



Investor Presentation  
February'20

# Disclaimer

Certain statements in this presentation describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations.

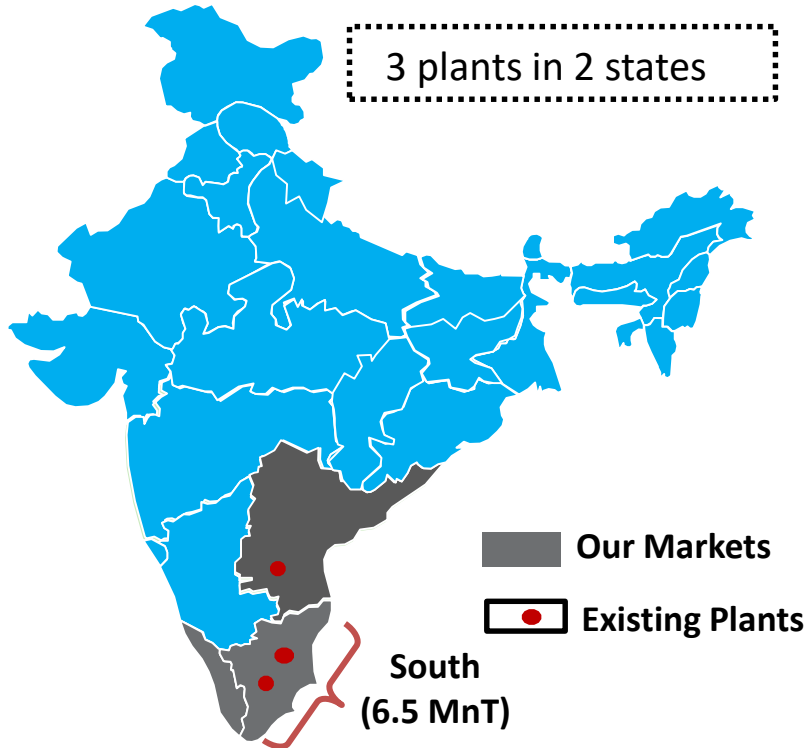
Although our expectations are based on reasonable assumptions, these forward-looking statements may be influenced by numerous risks and uncertainties that could cause actual outcomes and results to be materially different from those expressed or implied. The Company takes no responsibility for any consequence of decisions made based on such statements and holds no obligation to update these in the future.

The past financial figures have been regrouped or reclassified as per the current grouping, where ever necessary.

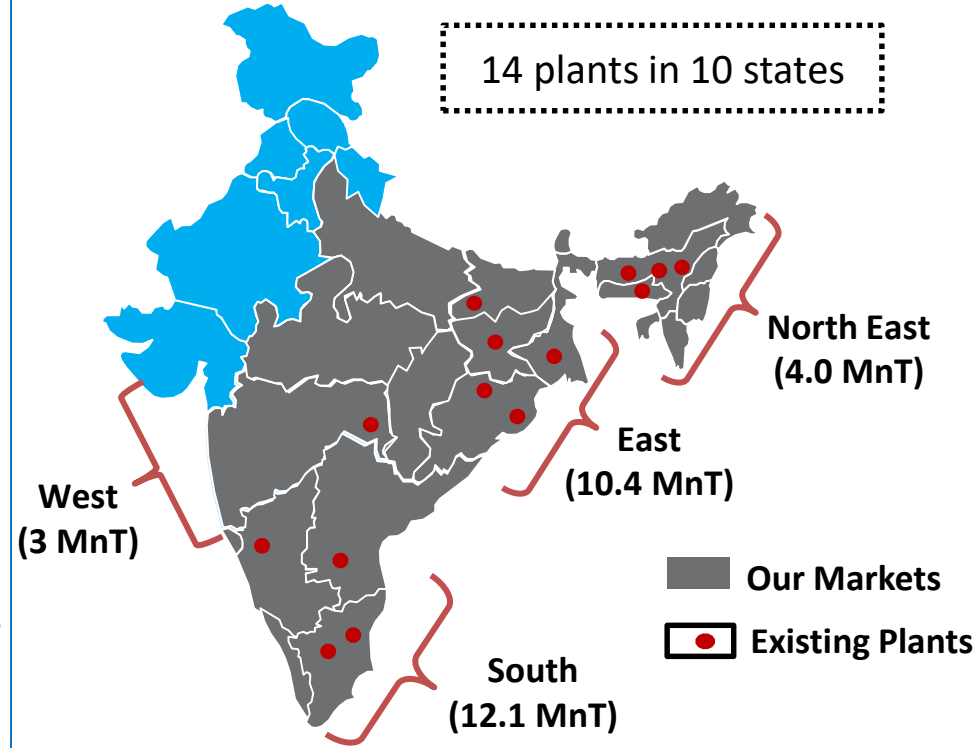
- Last 10 years
- Disciplined capital raise & deployment
- Our Business Model
- Going Forward
- Inclusive Growth

**Last 10 years**

**FY'09 : 6.5 MnT**

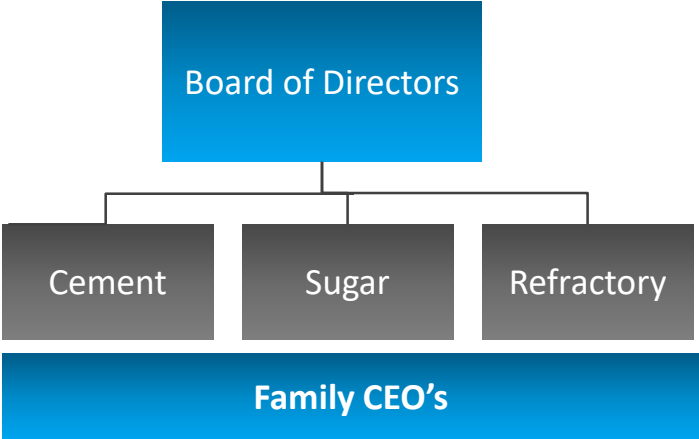


**FY'20 : 29.5 MnT**

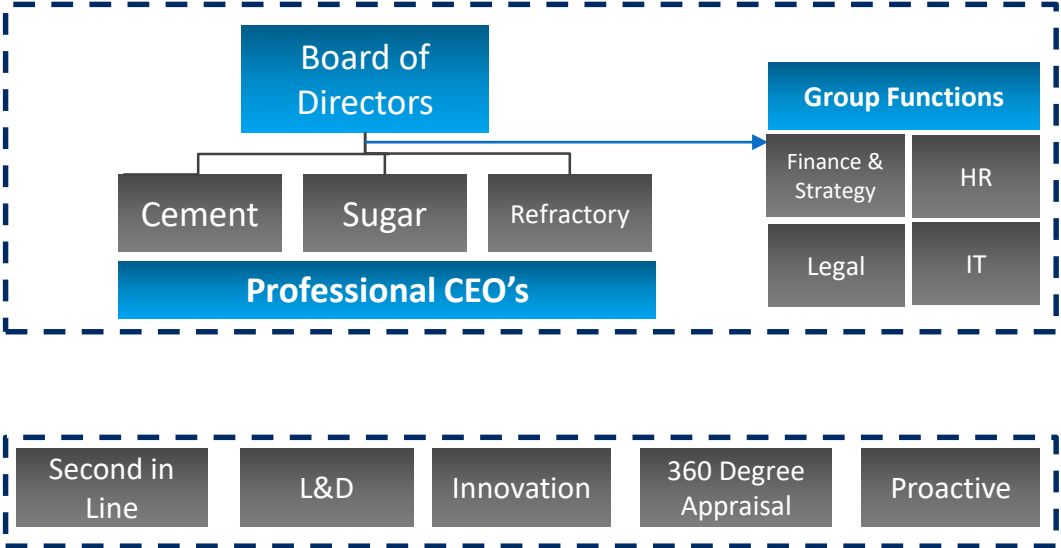


# Family to Professional Management

2004



2020



## 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.



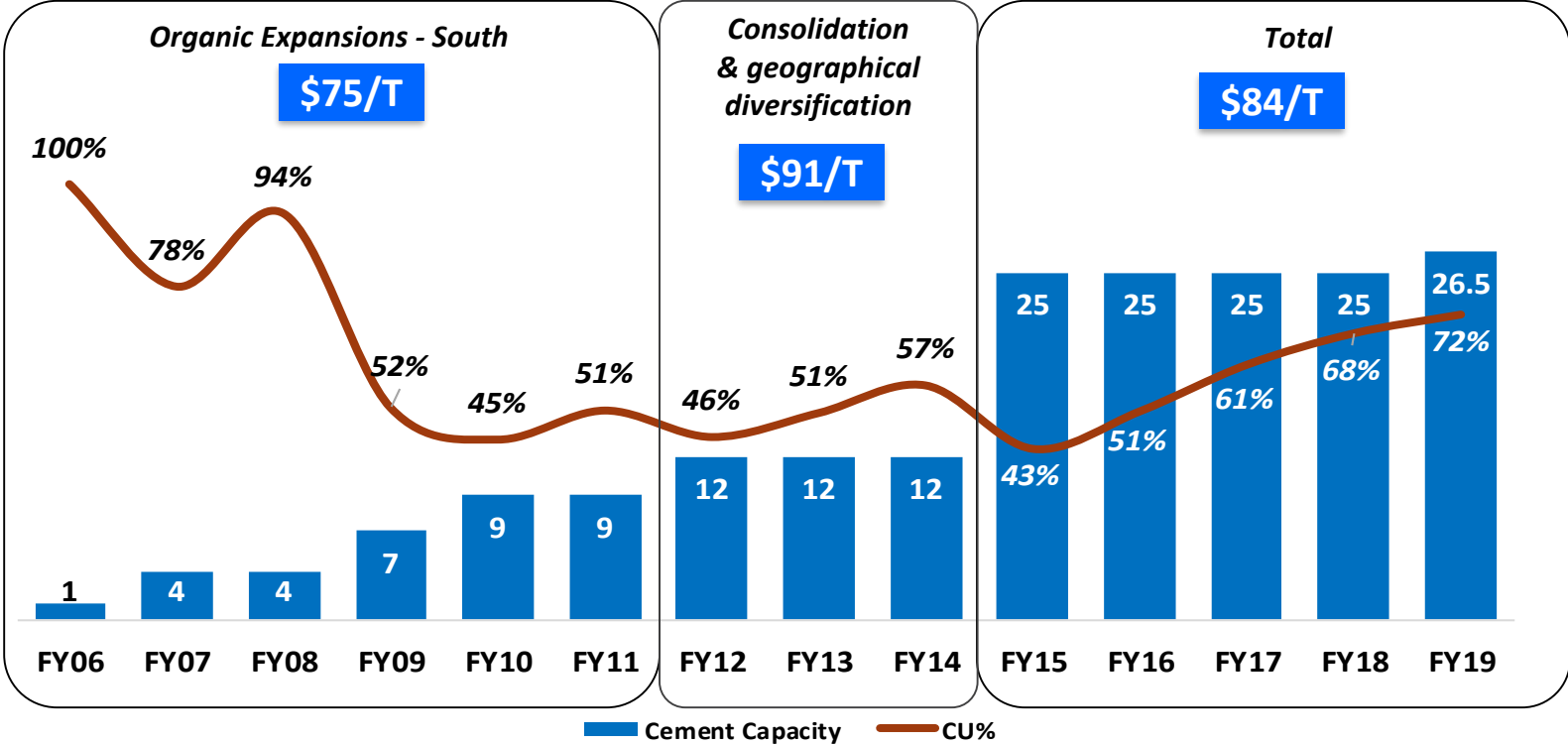
**Ajit Menon**  
*(Group HR Head)*

- 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



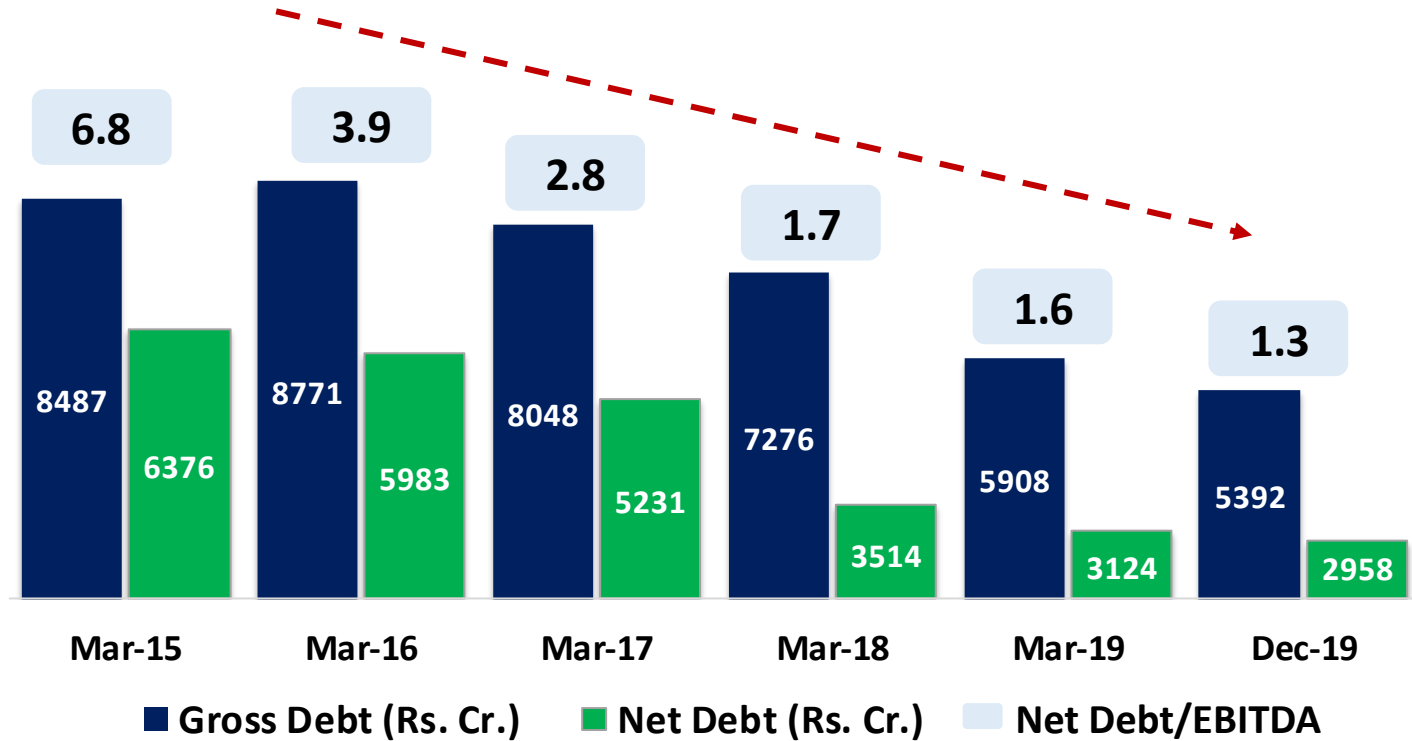
# Maintaining Strength of Balance Sheet

Rs.(Cr)

	Ason 31 <sup>st</sup> March '10	Ason 31 <sup>st</sup> March '15	Ason 31 <sup>st</sup> Dec '19
Capacity (MnT)	9.0	25	26.5
Gross Debt	2,850	8,487	5,392
Cash & Cash Equivalents	298	2,111	2,434
Net Debt	2,552	6,376	2,958
Net Debt / EBITDA	1.1x	6.8x	1.3x
Cost of Debt*	9%	10%	8%

\*approx.

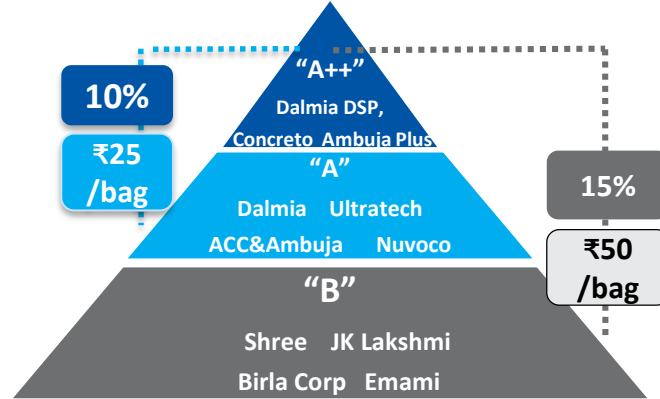
# Consciously reducing Leverage..



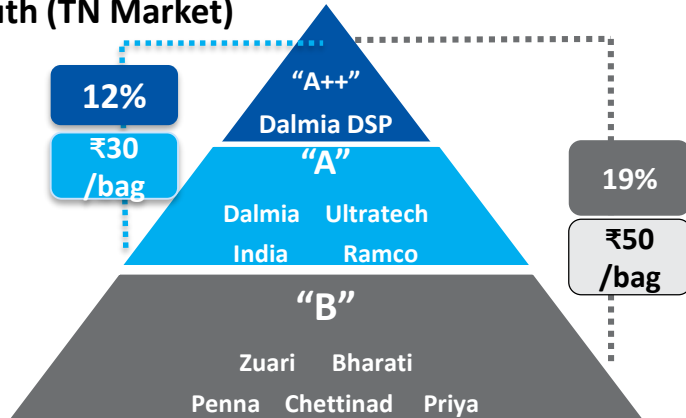
# Our Business Model

# Strong Brand

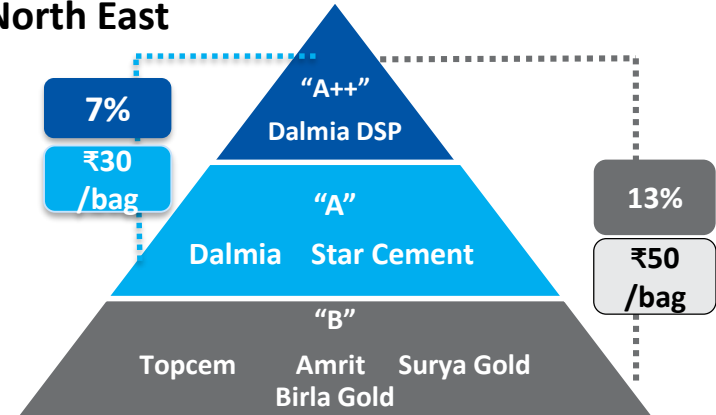
## East



## South (TN Market)



## North East





Multi Fuel Kilns & Boilers



Power Consumption <70 Kwh/t



Blended Cement ~72%



Attained Water positive of 5x




Lead Distance <300 km



Competitive Interest Cost at ~8%


# Cost Parameters

## 2010

Company*	Rank	VC	FC	TC
A	1	860	413	1,273
B	2	1,241	498	1,739
C	3	1,311	593	1,904
D	4	1,340	607	1,947
	5	1,428	608	2,036

**Rs. 700/T**

## 2020E

Company*	Rank	VC	FC	TC
A	1	1,143	876	2,019
B	2	1,655	748	2,043
	3	1,588	825	2,413
D	4	1,550	1,048	2,598
C	5	1,683	996	2,679

**Rs. 400/T**

\* Top 5 cement manufacturing companies

(Figures in Rs./T)



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	9MFY20
		(FY15-FY19)	(FY10-FY19)			
Peer Average*		883	907	936	858	1,078
Dalmia Bharat		1,140	1,063	1,198	1,009	1,112
Higher than average		29%	17%	28%	18%	3%

\* Top 5 cement manufacturing companies

**Going Forward**

# Planned Capacity Additions

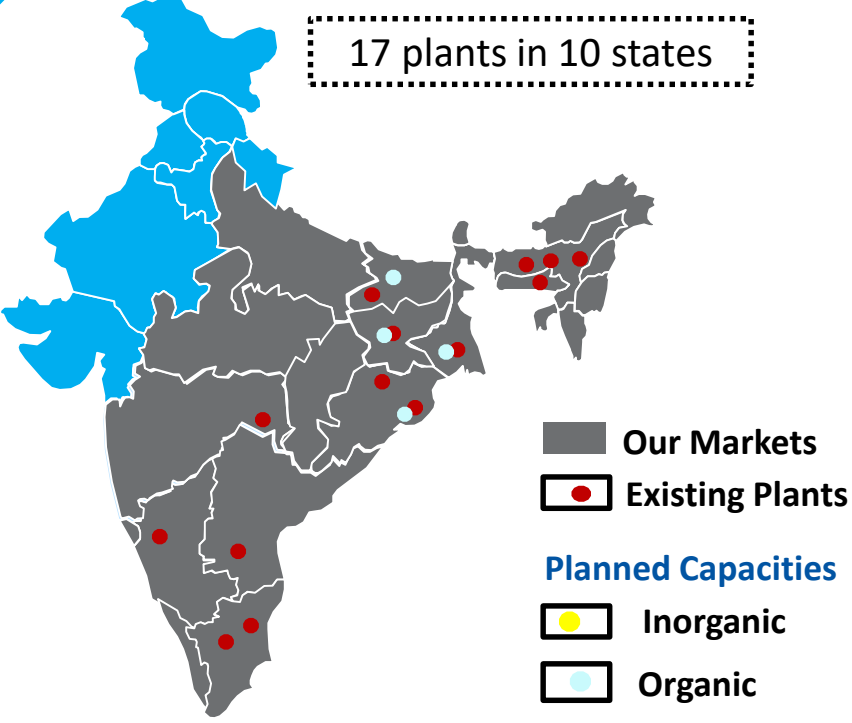
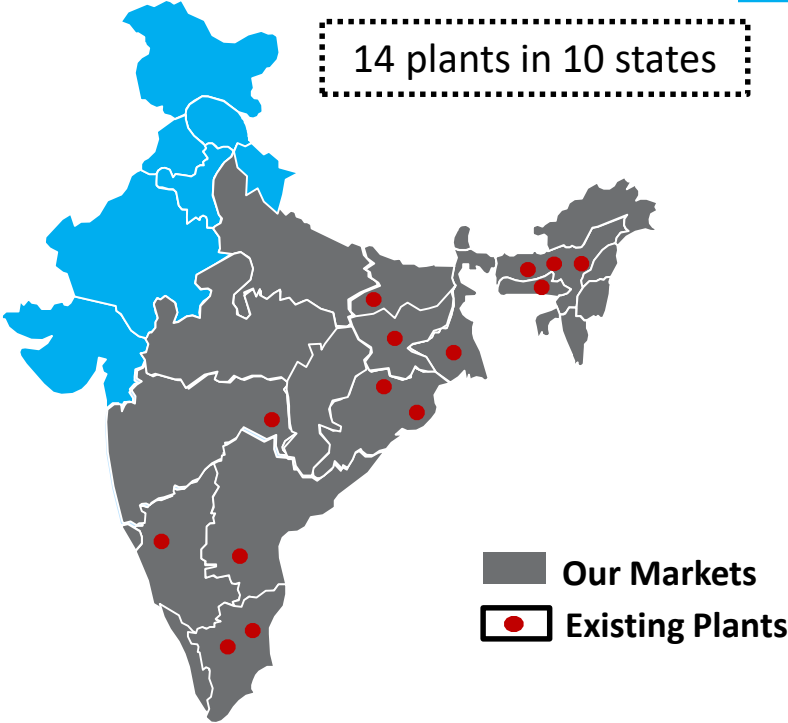
FY'20 : 29.5 MnT

1.3x

FY'21E : 37.3 MnT

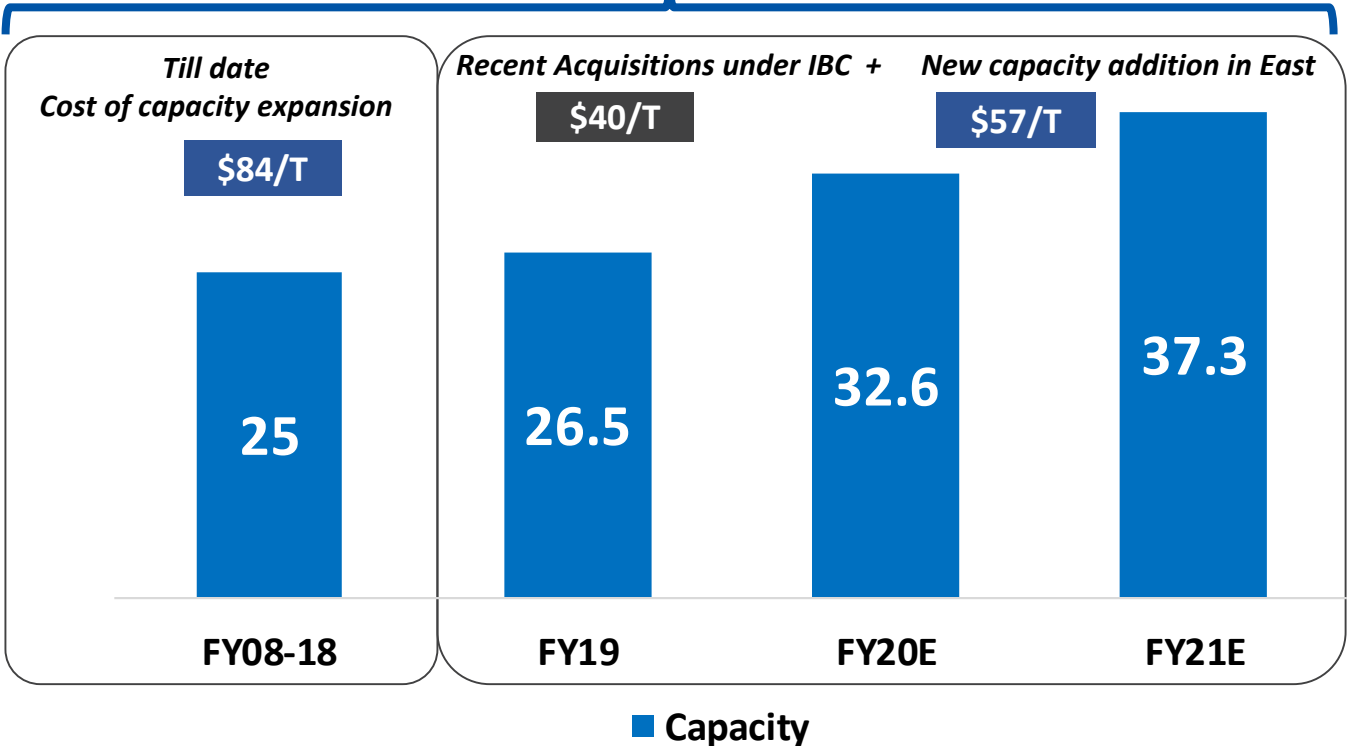
14 plants in 10 states

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<sup>^</sup>  
(% of total volume)

Q3 FY19

15%

Q3 FY20

18%

Estimated  
Target

20%



Alternate fuel  
(as % of fuel mix)

3%

7%

10%



Green Power\*  
(% of total captive power)

9%

9%

22%

<sup>^</sup> 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 m<sup>3</sup>

Cumulative water  
harvesting and  
conservation potential  
(CSR)

3.2  
million m<sup>3</sup>

Aggregate rainwater  
harvesting potential  
developed (Plant and  
mines)



# 1<sup>st</sup> Rank in CDP League Table for Low Carbon Economy Transition

League Rank Table	Company	League Table weighted rank
1	<b>Dalmia Bharat</b>	<b>4.64</b>
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 3<sup>rd</sup> 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<sup>^</sup>**

Global  
average\*

**526<sup>^</sup>**

Group  
average\*

**342<sup>^</sup>**

Eastern  
operation\*



\*data as on FY18

<sup>^</sup>CO<sub>2</sub> 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
- To join Business Ambition for 1.5°C

# Biggest Cement Demand Drivers- PMAY & Road Construction

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

## Target Completion-2022



60 Mn  
Houses  
announced

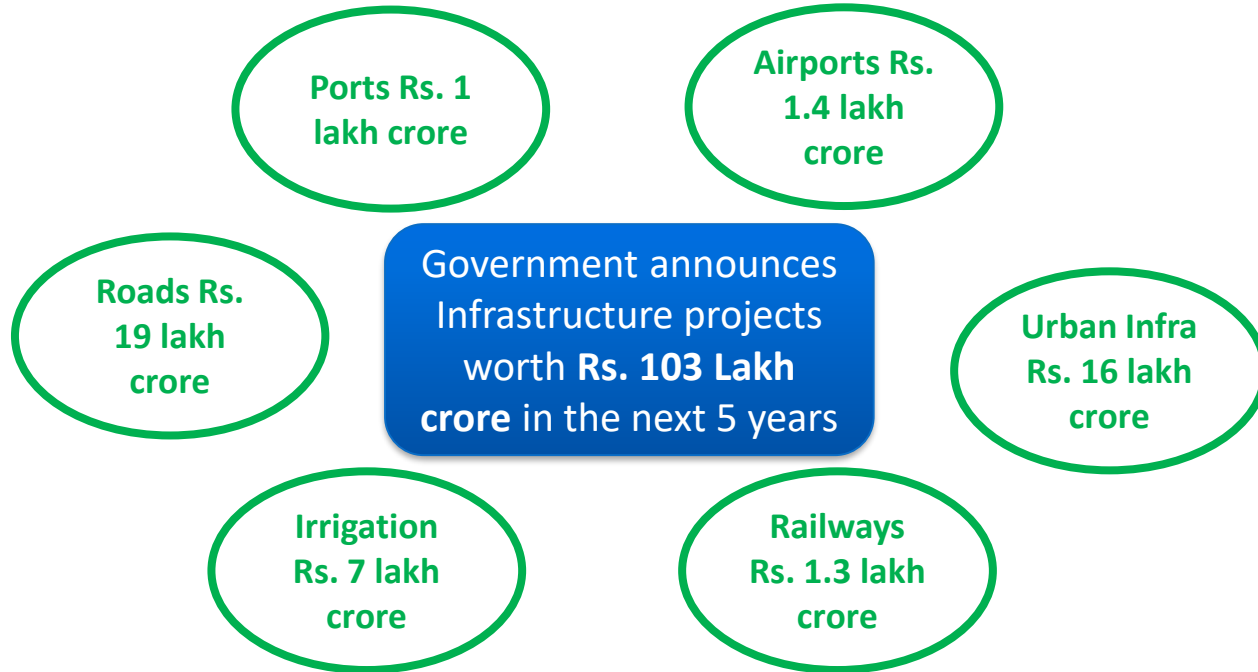
418 MnT  
Expected  
cement  
demand



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

75 MnT  
Expected  
cement  
demand

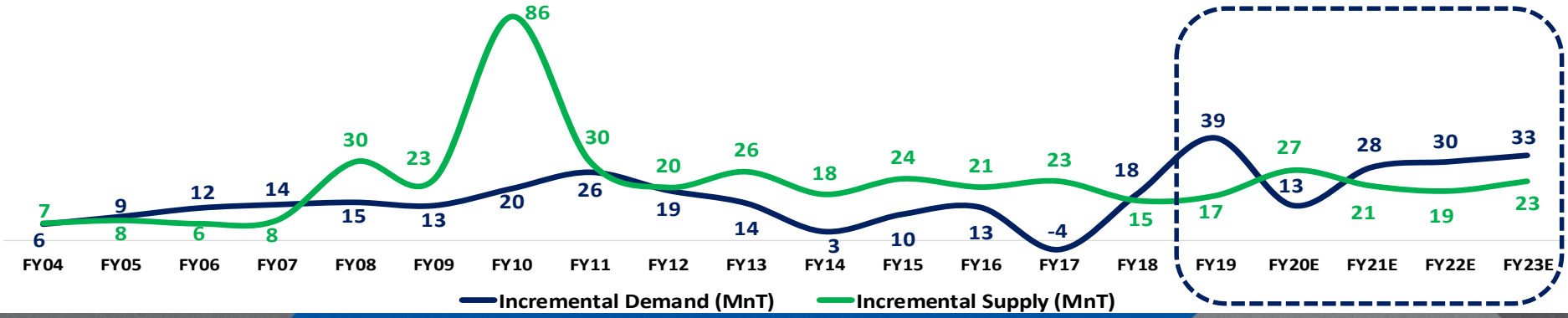
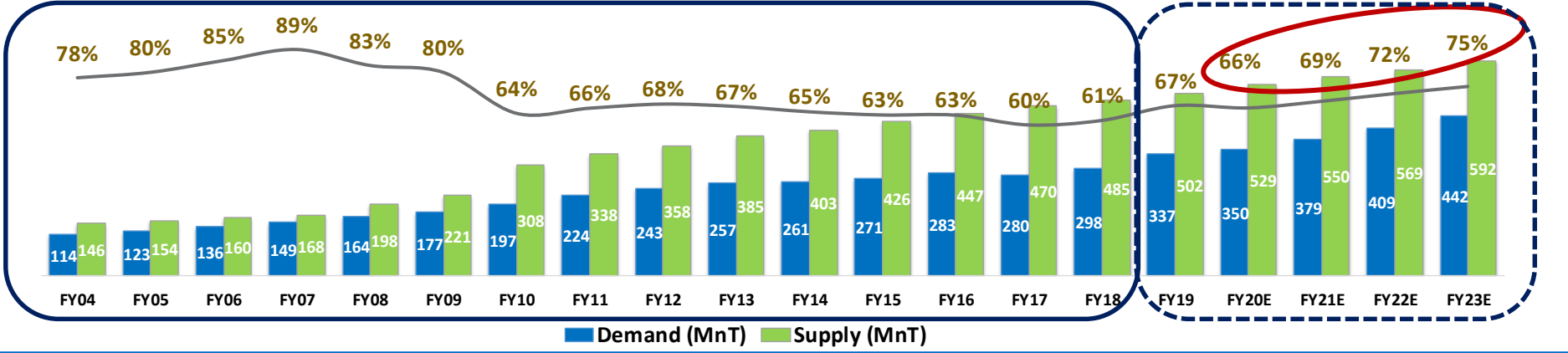
\*YTD FY20 Houses :- 2.1 Mn Houses constructed @ 7700/day



**Infrastructure - Expected to fuel Cement Demand Growth**

Source:- Department of Economic Affairs, Ministry of Finance

# Industry: Estimated Demand & Supply



# Thank You

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