



November, 2018

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Active Board + Professionally Managed

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Roadmap for Next 3 years

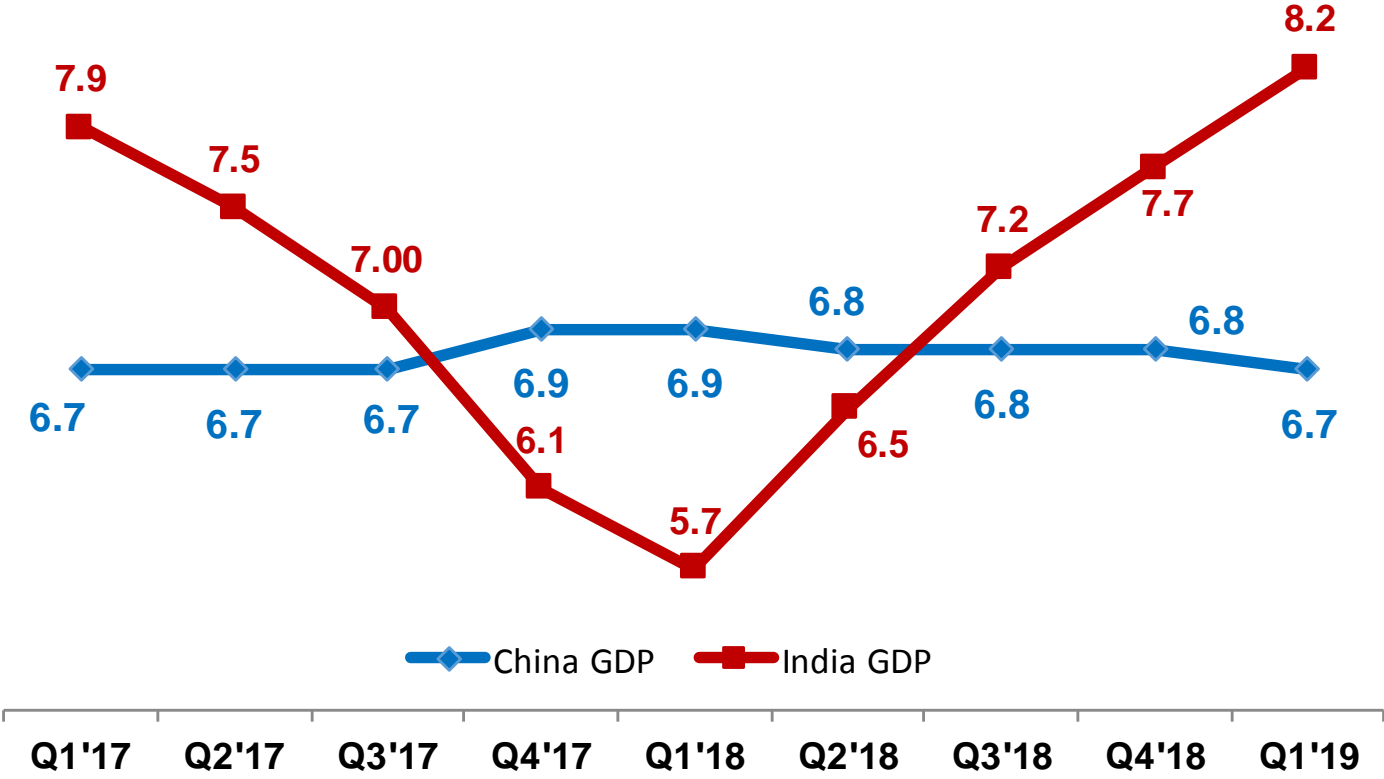
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Inclusive Growth

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Partnering in India's Growth Model

Fastest growing Economy (For the last 5 quarters)



GDP Forecast for Next 2 Years



7.4%



6.4%

Source: IMF, Bloomberg

Cement Industry in India

Reforms leading to structural changes

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

EARLIER

28 new entrants

59 MnT added

31% of Greenfield



NOW

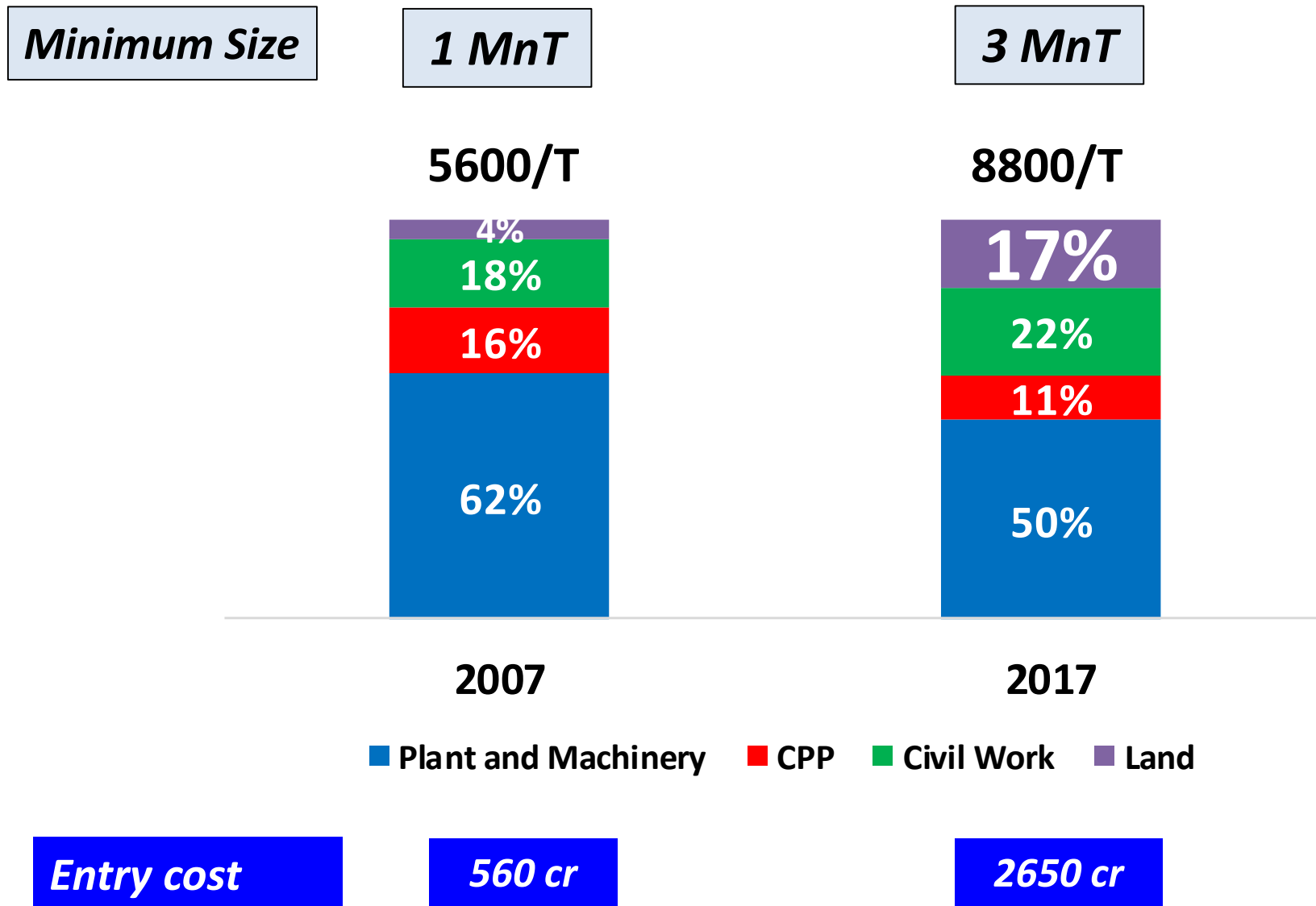
18 blocks auctioned

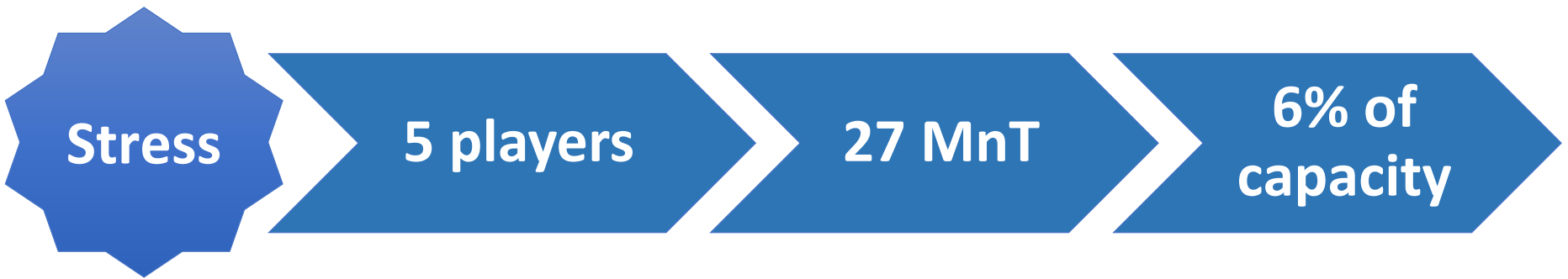
50% won by Top 5

1 NEW entrant



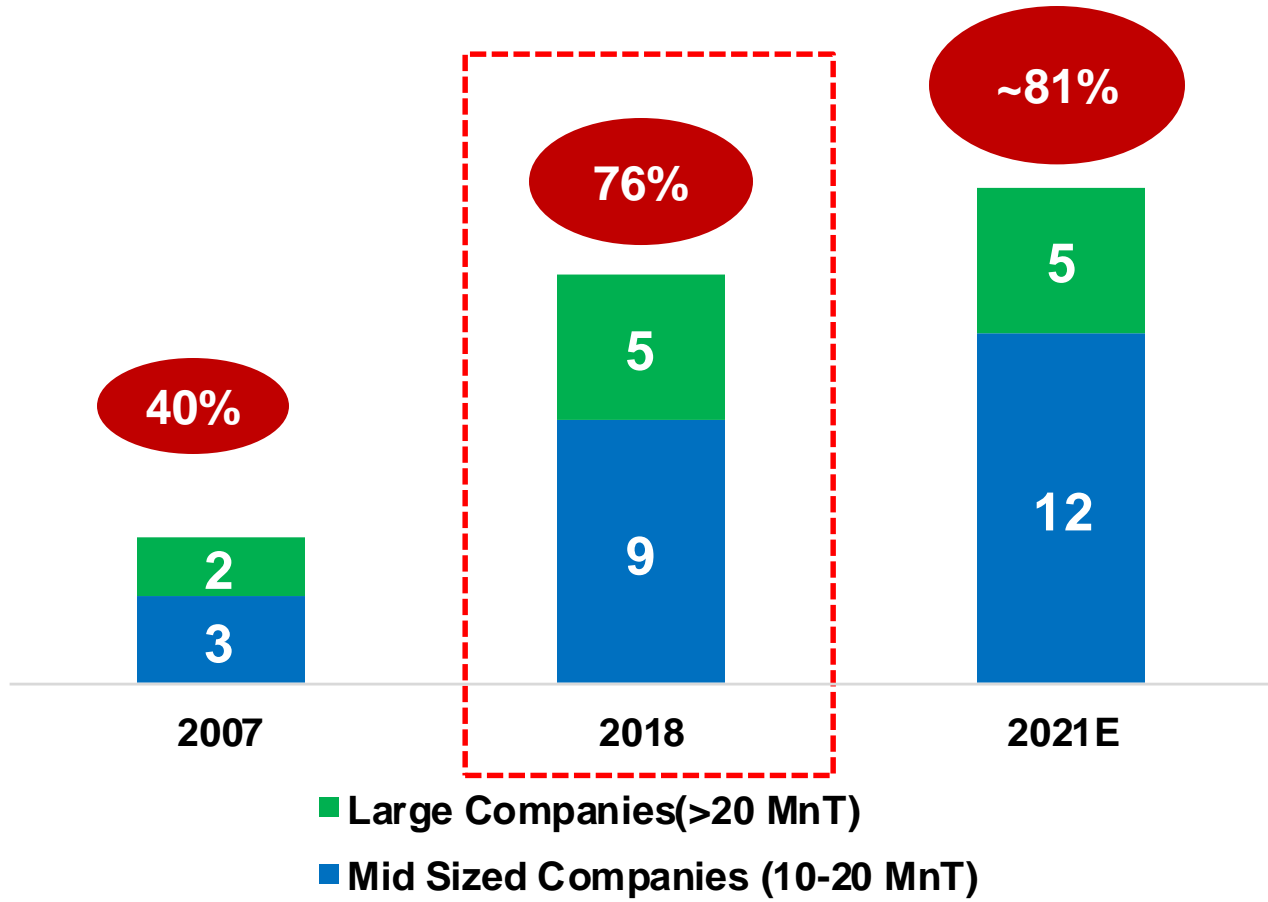
Rising Replacement cost due to Land





Further consolidation is expected

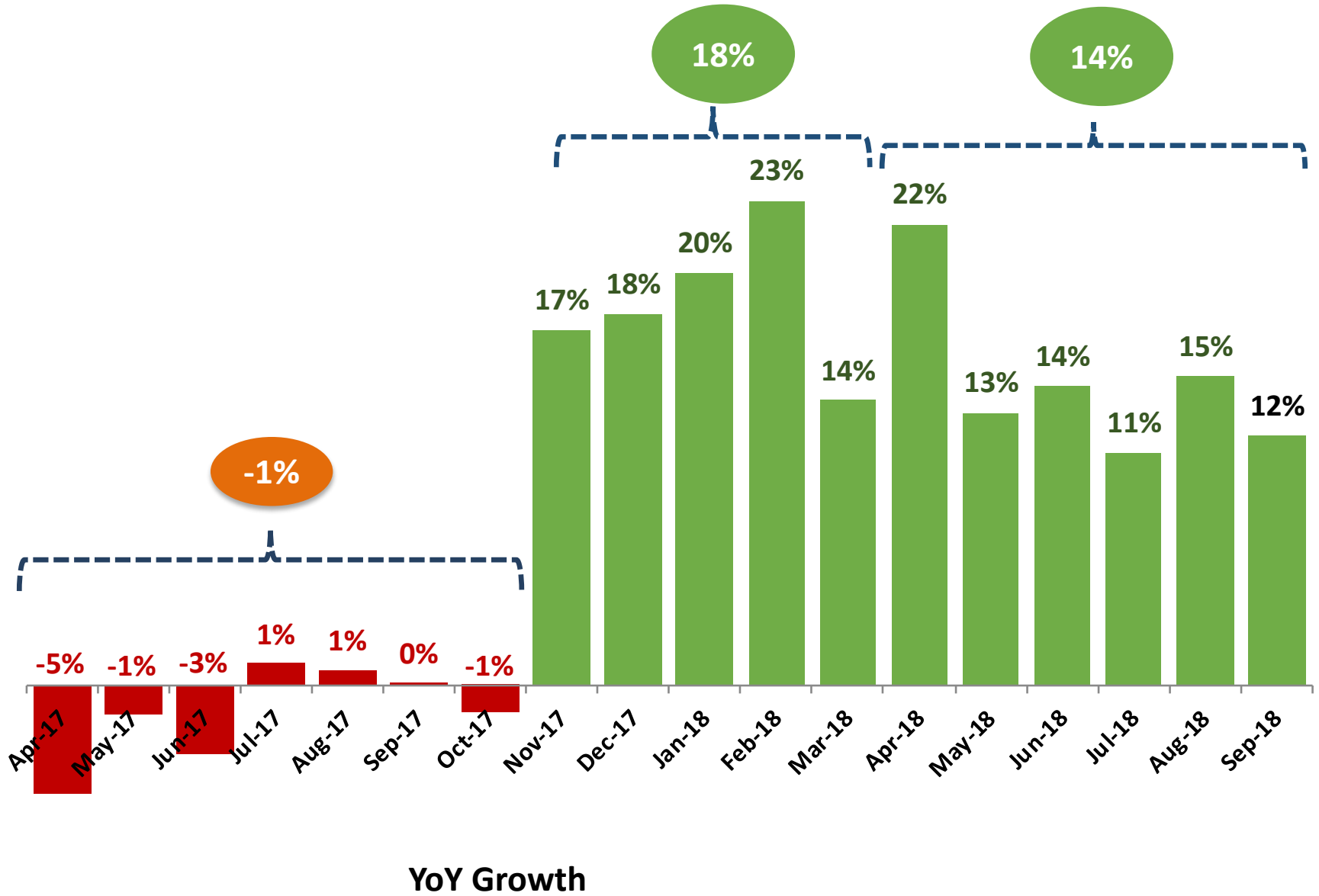
Capacity Share



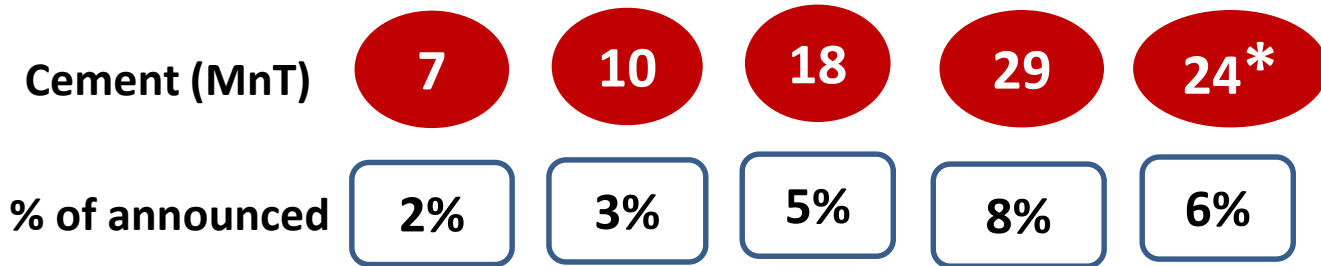
Capacity share of >10 MnT will be 81% by 2021.

Demand

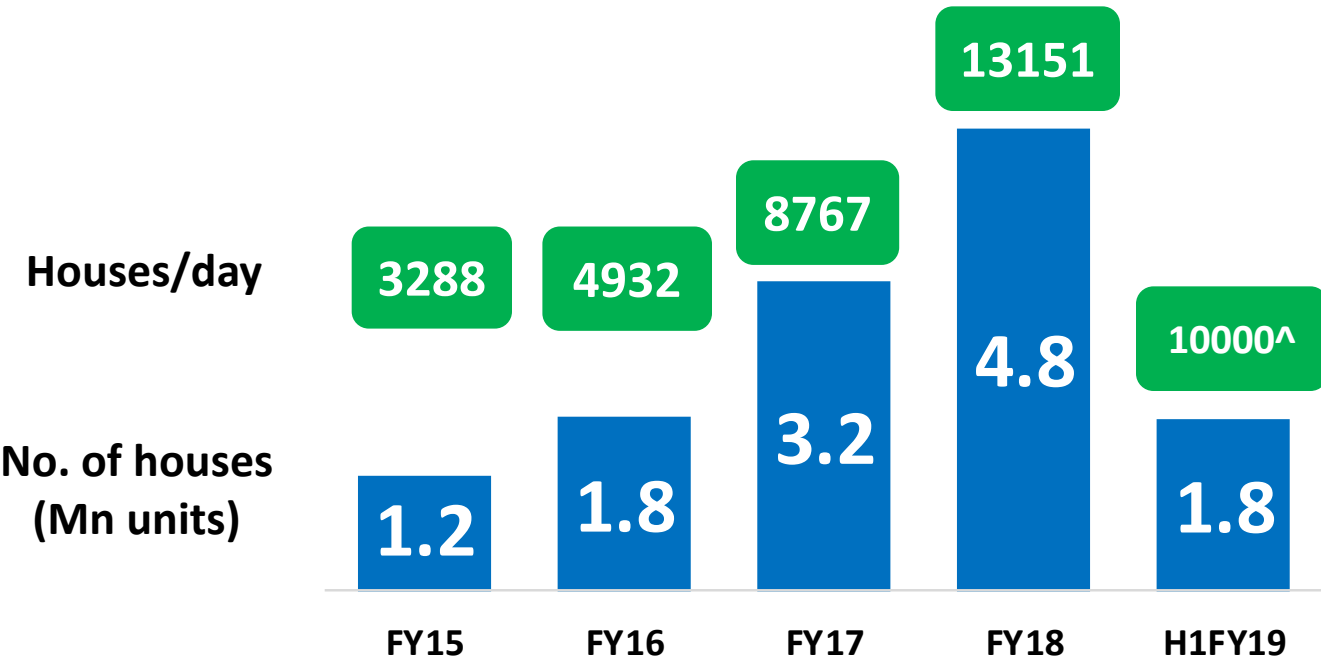
Recovery visible in cement demand



Construction run rate up 3x



418 MnT
Expected cement demand

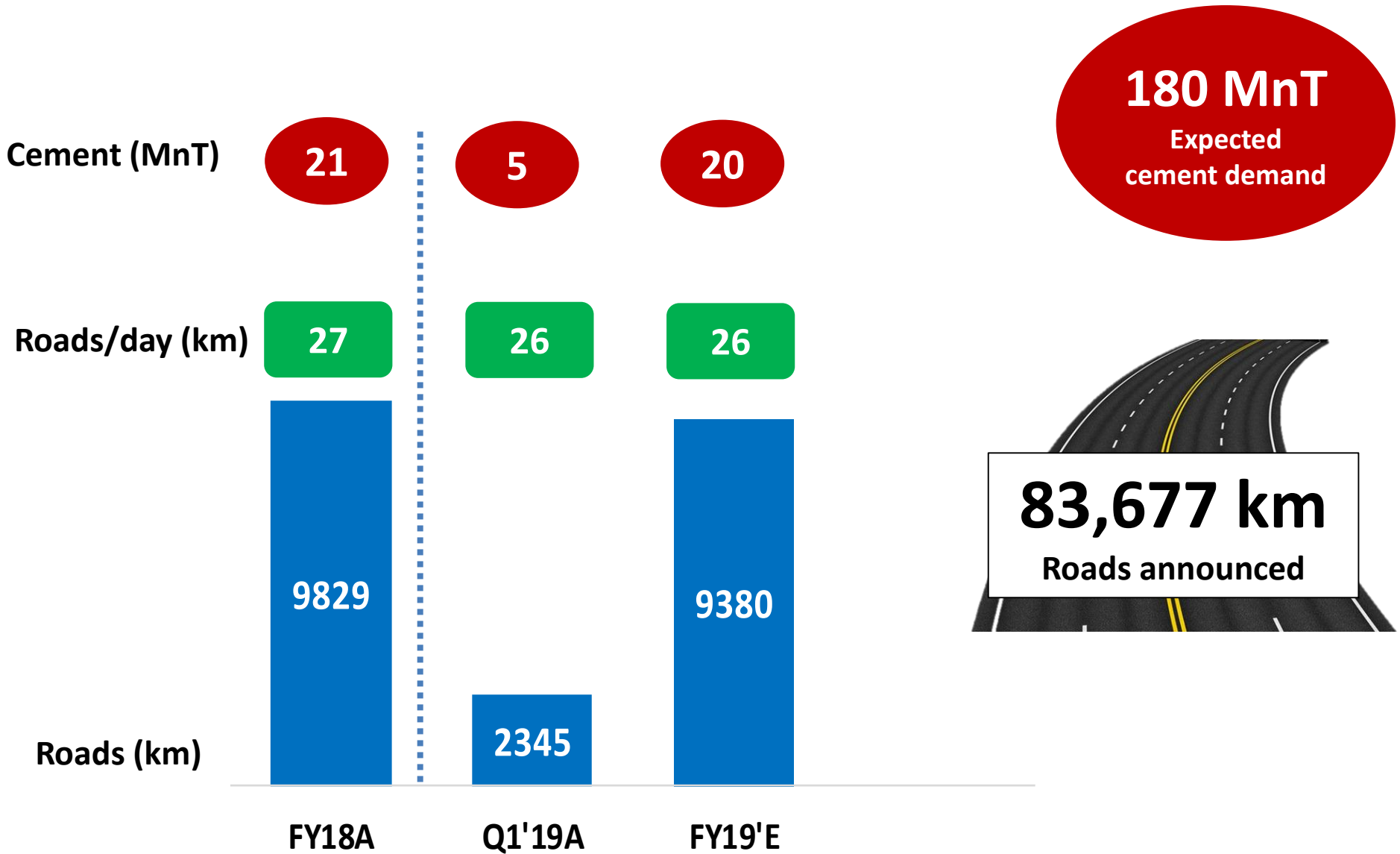


60 Mn
Houses announced


Source:- Ministry of Rural Development, Ministry of Housing and Urban Affairs

* Annualized ^ YTD October' - 2018

Road construction picking up pace

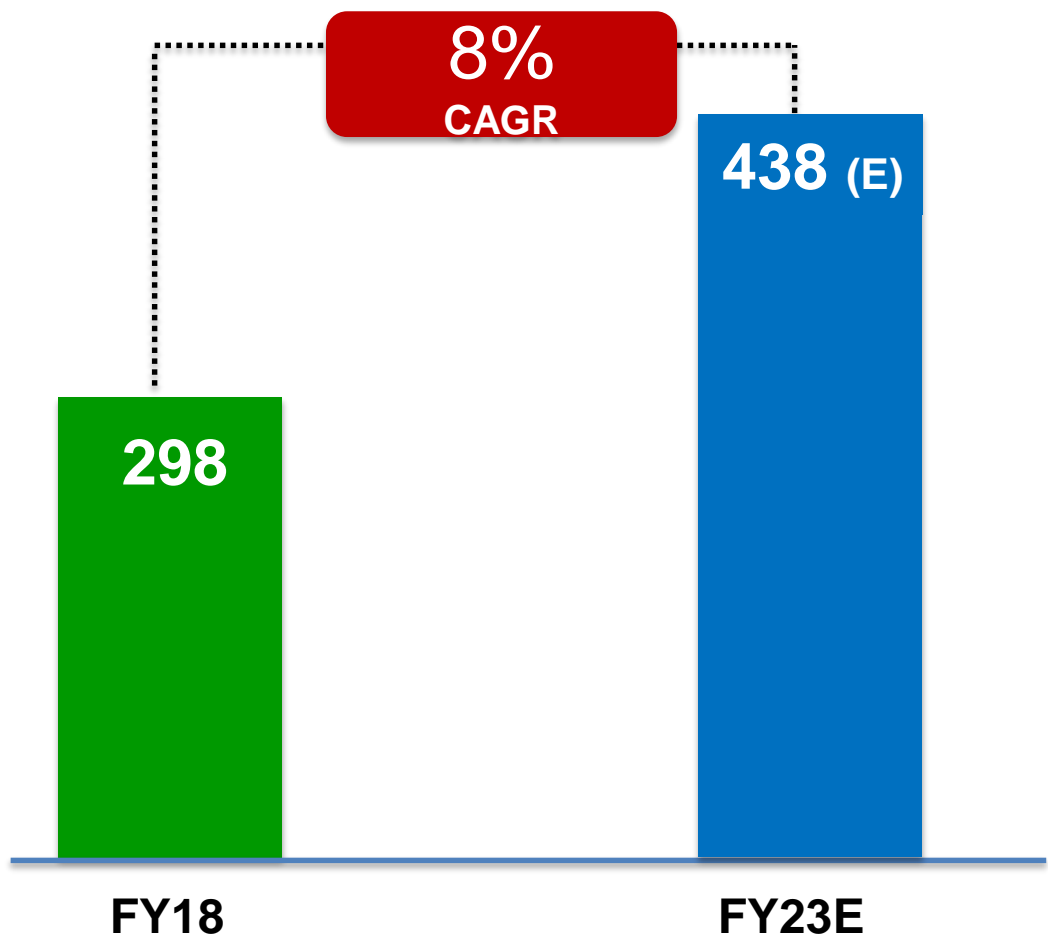


600 MnT opportunity (FY18-23)

Major Projects		Potential Cement Demand (MnT)
	Housing For All	418
	Roads	180
Total		598

Assuming only 20% of announced is executed

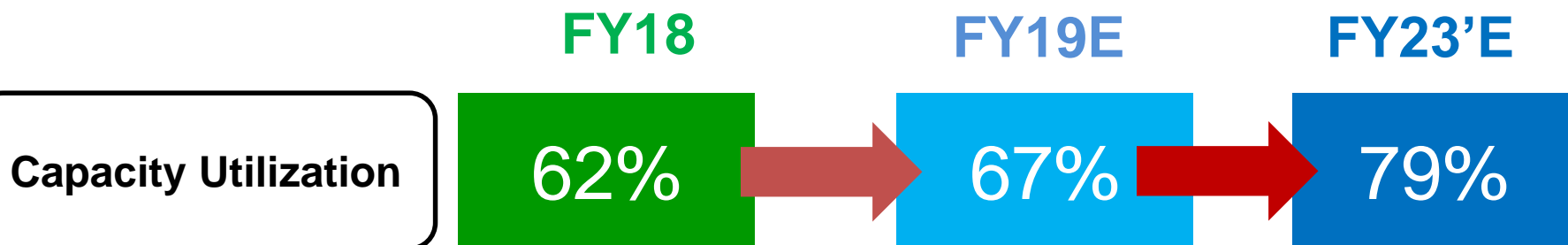
(Fig in MnT)

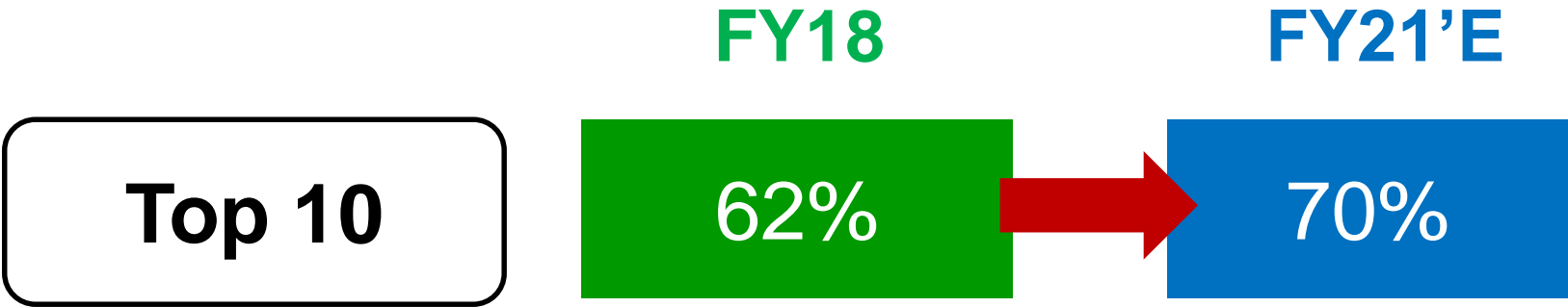
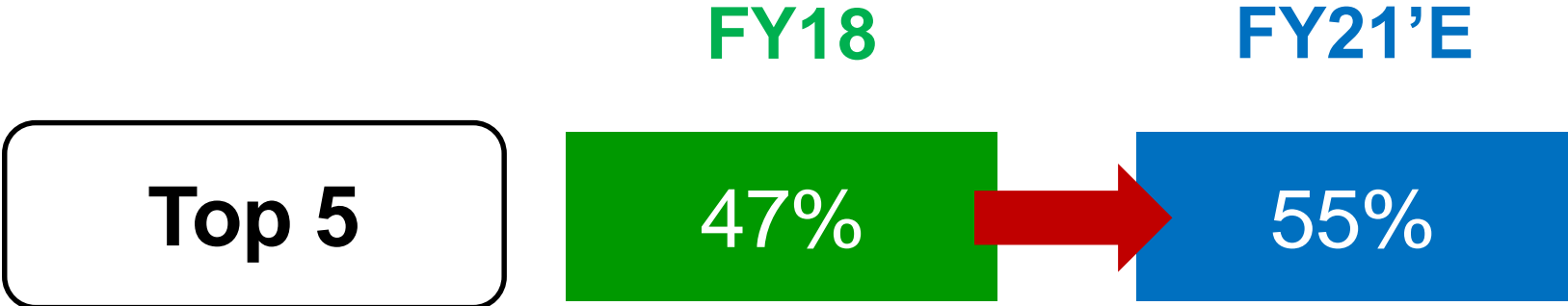


Narrowing Demand Supply Gap

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%





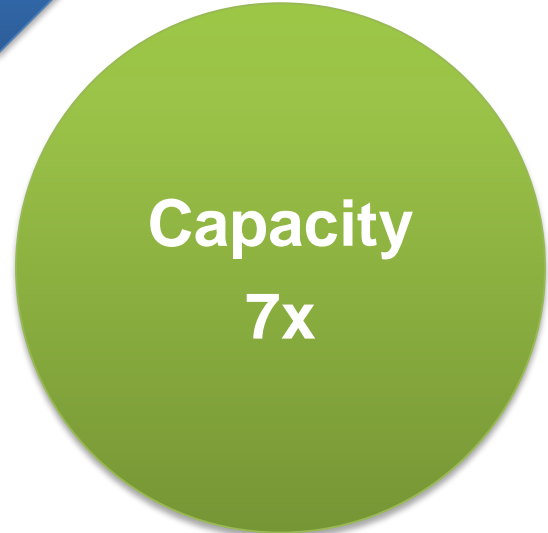
Dalmia : Overview

10 year
CAGR

22%

21%

15%



2008

3.5 MnT

Rs. 1315 cr

Rs. 506 cr

2018

25 MnT

Rs. 8609 cr

Rs. 2042 cr

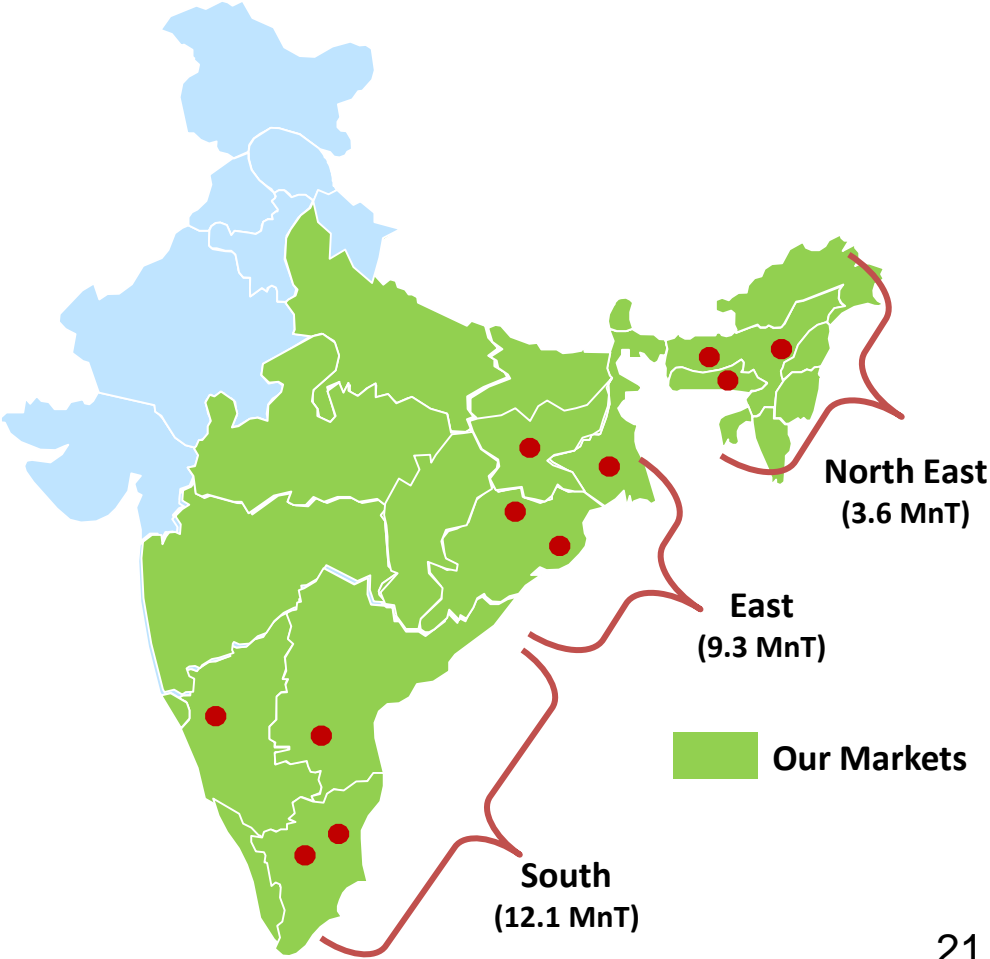
FY'08 : 3.5 MnT

● 1 plant in 1 state



FY'18 : 25 MnT

● 11 plants in 8 states

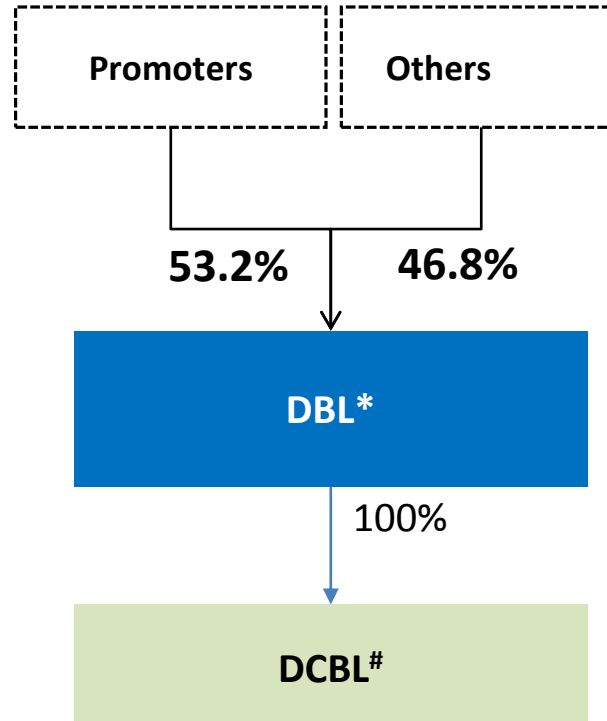


Amalgamation completed

	Pre Merger	Post Merger
Simplification of Corporate Structure	6 subsidiaries	2 subsidiaries
Listed Entities	2	1
Total outstanding shares (No. of shares)	8.9 cr	19.2 cr
Free Float (No. of shares)	3.8 cr (43%)	9.0 cr (47%)

Alignment of all Stakeholders' interests

New Current Structure



 Listed entity

* Record Date for issue of new shares of merged entity to eligible DBL shareholders shall be communicated shortly.

Kalyanpur Cement & Calcom Cement are the remaining subsidiaries.

Amalgamated Balance Sheet

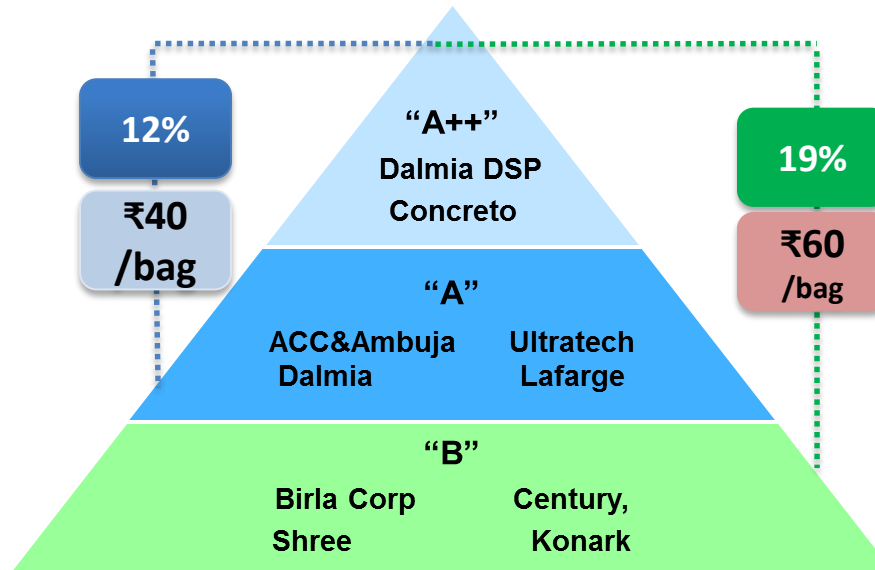
	Particulars (Rs. cr.)	Pro-Forma Pre Merger As at 30 th Sep 2018	Amalgamated Post Merger As at 30 th Sept 2018	Change
Liabilities	Equity Capital	18	39	21
	Reserves & surplus	6,269	10,273	4,004
	Net Worth	6,287	10,311	4,024
	Debt	7,119	7,119	-
	Other Liabilities	1,676	1,676	-
	TOTAL	15,082	19,106	4,024
Assets	Goodwill & Intangibles	784	4,809	4,024
	Other Non Current Assets	10,530	10,530	-
	Cash & Cash Equivalents	3,306	3,306	-
	Net Current Assets	462	462	-
	TOTAL	15,082	19,106	4,024

- Resulting in  free cash flow of ~Rs. 1500 cr.
- To be realized over a period of 6 to 8 years

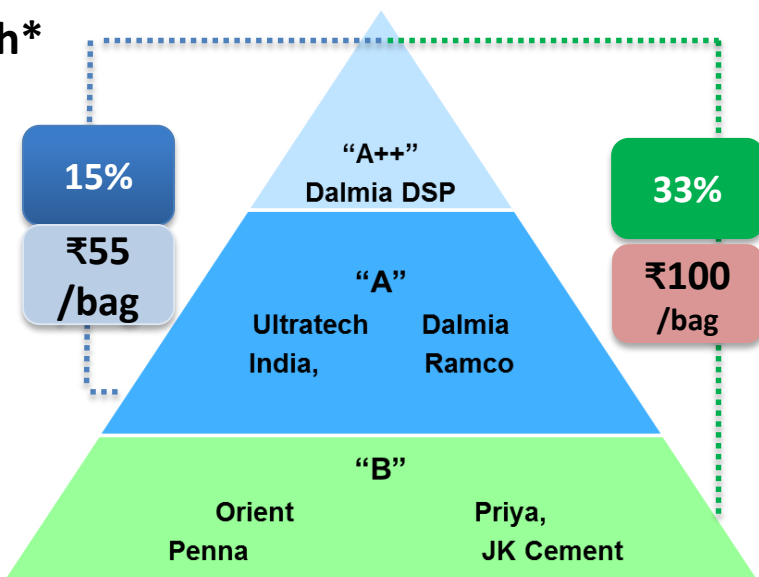
Our Business Model

Strong focus on pricing - Branding matters

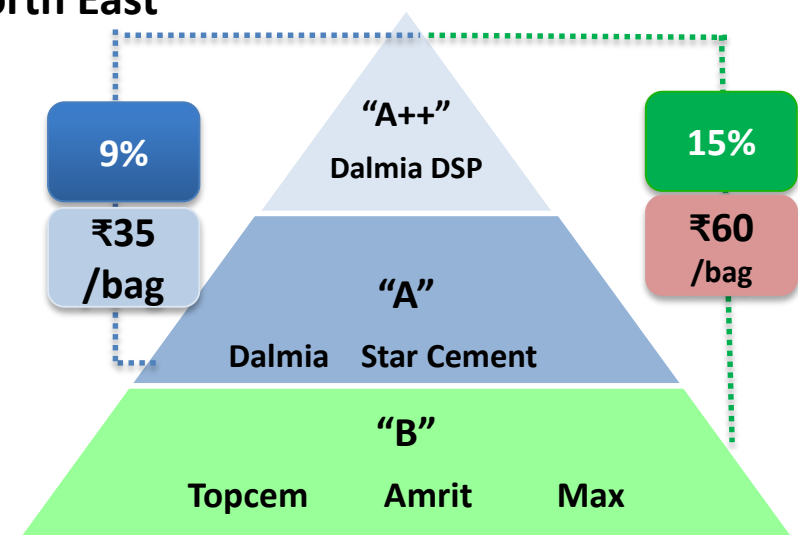
East



South*



North East




*Tamil Nadu market

Focus on super premium brands



Premium over 'A' category - Rs. 25 – 30 per bag

Naked Cement Realization (Rs./T)

Peers	5 Yr Avg.	10 Yr Avg.	FY18	H1FY19
	(FY14-FY18)	(FY09-FY18)		
Peer Average*	2,916	2,886	2,975	3,077
	3,443	3,361	3,572	3,548
Higher than average	18%	16%	20%	15%

* Top 4 peers excluding Dalmia



Multi fuel kilns and boilers



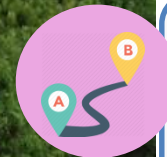
Power consumption **<70 Kwh/t**



Blended cement ~ **80%**



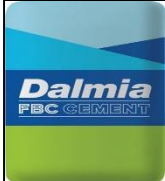


Attained **water neutrality** of **2.5x**



Lead distance **<300 kms**



Competitive interest cost at **8%**

	Q1 FY18	Q1 FY19	Q2 FY19	Future
 <p>Composite Cement[^] (% of total volume)</p>	Nil	8%	12%	20%
 <p>Alternate fuel (as % of fuel mix)</p>	3%	4%	5.5%	10%
 <p>Green Power[*] (% of total captive power)</p>	4%	9%	9%	22%


Acts as a mitigating measure to tackle rising Slag and Pet Coke prices.

[^] comprises of both slag and fly-ash

^{*} Comprises of Solar Power & Waste Heat Recovery System

Resultant Performance

EBITDA (Rs./T)

EBITDA(Rs./ Ton)	5 Yr Avg.	10 Yr Avg.	FY18	H1FY19
	(FY14-FY18)	(FY09-FY18)		
Peer Average*	856	907	905	820
 Dalmia Bharat Limited	1,134	1,076	1,201	1,021
Higher than average	33%	19%	33%	24%

Active Board
+
Professionally Managed

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 – IFCI & retired consultant to World Bank



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 & Electronic Engineering from Columbia University.

Puneet Dalmia : Managing Director

- Has 14 years of experience in cement industry.
- Gold-Medalist, M.B.A from IIM-Bangalore and B. Tech from Indian Institute of Technology- Delhi.

Mahendra Singhi (Group CEO, Cement)

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

Jayesh Doshi (Whole Time Director and Group CFO)

- Has over 33 years of corporate experience in Capital Allocation, M&A & Treasury Management.
- Chartered Accountant and a Law graduate from Bombay University.

Ujjwal Batria (Group COO)

- Has overall 33 years of experience in companies like Lafarge, Nuvoco, Tata Steel etc.
- Holds a B.Tech degree from BIT Mesra.

Roadmap for next 3 years

Current : 26 MnT

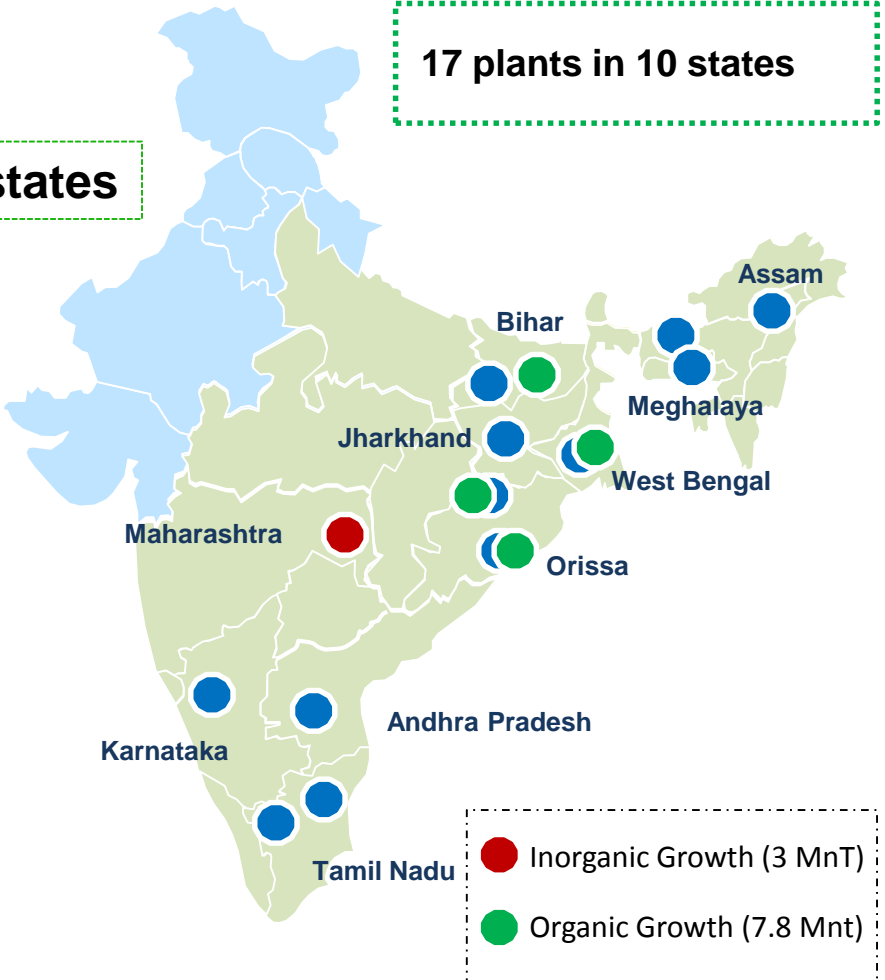
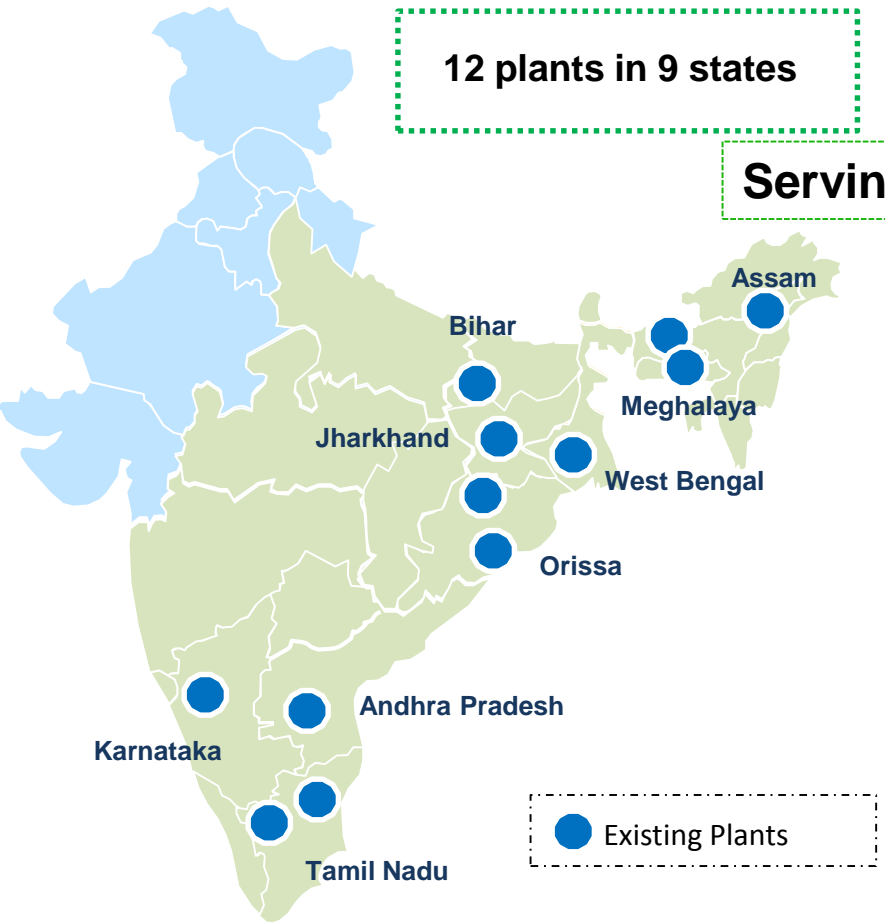


FY21E : 37 MnT

12 plants in 9 states

17 plants in 10 states

Serving 22 states



All India Capacity Share - 5%

All India Capacity Share - 7%

Estimated Market Share



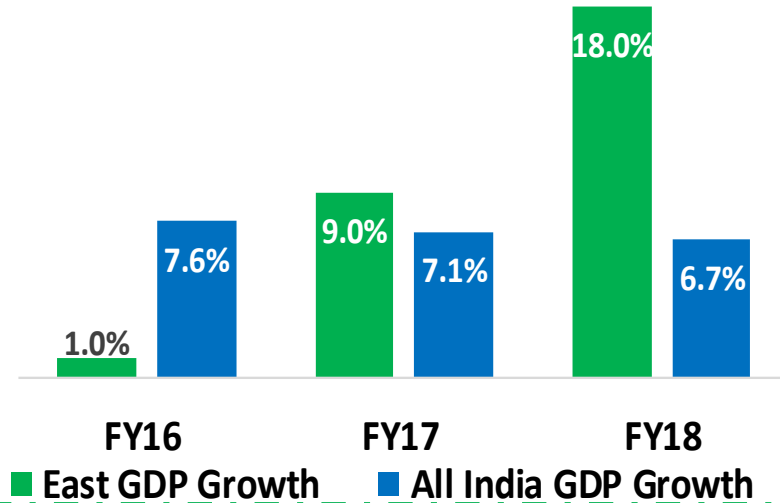
Region	Capacity (MnT)	Capacity Share (%)	Rank
South*	12.1	7	5
	15.1	9	4
East	9.3	12	3
	18.2	20	1
North East	3.6	26	1
	4.0	28	1

FY18 FY21

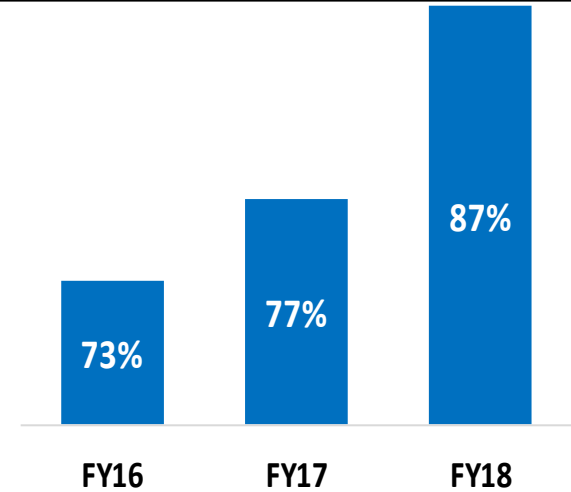
*Including Maharashtra

Rationale for new capacity addition in East

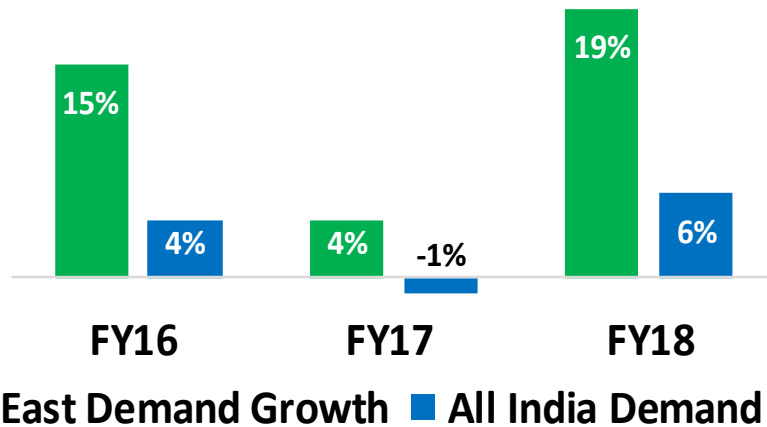
East GDP Growth rate surpasses the All India GDP Growth rate



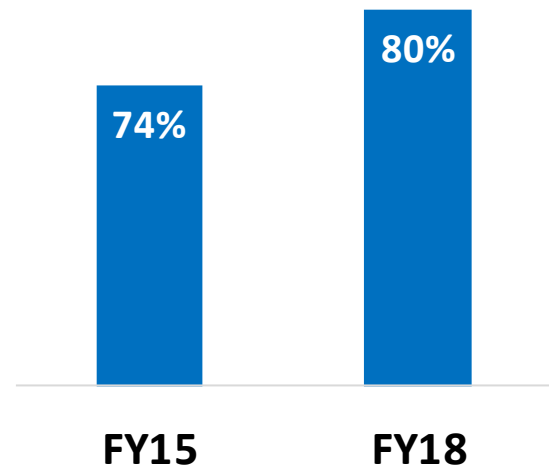
Dalmia's Capacity Utilization peaking in East



East Cement demand growth surpasses All India Demand growth.



Consolidation leading to increased Market Share of Top 5 players in East



Per capita Cement Consumption in East 209 kg vs All India average 239 kg.

Partnering in Key
Macro Economic
Reforms

Leading to

Industry
Consolidation

Kalyanpur Cement, Bihar

Capacity: 1.1 MnT Integrated Unit

- Production commenced for Kalyanpur.
- Achieved in record time frame of 5 months.
- Reinstated all essential requisites
- Achieved guaranteed clinker production.



**Additional
Clinker capacity**



Lead Distance



Market Share

Murli Industries Limited, Maharashtra

Capacity: 3 MnT Integrated Unit, 50 MW CPP

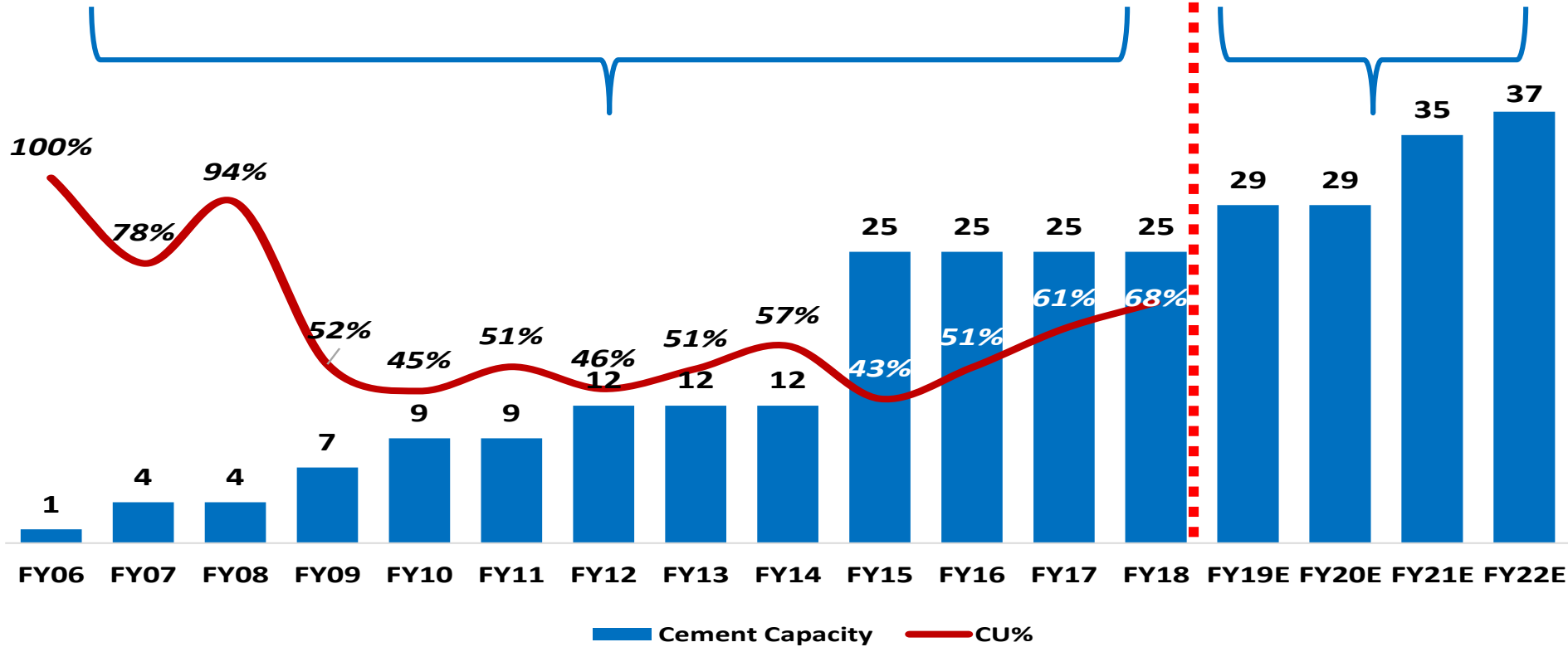
Provides us deeper footprint in Maharashtra market.

The High Court has passed a favourable order and the matter needs to be heard & cleared at the NCLT.

Prudent Capital deployment at \$75/T

Diversification and Capacity expansion at \$82/T

Capacity addition in Future at \$61/T



	FY15	FY18	Q2FY19
Gross Debt (Rs. Cr.)	8,487	7,275	7,119
Net Debt (Rs. Cr.)	6,376	3,513	3,813
EBITDA (Rs. Cr.)	934	2,042	1,958*
Net Debt / EBITDA	6.8x	1.7x	1.9x
Cost of Debt	10%	8.1%	8.3%

*Trailing 4 quarters

Inclusive Growth

(Focus on sustainable business practices)

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

This serves as a proxy for business readiness for implementation of Paris Agreement

Source: CDP Cement Report 2018

First cement company and 3rd Indian Company to join

RE100.
Google



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

Dalmia Bharat aims big on climate action

Carbon Negative by 2040



*data as on FY18

[^]CO₂ emission- Kg/ton of cement

*Partnering in India's
Growth Model*







Thank You