

January 20, 2024

UltraTech
CEMENT
The Engineer's Choice

Current Price: **INR 10094.50**

STOCK DATA

BSE Code	532538
NSE Symbol	ULTRACEMCO
Reuters	ULTC.BO
Bloomberg	UTCEM IN

VALUE PARAMETERS

52 W H/L(Rs)	10522.65/6605.45
Mkt. Cap.(Rs Cr)	291415.78
Latest Equity(Subscribed)	288.69
Latest Reserve (cons.)	55858.17
Latest EPS (cons.) -Unit Curr.	222.14
Latest P/E Ratio -cons	45.44
Latest Bookvalue (cons.) -Unit Curr.	1944.9
Latest P/BV - cons	5.19
Dividend Yield -%	0.38
Face Value	10.00

SHARE HOLDING PATTERN (%)

Description as on	% of Holding
	31/12/2023
Foreign	19.08
Institutions	14.30
Govt Holding	0.05
Non Promoter Corp. Hold.	0.68
Promoters	59.96
Public & Others	5.94

Consolidate Financial Results

In Cr.

	Qtr Ended Dec. 23	Qtr Ended Dec. 22	Var. (%)
Net Sales (including other operating income)	16739.97	15520.93	7.85
OPM (%)	19.44	15.05	439 bps
OP	3254.57	2335.85	39.33
Other Inc.	140.48	126.59	10.97
PBIDT	3395.05	2462.44	37.87
Interest	262.16	215.25	21.79
PBDT	3132.89	2247.19	39.41
Depreciation	783.48	723.23	8.33
PBT	2349.41	1523.96	54.16
Share of Profit/(Loss) from Associates	5.76	3.28	75.61
PBT before EO	2355.17	1527.24	54.21
Taxation	580.39	464.66	24.91
PAT	1774.78	1062.58	67.03
Minority Interest (MI)	-2.20	4.38	LP
Net profit	1776.98	1058.20	67.92
EPS	61.55	36.66	

UltraTech Cement Q3 Results: Net profit up 67.9% YoY to Rs 1777 cr in Q3FY2024, Margins improved, beats estimate

On consolidated basis, Quarter ended December 2023 compared with Quarter ended December 2022.

Net sales (including other operating income) of UltraTech Cement has increased 7.85% to Rs 16739.97 crore. Operating profit margin has jumped from 15.05% to 19.44%, leading to 39.33% rise in operating profit to Rs 3,254.57 crore. Raw material cost as a % of total sales (net of stock adjustments) increased from 14.21% to 14.77%. Purchase of finished goods cost fell from 2.39% to 2.23%. Employee cost increased from 4.36% to 4.53%. Other expenses fell from 64.36% to 59.30%. Power and Oil fuel cost fell from 30.61% to 24.62%. Freight charges fell from 21.85% to 21.34%. Other income rose 10.97% to Rs 140.48 crore. PBIDT rose 37.87% to Rs 3395.05 crore. Provision for interest rose 21.79% to Rs 262.16 crore. PBDT rose 39.41% to Rs 3132.89 crore. Provision for depreciation rose 8.33% to Rs 783.48 crore. Profit before tax grew 54.16% to Rs 2,349.41 crore. Share of profit/loss was 75.61% higher at Rs 5.76 crore. Provision for tax was expense of Rs 580.39 crore, compared to Rs 464.66 crore. Effective tax rate was 24.64% compared to 30.42%. Net profit attributable to owners of the company increased 67.92% to Rs 1,776.98 crore.

Operational highlights:

- Domestic sales volume grew 5% yoy with capacity utilization of 77% in Q3FY2024.
- Operating EBITDA/Mt for the quarter stood at Rs 1208 a growth of 34.0% YoY.
- Trade sales at 64%. Rural sales at 64% of trade - growing at 5%.

Expansion:

- During the quarter, the Company acquired a 0.54 mtpa cement grinding asset of Burnpur Cement Limited, located at Patratu in Jharkhand for a consideration of Rs.169.79 crores,

marking its entry in the state of Jharkhand.

- Work on the second phase of 22.6 mtpa announced in June, 2022 is in full swing and will start commissioning during the current quarter itself, ahead of schedule.
- For the 3rd phase of growth of 21.9 mtpa announced in October 2023, major orders to key technology suppliers have already been placed and civil work has commenced on a few locations.

SUSTAINABILITY

The Company continues to lay high emphasis on 'green mobility' with the introduction of electric trucks on a pilot scale for transportation of clinker. The Company has also pledged to deploy 500 electric trucks and add 1000 CNG/LNG vehicles in its operations by June 2025 as part of the Government of India's eFAST initiative. 24% of the Company's power requirements are met through green power sources. During the quarter, the Company commissioned additional 26 MW of solar power taking its capacity to 455 MW in addition to Waste Heat Recovery Systems of 264 MW. The Company is moving towards use of 85% green power by the end of 2030.

OUTLOOK

Given the government's focus on infrastructure growth and the consequent rising demand for urban housing, the cement sector is poised for strong growth in the coming years.

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