



Date: 30th July 2024

**To,
The Corporate Relationship Department,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers,
Dalal Street, Fort
Mumbai-400001
BSE Code-544138**

**To,
The Corporate Relationship Department,
National Stock Exchange of India Limited,
Exchange Plaza,
Plot No.-C-1, G Block,
Bandra-Kurl Complex,
Bandra (East)
Mumbai-400051
NSE Code-JGCHEM**

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

Dear Sir/Madam,

As per Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are pleased to enclose herewith the Investor Presentation. The same will be available on the website of the Company viz. www.jgchem.com

This is for your information and records.

**Thanking You,
For J.G.Chemicals Limited**

**Swati Poddar
Company Secretary & Compliance Officer**

J. G. Chemicals Limited

(An ISO 9001, 14001, 45001 CERTIFIED COMPANY)

Adventz Infinity@5, Unit No. 1511, Street No. 18, BN Block, Sector – V, Salt Lake City, Kolkata – 700 091, India,

Phone: +91 33 4415 0100

Email: cs@jgchem.com | Web: www.jgchem.com

Mfg. of: "LUXMI"^(UR) BRAND ZINC OXIDE

CIN: L24100WB2001PLC093380

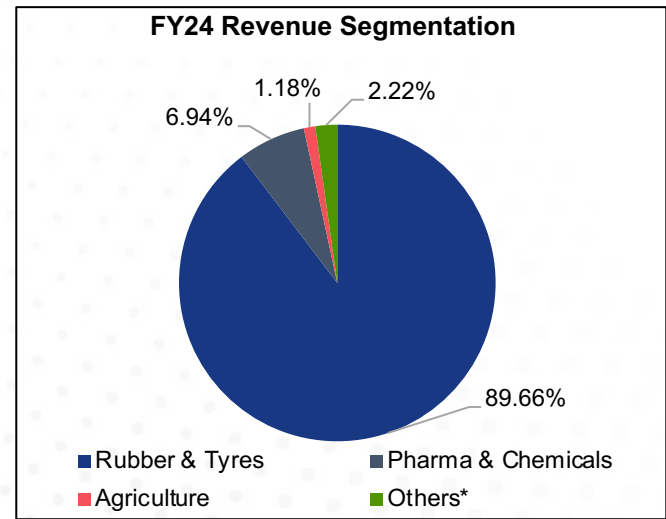
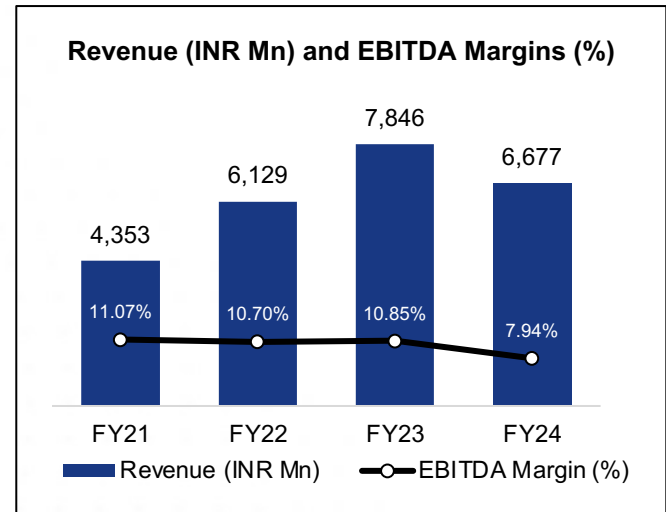


Investor Presentation

JULY 2024

Company Overview

- JG Chemicals Limited (JGCL), incorporated in 1975, is the largest manufacturer of Zinc Oxide in India.
- The company started off with a small plant in Kolkata in 1975 with a capacity of about 600 MTPA, and has today scaled up to become amongst the top 5 manufacturers globally and the largest in Asia*, with a capacity of 70,000 MTPA of Zinc chemicals.
- From an initial customer base of about 10, today JGCL serves the requirements of over 200 domestic customers and over 50 global customers in more than 10 countries.
- Catering to a wide spectrum of industrial applications with a high degree of customization, including Rubber and Tyre, Ceramics, Paints & Coatings, Pharmaceuticals & Cosmetics, Electronics & Batteries, Agrochemicals & Fertilizers, Specialty chemicals, Lubricants, Oil & Gas and also Animal feeds.
- It is one of the largest suppliers to the top tyre companies and other blue-chip companies in various industries.
- JGCL's subsidiary, BDJ Oxides' Naidupeta plant is the only IATF approved ZnO facility globally and also has WHO GMP certification (amongst the very few plants globally to have this); further it has also the licenses to manufacture ZnO in with IP/BP/USP/ Ph.Eu Standards.



*Others includes ceramics, paints & coatings, electronics & batteries, lubricants, oil & gas and animal feed end-user industries

Largest
Zinc Oxide (ZnO)
Manufacturer in India

~30%
Market share
(as on March 30, 2022)

Top 10
Global manufacturer of Zinc
Oxide

9/10
Global tyre manufacturers
served

Top 11
Indian tyre manufacturers
served

200+
Domestic Customers

50+
Global Customers

~90%+
Repeat Customers

* Excluding China

Board of Directors

Suresh Jhunjunwala Executive Chairman and Whole-time Director

He is responsible for strategy formulation and identifying new growth areas for the Company. He is the founder of our Company and has over 50 years of experience in chemical, refractories, mining and glassware industries.

Anirudh Jhunjunwala Managing Director and CEO

He holds an MBA degree from University of Warwick. He is responsible for the overall business activities of the Company. He has been associated with the Company since its incorporation and has over 20 years of experience in chemical and speciality chemical industry.

Anuj Jhunjunwala Whole-time Director and CFO

He holds a Master of Science degree in Finance from the ICFAI University. Further, he holds an MBA from Said Business School, University of Oxford. He has over 14 years of experience. In the past, he has worked in the banking and private equity industry.

Ashok Bhandari Independent Director

He is a Chartered Accountant by profession and holds a Certificate of Membership from the Institute of Chartered Accountants of India. He was associated with Shree Cements Limited as group financial advisor since 1999 and is currently on the board of Skipper Limited, IFB Industries Limited and various other companies.

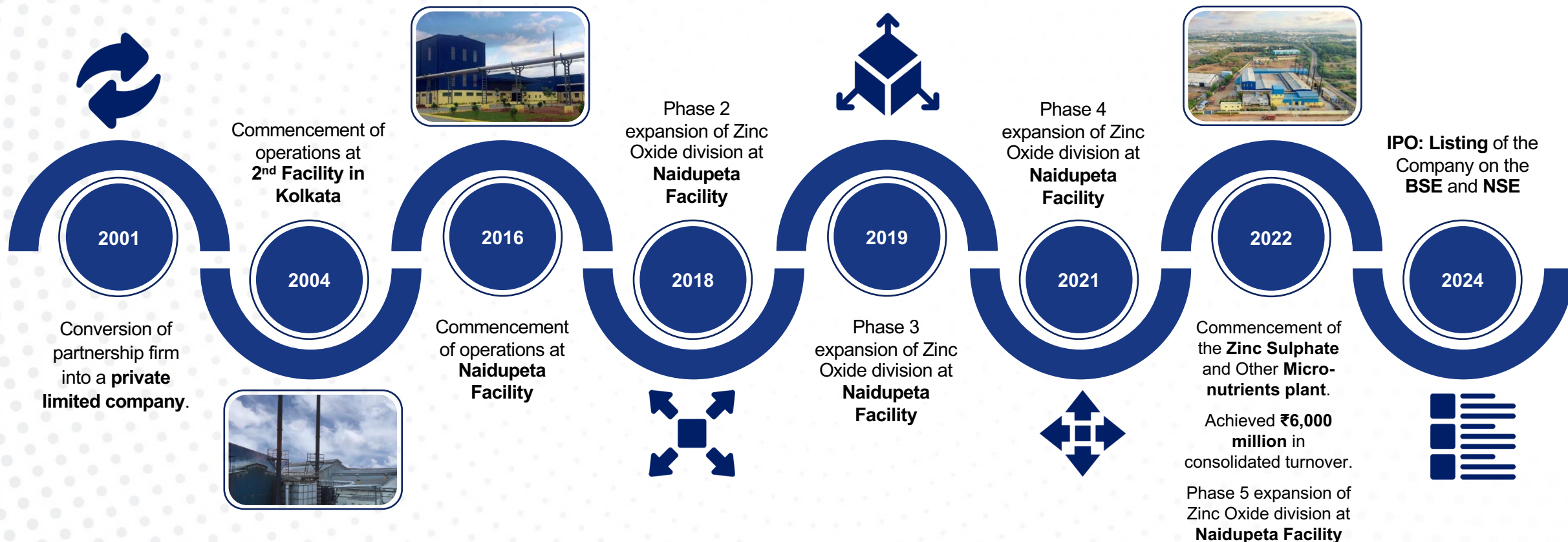
Sukanta Nag Independent Director

He is a member of the Institute of Chartered Accountants of India, Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India. He was previously associated with many organisations including, Credit Analysis & Research Ltd., as an Executive Vice-President. He is presently associated with Riskman Consulting LLP and Bagchi Sengupta Pal & Co LLP as designated Partner.

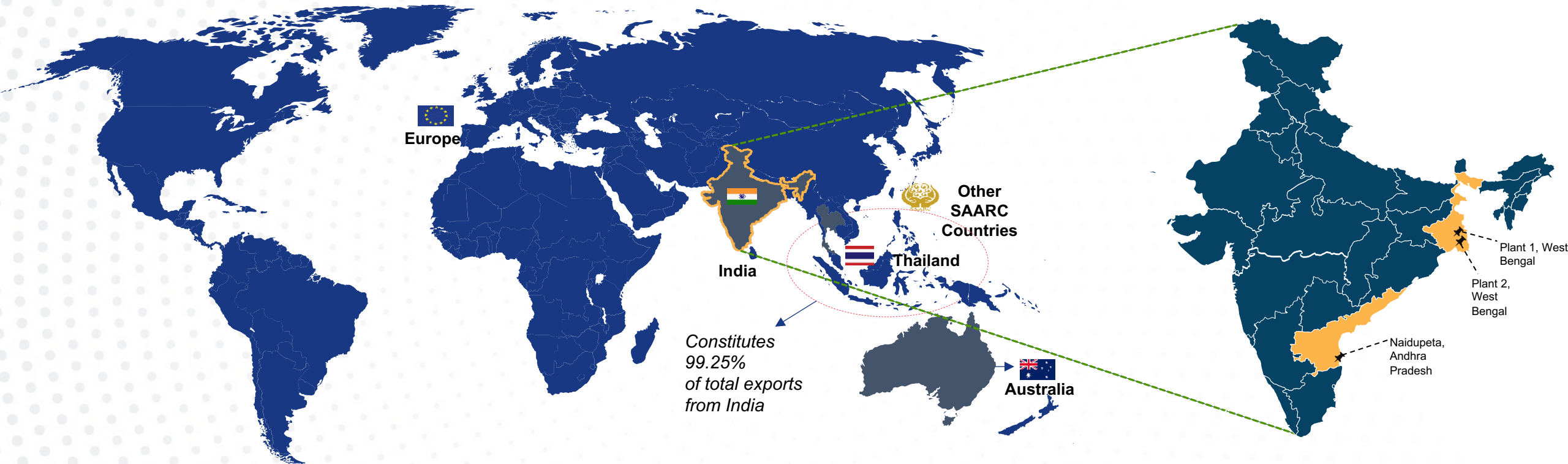
Savita Agarwal Independent Director

She is a member of the Institute of Chartered Accountants of India. She also holds a Certificate of Registration from Insolvency and Bankruptcy Board of India to act as an insolvency professional. Presently, she is a partner at R. Kothari & Co. LLP, a practicing Chartered Accountants firm.

Key Milestones



Geographical Presence



- 200+** Domestic customers
- 90%+** Repeat customers
- 50+** Global customers from more than 10 countries

- *Tyre industry, which accounts for 70% of the rubber industry, contributes to nearly 80% of sales.*
- *Catering to the top 10 global & all of the top 11 Indian Tyre manufacturers.*

- **Direct customer relations** – Over 95% of sales are directly to end customers, helps build strong relations.
- **Long term associations** – Strong and built over several decades.
- **Leading Market position** - Fueled by consistent product delivery, established infrastructure and strategic location of manufacturing facility.
- **Competitive Advantage** - Product pricing, economies of scale, ability to process scrap material and preferred buyer status.
- **Preferred Supplier** – Due to focus on building long term relationships.

Marquee Clients



APOLLO
TYRES LTD

CEAT

JKTYRE
TOTAL CONTROL

BRIDGESTONE



GOODYEAR



Lubrizol

asianpaints



Coromandel



Continental

Bata



BASF



SPIC
Nourishing growth

RELAXO



COLOROBBIA

ZUARI
AGRO CHEMICALS



West Bengal

Plant 1: Jangalpur

Capacity:

14,400 MTPA for Zinc Oxide

5,040 MTPA for Zinc Ingots

Plant 2: Belur

Capacity:

1,800 MTPA for Zinc Oxide



**Naidupeta,
Andhra Pradesh**

The only IATF approved ZnO facility globally and also has WHO GMP certification (amongst the very few plants globally to have this).

Capacity:

43,704 MTPA for Zinc Oxide

2,016 MTPA for Zinc Ingots

10,080 MTPA for Zinc Sulphate and other allied chemicals



Business Overview

Zinc Oxide: A Quick Introduction



Zinc Oxide (ZnO) is:

- Inorganic compound; white in colour and insoluble in water
- ZnO is a highly versatile chemical, it is used in various industries
- Purity ranging from 98.50% to 99.90%



Production Process

- Indirect (French), Direct and Wet Chemical Process
- Indirect (French) is the dominant technology globally
- ZnO produced through French Process is of better quality and has higher acceptability
- Each industry has different specifications and requirements; Requires high degree of customization – both, in operating parameters as well as plant designing & engineering
- 80+ grades of Zinc Oxide sold for a wide spectrum of industrial applications



ZnO properties:

- High chemical stability
- High electrochemical coupling coefficient
- Broad range of radiation absorption
- High photo stability



Raw materials required for ZnO production

Zinc Metal

- High quality of material for production of ZnO of 99.9% purity level – used in pharma & specialty applications



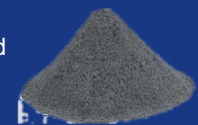
Zinc Dross/ Scrap

- Generated by large steel mills & several other galvanizers across the country and globally
- Demand > Supply in India



Zinc Ash

- Raw material to make Zinc Sulphate, Zinc Borate, Zinc Carbonate and various other zinc based chemical derivatives
- By-product of ZnO manufacturing process



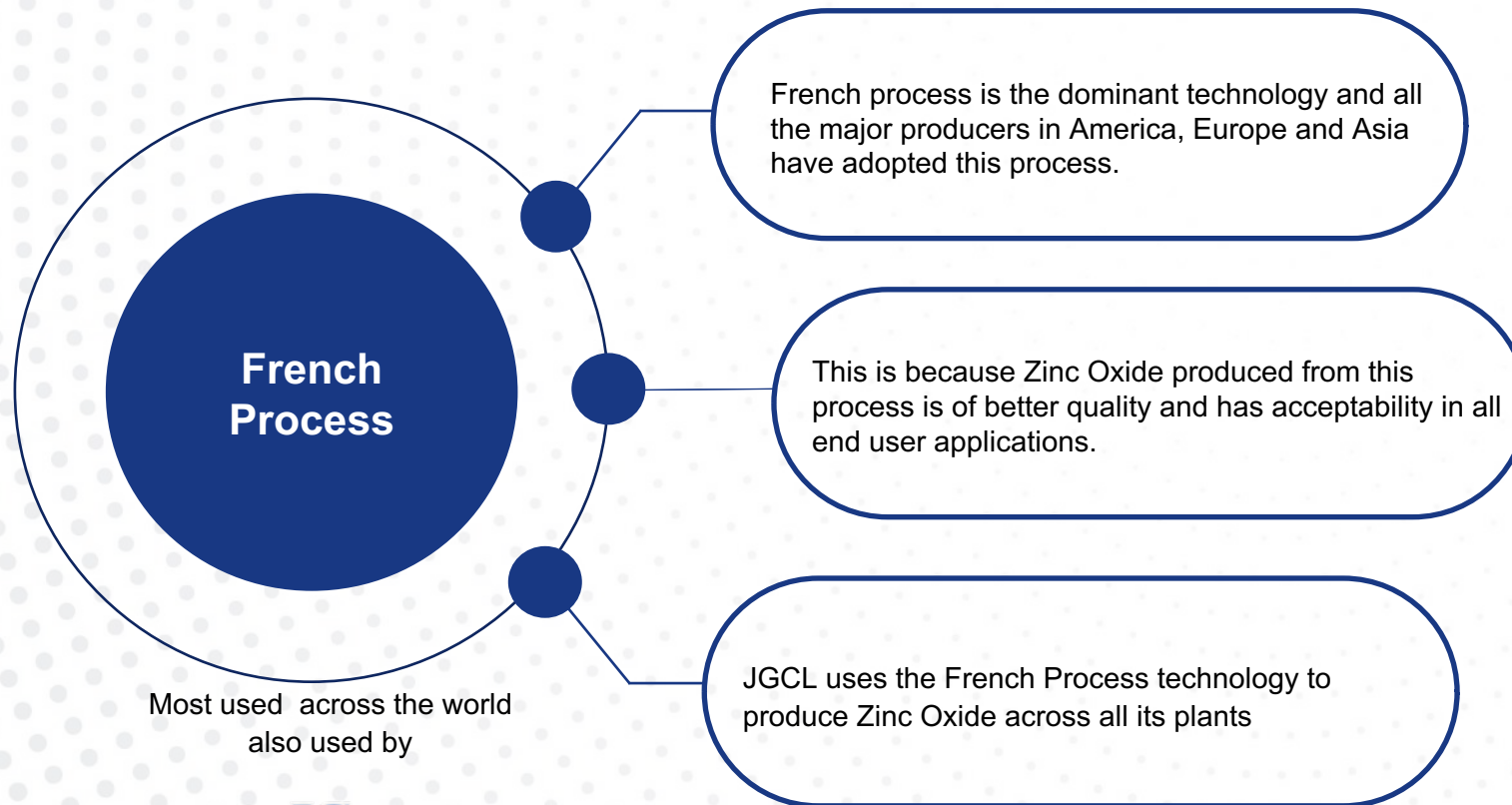
Zinc Scrap comes in different size, shapes and quality

Zinc Dross/Scrap is a highly complex metal to process and handle while ensuring highest efficiencies



Manufacturing process of Zinc Oxide

JGCL uses the French Process technology to produce Zinc Oxide across all its plants



Grades of Zinc Oxide

- Commercial grades of Zinc Oxide are divided by purity of Zinc Oxide, heavy metal impurity levels, particle size, acid insoluble, surface area, fineness through different standard sieve sizes, etc. These categories are due to the difference in the operating parameters.
- JGCL sells over 80 grades of Zinc Oxide and are among the top ten manufacturers of Zinc Oxides globally.

Environmentally Friendly Manufacturing Process

Environmentally Friendly Manufacturing Process



Using recycled metal instead of finite virgin ores

JGCL is the largest zinc recycling company in India. Our business exemplifies circular economy success by efficiently utilizing scrap materials through recycling. This reduces CO2 emissions, air pollution (by 80%), water pollution (by 76%), and water use (by 40%) for every unit of ZnO produced, by opting for recycled metal over finite virgin ores.



Focus on 'Green Manufacturing'

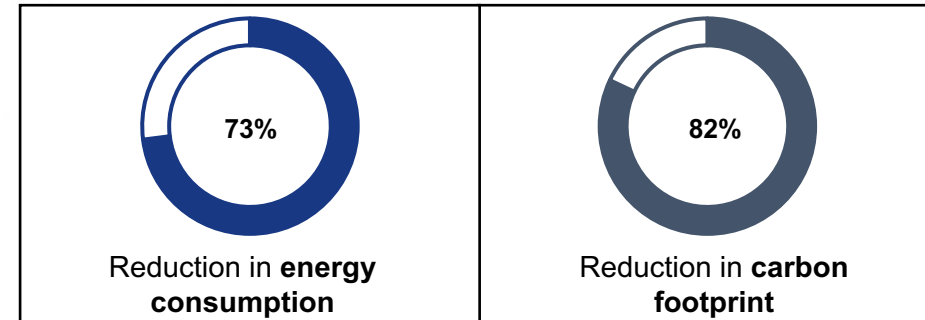
- Using the maximum amount of Zinc Scrap across all our manufacturing processes.
- ZnO produced from Zinc Dross, Ash & Scrap reduces the consumption of raw material inputs (Zinc metal) to manufacturing by returning recycled Zinc to the value chain.
- New EPR regulations bode well for JGCL since it is already using recycled RM; hence possibly no risk of reduction of zinc oxide in end user applications.



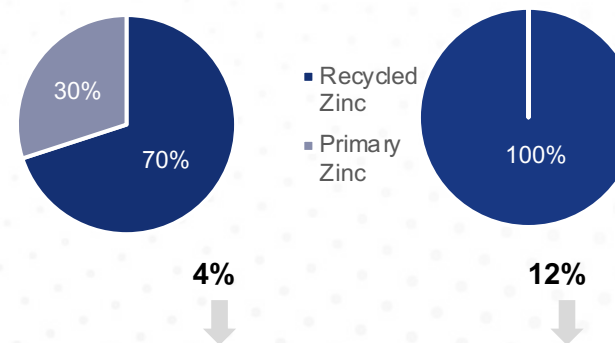
Certifications:

ISO 9001: 2015, ISO 14001: 2015, ISO 45001: 2018, IATF 16949: 2016, Ecovadis ESG assessment Silver Rating, World Health Organization GMP certification, IP / USP / BP / European Pharmacopoeia licenses, Sustainable ZED Silver Certification.

Use of recycled/ secondary zinc instead of primary Zinc



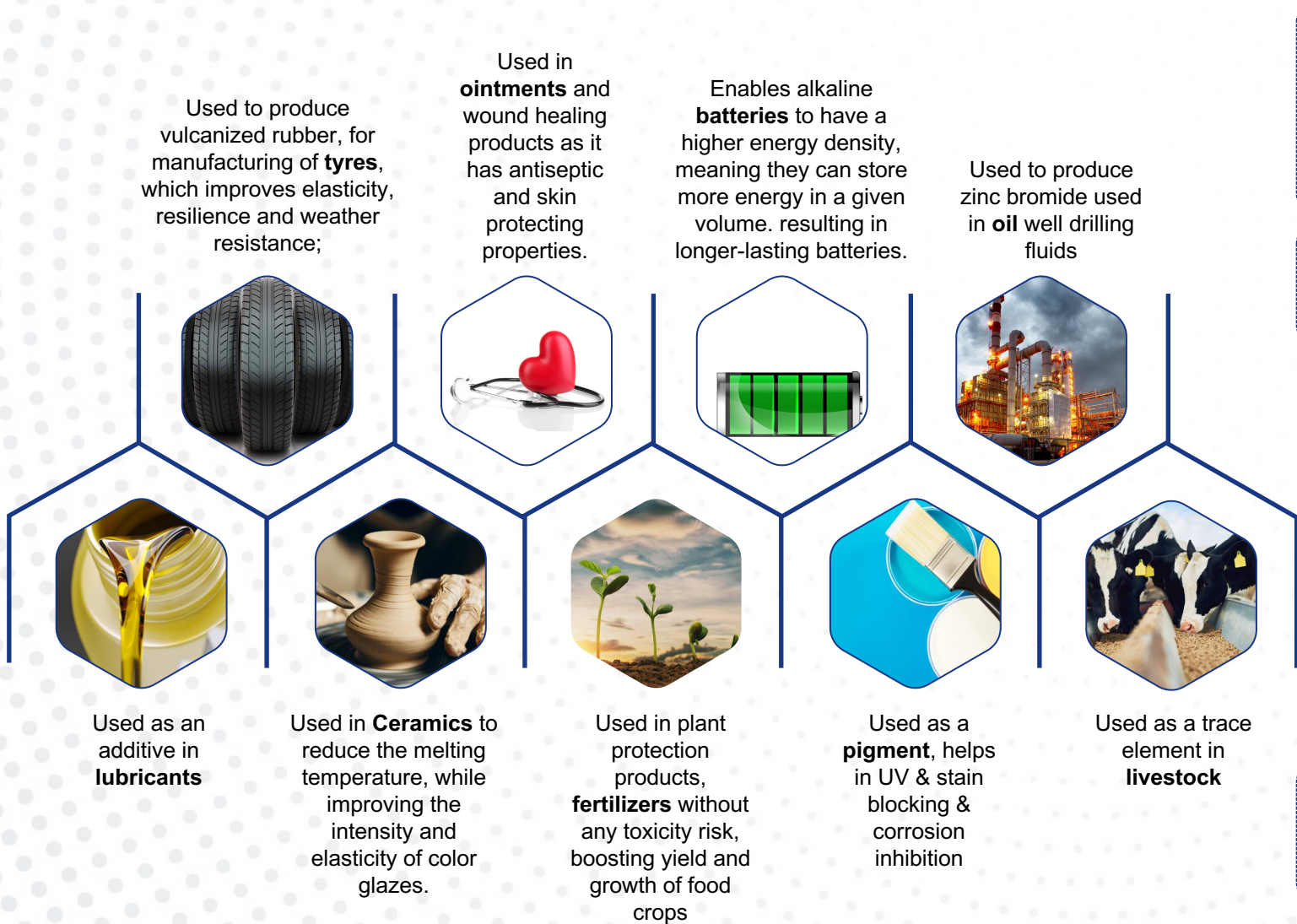
Impact of 'Zinc mix' in manufacturing of ZnO:



Reduction in energy consumption & CO2 footprint

Leading Market Position With Diversified Customer Base

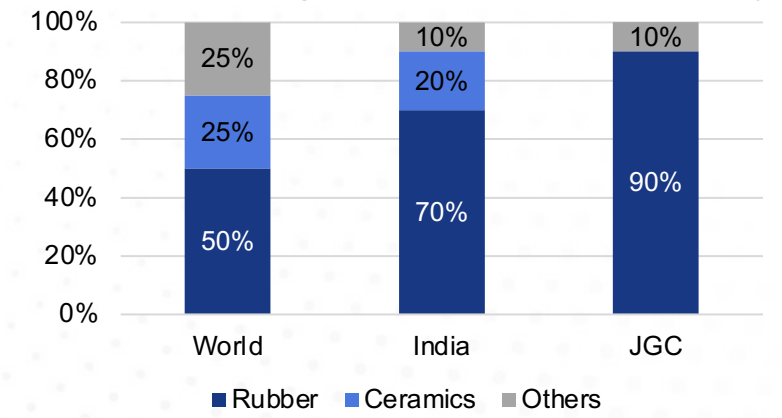
ZnO is a highly versatile chemical, it is used in various industries with 80+ grades sold for a wide spectrum of industrial applications requiring high customization to manufacture from zinc scrap making it a complex manufacturing process having high entry barriers



- Zinc Oxide is an inorganic compound having use in various end-use industries.
- Zinc Oxide is not a plain vanilla product where one size fits all.
- Within each user segment, each customer has different specifications and hence a customized product.

Strong focus on the rubber industry for JGCL has enabled it to gather scale and large institutional customers which offer very strong visibility in volumes and earnings; focus on increasing non rubber customers going ahead.

Revenue Segmentation of Zinc Oxide Industry

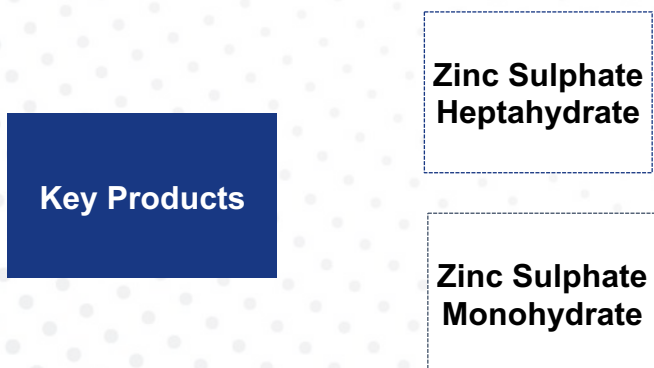


JGCL has a lot of scope to gain market share in non-rubber applications by substituting imports for pharmaceutical industry and also catering to the premiumization of the Indian market with newer applications across several end user industries.

Zinc Sulphate:

Diversifying Product Pool by Leveraging Inherent Strengths in Sourcing and Sales

- Zinc Sulphate is an inorganic compound which is used in the agriculture industry as an essential micronutrient; in addition to that it also has use in the pharmaceutical segment.
- Zinc Sulphate market is over 200,000 MTPA market with South India itself being a 60-70,000 MTPA market.
- JGCL has a 10,080 MTPA capacity for manufacturing Zinc Sulphate & allied chemicals, making it the largest Zinc Sulphate plant in Southern India. South India has high deficiency of Zinc in soil which is an essential micronutrient in soils.
- South India has low availability of Zinc Ash and smaller unorganized producers are unable to import ash; Currently a lot of the South Indian demand is being catered to from North Indian producers of Zinc Sulphate.
- JGCL's strength in raw material sourcing and having an assured supply for large-scale production levels will help scaling the business.
- JGCL's Zinc Sulphate customers, who previously didn't utilize Zinc Oxide from JGCL, are now also sourcing this product from the company due to cross-selling initiatives.
- Good revenue contribution expected from FY25 onwards from these products due to strong demand seen from key customers; Company is expecting significant ramp-up in utilization in this segment and also exploring export opportunities now.



Application areas

Agriculture	Pharma
<ul style="list-style-type: none"> • For meeting deficiency in micronutrients in the soil, leading to better crop productivity and quality especially in southern states where the soil is Zinc deficient. 	<ul style="list-style-type: none"> • Zinc being a strong immunity builder – rise in consumption due to COVID-19. • Used to treat acne & has anti-inflammatory and wound healing properties. • Finds use in cosmetic products due to anti bacterial and anti microbial properties.

Growth drivers of Zinc Sulphate

States	Zinc Deficiency (%)
Tamil Nadu	63.30
Karnataka	30.70
Telangana	26.77
Andhra Pradesh	22.92
Kerala	18.34

Robust Global Supply Chain

Sourcing of Raw Material is a High Entry Barrier

Maintaining **inventory across facilities** enables us to blend different compositions of Zinc Dross

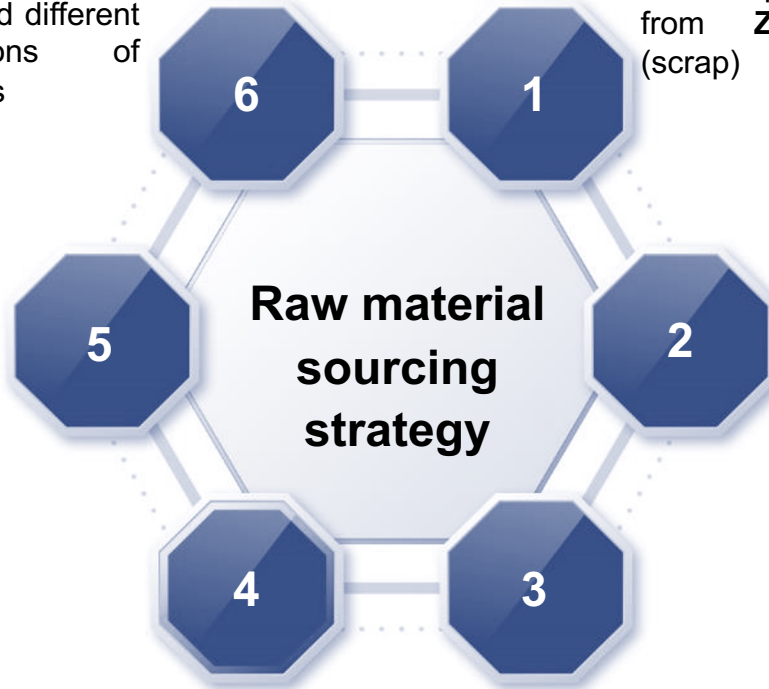
Most of the Zinc Oxide produced is from **Zinc Dross** (scrap)

Overall **availability of Zinc Scrap in India is less than the requirement**; hence it is imported. There are several import challenges like contracts, reliability, working capital, relationships and ability to absorb large volumes

Established supply network over several decades with **more than 100 global suppliers**

Traders prefer selling to **large buyers** (volume visibility), customers who have **regular requirements** and those with **safety of payment**

Zinc Scrap comes from all across the globe; JGCL has multiple RM suppliers of different qualities as processing various and inferior grades of scrap is JGCL's USP



Raw materials

Zinc Dross / Scrap

Used for production of ZnO

JGCL ensures sufficient inventory to ensure it can blend different compositions to attain operational efficiency

Zinc Ash

Used for production of ZnSo4 & other chemicals

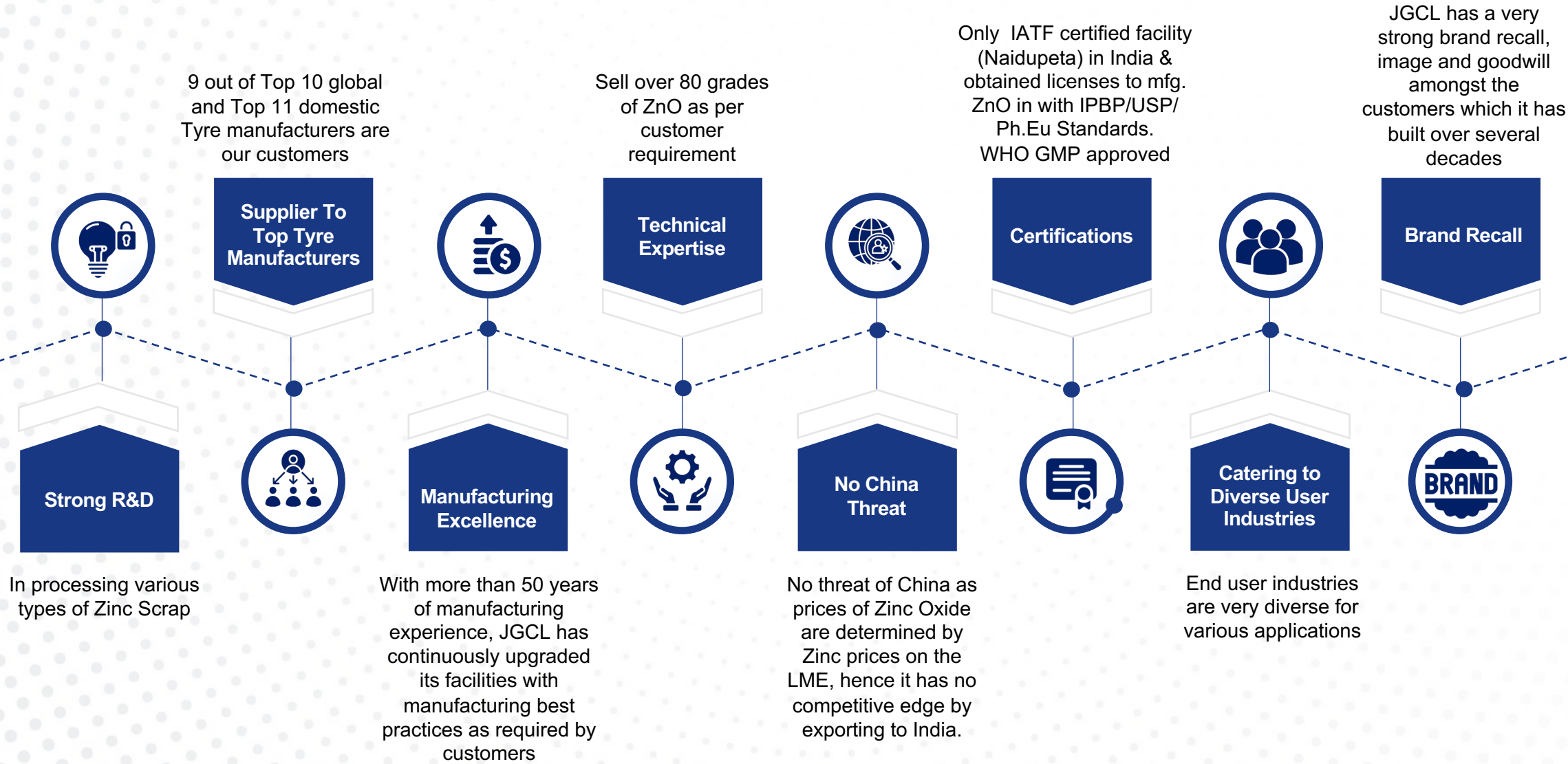
JGCL has a strong relationship with galvanizers (source of Zinc Ash); in-house generation as a by-product of ZnO

- **Availability** of these are the biggest constraint for new entrants in the market to build a global supply network
- Scarcity of raw materials is a challenge for new entrants to scale-up their operations



Strategic Overview

Key Strengths



High Entry Barriers in the Industry



Long drawn process for Customer Approvals

On an average it takes about 4 to 5 years minimum to get approval with large Tyre accounts primarily because they are looking for established vendors with large size, production facilities and consistent quality systems. They prefer sourcing from the same vendors rather than adding new vendors. Tire manufacturers are under OEM scrutiny and resist new suppliers to establish consistent quality. Hence, for a new entrant, it virtually becomes impossible to set up a large scale facility with systems and wait for five years approximately for approvals.



Sourcing of Raw Materials

The procurement of zinc scrap is particularly challenging due to the limited availability from major steel companies domestically. Material needs to be sourced from across the globe as no single supplier / country can meet the entire demand. To establish this network of suppliers throughout the globe which is a time taking process and involves decades of establishing business, confidence and personal relationships, which is a very difficult task for a new entrant.



Stringent Regulatory Approvals

Various licenses like IATF, WHO GMP and others like the US Pharma, British Pharma , European Pharma & Indian Pharmacopeia are very difficult to secure as they require stringent manufacturing systems and also capital expenditure to ensure the plant meets the necessary norms. Some of these are necessary to cater to various customers in the pharmaceutical, cosmetics, nutraceuticals and specialty chemical segments.

Future Growth Strategies



Expand Product Portfolio

Deeper Penetration in Domestic Markets

Ramp-up of Zinc Sulphate Business

Expansion to New Geographies

Diversify Customer Applications in End-user Industries



Industry Overview

Zinc Oxide Industry Structure

Key Highlights

- Global Zinc Oxide market size is about 1.40 – 1.60 million MT per annum
- India's Zinc Oxide market size is about 130 thousand MT per annum
- Growth in most end user industries for Zinc Oxide expected in India in the range of 10-12% per annum; augurs well for Zinc Oxide demand
- Almost no new entrants in the Indian Zinc Oxide industry in over a decade

No Impact of China in the Global Market

- Zero imports from China
- China's Zinc Oxide market is self sufficient and hence insignificant exports
- In India, there is an import duty on the import of Zinc metal, Zinc Dross and Zinc Oxide

...Americas and Europe combined have less than 15 producers...

- North and South America combined has about 4-5 players controlling the entire region which is significantly larger than India; top 2 owned by Private Equity Investors
- Europe has about 7-8 producers serving the entire region; very little exports from Asia to Europe.

...India is Fragmented with almost 50 Producers Ranging from 2,000 MTPA to 60,000 MTPA (JGCL)

- JGCL is the largest ZnO manufacturer in India with capacity of almost 60,000 MTPA (30% market share).
- Fragmented players in India, with no player having a capacity anywhere close to JGCL; further there are several smaller producers in the range of 2,000 to 10,000 MTPA range who face significant headwinds due to customer preferences changing from unorganized to organized vendors
- Immense scope of consolidation in Indian industry.



Financial Overview

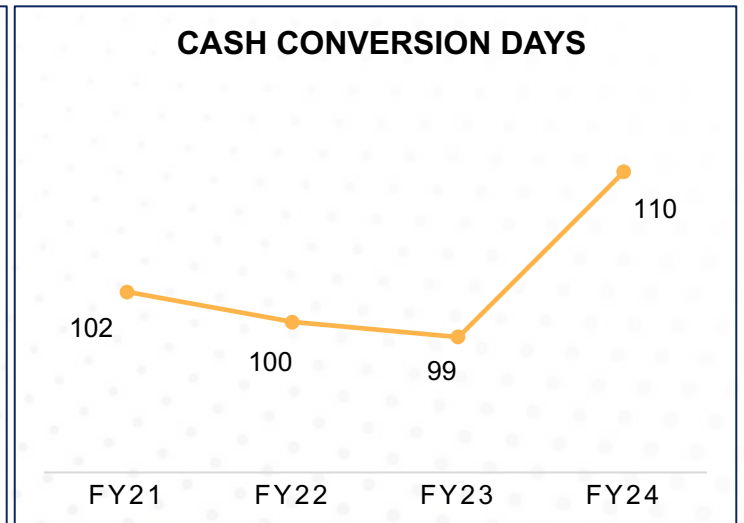
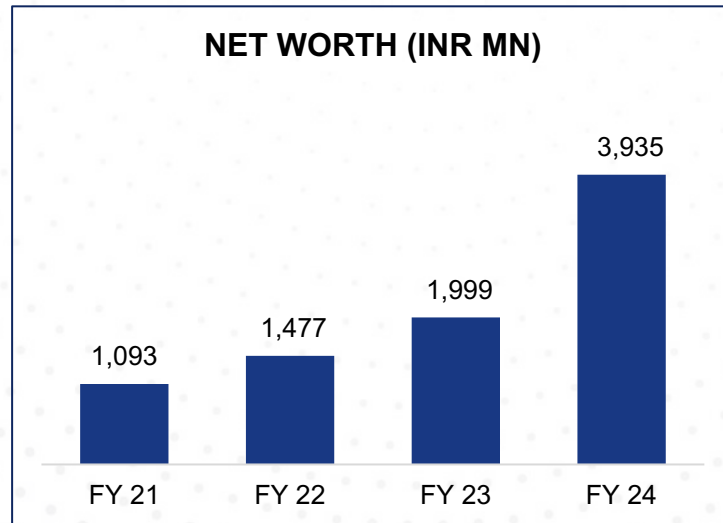
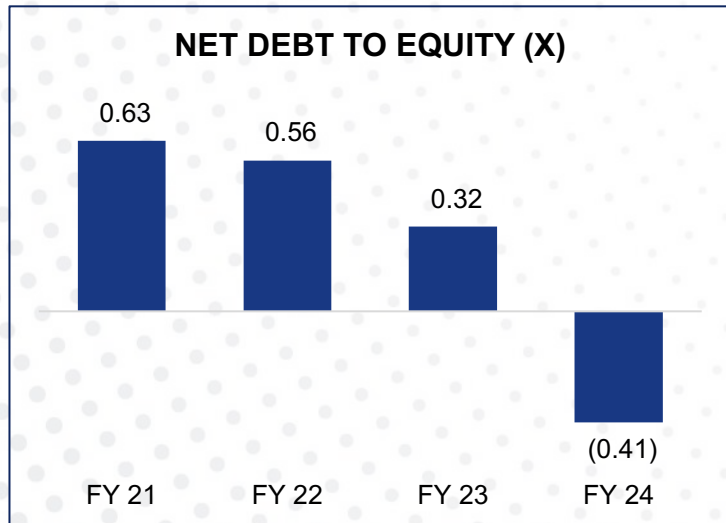
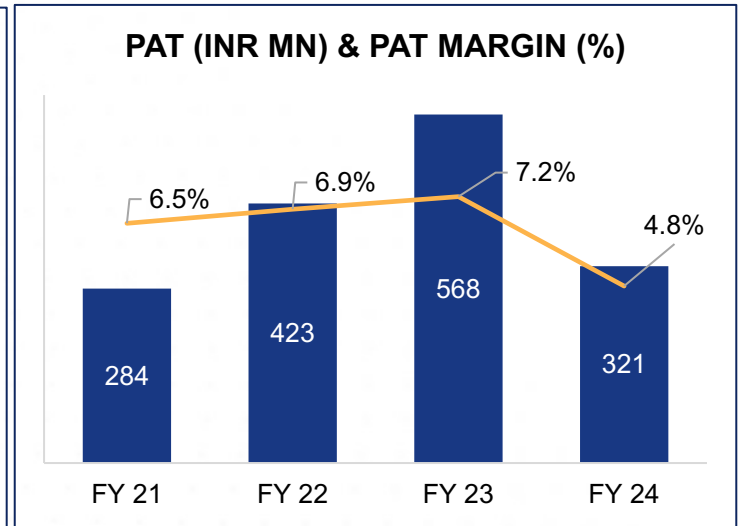
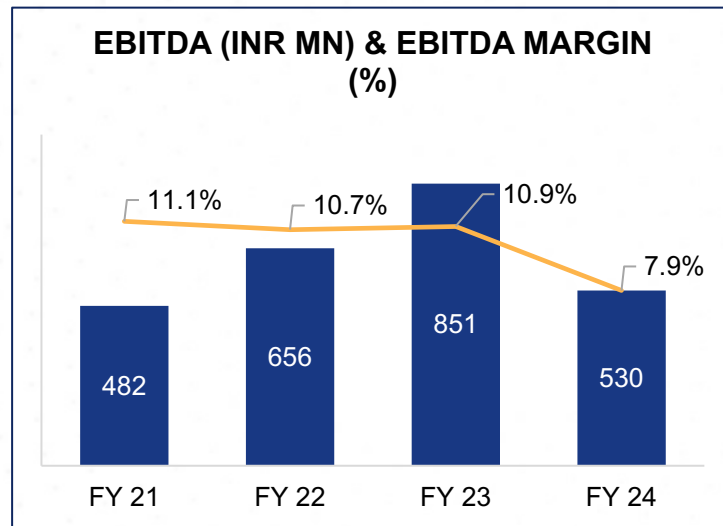
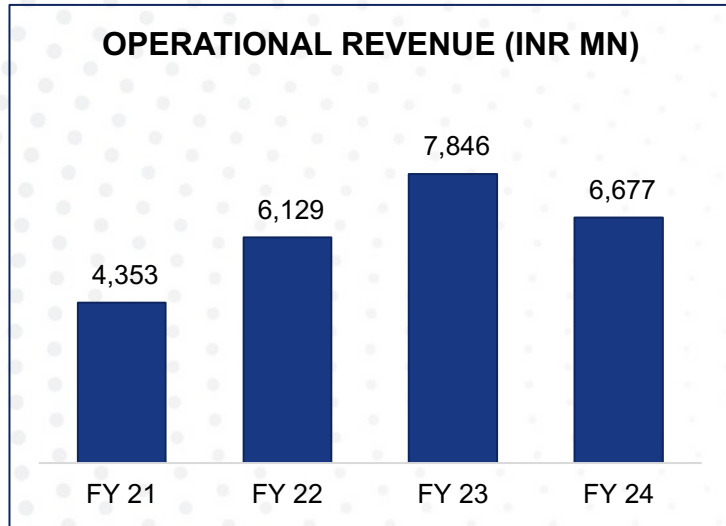
Historical Income Statement

Particulars (INR Mn)	FY21	FY22	FY23	FY24
Revenue from Operations	4,353	6,129	7,846	6,677
Other Income	51	102	96	77
Total Income	4,404	6,231	7,942	6,754
Total Expenses	3,922	5,575	7,091	6,224
EBITDA	482	656	851	530
EBITDA Margins (%)	11.07%	10.70%	10.85%	7.94%
Depreciation and amortization expenses	23	27	34	45
Finance costs	51	63	50	36
Profit before Tax and Exceptional Item	408	566	767	449
Exceptional Item	-	-	-	18
PBT	408	566	767	431
Tax	124	143	199	110
PAT	284	423	568	321
PAT Margins (%)	6.52%	6.90%	7.24%	4.81%

Historical Balance Sheet

Particulars (INR Mn)	FY23	FY24	Particulars (INR Mn)	FY23	FY24
EQUITY	2,135	4,055	NON-CURRENT ASSETS	415	551
Share Capital	317	392	(a) Property, plant & equipment	353	417
Other Equity	1,759	3,592	(b) Capital Work-in-progress	9	-
Non Controlling Interest	59	71	(c) Intangible Assets	0	0
LIABILITIES			(d) Financial assets		
NON-CURRENT LIABILITIES	76	40	I) Investments	30	112
(a) Financial Liabilities			II) Other financial assets	12	10
I) Borrowings	67	36	(e) Non-current tax assets	0	-
(b) Provisions	3	4	(f) Deferred tax assets (net)	-	7
(c) Deferred Tax Liabilities (Net)	6	-	(g) Other non-current assets	11	5
CURRENT LIABILITIES	767	395	CURRENT ASSETS	2,563	3,939
(a) Financial Liabilities			(a) Inventories	1,038	557
I) Borrowings	636	102	(b) Financial assets		
II) Trade Payables	84	82	I) Investments	-	321
III) Other Financial Liabilities	23	170	II) Trade Receivable	1,156	1,167
(b) Other Current Liabilities	5	20	III) Cash and cash equivalents	35	467
(c) Provisions	13	15	IV) Bank balances other than (iii) above	13	1,000
(d) Current Tax Liabilities (net)	6	6	V) Loans	18	-
TOTAL LIABILITIES	843	435	VI) Other financial assets	212	180
GRAND TOTAL - EQUITY AND LIABILITIES	2,978	4,490	(c) Other current assets	91	247
			GRAND TOTAL - ASSETS	2,978	4,490

Financial Highlights

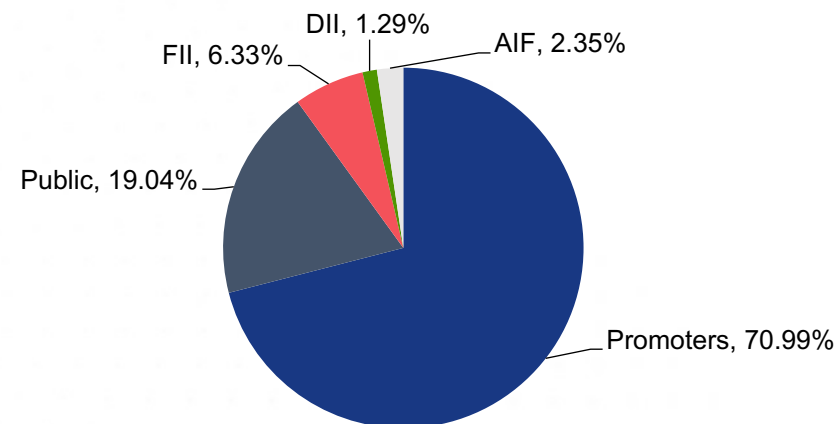


Capital Market Information

Market Data (INR) (As on 30th June, 2024)

Face Value	10.00
CMP	236.90
52 Week H/L	274.40/171.00
Market Cap (INR Mn)	9,283.18
Shares O/S (Mn)	39.19

Shareholding Pattern (As On 30th June, 2024)



Marquee Shareholders

MASSACHUSETTS INSTITUTE OF TECHNOLOGY	4.62%
CARNELIAN STRUCTURAL SHIFT FUND	1.77%
SBI GENERAL INSURANCE COMPANY LIMITED	1.29%
PINEBRIDGE GLOBAL FUNDS - PINEBRIDGE INDIA EQUITY	1.23%

Disclaimer

JG Chemicals Limited

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Thank You