

About Unlisted Shares of TRL Krosaki Refractories Limited

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1. TRL Krosaki Refractories Limited (TRL Krosaki) is a company established in 1958 under the name "Belpahar Refractories Limited" and set up a plant in Belpahar, Jharsuguda in 1959 to cater to the needs of steel, aluminum, and copper industries of the country with refractory materials. In 1986, the company was renamed as Tata Refractories Limited (TRL).
2. TRL Krosaki is an Integrated Management System (IMS) certified company and a leading manufacturer of refractory materials in India. It manufactures a wide range of products such as Base, Dolomite, High Alumina, Unshaped, Silica, Taphole Clay, and RH Snorkel Refractories. The company also provides technical services to its customers in the form of Refractory Management Services, Refractory Engineering Services, and Technical Support Services.
3. Kurosaki Harima Corporation (KHC), Japan, a global leader in refractories, owns 77.62% of the company's shares. KHC was established in 1919 and has accumulated technology over the last 96 years to provide solutions based on the latest technology. "Kurosaki Harima" is a partner company of Nippon Steel & Sumitomo Metal Corporation, the world's second-largest steel producer.
4. The company has two associated companies - TRL Krosaki Asia Pte Limited (Singapore) and Almora Magnesite Limited (Almora, Uttarakhand). TRL China Limited is a refractory manufacturer in the People's Republic of China and a wholly owned subsidiary of TRL Asia Pte Limited. The partnership with KHC has given the company access to the latest technology, diversified its products, and increased its potential to penetrate the global refractory market. KHC and TRL Kurosaki together are the fourth largest refractory manufacturers in the world.

TRL Kurosaki's FY2020 Business Strategy

1. India is expected to be one of the few countries with good steel demand in the medium term. With the increase in steel demand, the demand for refractory products is also expected to increase. TRL Kurosaki's growth strategy is based on capital investments in key areas to increase plant capacity and add new product lines, which will contribute to achieving the long-term goal of expanding market share. A new product line of refractory alumina graphite (AG) production plant using technology from Kurosaki Harima Corporation, Japan, is expected to be commissioned in 2021.
2. In general, the manufacturing of alumina graphite is a cutting-edge technology and a very precise process. Hence, there are very few other refractory manufacturers producing these products.
3. During FY20 TRL, Kurosaki maintained a 70% share in the Indian dolomite business and expanded its presence in overseas markets. The company has become one of the leading service providers in the field of gutter management, with revenue from gutter management contracts growing by 57%.

4. Keyhole clay remains one of the company's key products, with sales of keyhole clay products growing by 16%.
5. High aluminum spinel (SLM) bricks for ladles remain one of the company's flagship products, with sales of SLM bricks growing by 49%.
6. Sales of Direct Bonded Magnesite Chrome (DBMC), another key product, increased by 5%.
7. The company's silica bricks for coke oven plants are doing well and customers are placing repeat orders. The South American market remains a focus market for the company to supply the copper industry and the customer base is steadily increasing.

TRL Kurosaki Production Facilities

1. **Belpahar Plant - Belpahar** - The plant has a capacity of 2,252.10 MTPA production base, with a focus on dolomite, high alumina, silica, castings, prefabricated fired molds, flow control products (new plant using KHC technology), and taphole clay (new system using KHC technology).
2. **Salem Plant** - The plant has a capacity of 14,400 MTPA and manufactures simple ramming compounds and tundish spray compounds.
3. **TRL Jamshedpur** - The plant has a capacity of 30,000 MTPA and manufactures silica ramming and prefabricated fired molds.
4. **TRL MP** - The plant has a capacity of 18,000 MTPA and produces Alumina Bricks and Alumina Castings.
5. **TRL Gujarat** - The plant has a capacity of 66,000 MTPA and produces Alumina Bricks and Alumina Castings.
6. **TRL China** - The plant has a capacity of 90,000 MTPA and produces Mag-C Bricks and AMC Bricks.

TRL Kurosaki Industrial Services

1. **Iron Industry** - TRL Kurosaki has been serving the steel industry for decades and plays a vital role in enhancing industrial performance by supplying refractory silica and fireclay for various modernization and repair works of coke oven batteries (both high and low) in India and overseas.
2. **Lime Industry** - TRL Kurosaki has been supplying to the lime industry since 1980. The company has supplied over 66 lime kilns and completed 43 lime kiln projects across the world in various capacities.
3. Steel, aluminum, energy, copper, and cement industries.

Fundamentals

Fundamentals			
TRL Krosaki Refractories Limited	1330 Per Equity Share	Market Cap (in cr.)	2769.25
Unlisted Shares Price		P/E Ratio	17.5
Lot Size	100 Shares	P/B Ratio	3.8
52 Week High	1460	Debt to Equity	0.36
52 Week Low	1322	ROE (%)	21.7
Depository	NSDL & CDSL	Book Value	348.92
PAN Number	AAAXT6494Q	Face Value	10
ISIN Number	INE012L01014		

Financials (Figures in cr)

P&L Statement			
P&L Statement	2021	2022	2023
Revenue	1427.65	1923.97	2302.49
Cost of Material Consumed	617.69	803.18	1002.25
Gross Margins	56.62	58.24	56.33
Change in Inventory	12.98	-22.66	-23.78
Employee Benefit Expenses	130.62	141.23	161.83
Other Expenses	577.81	819.11	890.08
EBITDA	84.82	182.69	264.63
OPM	5.96	9.5	11.53
Other Income	3.73	0.42	7.48
Finance Cost	12.41	15.92	22.74
D&A	28.93	34.3	38.69
EBIT	55.89	148.39	225.94
EBIT Margins	3.93	7.71	9.84
PBT	46.54	137.12	210.67
PBT Margins	3.27	7.13	9.18
Tax	10.82	33.38	52.4
PAT	35.72	103.74	158.27
NPM	2.51	5.39	6.9
EPS	17.09	49.64	75.73
Financial Ratios	2021	2022	2023
Operating Profit Margin	5.96	9.5	11.53
Net Profit Margin	2.51	5.39	6.9
Earning Per Share (Diluted)	17.09	49.64	75.73

Balance Sheet			
Assets	2021	2022	2023
Fixed Assets	300.7	392.65	457.23
CWIP	107.16	65.38	46.83
Investments	31.86	32.45	35.94
Trade Receivables	237.15	299.01	337.26
Inventory	356.6	449.94	470.26
Other Assets	92.38	89.38	80.21
TotalAssets	1125.85	1328.81	1427.73
Liabilities	2021	2022	2023
Share Capital	20.9	20.9	20.9
FV	10	10	10
Reserves	494.15	583.43	708.34
Borrowings	175.43	307.52	263.09
Trade Payables	288.16	301.84	311.55
Other Liabilities	147.21	115.12	123.85
TotalLiabilities	1125.85	1328.81	1427.73

Cash-Flow Statement			
Cash- Flow Statement	2021	2022	2023
PBT	46.54	137.12	210.67
OPBWC	82.81	186.34	275.15
Change in Receivables	0	0	0
Change in Inventories	-42.58	-93.34	-20.32
Change in Payables	0	0	0
Other Changes	112.73	-37.29	-23.3
Working CapitalChange	70.15	-130.63	-43.62
Cash Generated From Operations	152.96	55.71	231.53
Tax	-3.83	-29.33	-48.64
Cash Flow From Operations	149.13	26.38	182.89
Purchase of PPE	-116.1	-98.71	-89.47
Sale of PPE	0.39	0.17	1.74
Cash Flow From Investment	-94.78	-94.58	-87.08
Borrowing	-22.16	98.5	-44.64
Divided	-30.3	-13.37	-31.35
Equity	0	0	0
Others From Financing	-1.35	-14.51	-23.2
Cash Flow from Financing	-53.81	70.62	-99.19
Net Cash Generated	0.54	2.42	-3.38
Cash at the Start	0.77	1.31	3.73
Cash at the End	1.31	3.73	0.35