



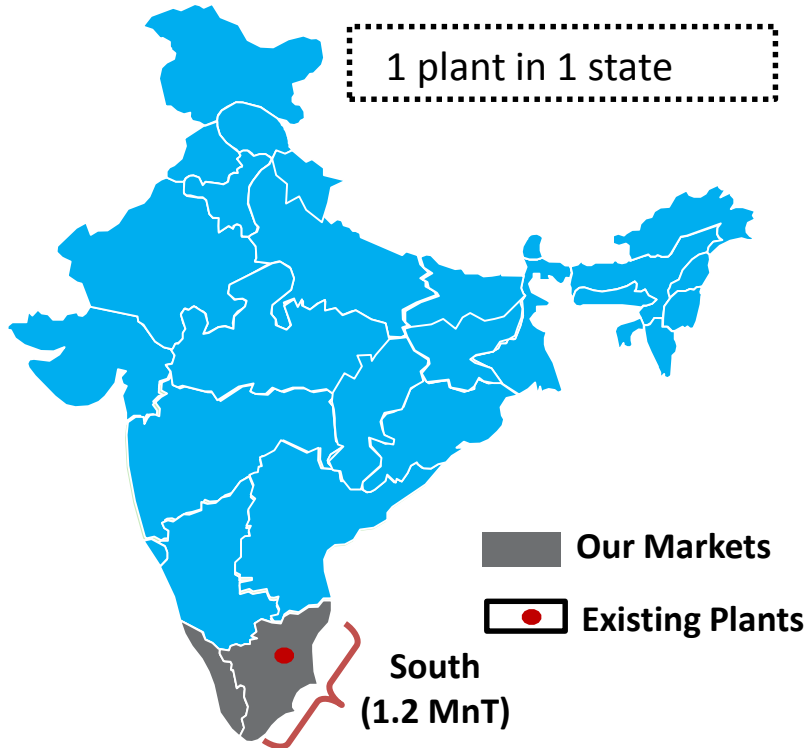
Investor Presentation
November'19



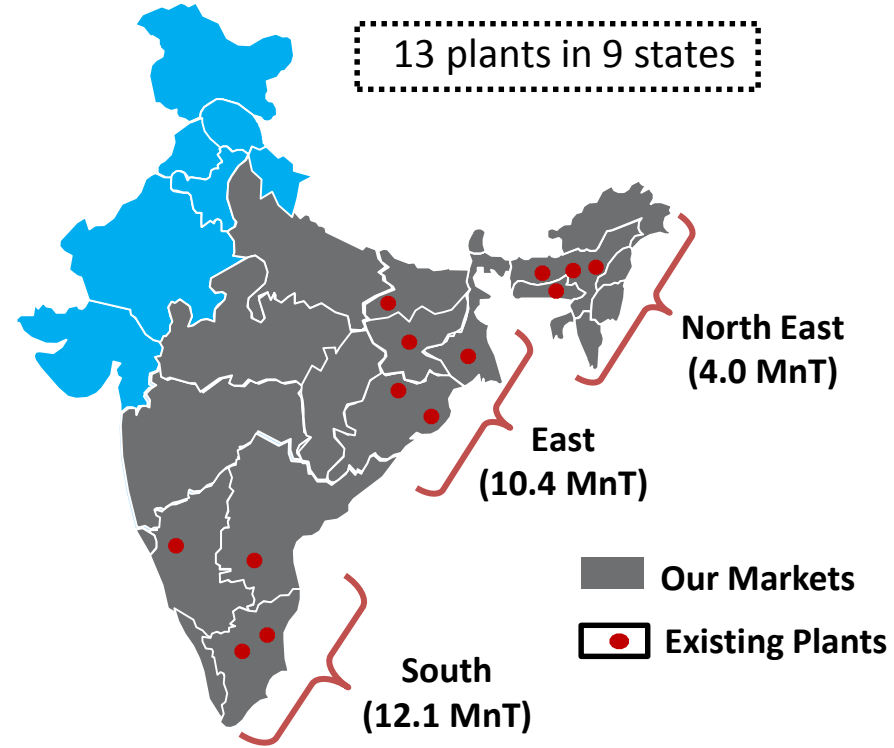
- Last 15 years
- Disciplined capital raise & deployment
- Our Business Model
- Going Forward
- Inclusive Growth
- Industry at Inflection Point

Last 15 years

FY'04 : 1.2 MnT

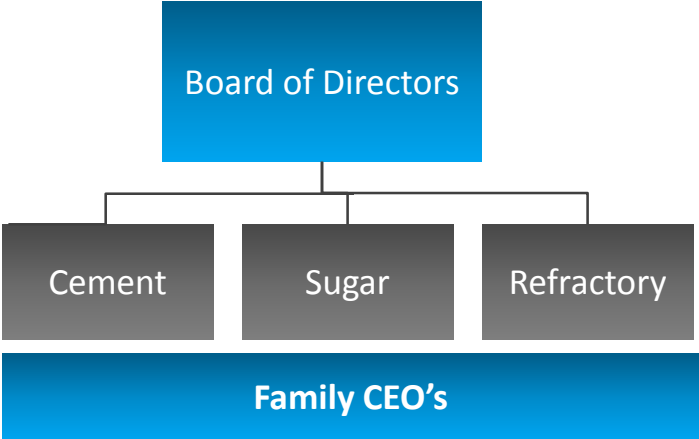


FY'19 : 26.5 MnT

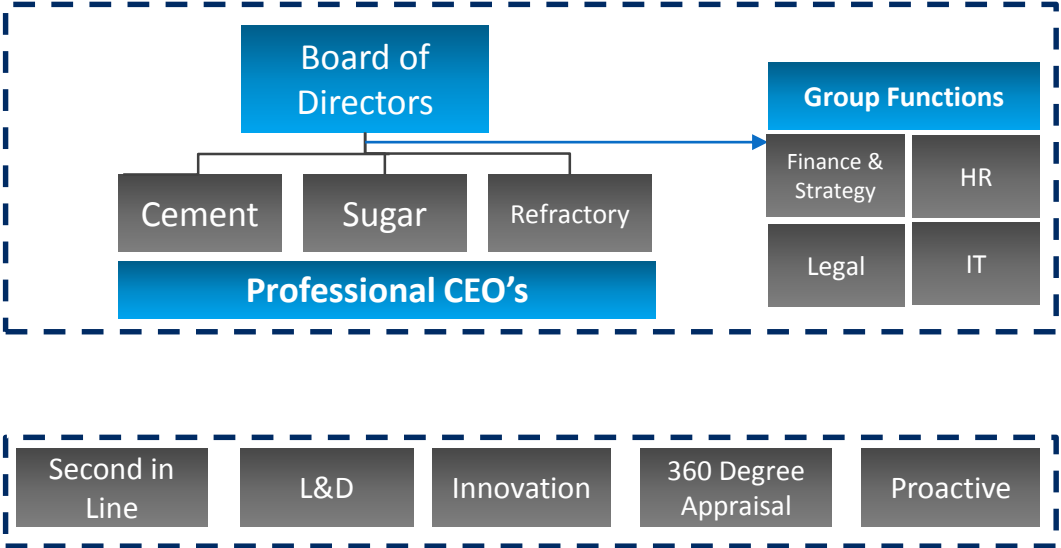


Family to Professional Management

2004



2019



Independent Board



P.K Khaitan

Chairman – DBL

Founding member, Khaitan & Co.



Sudha Pillai (IAS – 1972)

Board Member – DBL

Ex-Member Secretary, Planning Commission



VS Jain

Board Member, DBL

Ex Chairman – Steel Authority of India



N S Rajan

Board Member, DBL

Ex Group CHRO at Tata Sons, Former Partner at EY

Committees*

- Audit
- Stakeholders’ Relationship
- Nomination and Remuneration
- Corporate Social Responsibility
- Risk Management
- Group Governance

Systems

- Extensive use of technology and IT solutions
- Implemented globally used ERP, CRM, SAP, design and execution tools

*Key Committees chaired by Independent Directors

Leadership Team



Gautam Dalmia
Managing Director

- Over 26 years of experience in cement and sugar industries.
- Holds a B.S and an M.S. degree in Electrical Engineering from Columbia University.



Puneet Dalmia
Managing Director

- Has over 15 years of experience in cement industry.
- B.Tech from Indian Institute of Technology- Delhi and Gold-Medalist, M.B.A from IIM-Bangalore.



Mahendra Singhi
(MD & CEO - DCBL)

- More than 40 years of experience in cement sector.
- Also serving as President of Cement Manufacturer's Association (CMA).
- Chartered Accountant and a Science and Law graduate.



Jayesh Doshi
(Whole Time Director & Group CFO)

- Has over 35 years of corporate experience in Capital Allocation, M&A & Treasury Management.
- Chartered Accountant and a Law graduate from Bombay University.



Ujjwal Batria
(COO - DCBL)

- Has more than 33 years of experience in companies like Lafarge, Nuvoco, Tata Steel etc.
- Holds a B.E (Mechanical) degree from BIT Mesra.

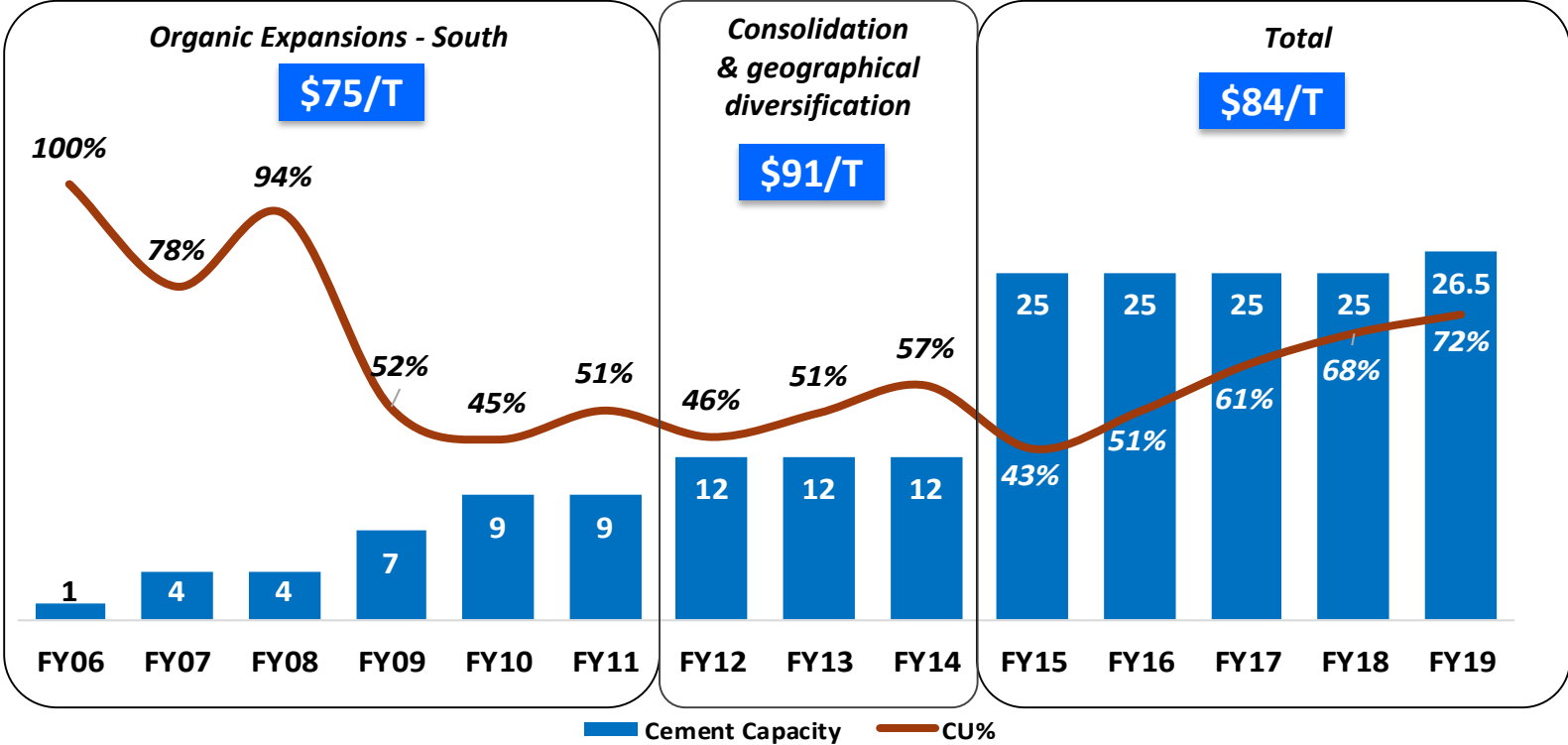


Ajit Menon
(Group HR Head)

- Has over 29 years of corporate experience in Hospitality, Media, and Aviation industry
- Holds a Master's degree in Business Management from Washington International University.

**Disciplined
Capital Raise &
Deployment**

Investment at the opportune time



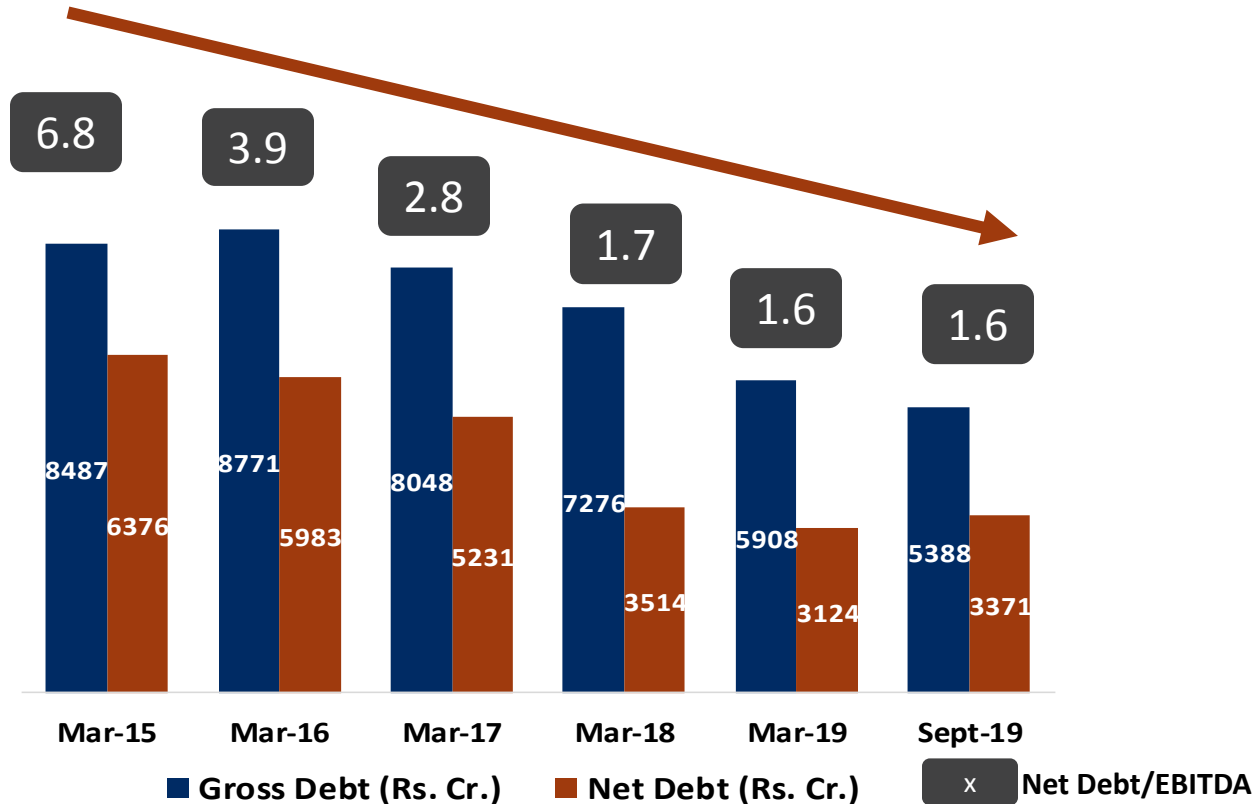
Maintaining Strength of Balance Sheet

Rs.(Cr)

	FY '08	FY '15	Q2 FY '20
Capacity (MnT)	3.5	25	26.5
Gross Debt	1,583	8,487	5,388
Cash & Cash Equivalents	237	2,111	2,017
Net Debt	1,346	6,376	3,371
Net Debt / EBITDA	2.1x	6.8x	1.6x
Cost of Debt*	9%	10%	8%

*approx.

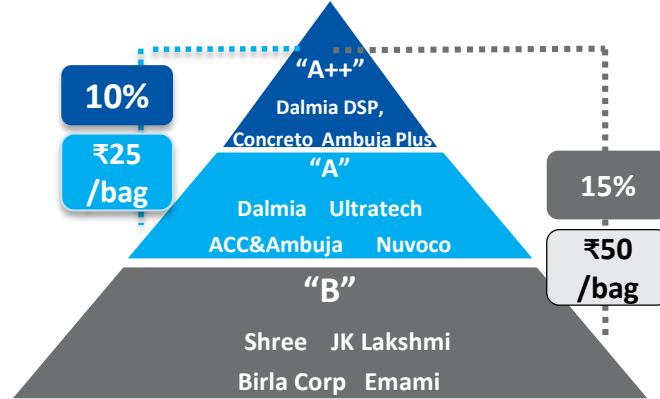
Consciously reducing Leverage..



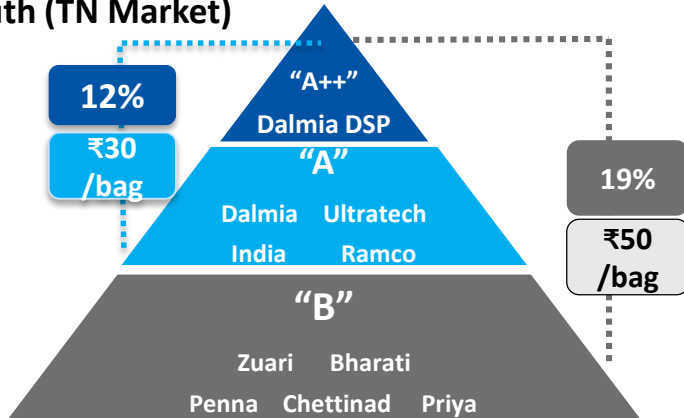
Our Business Model

Strong Brand

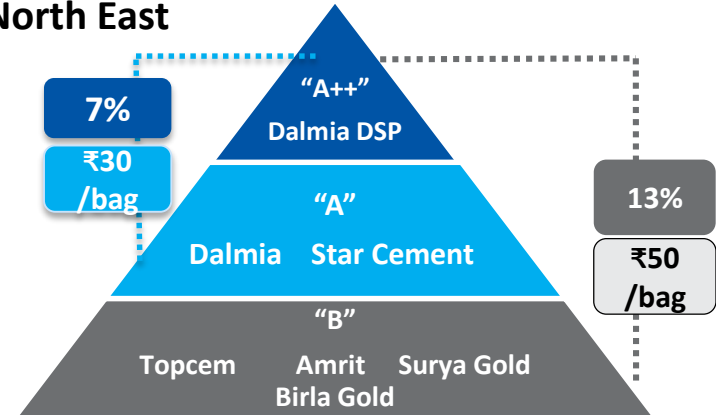
East



South (TN Market)



North East





Multi Fuel Kilns & Boilers



Power Consumption <70 Kwh/t



Blended Cement ~70%



Attained Water neutrality of 5x



Lead Distance <300 km



Competitive Interest Cost at ~8%

10 year* CAGR

15%

18%

14%


Capacity
4x

Revenue
5x

EBITDA
4x

* FY'09 to FY'19

EBITDA (Rs./T)

Peers		5 Yr Avg.	10 Yr Avg.	FY18	FY19	H1FY20
		(FY14-FY18)	(FY09-FY18)			
Peer Average*		898	942	952	858	1,168
Dalmia Bharat		1,134	1,076	1,198	1,009	1,239
Higher than average		26%	14%	26%	18%	6%

• * Top 5 cement manufacturing companies

Going Forward

Planned Capacity Additions

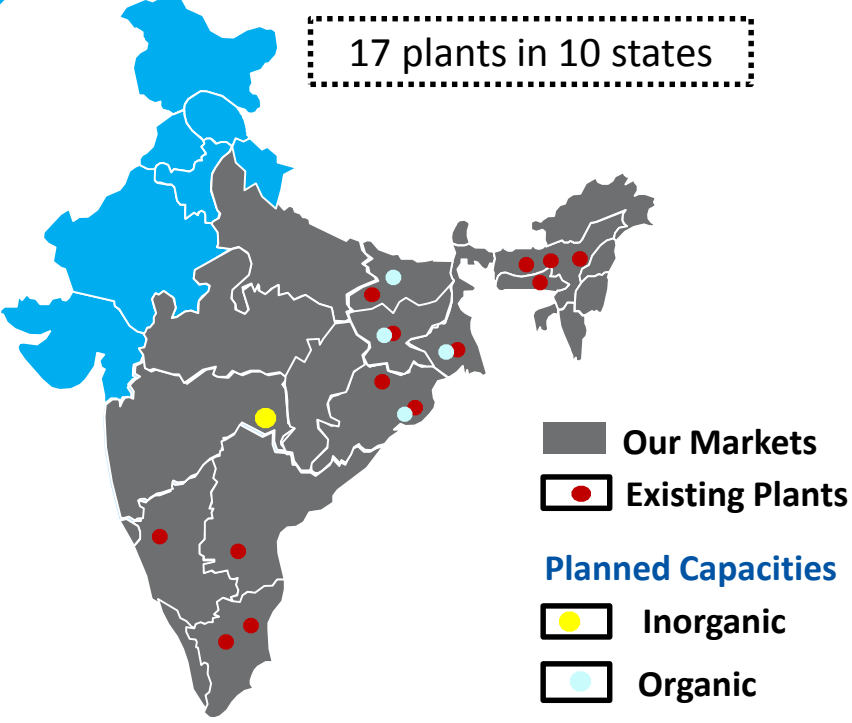
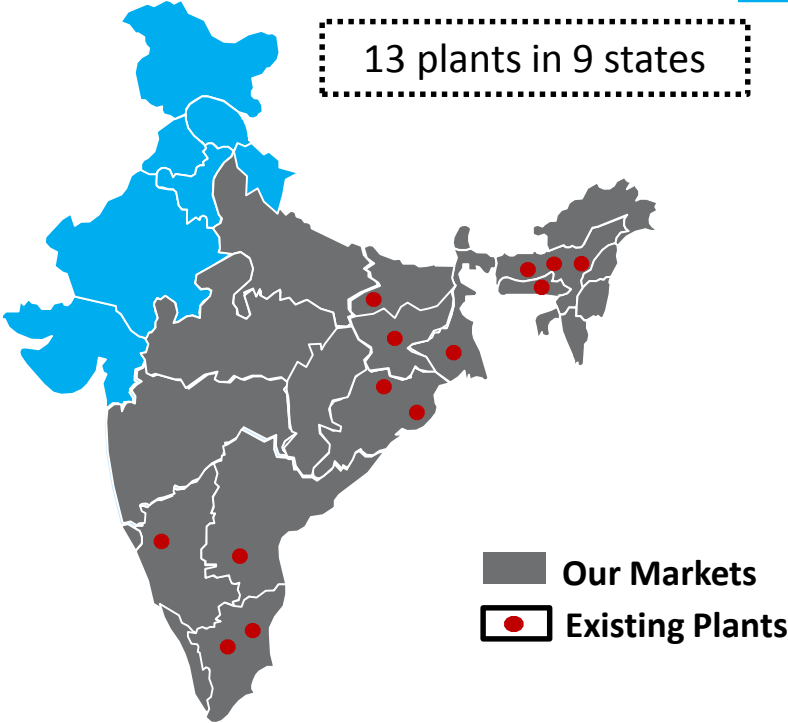
FY'19 : 26.5 MnT

1.4x

FY'21E : 37.5 MnT

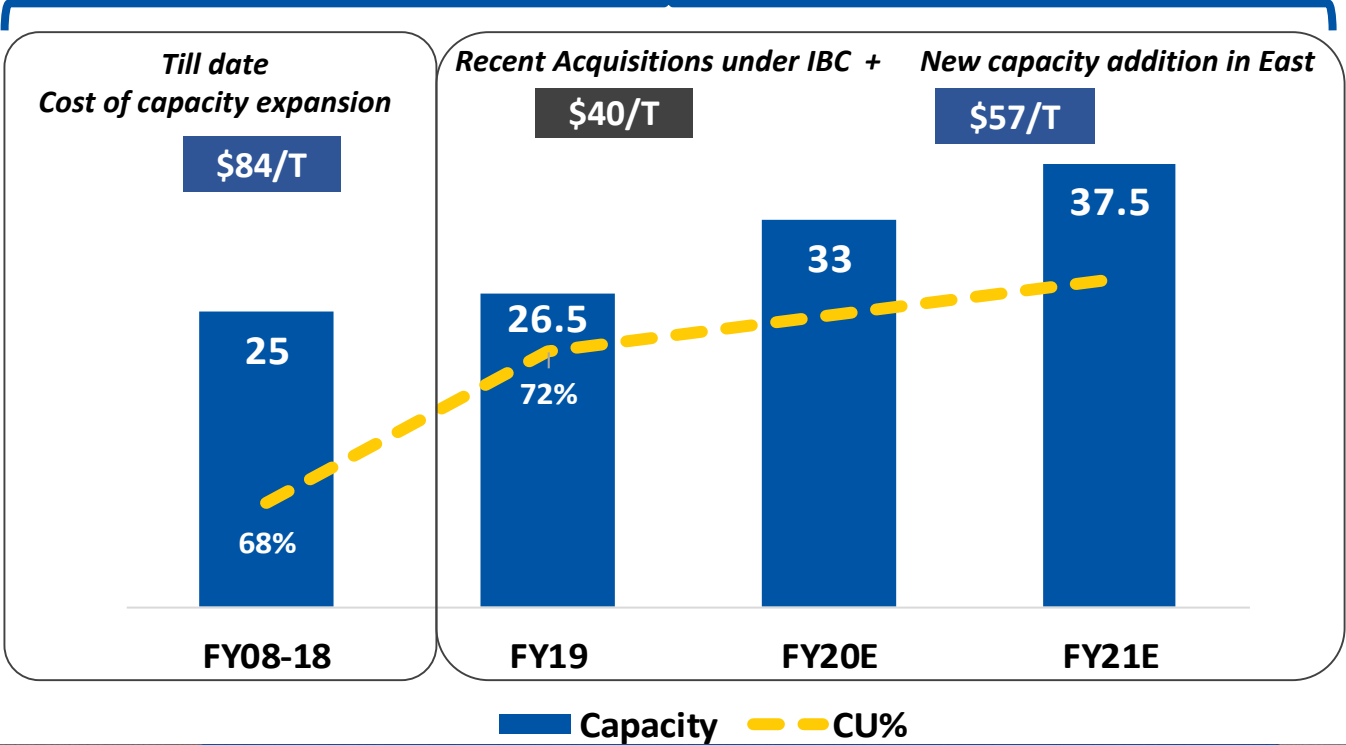
13 plants in 9 states

17 plants in 10 states



Optimum Capital Allocation ... Further

Overall average **~\$73/T**



Inclusive Growth

Reduced Use of
Mineral
Resources

Lower Use of
Fossil Fuels

Reduced
Usage of
Energy

Water
Positivity

Upliftment
of Society



Composite Cement[^]
(% of total volume)

Q2 FY19

13%

Q2 FY20

16%

Estimated
Target

20%



Alternate fuel
(as % of fuel mix)

3%

5%

10%



Green Power*
(% of total captive power)

9%

9%

22%

[^] comprises of both slag and fly-ash

*Comprises of Solar Power & Waste Heat Recovery System

5 times water positive



Lake restoration, Dalmiapuram Plant



Captive Limestone mine, Dalmiapuram Plant

08

Number of
water-positive plants

11.9
million m³

Cumulative water
harvesting and
conservation potential
(CSR)

3.2
million m³

Aggregate rainwater
harvesting potential
developed (Plant and
mines)

1st Rank in CDP League Table *for Low Carbon Economy Transmission*

League Rank Table	Company	League Table weighted rank
1	Dalmia Bharat	4.64
2	Ambuja Cement	5.62
3	Cementos Argos	5.90
4	Shree Cement	5.91
5	Lafarge Holcim	6.03

The company is best aligned to the futuristic policy developments of Paris Agreement.

Source: CDP Cement Report 2018

First cement company and 3rd Indian Company to join RE100.

Google



Coca-Cola



RE 100 is a global association of those progressive companies who pledge to consume 100% renewable electricity for their operations by 2030.

Carbon Negative by 2040

900[^]

Global
average*

526[^]

Group
average*

342[^]

Eastern
operation*



*data as on FY18

[^]CO₂ emission- Kg/ton of cement



In an industry first, Dalmia Cement (Bharat) Limited was the only cement company in the world that was invited to speak at Climate Action Summit at UN General Assembly in September 2019 in New York.

Other firsts:-

- To join RE 100 and committed to 100% renewable electricity use
- To join EP 100 and committed to doubling energy productivity by 2030
- To become carbon negative company by 2040
- To join Caring for Climate Initiative of United Nations Global Compact (UNGC)
- To develop third party assured integrated report based on IIRC framework
- To join Carbon Pricing Leadership coalition

Industry at Inflection Point

New Land Acquisition Law

2013

Land Acquisition Law

Aggregation
by Govt.



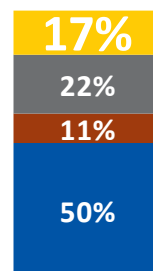
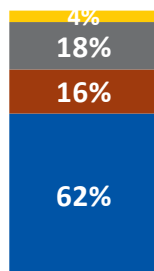
Individual
aggregation

Result: Supply
Squeeze

Minimum Size

1 MnT

3 MnT



2007

2017

■ Plant and Machinery ■ CPP ■ Civil Work ■ Land

5600/T

8800/T

Entry cost

560 cr

2650 cr

Source- Goldman Sachs India Cement Stressed Asset Analysis

Access to Limestone

2015

Limestone access

Allotment



Auction

Result: Consolidation

EARLIER

28 new entrants

59 MnT added

31% of
Greenfield



NOW

22 blocks
auctioned

40% won by Top
5

1 NEW entrant



Discipline of Investment Decisions

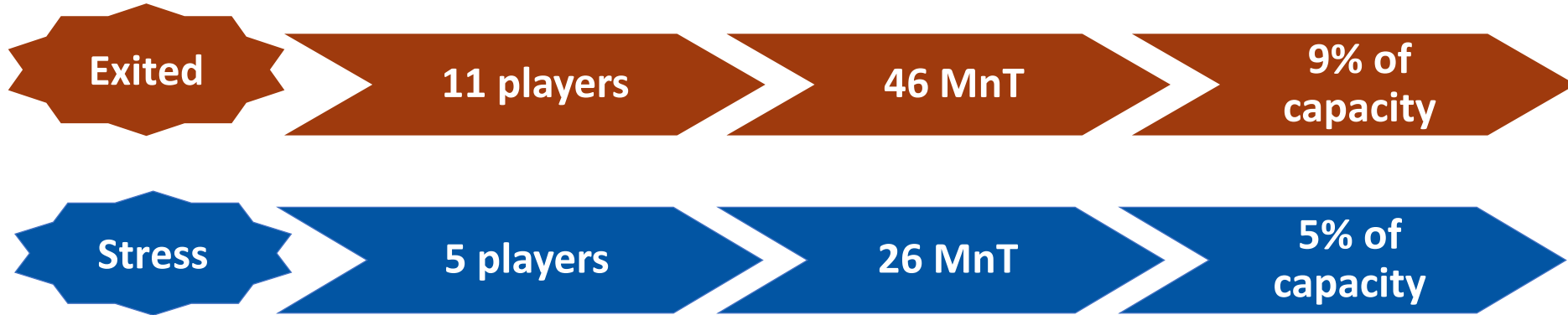
2017

Easy Credit & No
Redressal Law



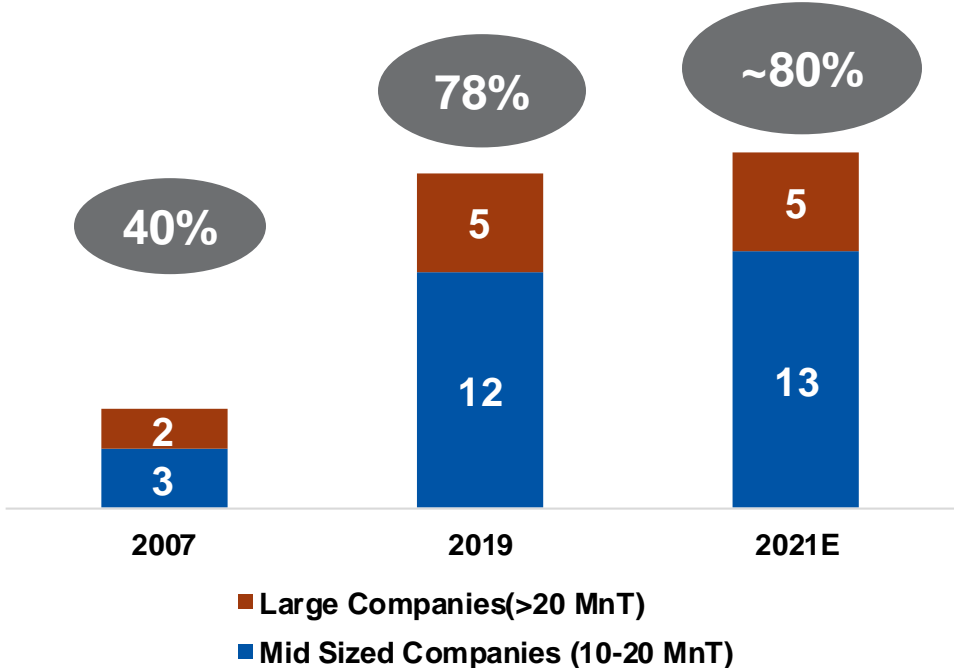
Credit squeeze &
Insolvency Law

Result: Consolidation



Further consolidation is expected

Capacity Share



Capacity share of >10 MnT will be 80% by 2021.

Biggest Cement Demand Drivers- PMAY & Road Construction

	FY15	FY16	FY17	FY18	FY19
No. of Houses (Mn units)*	1.2	1.8	3.2	4.8	6.2
Houses /day (units)	3,288	4,932	8,767	13,151	17,093
Roads Constructed (km)	4,410	6,061	8,231	9,828	10,800
Roads /day (km)	12	17	23	27	30

Target Completion-2022



60 Mn
Houses
announced

418 MnT
Expected
cement
demand



34,800 km Roads
announced
(Bharatmala Phase-I)

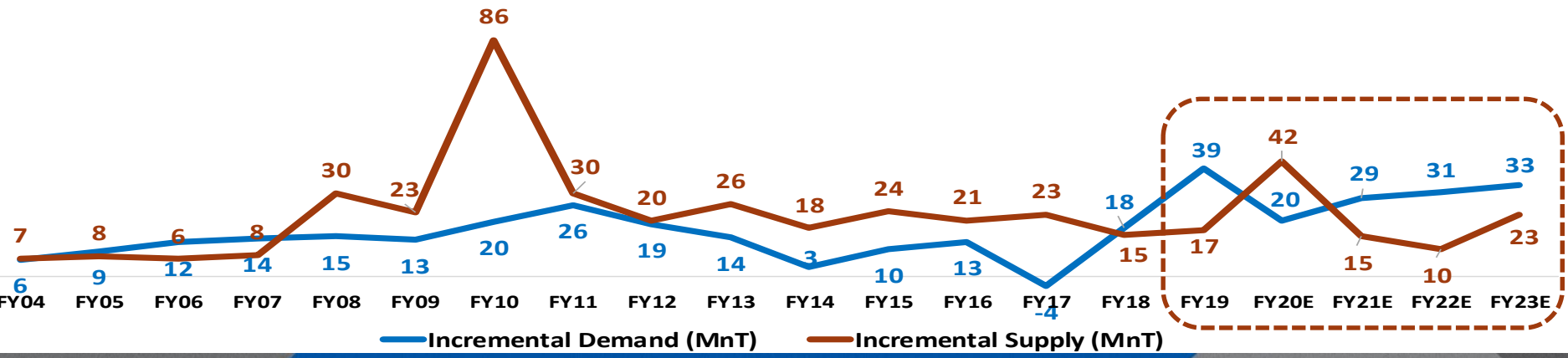
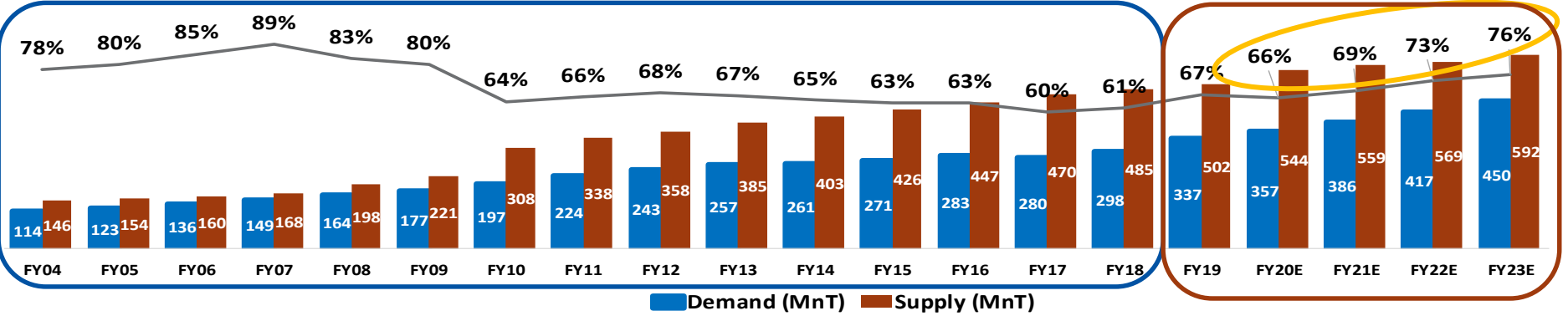
75 MnT
Expected
cement
demand

*YTD FY20 Houses :- 0.98 Mn Houses constructed @ 5300/day

Infrastructure- Expected to fuel Cement Demand Growth



Demand Supply Gap



Thank You

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