

New Delhi, November 6, 2016

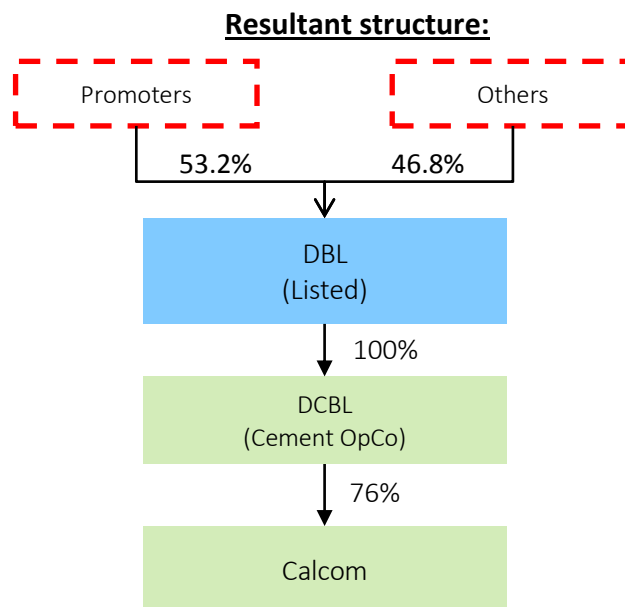
## Dalmia Bharat consolidates its position in cement world

**Merges entities to create 4th largest cement play of 25 MnT capacity**

**Simplifies Group Structure with one listed entity**

**DBL shareholders to receive 2 shares of the merged entity for every 1 share held**

The Board of Directors of Dalmia Bharat Limited (DBL), OCL India Limited (OCL), Dalmia Cement (Bharat) Limited (DCBL) and Odisha Cement Limited (ODCL) at their respective meetings held on 5<sup>th</sup> November, 2016 approved a Scheme of Arrangement and Amalgamation (the "Scheme") for the merger of Dalmia Bharat Limited (DBL) with OCL India Limited (OCL) and merged entity to be renamed as Dalmia Bharat Limited. Simultaneously, the business undertakings of OCL will be transferred into DCBL consolidating DCBL's cement manufacturing capacity within same legal entity.



### Transaction overview:

- DBL shareholders to receive **2 shares** of the merged entity for every **1 share** held
- DCBL to be a consolidated cement operating entity of the group
- Major milestone of corporate restructuring and simplification achieved

The respective boards considered and approved plans to reorganize the businesses with a view to

- Simplify the group structure
- Create one listed entity
- Consolidate into a single operating cement company
- Pursue focused growth towards Pan India presence
- Renewed and sharper focus on sustainable development, enhancing customer centricity, creating pride and value creation for all stakeholders

**Mr. Puneet Dalmia stated that:**

“This action further strengthens our position as one of the leading cement players in India, uniquely placed to support India’s economic growth and demonstrates our commitment towards achieving simplification and consolidation.”

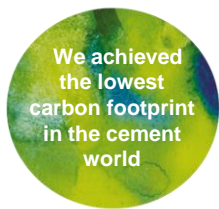
The Scheme is subject to stakeholder approvals, regulatory approvals including stock exchanges and other relevant authorities and completion of the previously announced scheme of arrangement involving OCL and ODCL.

**About Dalmia Bharat**

Dalmia Bharat Limited is a pioneer in the cement manufacturing for over seven decades since 1939. With an expanding India footprint, the company is a category leader in all kinds of cement including super-specialty cements used for oil well, railway sleepers and air strips. Dalmia Bharat Group has strong foothold in Southern and Eastern India. The Company continues to produce best quality premium cement at lowest cost; maximizing efficiencies being the ultimate goal. The Group with current capacity of 25 million tonnes is one of the leading Cement Groups in the Indian cement industry. Visit us at <http://www.dalmiabharat.com>.

**Investor Relations**

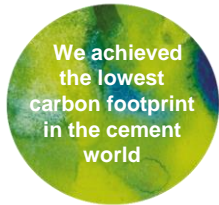
**Himmi Gupta**  
**Dalmia Bharat Limited**  
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**Phone: +91 11 23465201**



# Group Restructuring

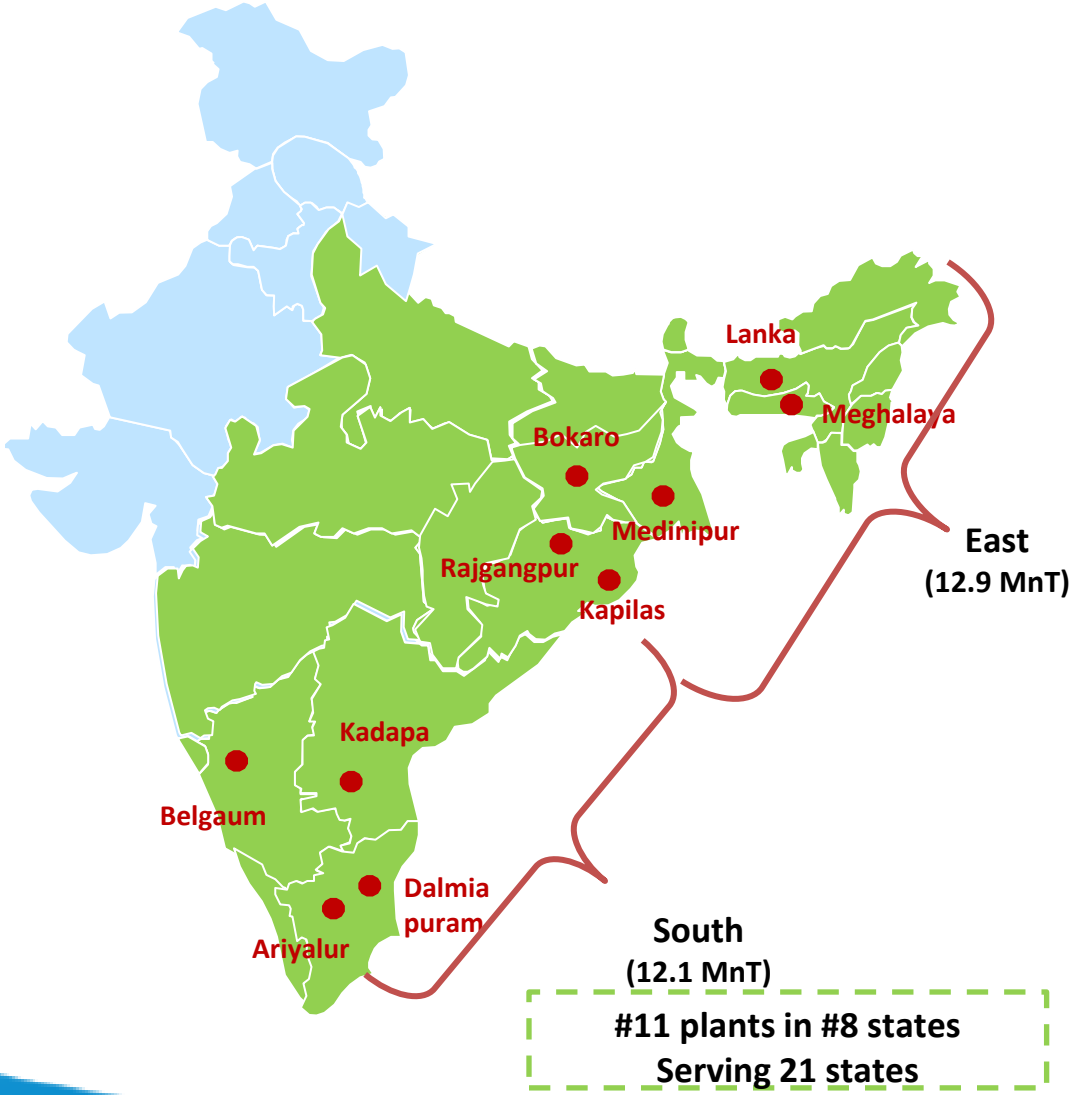
November, 2016



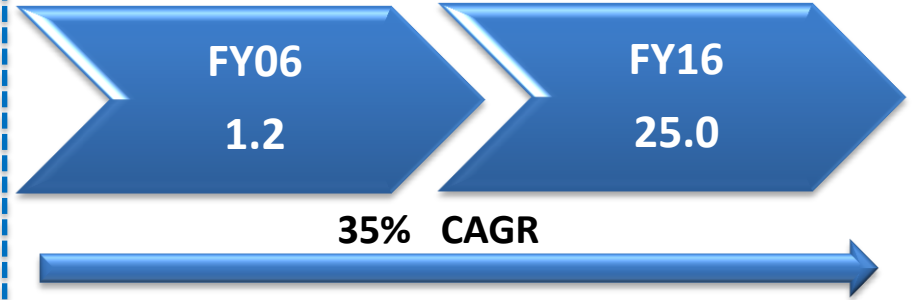


# Group Overview

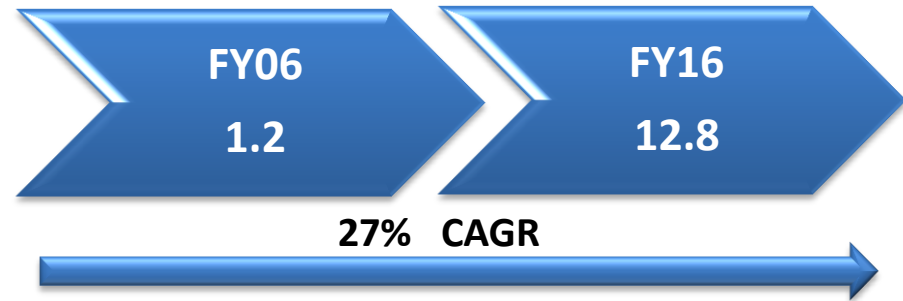
## Cement Operations



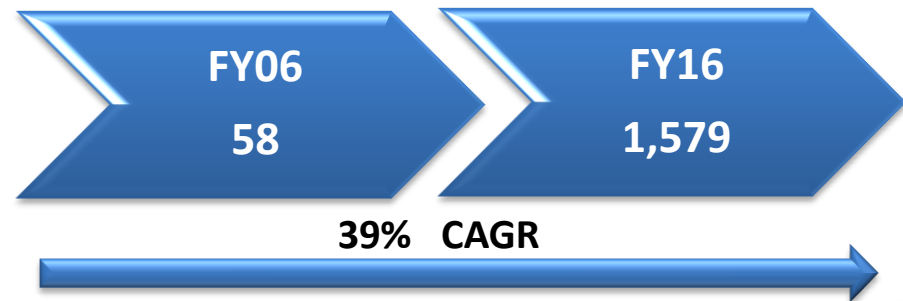
## Cement capacity growth (MnT)

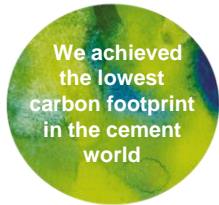


## Cement sales volume growth (MnT)



## EBITDA (INRcrs)

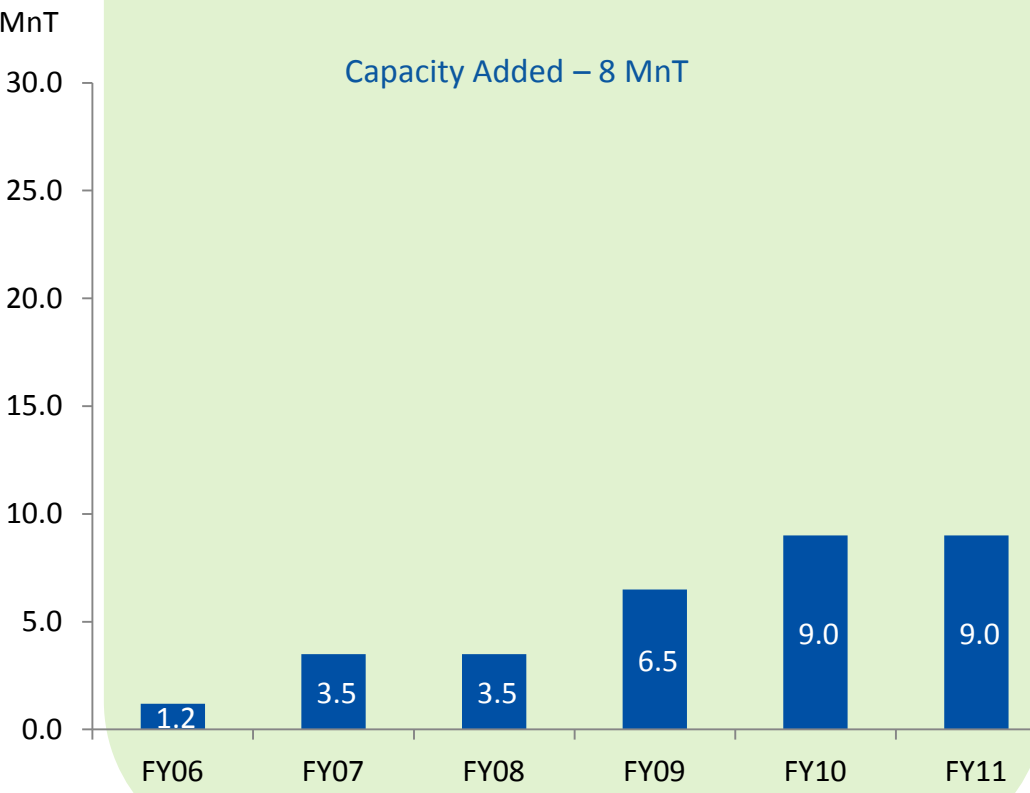




# Our Journey

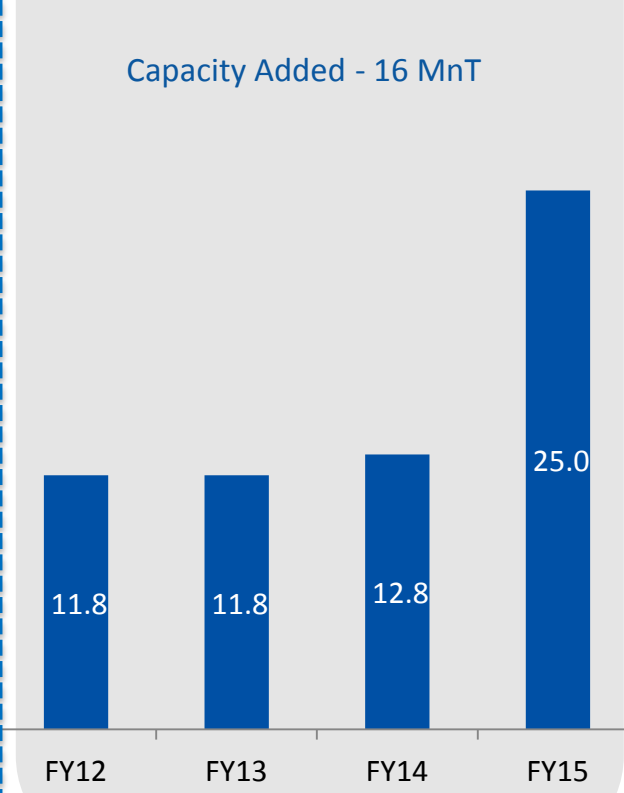
## Organic Expansions - South

Capacity Added – 8 MnT



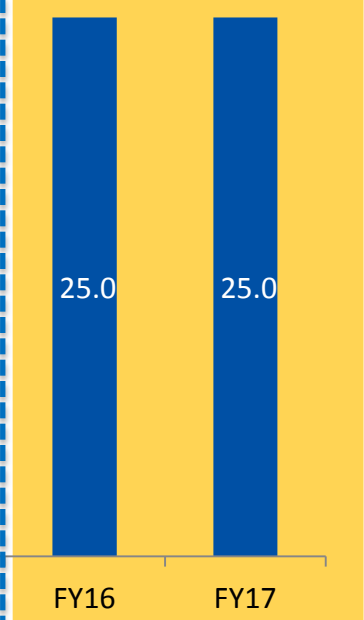
## Consolidation & geographical diversification

Capacity Added - 16 MnT

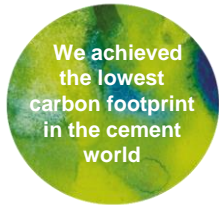


## Simplification of group structure

- KKR stake acquisition
- Consolidation of Eastern Footprint



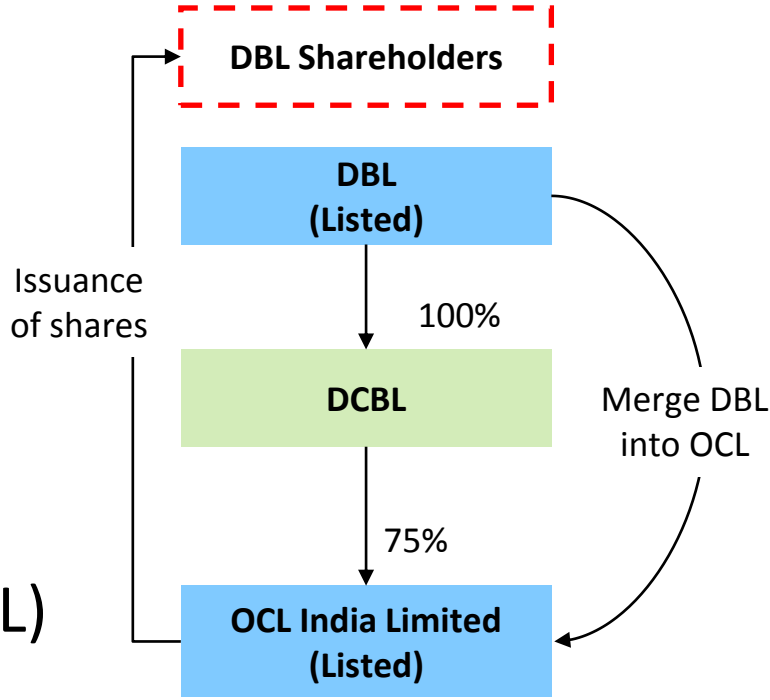
■ DBL Capacity



# Restructuring Overview

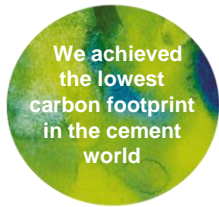


- Amalgamation of Dalmia Bharat Limited (DBL) and OCL India Limited (OCL)<sup>1</sup>
- OCL to be renamed as DBL
- Transfer of business undertakings of OCL into Dalmia Cement (Bharat) Limited (DCBL)



***DBL shareholders to receive 2 shares of OCL for every 1 share held in DBL***

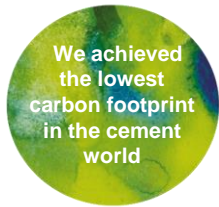
Note: 1) OCL is currently undergoing a scheme of restructuring under which OCL will be merged with its WOS ODCL, post restructuring ODCL shall be renamed as OCL India Ltd.



# Post-merger capital structure



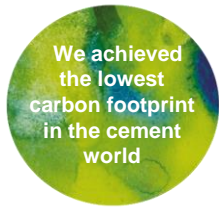
| As on 30-Sep-2016   | No. of Shares (Mn) |
|---|--------------------|
| Outstanding equity shares of OCL                            | 56.9               |
| Outstanding equity shares of DBL                            | 88.8               |
| New equity shares to be issued by OCL to DBL's shareholders | 177.6              |
| Less: Cancellation of equity shares held by DCBL in OCL     | (42.5)             |
| <b>Resultant equity shares of the merged entity</b>         | <b>192.0</b>       |



## Alignment of all Stakeholders' interests...

- Simplification of structure - One listed entity and One cement operating company
- Consolidation and efficient management of cash flows
- Reduced administrative costs and realization of incremental synergies
- Potential re-rating of the merged entity and market liquidity improvement

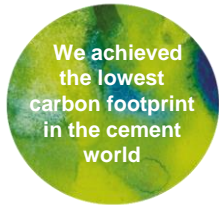




## ...additionally for OCL Stakeholders

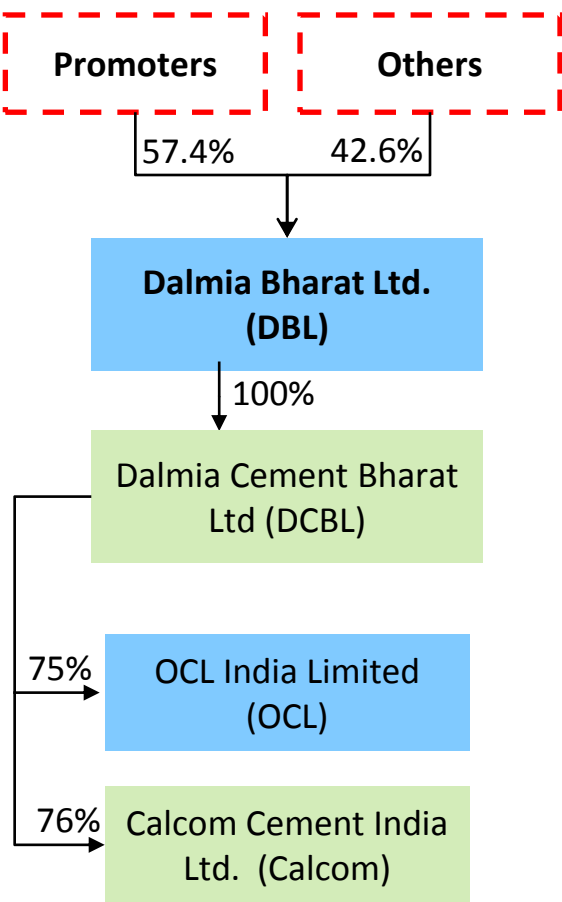


- Transformation of scale
- Diversified footprint to mitigate geographical risk
- Future growth opportunities for pan India presence

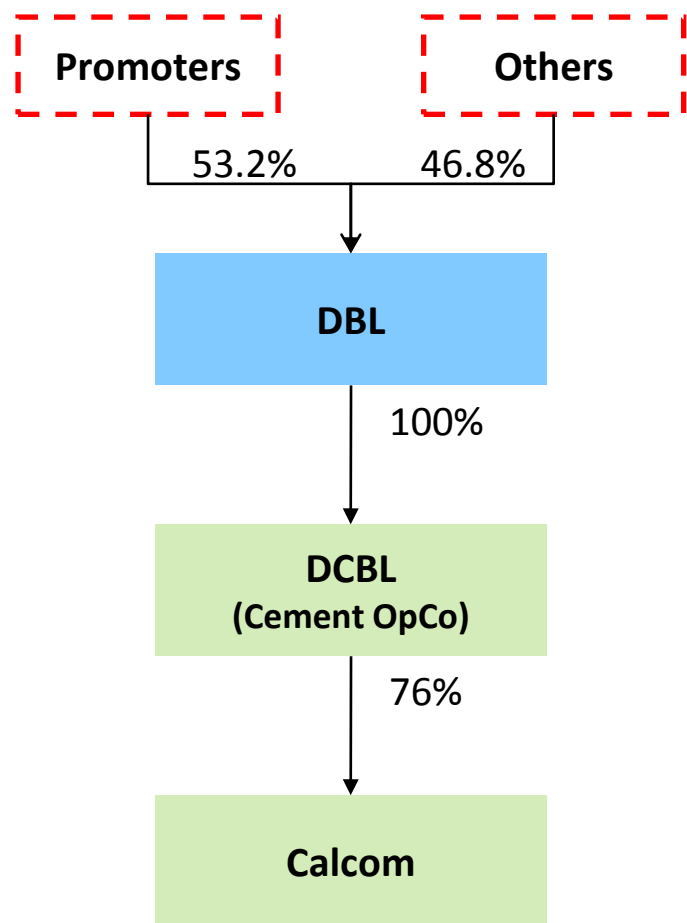


# Simplified Structure

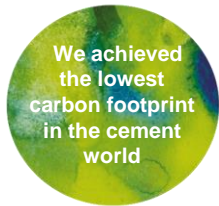
## Current Structure<sup>1</sup>



## Resultant Structure

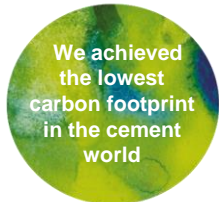


Note: 1) To be effective within next 4- 6 months

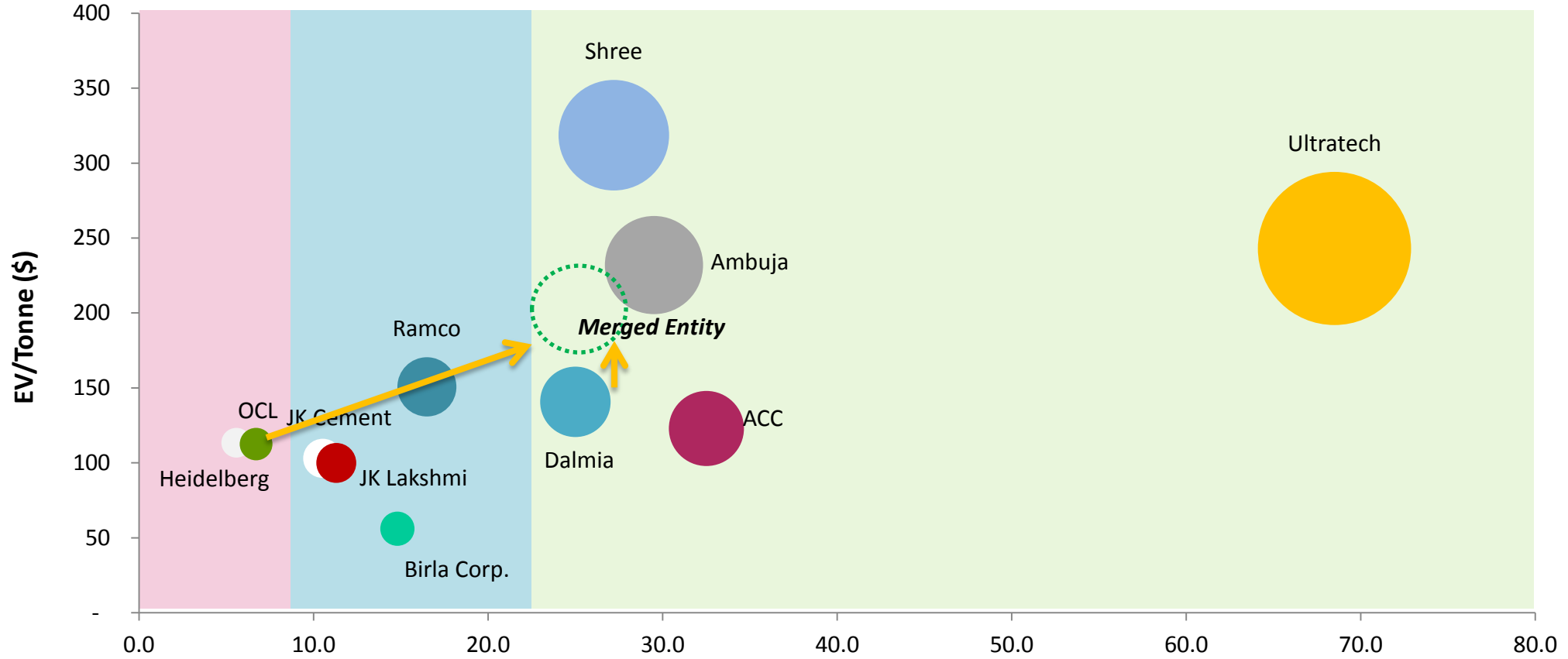


# Potential to increase market liquidity

|                                       | OCL                      | DBL                       | Merged Entity            |
|---------------------------------------|--------------------------|---------------------------|--------------------------|
| Frequently Traded                     | In-frequently traded     | Frequently traded         | Frequently traded        |
| Non-Promoter Shareholding             | 25.1%<br>(1.4 cr shares) | 42.6%<br>(3.8 cr shares)  | 46.8%<br>(9.0 cr shares) |
| Average Daily Turnover (Avg.3 months) | INR 3 crs<br>(\$ 0.4 Mn) | INR 19 crs<br>(\$ 2.8 Mn) | ↑                        |
| Institutional Holding%                | 2.7%                     | 23.5%                     | ↑                        |

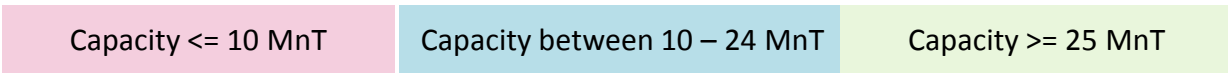


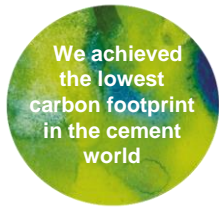
# Re-Rating Probability



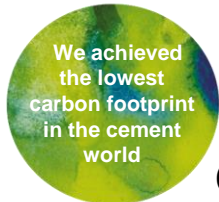
- Note:
- 1) Size of the bubble indicates Enterprise Valuation
  - 2) Capacity as on 31-Oct-16
  - 3) Market Cap as on 4-Nov-16
  - 4) INR/USD = 66.60
- \*Ultratech capacity does not include capacity of JAL cement assets

### Capacity (MTPA)





# Additionally for OCL Stakeholders

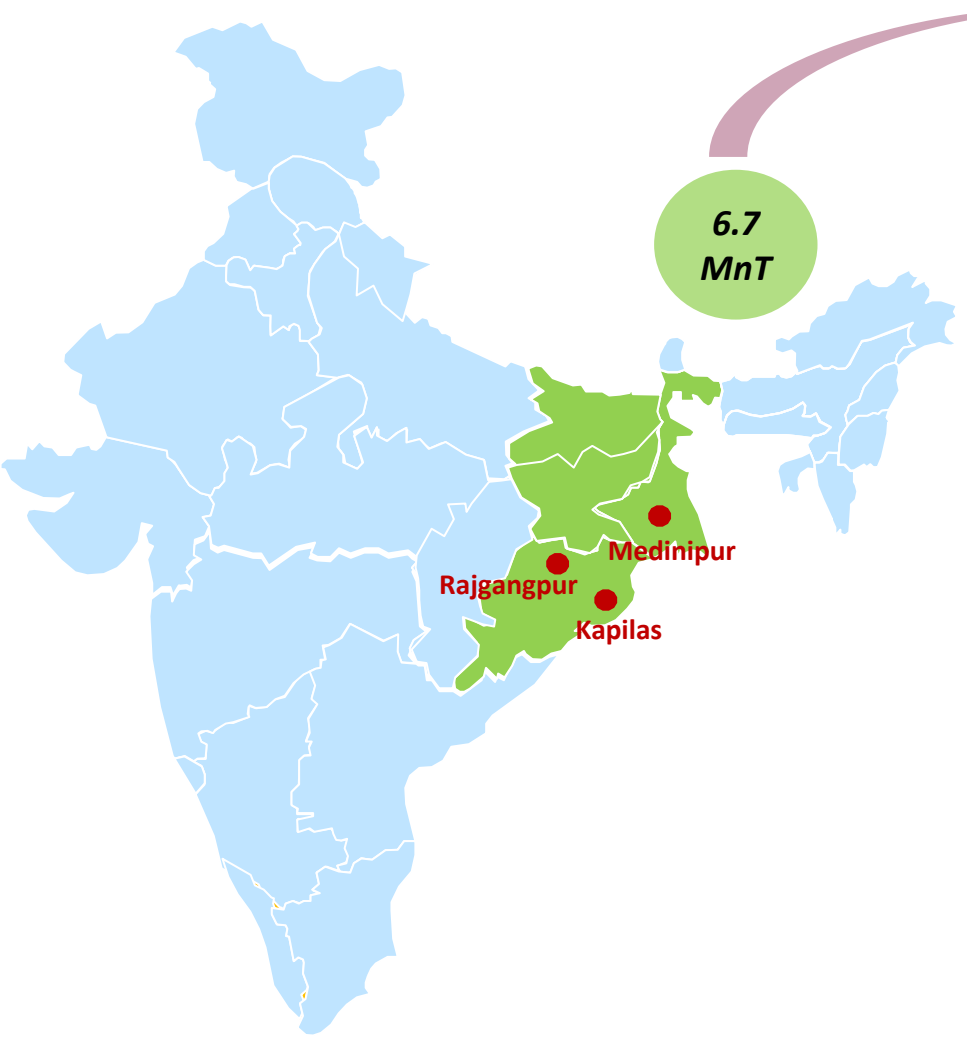


# Transformation of scale - Footprint

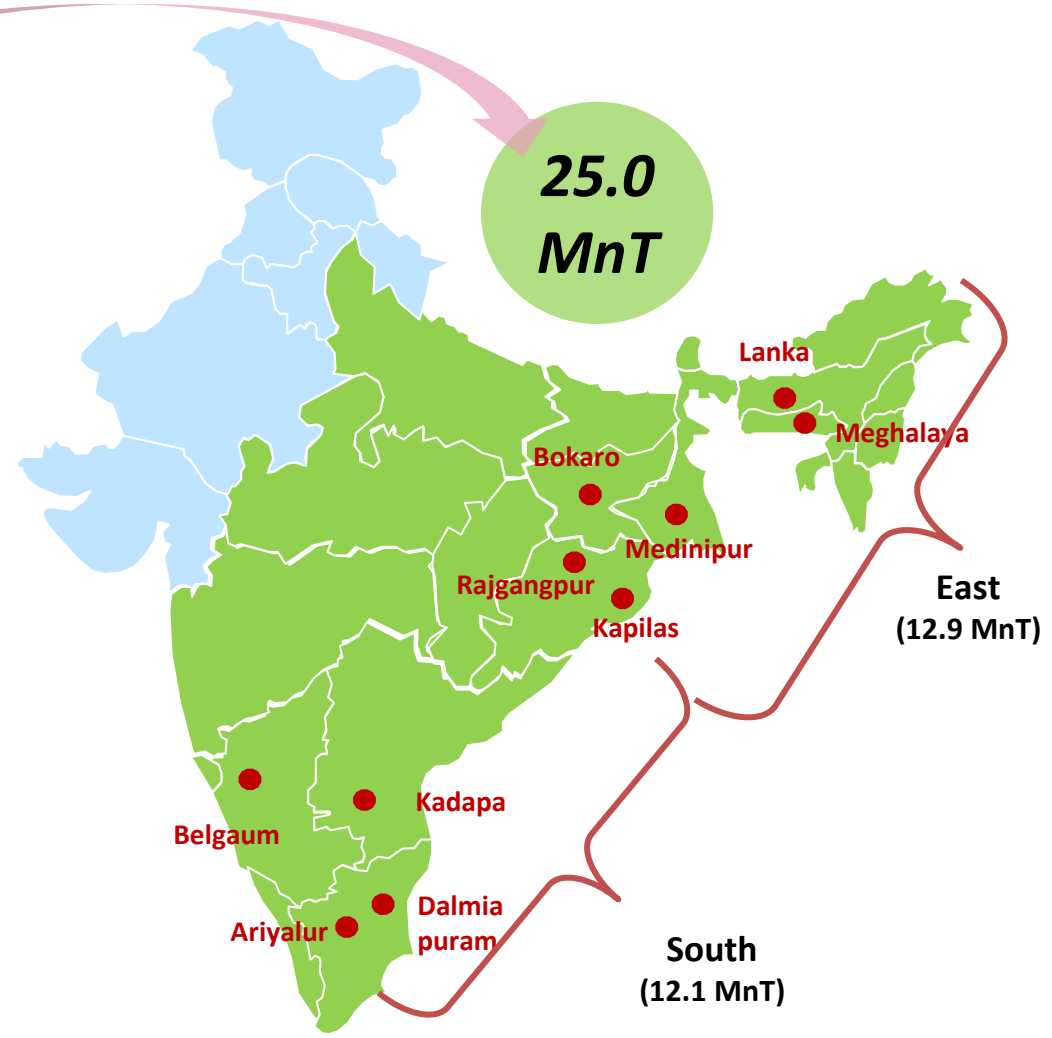


### Current footprint

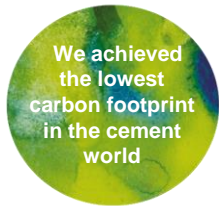
### Post Restructuring Footprint



#3 plants in #2 states  
Serving 4 states



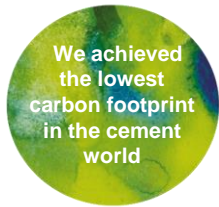
#11 plants in #8 states  
Serving 21 states



# Transformation of scale – Financials

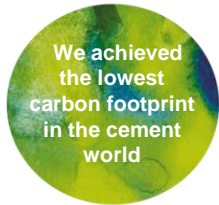
|                  | Current OCL |   | Merged Entity |
|------------------|-------------|---|---------------|
| Capacity (MnT)   | 6.7 MnT     | ➔ | 25.0 MnT      |
| Volume (MnT)     | 5.8 MnT     | ➔ | 14.0 MnT      |
| EBITDA (INR crs) | 640         | ➔ | 1,780         |

*Note: All numbers based on TTM financials*

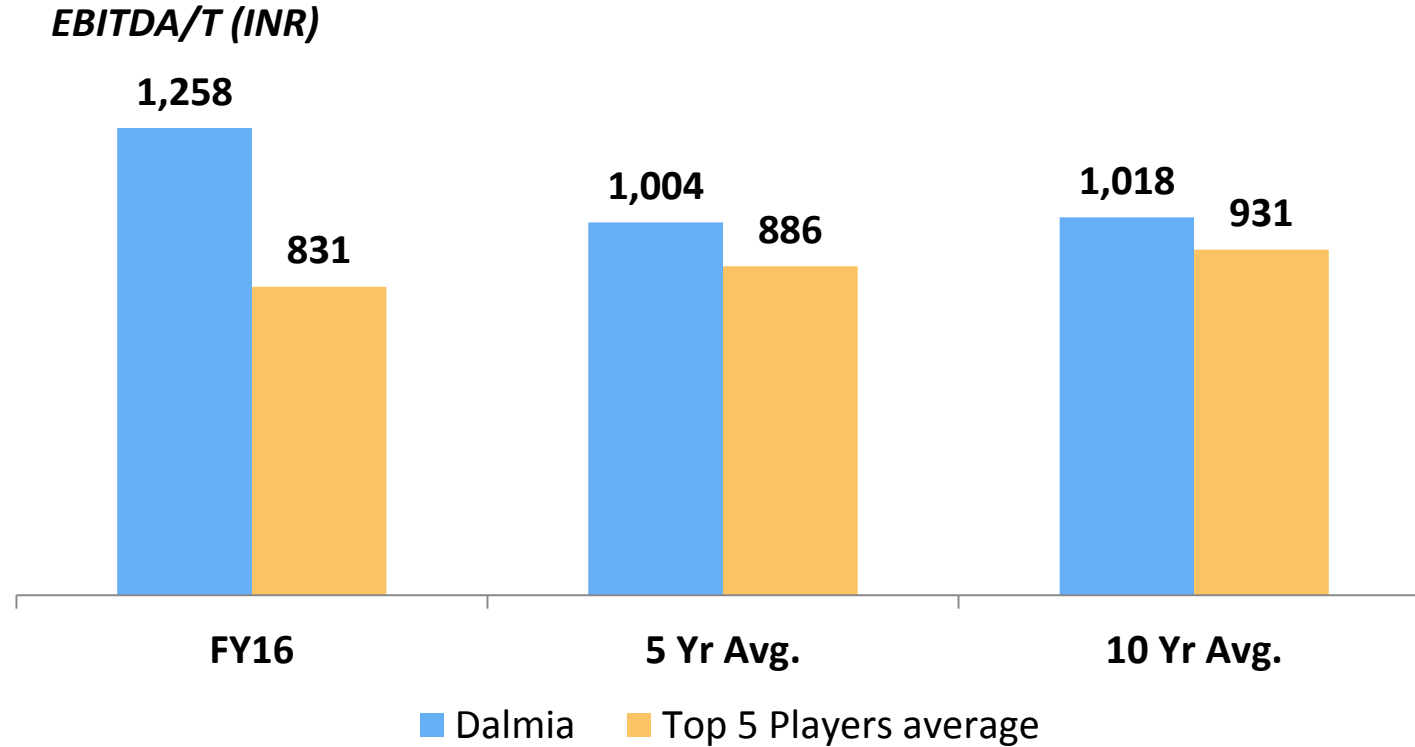


# Group Overview

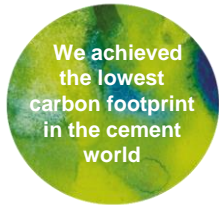




# Highest profitability in India



*Note: Top 5 players in the industry have been taken based on respective Market Cap as on 4-Nov-16*



# Lowest carbon footprint globally...



*CO<sub>2</sub> emissions - net (kg/ton of cementitious material)*

**330**

*Dalmia Eastern operations average*

**493**

*Dalmia Bharat average*

**579**

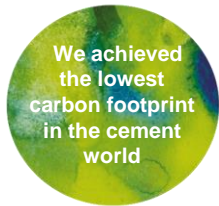
*Indian cement industry average\**

**612**

*Global cement industry average\**

*Note: \* As per the GNR data published by Cement Sustainability Initiative (CSI) in 2016*

**... in the cement world**



## Capacity

25 MnT

4<sup>th</sup> largest cement Group in India

## EBITDA/ T

₹1,258/ T

Highest profitability\*

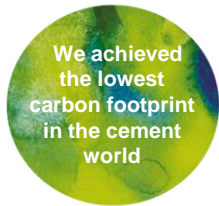
## Carbon Footprint

330 kg/T

Greenest Cement on Earth\*\*

\* Based on market cap of top 5 players based on market cap

\*\* Net CO<sub>2</sub> emission achieved by Dalmia Eastern operations 2015-16



# Disclaimer

## Disclaimer

- This presentation has been prepared by Dalmia Bharat Limited (“DBL”), OCL India Limited (“OCL”) and Dalmia Cement Bharat Limited (“DCBL”) for information purposes only in relation to a potential arrangement between DBL, OCL and DCBL, pursuant to a scheme of amalgamation and arrangement and is solely for the use of persons to whom it is addressed. By attending the meeting where this presentation is made, or by reading the slides of this presentation, you agree to be bound by the following conditions.
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*thankyou*