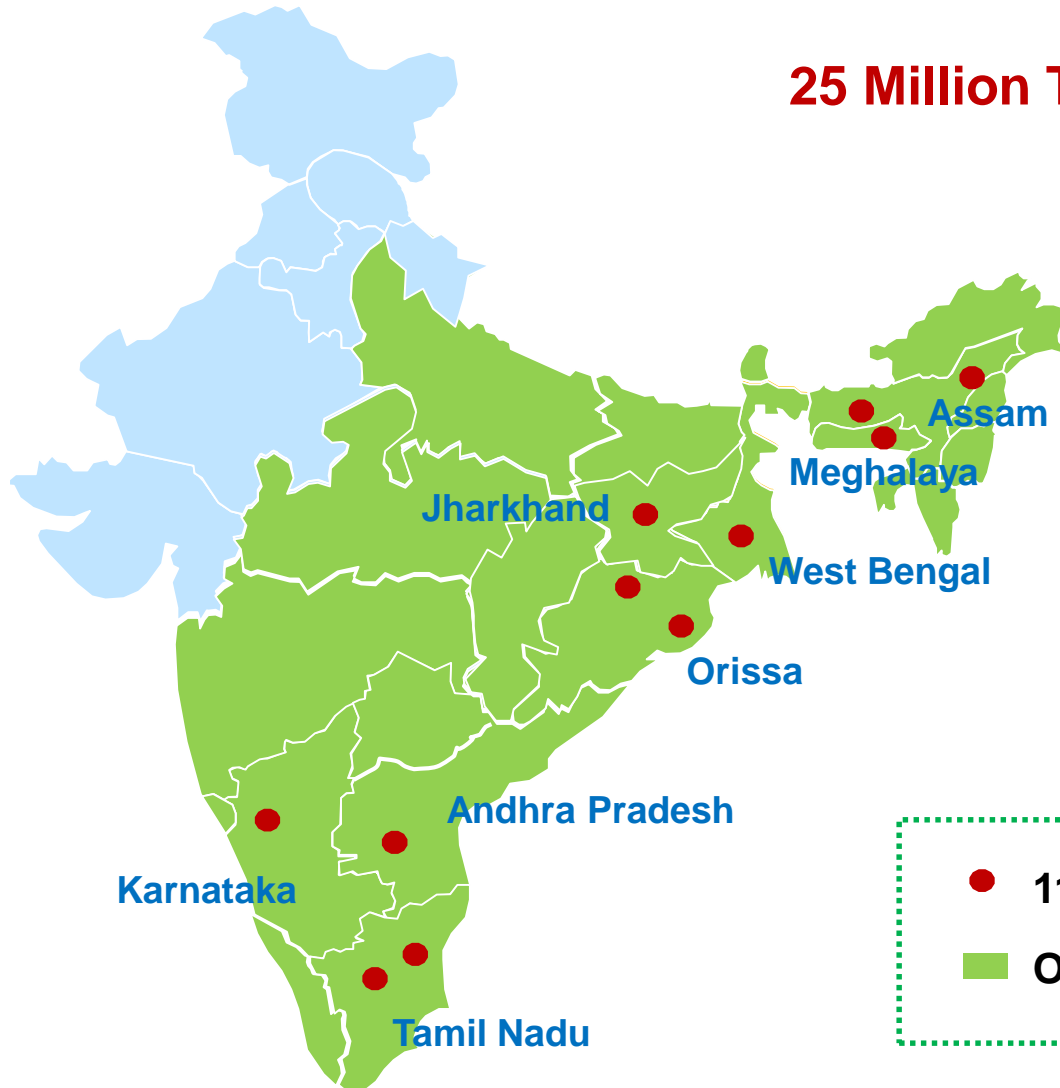




February, 2018

25 Million Tonnes of cement capacity



● 11 plants in 8 states

■ Our serving markets- 22 states

A decade's journey



22%

20%

16%

Capacity
7x

Revenue
6x

EBITDA
4x

2008

3.5 MnT

Rs. 1315 Cr

Rs. 452 Cr

2018

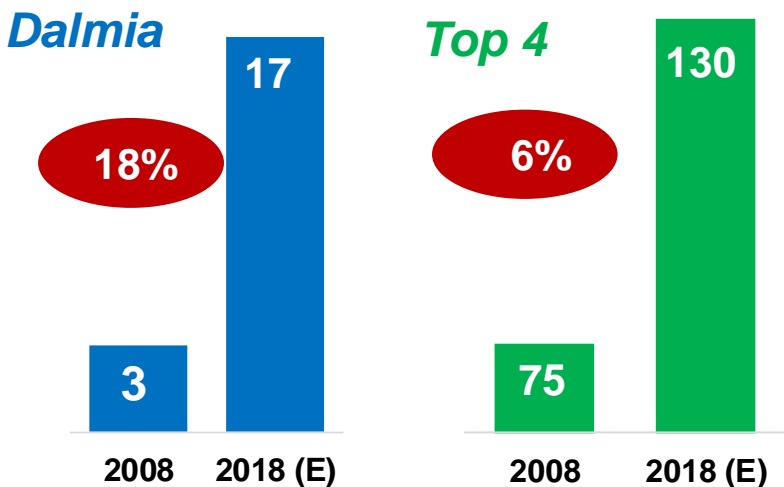
25 MnT

Rs. 8,289 Cr

Rs. 1,937 Cr*

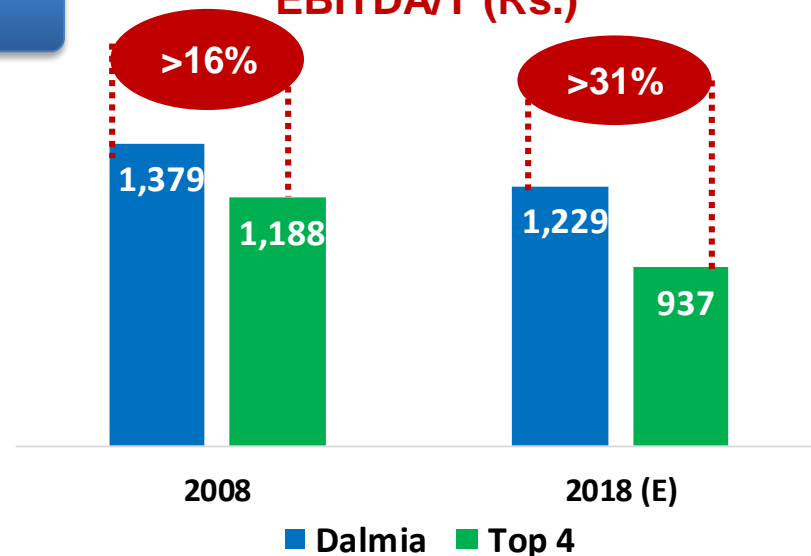
Industry Benchmarking

Sales Volume (MnT)

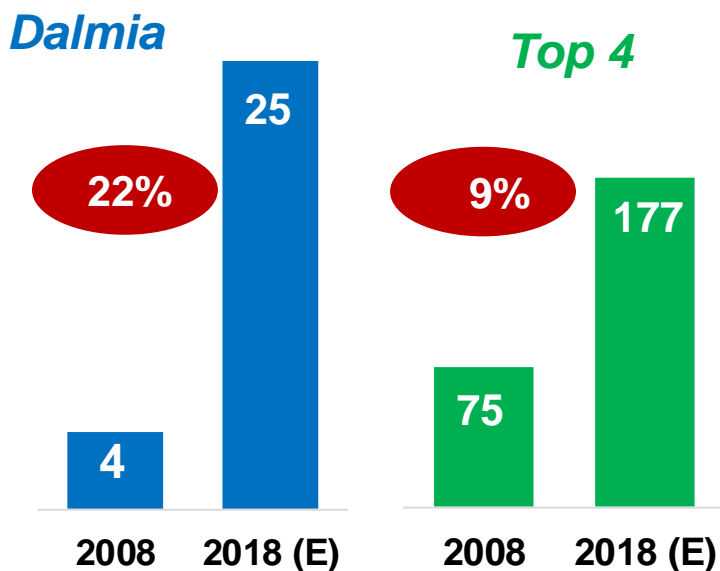


Operations

EBITDA/T (Rs.)

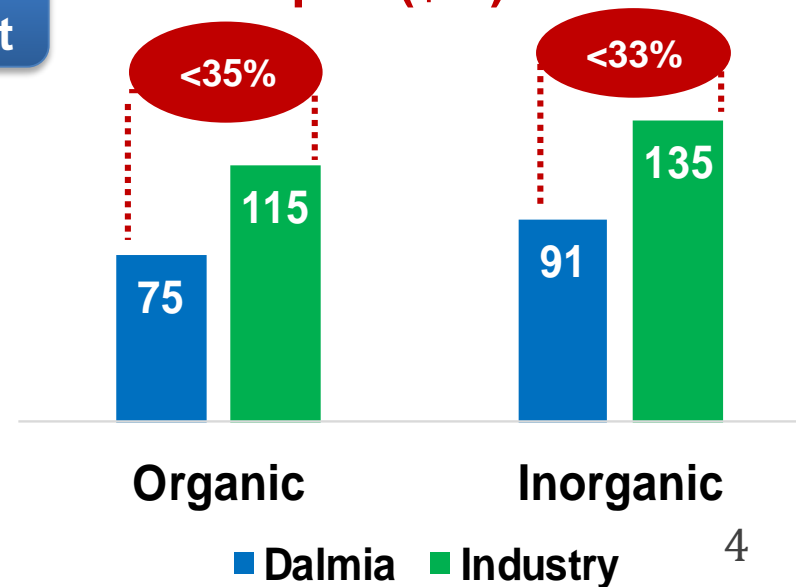


Capacity (MnT)



Project management

Capex (\$/T)

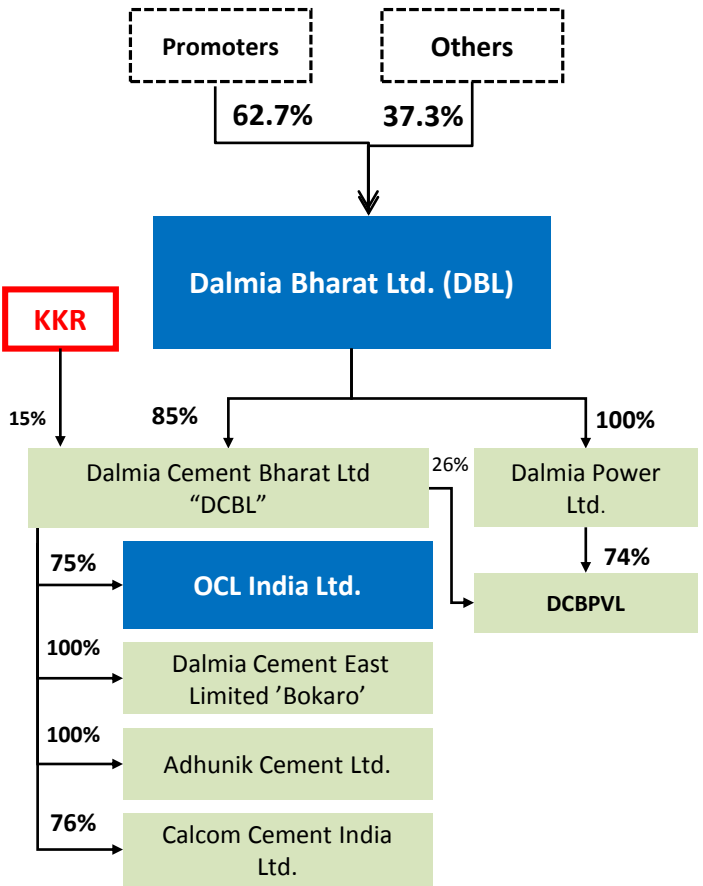


Milestones Treaded...

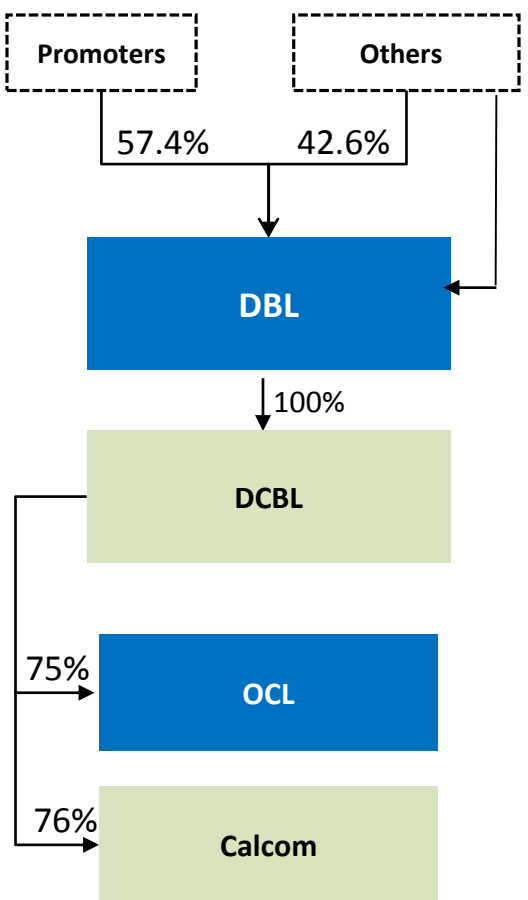
Simplified corporate structure...One listed entity



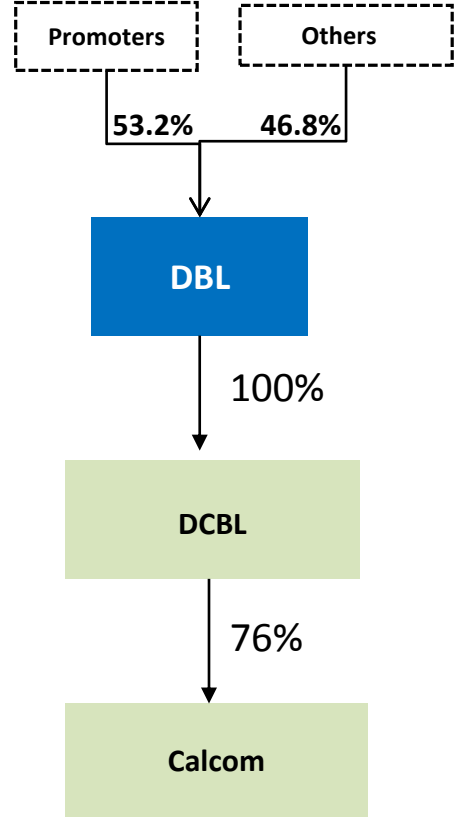
Structure during growth phase



Current Structure*



Proposed Structure**



**Announced in November 2016, expected to be effective within next 3 months

****New structure to be effective from FY18...one consolidated result.**

	FY15		9M FY18
Gross Debt (Rs. Cr.)	8,487	(1,166)	7,321
Net Debt (Rs. Cr.)	6,376	(2,422)	3,953
EBITDA (Rs. Cr.)	934	1,003 ↑	1,937*
Net Debt / EBITDA	6.8x		2.0x

Enhancing market share

Capacity Utilisation

FY'15

FY'18

Proactive Focus on Digitization

New Markets

Higher Special cement Sales

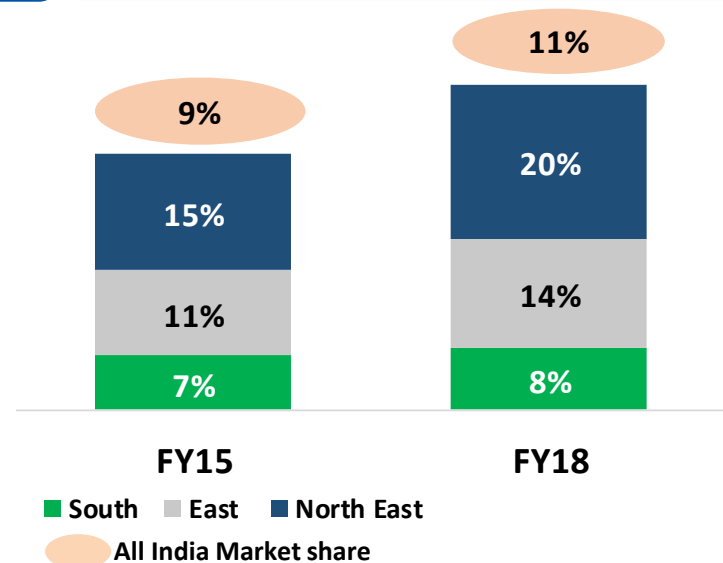
Growth in exports

Stronger Channel Partnership

Go Direct Strategy

Strong Brand Equity

Market share



Increasing market liquidity

	OCL	DBL		Merged Entity
Trading	In-frequently traded	Average Liquidity	➔	High Liquidity
Non-Promoter Shareholding	1.4 cr shares (25%)	3.7 cr shares (43%)	➔	9.0 cr shares (47%)
Average Daily Turnover (Avg. 3 months)	INR 5 crs.	INR 34 crs.	➔	↑
Institutional Holding %	5%	25%	➔	↑

Simplified Corporate Structure*



Strengthened Balance Sheet



Enhancing Market Share



Increasing Market Liquidity*



One Listed Entity*



* To be completed by FY18 end

Passion

Proactive & Focused approach

Empowerment

Strong execution capabilities

**Fastest growing
cement company**

Foresightedness

Disciplined risk evaluation

Inclusive Growth

Strengthening partnerships

Business Model

=

1

**Prudent
Capital
Allocation**

+

2

Cost efficient

+

3

**Premium
brand**

+

4

**Turnaround
capability**

+

5

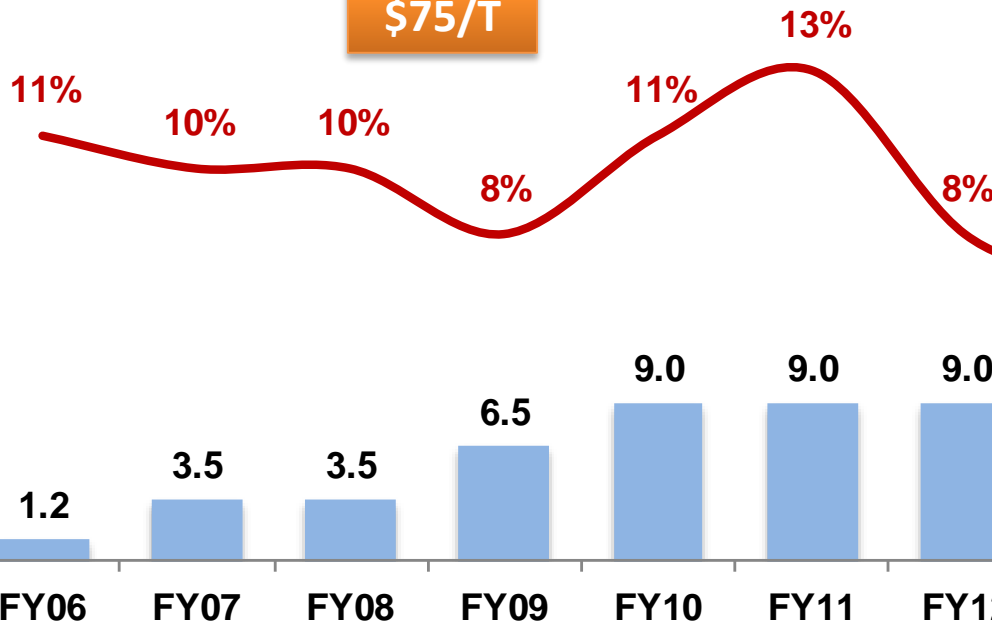
**Professionally
Run**

**Highest profitability
on EBITDA/T**

1 Prudent Capital Allocation

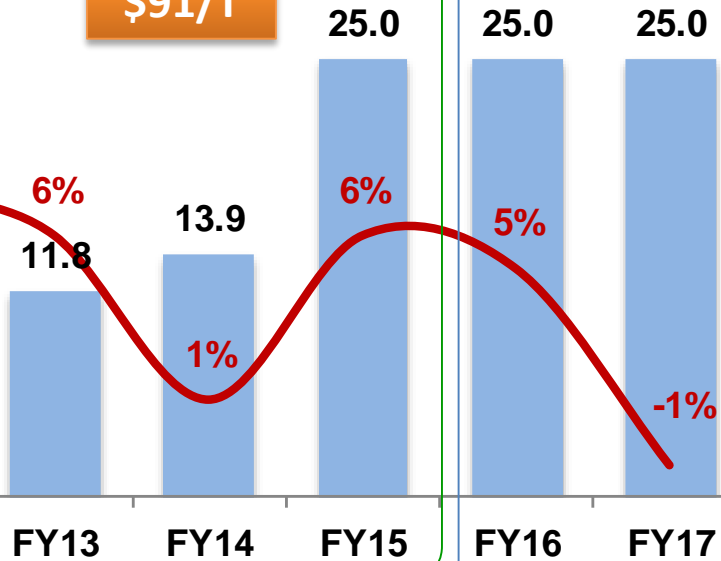
Organic Expansions - South

\$75/T



Consolidation & geographical diversification

\$91/T



Total
\$83/T

— Cement Capacity

— All India Cement Demand Growth*

Build in good times, Acquire in distress

2a Execution of best practices



Multi fuel kilns and boilers



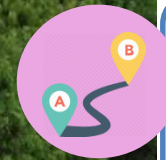
Power consumption **<70 Kwh/t**



Blended cement ~ **80%**



Aim to achieve **water neutrality**



Lead distance **<300 kms**

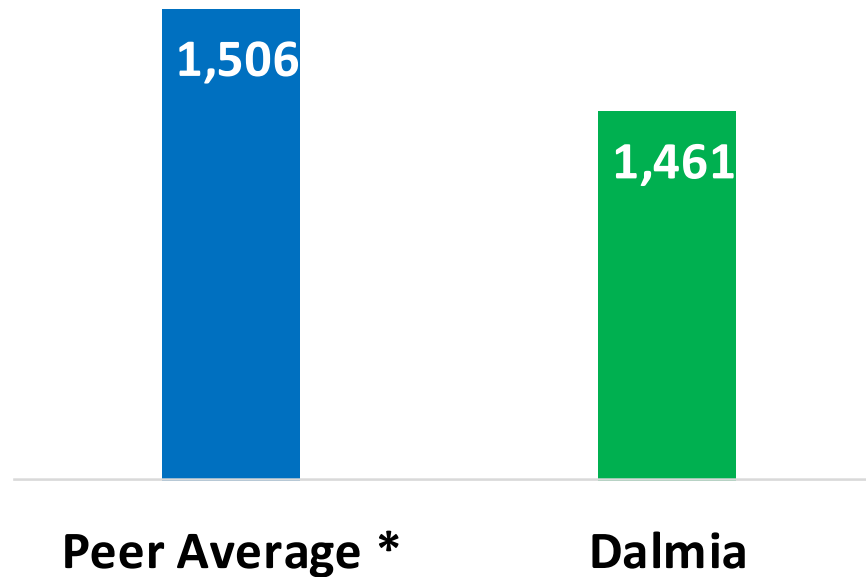


Competitive interest cost at **8%**


Net CO₂ emissions (kg/ton of cementitious material)

342*Dalmia Eastern operations
average***526***Dalmia Bharat average***579***Indian cement industry
average****612***Global cement industry
average**

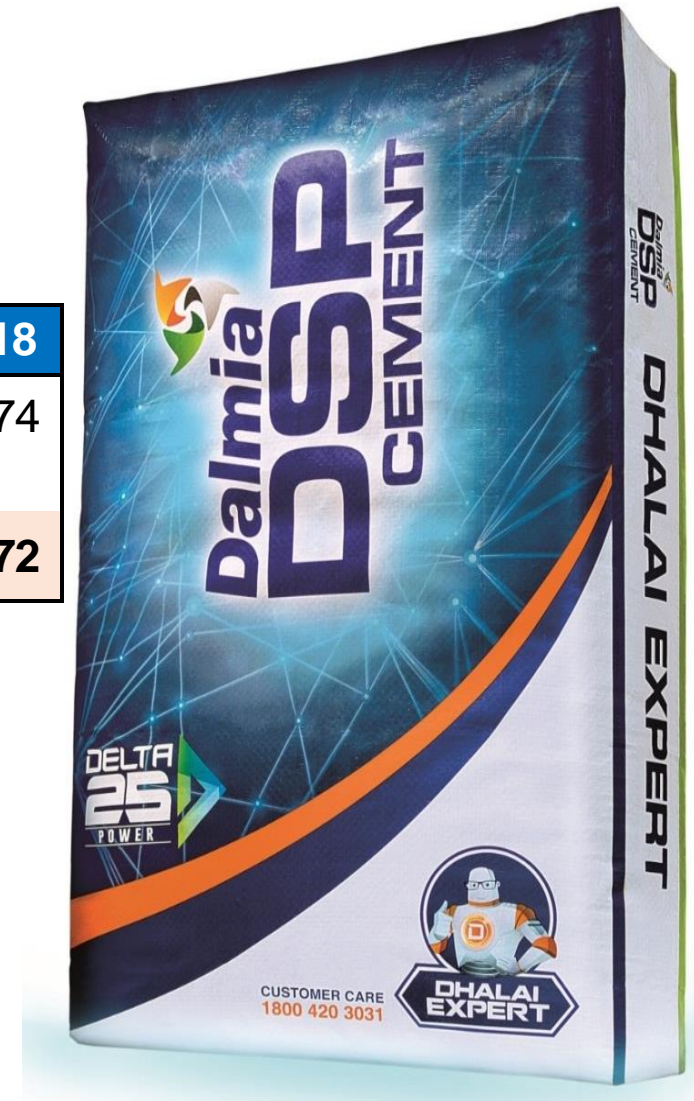
Note: * As per the GNR data published by CSI in 2017

Variable Cost (Rs./ T)**For 9M'FY18**

Naked Cement Realization (NCR Rs./T)

Company	FY16	FY17	Q3FY18	9MFY18
Peer Average*	2,965	3,054	3,074	3,174
 Dalmia	3,470	3,357	3,497	3,572

*Average of Top 4 players in terms of capacity



4 Turnaround Capabilities

Market Share

Pre Acquisition
(FY12)

9%

Post Acquisition
(FY18)

14%

**EBITDA Margin
(Rs/T)**

Pre Acquisition
(FY12)

182

37%
CAGR

Post Acquisition
(FY18)

1,200

5a Active Board (Independent Directors)

P.K. Khaitan : Chairman, DBL

Founding member, Khaitan & Co.



G.N. Bajpai : Chairman, DCBL

- Former Chairman of SEBI and LIC



Paul Hugentobler: Board Member, DCBL

- Ex-Member, Holcim Executive Committee



Sudha Pillai: Board Member, DBL & DCBL

- Ex-Assistant Secretary, Ministry of Mines, IAS – 1972



V S Jain: Board Member, DBL

- Ex-Chairman – Steel Authority of India



D N Davar: Board Member, OCL

- Ex-Chairman – IDFC & retired consultant to World Bank



Outcome

Consistently highest EBITDA/T in the Industry

EBITDA (Rs./ Ton)	5 Yr Avg.	10 Yr Avg.	FY17	9M FY18
	(FY13-FY17)	(FY08-FY17)		
Peer Average	848	935	863	934



1,011	1,050	1,258	1,229
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*Average of Top 4 players in terms of capacity

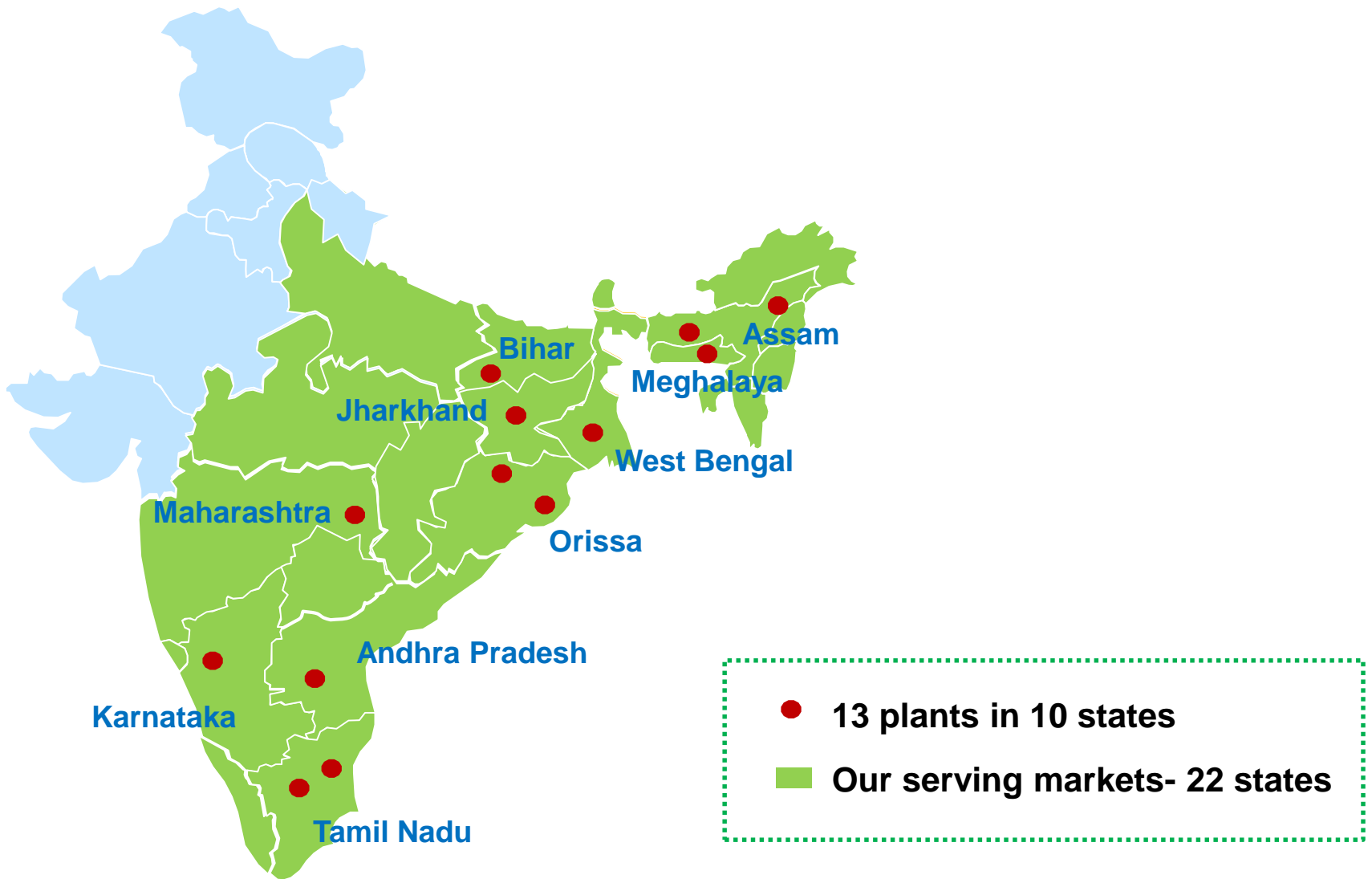


Capacity (MnT)	
Existing	25.0
Acquired (★)	1.1
Awaiting Approval (★)	3.0
Total	29.1

★ NCLT final approval received.

★ NCLT approval awaited.

Post recent acquisitions



Changing Industry Scenario

Opportunities

1 Increasing consolidation of the industry

2 Rising Entry Barriers

3 Cement demand-supply gap to narrow

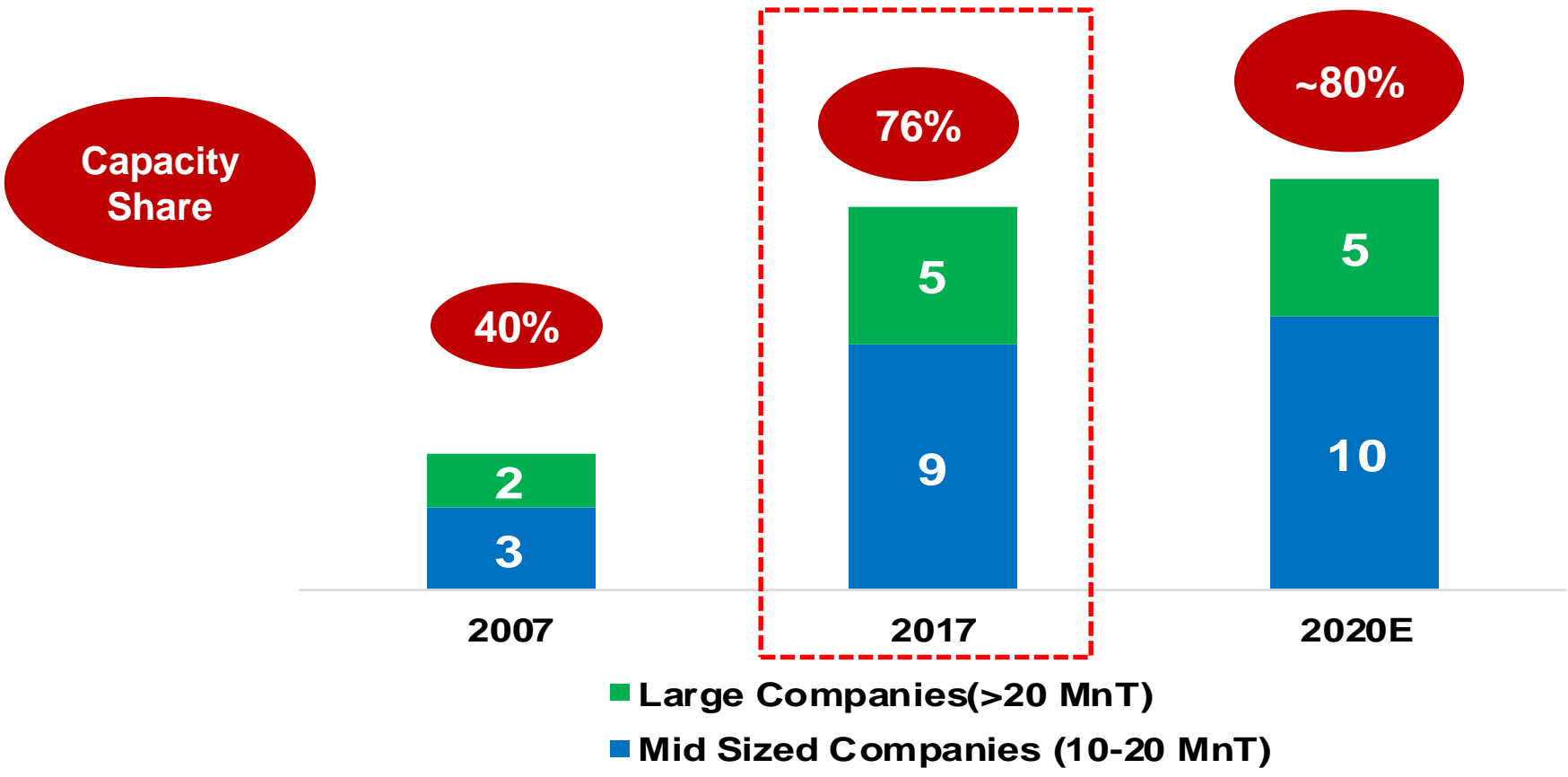
Current challenges

1 Higher fuel cost

2 Rising slag cost

3 Sand mining issues

Further consolidation is expected

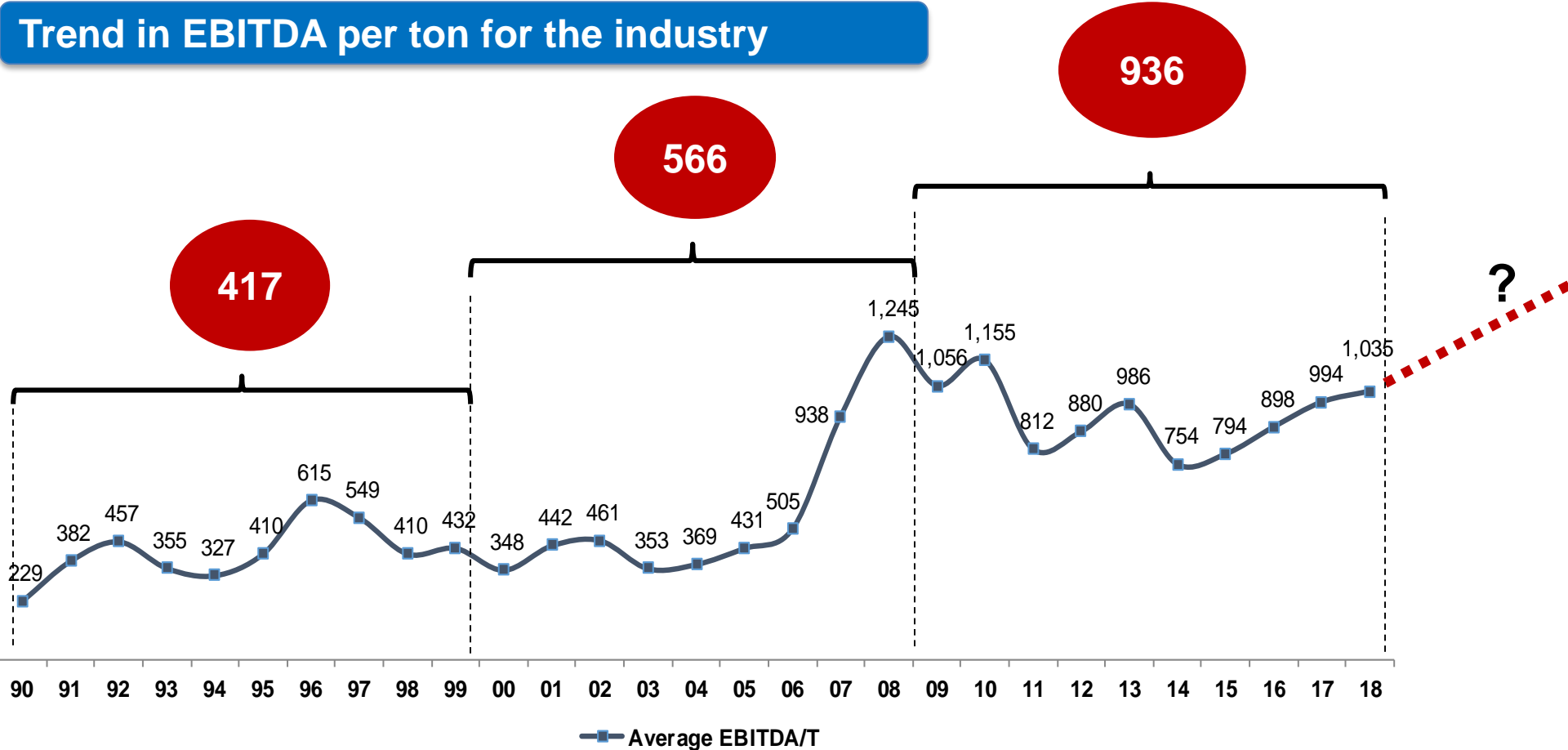


As mid sized players gain scale, rational pricing behavior is expected.

Capacity share of >10 MnT will be 80% by 2020.

Industry profitability improving with consolidation

Trend in EBITDA per ton for the industry



 - Average EBITDA/T (Rs.)

Factor	Earlier	Now	Impact	Change
Limestone access	Allotment	Auction	Consolidation	2015
Land Acq. Law	Govt.	Private	Supply Squeeze	2013
Credit Availability	Easy	Selective	Consolidation	2017
Insolvency Law	Difficult	Quick	Consolidation	2017

Building greenfield plant will take ~5-7 years...



Supply drought driven by credit squeeze & massive change in regulatory environment.

All India cement capacity in FY07

168 MnT

Capacity additions

% of installed capacity

Shock

FY08-10

46 MnT p.a

83%

FY11-13

24 MnT p.a.

24%

FY14-18

21 MnT p.a.

22%

Squeeze

FY19E-21E

16 MnT p.a.

10%

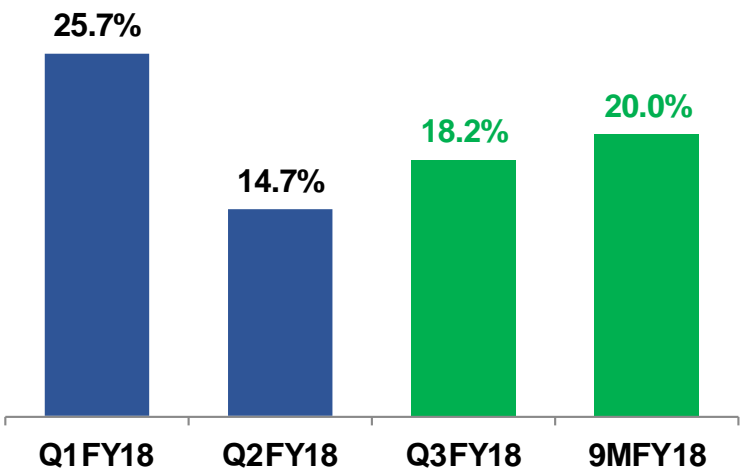
Supply squeeze visible in future

Demand

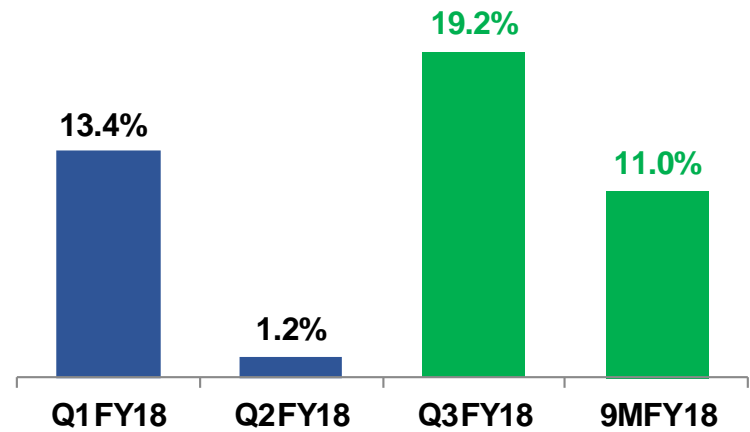
Green shoots of cement demand revival



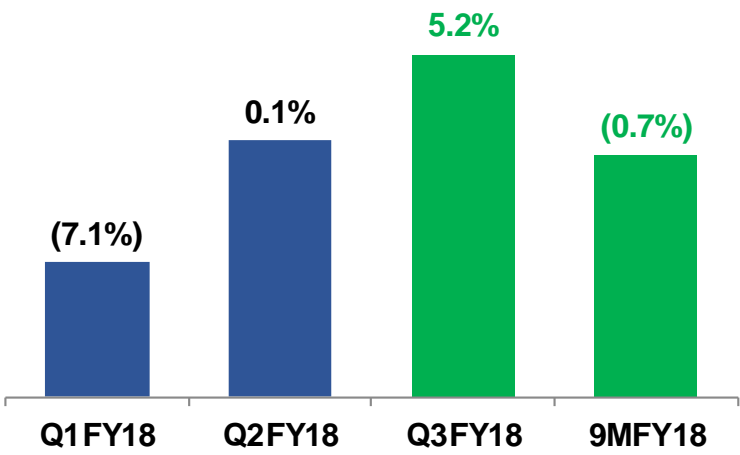
East (YoY)



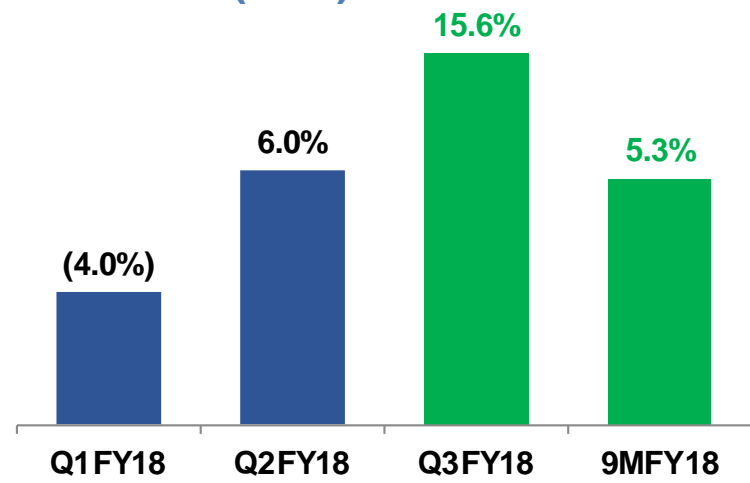
North East (YoY)



South (YoY)






Maharashtra (YoY)



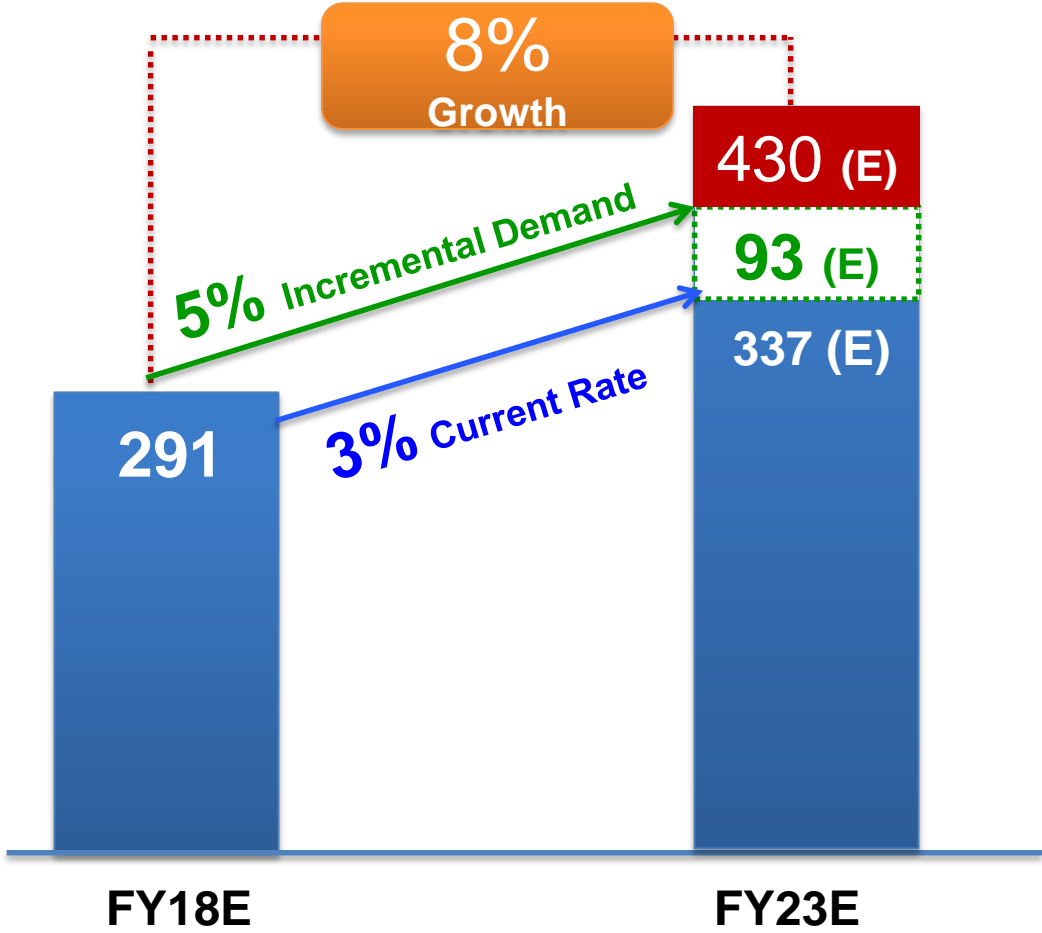
Total Housing shortage:- 60 Mn units

Phase-I Progress

Region	Target no. of Houses (Mn)	Work in Progress (Mn)	Achievement
Rural	13.5	6.3	47%
Urban	7.3	1.6	22%
Total	20.8	7.9	38%

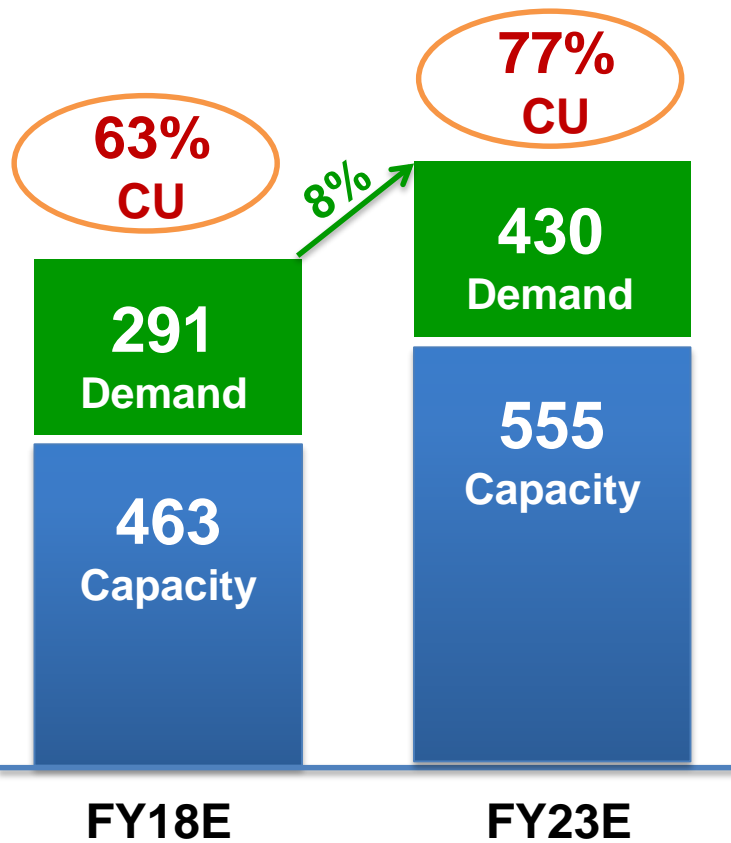
Major Infrastructure Projects		Capex (\$ bn)	Demand (MnT)
 <p>Housing For All (60 Mn houses)</p>		1,300	409
 <p>Roads and Rail</p> <ul style="list-style-type: none"> Bharatmala (34,500 km) High speed rail 	84 17 101	44 18 62	
 <p>Irrigation and River linking</p> <ul style="list-style-type: none"> Irrigation Sagarmala 	48 63 111	155 30 185	

Changing Demand Scenario



(Fig in MnT)

Last 15 year CAGR 7% (10 year CAGR 6%)



Narrowing Demand Supply Gap

Period	Demand Growth	Supply Growth
Last 15 Yrs	7%	8%
Last 10 Yrs	6%	11%
Last 5 Yrs	3%	5%
Next 5 Yrs	8%	4%

(Fig in MnT)

Macro Economic Indicators

Transparency

- All natural resources allocated through auction

Revenue Compliance

- Crack down on Black Money

Efficiency

- \$10 bn savings due to Direct Benefit Transfer

Accountability

- Clean up of banks' Balance Sheets & Recapitalization

Alignment of Centre and State Policies

	FY14	FY18
Fiscal Deficit	4.5%	3.5%
Current Account Deficit	1.7%	1.2%
Forex reserves	\$ 304 bn	\$ 420 bn
Inflation	6.7%	3.2%

Moody's upgraded India's credit rating (first time in 14 years)

Increased Transparency

Bold & Decisive

Hard Working

Embracing Technology



Governance Standard of India Reset

India: a consistent growth story!

