



# Dalmia Bharat Refractories Ltd.

<https://dalmiaocl.com/index.php>

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# Company Overview

Dalmia Bharat Refractories Limited is a subsidiary of Dalmia Bharat Group, one of India's oldest and most respected business conglomerates with a rich legacy spanning over **seven decades**. Dalmia Bharat Refractories Limited (DBRL) is a leading manufacturer of refractory products in India.

DBRL operates primarily in the refractory industry, which plays a crucial role in sectors such as steel, cement, glass, non-ferrous metals, and petrochemicals. Refractory products are vital for lining furnaces, kilns, reactors, and other high-temperature equipment to withstand extreme heat and chemical corrosion.



# Products

DBRL specializes in the production of refractory bricks, monolithics, and other related products essential for high-temperature applications across various industries.

- **Refractory Bricks:** High-quality bricks designed for specific applications such as steelmaking, cement manufacturing, and aluminum production.
- **Monolithic Refractories:** Customizable refractory mixes, castables, and mortars used for lining large industrial structures.
- **Specialized Refractories:** Tailored solutions for unique applications, including those in the petrochemical, glass, and non-ferrous metal industries.

In a strategic move to boost operational efficiency and growth, DBRL has divested its refractory business, retaining only its **magnesia carbon division and China manufacturing**. The company is now concentrating on its Magnesia Carbon business, branded as **DMC**.

# Revenue Breakdown

Revenue from Contracts with Customers	2024	2023
Manufactured Goods	84.33	251.53
Traded Goods	31.41	97.54
Sale of Services	0.18	1.89
Total Sale of Products and Services	115.92	350.96

DBRL has recently divested from its core refractory business and is currently not actively seeking new avenues for growth to enhance shareholder value. Instead, the company is directing its focus towards investments in the cement and construction material industries, and startups. DBRL has announced recent investments in Dalmia Bharat Limited and HippoStores Technology Private Limited.

## Future Plans

# Future Industry Outlook

The Global Refractories Market size is estimated at 55.16 Million tons in 2024 and is expected to reach 67.12 Million tons by 2029, growing at a CAGR of 4% during the forecast period (2024-2029). The Indian refractory industry is expected to maintain a positive growth trajectory, driven by several factors:

- **Booming Infrastructure:** Government initiatives in infrastructure development like roads, ports, and airports will require substantial refractory usage.
- **Steel & Cement Growth:** India aims to be a major steel producer (300 million tonnes by 2030) and the cement industry is projected to grow by 12%. This will directly fuel the demand for refractories. India aims for a significant rise in crude steel production by 2030.
- **Expanding Applications:** Refractories are finding applications in new sectors like glass, power, and waste management, further boosting the market.

# Subsidiaries

Accordingly, as on March 31, 2024, the Company has four subsidiaries including one wholly owned subsidiary and one step down subsidiary.

S. No.	Name of the Subsidiary	Status	Percentage of Holding
1.	OCL Global Limited	Wholly Owned Subsidiary	100%
2.	Himadri Birla Tyre Manufacturing Private Limited (formerly known as Dalmia Mining and Services Private Limited)	Subsidiary	99.99%
3.	Birla Tyres Limited	Subsidiary	99.99%
4.	OCL China Limited	Step Down Subsidiary through OCL Global Limited	90%



# Timeline

Name of the Company is changed to “DALMIA BHARAT REFRATORIES LIMITED” with effect from December 27, 2019.

October 04, 2006

December 27, 2019

March 01, 2022

The Company is incorporated as "SRI DHANDAUTHAPANI MINES AND MINERALS LIMITED" under the Companies Act, 1956, by the Registrar of Companies, Chennai.

DBRL is formed by the amalgamation of the refractory business of the Dalmia group from 3 units of Dalmia-OCL: Dalmia Refractories Ltd, Dalmia Cement Bharat Ltd and Refractory Unit and GSB India.

# Timeline

Dalmia Cement (Bharat) Ltd sold its entire stake in DBRL to Sarvapriya Healthcare Solutions Private Limited, part of the same promoter group. The sale represented 42.36% of DBRL's share capital, for a total of Rs 800 crore.

**January 04, 2023**

DBRL consolidated its Indian refractory business into Dalmia OCL. Subsequently, RHI Magnesita acquired DOCL through a share swap agreement, issuing a 13.27% stake in exchange for complete ownership.

**April 25, 2023**

**October 19, 2023**

DBRL along with Himadri Speciality Chemicals Limited, received approval from the NCLT for their joint resolution plan to acquire Birla Tyres Limited through insolvency proceedings.



# Sale of Indian Refractory Business

Before the sale, the Indian business of DBRL reported revenue of INR 1,100 crore and expenses of INR 1,151 crore, indicating operational losses. However, despite this loss, the company proceeded with the sale of the business, valuing it based on 27 times DBRL EBIDTA.

The fair value of shares received as part of the sale of the Indian business to RHI Magnesita amounted to INR 1,707 crore, with an additional INR 484 crore received in cash. The net value of assets and liabilities transferred as part of the business amounted to approximately INR 400 crore. Consequently, the ultimate gain realized from the sale of the business amounted to INR 1,759 crore

Particulars	As on Jan 4th, 2023
Fair value of shares received for Dalmia OCL Limited	1707
Cash Consideration	393
Cash Consideration for working capital	91
Total consideration	2191
Less: Carrying amount of net assets transferred (refer below)	-400
Total Assets	1038
Total Liabilities	638
Less: expenses towards business transfer	32
Total Gain on disposal of refractory business	1759

# Financials

₹ in crores

Particulars	31st March, 2024	31st March, 2023	31st March, 2022
Revenue	115	359	301
EBITDA	-27	25	47
PBT	11	(10.5)	35
Exceptional Items	12.09	1760	-
PAT	47	1306.5	23
EPS	10.66	302	5

# Peer Comparison

₹ in crores

Particulars	Revenue	PAT	EPS	CMP (13/12/2024)	MCAP	P/E	P/B
Dalmia Bharat Refractories Ltd.	115 Cr	47	10.66	₹267	1180 Cr.	25	0.45
Morganite Crucible (India) Ltd	168Cr.	23	41	₹1673	₹ 939 Cr.	35	7.58
IFGL Refractories Ltd	1639Cr.	82	23	₹486	₹ 1743 Cr.	34	1.64



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