



IFGL REFRACTORIES LIMITED

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11th May, 2019

National Stock Exchange of India Ltd
'Exchange Plaza', C-1, Block – G
Bandra – Kurla Complex
Bandra (E), Mumbai 400 051
Code: IFGLEXPOR

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
Code: 540774


Dear Sirs,

Re: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In compliance of above, please find enclosed herewith an Investors Presentation on Q4 FY2018-19/FY2018-19 audited financial results. Copy of this is also being hosted on Company's Website: www.ifglref.com.

Thanking you,

Yours faithfully,
For IFGL Refractories Ltd.,


(R Agarwal)
Company Secretary

Encl: As above

**COMMITTED TO
CLEAN METAL**



IFGL Refractories Limited

(Formerly IFGL Exports Limited)

Investor Presentation
May 2019



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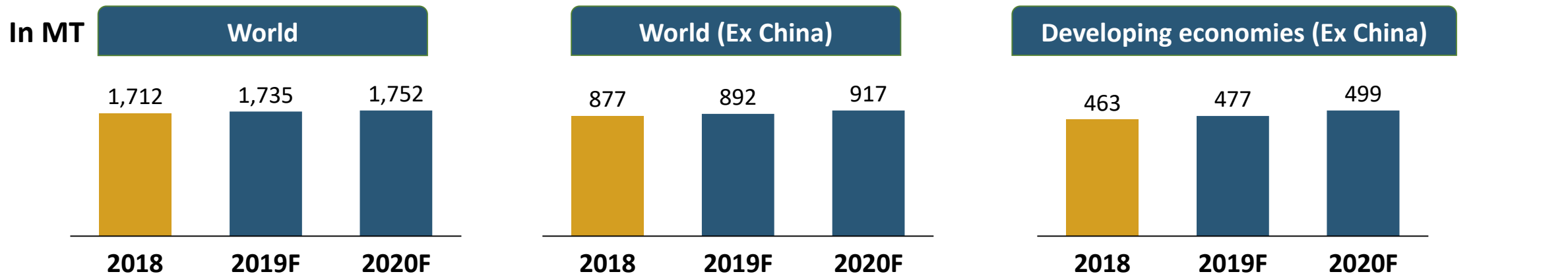
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The background features a white central area with two large triangles: a dark blue triangle on the left and a gold triangle on the right, both pointing towards the center.

Industry Overview

Global Steel Demand outlook



Source: World Steel Association

Reasons contributing to growth



➤ Global outlook:

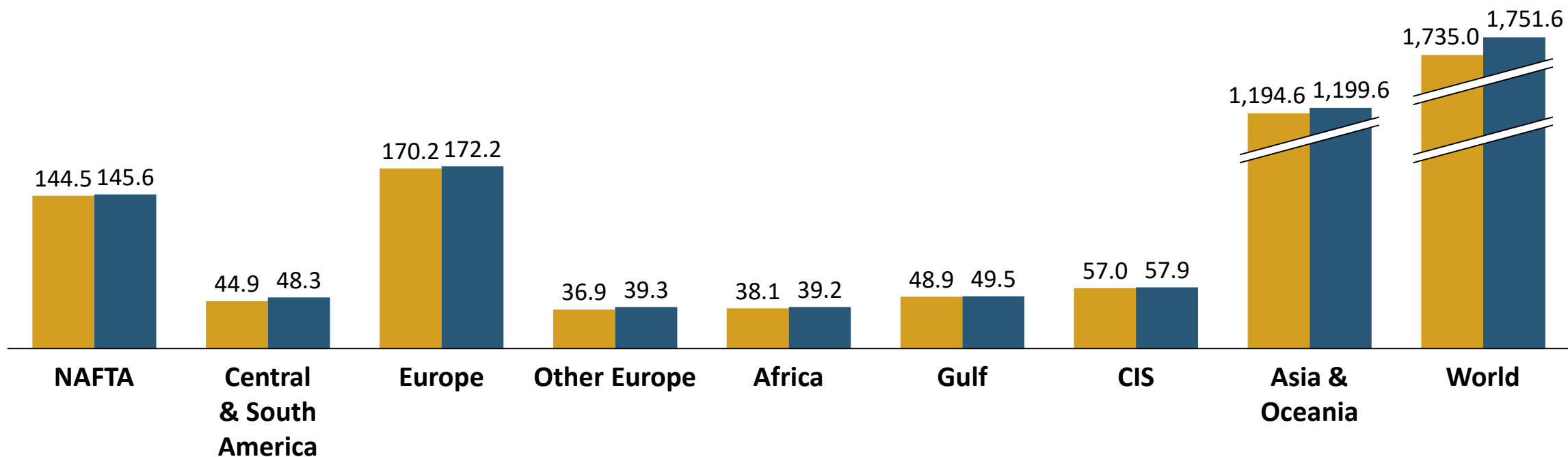
- Global steel demand is expected to continue to grow in 2019 and 2020
- However, uncertainty surrounding trade policies, volatility in the financial markets and China's deceleration could pose downside risks to this forecast

➤ India Outlook:

- Indian economy is expected to achieve a faster growth starting in the second half of 2019 after the election results and a stable government is in place
- Wide range of continuing infrastructure projects is likely to support growth in steel demand above 7% in both 2019 and 2020
- Growth in motor vehicles, mechanical engineering as well as construction is expected to surpass that of the emerging market average, providing a solid basis for domestic demand

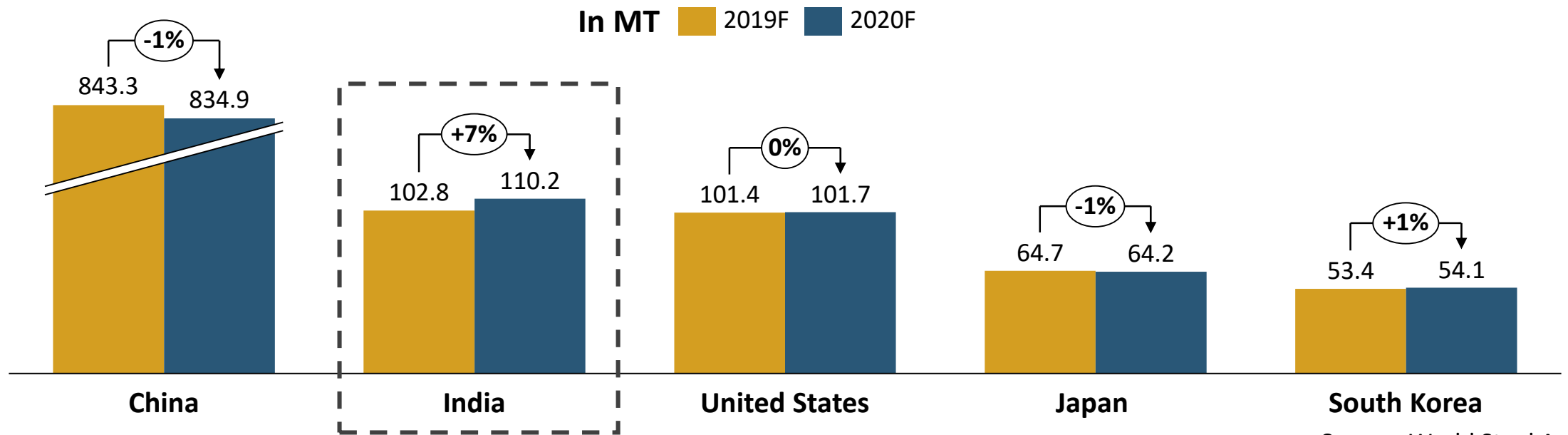
Forecasted Global Short Term Steel Demand

In MT 2019F 2020F



- Steel demand in the emerging economies excluding China is expected to grow by 2.9% and 4.6% in 2019 and 2020 respectively
- In 2019, steel demand in China is expected to remain robust on account of government stimulus, which is expected to come down in 2020 as the stimulus effects are expected to subside
- Steel demand in developed world is expected to decelerate to 0.3% in 2019 and 0.7% in 2020, post growth of 1.8% in 2018 - reflecting a small slowdown

Top 5 Steel Consuming Countries



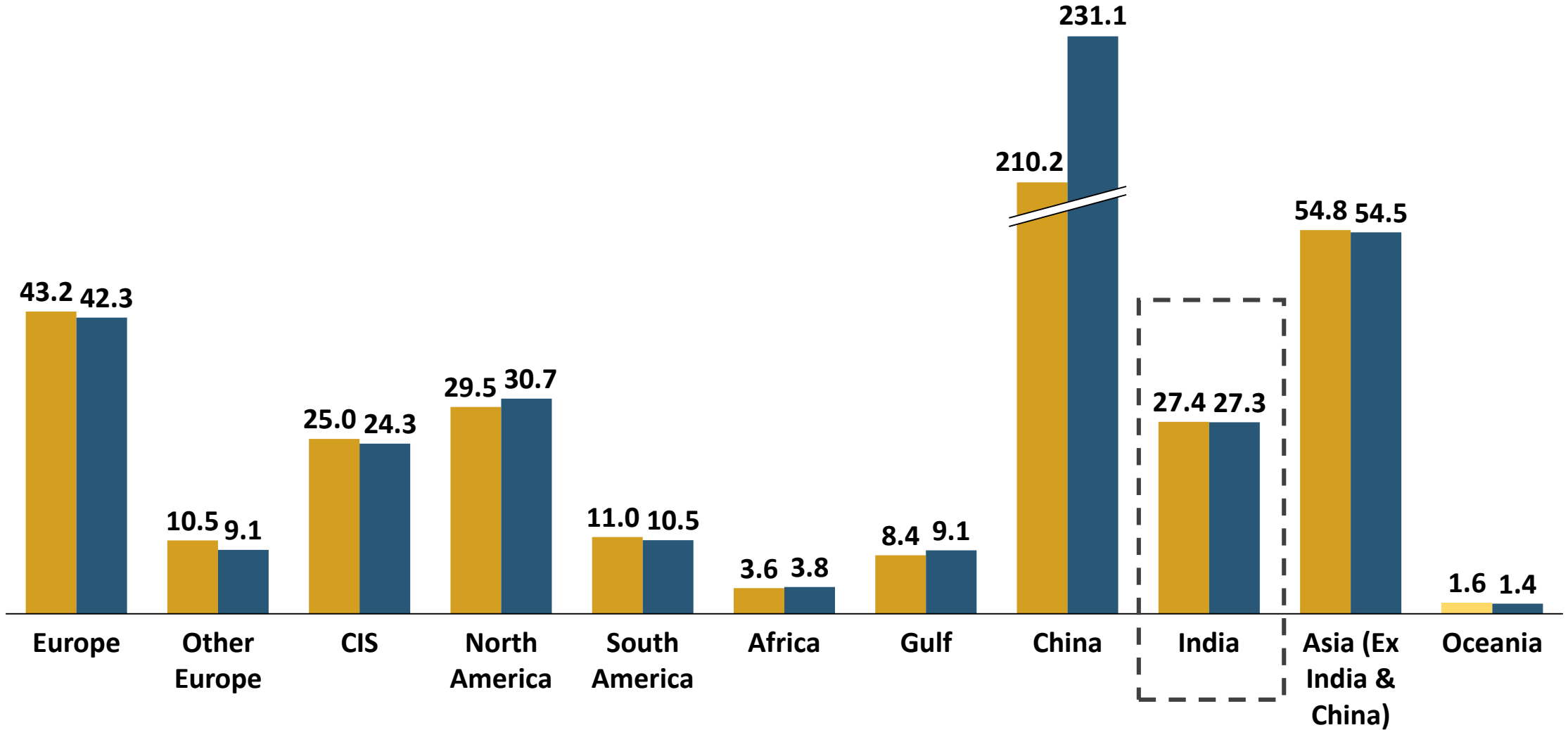
Source: World Steel Association

- As is visible in the above chart, **India is the only country among top 5 steel consuming countries which is expected to witness growth in consumption**
- **The demand scenario in India is expected to improve on the back of:**
 - Government spending on infrastructure
 - Robust activity in downstream manufacturing sectors
 - Rapid urbanization - a major long-run driver of construction growth in India, which ensures a solid long-run outlook for steel demand
- Strong domestic demand will underpin an expansion of steelmaking capacity over the short to medium term

Global Steel production

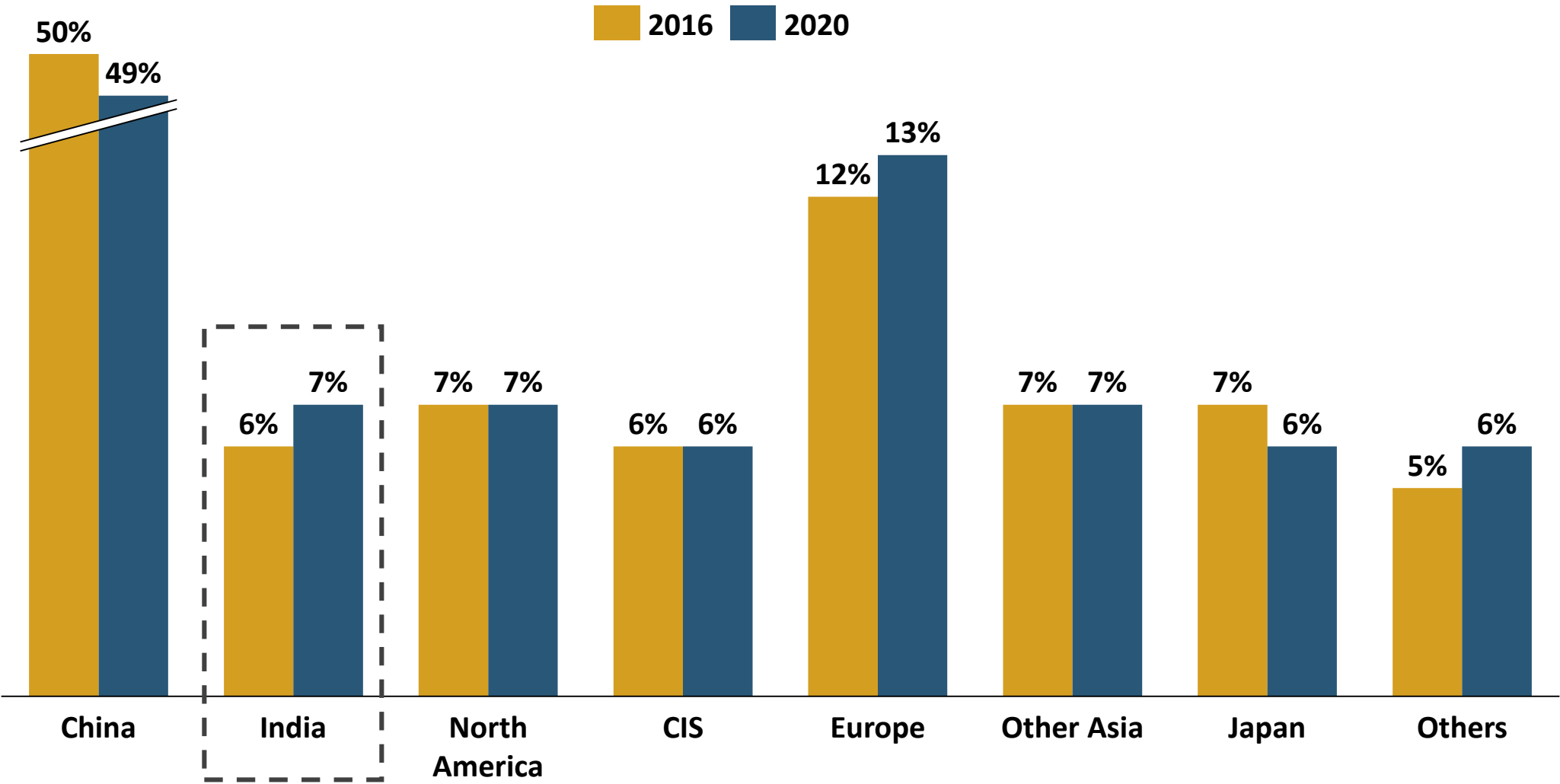


In MT ■ Jan-March 2018 ■ Jan-March 2019



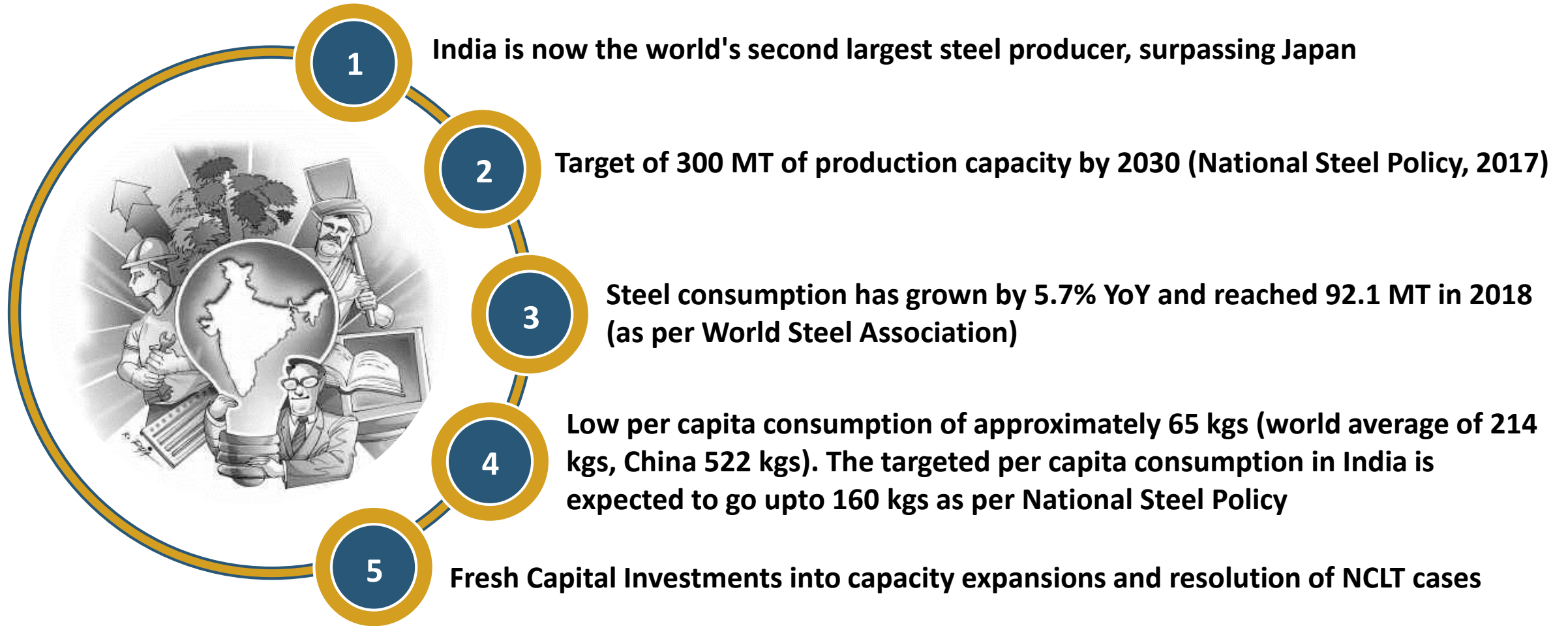
Source: World Steel Association

India's share in Global Steel production expected to rise

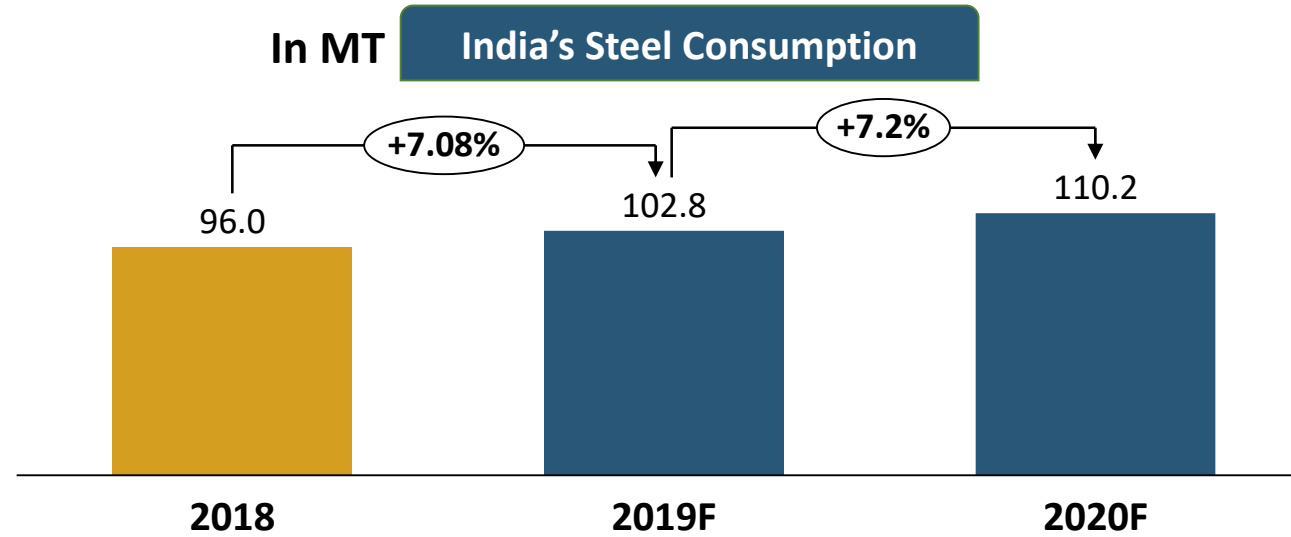


Source: BofA Merrill Lynch Report

Domestic Steel Industry on a strong footing



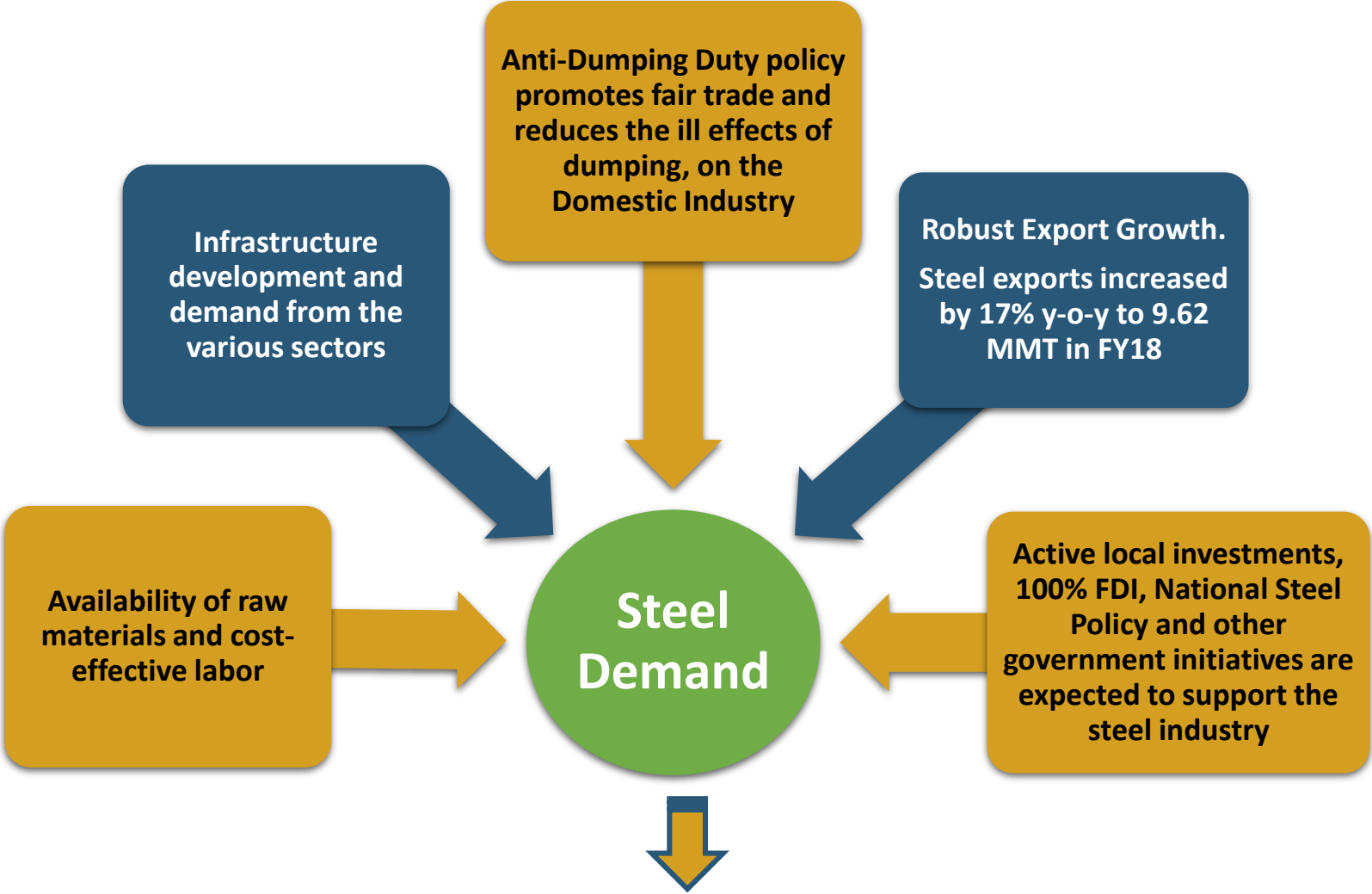
Strong Domestic consumption



Particulars (in MTPA)	FY18	FY19F	YoY%	FY20F	YoY%
India	96.0	102.8	7.1%	110.2	7.2%
China	835.0	843.3	1%	834.9	-1%
USA	100.2	101.4	1.2%	101.7	0.3%
Japan	65.4	64.7	-1.1%	64.2	-0.8%

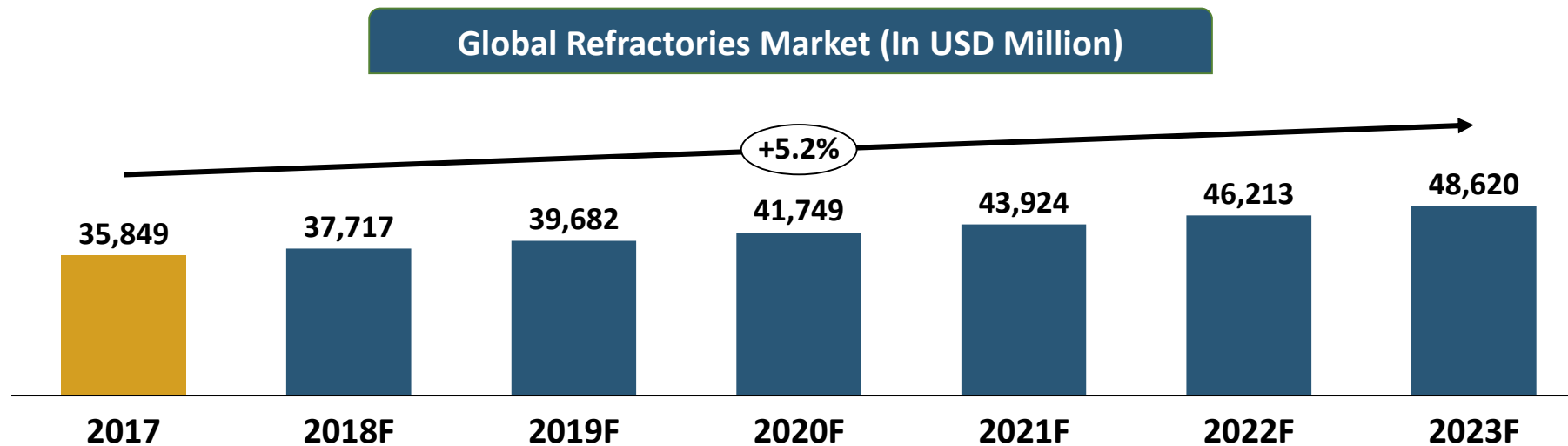
India is expected to witness high demand, whereas others are expected to remain flat

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.

Global Refractories Market outlook (2018-2023)



Reasons contributing to growth



- Global Refractories Market is estimated to grow at a CAGR of 5.2% and reach a size of \$ 48,620 Million by 2023
- India is expected to exhibit promising growth in the global refractories market and grow at a similar rate
- Asian countries, such as China, Japan, India, Korea and ASEAN are showing good traction in demand
- The rise in Demand can be attributed to increased Capital Investments in various sectors as well as increased infrastructure & construction activities

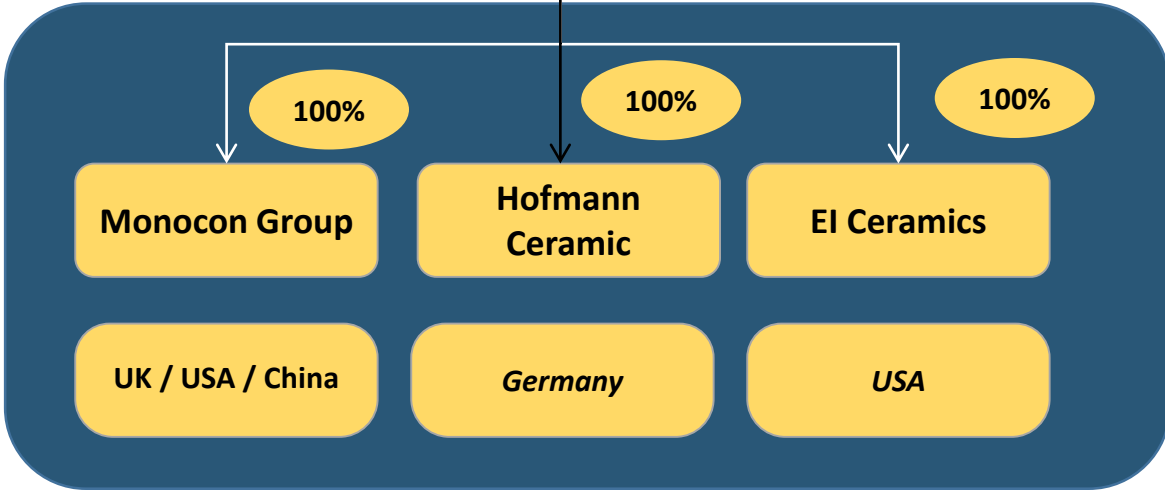
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Our Performance

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

100%

IFGL Worldwide Holdings Limited



Plants at Kalunga, Orissa, India
+
Plant at Kandla SEZ, Kandla, Gujarat, India

...simplified to create value for shareholders

Consolidated Profit & Loss

Particulars [Rs. Crs.]	Q4 FY19	Q4 FY18	Y-o-Y%	Q3 FY19	Q-o-Q%	FY19	FY18^	Y-o-Y%
Total Income	251.2	230.1	9.2%	235.9	6.5%	946.1	839.7	12.7%
Materials consumed	134.8	114.2		117.8		473.1	421.4	
Employee Expenses	35.5	31.7		38.3		146.2	126.7	
Other Expenses	53.7	50.3		55.6		212.3	181.3	
EBITDA	27.2	34.0	-20.0%	24.3	11.9%	114.5	110.3	3.8%
EBITDA %	10.8%	14.8%		10.3%		12.1%	13.1%	
Depreciation	5.0	4.8		5.2		19.2	17.0	
Goodwill written off*	6.7	6.7		6.7		26.8	26.8	
Finance Cost	1.2	1.0		1.4		4.5	4.0	
Profit before Tax	14.2	21.6	-34.3%	11.0	29.1%	64.1	62.6	2.4%
Tax	1.2	1.8		2.8		13.6	15.4	
Profit after Tax	13.1	19.8	-33.8%	8.2	59.8%	50.5	47.1	7.2%
Profit after Tax %	5.2%	8.6%		3.5%		5.3%	5.6%	
Cash Profit after Tax	21.5	28.2	-23.8%	20.4	5.4%	95.1	92.0	3.4%
Earnings Per Share (Rs.)	3.62	5.5		2.3		14.0	13.1	

Cash PAT = Profit after Tax + Deferred tax + Depreciation + Goodwill written off on account of Merger

^ Total Income is Net of Excise Duty

* Goodwill amounting to Rs. 267 Crs on account of Merger is being written off over a period of 10 years

Consolidated Balance Sheet

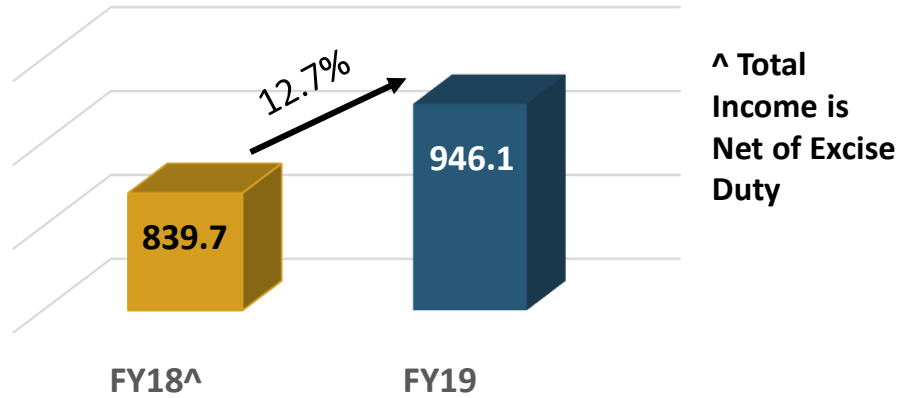
Particulars in Rs. Crs.	Mar-19	Mar-18
Assets		
Non current Assets	486.1	493.0
Fixed Assets		
Property Plant & Equipment	143.8	122.0
Capital WIP	6.3	8.2
Goodwill	120.9	122.3
Intangible assets	189.4	217.0
Financial Assets		
Investments	0.5	0.5
Others	2.0	2.1
Tax Assets (Net)	11.8	10.2
Other Non current Assets	11.3	10.7
Current Assets	532.7	505.5
Inventories	156.5	108.3
Financial Assets		
Investments	45.5	12.7
Trade Receivables	228.6	284.4
Cash & cash equivalents	76.3	73.7
Bank Balances	11.5	7.4
Other Financial Assets	1.1	1.8
Other Current Assets	13.1	17.1
Total Assets	1,018.8	998.5

Particulars in Rs. Crs	Mar-19	Mar-18
Equity & Liabilities		
Equity	794.6	752.0
Share Capital	36.0	36.0
Other Equity	758.6	716.0
Non controlling interest		
Non Current Liabilities	20.4	23.9
Financial Liabilities		
Borrowings	15.6	20.5
Provisions	0.3	0.2
Deferred Tax Liabilities (Net)	4.5	3.2
Current Liabilities	203.8	222.6
Financial Liabilities		
Borrowings	68.9	85.6
Trade Payables	124.4	125.4
Other Financial Liabilities	8.4	10.1
Other Current Liabilities	1.7	1.2
Provisions	0.3	0.3
Total Equity & Liabilities	1,018.8	998.5

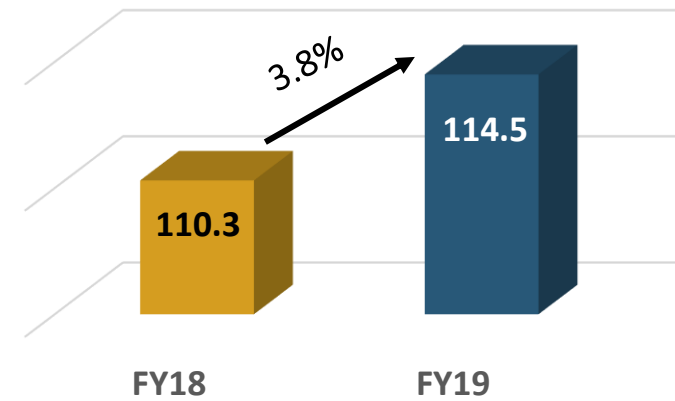
FY19 Consolidated Financial Highlights



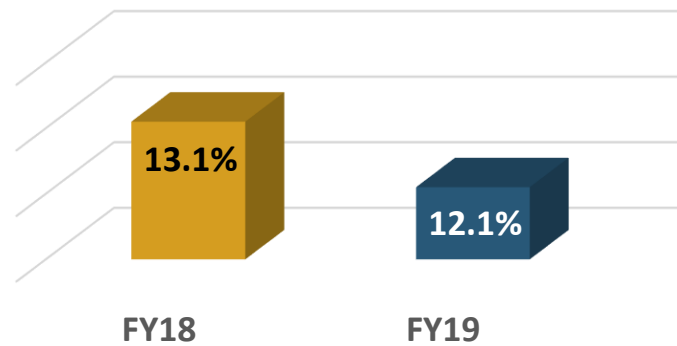
Total Income [Rs. Crs]



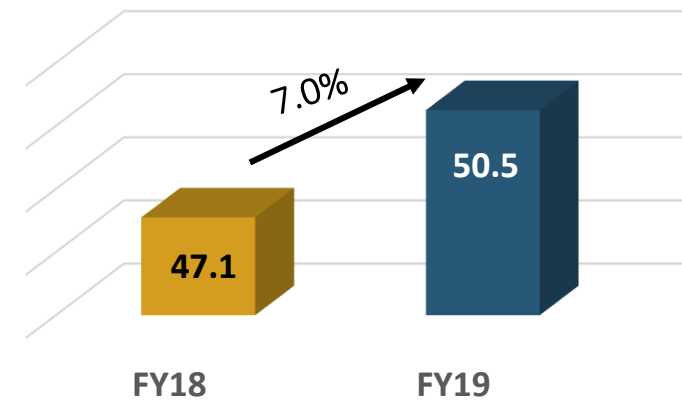
EBITDA [Rs. Crs]



EBITDA margin [%]

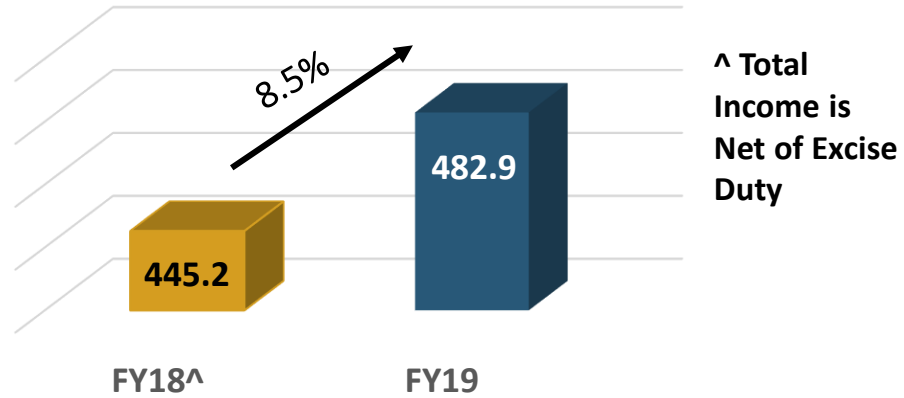


PAT [Rs. Crs]

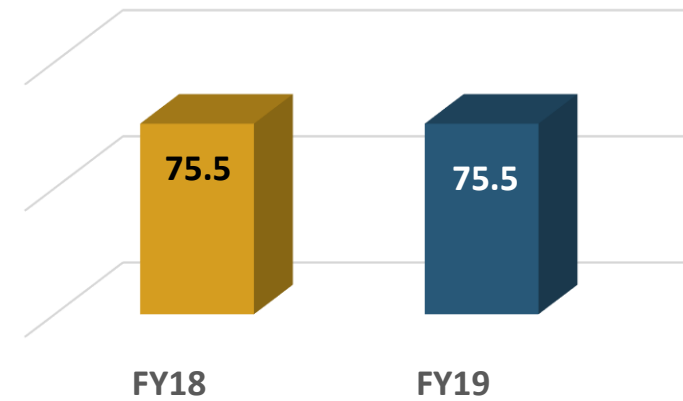


FY19 Standalone Financial Highlights

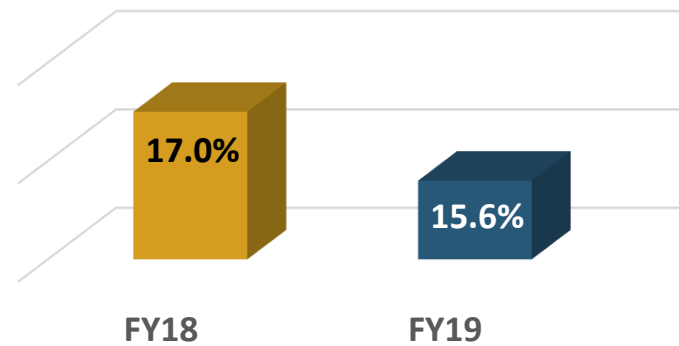
Total Income [Rs. Crs]



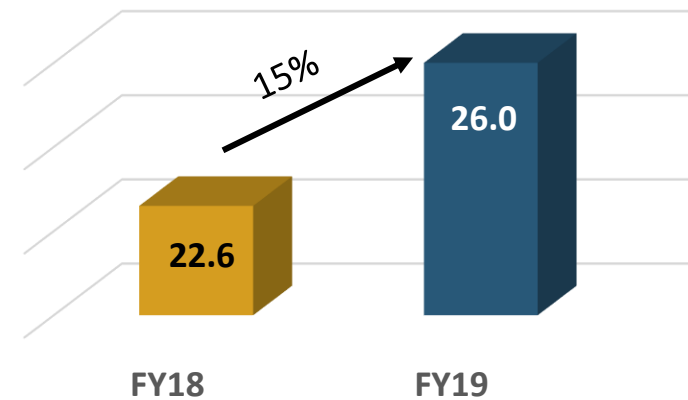
EBITDA [Rs. Crs]



EBITDA margin [%]



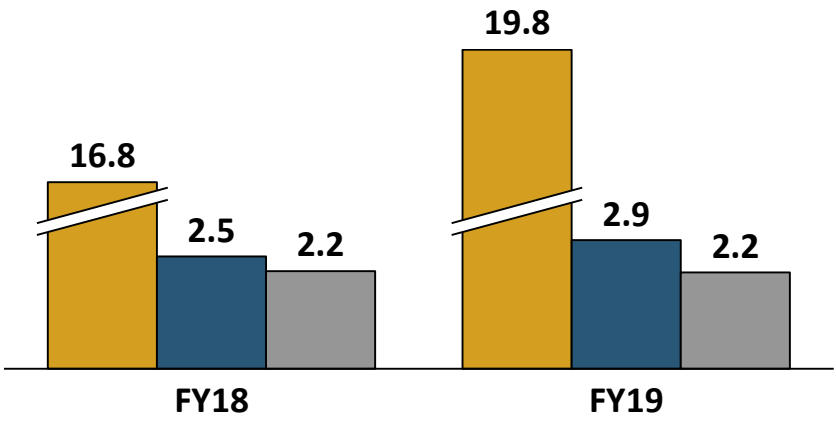
PAT [Rs. Crs]



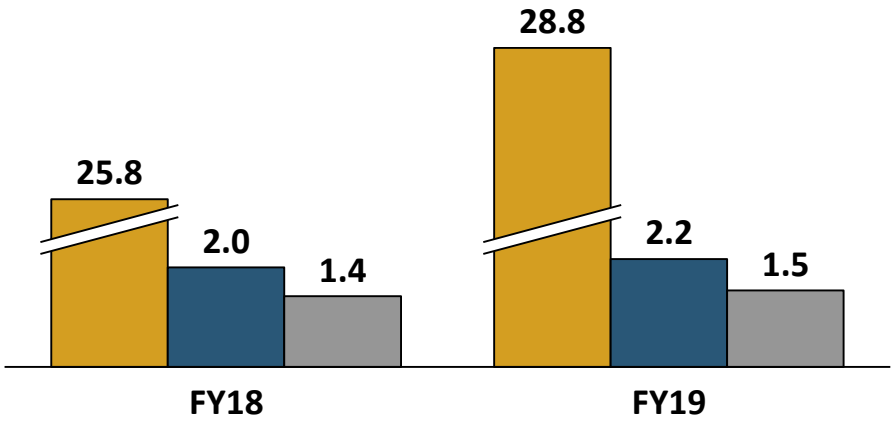
Subsidiaries Performance



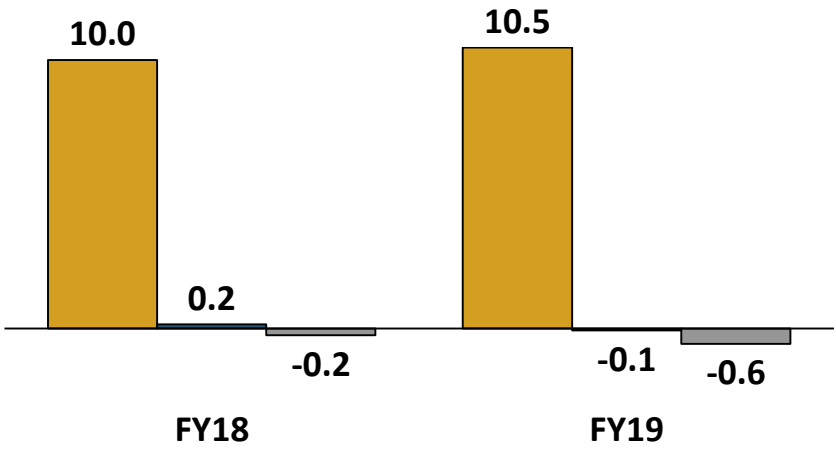
El Ceramics [\$ mn]



Monocon Group [GBP mn]



Hofmann Ceramic [Euro mn]



Ongoing Capex to boost performance



~Rs. 8 Cr : For Capacity expansions & debottlenecking



- For new products expansion - Total Project cost estimated to be **Rs. 29 Cr**
- **Phase 1** (involving cost of **Rs. 15 Cr**) likely to be completed by **FY20**



- 10 acre Land acquired
- Plant for manufacturing of New products
- **Phase 1** (involving cost of **Rs. 50 Cr**) likely be completed by **FY21**

Capex will be partly funded by internal accruals and partly by debt

Consistently performing over the years...

Particulars [Rs. Crs.]	FY15 [^]	FY16 [^]	FY17 [^]	FY18 [^]	FY19
Total Income	793.5	722.1	769.5	839.7	946.1
Materials consumed	406.1	365.2	362.0	421.4	473.1
Employee Expenses	117.9	119.6	120.9	126.7	146.2
Other Expenses	170.6	156.1	183.5	181.3	212.3
EBITDA	98.9	81.2	103.1	110.3	114.5
EBITDA %	12.5%	11.2%	13.4%	13.1%	12.1%
Depreciation & Amortization	14.3	15.6	17.3	17.0	19.2
Goodwill written off*	-	-	26.8	26.8	26.8
Finance Cost	5.9	4.8	4.5	4.0	4.5
Profit before Tax and Minority Interest (MI)	78.7	60.9	54.5	62.6	64.1
Tax	25.4	15.7	4.6	15.4	13.6
Profit after Tax & before MI	53.3	45.2	50.0	47.1	50.5
Minority Interest	0.2	3.2	0.0	0.0	0.0
Profit after Tax & MI	53.1	41.9	50.0	47.1	50.5
Cash Profit	67.4	57.5	83.6	92.0	95.1
Earnings Per share (Rs.)	15.12	12.12	13.86	13.07	14.00

[^] Total Income is Net of Excise Duty

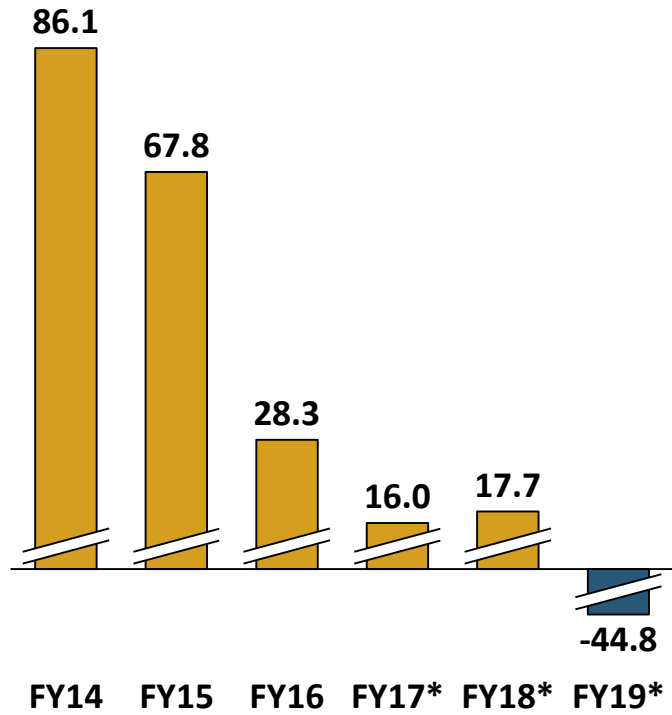
* Goodwill on account of Merger is being written off over a period of 10 years

Cash PAT = Profit after Tax + Deferred tax + Depreciation + Goodwill written off on account of Merger

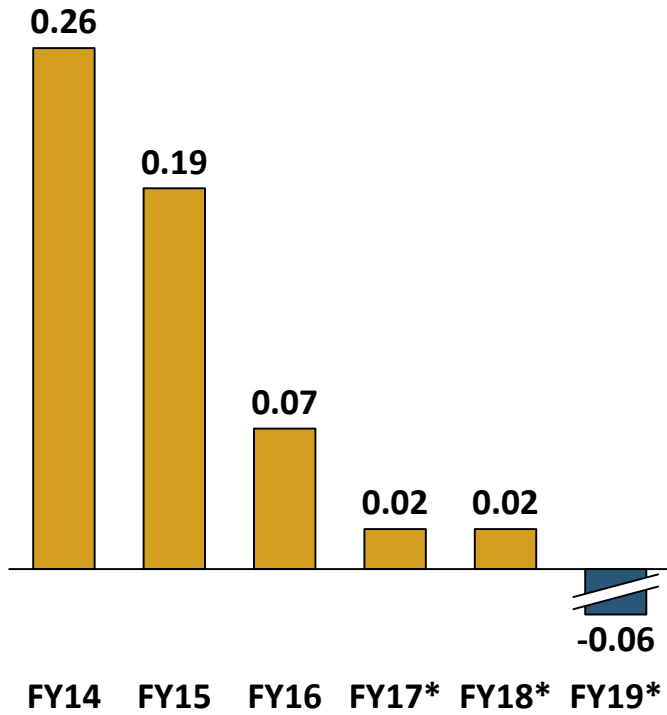
...to create sustainable value for Shareholders...



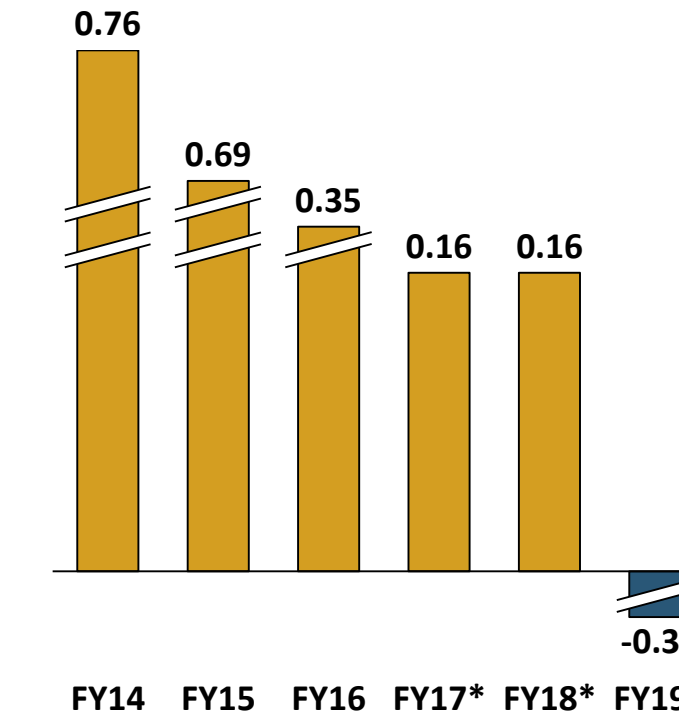
Net Debt (Rs. Crs.)



Net Debt : Equity [x]



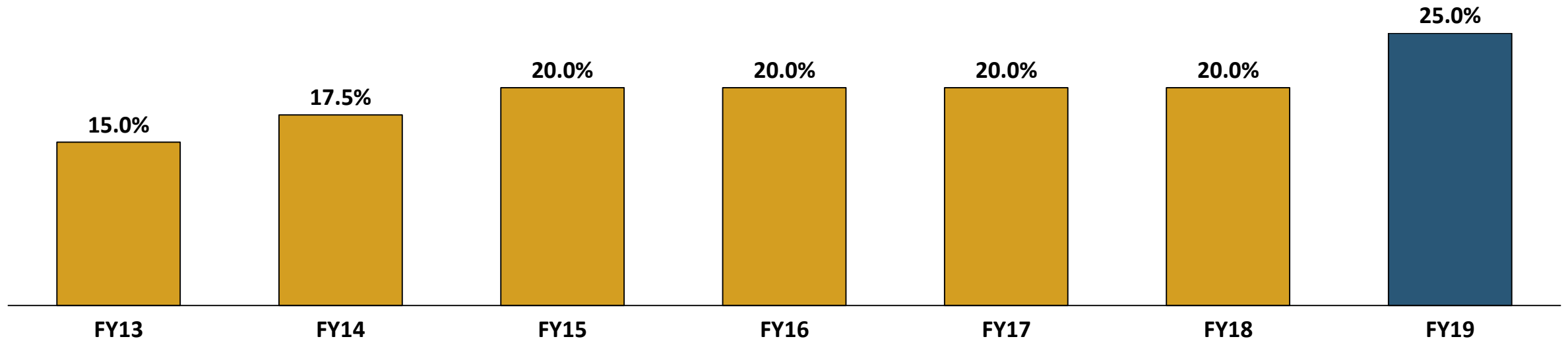
Net Debt : EBITDA [x]



The company is debt free on Net basis as on March 2019

* Figures post Merger

...with consistent Payout



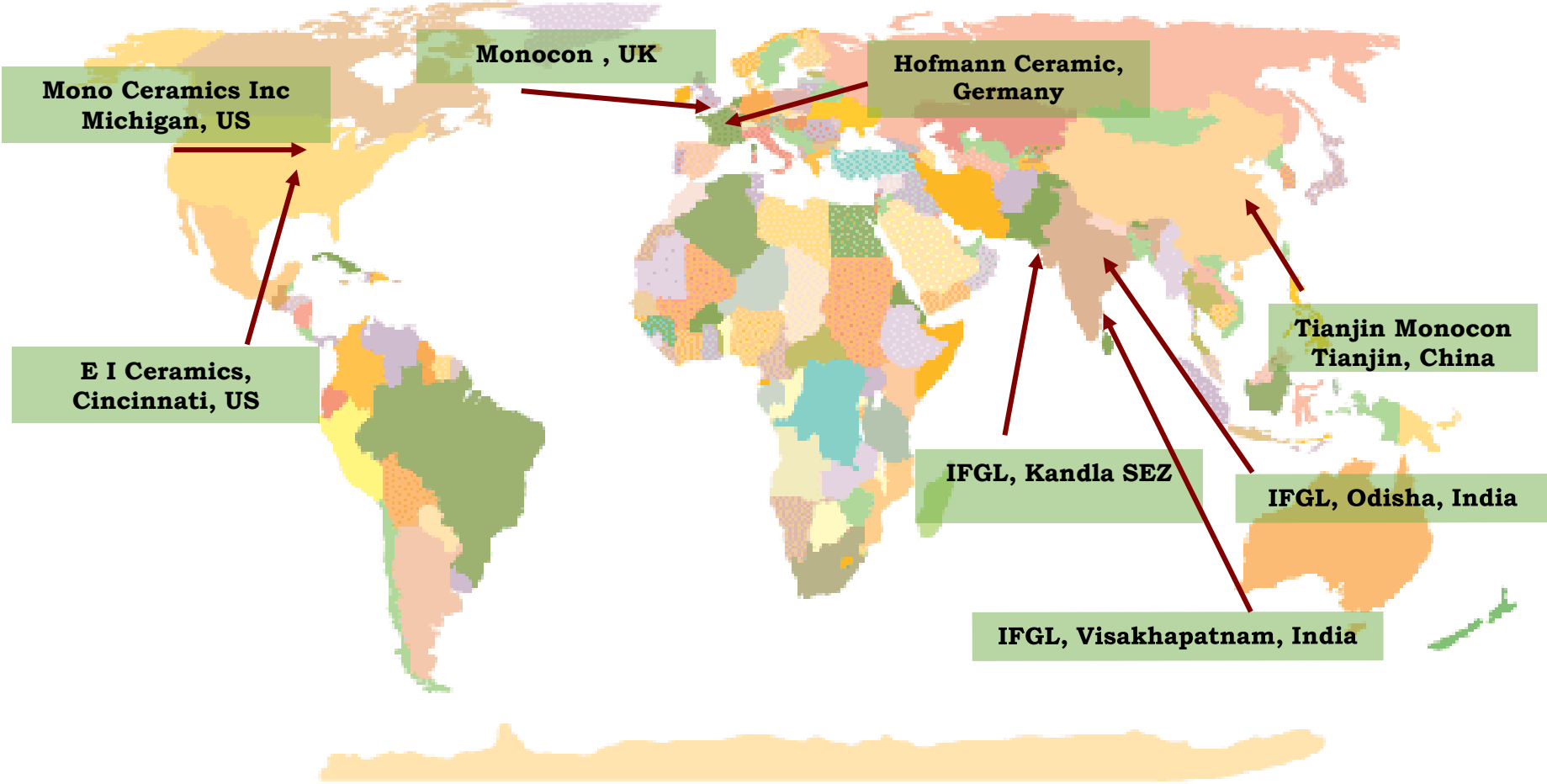
Particulars (Rs.)	FY13	FY14	FY15	FY16	FY17	FY18	FY19*
Consolidated Book Value Per Share	70.9	95.1	99.6	111.7	189.9	208.7	220.5
Consolidated Earning Per Share	7.9	18.3	15.1	12.1	13.9	13.1	14.0
Dividend Per Share	1.5	1.75	2.00	2.00	2.00	2.00	2.50

* Subject to Shareholders approval



About Us

A Global MNC...



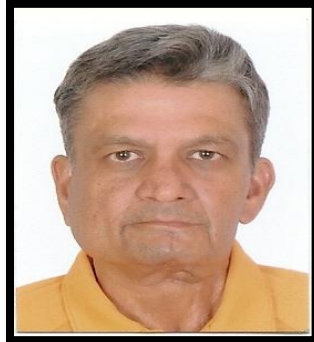
...with proven management...

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



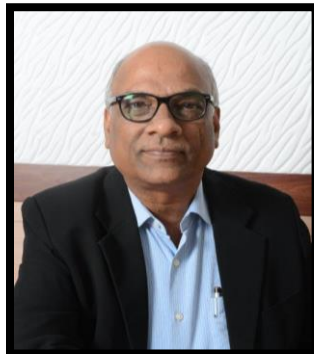
- Promoter of S K Bajoria Group based at Kolkata engaged in diversified business activities
- Has been President of the Indian Chamber of Commerce, Director of West Bengal Industrial Development Corporation Ltd and Industrial Promotion & Investment Corporation of Orissa Ltd

**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 ~40 years of experience of Refractory Industry and has been involved in various capacities in Indian Refractories Makers Association

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



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

...serving the specialized refractory segment...

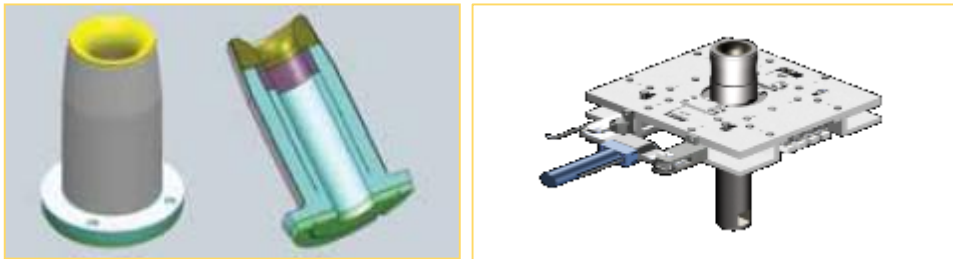
Isostatic Refractories



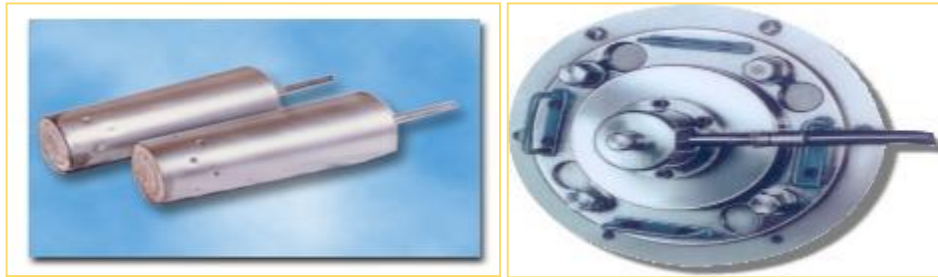
Slide Gate Refractories & Systems



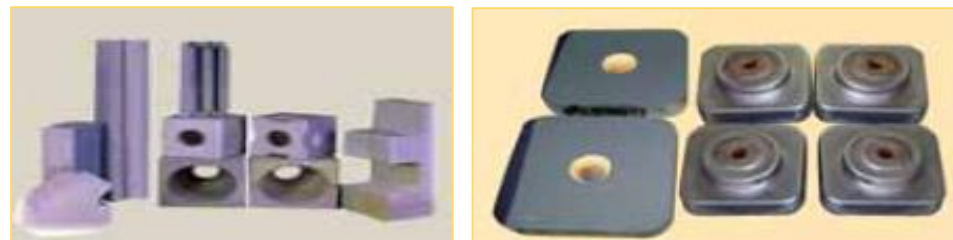
Tube Changer Refractories & System



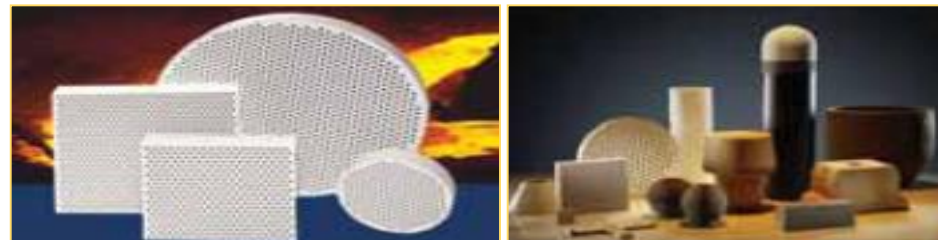
Purging System & Refractories



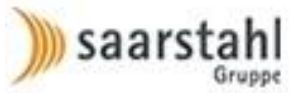
Cast Products & Zirconia Nozzles



Foundry Ceramics



...to reputed names in the Global Steel Industry



For further information, please contact:



SGA Strategic Growth Advisors

Company :

Investor Relations Advisors :

IFGL Refractories Ltd.

CIN - L51909OR2007PLC027954

Mr. Rajesh Agrawal

rajesh.agarwal@ifgl.in

www.ifglref.com

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CIN - U74140MH2010PTC204285

Mr. Shogun Jain / Mr. Pratik R. Shah

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