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Financial Statements

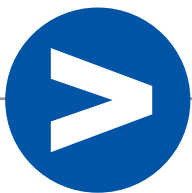
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Forward-looking Statements

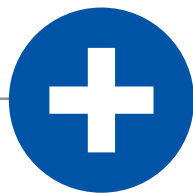
In this annual report we have disclosed forward-looking information to offer investors a perspective on our planned growth trajectory, intrinsic value creation and broader prospects. This should help take informed investment decisions. The forward-looking statements contained in this report set out anticipated results based on the management's plans and informed assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar nature in context of any discussion on future performance. While we have exercised the greatest caution and responsibility, have satisfied ourselves on due diligence, we cannot guarantee that these forward-looking statements will be realized in part or in full measure.

Sustained Value Creation

As a leading Indian cement player with a rich and distinguished heritage, we have always strived to create value for our stakeholders. This focus has gathered momentum in the recent past. The focal point of our growth strategy stems from our belief in the inherent potential and promise of India as well as our intrinsic capabilities as a business. Consistency of performance and delivery of robust results in a challenging year while following best business practices are proof points of our ability to deliver sustained growth.



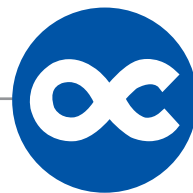
Growth



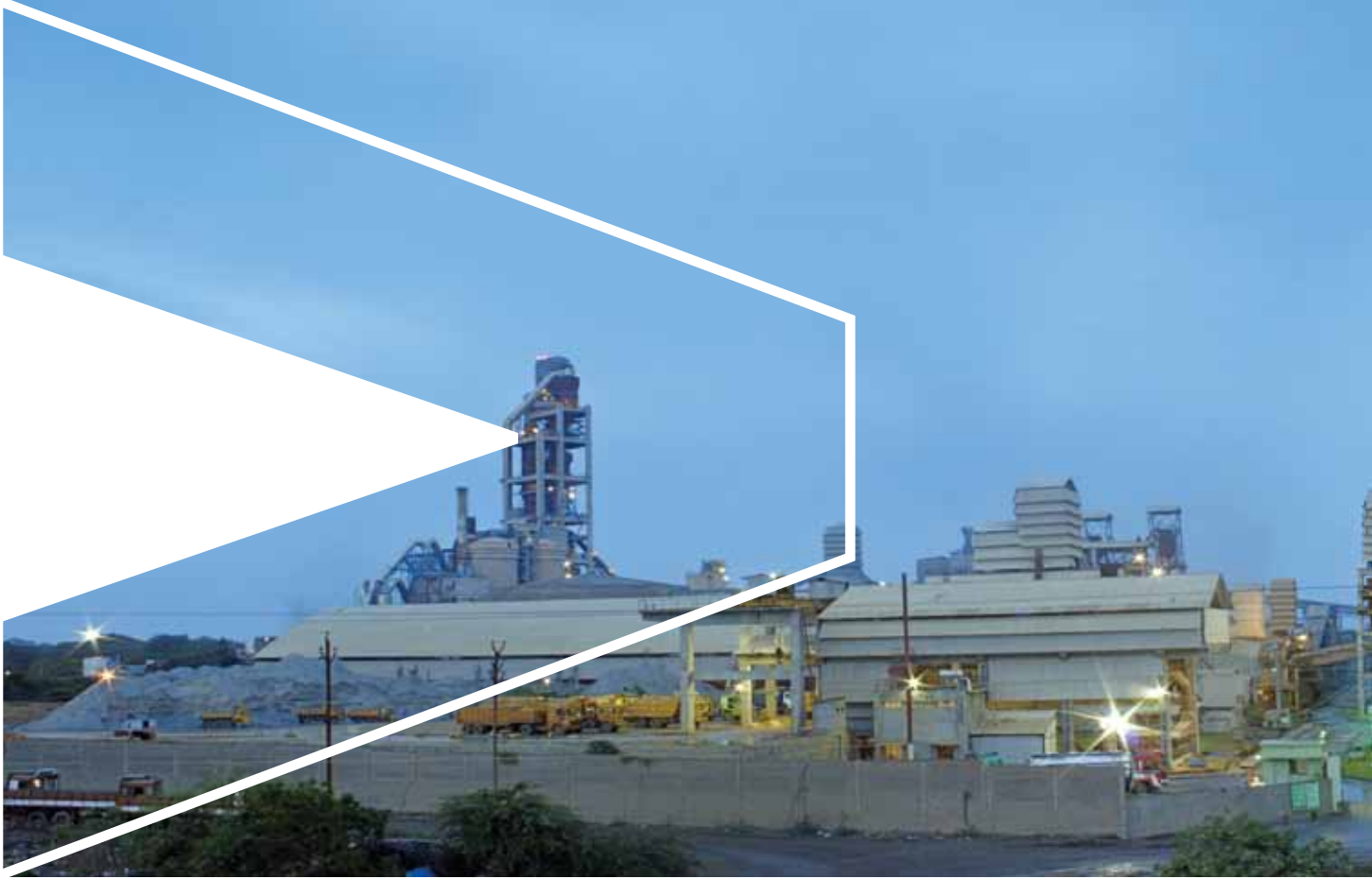
Efficiency



Scale



Inclusion



Optimising Opportunities

Growth rests on the Fulcrum of Vision and Excellence in Execution

There is huge scope of infrastructure development in India without which economic development is not sustainable. The fact that cement has no substitute makes it a vital ingredient in the country's growth narrative. At 196 kg, the per capita consumption of cement in India is less than half the global average of 450 kg. This low per capita consumption coupled with intensified impetus on infrastructure development and an ever growing demand for housing, offers expanding room for growth to the sector. Core cement players would be in a position of advantage to capitalise on the emerging market opportunities.

*Dalmiapuram, Tamil Nadu*

An important facet of our growth strategy is sustained expansion of our installed capacity as well as an incremental market footprint. While we have traditionally grown through the organic route, the year in review saw inorganic growth as well. We continue with our agenda to consistently and strategically expand our business play with the objective of emerging as a leading pan India player.

“

We are well positioned to capitalise on emerging opportunities. We can do this on the basis of our business dynamism and ability to address the changing needs of our customers

”



Operational Efficiencies

Efficiencies of Scale and Operation are the most Critical Measurement Metrics of any Business Operation

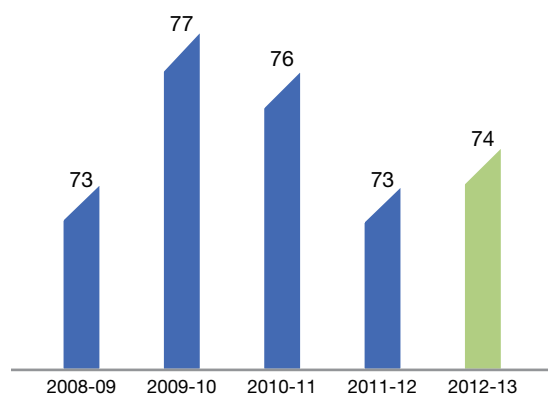
Against the backdrop of substantial cost pressures witnessed by the industry, we reported a 14% growth in operating profit at ₹672 crore for the year in review. Judicious planning, enhanced operational effectiveness and efficiency improvement initiatives allowed us to perform better than the industry average despite the unfavorable operating environment.

Your Company received awards including ‘**Best Energy Efficient Unit Award**’ and ‘**Excellence in Water Management Award**’ by the Confederation of Indian Industry (CII), as a recognition of our commitment to resource optimisation and operational efficiency.



Quality Control Chemical Lab, Meghalaya Plant

Power Consumption (Kwh/T)



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Recognitions underline our efficiencies and efforts to raise existing thresholds of operations across the value chain

”



Project Execution

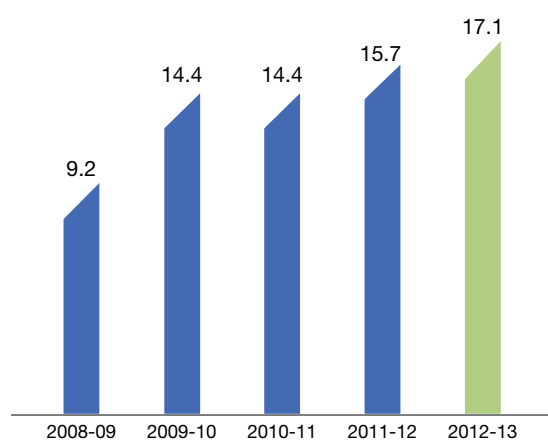
Blending Global Best Practices with Domestic Insight is our Strength

Over the last five years, our capacities including those of our subsidiaries and associate have increased from 9 MnT to 17 MnT by way of greenfield and brownfield expansions and acquisitions. Cost and duration of the projects were lower than the industry average. Deploying global best technologies and machinery, these recently commissioned projects help us operate at optimal efficiencies.

In FY13 we acquired plants and set our footprints in the North East. We leveraged our management capabilities to integrate the acquired assets within a short duration of four months. Post the completion of expansions, the total cement capacity of Dalmia Bharat Limited along with its subsidiaries and associate is expected to be 22 MnT.



Ariyalur, Tamil Nadu

Group Capacity (MnT)

“

Proven project execution
with one of the lowest costs
per tonne in the shortest
possible time

”



Value Creation

Fostering Fulfillment and Motivation to Self-Actualize what we Strive for

Human capital is our prime asset. We offer a progressive work environment, which promotes empowerment, collaboration, meritocracy and continual skill enhancement. Within Dalmia Bharat work credo lie our values - Learning, Teamwork, Speed and Excellence.

Consistency can be seen in performance. Our total operating revenue has grown at a CAGR of 25% over the last three years. Delivering on current deliverables, while building the foundation of a formidable future leadership, we stay committed to enhancing shareholders' value.