



# IFGL EXPORTS LIMITED

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E-mail : ifglexports@ifgl.in

11<sup>th</sup> September, 2017

BSE Limited  
Phirize Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

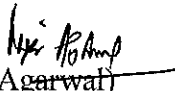
Dear Sirs,

Re: **Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**  
**Code No. 532133 in the name of IFGL Refractories Ltd (listed Amalgamating Company)**

In compliance of above, please find enclosed herewith copy of an updated Investors Presentation. Copy of this is being hosted on Company's Website: [www.ifglref.com](http://www.ifglref.com).

Thanking you,

Yours faithfully,  
For IFGL Exports Ltd.

  
(R. Agarwal)  
Company Secretary

Encl: As above



Group Company

Websites : [www.bajoria.in](http://www.bajoria.in)  
[www.ifglref.com](http://www.ifglref.com)

Works :

PLOT NOS. 638-644, KANDLA SPECIAL ECONOMIC ZONE

P.O. GANDHIDHAM - 370 230, DT. KUTCH, GUJARAT, INDIA

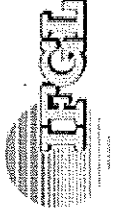
PHONE/FAX : +91 (2836) 253900

CIN : U51909WB2007PLC118407



# IFGL EXPORTS LIMITED

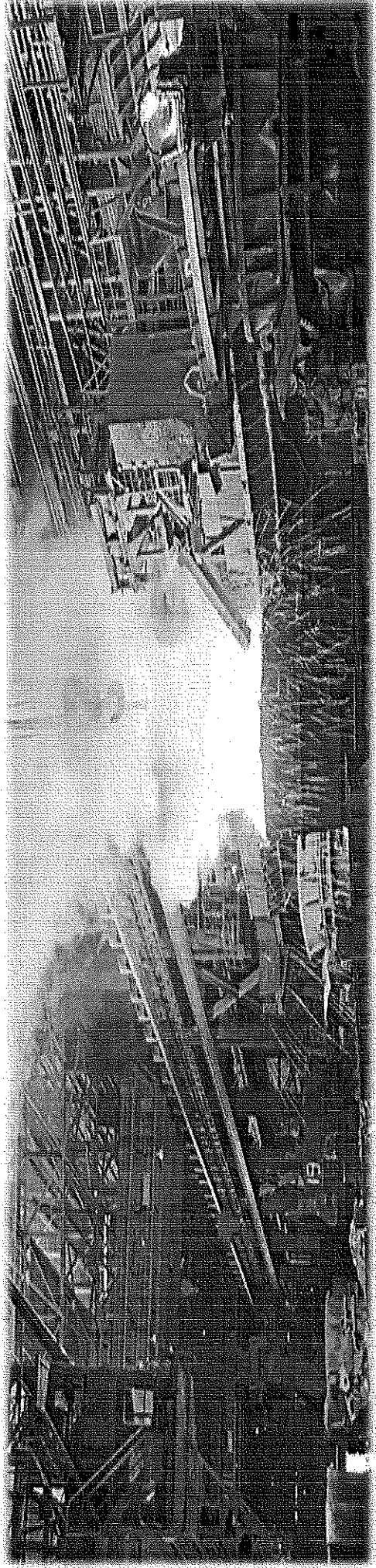
(After amalgamation of IFGL Refractories Limited)

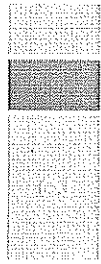


## Investor Presentation

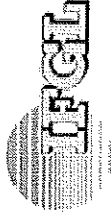
Q1 FY18

COMMITTED TO CLEAN METAL





## Safe Harbor



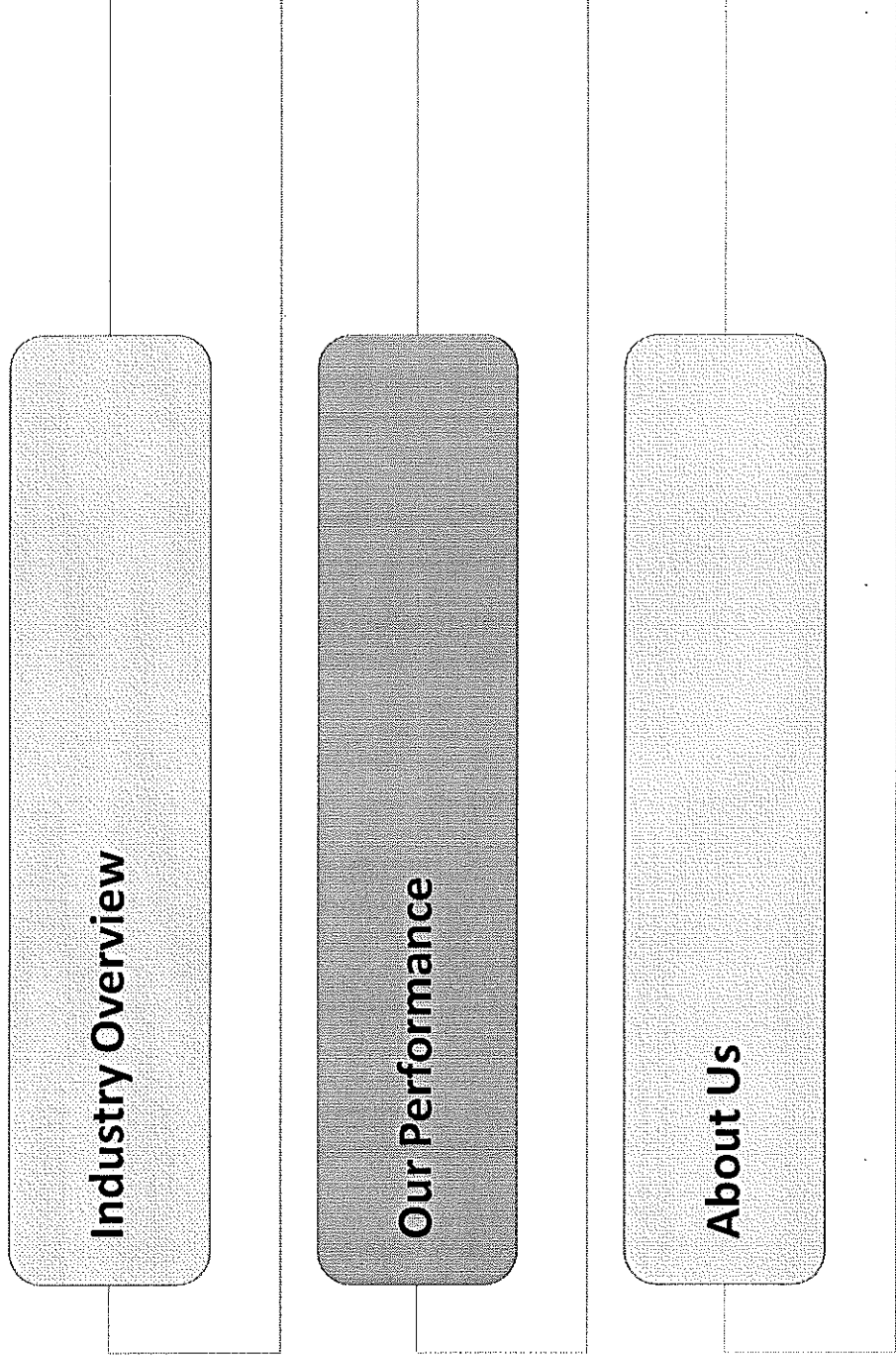
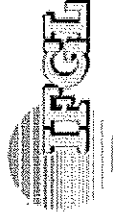
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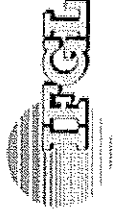
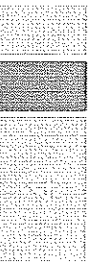
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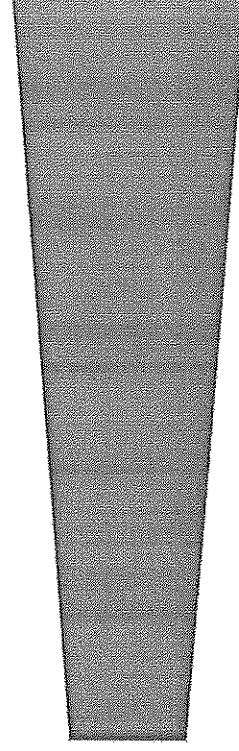
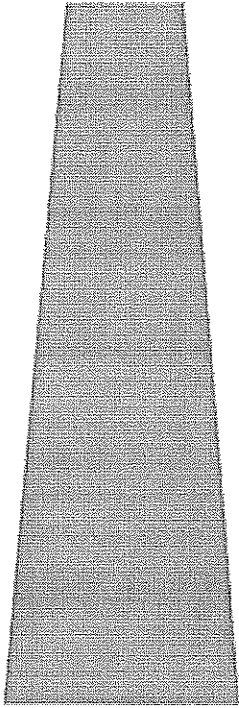


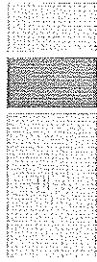
# Index





# Industry Overview

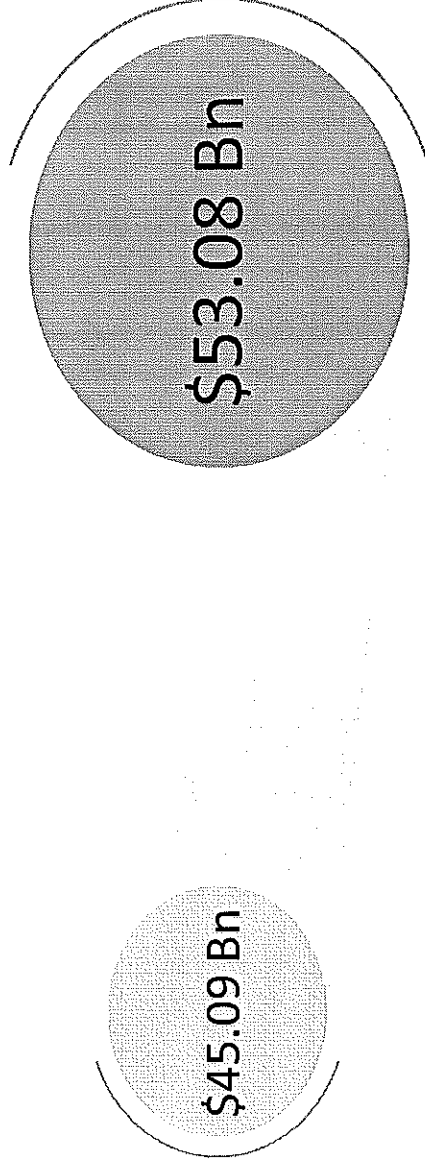




# Refractories Market to mirror Steel Demand



Global Refractories Market size



2016

2021

Growing at CAGR of 3.32%

**>60%**

Iron & Steel to contribute in Product-Demand in Volume Terms

**42.5 Mn MT**

Domestic size of Refractories Market in 2016

**15kg/tonne**

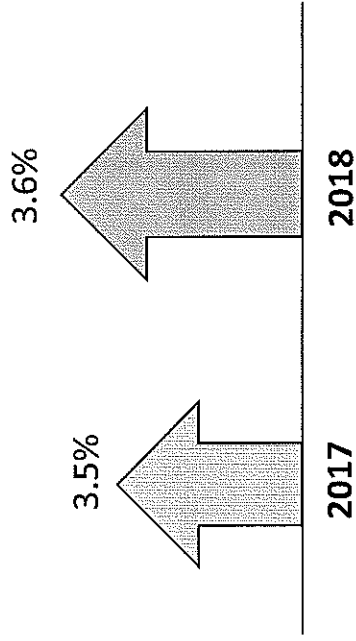
Average consumption of Refractories per tonne in crude steel



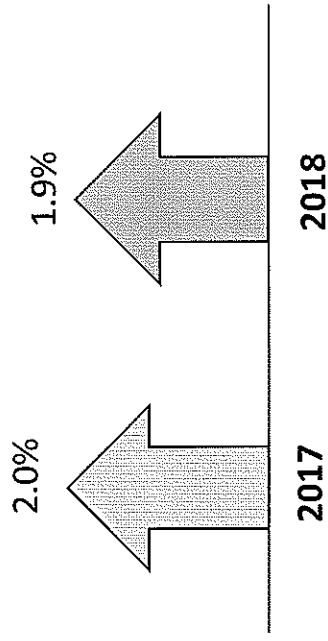
# 2017 & 2018 Global Outlook a positive



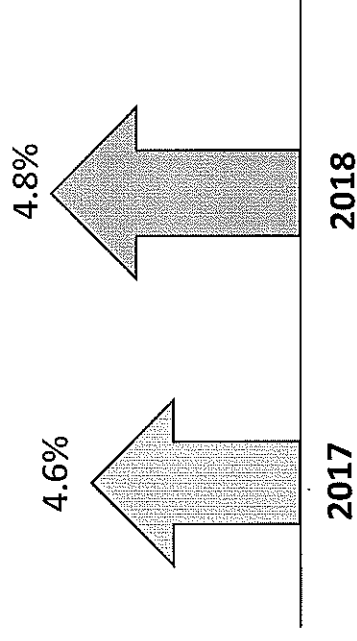
## Global Economy



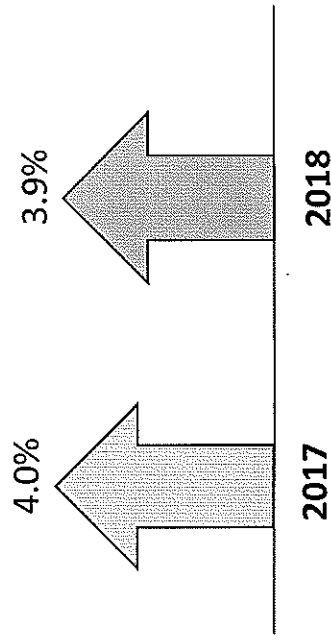
## Advanced Economy



## Emerging Market and Developing Economies

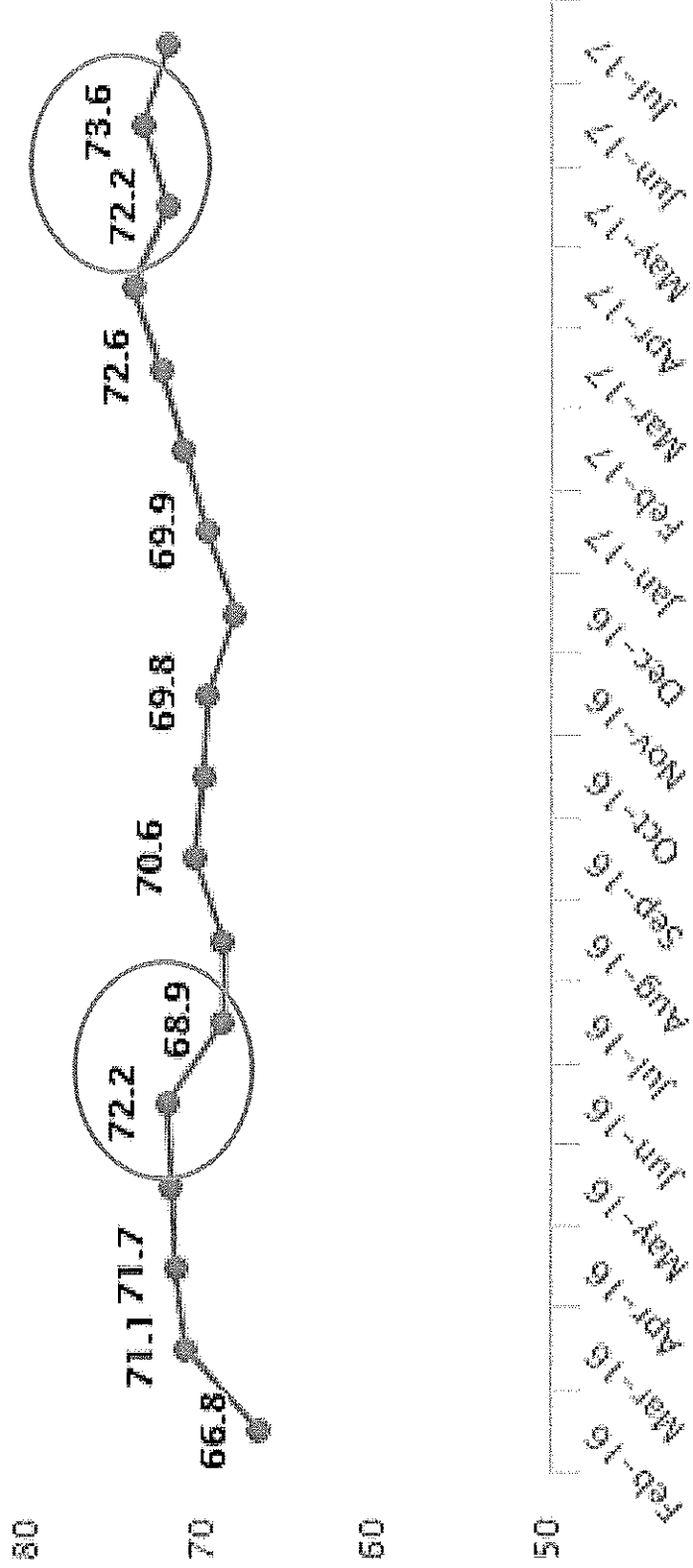
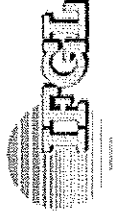


## World Trade Volumes





# World Steel Utilization levels improving

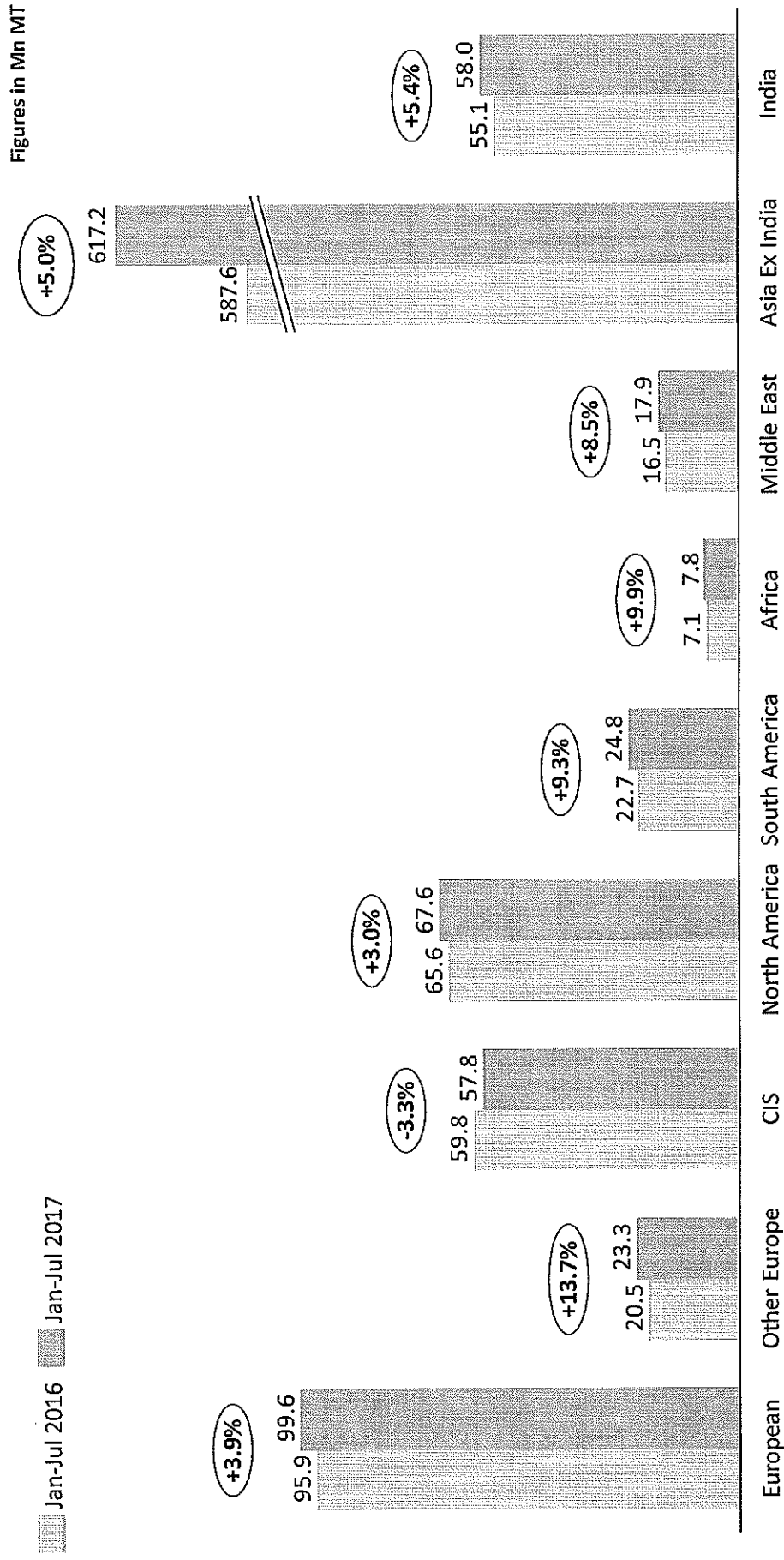


Source: Worldsteel





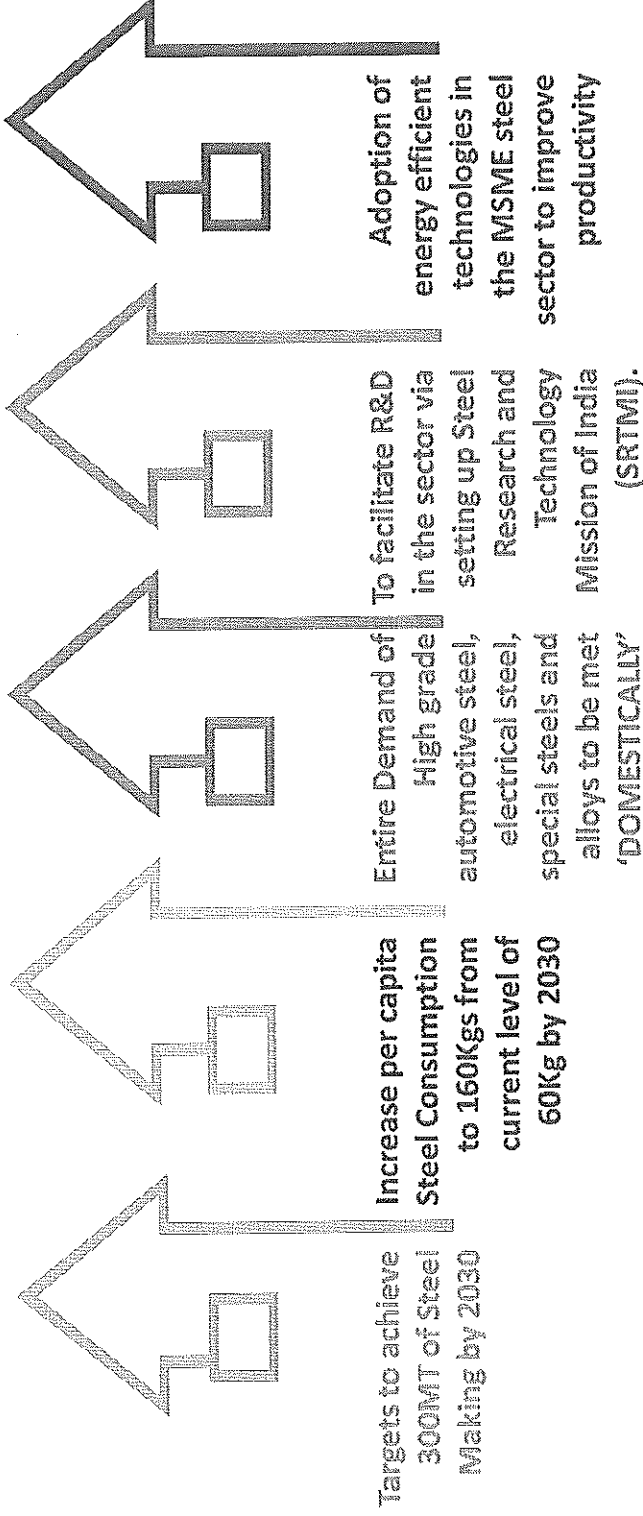
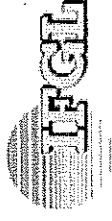
# Global Steel Production Growth



Source: Worldsteel



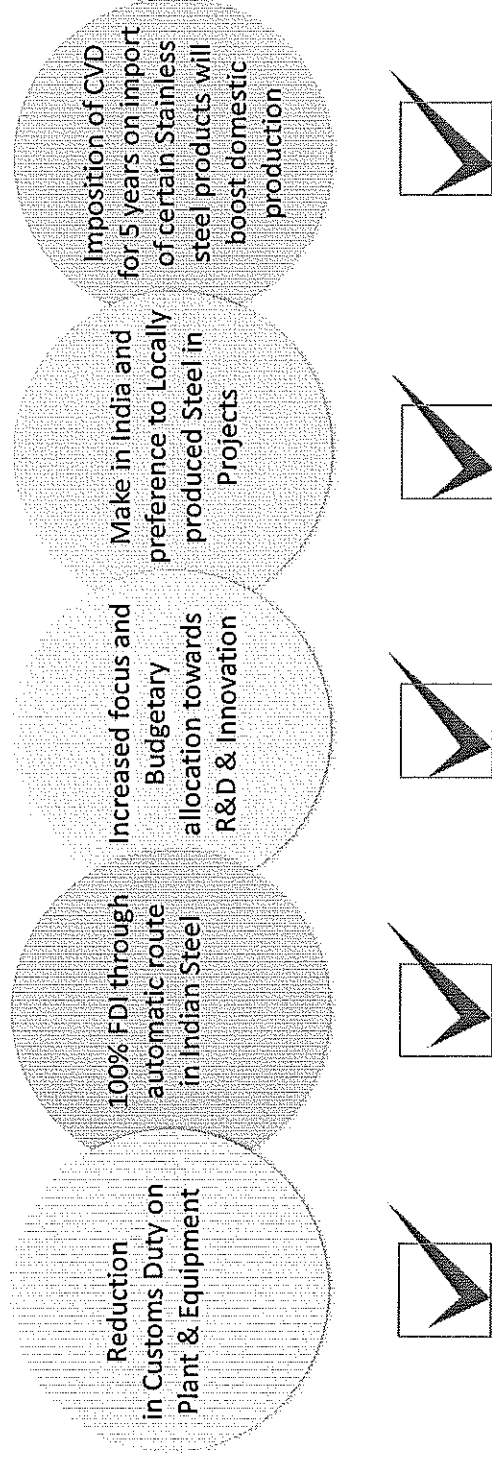
# New Steel Policy 2017...



...to bring fresh impetus to Indian Steel



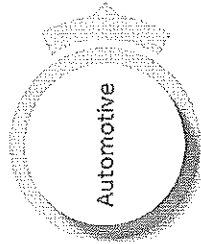
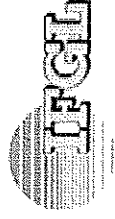
## Favorable Government Policies aiding Indian Steel



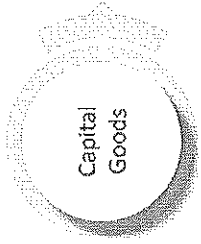
**Increasing Domestic Demand for Steel has been recognized by Indian Government by way of Sector friendly policies benefitting manufacturers of Refractories**



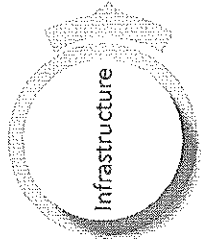
# Growing Opportunities in India a positive



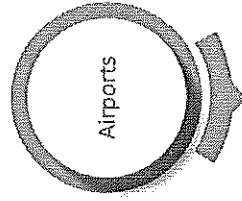
The Automotive industry is forecasted to grow in size by US\$ 74 billion in 2015 to US\$ 260-300 billion by 2026



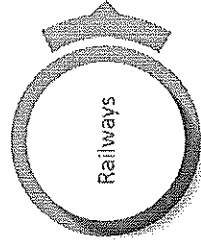
The capital goods sector accounts for 11 per cent of steel consumption and expected to increase 14/15 per cent by 2025-26 and has the potential to increase in tonnage & market share



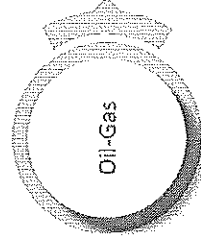
The infrastructure sector accounts for 9 per cent of steel consumption and expected to increase 11 per cent by 2025- 26



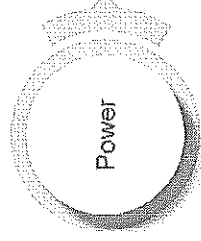
Estimated steel consumption in airport building is likely to grow more than 20 per cent over next few years



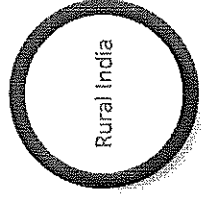
Crisil estimated that the railways sector could create business opportunities worth US\$ 99.65 billion



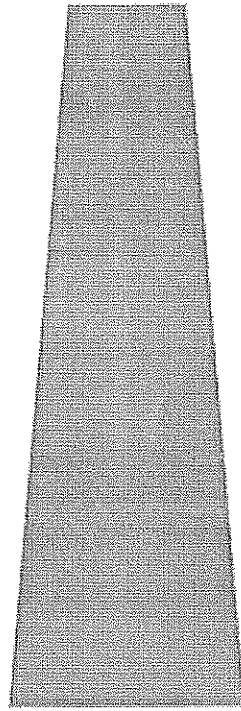
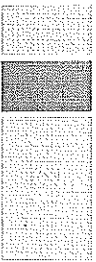
Oil and gas amongst major end-user segment accounted for ~34.4 per cent of primary energy consumption in FY16



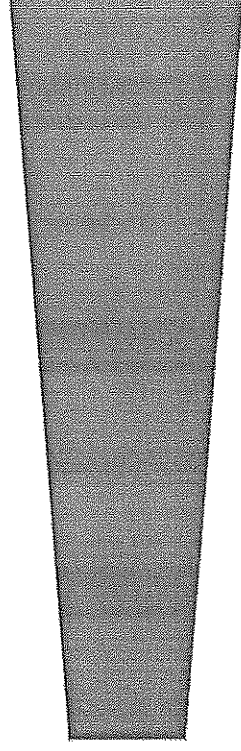
The government targets capacity addition of 100 GW under the 13th Five-Year Plan (2017-22)



Rural India is expected to reach per capita consumption of 12.11 kg to 14 kg for finished steel by 2020



## **Our Performance**





## Merger of IFGL Refractories with IFGL Exports



- ❖ Hon'ble NCLT sanctioned merger of IFGL Refractories (IFGL) with IFGL Exports (IEL) on and from 01.04.2016 by passing an Order on 3<sup>rd</sup> August, 2017. Merger has become effective from 5<sup>th</sup> August 2017
- ❖ FY17 and Q1 FY18 financials reflect operations of both IFGL and IEL eliminating inter Company transactions
- ❖ Merger has been accounted following "Purchase method". Goodwill of Rs. 267 Crs arising on amalgamation is being amortised over a period of 10 years
- ❖ Following the merger, IFGL's 51% shareholding in IEL gets cancelled and to that extent profitability of merged IEL improves
- ❖ Record Date for ascertaining shareholders of IFGL entitled to equity shares of IEL has been fixed as 15<sup>th</sup> September, 2017
- ❖ Trading in equity shares of IFGL will stand suspended from 14<sup>th</sup> September, 2017. Equity shares of IEL to be issued and allotted to the eligible shareholders of IFGL and will be listed on both BSE and NSE



# Consolidated Profit & Loss



Particulars [Rs. Crs]	Q1 FY18 #	Q1 FY17 #	Growth %
<b>Total Income</b>	<b>202.4</b>	<b>186.9</b>	<b>8.3%</b>
Raw Material	100.8	89.2	
Employee Expenses	32.6	31.0	
Other Expenses	43.8	44.4	
<b>EBITDA</b>	<b>25.3</b>	<b>22.4</b>	<b>13.1%</b>
<b>EBITDA %</b>	<b>12.5%</b>	<b>12.0%</b>	
Depreciation	4.0	3.9	
Goodwill written off*	6.7	6.7	
Finance Cost	1.1	1.1	
<b>Profit before Tax</b>	<b>13.6</b>	<b>10.7</b>	<b>27.2%</b>
Tax	2.3	1.7	
<b>Profit after Tax</b>	<b>11.2</b>	<b>9.0</b>	<b>24.6%</b>
<b>Earnings Per Share</b>	<b>3.1</b>	<b>2.5</b>	
<b>Cash Profit</b>	<b>21.9</b>	<b>19.7</b>	<b>11.6%</b>
<b>Cash Earnings Per Share</b>	<b>6.1</b>	<b>5.5</b>	

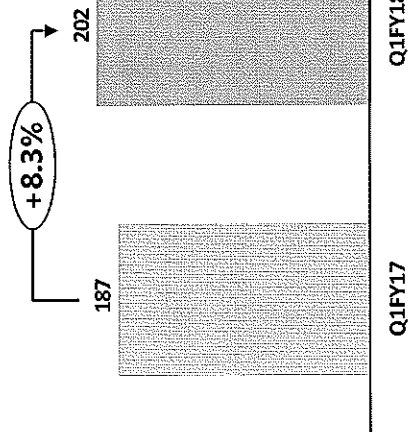
\* Goodwill on account of Merger is being written off over a period of 10 years  
# After giving effect of Merger & IndAS adjustments



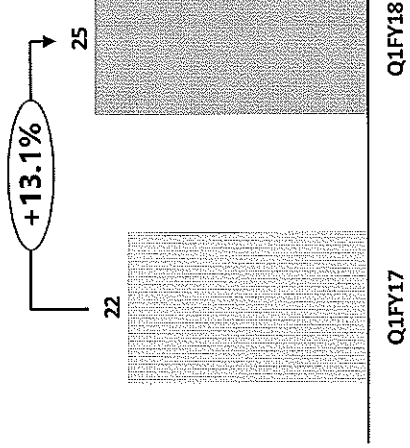
# Consolidated Financial Highlights as per IndAS



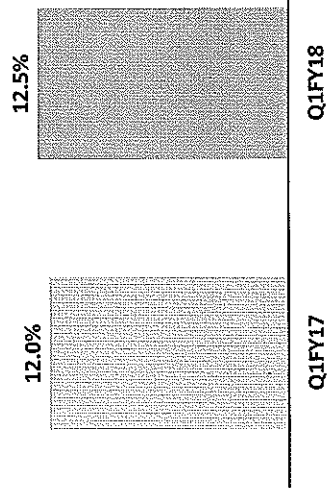
Total Income [Rs. Crs]



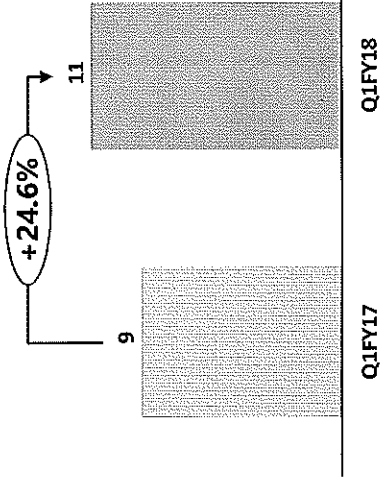
EBITDA [Rs. Crs]



EBITDA margin [%]



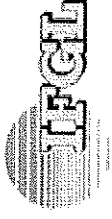
PAT [Rs. Crs]



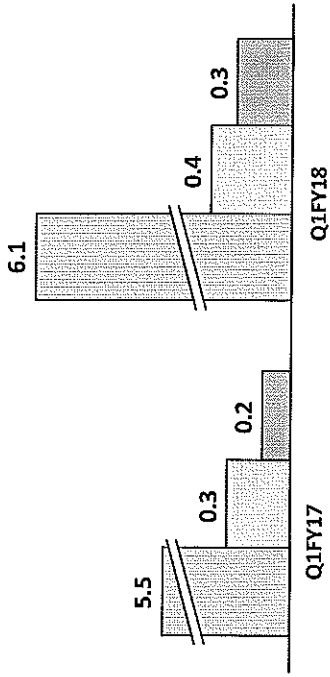




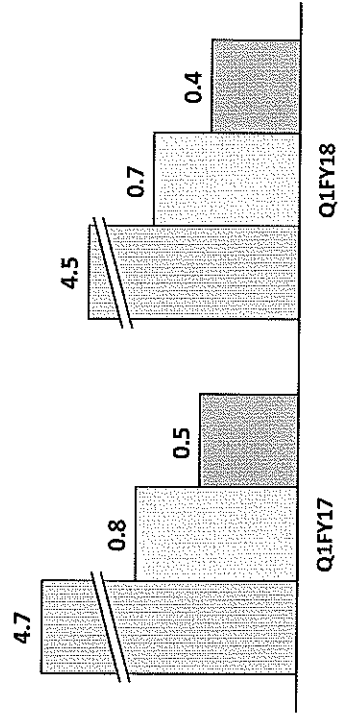
# Subsidiaries Performance



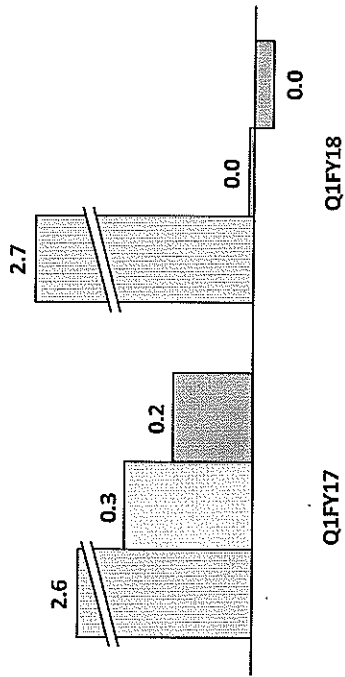
Monocon Group [GBP mn]



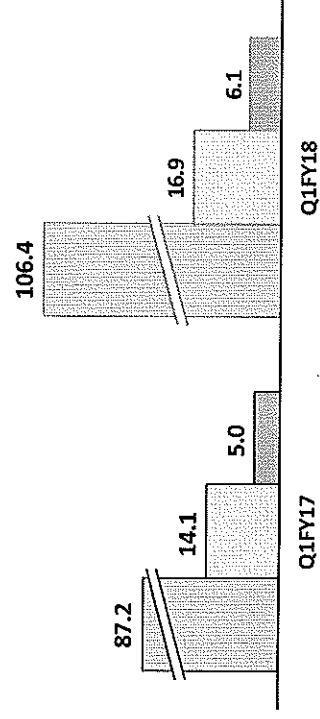
EI Ceramics [\$ mn]



Hofmann Ceramic [Euro mn]



IFGL Standalone\* [Rs. Crs]

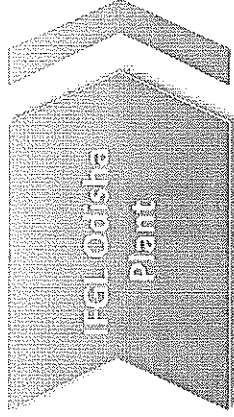


Revenue  
EBITDA  
PAT

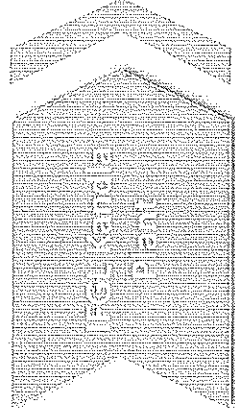
\* IFGL Exports (after merger of IFGL Refractories)



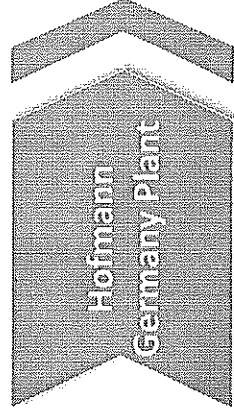
# Ongoing Capex in FY18 to boost performance



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



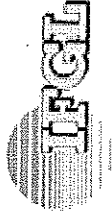
~10Cr Capex: To increase the present capacity of ISO  
products from 160,000 pcs p.a. to 240,000 pcs p.a.



~Euro 2mn Capex: Capacity Increase  
Automation  
Efficiency Enhancement



## Consistently performing over the years...

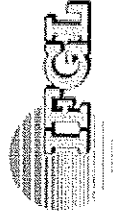


Particulars [Rs. Crs]	FY13	FY14	FY15	FY16	FY17	CAGR
<b>Total Income</b>	<b>676.8</b>	<b>781.0</b>	<b>793.5</b>	<b>722.1</b>	<b>768.3</b>	<b>6.4%</b>
Raw Material	352.3	378.0	406.1	365.2	362.0	
Employee Expenses	98.7	110.0	117.9	119.6	125.4	
Other Expenses	163.2	181.0	170.6	156.1	183.4	
<b>EBITDA</b>	<b>62.7</b>	<b>113.0</b>	<b>98.9</b>	<b>81.2</b>	<b>97.5</b>	<b>20.1%</b>
<b>EBITDA %</b>	<b>9.3%</b>	<b>14.5%</b>	<b>12.5%</b>	<b>11.2%</b>	<b>12.7%</b>	
Depreciation & Amortization	13.4	15.0	14.3	15.6	17.4	
Goodwill written off*	-	-	-	-	26.8	
Finance Cost	8.0	7.0	5.9	4.8	4.5	
<b>Profit before Tax and Minority Interest (MI)</b>	<b>41.3</b>	<b>91.0</b>	<b>78.7</b>	<b>60.9</b>	<b>48.8</b>	<b>-19.9%</b>
Tax	15.9	25.0	25.4	15.7	4.6	
<b>Profit after Tax &amp; before MI</b>	<b>25.4</b>	<b>66.0</b>	<b>53.3</b>	<b>45.2</b>	<b>44.2</b>	<b>-2.2%</b>
Minority Interest	-2.8	2.0	0.2	3.2	0.0	
<b>Profit after Tax &amp; MI</b>	<b>28.2</b>	<b>64.0</b>	<b>53.1</b>	<b>41.9</b>	<b>44.2</b>	<b>5.5%</b>
<b>Cash Profit</b>	<b>41.6</b>	<b>79.0</b>	<b>67.4</b>	<b>57.5</b>	<b>88.3</b>	<b>53.6%</b>

\* Goodwill on account of Merger is being written off over a period of 10 years



# Consolidated Balance Sheet



Particulars [Rs. Crs]	FY17 *	FY17 *
Shareholders Fund	684	496
Share capital #	36	372
Reserves & Surplus	648	109
Minority Interest	0	15
<b>Non-current liabilities</b>	<b>21</b>	<b>1</b>
Long term borrowings	14	0
Deferred Tax Liabilities (net)	6	402
Long-term provisions	0	11
<b>Current Liabilities</b>	<b>192</b>	<b>94</b>
Short term borrowings	61	228
Trade Payables	119	56
Other current liabilities	11	9
Short-term provisions	0	4
<b>Total Liabilities</b>	<b>897</b>	<b>897</b>
Particulars [Rs. Crs]		
<b>Non-current assets</b>		<b>496</b>
Fixed assets^A		372
Goodwill on Consolidation		109
Long-term loans and advances		15
Non-current investments		1
Other Non Current Assets		0
<b>Current assets</b>		<b>402</b>
Current Investments		11
Inventories		94
Trade receivables		228
Cash and bank balances		56
Short-term loans and advances		9
Other current assets		4
<b>Total Assets</b>		<b>897</b>

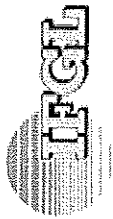
\* Audited Balance sheet post Merger

# Includes FV of Equity shares to be allotted to the shareholders of IFGL Refractories

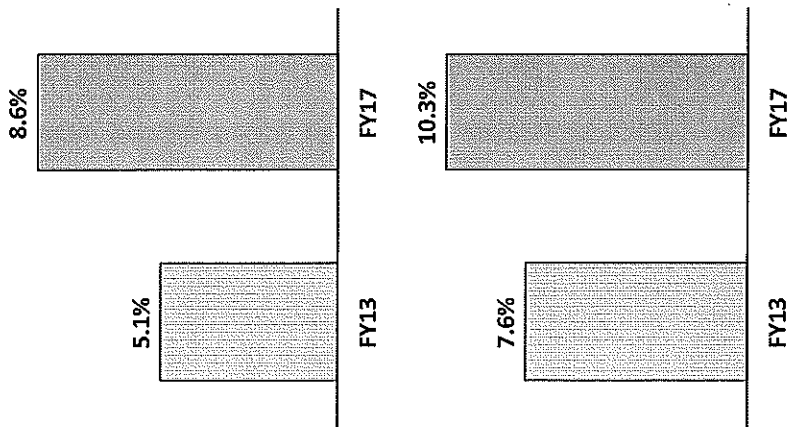
^ Includes GW arisen on merger of Rs. 247 crs after write off of Rs. 27 Cr in FY17



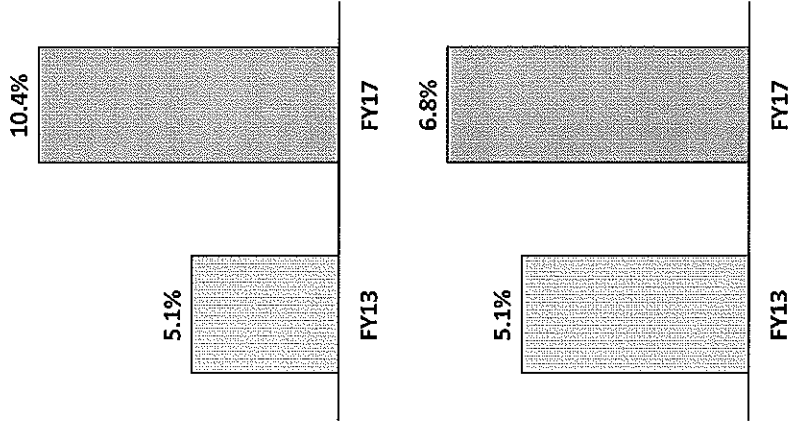
# ...with steady overseas subsidiaries performance...



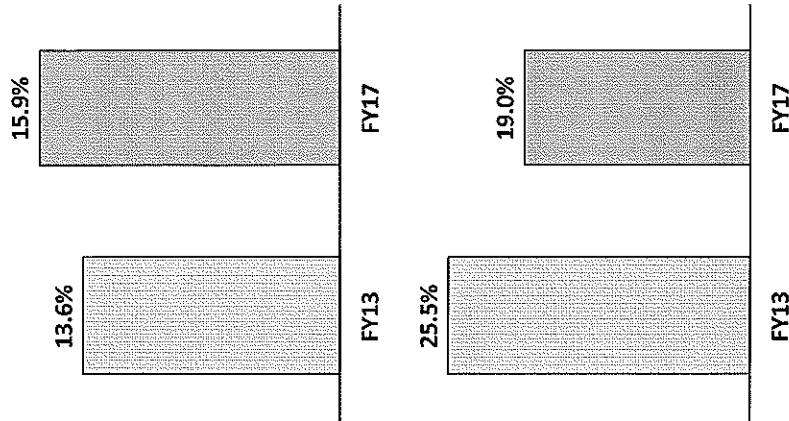
Monocon Group [GBP mn]



Hofmann Ceramic [Euro mn]

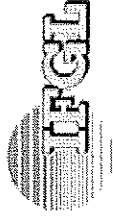


EI Ceramics [\$ mn]

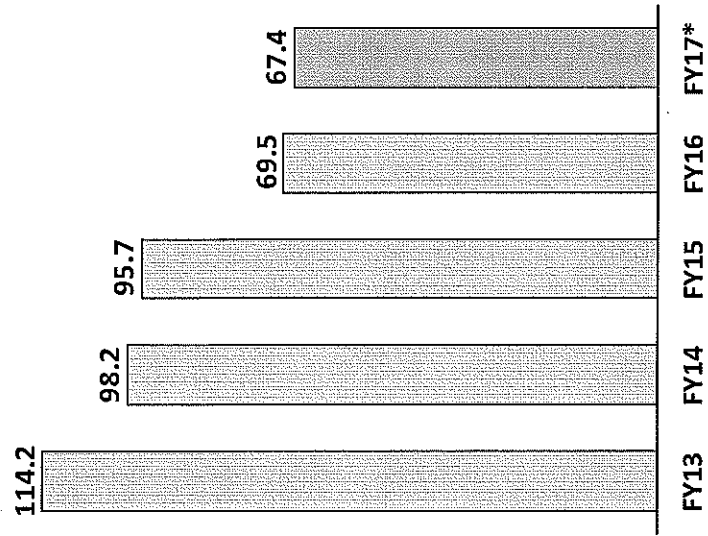




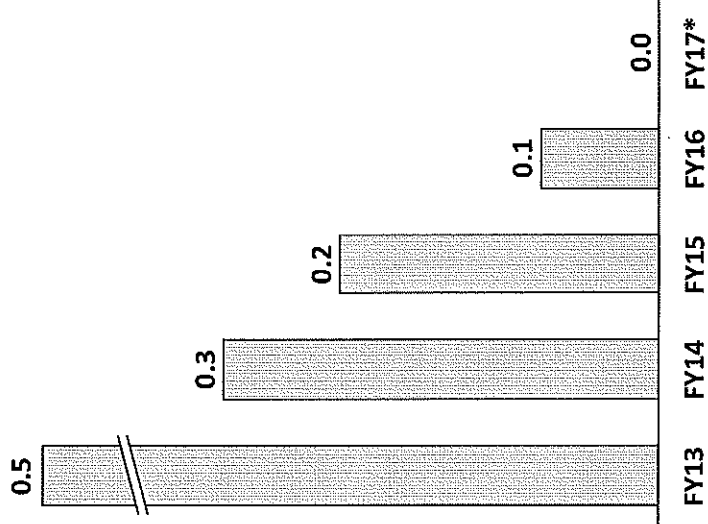
...to create sustainable shareholder value...



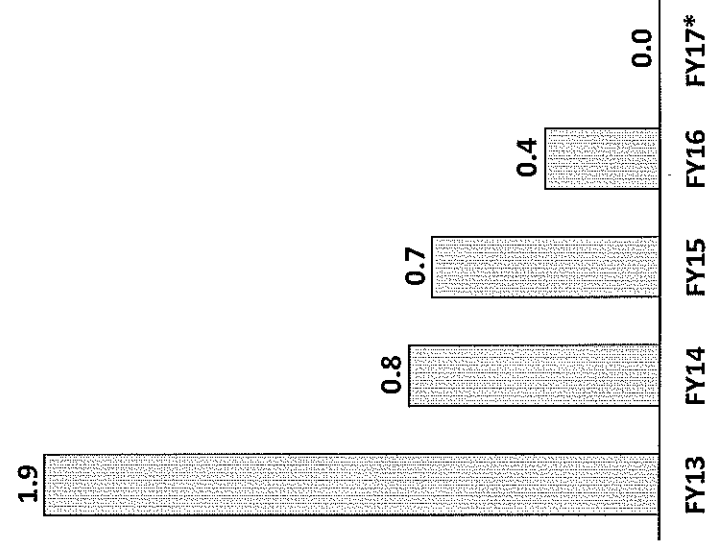
Gross Debt (Rs.Cr)



Net Debt : Equity [x]



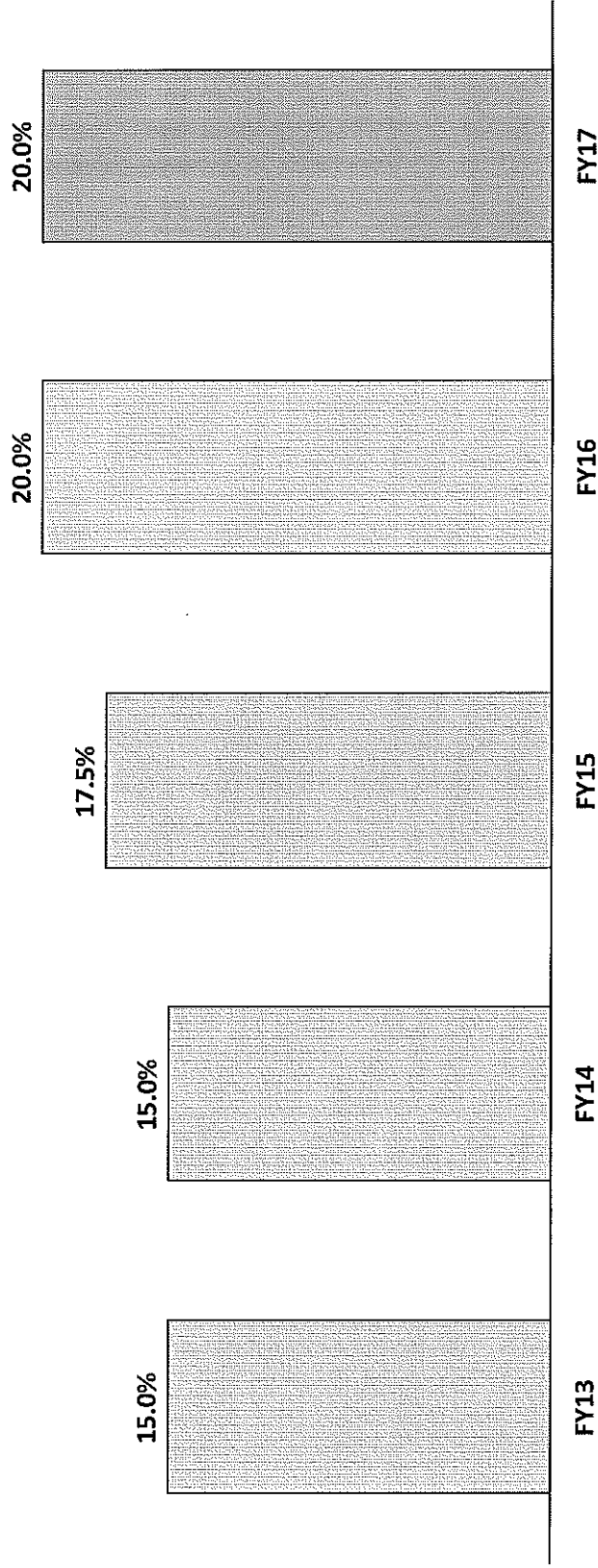
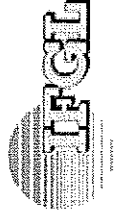
Net Debt : EBITDA [x]



\* FY17 figures as per Audited Balance sheet post Merger

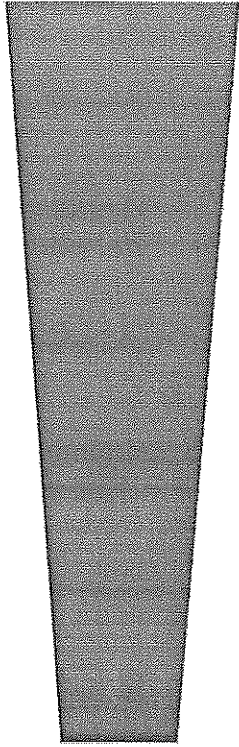


## ...with consistent Payout

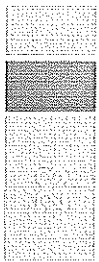
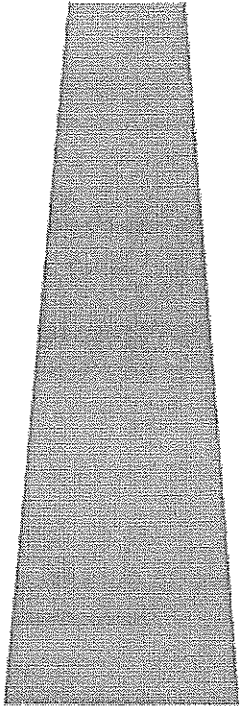


Particulars (Rs.)	FY13	FY14	FY15	FY16	FY17
Consolidated Book Value per Share	70.9	95.1	99.6	111.7	189.9
Consolidated Earning Per Share	7.9	18.3	15.1	12.1	12.6
Dividend Per Share	1.5	1.75	2.00	2.00	2.00

\* Subject to approval, on enhanced share capital



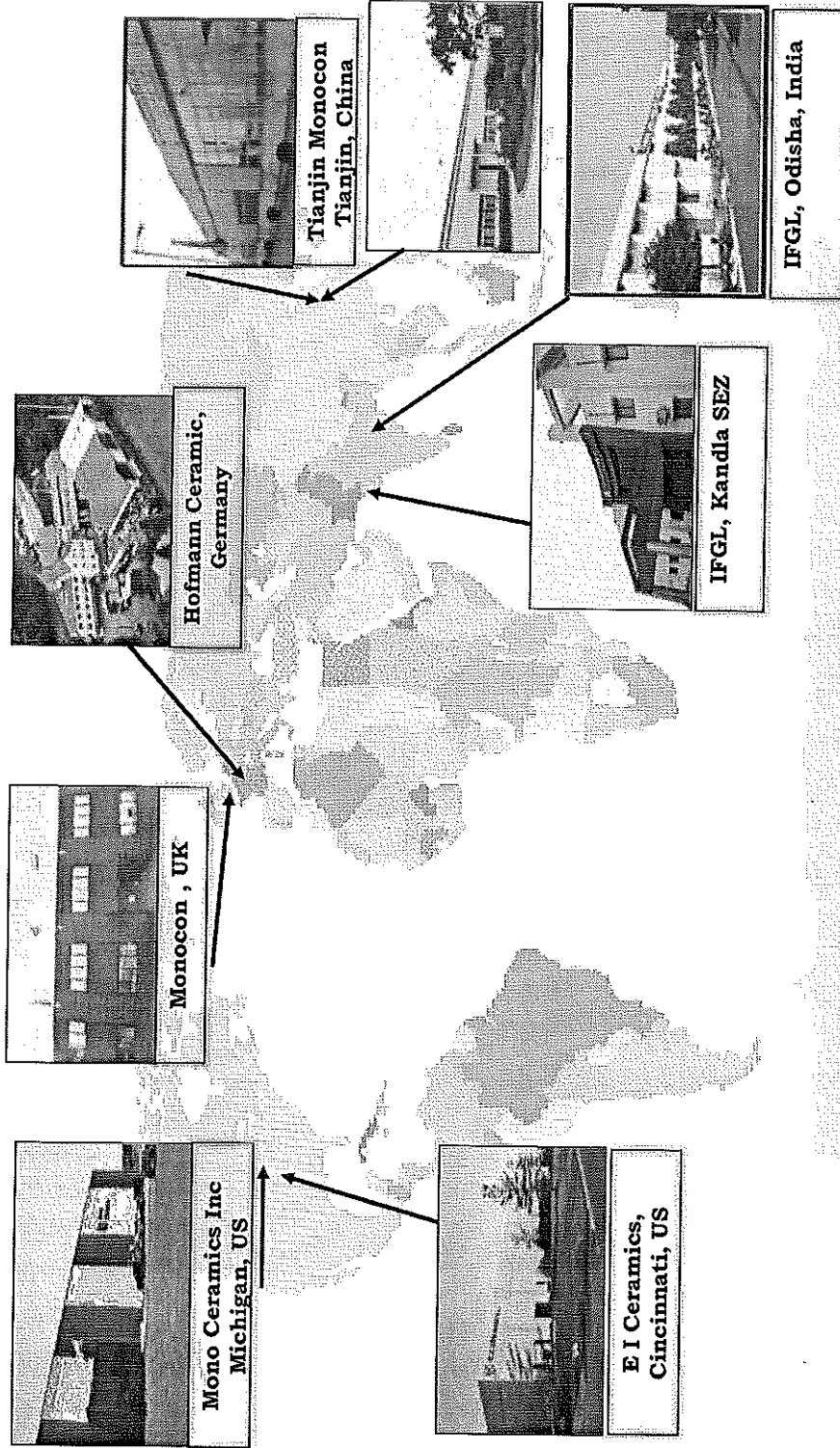
## About Us







# A Global MNC...





...with proven management...

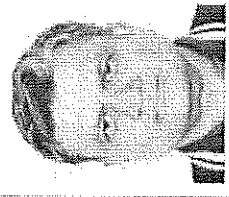


**Mr. S.K. Bajoria -  
Chairman**



- 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. P. Bajoria -  
Managing Director**



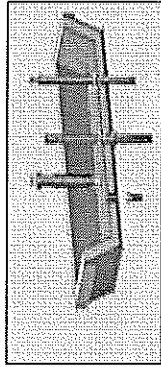
- Associated with IFGL from the very early days of Indo Flogates, even before the start of production in 1984. Has been Director & Chief Executive of erstwhile Indo Flogates Ltd.
- More than 30 years of experience of Refractory Industry and has been involved in various capacities in Indian Refractories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



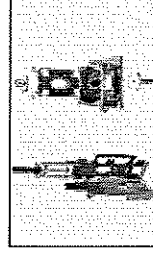
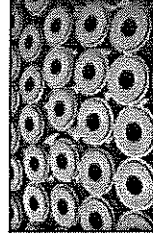
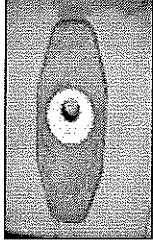
...serving the specialized refractory segment...



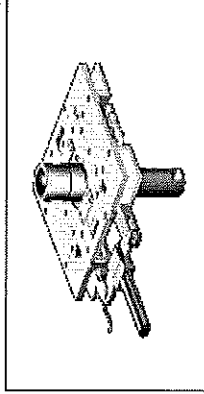
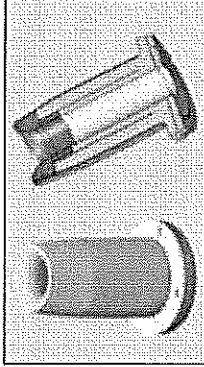
Isostatic Refractories



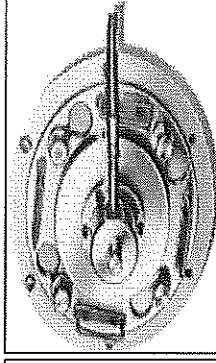
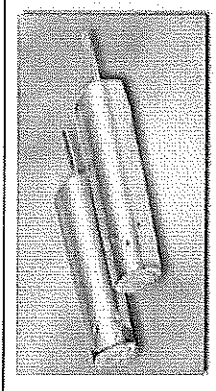
Slide Gate Refractories & Systems



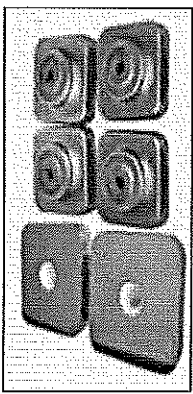
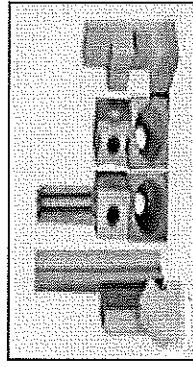
Tube Changer Refractories & System



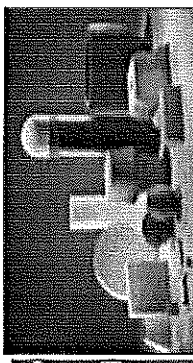
Purging System & Refractories



Cast Products & Zirconia Nozzles



Foundry Ceramics



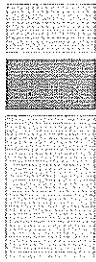


...to reputed names in the Global Steel Industry



A collection of logos for various steel companies, arranged in a grid-like fashion. The logos include:

- ArcelorMittal**: Logo with a stylized 'A' and the company name.
- TATA**: Logo with a stylized 'T' and the company name.
- HYUNDAI STEEL**: Logo with a stylized 'H' and the company name.
- ThyssenKrupp**: Logo with a stylized 'TK' and the company name.
- saarstahl**: Logo with a stylized 'S' and the company name.
- ISIDEMIR**: Logo with a stylized 'I' and the company name.
- ERDEMIR**: Logo with a stylized 'E' and the company name.
- KUMHO**: Logo with a stylized 'K' and the company name.
- GERDAU**: Logo with a stylized 'G' and the company name.
- ONE**: Logo with a stylized 'O' and the company name.
- RAUTARUUKKI**: Logo with a stylized 'R' and the company name.
- CELISA GROUP**: Logo with a stylized 'C' and the company name.
- ISM**: Logo with a stylized 'I' and the company name.
- OVAKO**: Logo with a stylized 'O' and the company name.
- JINDAL STEEL & POWER**: Logo with a stylized 'J' and the company name.
- MEGASTEEL SDN BHD**: Logo with a stylized 'M' and the company name.
- CHINA STEEL**: Logo with a stylized 'C' and the company name.
- Severstal**: Logo with a stylized 'S' and the company name.
- QATAR STEEL**: Logo with a stylized 'Q' and the company name.
- BP Bhusan POWER & STEEL**: Logo with a stylized 'B' and the company name.
- BLUESCOPE STEEL**: Logo with a stylized 'B' and the company name.
- NLMK**: Logo with a stylized 'N' and the company name.
- Southern Steel**: Logo with a stylized 'S' and the company name.
- VIZAL STEEL**: Logo with a stylized 'V' and the company name.
- Tenaris**: Logo with a stylized 'T' and the company name.
- OSIDENOR**: Logo with a stylized 'O' and the company name.
- Emirates Steel**: Logo with a stylized 'E' and the company name.
- ERDEMIR**: Logo with a stylized 'E' and the company name.
- COLUMBIUS STAINLESS**: Logo with a stylized 'C' and the company name.
- KSC**: Logo with a stylized 'K' and the company name.
- NUCOR**: Logo with a stylized 'N' and the company name.
- INDUSTRIAL STEEL**: Logo with a stylized 'I' and the company name.
- MEGASTEEL SDN BHD**: Logo with a stylized 'M' and the company name.
- 南達**: Logo with a stylized 'N' and the company name.



**For further information, please contact:**

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**CIN - U51909WB2007PLC118407**

**Mr. Rajesh Agrawal**

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**Investor Relations Advisors :**

**Strategic Growth Advisors Pvt. Ltd.**

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