

Corporate information

Board of Directors

Pradip Kumar Khaitan – *Chairman*

Jai Hari Dalmia – *Managing Director*

Yadu Hari Dalmia – *Managing Director*

Gautam Dalmia

Puneet Yadu Dalmia

N. Gopalaswamy

Virendra Singh Jain

Sudha Pillai

Jayesh Doshi – *Whole Time Director & Group Chief Financial Officer*

Management Team

Gautam Dalmia

Puneet Yadu Dalmia

Mahendra Singhi

T. Venkatesan

Jayesh Doshi

Company Secretary

Nidhi Bisaria

Auditors

S.S. Kothari Metha & Co.

Bankers

State Bank of India

Axis Bank

Punjab National Bank

Corporation Bank

Oriental Bank of Commerce

Deutsche Bank

Hong Kong and Shanghai Banking Corporation

Registered Office

Dalmia Bharat Limited

Dalmiapuram - 621651

Dist Tiruchirapalli

Tamil Nadu

Corporate Office

Hansalaya Building,

11th & 12th Floors

15, Barakhamba Road

New Delhi – 110001

Registrar and Share Transfer Agent

Karvy Computershare Private Limited

Karvy Selenium Tower B, Plot 31-32

Gachibowli, Financial District,

Nanakramguda, Hyderabad – 500 032

Contents

Overview by the management **02**

Five pillars of company's success **08**

Corporate identity **32**

Performance highlights **34**

Management discussion and analysis **36**

Directors' Report **52**

Report on Corporate Governance **57**

Standalone financial statement **71**

Consolidated financial statement **102**

Annexure forming part of Directors' Report **155**



At Dalmia Bharat,
it is about our passion.

To do things at the right time in
the best possible manner.

At the lowest possible cost,
resulting in improved margins.

And in the most sustainable way.

Passion is the cause.
Growth is the result.

Segment: Overview by the management

“Your Company
is focused towards
sustainable business growth”



Puneet Yadu Dalmia and Gautam Dalmia, Directors of Dalmia Bharat Limited, discuss the Company's strategic direction

Dear shareholders,

The Indian economy is perched at an inflection point.

Encouraging macro-economic indicators, a stable government and the implementation of prudent monetary policies have created a foundation for economic recovery.

Inflation has moderated, helping India's central bank initiate rate cuts. The Government has strengthened policy reforms to enhance business ease, attract investment, grow infrastructure and position India as a global manufacturing hub.

Proactive

Dalmia Bharat invested proactively in capability building to achieve scalability and integration coupled with cost optimization and inclusiveness.

We brought a distinctive passion to capacity creation. We grew our capacity from 1.2 MnT to 24 MnT, all in less than a decade, possibly one of the fastest capacity additions by any cement Group in India, graduating us to one of the top five cement Groups in India.

We widened our market presence from two states to 18 states.

We increased our stake in OCL India Limited, a leading cement player in Eastern India, during the year under review.

We brought our multi-year capital expenditure programme to a temporary end and will progressively monetise investments, maximise surpluses and strengthen our Balance Sheet.

Positioning

We are attractively placed to make this happen.

We enjoy adequate operating leverage following recent capacity additions.

The capital invested in enhancing units and capacities was efficiently deployed, which can potentially reinforce our long-term sectoral outperformance.

We enhanced operating efficiencies and optimized costs, our variable costs for 2014-15 being lower than the previous year.

We mobilised capital at one of the lowest costs, our capital cost per tonne (including acquisition) being attractively competitive compared to the cement industry's replacement cost, an adequate buffer of long-term competitiveness.

We strengthened our inclusive relevance through environment-friendly manufacturing practices, which reduced

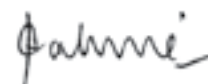
our carbon footprint. We are among three Indian Cement Sustainability Initiative members, a platform of 25 global cement companies, to promote best global practices withing the industry. We harnessed people capabilities through an empowerment-driven workplace, helping unleash their potential. We invested in rural community engagement initiatives around the locations of our manufacturing presence, strengthening the country's rural fabric.

We take this opportunity to thank all our employees, our prime assets, for their continuous dedication and commitment. We would also like to thank all our vendors, business associates, partners, lenders and stakeholders for their continued faith and support. We also sincerely thank our Board of Directors for their invaluable contribution in the area of governance.

Your sincerely,



Gautam Dalmia
Director



Puneet Yadu Dalmia
Director



Dalmia Bharat invested proactively in capability building to achieve scalability and integration coupled with cost optimization and inclusiveness.

***At Dalmia Bharat,
we have a number of
people to thank.***

All those who exclaimed,
'What good will this lead to?'

All those who sagely advised,
'Times are difficult. Lie low.'

All those who pronounced,
***'No, this is not how our
industry does it.'***

All those whose first reaction
to our lateral ideas was
'Impossible!'

The result is a differentiated outcome.



We are one of top five cement Groups in India



We are one of the market leaders in each region we serve



We have continuously optimised our operating efficiencies

What makes Dalmia Bharat different?

Strategy

We made strategic acquisitions.

We focused on attractive zonal markets.

We made cost optimisation our mantra.

We reinforced our branding strategy.

We ensured prudent capital
deployment.

Belgaum Plant, Karnataka

- Pursued a zonal (South and East) approach
- Positioned as a premium brand
- Created niche cement markets around customized applications.
- Accelerated capacity expansion to prepare for an impending rebound in cement demand.

Dalmia Bharat.
A 24 MnT cement
Group



Pillars of our success.