

IFGL REFRACTORIES LIMITED



Investor Presentation
MAY 2017



COMMITTED TO CLEAN METAL

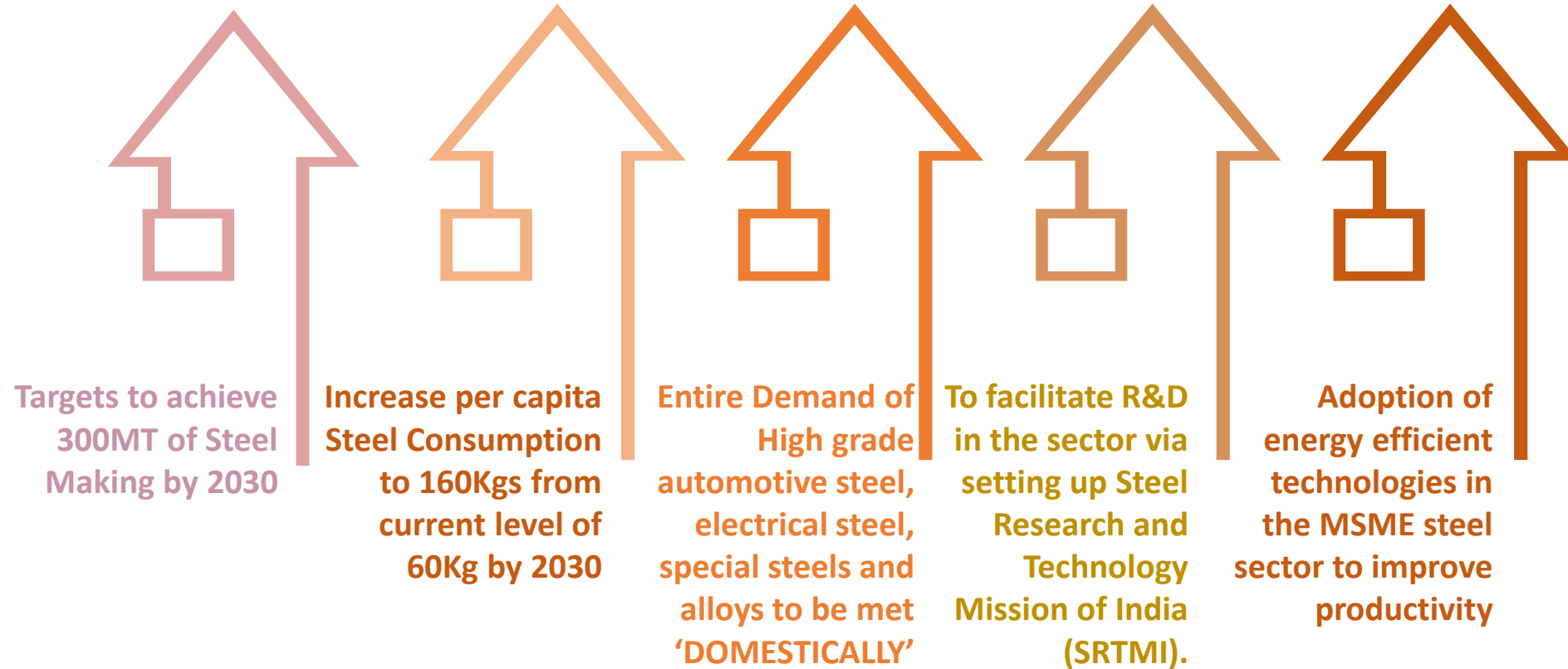
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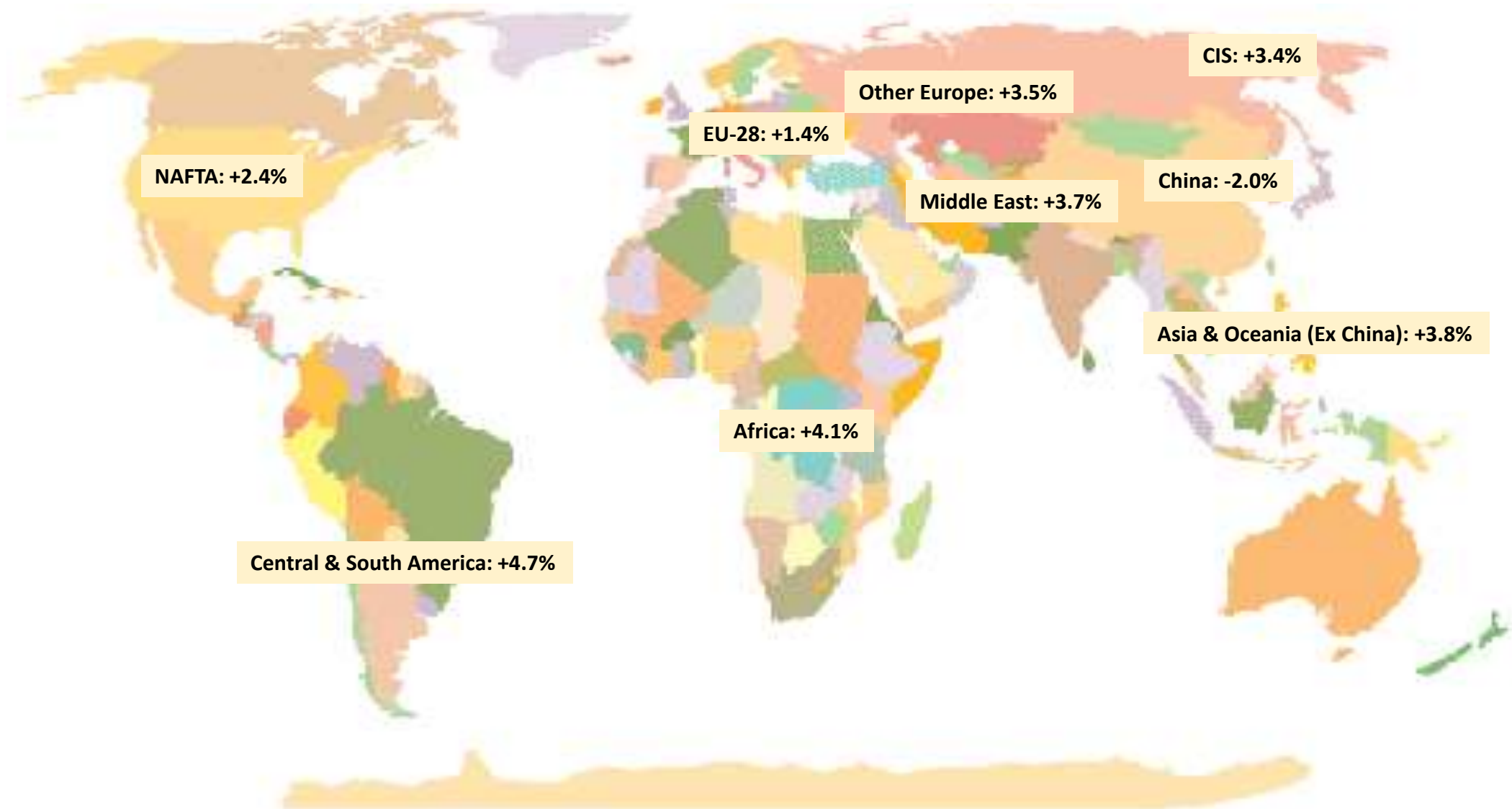
Two overlapping, elongated, trapezoidal shapes in shades of orange and brown, positioned diagonally across the middle-left portion of the slide.

Industry Overview



...to bring fresh impetus to Indian Steel

Steel Demand in 2018: +ve growth expected

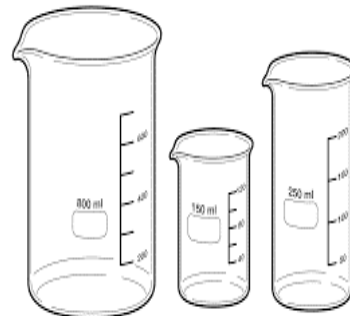




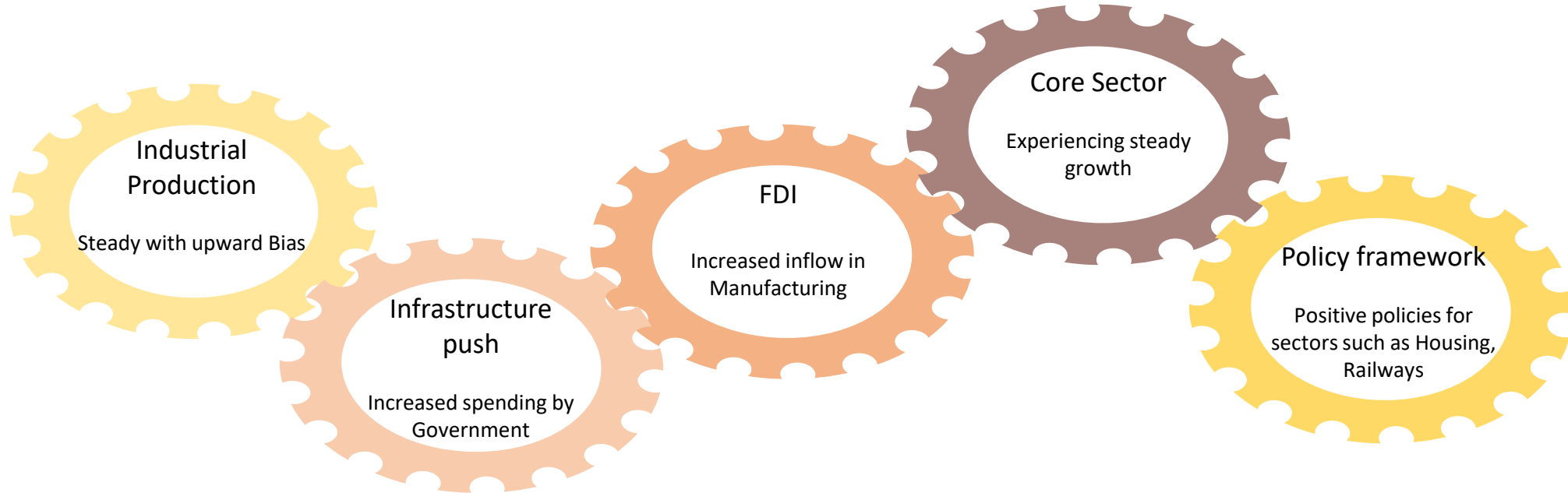
Steel production has grown ~7% from April 2016 to January 2017. With infrastructure push the Government has initiated across multiple sectors, Steel demand is expected to remain buoyant



Cement production capacity is expected to increase from 421.1 mn tons in 2016 to 550 mn tons by 2020 with an improvement in Utilization levels



Indian Glass Market is estimated to Increase at a CAGR of 15% over the next 3 years fueled by growth in sectors like real estate, infrastructure, retail, automotive and food & beverages. The glass consumption growth is expected in construction (10-12%), automotive (20), consumer goods (15-20) and pharmaceuticals (15-18) sectors



...to benefit Steel Industry

Our Performance

Consolidated Profit & Loss



Particulars [Rs. Crs]	Q4 FY17	Q4 FY16	Growth %	FY17	FY16	Growth %
Total Income	209.1	177.9	17.5%	768.4	722.1	6.4%
Raw Material	96.8	87.4		361.7	365.2	
Employee Expenses	32.3	32.3		125.4	119.6	
Other Expenses	51.0	38.7		179.2	156.1	
EBITDA	29.0	19.5	48.5%	102.1	81.2	25.7%
EBITDA %	13.9%	11.0%		13.3%	11.2%	
Depreciation	5.5	3.6		17.4	15.6	
Finance Cost	1.4	1.1		4.5	4.8	
Profit before Tax and Minority Interest (MI)	22.1	14.8	49.5%	80.2	60.9	31.7%
Tax	5.9	3.2		20.0	15.7	
Profit after Tax & before MI	16.2	11.6	38.9%	60.2	45.2	33.3%
Minority Interest	2.5	1.0		8.0	3.2	
Profit after Tax & MI	13.7	10.6	28.9%	52.2	41.9	24.4%
Cash Profit	19.1	14.2		69.5	57.5	

Commentary

IFGL India Business(Including IFGL Exports): Increased Steel production and better working capital environment with Steel companies a big positive. Government support to the Steel sector is benefitting Refractories Producers

Monocon Group: Focus on Engineering services and improvement in utilization levels have resulted in ~7% increase in Revenue

Hofmann Group: Continue to maintain stable operations

El Ceramics: Benefitting from an increase in domestic production of Steel in USA post Anti – Dumping measures

Consolidated Balance Sheet



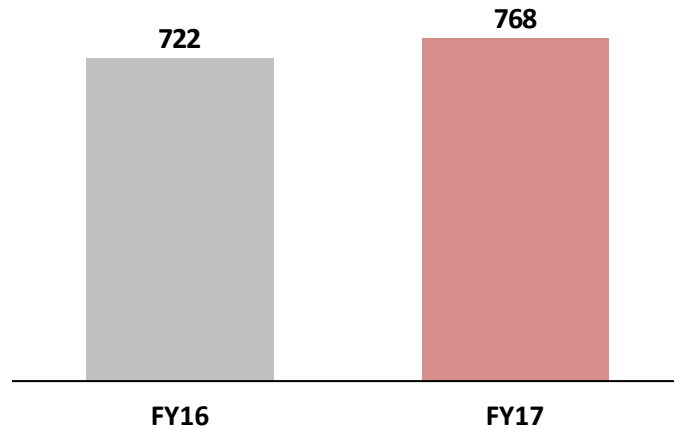
Rs. Crs.	Mar-17	Mar-16
Shareholder's Fund	404	387
Share capital	35	35
Reserves & Surplus	369	352
Minority Interest	21	13
Non-current liabilities	26	30
Long term borrowings	14	19
Deferred Tax Liabilities (net)	11	11
Other non-current liabilities	0	0
Long-term provisions	1	0
Current liabilities	195	169
Short term borrowings	61	51
Trade Payables	119	99
Other current liabilities	11	17
Short-term provisions	4	2
Total Liabilities	646	598

Rs. Crs.	Mar-17	Mar-16
Non-current assets	240	264
Fixed assets	124	132
Goodwill on Consolidation	109	128
Long-term loans and advances	7	4
Non-current investments	1	1
Other Non Current Assets	0	1
Current assets	406	334
Current Investments	11	8
Inventories	94	78
Trade receivables	232	180
Cash and bank balances	56	55
Short-term loans and advances	9	10
Other current assets	4	3
Total Assets	646	598

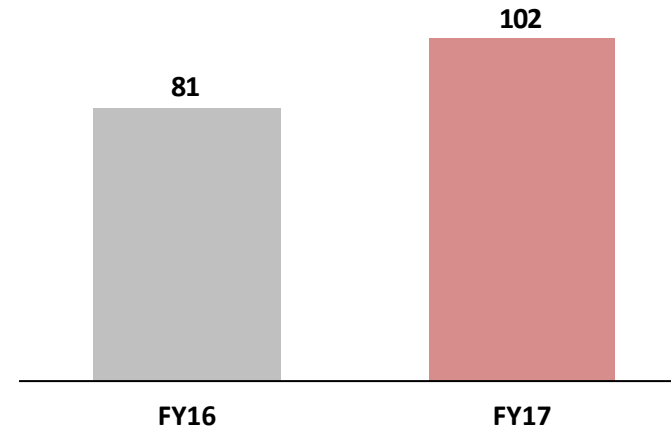
Consolidated Financial Highlights



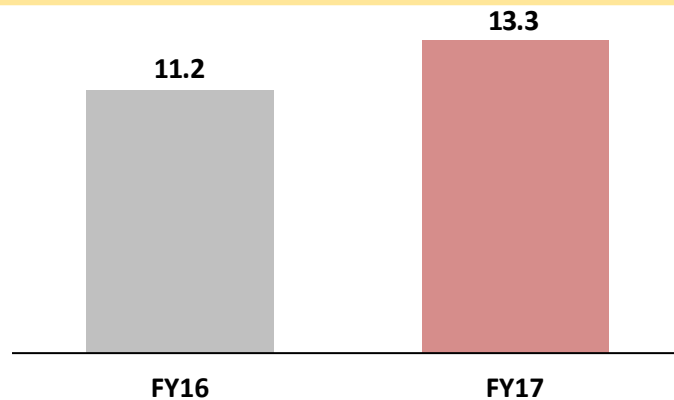
Total Income [Rs. Crs]



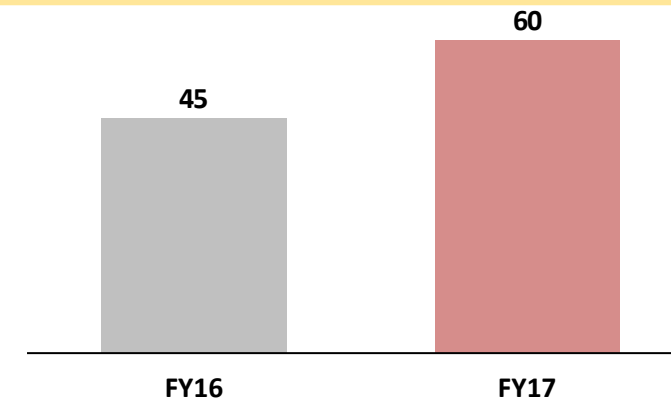
EBITDA [Rs. Crs]



EBITDA margin [%]



PAT* [Rs. Crs]

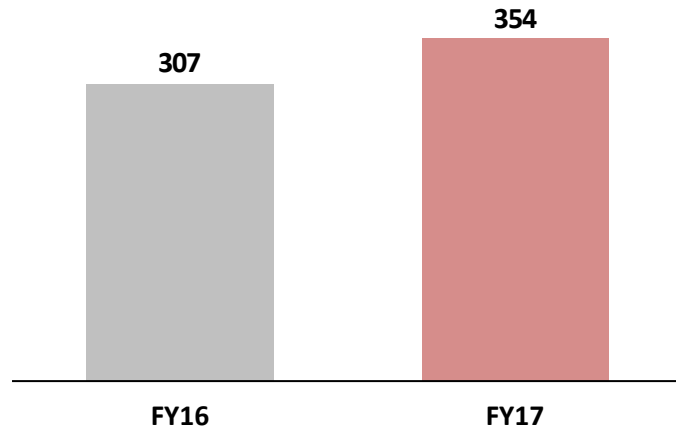


* Before Minority Interest

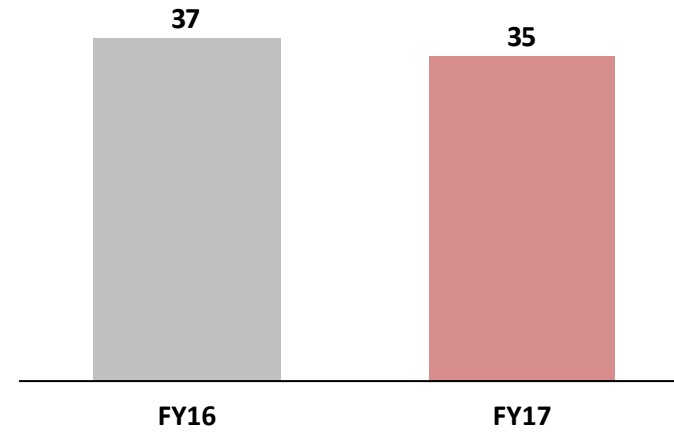
Standalone Financial Highlights



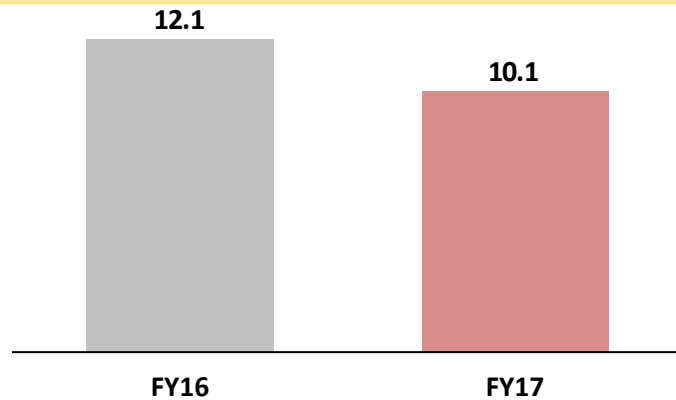
Total Income [Rs. Crs]



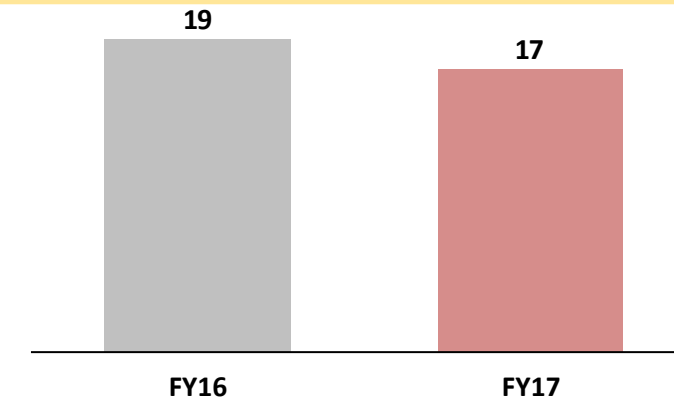
EBITDA [Rs. Crs]



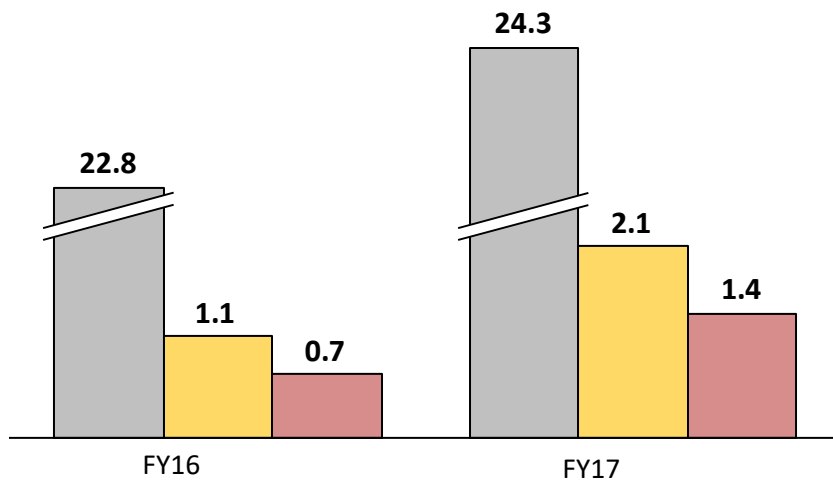
EBITDA margin [%]



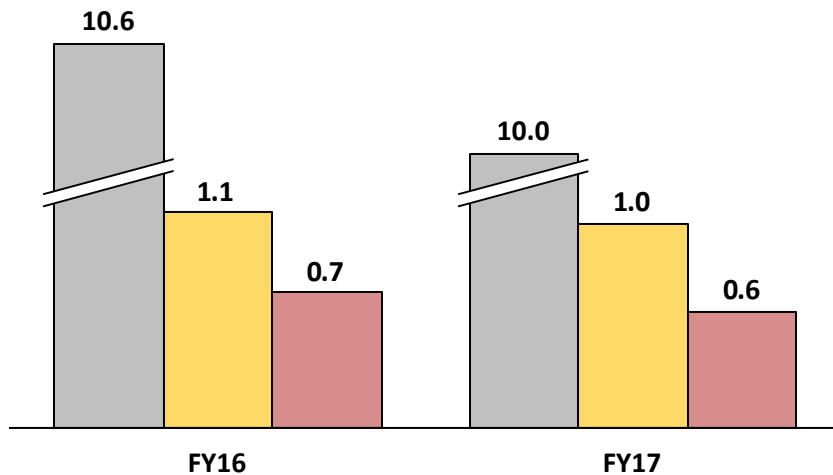
PAT [Rs. Crs]



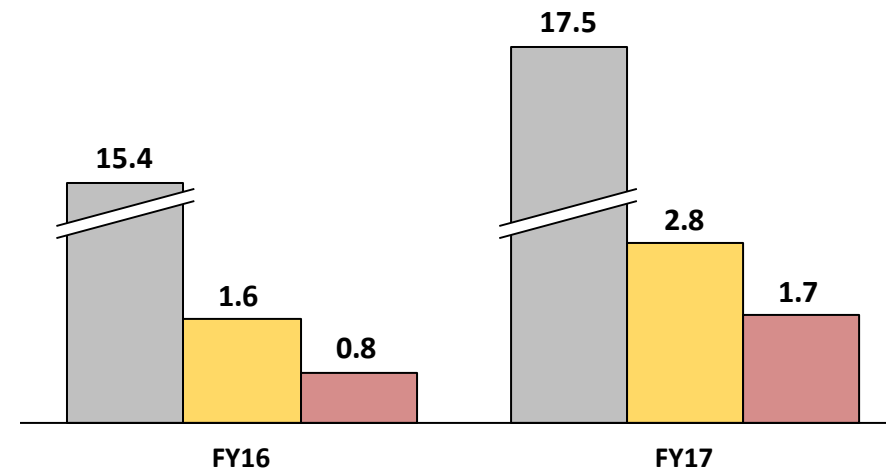
Monocon Group [GBP mn]



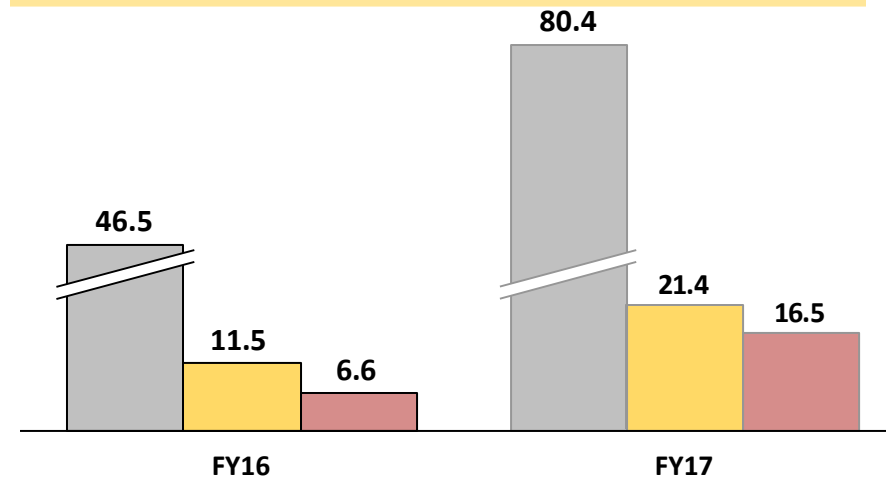
Hofmann Ceramic [Euro mn]



El Ceramics [\$ mn]



IFGL Exports* [Rs. Crs]



*PAT is before Minority Interest

Merger of IFGL with IFGL Exports



Merged Entity Financials of IFGL + IFGL Exports



FY17*

Rs.376 Cr**Rs.57 Cr****15.0%**Total Income  +14.9% YoYEBITDA  +16.5% YoYEBITDA
Margin  +10bps YoY

FY16

Rs.327 Cr**Rs.49 Cr****14.9%**

Capex in FY18 to boost performance



IFGL Odisha Plant

**~Rs. 10Cr Capex: To augment SGR & Zirconia
Nozzles manufacturing facilities**

IEL Kandla Plant

**~10Cr Capex: To increase the present capacity of ISO
products from 160,000 pcs p.a. to 240,000 pcs p.a.**

Hofmann Germany Plant

**~Euro 2mn Capex: Capacity Increase
Automation
Efficiency Enhancement**

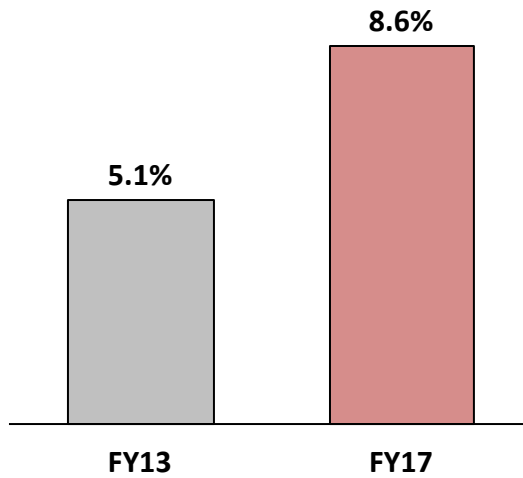
Consistently performing over the years...



Particulars [Rs. Crs]	FY13	FY14	FY15	FY16	FY17	CAGR
Total Income	676.8	781.0	793.5	722.1	768.4	3.2%
Raw Material	352.3	378.0	406.1	365.2	361.7	
Employee Expenses	98.7	110.0	117.9	119.6	125.4	
Other Expenses	163.2	181.0	170.6	156.1	179.2	
EBITDA	62.7	113.0	98.9	81.2	102.1	13.0%
EBITDA %	9.3%	14.5%	12.5%	11.2%	13.3%	
Depreciation	13.4	15.0	14.3	15.6	17.4	
Finance Cost	8.0	7.0	5.9	4.8	4.5	
Profit before Tax and Minority Interest (MI)	41.3	91.0	78.7	60.9	80.2	18.0%
Tax	15.9	25.0	25.4	15.7	20.0	
Profit after Tax & before MI	25.4	66.0	53.3	45.2	60.2	24.1%
Minority Interest	-2.8	2.0	0.2	3.2	8.1	
Profit after Tax & MI	28.2	64.0	53.1	41.9	52.2	16.6%
Cash Profit	41.6	79.0	67.4	57.5	69.5	13.7%

Monocon Group [GBP mn]

EBITDA



Hofmann Ceramic [Euro mn]

5.1%

10.4%

FY13

FY17

EI Ceramics [\$ mn]

13.6%

15.9%

FY13

FY17

ROCE

10.3%

7.6%

FY13

FY17

6.8%

5.1%

FY13

FY17

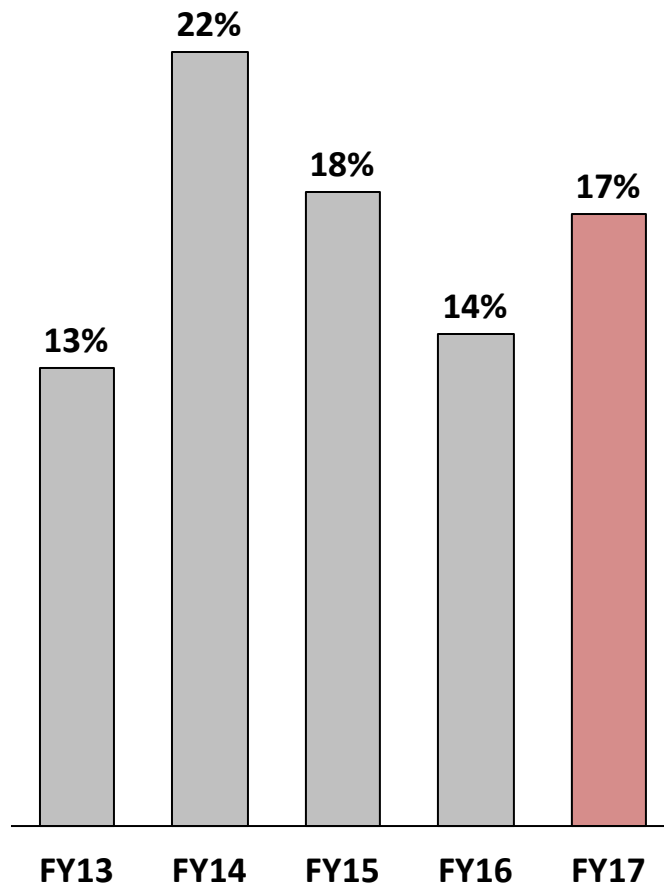
25.5%

19.0%

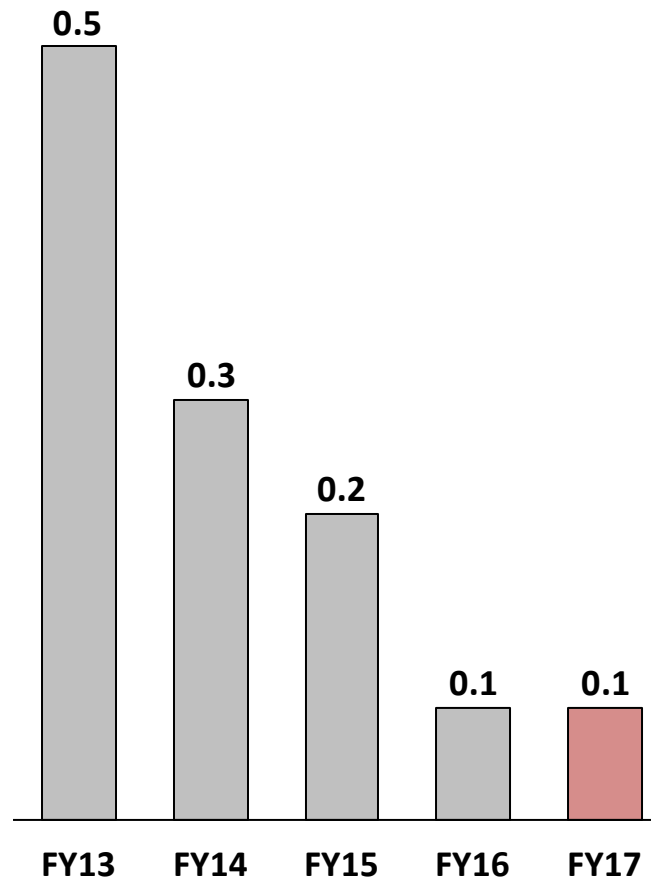
FY13

FY17

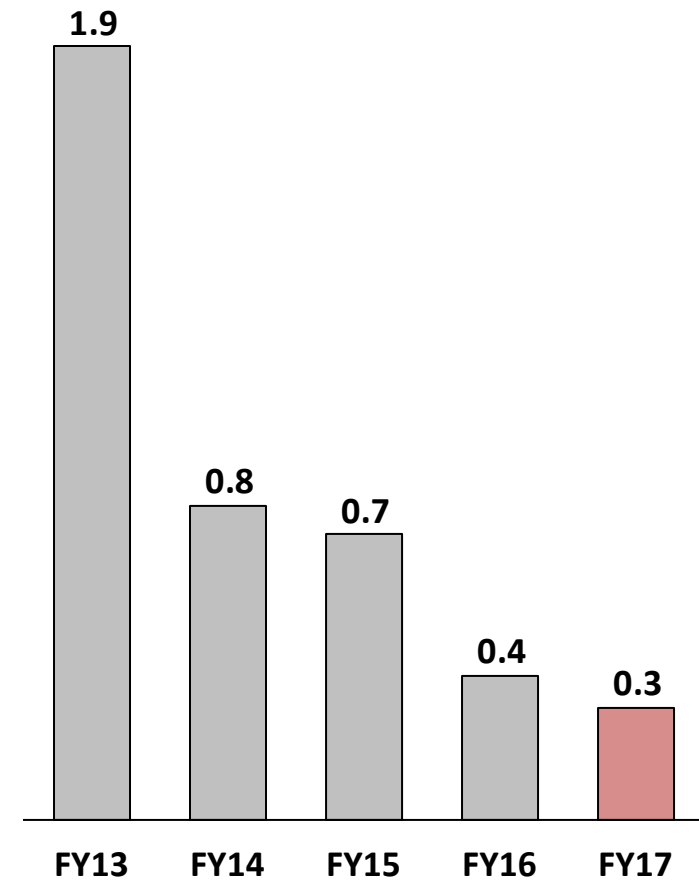
Return on Capital Employed

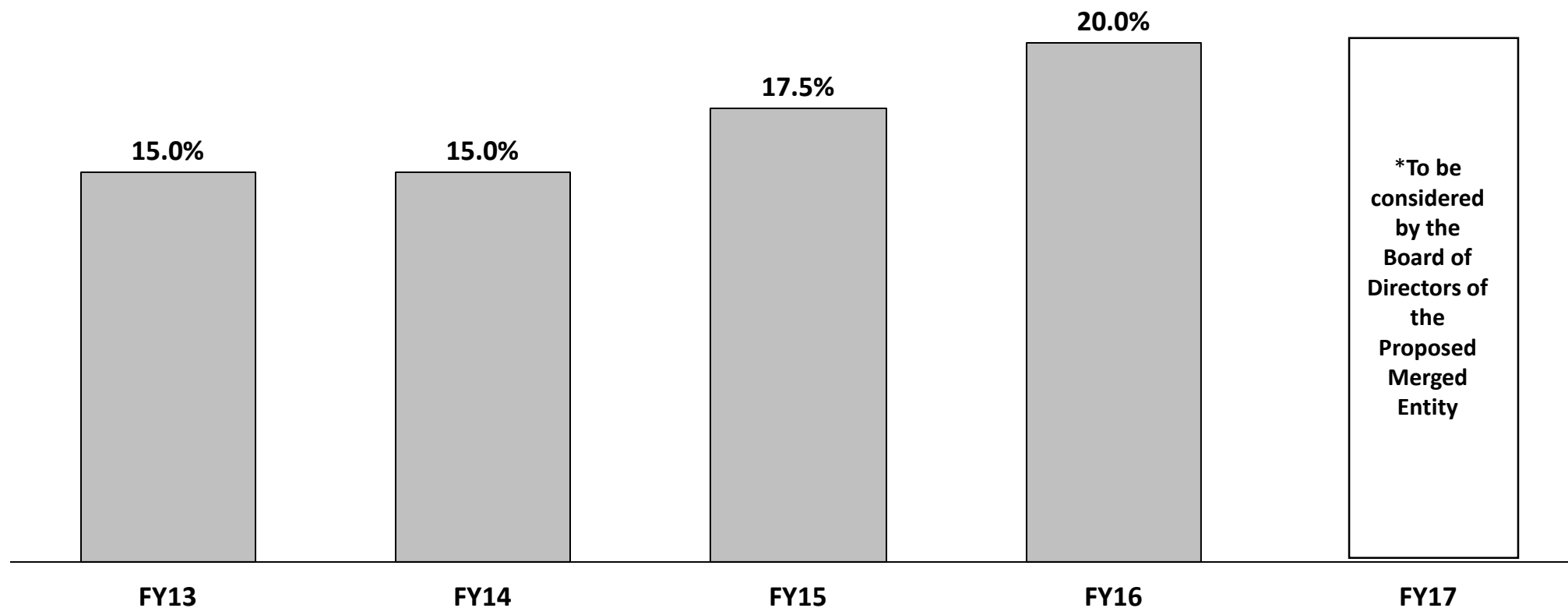


Net Debt : Equity [x]



Net Debt : EBITDA [x]





Particulars (Rs.)	FY13	FY14	FY15	FY16	FY17
Consolidated Book Value per Share	70.9	95.1	99.6	111.7	116.9
Consolidated Earning Per Share	7.9	18.3	15.1	12.1	15.1
Dividend Per Share	1.5	1.75	2.00	2.00	*as per Note Above

About Us



...with strong management team...



**Mr. S.K. Bajoria -
Chairman**



- Promoter of S K Bajoria Group based at Kolkata engaged in diversified business activities
- Has been President of the Indian Chamber of Commerce, Director of West Bengal Industrial Development Corporation Ltd and Industrial Promotion & Investment Corporation of Orissa Ltd

**Mr. P. Bajoria -
Managing
Director**



- Associated with IFGL from the very early days of Indo Flogates, even before the start of production in 1984. Has been Director & Chief Executive of erstwhile Indo Flogates Ltd.
- More than 30 years of experience of Refractory Industry and has been involved in various capacities in Indian Refractories Makers Association

**Mr. Giorgio
Cappelli -
Director,
Monocon**



- Joined as Director Monocon International Refractories Ltd in May, 2015, and fully involved in Overseas Operations of Group
- Is a Doctorate in Industrial Chemistry from Milano University
- Was the Board member & COO of Steel Division of RHI AG Vienna, being one of the leading manufacturers of specialized refractories for Iron & Steel Industry

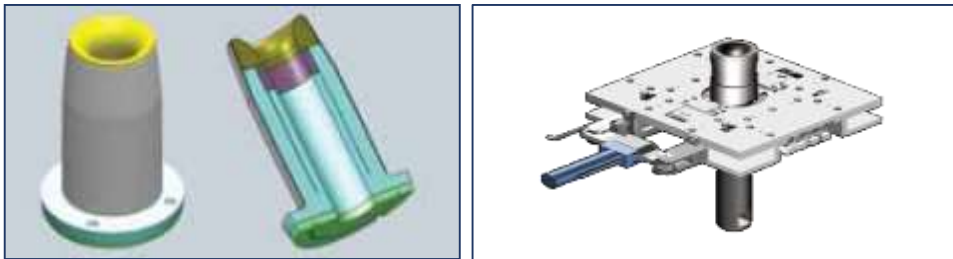
Isostatic Refractories



Slide Gate Refractories & Systems



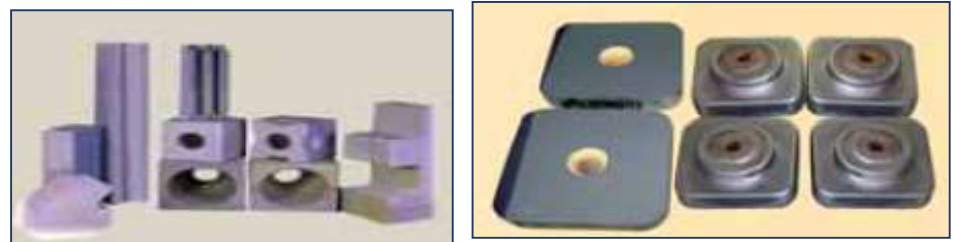
Tube Changer Refractories & System



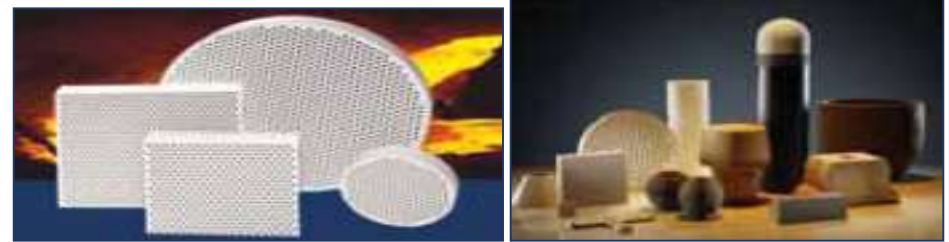
Purging System & Refractories



Cast Products & Zirconia Nozzles



Foundry Ceramics



...to reputed names in the Global Steel Industry



For further information, please contact:

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