



JAI BALAJI INDUSTRIES LTD. (JBIL)

Creating a better tomorrow, Today!

Q1FY25 Investor Presentation (July'2024)

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Table of Contents



About the Company

.....▶ **04 - 09**



Q1FY25 Performance Highlights

.....▶ **10 - 19**



Investment Thesis

.....▶ **20 - 31**



Annexure

.....▶ **32 - 46**

Management Commentary and Business Outlook

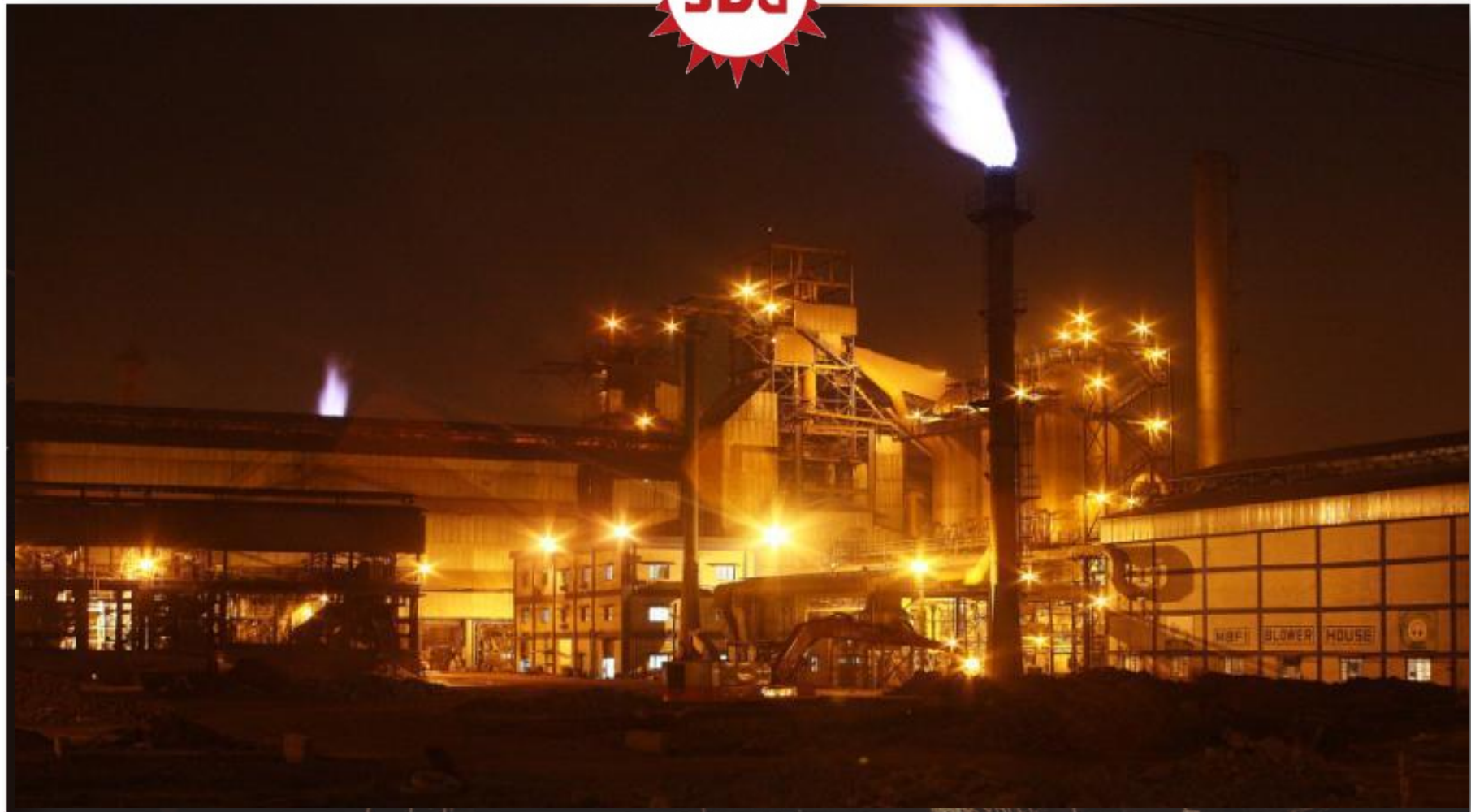


“JBIL has kicked off FY25 with a strong start. Our efforts are firmly aligned with the goals outlined in Jai Balaji 2.0. We are focusing on increasing the revenue share from value-added products like DI pipes and specialized products such as specialized ferro alloys by enhancing our capacity. Our goal is to maintain EBITDA margins in the 18%-20% range and to become a net debt-free company in the next 12 months. The company is well-positioned for growth, supported by strong industry tailwinds in DI Pipes and Specialized Ferro Alloys, robust capacity expansion plans, low-cost Capex, a healthy balance sheet, fully integrated operations, cost reduction strategies, experienced management, and backing from all stakeholders.

Coming to Q1FY25 performance, I am happy to share that Revenue, Adjusted EBITDA and PAT has significantly increased by 16%, 58% and 23% on YoY basis due to strong operational performance, increased production & sales volume, cost reduction strategies and decreasing finance costs. We are positive about maintaining this momentum and continuing to provide exceptional results in the future.”



Mr. Aditya Jajodia
Chairman and Managing Director



About the Company

Business at a Glance



One of the largest manufacturers of Value-added products (DI Pipes & Specialized Ferro Alloys) in the private sector in Eastern India

4 manufacturing units present across West Bengal & Chhattisgarh

Specialized product portfolio of DI Pipes and Ferro Alloys

1.1 MT fully integrated Greenfield Steel Manufacturing

3 Star Export House; Exporting to more than 40 Countries

1st Company in West Bengal to set up Sponge Iron & Waste Heat Recovery Power Plants

Successfully raised equity from IPO, Private Placements and QIP Route

101.1 MW Power Plants Fully Operational

Jai Balaji 2.0 = Value added Products + Strong Balance Sheet



Objective

Target



**Focus on DI Pipes,
Specialized Ferro Alloys and
Value-added Products**

- Capacity enhancement -
 - DI Pipes capacity expected to grow by 120% to 6.6L TPA
 - Ferro Alloys capacity is expected grow by 14% to 1.9L TPA
- **Achieved Target of increasing utilization rate above 90%**; the goal now is to maintain this rate going forward.



Strong Balance Sheet

- Aim to become Net Debt Free in next 12 months
- Capex from internal accruals



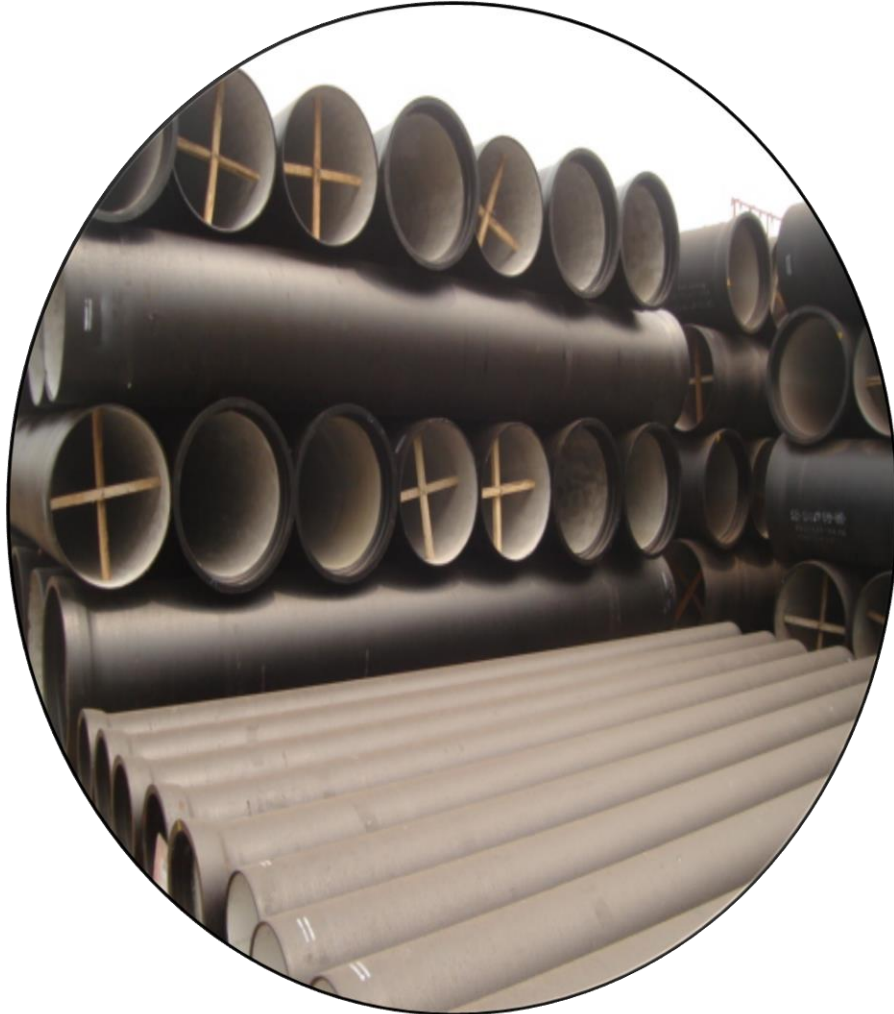
Margin Expansion

- Revenue contribution of value-added & specialized products (DI Pipes & Specialized Ferro Alloys) to increase from 45% - 55% to 80%
- **Achieved aim of EBITDA Margin to be in the range of 18%-20%**; target now is to uphold this range consistently going forward

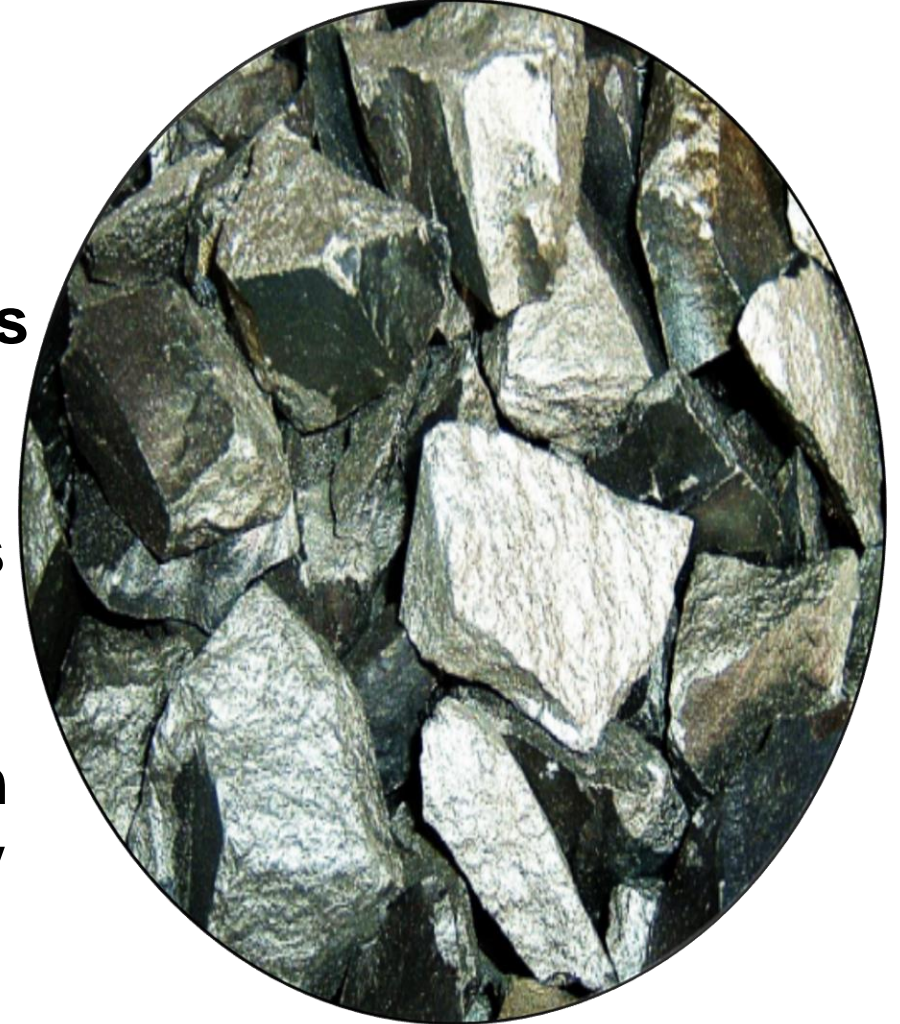
Transitioning to High Margin Company



Ductile Iron Pipes



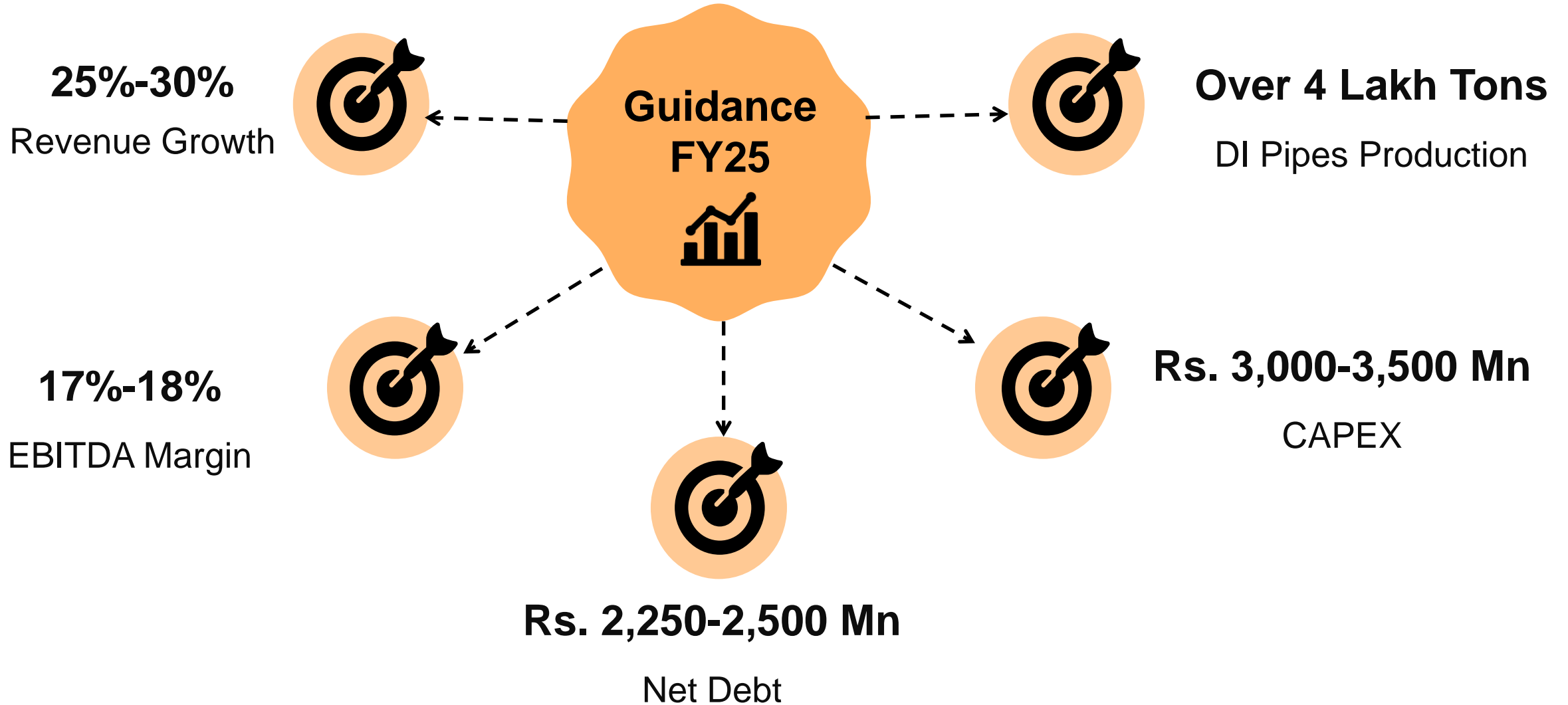
Specialized Ferro Alloys



Management's strategy is to focus on Value-Added Products like Ductile Iron Pipes and Specialized Ferro Alloys for margin expansion and sustainability

JBIL is focused on being a Value-Added and Specialized Product company

Guidance FY25





Q1FY25 Performance Highlights



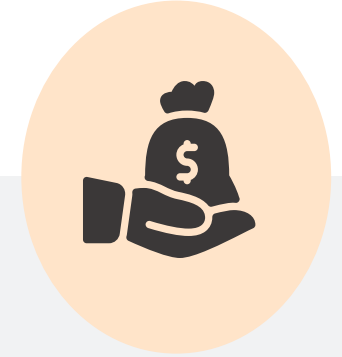
Strong Performance

- Financial Performance (YoY) – Revenue, Adjusted EBITDA and PAT demonstrated impressive growth of 16%, 58% and 23%
- Operational Performance (YoY) – Production and sales volume of DI Pipes and Ferro Alloys showed an increasing trend.



Approaching Zero Net Debt

- Net Debt as on 30th June'24 is Rs. 3,841 Mn, reduced from Rs. 3,981 in FY24.
- Management expects JBIL to be Net-Debt Free in next 12 months.



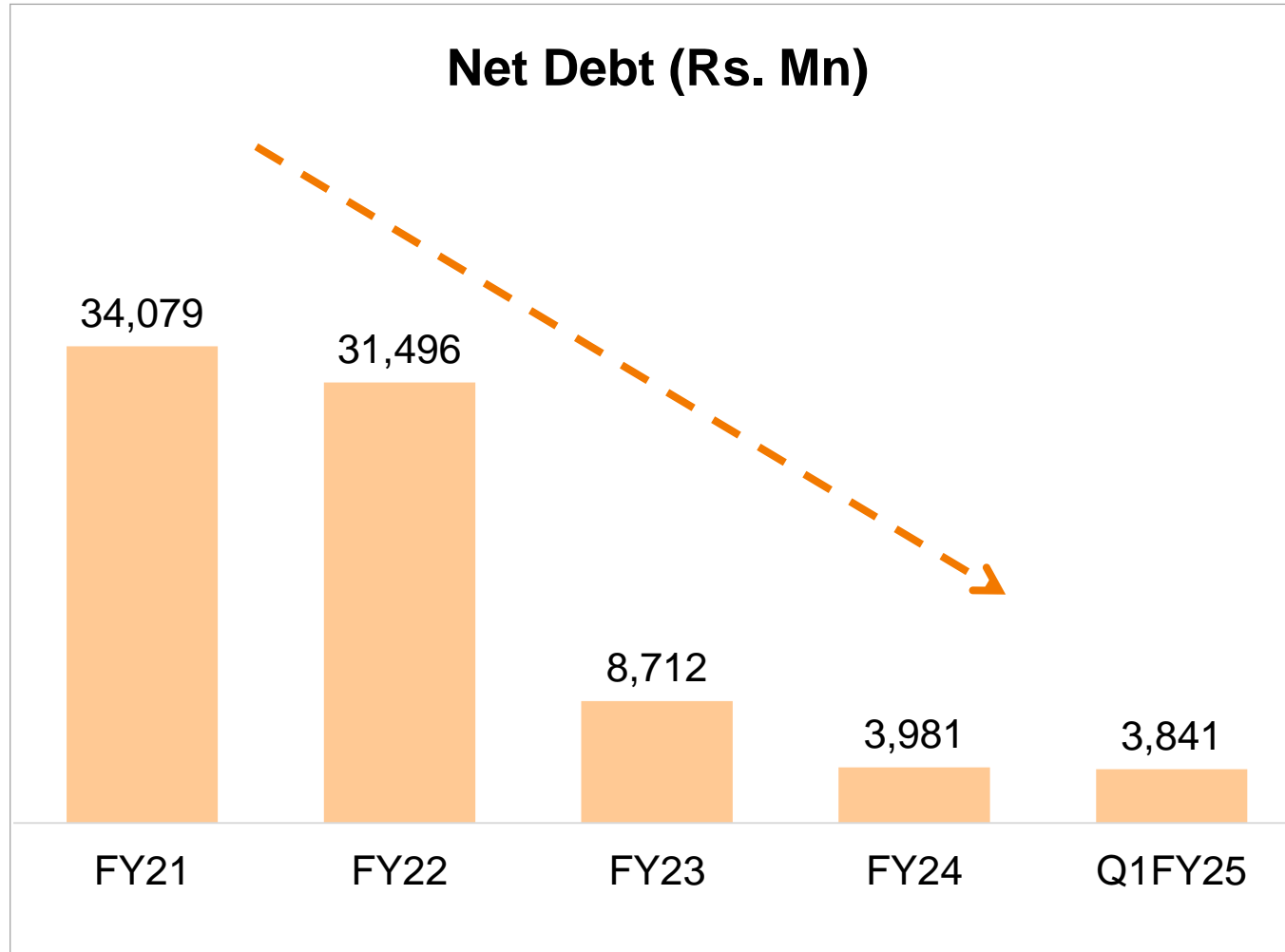
Robust Capex Plan

- Strong Capex plan of Rs. 10,000 Mn in place – out of this Rs. 6,052 Mn has already been spent from internal accruals
- Balance Capex is expected to be completed in approx next 12 Months through internal accruals only

Progress Towards Net Debt Zero Status...



Net Debt (Rs. Mn)



Present Debt pertains to Tata Capital Limited and co-lenders

FY24 Net Debt to EBITDA = 0.4x
(Performed better than the expectation to maintain Net Debt to EBITDA at around 0.6 on 31st March'2024 guided earlier)

Aim to become Net Debt Free in 12 Months

Significant/Proposed Capacity Enhancement



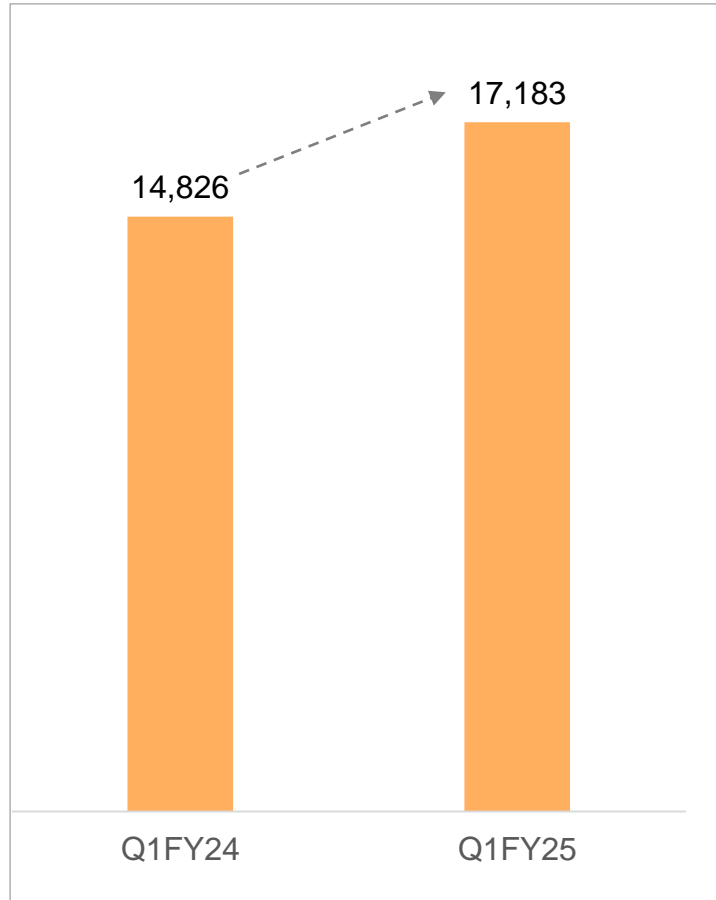
Products (Location)	Existing Capacity	Capacity Addition	Capacity After Expansion	Capex (in Rs. Mn.)			Current Status	
				Total	Already incurred			Balance to be incurred
					Capitalized	Under CWIP		
Specialized Products								
DI Pipes	300,000 TPA	360,000 TPA	660,000 TPA	4,000	95	1,589	2,316	Will be done in 2 phases – Phase 1 = out of 2 Lakh T, 60,000 is already commissioned, balance 1.40 Lakh expected to commission by FY25; Phase 2 = 2.2 Lakh T expected to commission by FY26
Ferro Alloys	166,000 TPA	24,000 TPA	190,000 TPA	1,500	1,190	250	60	Capacity already enhanced by 36000 at the end of FY24 under Phase 1 project and Balance will be commissioned by FY25.
Others								
Revamping Existing Blast Furnaces (Unit III)	630,000 TPA	120,000 TPA	750,000 TPA	2,500	1217	117	1,166	One furnace has been commissioned . 2 nd furnace will be completed in Q1FY26
Sinter (Unit III)	908,000 TPA	300,000 TPA	1,208,000 TPA	1,100	788	54	258	Will be done in 2 phases; 1st phase i.e. 3 Lakh T has been commissioned and 2 nd phase shall be commissioned in FY25.
BFG Boiler (Unit IV)	0.00 TPH	35 TPH	35 TPH	300		217	83	This is a green energy project which aims to reduce carbon footprints. Plan is to add this in captive power plant for optimizing utilization of waste gases from BF. This is expected to be commissioned in next 2 months.
Misc De-Bottle Necking				600	520	15	65	Includes backward integration to sinter Plant, Upgradation of PCI and Oxygen plant for cost cutting of producing Hot metal from Pig iron Plant.
TOTAL				10,000	3,810	2,242	3,948	

13 Note - Other repair capex of Rs. 60 Mn done in Q1FY25 apart from the above capex.

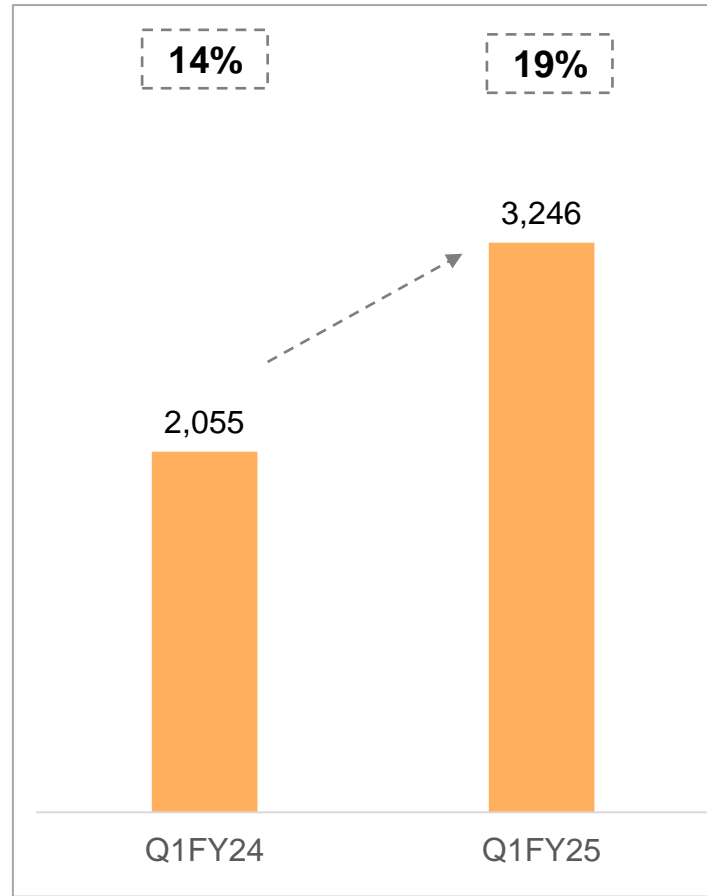
Financial Performance Highlights



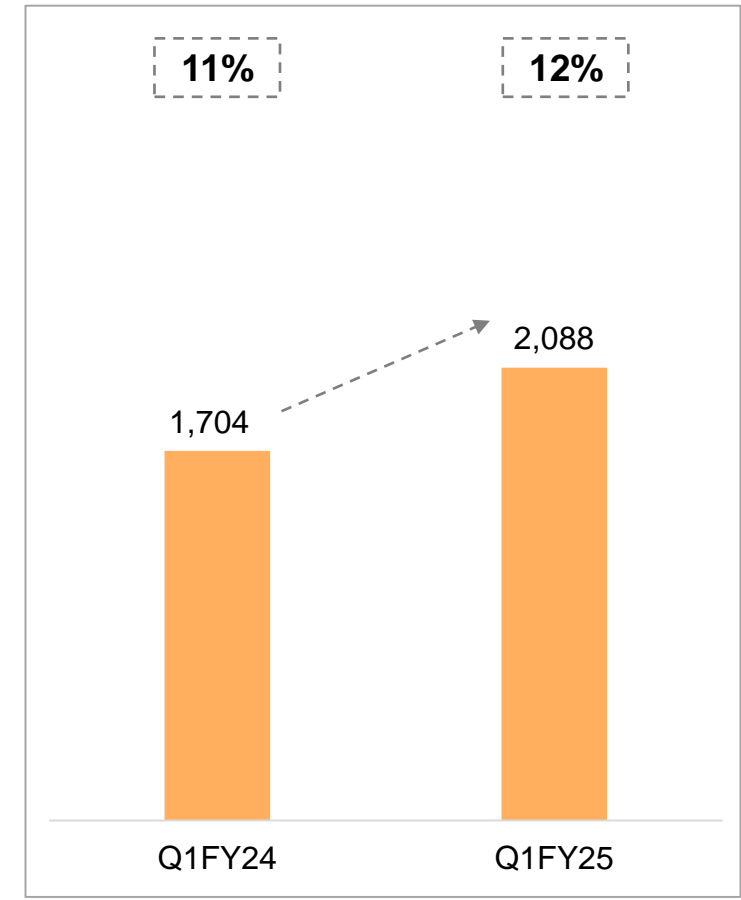
Revenue



Adjusted EBITDA & Margin (%)*



PAT & PAT Margin (%)

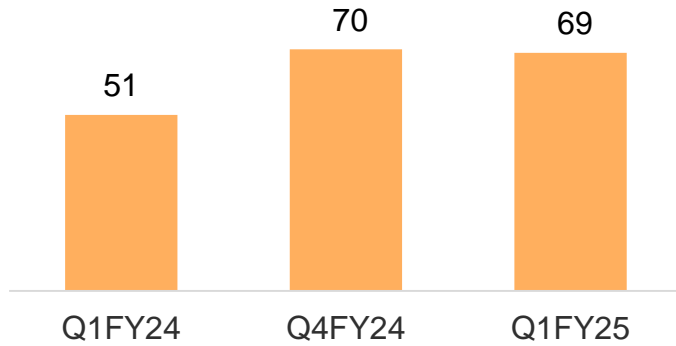


Operational Performance (1/2)

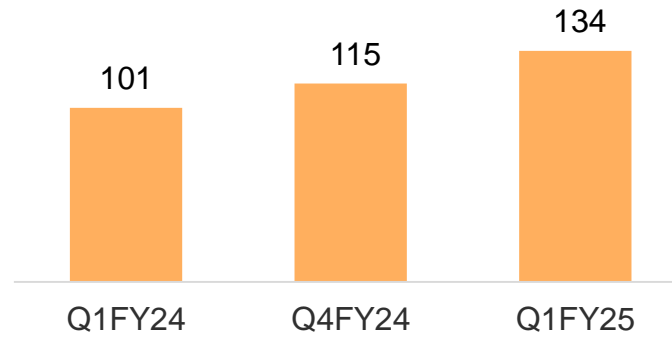


Production

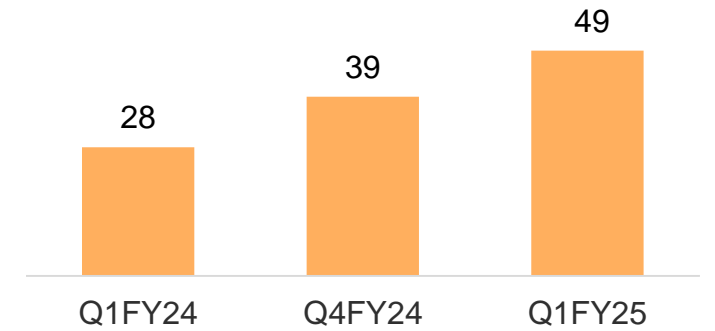
Sponge Iron ('000 T)



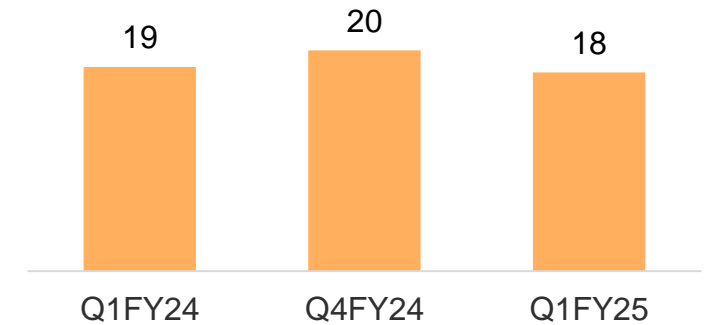
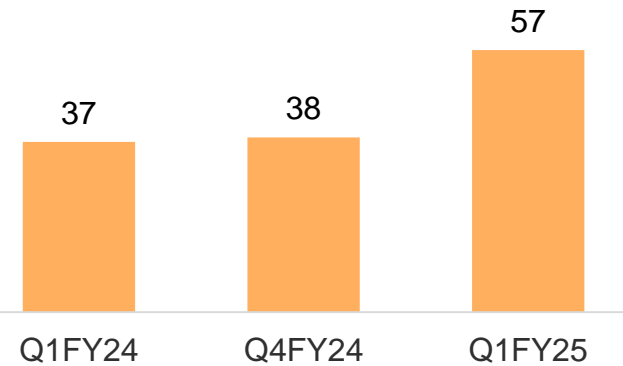
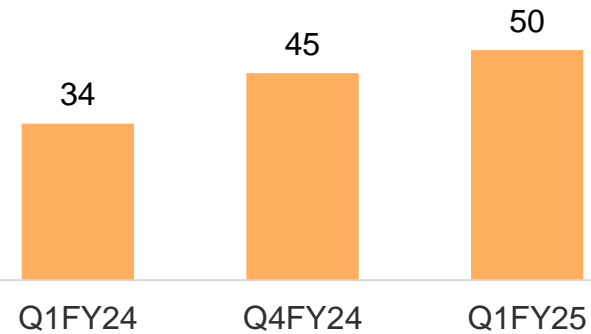
Pig Iron ('000 T)



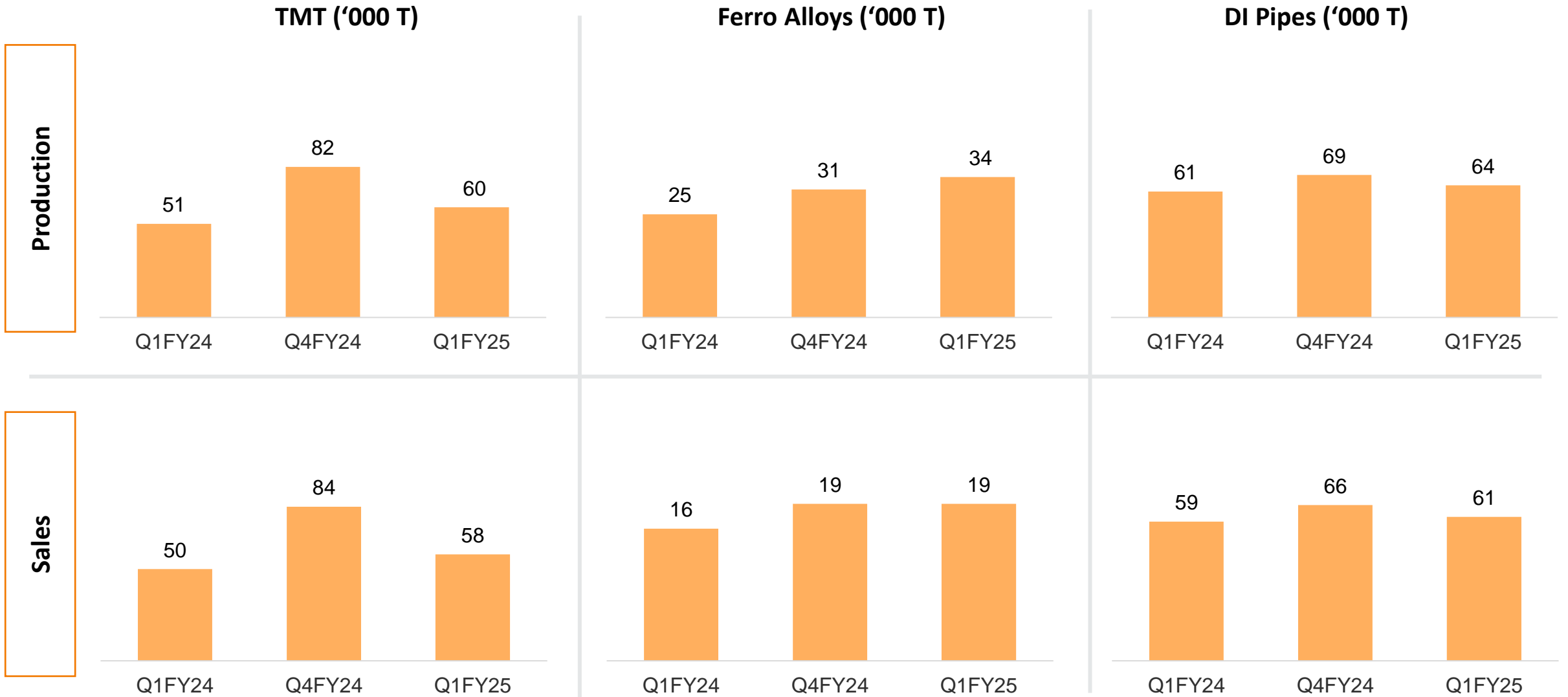
Billets ('000 T)



Sales



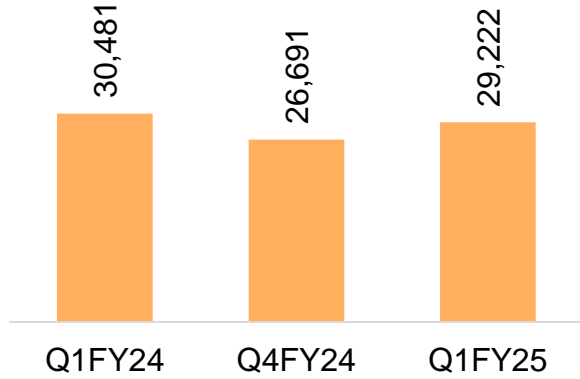
Operational Performance (2/2)



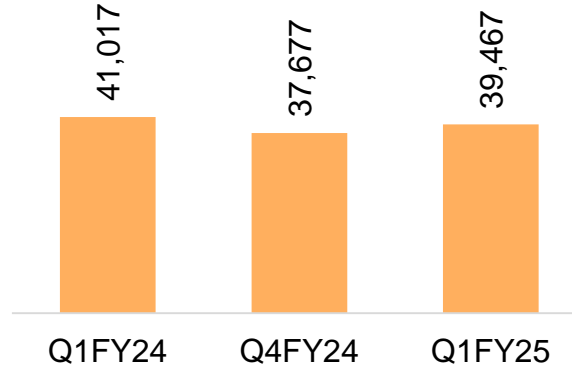
Realization Summary



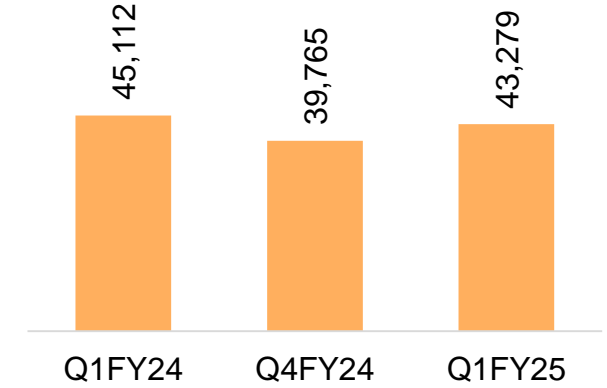
Sponge Iron



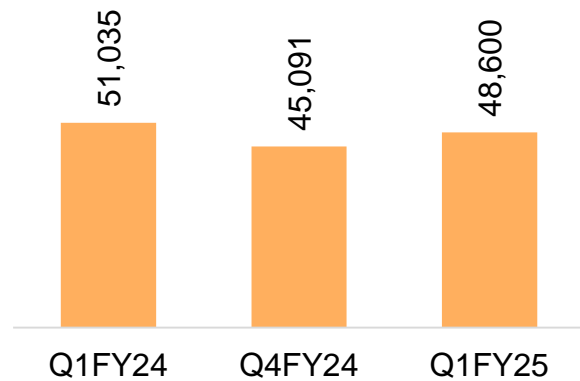
Pig Iron



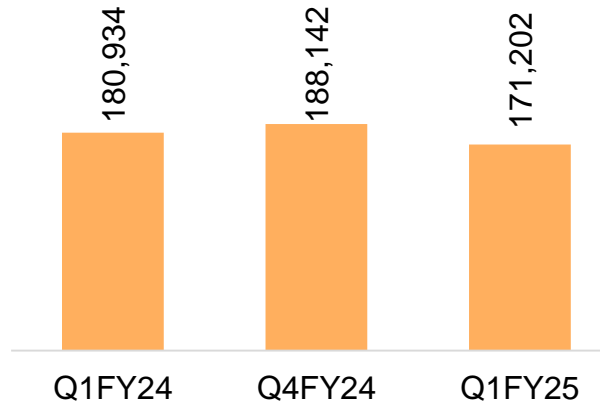
Billets



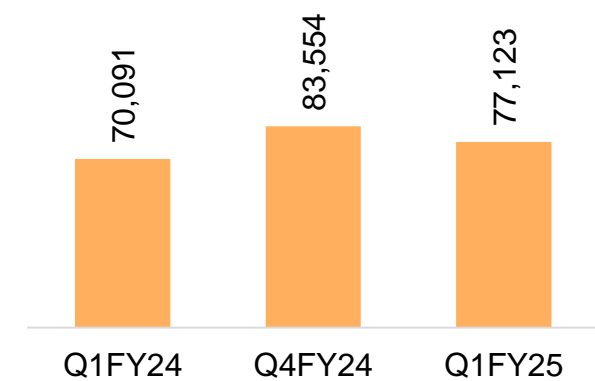
TMT



Ferro Alloys



DI Pipes (Including Freight)



Income Statement



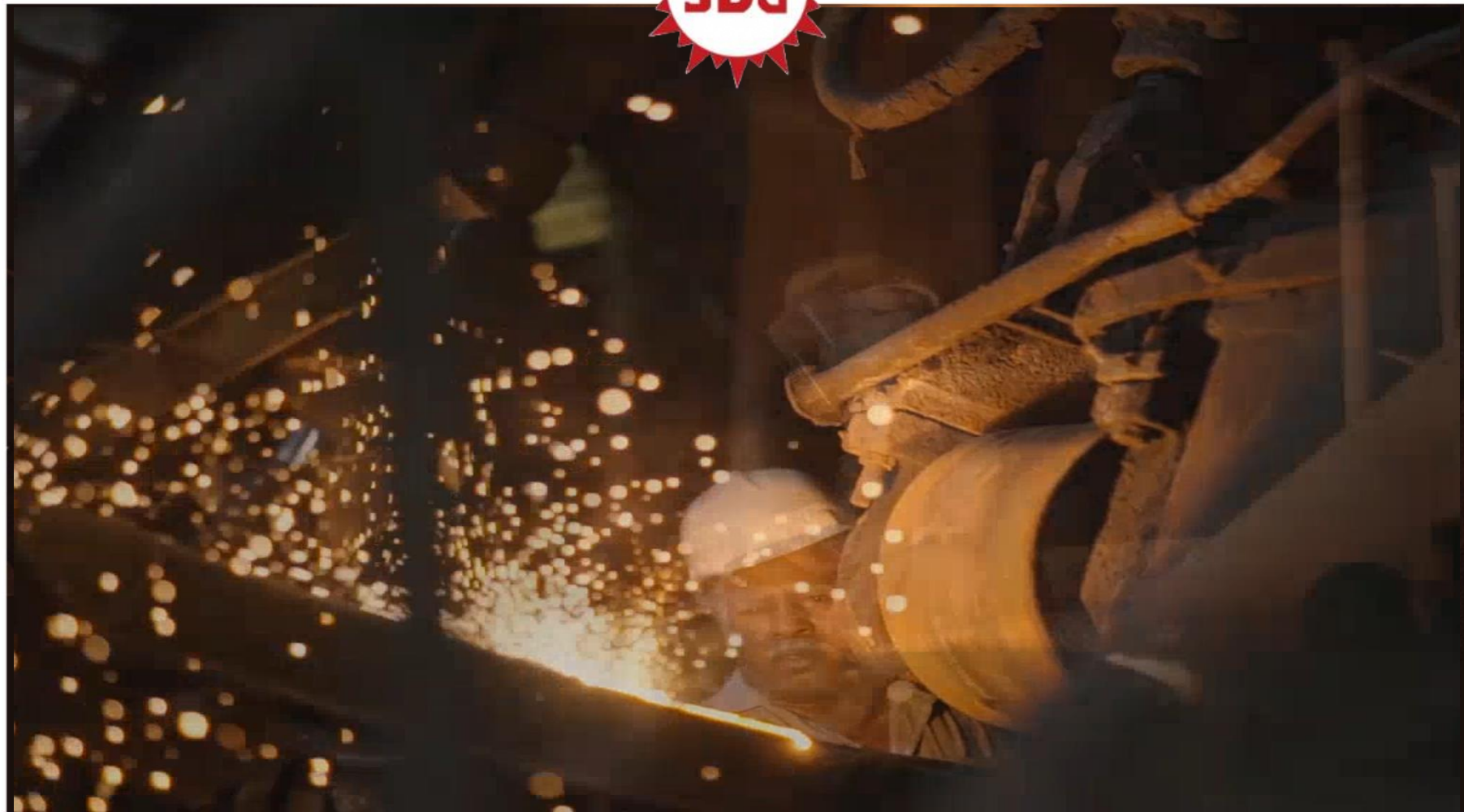
Particulars (Rs. Million)	Q1FY25	Q1FY24	YoY	Q4FY24	QoQ
Revenue from Operations	17,183	14,826	16%	18,456	-7%
Cost of Goods Sold	10,475	9,753	7%	11,891	-12%
Employee Benefits Expense	419	370	13%	352	19%
Other Expenses	3,131	2,650	18%	3,805	-18%
EBITDA	3,158	2,052	54%	2,408	31%
Adjusted EBITDA*	3,246	2,055	58%	2,574	26%
Adjusted EBITDA Margin (%)	19%	14%		14%	
Depreciation	222	214	4%	228	-3%
Finance Cost	158	212	-26%	176	-10%
Other Income	95	78		1,562	
Exceptional Items					
Profit Before Tax (PBT)	2,873	1,704	69%	3,566	-19%
Tax Expense	785			836	
Profit After Tax (PAT)	2,088	1,704	23%	2,730	-24%
PAT Margin (%)	12%	11%		15%	
EPS (Rs.)(Basic)	12.10	11.34	7%	16.95	-29%
EPS (Rs.)(Diluted)	11.76	9.61	22%	15.77	-25%

*Adjusted for non-cash items

Balance Sheet

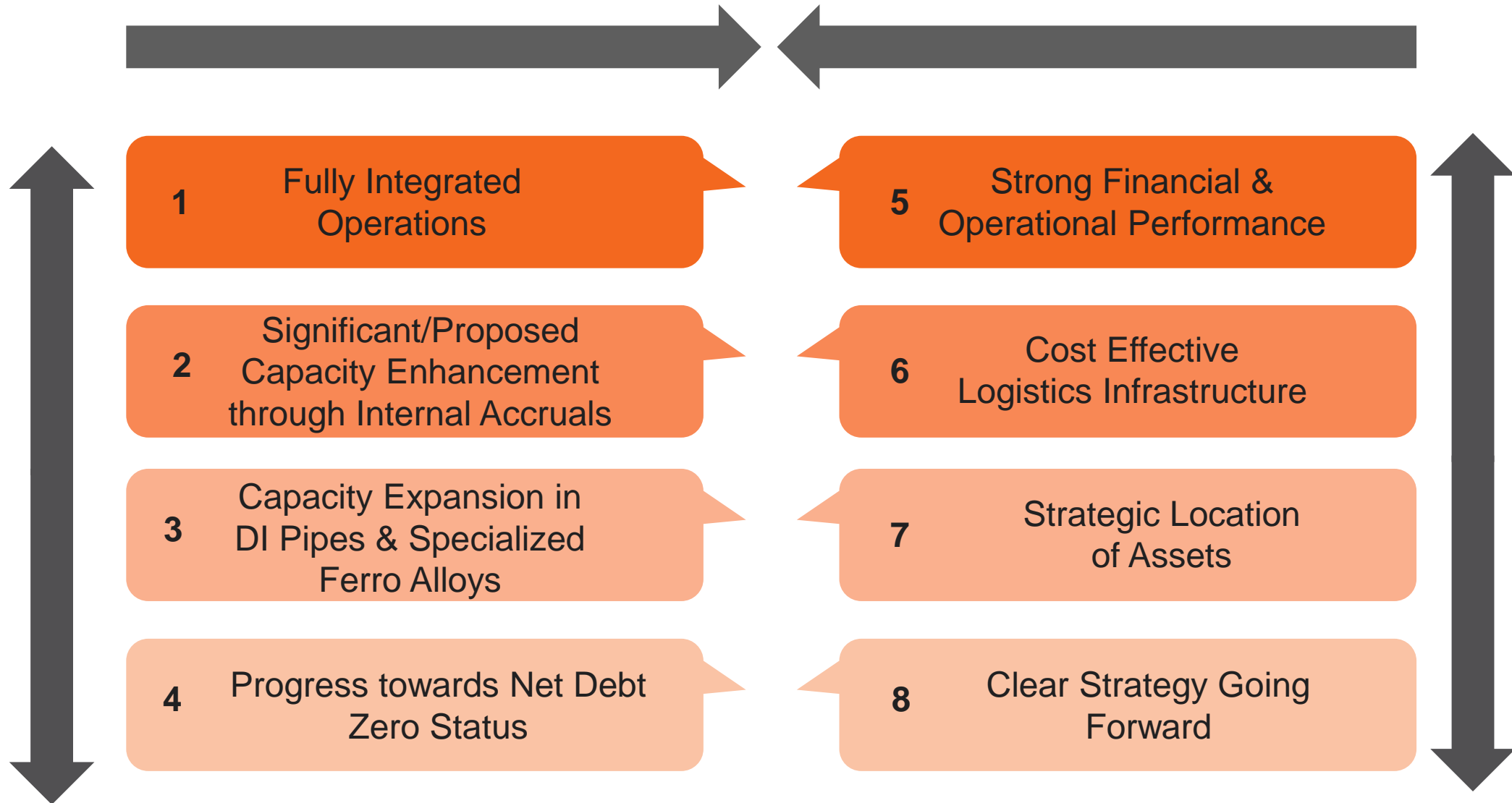


Particulars (Rs. Million)	31st March'24	31st March'23	Particulars (Rs. Million)	31st March'24	31st March'23
ASSETS			EQUITY AND LIABILITIES		
Non Current assets			EQUITY		
(a) Property, Plant and Equipment	13,773	11,268	(a) Equity share capital	1,637	1,455
(b) Capital work-in-progress	1,162	688	(b) Other equity	13,405	4,106
(c) Right to use assets	44	45	Sub Total - Equity	15,041	5,561
(d) Intangible Assets	2	3	LIABILITIES		
(e) Financial assets			Non-current liabilities		
(i) Investments	8	11	(a) Financial Liabilities		
(ii) Loans	0	0	(i) Borrowings	3,033	6,260
(iii) Other financial assets	1,051	689	(ii) Lease Liabilities	6	6
(f) Deferred Tax Assets (Net)	2,075	2,909	(b) Other non Current Liabilities	325	292
(g) Other Non Current Assets	338	271	(c) Provisions	120	115
Sub Total - Non Current Assets	18,453	15,884	Sub Total - Non Current Liabilities	3,484	6,673
Current Assets			Current liabilities		
(a) Inventories	9,497	8,214	(a) Financial Liabilities		
(b) Financial assets -			(i) Borrowings	1,685	2,337
(i) Trade Receivables	2,418	2,293	(ii) Lease Liabilities	1	1
(ii) Cash and cash equivalents	477	245	(ii) Trade Payables - MSME	137	122
(iii) Bank balances other than (iii) above	433	270	- Others	8,568	8,867
(iv) Other financial assets	267	292	(iii) Other financial liabilities	1,951	1,931
(c) Current tax assets (net)	101	123	(b) Other current liabilities	2,644	4,104
(d) Other current assets	1,899	2,279	(c) Provisions	34	3
Sub Total - Current Assets	15,092	13,715	Sub Total - Current Liabilities	15,019	17,365
Total Assets	33,545	29,599	Total Equity and Liabilities	33,545	29,599

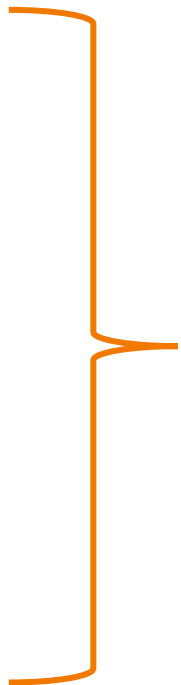
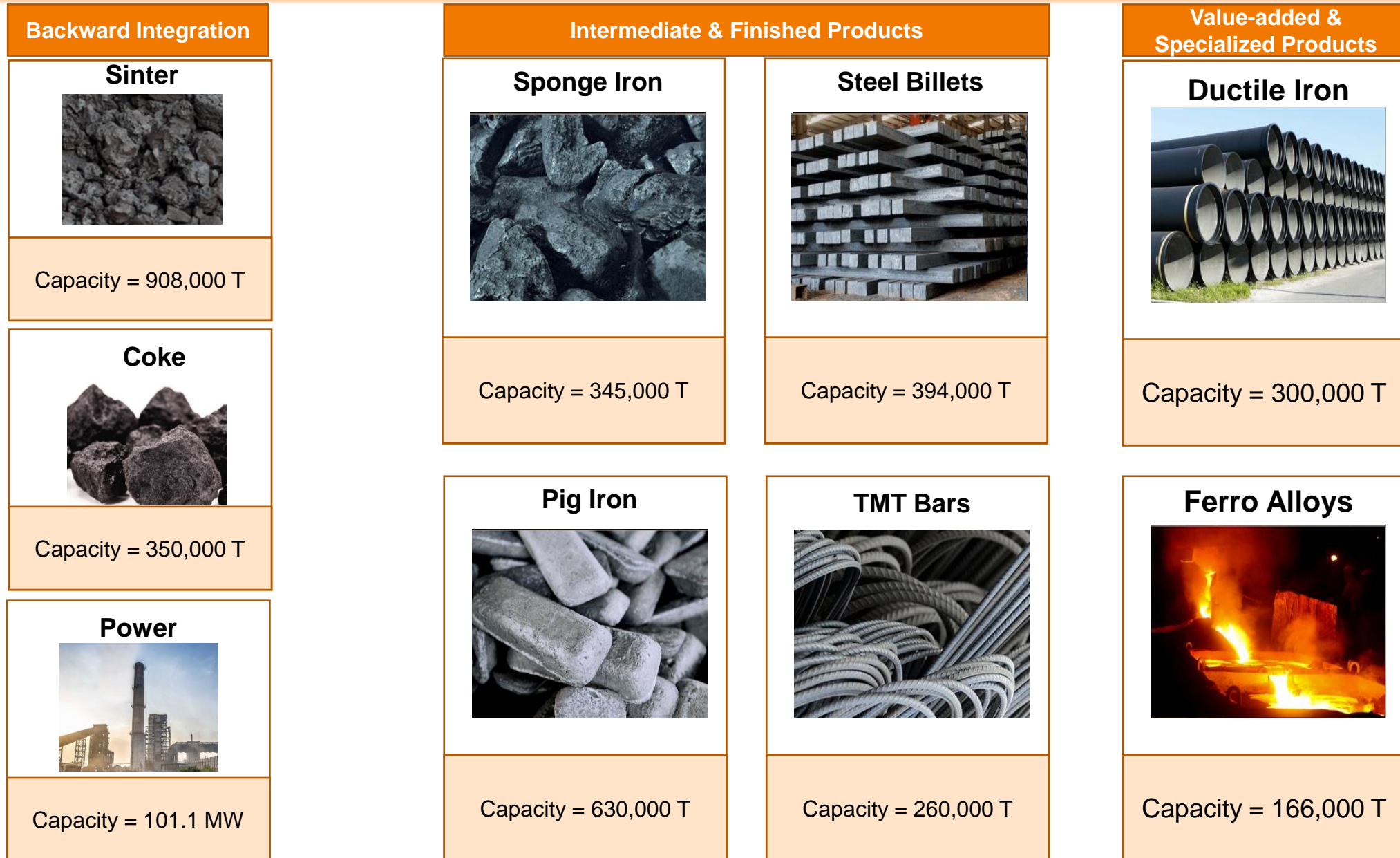


Investment Thesis

Investment Thesis

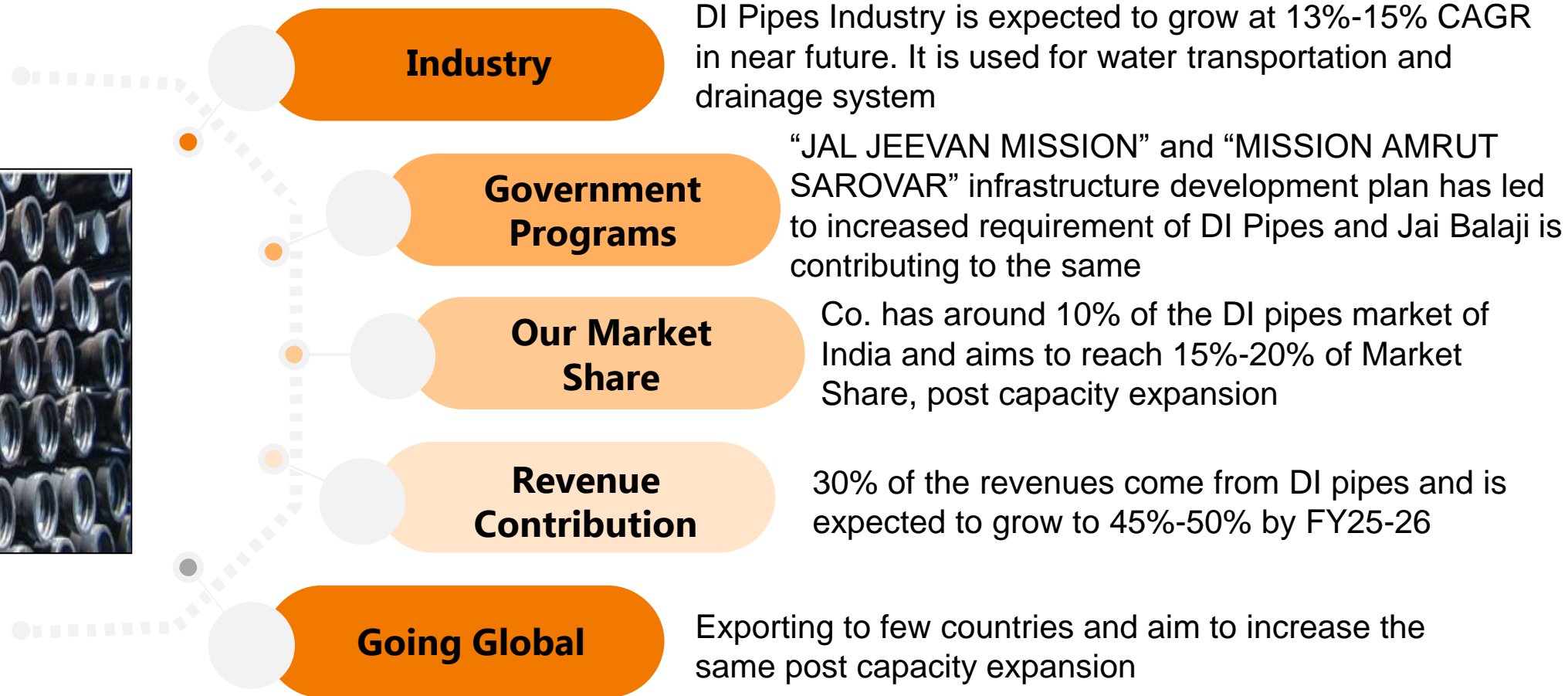


Fully Integrated Operations



HIGH MARGIN PRODUCTS

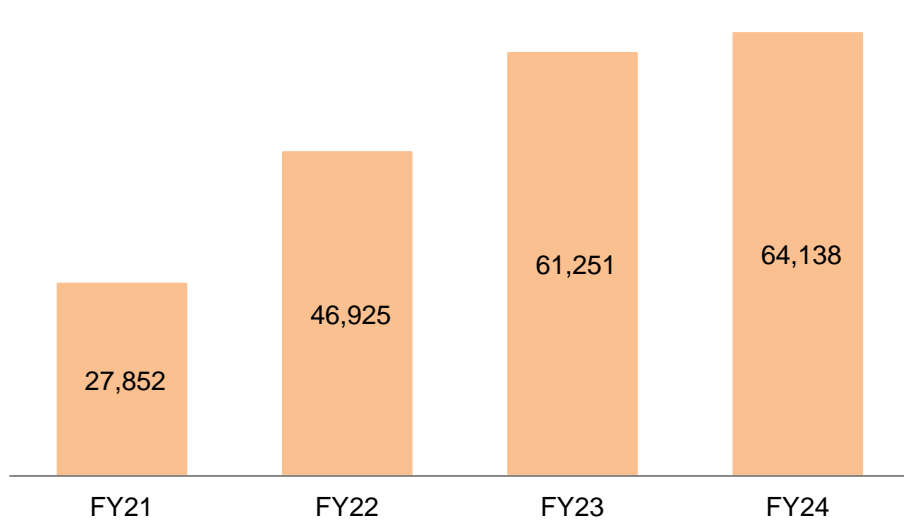
Specialized Products - DI Pipes



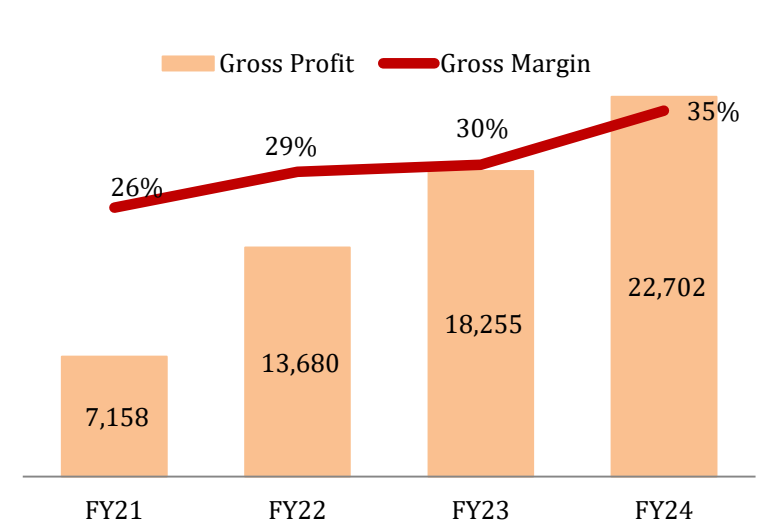
Flourishing Financial Health (1/2)



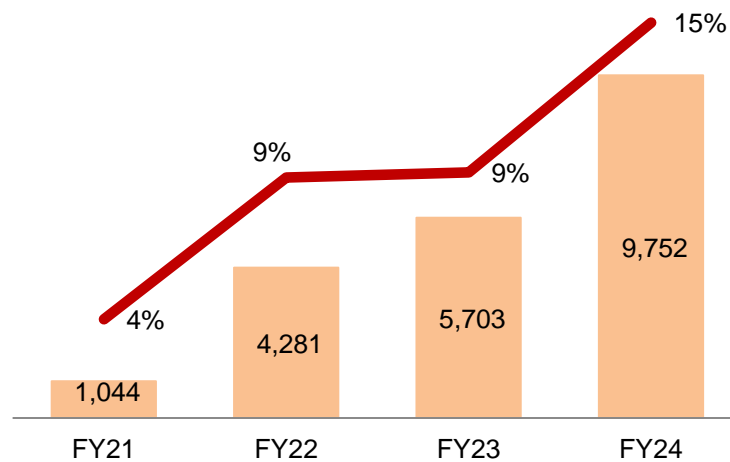
Revenue



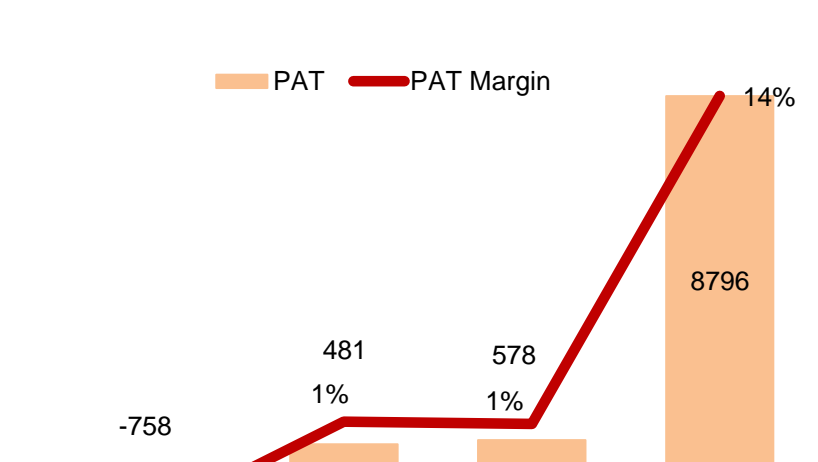
Gross Profit



Adjusted EBITDA*



Profit After Tax



Adjusted EBITDA Adjusted EBITDA Margin

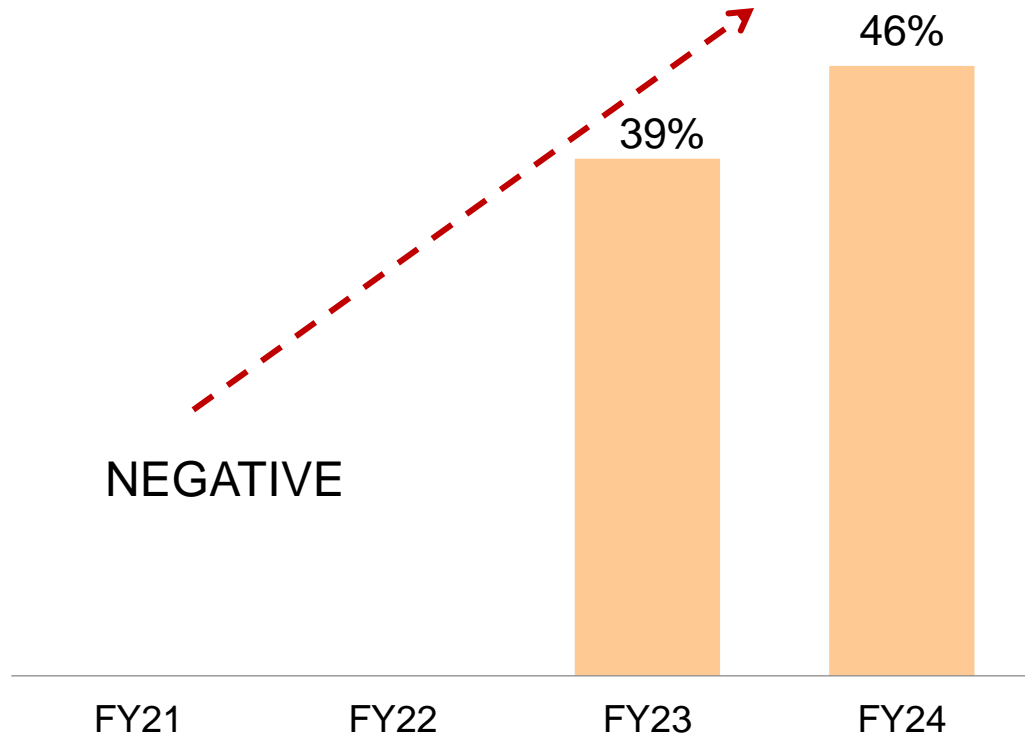
*Adjusted for non-cash items

Numbers are in Millions unless stated otherwise

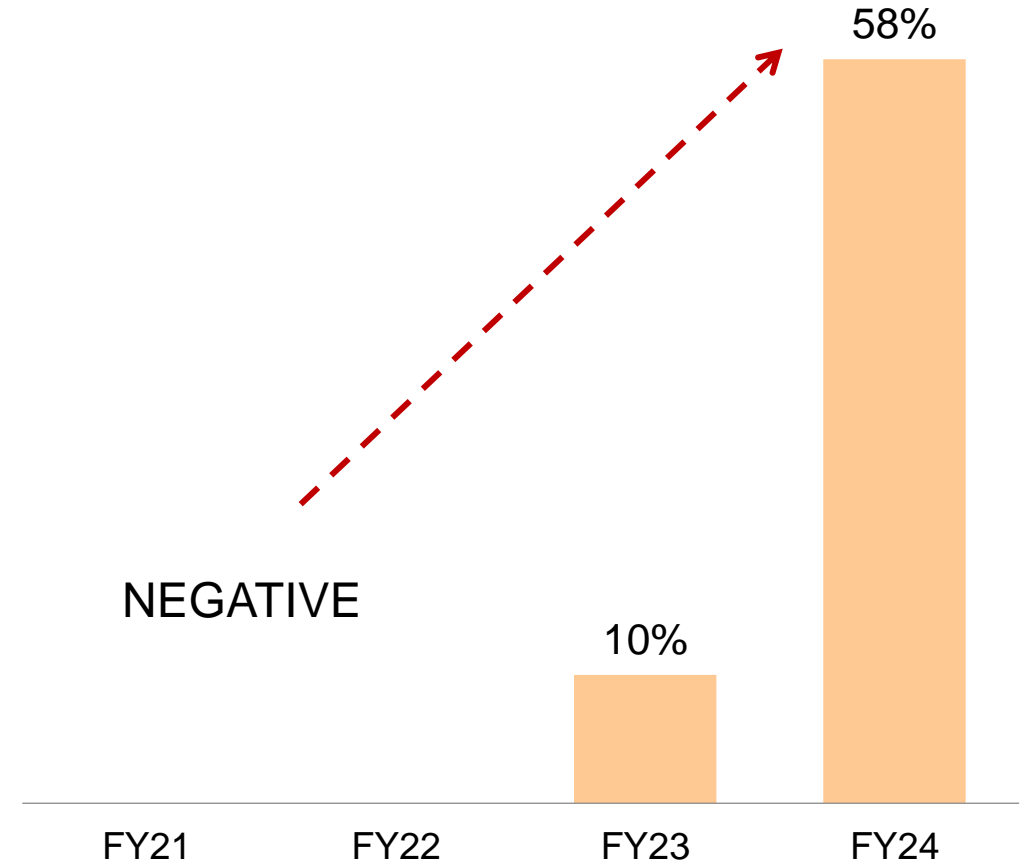
Flourishing Financial Health (2/2)



Return on Capital Employed



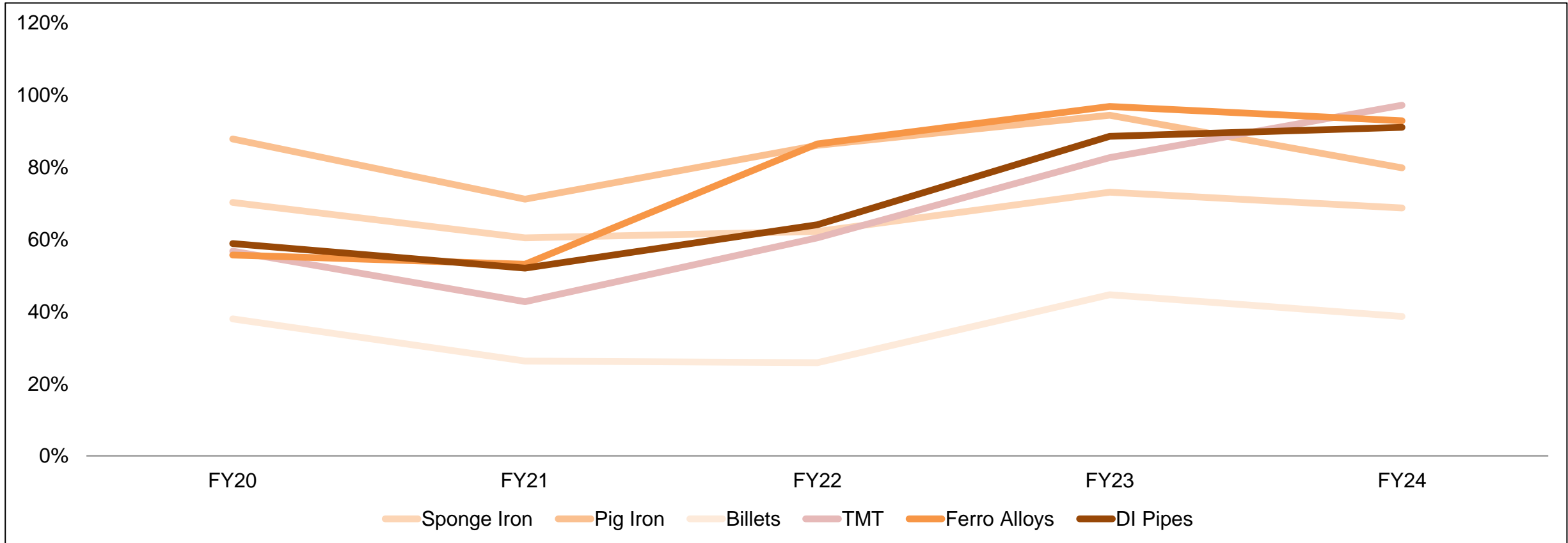
Return on Equity



Robust Operational Performance

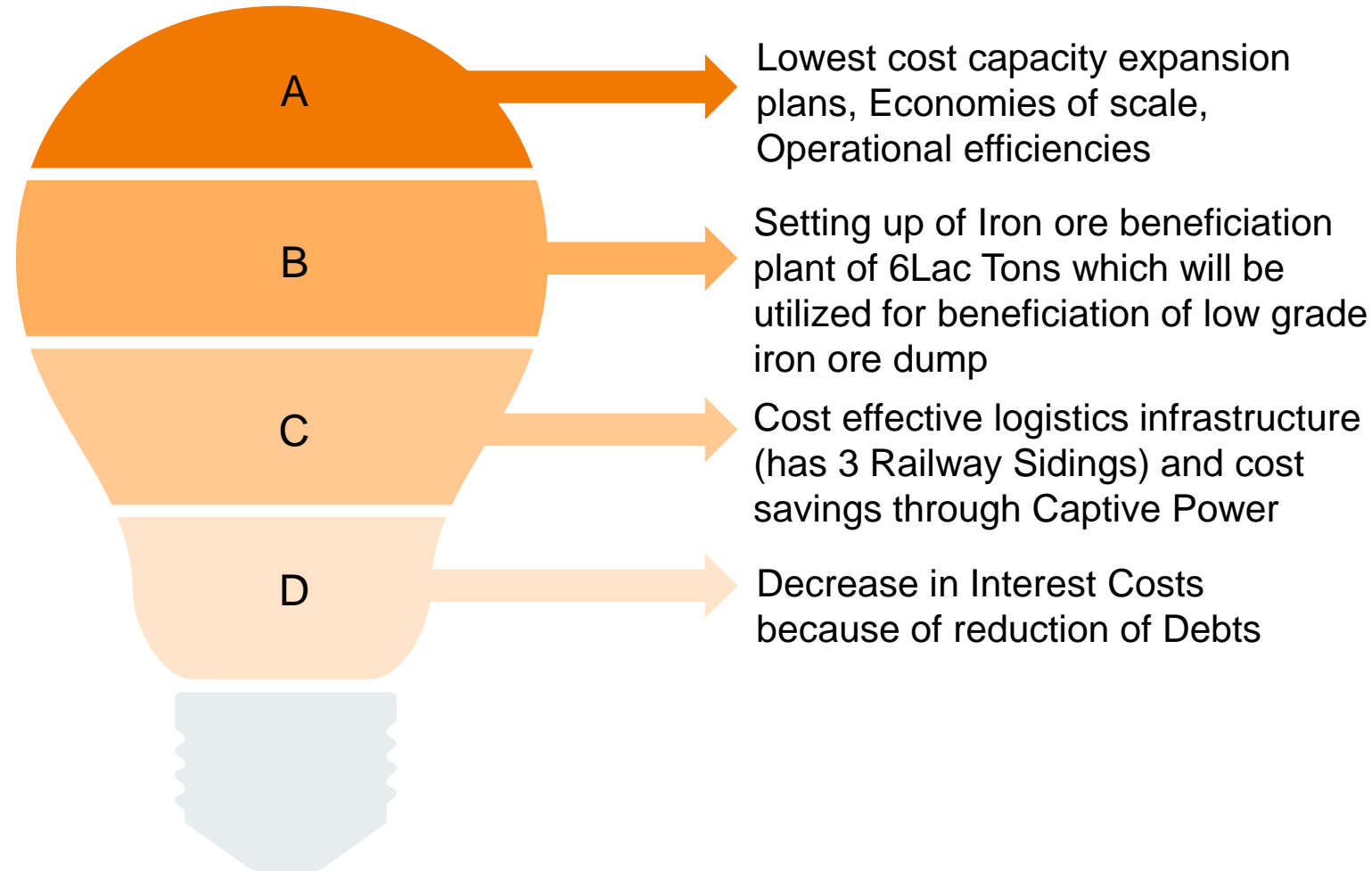


Capacity Utilization (%)

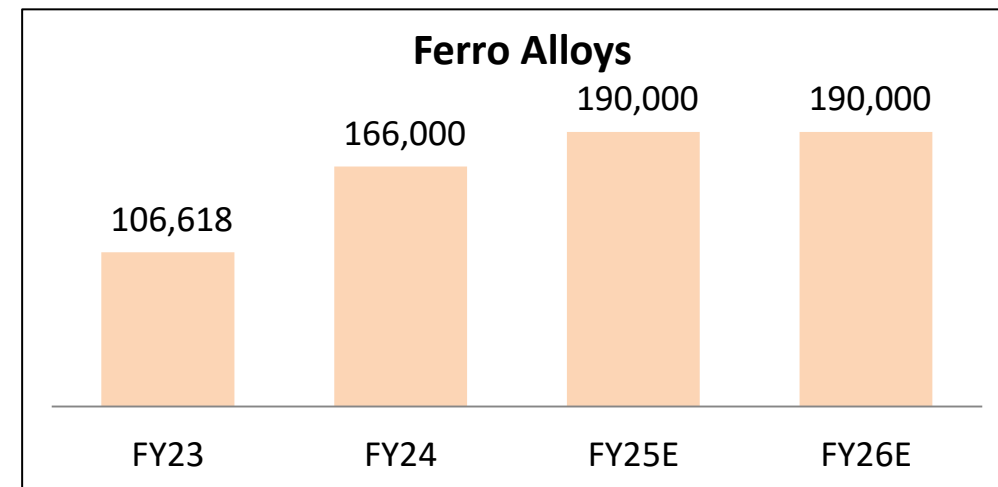
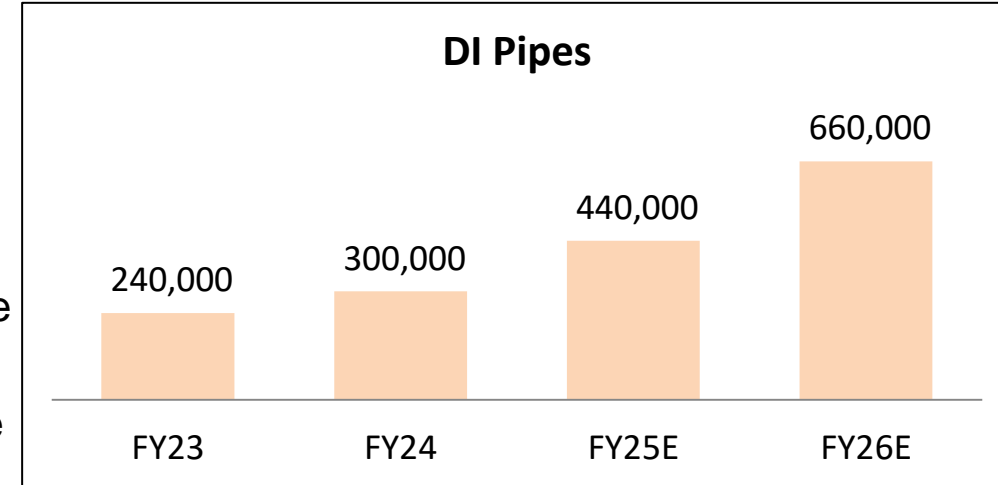


Increased focus on capacity utilization of Value-Added Products ensures margin expansion

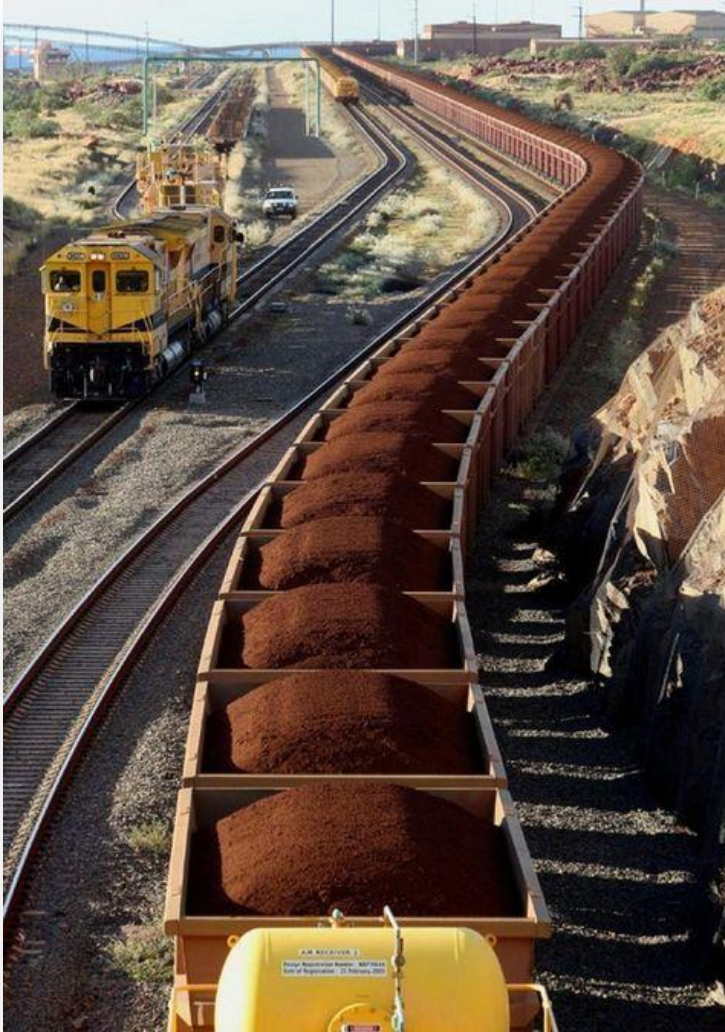
Cost Reduction Strategies...



Capacity Expansion Plans (Tons)



Cost Effective Logistics Infrastructure



1

JBIL is the one of the few companies with Railway Sidings and has 3 Railway Sidings which leads to increased flexibility in delivering finished goods & reduced turnaround time.

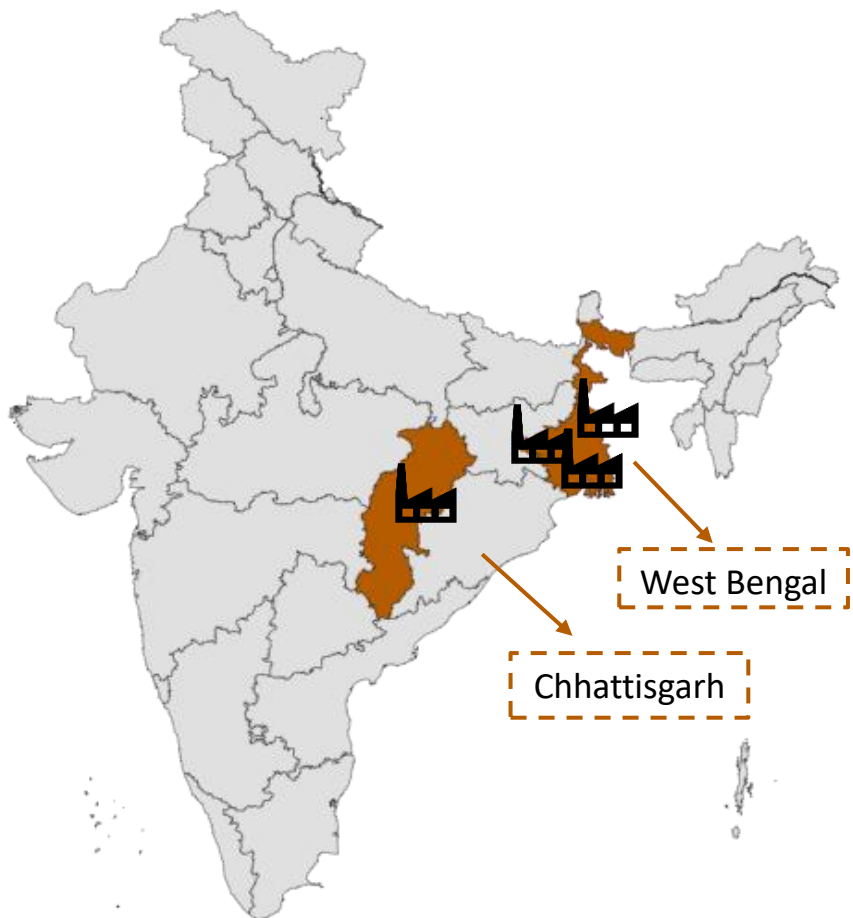
2

Have dedicated Railway Sidings at both loading in Odisha and unloading at our plant.

3

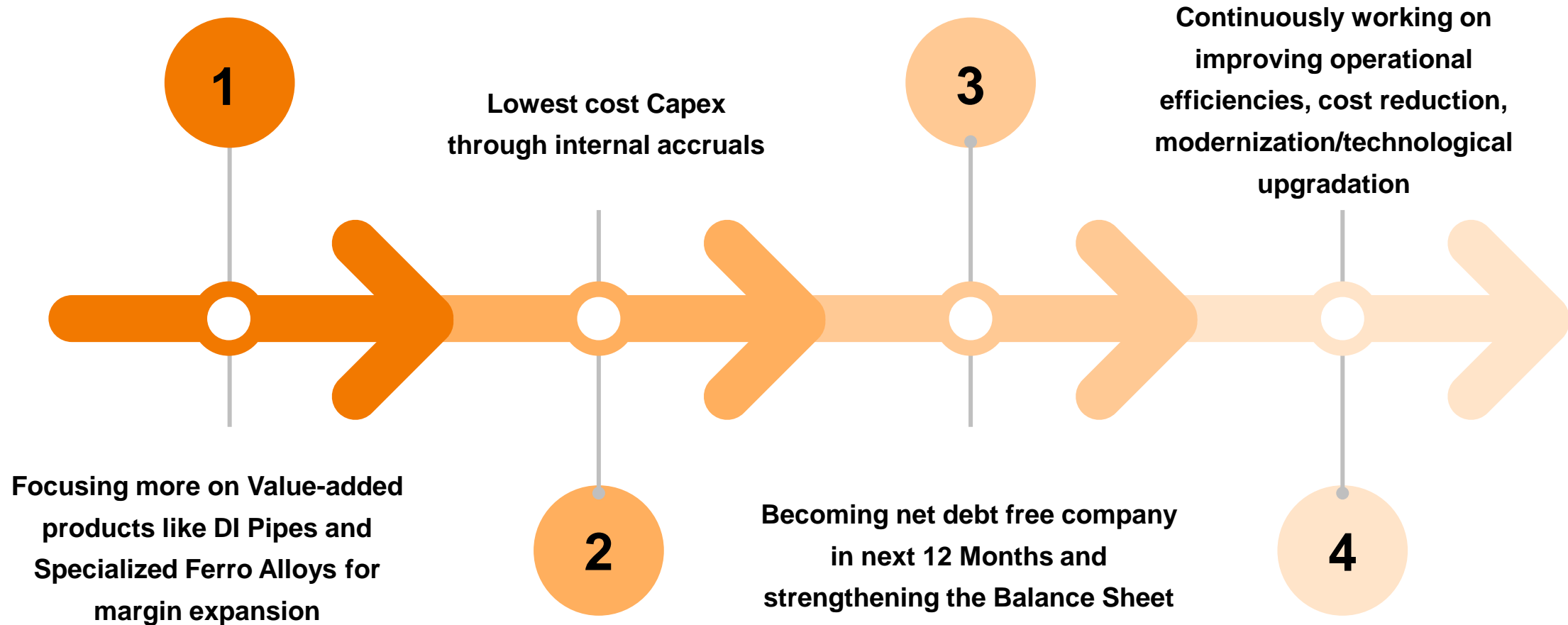
Approx 3 tons of raw material is required for every 1 ton of steel & Co. saves significant costs by using Railway Sidings instead of road transport.

Strategic Location of Assets



Plant	Location	Facilities	Products	Installed Capacity (MT)
Unit I	Baktarnagar, Burdwan, West Bengal	<ul style="list-style-type: none"> Ferro Alloys DRI Power 	<ul style="list-style-type: none"> Ferro Silicon Alloys/Ferro Chrome Sponge Iron Power 	<ul style="list-style-type: none"> 30,118 1,05,000 18.3 MW
Unit III	Rajbandh, Burdwan, West Bengal	<ul style="list-style-type: none"> Pig Iron DIP Sinter Ferro Alloys 	<ul style="list-style-type: none"> Blast Furnace Ductile Iron Pipe Sinter Ferro Chrome/Special Grade Ferro Alloys 	<ul style="list-style-type: none"> 5,49,500 3,00,000 9,08,000 36,000
Unit IV	Rajabndh, Burdwan, West Bengal	<ul style="list-style-type: none"> Sponge PIG Iron Billets Rolling Mill Ferro Alloys Coke Oven Captive Power 	<ul style="list-style-type: none"> Sponge Iron Blast Furnace SMS TMT Ferro Chrome/Special Grade Ferro Alloys Coke Power 	<ul style="list-style-type: none"> 1,20,000 80,500 2,94,030 2,60,000 100,000 3,50,000 70 MW
Unit V	Rasmada, Durg, Chhattisgarh	<ul style="list-style-type: none"> Billets Sponge Captive Power 	<ul style="list-style-type: none"> SMS Sponge Iron Power 	<ul style="list-style-type: none"> 1,00,000 1,20,000 12.8 MW

Clear Strategy Going Forward



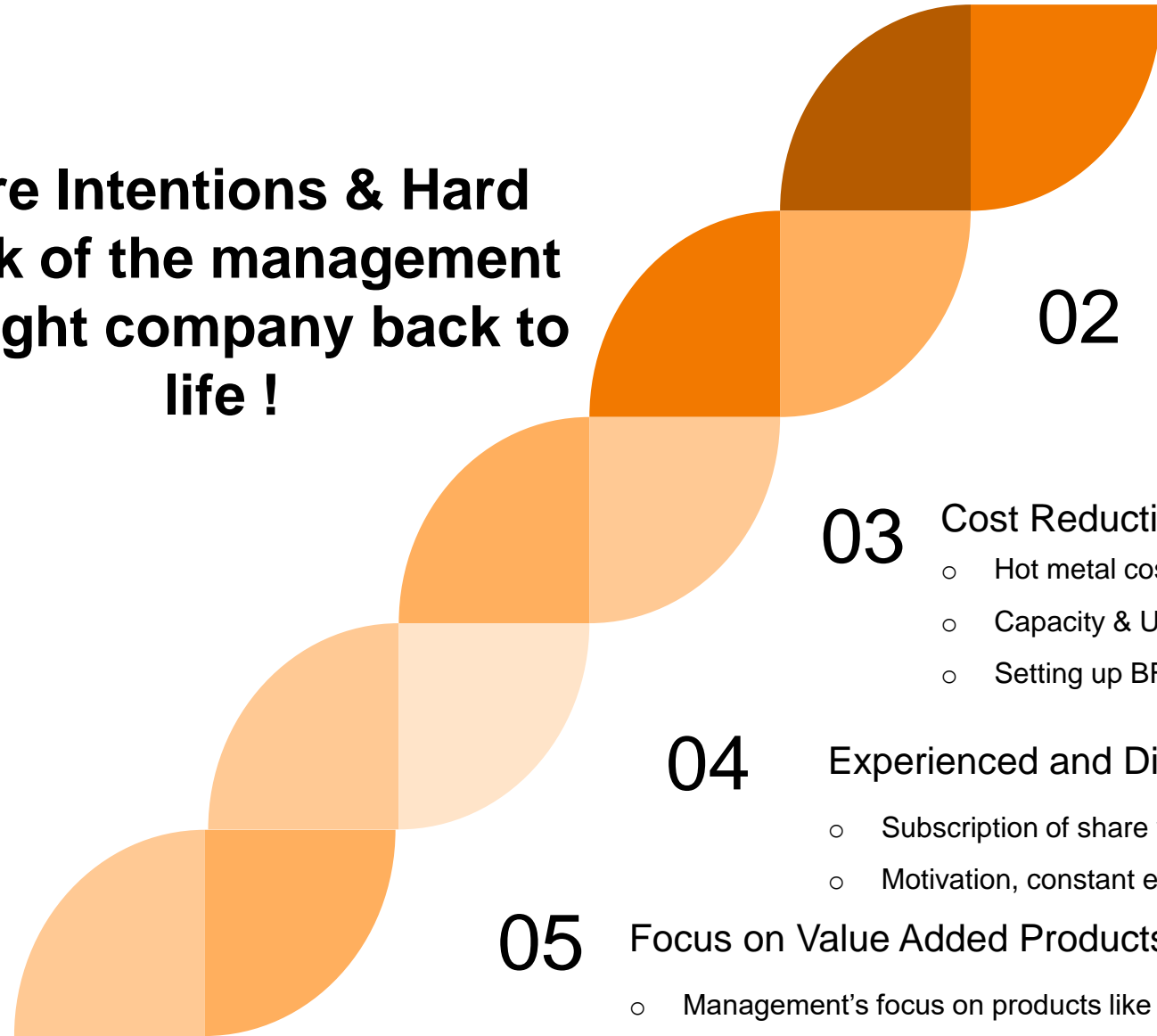


Annexure

Turnaround Story – Resilient in the Toughest Time



Pure Intentions & Hard Work of the management brought company back to life !



- 01 Profit making Business**
- Converted losses into profits
 - Confident to achieve EBITDA Margins in the range of 18%-20% going ahead

- 02 Debt Restructuring**
- Broke the Debt trap and strengthen the balance sheet.
 - Expectation is to be Net Debt Free in 12 Months

- 03 Cost Reduction = Modernization + Operational Excellence**
- Hot metal cost reduction through revamping Blast Furnace & cap. exp. of Sinter
 - Capacity & Utilization increase across product portfolio led to economies of scale
 - Setting up BFG Boiler for optimizing utilization of waste gases. – Green Energy Project

- 04 Experienced and Disciplined Management**
- Subscription of share warrants
 - Motivation, constant efforts, focused approach & faith in capacities

- 05 Focus on Value Added Products**
- Management's focus on products like Ductile Iron Pipes and Specialized Ferro Alloys lead to margin expansion & sustainable margins

What went Wrong



1

Mining ban of Iron Ore in Karnataka and Goa led to substantial increase in raw material prices of iron ore

2

Cancellation of coal blocks led to forced closure of setting up of 5Mn T Steel Plant Project in Purulia, West Bengal. Amount invested in that project went in vain.

3

Rising borrowing costs and Debt Trap

4

Global financial crisis, weak economic conditions, Covid & lockdowns

Resilient Promoters took the right steps to bounce back and corrected the things that went wrong!

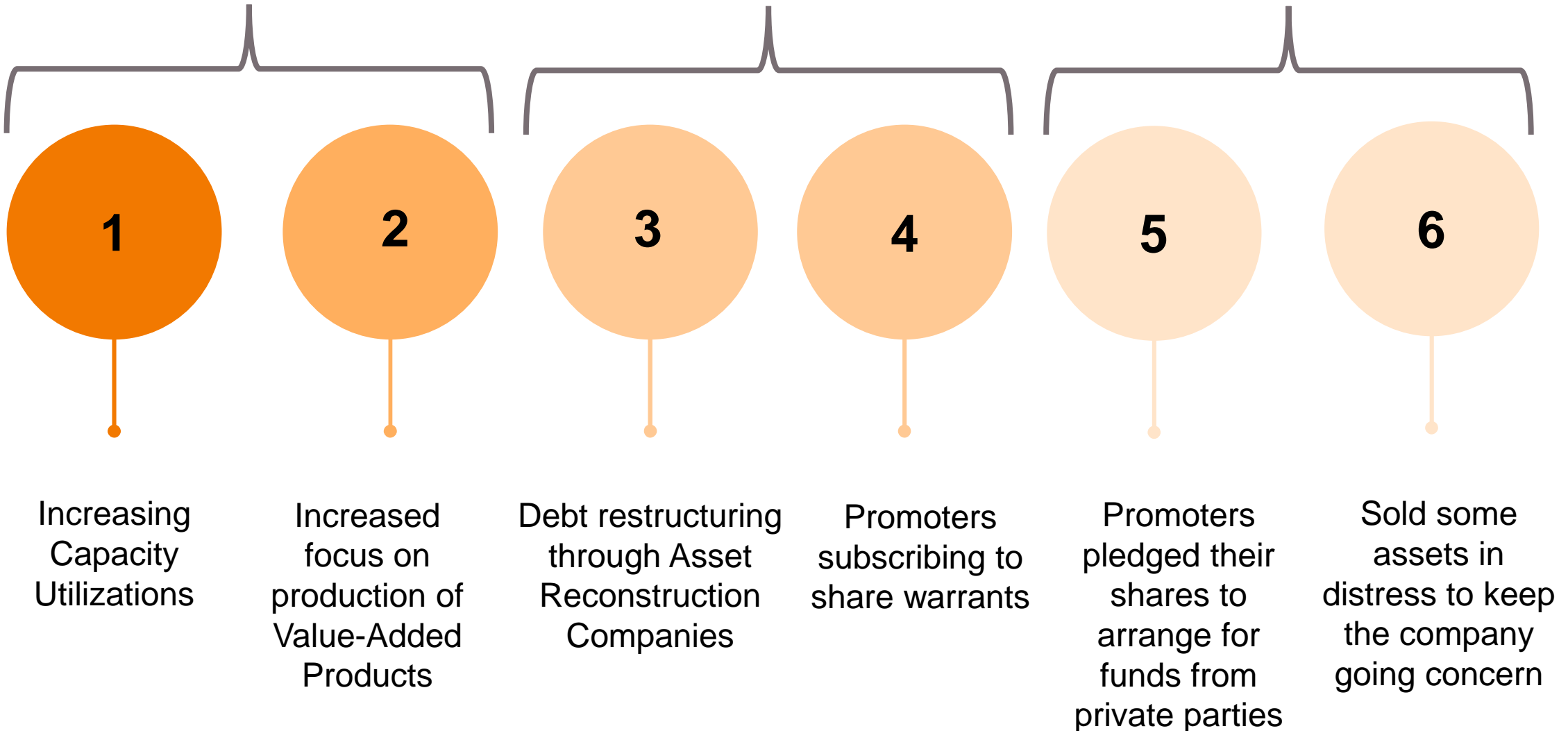
Steps Taken to Bounce Back



Improving Operational Efficiencies

Balance Sheet Strengthening

Strategic Steps



Where We Stand Now



Corrective action plan to ensure success...



Reduced Net Debt to Rs. 3,841 Mn as on 30th June'2024. Expectation is to be Net Debt Free in 12 Months

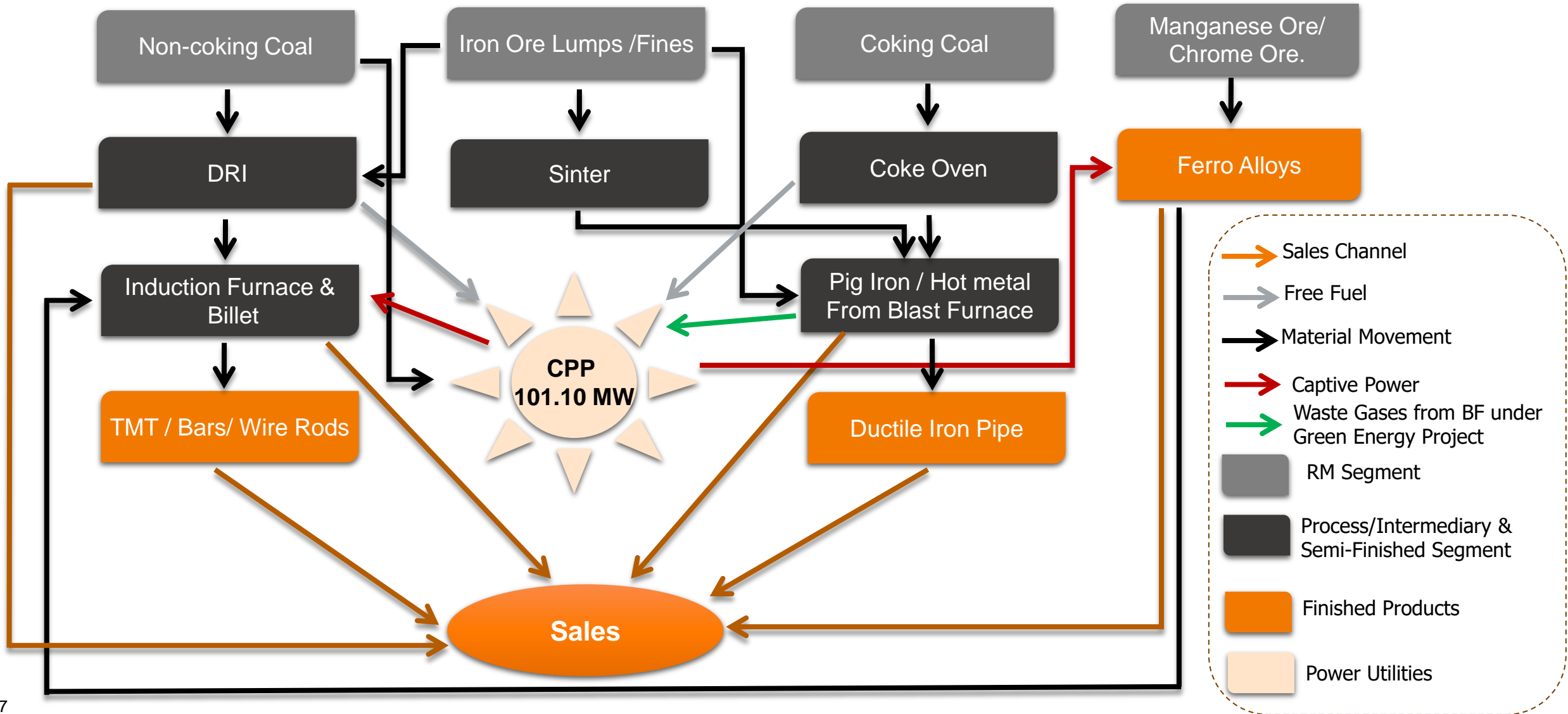
Expanding capacities through internal accruals

Margin expansion by focusing on value-added products

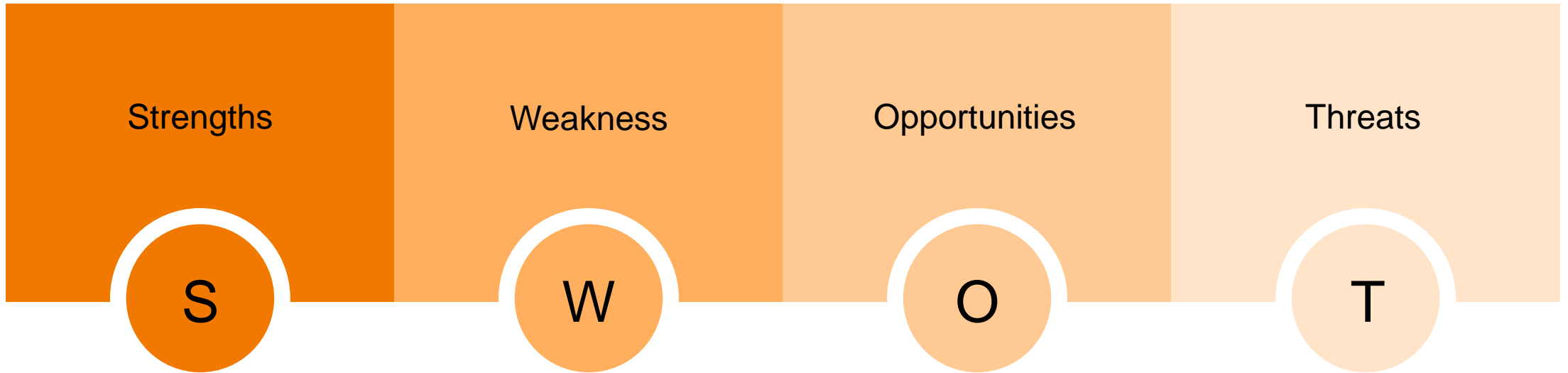
Lowest cost of Capex because of Brownfield Expansions

Improving operational efficiencies and capacity utilizations

Processes



SWOT Analysis



- Fully integrated steel company
- Diversified product range
- Experienced leadership
- Lowest cost of Capex

- Weak performance in the past
- Commodity price impacts

- Strengthening of Special Grade Ferro Alloys market
- “Jal Jeevan Mission” & “Mission Amrut Sarovar” has led to great opportunities in DI Pipes segment
- Government investing heavily in infrastructure sector helping steel sector growth
- Growth plans of other industries like Railways, Logistics etc.

- Ongoing inflation
- Lingering effects of Russia’s invasion of Ukraine

Board of Directors



Mr. Aditya Jajodia
*Chairman & Managing
Director*



Mr. Sanjiv Jajodia
Whole Time Director



Mr. Rajiv Jajodia
Executive Director



Mr. Gaurav Jajodia
Whole Time Director



**Mr. Bimal Kumar
Choudhary**
Whole Time Director



**Mr. Ashim Kumar
Mukherjee**
Independent Director



Ms. Seema Chowdhury
Independent Woman Director



Ms. Rakhi Bajoria
Independent Woman Director



Ms. Swati Bajaj
Independent Woman Director

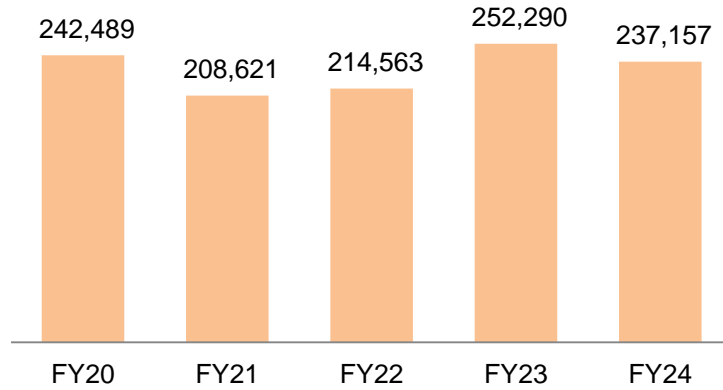


Ms. Mamta Jain
Independent Woman Director

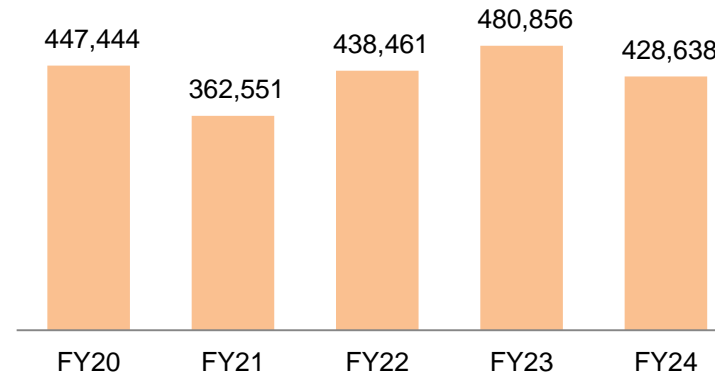
Yearly Trend | Production (1/5)



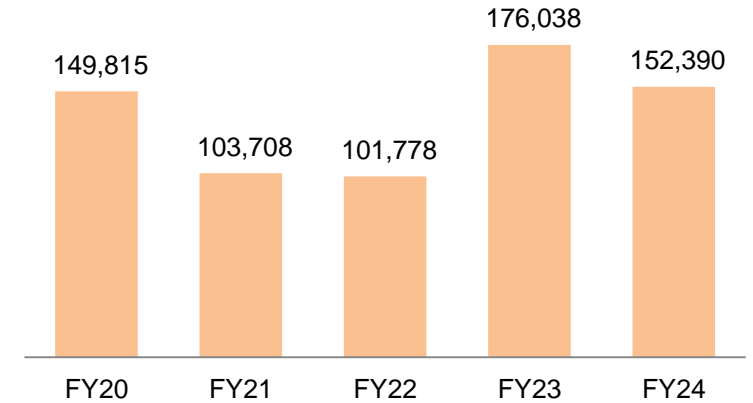
Sponge Iron



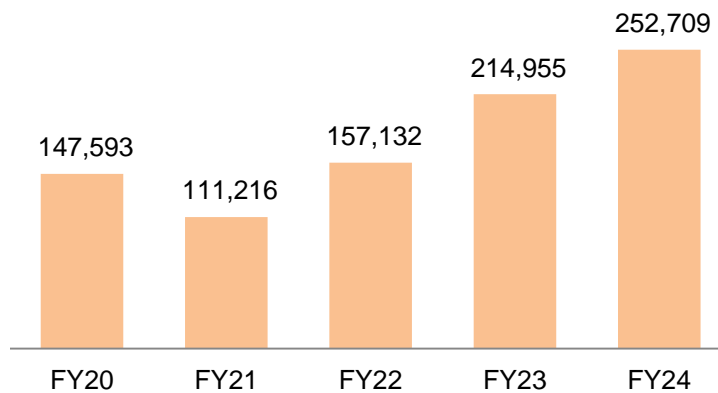
Pig Iron



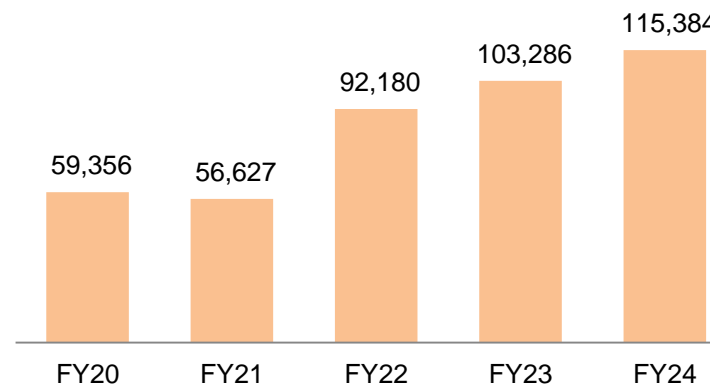
Billets



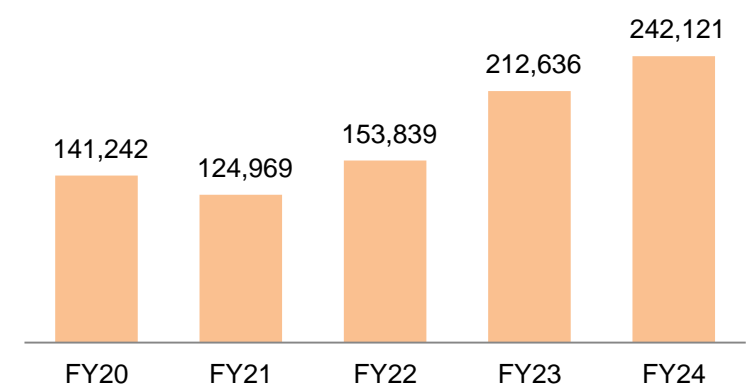
TMT



Ferro Alloys



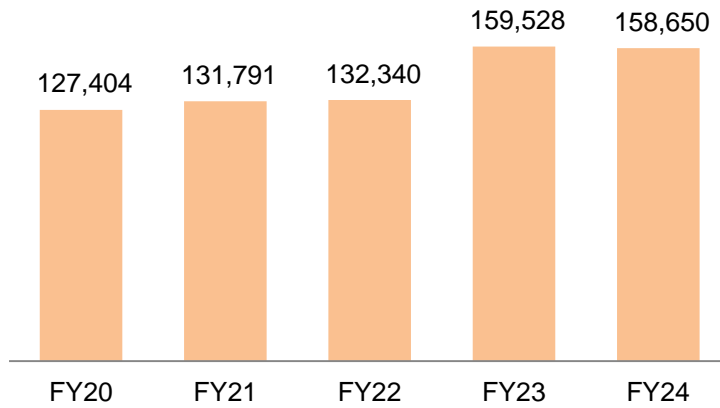
DI Pipes



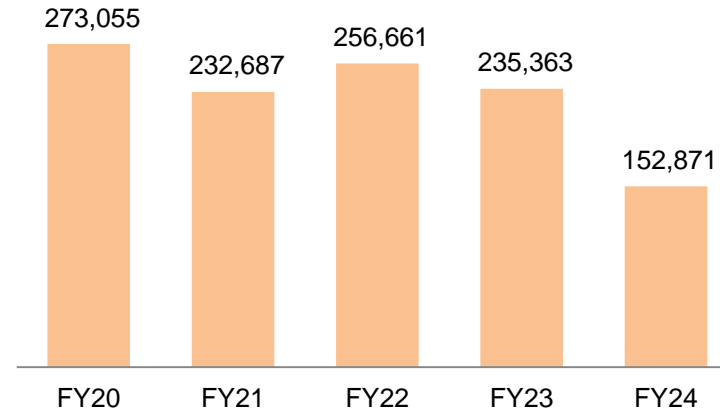
Yearly Trend | Sales (2/5)



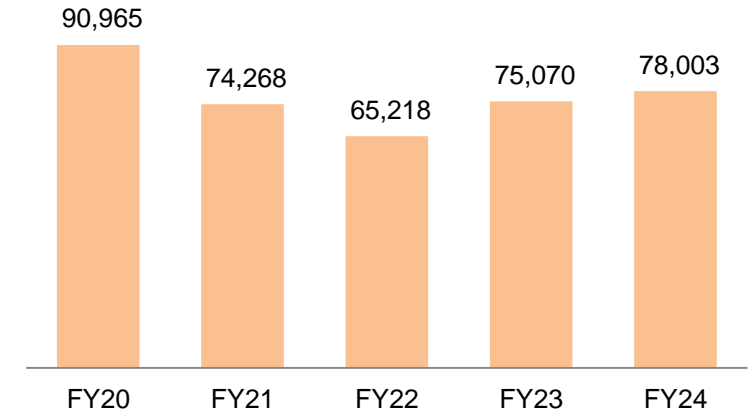
Sponge Iron



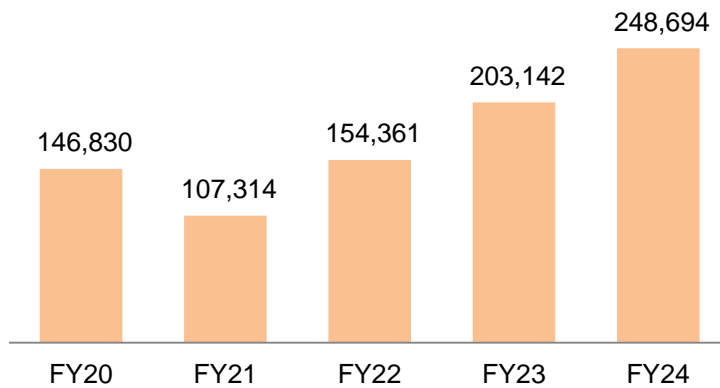
Pig Iron



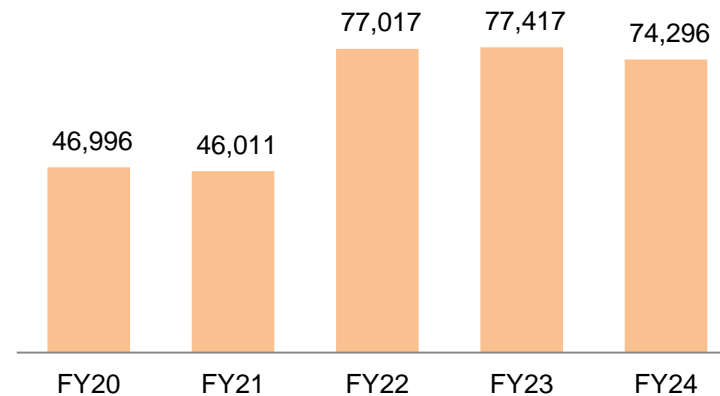
Billets



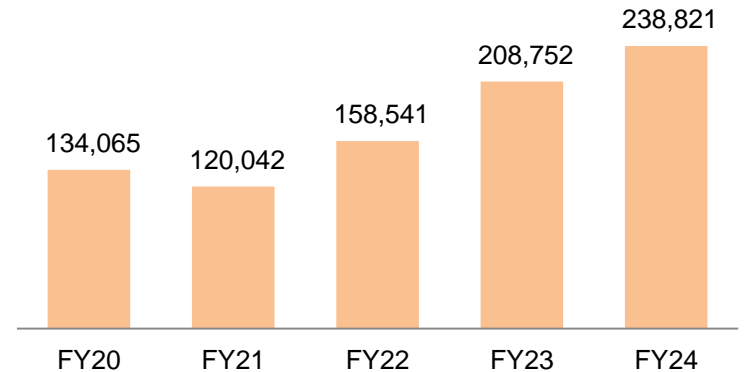
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Ferro Alloys



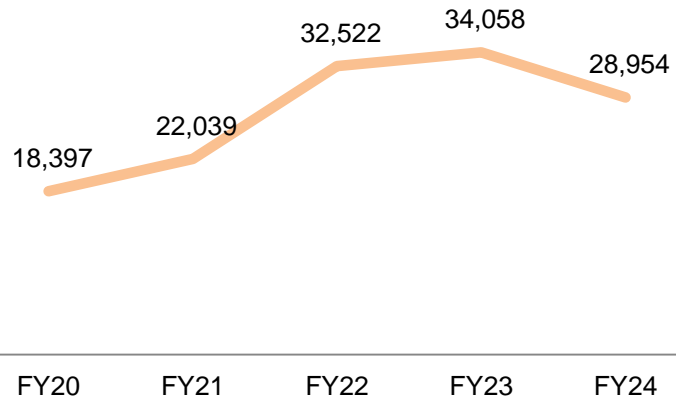
DI Pipes



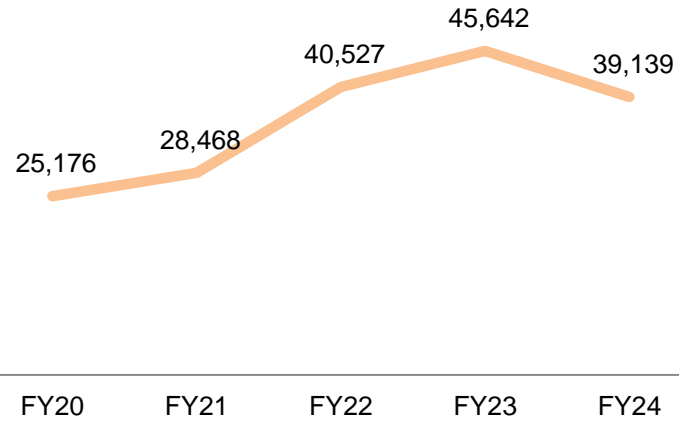
Yearly Trend | Realization (3/5)



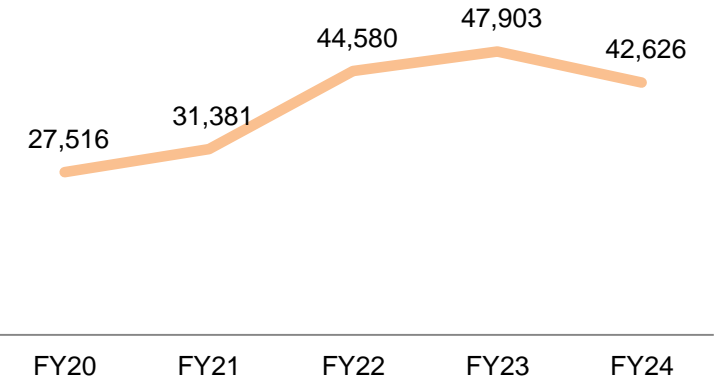
Sponge Iron



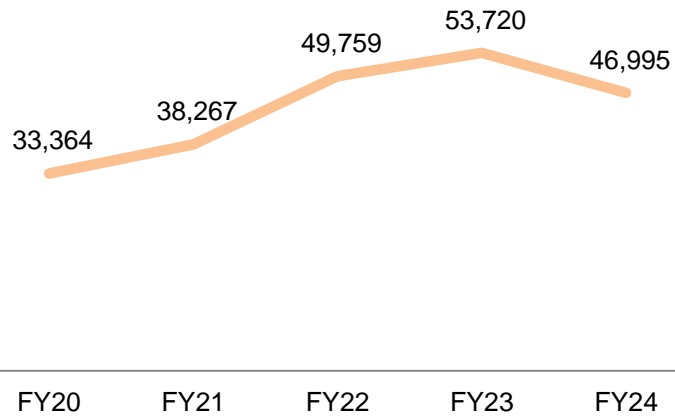
Pig Iron



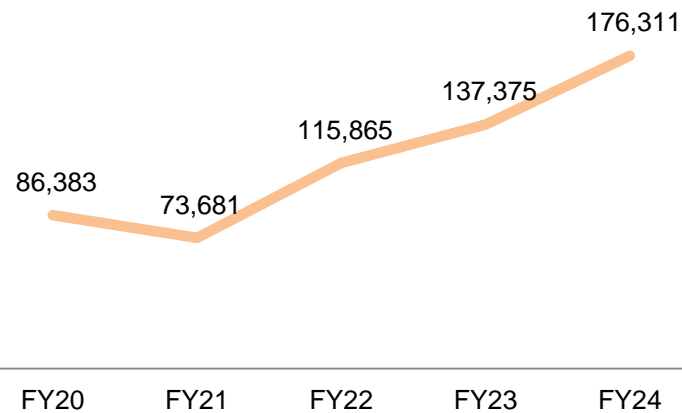
Billets



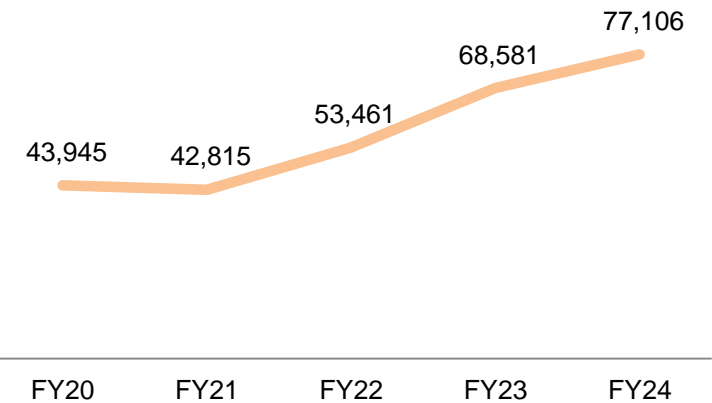
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Ferro Alloys



DI Pipes (Including Freight)



Yearly Trend | Income Statement (4/5)



Particulars (Rs. Million)	FY24	FY23	FY22	FY21	FY20
Revenue from Operations	64,138	61,251	46,925	27,852	29,123
Cost of Goods Sold	41,436	42,996	33,245	20,693	22,398
Employee Benefits Expense	1,543	1,288	1,089	887	900
Other Expenses	12,096	14,405	10,508	5,318	5,517
EBITDA	9,063	2,562	2,083	954	308
EBITDA Margin (%)	14%	4%	4%	3%	1%
Depreciation	856	979	913	940	968
Finance Cost	725	889	988	880	1,028
Other Income	2,151	355	299	108	602
Exceptional Items		0	0	0	-58
Profit Before Tax (PBT)	9,632	1,049	481	-758	-1,144
Tax Expense	836	471	0	0	0
Profit After Tax (PAT)	8,796	578	481	-758	-1,144
PAT Margin (%)	14%	1%	1%	-3%	-4%
EPS (Rs.)	55.8	4.5	4.4	-6.9	-11.1

Yearly Trend | Balance Sheet (5/5)



Equity & Liabilities

Particulars (Rs. Million)	FY24	FY23	FY22	FY21	FY20
Equity & Liabilities					
Equity					
Share Capital	1,637	1,455	1,105	1,105	1,105
Other Equity	13,405	4,106	-17,733	-18,435	-17,684
Total Equity	15,041	5,561	-16,628	-17,331	-16,579
Non-Current Liabilities -					
Long term Borrowings	3,033	6,260	5,861	5,781	6,617
Lease Liabilities	6	6	6	6	0
Other non Current Liabilities	325	292	0	0	0
Provisions	120	115	0	0	0
Total Non-Current Liabilities	3,484	6,673	5,867	5,787	6,617
Current Liabilities -					
Short Term Borrowings	1,685	2,337	25,825	28,548	28,021
Lease Liabilities	1	1	1	1	0
Trade Payables	8,705	8,990	8,187	7,503	6,904
Financial Liabilities - Others	1,951	1,931	1,852	2,188	1,868
Other Current Liabilities	2,644	4,104	4,499	3,272	2,866
Provisions	34	3	89	94	95
Total Current Liabilities	15,019	17,365	40,453	41,606	39,754
Total Equity and Liabilities	33,545	29,599	29,691	30,062	29,793

Assets

Particulars (Rs. Million)	FY24	FY23	FY22	FY21	FY20
Assets					
Non-Current Assets -					
Property, Plant and Equipment	13,773	11,268	11,601	11,766	12,332
Right to use assets	44	45	46	46	47
Capital Work-In-Progress	1,162	688	523	1,017	977
Intangible assets	2	3	4	2	3
Loans	0	0	0	0	153
Intangible Assets under development	0			2	
Financial Assets - Investment	8	11	11	11	11
Financial Assets - Others	1,051	689	424	419	44
Deferred Tax Assets (Net)	2,075	2,909	2,909	2,909	2,909
Other Non-Current Assets	338	271	1,257	881	879
Total Non-Current Assets	18,453	15,884	16,773	17,053	17,354
Current Assets -					
Cash and Bank	910	515	221	258	228
Inventories	9,497	8,214	7,580	6,992	5,786
Trade Receivables	2,418	2,293	1,561	2,440	2,844
Short Term Loans & Advances	0	0	30	26	441
Other Financial Assets	267	292	282	266	0
Current Tax Assets (Net)	101	123	0	0	0
Other Current Assets	1,899	2,279	3,244	3,027	3,140
Total Current Assets	15,092	13,715	12,918	13,009	12,438
Total Assets	33,545	29,599	29,691	30,062	29,793

CSR Activities – Serving Society through Industry



World Environment Day Celebration



Tree Plantation



Free Distribution of Artificial Limbs



Use of Artificial Limb Callipers



Health Check-ups Organised

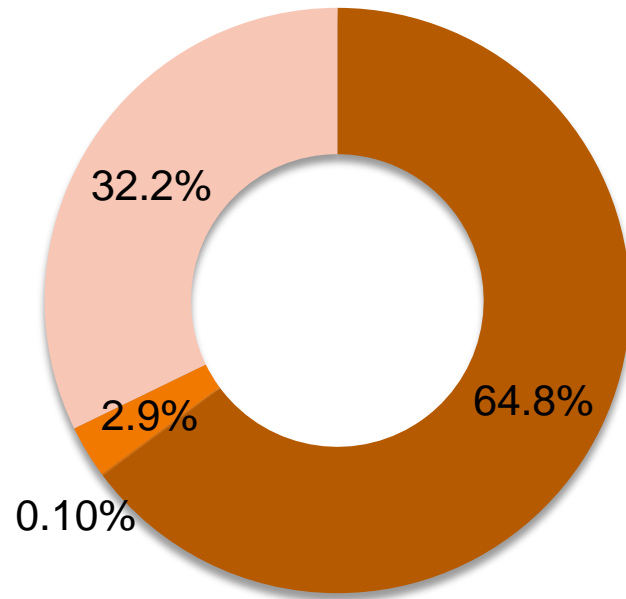


Scholarship for Young Generation

Shareholding Pattern as on 11th July'2024



Share Holding Pattern



Sr. No.	Category of Shareholders	No. of Shares Held	Holding (%)
1	Promoter & Promoter Group	11,83,04,046	64.8%
2	Public		
a	Domestic Institutions	1,52,552	0.1%
b	Foreign Portfolio Investors	52,37,564	2.9%
c	Non-Institutions	5,87,56,124	32.2%
Total Shareholding (1+2)		18,24,50,286	100%

- Promoter & Promoter Group
- Domestic Institutions
- Foreign Portfolio Investors
- Public Group Non-Institutions



Thank You

Investor Relations

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