

**COMMITTED TO  
CLEAN METAL**



# IFGL Refractories Limited

**Investor Presentation – Q4FY22  
May 2022**



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A large, abstract graphic in the background consisting of flowing, wavy shapes in yellow, light blue, and dark blue, creating a sense of movement and depth.

# **Our Performance**

## Standalone & Consolidated Performance

**Standalone  
Total Income**

**Rs. 240.1 Crores**

**Consolidated  
Total Income**

**Rs. 366.6 Crores**

**Standalone  
EBITDA**

**Rs. 34.2 Crores**

**Consolidated  
EBITDA**

**Rs. 42.7 Crores**

**Standalone  
PAT**

**Rs. 15.7 Crores**

**Consolidated  
PAT**

**Rs. 20.7 Crores**

## Standalone & Consolidated Performance

**Standalone  
Total Income**

**Rs. 801.4 Crores**

**Consolidated  
Total Income**

**Rs. 1,275.4 Crores**

**Standalone  
EBITDA**

**Rs. 131.3 Crores**

**Consolidated  
EBITDA**

**Rs. 158.5 Crores**

**Standalone  
PAT**

**Rs. 63.2 Crores**

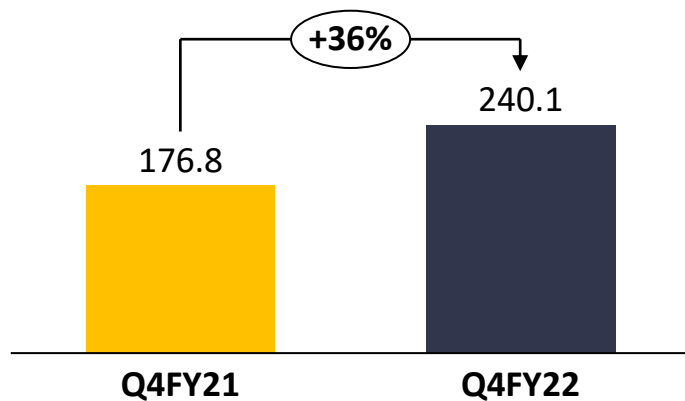
**Consolidated  
PAT**

**Rs. 77.5 Crores**

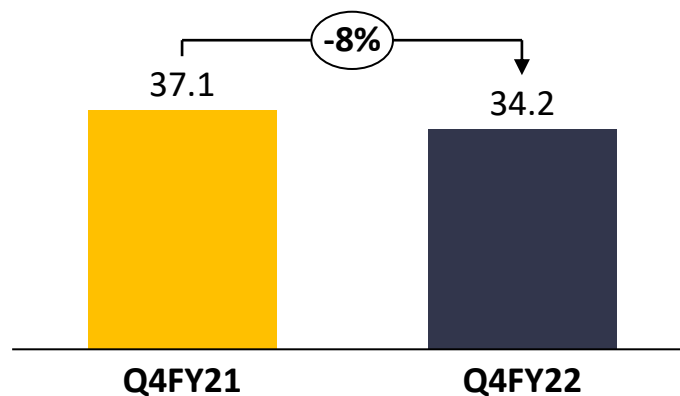
# Q4FY22 Standalone Financial Highlights



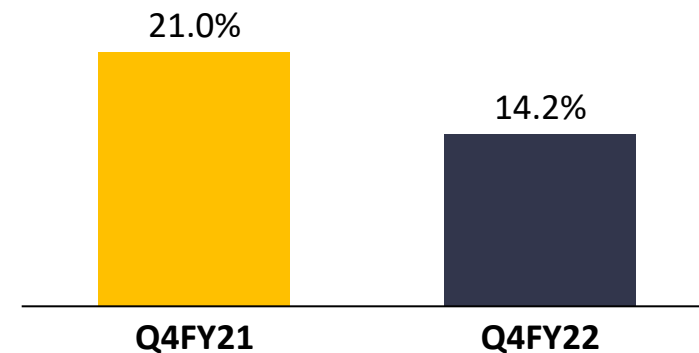
Total Income [Rs. Crs.]



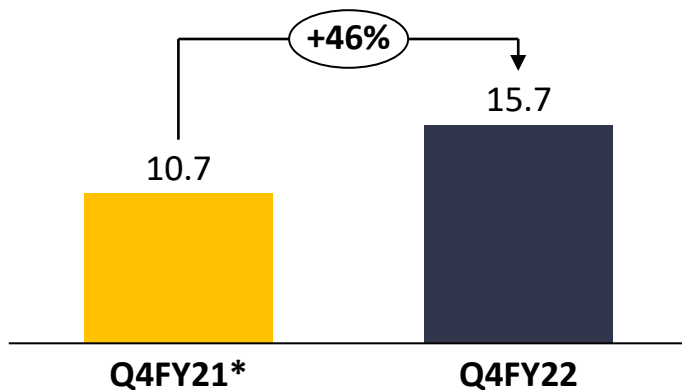
EBITDA [Rs. Crs.]



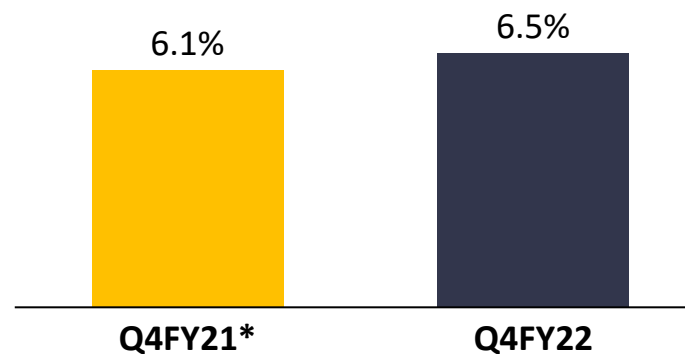
EBITDA margin [%]



Profit After Tax [Rs. Crs.]



PAT margin [%]

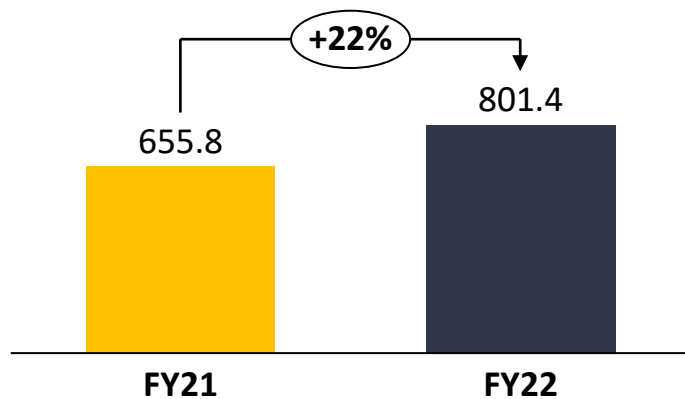


\*Q4FY21 PAT is after adding back one-time deferred tax adjustment on account of goodwill

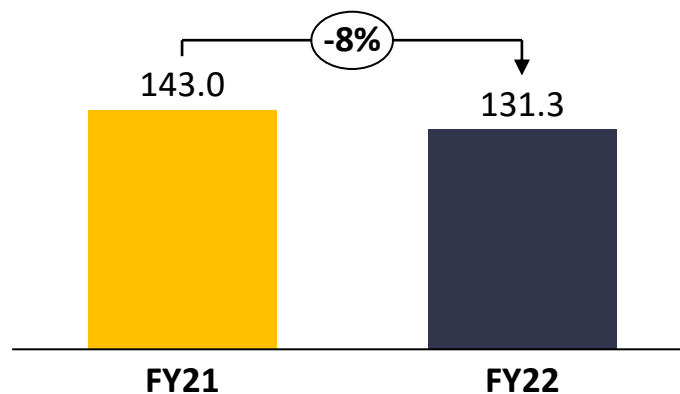
# FY22 Standalone Financial Highlights



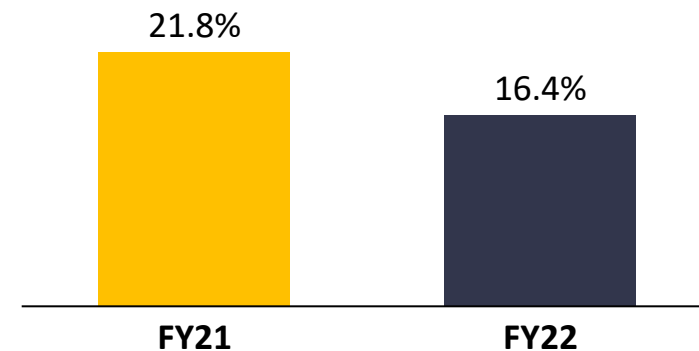
## Total Income [Rs. Crs.]



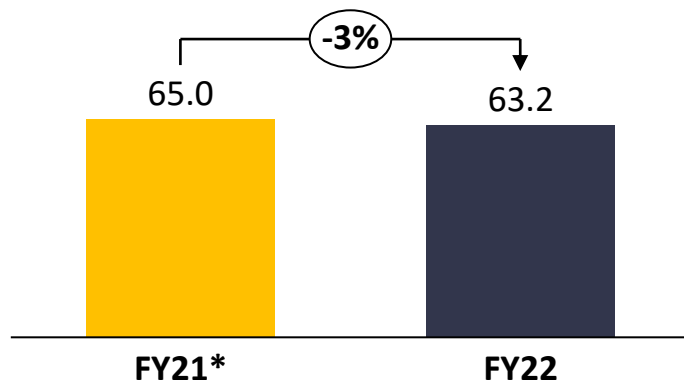
## EBITDA [Rs. Crs.]



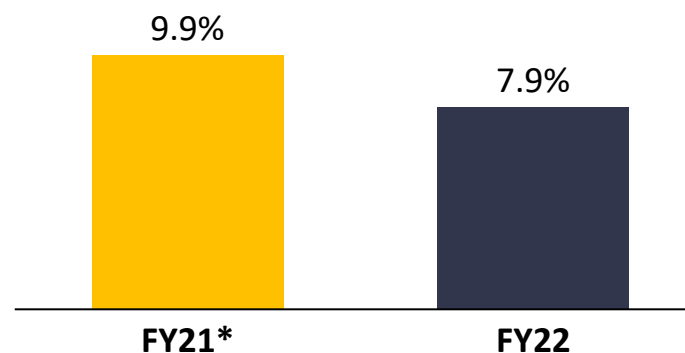
## EBITDA margin [%]



## Profit After Tax [Rs. Crs.]



## PAT margin [%]



\*FY21 PAT is after adding back one-time deferred tax adjustment on account of goodwill

# Q4 & FY22 Standalone Profit & Loss



Profit & Loss [Rs. Crs.]	Q4FY22	Q4FY21	Y-o-Y%	Q3FY22	Q-o-Q%	FY22	FY21	Y-o-Y%
Total Income	240.1	176.8	36%	196.5	22%	801.4	655.8	22%
Raw Material <sup>#</sup>	124.8	83.7		93.8		395.5	304.0	
Employee Expenses	13.0	12.4		13.8		56.1	51.8	
Other Expenses <sup>#</sup>	68.2	43.6		53.8		218.4	157.2	
EBITDA	34.2	37.1	-8%	35.1	-3%	131.3	143.0	-8%
EBITDA Margins	14.2%	21.0%		17.9%		16.4%	21.8%	
Depreciation	5.3	3.3		3.3		14.3	12.5	
Goodwill written off	6.7	6.7		6.7		26.8	26.8	
Finance Cost	0.6	0.6		0.9		3.0	2.4	
Profit before Tax	21.5	26.5	-19%	24.2	-11%	87.2	101.3	-14%
Tax	5.9	37.4		6.7		24.0	56.5	
Profit after Tax	15.7	-10.9	-	17.5	-	63.2	44.8	-
One-time deferred tax adjustment (Goodwill)	-	21.7		-		-	20.2	
Adjusted Profit after Tax*	15.7	10.7	46%	17.5	-11%	63.2	65.0	-3%
Adjusted PAT Margins*	6.5%	6.1%		8.9%		7.9%	9.9%	

\*Adjusted PAT is after adding back one-time deferred tax adjustment on account of goodwill

<sup>#</sup>On account of Russia-Ukraine conflict, two of our customers have been impacted, accordingly company has taken full provision on inventory in transit of Rs. 508 lakhs accounted under raw materials and net Rs. 889 lakhs as receivables (net of commission payable) accounted under other expenses



# Standalone Balance Sheet

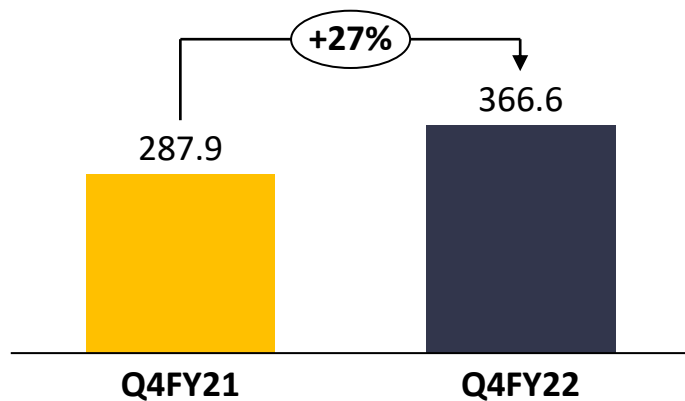


Assets (in Rs. Crs.)	Mar-22	Mar-21	Equity & Liabilities (in Rs. Crs )	Mar-22	Mar-21
<b>Non current Assets</b>	<b>337.5</b>	<b>318.7</b>	<b>Equity</b>	<b>586.3</b>	<b>559.1</b>
<b>Fixed Assets</b>			Share Capital	36.0	36.0
Property Plant & Equipment	107.9	77.6	Other Equity	550.3	523.1
Right to Use Asset	18.5	15.6			
Capital WIP	14.6	18.1			
Goodwill	106.8	133.5			
Intangible assets	0.8	0.2	<b>Non Current Liabilities</b>	<b>44.3</b>	<b>42.7</b>
<b>Financial Assets</b>			<b>Financial Liabilities</b>		
Investments	75.6	62.4	Lease Liabilities	10.1	8.9
Others	2.3	5.5	Deferred Tax Liabilities (net)	34.1	33.8
Income Tax Assets (net)	3.3	2.4			
Other Non current Assets	7.6	3.3			
<b>Current Assets</b>	<b>495.5</b>	<b>433.0</b>	<b>Current Liabilities</b>	<b>202.4</b>	<b>149.9</b>
Inventories	169.7	100.5	<b>Financial Liabilities</b>		
<b>Financial Assets</b>			Borrowings	75.2	36.0
Investments	115.5	121.7	Lease Liabilities	0.9	0.8
Trade Receivables	180.2	156.7	Trade Payables	108.7	85.1
Cash & cash equivalents	0.1	0.2	Other Financial Liabilities	9.1	8.3
Bank Balances	8.8	43.3	Other Current Liabilities	6.8	17.9
Other Financial Assets	8.2	2.5	Provisions	0.3	0.3
Other Current Assets	13.1	8.2	Income Tax Liabilities	1.6	1.6
<b>Total Assets</b>	<b>833.0</b>	<b>751.7</b>	<b>Total Equity &amp; Liabilities</b>	<b>833.0</b>	<b>751.7</b>

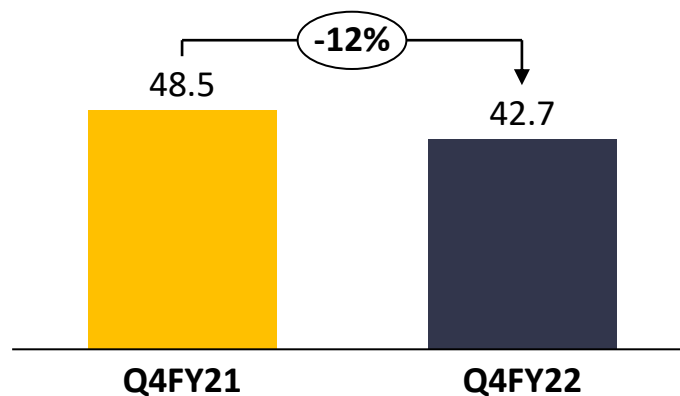
# Q4FY22 Consolidated Financial Highlights



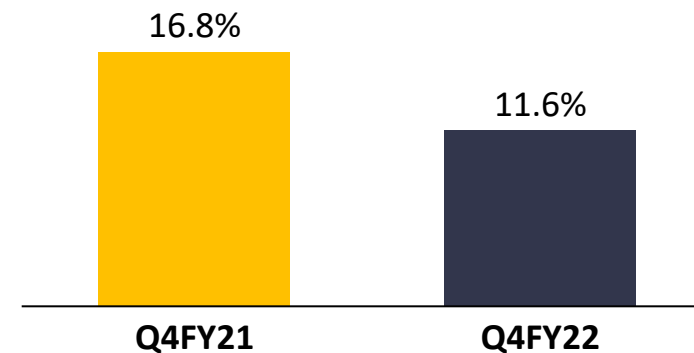
## Total Income [Rs. Crs.]



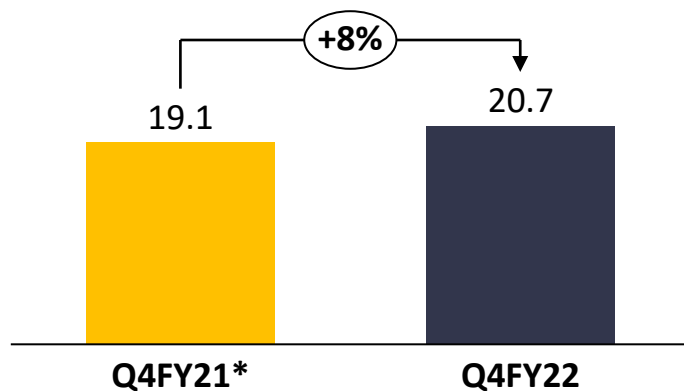
## EBITDA [Rs. Crs.]



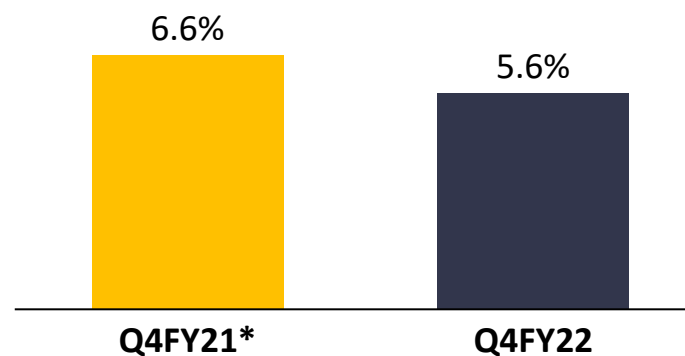
## EBITDA margin [%]



## Profit After Tax [Rs. Crs.]



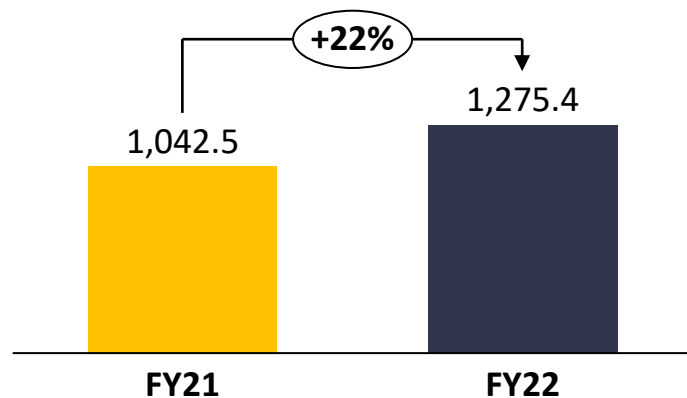
## PAT margin [%]



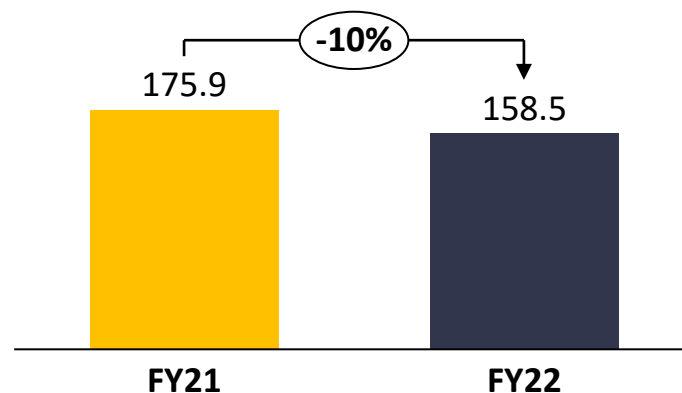
\*Q4FY21 PAT is after adding back one-time deferred tax adjustment on account of goodwill

# FY22 Consolidated Financial Highlights

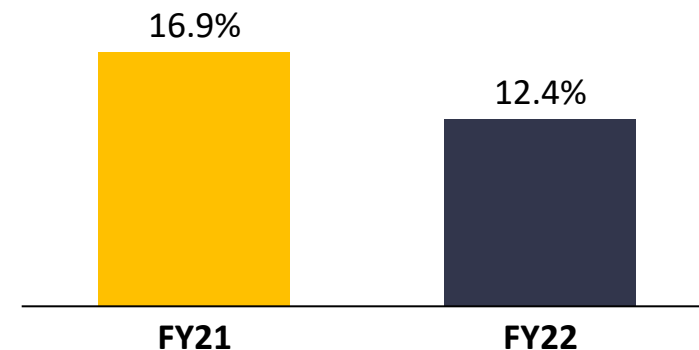
## Total Income [Rs. Crs.]



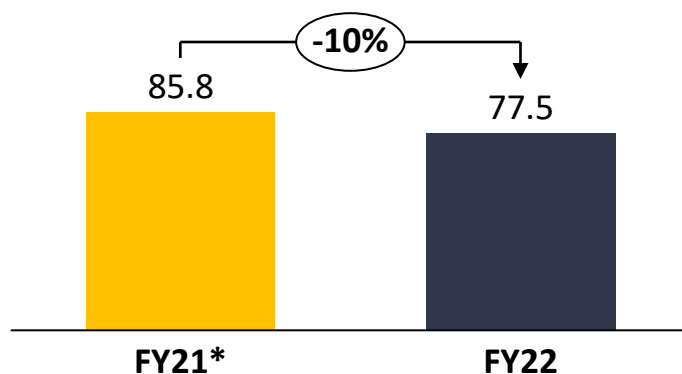
## EBITDA [Rs. Crs.]



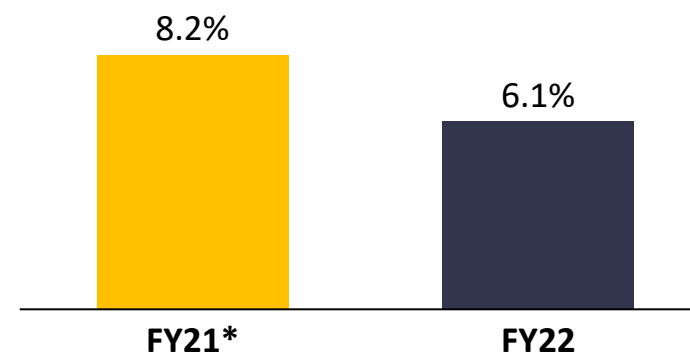
## EBITDA margin [%]



## Profit After Tax [Rs. Crs.]



## PAT margin [%]



\*FY21 PAT is after adding back one-time deferred tax adjustment on account of goodwill

# Q4 & FY22 Consolidated Profit & Loss



Profit & Loss [Rs. Crs.]	Q4FY22	Q4FY21	Y-o-Y%	Q3FY22	Q-o-Q%	FY22	FY21	Y-o-Y%
<b>Total Income</b>	<b>366.6</b>	<b>287.9</b>	<b>27%</b>	<b>317.2</b>	<b>16%</b>	<b>1,275.4</b>	<b>1,042.5</b>	<b>22%</b>
Raw Material <sup>#</sup>	181.4	132.8		151.1		614.6	474.0	
Employee Expenses	43.1	39.0		44.0		173.9	151.8	
Other Expenses <sup>#</sup>	99.5	67.7		82.7		328.4	240.8	
<b>EBITDA</b>	<b>42.7</b>	<b>48.5</b>	<b>-12%</b>	<b>39.4</b>	<b>8%</b>	<b>158.5</b>	<b>175.9</b>	<b>-10%</b>
<b>EBITDA Margins</b>	<b>11.6%</b>	<b>16.8%</b>		<b>12.4%</b>		<b>12.4%</b>	<b>16.9%</b>	
Depreciation	8.1	5.7		5.8		24.3	21.8	
Goodwill written off	6.7	6.7		6.7		26.8	26.8	
Finance Cost	0.6	0.9		1.0		3.4	3.1	
<b>Profit before Tax</b>	<b>27.3</b>	<b>35.2</b>	<b>-22%</b>	<b>25.9</b>	<b>5%</b>	<b>103.9</b>	<b>124.2</b>	<b>-16%</b>
Tax	6.6	37.8		7.0		26.5	58.6	
<b>Profit after Tax</b>	<b>20.7</b>	<b>-2.5</b>	<b>-</b>	<b>18.9</b>	<b>10%</b>	<b>77.5</b>	<b>65.6</b>	<b>18%</b>
One time deferred tax adjustment (Goodwill)	-	21.7		-		-	20.2	
<b>Adjusted Profit after Tax*</b>	<b>20.7</b>	<b>19.1</b>	<b>8%</b>	<b>18.9</b>	<b>10%</b>	<b>77.5</b>	<b>85.8</b>	<b>-10%</b>
<b>Adjusted PAT Margins %*</b>	<b>5.6%</b>	<b>6.6%</b>		<b>6.0%</b>		<b>6.1%</b>	<b>8.2%</b>	

\*Adjusted PAT is after adding back one-time deferred tax adjustment on account of goodwill

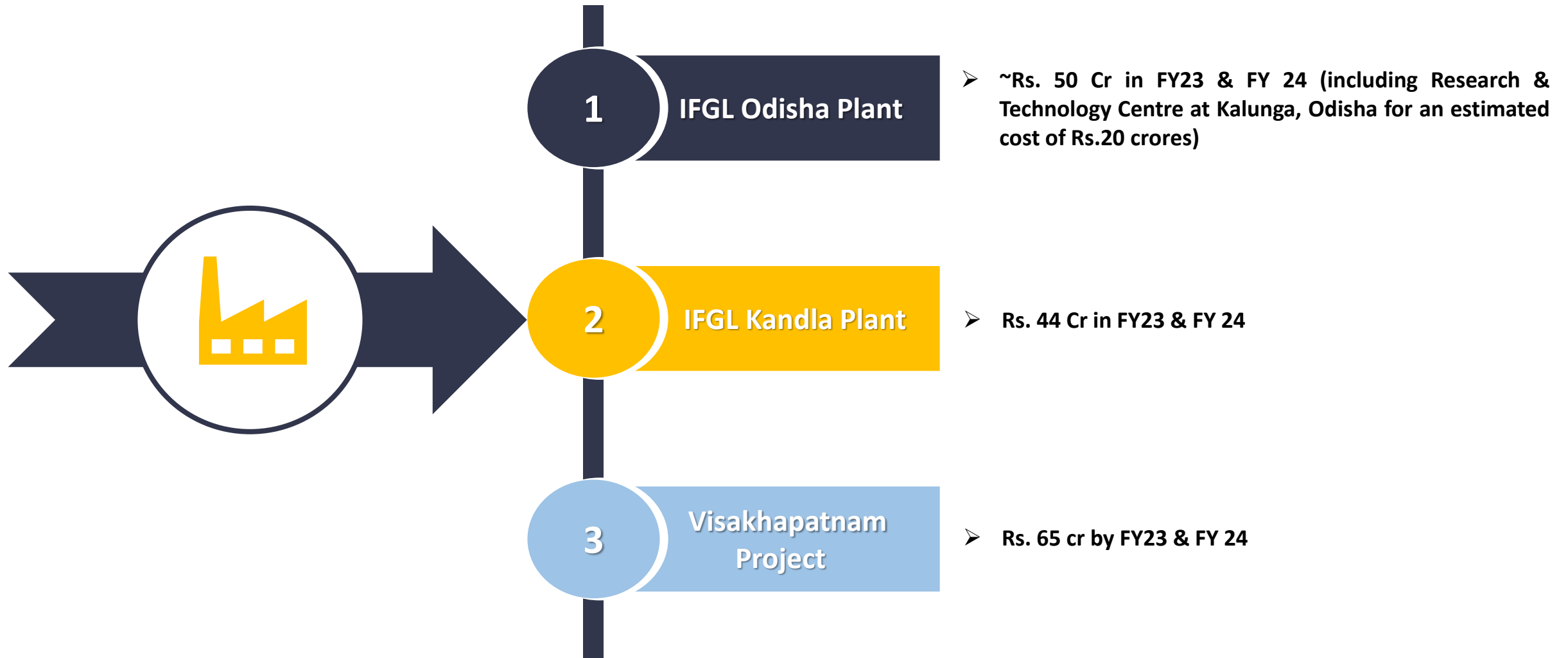
<sup>#</sup>On account of Russia-Ukraine conflict, two of our customers have been impacted, accordingly company has taken full provision on inventory in transit of Rs. 508 lakhs accounted under raw materials and net Rs. 889 lakhs as receivables (net of commission payable) accounted under other expenses

# Consolidated Balance Sheet



Assets (in Rs. Crs.)	Mar-22	Mar-21	Equity & Liabilities (in Rs. Crs )	Mar-22	Mar-21
<b>Non current Assets</b>	<b>480.9</b>	<b>456.4</b>	<b>Equity</b>	<b>934.0</b>	<b>890.5</b>
<b>Fixed Assets</b>			Share Capital	36.0	36.0
Property Plant & Equipment	180.4	147.6	Other Equity	898.0	854.5
Right to Use Asset	21.7	20.3			
Capital WIP	25.0	22.1			
Goodwill (on consolidation)	110.5	111.9			
Goodwill (other)	106.8	133.5	<b>Non Current Liabilities</b>	<b>66.6</b>	<b>67.7</b>
Intangible assets	2.5	2.2	<b>Financial Liabilities</b>		
<b>Financial Assets</b>			Borrowings	8.7	11.9
Investments	19.4	6.2	Lease Liabilities	10.1	9.9
Others	2.3	5.5	Deferred Tax Liabilities (Net)	47.8	45.8
Income Tax Assets (net)	4.8	3.8			
Other Non current Assets	7.6	3.3			
<b>Current Assets</b>	<b>805.2</b>	<b>727.5</b>	<b>Current Liabilities</b>	<b>285.4</b>	<b>225.8</b>
Inventories	259.4	167.8	<b>Financial Liabilities</b>		
<b>Financial Assets</b>			Borrowings	78.4	39.6
Investments	115.5	121.7	Lease Liabilities	1.8	2.2
Trade Receivables	272.0	228.2	Trade Payables	187.2	155.1
Cash & cash equivalents	119.0	147.6	Other Financial Liabilities	9.1	8.3
Bank Balances	8.8	43.3	Income Tax Liabilities	1.8	2.0
Other Financial Assets	9.0	3.9	Other Current Liabilities	6.8	18.3
Other Current Assets	21.4	15.1	Provisions	0.3	0.3
<b>Total Assets</b>	<b>1,286.1</b>	<b>1,183.9</b>	<b>Total Equity &amp; Liabilities</b>	<b>1,286.1</b>	<b>1,183.9</b>

# Capex – Capacity expansion & other improvements



**Capex to be funded out of internal accruals & term loans**



# Research & Technology Centre at Kalunga, Odisha



**Building a Research & Technology Centre at our existing plant in Kalunga, Odisha for an estimated cost of Rs. 20 crores. This will be completed within FY23**

# Consistently performing over the years...



Particulars [Rs. Crs.]	FY18	FY19	FY20	FY21	FY22
Total Income	839.7	955.4	928.3	1,042.5	1,275.4
Materials consumed	421.4	477.0	459.1	474.0	614.6
Employee Expenses	126.7	146.2	150.5	151.8	173.9
Other Expenses	181.3	218.5	216.2	240.8	328.4
EBITDA	110.3	113.8	102.5	175.9	158.5
EBITDA %	13.1%	11.9%	11.0%	16.9%	12.4%
Depreciation & Amortization	17.0	19.2	21.5	21.8	24.3
Goodwill amortized*	26.8	26.8	26.8	26.8	26.8
Finance Cost	4.0	3.7	3.6	3.1	3.4
Profit before Tax before Exceptional Items	62.6	64.1	50.6	124.2	103.9
Exceptional Item <sup>#</sup>	-	-	-20.6	-	-
Profit before Tax	62.6	64.1	30.0	124.2	103.9
Tax	15.4	13.6	10.5	58.6	26.5
Profit after Tax	47.1	50.5	19.5	65.6	77.5
One-time deferred tax adjustment (Goodwill)	-	-	-	20.2	-
Adjusted Profit after Tax **	47.1	50.5	40.1	85.8	77.5

\*Goodwill on account of Merger is being amortized over a period of 10 years.

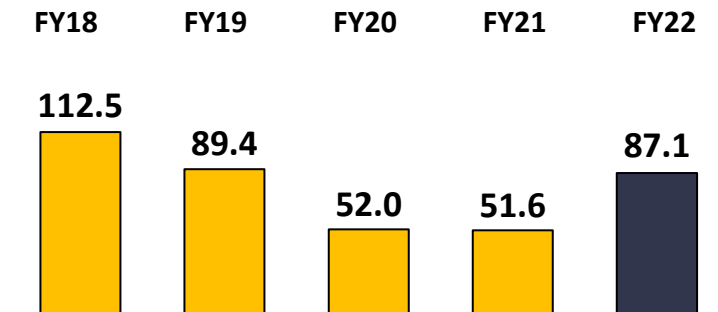
\*\* Adjusted PAT is after adding back exceptional loss and one-time deferred tax adjustment on account of goodwill

<sup>#</sup>Exceptional Item is the Impairment of Goodwill pertaining to German operations

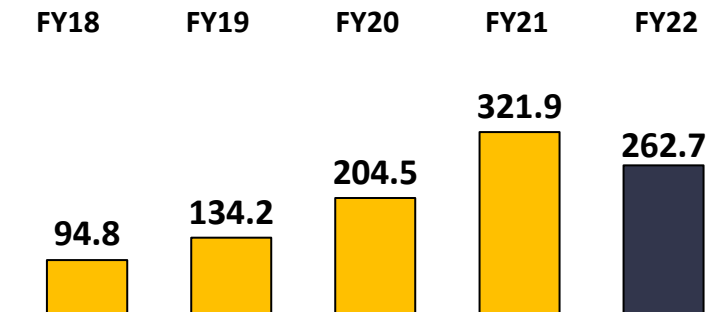


...to create sustainable value for Shareholders...

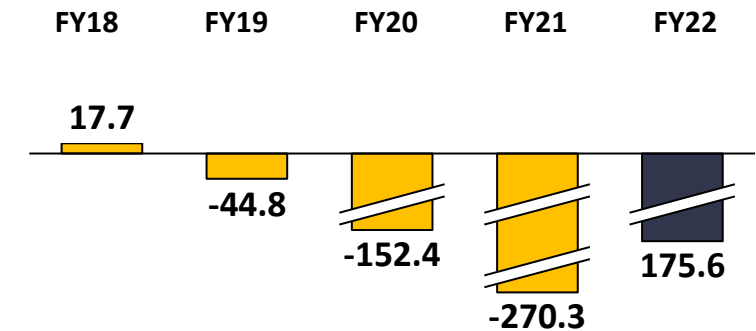
### Total Debt (Rs. Crs.)



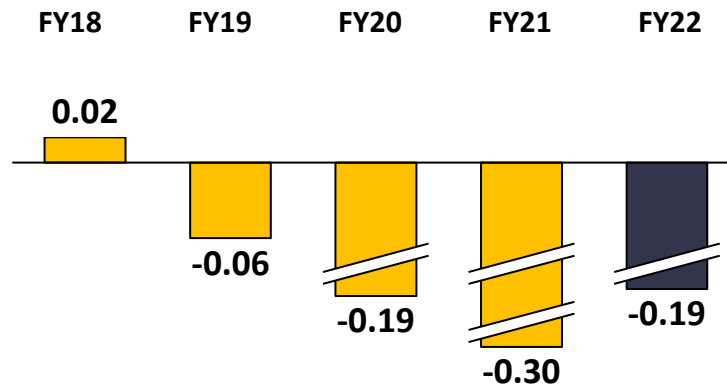
### Cash & Equivalents (Rs. Crs.)



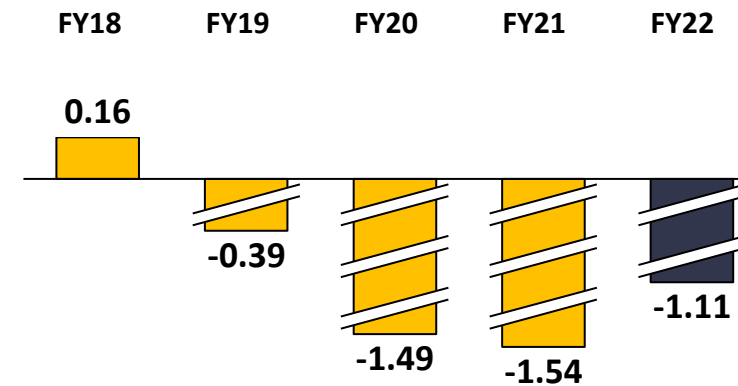
### Net Debt (Rs. Crs.)



### Net Debt : Equity [x]

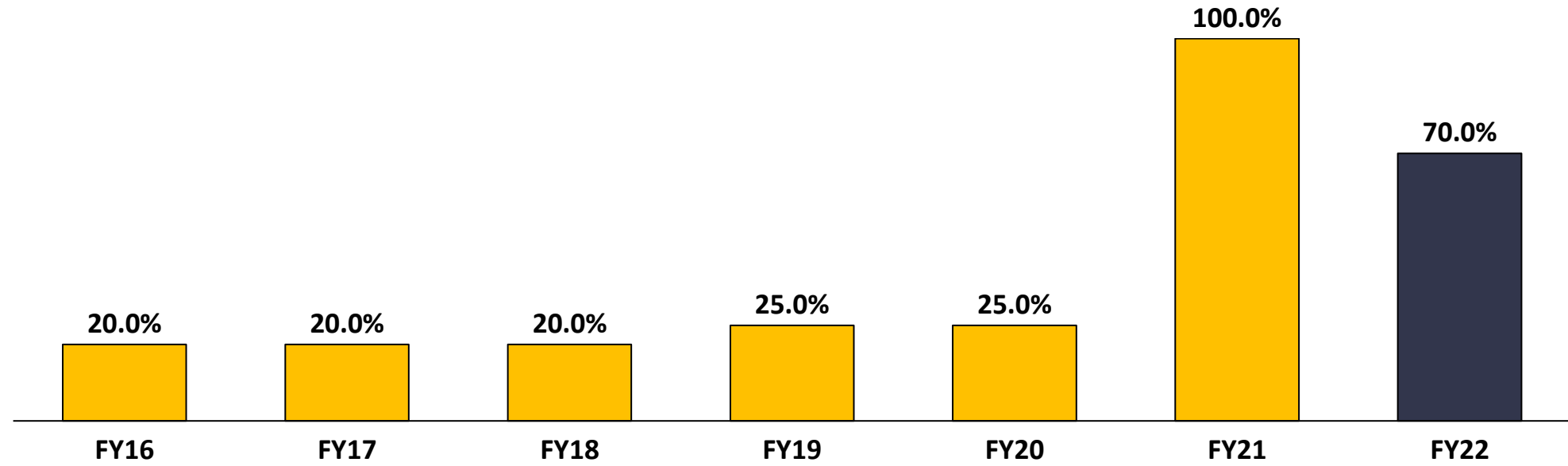


### Net Debt : EBITDA [x]



***We are a Net Cash Company from FY 19***

...with consistent Payout



Particulars (Rs.)	FY16	FY17	FY18	FY19	FY20	FY21 #	FY22
Consolidated Book Value Per Share	111.7	189.9	208.7	220.5	224.5	247.1	259.2
Consolidated Earning Per Share	12.1	13.9	13.1	14.0	11.1*	23.8*	21.5
Dividend Per Share	2.00	2.00	2.00	2.50	2.50	10.0#	7.0

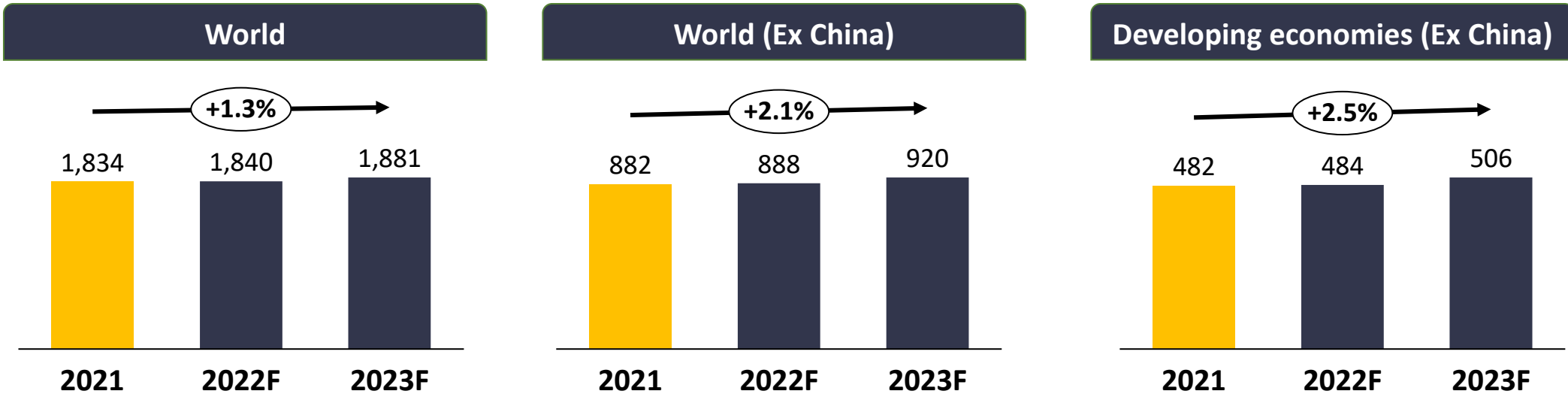
\* EPS Adjusted for exceptional item and one time deferred tax liability on account of goodwill

# Includes Special Dividend of Rs. 6 per share

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# Industry Overview

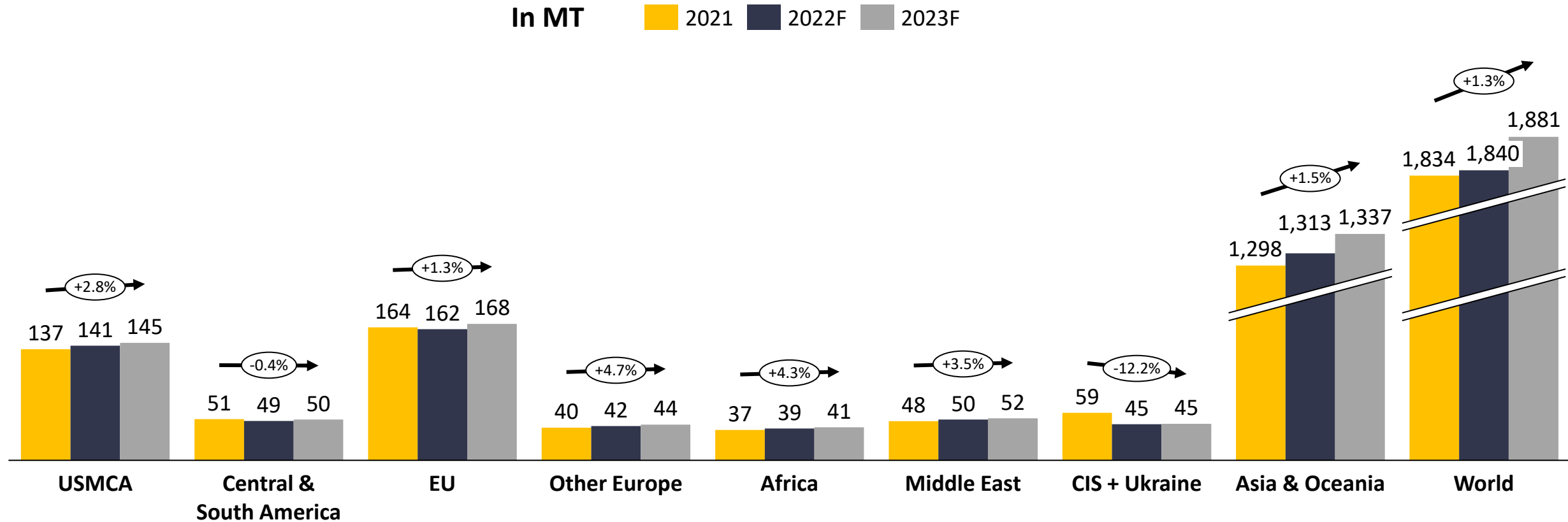
In MT



## ➤ Global outlook:

- As per WSA, the current forecast assumes that steel demand will grow by 0.4% in 2022 and reach 1,840.2 Mt after increasing by 2.7% in 2021. In 2023, steel demand will see a further growth of 2.2% to 1,881.4 Mt.
- The current forecast assumes is made against the backdrop of the war in Ukraine and is subject to high uncertainty.

# Forecasted Global Short-Term Steel Demand

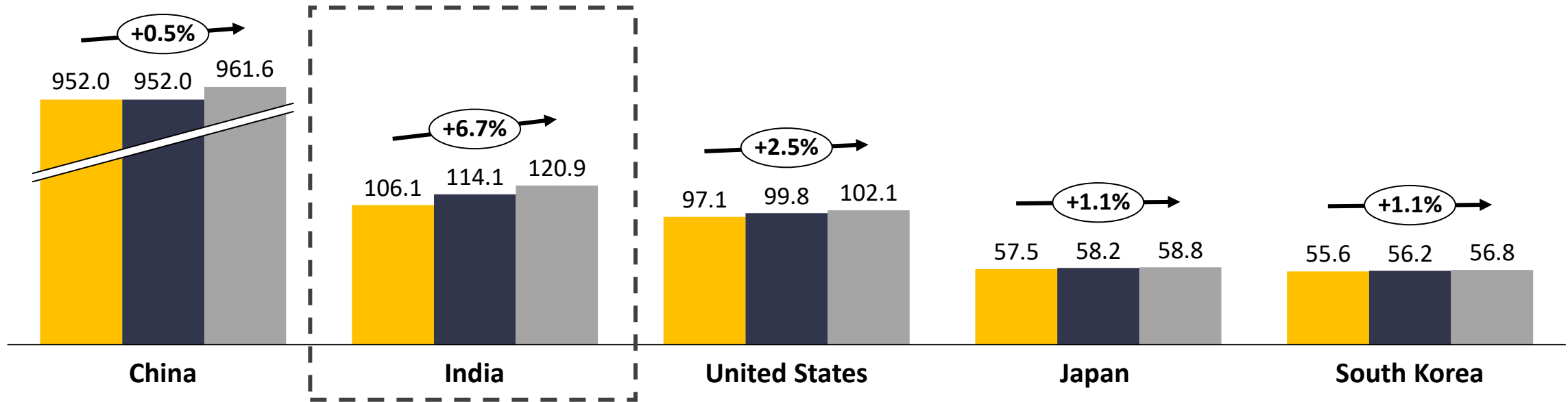


**Steel Demand is expected to grow strongly across all parts of the world in 2022 & 2023**

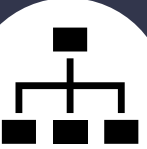
# Top 5 Steel Consuming Countries

In MT

2021 2022F 2023F



# National Infrastructure Pipeline (NIP) Project



## National Infrastructure Pipeline Project (NIP)

Government unveiled the multimillion-dollar National Infrastructure Pipeline (NIP), with projects spread across 18 states over the next five years



## \$5 Trillion Economy

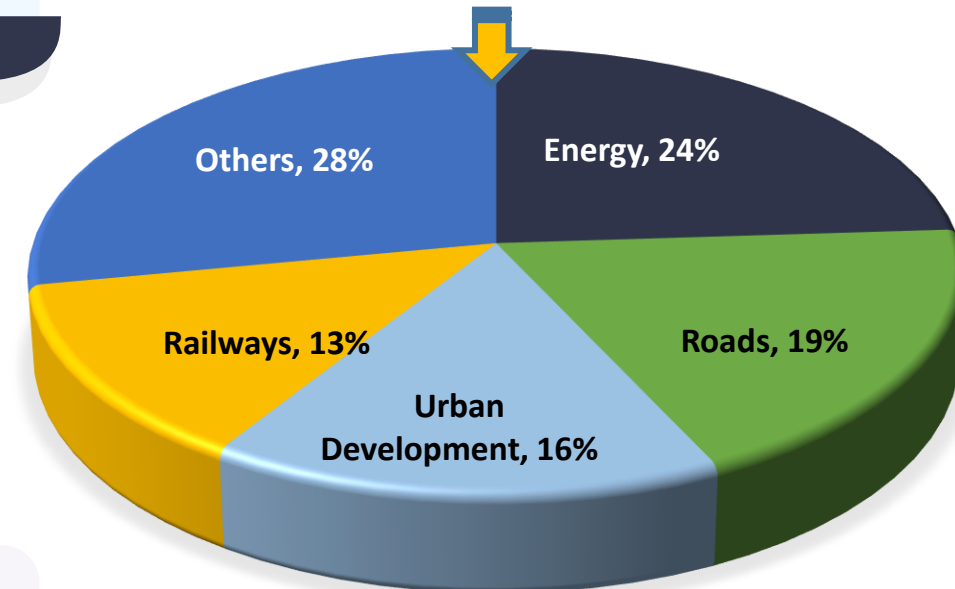
India needs to spend about \$1.4 trillion on infrastructure to become a \$5 trillion economy by FY25



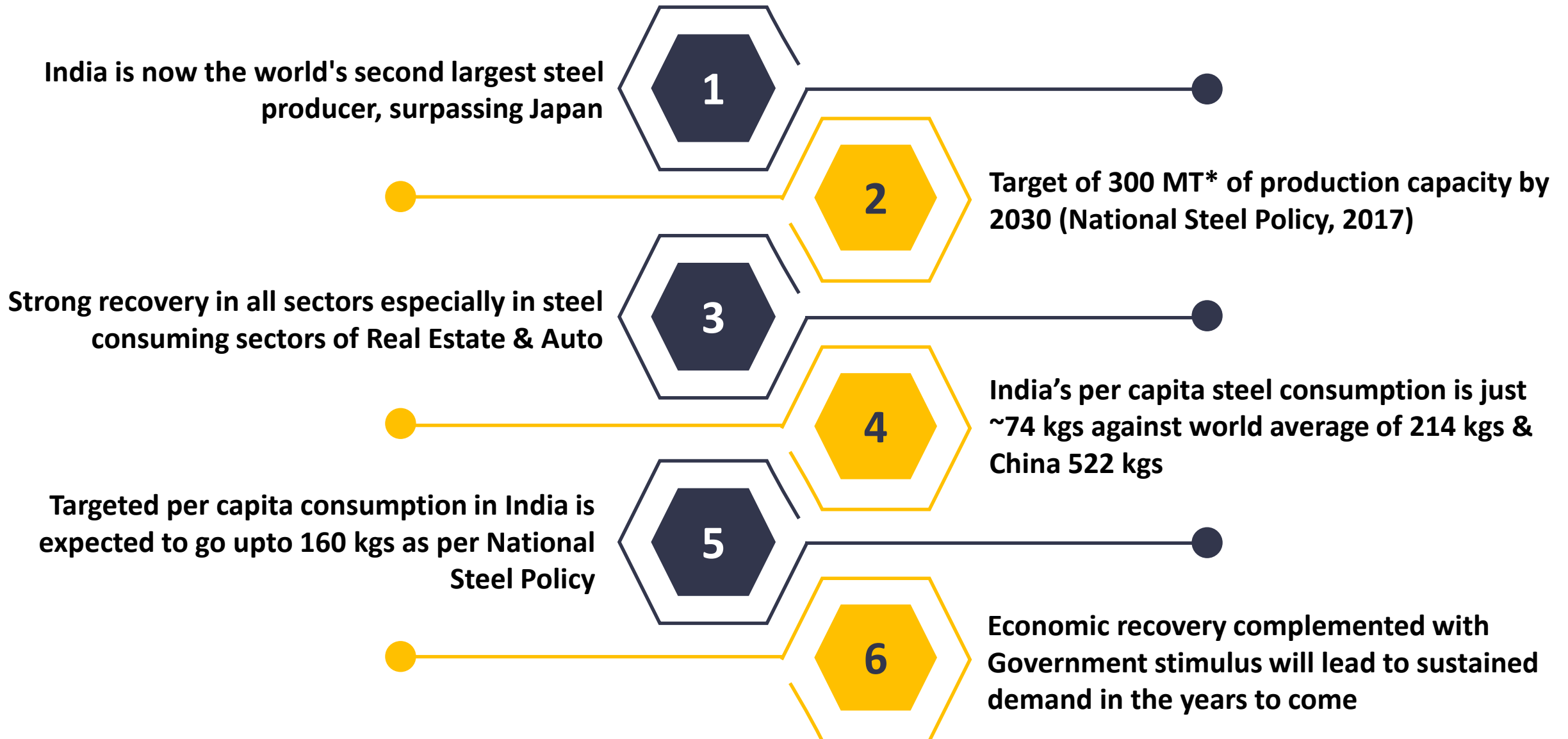
## Fresh Investments in Infrastructure

This fresh investment in power, railways, and water, coupled with renewed interest in the automobile sector is bound to bring in fresh demand for steel

## Investment allocation under NIP

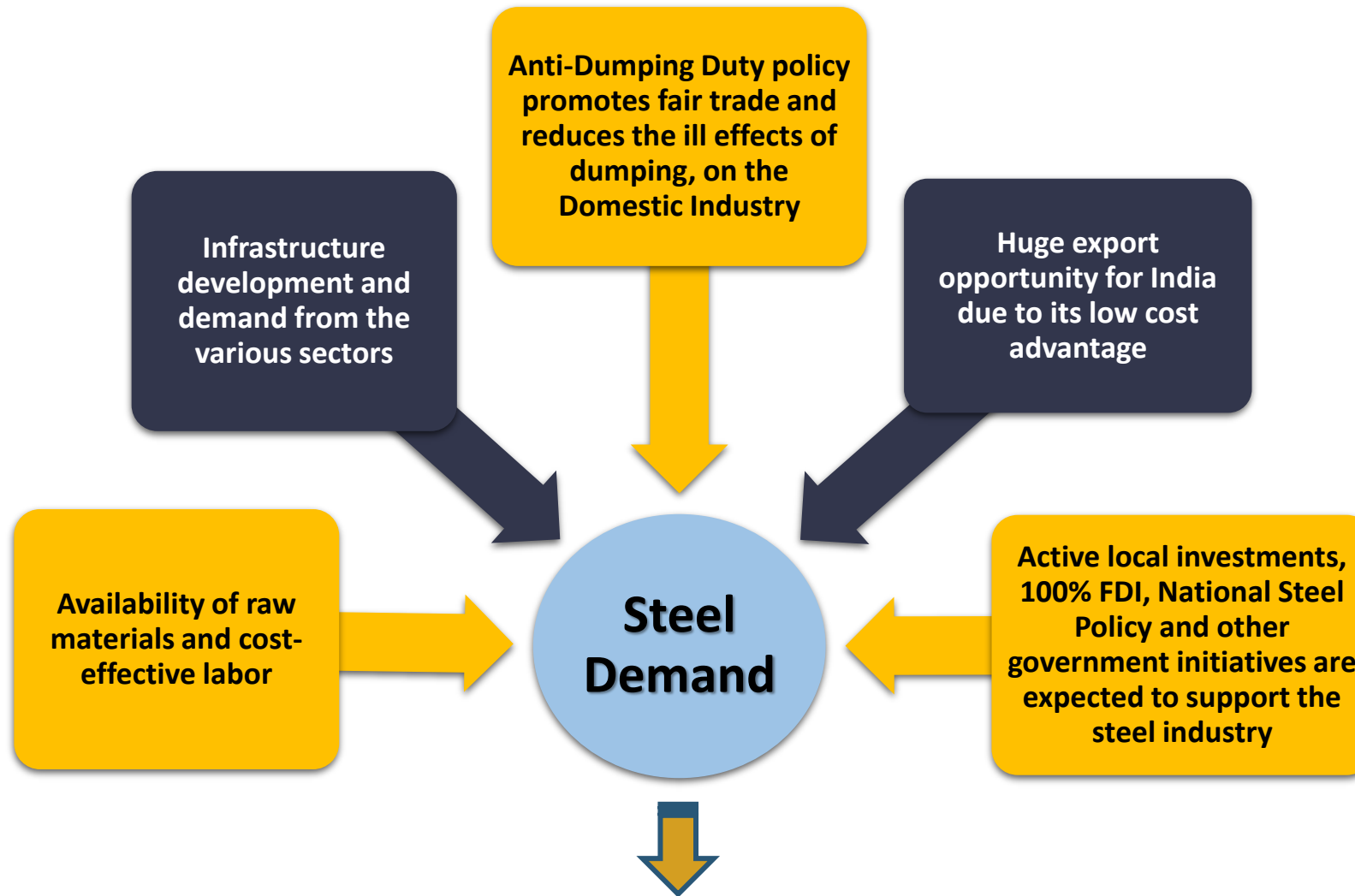


# Domestic Steel Industry on a strong footing in the long term

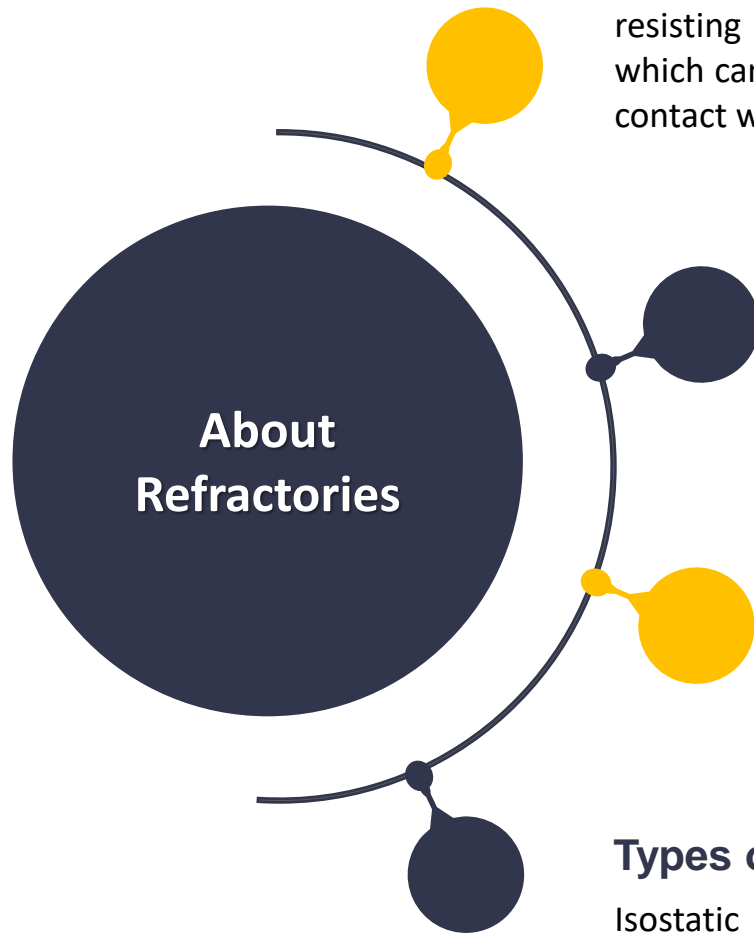




# Growth drivers of Indian Steel industry



Boost usage of refractory products significantly. Iron and steel industry accounts for approximately 71% of the refractories market share



## What are Refractories

Refractories are material having high melting points, with properties that make them suitable to act as heat-resisting barriers between high and low temperature zones. Refractories are inorganic nonmetallic material which can withstand high temperature without undergoing physical or chemical changes while remaining in contact with molten slag, metal and gases

## Raw Materials

Principal raw materials used in the production of refractories are: oxides of silicon, aluminum, magnesium, calcium and zirconium and some non-oxide refractories like alumina, carbides, nitrides, borides, silicates and graphite

## Uses

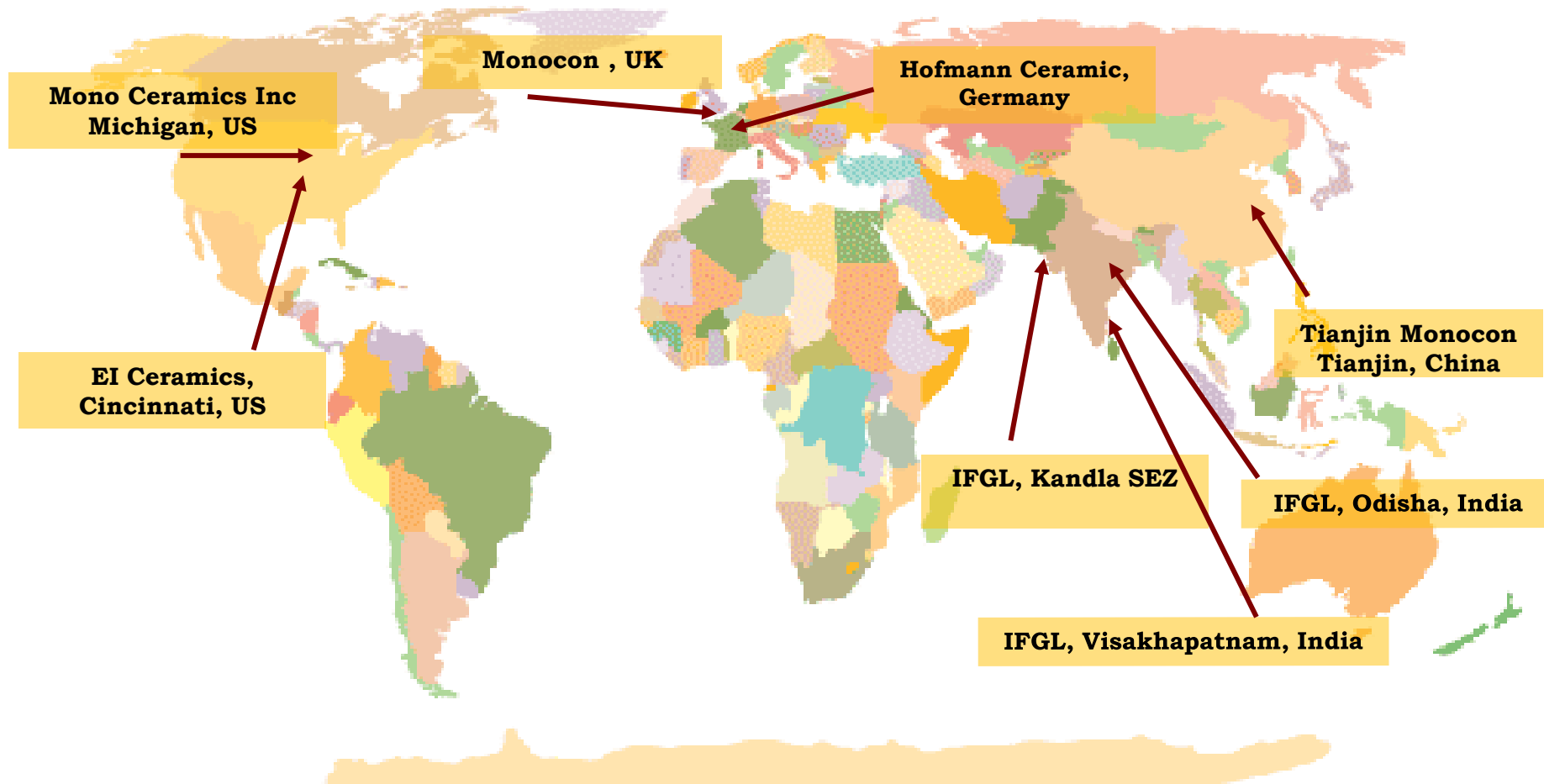
Refractories are used by metallurgy industry for flow control and also in the internal linings of furnaces, kilns, reactors and other vessels for holding and transporting metal and slag. In non-metallurgical industries, the refractories are mostly installed on fired heaters, hydrogen reformers, ammonia primary and secondary reformers, cracking furnaces, utility boilers, catalytic cracking units, coke calciner, sulphur furnaces, air heaters, ducting, stacks, etc.

## Types of Refractories

Isostatic Refractories, Slide Gate Refractories & Systems, Tube Changer Refractories & System, Purging System & Refractories, Cast Products & Zirconia Nozzles, Monolithics/ Castable & Foundry Ceramics

# About Us

# A Global MNC...



**IFGL Refractories Limited**  
3.604 Cr Equity Shares with a Face Value of Rs. 10 each

100%

**IFGL Worldwide Holdings Limited**

100%

**Monocon Group**

UK / USA / China

100%

**Hofmann  
Ceramic**

*Germany*

100%

**El Ceramics**

*USA*

Plants at Kalunga, Odisha, India  
+  
Plant at Kandla SEZ, Gujarat, India  
+  
Plant at Visakhapatnam, Andhra Pradesh, India

**...simplified to create value for shareholders**

...with proven management...



**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. James McIntosh**  
**Managing Director**

- Holder of Masters Degree in Technological Marketing
- Previously President of Company's US step down subsidiary, El Ceramics LLC
- Has wide experience of more than three decades of refractory industry worldwide



**Mr. Kamal Sarda**  
**Director & Chief Executive Officer**

- Fellow Member of ICAI and a law graduate with more than 30 years of experience in Finance, Accounts, Commercial & Operations
- More than 20 years of working experience in the refractory industry
- Previously was COO of erstwhile IFGL Refractories Ltd. till February 2011. Ex-Chairman of Indian Refractory Makers Association

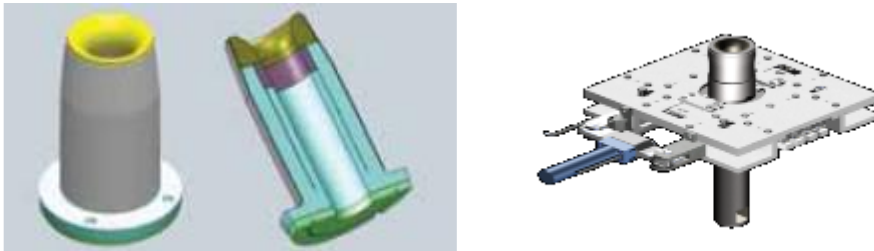
## Isostatic Refractories



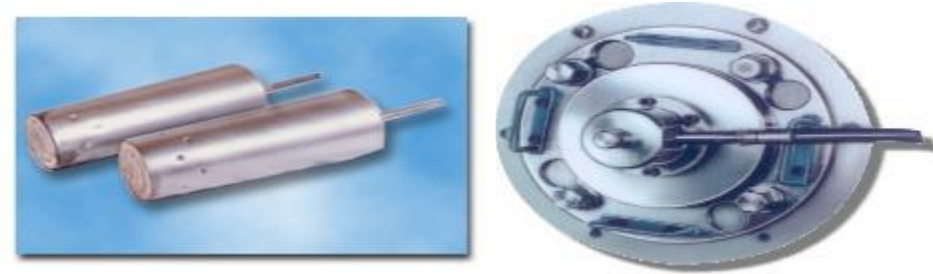
## Slide Gate Refractories & Systems



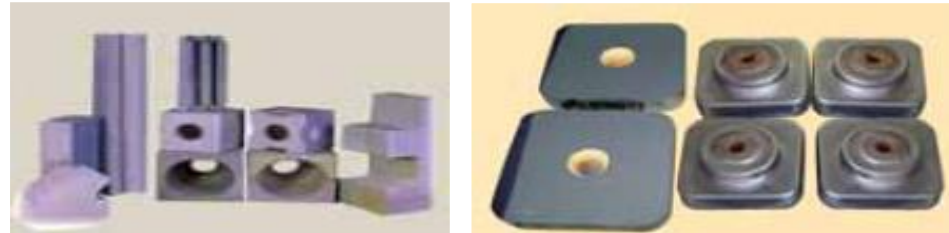
## Tube Changer Refractories & System



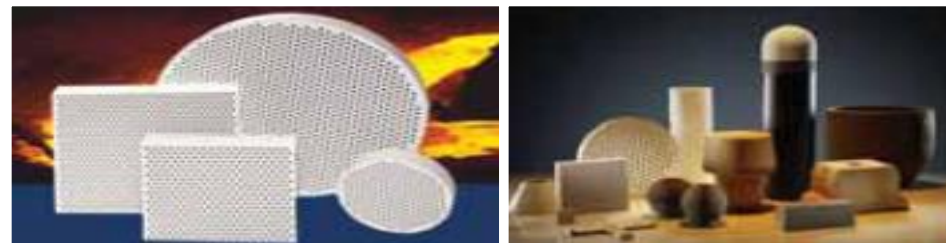
## Purging System & Refractories



## Cast Products & Zirconia Nozzles



## Foundry Ceramics





...to reputed names in the Global Steel Industry





**For further information, please contact:**



**Company :**

**IFGL Refractories Ltd.**

CIN - L51909OR2007PLC027954

Mr. Rajesh Agarwal

[rajesh.agarwal@ifgl.in](mailto:rajesh.agarwal@ifgl.in)

[www.ifglref.com](http://www.ifglref.com)

**SGA** Strategic Growth Advisors

**Investor Relations Advisors :**

**Strategic Growth Advisors Pvt. Ltd.**

CIN - U74140MH2010PTC204285

Mr. Shogun Jain / Mr. Shrenik Shah

[shogun.jain@sgapl.net](mailto:shogun.jain@sgapl.net) / [shrenik.shah@sgapl.net](mailto:shrenik.shah@sgapl.net)

+91 77383 77756 / +91 96647 64465

[www.sgapl.net](http://www.sgapl.net)