

July 28, 2021

1010/01

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: Capital allocation and Capex Plan

Ref: Regulation 30 the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations").

Dear Sir/Madam,

Please find enclosed herewith is the 'Capital allocation and Capex Plan' of the Company, 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



Dr. Sanjeev Gemawat
Executive Director-Legal &
Group Company Secretary
Membership No. F3669
Encl: As above



Dalmia Bharat Limited

(formerly known as Odisha Cement 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

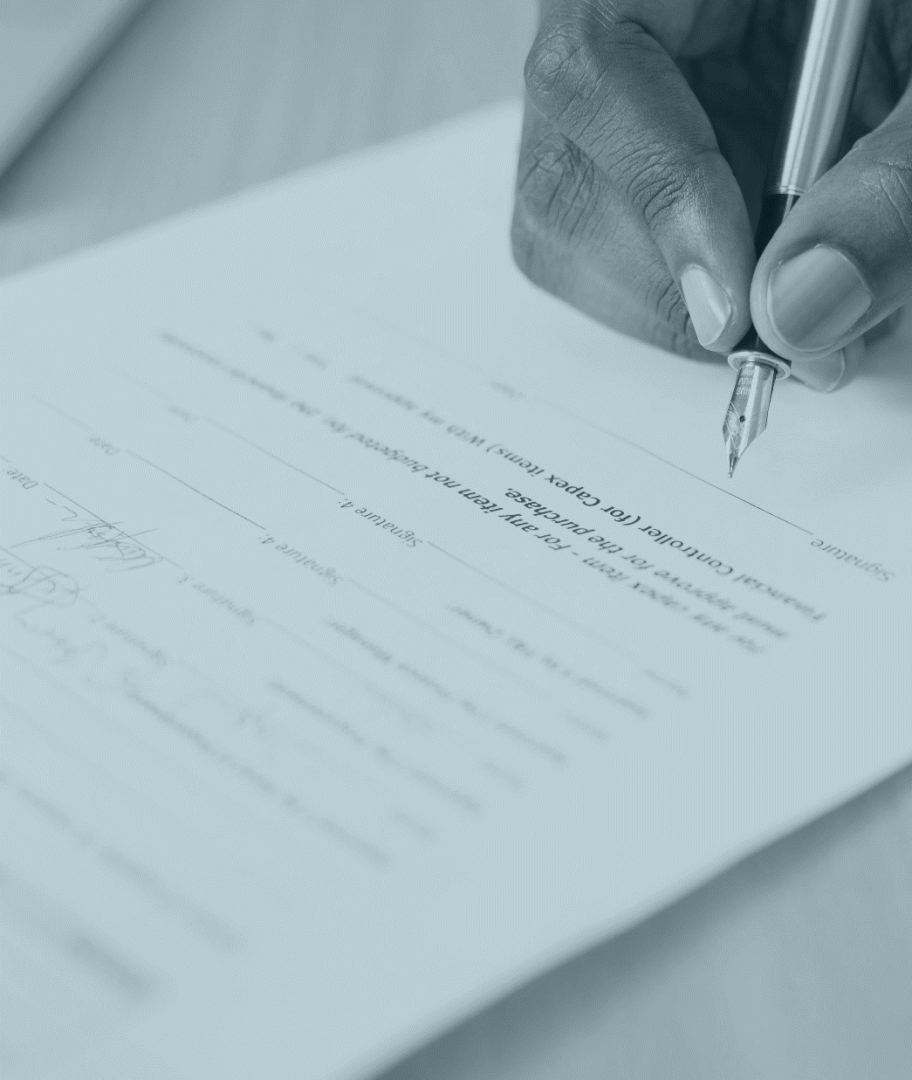
Registered Office: Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu- 621 651, India

A **Dalmia Bharat Group** company, www.dalmiabharat.com

CAPITAL ALLOCATION AND CAPEX PLAN

July 2021





Disclaimer

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

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

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



CAPITAL ALLOCATION PLAN

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

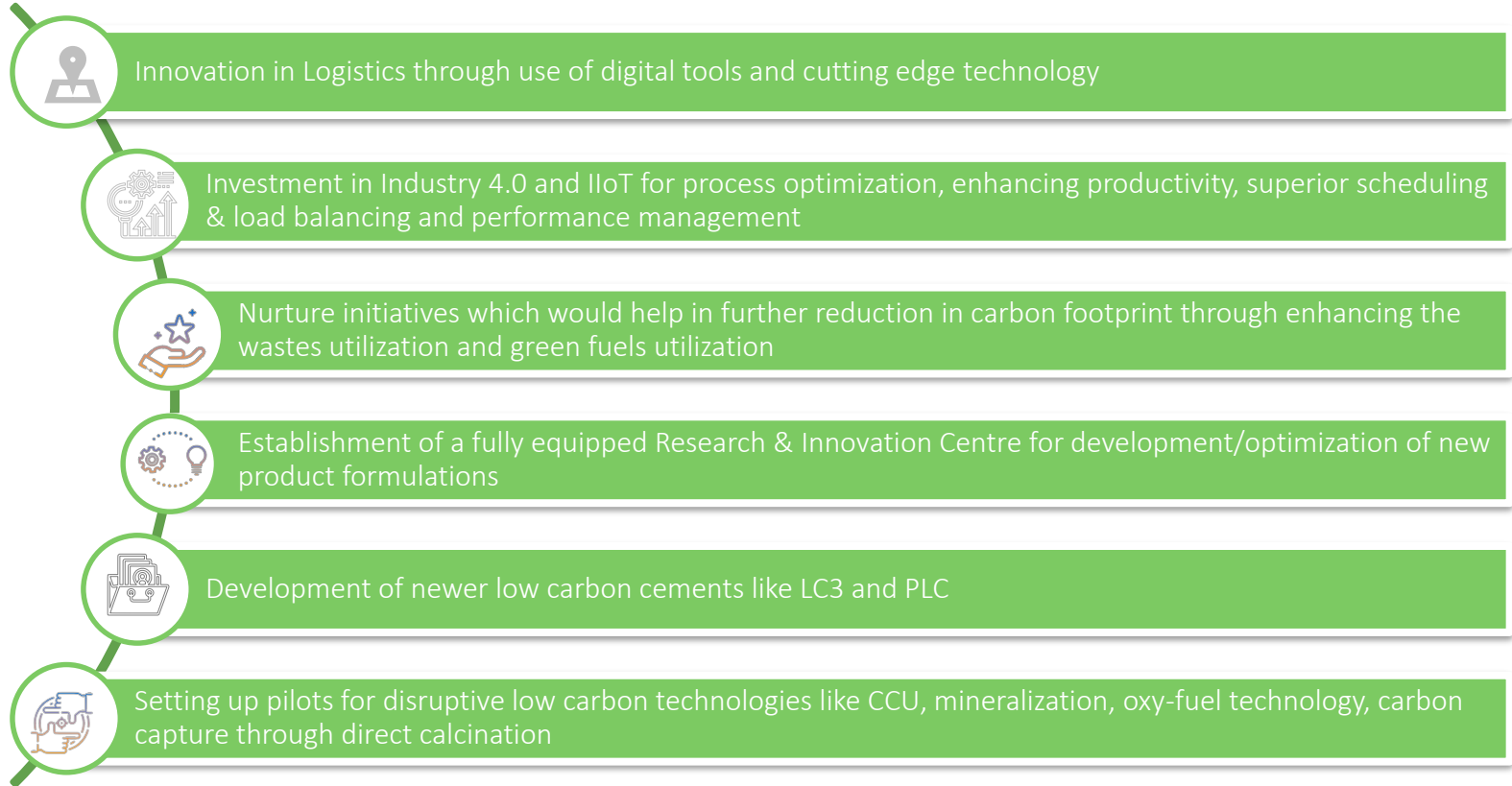
The balance available funds will be used to fund **growth** as well as **maintenance capex**

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



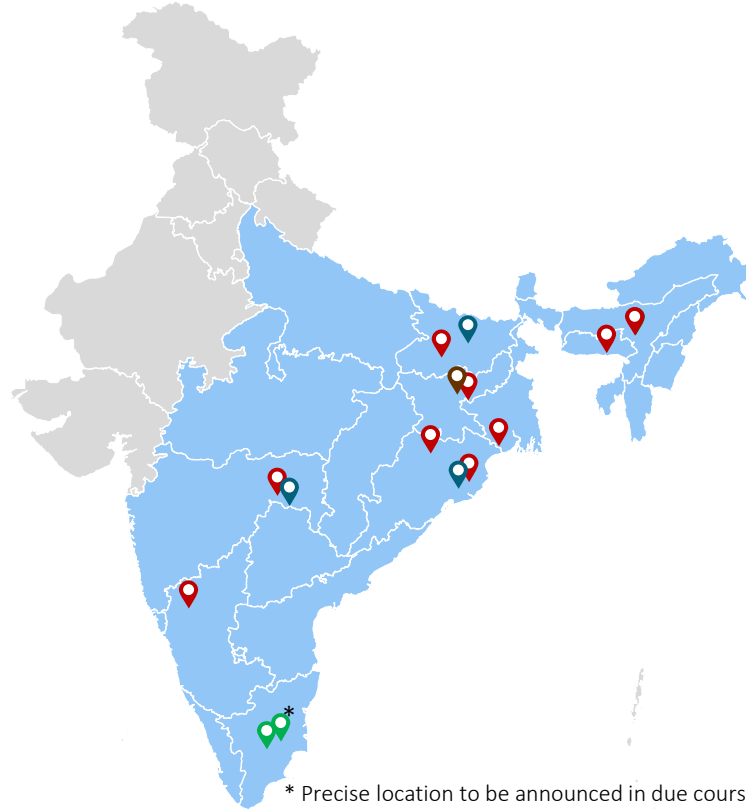


CAPEX PLAN

Cement Capacity Expansion Plan

Capacity Overview

Present Capacity	30.8
Ongoing Projects	7.8
Greenfield	3.0
Brownfield	1.7
Upgradation	5.2
Total Capacity	48.5



Ongoing Projects

West	3.0
East	4.8
	<u>7.8</u>

Greenfield

South	3.0
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Brownfield

East	1.7
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Upgradation

North East	1.2
West	1.0
South	0.9
East	2.1
	<u>5.2</u>

Total Cement Capacity Post Expansion – 48.5 MnT

Clinker Capacity Expansion Plan



Estimated Capex Breakdown



**Ongoing
Expansion**
7.75 MnT

₹1,950 - ₹2,000 Cr



New capacity
10 MnT including
clinker
debottlenecking

₹4,700 – ₹5,000 Cr



Sustainability
Green Initiatives

₹1,000 – ₹1,200 Cr



Others
Including
Maintenance Capex/
ROI expenses

₹900 – ₹1,000 Cr

Thank You

CONTACT INFORMATION

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