

JAI BALAJI INDUSTRIES LTD. (JBIL)

Q4 & FY24 Investor Presentation *April'2024*



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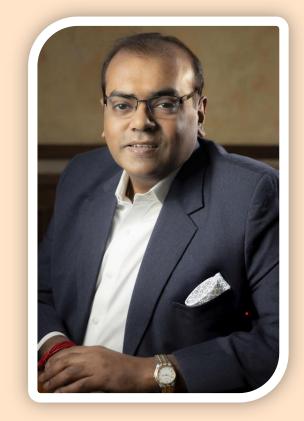


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Management Commentary and Business Outlook



"I'm thrilled to announce that FY24 has been an outstanding year for Jai Balaji Industries. This year, we have attained our **highest-ever Revenue**, **EBITDA**, **and PAT**. Our journey has seen significant turnaround driven by resilience and hard work, resulting in record-breaking performances. With Jai Balaji 2.0, our focus is on expanding margins, reducing costs, and enhancing efficiencies. Looking ahead to FY25, our focus will be on expanding our capacities for DI Pipes and Ferro Alloys and aiming to achieve a Net-Debt-Free status within the next 15 months. With a robust and healthy balance sheet, cost-saving strategies, lowest-cost capital expenditure, operational efficiencies, and the unwavering support of our stakeholders, we are confident in our ability to sustain this momentum and continue delivering exceptional performances in the years ahead."



Mr. Aditya Jajodia
Chairman and Managing Director



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.



Specialized product portfolio of DI Pipes and Ferro Alloys



4 manufacturing units present across West Bengal & Chhattisgarh



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
	14. 900



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
- Aim to increase Utilization rate above 90%



Strong Balance Sheet

- Aim to become Net Debt Free in next 15 months
- Capex from internal accruals



Margin Expansion

- Revenue contribution of value-added & specialized products (DI Pipes & Specialized Ferro Alloys) to increase from 55% to 80%
- EBITDA Margin to be in range of 18%-20%

Transitioning to High Margin Company



Ductile Iron Pipes



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

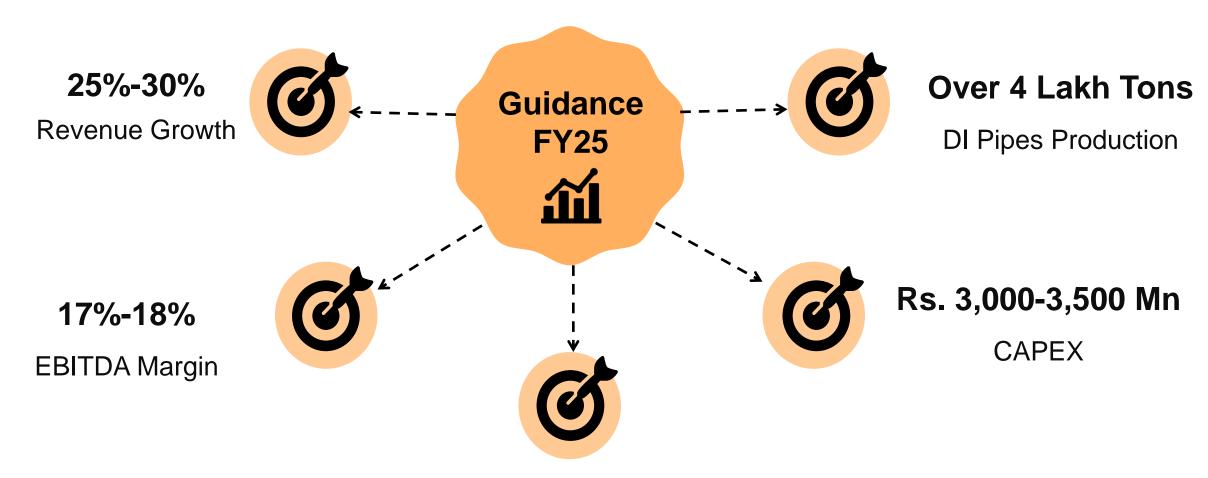
Specialized Ferro Alloys



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

Guidance FY25





Rs. 2,250-2,500 Mn

Net Debt



FY24 Strategic Updates



Record high Financial Performance

Net Debt as on 31st March'24 is Rs. 3,981 Mn; reduced by 54% on YoY basis. Company expects to be Net-Debt Free in next 15 months.



Progress towards
Zero Net Debt

Highest ever Revenue, EBITDA and PAT – up by 5%, 254% and 1422% YoY respectively



Highest Ever Performance

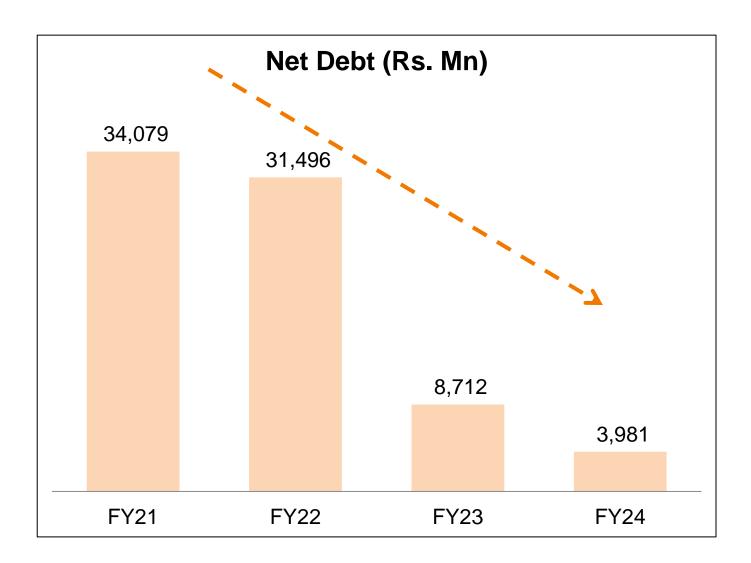
Strong Capex plan of Rs. 10,000 Mn in place – out of this Rs. 4,970 Mn has already been spent from internal accruals and balance is expected to be completed in approx 15 Months through internal accruals only.



CAPEX

Progress Towards Net Debt Zero Status...





Present Debt pertains to Tata Capital Limited

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 15 Months

Significant/Proposed Capacity Enhancement



		Capacity	Capacity After		Capex (in	Rs. Mn.)		
Products (Location)	Existing Capacity	Addition	Expansion	Total	Already	Already incurred		Current Status
					Capitalized Under CWIP			
			Spe	ecialized Pro	ducts	<u> </u>		
DI Pipes	300,000 TPA	360,000 TPA	660,000 TPA	4,000	95	865	3,040	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	125	185	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	125,000 TPA	750,000 TPA	2,500	1217		1 1783 1	One furnace has been commisioned . 2 nd furnace will be completed in next FY
Sinter (Unit III)	908,000 TPA	300,000 TPA	1,208,000 TPA	1,100	788	22	290	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		133	167	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
Misc De-Bottle Necking				600	520	15	05	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	1,160	5,030	

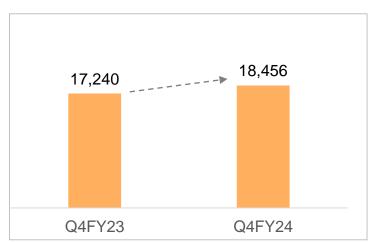
Financial Performance Highlights



Quarter Highlights

Annual Highlights

Revenue



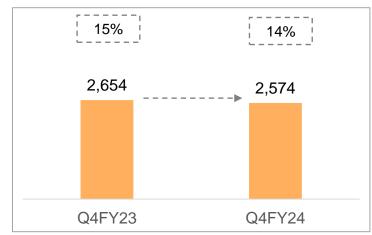
61,251

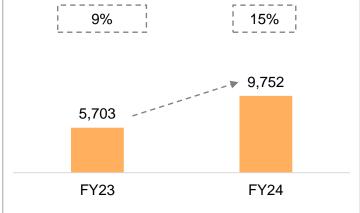
FY23

64,138

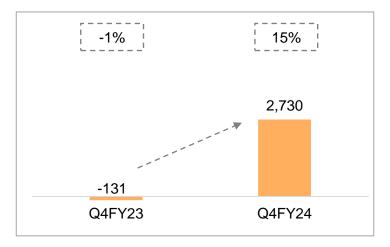
FY24

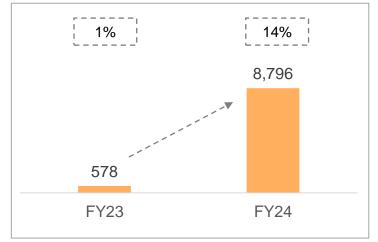
Adjusted EBITDA & Margin (%)*





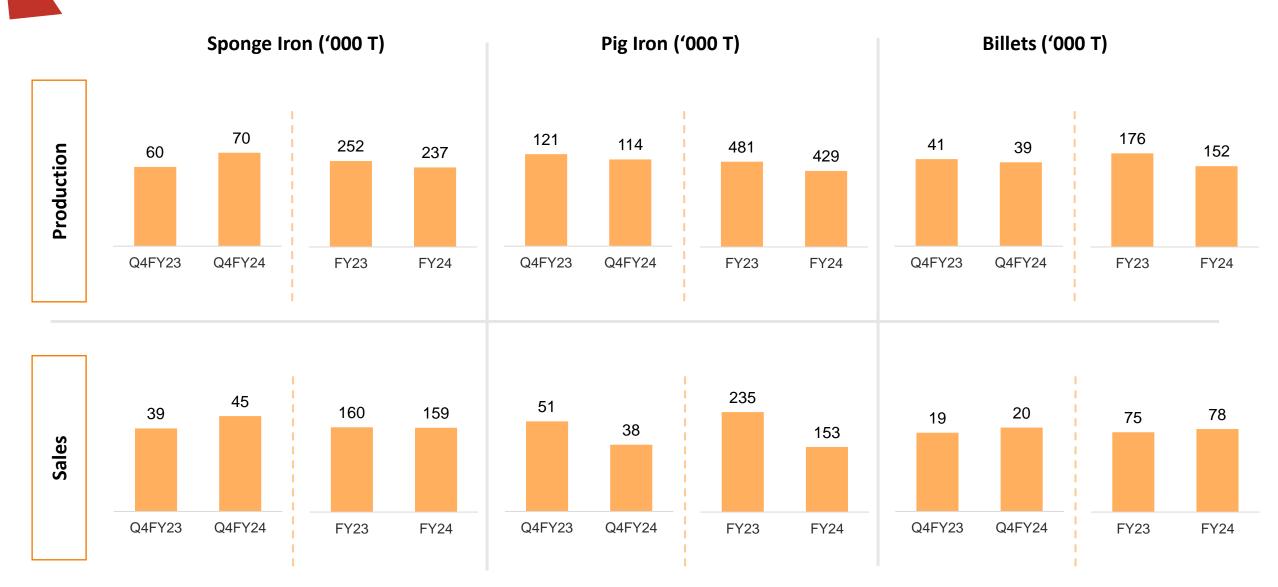
PAT & PAT Margin (%)





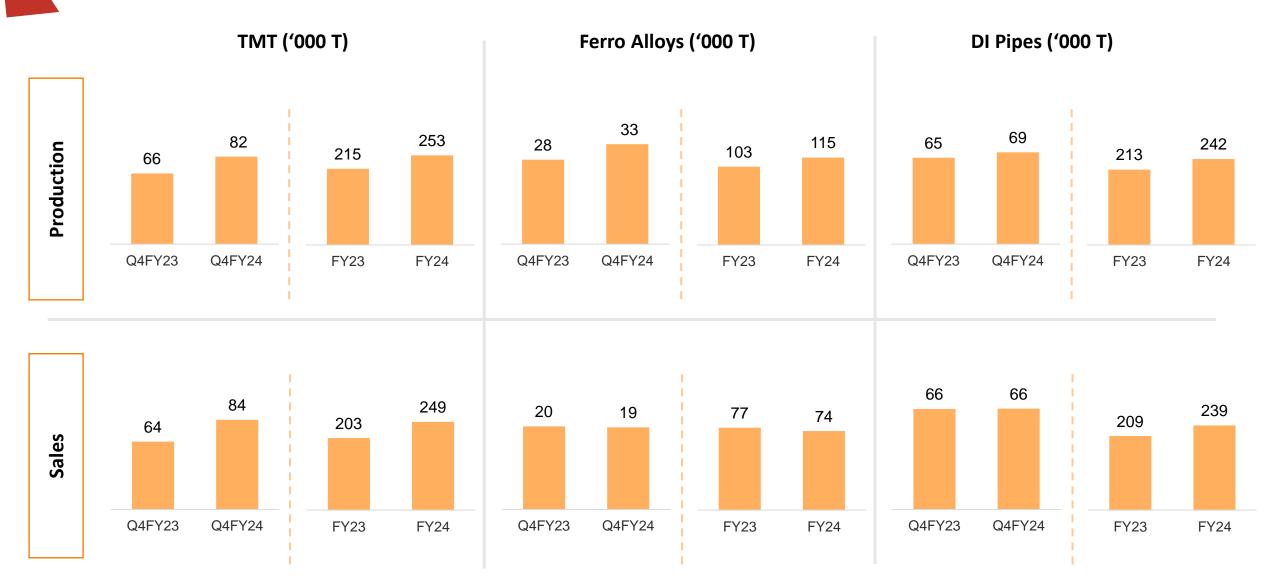
Operational Performance (1/2)





Operational Performance (2/2)





Realization Summary





Income Statement



Particulars (Rs. Million)	Q4FY24	Q3FY24	QoQ	Q4FY23	YoY	FY24	FY23	YoY
Revenue from Operations	18,456	15,390	20%	17,240	7%	64,138	61,251	5%
Cost of Goods Sold	11,891	9,756	22%	11,542	3%	41,436	42,996	-4%
Employee Benefits Expense	352	418	-16%	372	-5%	1,543	1,288	20%
Other Expenses	3,805	2,747	38%	4,691	-19%	12,096	14,405	-16%
EBITDA	2,408	2,468	-2%	634	280%	9,063	2,562	254%
Adjusted EBITDA*	2,574	2,474	4%	2,654	-3%	9,752	5,703	71%
Adjusted EBITDA Margin (%)	14%	16%		15%		15%	9%	
Depreciation	228	206	10%	245	-7%	856	979	-13%
Finance Cost	176	150	17%	261	-33%	725	889	-18%
Other Income	1,562	234		212		2,151	355	506%
Exceptional Items		0		0			0	
Profit Before Tax (PBT)	3,566	2,346	52%	340	948%	9,632	1,049	818%
Tax Expense	836	0		471		836	471	78%
Profit After Tax (PAT)	2,730	2,346	16%	-131	-	8,796	578	1422%
PAT Margin (%)	15%	15%		-1%		14%	1%	
EPS (Rs.)(Basic)	16.95	14.72	15%	-1.26	-	55.8	4.49	1143%
EPS (Rs.)(Diluted)	15.77	13.22	19%	-0.73	-	49.82	4.11	1112%

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
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(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	•	Sub Total - Current Liabilities	15,019	17,365
<u>Total Assets</u>	33,545	29,599	Total Equity and Liabilities	33,545	29,599



Investment Thesis



Fully Integrated Operations

5 Strong Financial & Operational Performance

Significant/ProposedCapacity Enhancement through Internal Accruals

6 Cost Effective Logistics Infrastructure

Capacity Expansion in DI Pipes & Specialized Ferro Alloys

7 Strategic Location of Assets

4 Progress towards Net Debt Zero Status

8 Clear Strategy Going Forward

HIGH MARGIN PRODUCTS

Fully Integrated Operations



Backward Integration





Capacity = 908,000 T

Coke



Capacity = 350,000 T

Power



Capacity = 101.1 MW

Intermediate & Finished Products

Sponge Iron



Capacity = 345,000 T

Steel Billets



Capacity = 394,000 T



Value-added & **Specialized Products**

Ductile Iron



Capacity = 300,000 T

Pig Iron



Capacity = 630,000 T

TMT Bars



Capacity = 260,000 T

Ferro Alloys



Capacity = 166,000 T

Specialized Products - DI Pipes





Industry

DI Pipes Industry is expected to grow at 13%-15% CAGR in near future. It is used for water transportation and drainage system

Government Programs

Our Market Share

Revenue Contribution

"JAL JEEVAN MISSION" and "MISSION AMRUT SAROVAR" infrastructure development plan has led to increased requirement of DI Pipes and Jai Balaji is contributing to the same

Co. has around 10% of the DI pipes market of India and aims to reach 18-20% of Market Share, post capacity expansion

30% of the revenues come from DI pipes and is expected to grow to 45%-50% by FY25-26

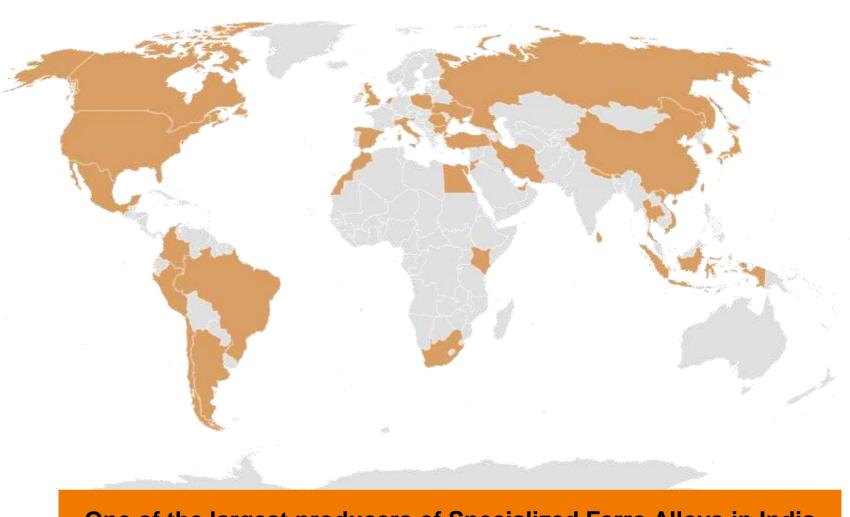
Going Global

Exporting to few countries and aim to increase the same post capacity expansion

Specialized Ferro Alloys



Exports Ferro Alloys to 40+ Countries in the world & Secured Three Star Export House status



Features of our High-Grade Ferro Alloys

- High chrome content
- Lower carbon content
- Lower trace elements
- Lower sulphur/phosphorus

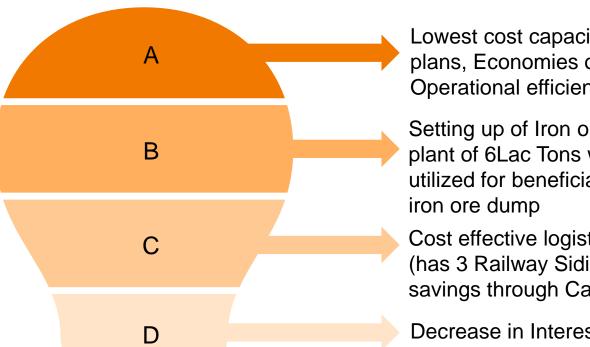
Revenues from Specialized Ferro Alloys expected to grow from 20%-25% to 35% by FY25-26

Sold at
significant
premium to
benchmark Ferro
Alloy prices

Co. has Long Term Contracts with Indian as well as International Clients

Cost Reduction Strategies...





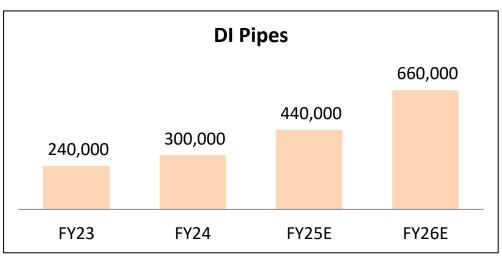
Lowest cost capacity expansion plans, Economies of scale, Operational efficiencies

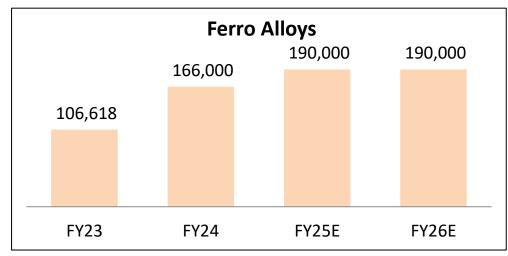
Setting up of Iron ore beneficiation plant of 6Lac Tons which will be utilized for beneficiation of low grade

Cost effective logistics infrastructure (has 3 Railway Sidings) and cost savings through Captive Power

Decrease in Interest Costs because of reduction of Debts

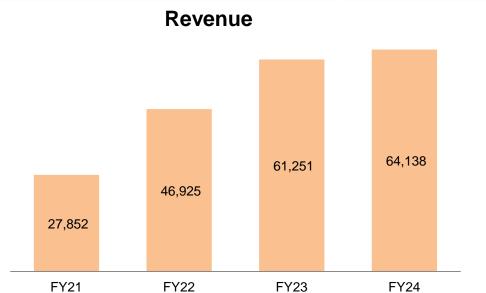
Capacity Expansion Plans (Tons)

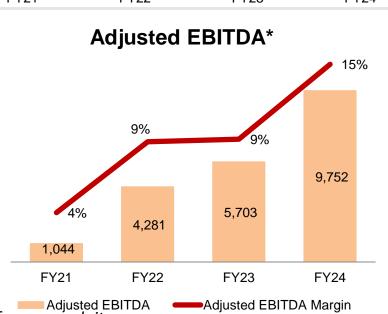




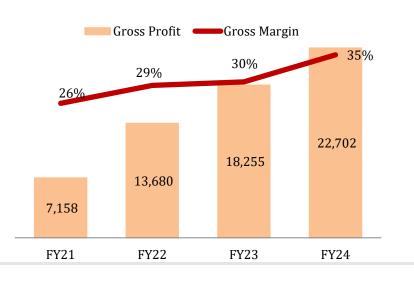
Flourishing Financial Health



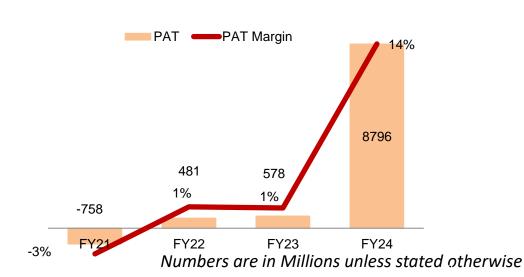








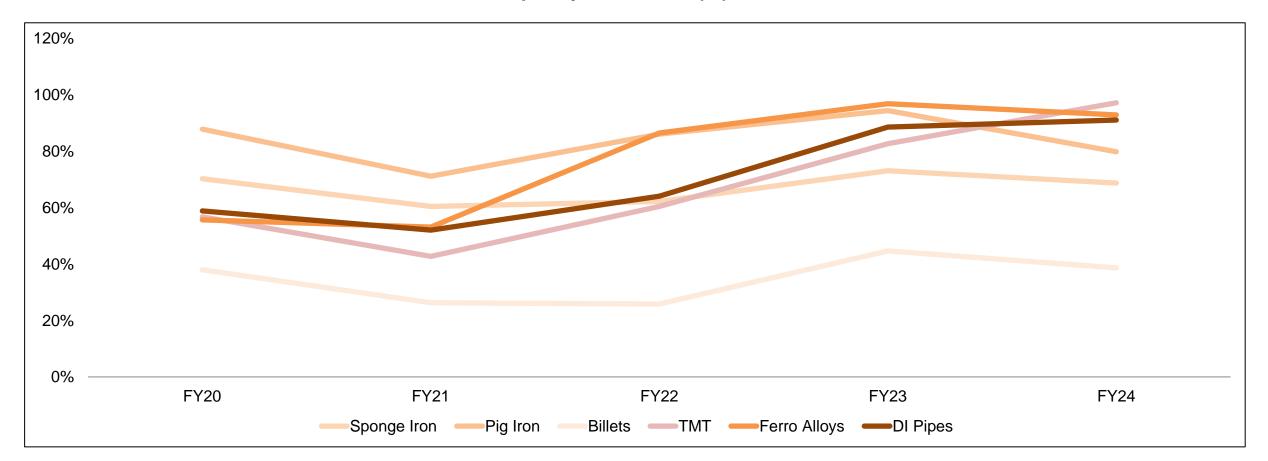
Profit After Tax



Robust Operational Performance



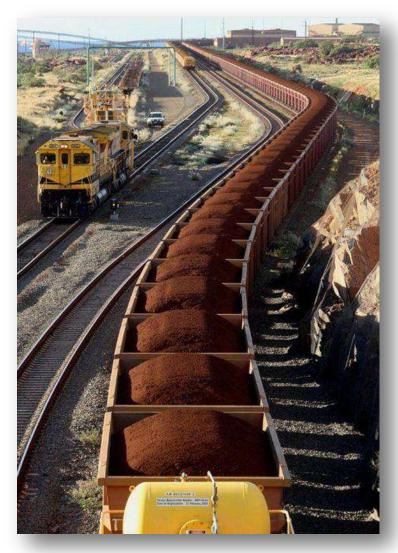
Capacity Utilization (%)



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

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

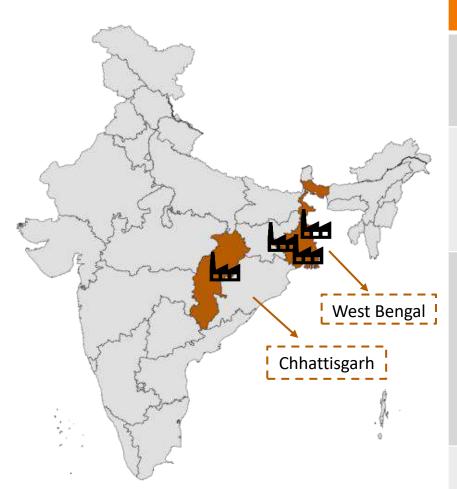
Have dedicated
Railway Sidings
at both loading in
Odisha and
unloading at our
plant.

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

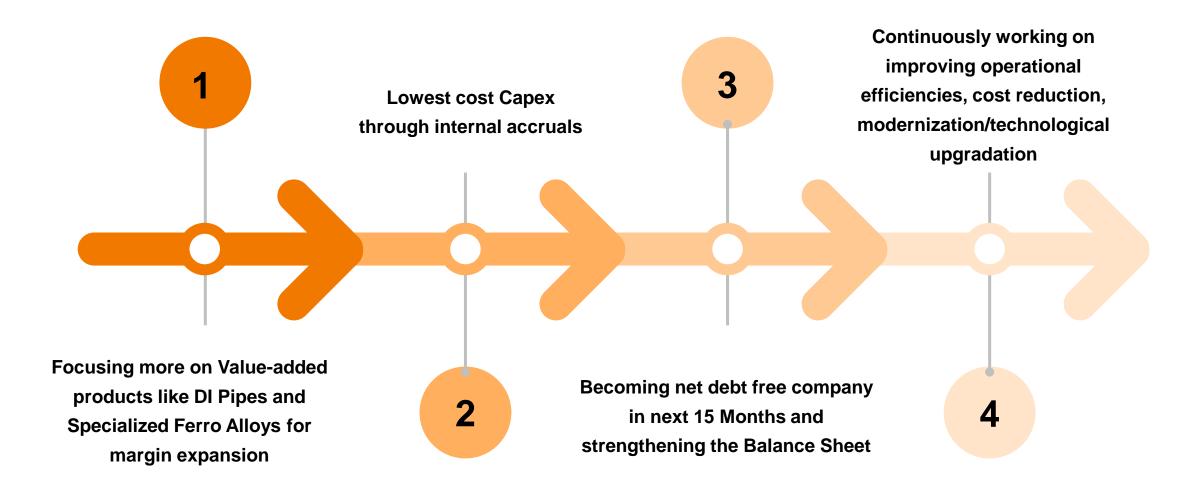




Plant	Location	Facilities	Products	Installed Capacity (MT)
Unit I	Baktarnagar, Burdwan, West Bengal	Ferro AlloysDRIPower	Ferro Silicon Alloys/Ferro ChromeSponge IronPower	30,1181,05,00018.3 MW
Unit III	Rajbandh, Burdwan, West Bengal	Pig IronDIPSinterFerro Alloys	 Blast Furnace Ductile Iron Pipe Sinter Ferro Chrome/Special Grade Ferro Alloys 	5,49,5003,00,0009,08,00036,000
Unit IV	Rajabndh, Burdwan, West Bengal	 Sponge PIG Iron Billets Rolling Mill Ferro Alloys Coke Oven Captive Power 	 Sponge Iron Blast Furnace SMS TMT Ferro Chrome/Special Grade Ferro Alloys Coke Power 	 1,20,000 80,500 2,94,030 2,60,000 100,000 3,50,000 70 MW
Unit V	Rasmada, Durg, Chhattisgarh	BilletsSpongeCaptive Power	SMSSponge IronPower	1,00,0001,20,00012.8 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!

O1 Profit m

Profit making Business

- Converted losses into profits
- Confident to achieve EBITDA Margins in the range
 of 18%-20% going ahead

02

Debt Restructuring

- o Broke the Debt trap and strengthen the balance sheet.
- Expectation is to be Net Debt Free in 15 Months

03

Cost Reduction = Modernization + Operational Excellence

- o 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

5 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

Value-Added

Products

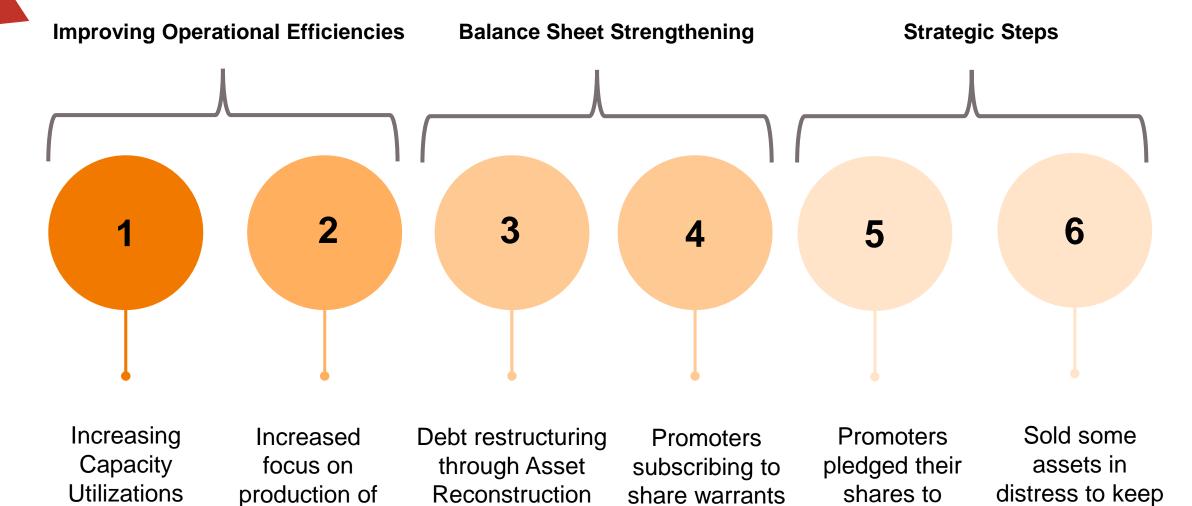


the company

going concern

arrange for funds from

private parties



Companies

Where We Stand Now



Corrective action plan to ensure success...



Reduced Net Debt to Rs. 3,981 Mn as on 31st March'24; Expectation is accruals to be Net Debt Free in 15 Months

through internal

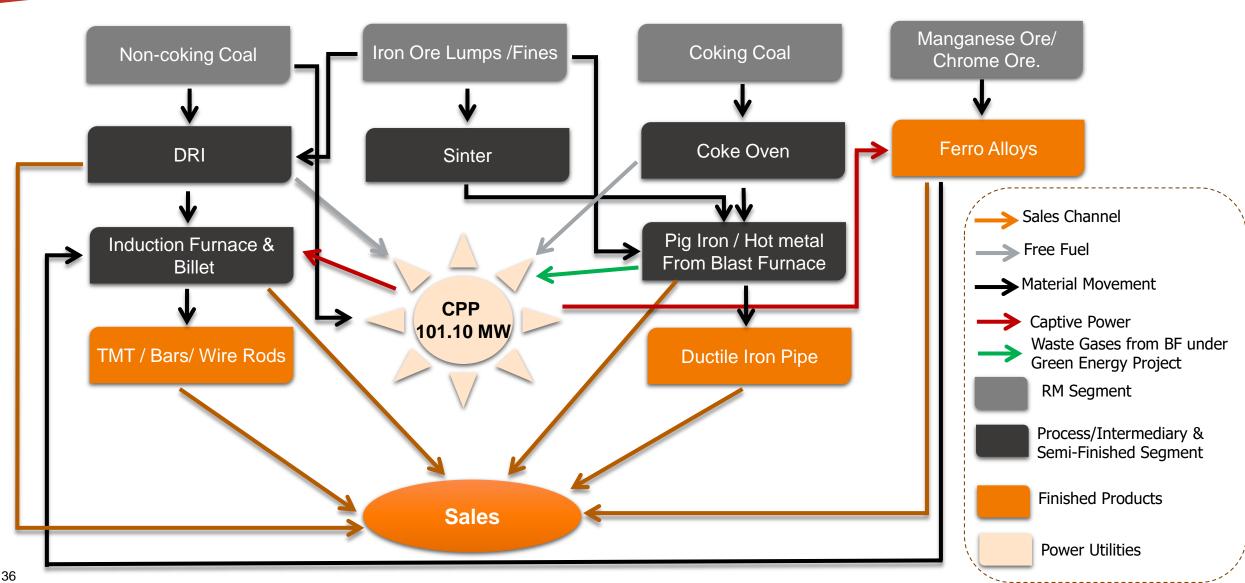
Expanding capacities Margin expansion by focusing on valueadded products

Lowest cost of Capex because of Brownfield Expansions

Improving operational efficiencies and capacity utilizations

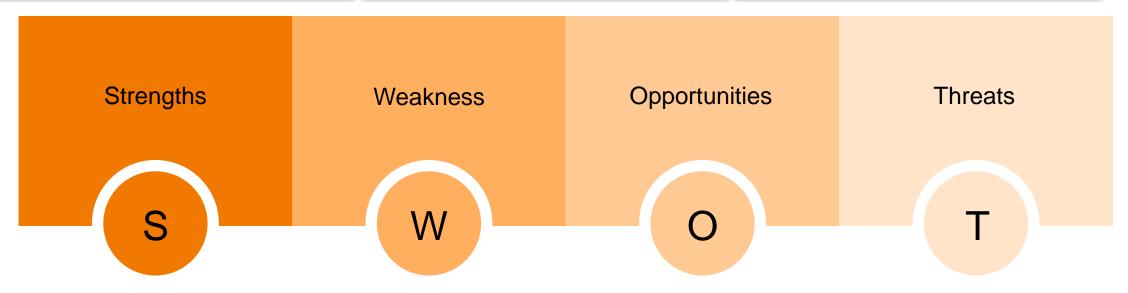
Processes





SWOT Analysis





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

- Weak performance in the o
- Commodity price impacts o
- 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

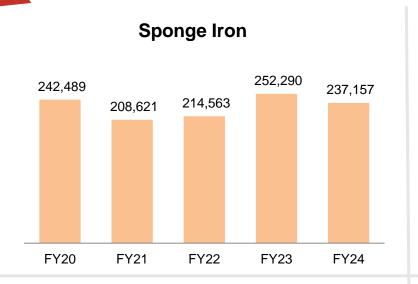


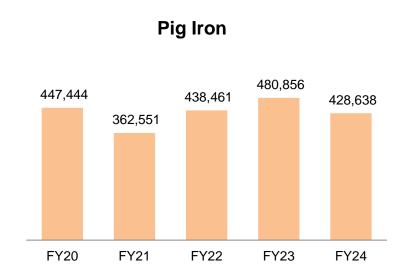
Ms. Mamta Jain

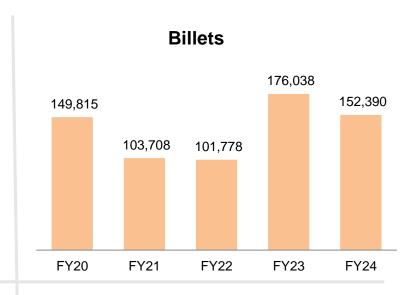
Independent Woman Director

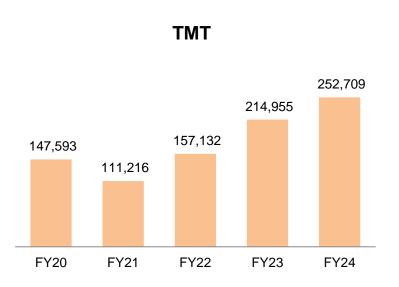
Yearly Trend | Production (1/5)

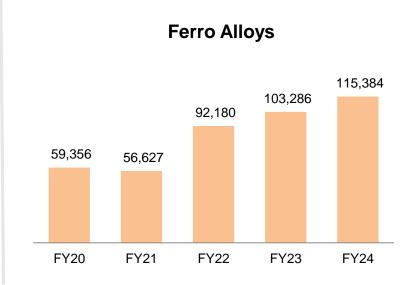


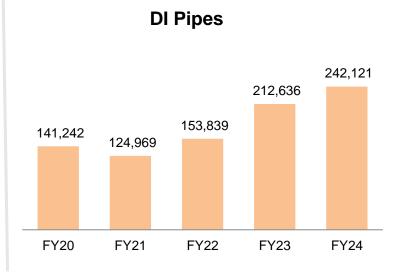






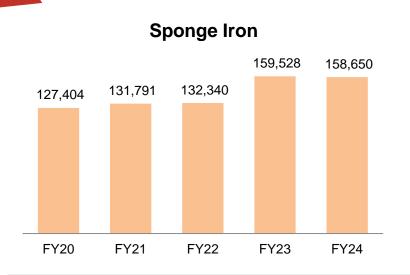


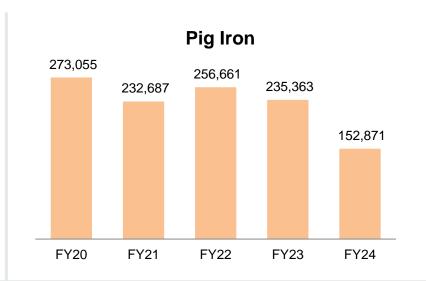


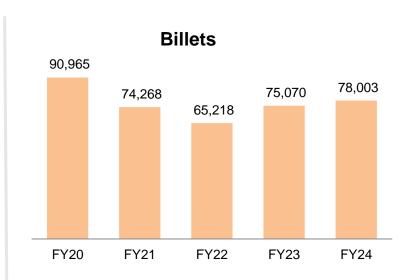


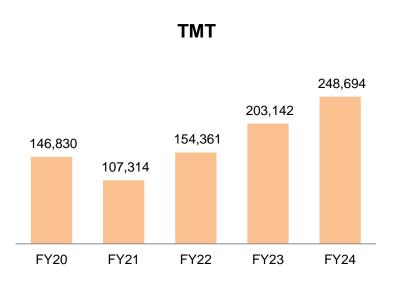
Yearly Trend | Sales (2/5)

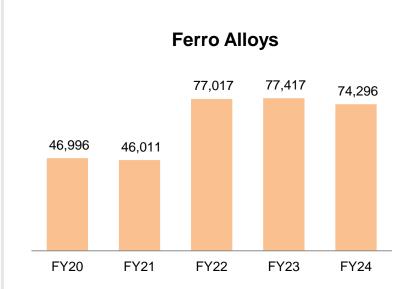


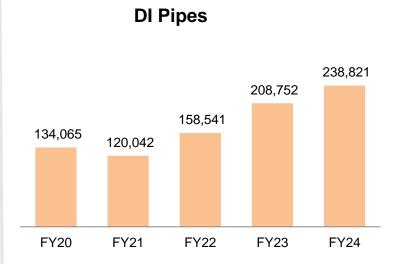






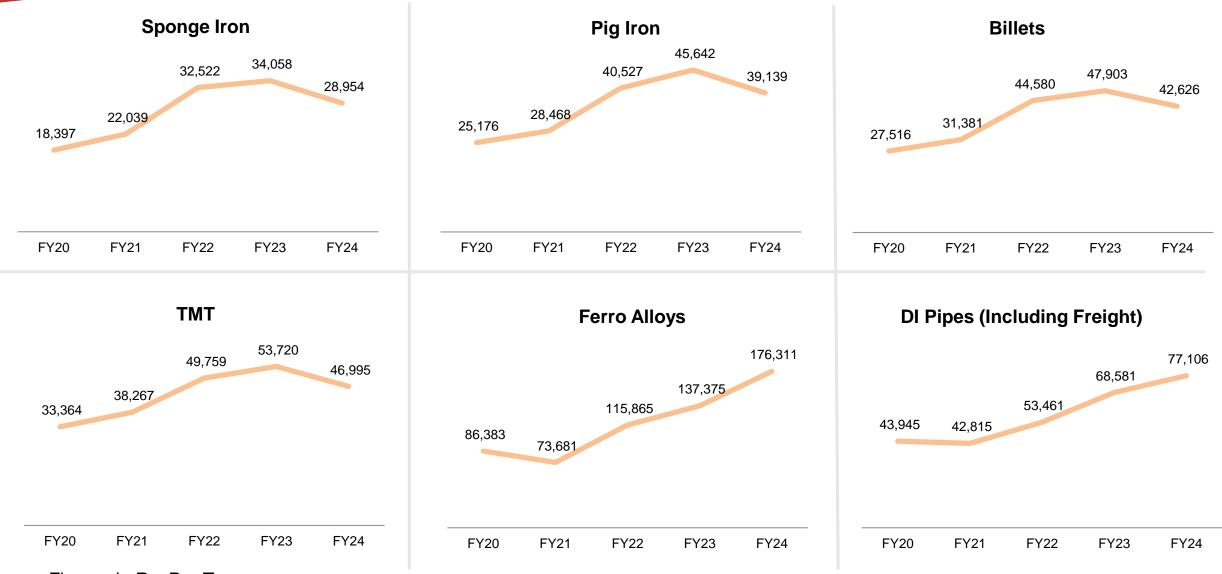






Yearly Trend | Realization (3/5)





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

Particulars (Rs. Million)	FY24	FY23	FY22	FY21	FY20
<u>Assets</u>					
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

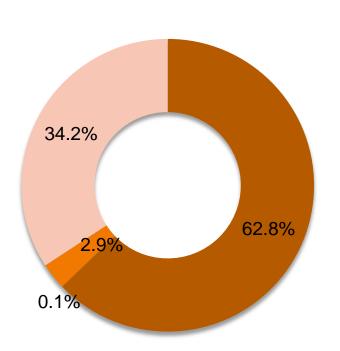


Scholarship for Young Generation

Shareholding Pattern as on 10th April'2024



Share Holding Pattern



Sr. No.	Category of Shareholders	No. of Shares Held	Holding (%)
1	Promoter & Promoter Group	10,83,04,046	62.8%
2	Public		
а	Domestic Mutual Funds	1,14,862	0.1%
b	Foreign Portfolio Investors	49,98,086	2.9%
С	Non-Institutions	5,90,33,292	34.2%
	Total Shareholding (1+2)	17,24,50,286	100%

■ Promoter & Promoter Group

■ Domestic Mutual Funds

■ Foreign Portfolio Investors

Public Group Non-Institutions

Source: BSE



Thank You

Investor Relations

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