



EARNINGS RELEASE

Q2FY22 and H1FY22



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.

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KEY HIGHLIGHTS

Key Highlights



Financial Performance

- Sales Volume grew by 6.2% YoY to 5.11 MnT
- Revenue increased by 11.4% YoY to Rs 2,577 cr
- EBITDA/T for the quarter Rs. 1,217; EBITDA Margin stood at 24.1%



Capacity Additions

- Commenced commercial production of 2.25 MnT at Dalmia DSP Unit II near Cuttack in Odisha
- Commenced Trial Run production of 3Mnt plant at Maharashtra (erstwhile Murli Industries)
- Total Cement Capacity increased to 33MnT
- Total Clinker Capacity increased to 18.88 MnT from 18.68 MnT



Debt Position

- Reduction in Gross Debt of Rs 162 cr during the quarter
- Became Net Debt Free Company, Net Debt/EBITDA stood at (0.48x)



Capital Allocation Framework and Transformation

- Declared an interim dividend of Rs 4 per share
- Sold ~21.4 Lacs shares for IEX for Rs 128 cr; reduced its stake in the company to 14.8%
- Received approval from the board for the divestment of Hippo Stores
- Received approval in the AGM for appointment of Walker Chandio & Co., Chartered Accountants (member firm of Grant Thornton) as Statutory auditors of the company



SECTION

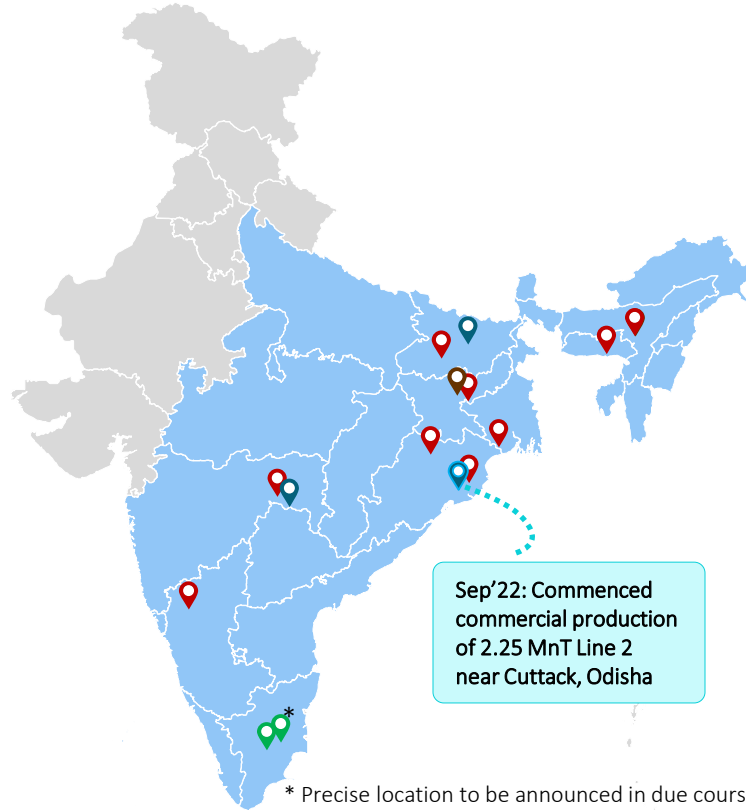
02

EXPANSION AND CAPEX UPDATE

Capacity Update

Capacity Overview

Present Capacity	33.0
Ongoing Projects	5.5
Greenfield	3.0
Brownfield	1.7
Upgradation	5.2
Total Capacity	48.5



Sep'22: Commenced commercial production of 2.25 MnT Line 2 near Cuttack, Odisha

* Precise location to be announced in due course

📍 Phase 1 - Ongoing Projects	
▪ West	3.0
▪ East	<u>2.5</u>
	5.5

📍 Greenfield	
▪ South	3.0

📍 Brownfield	
▪ East	1.7

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



Phase 1 -Ongoing Capex

- **2.25 MnT Line 2 near Cuttack Odisha:** Commercial production started
- **Murli Industries:** Trial Run started for plant with 3MnT capacity
- **Bihar Grinding Unit:** Finalization of location underway



New capacity

- **Clinker Debottlenecking:** 0.2 MnT completed
- **Tamil Nadu GUs:** Site Finalized, MoU signed and EC applied
- **Bokaro Unit:** Site Finalized, MoU signed and EC applied
- **Cement Debottlenecking:** Equipment ordering planned for H2FY22



Innovation & Sustainability

- Estimated addition in **WHRS and Solar** for FY22 stands **9 MW** and **74 MW**

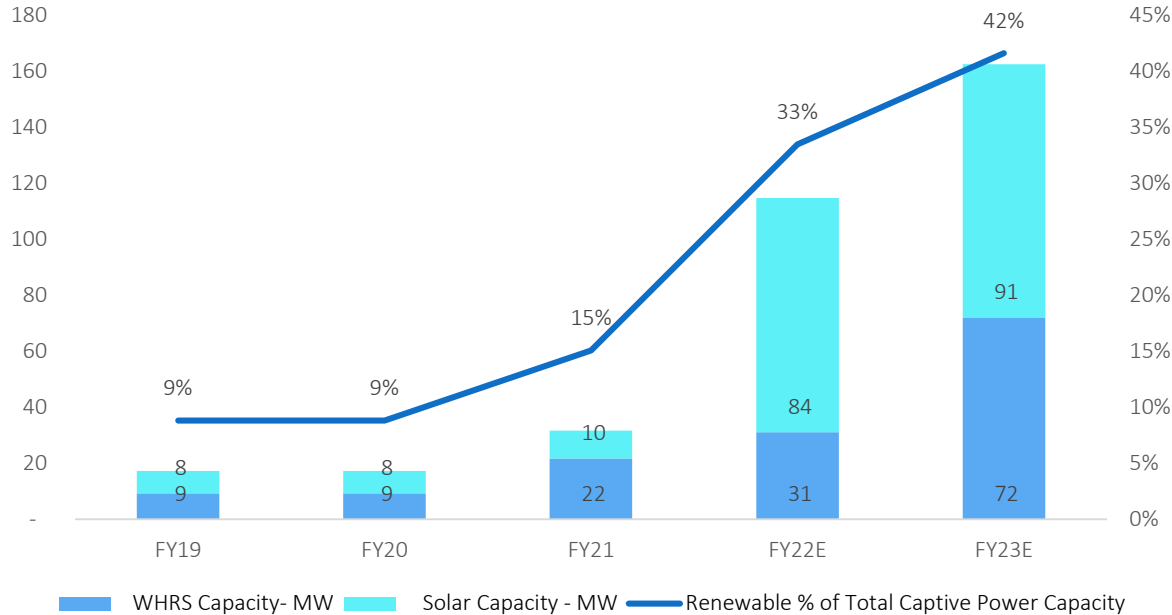


Others

- **Mining Land:** Acquisition of Land underway

WHRS and Solar Power Update

Renewable Energy Power (WHRS and Solar)



WHRS Commissioning Timeline

▪ H2FY22	9.4
▪ H1FY23	30.6
▪ H2FY23	10.2
	<u>50.2</u>

Solar Commissioning Timeline

▪ H2FY22	73.7
▪ H1FY23	7.0
	<u>80.7</u>

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



SECTION

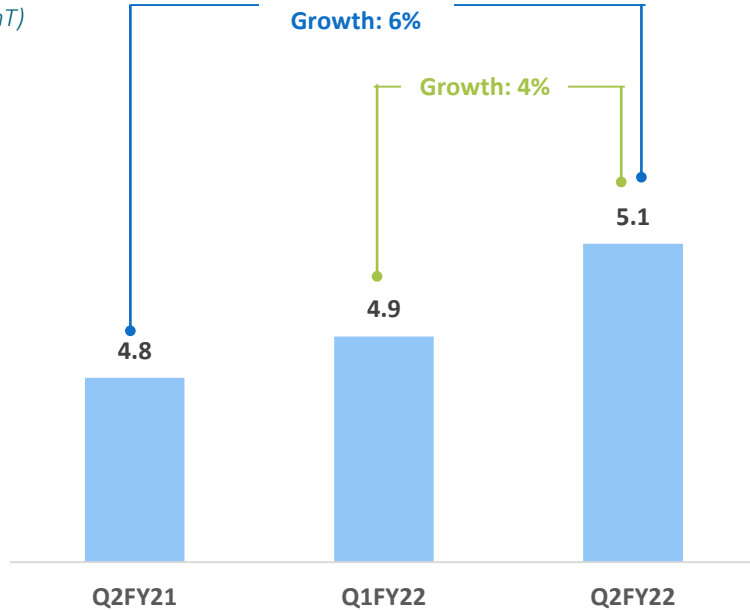
03

Q2 & H1 PERFORMANCE

Financial Performance

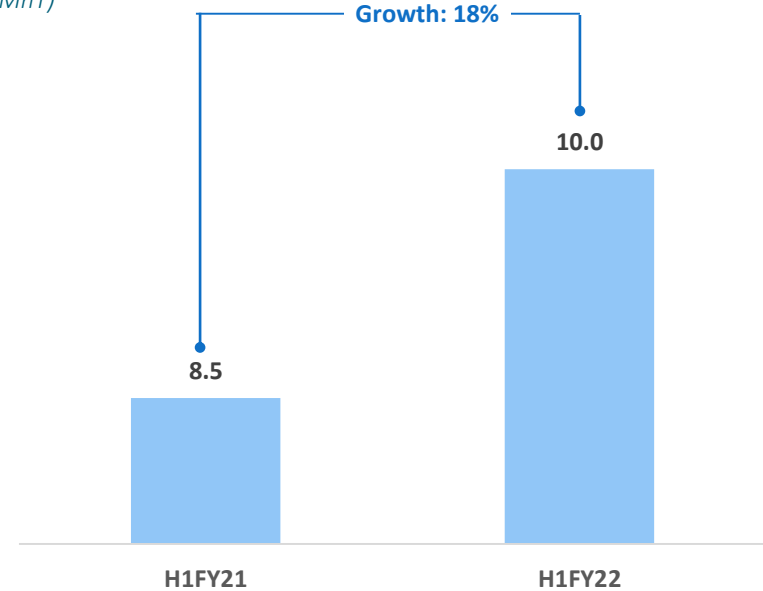
Quarterly Sales Volume

(MnT)



Half-Yearly Sales Volume

(MnT)

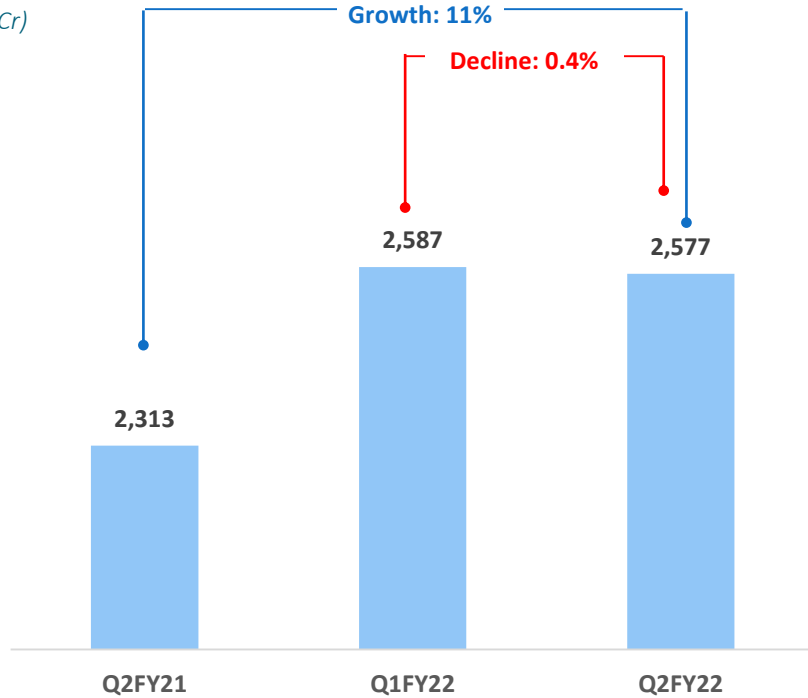


➤ Our diverse product portfolio supported by favorable demand environment enabled us to generate industry leading volume growth

Financial Performance

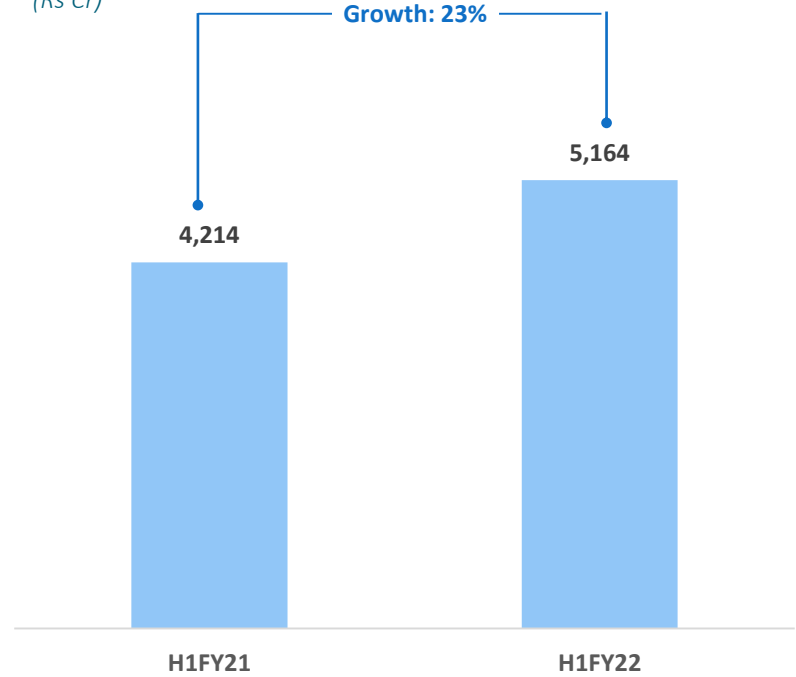
Quarterly Sales Revenue

(Rs Cr)



Half-Yearly Sales Revenue

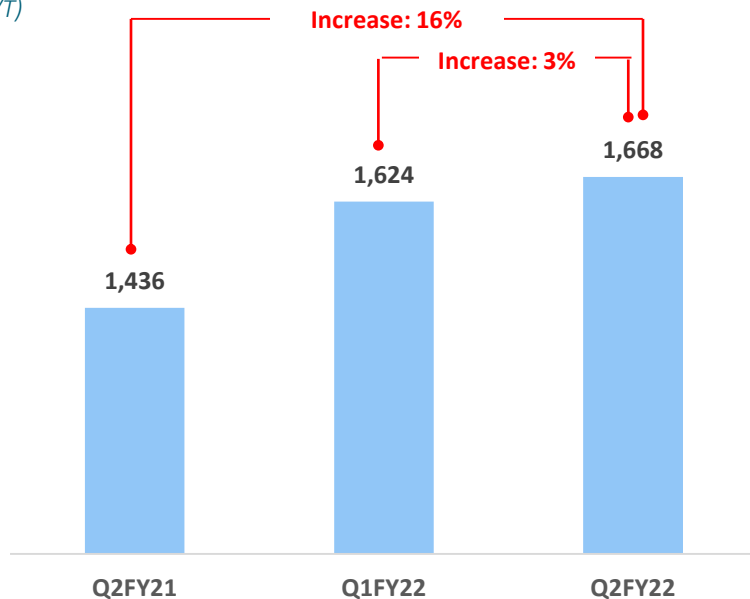
(Rs Cr)



Operational Performance

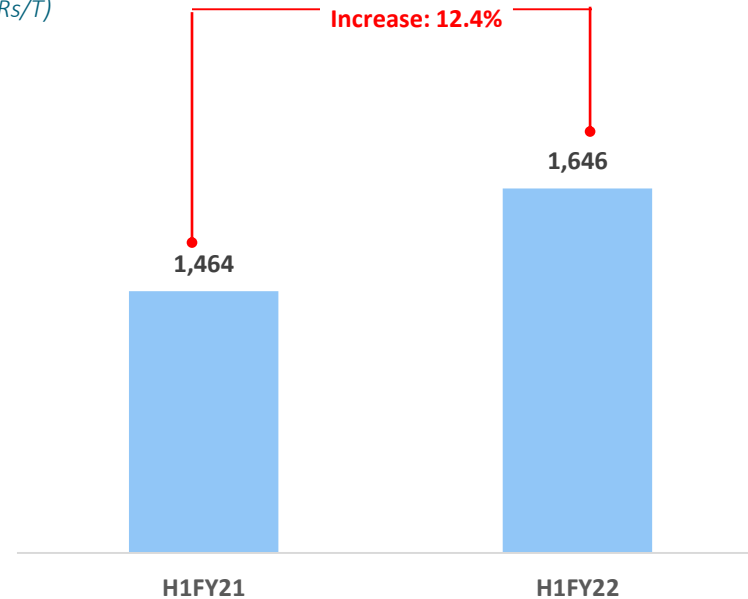
Quarterly Total Variable Cost*

(Rs/T)



Half-Yearly Total Variable Cost*

(Rs/T)

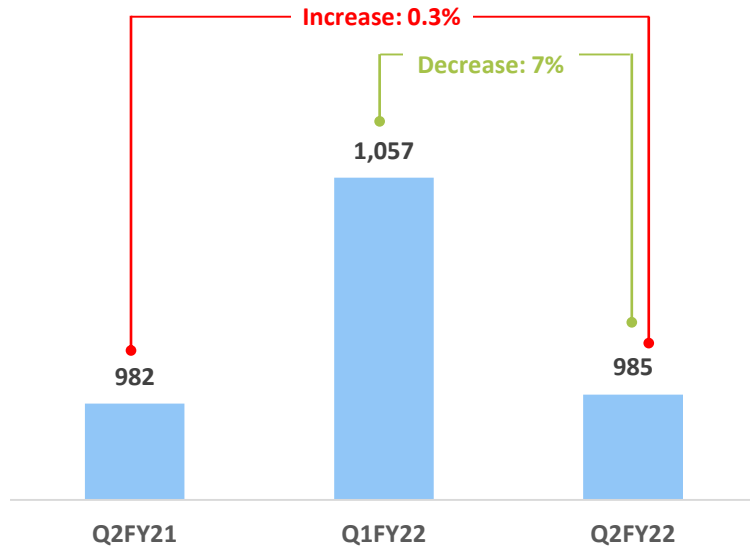


➤ Significant inflationary pressure across our supply chain has led to increase in our Total Variable Cost on a YoY basis

Operational Performance

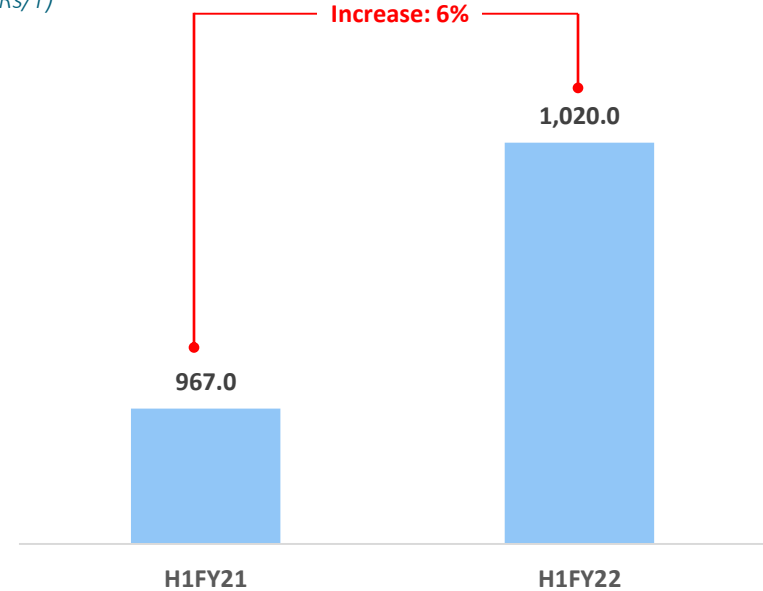
Quarterly Logistics Cost

(Rs/T)



Half-Yearly Logistics Cost

(Rs/T)



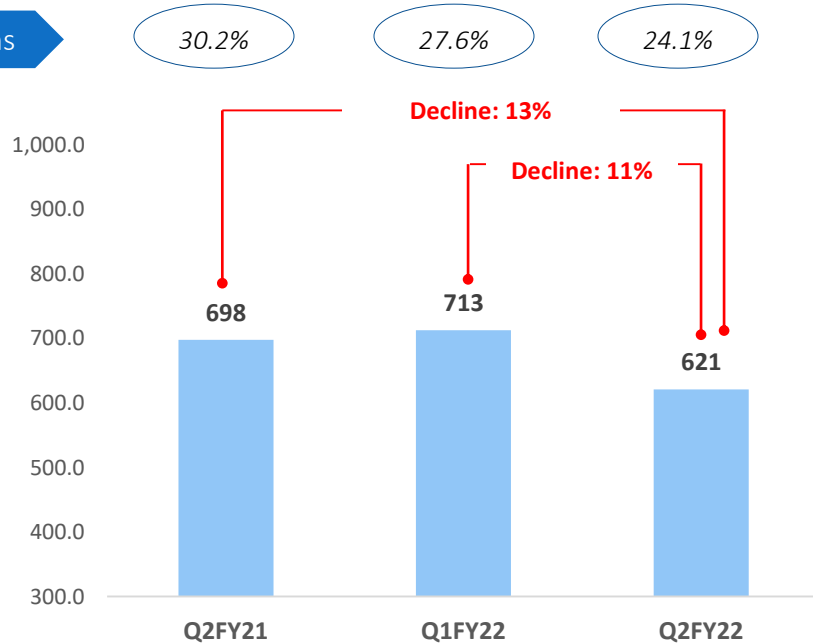
- Includes Railway freight rebate of Rs~15 cr accrued during the quarter which reduced our logistic cost by Rs 30/T in Q2FY22
- Optimization of depot footprint to reduce secondary freight

Financial Performance

Quarterly EBITDA

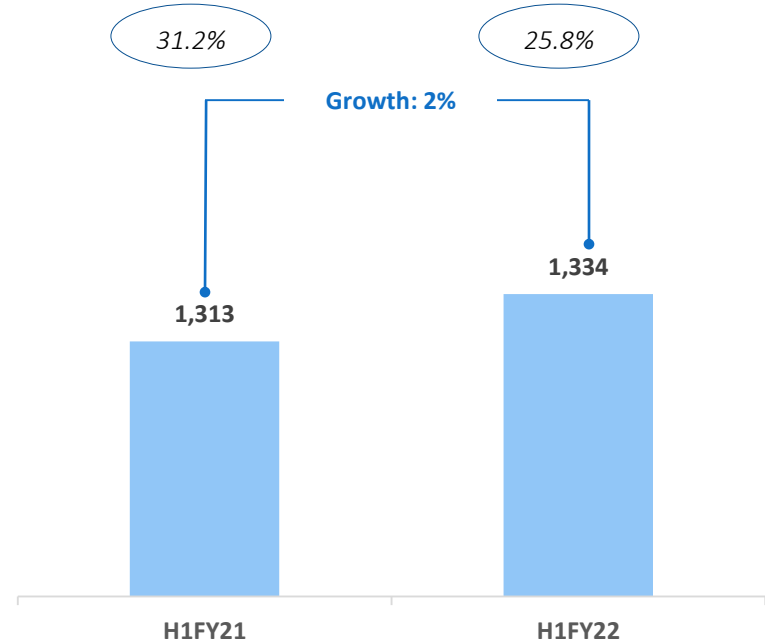
(Rs Cr)

Margins



Half-Yearly EBITDA

(Rs Cr)



➤ Seasonal drop in pricing specially in our core markets has led to sequential decline in realization and in turn EBITDA

Financial Performance

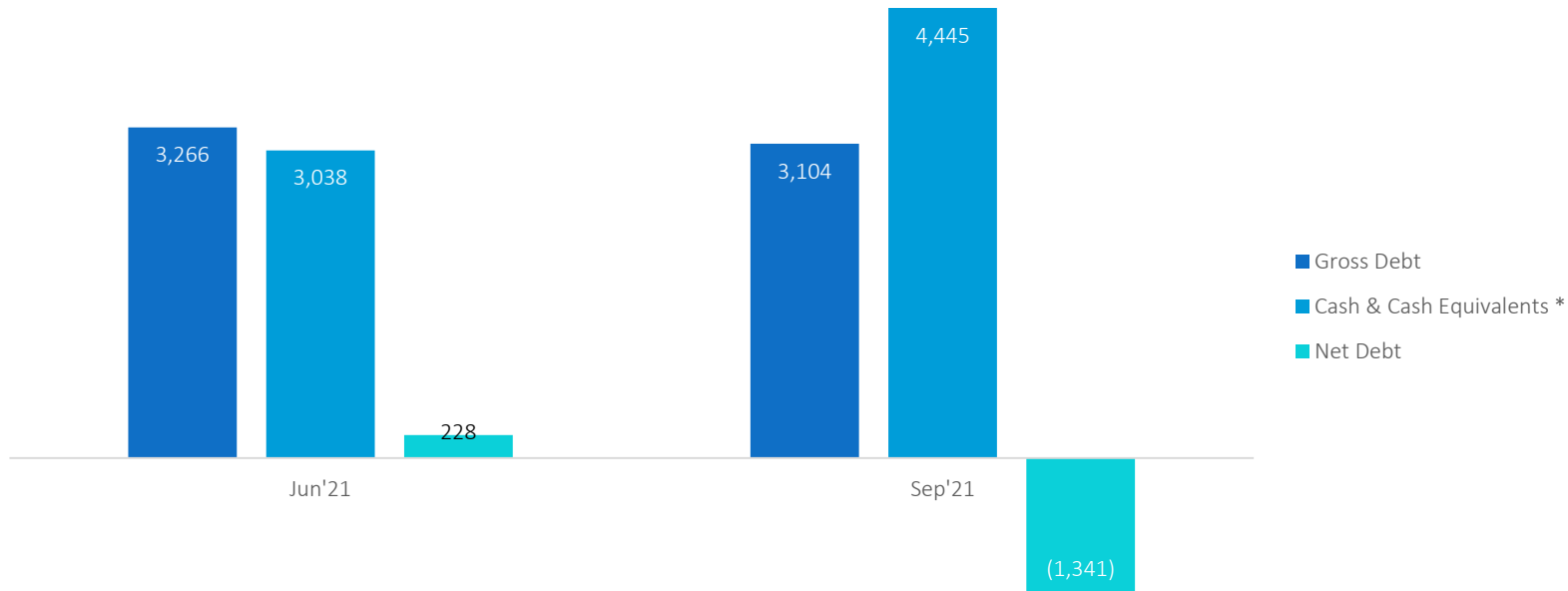
Debt Position

Net Debt / EBITDA

0.08X

(0.48x)

(Rs Cr)



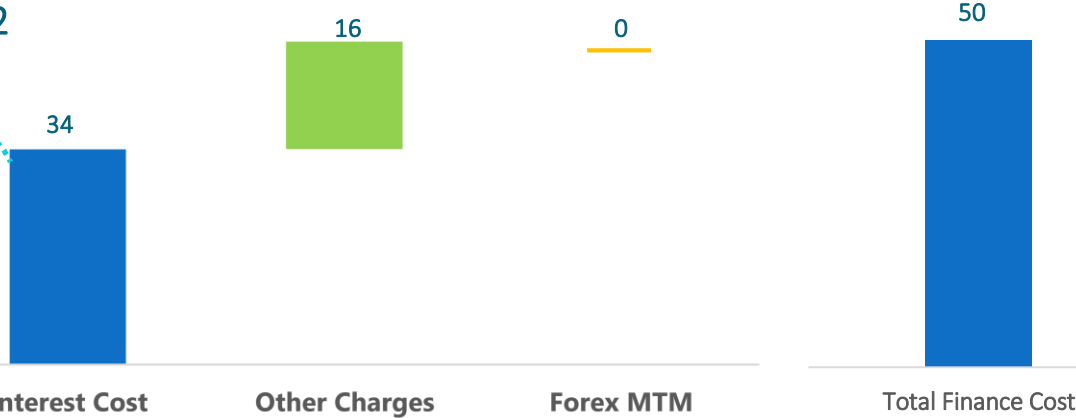
* Includes MTM value of IEX Investment

Finance Cost

Q2FY22

(Rs Cr)

Reduction in debt levels has enabled us to reduce our interest cost

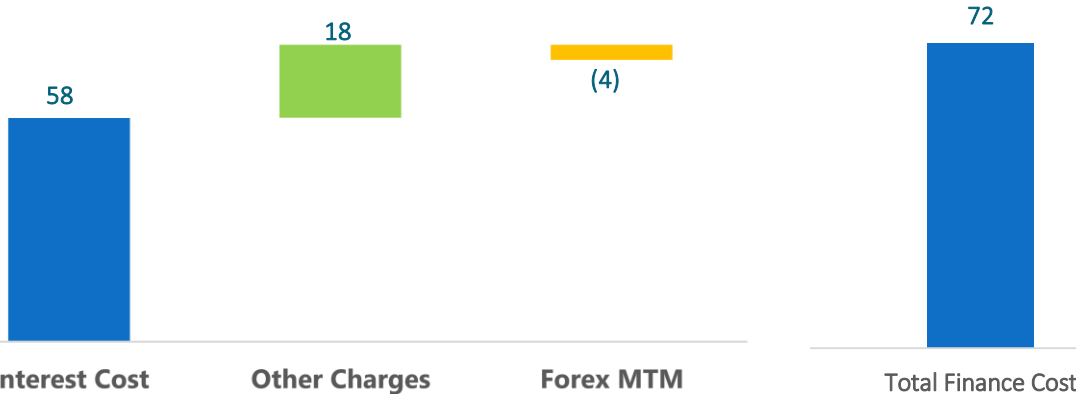


Cost of Borrowing 5.6%

Successful refinancing of Rupee Term Loan allowed us to reduce our borrowing costs

Q2FY21

(Rs Cr)



Cost of Borrowing 7.0%



SECTION

03

ESG UPDATE

Dalmia Cement joins First Movers Coalition

First company from emerging economies in heavy-industry sector to join FMC as founding member

FMC to be launched formally in COP-26

Aimed at setting up right demand signals for the green products and green procurement

Backed by US Government, may emerge as a platform to shape public as well as private sector green procurement commitments and policies



Dalmia Cement engagement during the launch of FMC in Geneva, Switzerland – Mr. John Kerry, Special Presidential Envoy for Climate with Mr. Mahendra Singh (MD & CEO DCBL)

Completed first CCU feasibility study in the Indian Cement Sector



Technical Assistance Consultant's Report

Project Number: 52041-002
August 2021

**Integrated High Impact Innovation in Sustainable Energy Technology –
Prefeasibility Analysis for Carbon Capture, Utilization and Storage (Subproject 2)**

Prepared by BCS Baliga, Ramesh Bhujade, Subhamoy Kar, Guido Magneschi, V Karthi Velan, Dewika Wattal, and Jun Zhang

For ADB Energy Sector Group

This consultant's report does not necessarily reflect the views of ADB or the Government concerned, and ADB and the Government cannot be held liable for its contents.

Asian Development Bank

Dalmia Cement makes feasibility report of Carbon Capture and Utilization project publicly available

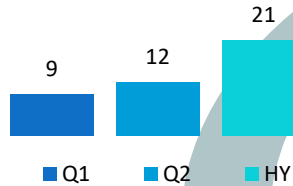
Webinar with ADB on 14th Oct. for wider awareness in the cement and other heavy-industry sectors for CCUS

Launched the Global Cement and Concrete Roadmap for Net Zero Concrete by 2050 on 12th October with other GCCA members

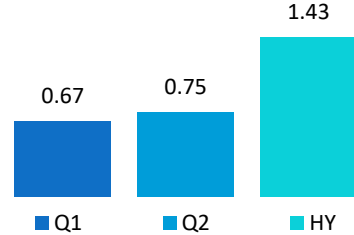
Developed Task Force on Carbon Sinks with Confederation of Indian Industries (CII) for policy advocacy on Carbon Sinks development with public-private engagements

Waste utilization – At the core of circular economy drive

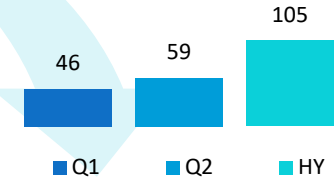
**Blue Metal
(In Kilo Ton)**



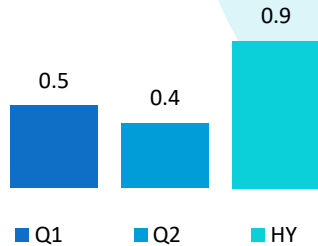
**Fly ash
(In Mnt)**



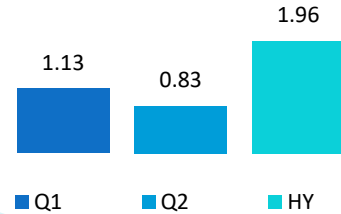
**Red Mud
(In Kilo Ton)**



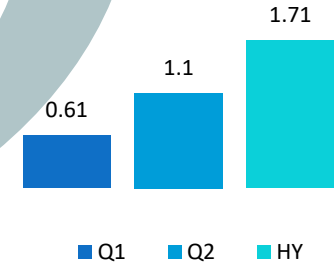
**Synthetic Gypsum
(In Lac Ton)**



**Slag
(In Mnt)**



**Alternate Fuel
(In Lac Ton)**



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

- DIKSHa @ 13 Centers | 5,812 completed training out of which 561 completed in Q2FY22
- 100% job offered with a salary of Rs 8,000-12,000 per month

- **Extended livelihood training** - designed a focused group to address the specific needs of tribal communities

- 11,184 Self Help Group (SHG) members in 963 SHGs
- Developing 120 acres of wadis (horticulture plantation) benefitting around 133 tribal farmers from 10 Medinipur villages is in final phase

- **Climate Action** – Watershed Projects

- An additional water harvesting potential of 1,747 lakh liters added during the year so far
- The total annual water harvesting capacity stands at 2,487 crore liters.



SECTION

04

ANNEXURES

Impact on PBT due to Goodwill Amortization (Restructuring Related)

(Rs Cr)

	Q2 FY22		Q2 FY21	
	With Restructuring	Without Restructuring	With Restructuring	Without Restructuring
Income from Operations	2,577	2,577	2,313	2,313
Less:-Operating Expenses	1,956	1,956	1,615	1,615
EBITDA	621	621	698	698
Add:- Other Income	45	45	40	40
Less:-Depreciation	252	303	248	299
Less:- Finance Cost	50	50	72	72
PBT	364	313	418	367



Thank You

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