

File No: 1010/2

August 27, 2022

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 - August 2022

Ref: Regulation 30 of SEBI (LODR) Regulations, 2015.

Dear Sir/Madam,

Please find enclosed herewith Investor Presentation - August 2022, which is proposed to be shared with Analysts / Investors.

We request you to please 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

August 2022



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.

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SECTION

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DALMIA AT A GLANCE

Dalmia Group Overview

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



- Fourth-largest cement manufacturing company in India
- Capacity: 37.0 MnT*
- Revenue: Rs 11,286 cr



- One of the fastest growing cane-based multi-product companies
- Capacity: 39,000 TCD*
- Revenue: Rs 3,018 cr



- Second-Largest Refractory Player in India with Global Footprint
- Capacity: 345 KMT *
- Revenue: Rs 1,241 cr



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 Limited by the Numbers

Fundamentals

37.0 MnT*

Cement Capacity



22.2 MnT

Sales Volume



20.9 MnT*

Clinker Capacity



297 MW*

Captive Power Capacity



14

Plants



22

States Served



35,000

Channel Partners



5,652

Employees



Financials

₹11,286 Cr

Net Sales



₹ 5,059

NSR / Ton



₹ 2,426 Cr

EBITDA



₹ 1,091

EBITDA / Ton



21.5%

EBITDA Margin



₹24,055 Cr*

Market Cap



₹1,160 Cr

Profit After Tax



10.3%

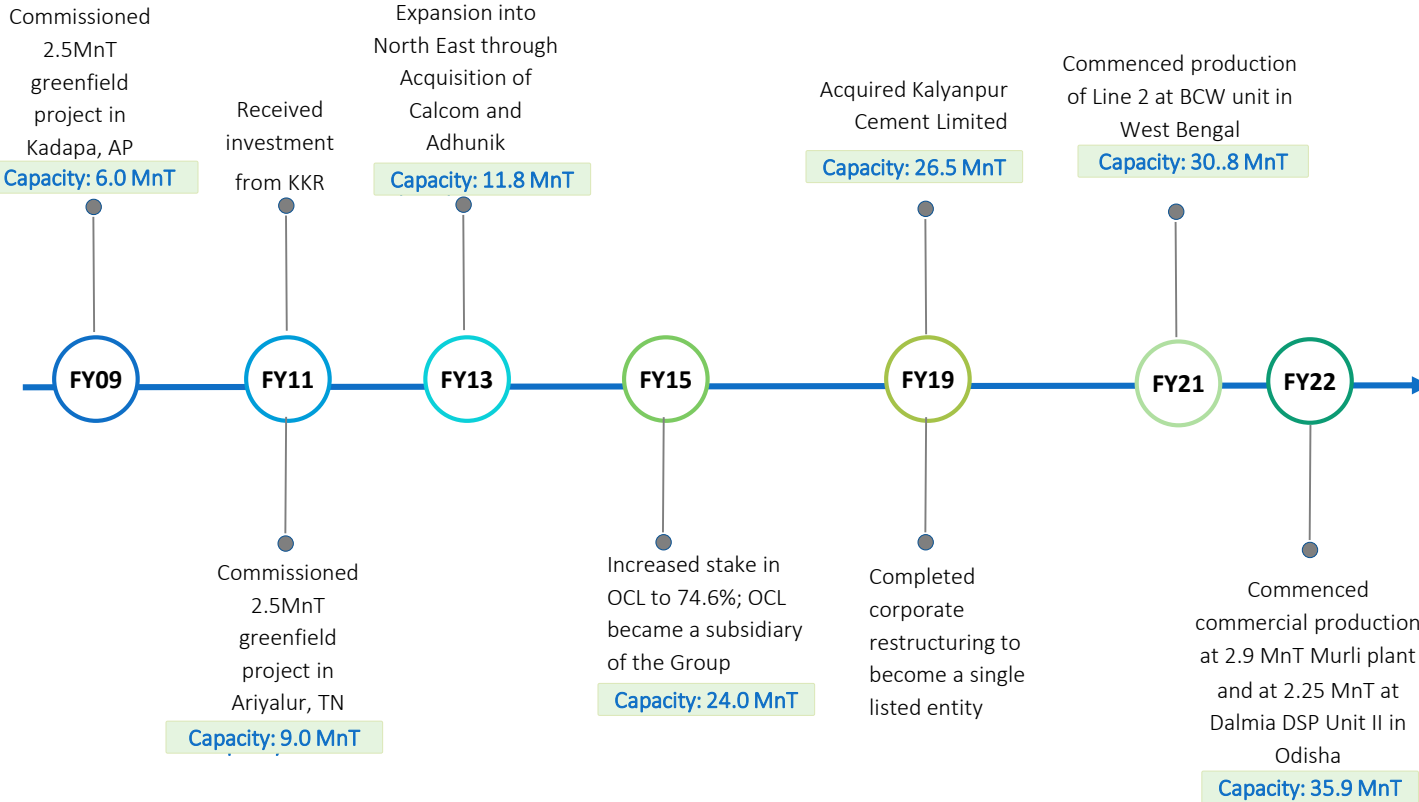
PAT Margin



Represents Data as on Mar-31, 2022

*All Capacity and Market Cap Data as on Jun-30, 2022

Key Milestones Over The Past Decade



Past Decade

Consistently made significant investments to expand **capacity** and **diversify geographic footprint**.

Today

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

Continued focus to develop scale, build brand, leverage digital technology and sustainability

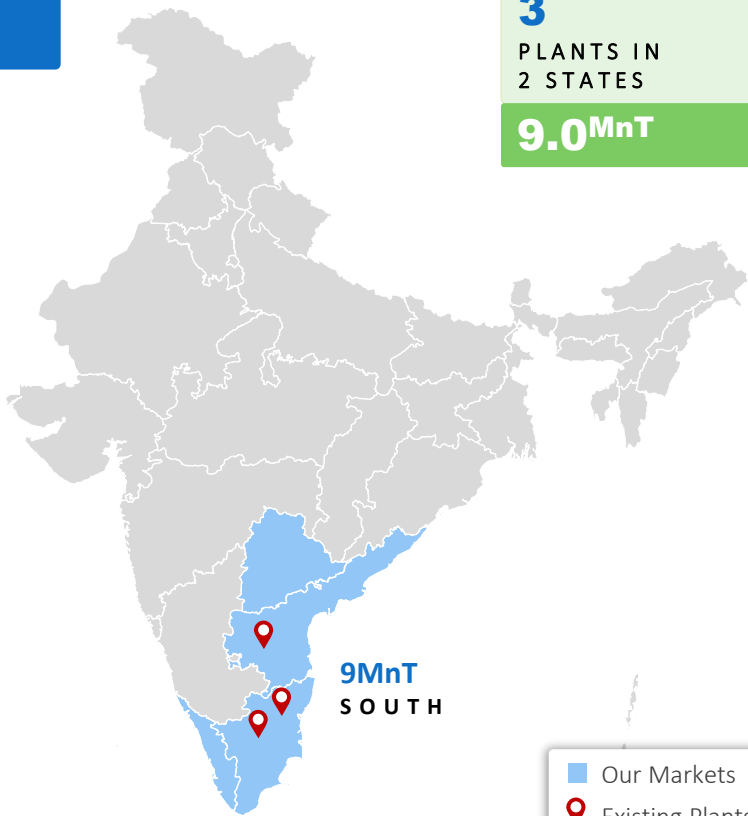
Well placed to **capitalize on growth** opportunity going forward

Geographic Expansion

FY12

3
PLANTS IN
2 STATES

9.0MnT

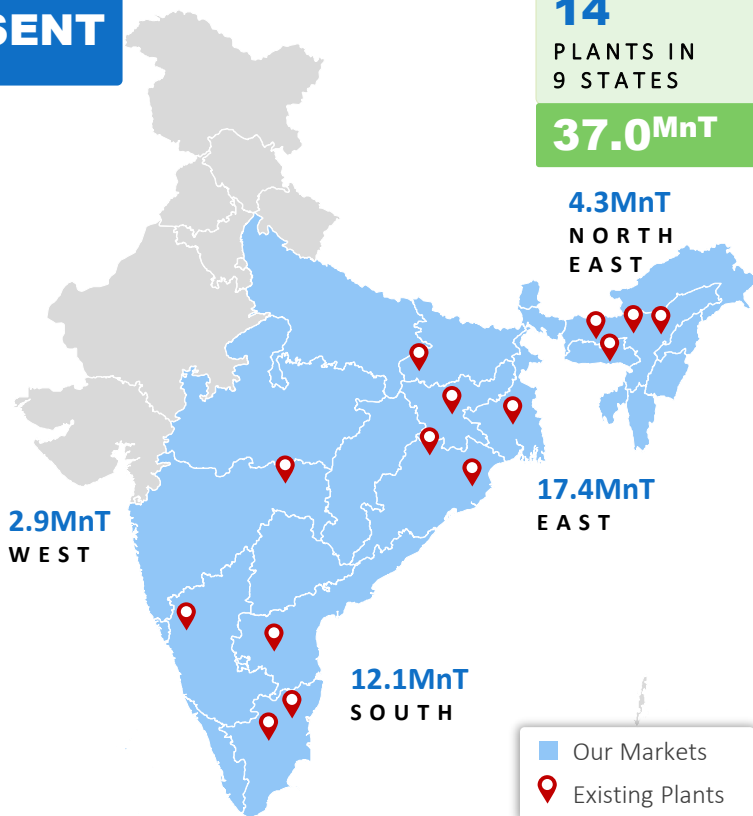


■ Our Markets
📍 Existing Plants

PRESENT

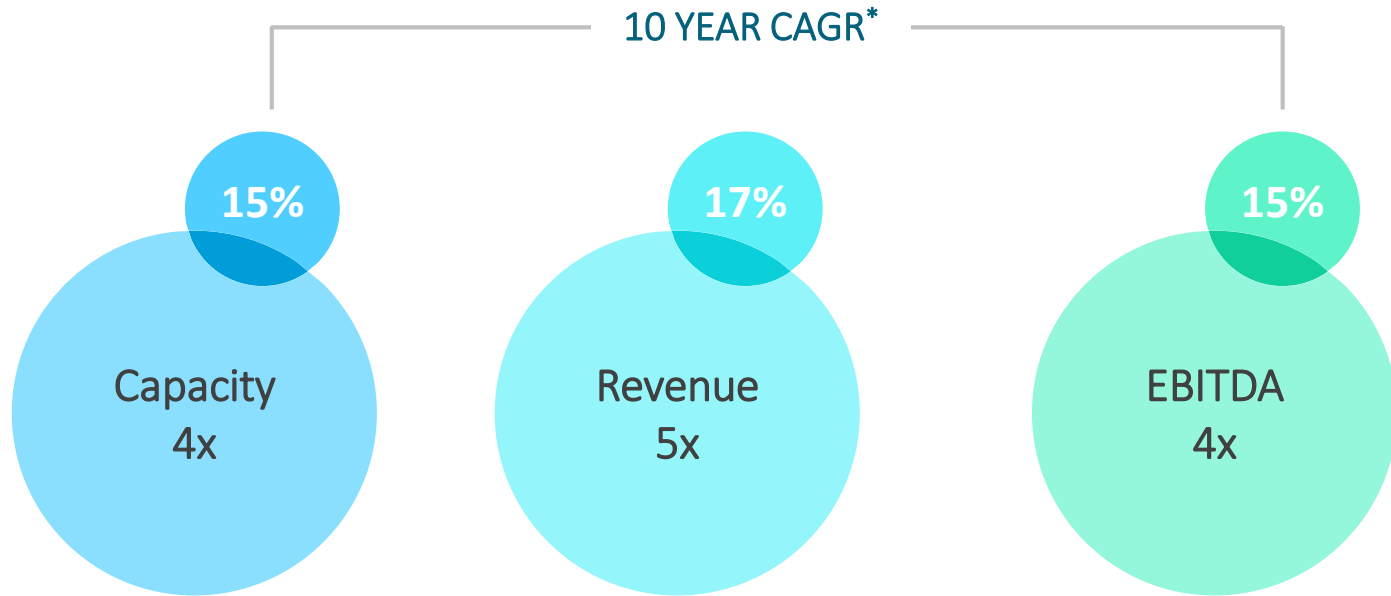
14
PLANTS IN
9 STATES

37.0MnT



■ Our Markets
📍 Existing Plants

Growth Snapshot



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

*FY12-FY22



SECTION

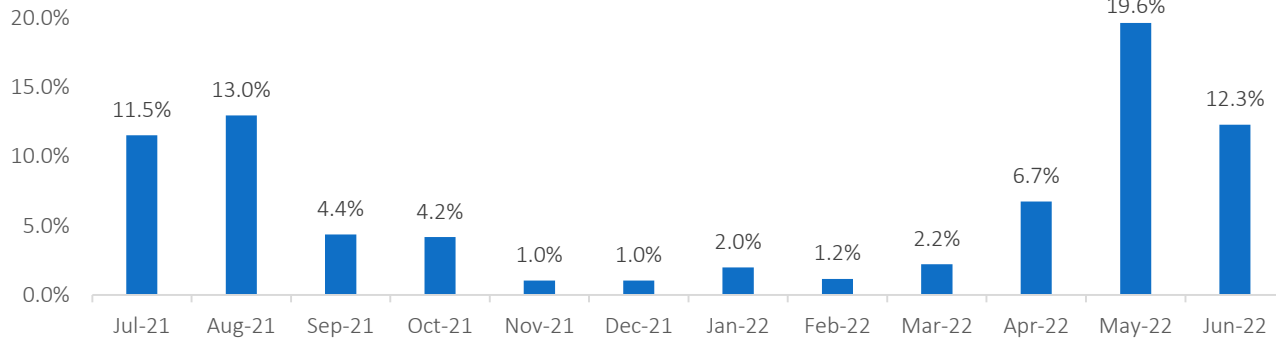
02

INDUSTRY OUTLOOK

Strong Revival In Indian Economy

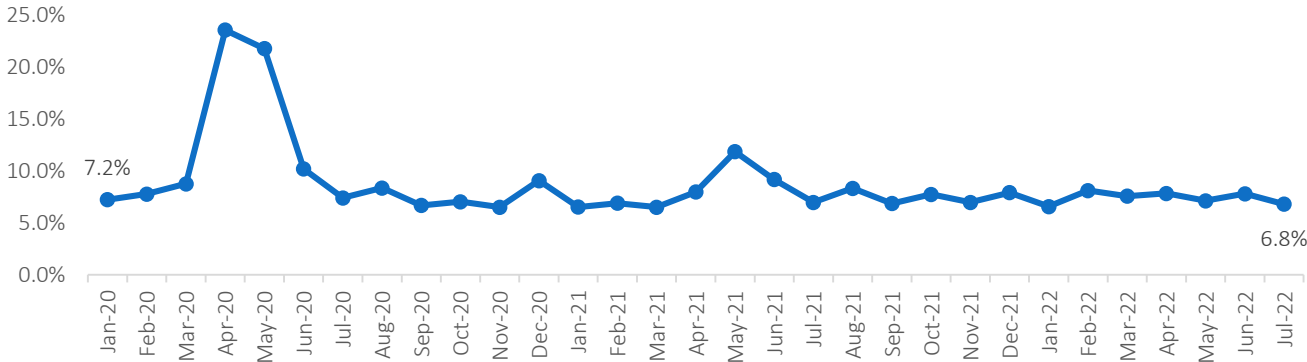
India's underlying economic fundamentals are strong despite the recent short-term turbulence

Index of Industrial Production YoY% Growth



Over the last two months, all components within IIP witnessed high growth especially the manufacturing and infra related products

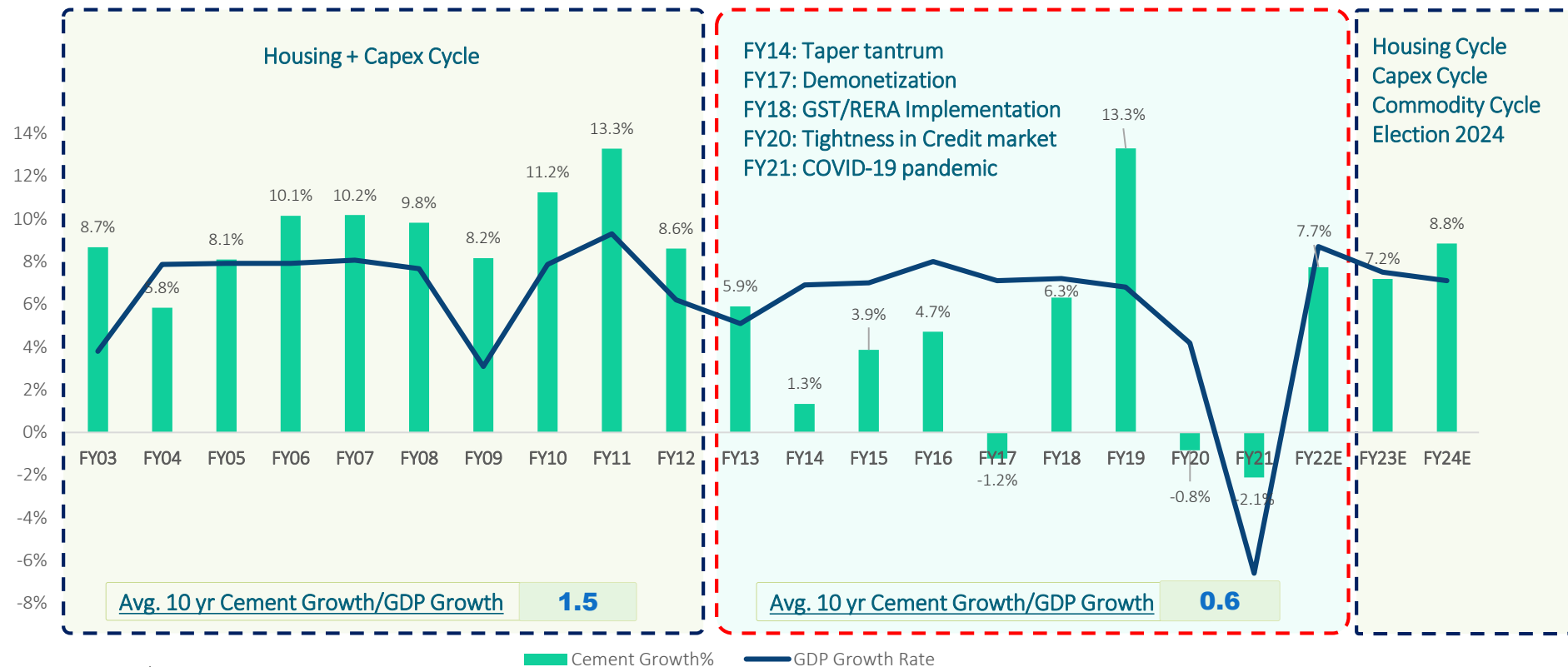
Unemployment%



Rising agriculture activities and surge in industrial jobs have led to unemployment rate falling below even pre-pandemic levels

Cement Demand Growth To Be Robust

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



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
- Target for pending houses to be completed under PMAY-U is 6.2 million by December 2024 and PMAY-R is 11 million by March 2024

Urban Housing

- Demand supported by stamp duty cuts, multi-year low interest rates and rise in income levels
- Growth in hiring numbers, stable income levels and demand for better and larger homes on account shift to hybrid working model in customer segments working in IT/ITES, BFSI and related sectors

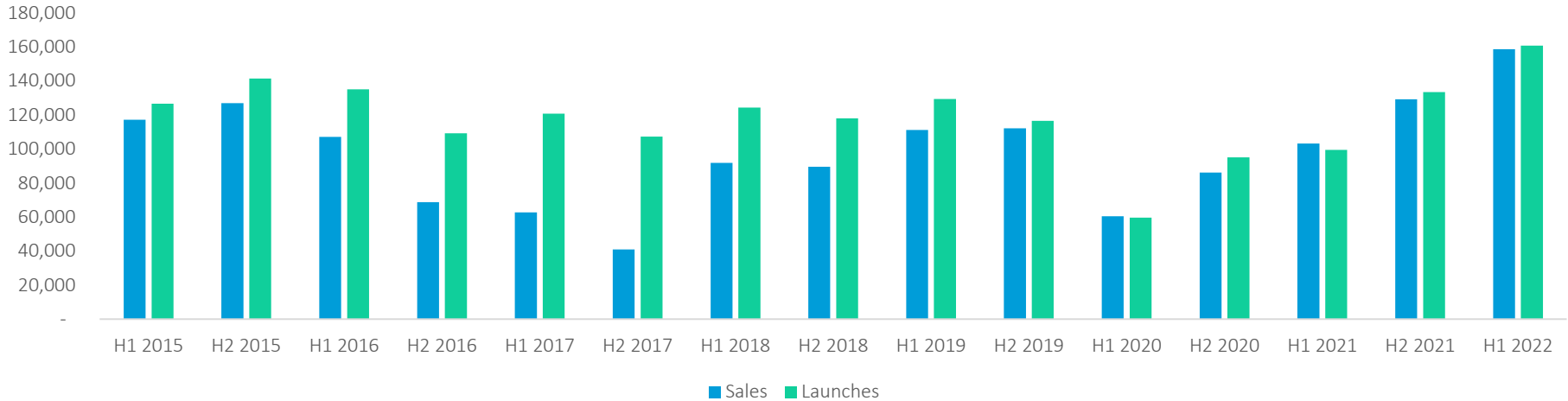
Infrastructure: Roads, Airports & Railways

- Pending Bharatmala awarding of around 19,636 km is likely to get completed by FY23.
- AAI and major private airports such as Delhi, Hyderabad, Bangalore and Mumbai have capex plans of around Rs. 58,00 crore during FY22-FY25
- During FY22-FY26, the capex under the National Rail Plan is at around 9.4 lakh crore - of which 67% accounts for track infrastructure and terminals

Recovery in Real Estate Market

The Residential sector has recorded a 9-year high sales volume in January–June 2022

Residential Unit Sales and Launches in Top 8 Cities in India

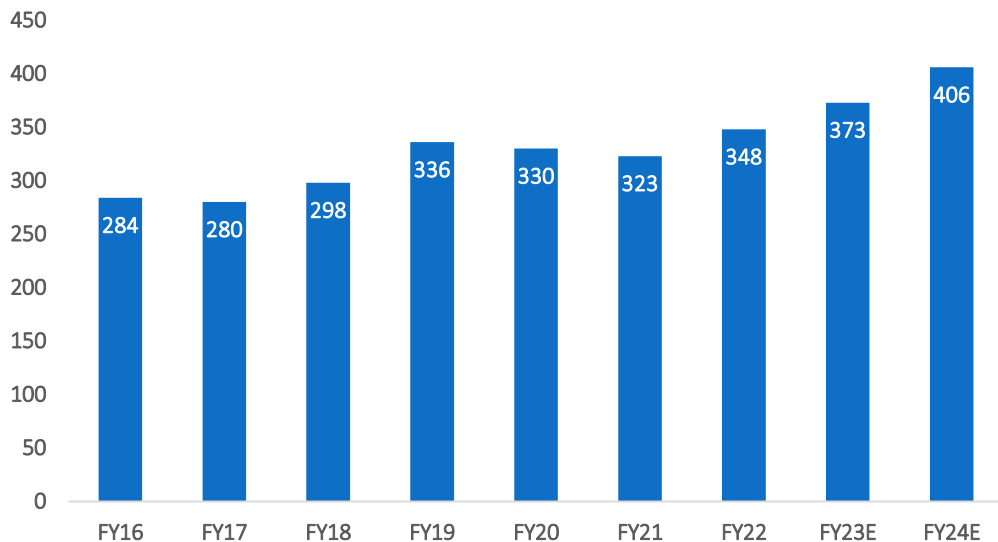


- ✓ Housing sales rose 60% annually in January-June this year across eight major cities at 1,58,705 units, the highest half-yearly demand in 9 years
- ✓ Key drivers include stamp duty cuts, low interest rates, comparatively low home prices and renewed need for home ownership sparked by pandemic
- ✓ Development activity has risen in tandem with the improved demand despite the increasing costs of input material and labor across market

Infrastructure Demand To Be Key Driver

Overall Cement Demand was ~348 MnT in FY22

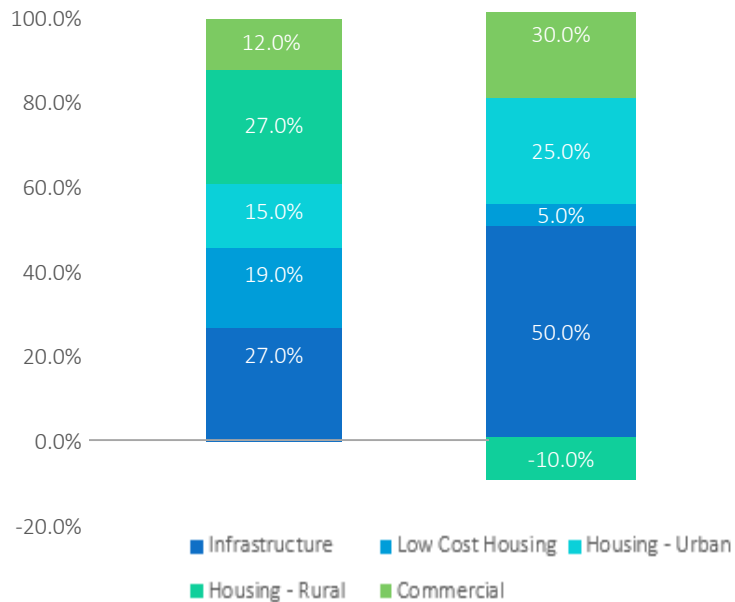
Industry Cement Volumes (MnT)



Demand trajectory in the medium-term to remain healthy which is expected to accelerate on pre-election demand in FY24E

Infra accounted 27% of total industry demand in FY22

Total Demand Incremental Demand

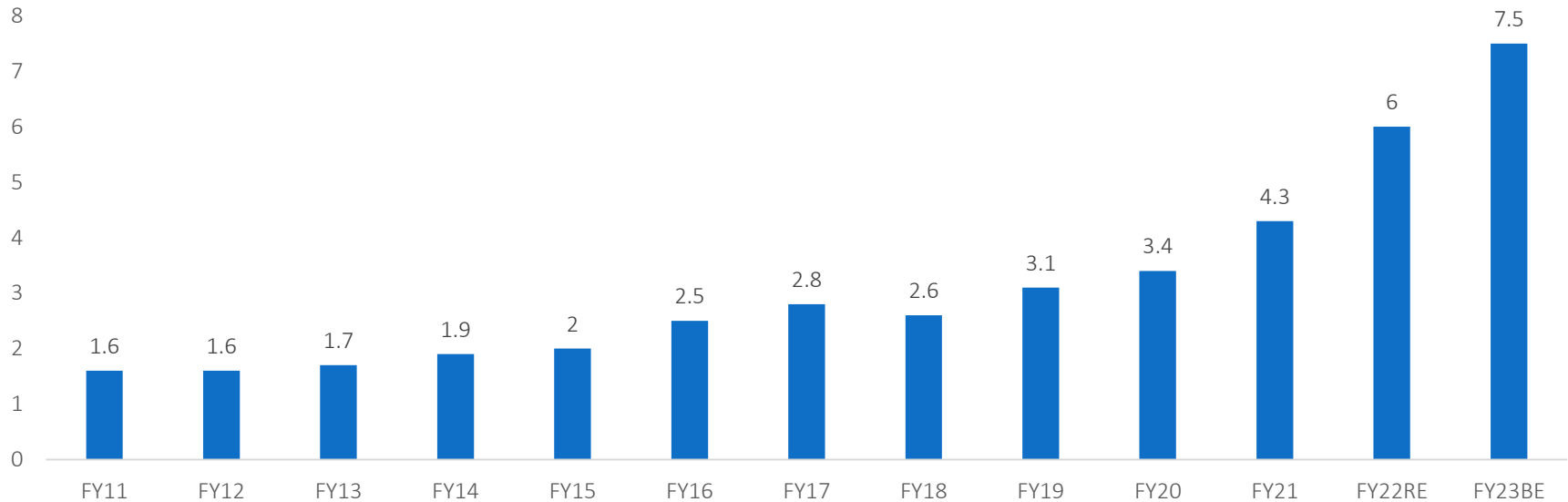


Infra accounted ~50% of the incremental demand in FY22

Capex Push of Government to Drive Demand

Union budget FY23's Capex push as well as continued focus on infrastructure development will boost cement demand

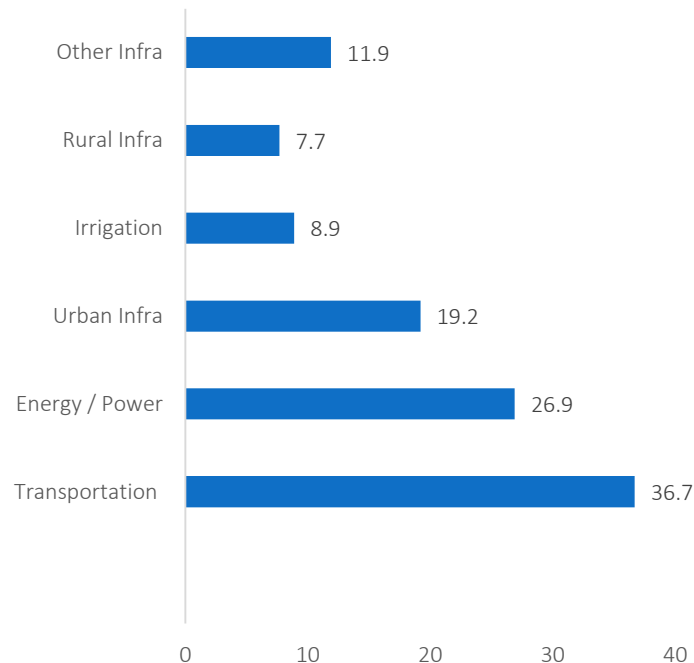
Capex by Center (Rs Trillion)



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 58,300 cr across various major airports in India
- Capital Allocation under NIP is around is at around Rs 9.4 lakh cr of which 67% accounts for track infrastructure and terminal 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

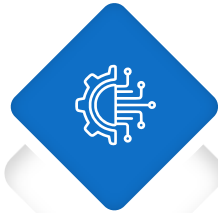


02

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 Highly
Attractive East India Market

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 - **468 CO₂ emission-Kg/ton** in Q1FY23

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

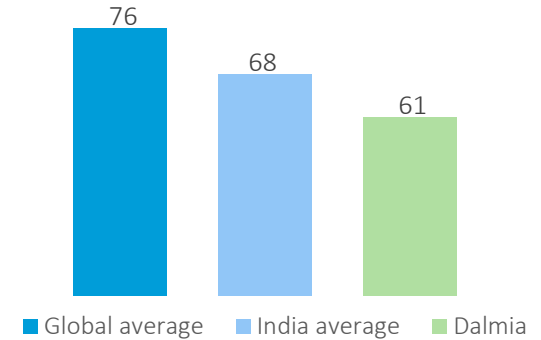
Largest producer of slag cement in India with **~80% blending ratio**

Pioneered usage of alternative fuel use in cement kilns

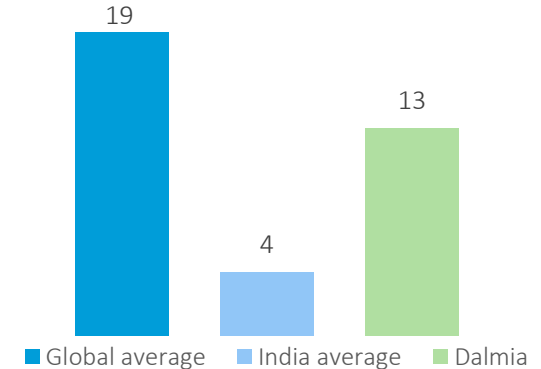
Commenced Electrical Vehicles Transition by joining EV100 and becomes first triple joiner globally (of RE100, EP100, and EV100)

Dalmia Bharat became **13.3x water-positive** in FY22

Clinker Factor (%)



Green Fuel %



Source : GNR data for global (40% capacity) and India average (65% capacity)

*Global & India Average based on latest published data; DBL data as of FY22

Green Fuel → Alternate fuel and raw material; TSR → Thermal Substitution Rate

01

Globally Recognized for its Focus on Sustainability

DALMIA BELIEF

Clean and Green is
Profitable
& Sustainable



- COP 26 Business Leader - one of the 16 Global Companies (only 2 from India)



- Ranked #1 by CDP in global cement sector on business readiness for a low carbon economy transition



- Only cement company in the world to be invited to participate at the UN Climate Action Summit in 2019 and UN Climate Ambition Summit in 2020



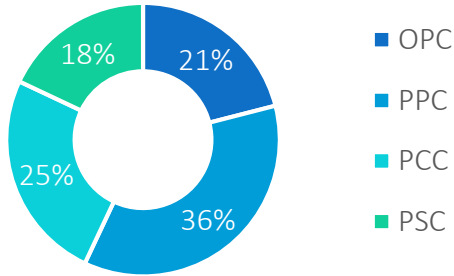
- Among the five climate defenders identified by BBC World globally



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

Diverse Product Portfolio with Strong Brand Recognition

Product mix, FY22



Largest producer of Portland Slag Cement (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



- Protects the construction from harsh environmental conditions

Institutional Brands



- Superior ingredients and a Robotic Quality control process



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

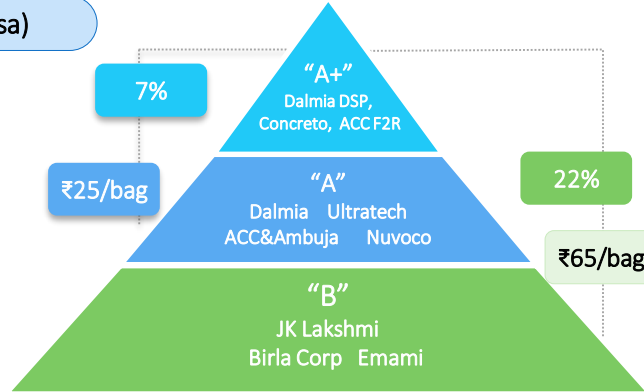


- Premium OPC Cement with lower setting-time that helps in reducing brick-lifting time

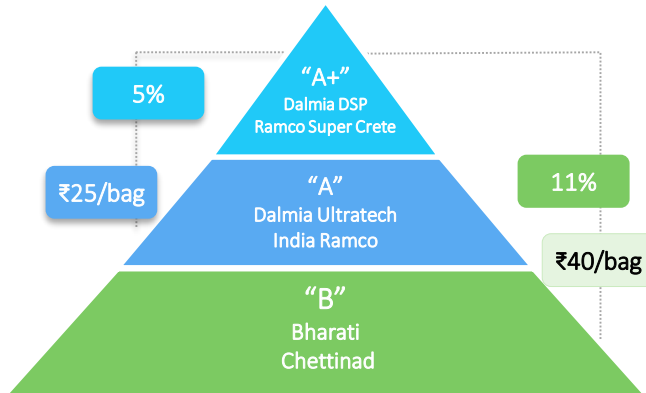
02

Diverse Product Portfolio with Strong Brand Recognition

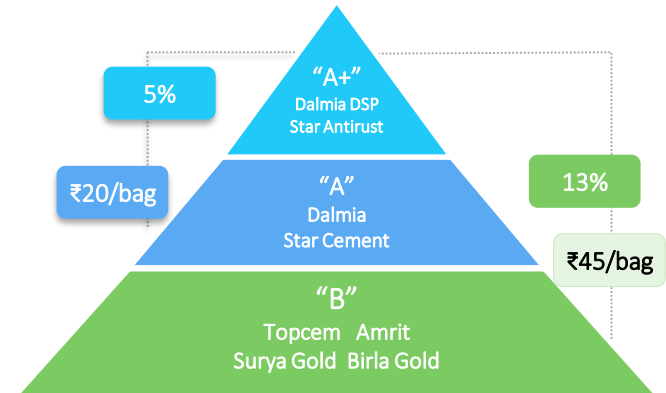
East (Orissa)



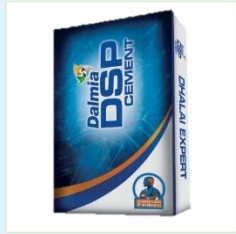
South (TN Market)



North East

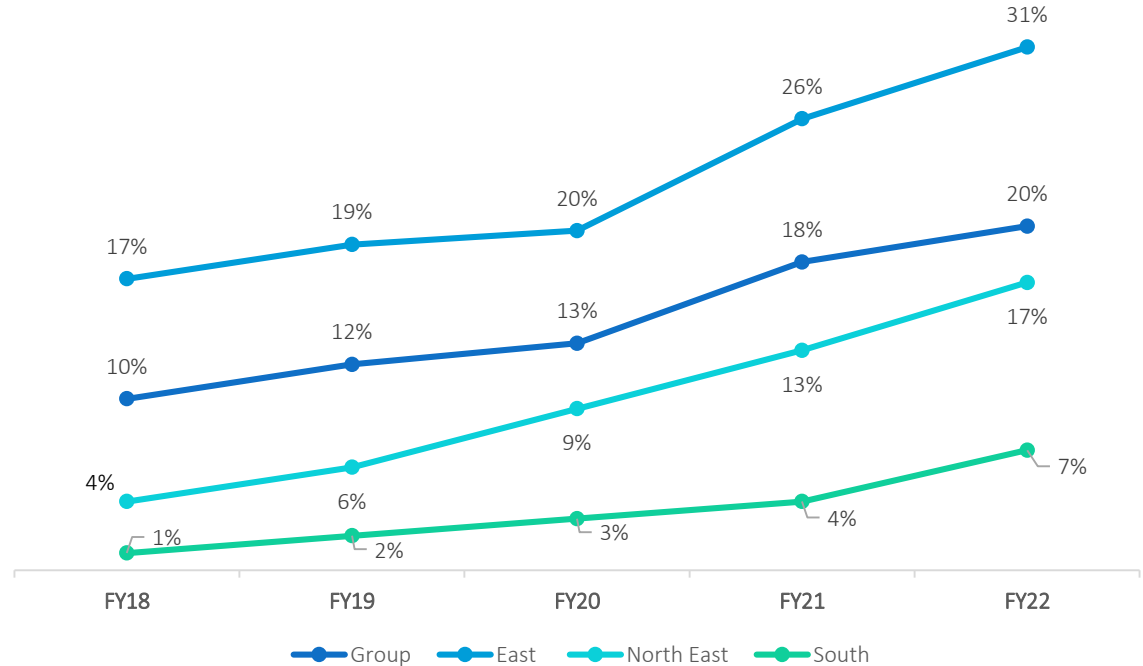


02 Consistent Increase in Share of Premium Product



- Since its launch, Dalmia DSP has been immensely successful in **East and North East Region**
- DSP contributes **10-15% higher profitability** than other products
- Constant **increase** in share % of trade sale
- Witnessed healthy growth in South and constituted **7% of trade sales** in FY22

DSP % of Trade Sales



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



Bogibeel Bridge, Assam
The largest Rail and Road Bridge in India



Hirakud Dam, Odisha
World's longest dam



Chennai Metro, Tamil Nadu
14 lakh daily passengers



Dhola-Sadiya Bridge, Assam
The largest road bridge in Asia



Salt Lake Stadium, Kolkata
India's Largest Football Ground



Indian Air Force landing strip, Arunachal Pradesh
Highly Advanced Air Strip



Bangalore Mysore Highway



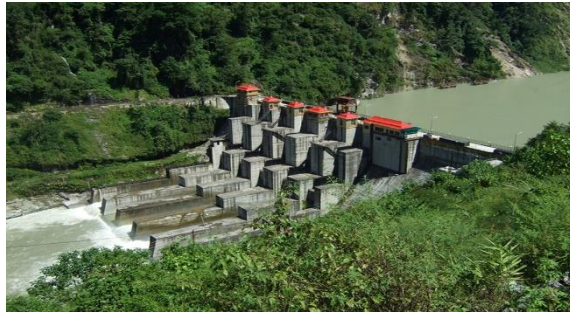
Bangalore Metro
5.2 lac Passengers per day.



Kundankulam Nuclear Plant



Subansiri HE Project
2000 MW project in Arunachal Pradesh



Teesta Hydro Electric Project
500 MW project



Kalinga Stadium
Multi Purpose International Stadium

Integrated Model with State-of-the-Art Facilities



Raw Material

Limestone

- Each integrated plant has captive mines to extract limestone
- Avg. Life of Mine: ~30 Years
- Constantly participating in mine auctions – Recently won limestone block auction in Rajasthan

Fly Ash, Slag, Pet coke, Coal

- Strategically located plants providing easy access
- Long-term tie ups with suppliers
- Recently, won bid for Brinda & Sisai Coal Block with extractable reserves of ~15 MnT



Power

Power Source

- ~2/3 of power need met by 10 Captive Power Plants
- Power Consumption <65 Kwh/ which is one of the lowest in the industry
- Captive Thermal Power Capacity: 210 MW

Renewable Power

- Current WHRS Capacity: 37 MW
- Closing WHRS Capacity FY23: 72 MW
- Current Solar Capacity: 68 MW
- Closing Solar Capacity FY23: 101 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

One of most Efficient and Robust Supply Chain

Logistics Optimization Initiatives in FY22

Introduced supply chain optimizer tool to improve our network

Institutionalized reverse auction across plants

Ensured stock transfer through higher sized vehicles

Set up 24*7 operational depot for uninterrupted unloading

Used dedicated fleet model higher capacity vehicles

Explored the idea of multi-modal dispatch through containers and CONCOR domestic container

Supply Chain by Numbers

8,000+

Truck Fleet

300+

Warehouses

2,300+

Daily Truck Movement

200+

Districts Served

~300 Km

Lead Distance

22

EV Purchased at Plants

03

Focused on Usage of Smart Technology

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

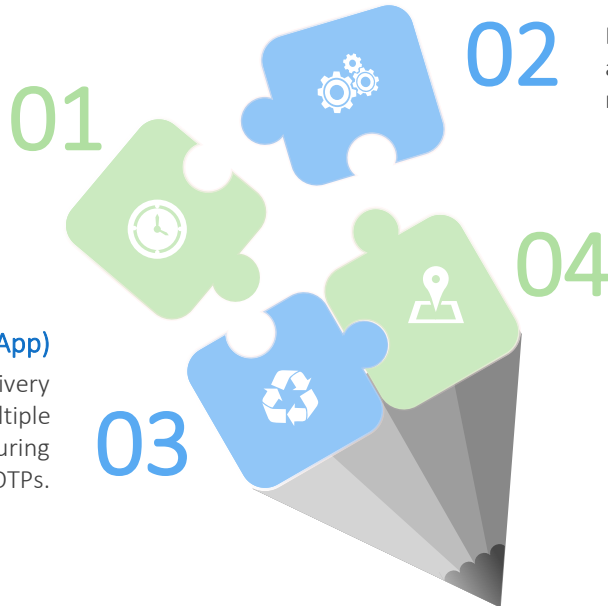
Plant Logistics

Developed an in-house app to track and control the entire logistical value chain

Plant's yard gate-in → yard gate-out → better utilization → lower turnaround time.

Delivery (Driver Sathi App)

Enables Dalmia Bharat to track delivery times and status, when there are multiple deliveries across several points, ensuring secure delivery by generating OTPs.



Transaction Lifecycle (Suidha App)

Dealers get access real-time information about payments, discount earnings, their monthly accounts statements

Sales (Smart-D App)

Acts as a one-stop solution for the sales team to place orders on behalf of customers, track customer performance and satisfaction indices

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

Technology Stack

Power BI

PowerApps

QlikView

python

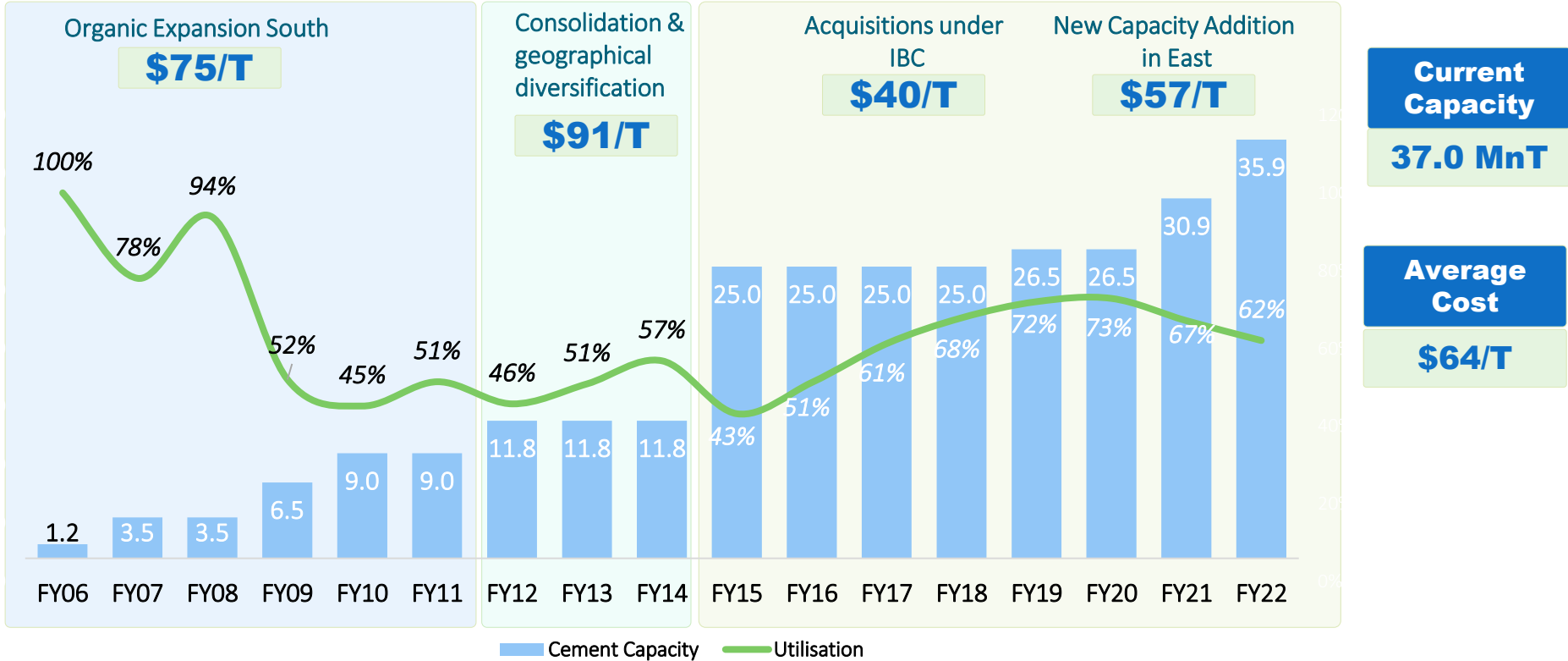
SAP

Data Lake

Amazon SageMaker

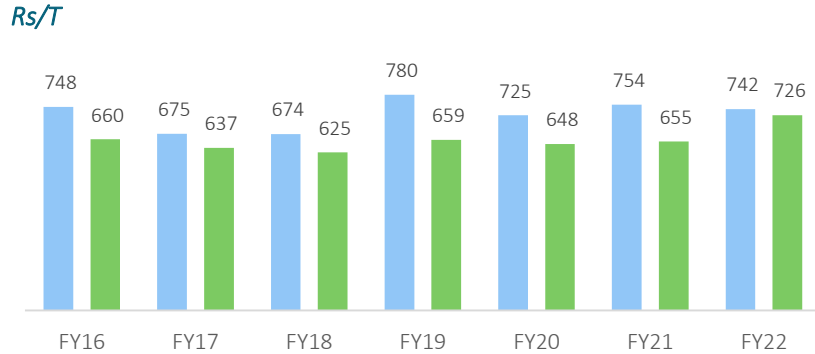
Flutter

04 Ability to Add Capacity at Lowest Cost



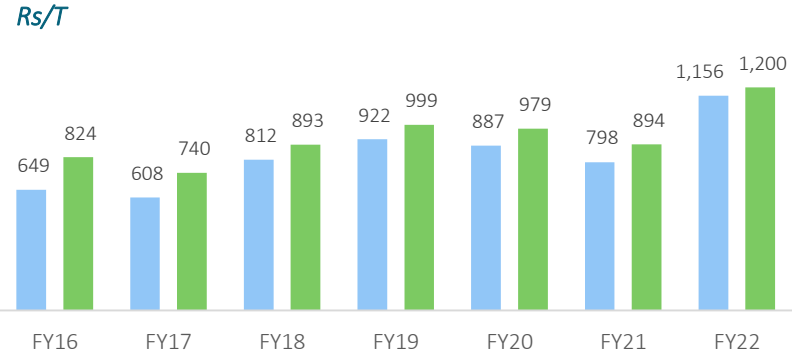
Lowest Total Cost Producer of Cement in India

Raw Material Cost/T

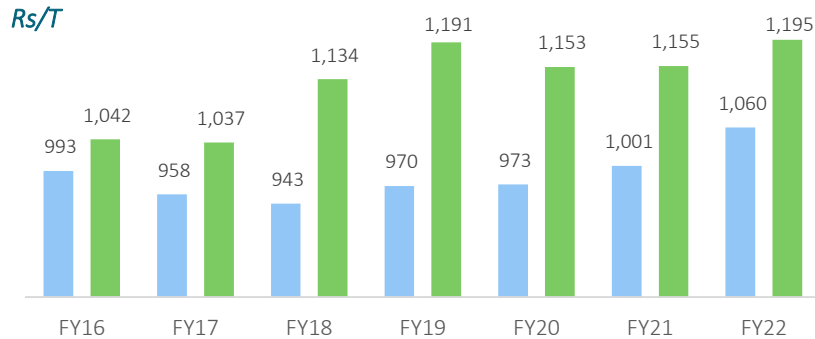


Key drivers include long term tie-ups with suppliers, focus on blended cement along with investment in alternative fuel

Power & Fuel Cost/T

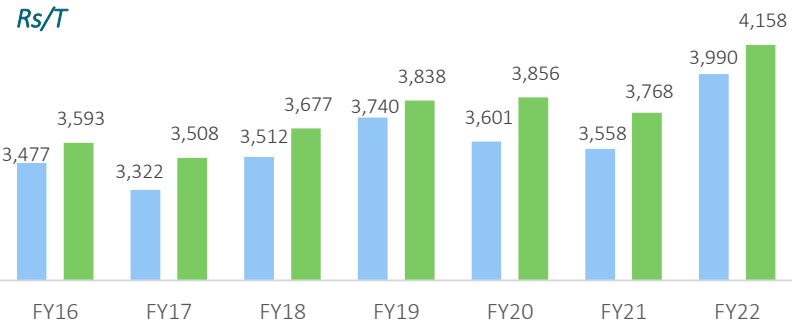


Freight Cost/T



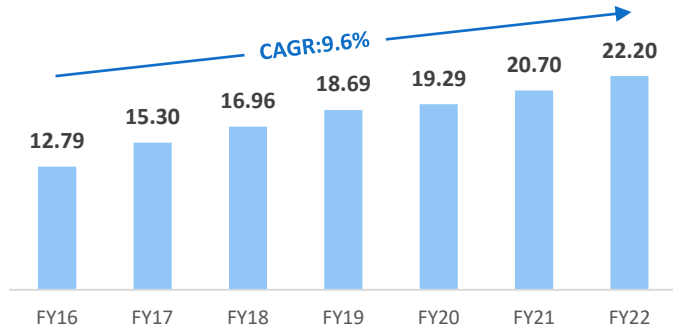
We continue to remain as the lowest cost structure even in the most volatile times

Total Cost/T



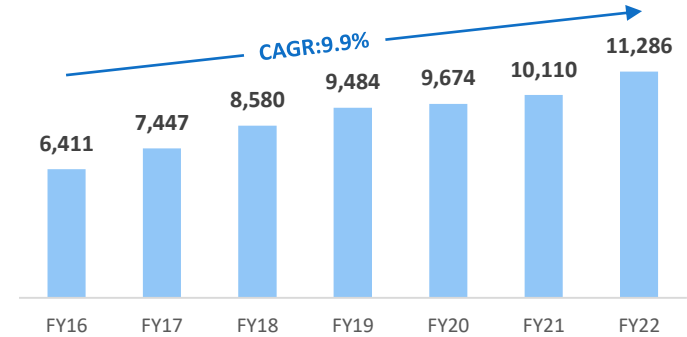
05 Proven Track Record of Financial Performance

Sales Volume (MnT)

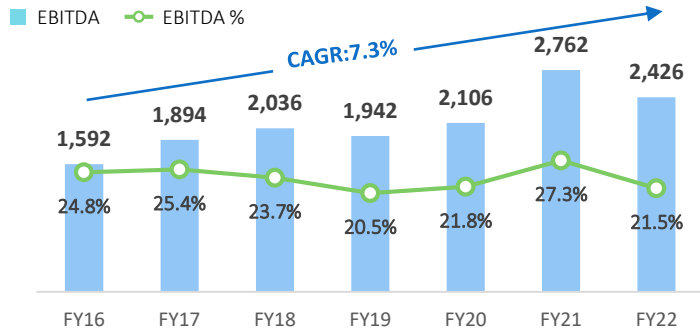


Consistent Capacity additions have enabled us drive volume and revenue growth

Sales Revenue

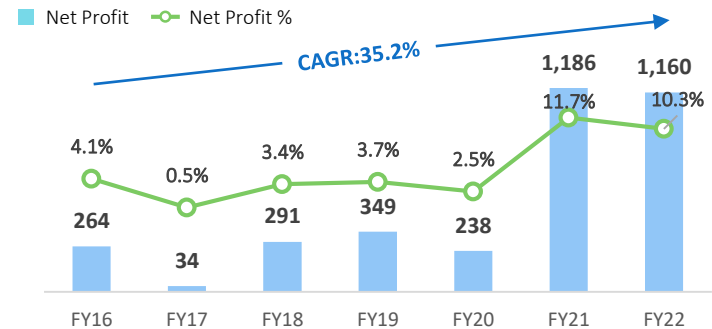


EBITDA and EBITDA%



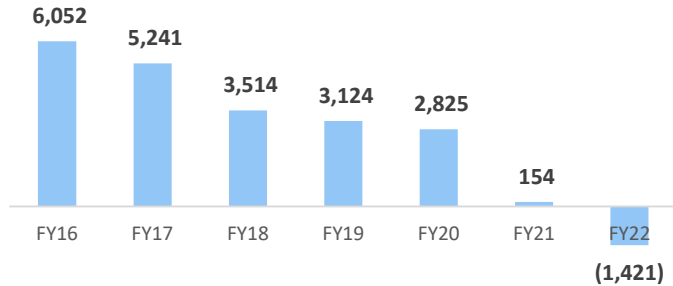
Continuous investment in supply chain and greentech has enabled us to generate high EBITDA and Profit Margin despite headwinds

Net Profit and Net Profit%



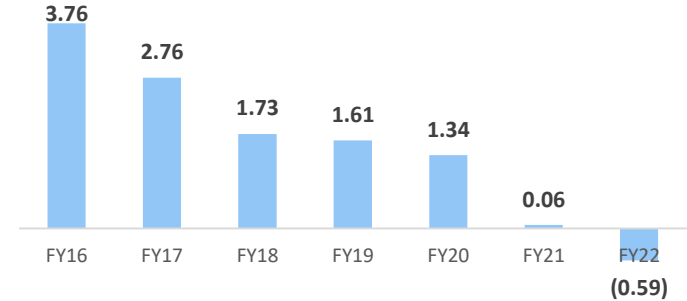
Proven Track Record of Financial Performance

Net Debt (Rs Cr)

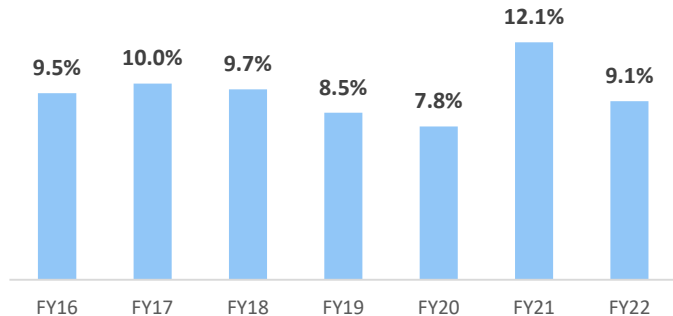


Our resiliency has enabled us to Delever our Balance Sheet and provided Flexibility for future expansion

Net Debt/EBITDA

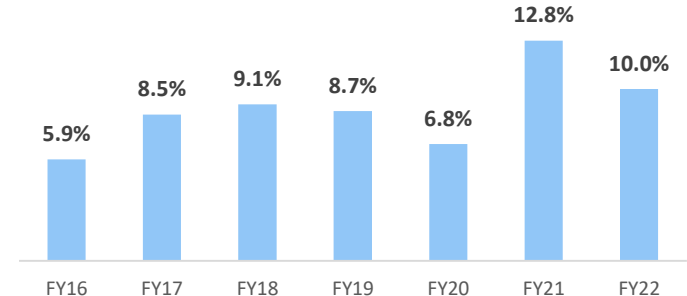


Adjusted RoCE*



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

Market Leader in Highly Attractive East India Market

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

- East 150 – 175 kg
- All India 225 – 250 kg
- World 500 – 550 kg

GDP growth of eastern regions is well above Pan-India GDP growth⁽¹⁾

- East: 10.9%
- All India: 8.7%

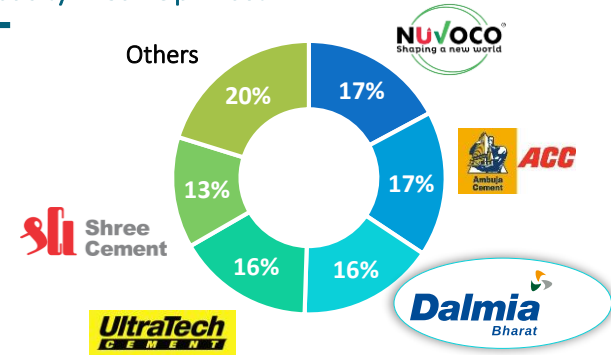
Key demand drivers of the region

- Shortage of housing units - **45% 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

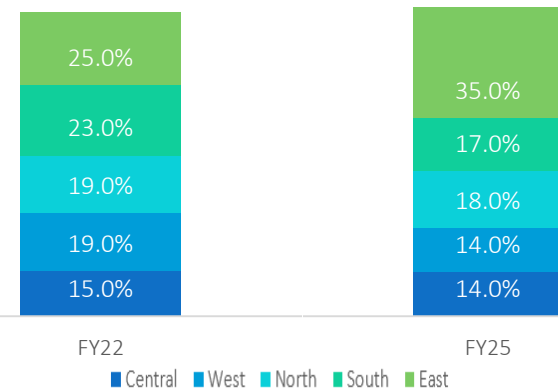
- East West Dedicated Freight Corridor Project (₹73,084 cr)
- Smart City (Bilaspur) Project (₹8,000cr)
- Western Dock (Paradip Port) Project(₹3,025 cr)
- Patna Metro (₹13,366 cr)
- Airport City (Durgapur) Project (₹3,000 cr)
- Coastal Road (Gopalpur-Digha) Project (₹8,000 cr)

Capacity Break Up - East



By FY25, ~35% of Cement Demand will be driven by East Region

Region wise Demand Mix%



Multi-Tier Governance Structure



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

Overseen by a Reputed Board



Pradip Kumar Khaitan
Chairman & Independent Director

- Serves as senior partner of Khaitan & Co., an eminent firm of lawyers and member of the Bar Council of India, Bar Council of West Bengal and Indian Council of Arbitration, New Delhi
- Areas of specialization are commercial and corporate laws, tax laws, arbitration, intellectual property, foreign collaboration and M&A



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



Sudha Pillai
Independent Director

- Served Indian Administrative Services and held key positions at various Government bodies such as Planning Commission and NHAI
- Master's degree in Public Administration from Harvard University, USA



Virendra Singh Jain
Independent Director

- Previously served as CEO at Jindal Stainless Ltd. and Chairman of Steel Authority of India Ltd.
- Chartered Accountant and a Cost Accountant



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

07 Managed by a Diverse Leadership Team



Mahendra Singhi
(MD & CEO – DCBL)

- More than 40 years of experience in cement sector
- Also, previously served as President of Cement Manufacturer's Association (CMA)
- Chartered Accountant and a science and Law graduate



Rajiv Bansal
President and Chief Transformation Officer

- Has over 27 years of corporate leadership in Power, IT and Internet Start-up Industry
- Bachelor of Commerce (Hons) & Chartered accountant and a Cost Accountant



Dharmender Tuteja
Chief Financial Officer

- Has over 35 years of experience in various facets of Finance & Accounts function and Business Management in diverse industries
- Bachelor of Commerce (Hons) and Cost Accountant & Company Secretary



Udaiy Khanna
Head - Human Resources

- Has over 30 years of experience in Human Resources across industries including IT, BFSI, Retail and Consumer Electronics
- MBA from XLRI Jamshedpur



Sanjay Wali
Head – Sales, Marketing & Logistics

- Has over 28 years of experience covering Sales, New Product Development, Business Development and Project Management
- MBA from IMT Ghaziabad



Ganesh Wamanrao Jirkuntwar
Head - Manufacturing

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



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, Cement amongst others
- Holds a PhD and a MBA

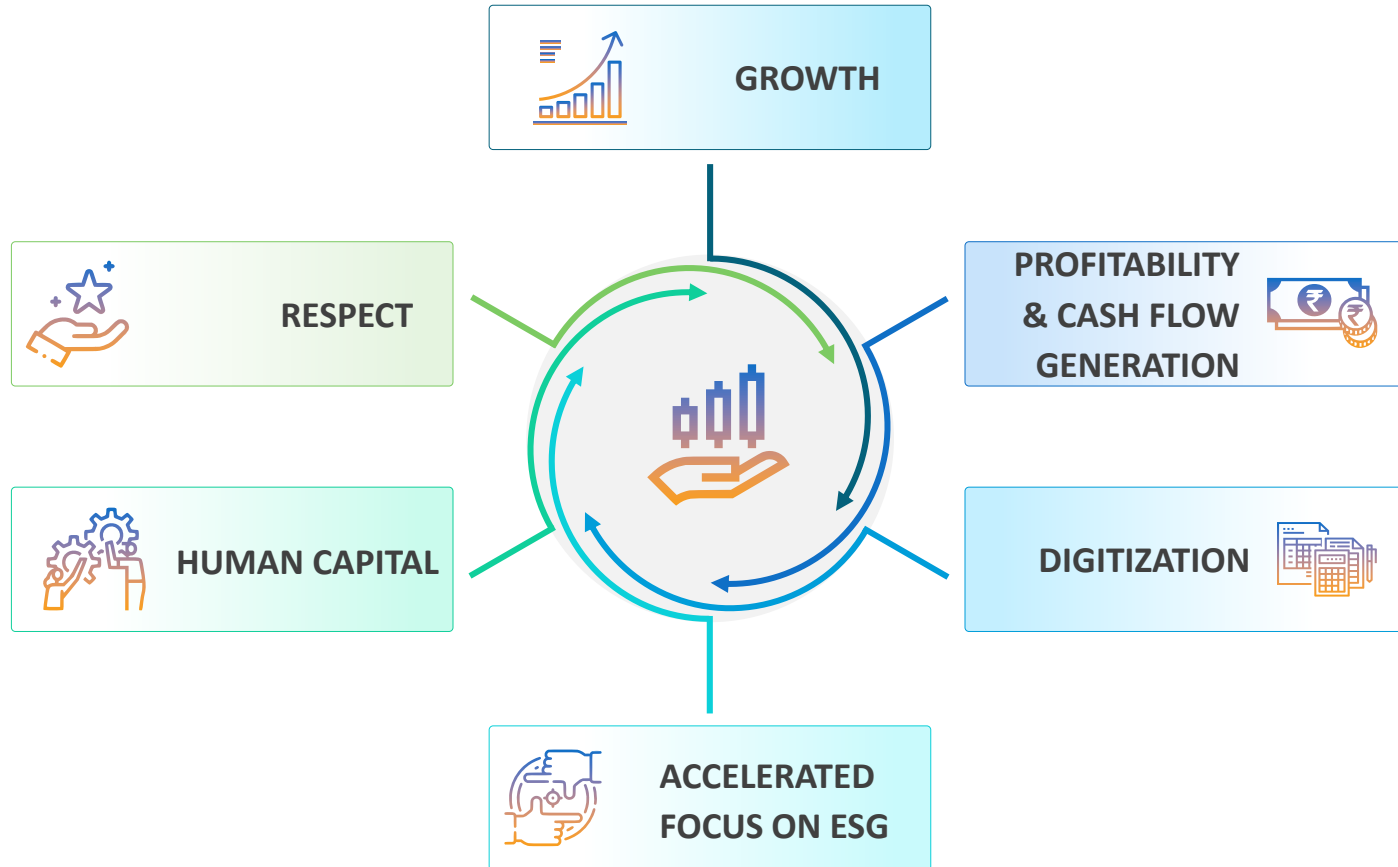


SECTION

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



- Emerge as one of the most profitable & environment friendly company in cement sector in India



- 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

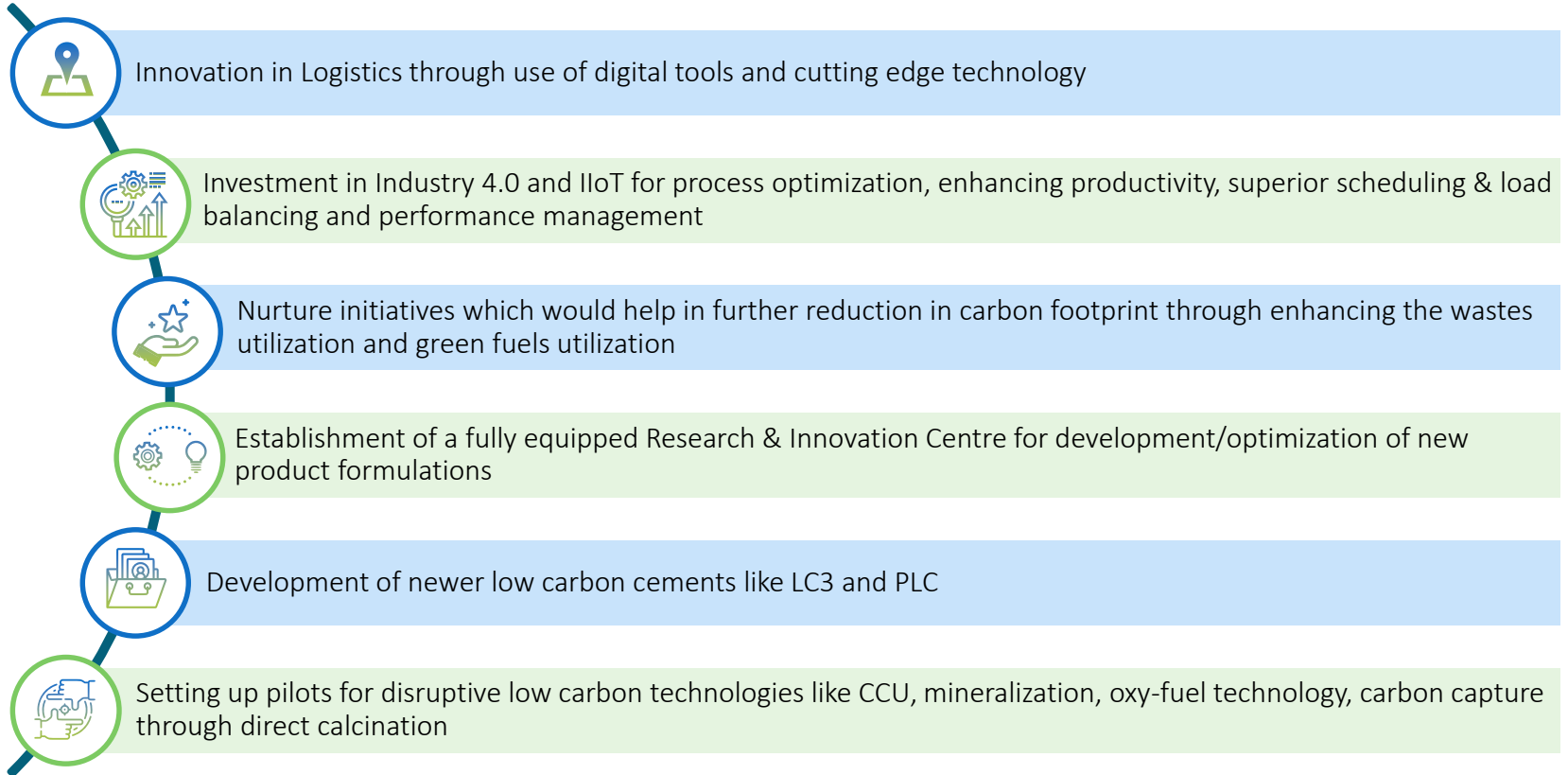
The balance available funds will be used to fund **growth** as well as **maintenance capex**

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

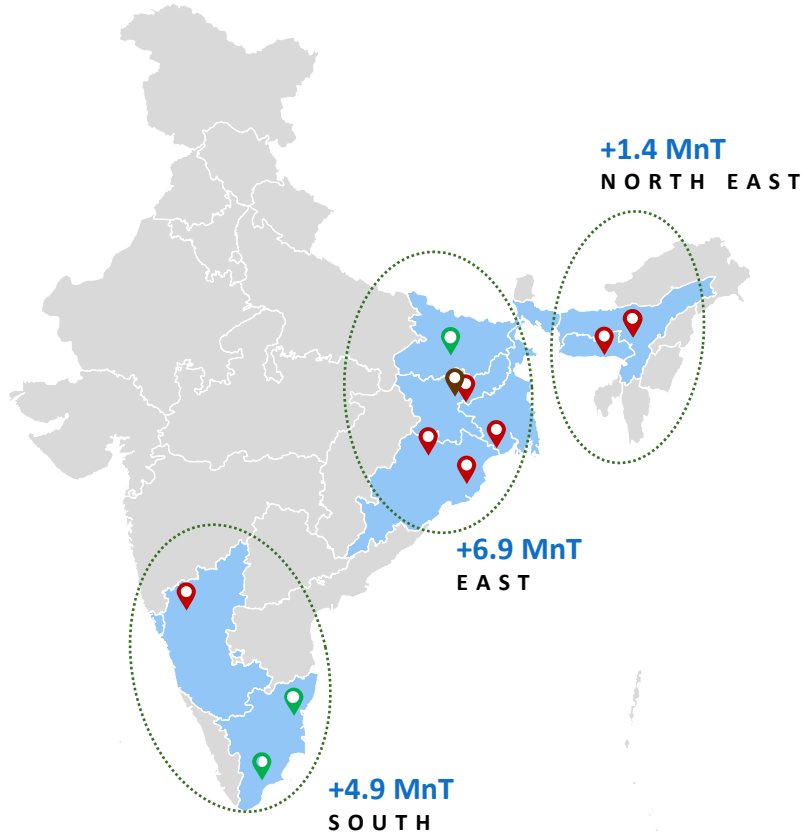
Innovation and Green Energy Fund





CAPEX PLAN

Cement Capacity Expansion Plan – 49 MnT by FY24



+ Represents Capacity Additions from 35.9 MnT to 49.0 MnT
 Represents States where in capacity are added

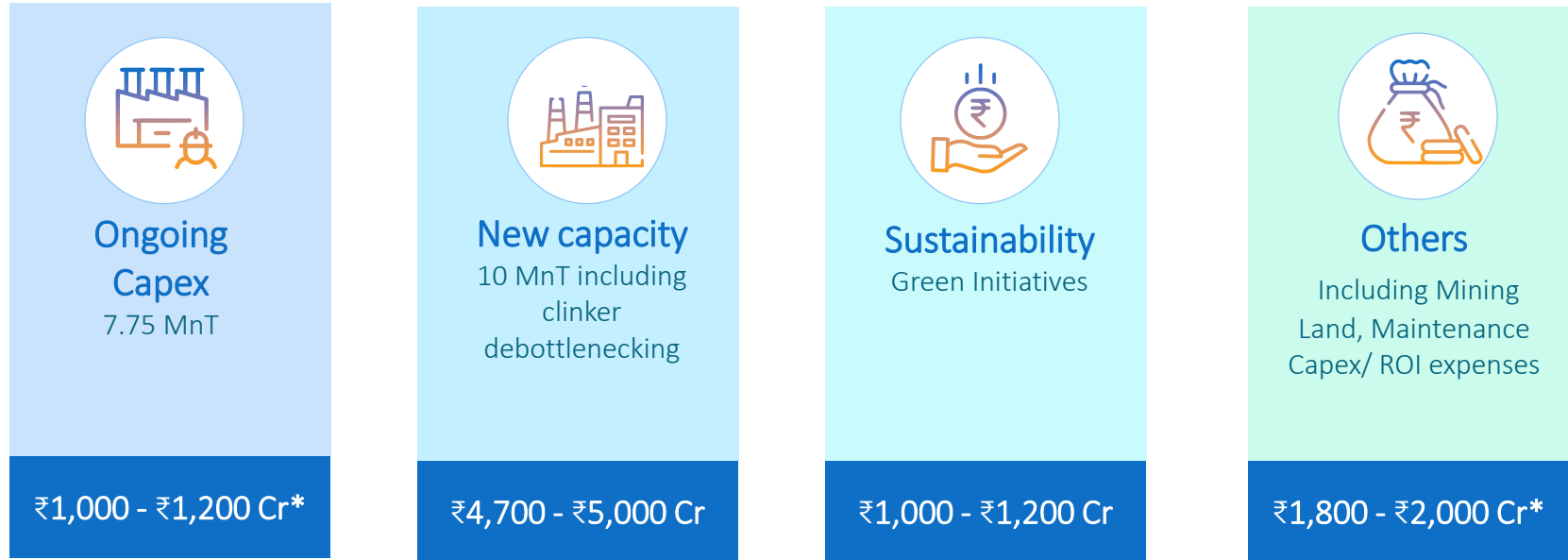
Region	Plant	Capacity	Commissioning
Closing Capacity FY22		35.9	
East	Bokaro, JH	0.6	
North East	Adhunik, ML	0.2	Q1FY23
East	Rajgangpur, OR	0.3	
Closing Capacity Q1FY23		37.0	
East	Kapilas, OR	0.4	
East	Medinipur, WB	0.6	FY23
South	Belgaum, KA	0.9	
North East	Calcom, AS	1.2	
Closing Capacity FY23		40.0	
East	Bokaro Line 2, JH	2.5	
South	Sattur, TN	2.0	FY24
South	Padlam, TN	2.0	
East	Vaishali, BR	2.5	
Closing Capacity FY24		49.0	

📍 Debottlenecking 📍 Brownfield 📍 Greenfield

Clinker Capacity Expansion Plan



Estimated Capex Breakdown



*Augmentation for limestone mining land in East was earlier classified as “Ongoing Capex” whereas it is now correctly been classified as “Others”



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, **468 kg CO₂/tonne of cement**, are well below the world average



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 **carbon negative by 2040** and **20 times water positive by 2025**

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*



468

Dalmia Bharat Net
CO₂ Emissions



374

Dalmia Bharat
Eastern Operations
Net CO₂ Emissions

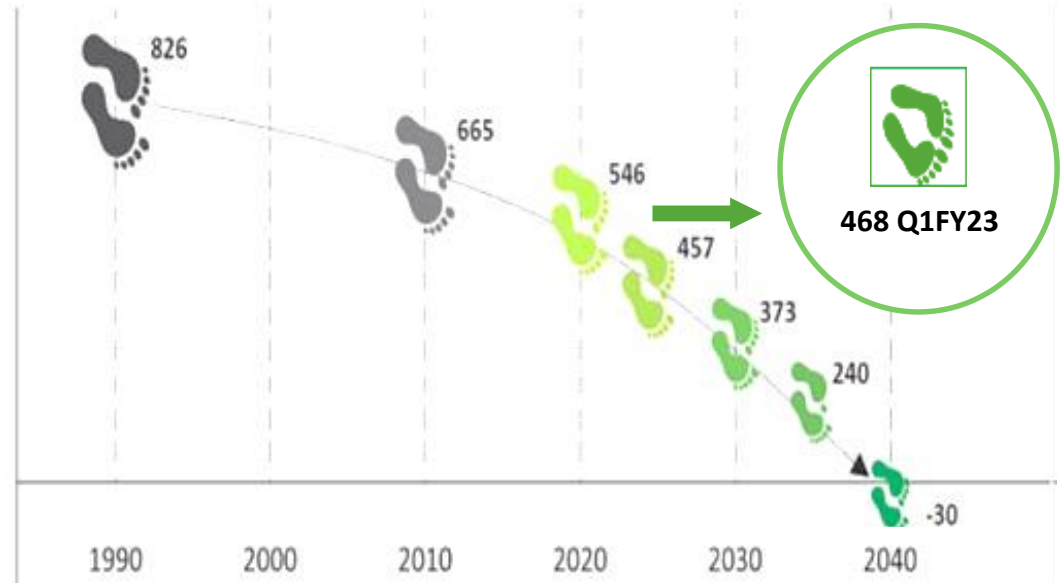
* Source: GNR data published in 2021 representative of 22% cement production in the world.

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

Carbon Negative Roadmap

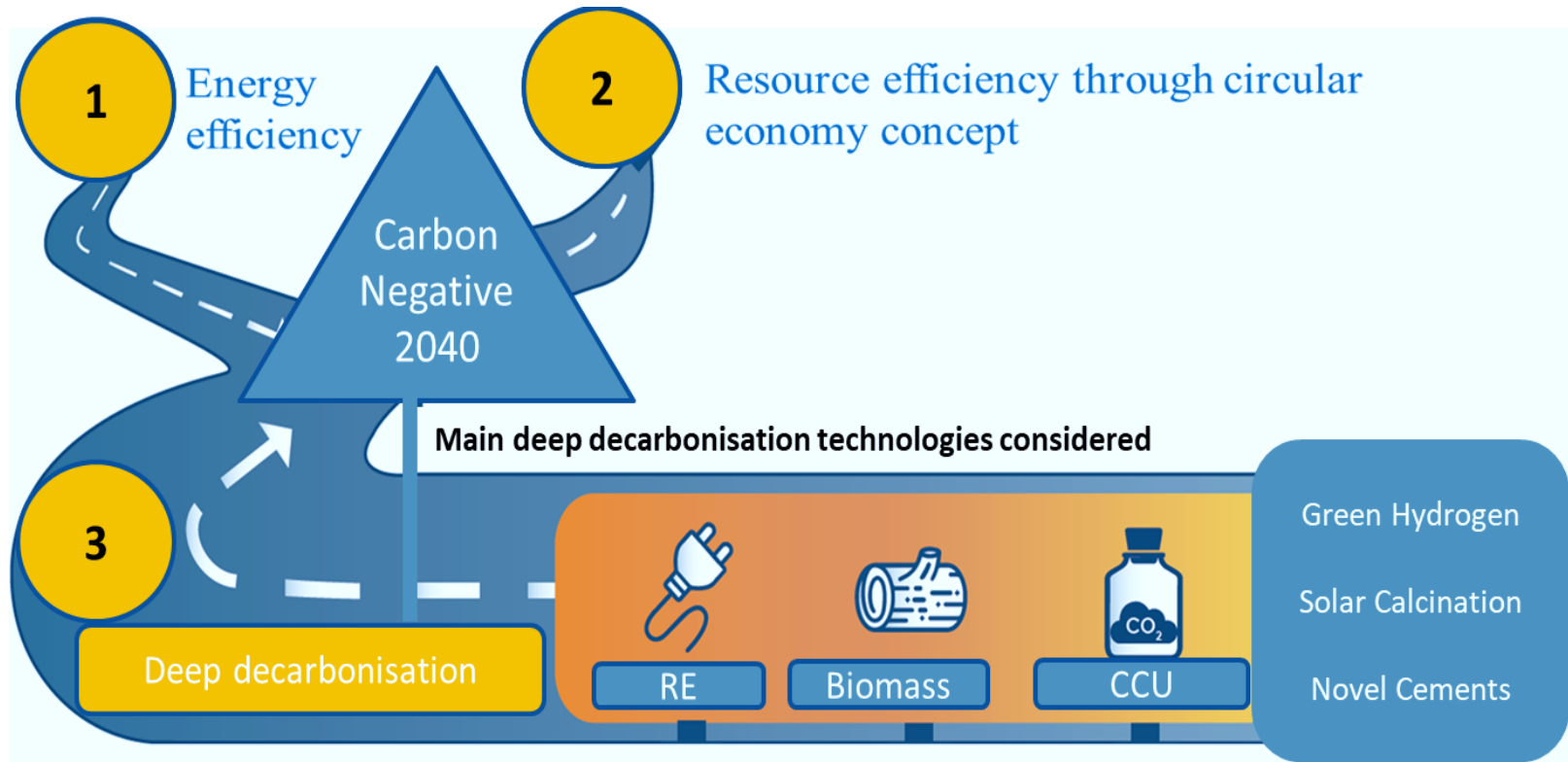
- ✓ 100% blended cement production by 2025
- ✓ RE 100 commitment to transition to 100% renewable power by 2030
- ✓ EP 100 commitment to double energy productivity by 2030
- ✓ EV 100 commitment for sizable Electric Vehicle transition by 2030
- ✓ Use of renewable biomass, hazardous waste, hydrogen and 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

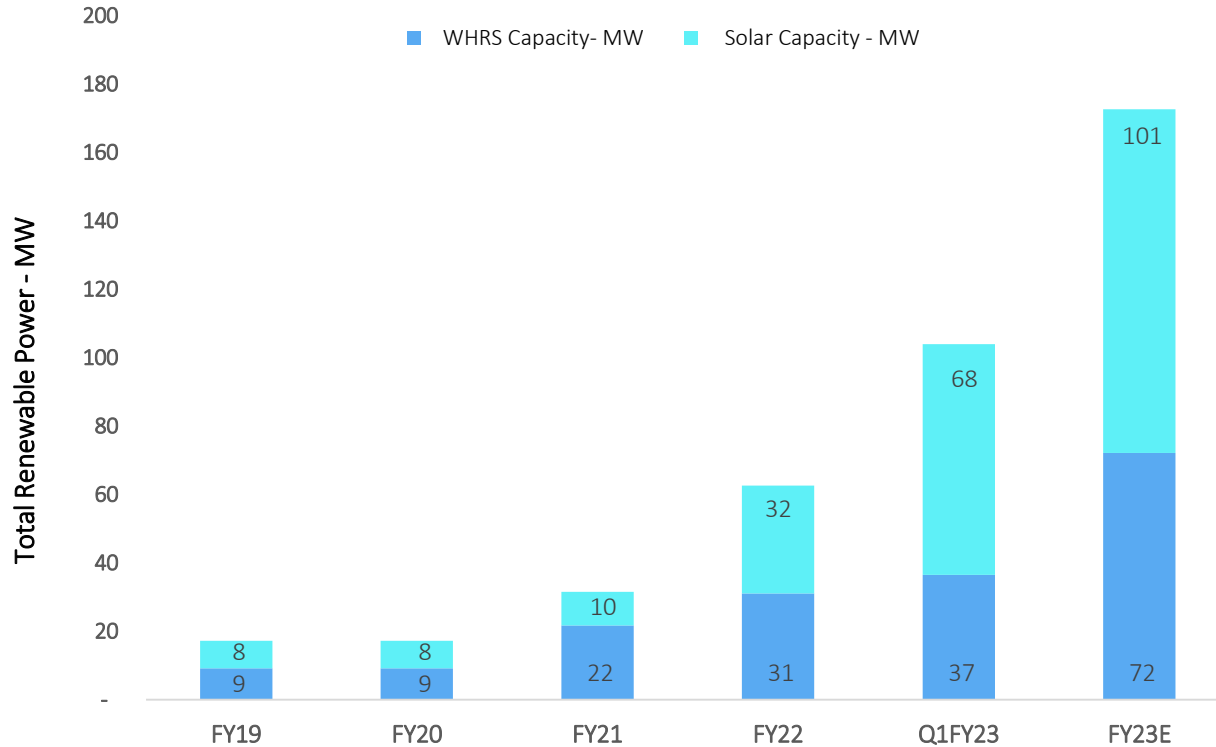


Carbon Footprint Net CO₂/ton of Cementitious Material

Carbon Negative Roadmap



Renewable Power To Play A Critical Role in ESG Journey



FY23 - WHRS Commercialization

▪ Q1FY23	5.4
▪ Rest of FY23	<u>35.4</u>
	40.8

FY23 - Solar Commercialization

▪ Q1FY23	36.0
▪ Rest of FY23	<u>32.5</u>
	68.5

Investment in Renewable Energy will not only help us minimize our costs but also help us to achieve our sustainability goals

Dalmia at UN Climate Conference (COP-26)

FINANCIAL TIMES
Special Report: Managing Climate Change
Investors face more pressure to help cut carbon emissions

Hastreiter says that, of the TPI assesses, only one, Ind Cement, is aiming to do... or take more CO₂ out than it emits.

BUSINESS LINE
Dalmia Cement joins First Movers Coalition as founding member
Climate models suggest businesses will have to follow Dalmia's example if global... limited to the 1.5C goal in the Paris Agreement. In other words, pledged to support investments that demonstrate and so... products

Construction Week

Business Line
Dalmia Cement wants 2 million ha of wastelands to...
amboo
Suresh G. Gargole | Updated on November 09, 2021

THE ECONOMIC TIMES
November 7, 2021

'FIRST MOVERS COALITION' FOR ZERO-CARBON TECH
Amazon, Apple, M&M in Green Drive
Global giants such as Amazon and Apple as well as the Mahindra Group and Dalmia Cement (Bharat) from India have joined as founding members of the 'First Movers Coalition' to work towards driving demand for zero-carbon technologies, the World Economic Forum has said. >>> 9

Business Line
Dalmia Cement calls for melding green solutions into corporate DNA to cut carbon footprint
November 11, 2021

Business Line
Dalmia Cement is asking the government for hectares of wasteland for the company to plant trees.
"The bamboo would be used as a replacement in the manufacture of cement," said the company Managing Director and CEO, Mahendra Singh.

- First company from emerging economies in heavy-industry sector to join First Movers Coalition (FMC) as founding member
- Launched formally in COP-26 and backed by US Government, it will emerge as a platform to shape public and private sector green procurement commitments and policies

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

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 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

DECATHLON

Glovo!



ignitis
group

globesight

L'ORÉAL

airtel



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

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



Globally ranked No. 1 by



RANK: **1**
SCORE: **4.64**



RANK: **2**
SCORE: **5.62**



RANK: **3**
SCORE: **5.90**



RANK: **4**
SCORE: **5.91**



RANK: **5**
SCORE: **6.03**



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

Industry Leading Water Positive Operations

OUR STRATEGY



Air cooling instead of water cooling in CPP



Rain water harvesting

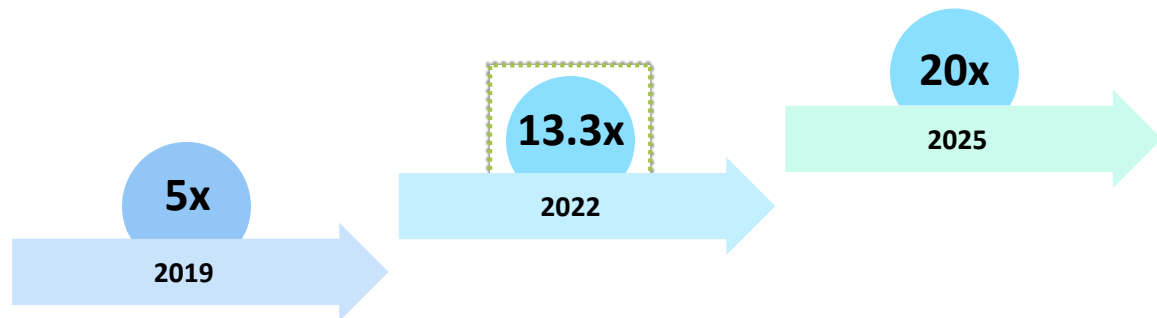


Zero water discharge at plants



Intervention program: drip irrigation, ponds, sprinklers

OUR RESULTS



FY22*

Million m³

Freshwater Water withdrawal

3.0

Total Water withdrawal

4.0

Water recycled

1.1

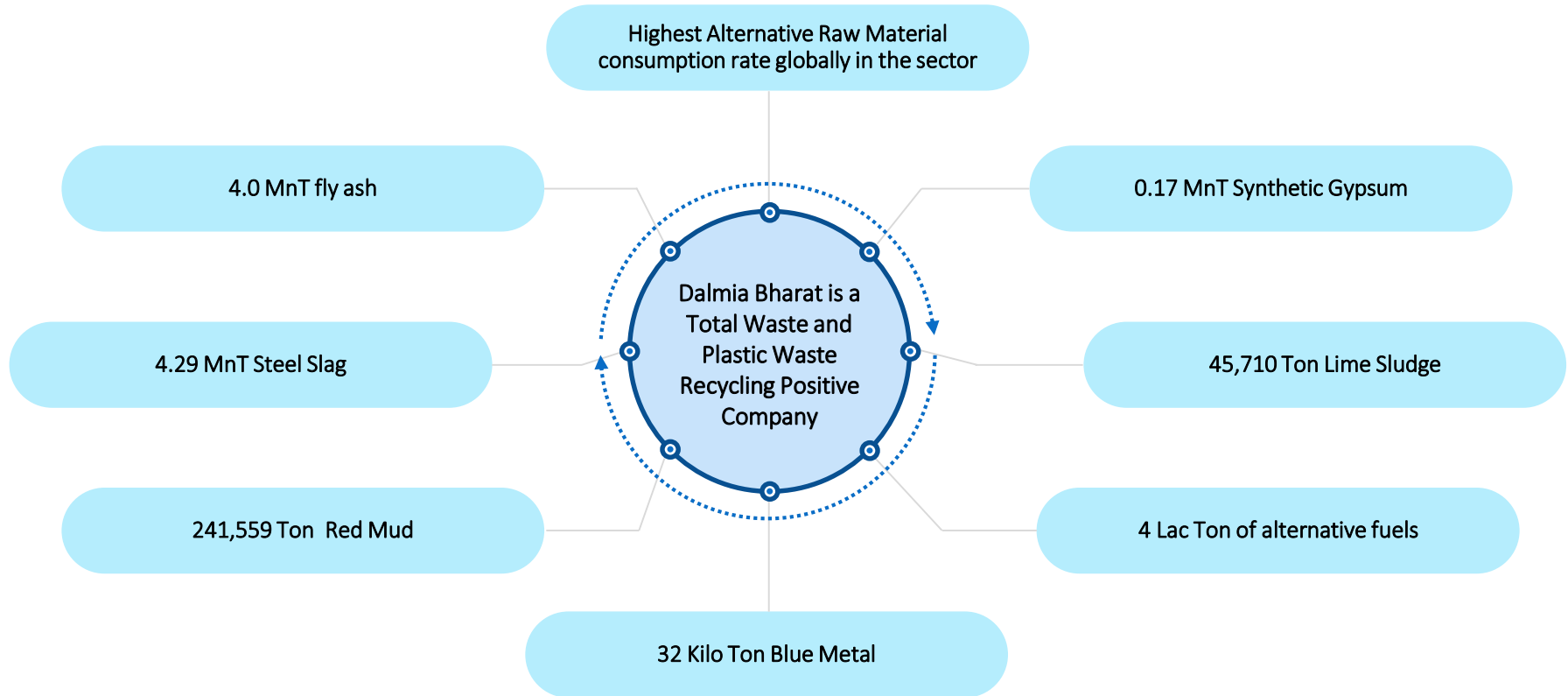
Cumulative water harvesting and conservation potential (CSR)

33.69

Aggregate rainwater harvesting potential developed (plant and mines)

13.25

Usage of Industrial Wastes as Raw Material or Fuels



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 ▪ Strategic acquisitions of cement companies to further optimize the low carbon cement production – Blended Cements ▪ Commissioned state-of-the-art new cement plants with latest available technologies ▪ Plant-wise/unit-wise monthly GHG footprint monitoring and target settings ▪ Accelerated the alternative fuel use in cement kilns ▪ New power plants based on renewable energy such as solar, wasted heat from kiln off-gases ▪ Targeted to become water positive cement group 	<ul style="list-style-type: none"> ▪ Less Limestone and energy consumption /ton of cement ▪ Became largest producer of Portland Slag cement in India - A lowest carbon footprint cement ▪ One of the best energy efficiency ratings globally resulted in energy demand reduction ▪ GHG emissions monitoring with discussions on opportunities for improvement ▪ Replacement of fossil fuels ▪ Renewable power to replace fossil fuel based electricity ▪ Better relations with local communities, community wide GHG reductions and more than 5 times water positive cement group.

Sustainability - Awards & Accolades

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

Green Accreditation

Green Product Rating for Integrated Habitat Assessment (GRIHA) council

GreenPro Ecolabelling Certificate
Indian Green Building Council (IGBC)

Asia Sustainability and
Environmental Stewardship Award
International Cement Executive

KCW unit became the 'First Grinding Unit in the Country' to achieve CII 'GreenCo Platinum' rating
Confederation of Indian Industry (CII)



Dalmiapuram Unit won Best Environmental Excellence in Limestone Mines
NCCBM

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

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

Murli Unit received Platinum Award for Environment and Water Management
Fame National Award

Kadapa Unit won 1st prize in Solid Waste Management Competitions
CII – Southern Region

Redefining Corporate Governance



- First cement company in India to formally announce a Capital Allocation Policy
- 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
- Dhruva Advisors and EY has been selected for auditing all Related Party Transactions (RPTs)
- Member firm of Grant Thornton, Walker Chandio & Co., appointed as Statutory auditors of the company



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



- Use technology to track and monitor every 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 an 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

First Indian Cement Company to Have its CSR Processes Assured on ISO 26000

Major Initiatives

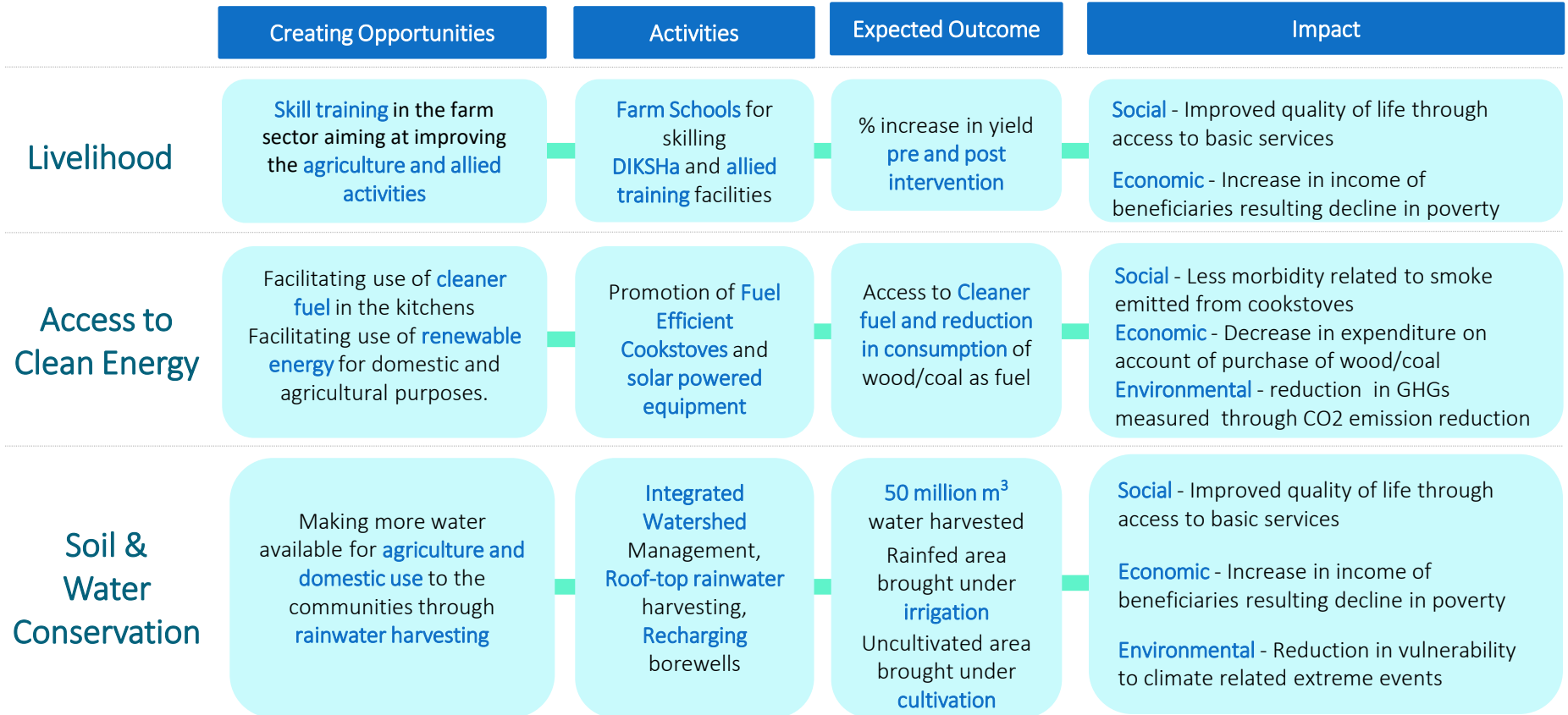
- **Dalmia Institute of Knowledge & Skill Harnessing (DIKSHa)**, a skill training center, actively involved in imparting skill trainings in farm and non-farm sector, building Community based organizations and enabling access to finance
- **Extended livelihood training** - designed a focused group to address the specific needs of tribal communities
- **Development programs** - Education, Health, Sanitization and Literacy

DIKSHa @ 11 Centers in 7 States | 6,435 completed training | 5,651 job offered as of 31st March, 2022

Improving livelihood through 3 Wadi development project, 6 Farmer Producer Companies, Bamboo cultivation, micro-enterprises | ~11,000 Self Help Group (SHG) members in 963 SHGs

Reach to 1 Lakh people through Health camps, annually | 131 school sanitation blocks & 5000+ individual sanitary latrines benefitting over 30,000 people | Building Community Infrastructure

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



CSR Program - Awards & Accolades

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

Commendation for Significant Achievement in CSR

CII-ITC Sustainability Awards 2019, 2017, 2016, 2014, 2013

NABARD Assam

Winner Best Tribal Development Fund 2022

ET 2 GOOD 4 GOOD:

Achieving Distinction in the pillars of Corporate Governance, Strategy, Monitoring & Evaluation, 2015-16

ET NOW CSR Leadership Awards
2018 & 2016



Institute of Quality and Environment
Management Services
RGP Unit - Kalinga Environment Excellence
Award 2020

GMF Pinnacle Award

BCW Unit received Platinum Award for CSR initiatives 2022

Greentech Award

Winner 2020

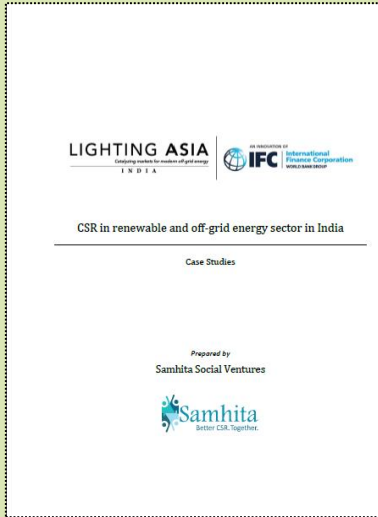
FICCI-CSR Awards

for Creating Sustainable Environment 2020

NGO Box

CSR Foundation of the Year - 2016

CSR Programs Covered by International Publications



Case Study report published by IFC

The CSR initiatives taken up by DBL appeared in the Case Study report published by IFC named, 'CSR in renewable and off-grid energy sector in India'.



Recognition from CII and NITI Aayog

CII and NITI Aayog recognized the CSR initiatives by DBL in their report, 'Indian solutions for the world to achieve SDGs and Synergistic water conservation



Case Study published by Harvard Business Review

The initiatives taken up by DBL in soil and water conservation to promote sustainability were presented as a Case Study in HBR

Our CSR Partners



SECTION

06

APPENDIX

Key Financials

	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Cement Capacity - MnT	25.00	25.00	25.00	26.50	26.50	30.75	35.9
Sales Volume - MnT	12.79	15.30	16.96	18.69	19.29	20.70	22.2
Net Sales - Rs Cr	6,411	7,447	8,580	9,484	9,674	10,110	11,286
EBITDA - Rs Cr	1,592	1,894	2,036	1,942	2,106	2,762	2,426
EBITDA Margin%	24.8%	25.4%	23.7%	20.5%	21.8%	27.3%	21.5%
EBITDA - Rs/MT	1,265	1,261	1,198	1,009	1,072	1,333	1,091
PBT - Rs Cr	510	108	389	339	357	1,364	1,146
PAT - Rs Cr	264	34	291	349	238	1,186	1,160
Profit Margin%	4.1%	0.5%	3.4%	3.7%	2.5%	11.7%	10.3%
Net Debt – Rs Cr	6.052	5,241	3,514	3,124	2,825	154	(1,421)
Net Debt/EBITDA	3.76x	2.76x	1.73x	1.61x	1.34x	0.06x	(0.59x)

Adjusted RoCE and RoE

<i>(in Rs Cr)</i>	REPORTED					ADJUSTED				
	FY18	FY19	FY20	FY21	FY22	FY18	FY19	FY20	FY21	FY22
EBITDA (inclusive Other Income)	2,292	2,186	2,323	2,943	2,581	2,292	2,186	2,323	2,943	2,581
Less : - Depreciation as per books	(1,213)	(1,296)	(1,528)	1,250	1,236	(1,213)	(1,296)	(1,528)	1,250	1,236
Add: Amortization on Goodwill						417	420	402	203	203
EBIT	1,079	890	795	1,693	1,345	1,496	1,310	1,197	1,896	1,548
Less: Finance Cost	690	551	438	295	197	690	551	438	295	197
PBT	389	339	357	1,364	1146	806	759	759	1,601	1,351
Less: Tax expense	98	-10	119	178	(14)	98	-10	119	178	-14
PAT	291	349	238	1,186	1,160	708	769	640	1,389	1,363
Equity + Reserves + Minority Interest	10,305	10,650	10,629	12,844	15,759	10,305	10,650	10,629	12,844	15,759
Less: WDV of Goodwill on merger schemes						(1,809)	(1,389)	(987)	(784)	(581)
Total Net Worth	10,305	10,650	10,629	12,844	15,759	8,496	9,261	9,642	12,060	15,178
Add: Gross Debt	7,276	5,907	5,966	3,726	3,140	7,276	5,907	5,966	3,726	3,140
Capital Employed	17,581	16,557	16,595	16,570	18,899	15,772	15,168	15,608	15,786	18,318
RoCE%	6.1%	5.2%	4.8%	10.2%	7.6%	9.7%	8.5%	7.8%	12.1%	9.1%
RoE%	2.9%	3.3%	2.2%	10.1%	8.1%	9.1%	8.7%	6.8%	12.8%	10.0%



Thank You

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