



**We achieved
the lowest
carbon footprint
in the cement world**

Earnings Release for quarter ended September 30, 2016
26th October, 2016



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Disclaimer

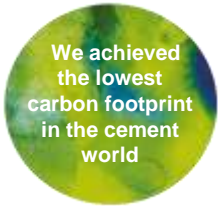
Certain statements in this presentation describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations.

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 Company adopted Indian Accounting Standards ('Ind AS') effective April 1, 2016 (transition date being April 1, 2015) and accordingly, the financial results for the quarter ended September 30, 2016 have been prepared. The results for the quarter ended September 30, 2015 are also Ind AS compliant and have not been subject to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view.

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





Performance Highlights – Q2FY17

Improved market share

20% YoY
Volume
Growth

Consistent optimization of manufacturing Costs

Rs.1,253/T
Variable
Cost

Consistent Profitability

- EBITDA up by 29% YoY
- EBITDA/T up by 6% YoY

EBITDA
Rs.421 Cr
Rs.1,233/T

Strengthening premium product portfolio

Launched
Dalmia DSP in
South
following East

Creating Benchmarks

Progressive
EHS
compliance



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Financial Performance



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Performance for the quarter ended 30 Sep, 2016

(Rs. in Cr.)

Particulars	Q2FY17	Q2FY16	YoY
Total Income from Operations	1,938	1,638	18%
Operating Expenses	1,518	1,310	16%
EBITDA	421	328	28%
Other Income	80	77	4%
Depreciation	159	154	3%
EBIT	342	250	37%
Finance Cost	229	173	32%
Profit Before Tax	112	76	47%
Profit After Tax	31	12	150%
Sales Volume (MnT)	3.42	2.85	20%
EBITDA Margin %	25%	23%	174bps



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Performance for the half year ended 30 Sep, 2016

(Rs. in Cr.)

Particulars	H1 FY17	H1 FY16	YoY
Total Income from Operations	3,958	3,471	14%
Operating Expenses	3,029	2,748	10%
EBITDA	929	723	28%
Other Income	156	121	29%
Depreciation	293	272	8%
EBIT	793	572	39%
Finance Cost	470	346	36%
Profit Before Tax	322	227	42%
Profit After Tax	125	65	92%
Sales Volume (MnT)	7.18	5.95	21%
EBITDA Margin %	27%	24%	285bps



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Balance Sheet as on 30 Sep, 2016

(Rs. in Cr.)

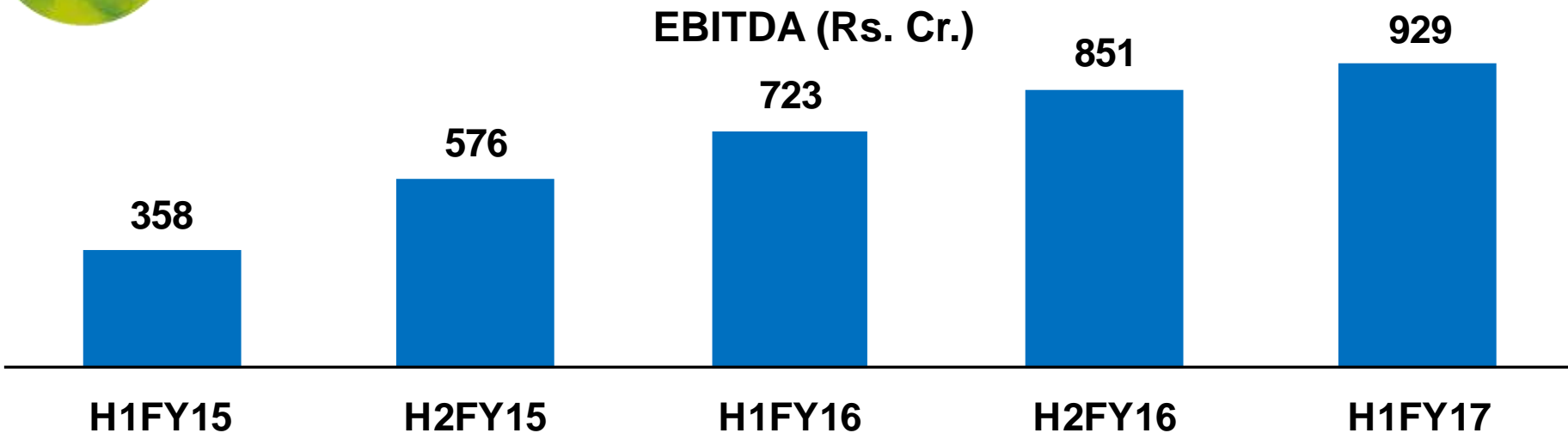
Particulars	As on Sep 30, 2016	As on June 30, 2016
Net Worth	5,599	5,493
Debt	8,547	8,823
Term Loans	6,982	7,319
Soft Loans	341	341
Working Capital loans	1,223	1,164
Deferred Tax Liability	1,593	1,592
TOTAL	15,738	15,908
Fixed Assets	12,474	12,612
Investments	105	109
Cash & Equivalents	2,765	2,993
Net Working Capital	395	194
TOTAL	15,738	15,908
Net Debt	5,781	5,831
Net Debt to Equity	1.03	1.06



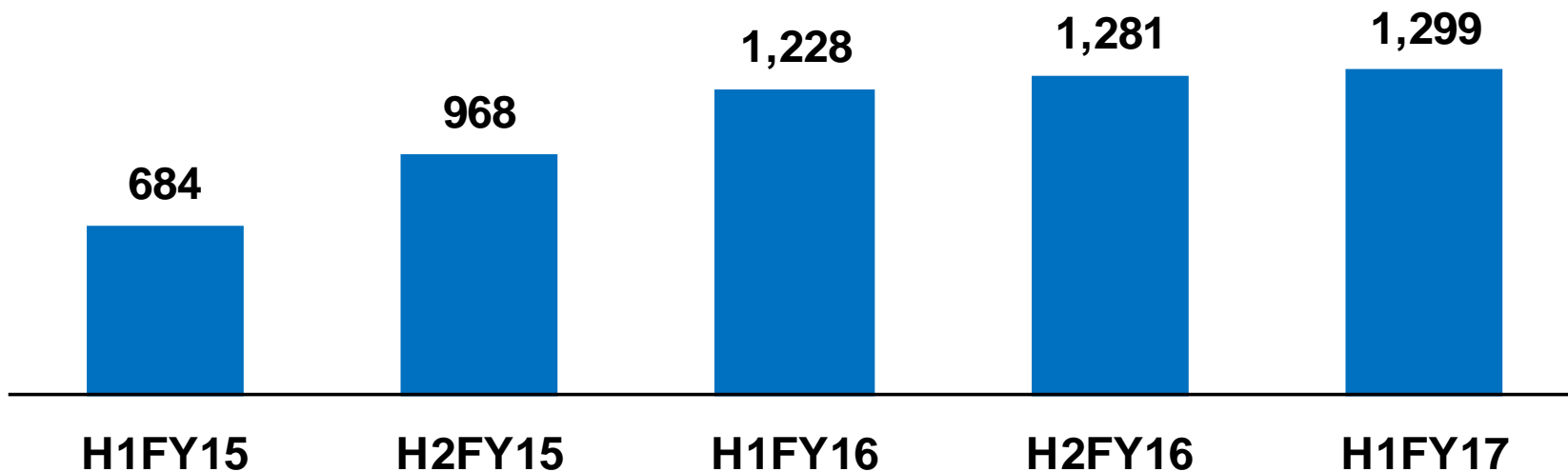
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Improved profitability

EBITDA (Rs. Cr.)



EBITDA (Rs./ T)



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Expanding reach into new markets...

Volumes (KMT)

	Q2FY17	Q2FY16	% Change
Total Sales	3,421	2,853	↑ 20%
New Markets*	96	0	↑ -
Exports	106	25	↑ 324%

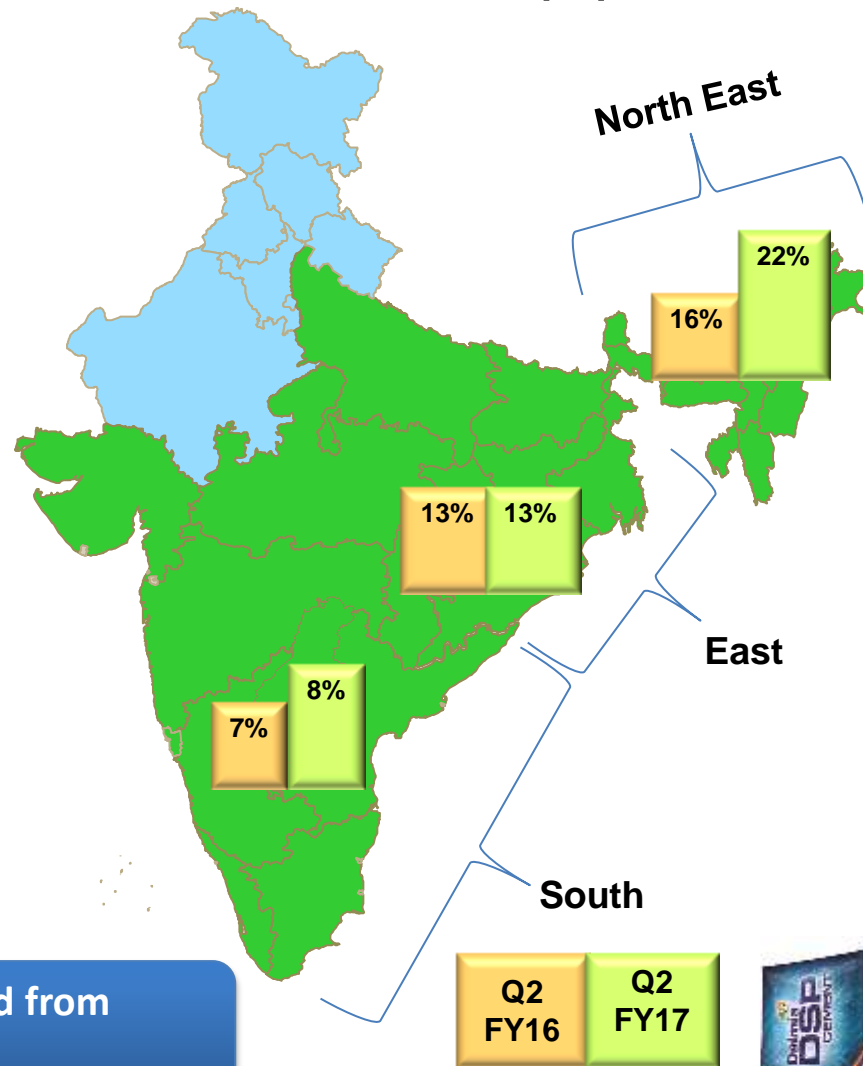
Established markets for Cement & Clinker exports

	H1FY17	H1FY16	% Change
Total Sales	7,184	5,947	↑ 18%
New Markets*	178	0	↑ -
Exports	183	46	↑ 298%

Consistently growing ahead of the Industry

Market share across operating markets improved from 8% in FY14 to 10.4% in Q2FY17

Market Share (%)



*New Markets – U.P. & M.P. 9



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Sustainable Business Model

Unique packaging – water-resistant & tamper-proof

Unparalleled gain in strength



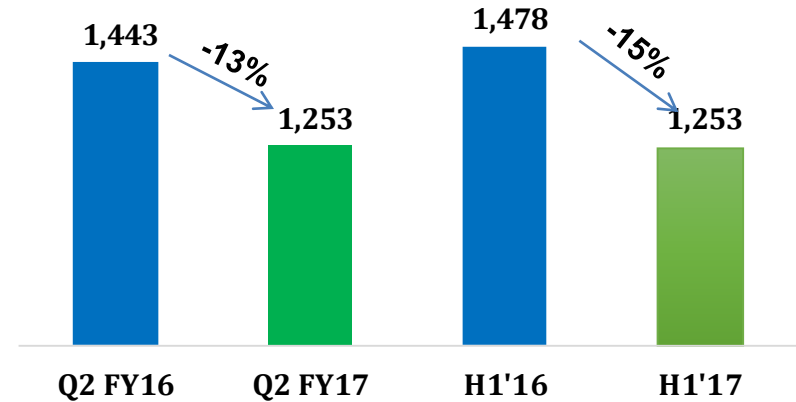
Improved Construction efficiency

Smooth & uniform finish

Carefree Durability

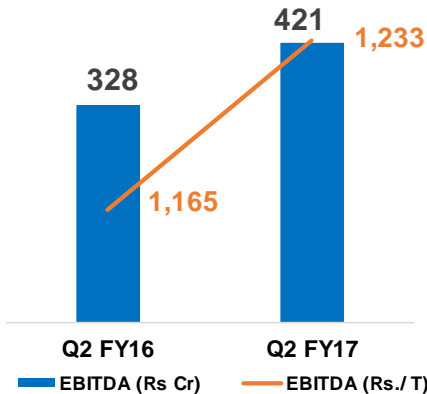
Premium Brand

Variable Cost (Rs./ T)



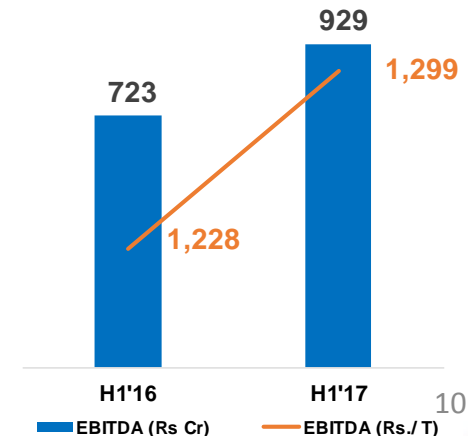
Cost Efficiency

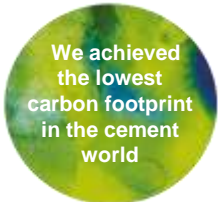
Quarterly EBITDA



Improved Profitability

Half Yearly EBITDA



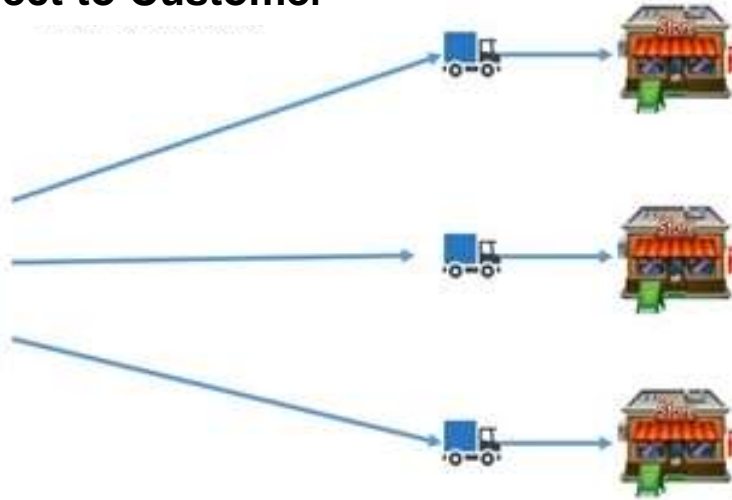


Transforming to B2C model

Direct to Customer



MANUFACTURER



Higher Capacity Fleet



Reduced cost of delivery



Increased Direct Sales



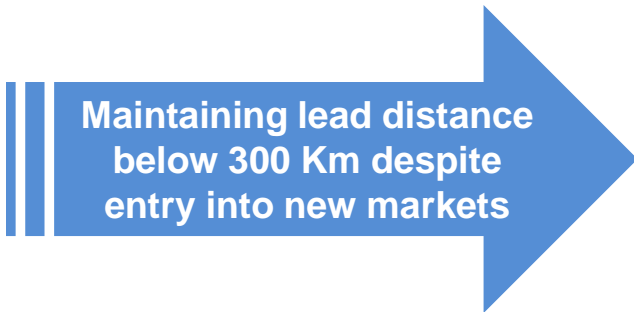
Reduced No. of Depots



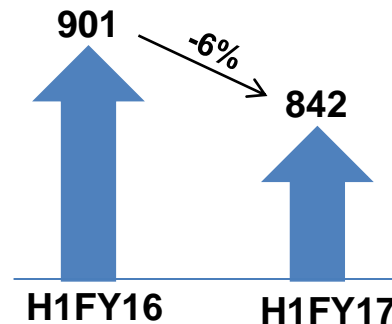
Introduced mobile Customer App



Reduced delivery time



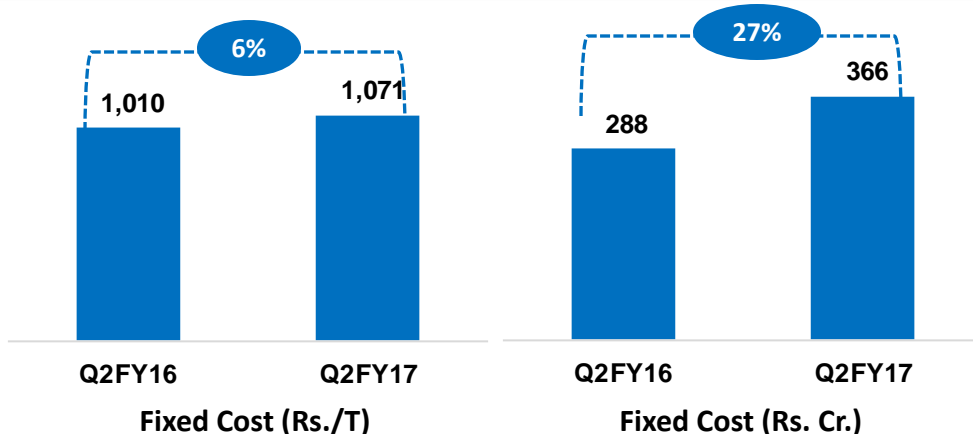
Logistics Cost (Rs./ T)



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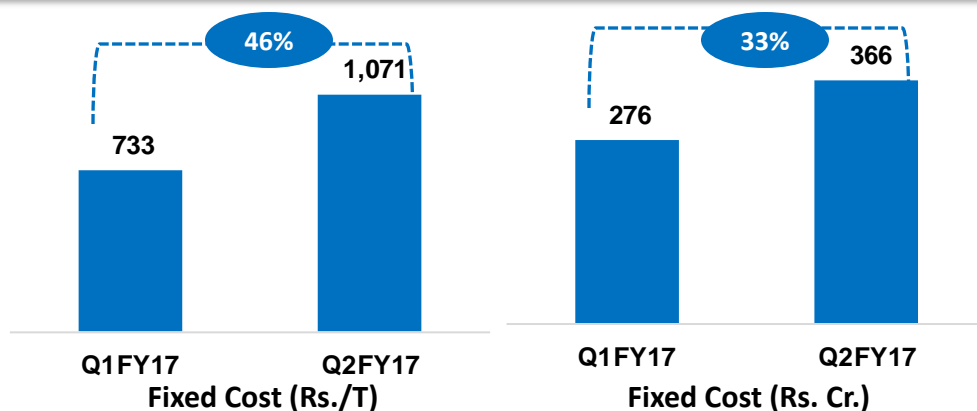
Fixed Cost...

Fixed Cost movement (YoY)



- ✓ Due to commissioning of Belgaum and Umrangso unit : Impact ~Rs.30 Cr
- ✓ Due to annual maintenance planned in Q3FY16 and no impact in Q2FY16 : impact ~Rs.15 Cr.
- ✓ Higher advertisement Expense due to launch of DSP

Fixed Cost movement (QoQ)



- ✓ Annual maintenance shut down cost : Impact ~Rs.35 Cr
- ✓ DSP launch and advertising expenses : Impact ~Rs.30Cr.

Expect significant operating leverage with volume growth



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Focus towards building clean energy...

Solar
Power
8 MW

Total
Capacity
186 MW

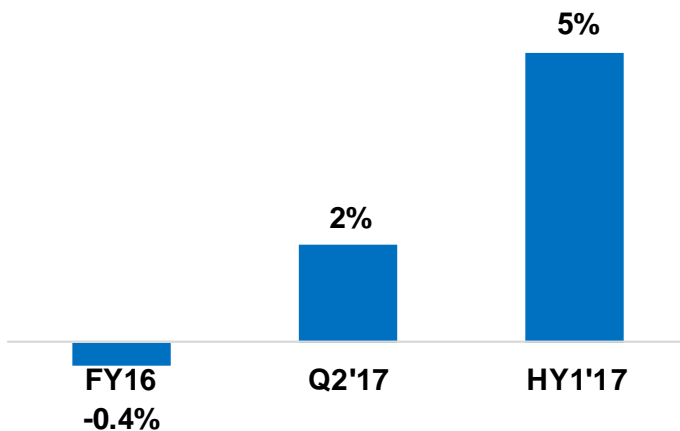
CPP
178 MW



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Signs of improving cement demand...

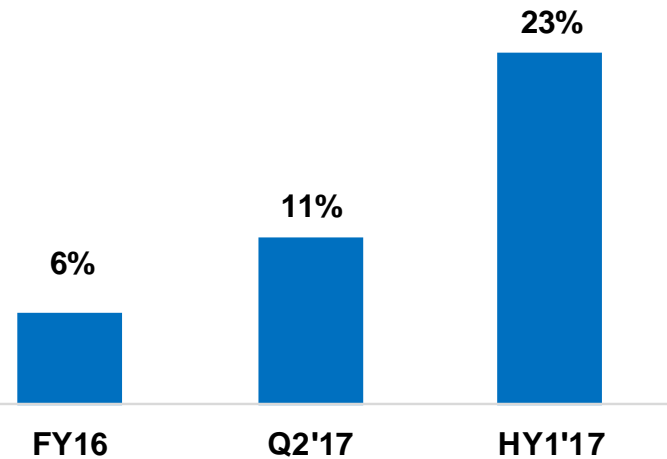
South Market Growth (YoY)



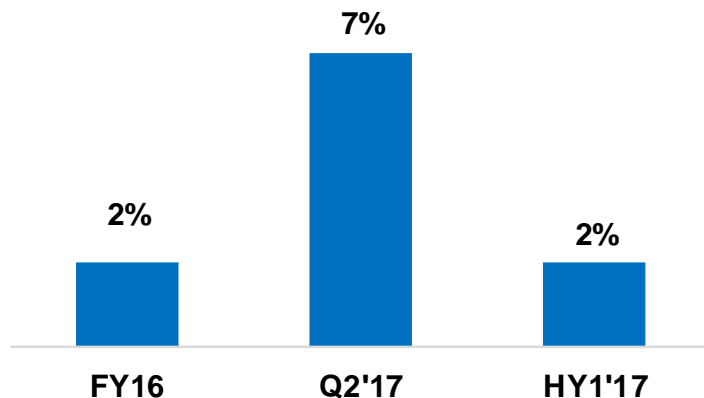
Affordable housing scheme : Telangana & AP

Revival of Irrigation Projects: Polavaram & Pattiseema projects

A.P. Market Growth (YoY)



North East Market Growth (YoY)



Advanced stages of planning / Execution witnessed in Centre funded projects:

- Railways : Rs, 7000 Cr. to be invested.
- NHAI projects: Asian Highway, Kolkata-Agartala network (via Dhaka)
- NTPC: Bongaigaon Phase II & III : 500MW



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Green Commitment



Excellence Energy Efficiency Unit Award 2015-16 CII- Energy Awards

Winner for last four consecutive years



Won FIMI Environment Excellence Award

- ❑ Presented by Mr. Piyush Goyal, Minister of Mines, Coal, Power and Renewable energy
- ❑ For general upliftment & social well-being, safe & healthy working environment, environmental protection and better productivity



Association with EP100 (Commitment to double the economic benefit from every unit of energy consumed)

- ❑ First cement company in world to join the initiative



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Progressive EHS compliance

20,000 people reached through Health Camps/ 27 Remedial Coaching Centres

More than 35,000 Thousand Beneficiaries reached through Social Development Programmes



Won Excellence in Safety Award-2016 Awarded by Manufacturing Today



4Star rating in EHS practices - CII



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Partnering Nation's Goal...

Set-up two
“Diksha Skill Training Centre”



Target to reach out to
60,000 beneficiaries
over a period of 10 years



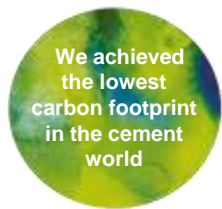
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Won CSR Foundation of the Year Award: 2015-16



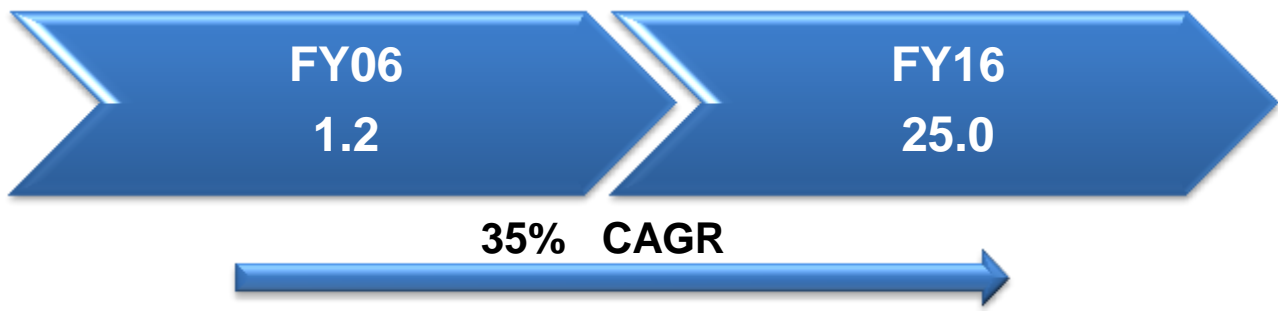
**DALMIA BHARAT FOUNDATION AWARDED
by NGOBOX in “3rd CSR IMPACT AWARDS”**



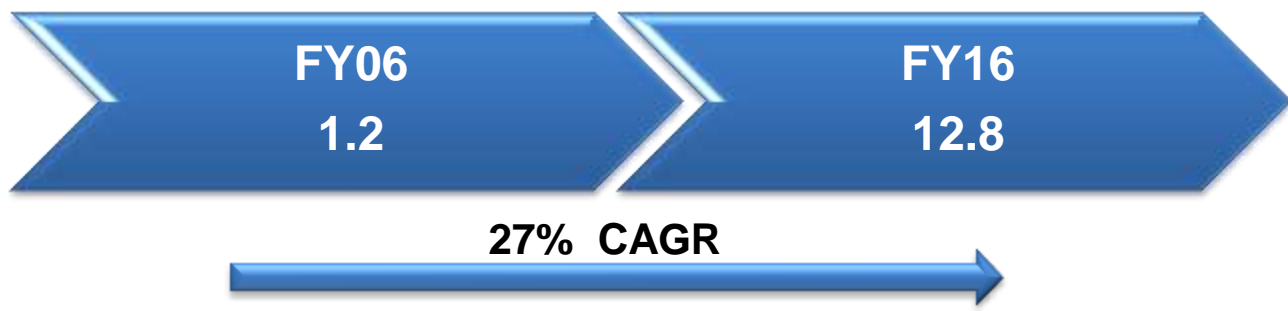


Dalmia's 10-year journey

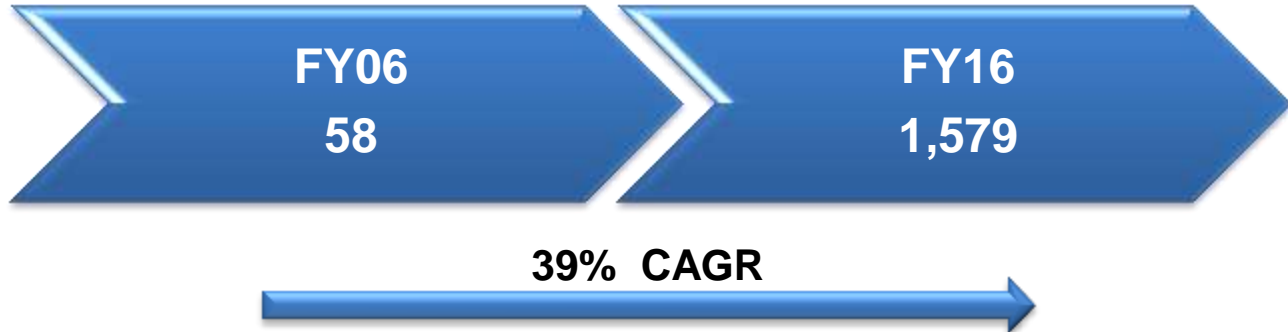
Cement capacity growth (MnT)



Cement Volume (MnT)



EBITDA (Rs Cr)



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Thank You

