

File No: 1010/02

October 26, 2023

BSE Limited
P J Towers, Dalal Street,
Fort Mumbai - 400001
Scrip Code: 542216

National Stock Exchange of India Limited
“Exchange Plaza”, Plot No. C-1, Block G
Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051
Symbol: DALBHARAT

Subject: Investor Presentation – October 2023

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Please find enclosed herewith Investor Presentation – October 2023, which is proposed to be shared with Analysts / Investors.

We request you to take the same on record.

Thanking you,

Yours faithfully,
For Dalmia Bharat Limited

Rajeev Kumar
Company Secretary

Dalmia Bharat Limited

11th & 12th Floors, Hansalaya Building, 15, Barakhamba Road, New Delhi-110 001, India
t 91 11 23465100 f 91 11 2331 3303 w www.dalmiabharat.com CIN : L14200TN2013PLC112346
Registered Office: Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu- 621 651, India
A **Dalmia Bharat Group** company, www.dalmiabharat.com



INVESTOR PRESENTATION

October 2023

A close-up, slightly blurred photograph of a hand holding a silver fountain pen, poised to sign a document. The document has several lines for signatures, with the text "Financial Controller (for Capex items) (with my signature)" visible. The overall tone is professional and formal.

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 rearranged as per the current grouping, wherever necessary.

Data is for FY23 unless otherwise stated

SECTION		PAGE NO.
01.	Dalmia Bharat at a Glance	4
02.	Industry Outlook	12
03.	Company Overview	21
04.	Shareholder Value and Capital Allocation	40
05.	ESG	49
06.	Appendix	72

TABLE OF CONTENTS



SECTION

01

DALMIA BHARAT AT A GLANCE

Dalmia Bharat Group Overview

Founded in 1939 by Late Shri Jaidayal Dalmia, Dalmia Bharat Group is one of the Fastest Growing and Most Profitable Groups in India



- Fourth-largest cement manufacturing company in India
- Capacity[^]: 43.7 MnT
- Revenue: Rs 13,540 Cr



- One of the fastest growing cane-based multi-product companies
- Operational Capacity[^]: 37,150 TCD
- Revenue: Rs 3,328 Cr



- India's first Omni-channel Construction solution Offering
- 50,000 SQ ft Retail Store
- 50,000+ Products on catalogue



DALMIA BHARAT LIMITED

- 4th Largest Cement Player in the Fastest Growing Economy in the World



Our Vision

To unleash the potential
of everyone we touch



Our Mission

To be in the top two in all our businesses
on the strength of our people and the
speed of our innovation



Our Values

- Integrity
- Humility
- Trust & Respect
- Commitment

People. Planet. Performance

At Dalmia Bharat, we believe that the interplay of our commitment to people, planet and profit makes us profitable for the moment and sustainable for the future.

Dalmia Bharat by the Numbers

Fundamentals

43.7 MnT*

Cement Capacity



25.7 MnT

Sales Volume



22.2 MnT

Clinker Capacity



382 MW*

Captive Power Capacity



15*

Plants



22

States Served



41,000

Channel Partners



5,747

Employees



Financials

₹13,540 Cr

Net Sales



₹ 5,259

NSR / Ton



₹ 2,316 Cr

EBITDA



₹ 900

EBITDA / Ton



17.1%

EBITDA Margin



₹45,089 Cr *

Market Cap



₹1,079 Cr

Profit After Tax

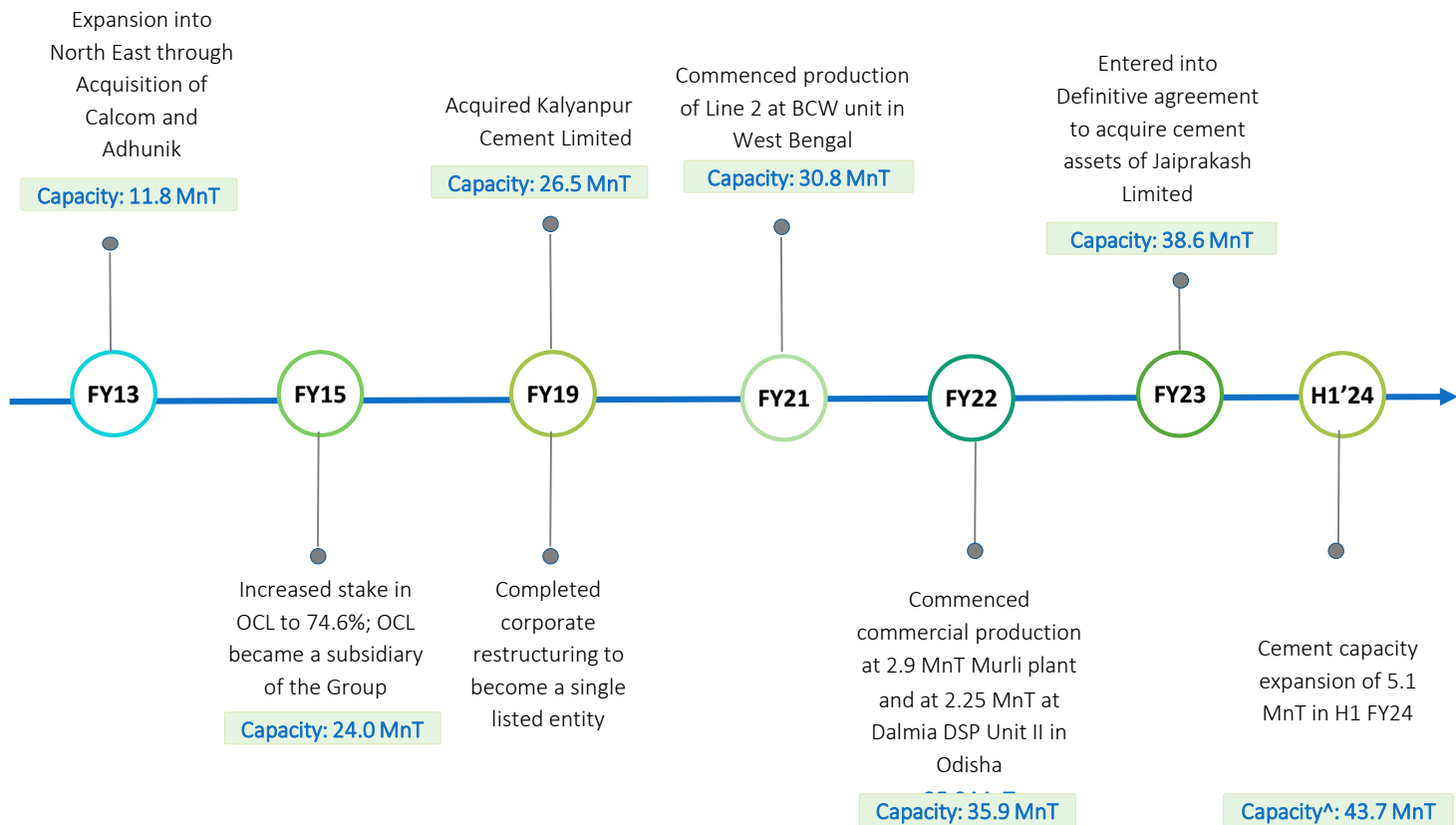


8.0%

PAT Margin



Key Milestones Over The Past Decade



Past Decade

The company has consistently made substantial investments to increase their production capabilities and broaden their presence **across various regions**

Today

Enjoys **leading market position** in highly attractive **East, North-East and South region.**

The company's unwavering attention towards developing **their scale, strengthening their brand, utilizing digital technology, and prioritizing sustainability** has positioned them favorably to take advantage of future growth opportunities

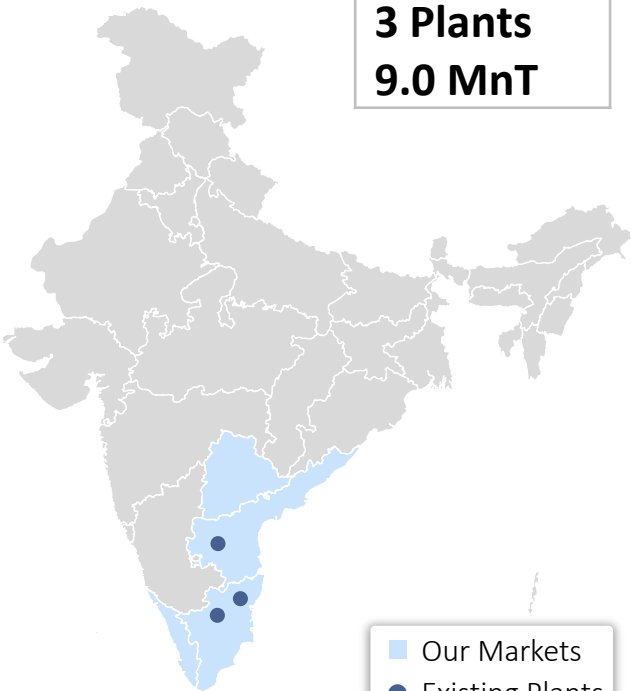
[^]Cement capacity as on date

Geographic Expansion

FY12

3 Plants

9.0 MnT

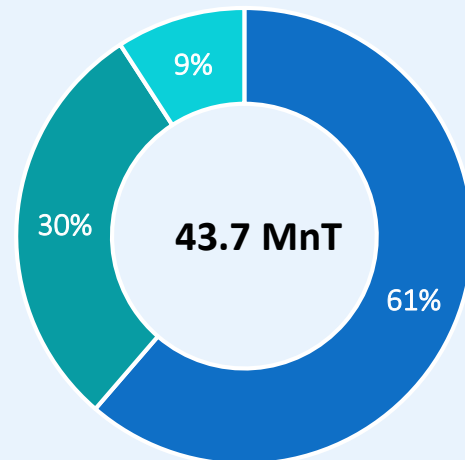
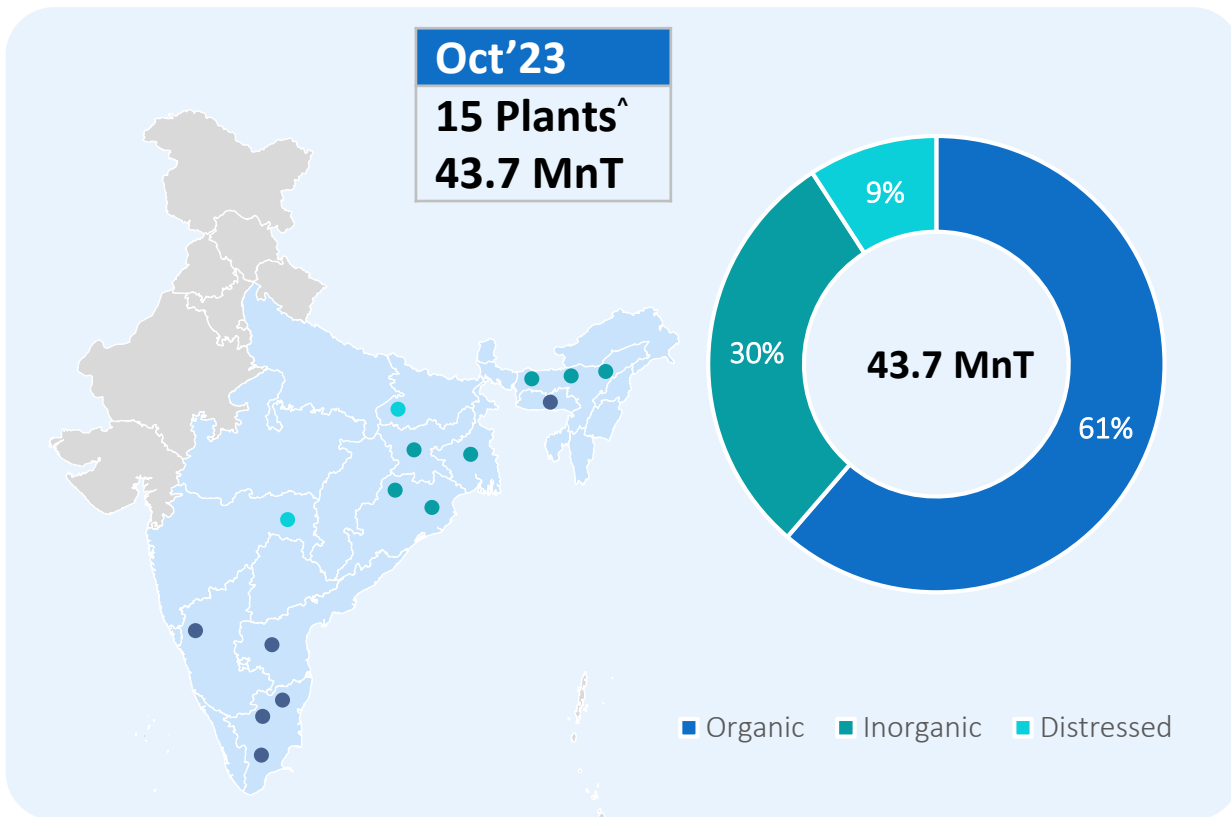


■ Our Markets
● Existing Plants

Oct'23

15 Plants[^]

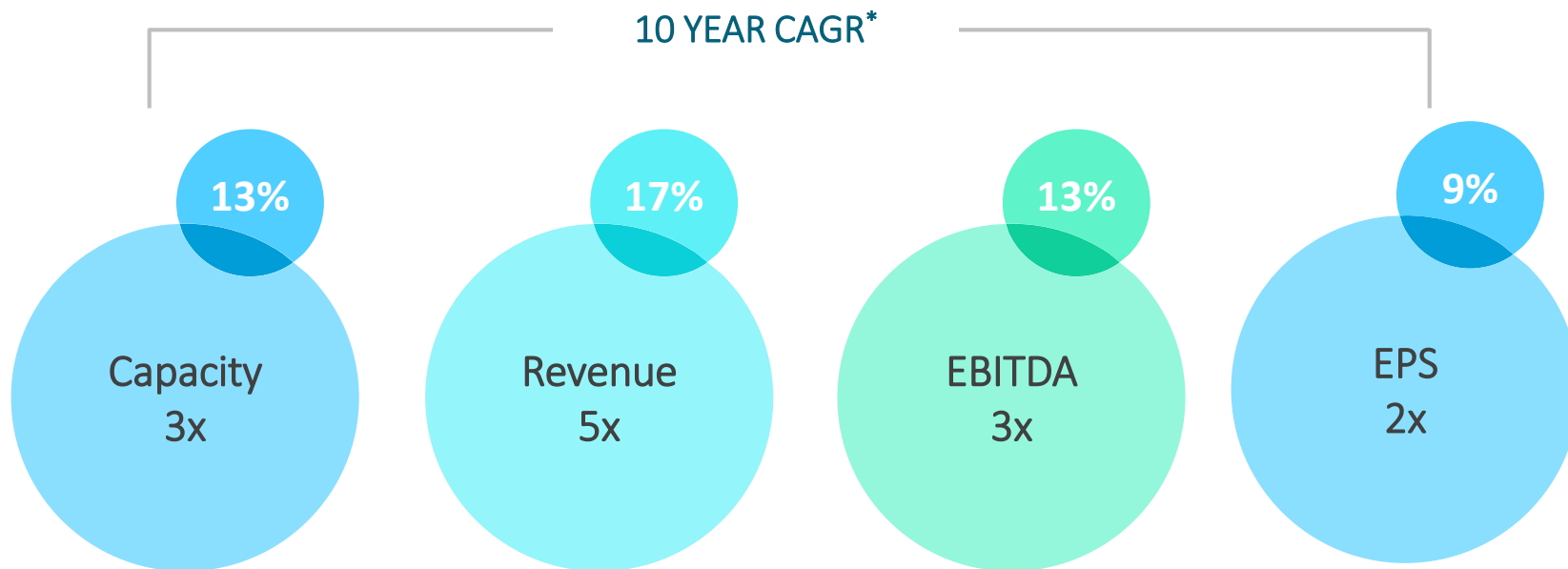
43.7 MnT



■ Organic ■ Inorganic ■ Distressed

[^]excluding Jaypee Cement Assets which are under acquisition

Growth Snapshot



Aggressive Yet Sustainable Growth Enabled Us to Emerge as the 4th Largest Cement Player In India



SECTION

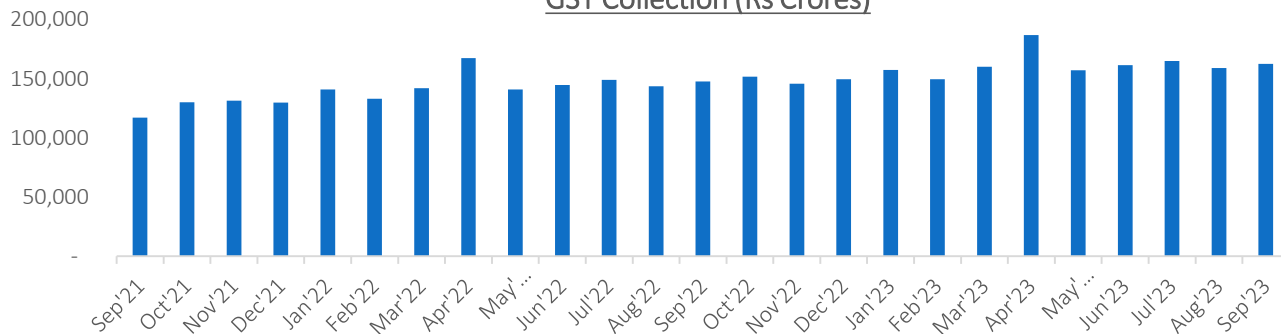
02

INDUSTRY OUTLOOK

Strong Revival In Indian Economy

India's underlying economic fundamentals are robust

GST Collection (Rs Crores)



Average monthly gross GST collection in FY 2023-24 at Rs. 1.65 lakh crore with 11% Y-o-Y growth

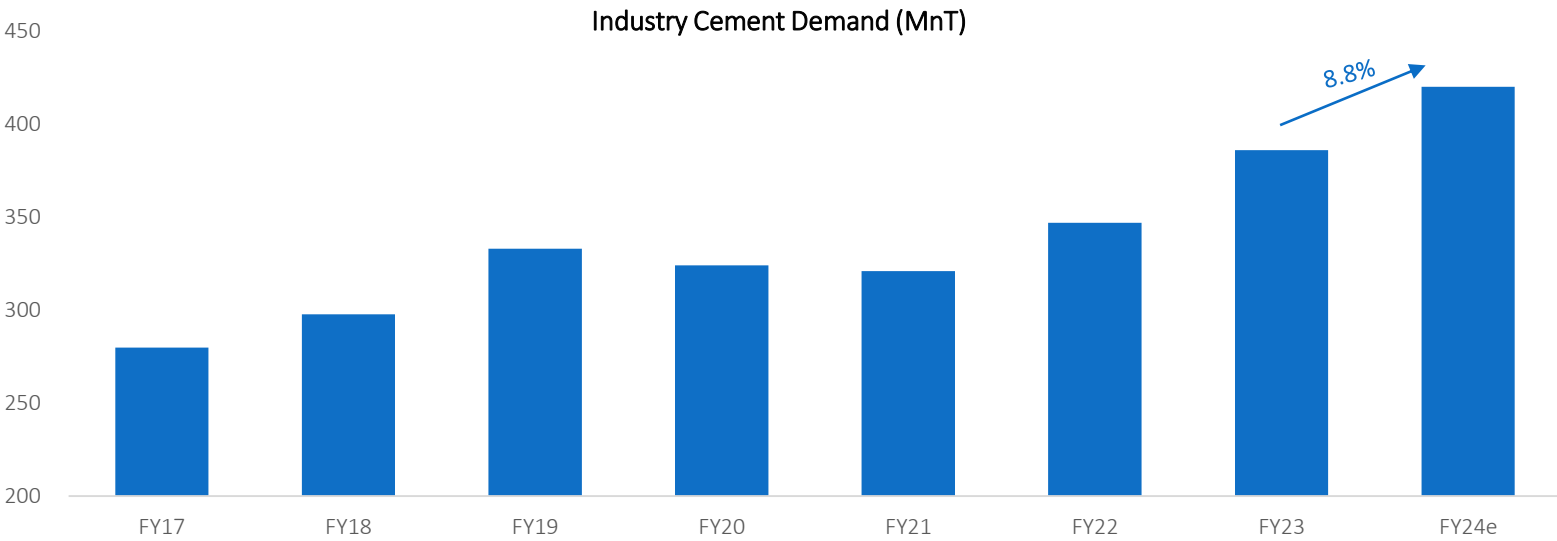
S&P Global India Manufacturing PMI



The Manufacturing PMI Index consistently remained above 57 mark since last 6 months

Cement Demand Growing Strongly with Revival of Economy

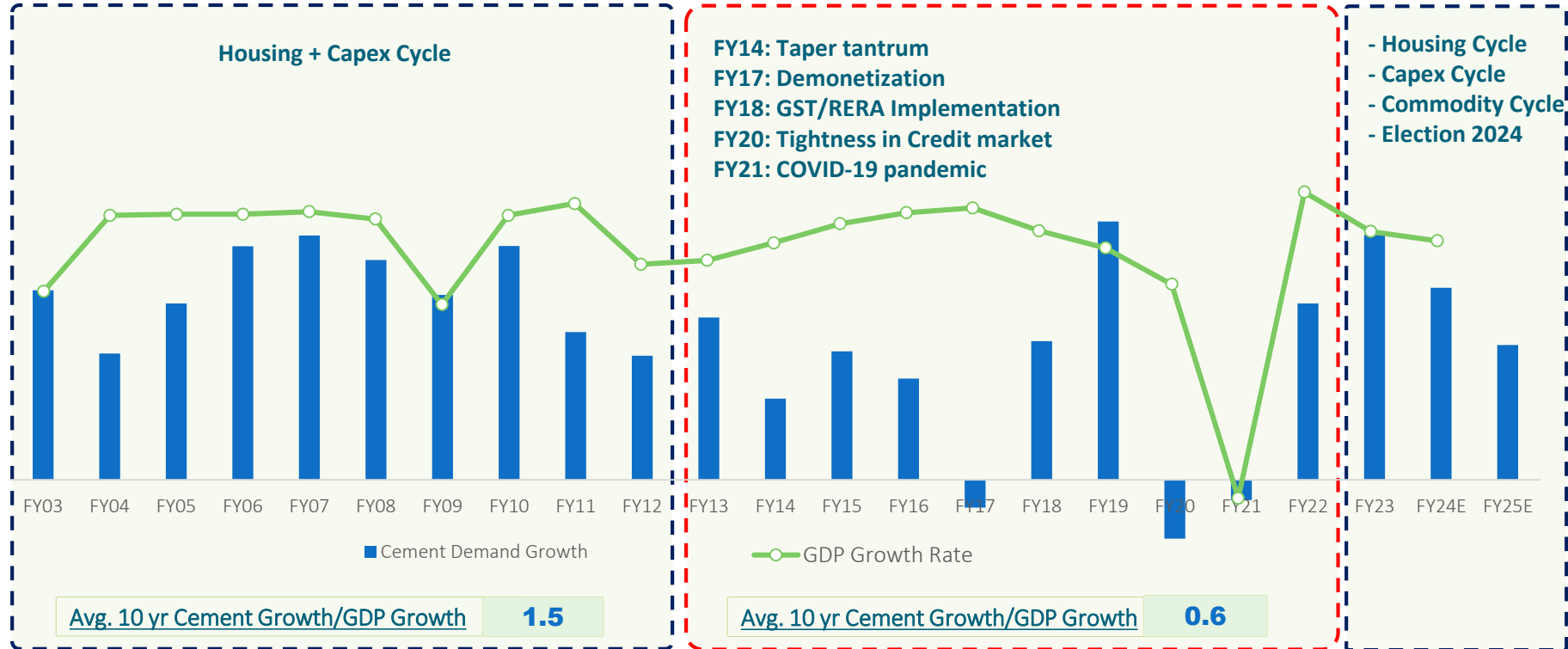
Overall Cement Demand is believed to have grown by 8.8% to 420 MnT in FY24



The demand trajectory is currently favorable, and we anticipate it to remain consistent in the short to medium term

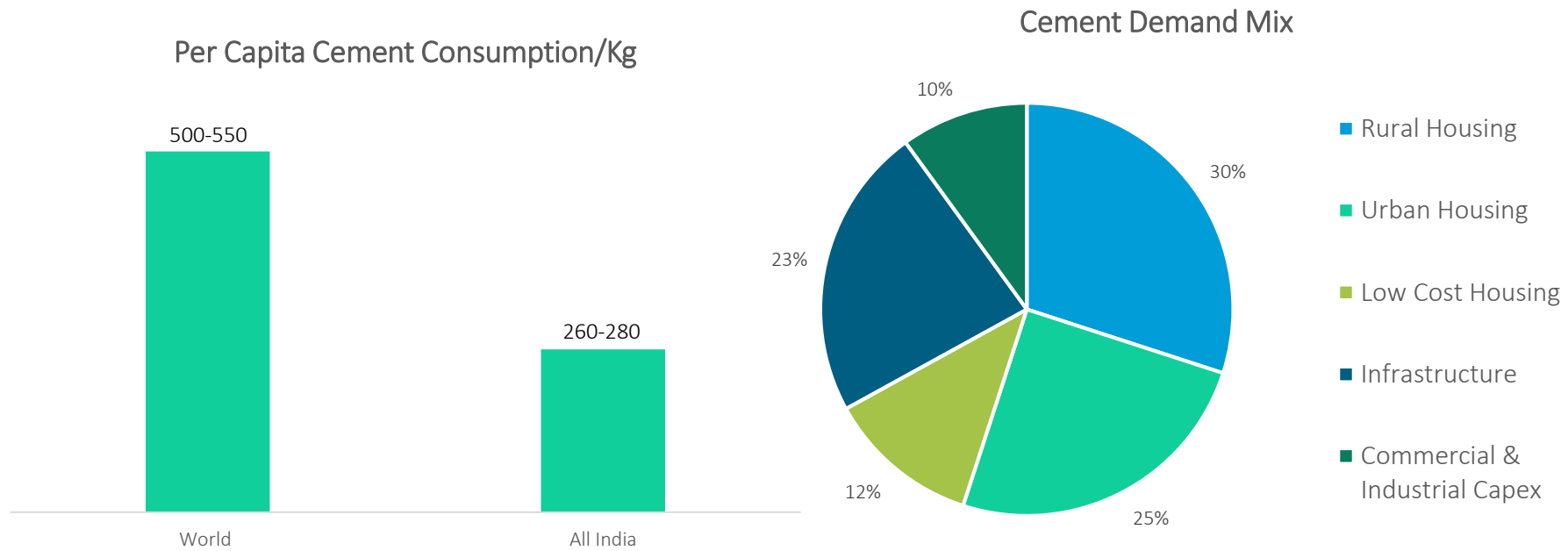
Cement Demand Growth To Be Robust

After a slowdown in last decade, Cement Demand is reviving driven by a fresh Housing Cycle, Capex Cycle and Commodity Cycle



Cement Demand Growth To Be Robust

Low per capita cement consumption presents healthy cement demand growth opportunity largely supported by housing and infrastructure sectors



Key Demand Drivers

Rural Housing & Affordable Housing

- Government's continued push on affordable housing, reflected in rising spending to provide subsidized loans to economically weaker segments of the population will support growth in cement demand
- 66% increased allocation for PMAY at ~Rs 78,000 Cr in Union Budget 2023-24:
 - ~4.2 million houses (35% of total target) to be completed under PMAY Urban in the final stretch
 - ~4.9 million houses (17% of total target) to be completed under PMAY – Rural by Dec'23

Urban Housing

- With a brief pause in interest rate hike in the recent two monetary policy committee meetings of (RBI), real estate developers remain optimistic regarding housing demand
- Residential demand in Top 8 cities rose up significantly to 82,612 units in Q2 FY24, 12% higher on YoY basis

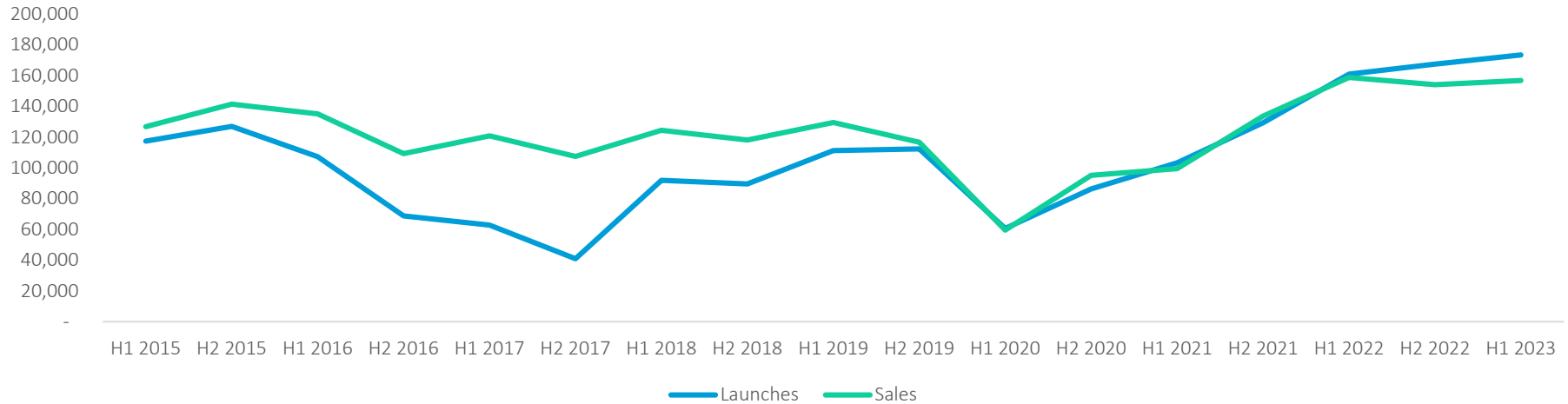
Infrastructure: Roads, Airports & Railways

- MoRTH plans to construct 12,500 Km of highways in 2023-24 (~20% higher than 2021-22)
- Targeted capital outlay of Rs 98,000 Cr by 2025 for construction of Greenfield Airports and new terminals, expansion and modernization of existing terminals and strengthening of runways.
- The Government of India has planned to develop 100 airports by 2024 under the Regional Connectivity scheme (RCS) UDAN infrastructure scheme.
- Ministries of Railways and Roads accounts for ~50% of the total capital expenditure budget in 2023-24

Recovery in Real Estate Market

The Residential sector has recorded a 9-year high sales launches in H1 2023

Residential Unit Sales and Launches in Top 8 Cities in India

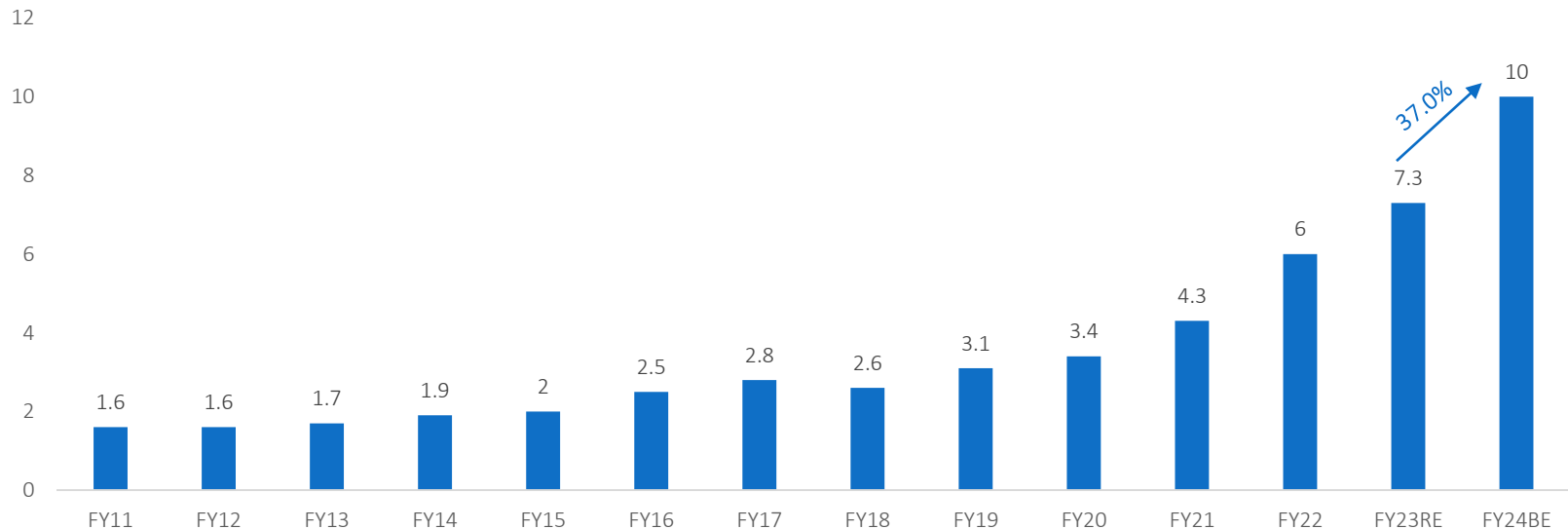


- ✓ Housing launches rose 8% YoY in H1 2023 across eight major cities, reaching a total of 1,73,364 units, which is the highest number of half-yearly launches in the last 9 years. This surge reflects a higher supply to cater to future demand
- ✓ Sales and launches have both remained above 1.5 lakhs in the last 3 halves of the year, showing a strong real estate demand in top-tier cities

Capex Push of Government to Drive Demand

Union budget FY24's Capex push as well as continued focus on infrastructure development will boost cement demand

Capex by Center (Rs Trillion)

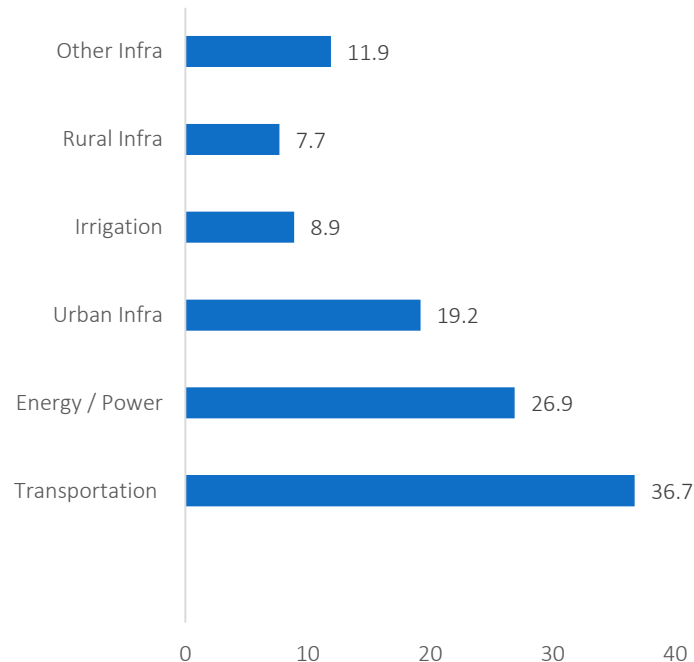


Capex expenditure expected to increase at a CAGR of 18% from FY14 to FY24 under the current government

National Infrastructure Pipeline (NIP)

- ➡ NIP Envisages Rs 111 lakh crore investment over FY20-FY25 period which would require doubling the pace of infrastructure investment
- ➡ Major Part of NIP is towards transportation, energy/power and urban infrastructure which will see healthy traction of new project awards
- ➡ Bharatmala execution is likely to get completed by FY26 provides a huge demand for the cement sector in the medium term
- ➡ Investment of Rs 98,000 cr across various major airports in India
- ➡ Capital Allocation under National Rail Plan is ~Rs 9.4 lakh cr; 67% of which accounts for track and terminal infrastructure which will generate significant cement demand

Breakup of Infra Investment planned Under NIP
(Rs lakh crore)





SECTION

03

COMPANY OVERVIEW

Company Overview

Pioneer in the Area of
Sustainability

01



02



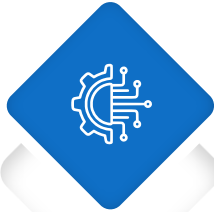
Diverse Product Portfolio with
Strong Brand Recognition

Integrated Model with State-of-
the-Art Production Facilities and
Supply Chain

03



04



Ability to Add Capacity at Lowest
Cost

Lowest Cost Producer with Proven
Track Record of Financial
Performance

05



06



Market Leader in Each of Our
Operating Regions

Multi-tier Governance Structure
Overseen by Diverse Board

07



01 Pioneer in the Area of Sustainability

Dalmia has one of the lowest net carbon footprint in Global cement industry - **456 CO₂ emission-Kg/ton** in Q2FY24

First cement group to commit to become **carbon negative by 2040**

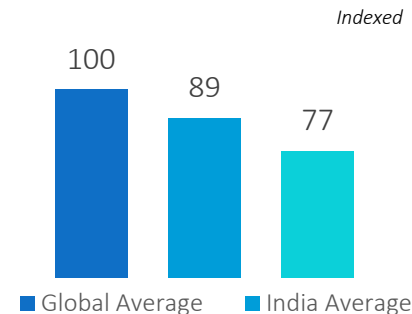
One of the Largest producer of slag cement in India with **88% blending ratio in Q2FY24**

Pioneered usage of alternative fuel use in cement kilns

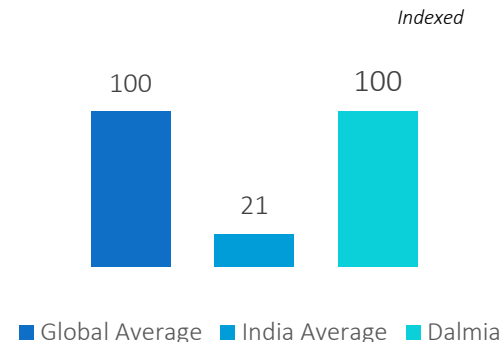
Commenced Electrical Vehicles Transition by joining EV100 and becomes first triple joiner globally of RE100, EP100, and EV100

14x water-positivity

Clinker Factor



Green Fuel



Source : GNR data for global (40% capacity) and India average (65% capacity)
 *Global & India Average based on latest published data as per CY 20; DBL data as of Q2FY24
 Green Fuel → Alternate fuel

Floating Solar Power Plant at Rohtas Cement Works, Bihar



01

Globally Recognized for its Focus on Sustainability

DALMIA BELIEF

Clean and Green is
Profitable
& Sustainable



- Member, G20 Resource Efficiency Circular Economy Industry Coalition (RECEIC)



- First global triple Joiner company for RE100, EV100 & EP100



- Founding member - LEADIT and First Movers Coalition (FMC)



- COP-26 and 27 Business Leader

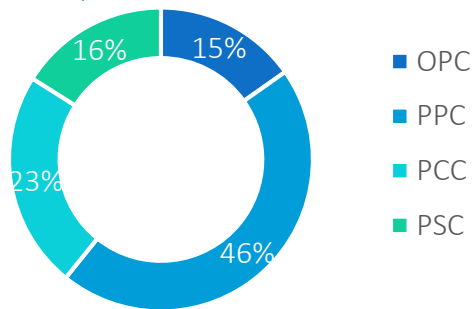


- Member of The Alliance of CEO Climate Leaders, World Economic Forum

02

Diverse Product Portfolio with Strong Brand Recognition

Product mix, FY23



Largest producer of PSC in India

- Manufactured by blending ground clinker with slag and fly ash
- Reduced clinker factor for enhanced sustainability

Category leader in super-specialty cements

- Portfolio includes Railway Sleeper Cement, Oil Well Cement and special cements for air strips and nuclear power plants construction
- Largest producer of Oil Well Cement in India

Consumer Brands



- AA+ Category premium product for high strength concrete applications



- Produced using superior ingredients to provide high strength construction



- Dalmia Supreme help building a Strong & Durable home



- Protects the construction from harsh environmental conditions

Institutional Brands



- Superior ingredients and a Robotic Quality control process



- Consumes 25% less water & requires 15-20% lower cement content to produce concrete

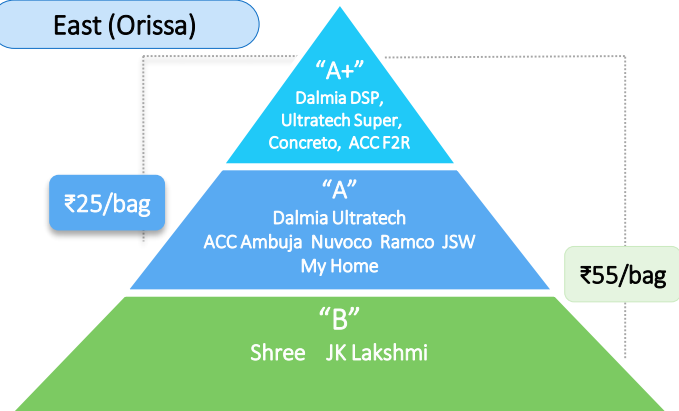


- Premium OPC Cement with lower setting-time that helps in reducing brick-lifting time

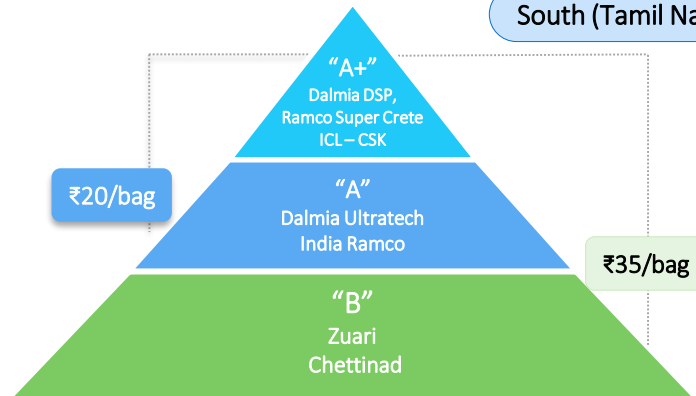
02

Dalmia DSP positions itself in A+/A category across markets

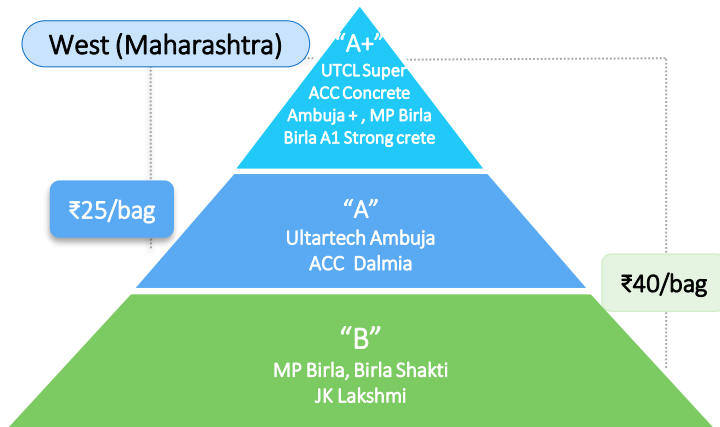
East (Orissa)



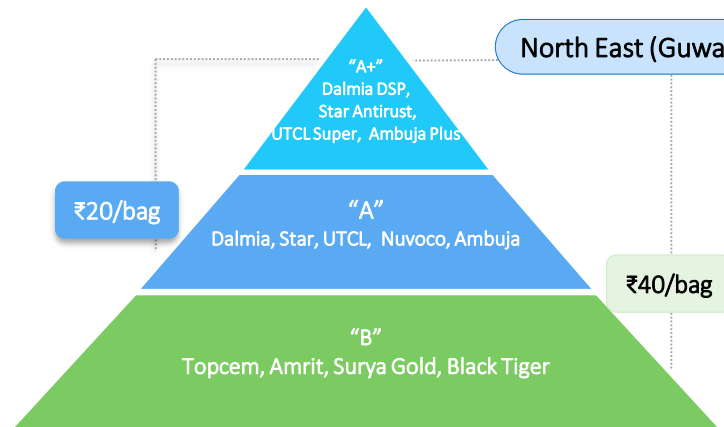
South (Tamil Nadu)



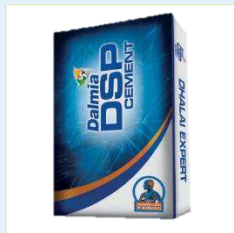
West (Maharashtra)



North East (Guwahati)

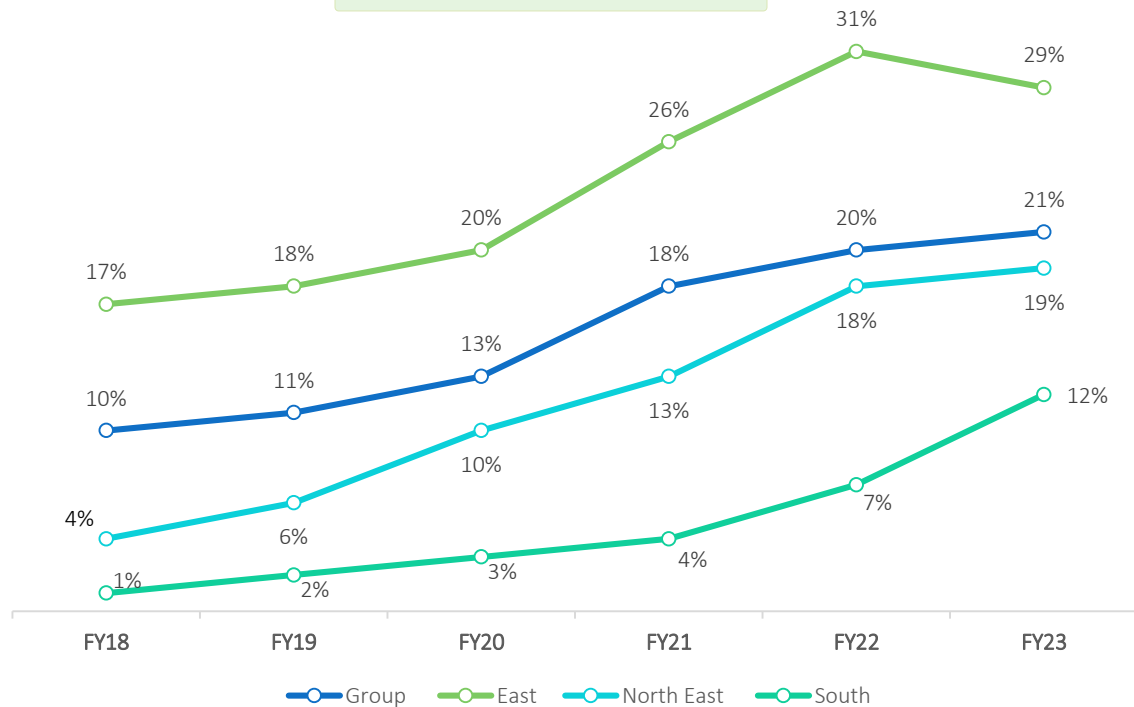


Consistent Increase in Share of Premium Product



- Since its launch, Dalmia DSP has been immensely successful in **East and North East** Region
- DSP contributes **10-15% higher profitability** than other products
- The South region has experienced the most significant growth in terms of premium trade sales, Which **accounts for 12% in FY23**, as compared to 7% in FY22.

DSP % of Trade Sales



Integrated Model with State-of-the-Art Facilities



Raw Material

Limestone

- Each integrated plant has captive mines to extract limestone
- Avg. Life of Mine: 20+ years across majority plants
- Constantly participating in mine auctions

Fly Ash, Slag, Pet coke, Coal

- Strategically located plants providing easy access
- Long-term tie ups with suppliers
- Constantly exploring and participating in coal mine auctions



Power

Power Source

- One of the lowest power consumption per ton of cement in the industry
- Captive Power Capacity at 382 MW including 212 MW Thermal Power capacity

Renewable Power

- 45% of captive power capacity constitute by Renewable energy
- Current WHRS Capacity : 70 MW
- Current Solar Capacity : 100 MW
- RE Capacity FY25 target: 328+ MW



Plants

Location

- Well Balanced Capacity staggered at central locations
- Only Company to have Clinker Unit In Bihar

Technology

- Fungible plants that are equipped with Multi Fuel Kilns & Boilers
- State-of-the-Art machinery with superior compressor along with variable frequency drives, and turbo blowers

03

One of most Efficient and Resilient Supply Chain

New Initiatives launched

Institutionalized spot auction (order based auction) across plants

Deployed dedicated insourced fleet model with higher carrying capacity

Deployment of EV & LNG trucks into our fleet capability to optimise cost & reduce carbon emissions

95% Visibility of Consignment from Source to destination with help of track & trace model (GPS)

Express Delivery Launched in which orders can be placed on In-transit vehicle for faster Delivery

Green Channel-Dealer trucks at Plant with Priority loading

Sucessfully completed 3 years of long term traffic contract with Indian Railways

Supply Chain by Numbers

12,000+

Truck Fleet

400+

Warehouses

2,500+

Daily Truck Movement

15+

Daily Rail/Rakes Movement

15,000+

Destinations Served

~300 Km

Avg. Lead Distance

~95%

Primary Track & Trace

03 Focused on Usage of Smart Technology

Focused on automation and mobility and cloud solutions, strengthening supply chain management

TMS Solution

Dalmia tied up with Blue Yonder to implement TMS solution which provides a comprehensive platform that helps companies manage their transportation operations more efficiently and effectively, resulting in improved performance, cost savings, and customer satisfaction

ASO Services

First company in cement industry that provides gamification tool to ASOs to help our dealers maximize scheme incentives



SAP Ariba

Provide better management of our suppliers, end to end management of procurement cycle and stronger compliance

RPA (Robotic Process Automation)

Automating 10+ processes leading to shorter turnaround time of key customer facing processes and stronger compliance

ANALYTICS: Integrates data from multiple applications through process automation and provide real time insights

Technology Stack



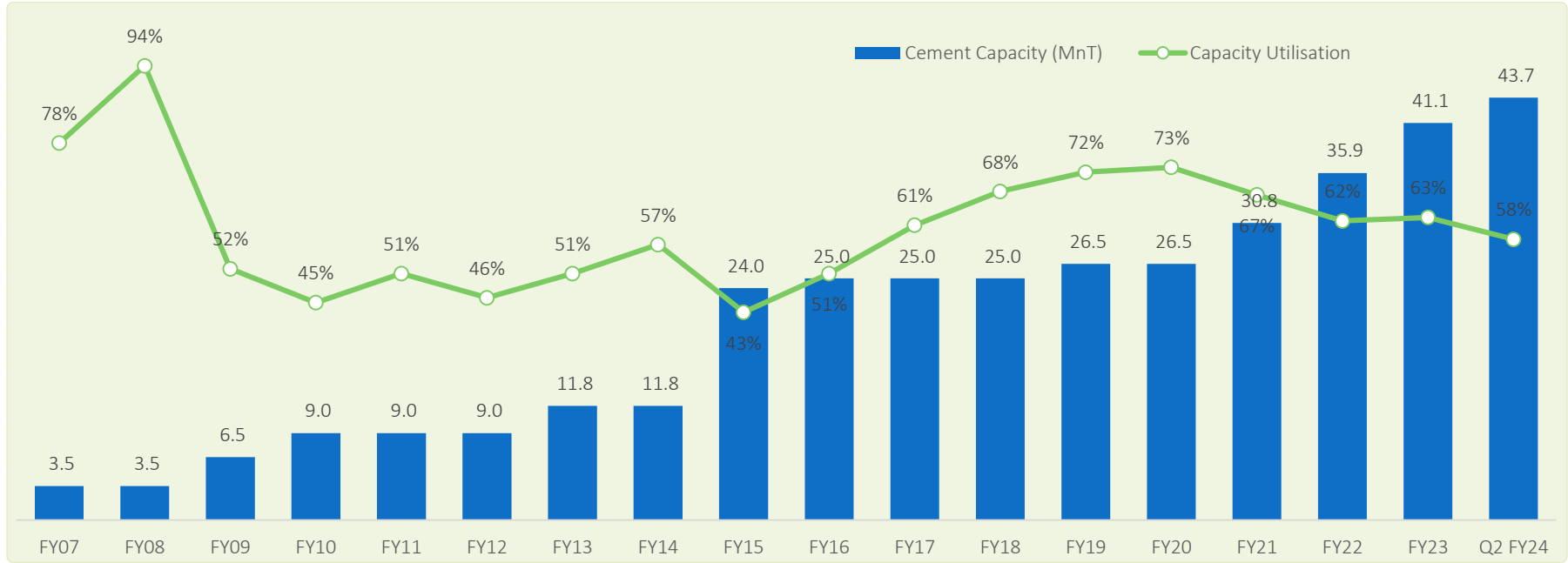
SAP



Data Lake



04 Ability to Add Capacity at Lowest Cost



Cement Capacity

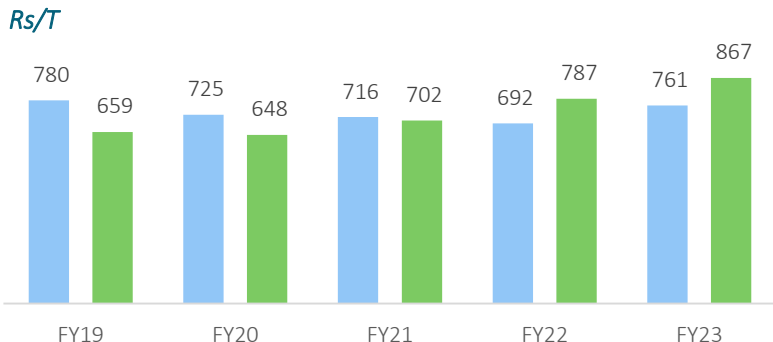
43.7 MnT

Average Cost of Capacity expansion

~\$40/T

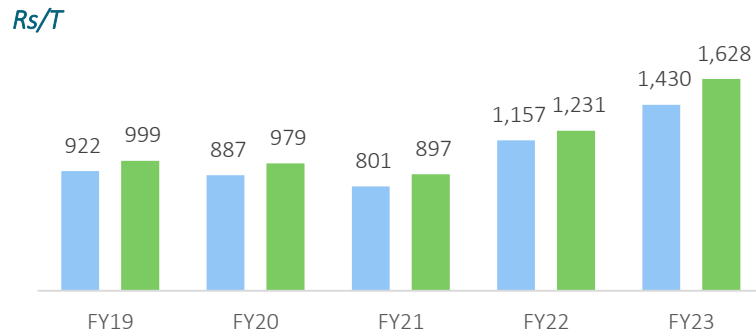
Lowest Total Cost Producer of Cement in India

Raw Material Cost/T

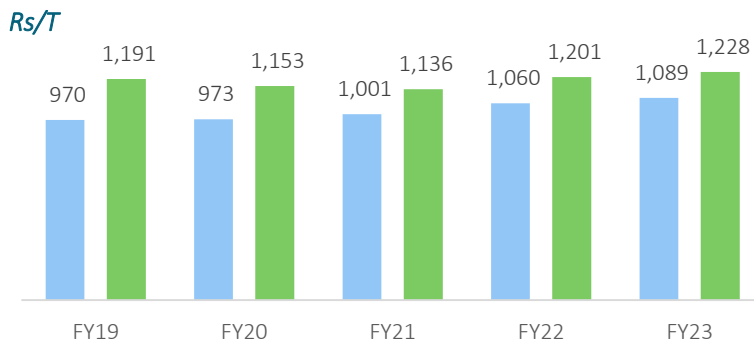


Key drives include long term tie-ups with suppliers, focus on blended cement along with investment in alternative fuel

Power & Fuel Cost/T

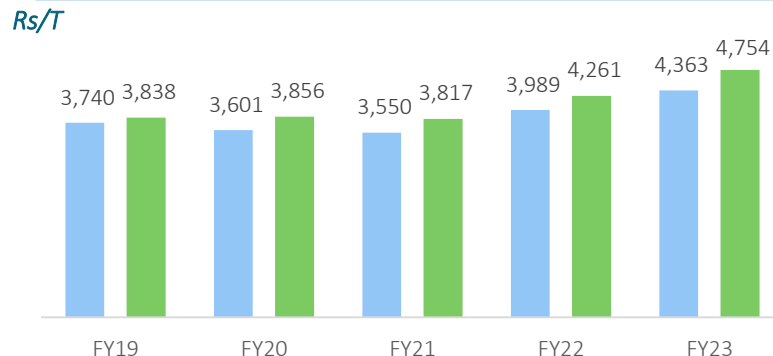


Freight Cost/T



We continue to remain as the lowest cost structure even in the most volatile times

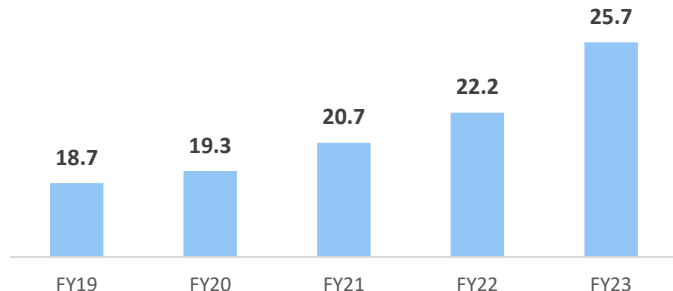
Total Cost/T



Proven Track Record of Financial Performance

Sales Volume (MnT)

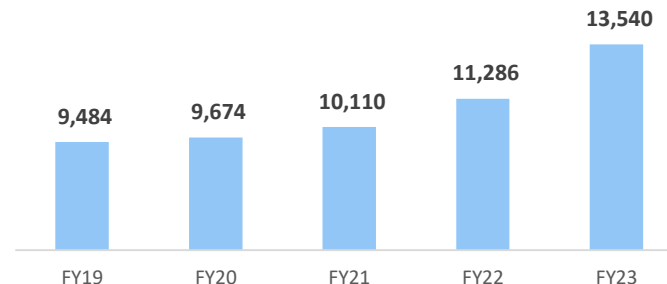
5Y CAGR: 9%



Consistent Capacity additions and share of premium products led volume and revenue growth

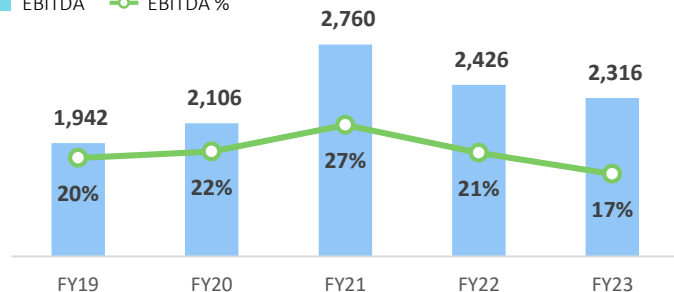
Sales Revenue

5Y CAGR: 10%



EBITDA and EBITDA%

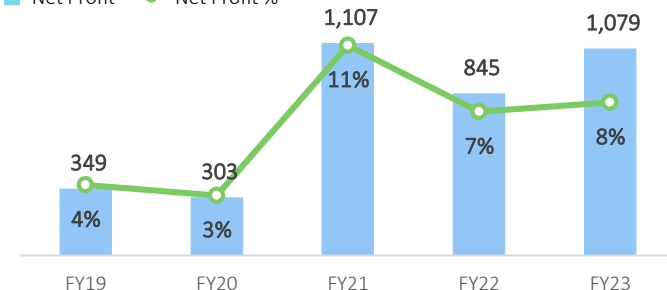
■ EBITDA ● EBITDA %



Continuous investment in supply chain and greentech has enabled us to mitigate external cost headwinds

Net Profit and Net Profit%

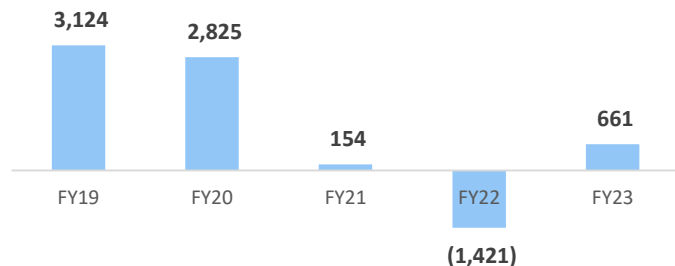
■ Net Profit ● Net Profit %



05

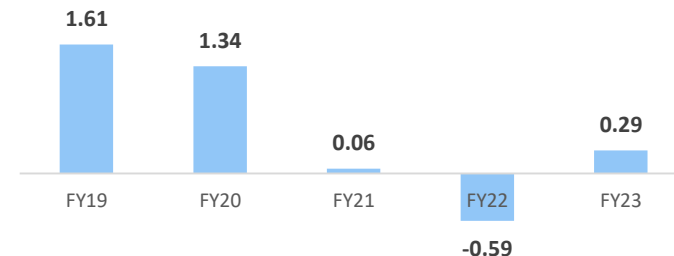
Proven Track Record of Financial Performance

Net Debt (Rs Cr)

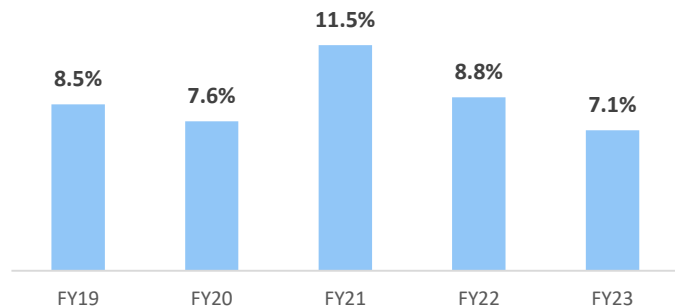


Our resiliency has enabled us to Delever our Balance Sheet and provided Flexibility for future expansion

Net Debt/EBITDA

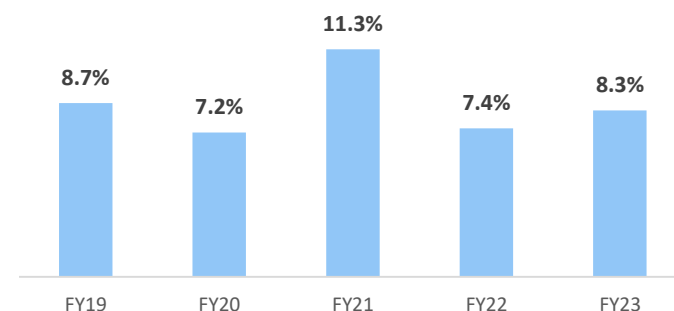


Adjusted RoCE*



Our consistent focus on efficiency have translated into attractive Return Ratios for our stakeholders

Adjusted RoE*



*Adjusted for goodwill arising due to past restructuring of business

06

Market Leader in Highly Attractive East India Market

Per capita cement consumption of the eastern regions is well below Pan-India

- World 500 – 550 kg
- India 260 – 280 kg
- East <200 kg

GDP growth of eastern regions is well above Pan-India GDP growth in FY23

- India: 6.5%
- East – 1.2- 1.3x of India ⁽¹⁾

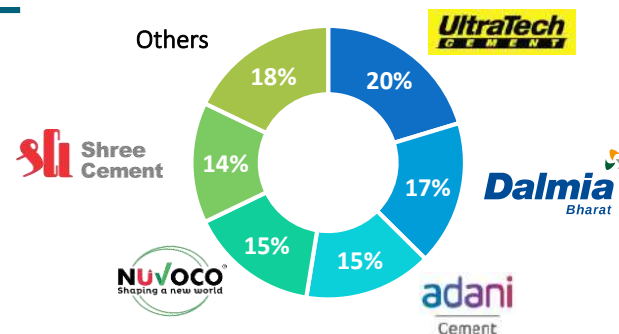
Key demand drivers of the region

- Shortage of housing units - **40% PMAY** houses constructed till now are in East region
- With Eastern region playing a ever-increasing role in national security, government has initiated **large pipeline of Infrastructure projects**
- 21 out of 110 cities** selected under Smart City Mission are located in East Region

Key Projects

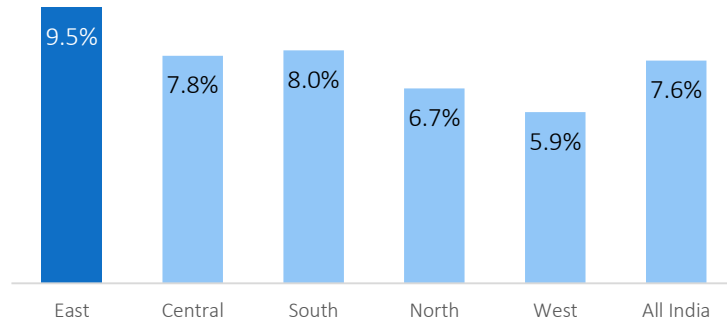
- East West Dedicated Freight Corridor Project** (₹73,084 cr)
- Western Dock (Paradip Port) Project** (₹3,025 cr)
- Patna Metro** (₹13,366 cr)
- Coastal Road (Gopalpur-Digha) Project** (₹8,000 cr)
- Smart City (Bilaspur) Project** (₹8,000cr)

Capacity Break Up – East*



Cement demand growth in East expected to be the highest*

3 Yr Demand growth CAGR (FY22-25)





DBL is the one of the company among the Top 7 cement players in India to appoint Big4 Accounting Firms to completely outsource Internal Audit Function

Overseen by a Reputed Board



Yadu Hari Dalmia
(Non-Executive Director)

- Has over 46 years of experience in the cement industry and has earlier served as President of the Cement Manufacturers Association
- Bachelor of Commerce (Hons) & Chartered Accountant



Gautam Dalmia
Managing Director

- Has over 29 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 & CEO

- Has over 20 years of experience in cement industry.
- Government appointed Chairman of 25 member Development council for cement industry
- B.Tech from Indian Institute of Technology- Delhi and Gold-Medalist, M.B.A from IIM-Bangalore



Paul Heinz Hugentobler
Independent Director

- Served as CEO of Siam City Cement Public Company Limited, Headquartered in Bangkok From January 2002 till his retirement on February 28, 2014,
- Has a degree in Civil Engineering from the ETH and a degree in economic science from the University of St. Gallen



Anuradha Mookerjee
Independent Director

- A bureaucrat for over three decades in revenue services
- Topper of the 1986 batch of the Indian Revenue Service. She has B.Sc (Botany), M.Sc. & M. Phil Social Anthropology



Anuj Gulati
Independent Director

- Mr. Anuj Gulati is presently acting as the CEO of Care Health Insurance Ltd
- He is also a member of General Insurance Council (GIC) and has around 25 years of industry experience
- He is a Chemical Engineer from IIT Delhi and an MBA from IIM Bangalore.



Niddodi Subrao Rajan
(Non-Executive Director)

- Serves as Co-Chief Executive Officer at IDFC Foundation; previously held leadership positions with IDFC first Bank and Tata Sons.
- Holds doctorate from Indian Institute of Technology New Delhi and a graduate degree from Xavier School of Management



Mahendra Singh

MD & CEO – DCBL

- 40+ years of experience in cement sector
- Served as President of Cement Manufacturer's Association (CMA)
- Chartered Accountant and a science and Law graduate



Rajiv Bansal

President and Chief Transformation Officer

- 27+ years of experience in corporate leadership in Power, IT and Internet Start-up Industry
- Chartered Accountant, Cost Accountant and a B.Com (Hons) graduate



Sameer Nagpal

Chief Operating Officer

- 24+ years of experience in paints, air-conditioning and security industry
- Former CEO of Dalmia OCL
- PGDM from IIM Calcutta and Bachelor's degree in Mechanical engineering from DTU



Dharmender Tuteja

Chief Financial Officer

- 35+ years of experience in various facets of Finance & Accounts
- Management in diverse industries
- Cost Accountant, Company Secretary and B.Com (Hons) graduate



Ganesh Wamanrao Jirkuntwar

Head - Manufacturing

- 30+ years of experience in manufacturing and plant operations across geographies including North America and Europe
- MBA from Warwick Business School



Udai Khanna

Head - Human Resources

- 30+ years of experience in HR across industries including IT, BFSI, Retail and Consumer Electronics
- MBA from XLRI Jamshedpur



Dr. Arvind Bodhankar

Head – ESG and Chief Risk Officer

- Expert in renewable energy with 32+ years of proven track record and wealth of diverse experience in the area of Petrochemicals, Fertilizers, Steel and Cement
- Holds a PhD and a MBA

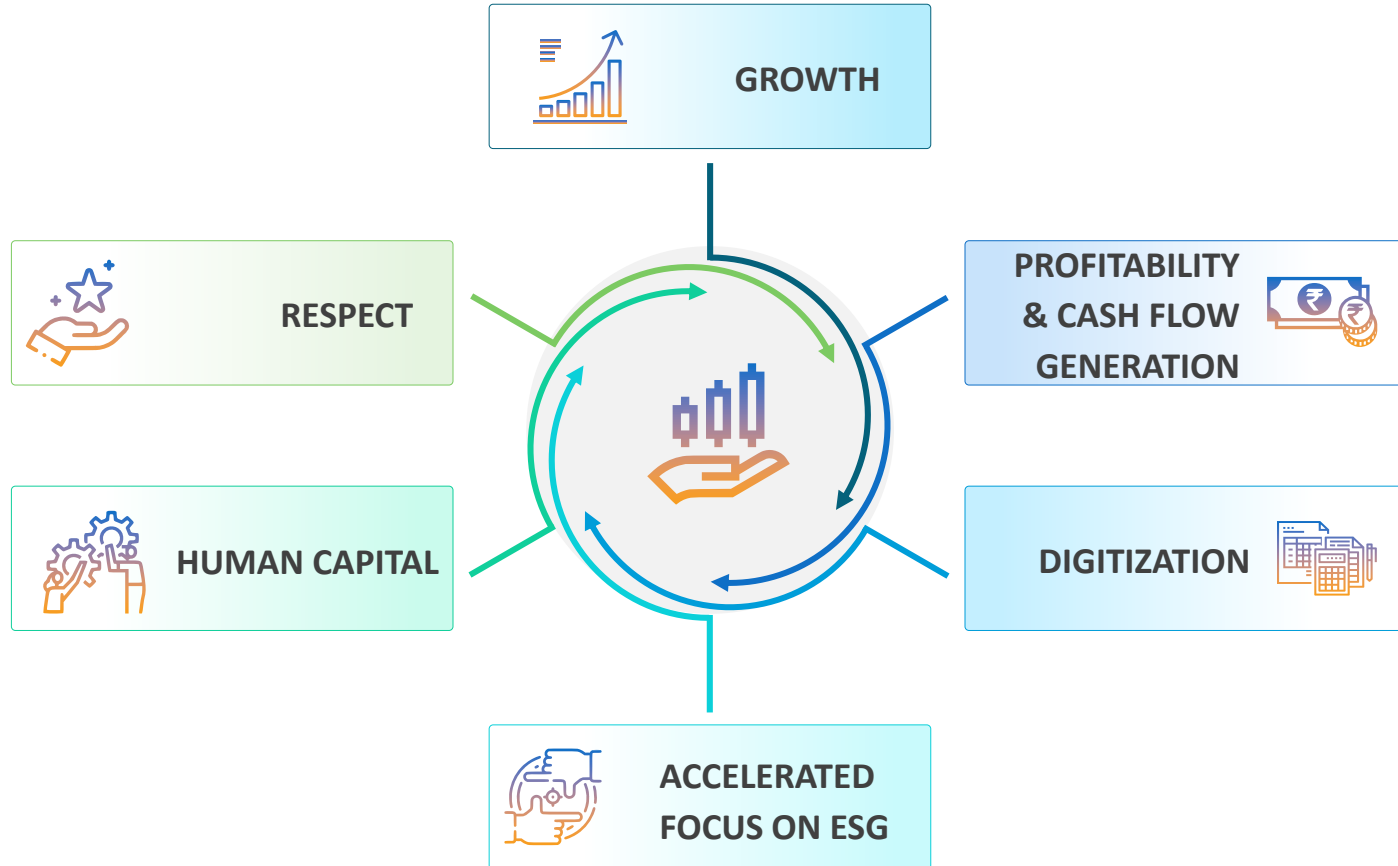


SECTION

04

SHAREHOLDER VALUE AND CAPITAL ALLOCATION

Drivers of Value Creation



Strategic Imperatives

Strategic Vision

» **PAN India Pure Play Cement Company**

» **Significant presence in every market wherein Dalmia operates**

» **Grow capacity at a CAGR of 14% - 15% over the next decade to reach 110-130 MnT by 2031**

» **Target of 75 MnT by 2027**

» **Maintain a strong balance sheet along with highest standards of corporate governance**

» **Continue building a great organizational culture and a strong value system**

Disciplined and Value Focused Capital Allocation

Capital Allocation Framework

Up to 10% of the Operating Cash Flow towards **shareholders' return** which would include a mix of both dividend & share buy-backs

Up to 10% of Operating Cash Flow towards an **Innovation & Green Energy Fund** which would be channelized towards focused R&D in the areas of Climate changes and technology advancements

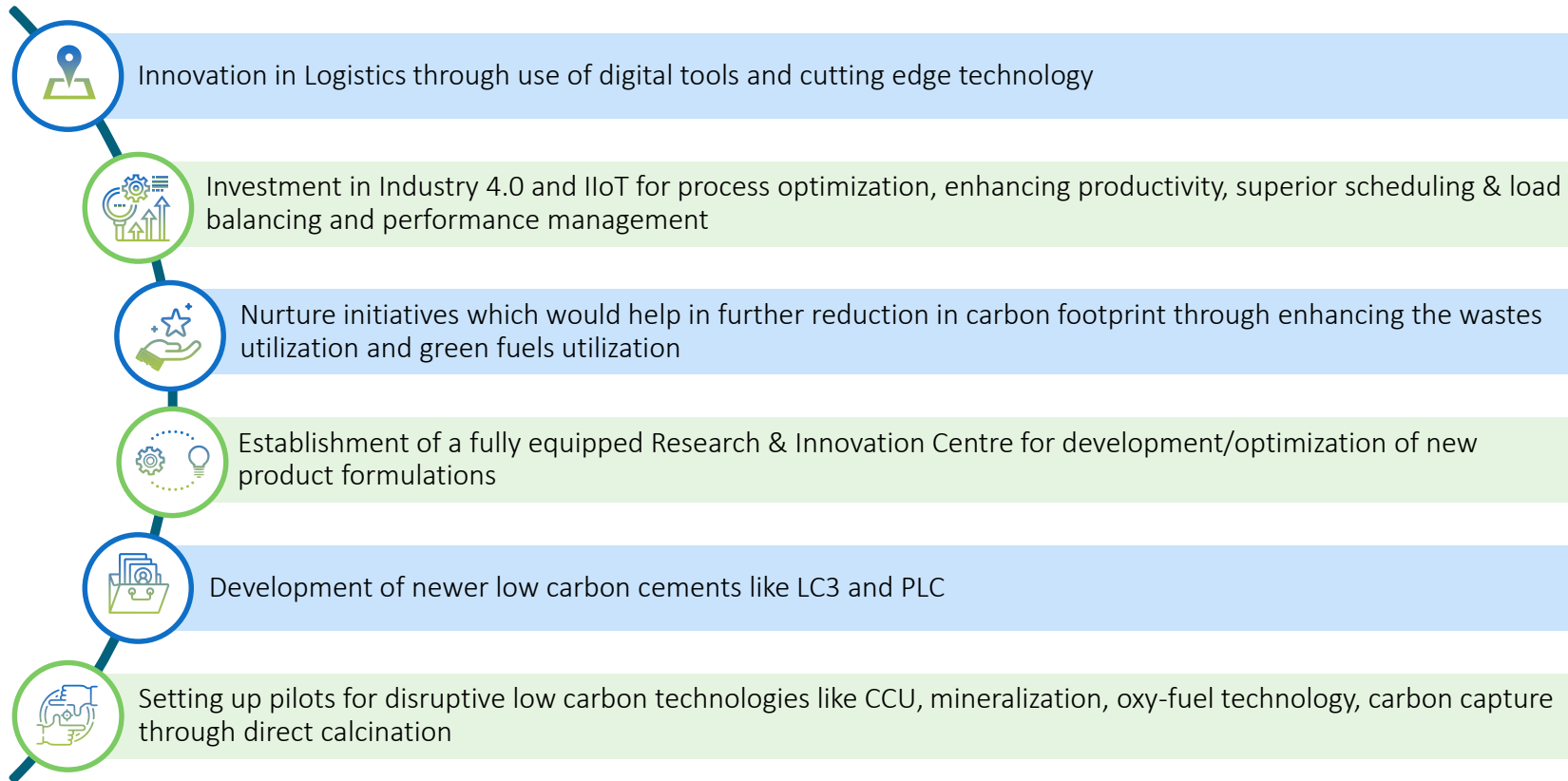
The balance available funds will be used to fund **growth** as well as **maintenance capex**

Target Net Debt / EBITDA < 2.0x*

Target ROCE of 14-15% over next few years

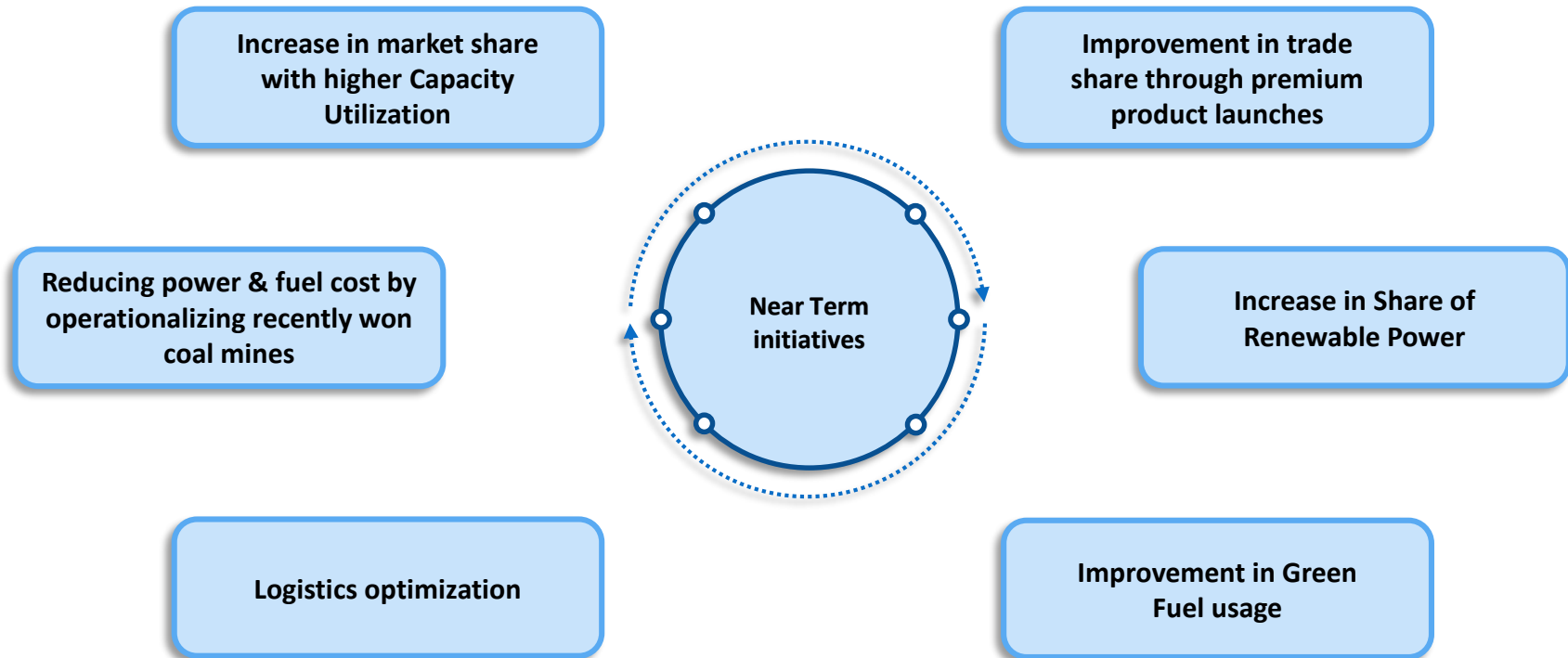
Treasury will be governed by our Board Approved Treasury Policy

Innovation and Green Energy Fund



EBITDA improvement focus areas

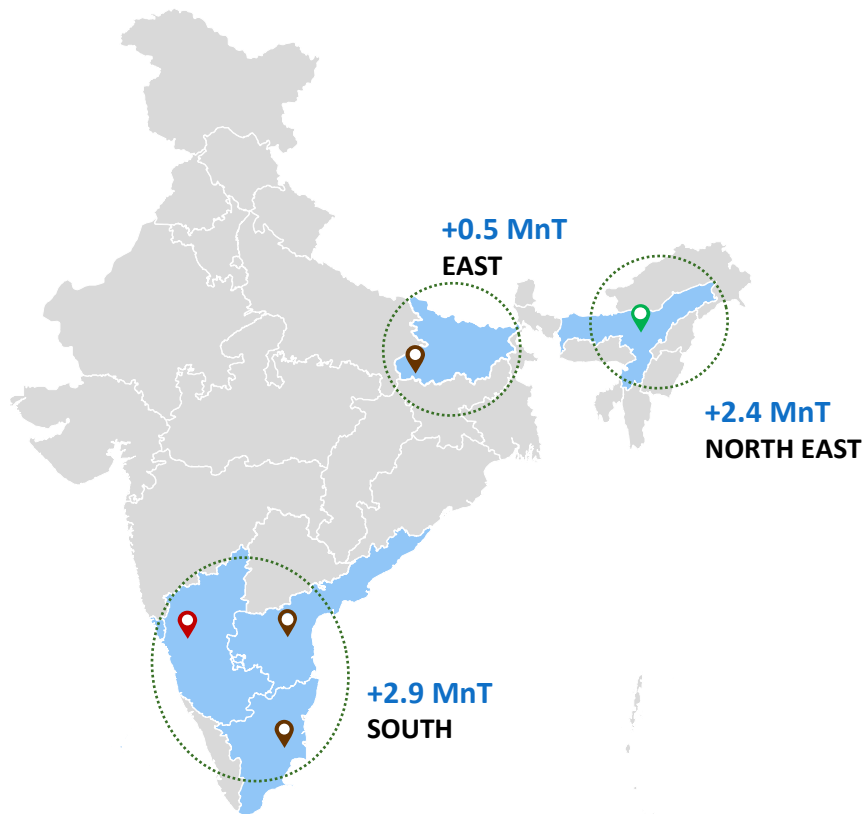
Focused initiatives on key operating levers to further improve EBITDA/T





CAPEX PLAN

Organic Cement Capacity Expansion Plan – 49.5 MnT



+ Represents Capacity Additions from 43.7 MnT to 49.5 MnT
■ Represents States where in capacity would be added

Region	Plant	Capacity
Closing Capacity FY22		35.9
East	Bokaro, JH	0.6
North East	Adhunik, ML	0.2
East	Rajgangpur, OR	0.3
East	Kapilas, OR	0.3
North East	Calcom, AS	1.3
East	Bokaro Line 2, JH	2.5
East	Medinipur, WB	0.6
South	Sattur, TN	2.0
Capacity as on date		43.7
South	Belgaum, KA	0.9
South	Ariyalur, TN	1.0
South	Kadapa, AP	1.0
Closing Capacity FY24*		46.6
East	Kalyanpur, BH	0.5
Closing Capacity FY25*		47.1
North East	Lanka, AS	2.4
Closing Capacity FY26*		49.5

● Debottlenecking **●** Brownfield **●** Greenfield

*the closing capacity is excluding the acquisition of cement assets of Jaiprakash Associates

Announced Clinker Capacity Expansion Plan

Figures in MnT	South	East	North East	West	Total
Present	9.7	7.7	2.7	2.1	22.2
FY24	10.4	7.7	2.7	2.1	22.9
FY25*	10.4	8.3	2.7	2.1	23.5
FY26	10.4	8.3	6.3	2.1	27.1

*Clinker expansion of 0.6 MnT in East is expected to complete in Q1 FY25

Note: Capacity is excluding the acquisition of clinker assets of Jaiprakash Associates; 0.2 MnT of clinker expansion in North East has been deferred



SECTION

04

ESG

Environmental, Social and Governance (ESG)

Environmental, Social & Corporate Governance (ESG) has been an central pillar of our business strategy

Environmental



Our specific net emissions, **456 kg CO₂/tonne of cement for Q2'FY24**, one of the lowest in the Global Industry.



First global cement company to embark on **EP100, EV100** and **RE100** collectively

First company from emerging economies in heavy-industry sector to join **First Movers Coalition (FMC)** as founding member



Led by sustainable business practices, we aim to become **20 times water positive by 2025** and **carbon negative by 2040**

Social



Corporate Social Responsibility activities assessed on **ISO 26000**, a first for an Indian cement company



Aligned our sustainability strategy to the **UN Sustainable Development Goals (SDGs)**. The **Dalmia Bharat Foundation**, our CSR arm, helps meet our commitments to the **UN SDGs**



Our CSR program reaches out to over **10 lac individuals** spread across **eleven states**

Governance



Institutionalized good governance led by robust **Corporate Governance Guidelines, a Code of Conduct**, and **Financial Ethics**



Through tools such as Oracle and SAP, Code of Conduct for Directors and Senior Management covers **conflict of interests, honest and ethical conduct, confidentiality, protection and proper use of the company's assets**, and **compliance with laws**



A formal **Capital Allocation Policy** and a **Treasury Policy** along with appointment of **EY as Internal Auditor** is a testament of our focus on Governance

Leading the Cement World Globally in Carbon Emissions



608

Global Average*



560

India Average**



456[^]

Dalmia Bharat Net
CO₂Emissions



316[^]

Dalmia Bharat
Eastern Operations
Net CO₂Emissions

* Source: GNR data published in 2021 representative of 22% cement production in the world.

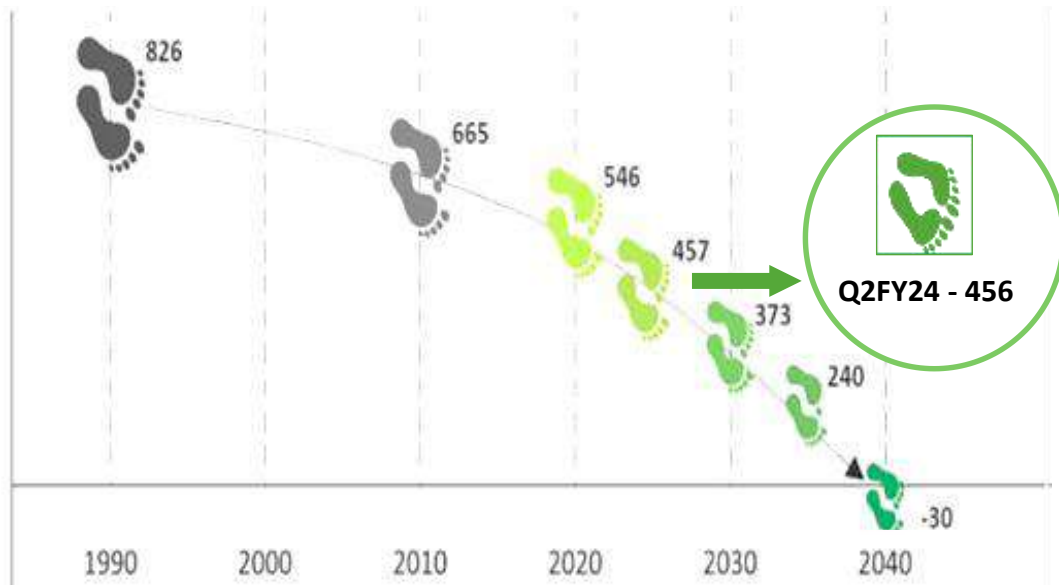
** Source: GNR data published in 2021 representative of 55% cement production in India *

[^]Data for Q2FY24

Carbon Negative Roadmap

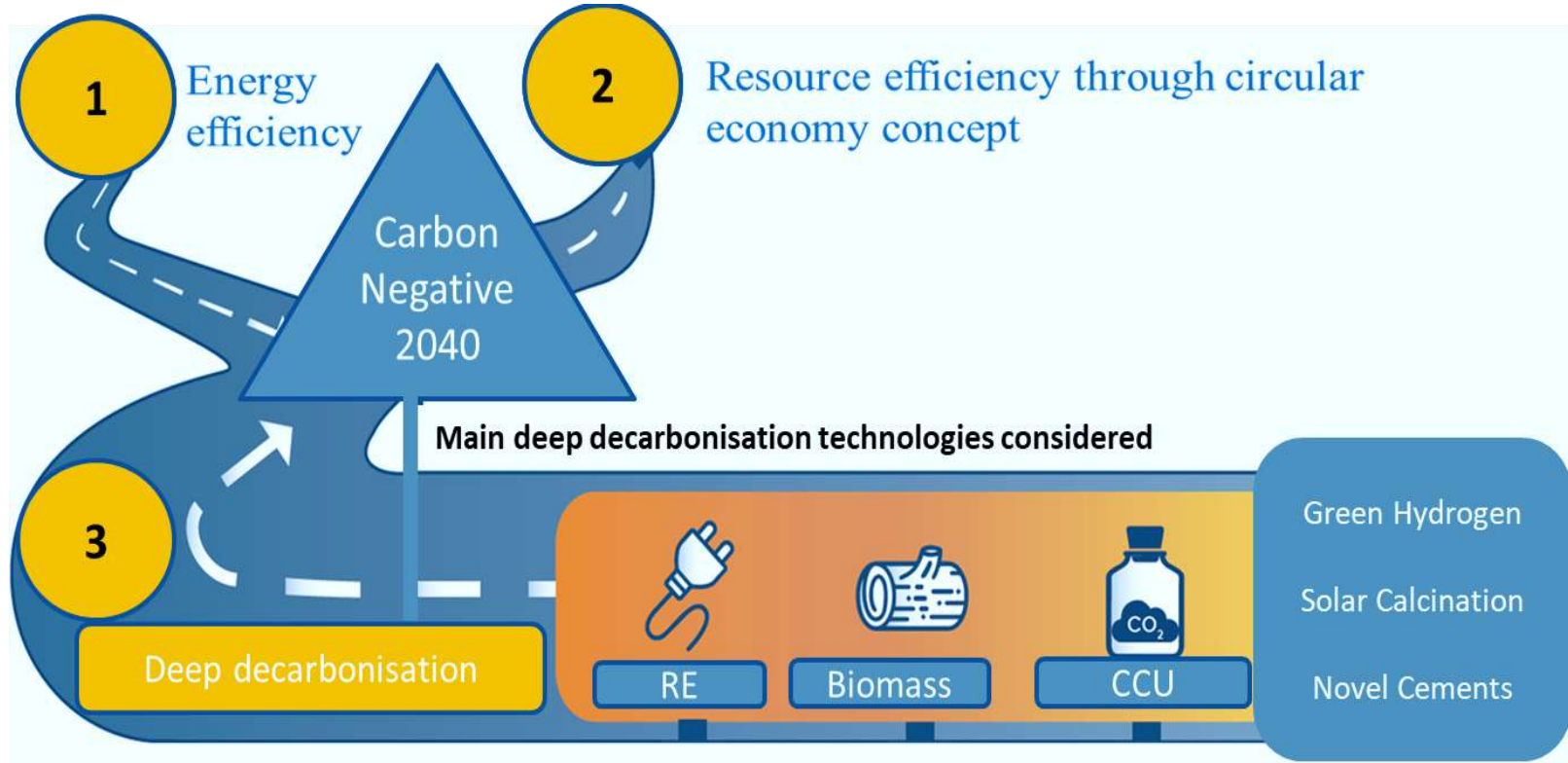
- ✓ 100% blended cement by next 5 years
- ✓ RE 100 commitment to transition to 100% renewable power by 2030
- ✓ EP 100 commitment to double energy productivity by 2030
- ✓ EV 100 commitment for sizable Electric Vehicle transition by 2030
- ✓ Use of renewable biomass, hazardous waste, hydrogen and MSW to fully replace fossil fuel by 2035
- ✓ Development of Carbon Sinks / Carbon Sequestration
- ✓ Adoption of CCU and other advanced green technologies by 2035

Dalmia Determined Contribution (DDC) Grey to Green Roadmap for Carbon Negative Transition



Carbon Footprint Net CO₂/ton of Cementitious Material

Carbon Negative Roadmap



First Triple Joiner Globally of RE 100, EP 100 and EV 100

RE 100

A global initiative bringing together businesses committed to 100% renewable electricity by 2030

EP 100

A global campaign to double Energy Productivity by 2030

EV 100

A global initiative to accelerate the transition to Electric Vehicles



One of the First Cement Company to join Globally



One of the First Companies in India



1.5°C - First Cement Company to join Globally



BENNETTS
ASSOCIATES



L'ORÉAL



BUSINESS
AMBITION FOR **1.5°C**   OUR ONLY
FUTURE

A global campaign
towards a 1.5°C
future at UN Climate
Action Summit



Ranked No. 1 by CDP in its Global Cement Sector Report[^]



RANK :

1

SCORE :

4.64

Key strengths reported by CDP for Dalmia Bharat

- Scores best on Scope 1 emissions intensity, with both the lowest absolute level and the steepest decline since 2012
- Only company to have an emissions reduction target beyond 2030 with a target based on 2050. Dalmia Bharat also has the third-best annual reduction target and is second on the way to achieving its target, being 8% ahead of where it needs to currently be.
- Best emissions profile against IEA 2-degrees targets out to 2030



In line with the Paris Agreement, Dalmia emerged as one of the world's greenest cement manufacturing companies



Out of the 13 cement majors globally, Dalmia Bharat ranked at the top of the Cement Sector League Table



Best performance in emissions intensity, clinker ratio and exposure to downstream regulation

[^]CDP released its latest global cement sector report in April 2018 which takes an in-depth look at high impact industries one-by-one with extensively long surveys and consideration of multi-years data

*Scores are calculated on the basis of four parameters – Transition Risk, Physical Risk, Transition Opportunities and Climate Governance & Strategy

MoU with FLSmidth, Denmark

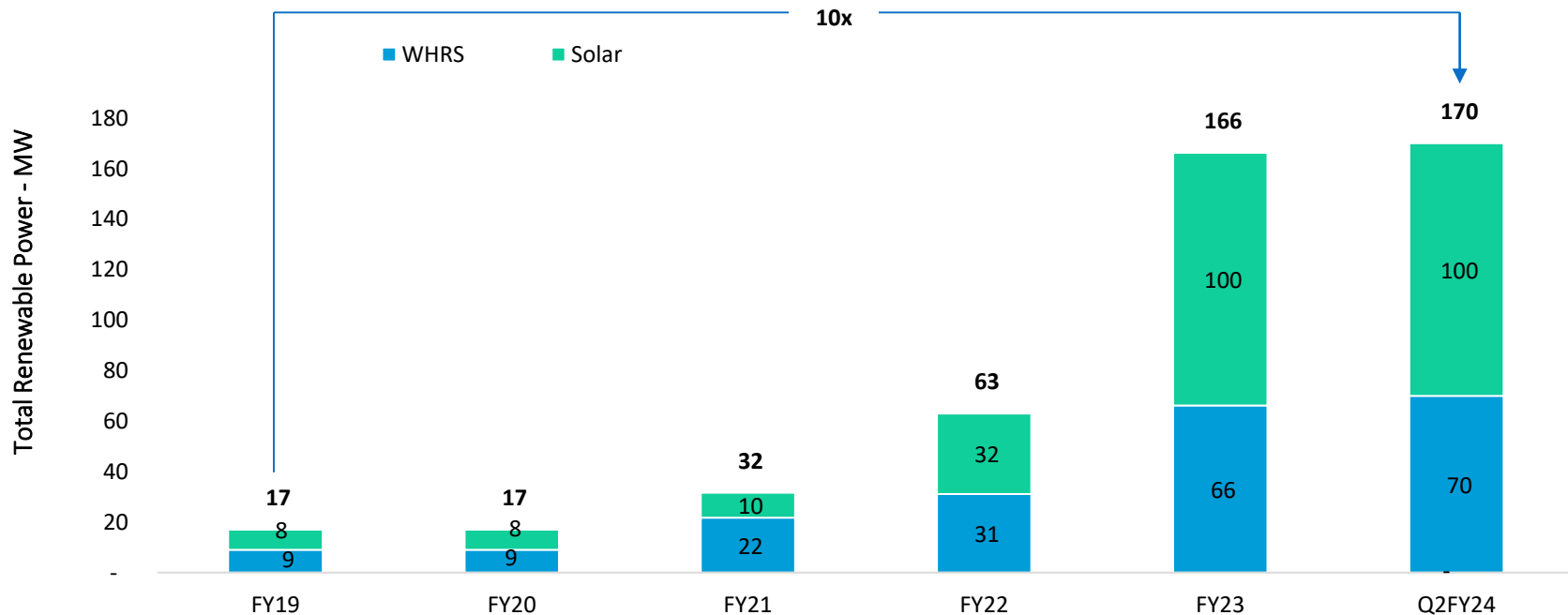
To Develop Breakthrough Innovations To Support Sustainability In Cement Industry, Dalmia Cement Signs MoU With FLSmidth, Denmark Under Green Strategic Partnership Of India And Denmark Government



- The company has signed a MoU with FLSmidth A/S, a leading supplier of technology solutions and equipment for cement and mining processing industry, on 3rd May 2022 at Copenhagen in the presence of Prime Minister of India and Prime Minister of Denmark
- Both sides commit to contribute ideas, research and development for an industrial scale cement production facility in order to develop breakthrough innovations to significantly accelerate the development of sustainability in cement and construction industry

WHRS and Solar Power Update

Renewable Energy Power



- In line with the commitment towards RE100 by 2030 & Carbon Negative by 2040, Dalmia Bharat to increase its RE capacity to 202 MW by FY24; the balance capacity will be commissioned in FY25 to reach the target of 328+ MW

Industry Leading Water Positive Operations

OUR STRATEGY



Air cooling instead of water cooling in CPP



Zero water discharge at plants



Rain water harvesting



Intervention program: drip irrigation, ponds, sprinklers

OUR RESULTS

5x

2019

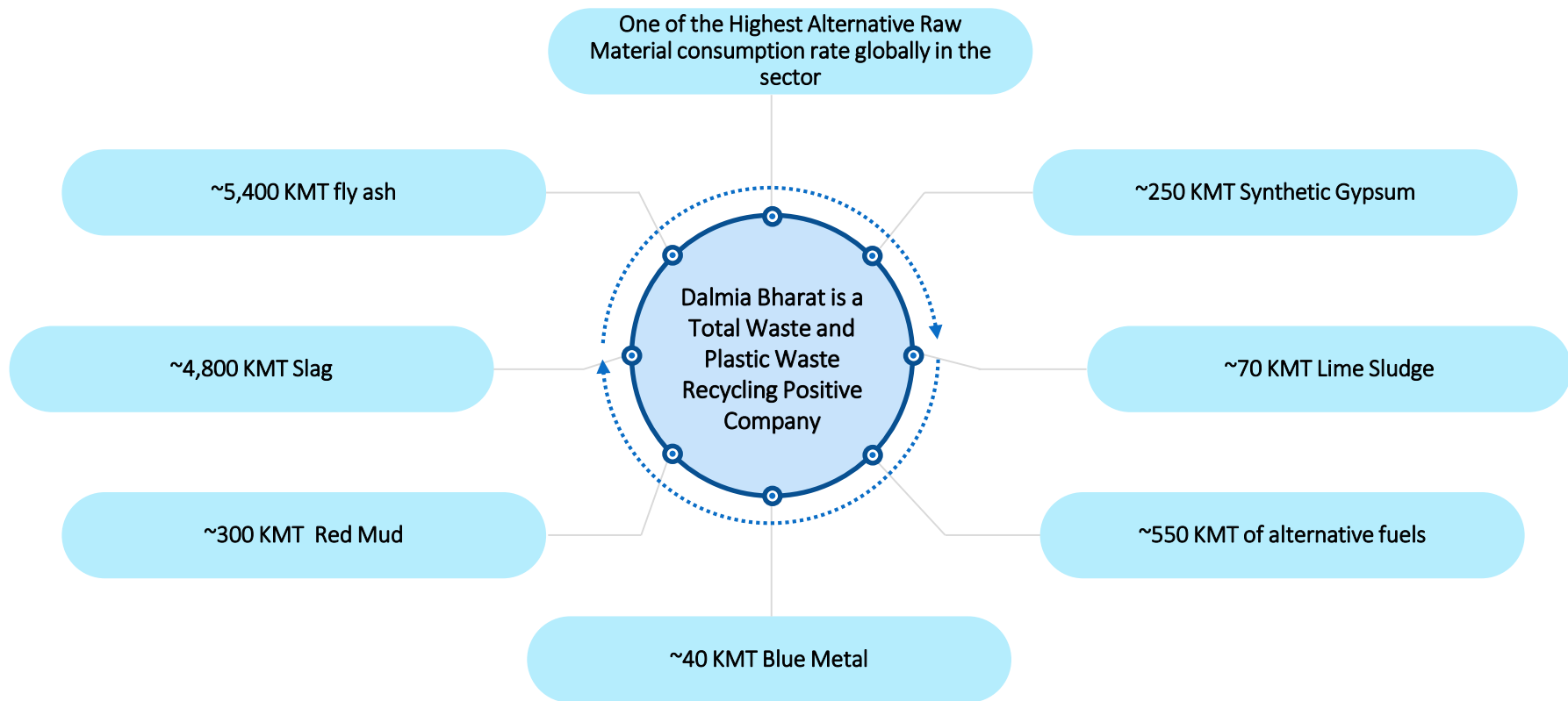
14x

2023

20x

2025

Usage of Industrial Wastes as Raw Material or Fuels



Leading Player to Supply Blended Cement in Key Infra Projects

A testament of the quality of our blended cement is its usage in construction of some of the breakthrough projects in the country



Guwahati International Airport, Assam
expected footfall of 90 lacs+



North Karanpura Thermal Plant, Jharkhand
1980 MW (3 x 660 MW) Thermal Plant



NHAI Project, Bihar & West Bengal
Blended Cement usage in Pavement Quality Concrete



Crude Oil Import Terminal Project, Odisha
Blended Cement in Deep Tranche Concrete piles



Shree Setu, Odisha
Odisha's First Trumpet Bridge



Sevoke-Rangpo Railway Tunnel, Sikkim
Blended Cement in Concrete Tunnel Lining

Leading Player to Supply Blended Cement in Key Infra Projects

A testament of the quality of our blended cement is its usage in construction of some of the breakthrough projects in the country



Birsa Munde Hockey Stadium, Odisha
World's largest-seated hockey stadium



Coal Mine Railway Conveyor Belt, Maharashtra



Kochi Water Metro, Kerala
First Water Metro System in India



Kopili Hydro Electric Project, Assam



Bangalore-Chennai Expressway
one of the 26 new green expressways



International Airport Taxiway Project, Chennai

Sustainability Measures and Its Impact

Measures		Impact
<ul style="list-style-type: none"> Natural resource conservation by optimal use of Industrial wastes from other industries such as Steel, Thermal Power, Aluminum 	➤	<ul style="list-style-type: none"> Less Limestone and energy consumption /ton of cement
<ul style="list-style-type: none"> Commissioned state-of-the-art new cement plants with latest available technologies 	➤	<ul style="list-style-type: none"> Became largest producer of Portland Slag cement in India - A lowest carbon footprint cement
<ul style="list-style-type: none"> Plant-wise/unit-wise monthly GHG footprint monitoring and target settings 	➤	<ul style="list-style-type: none"> One of the best energy efficiency ratings globally resulted in energy demand reduction
<ul style="list-style-type: none"> Accelerated the alternative fuel use in cement kilns 	➤	<ul style="list-style-type: none"> GHG emissions monitoring with discussions on opportunities for improvement
<ul style="list-style-type: none"> New power plants based on renewable energy such as solar, wasted heat from kiln off-gases 	➤	<ul style="list-style-type: none"> Replacement of fossil fuels
<ul style="list-style-type: none"> Targeted to become water positive cement group 	➤	<ul style="list-style-type: none"> Renewable power to replace fossil fuel based electricity
		<ul style="list-style-type: none"> Better relations with local communities, community wide GHG reductions and more than 10 times water positive cement group.

CSR at Dalmia Bharat

Major Initiatives

- **Dalmia Institute of Knowledge & Skill Harnessing (DIKSHa)**, a skill training programme, actively involved in imparting placement based, short-term skill trainings
- **Extended livelihood programme** – Working in farm and non-farm sector, to help communities build sustainable livelihoods
- **Climate Action** – Watershed Projects, Water Harvesting and Micro-Irrigation

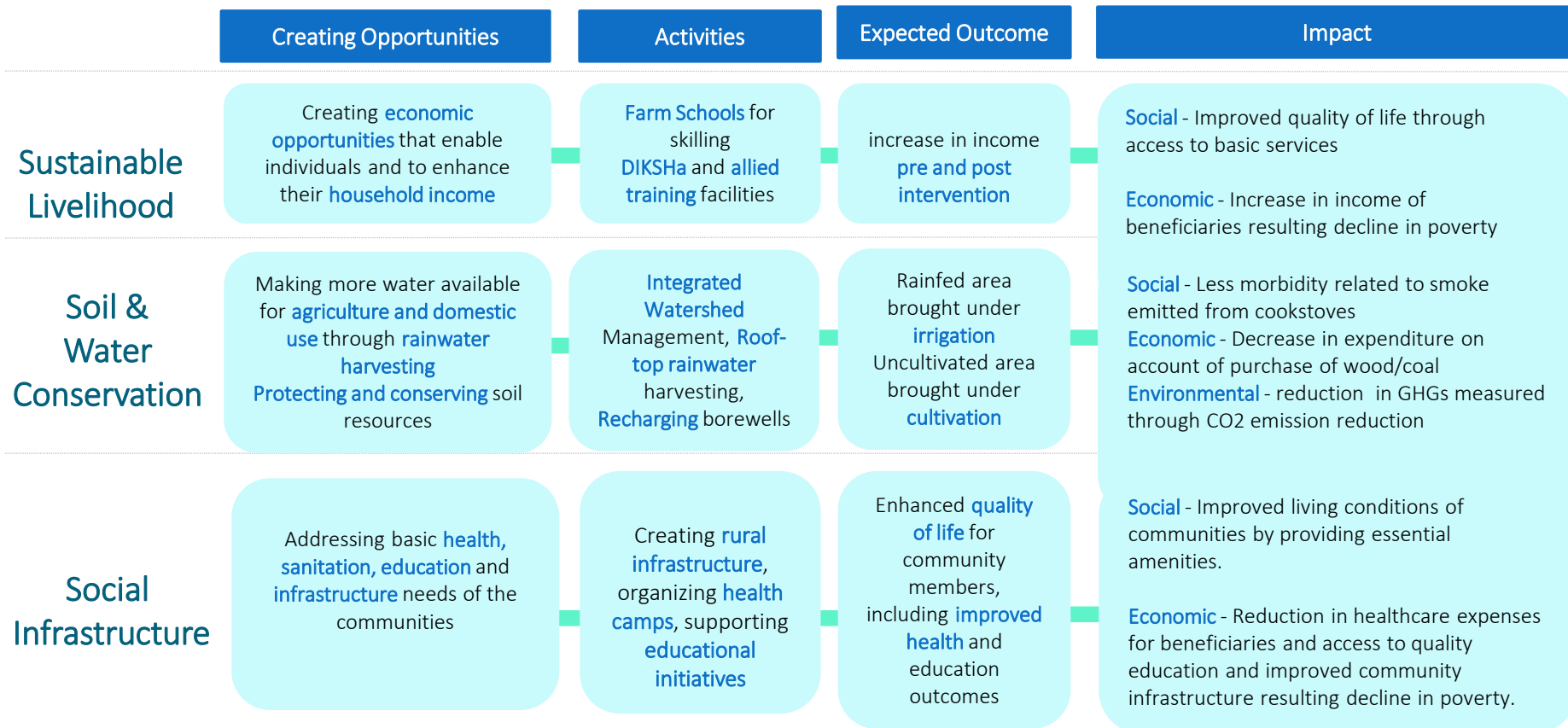
During Q2'FY24, DIKSHA had a total **enrolled 809 youths in which 73% were females**. 663 youth placed and started earning an average monthly income of Rs 10,000. Youths who received training in the second quarter were **offered 100% job opportunities**.

Entered into an MoU with Jubilant Bhartia Foundation to create employment opportunities in the **QSR industry** and promote sustainable livelihoods. Training programs will be held at **18 DIKSHa centers**.

Jubilant Bhartia Foundation will also provide **on-the-job training** with a stipend for trainees

Till Q2FY24, DBL Successfully added a cumulative water harvesting potential of **106.54 Lakh Kilo Liters** across all its cement locations. The objective is to become **20x positive by 2025**

Theory of Change Designed to Ensure CSR Initiatives Help Achieve Our Vision & Mission



Our CSR Partners



Redefining Corporate Governance



- First cement company in India to formally announce a Capital Allocation framework
- Formal Treasury Policy - At least 85% of the money should be invested in AAA rated debt instruments, while the balance 15% can be in AA+ rated debt instruments



- Appointed one of the Big4 accounting firms, EY, as its Internal Auditors
- Member firm of Grant Thornton, Walker Chandniok & Co., appointed as Statutory auditors of the company



- Segregated the family office and the corporate office
- Completed Sale of Hippo Stores (retail business)
- Completed divestment of Refractory business
- Continue to evaluate divestment of IEX stake



- Use technology to track and monitor different dimension of business as well as to minimize human intervention and errors
- Use of SAP and Oracle across organization has strengthened operational checks and balances



- Implemented a organization wide Risk Framework
- Employee handbook encouraging best practices

HIGHEST STANDARDS OF GOVERNANCE

Governing Polices at Dalmia



Code of Conduct for all members of Board of Directors and Senior Management



Code of Conduct to regulate, monitor and report trading by insider



Code of Practices and Procedures for Fair Disclosure of unpublished price sensitive information



Related Party Transaction



Nomination and Remuneration



Corporate Social Responsibility



Whistle Blower Policy and Vigil Mechanism



Determination of Materiality of Events



Dividend Distribution



Policy for Preservation of documents



Determination of Material Subsidiary



Familiarization Program of Independent Directors



Terms of Appointment of Independent Directors



Website Document Archival Policy

Sustainability & CSR - Awards & Accolades

Our CSR Program has been consistently recognized by several institutional bodies and forums

"Platinum Award" won by RGP unit
Apex India Occupational Health & Safety
Awards



Green Champion Award
For environmental improvement initiatives

NABARD Assam
Winner Best Tribal Development Fund 2022

**Commendation for Significant
Achievement in CSR**
CII-ITC Sustainability Awards 2019, 2017,
2016, 2014, 2013, 2022

**KDP Unit Won the
Water Efficient Unit Award at
the CII National Award for Excellence in
water management 2022**

Business Today Best CEO Award
To Mr. Puneet Dalmia

NCCBM Award 2022
Award for environment excellence in
Grinding Units

CemWHR 2023 - conclave
Meghalaya unit awarded for Innovation for
Sustainability at the cemWHR-2023
conclave

Chandrapur Unit won
EXCEED Waste Management Award 2022
Supported by MOEF&CC and organized by
Sustainable Development Foundation, New
Delhi

DL Shah Quality Gold Award
for Promoting Green Blended cement and
green binders

Sustainability & CSR - Awards & Accolades

Dalmia Bharat has been consistently respected and recognized for its focus on Sustainability

CII-ITC Sustainability Award 2022
Excellence in Corporate Social Responsibility
(CSR)

Mahatma Awards 2023
Excellence in Corporate Social Responsibility
(CSR)

Corporate Category: Sustainability in
Cement Sector
Apex India Green Leaf Award

FICCI Indian Circular Economy Award
2022
in Large Industry Category

UBS Forums CSR Awards 2023
Best CSR Impact

National Award for Excellence in Energy
Management
Confederation of Indian Industry (CII)

Asia Sustainability and
Environmental Stewardship Award
International Cement Executive

BGM unit awarded for
CII 3R Award 2022

RGP unit awarded “ESG Champion” for
Green Fuel and Net Zero Commitments
India Sustainability Awards 2022

“Climate Action Programme, CAP 2.0”
Award
Confederation of Indian Industry (CII)

Best Award for Environmental Excellence
NCCBM 2022

Corporate Category: Environment
Protection
Greentech Environment Award 2022

Logistics – Awards & Accolades

Best digitalization & End to End transformation in Supply Chain – Nov 22

8th India Supply Chain thought Leadership Summit “Institute of Supply Chain Management”



Best Supply Chain Firm in Cement Category – Dec 22

3rd Annual Warehouse & Logistics Excellence Awards
“Quantic India”

Exceptional Leadership in Supply Chain Management – Nov 22

8th India Supply Chain Thought Leadership Summit “Institute of Supply Chain Management (ISCM)”

Awarded under ISCM 5th India Logistics & Warehousing Excellence Awards 2023



SECTION

06

APPENDIX

Key Financials

Particulars	FY19	FY20	FY21	FY22	FY23
Cement Capacity – MnT	26.5	26.5	30.75	35.9	38.6
Sales Volume - MnT	18.69	19.29	20.7	22.2	25.7
Net Sales - Rs Cr	9,484	9,674	10,110	11,286	13,540
EBITDA - Rs Cr	1,942	2,106	2,760	2,426	2,316
EBITDA Margin%	20.5%	21.8%	27.3%	21.5%	17.1%
EBITDA - Rs/MT	1,009	1,072	1,333	1,091	900
PBT - Rs Cr	339	357	1,344	1,152	1,325
PAT^ - Rs Cr	349	303	1,107	845	1,079
Profit Margin%	3.7%	2.5%	10.9%	7.5%	8.0%
Net Debt – Rs Cr	3,124	2,825	154	-1,421	661
Net Debt/EBITDA – x	1.61x	1.34x	0.06x	(0.59x)	0.29

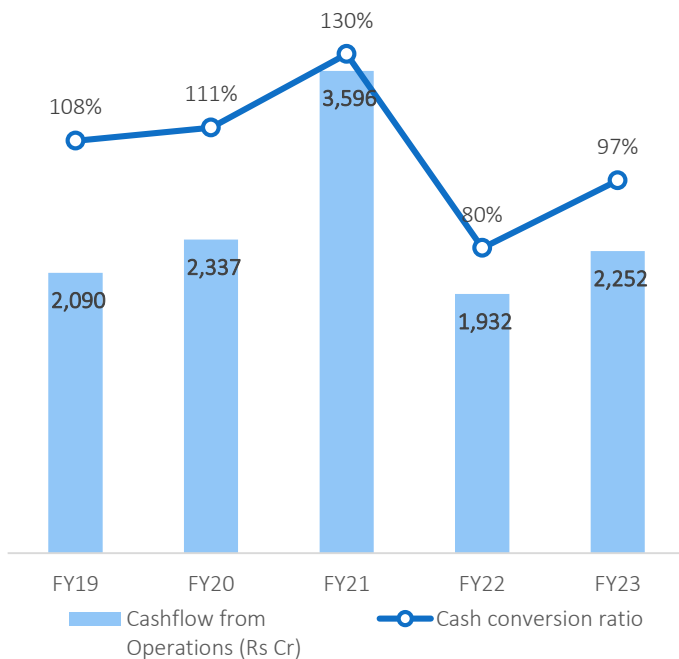
^Profit After Tax from Continuing & Discontinuing Operations

Adjusted RoCE and RoE

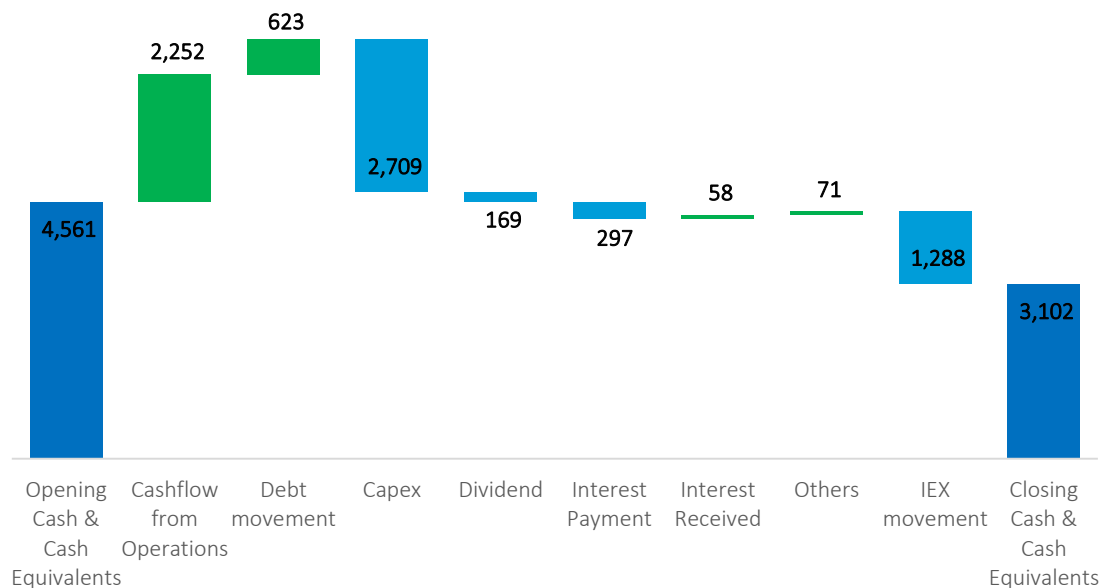
	REPORTED					ADJUSTED*				
(in Rs Cr)	FY19	FY20	FY21	FY22	FY23	FY19	FY20	FY21	FY22	FY23
EBITDA (including Other Income)	2,186	2,323	2,949	2,586	2,454	2,186	2,323	2,949	2,586	2,454
Less : - Depreciation as per books	1,296	1,528	1,266	1,235	1,305	1,296	1,528	1,266	1,235	1,305
Add: Amortization on Goodwill						420	402	203	203	203
EBIT	890	795	1,683	1,351	1,149	1,310	1,197	1,886	1,554	1,352
Less: Finance Cost	551	438	304	202	234	551	438	304	202	234
PBT	339	357	1,344	1,152	1,325	759	759	1,547	1,355	1,528
PAT^	349	303	1,107	845	1,079	769	705	1,310	1,048	1,282
Equity + Reserves + Minority Interest	10,650	11,407	13,546	16,133	15,744	10,650	11,407	13,546	16,133	15,744
Less: WDV of Goodwill on merger schemes						1,389	987	784	580	377
Total Net Worth	10,650	11,407	13,546	16,133	15,744	9,261	10,420	12,762	15,553	15,367
Add: Gross Debt	5,907	5,959	3,726	3,140	3,763	5,907	5,959	3,726	3,140	3,763
Capital Employed	16,557	17,366	17,272	19,273	19,507	15,168	16,379	16,488	18,693	19,130
RoCE%	5.2%	4.7%	9.7%	7.4%	5.9%	8.5%	7.6%	11.5%	8.8%	7.1%
RoE%	3.3%	2.7%	8.9%	5.7%	6.8%	8.7%	7.2%	11.3%	7.4%	8.3%

Cash Flow analysis

Healthy Cash Conversion Ratio



Movement in Cash & Cash Equivalents in FY23 (Rs. Cr)



Strong Balance Sheet

(Rs Crores)	31.03.2022	31.03.2023
Fixed Assets [^]	15,336	16,745
Investments [^]	1,305	1,389
Net Working Capital	(652)	(549)
Other Assets	670	925
Total Assets	16,660	18,510
Net Equity	16,133	15,744
Gross Debt	3,140	3,763
Less: Cash and Cash Equivalents*	(4,561)	(3,102)
Net Debt	(1,421)	661
Deferred Tax Liabilities (net)	1,564	1,610
Other Liabilities	383	495
Total Liabilities	16,660	18,510

[^]including Assets held for sale; *Includes value of IEX shares (31st March 2023: Rs 1,703 cr; 31st March 2022: Rs 2,991 cr)
Net Working Capital: Total Current Assets (excluding Cash & Cash Equivalents) *minus* Total Current Liabilities (excluding current borrowings)



Thank You

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