



NOCIL LIMITED

Investor Presentation

October 2016





Safe Harbor



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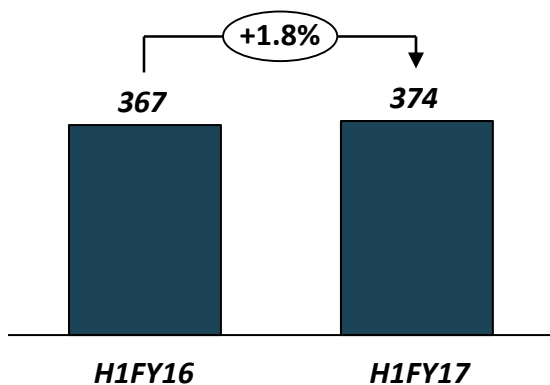
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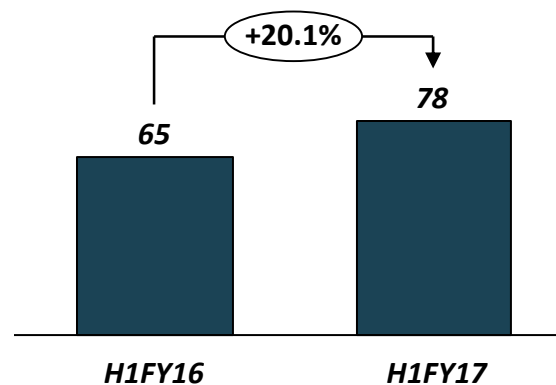
Financial Highlights –H1 FY17



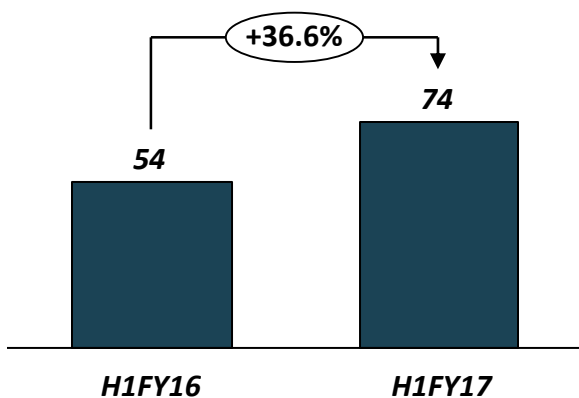
Revenue



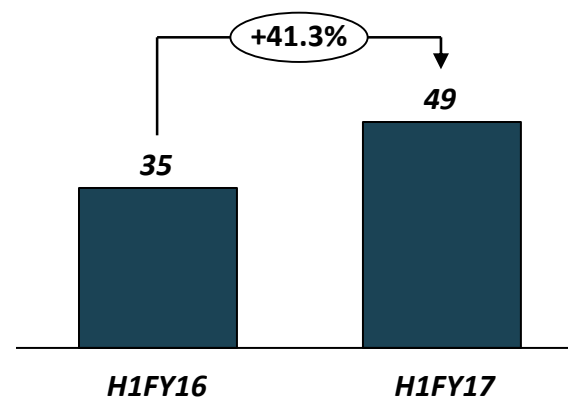
EBITDA



PBT*

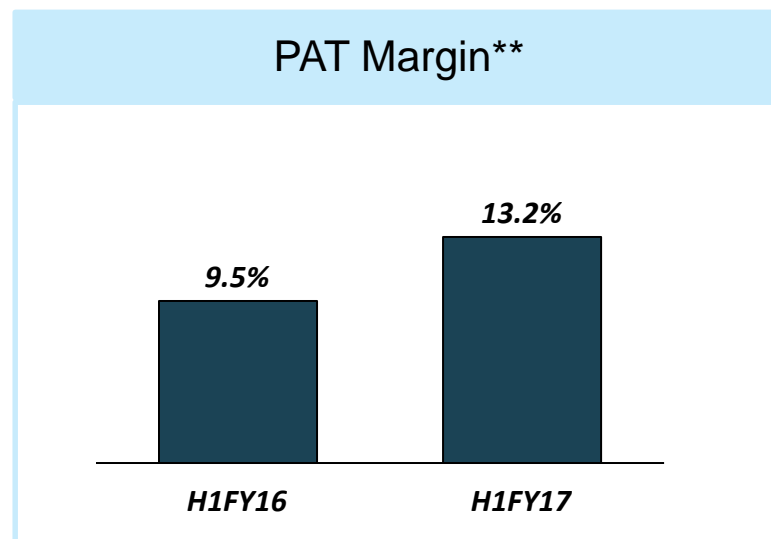
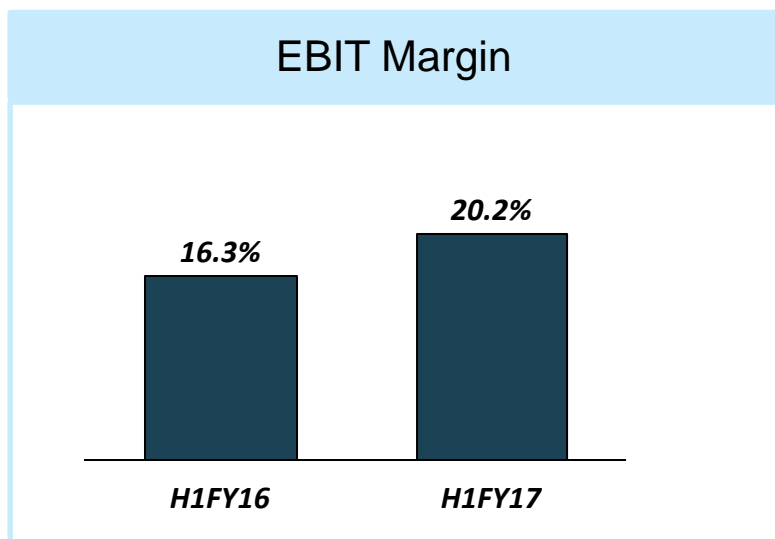
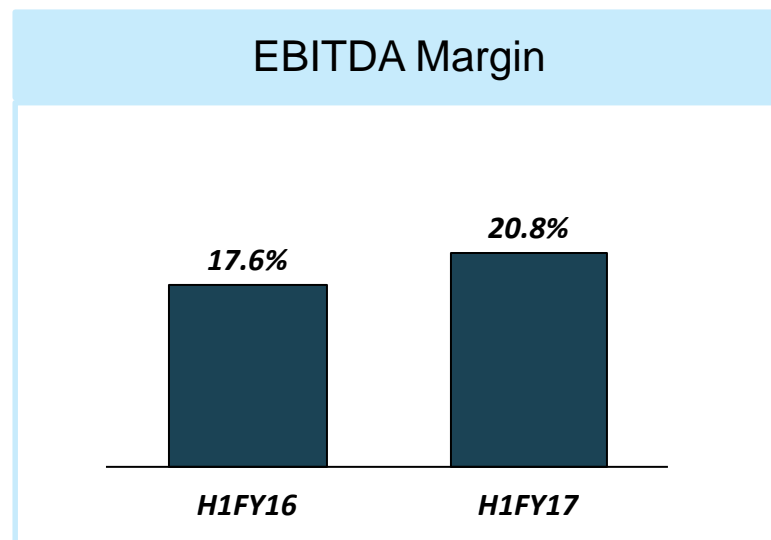
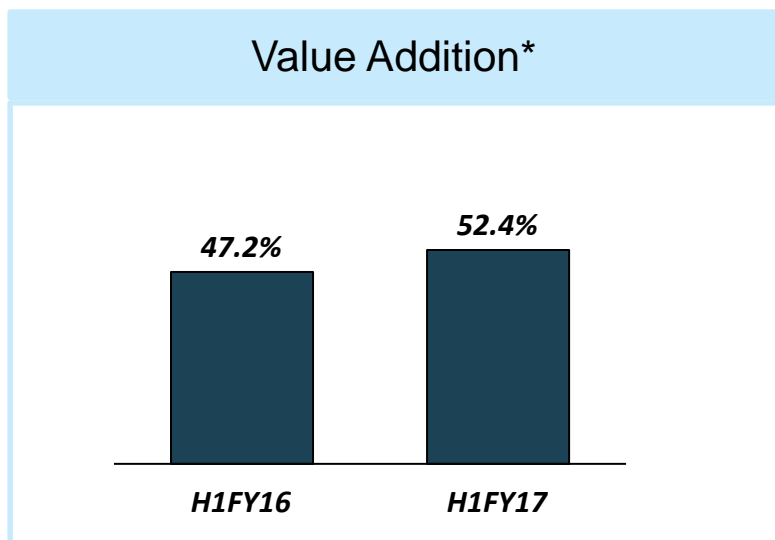


PAT*





Margin Profile – H1 FY17



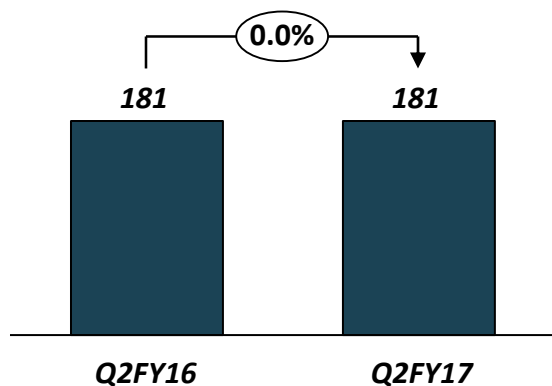
* Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories ** PAT margin excl. exceptional item of Rs.19.7crs



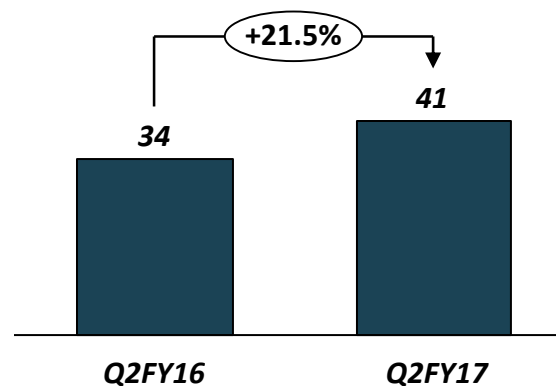
Financial Highlights –Q2 FY17



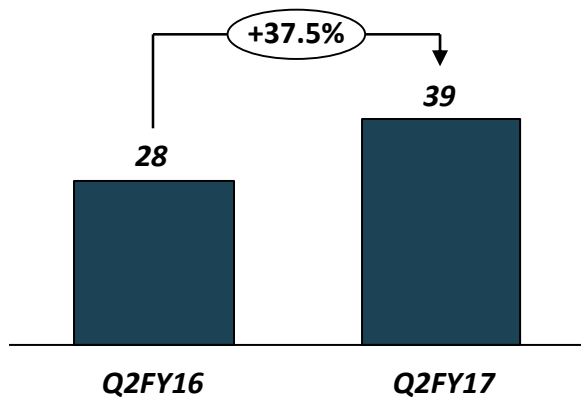
Revenue



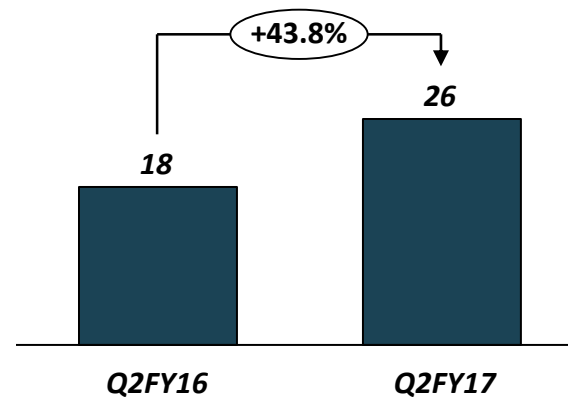
EBITDA



PBT*

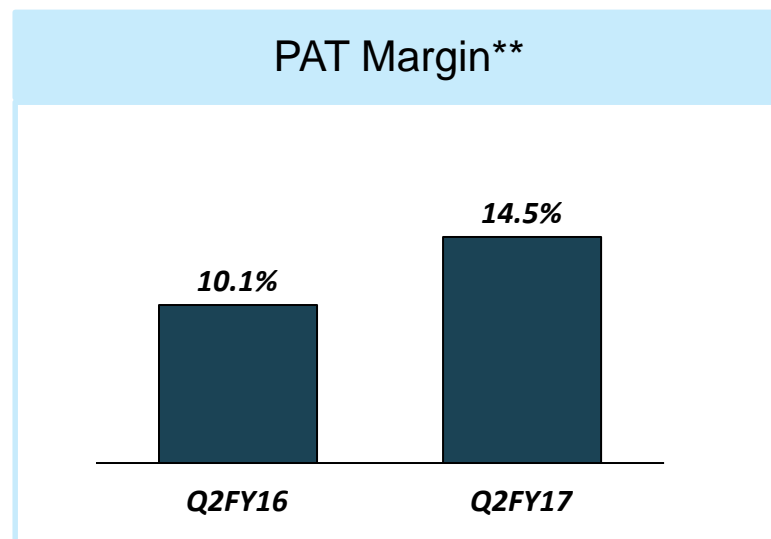
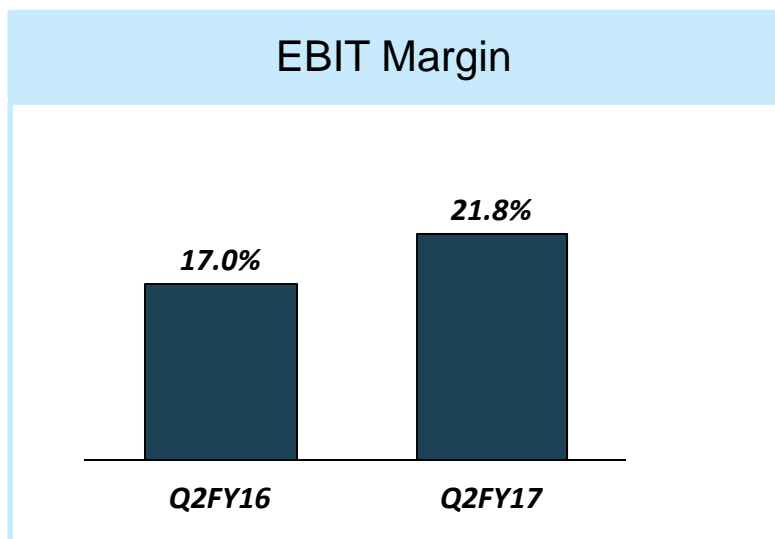
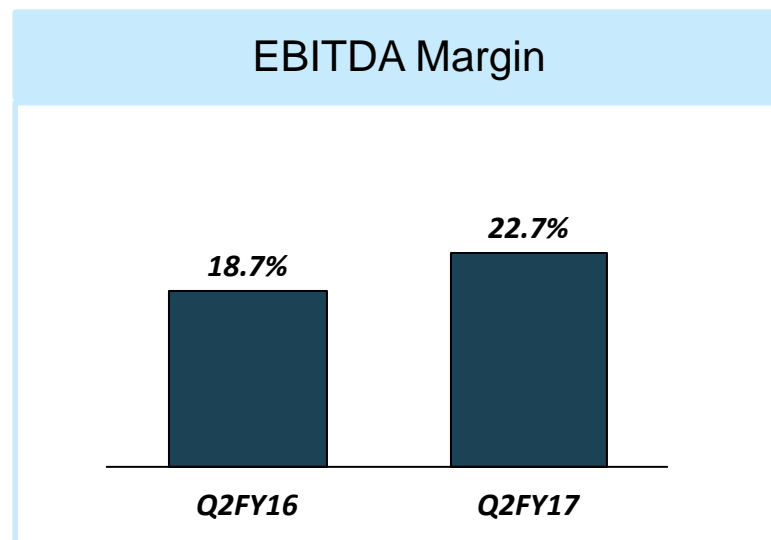
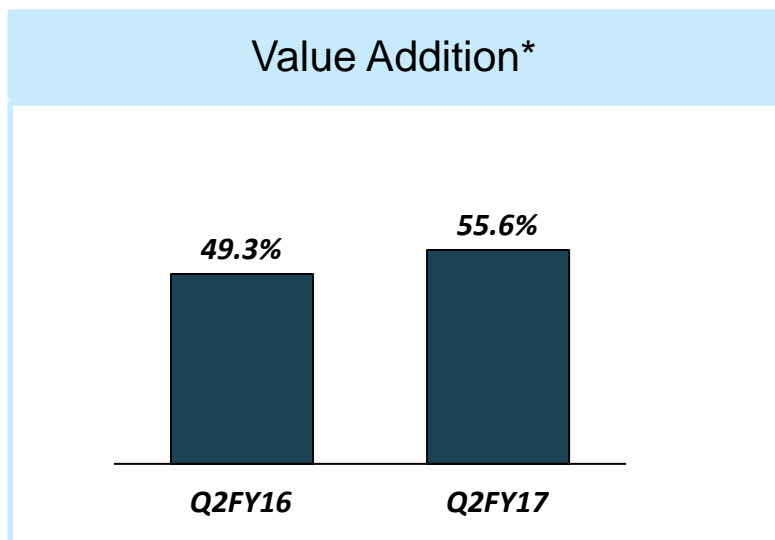


PAT*





Margin Profile – Q2 FY17

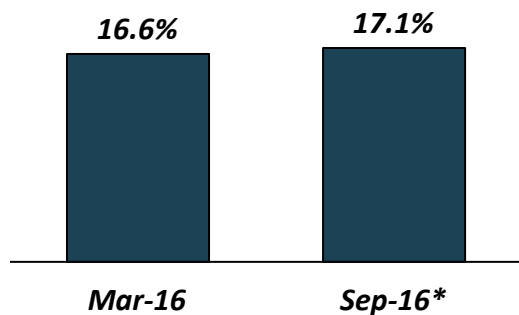


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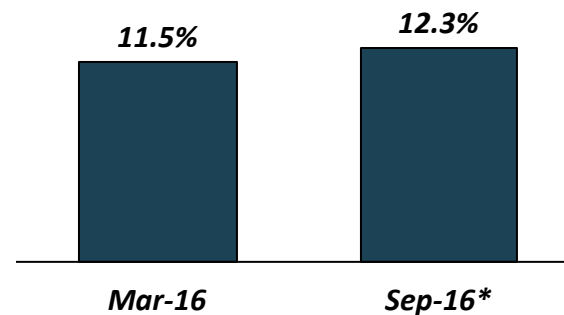


Improved Ratios

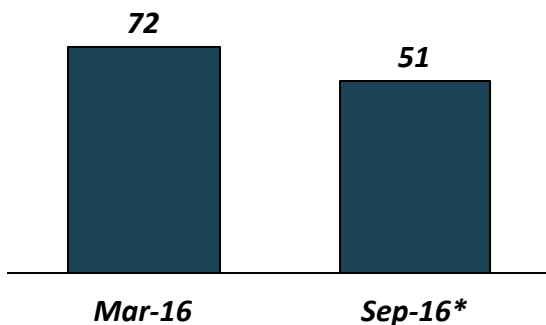
ROE (%)



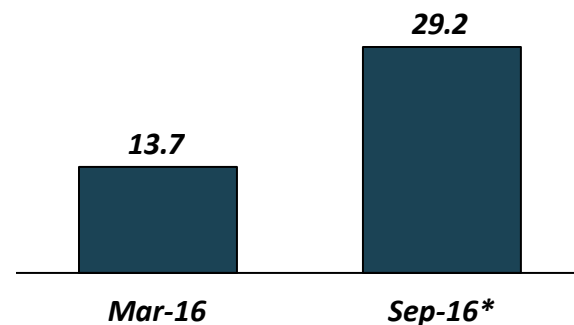
ROA (%)



Working Capital (days)



Interest Coverage (x)



* Calculated on TTM basis & Excl. Exceptional item of Rs.19.7crs

Industry Potential – Our Positioning

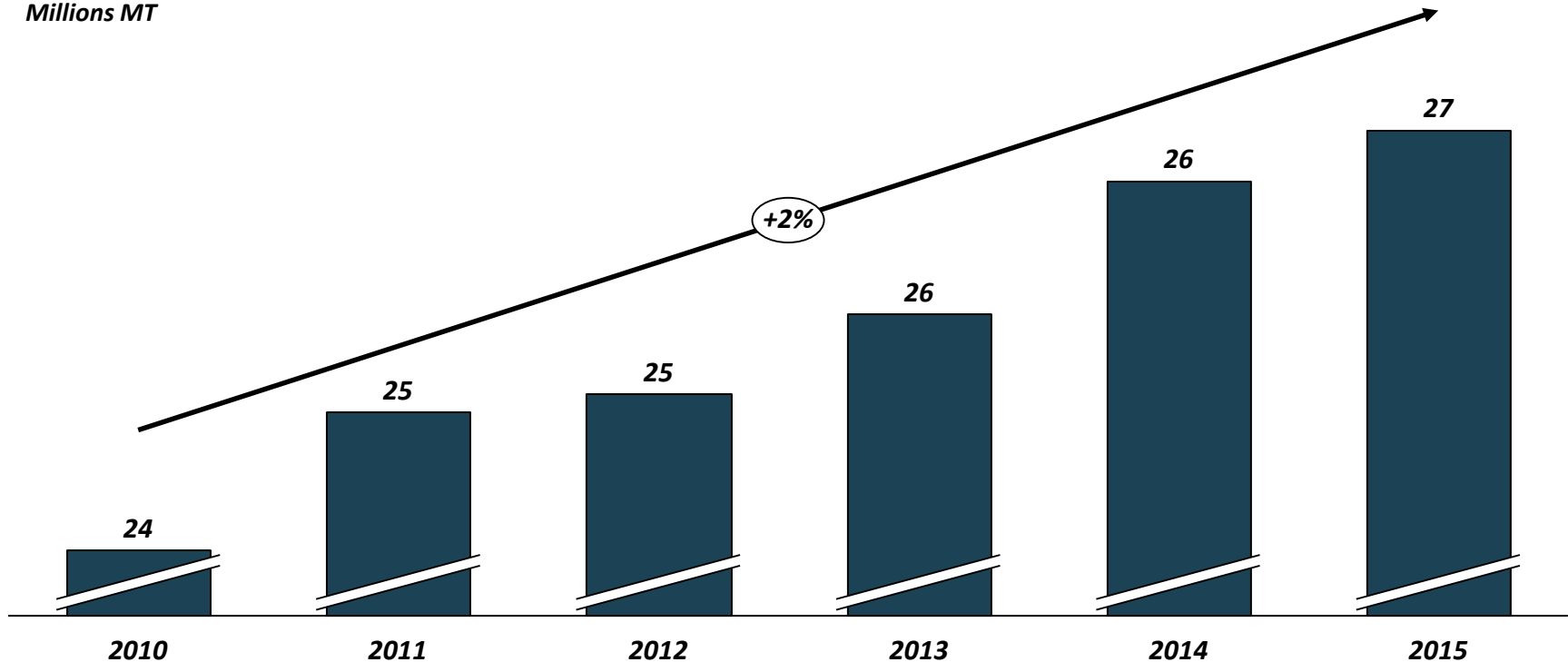


Positive Outlook



Rubber Consumption

Millions MT



Rubber Chemicals constitute ~3% - ~4% of the Rubber Consumption



Growth Drivers



Global demand for rubber processing chemicals forecasted to increase by 4.4% to 1.5milions MT till 2020

Manufacture of Premium tires, High performance Automotive & Industrials products will increase rubber processing chemical loadings

Expectations of Quality & Long service lives of the rubber products will also aid to the demand

Rising Income levels & increase in Motor vehicle ownership rates ,especially in developing nations – thus additional consumption of rubber processing chemicals



Our Positioning...

**Diversified
Product
Portfolio**

1

- Rubber Chemicals is a critical input for Rubber application Industry
- With large and wide variety of products, NOCIL is one stop shop for almost all rubber applicable industries
- One of the most dependable and sought player in Rubber Chemical Industry from Non China Supply source

**Strong R&D
Capabilities**

2

- High Concentration & Continuous R&D initiatives
- NOCIL has a strong pipeline of New Generation Rubber Chemicals

**Asia
Hub for Tyre
Industry**

3

- Major Tyre companies have started consolidating their operations in & around Asia closer to the Growth Markets
- With established track record, NOCIL will benefit the most from any additional capacities being put up by these tyre Companies in India

**Product
Testing &
Validation**

4

- Customers take from 6-18 months to give approval for a specific location under specific climatic conditions & same is carried out for various locations globally
- With Product Pipeline and requisite Customer accreditations, NOCIL is a "Supplier of Choice"



.....to Encash Opportunities



Manufacturing Capacities

Capacities at Thane & Dahej

Land & Common Infrastructure available for further expansion at Dahej



Exit of Global Giants

Large Diversified Groups - Rubber Chemicals as only a Small Contributor

Exiting the Non Core Business as a Cost Cutting Measure



Troubles faced by Domestic/International Peers

Environmental Issues

Technological Upgradation



Vendor Consolidation

Only few players meet Manufacturing Standards and Quality Requirements

Preferred Supplier and Long Term Business Relationships with Customers

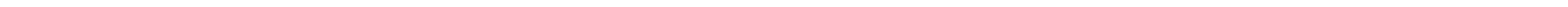
Gain
Market Share



Key Strengths



Financials





Profit & Loss Statement



Rs. In Crores	Q2FY17	Q2FY16	Y-o-Y	Q1 FY17	Q-o-Q
Revenue from Operations	181	181		193	
Cost of Material Consumed	90	83		80	
Purchase of Stock-in-trade	1	1		1	
Changes in Inventories	-10	9		17	
Value Addition*	101	89		95	
Value Addition (%)	55.57%	49.28%		49.34%	
Employee Expenses	17	14		17	
Other Expenses	43	41		42	
EBITDA	41	34	21.5%	37	12.4%
EBITDA Margin (%)	22.72%	18.70%		19.00%	
Depreciation	4	3		4	
Other Income	2	0		3	
EBIT	39	31	27.8%	36	9.8%
EBIT Margin	21.77%	17.02%		18.64%	
Interest	1	3		1	
Profit Before Tax & Exceptional	39	28	37.5%	35	10.3%
Exceptional Items**	20	0		0	
Profit Before Tax	59	28	107.3%	35	66.2%
Tax	13	10		12	
Net Profit	46	18	151.6%	23	98.1%
Net Profit Margin	25.36%	10.07%		12.03%	
Net Profit excluding exceptional gains	26	18	43.8%	23	13.2%
Net Profit Margin excluding exceptional gains	14.49%	10.07%		12.03%	

* Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories ** Profit on sale of its investment in Navin Fluorine International Ltd



Profit & Loss Statement



Rs. In Crores	H1FY17	H1FY16	Y-o-Y	FY16
Revenue from Operations	374	367	1.8%	715
Cost of Material Consumed	170	164		312
Purchase of Stock-in-trade	2	2		3
Changes in Inventories	6	28		44
Value Addition*	196	173		356
Value Addition (%)	52.36%	47.20%		49.74%
Employee Expenses	33	29		58
Other Expenses	85	80		160
EBITDA	78	65	20.1%	138
EBITDA Margin (%)	20.80%	17.64%		19.32%
Depreciation	7	7		14
Other Income	5	2		3
EBIT	75	60	25.7%	128
EBIT Margin	20.15%	16.33%		17.83%
Interest	1	6		9
Profit Before Tax & Exceptional	74	54	36.6%	118
Exceptional Items**	20	0		0
Profit Before Tax	94	54	72.9%	118
Tax	25	19		40
Net Profit	69	35	97.6%	78
Net Profit Margin	18.49%	9.53%		10.87%
Net Profit excluding exceptional gains	49	35	41.3%	78
Net Profit Margin excluding exceptional gains	13.22%	9.53%		10.87%

* Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories ** Profit on sale of its investment in Navin Fluorine International Ltd



Balance Sheet



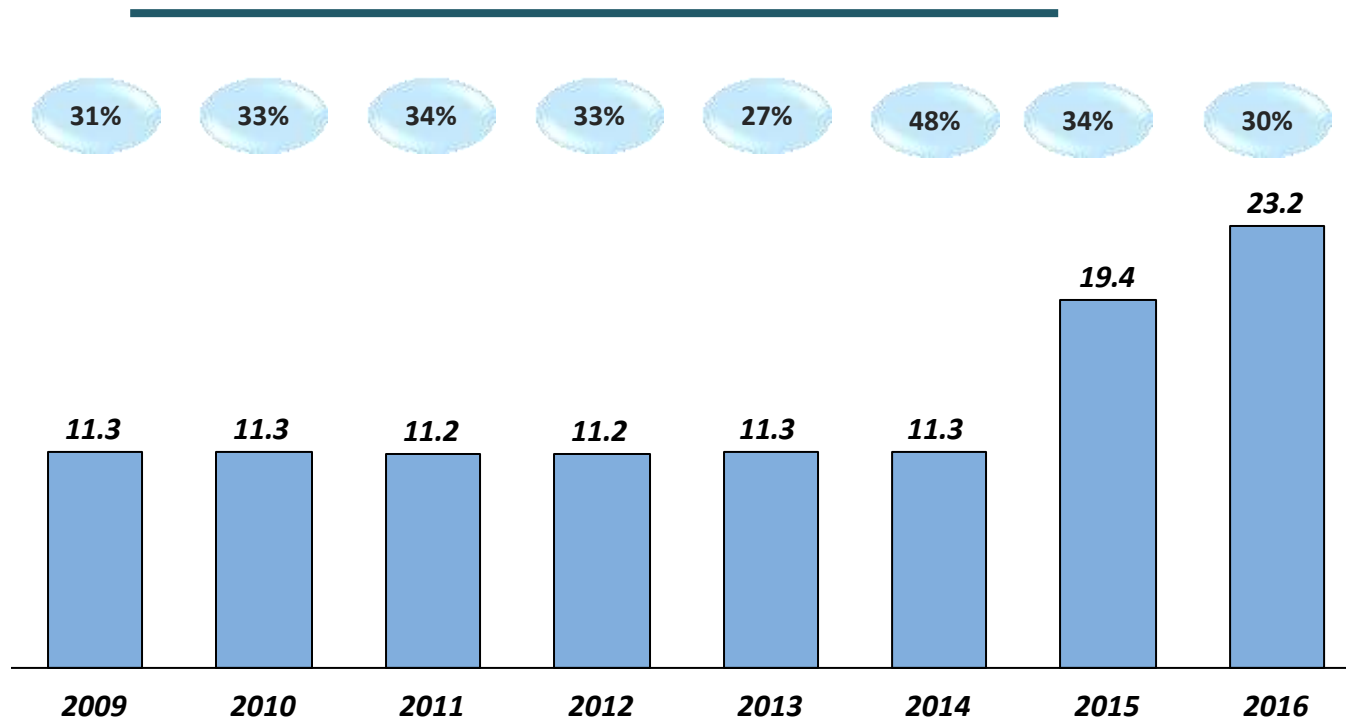
Rs. In Crores	Sept-16	Mar-16
Shareholder's Fund	539	468
Share capital	162	161
Reserves & Surplus	377	307
Non-current liabilities	73	79
Long term borrowings	10	15
Deferred Tax liabilities (net)	46	46
Other Long term liabilities	17	18
Current liabilities	138	131
Short term borrowings	0	1
Trade payables	95	74
Other current liabilities	42	56
Total Liabilities	750	679

Rs. In Crores	Sept-16	Mar-16
Non-current assets	376	374
Fixed assets (inc. CWIP)	292	296
Non-current Investments	67	47
Long Term Loans & Advances	18	31
Current assets	374	305
Inventories	130	132
Trade receivables	157	151
Cash and bank balances	74	7
Short term loan and advances	13	14
Other current assets	1	0
Total Assets	750	679



Consistent Dividend Record

**Dividend (Rs. In Crores)*



**Dividend includes Dividend Tax paid*



Pay out Ratio



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