



# IFGL REFRACTORIES LIMITED

**Head & Corporate Office :**

3, Netaji Subhas Road, Kolkata - 700 001, India  
Phone : +91 33 40106100, Fax : +91 33 22430886  
E-mail : ifgl.ho@ifgl.in, Websites : www.ifglref.com

12<sup>th</sup> November, 2020

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: Unaudited financial results for three/six months ended on 30<sup>th</sup> September, 2020**

The Board of Directors of the Company in their meeting held to-day have approved and taken on record unaudited financial results, both on stand alone and consolidated basis, for three/six months ended on 30<sup>th</sup> September, 2020. Said unaudited financial results have also been subjected to 'Limited Review' by the Company's Statutory Auditors, M/s S R Batliboi & Co. LLP.

In accordance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), following along with copy each of Report dated 12<sup>th</sup> November, 2020 of said Statutory Auditors are enclosed herewith for your perusal, necessary action and record.

- a) Unaudited stand alone financial results for three/six months ended on 30<sup>th</sup> September, 2020.
- b) Unaudited consolidated financial results for three/six months ended on 30<sup>th</sup> September, 2020.
- c) Extract of Unaudited consolidated financial results for three/six months ended on 30<sup>th</sup> September, 2020 being published in newspapers following Regulation 47(1)(b) of LODR

These are also being hosted on Company's Website: [www.ifglref.com](http://www.ifglref.com).

Thanking you,

Yours faithfully,  
For IFGL Refractories Ltd.,

(R Agarwal)  
Company Secretary

Encl: As above

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
IFGL Refractories Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of IFGL Refractories Limited (the "Company") for the quarter ended September 30, 2020 and year to date from April 01, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**5. Emphasis of Matter**

We draw attention to:

- a) Note 3 to the standalone financial results, relating to amalgamation of the erstwhile IFGL Refractories Limited with the Company (the amalgamated entity was thereafter renamed as IFGL Refractories Limited) with effect from April 01, 2016 following Scheme of Amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata Bench, vide its Order date August 03, 2017, under the provisions of sections 230 and 232 of the Companies Act, 2013 (the "Scheme"). Pursuant to the Scheme, the aforesaid business combination was recognized under the 'Purchase Method' as defined under Accounting Standard (AS) 14, Accounting for Amalgamations, and Goodwill arising on such amalgamation aggregating Rs. 26,699 lakhs had been recognized. Based on management's assessment, such Goodwill is being amortized over a period of ten years with a charge of Rs. 667 lakhs per quarter. As per Indian Accounting Standard (Ind AS) 103, Business Combinations, the aforesaid amalgamation had to be recognized under 'Pooling of Interest Method' since these were entities under common control.
- b) Note 4 to the standalone financial results regarding Company's writ petition challenging the 'Explanation' to Section 10AA(1) of the Income Tax Act, 1961 inserted on and from assessment year beginning April 01, 2018, which was admitted by the Hon'ble High Court at Calcutta. Pending decision by the Hon'ble High Court, uncertainty exists as regards realizability of resultant recognized deferred tax assets of Rs. 1,164 lakhs.

Our conclusion is not modified in respect of these matters.

**For S.R. BATLIBOI & CO. LLP**

Chartered Accountants

**ICAI Firm registration number:** 301003E/E300005

**Bhaswar Sarkar**

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Sarkar  
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**per Bhaswar Sarkar**

Partner

Membership No.: 055596

UDIN: 20055596AAAAEI3043

Kolkata.

November 12, 2020

IFGL REFRACTORIES LIMITED							
Registered Office: Sector B, Kalunga Industrial Estate, P.O. Kalunga 770031, Dist: Sundergarh, Odisha.							
Head & Corporate Office:3, Netaji Subhas Road, Kolkata 700001							
CIN: L51909OR2007PLC027954; E-mail : ifgl.ho@ifgl.in; Website : www.ifglref.com							
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020							
Sr. No.	Particulars	₹ in lakhs except as otherwise stated					
		Quarter ended			Six months ended		Year ended
		30-09-2020	30-06-2020	30-09-2019	30-09-2020	30-09-2019	31-03-2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1.	Revenue from Operations	16,671	12,839	11,902	29,510	26,118	49,861
2.	Other Income	87	149	325	236	456	808
3.	<b>Total Income [1 + 2]</b>	<b>16,758</b>	<b>12,988</b>	<b>12,227</b>	<b>29,746</b>	<b>26,574</b>	<b>50,669</b>
4.	<b>Expenses</b>						
	a. Cost of Materials Consumed	6,585	4,573	5,161	11,158	11,175	21,069
	b. Purchase of Stock-in-Trade	2,242	1,381	919	3,623	1,947	4,063
	c. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(978)	128	211	(850)	791	485
	d. Employee Benefit Expenses	1,313	1,167	1,098	2,480	2,135	4,425
	e. Finance Costs	71	59	72	130	164	296
	f. Depreciation and Amortisation Expenses	1,020	960	977	1,980	1,952	3,937
	g. Other Expenses	3,953	3,118	3,057	7,071	6,539	12,817
5.	<b>Total Expenses [4(a) to 4(g)]</b>	<b>14,206</b>	<b>11,386</b>	<b>11,495</b>	<b>25,592</b>	<b>24,703</b>	<b>47,092</b>
6.	<b>Profit before Tax (3-5) #</b>	<b>2,552</b>	<b>1,602</b>	<b>732</b>	<b>4,154</b>	<b>1,871</b>	<b>3,577</b>
7.	<b>Tax Expense</b>						
	a. Current Tax	561	286	83	847	329	628
	b. Deferred Tax (Credit) / Charge	76	122	(111)	198	(77)	(24)
8.	<b>Profit for the year / period (6-7)</b>	<b>1,915</b>	<b>1,194</b>	<b>760</b>	<b>3,109</b>	<b>1,619</b>	<b>2,973</b>
9.	<b>Other Comprehensive Income / (Loss)</b>						
	a. Items that will not be reclassified to profit or loss	(1)	(1)	(15)	(2)	(29)	(4)
	b. Income tax relating to items that will not be reclassified to profit or loss	1	-	5	1	10	1
10.	<b>Total Other Comprehensive Income/ (Loss) for the year / period</b>	<b>-</b>	<b>(1)</b>	<b>(10)</b>	<b>(1)</b>	<b>(19)</b>	<b>(3)</b>
11.	<b>Total Comprehensive Income for the year / period</b>	<b>1,915</b>	<b>1,193</b>	<b>750</b>	<b>3,108</b>	<b>1,600</b>	<b>2,970</b>
12.	Paid up Equity Share Capital (Face value ₹ 10/- each)	3,604	3,604	3,604	3,604	3,604	3,604
13.	Other Equity						47,797
14.	Earnings Per Share (of ₹ 10/- each) * Basic & Diluted (₹)	5.31	3.31	2.11	8.63	4.49	8.25

# There are no Exceptional and Extra-ordinary items.\* Figures for quarters and six months are not annualised.

STATEMENT OF STANDALONE ASSETS AND LIABILITIES			
Sr. No.	Particulars	₹ in lakhs	
		As at	
		30-09-2020	31-03-2020
		(Unaudited)	(Audited)
<b>A</b>	<b>ASSETS</b>		
	<b>1. Non-Current Assets</b>		
	(a) Property, Plant and Equipment	7,651	8,069
	(b) Right to Use Asset	1,593	1,623
	(c) Capital work-in-progress	709	389
	(d) Goodwill	14,685	16,020
	(e) Other Intangible assets	4	7
	(f) Financial Assets		
	(i) Investments	5,677	5,677
	(ii) Loans and Deposits	223	220
	(g) Deferred tax assets (net)	331	529
	(h) Income Tax Assets (net)	110	145
	(i) Other non-current assets	206	109
	<b>Total Non - Current Assets</b>	<b>31,189</b>	<b>32,788</b>
	<b>2. Current Assets</b>		
	(a) Inventories	9,971	7,375
	(b) Financial Assets		
	(i) Investments	6,425	9,321
	(ii) Trade receivables	14,415	12,505
	(iii) Cash and cash equivalents	388	777
	(iv) Bank balances other than (iii) above	5,407	108
	(v) Others	80	208
	(c) Other current assets	669	596
	<b>Total Current Assets</b>	<b>37,355</b>	<b>30,890</b>
	<b>Total Assets (1+2)</b>	<b>68,544</b>	<b>63,678</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>1. Equity</b>		
	(a) Equity Share capital	3,604	3,604
	(b) Other Equity	50,906	47,797
	<b>Total Equity</b>	<b>54,510</b>	<b>51,401</b>
	<b>Liabilities</b>		
	<b>2. Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Lease Liabilities	876	867
	(b) Income Tax Liabilities (net)	194	41
	(c) Provisions	28	-
	<b>Total Non - Current Liabilities</b>	<b>1,098</b>	<b>908</b>
	<b>3. Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	2,071	3,179
	(ii) Lease Liabilities	77	77
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	711	259
	Total outstanding dues of creditors other than micro enterprises and small enterprises	8,579	5,979
	(iv) Other financial liabilities	678	478
	(b) Other current liabilities	794	1,371
	(c) Provisions	26	26
	<b>Total Current Liabilities</b>	<b>12,936</b>	<b>11,369</b>
	<b>Total Equity and Liabilities (1+2+3)</b>	<b>68,544</b>	<b>63,678</b>

STANDALONE CASH FLOW STATEMENT	(₹ in lakhs)	
	For the six months ended September 30, 2020	For the six months ended September 30, 2019
	(Unaudited)	(Unaudited)
<b>Particulars</b>		
<b>Cash Flows from Operating Activities</b>		
Profit before tax for the period	4,154	1,871
<b>Adjustments for:</b>		
Finance costs	130	164
Interest income	(89)	(204)
Provision for unspent liabilities reversed	(17)	-
Loss on disposal of property, plant and equipment	8	1
Profit on sale of Investments in Mutual Fund (net)	(73)	(70)
Net gain arising on financial assets measured at fair value through profit or loss	(57)	(181)
Sundry debit balances/advances written off	120	75
Impairment loss recognised on trade receivables / advances	106	73
Depreciation and amortisation expense	1,980	1,952
Unrealised foreign exchange (gain) / loss	(76)	121
	<b>6,186</b>	<b>3,802</b>
<b>Change in working capital:</b>		
(Decrease)/ Increase in trade and other receivables	(2,159)	129
Decrease / (Increase) in inventories	(2,596)	662
Increase / (Decrease) in trade, other payables and provisions	2,729	(519)
	<b>4,160</b>	<b>4,074</b>
<b>Cash generated from Operations</b>		
Income taxes (paid)/ refund received	(659)	826
<b>Net cash generated from operating activities (1)</b>	<b>3,501</b>	<b>4,900</b>
<b>Cash Flows from Investing Activities</b>		
Investments in Mutual Funds & bonds	(7,960)	(8,575)
Proceeds from sale of Mutual Funds	10,986	6,378
Proceeds from maturity of term deposits with banks	3,502	-
Payment for term deposits with banks	(8,800)	(411)
Interest received	32	210
Payments for property, plant and equipment, other intangibles and capital work-in-progress	(572)	(619)
Proceeds from disposal of property, plant and equipment	8	-
<b>Net cash used in investing activities (2)</b>	<b>(2,804)</b>	<b>(3,017)</b>
<b>Cash Flows from Financing Activities</b>		
Dividend on Equity share and Dividend Distribution Tax there on	-	(1,086)
Repayment of long-term borrowings	-	(188)
Repayment from short-term borrowings (net)	(966)	(142)
Payments of Lease Liabilities	(34)	(58)
Interest paid	(86)	(121)
<b>Net Cash used in financing activities (3)</b>	<b>(1,086)</b>	<b>(1,595)</b>
<b>Net Increase / (decrease) in Cash and Cash Equivalents (1+2+3)</b>	<b>(389)</b>	<b>287</b>
Cash and Cash Equivalents at the beginning of the period	777	30
<b>Cash and Cash Equivalents at the end of the period</b>	<b>388</b>	<b>318</b>

**NOTES :**

- Above financial results have been reviewed by the Audit Committee at its meeting held on November 12, 2020 and approved by the Board of Directors (Board) at their meeting held on that date. The Statutory Auditor has reviewed the same.
- The above reviewed financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. These financial results have been prepared in accordance with the recognition and measurement principles of Ind AS - 34 - Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- A scheme of amalgamation of erstwhile IFGL Refractories Ltd. with the Company with effect from April 01, 2016 was approved by the Hon'ble National Company Law Tribunal, Kolkata vide order dated August 03, 2017. Goodwill of Rs. 26,699 lakhs arose on such merger which was accounted for under "Purchase Method" as defined under erstwhile Accounting Standard 14 - Accounting for Amalgamation. Useful life of such Goodwill was estimated to be 10 years and it is being amortised accordingly.
- The Company's Writ Petition No. 544 of 2019 challenging vires of the Explanation to Section 10AA(1) of the Income Tax Act, 1961 inserted on and from assessment year beginning April 1, 2018, on grounds that such explanation denies the benefit that was intended to be provided under the said section, was admitted by the Hon'ble High Court at Calcutta on November 7, 2019. Supported by a legal opinion obtained in this regard, management believes that the Company has a good case on merit in this matter and the resultant deferred tax assets of Rs. 1,164 lakhs are considered as recoverable in future.
- The Company operates in a single segment and is engaged in the business of manufacture, trading and sale of refractories based on customer specifications.
- Operations of the Company were partially impacted due to temporary disruptions following nationwide lockdown on and from March 25, 2020 enforced by the Government of India because of pandemic COVID-19 outbreak. However, the Company's overall operations, performance and results have normalised May 2020 onwards. Based on the situation currently prevailing and considering the improvement in steel industry, the management expects demand for its products and services to remain stable; and further, does not anticipate any challenge in the Company's ability to continue as a going concern or meeting its financial obligations. However, the above evaluations are based on scenario analysis of internal and external information available up to the date of approval of these standalone financial results.

On behalf of the Board  
of IFGL Refractories Limited

**PRADEEP**  
**BAJORIA** Digitally signed by  
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Date: 2020.11.12  
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P Bajoria  
Managing Director  
(DIN : 00084031)

Kolkata  
November 12, 2020

COMMITTED TO CLEAN METAL

**Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

**Review Report to  
The Board of Directors  
IFGL Refractories Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of IFGL Refractories Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the quarter ended September 30, 2020 and year to date from April 01, 2020 to September 30, 2020 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. **Emphasis of Matter**

We draw attention to:

- a) Note 4 to the consolidated financial results, relating to amalgamation of the erstwhile IFGL Refractories Limited with the Holding Company (the amalgamated entity was thereafter renamed as IFGL Refractories Limited) with effect from April 01, 2016 following Scheme of Amalgamation approved by the Hon'ble National Company Law Tribunal, Kolkata Bench, vide its Order date August 03, 2017, under the provisions of sections 230 and 232 of the Companies Act, 2013 (the "Scheme"). Pursuant to the Scheme, the aforesaid business combination was recognized under the 'Purchase Method' as defined under Accounting Standard (AS) 14, Accounting for Amalgamations, and Goodwill arising on such amalgamation aggregating Rs. 26,699 lakhs had been recognized. Based on management's assessment, such Goodwill is being amortized over a period of ten years with a charge of Rs. 667 lakhs per quarter. As per Indian Accounting Standard (Ind AS) 103, Business Combinations, the aforesaid amalgamation had to be recognized under 'Pooling of Interest Method' since these were entities under common control.
- b) Note 5 to the consolidated financial results regarding the Holding Company's writ petition challenging the 'Explanation' to Section 10AA(1) of the Income Tax Act, 1961 inserted on and from assessment year beginning April 01, 2018, which was admitted by the Hon'ble High Court at Calcutta. Pending decision by the Hon'ble High Court, uncertainty exists as regards realizability of resultant recognized deferred tax assets of Rs. 1,164 lakhs.

Our conclusion is not modified in respect of these matters.

7. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of 7 (seven) subsidiaries, whose unaudited interim financial results include total assets of Rs. 53,060 lakhs as at September 30, 2020, total revenues of Rs. 11,104 lakhs and Rs. 20,793 lakhs, total net profit after tax of Rs. 252 lakhs and Rs. 125 lakhs, total comprehensive income of Rs. 252 lakhs and Rs. 125 lakhs, for the quarter ended September 30, 2020 and the period ended on that date respectively, and net cash inflows of Rs. 1,375 lakhs for the period from April 01, 2020 to September 30, 2020, as considered in the Statement which have been reviewed by their respective independent auditors. The independent auditor's reports on interim financial results and other financial information of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

Aforesaid subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

8. The accompanying Statement includes unaudited interim financial results and other unaudited financial information in respect of 6 (six) subsidiaries whose interim financial results and other financial information reflect total assets of Rs. 19,232 lakhs as at September 30, 2020, and total revenues of Rs. 91 lakhs and Rs. 183 lakhs, total net loss after tax of Rs. 50 lakhs and Rs. 48 lakhs, total comprehensive loss of Rs. 50 lakhs and Rs. 48 lakhs, for the quarter ended September 30, 2020 and the period ended on that date respectively and net cash inflows of Rs. 1 lakh for the period from April 01, 2020 to September 30, 2020. The unaudited interim financial results and other unaudited financial information of the these subsidiaries have not been reviewed by their auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries, is based solely on such unaudited interim financial results and other unaudited financial information. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants


Our conclusion on the Statement in respect of matters stated in para 7 and 8 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

**For S.R. BATLIBOI & CO. LLP**

**Chartered Accountants**

**ICAI Firm registration number: 301003E/E300005**

**Bhaswar  
Sarkar**

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Bhaswar Sarkar  
Date: 2020.11.12 13:14:27  
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**per Bhaswar Sarkar**

Partner

Membership No.: 055596

UDIN: 20055596AAAAEJ9156

Kolkata.

November 12, 2020

**Annexure I**

**List of Subsidiaries (including stepdown subsidiaries)**

<b>Sl. No.</b>	<b>Name</b>
1	IFGL Worldwide Holdings Limited
2	Tianjin Monocon Aluminous Refractories Company Limited
3	Tianjin Monocon Refractories Company Limited
4	Monotec Refratarios Ltd
5	IFGL Monocon Holdings Limited
6	Monocon International Refractories Limited
7	IFGL GmbH
8	Hofmann Ceramic GmbH
9	Hofmann Ceramic CZ s.r.o.
10	Monocon Overseas Limited
11	Mono Ceramics Inc.
12	IFGL Inc.
13	EI Ceramics LLC
14	Goricon Metallurgical Services Limited

IFGL REFRACTORIES LIMITED							
Registered Office: Sector B, Kalunga Industrial Estate, P.O. Kalunga 770031, Dist: Sundergarh, Odisha.							
Head & Corporate Office: 3, Netaji Subhas Road, Kolkata 700001							
CIN: L51909OR2007PLC027954; E-mail : ifgl.ho@ifgl.in; Website : www.ifglref.com							
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020							
Sr. No.	Particulars	₹ in lakhs except as otherwise stated					
		Quarter ended			Six months ended		Year Ended
		30-09-2020	30-06-2020	30-09-2019	30-09-2020	30-09-2019	31-03-2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
1.	Revenue from Operations	24,621	20,322	22,294	44,943	47,765	91,735
2.	Other Income	221	315	448	536	598	1,096
3.	<b>Total Income (1+2)</b>	<b>24,842</b>	<b>20,637</b>	<b>22,742</b>	<b>45,479</b>	<b>48,363</b>	<b>92,831</b>
4.	<b>Expenses</b>						
	a. Cost of Materials Consumed	7,720	6,821	9,569	14,541	19,628	39,086
	b. Purchase of Stock-in-Trade	3,799	2,829	1,261	6,628	4,003	5,700
	c. Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	(567)	(59)	376	(626)	716	1,125
	d. Employee Benefit Expenses	3,793	3,477	3,772	7,270	7,496	15,045
	e. Finance Costs	85	73	74	158	173	361
	f. Depreciation and Amortisation Expenses	1,246	1,193	1,161	2,439	2,316	4,834
	g. Other Expenses	5,971	4,918	5,146	10,889	10,882	21,622
5.	<b>Total Expenses [4(a) to 4(g)]</b>	<b>22,047</b>	<b>19,252</b>	<b>21,359</b>	<b>41,299</b>	<b>45,214</b>	<b>87,773</b>
6.	<b>Profit before exceptional items and tax (3 - 5)</b>	<b>2,795</b>	<b>1,385</b>	<b>1,383</b>	<b>4,180</b>	<b>3,149</b>	<b>5,058</b>
7.	Exceptional Items (refer note 7)	-	-	-	-	-	2,061
8.	<b>Profit before Tax (6-7)</b>	<b>2,795</b>	<b>1,385</b>	<b>1,383</b>	<b>4,180</b>	<b>3,149</b>	<b>2,997</b>
9.	Tax Expense						
	a. Current Tax	581	203	214	784	570	969
	b. Deferred Tax (Credit) / Charge	150	163	(84)	313	(30)	83
10.	<b>Profit for the year/period (8-9)</b>	<b>2,064</b>	<b>1,019</b>	<b>1,253</b>	<b>3,083</b>	<b>2,609</b>	<b>1,945</b>
11.	Profit for the year/period attributable to:						
	Equity holders of the Company	2,064	1,019	1,253	3,083	2,609	1,945
	Non Controlling Interest	-	-	-	-	-	-
12.	<b>Other Comprehensive Income / (Loss)</b>						
	<b>A</b> Other Comprehensive income not be recycled to profit or loss						
	i. Re-measurement losses on Defined Benefit Plans	(1)	(1)	(9)	(2)	(17)	(4)
	ii. Income tax relating to above item	1	-	5	1	10	1
	<b>B</b> Other Comprehensive Items that will be reclassified to profit or loss						
	Exchange differences in translating the financial statements of foreign operations	161	120	68	281	(663)	1,668
13.	<b>Total Other Comprehensive Income / (Loss) for the year/period</b>	<b>161</b>	<b>119</b>	<b>64</b>	<b>280</b>	<b>(670)</b>	<b>1,665</b>
14.	<b>Total Comprehensive Income / (Loss) for the year/period</b>	<b>2,225</b>	<b>1,138</b>	<b>1,317</b>	<b>3,363</b>	<b>1,939</b>	<b>3,610</b>
	Total Comprehensive Income for the year/period attributable to:						
	Equity holders of the Company	2,225	1,138	1,317	3,363	1,939	3,610
	Non Controlling Interest	-	-	-	-	-	-
15.	Paid up Equity Share Capital (Face value ₹ 10/- each )	3,604	3,604	3,604	3,604	3,604	3,604
16.	Other Equity	-	-	-	-	-	77,291
17.	Earnings Per Share (of ₹ 10/- each) *						
	Basic & Diluted	5.73	2.83	3.48	8.55	7.24	5.40

\* Figures for quarters and six months are not annualised.

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES		(₹ in lakhs)	
Sr. No.	Particulars	As at	
		30-09-2020 (Unaudited)	31-03-2020 (Audited)
<b>A</b>	<b>ASSETS</b>		
	<b>1. Non-Current Assets</b>		
	(a) Property, Plant and Equipment	13,748	15,228
	(b) Right to Use Asset	2,096	2,199
	(c) Capital work-in-progress	1,015	691
	(d) Goodwill (on consolidation)	10,520	10,362
	(e) Other Intangible Assets	15,789	16,251
	(f) Financial Assets		
	(i) Investments	52	52
	(ii) Loans and Deposits	223	220
	(g) Deferred Tax Assets (net)	333	562
	(h) Income Tax Assets (net)	247	299
	(i) Other Non-Current Assets	289	192
	<b>Total Non - Current Assets</b>	<b>44,312</b>	<b>46,056</b>
	<b>2. Current Assets</b>		
	(a) Inventories	16,370	14,175
	(b) Financial Assets		
	(i) Investments	6,425	9,321
	(ii) Loans and Deposits	65	66
	(iii) Trade Receivables	20,307	21,053
	(iv) Cash and cash equivalents	12,310	10,965
	(v) Bank balances other than (iv) above	5,407	108
	(vi) Others	80	208
	(c) Other Current Assets	1,156	966
	<b>Total Current Assets</b>	<b>62,120</b>	<b>56,862</b>
	<b>Total Assets (1+2)</b>	<b>1,06,432</b>	<b>1,02,918</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>1. Equity</b>		
	(a) Equity Share capital	3,604	3,604
	(b) Other Equity	80,654	77,291
	<b>Equity attributable to the owners</b>	<b>84,258</b>	<b>80,895</b>
	<b>Non controlling interest</b>	<b>-</b>	<b>-</b>
	<b>Total Equity</b>	<b>84,258</b>	<b>80,895</b>
	<b>Liabilities</b>		
	<b>2. Non-Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	1,311	1,352
	(ii) Lease Liabilities	1,046	1,086
	(b) Income Tax Liabilities (Net)	260	47
	(c) Provisions	28	-
	(d) Deferred Tax Liabilities (Net)	1,216	1,174
	<b>Total Non - Current Liabilities</b>	<b>3,861</b>	<b>3,659</b>
	<b>3. Current Liabilities</b>		
	(a) Financial Liabilities		
	(i) Borrowings	2,910	3,506
	(ii) Lease Liabilities	201	201
	(iii) Trade Payables		
	Total Outstanding dues of Micro Enterprises and Small Enterprises	711	259
	Total Outstanding dues of Creditors Other than Micro Enterprises and Small Enterprises	12,626	12,163
	(iv) Other Financial Liabilities	1,007	800
	(b) Other Current Liabilities	832	1,409
	(c) Provisions	26	26
	<b>Total Current Liabilities</b>	<b>18,313</b>	<b>18,364</b>
	<b>Total Equity and Liabilities (1+2+3)</b>	<b>1,06,432</b>	<b>1,02,918</b>

Particulars	(₹ in lakhs)	
	For the six months ended September 30, 2020	For the six months ended September 30, 2019
	(Unaudited)	(Unaudited)
<b>Cash Flows from Operating Activities</b>		
Profit before tax for the period	4,180	3,149
Adjustments for:		
Finance costs	158	173
Interest income	(95)	(205)
Provision for unspent liabilities reversed	(17)	(104)
Loss on disposal of property, plant and equipment	33	10
Profit on sale of Investments in Mutual Fund (net)	(73)	(69)
Net gain arising on financial assets measured at fair value through profit or loss	(57)	(32)
Sundry debit balances/advances written off	120	75
Impairment loss recognised on trade receivables /advances	179	178
Depreciation and amortisation expense	2,439	2,316
Unrealised foreign exchange gain/(loss)	(76)	121
Effect of change in Foreign Exchange Translation	(248)	(669)
	<b>6,543</b>	<b>4,943</b>
Change in working capital:		
Decrease in trade and other receivables	351	359
Decrease / (Increase) in inventories	(2,097)	389
Increase / (Decrease) in trade payables and other liabilities	522	(308)
<b>Cash generated from Operations</b>	<b>5,319</b>	<b>5,383</b>
Income taxes (paid) / Refund Received	(516)	641
<b>Net cash generated by Operating Activities (1)</b>	<b>4,803</b>	<b>6,024</b>
<b>Cash flows from Investing Activities</b>		
Investments in Mutual Funds & GOI Bond	(7,960)	(8,724)
Proceeds from sale of Mutual Funds	10,986	6,379
Proceeds from maturity of term deposits with banks	3,500	-
Payment for term deposits with banks	(8,800)	(133)
Interest received	38	205
Payments for property, plant and equipment, other intangibles and Capital Work in Progress	(675)	(352)
Proceeds from disposal of property, plant and equipment	8	-
<b>Net cash used in Investing Activities (2)</b>	<b>(2,903)</b>	<b>(2,625)</b>
<b>Cash flows from Financing Activities</b>		
Dividend on Equity share and Dividend Distribution Tax thereon	-	(1,086)
Repayment of long-term borrowings	(58)	(256)
Proceeds from long-term borrowings	-	198
Repayment of short-term borrowings (net)	(448)	(488)
Payments of Lease Liabilities	(98)	(144)
Interest Paid	(100)	(127)
<b>Net cash used in financing activities (3)</b>	<b>(704)</b>	<b>(1,903)</b>
<b>Exchange Differences On Translation Of Foreign Currency</b>	149	-
<b>Net Increase in Cash and Cash Equivalents (1+2+3)</b>	<b>1,345</b>	<b>1,496</b>
Cash and cash equivalents at the beginning of the period	10,965	7,634
<b>Cash and cash equivalents at the end of the period</b>	<b>12,310</b>	<b>9,130</b>

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED ON CONSOLIDATED BASIS	(₹ in lakhs)						
	Particulars	Quarter ended			Six months ended		Year ended
		30-09-2020	30-06-2020	30-09-2019	30-09-2020	30-09-2019	31-03-2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>Segment Revenue (Gross Sales / Income from Operations)</b>							
India	16,410	12,468	11,600	28,878	25,415	48,894	
<i>Outside India</i>							
Asia excluding India	(498)	331	363	(167)	809	1,576	
Europe	4,718	4,431	5,445	9,149	11,377	20,957	
Americas	3,991	3,092	4,886	7,083	10,164	20,308	
<b>Gross Sales / Income from Operations</b>	<b>24,621</b>	<b>20,322</b>	<b>22,294</b>	<b>44,943</b>	<b>47,765</b>	<b>91,735</b>	
<b>Segment Results [Profit(+)/ Loss(-) before Tax and Finance Costs]</b>							
India	2,567	1,638	803	4,205	2,039	3,875	
<i>Outside India</i>							
Asia excluding India	5	90	91	95	208	366	
Europe (refer note 7)	98	48	153	146	231	(2,538)	
Americas	210	(318)	410	(108)	844	1,655	
<b>Total</b>	<b>2,880</b>	<b>1,458</b>	<b>1,457</b>	<b>4,338</b>	<b>3,322</b>	<b>3,358</b>	
Add/(less) : Finance Costs	(85)	(73)	(74)	(158)	(173)	(361)	
<b>Profit before Tax</b>	<b>2,795</b>	<b>1,385</b>	<b>1,383</b>	<b>4,180</b>	<b>3,149</b>	<b>2,997</b>	
<b>Segment Assets</b>							
India	62,883	58,281	58,859	62,883	58,859	58,495	
<i>Outside India</i>							
Asia excluding India	1,087	2,697	2,336	1,087	2,336	2,880	
Europe	18,522	17,735	12,969	18,522	12,969	17,908	
Americas	13,420	13,459	17,109	13,420	17,109	13,271	
Unallocated	10,520	10,378	11,668	10,520	11,668	10,364	
<b>Total Segment Assets</b>	<b>1,06,432</b>	<b>1,02,550</b>	<b>1,02,941</b>	<b>1,06,432</b>	<b>1,02,941</b>	<b>1,02,918</b>	
<b>Segment Liabilities</b>							
India	12,004	11,286	13,513	12,004	13,513	12,207	
<i>Outside India</i>							
Asia excluding India	1,181	845	846	1,181	846	1,360	
Europe	5,332	5,611	6,001	5,332	6,001	5,742	
Americas	3,657	2,776	2,261	3,657	2,261	2,714	
<b>Total Segment Liabilities</b>	<b>22,174</b>	<b>20,518</b>	<b>22,621</b>	<b>22,174</b>	<b>22,621</b>	<b>22,023</b>	

**NOTES :**

- Above financial results have been reviewed by the Audit Committee at its meeting held on November 12, 2020 and approved by the Board of Directors (Board) at their meeting held on that date. The Statutory Auditor has reviewed the same.
- The above reviewed financial results of the Group [IFGL Refractories Limited and fourteen subsidiaries] have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. These financial results have been prepared in accordance with the recognition and measurement principles of Ind AS - 34 - Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- The Group is engaged in the business of manufacture, trading and sale of refractories and is managed organisationally as a single unit. The Group has adopted geographical location of its operations (where its products are produced or service rendering activities are based) as its operating segment in terms of Ind AS 108 'Operating Segments'.
- A scheme of amalgamation of erstwhile IFGL Refractories Ltd. with the Holding Company with effect from April 01, 2016 was approved by the Hon'ble National Company Law Tribunal, Kolkata vide order dated August 03, 2017. Goodwill of Rs. 26,699 lakhs arose on such merger which was accounted for under "Purchase Method" as defined under erstwhile Accounting Standard 14 – Accounting for Amalgamation. Useful life of such Goodwill was estimated to be 10 years and it is being amortised accordingly.
- The Holding Company's Writ Petition No. 544 of 2019 challenging vires of the Explanation to Section 10AA(1) of the Income Tax Act, 1961 inserted on and from assessment year beginning April 1, 2018, on grounds that such explanation denies the benefit that was intended to be provided under the said section, was admitted by the Hon'ble High Court at Calcutta on November 7, 2019. Supported by a legal opinion obtained in this regard, management believes that the Holding Company has a good case on merit in this matter and the resultant deferred tax assets of Rs. 1,164 lakhs are considered as recoverable in future.
- The outbreak of Coronavirus (COVID-19) pandemic globally is causing significant disturbance and slowdown of economic activities. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations of their businesses.  
The Group resumed its business activities after a brief disruption in certain components and there has been continuous improvement in the operations since then. The Group management has assessed the operations and liquidity position of the Group taking into consideration improvement in the steel sector. Based on such assessment, the Group management does not anticipate any challenge in the Group's ability to meet its financial obligations. However, the above evaluations are based on scenario analysis of internal and external information available up to the date of approval of these consolidated financial results.
- During the previous year, the Group had recognised impairment loss amounting to Rs 2,061 lakhs, which has been disclosed as an exceptional item in these consolidated financial results. This impairment loss represented the write-down of carrying value of goodwill to the recoverable amount pertaining to German operations (IFGL GmbH and its step-down subsidiaries). The recoverable amount was based on value in use calculations using present value of future cash flows estimated by the management and was determined at the level of CGU which consists of the assets of IFGL GmbH and its step-down subsidiaries.

On behalf of the Board  
of IFGL Refractories Limited

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P Bajoria  
(DIN : 00084031)

Managing Director

Kolkata  
November 12, 2020

COMMITTED TO CLEAN METAL

**IFGL REFRACTORIES LIMITED**

Registered Office : Sector B, Kalunga Industrial Estate, P.O. Kalunga 770031, Dist: Sundergarh, Odisha.  
Head & Corporate Office : McLeod House, 3, Netaji Subhas Road, Kolkata 700001  
CIN: L51909OR2007PLC027954; E-mail : ifgl.ho@ifgl.in; Website : www.ifglref.com

(₹ in lakhs except as otherwise stated)

**EXTRACT OF STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2020**

Particulars	Quarter ended			Six months ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total Income	24,842	20,637	22,742	45,479	48,363	92,831
Net Profit before Tax from Ordinary Activities	2,795	1,385	1,383	4,180	3,149	5,058
Net Profit / (Loss) before Tax after exceptional item	2,795	1,385	1,383	4,180	3,149	2,997
Net Profit / (Loss) after Tax and exceptional item	2,064	1,019	1,253	3,083	2,609	1,945
Total Comprehensive Income [Comprising Profit for the period after Tax and Other Comprehensive Income after Tax]	2,225	1,138	1,317	3,363	1,939	3,610
Paid up Equity Share Capital (Face Value ₹ 10/- per Share)	3,604	3,604	3,604	3,604	3,604	3,604
Other Equity	-	-	-	-	-	77,291
Earnings Per Share (of ₹ 10 /- each) Basic and Diluted #	5.73	2.83	3.48	8.55	7.24	5.40

# Figures for the quarter and six months are not annualised.

**Note :-**

1. Above unaudited financial results have been reviewed by the Audit Committee at its meeting held on 12th November 2020 and approved by the Board of Directors at their meeting held on that date and these have been subjected to limited review of the Statutory Auditors of the Company.

2. Key Stand-alone financial information are as follows :

(₹ in Lakhs)

Particulars	Quarter ended			Six months ended		Year ended
	30-Sep-20	30-Jun-20	30-Sep-19	30-Sep-20	30-Sep-19	31-Mar-20
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Total Income	16,758	12,988	12,227	29,746	26,574	50,669
Net Profit before Tax from Ordinary Activities	2,552	1,602	732	4,154	1,871	3,577
Net Profit after Tax from Ordinary Activities	1,915	1,194	760	3,109	1,619	2,973
Total Comprehensive Income [Comprising Profit for the period after Tax and Other Comprehensive Income after Tax]	1,915	1,193	750	3,108	1,600	2,970

3. This is an extract of the detailed format of Unaudited Consolidated and Stand-alone Financial Results for the quarter and six months ended 30th September, 2020 filed with the Stock Exchanges under Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015. Detailed format of the Unaudited Consolidated and Stand-alone Financial Results are available on the Websites of BSE (www.bseindia.com), NSE(www.nseindia.com) and Company's Website (www.ifglref.com).

**On behalf of the Board  
of IFGL Refractories Limited**

**PRADEEP  
BAJORIA**

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Kolkata  
12th November 2020

**P Bajoria  
(DIN : 00084031)  
Managing Director**

**COMMITTED TO CLEAN METAL**