

File No: 1010/02

June 02, 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 - June 2023

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

Dear Sir/Madam,

Please find enclosed herewith Investor Presentation - June 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

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Registered Office: Dalmiapuram, Dist. Tiruchirapalli, Tamil Nadu- 621 651, India
A **Dalmia Bharat Group** company, www.dalmiabharat.com



INVESTOR PRESENTATION

June 2023



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	39
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[^]: 41.1 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



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

41.1 MnT[^]
Cement Capacity



25.7 MnT
Sales Volume



21.7 MnT
Clinker Capacity



378 MW
Captive Power Capacity



14
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



₹36,901 Cr
Market Cap



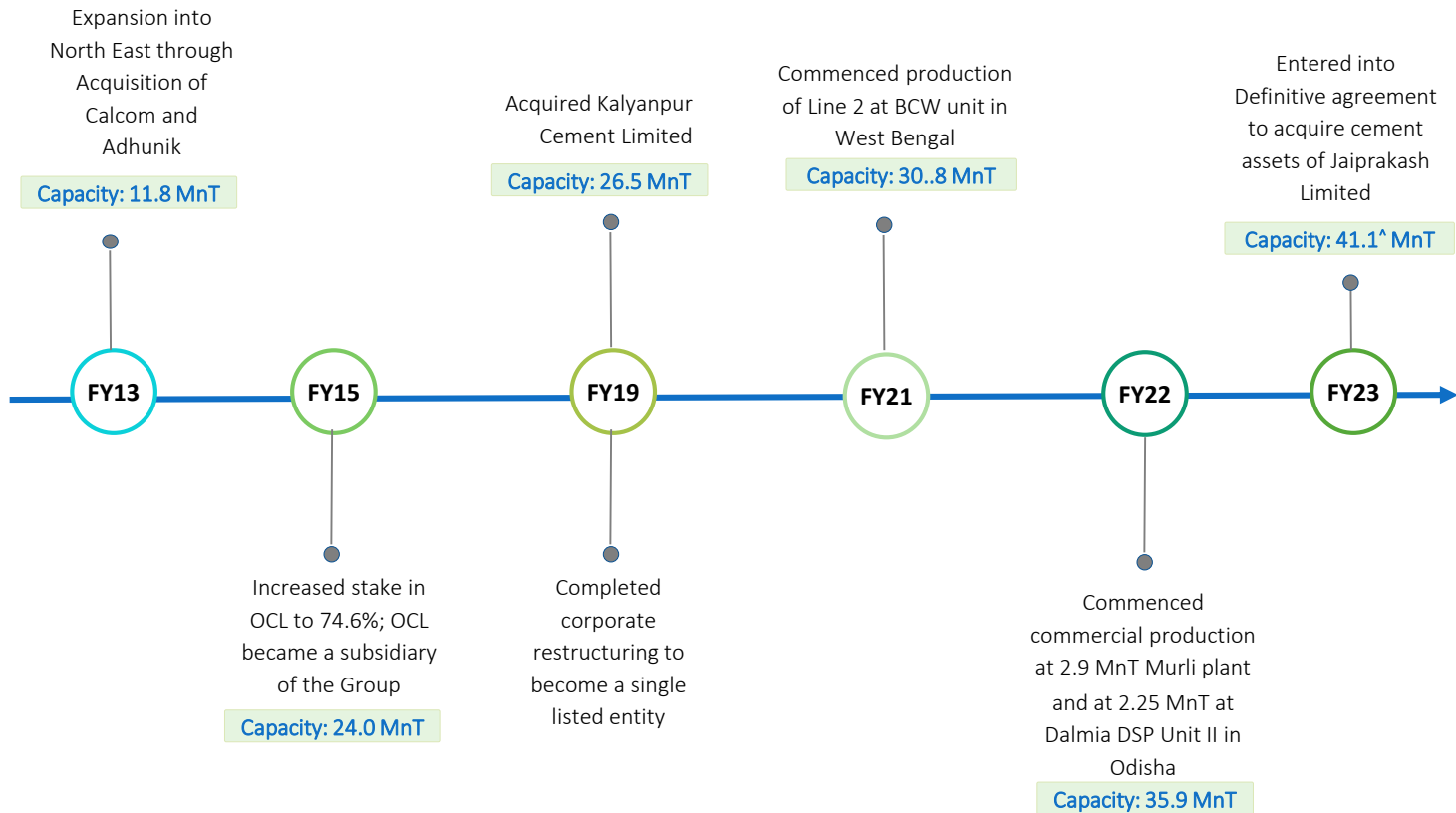
₹1,079 Cr
Profit After Tax



8.0%
PAT Margin



Key Milestones Over The Past Decade



[^]Cement capacity as on date

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.**

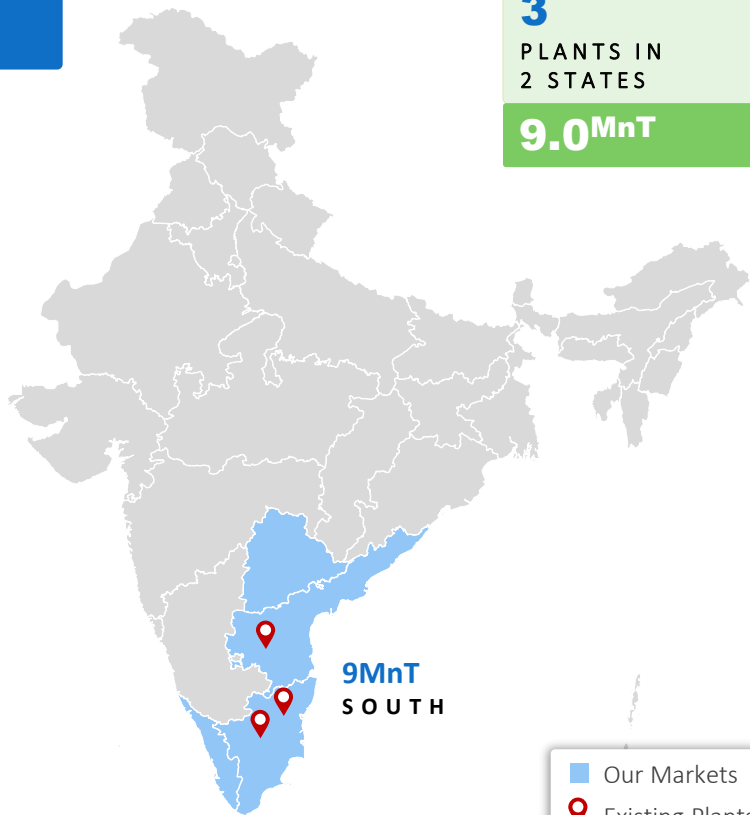
The company's unwavering attention towards developing **their scale, strengthening their brand, utilizing digital technology, and prioritizing sustainability** has positioned them favorably to take advantage of future growth opportunities

Geographic Expansion

FY12

3
PLANTS IN
2 STATES

9.0MnT

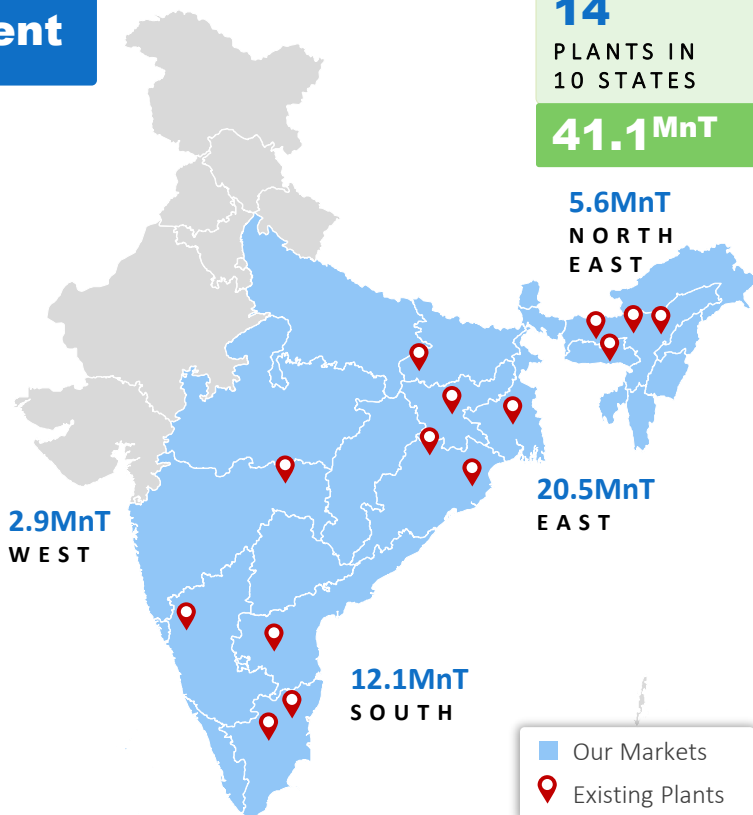


■ Our Markets
📍 Existing Plants

Present

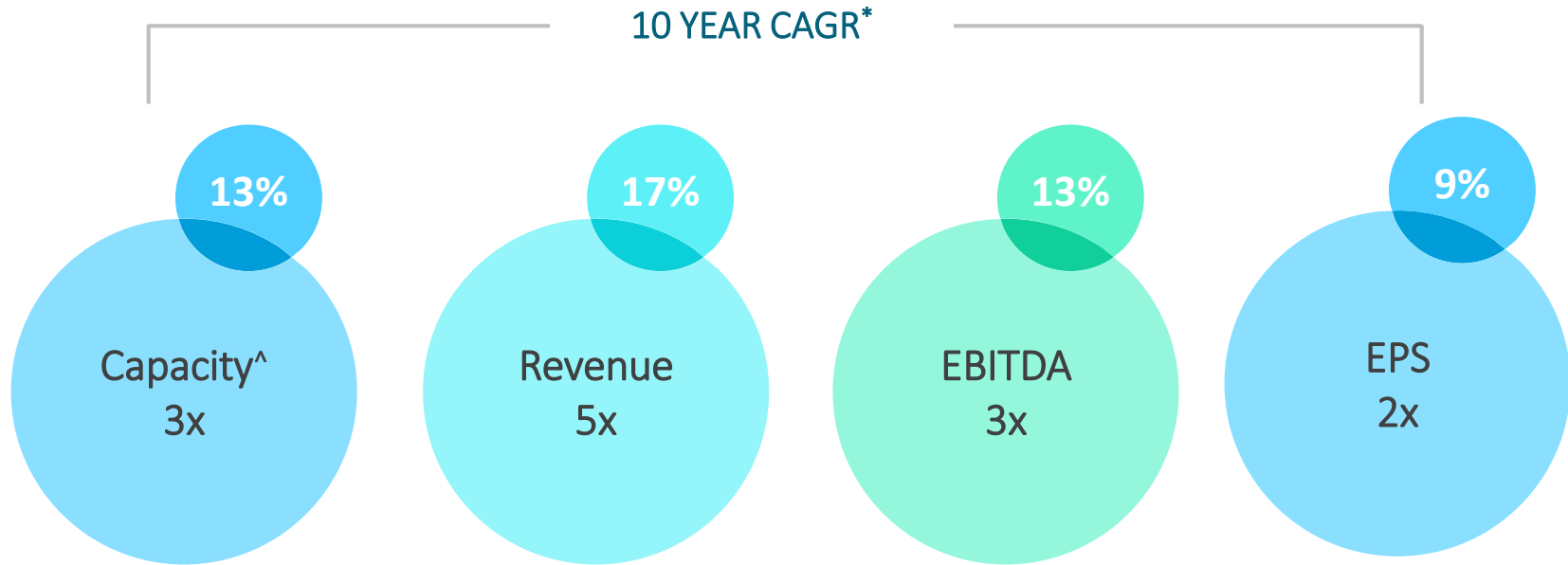
14
PLANTS IN
10 STATES

41.1MnT



■ Our Markets
📍 Existing Plants

Growth Snapshot



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

*FY13-FY23 ; [^]Cement capacity as on date



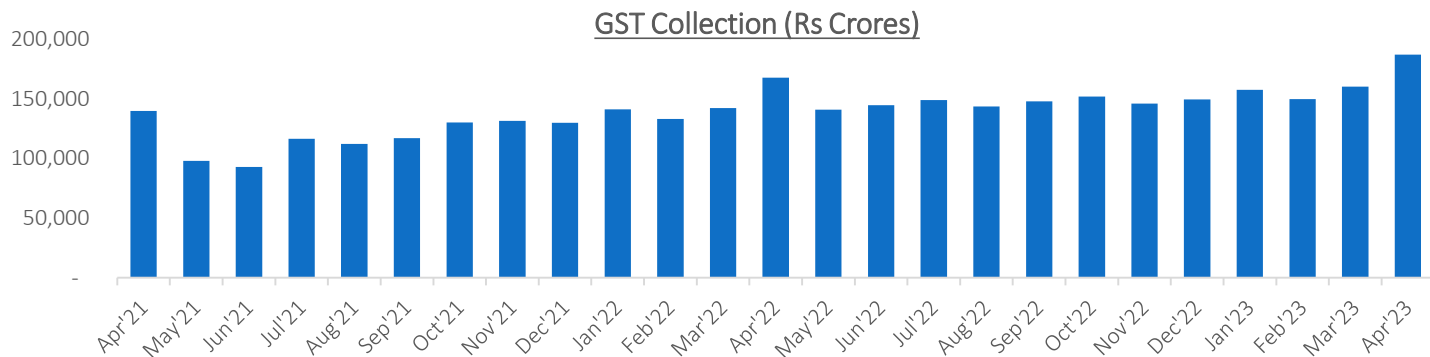
SECTION

02

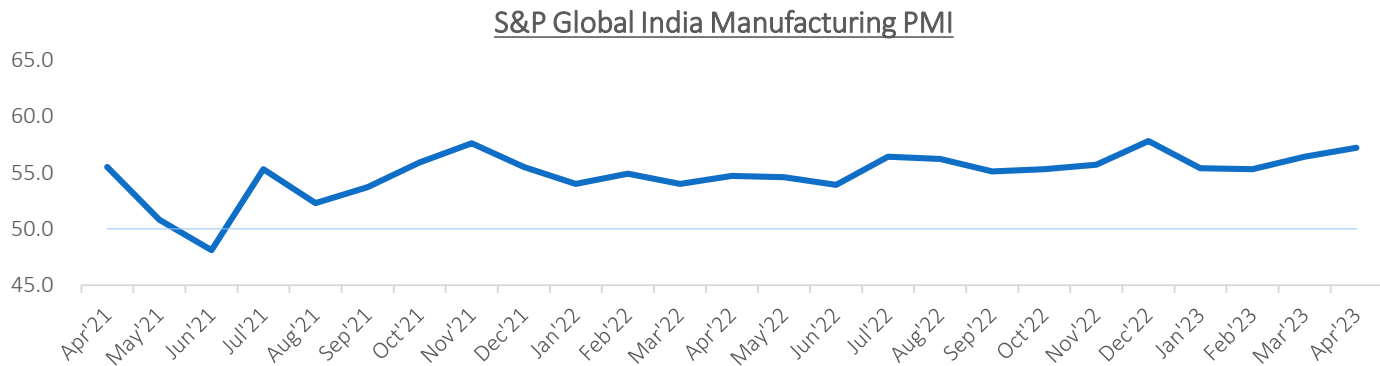
INDUSTRY OUTLOOK

Strong Revival In Indian Economy

India's underlying economic fundamentals are robust



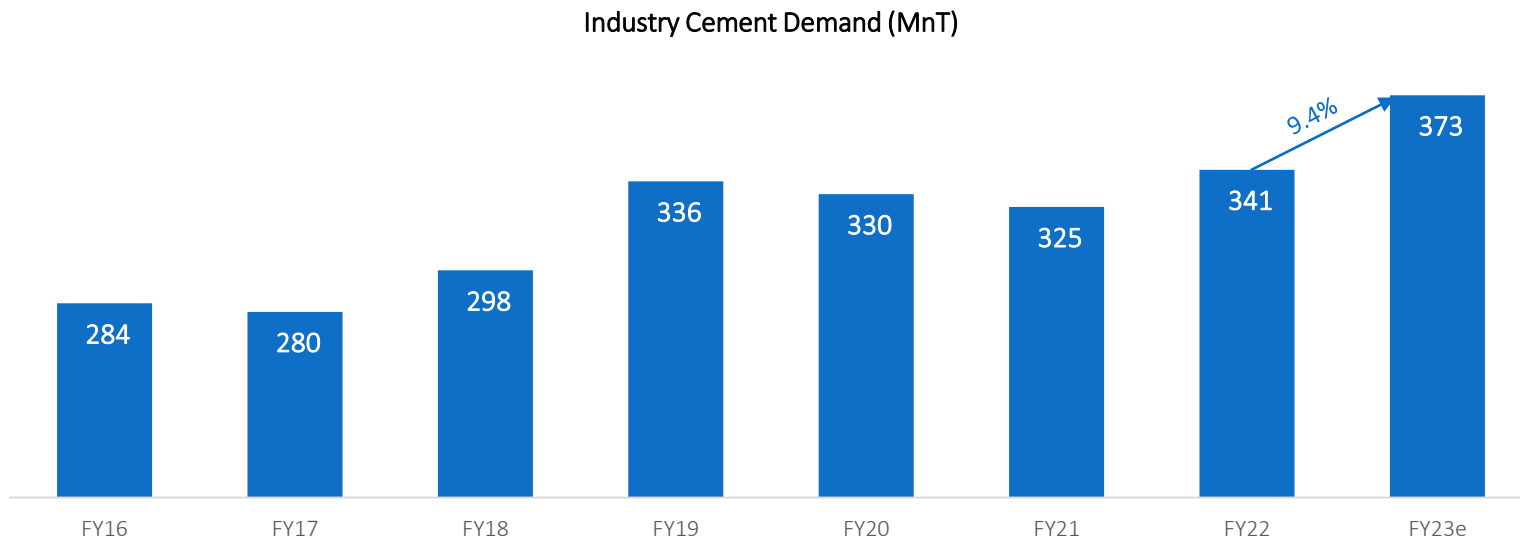
GST revenue collection for April 2023 highest ever at Rs 1.87 lakh crore



India's manufacturing industry expanding at a faster rate on the back of stronger factory orders and production

Cement Demand Growing Strongly with Revival of Economy

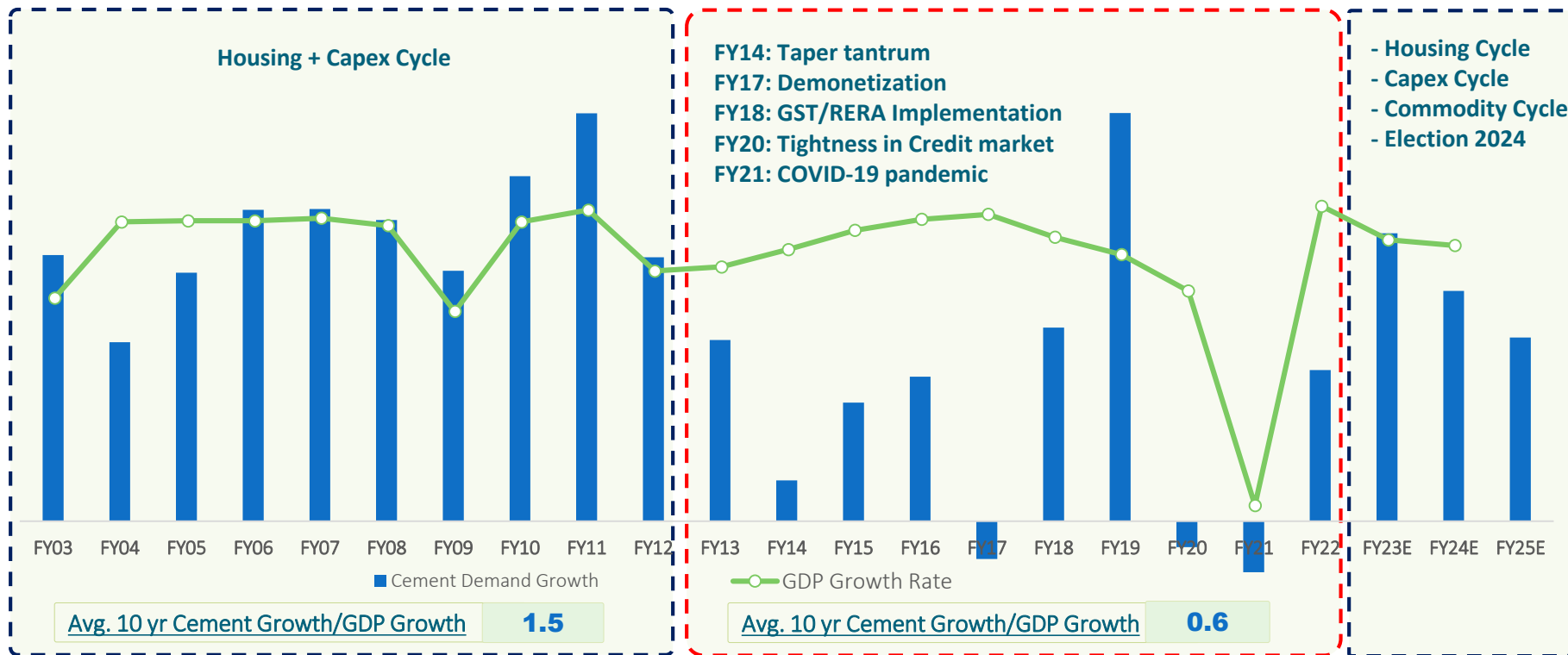
Overall Cement Demand is believed to have grown by >9% to 373 MnT in FY23



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

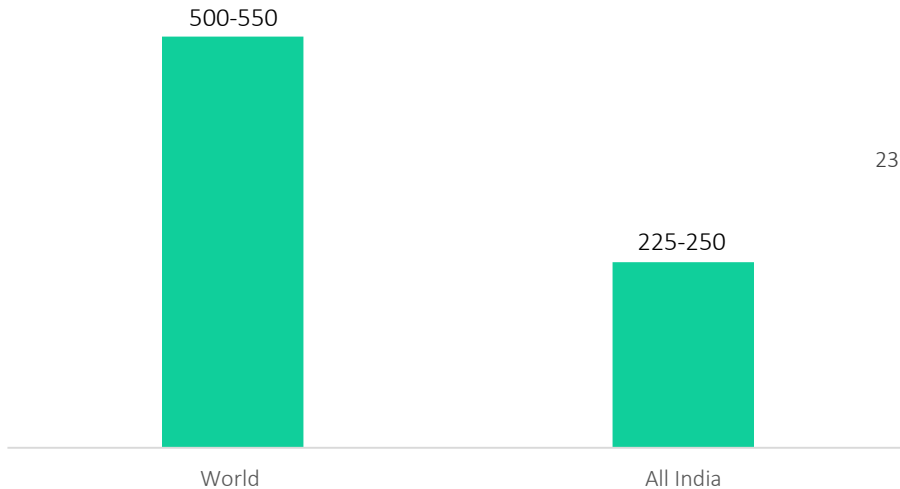
After a slowdown in last decade, Cement Demand is expected to revive driven by a fresh Housing Cycle, Capex Cycle and Commodity Cycle



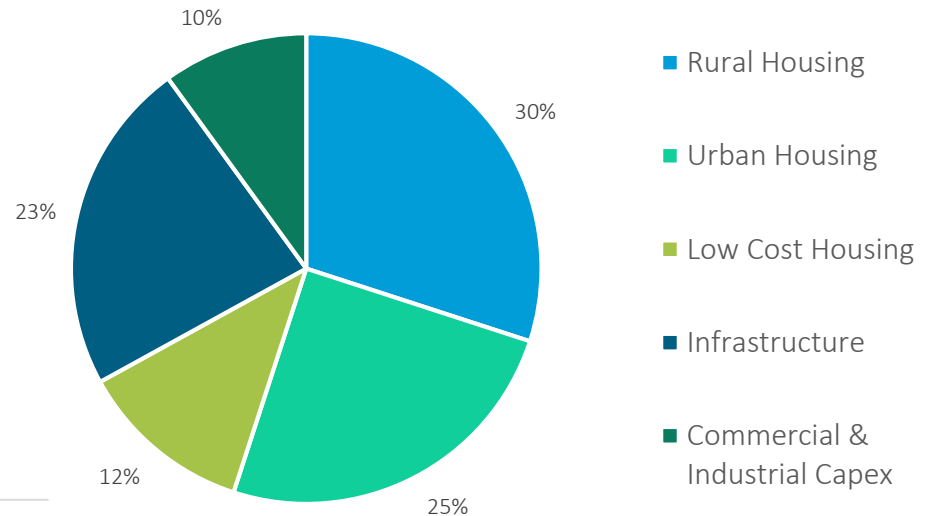
Cement Demand Growth To Be Robust

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

Per Capita Cement Consumption/Kg



Cement Demand Mix



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:
 - ~4.5 million houses (40% of total target) to be completed under PMAY – Urban by Dec'24
 - ~6.7 million houses (20% of total target) to be completed under PMAY – Rural by Mar'24

Urban Housing

- Despite an increase in interest rates, there has been a continuous growth in the demand for housing
- Inventory level are lowest since 2020 and estimated time to sell existing inventory has now decreased to 33 months as compared to 42 months in 2021

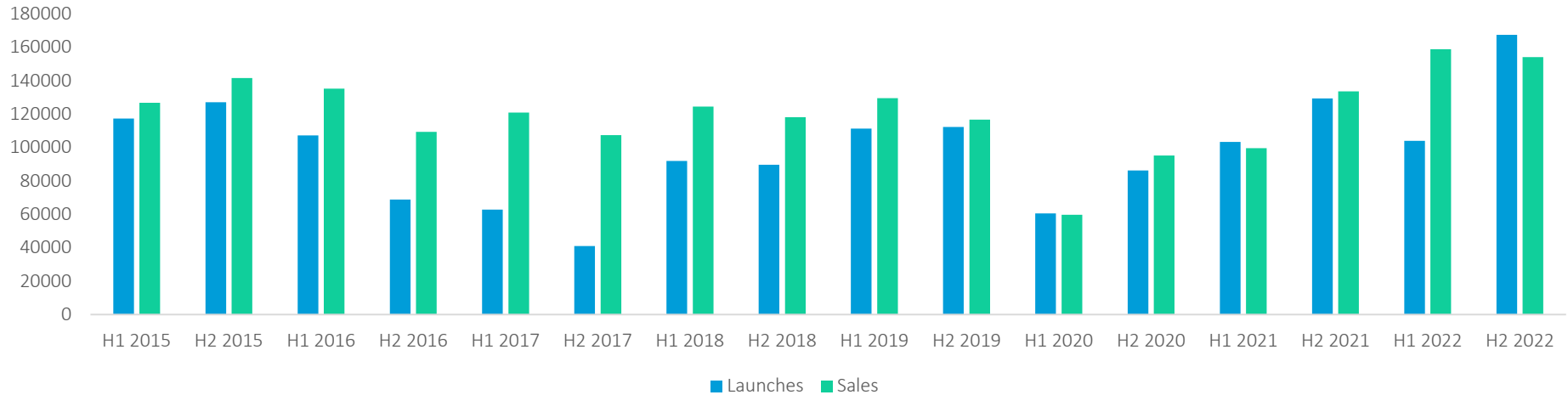
Infrastructure: Roads, Airports & Railways

- 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.
- 100 airports are planned to be developed by CY24 under the RCS UDAN infrastructure scheme.
- Ministries of Railways and Roads accounts for ~50% of the total capital expenditure budget in 2023-24
- The central government has provided Rs. 1.12 lakh crore of assistance to states over the past three financial years, which is helping to boost infrastructure demand in the country

Recovery in Real Estate Market

The Residential sector has recorded a 9-year high sales volume in CY 2022

Residential Unit Sales and Launches in Top 8 Cities in India

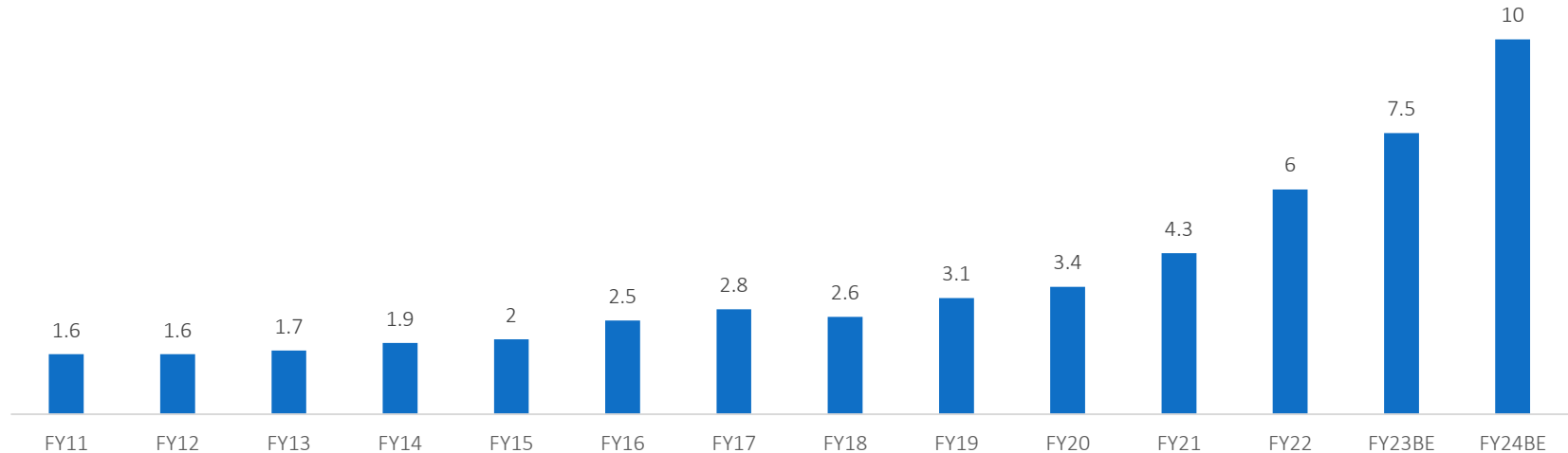


- ✓ Housing sales rose 30%YoY in CY2022 across eight major cities at 3,12,657 units with lowest inventory levels since CY2020
- ✓ Development activity has risen in tandem with the improved demand despite the increasing costs of input material and labor across market

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)

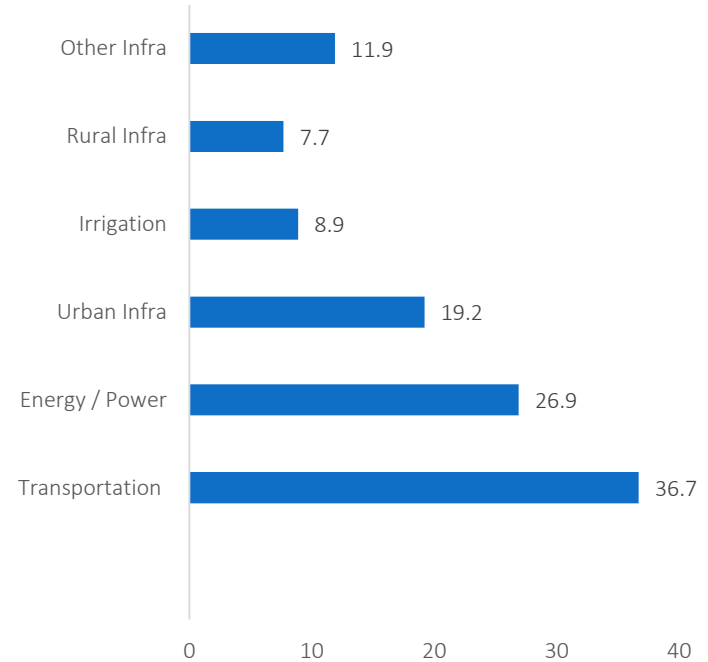


Capex expenditure expected to increase at a CAGR of 18% from FY14 to FY24 under the current government

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

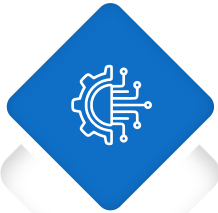


02

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 - **463 CO₂ emission-Kg/ton** in FY23*

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

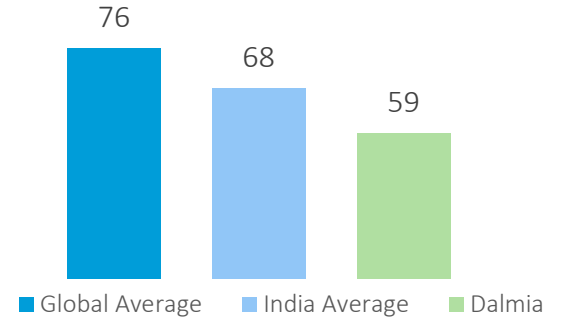
Largest producer of slag cement in India with **84.1% blending ratio**

Pioneered usage of alternative fuel use in cement kilns

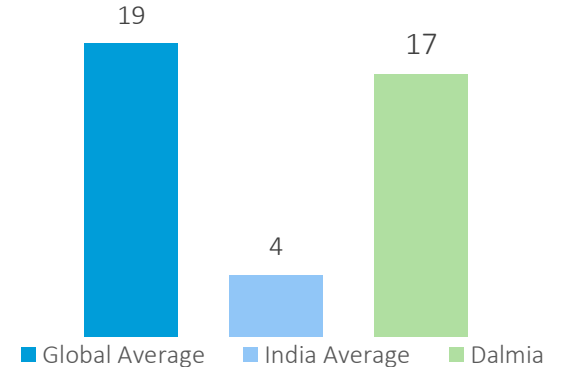
Commenced Electrical Vehicles Transition by joining EV100 and becomes first triple joiner globally of RE100, EP100, and EV100

14x water-positive in FY23*

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 FY23

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 27 Business Leader



- Only Triple Joiner company for RE100, EV100 & EP100



- 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



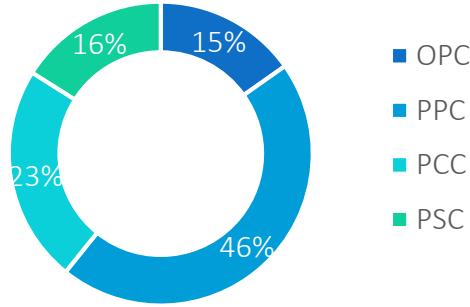
- Among the five climate defenders identified by BBC World globally



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

02 Diverse Product Portfolio with Strong Brand Recognition

Product mix, FY23



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

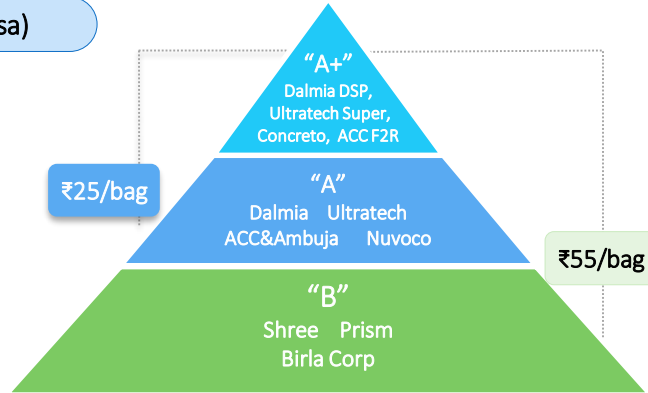


- Premium OPC Cement with lower setting-time that helps in reducing brick-lifting time

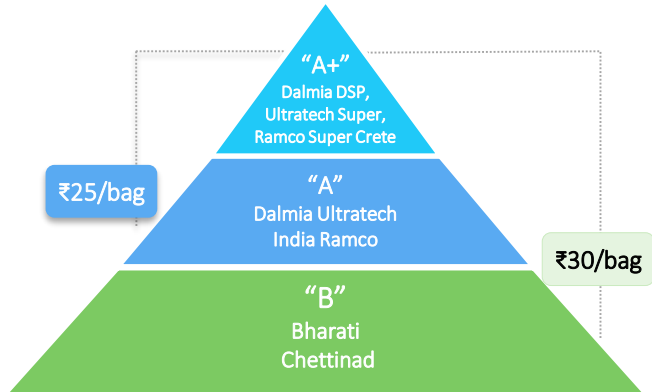
02

Dalmia DSP positions itself in A+ category across markets

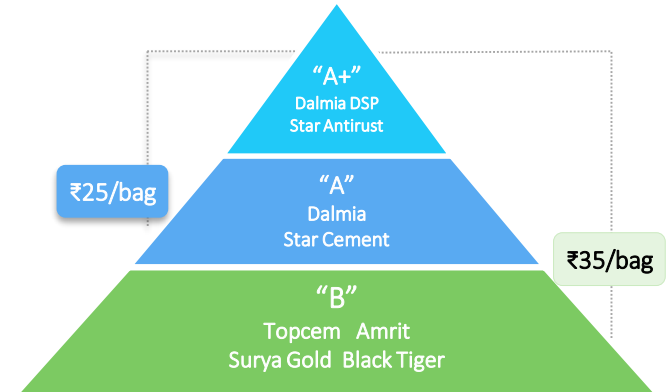
East (Orissa)

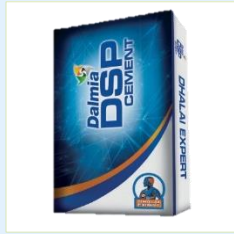


South (Tamil Nadu)



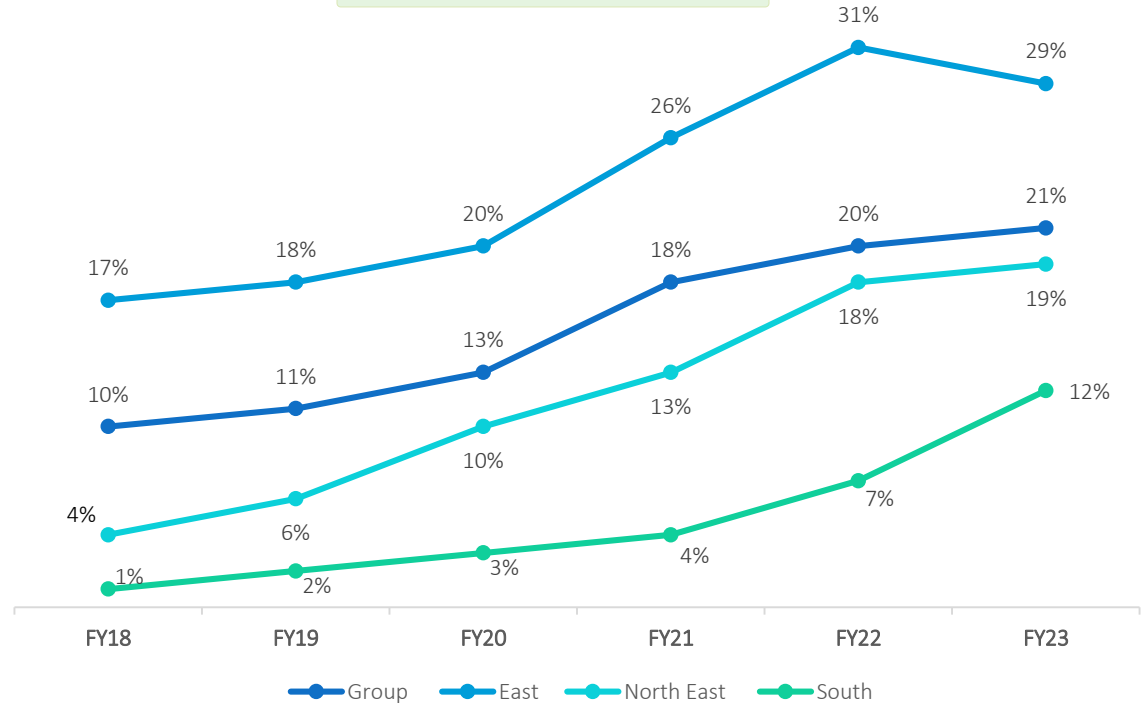
North East (Assam)





- 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 trade sales, with trade sales **accounting for 12% in FY23**, as compared to 7% in FY22.

DSP % of Trade Sales





Raw Material

Limestone

- Each integrated plant has captive mines to extract limestone
- Avg. Life of Mine: ~25-30 Years
- 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 378 MW including 212 MW Thermal Power capacity

Renewable Power

- 44% of captive power capacity constitute by Renewable energy
- Closing WHRS Capacity FY23: 66 MW
- Closing Solar Capacity FY23: 100 MW
- RE Capacity FY24 target: 324 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 Resilient Supply Chain

Initiatives in FY23

- ▶ 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
- ▶ Successfully 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



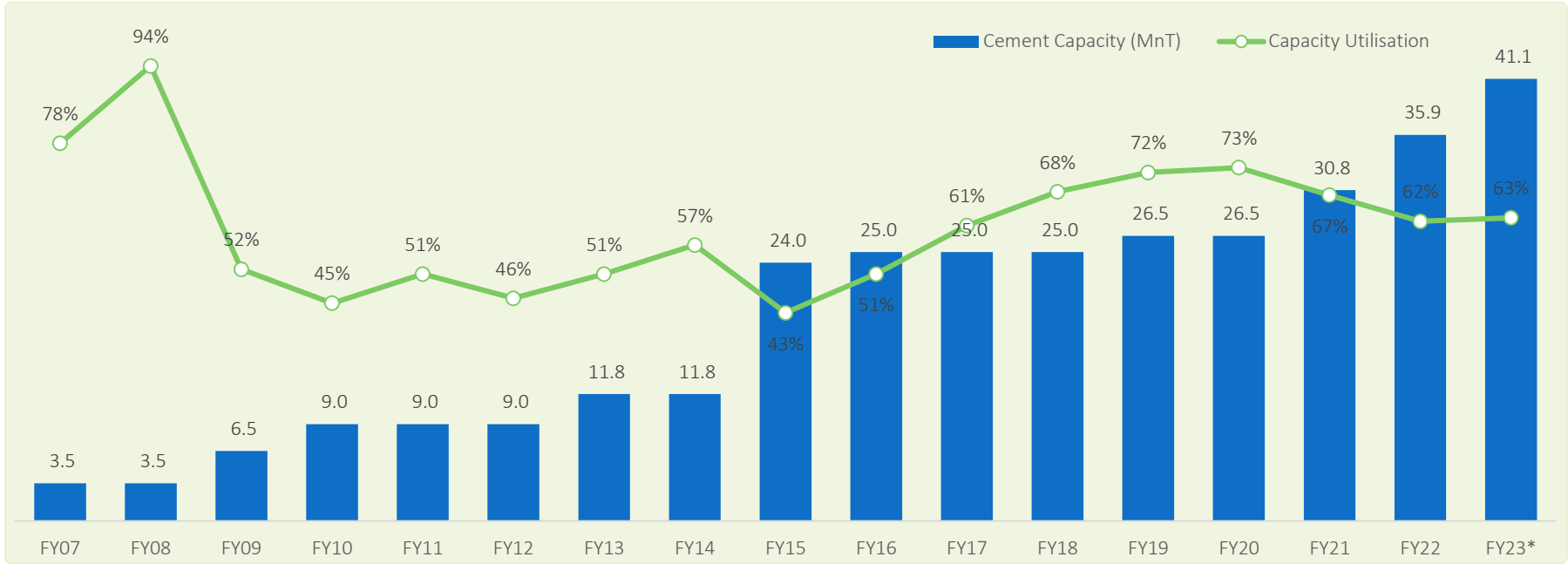
SAP



Data Lake



04 Ability to Add Capacity at Lowest Cost



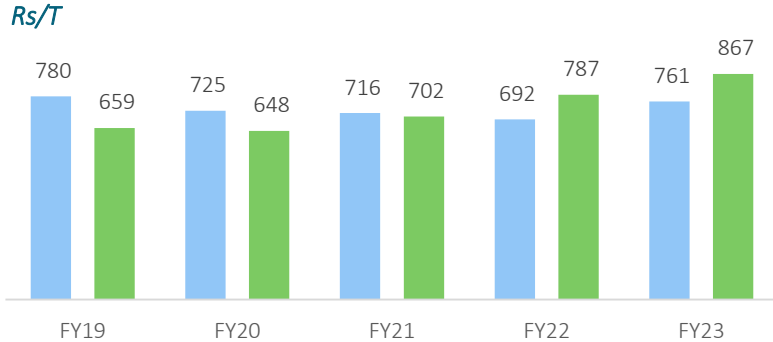
Current Cement Capacity **41.1 MnT**

Average Cost of Capacity expansion **~\$40/T**

*41.1 MnT Cement Capacity as on date; Expansion cost based on INR/USD Exchange Rate of INR 80/US\$

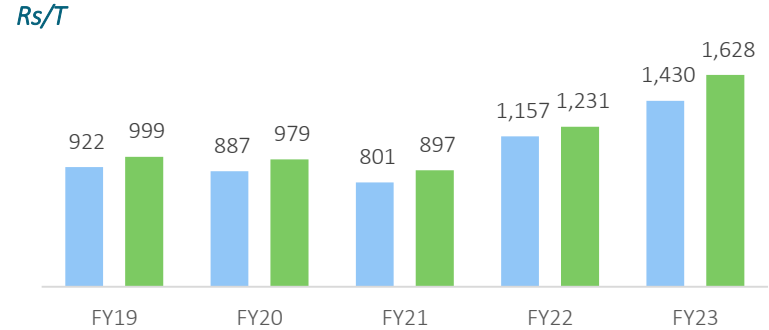
Lowest Total Cost Producer of Cement in India

Raw Material Cost/T

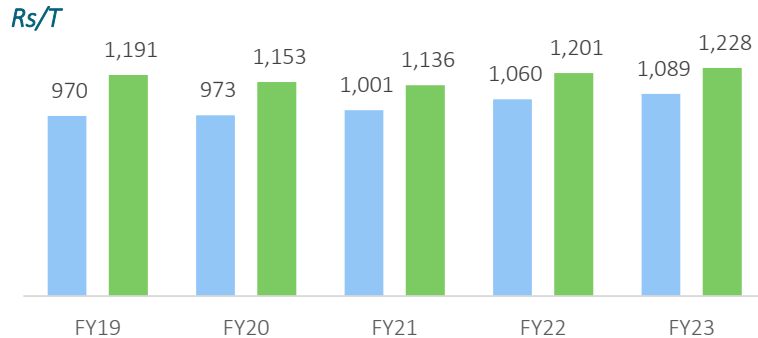


Key drives include long term tie-ups with suppliers, focus on blended cement along with investment in alternative fuel

Power & Fuel Cost/T

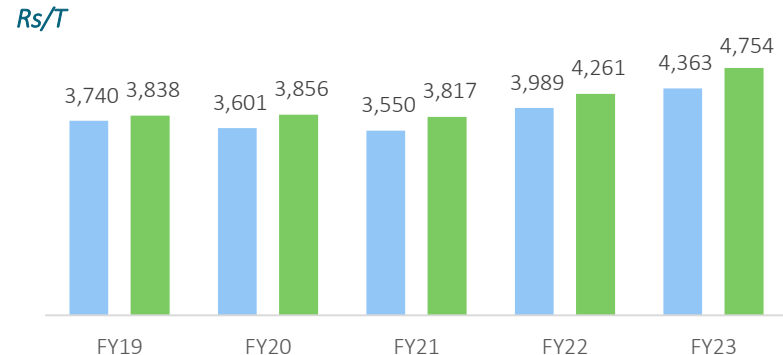


Freight Cost/T



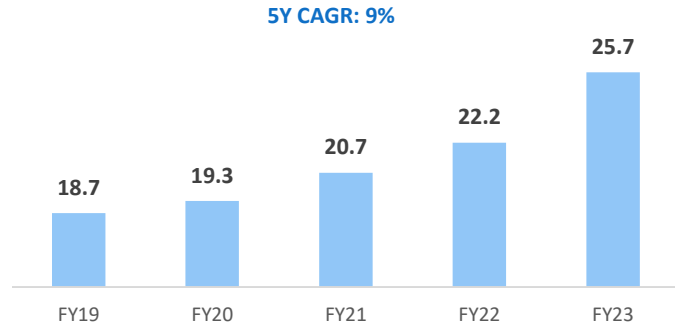
We continue to remain as the lowest cost structure even in the most volatile times

Total Cost/T



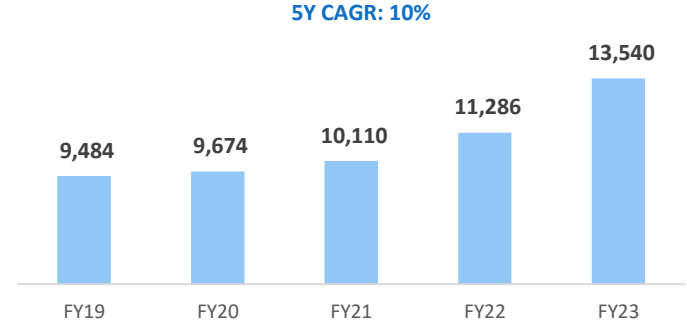
05 Proven Track Record of Financial Performance

Sales Volume (MnT)

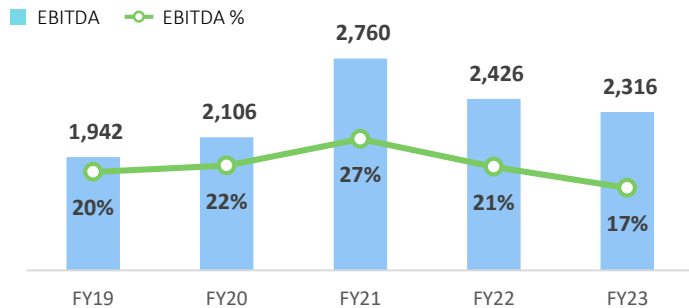


Consistent Capacity additions and share of premium products led volume and revenue growth

Sales Revenue

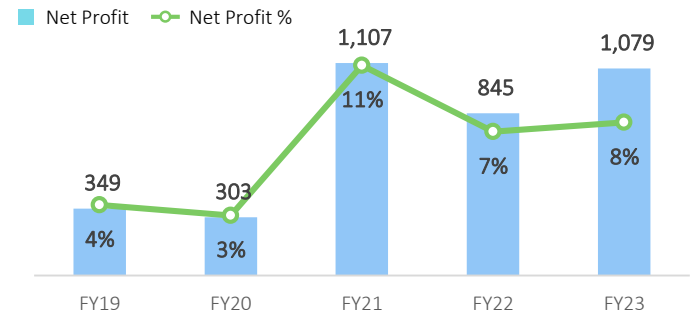


EBITDA and EBITDA%



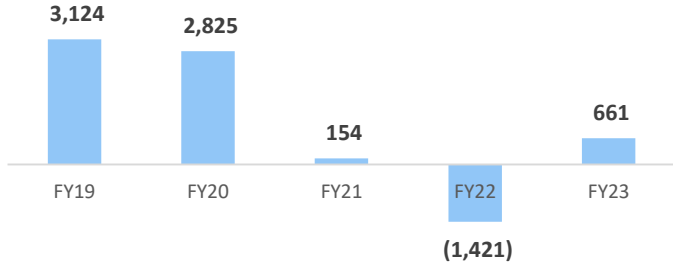
Continuous investment in supply chain and greentech has enabled us to mitigate external cost headwinds

Net Profit and Net Profit%



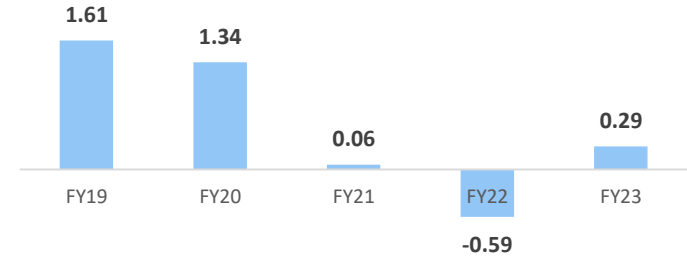
05 Proven Track Record of Financial Performance

Net Debt (Rs Cr)

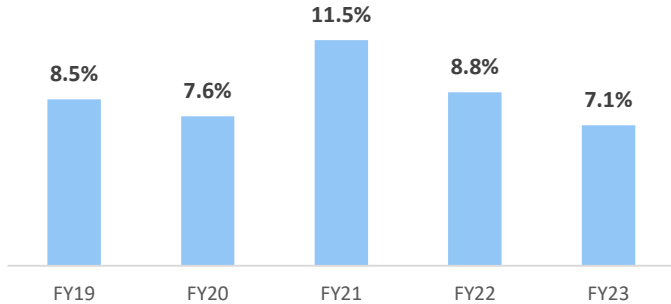


Our resiliency has enabled us to Delever our Balance Sheet and provided Flexibility for future expansion

Net Debt/EBITDA

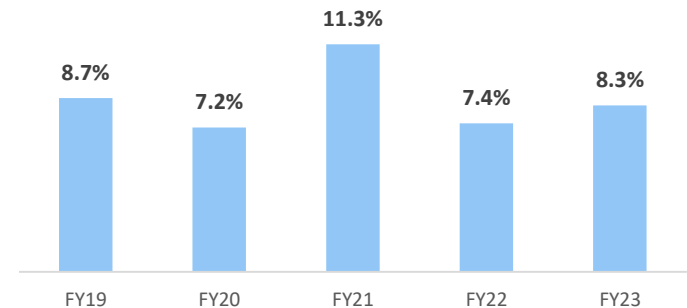


Adjusted RoCE*



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

- 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 in FY23

- East: 10.9%⁽¹⁾
- All India: 7%

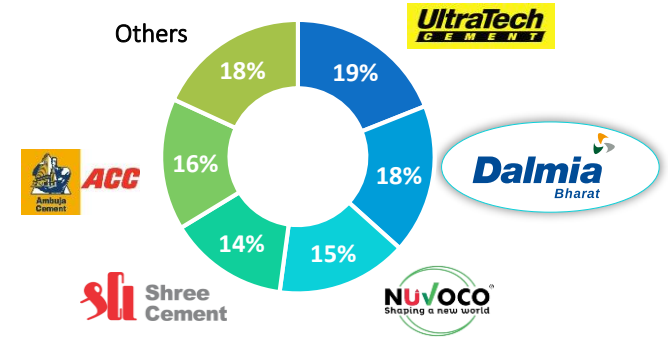
Key demand drivers of the region

- Shortage of housing units - **42% 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

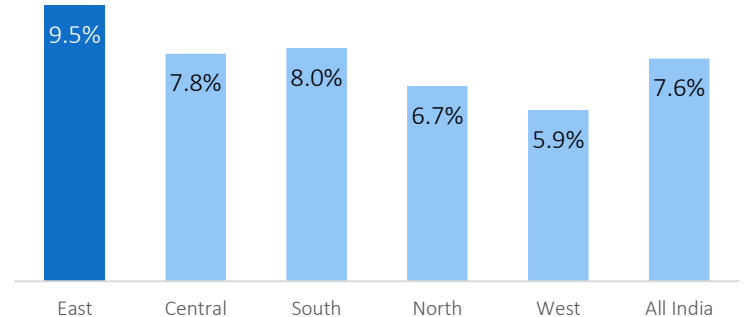
- East West Dedicated Freight Corridor Project** (₹73,084 cr)
- Smart City (Bilaspur) Project** (₹8,000cr)
- Western Dock (Paradip Port) Project**(₹3,025 cr)
- Patna Metro** (₹13,366 cr)
- Coastal Road (Gopalpur-Digha) Project** (₹8,000 cr)

Capacity Break Up - East



Cement demand growth in East expected to be the highest[^]

3 Yr Demand growth CAGR (FY22-25)



(1) FY22 – InvestIndia; ^Source: Research report

Multi-Tier Governance Structure



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



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



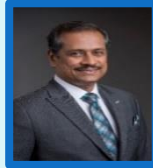
Mahendra Singh
(MD & CEO – DCBL)

- 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 function and Business Management in diverse industries
- Cost Accountant, Company Secretary and B.Com (Hons) graduate



Rajiv Prasad
Head - Sales, Logistics, Technical services and Marketing

- 38+ years of experience in corporate leadership in various industries including cement, tyres and glass manufacturing
- PGDM from IIM Bangalore and a BE (Electronics) from Aligarh Muslim University



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



Uday 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

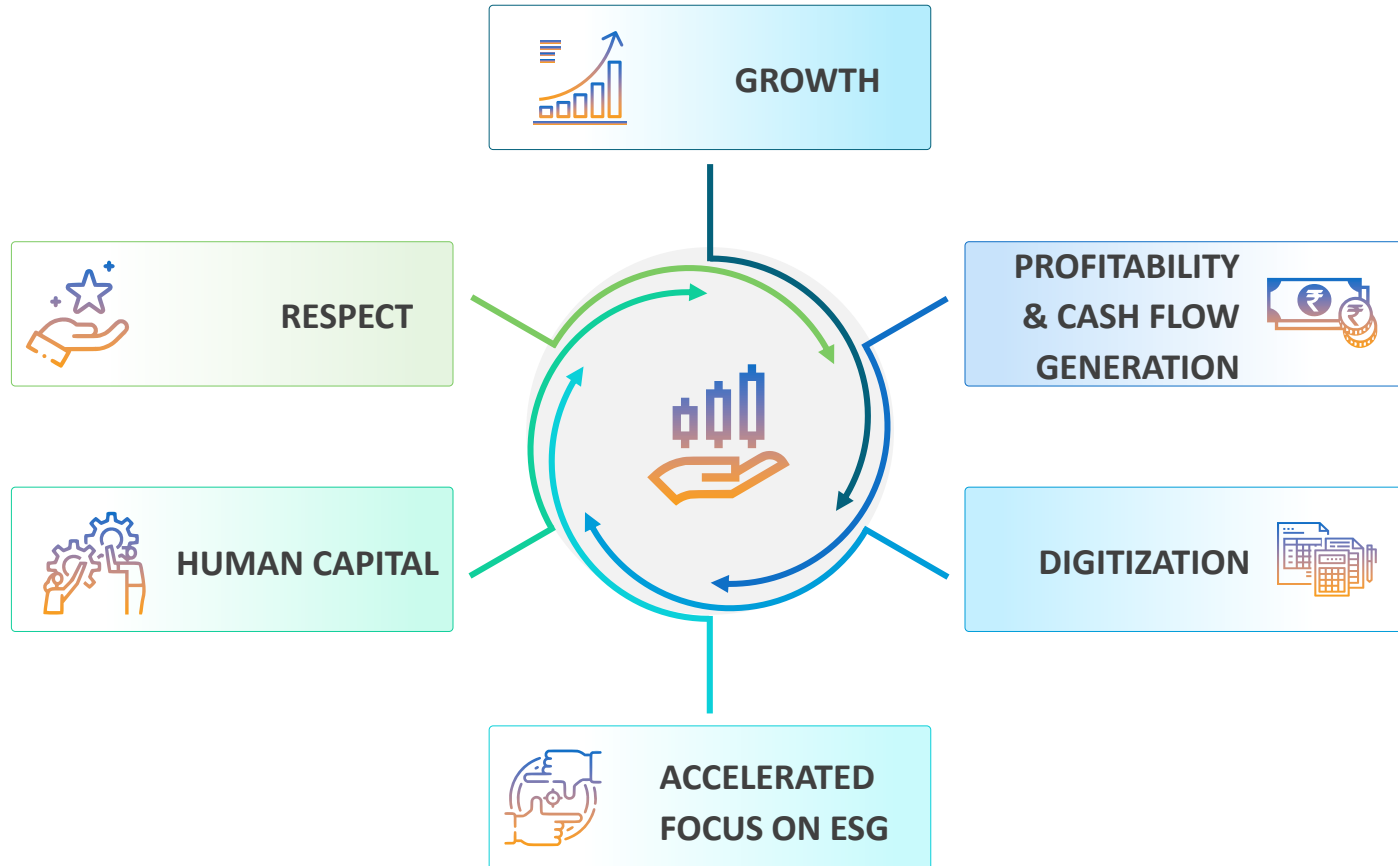


SECTION

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

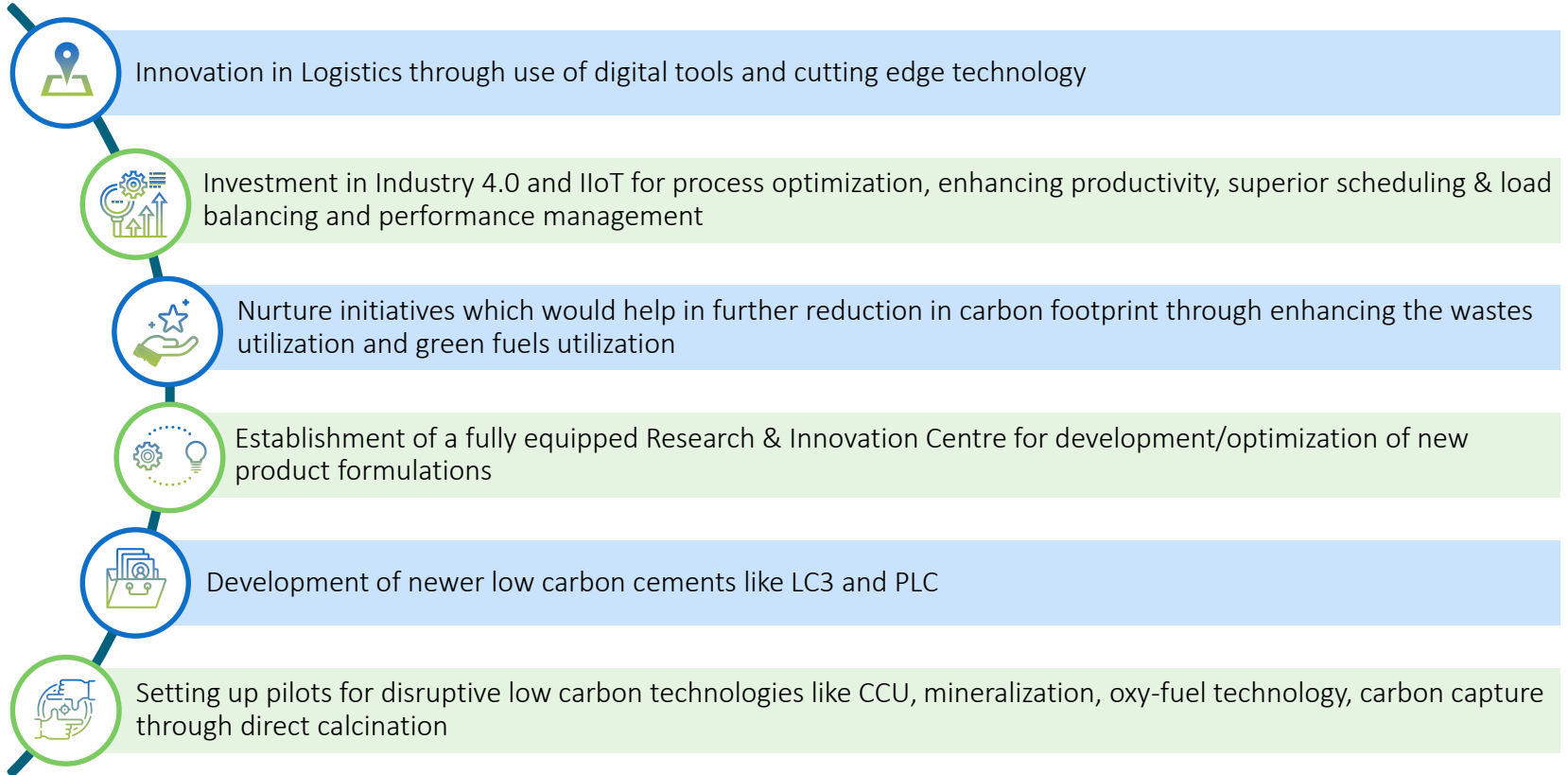
The balance available funds will be used to fund **growth** as well as **maintenance capex**

Target Net Debt / EBITDA < 2.0x*

Target ROCE of 14-15% over next few years

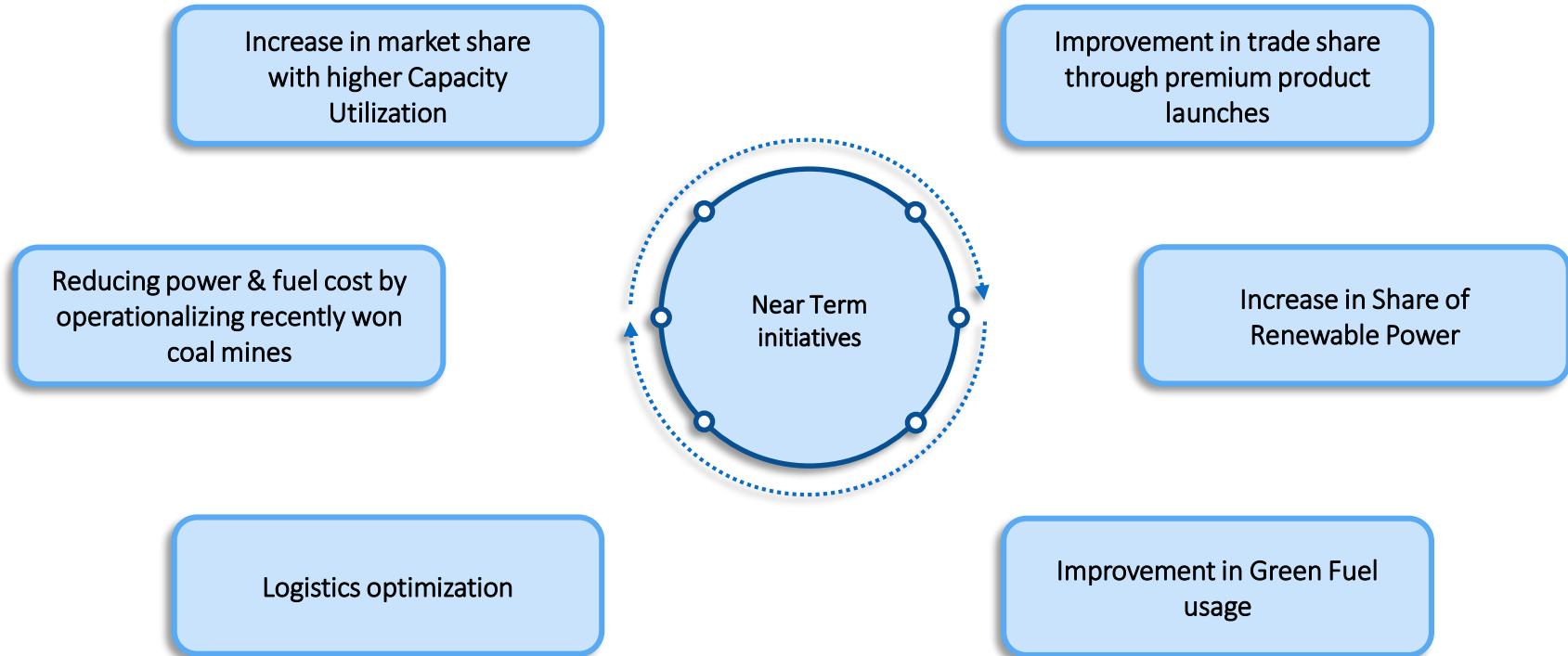
Treasury will be governed by our Board Approved Treasury Policy

Innovation and Green Energy Fund



EBITDA improvement focus areas

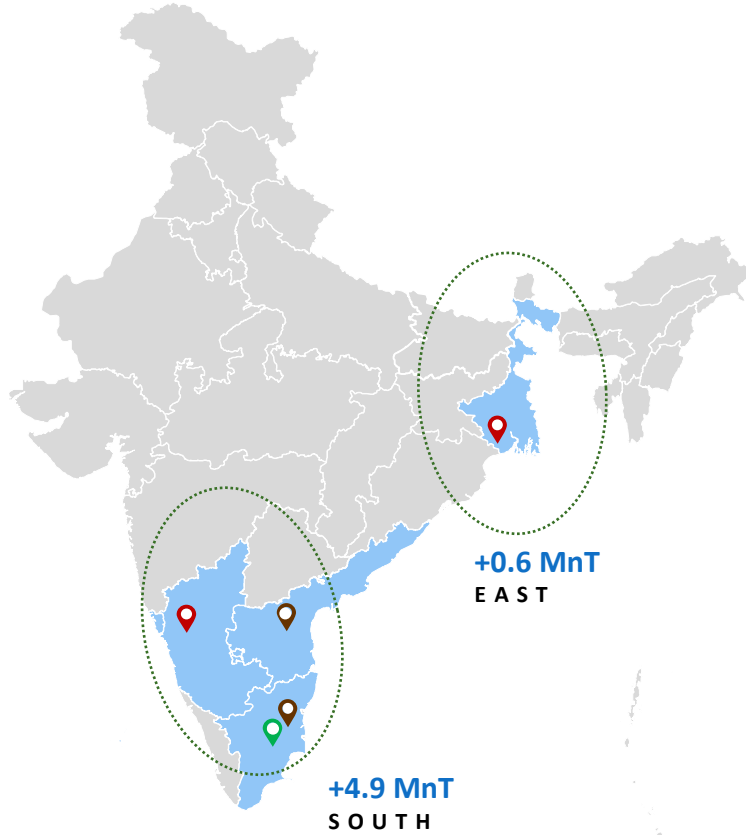
Focused initiatives on key operating levers to further improve EBITDA/T





CAPEX PLAN

Cement Capacity Expansion Plan – 46.6* MnT by FY24



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
Capacity as in April 2023		41.1
📍 East	Medinipur, WB	0.6
📍 South	Sattur, TN	2.0
📍 South	Belgaum, KA	0.9
📍 South	Ariyalur, TN	1.0
📍 South	Kadapa, AP	1.0
Closing Capacity FY24**		46.6

📍 Debottlenecking 📍 Brownfield 📍 Greenfield

NOTE

*The Bihar Grinding Unit with a capacity of 2.5 MnT has been deferred
 **the closing capacity is excluding the acquisition of cement assets of Jaiprakash Associates

+ Represents Capacity Additions from 41.1 MnT to 46.6 MnT
 — Represents States where in capacity would be added

Clinker Capacity Expansion Plan

	FY22		FY23		FY24E
SOUTH	7.8	»»	9.2	»»	10.4
EAST	6.8	»»	7.7	»»	8.3
NORTH-EAST	2.3	»»	2.7	»»	2.9
WEST	2.0	»»	2.1	»»	2.1
TOTAL	18.9	»»	21.7	»»	23.7

Commissioned 2.5 MnT Line-2 at Bokaro, Jharkhand (JCW)



Stacker Reclaimer and Shed



Cement Silos



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, **463 kg CO₂/tonne of cement for FY23**, 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**



463[^]

Dalmia Bharat Net
CO₂ Emissions



321[^]

Dalmia Bharat
Eastern Operations
Net CO₂ Emissions

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

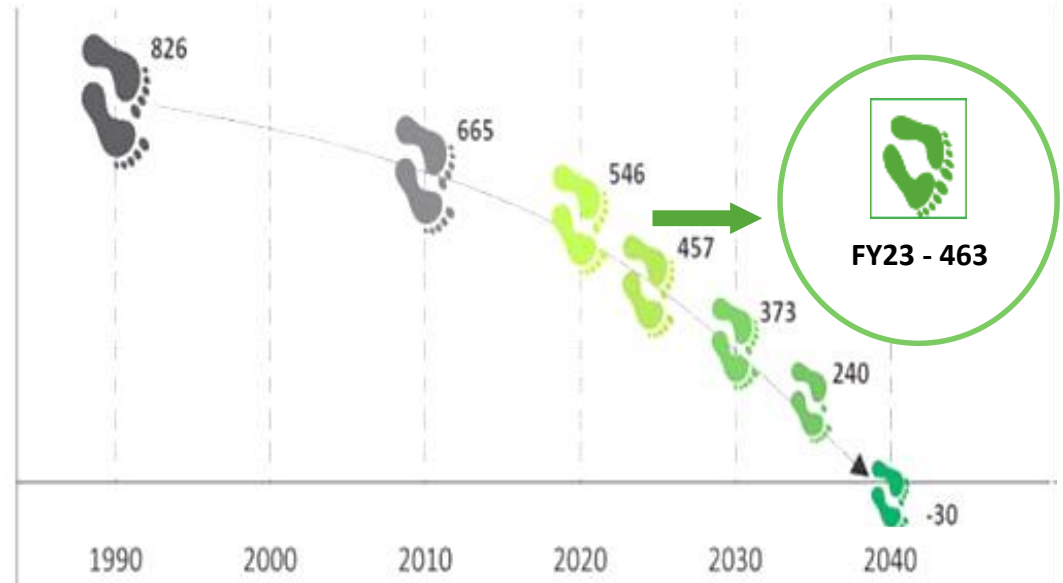
** Source: GNR data published in 2021 representative of 55% cement production in India *

[^]Data for FY23; subject to assurance

Carbon Negative Roadmap

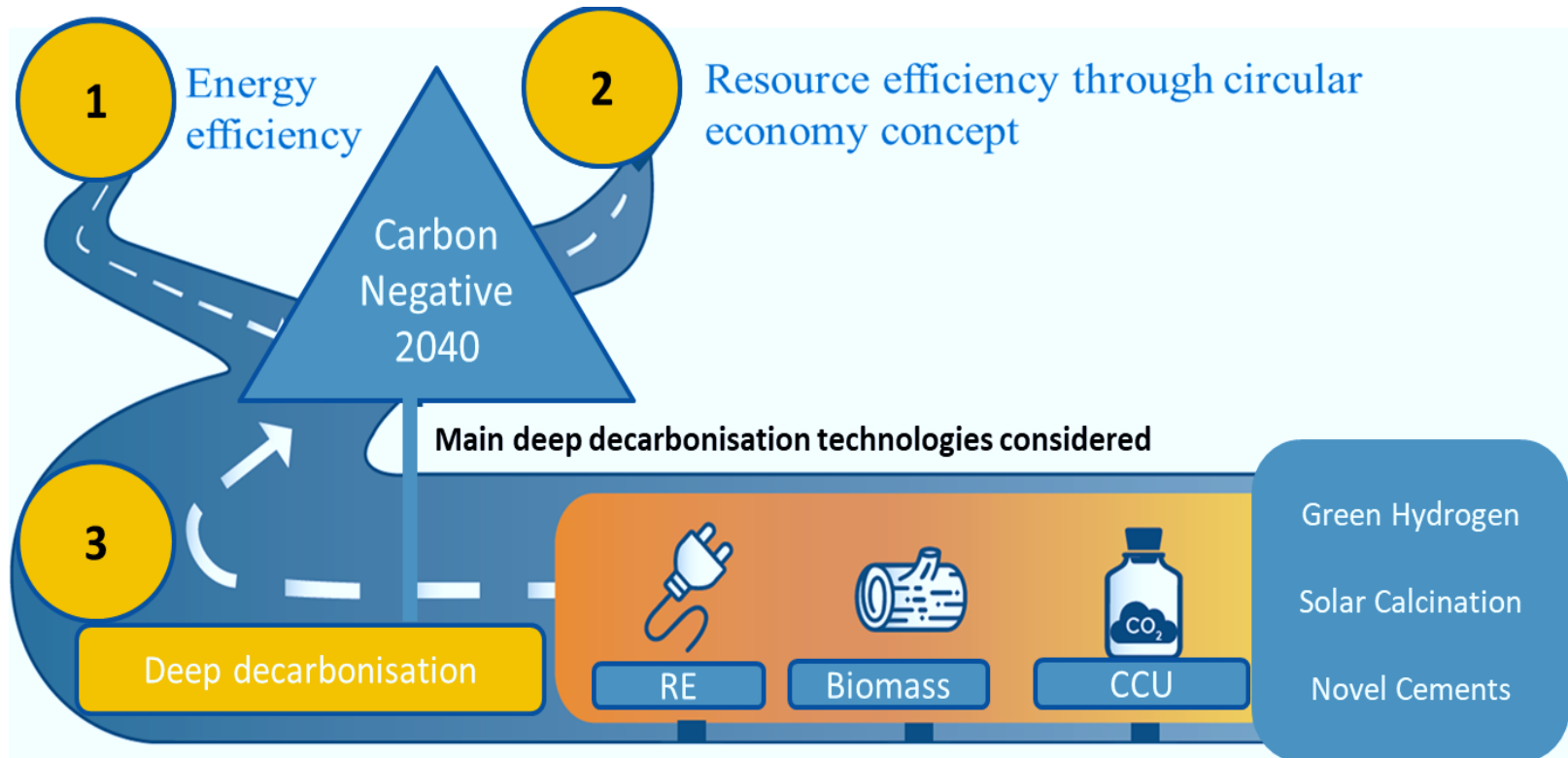
- ✓ 100% blended cement by next 5 years
- ✓ RE 100 commitment to transition to 100% renewable power by 2030
- ✓ EP 100 commitment to double energy productivity by 2030
- ✓ EV 100 commitment for sizable Electric Vehicle transition by 2030
- ✓ Use of renewable biomass, hazardous waste, hydrogen and MSW 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

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



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

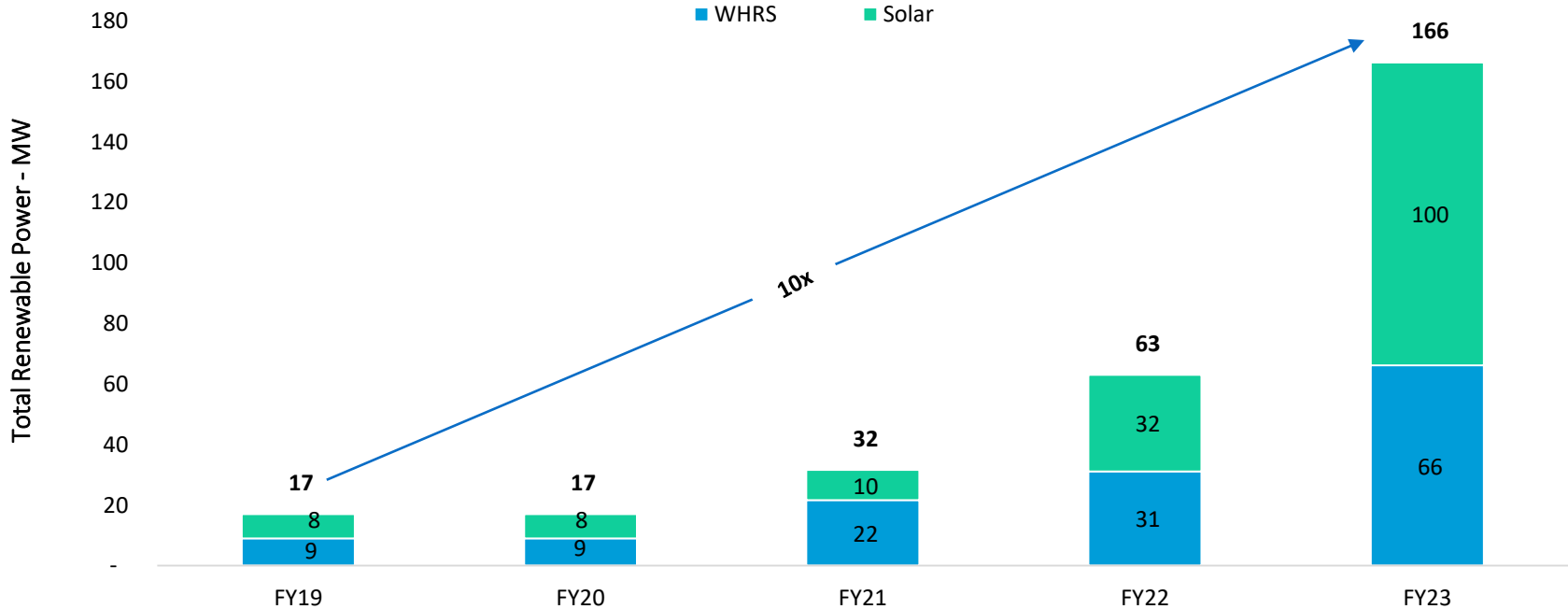
To Develop Breakthrough Innovations To Support Sustainability In Cement Industry, Dalmia Cement Signs MoU With FLSmidth, Denmark Under Green Strategic Partnership Of India And Denmark Government



- 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

Adding WHRS and Solar Power Capacity

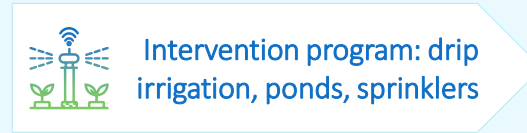
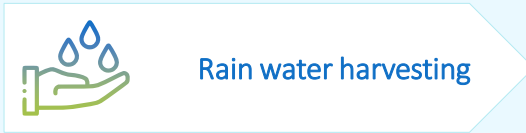
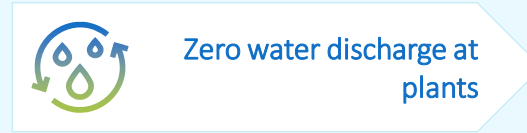
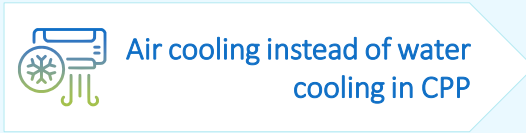
Renewable Energy Power



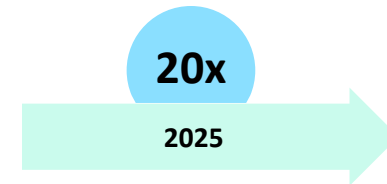
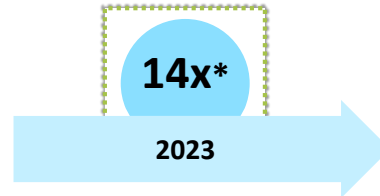
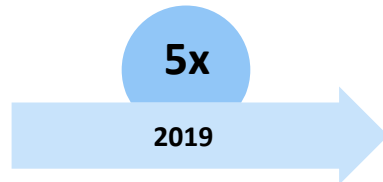
➤ In line with the commitment towards RE100 by 2030 & Carbon Negative by 2040, the company plans to further add renewable energy capacities and reach 324 MW by end of FY24

Industry Leading Water Positive Operations

OUR STRATEGY

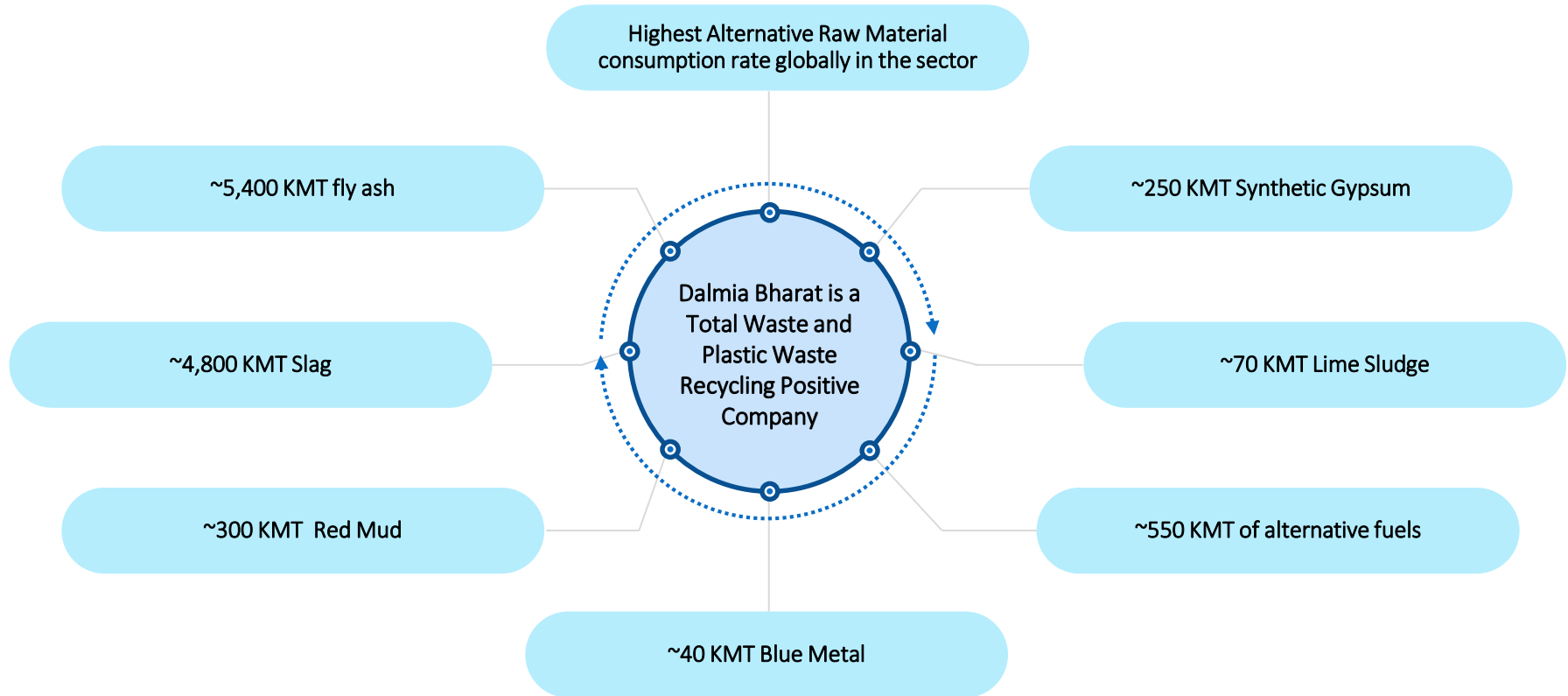


OUR RESULTS



*Note:-Represents FY23; Parameters are under assurance

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



NHA 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 ▪ Commissioned state-of-the-art new cement plants with latest available technologies 	<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
<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 ▪ Renewable power to replace fossil fuel based electricity
<ul style="list-style-type: none"> ▪ Targeted to become water positive cement group 	<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

Major Initiatives

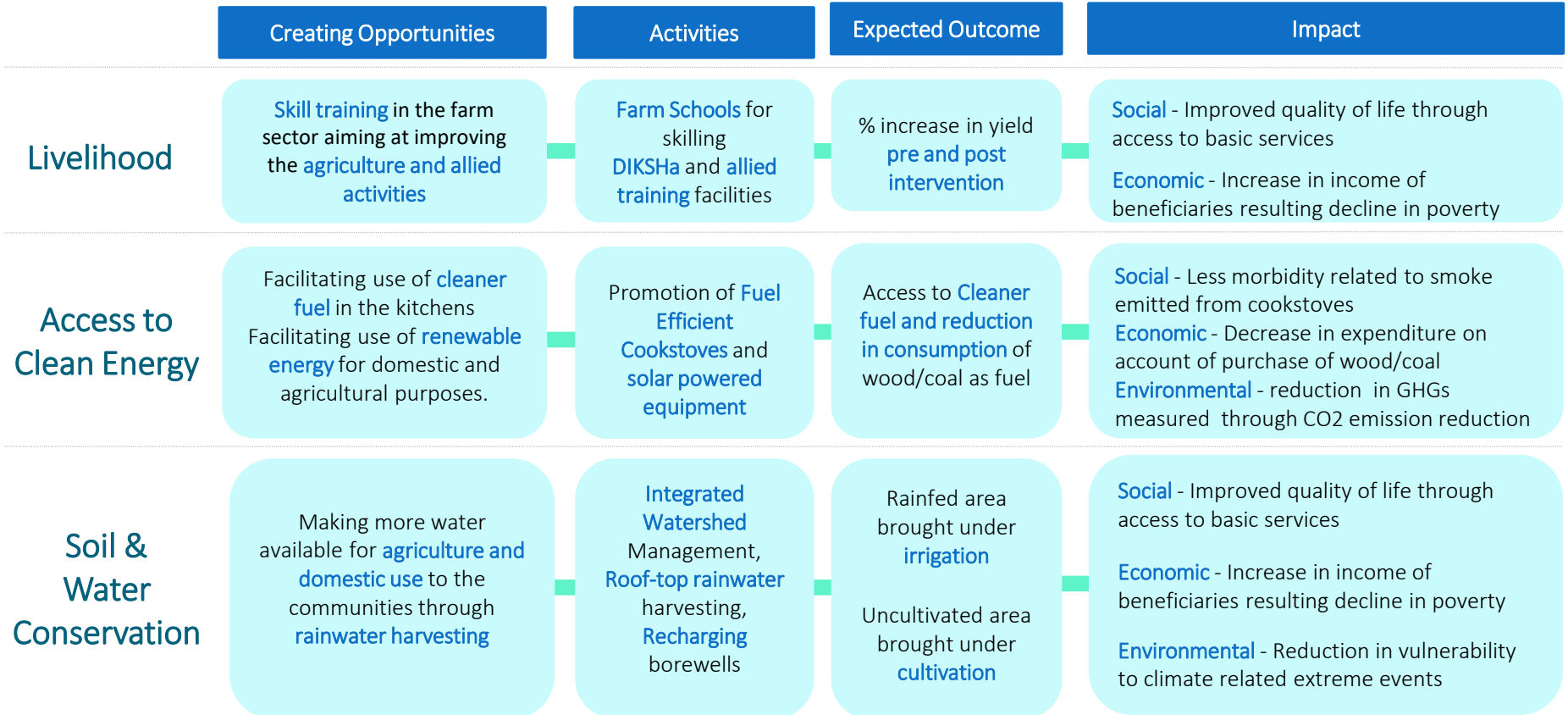
- **Dalmia Institute of Knowledge & Skill Harnessing (DIKSHa)**, a skill training programme, actively involved in imparting placement based, short-term skill trainings
- **Extended livelihood programme** – Working in farm and non-farm sector, to help communities build sustainable livelihoods
- **Climate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

DBF is now running 15 DIKSHA Centers in 8 states, with 3 new additions in current Financial year. So far, 10,697 trainees have been trained & 7711 trainees gainfully employed from these centers. In next FY, expansion plans include setting up of 7 new centers, 3 out of which are in pipeline

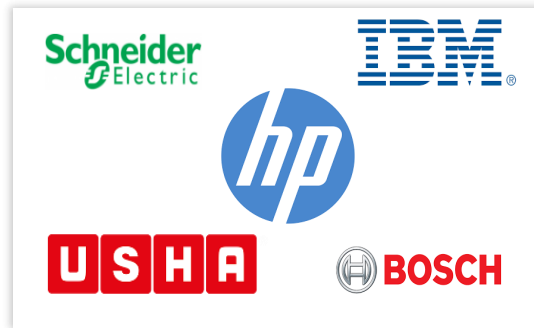
- Through our various initiatives for enabling communities to have Sustainable Livelihoods, we have worked with 30,583 beneficiaries on skilling, off farm and farm based interventions, horticulture, training for additional livelihood, etc.

- This year additional water harvesting potential of 7,923 lakh liters has been added which benefited 10,000 villagers across the Dalmiapuram, Kadapa, Satna etc.

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

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

“Climate Action Programme, CAP 2.0”
Award
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

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

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

Corporate Category: Environment
Protection
Greentech Environment Award 2022

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

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

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

FICCI-CSR Awards
for Creating Sustainable Environment 2020

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

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)”

Logistics Leader of the Year – May 22

4th India Logistics and warehousing excellence
“Institute of Supply Chain Management (ISCM)”



SECTION

06

APPENDIX

Key Financials

Particulars	FY19	FY20	FY21	FY22	FY23
Cement Capacity – MnT	26.5	26.5	30.75	35.9	41.1*
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

*Cement Capacity at 41.1 MnT as on date; [^]Profit After Tax from Continuing & Discontinuing Operations

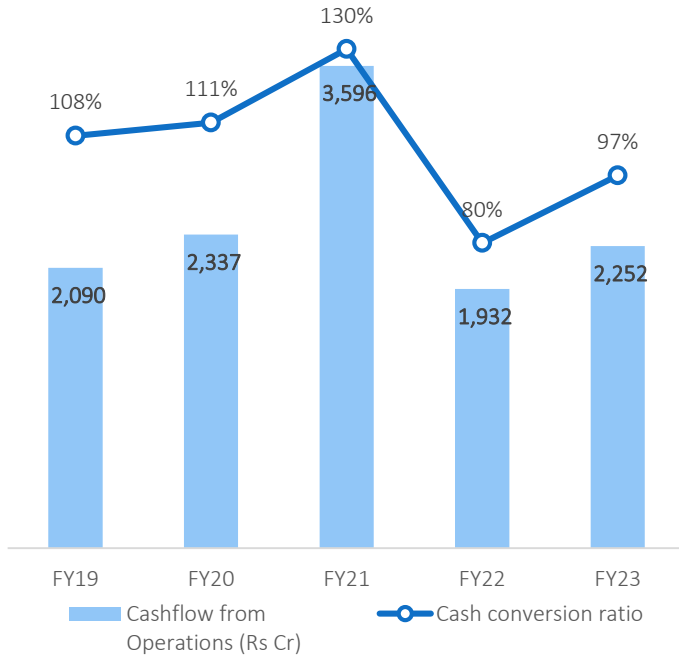
Adjusted RoCE and RoE

(in Rs Cr)	REPORTED					ADJUSTED*				
	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%

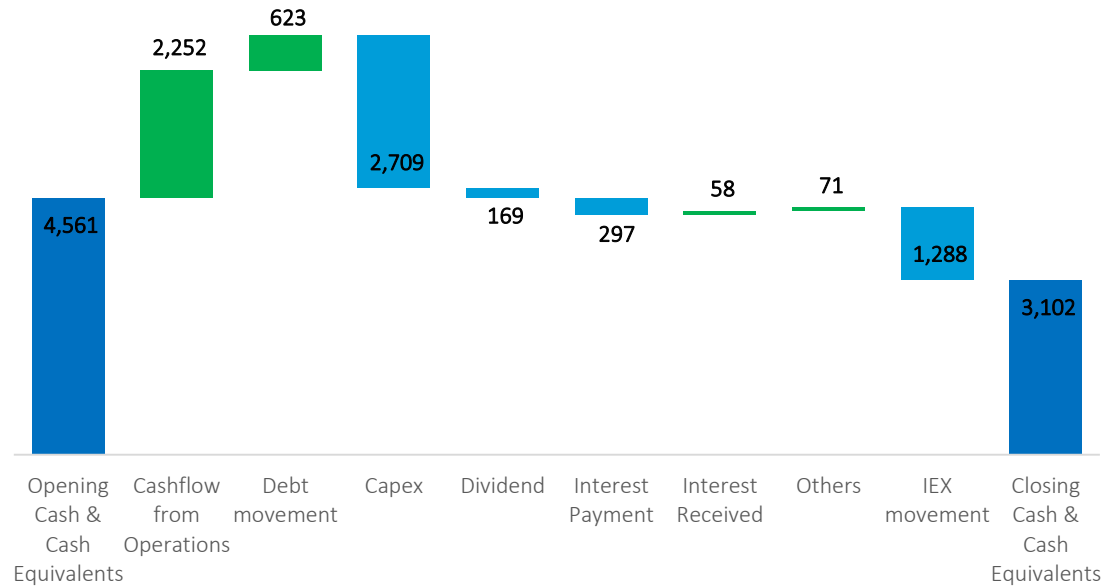
[^]Profit After Tax from Continuing & Discontinuing Operations; *Adjustment on account of goodwill amortization

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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