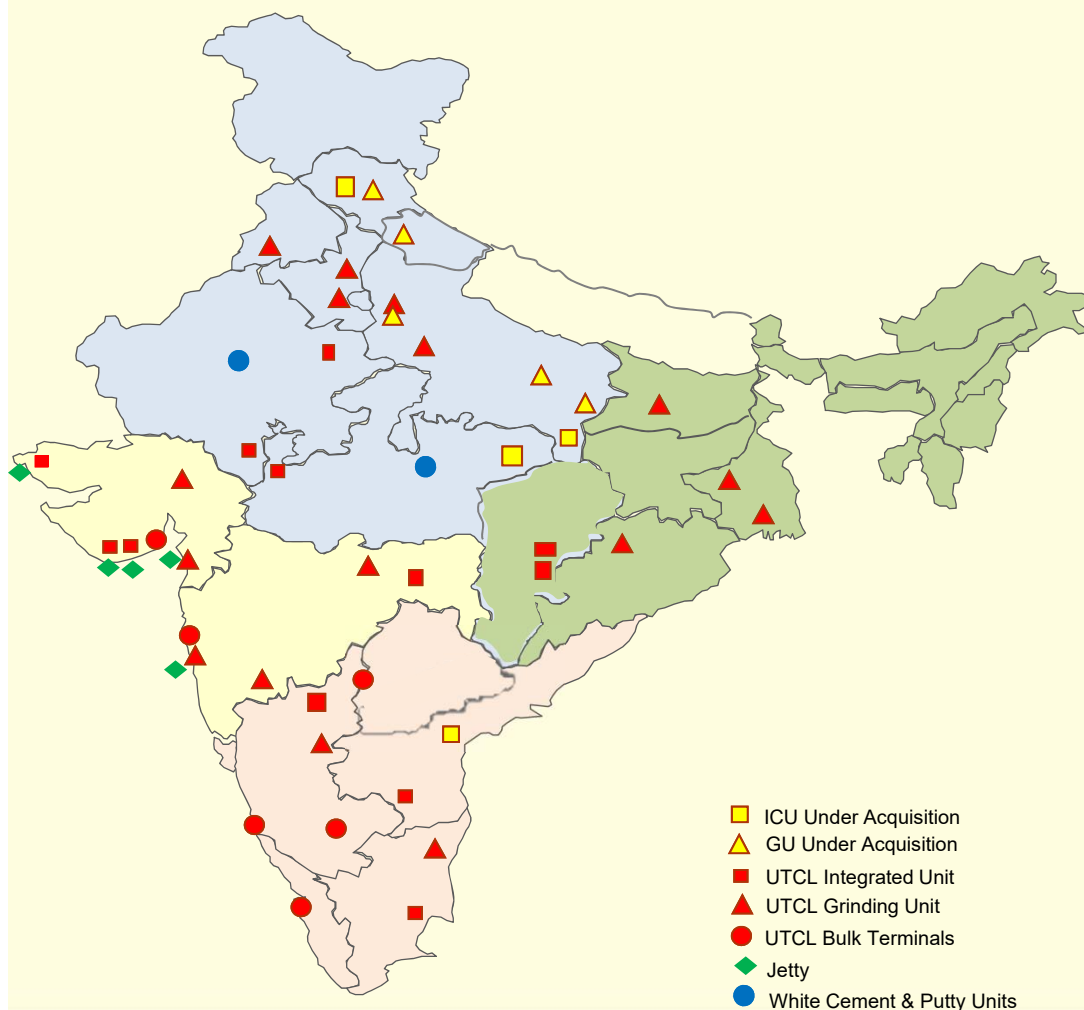
Market Leadership

- ▶ “UltraTech” -Premium national brand
- ▶ **Leadership in key consuming markets**
- ▶ Strong nationwide distribution network

Cost Leadership

- ▶ Large Size kiln – Economy of scale
- ▶ **Latest Technology Plant**
- ▶ > 85% Power Self Sufficiency thru TPP & WHRS
- ▶ **Hub and Spoke Model through Split GUs/ Terminals near market & Efficient Logistics**

UltraTech - India Footprint



- ▶ 12 Integrated Units
- ▶ 16 Grinding Units
- ▶ 6 Bulk Packaging Terminals (Sea+Rail)
- ▶ 2 White Cement & Putty Units
- ▶ 5 Jetties
- ▶ 6 ICU & 5 GU Under Acquisition
- ▶ 1 BT In-Progress

Zones	Zonal Capacity (mtpa)			
	Current	UT Cap. Share in Industry	Post Acquisition	UT Capacity Mix
North	19.0	13%	23.8	27%
Satna Cl.	-	-	11.4	13%
East	11.4	17%	11.4	13%
West	20.5	37%	20.4	23%
South	15.5	11%	20.5	23%
All India	66.3	16%	87.5	100%
Overseas	3.0		3.6	
Total	69.3		91.1	



Operational and Financial Performance



Economy Update Q1



Macro Performance

- ▶ FY16: Highest GDP growth in last 4 years at 7.6%
- ▶ Brexit Impact on Currency & IRS markets
- ▶ WPI inflation 3.8% for Q1FY17

Industry Performance

- ▶ Subdued demand due to drought situation and severe heat conditions
- ▶ Capacity utilisation at Q4 level
- ▶ Cement prices – improved QoQ ; but lower YoY
- ▶ Operating costs – inching up

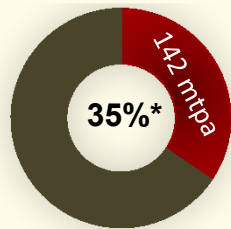
Industry (411 mtpa)

Regional Update



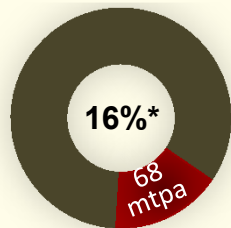
Zone / Region	Volume	Infra	Comm.	Housing	Rural
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North (~ 81% cu)**



- ❑ Rural housing demand - Positive
- ❑ Infrastructure spending continued in UP and Punjab

East (~ 80% cu)**



- ❑ Low cost housing demand – remained key growth driver
- ❑ Road & other infrastructure demand maintained – Odisha, Chhattisgarh & WB
- ❑ Suppressed urban demand – Bihar & Jharkhand

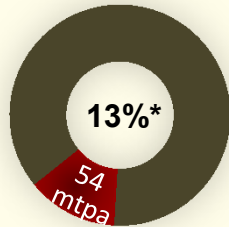
Industry (411 mtpa)

Regional Update



Zone / Region	Volume	Infra	Comm.	Housing	Rural
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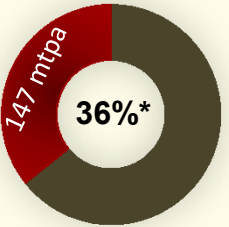
West (~ 70% cu)**



❑ Maharashtra –Demand impacted due to drought situation

❑ Gujarat – Meaning full demand yet to come

South (~ 57% cu)**



❑ Demand from AP (Amravathi)

❑ AP & Telangana – Demand for low cost housing and IHB in urban areas

❑ Karnataka – Some demand from infrastructure and housing segment

❑ Tamil Nadu and Kerala – Sluggish

❑ Demand from road segment provided thrust for growth

❑ Speedy project clearances by Government



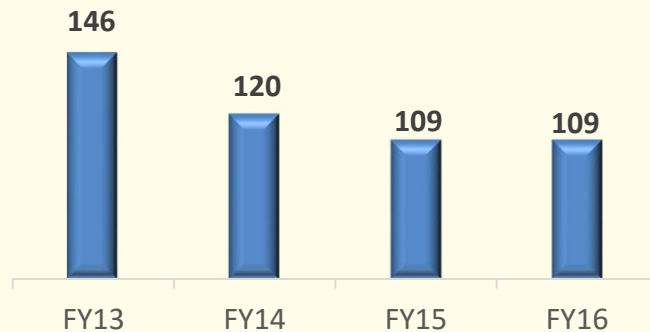
Environment Sustenance



BIG on..... Sustainability Development



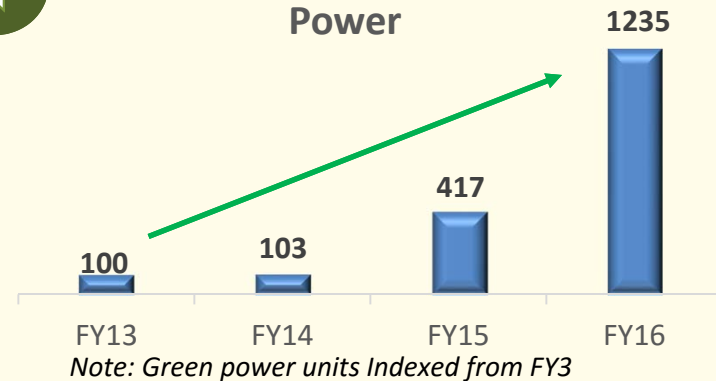
SO₂ Emission (g/ton of clinker)



- ▶ Continuous online monitoring system available for all major emissions
- ▶ Introduced Low NO_x Technology – Low NO_x burner, Low NO_x calciner etc.
- ▶ Capex investments towards environment
- ▶ Striving to become Water positive. 6 Integrated plants are using no/very less amount of ground water



Increasing Quantum of Green Power



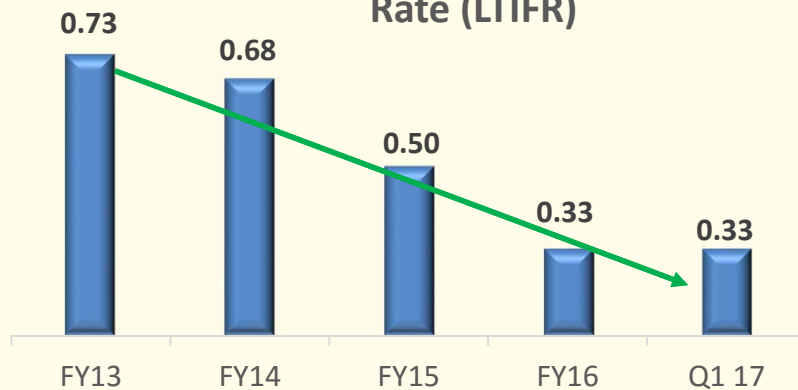
- ▶ Invested in Waste Heat Recovery Systems during last 2 years Supported in reduction of usage of thermal energy
- ▶ Plan for second phase of WHRS capex underway
- ▶ Long-term tie up with external parties for supply of Green Power
- ▶ Increased Fly ash absorption 2%

Focussed on Environment Protection

BIG on Safety and Community Development



Declining Loss Time Injury Frequency Rate (LTIFR)



265 medical camps,
> 56000 patients treated in Company hospitals



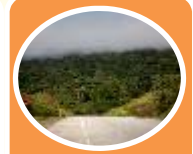
250 Aganwadis
Scholarship
Special Coaching



Agri productivity programme
> 3600 farmers
Water harvesting structures



Skill training for > 3000 people
Industrial Training for > 750 students



Building of approach roads,
Solar lights,
Community Halls & Public rest places

Committed to Society > 1.3 million beneficiaries

- ▶ Effective Risk Assessment – drive
- ▶ Structural stability – assessment and corrections across plants
- ▶ Weightage of Safety performance in annual performance review

- ▶ Out of 407 villages covered under the CSR programme, selected 54 to be transformed into model villages by 2017
- ▶ Partnership with district rural development authorities, local hospitals, District Panchayati Raj Institutions for various activities



Performance Q1 2016-17



Acquisition update



- ▶ Enterprise value : ₹ 16,189 Crs for 21.2 mtpa (USD 107/t)
- ▶ Access to new markets
- ▶ Financing tied up
- ▶ EPS dilutive for 8 quarters
- ▶ Application for CCI clearance has been filed
- ▶ Application to High Court – to be filed by next month
- ▶ Transaction expected to complete in next 9-10 months after getting all the regulatory and shareholders approval

Capacity to augment to 91.1 mtpa

UltraTech...BIG on Growth



(+) 6%*

▣ Sales Volume at 12.57 Mnt

~ 46000 retailers; ~ 17000 dealers

~ 1250 UBS Stores



(-) 7%*

▣ Total Cost at ₹ 3,643/t

Power Consumption
(- 3%)

Clinker Cement Conversion ratio
(+2%)

* YoY change

Q1 – Operating Performance



YoY Change

❑ Rural Market Penetration

40%

+ 1.5%

❑ Blended Sales

67%

+ 3%

❑ Average Realisation

₹ 4,683/t

(-) 2%*

** Increased 3% over Q4 16*

❑ Sales through UBS

7%

+ 1.5%

Q1 – Operating Performance



YoY Change

❑ Petcoke in TPP+ Kiln

69%

+ 9%

❑ WHRS Power Share

6%

+ 3%

❑ Logistics Costs

₹ 1,170/t

(-) 6%

1/3rd of total cost saving on YoY basis achieved through efficiency measures

BIG on Financial Performance

(India)



Operating margin at 23% + 400 bps



Turnover : ₹ 6182 Crs +4%



EBIDTA : ₹ 1573 Crs + 24%



PAT : ₹ 775 Crs + 28%



Operating Profit: ₹ 1078/t + 16%

ROCE at 15.8% +3.5%

Other developments



- ☐ FII Investment limit increased to 30% from earlier 24%. **more value creation**
- ☐ Secured coal linkage under auction in Maharashtra - 82000 tons per annum
- ☐ **Meeting 10% of the coal requirement for Awarpur plant**
- ☐ **Zero Net Debt** company. Debt reduced by ₹ 1590 crs
- ☐ **Strengthening Corporate Governance** - New Directors Appointment
 - Ms. Alka Bharucha – as Independent Director
 - Mr. Atul Daga – as Executive Director & CFO
- ☐ Moved to new accounting standards ...Indian Accounting Standards (Ind AS)

Ind AS implementation



Implemented Ind AS Accounting w.e.f. 01.04.2016..... Key changes applicable for UTCL

- ❑ Sales revenue is net-off discounts and direct sales incentives
- ❑ ESOP charge based on the fair valuation
- ❑ Capitalisation of large stores & spares having life more than 1 year
- ❑ M-to-M on forward cover on foreign currency instruments

**Operating
EBIDTA Impact**
+ ₹ 8 Crs

- ❑ Interest income on investments accrued as per fair valuation

Other Income
+ ₹ 103 Crs

- ❑ NPV interest charge for Interest free sales tax loans and mines liability
- ❑ Additional Depreciation charge for stores capitalized and mines restoration
- ❑ Assets creation for mines restoration cost
- ❑ M-to-M on foreign currency borrowings (considered cash flow hedge)

**Total Impact at
PBT + ₹ 106 Crs**



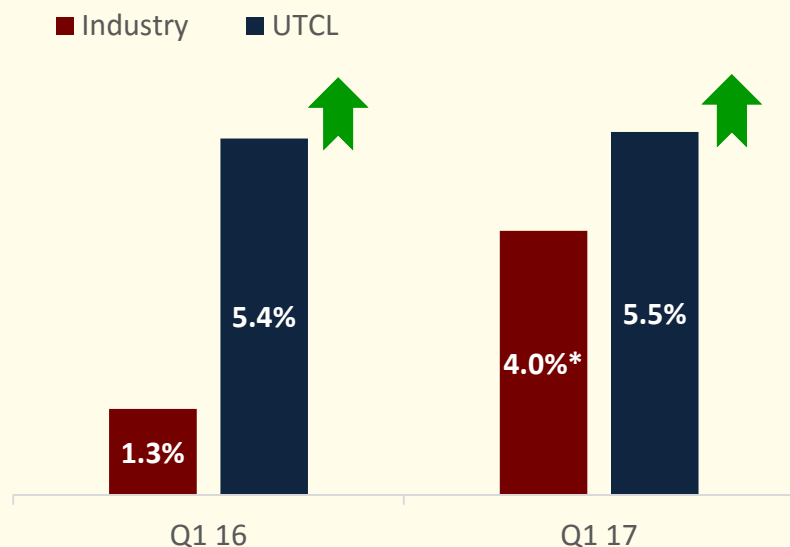
Operational and Financial Performance



BIG on Sales Performance



Domestic Growth Industry vs UTCL



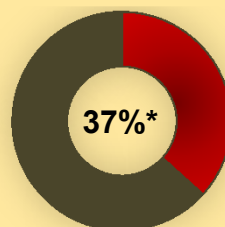
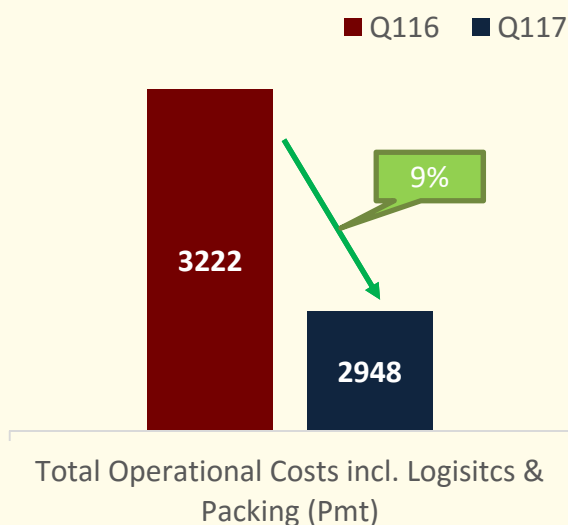
UTCL – India Performance

Particulars	CY	LY	▲%
Capacity (mtpa)	66.25	60.15	10
Cap Utilisation	77%	80%	(3)
Cement Sales (Mnt):			
Domestic Cement	12.57	11.91	6
Others	0.64	0.51	26
Total	13.20	12.41	6

- ▶ Capacity utilisation on existing plants @ 80%; New capacities in ramp-up mode
- ▶ Enhanced presence in the market place

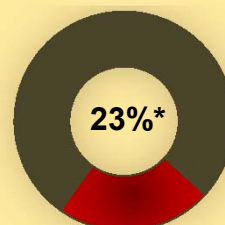
BIG on operational efficiency

Operational Costs (Grey Cement)



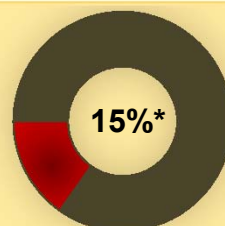
► Logistics cost improved 4% YoY: ₹ 1081/t

- ❑ Gain in rail freight due to withdrawal of busy season surcharge for May & Jun'16
- ❑ Lead distance reduced



► Energy cost Lower 24% YoY

- ❑ Higher usage of petcoke
- ❑ Power and fuel consumption improved



► Raw materials cost - Range bound: ₹ 448/t

- ❑ Improved clinker cement conversion ratio
- ❑ Raw mix optimisation

Cost to increase going forward with upward movement in fuel prices

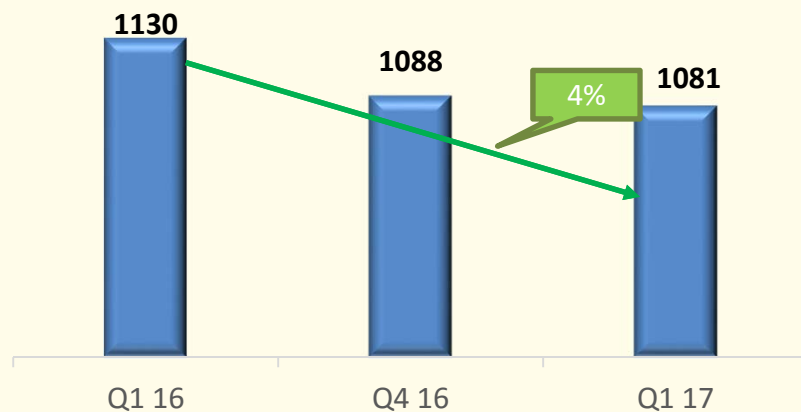
*% share in total operational costs including logistics.

Logistics cost trends

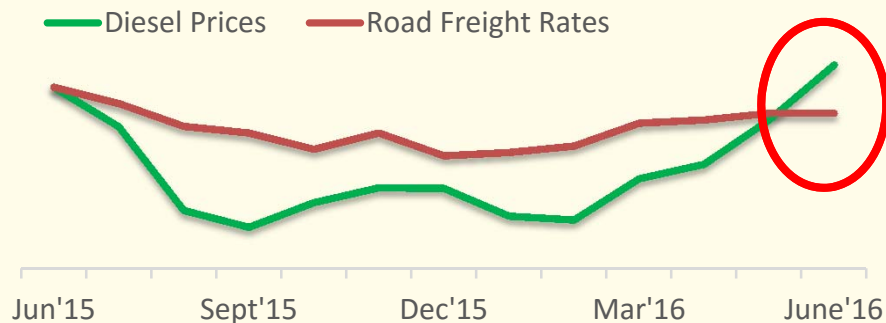
(Grey Cement)



Logistics Cost ₹/t



Road freight rates v/s Diesel prices trend



► YoY cost – declined 4%

- ❑ Withdrawal of 15% busy season surcharge on rail freight for 2 months (₹ 20/t)
- ❑ Improved average lead distance: 3% (₹ 30/t)
- ❑ Continuous decline in availability of wagons - Road share increased in overall distribution share to: 71% (LY - 67%)

► QoQ cost marginally improved

- ❑ Rail freight gain partially offset with hike in diesel prices (~ 11%)

Note 1: Every 1% reduction in diesel price corresponds to 0.4% reduction in road freight

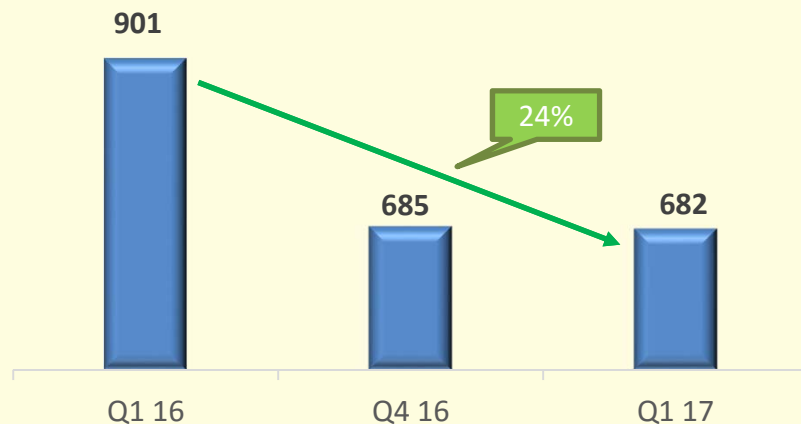
Note 2: Above prices index trend is on base prices/rates of Jun'15

Energy cost trends

(Grey Cement)



Energy Cost ₹/t



Kiln Fuel Mix %	Q1 16	Q4 16	Q1 17
Petcoke	68%	70%	74%
Imported Coal	20%	21%	18%
Indigenous Coal and Others	12%	9%	8%

► YoY Energy cost declined 24% but no surge over Q4 despite increase in fuel prices

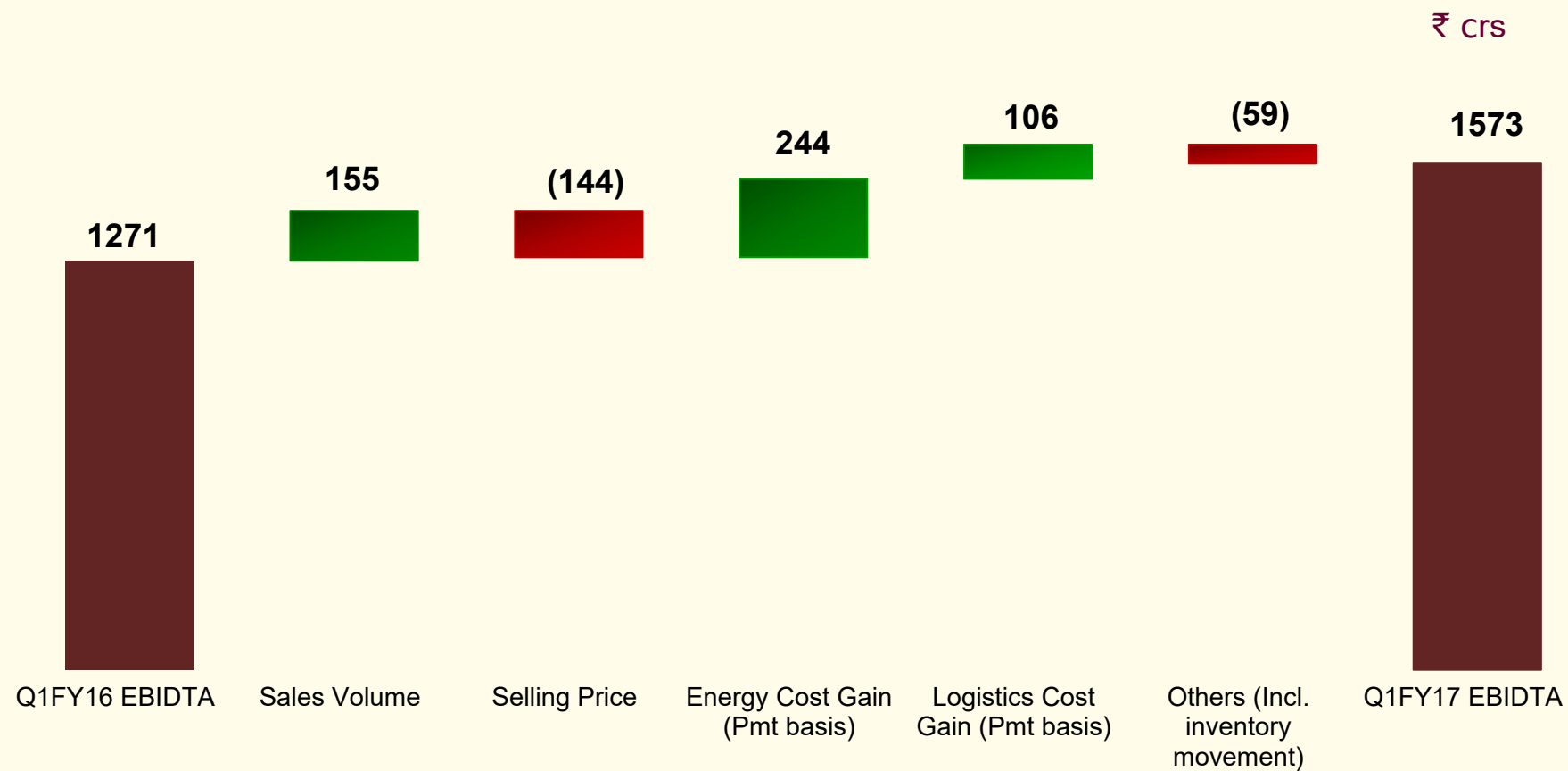
- ❑ Increased petcoke consumption in Kiln (74%) as well as TPP (57%) - ₹ 15/t
- ❑ YoY better efficiency norms for Fuel (1%) and Power Consumption (3%) - ₹ 15/t
- ❑ WHRS share in total power 6% (LY- 3%)
- ❑ Higher clinker conversion ratio and other efficiency gain - ₹ 20/t

► Fuel price increase impact:

- ❑ Domestic petcoke price increase impact negated with low cost inventory
- ❑ Imported fuel price rise – impact to reflect from Q2 onwards

EBIDTA movement

(India)



Income statement – Q1



₹ crs

Consolidated			Particulars	Standalone		
CY	LY	▲%		CY	LY	▲%
6538	6281	4	Revenue	6182	5948	4
151	100	52	Other Income	150	118	28
1626	1302	25	EBIDTA*	1573	1271	24
25%	21%	4	Margin (%)	25%	21%	4
180	150	(20)	Finance Costs	152	140	(9)
323	304	(6)	Depreciation	303	285	(6)
1124	848	33	PBT	1,118	846	32
344	244	(41)	Tax Expenses	343	242	(42)
-0.28	-0.20	(40)	Minority Interest	-	-	-
780	604	29	PAT	775	604	28
28.4	22.0	29	EPS (₹)	28.2	22.0	28

- ▶ **EBIDTA registered growth of 24% on account of higher sales volume and lower cost**
- ▶ **PAT up 28% for Indian Operations and 29% including overseas**

* Includes Ind AS impact: Q1FY17: ₹111 Crs, Q1FY16: ₹19 Crs (restated nos as per Ind AS)

Financial Position



₹ crs

Consolidated		Particulars	Standalone	
30.06.16	31.03.16		30.06.16	31.03.16
22723	21943	Shareholders Funds	22388	21627
15	15	Minority Interest	-	-
9669	10616	Loans (Incl. Current Maturities)	7271	8250
2531	2430	Deferred Tax Liabilities	2536	2433
34939	35004	Sources of Fund	32195	32309
26151	26134	Net Block (Incl. Capital Advances)	24475	24506
1124	1106	Goodwill on Consolidation	-	-
Investments:				
7699	7093	Liquid Investments	7679	7069
14	14	Long-term Investments	725	725
433	589	Derivative Assets (Net)	432	589
(482)	67	Net Working Capital	(1117)	(579)
34939	35004	Total Application of Funds	32195	32309
1969	3523	Net Debt	(408)	1181

Financial Indicators



Consolidated		Indicators	Standalone	
30.06.16	31.03.16		30.06.16	31.03.16
0.09	0.16	Net Debt: Equity	(0.02)	0.05
0.30	0.69	Net Debt / EBIDTA	(0.06)	0.23
7.7	6.5	Interest Cover	8.3	7.2
14.9%	11.2%	ROCE	15.8%	12.3%
8.9%	7.1%	ROIC	9.6%	7.3%
201	195	EV (USD/ ton)		
828	800	Book Value (₹/Share)	816	788

ALL GEARED UP TO FACE THE FUTURE!



WE ARE
ULTRA READY



Historical Performance Trend

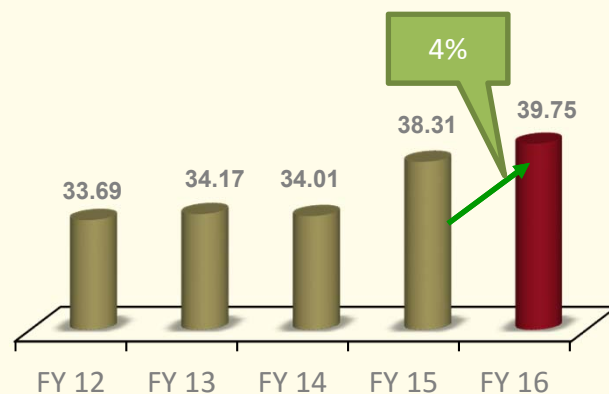


Key performance trends

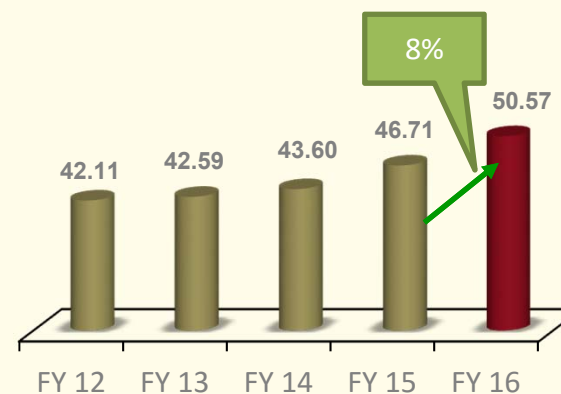
(Consolidated)



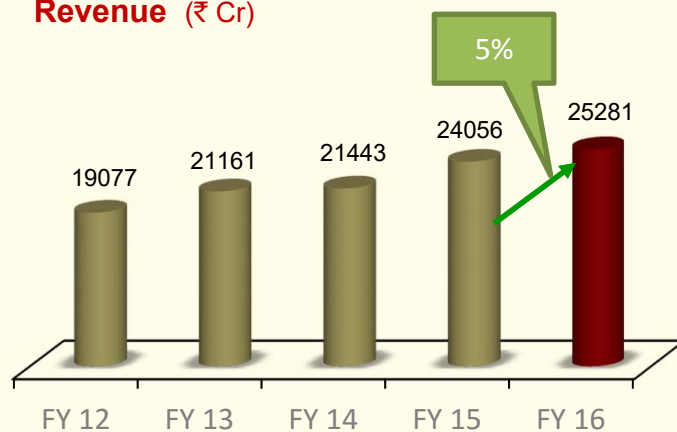
Clinker production (Million tonnes)



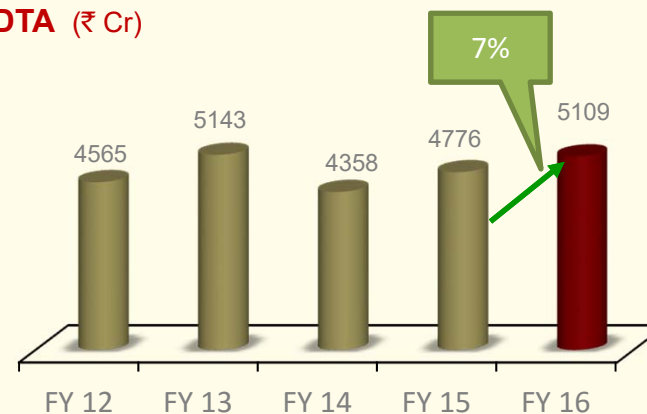
Cement production (Million tonnes)



Revenue (₹ Cr)



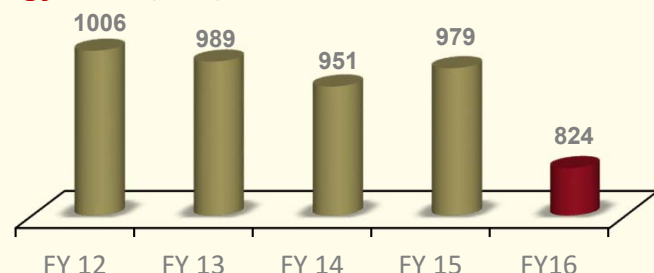
EBIDTA (₹ Cr)



Grey Cement Costs trends (Standalone)

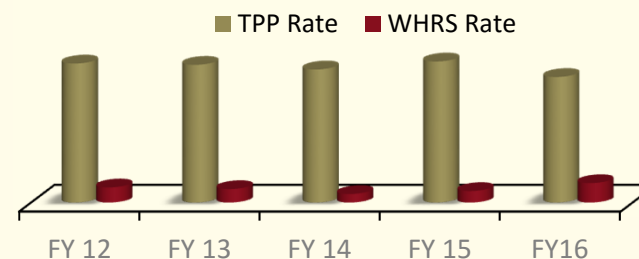


Energy Cost (₹/Mt)



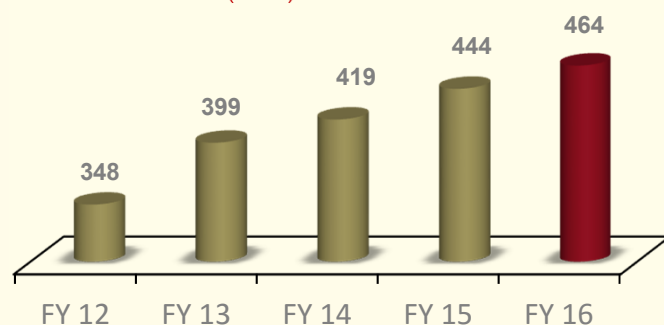
Fuel Mix	FY12	FY13	FY14	FY15	FY16
Imported Coal	44%	35%	26%	26%	20%
Petcoke	26%	38%	48%	52%	70%
Ind. Coal & Others	30%	27%	26%	22%	10%

Comparative Cost Trend TPP / WHRS



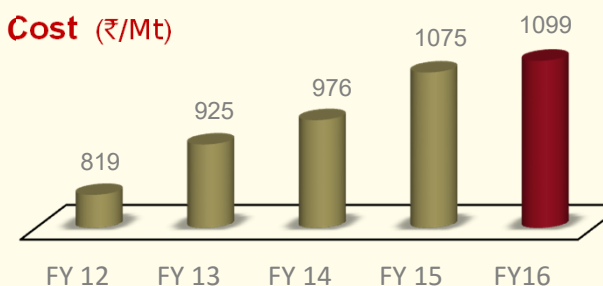
Power Mix	FY12	FY13	FY14	FY15	FY16
TPP	78%	79%	81%	82%	82%
WHRS	0.4%	0.3%	0.3%	2%	5%
Others	22%	21%	19%	16%	13%

Raw Material Cost (₹/Mt)



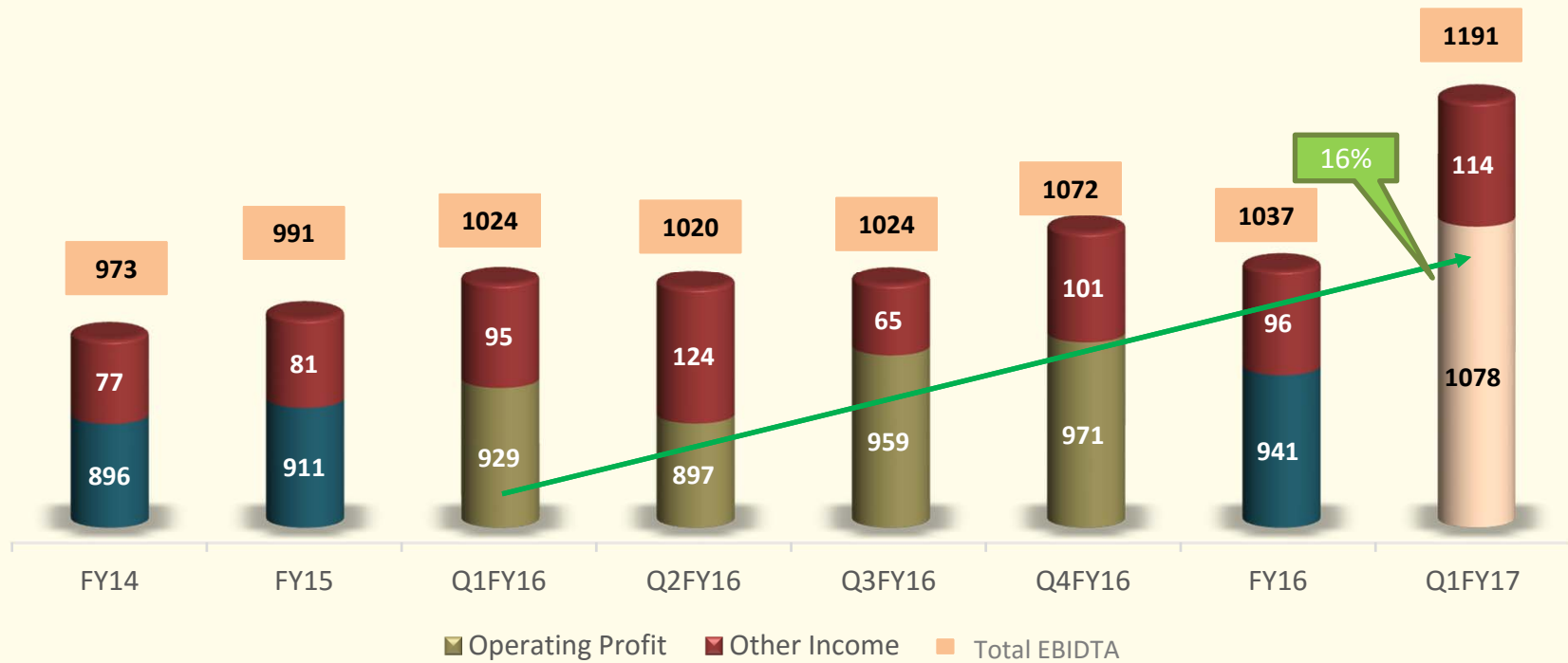
Increasing Government levies

Logistics Cost (₹/Mt)



Mix\	FY12	FY13	FY14	FY15	FY 16
Rail	36%	34%	34%	29%	28%
Road	61%	63%	62%	67%	69%
Sea	3%	3%	3%	4%	3%

EBIDTA ₹ pmt (India)



EBIDTA per ton improved 11% QoQ

Income statement – Q1



US\$ Mn

Consolidated			Particulars	Standalone		
CY	LY	▲%		CY	LY	▲%
968	930	4	Revenue	915	881	4
22	15	52	Other Income	22	17	28
241	193	25	EBIDTA	233	188	24
25%	21%	4	Margin (%)	25%	21%	4
27	22	(20)	Finance Costs	23	21	(9)
48	45	(6)	Depreciation	45	42	(6)
166	126	33	PBT	166	125	32
51	36	(41)	Tax Expenses	51	36	(42)
-0.04	-0.03		Minority Interest	-	-	-
116	89	29	PAT	115	89	28
0.4	0.3	29	EPS (₹)	0.4	0.3	28

- ▶ **EBIDTA registered growth of 24% on account of higher sales volume and lower cost**
- ▶ **PAT up 28% for Indian Operations and 29% including overseas**

Financial Position



US\$ Mn

Consolidated		Particulars	Standalone	
30.06.16	31.03.16		30.06.16	31.03.16
3365	3249	Shareholders Funds	3315	3203
2	2	Minority Interest	-	-
1432	1572	Loans (Incl. Current Maturities)	1077	1222
375	360	Deferred Tax Liabilities	376	360
5174	5183	Sources of Fund	4767	4784
3872	3870	Net Block (Incl. Capital Advances)	3624	3629
166	164	Goodwill on Consolidation	-	-
64	87	Derivative Assets (Net)	64	87
Investments:				
1140	1050	Liquid Investments	1137	1047
2	2	Long-term Investments	107	107
-71	10	Net Working Capital	-165	-86
5174	5183	Total Application of Funds	4767	4784
292	522	Net Debt	(60)	175

Historical Performance Trends

(Standalone)



₹ Crs

Particulars	FY16	FY15	FY14	FY13	FY12	FY11	FY10	FY09	FY08	FY07	FY06
Total Sales Volume (MnT)	48.0	44.8	41.5	40.7	40.7	34.8	20.2	18.2	17.1	17.7	15.6
Net Sales	23841	22648	20078	20023	18158	13206	7050	6383	5509	4911	3299
Operating Expenses	19225	18452	16260	15347	14011	10540	5012	4618	3720	3461	2715
Operating Profit	4616	4195	3818	4675	4147	2666	2038	1765	1789	1449	584
Other Income	235	372	329	305	372	155	56	45	37	30	7
EBITDA	4851	4567	4147	4980	4519	2822	2094	1810	1827	1479	591
EBITDA Margin	20%	20%	21%	25%	25%	21%	30%	28%	33%	30%	18%
EBIDTA (₹/mt)	984	992	973	1195	1085	796	1036	997	1068	837	380
Depreciation / Amortisation	1289	1133	1052	945	903	766	388	323	237	226	216
EBIT	3562	3434	3095	4035	3617	2056	1706	1487	1589	1253	375
Interest	505	547	319	210	224	273	118	126	82	87	90
Profit Before Tax	3057	2886	2776	3825	3393	1783	1588	1361	1507	1166	286
Tax Expenses	882	872	631	1170	947	379	495	384	499	384	56
Net Earnings	2175	2015	2144	2655	2446	1404	1093	977	1008	782	230
Cash Earnings	3723	3521	3269	3765	3356	2167	1589	1481	1228	992	441

Note: Above are reported nos. as per previous Indian Accounting Standards

Historical Performance Trends

(Standalone) ...Contd.



₹ Crs

Particulars	Mar'16	Mar'15	Mar'14	Mar'13	Mar'12	Mar'11	Mar'10	Mar'09	Mar'08	Mar'07	Mar'06
BALANCE SHEET											
Net Fixed Assets incl. CWIP	24344	23632	18650	17415	14798	12506	5201	5313	4784	3214	2678
Investments	7108	5209	5392	5109	3789	3730	1670	1035	171	483	172
Net Working Capital	172	223	551	25	164	305	173	119	25	205	216
Capital Employed	31624	29064	24593	22549	18750	16541	7044	6467	4980	3903	3067
Shareholders Fund	20736	18858	17098	15235	12860	10666	4609	3602	2697	1764	1038
Total Debt	7661	7414	5199	5409	4153	4145	1605	2142	1741	1579	1452
Net Debt	1284	2935	359	720	625	662	-12	1152	1594	1119	1304
Deferred Tax Liabilities	3227	2792	2296	1906	1738	1730	831	723	542	560	577
Capital Employed	31624	29064	24593	22549	18750	16541	7044	6467	4980	3903	3067
RATIOS & STATISTICS											
ROCE (PBIT/Avg. CE)	12%	12%	13%	20%	20%	16%	25%	26%	36%	36%	12%
Net Debt: Equity (Times)	0.06	0.16	0.02	0.05	0.05	0.06	0.00	0.32	0.59	0.63	1.26
Net Debt /EBIDTA (Times)	0.26	0.64	0.09	0.14	0.14	0.19	-0.01	0.64	0.88	0.76	2.21
Return on Equity	11%	11%	13%	17%	19%	13%	24%	27%	37%	44%	22%
Dividend Payout on Net Profit	14.4%	14.8%	13.5%	10.9%	10.4%	13.6%	8.0%	7.5%	7.2%	7.3%	10.8%
EPS (₹/Share)	79.25	73.44	78.21	96.87	89.26	62.74	87.82	78.48	80.94	62.84	18.46
Book Value per share (₹/Share)	756	687	623	556	469	389	370	289	217	142	83

Note: Above are reported nos. as per previous Indian Accounting Standards

Historical Performance Trends

(Consolidated)



₹ Crs

Particulars	FY16	FY15	FY14	FY13	FY12	FY11	FY10	FY09	FY08	FY07
Total Sales Volume (MnT)	51.3	48.2	44.7	43.6	44.0	36.9	20.3	18.5	17.3	17.7
Net Sales	25281	24056	21443	21161	19077	13687	7175	6564	5623	4968
Operating Expenses	20390	19630	17408	16322	14884	10992	5124	4786	3822	3505
Operating Profit	4891	4425	4035	4839	4194	2696	2051	1778	1801	1464
Other Income	218	350	322	304	371	154	55	41	36	27
EBITDA	5109	4776	4358	5143	4565	2850	2107	1819	1837	1491
EBITDA Margin	20%	20%	20%	24%	24%	21%	29%	28%	33%	30%
Depreciation / Amortisation	1368	1203	1139	1023	963	813	391	326	240	229
EBIT	3741	3572	3219	4120	3602	2037	1715	1493	1598	1262
Interest	560	587	361	252	256	292	118	126	82	87
Profit Before Tax	3181	2986	2858	3867	3345	1745	1598	1368	1515	1175
Tax Expenses	892	884	645	1179	948	384	501	388	504	389
Net Earnings	2288	2102	2213	2688	2397	1361	1097	980	1012	787
Minority Interest	2	4	7	10	-6	-6	2	2	1	2
Net Earnings after Minority Interest	2287	2098	2206	2678	2403	1367	1095	978	1010	785
Cash Earnings	3915	3678	3424	3869	3370	2172	1595	1485	1234	998

Note: Above are reported nos. as per previous Indian Accounting Standards

Historical Performance Trends

(Consolidated) ...Contd.



₹ Crs

Particulars	Mar'16	Mar'15	Mar'14	Mar'13	Mar'12	Mar'11	Mar'10	Mar'09	Mar'08	Mar'07
BALANCE SHEET										
Net Fixed Assets incl. CWIP	25964	25186	20090	18733	15999	13505	5218	5334	4801	3234
Goodwill	1106	1053	967	734	544	471	6	6	8	9
Investments	6422	4655	4862	4709	3547	3514	1637	1009	147	459
Net Working Capital	830	780	902	376	420	493	208	139	39	212
Capital Employed	34322	31674	26821	24551	20511	17983	7070	6489	4994	3914
Shareholders Fund	21058	19041	17182	15230	12824	10647	4620	3611	2703	1768
Total Debt	10027	9829	7332	7342	5891	5541	1607	2143	1741	1579
Net Debt	3626	5195	2491	2654	2353	2047	-10	1153	1614	1119
Deferred Tax Liabilities	3222	2786	2290	1901	1734	1730	836	728	545	562
Minority Interest	15	18	17	78	62	66	8	7	6	5
Capital Employed	34322	31674	26821	24551	20511	17983	7070	6489	4994	3914
RATIOS & STATISTICS										
ROCE (PBIT/Avg. CE)	11%	11%	13%	18%	19%	15%	25%	26%	36%	36%
Net Debt: Equity	0.17	0.27	0.14	0.17	0.18	0.19	0.00	0.32	0.60	0.63
Net Debt /EBIDTA	0.71	1.09	0.57	0.52	0.52	0.59	0.00	0.63	0.88	0.75
Return on Equity	11%	11%	13%	18%	19%	13%	24%	27%	37%	44%
EPS (₹/Share)	83.33	76.48	80.45	97.69	87.69	61.39	87.98	78.57	81.14	63.05
Book Value (₹/Share)	767	694	627	555	468	389	371	290	217	142

Note: Above are reported nos. as per previous Indian Accounting Standards

Historical Performance Trends

(Standalone)



US\$ Mn

Particulars	FY16	FY15	FY14	FY13	FY12	FY11	FY10	FY09	FY08	FY07	FY06
Total Sales Volume (MnT)	48.0	44.8	41.5	40.7	40.7	34.8	20.2	18.2	17.1	17.7	15.6
Net Sales	3530	3354	2973	2965	2689	1956	1044	945	816	727	489
Operating Expenses	2847	2732	2408	2273	2075	1561	742	684	551	513	402
Operating Profit	684	621	565	692	614	395	302	261	265	215	86
Other Income	35	55	49	45	55	23	8	7	5	4	1
EBITDA	718	676	614	737	669	418	310	268	271	219	88
EBITDA Margin	20%	20%	21%	25%	25%	21%	30%	28%	33%	30%	18%
EBIDTA (US\$/mt)	146	147	144	177	161	118	153	148	158	124	56
Depreciation / Amortisation	191	168	156	140	134	113	57	48	35	33	32
EBIT	528	508	458	598	536	304	253	220	235	186	56
Interest	75	81	47	31	33	40	17	19	12	13	13
Profit Before Tax	453	427	411	566	502	264	235	202	223	173	42
Tax Expenses	131	129	93	173	140	56	73	57	74	57	8
Net Earnings	322	298	317	393	362	208	162	145	149	116	34
Cash Earnings	551	521	484	558	497	321	235	219	182	147	65

Note: Above are reported nos. as per previous Indian Accounting Standards

Historical Performance Trends

(Standalone) ...Contd.



US\$ Mn

Particulars	Mar'16	Mar'15	Mar'14	Mar'13	Mar'12	Mar'11	Mar'10	Mar'09	Mar'08	Mar'07	Mar'06
BALANCE SHEET											
Net Fixed Assets incl. CWIP	3605	3499	2762	2579	2191	1852	770	787	708	476	397
Investments	1053	771	798	757	561	552	247	153	25	72	25
Net Working Capital	25	33	82	4	24	45	26	18	4	30	32
Capital Employed	4683	4304	3642	3339	2777	2449	1043	958	737	578	454
Shareholders Fund	3071	2792	2532	2256	1904	1579	683	533	399	261	154
Total Debt	1134	1098	770	801	615	614	238	317	258	234	215
Net Debt	190	435	53	107	93	98	-2	171	236	166	193
Deferred Tax Liabilities	478	413	340	282	257	256	123	107	80	83	85
Capital Employed	4683	4304	3642	3339	2777	2449	1043	958	737	578	454
RATIOS & STATISTICS											
ROCE (PBIT/Avg. CE)	12%	12%	13%	20%	20%	16%	25%	26%	36%	36%	12%
Net Debt: Equity	0.06	0.16	0.02	0.05	0.05	0.06	0.00	0.32	0.59	0.63	1.26
Net Debt /EBIDTA	0.26	0.64	0.09	0.14	0.14	0.19	-0.01	0.64	0.88	0.76	2.21
Return on Equity	11%	11%	13%	17%	19%	13%	24%	27%	37%	44%	22%
Dividend Payout on Net Profit	14.4%	14.80%	13.50%	10.90%	10.40%	13.60%	8.00%	7.50%	7.20%	7.30%	10.80%
EPS (\$/Share)	1.2	1.1	1.2	1.4	1.3	0.9	1.3	1.2	1.2	0.9	0.3
Book Value (\$/Share)	11.2	10.2	9.2	8.2	6.9	5.8	5.5	4.3	3.2	2.1	1.2

Note: Above are reported nos. as per previous Indian Accounting Standards

Historical Performance Trends

(Consolidated)



US\$ Mn

Particulars	FY16	FY15	FY14	FY13	FY12	FY11	FY10	FY09	FY08	FY07	FY06
Total Sales Volume (MnT)	51.3	48.2	44.7	43.6	44.0	36.9	20.1	18.4	17.3	17.2	15.0
Net Sales	3744	3562	3175	3134	2825	2027	1063	972	833	736	501
Operating Expenses	3019	2907	2578	2417	2204	1628	759	709	566	519	412
Operating Profit	724	655	598	717	621	399	304	263	267	217	89
Other Income	32	52	48	45	55	23	8	6	5	4	1
EBITDA	757	707	645	762	676	422	312	269	272	221	90
EBITDA Margin	20%	20%	20%	24%	24%	21%	29%	28%	33%	30%	18%
Depreciation / Amortisation	203	178	169	152	143	120	58	48	35	34	34
EBIT	554	529	477	610	533	302	254	221	237	187	56
Interest	83	87	53	37	38	43	17	19	12	13	13
Profit Before Tax	471	442	423	573	495	258	237	203	224	174	42
Tax Expenses	132	131	95	175	140	57	74	57	75	58	9
Net Earnings	339	311	328	398	355	202	162	145	150	116	34
Minority Interest	0	1	1	2	-1	-1	0	0	0	0	0
Net Earnings after Minority Interest	339	311	327	397	356	202	162	145	150	116	33
Cash Earnings	580	545	507	573	499	322	236	220	183	148	67

Note: Above are reported nos. as per previous Indian Accounting Standards

Historical Performance Trends

(Consolidated) ...Contd.



US\$ Mn

Particulars	Mar'16	Mar'15	Mar'14	Mar'13	Mar'12	Mar'11	Mar'10	Mar'09	Mar'08	Mar'07	Mar'06
BALANCE SHEET											
Net Fixed Assets incl. CWIP	3845	3730	2975	2774	2369	2000	773	790	711	479	400
Goodwill	164	156	143	109	81	70	1	1	1	1	2
Investments	951	689	720	697	525	520	242	149	22	68	22
Net Working Capital	123	116	134	56	62	73	31	21	6	31	32
Capital Employed	5083	4690	3972	3636	3037	2663	1047	961	740	580	455
Shareholders Fund	3118	2820	2544	2255	1899	1577	684	535	400	262	154
Total Debt	1485	1456	1086	1087	872	821	238	317	258	234	215
Net Debt	537	769	369	393	348	303	-1	171	239	166	193
Deferred Tax Liabilities	477	413	339	282	257	256	124	108	81	83	86
Minority Interest	2	3	2	12	9	10	1	1	1	1	1
Capital Employed	5083	4690	3972	3636	3037	2663	1047	961	740	580	455
RATIOS & STATISTICS											
ROCE (PBIT/Avg. CE)	11%	11%	13%	18%	19%	15%	25%	26%	36%	36%	12%
Net Debt: Equity	0.17	0.27	0.14	0.17	0.18	0.19	0.00	0.32	0.60	0.63	1.39
Net Debt /EBIDTA	0.71	1.09	0.57	0.52	0.52	0.59	0.00	0.63	0.88	0.75	2.15
Return on Equity	11%	11%	13%	18%	19%	13%	24%	27%	37%	44%	22%
EPS (\$/Share)	1.2	1.1	1.2	1.4	1.3	0.9	1.3	1.2	1.2	0.9	0.3
Book Value (\$/Share)	11.4	10.3	9.3	8.2	6.9	5.8	5.5	4.3	3.2	2.1	1.2

Note: Above are reported nos. as per previous Indian Accounting Standards

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 a 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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[Corporate Identity Number L26940MH2000PLC128420]

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