



## RHI MAGNESITA

RHI MAGNESITA INDIA LTD.

19th & 20th Floor, DLF Square,  
M-Block, Phase II, Jacranda Marg,  
DLF City, Gurugram, Haryana 122002  
T +91 124 4299000

E corporate.india@rhimagnesita.com  
www.rhimagnesitaindia.com

7 November 2024

To,

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400 001, India

**BSE Scrip Code: 534076**

**National Stock Exchange of India Limited**

Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (East)  
Mumbai – 400 051, India

**NSE Symbol: RHIM**

Dear Sir/ Ma'am,

**Sub: Presentation of Earning Conference Call – second quarter and half year ended 30 September 2024**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, and further to our earlier intimation dated 5 November 2024, the presentation of the conference call to be held on 8 November 2024, is enclosed herewith and the same is also be uploaded on website of the Company <https://www.rhimagnesitaindia.com/>

Kindly take the same on record.

Thanking you,

Yours faithfully

For **RHI Magnesita India Limited**

  
Parmod Sagar

**Managing Director & CEO**

DIN: 06500871





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# RHI Magnesita India

## Investor Presentation

H1 2025



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CSR



# Fostering a Safe and Resilient Workplace

## LTIF (Lost Time Injury Frequency)

Actual : 0.05

## TRIF (Total Recordable Injury Frequency)

Actual : 0.24

## Safety Trainings Performed

4,671 hours



Association with DSS+ for **transformation of safety culture** to achieve sustainable workplace and process safety standards



**Strengthening the reporting** of Unsafe Acts, Unsafe Conditions, Near Miss and investigation of incidents to prevent reoccurrence



Driving our **EHS Capability** through theme-based safety campaigns, sunrise meetings, townhalls, reward and recognition to build Interdependent EHS Culture.



Introducing **Technology** in Process Safety Management to reduce exposure of employees to hazards and reduce risk.



Visible **Felt Leadership** by all employees to strengthen the safety culture





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# Financial Highlights



# Financial Highlights H1 FY25 vs. H1 FY24

**Resilient EBITDA margins in a dynamic market**

Revenue

**₹174,582 L**

↓ 9%

EBITDA (%)

**16%**

↑ c.1%

Operating Cash Flow

**₹25,208 L**

↑ 22%

Profit after Tax

**₹11,879 L**

↑ 0.3%

Capex

**₹6,145 L**

↑ 85%

Earnings per share

**₹11.5**

→ Constant

Working Capital Intensity

**40%**

↑ 8%

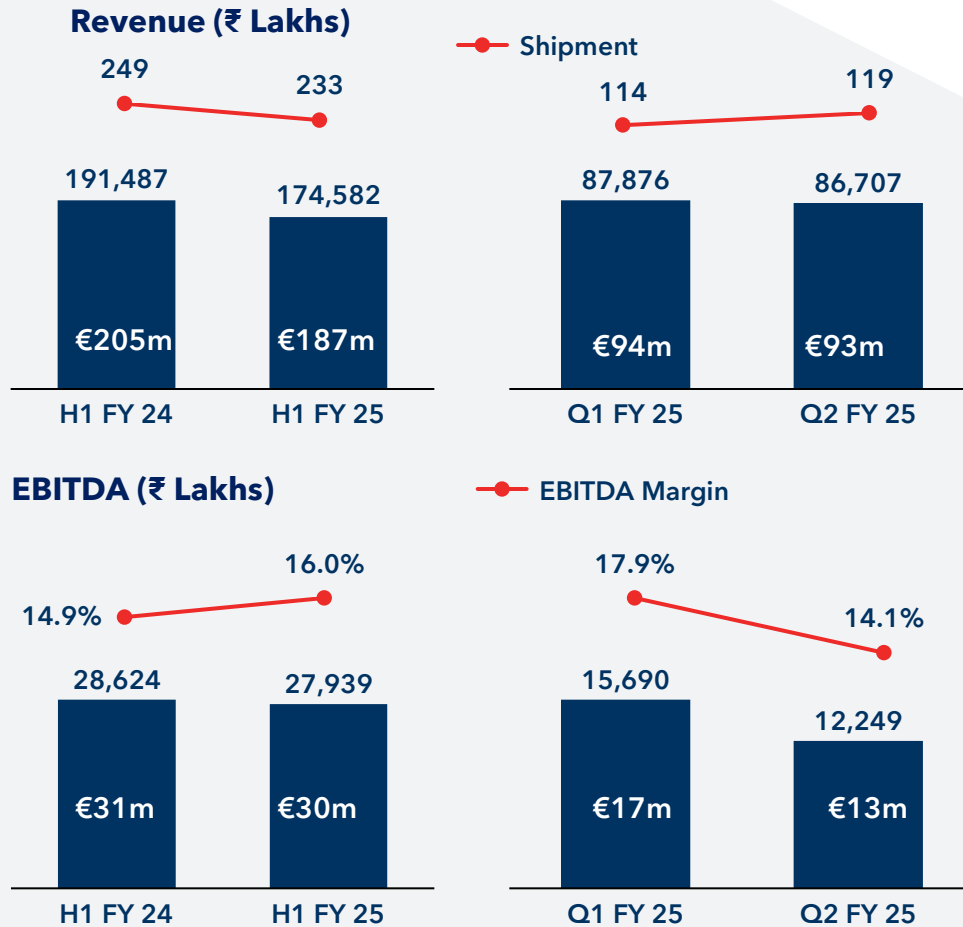
*Net Debt/ EBITDA Ratio*

**0.3x**

↓ 0.3x

# Performance Highlights

## Resilient EBITDA margins in a dynamic market



- 5% QoQ volume growth, offset by mix and pricing pressure from imported refractories
- End market overview:
  - Steel customers faced increasingly dynamic market with higher imports of finished products, impacting incremental capacity commissioning
  - Trading in the Cement sector remains volatile
- Despite these market headwinds, strategic initiatives continue to deliver growth:
  - Iron/Pellet/DRI business enjoying high order book levels
  - Full product portfolio with good geographical reach is delivering growth in Cement market; well positioned to cater for publicized capacity expansions in 2025
- Resilient margins in line with medium term expectations despite rapid increase in raw materials, particular alumina-based materials

# Profit and Loss Snapshot: Q2 and H1

₹ Lakhs

	Q2 FY 25		Q1 FY25		H1 FY25		H1 FY24	
<b>Production - MT</b>	<b>86,187</b>		<b>77,776</b>		<b>163,963</b>		<b>174,223</b>	
<b>Shipment - MT</b>	<b>119,424</b>		<b>113,916</b>		<b>233,340</b>		<b>248,873</b>	
Manufacturing	73,862	61.8%	68,083	59.8%	141,946	60.8%	160,194	64.4%
Trading	45,562	38.2%	45,833	40.2%	91,394	39.2%	88,679	35.6%
Avg realisation/MT	72,604		77,141		74,819		76,942	
<b>Income</b>	<b>88,246</b>		<b>88,177</b>		<b>176,422</b>		<b>192,026</b>	
Revenue from operations	86,707		87,876		174,582		191,487	
Other Income	1,539		301		1,840		539	
<b>Expenses</b>	<b>75,997</b>	<b>87.6%</b>	<b>72,487</b>	<b>82.5%</b>	<b>148,484</b>	<b>85.1%</b>	<b>163,402</b>	<b>85.3%</b>
Material Cost	52,452	60.5%	48,186	54.8%	100,637	57.6%	114,583	59.8%
Employee Benefits expense	9,121	10.5%	9,520	10.8%	18,641	10.7%	18,140	9.5%
Other expenses	14,424	16.6%	14,781	16.8%	29,205	16.7%	30,679	16.0%
<b>EBITDA</b>	<b>12,249</b>	<b>14.1%</b>	<b>15,690</b>	<b>17.9%</b>	<b>27,939</b>	<b>16.0%</b>	<b>28,624</b>	<b>14.9%</b>
Depreciation	2,826	3.3%	2,821	3.2%	5,646	3.2%	5,147	2.7%
<b>EBITA</b>	<b>9,423</b>	<b>10.9%</b>	<b>12,870</b>	<b>14.6%</b>	<b>22,293</b>	<b>12.8%</b>	<b>23,477</b>	<b>12.3%</b>
Amortisation	2,205	2.5%	1,997	2.3%	4,202	2.4%	3,858	2.0%
<b>EBIT</b>	<b>7,218</b>	<b>8.3%</b>	<b>10,873</b>	<b>12.4%</b>	<b>18,091</b>	<b>10.4%</b>	<b>19,619</b>	<b>10.2%</b>
Finance Cost	979	1.1%	1,059	1.2%	2,038	1.2%	3,456	1.8%
<b>Profit before Tax</b>	<b>6,239</b>	<b>7.2%</b>	<b>9,814</b>	<b>11.2%</b>	<b>16,053</b>	<b>9.2%</b>	<b>16,163</b>	<b>8.4%</b>
Tax	1,648	1.9%	2,526	2.9%	4,174	2.4%	4,322	2.3%
<b>Profit After Tax</b>	<b>4,591</b>	<b>5.3%</b>	<b>7,288</b>	<b>8.3%</b>	<b>11,879</b>	<b>6.8%</b>	<b>11,841</b>	<b>6.2%</b>

- **Production:**

- +10.8% vs. Q1 FY25
- -5.9% vs. H1 FY24

- **Revenue:**

- -1.3% vs. Q1 FY25
- -8.8% vs. H1 FY24

- **EBITDA** margin Q2 FY 25 :14.1%

- +1.1% vs. H1 FY24
- Rapidly increasing raw material costs, in particular Alumina-based materials and Chromite Sand

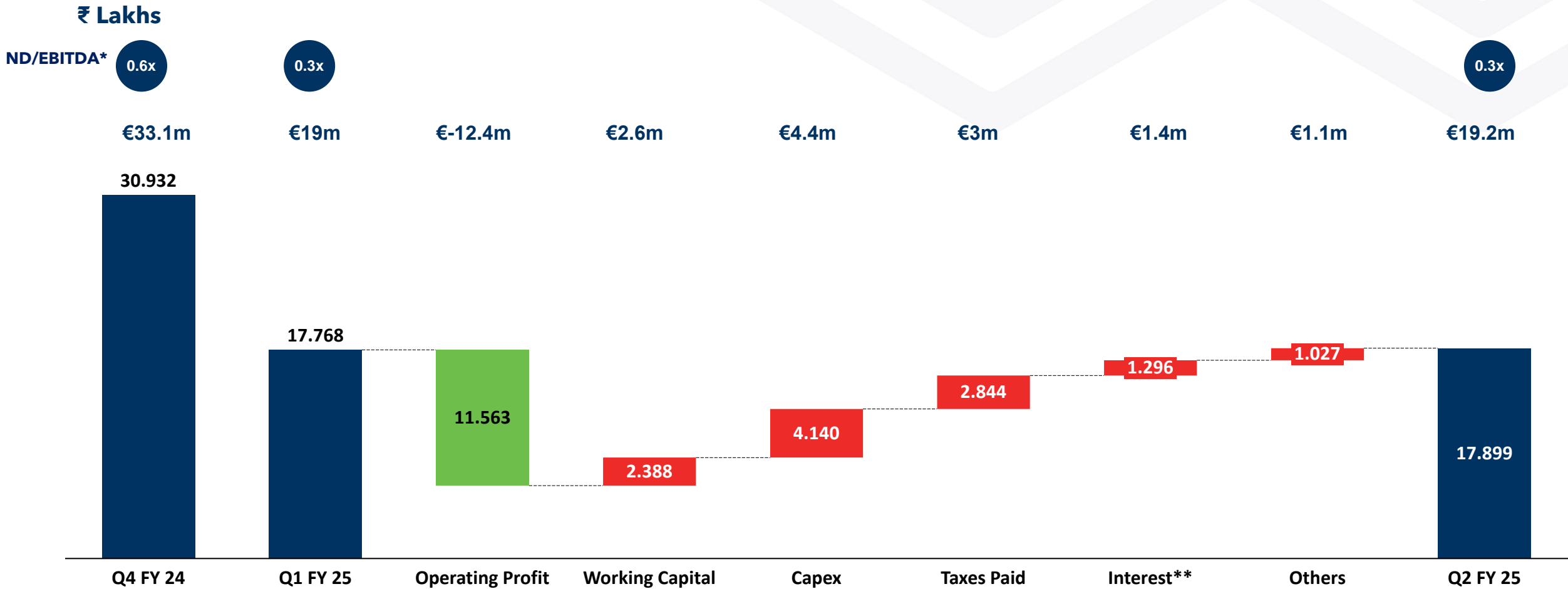
- **Amortization:** purchase price adjustment of acquired entities and assets

- **Finance Cost:** gain on ECB hedge contract



# Net Debt Bridge

Cash generated from operations improving net debt ratios

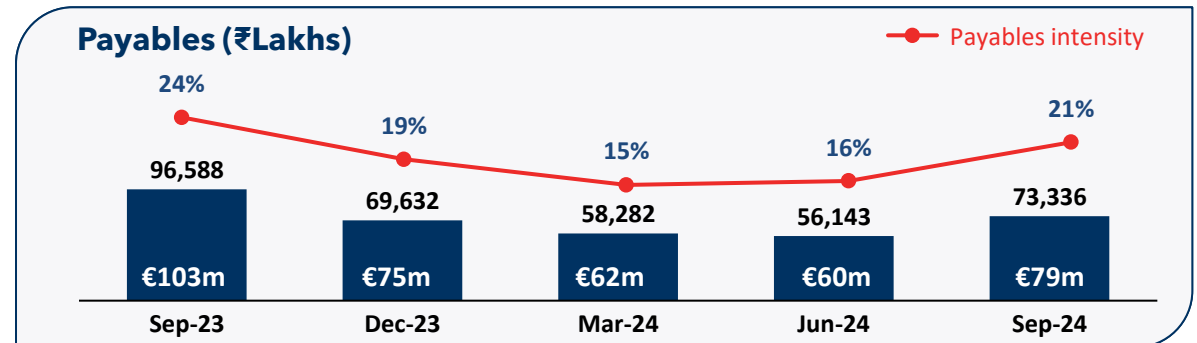
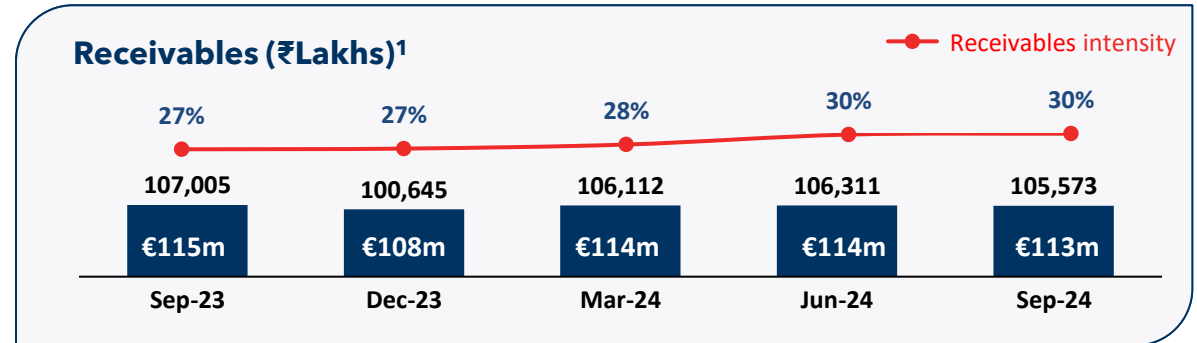
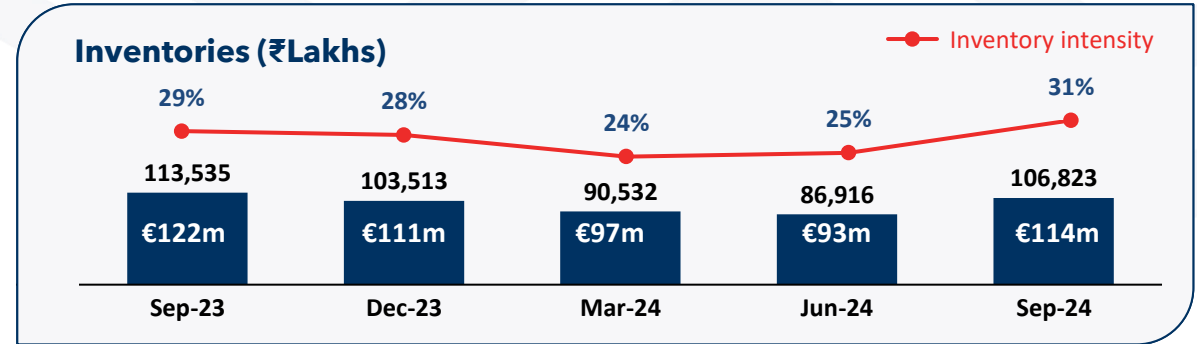
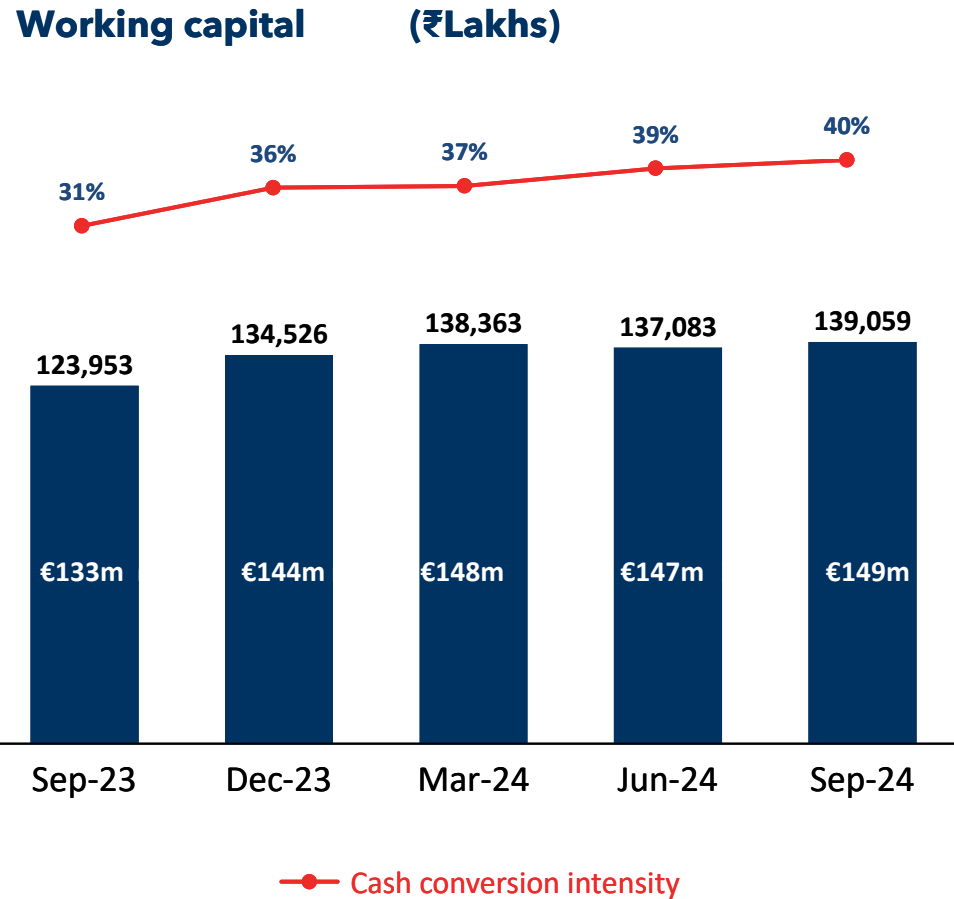


\*EBITDA: Trailing 4 quarters

\*\* Interest paid for 6 months

# Working Capital

Inventories Increased to meet strong Q3 order book demand



1. Receivables: Trade receivables + Contract Assets - Contract Liabilities



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# Business Highlights



# Lining Evaluation Scan (LES)

## Digitalizing Kiln Inspections

- Rotary Kilns are often regarded as a “black box”
- Evaluating the lining thickness is key for optimizing the kiln’s performance. However, this task is regularly done in a time-consuming, manual, and subjective way
- LES enables the customer to take safe, fact-based, holistic, and more accurate decisions for repairs - within 2 hours after scanning



### Dedicated team

India now has a prepared team to provide LES service



### Customer feedback

Large cement player became a repeat customer in 2024



# Delivering records for our PSU client

## RHI Magnesita's innovative tundish technology

- New record of casting 70 heats from a single tundish, surpassing the previous mark of 66 heats
- With our reliable and innovative tundish technology, the operation was completed smoothly over 52 hours and 16 minutes, producing 2,755 meters of high-quality steel slabs weighing more than 8,400 tones
- This milestone is a testament to the precision and performance RHI Magnesita's solutions offer our partners



c. ₹200 Lakhs invested  
in machinery at  
customer site\*



Expected orders  
exceeding  
₹ 2,000 Lakhs\*



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# Strategy Update



# Centre of Excellence for Iron Making

## Jamshedpur

- ✓ **Automated manufacturing line for mixing, shaping and bagging Tap Hole Clay**
- ✓ **State of the art Castable line for Runner material**
- ✓ **Interactive customer experience to ensure tailor-made solutions**
- ✓ **Strategic location: Jamshedpur RHI Magnesita Plant is in the heart of the fastest-growing Indian Blast Furnace region**

### Actions completed

1. Site visit by parent company experts, including representatives of the newly acquired Seven Refractories, the global leader in non-basic monolithic refractory mixes
2. Plant layout, engineering design and feasibility
3. RFQs and Offer submissions

### Championing "Make in India" Equipment

Wherever possible using locally manufactured equipment to keep costs competitive and champion "Make in India" philosophy

**> 10 Crore**

Capex proposed

**2027**

Fully  
Commissioned

**9,600t**

Expected capacity  
increase

**Customer  
Centric**

Committing Capital to Solve our  
Customers' challenges



# Executing Strategic Growth Initiatives

## Medium term Growth Drivers

### Iron Making



- Good order momentum in Blast Furnace Cast House with 4 contracts won
- 6 new customers in Taphole Clay, also entry into one of the largest Blast Furnaces. Further upside with product transfer from Seven Refractories with Green Taphole Clay

### Pellet & DRI



- Received orders from one of the largest pellet plants in India further demonstrating our capabilities
- Increase in DRI market share on the back of kiln orders and 3 new projects
- Increasing market share in DRI maintenance orders backed by better product performance

### Iron making OEM and Projects



- Highest ever Silica order book backed by large coke oven and Blast Furnace stove order
- Capacity expansion for Silica production with new tunnel kiln installation
- Productive discussions on long term associations with OEM for Coke Oven and Blast Furnace Stoves further strengthening orders for upcoming quarters



# Strategic Investment Overview

**Fueled by India's growth, commitment to resilient margins**



- 1 Market leadership position with **30% market share in India**
- 2 'Local for local' manufacturing strategy - **'Make in India'**
- 3 Recent acquisitions **create balanced portfolio of refractory products and a strong platform for growth in India** and in under-represented product markets
- 4 **India is the highest growth major market** for refractories globally, with 6-8% CAGR forecast
- 5 **Attractive and resilient margins**
- 6 **Access to capital** for further growth and expansion in India
- 7 **Opportunity to increase regional exports** from India manufacturing hub
- 8 **Backed by RHI Magnesita group** - technology, R&D, global product range and services



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# Corporate Social Responsibility



# Building Stronger Communities & Brighter Futures



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## Empowering Education: Reaching 5,000+ Students

- "Vidhya Volunteers" to reduce teacher shortage and improve learning quality.
- Renovated restrooms and water facilities, creating a safer, more hygienic space for 300+ students
- Built and furnished libraries and classrooms, benefiting over 1,000 students across five schools
- Rolled out "Good Touch, Bad Touch" workshops for 500+ young students

## Improving Health & Hygiene: Reaching 4,000+ Residents

- VRD Trust Hospital Partnership: Delivered medical consultations, lab tests, and free medicines for rural communities
- RO Plant maintenance ensures safe drinking water for 4,000+ residents.
- The New RO Plant at Periuvular Government School provides clean water benefits to students and teachers

## Community Infrastructure for Lasting Impact

- Improved roads and drains enhance living conditions, impacting daily life for hundreds in the plant's neighboring community

## Safety & Skill Training: Empowering Marginalized Groups

- Customer Care Training for visually impaired girls in Raipur and Bhubaneswar, providing employable skills and independence
- Supporting girls' education and women's skill-building for self-reliance across local tribal regions



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# Refractories are essential for our modern world



**1 tonne of STEEL**  
demands ~10-15 Kg  
of refractories



**1 tonne of CEMENT**  
demands ~1 Kg  
of refractories



**1 tonne of GLASS**  
demands ~4 Kg  
of refractories



**1 tonne of ALUMINIUM**  
demands ~6 Kg  
of refractories



**1 tonne of COPPER**  
demands ~3 Kg  
of refractories



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# Thank you for your attention

## Get in Touch

[corporate.india@rhimagnesia.com](mailto:corporate.india@rhimagnesia.com)

[rhimagnesia.com](http://rhimagnesia.com)

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