

**Earnings Release
for
Quarter & Year ended
March 31, 2017**

10th May, 2017

**GROWING
NATURALLY**

Dalmia Bharat, with the lowest carbon footprint* in the cement world, has registered an **Annual Volume Growth of 20%** compared to Indian cement industry decline of 1.3%#

**Source: GNR data of Cement Sustainability Initiative member companies*

#Source: Index of industrial production

We achieved
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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 March 31, 2017 have been prepared. The results for the quarter ended March 31, 2016 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.



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Material Update

KKR sold 75,00,000 shares held by it in Dalmia Bharat Limited (DBL) on April 21, 2017. DBL received Rs.588 cr. from KKR as per the terms of the placement agreement approved by the shareholders in February , 2016

Particulars	Rs. In Cr.	
	As on March 31, 2016	As on March 31, 2017
EBITDA	1,592	1,902
Gross Debt	8,771	8,049
Cash	2,788	2,817
Net Debt	5,984	5,233
Net Debt/ EBITDA	3.8x	2.8x
Net debt / EBITDA (post receipt of proceeds from KKR)		2.5x



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Key highlights for the year

Operational Performance

- **20%** growth in sales volumes (YoY)
- Variable Cost of production lower by **6%** despite increase in fuel prices.
- **Digitization** helped in optimizing Freight Cost further in contrary to diesel price movement.
- **Benefit of operating leverage kicks** in due to higher volumes

Strengthened Balance sheet

- Gross Debt reduced by **Rs.722 crore.**
- Net Debt to Equity at **0.9x**

Thrust on Sustainability

- Renewable power (8 MW) usage helped reducing power cost
- Achieved **water neutrality in 3 plants** vs. 1 plant last year
- Partnered with **NSDC*** and **opened 11** skill centres across India to promote 'Skill India'.

The Board of Directors have recommended final dividend of Rs.2.20 per share (110%)

***National Skill Development Centre**

Dalmia Cement, a pioneering super-specialty application-based cement for more than 75 years.



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Financial Highlights – Annual

Particulars	FY16	FY17	YoY
Sales Volume (MnT)	12.79	15.30	20%
EBITDA (Rs. Cr.)	1,592	1,902	19%
Cash Profit (Rs. Cr.)	1,091	1,311	20%
PAT (Rs. Cr.)	190	345	81%
EBITDA (Rs./T)	1,265	1,258	-1%
EBITDA Margin	24.8%	25.7%	86 bps

Accelerating Growth



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Operational Highlights – Annual

Particulars	FY16	FY17
Power consumption rate* (Rs./Kwh)	4.8	3.9
Auxiliary Power Consumption in CPP	11.1%	9.2 %
Total Pet Coke Consumption	70%	76%
Domestic & Fluid Pet Coke (%age of total Fuel Mix)	-	7%
DSP as % of trade sales (Super Premium)	-	6%

Enhancing efficiencies. Driving results.

** led by captive power wheeling, usage of open access and renewable power*



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Financial Highlights - Quarterly

Particulars	Q4FY16	Q3FY17	Q4FY17	QoQ	YoY
Sales Volume (MnT)	3.88	3.56	4.55	28%	17%
EBITDA (Rs. Cr.)	512	421	552	31%	8%
Cash Profit (Rs.Cr.)	368	272	423	55%	15%
PAT (Rs. Cr.)	95	36	184	416%	97%
EBITDA (Rs/T)	1,361	1,197	1,248	4%	-8%
EBITDA Margin	27%	24%	25%	104 bps	(179 bps)

Accelerating Growth



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Operational Highlights – Quarterly

Particulars	Q4FY16	Q3FY17	Q4FY17
Power consumption rate (Rs./Kwh)	4.0	4.2	3.9
Auxiliary Power Consumption in CPP (%)	9.4%	8.9%	8.1%
Total Pet Coke Consumption	79%	74%	78%
Domestic & Fluid Pet Coke (%age of total Fuel Mix)	-	10%	15%
DSP as % of trade sales (Super Premium)	-	8%	10%

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Financial Performance



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Financials for the year ended 31st Mar, 2017

Particulars (Rs. Cr.)	FY16	FY17	YoY
Total income from operations	7,262	8,348	15%
Operating Expenses	5,671	6,446	14%
EBITDA	1,592	1,902	19%
Other Income	229	299	30%
Depreciation	581	603	4%
EBIT	1,240	1,598	29%
Finance Cost	730	890	22%
Cash Profit	1,091	1,311	20%
PBT	510	708	39%
PAT	190	345	81%
Sales Volume (MnT)	12.79	15.30	20%
EBITDA (Rs./T)	1,265	1,258	-1%
EBITDA Margin (%)	24.8%	25.7%	86 bps

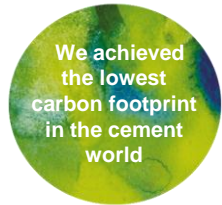


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Financials for the quarter ended 31st Mar, 2017

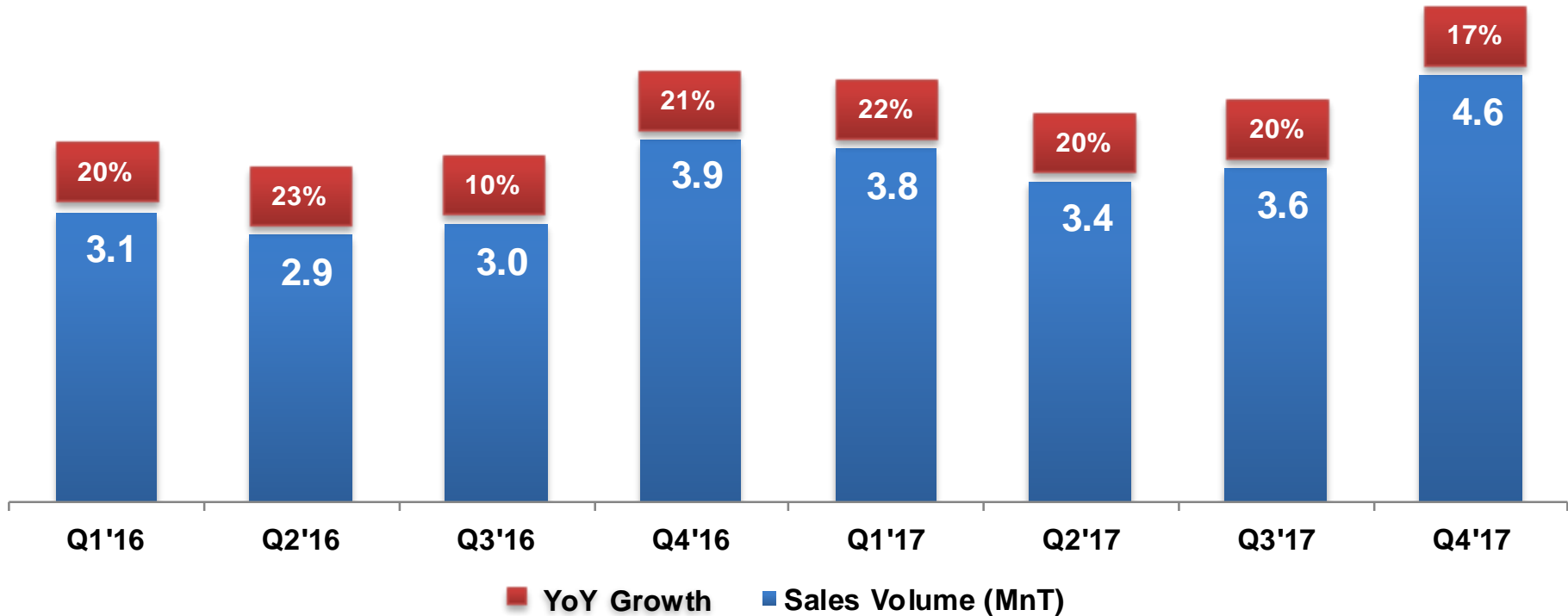
Particulars (Rs. Cr.)	Q4FY16	Q3FY17	Q4FY17	QoQ	YoY
Total income from operations	2,109	1,967	2,433	24%	15%
Operating Expenses	1,598	1,546	1,882	22%	18%
EBITDA	512	421	552	31%	8%
Other Income	63	71	71	0%	13%
Depreciation	167	159	151	-5%	-10%
EBIT	408	333	472	42%	16%
Finance Cost	207	220	200	-9%	-3%
Cash Profit	368	272	423	55%	15%
PBT	201	113	272	141%	36%
PAT	95	36	184	416%	94%
Sales Volume (MnT)	3.88	3.56	4.55	28%	17%
EBITDA (Rs./T)	1,361	1,197	1,248	4%	-8%
EBITDA Margin (%)	27.0%	24.2%	25.2%	104 bps	(179 bps)

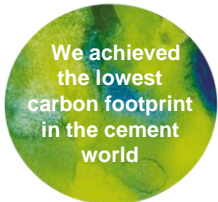




Delivering consistent volume growth

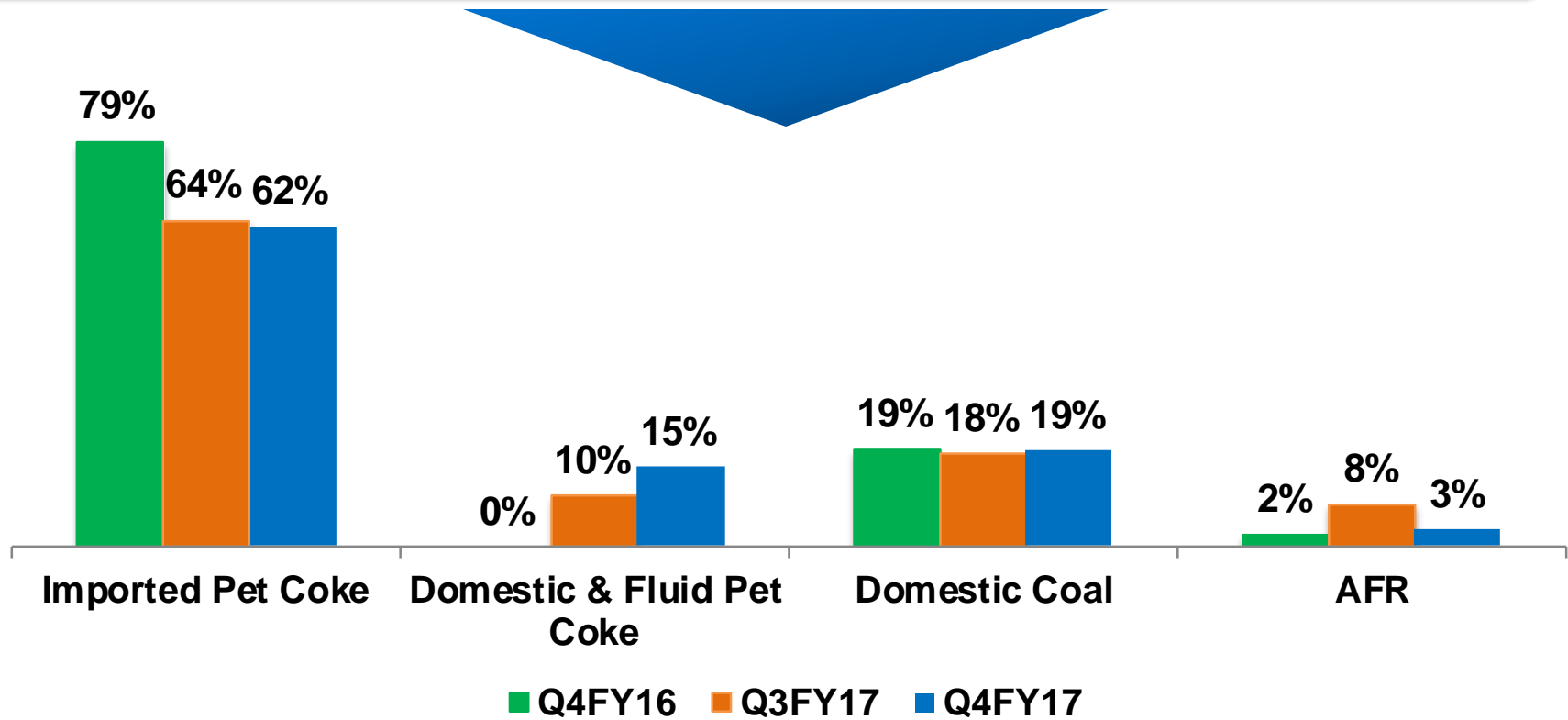
Dalmia Volume Growth (YoY)





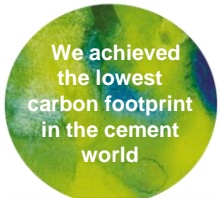
Flexibility in operations

Power & Fuel Cost for the quarter at Rs. 659/T



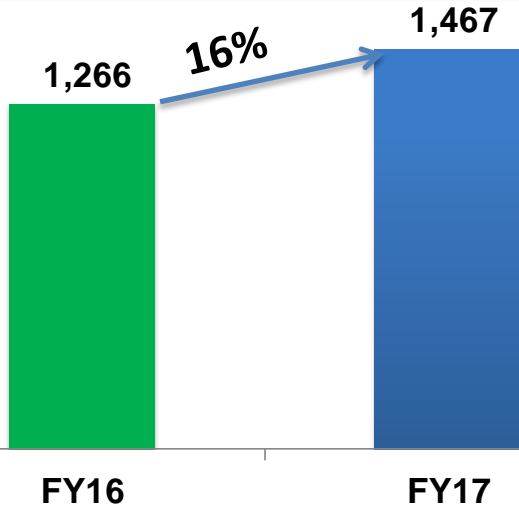
Average consumption cost of pet coke for Q4 FY17 is \$66/T



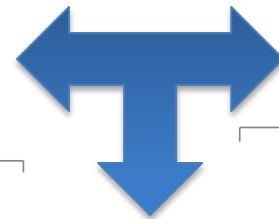
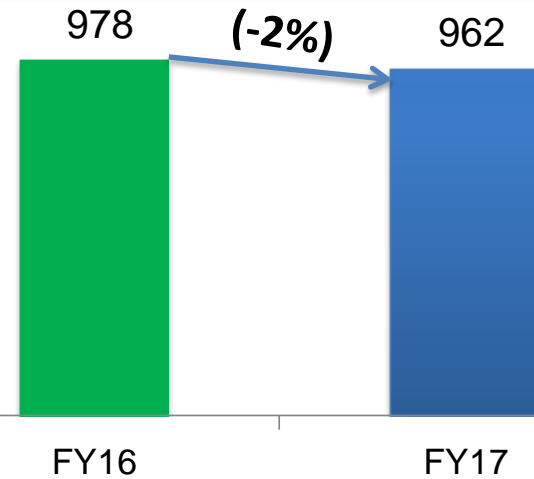


Benefiting through operating leverage

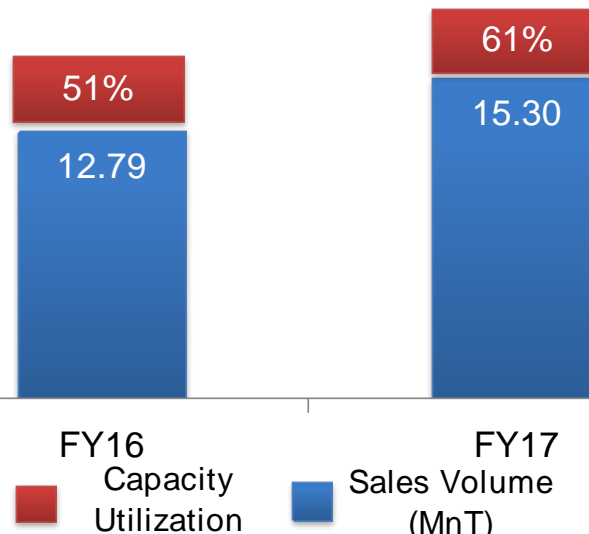
Fixed Cost (Rs in Cr.)

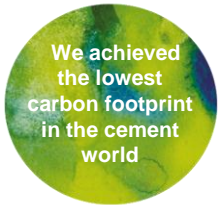


Fixed Cost (Rs./T)



Sales Volume & Capacity Utilization

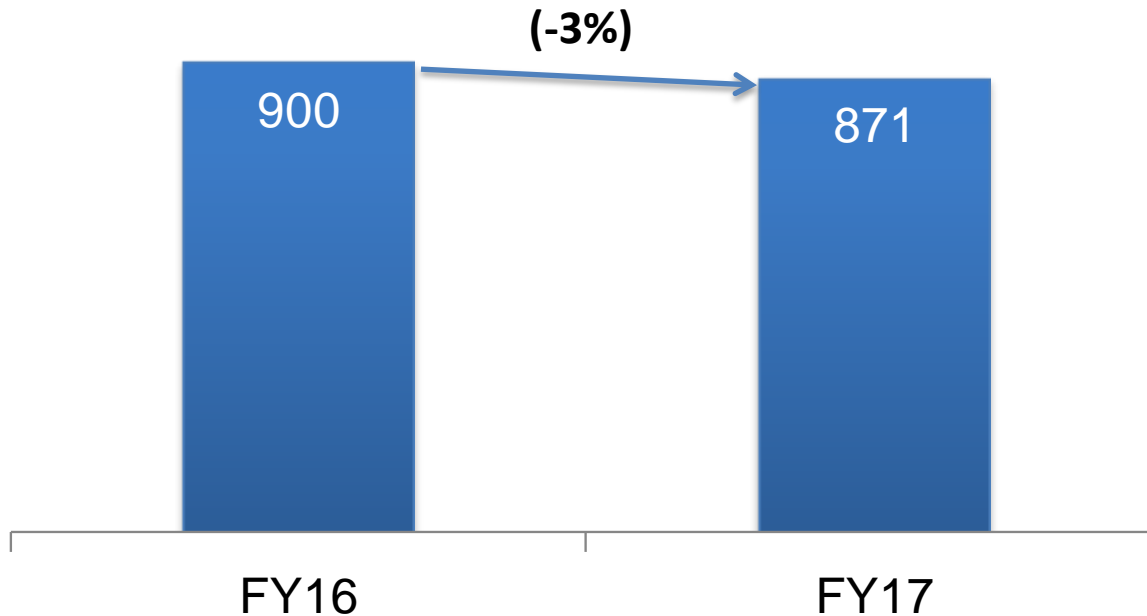




Digitization - Optimizing freight cost

Optimizing last mile connectivity through GIS enabled secondary routing*

Freight Cost (Rs / T)



**Geographic Information System*



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Sustainability Initiatives



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CSR reach



Skill India
कौशल भारत - कुशल भारत

	FY16	FY17
Villages covered	446	846
Outreach population (in Lac)	5.6	8.6
Water Harvesting capacity (Lac m ³)	11.13	18.00
CO ₂ Mitigation (Tons)*	15,000	18,800
Livelihood Skill Training (no. of beneficiaries)	22,000	24,000

* through providing biofuel chulhas



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Best Corporate Social Responsibility Award 2017, by World CSR Congress



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Thank You

