



ARVIND MAFATLAL GROUP
The ethics of excellence

ACCELERATING

MOMENTUM

NOCIL LIMITED

Investor Presentation August 2021



NOCIL LIMITED

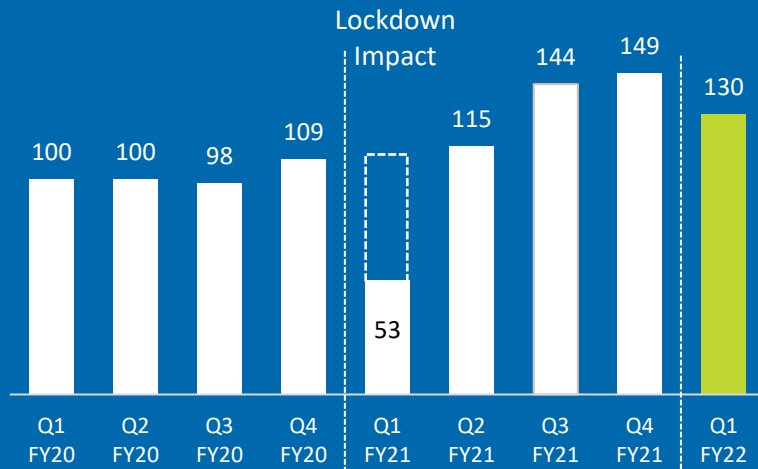
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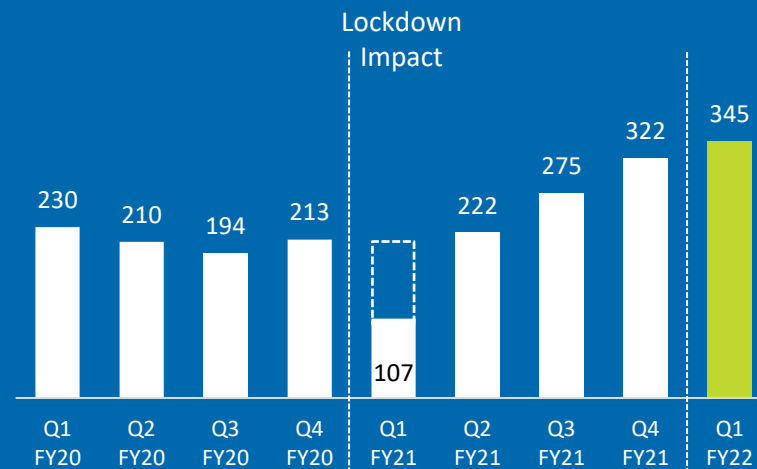
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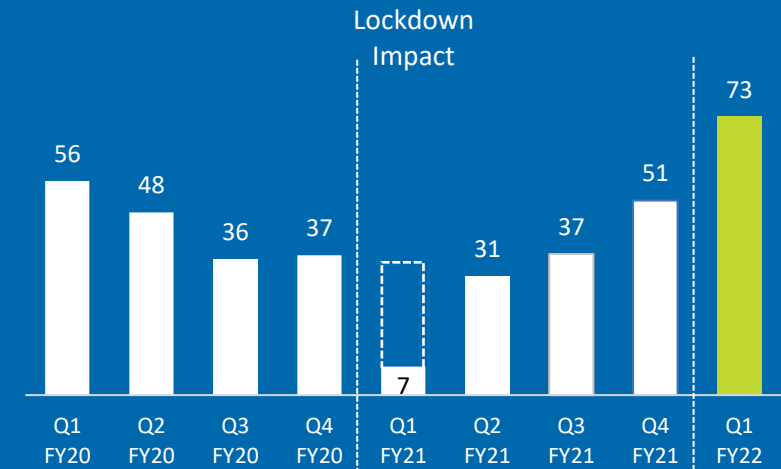
Sales Volume* (MT)



Revenue from Operation (Rs. In crores)



Operating EBITDA (Rs. In crores)

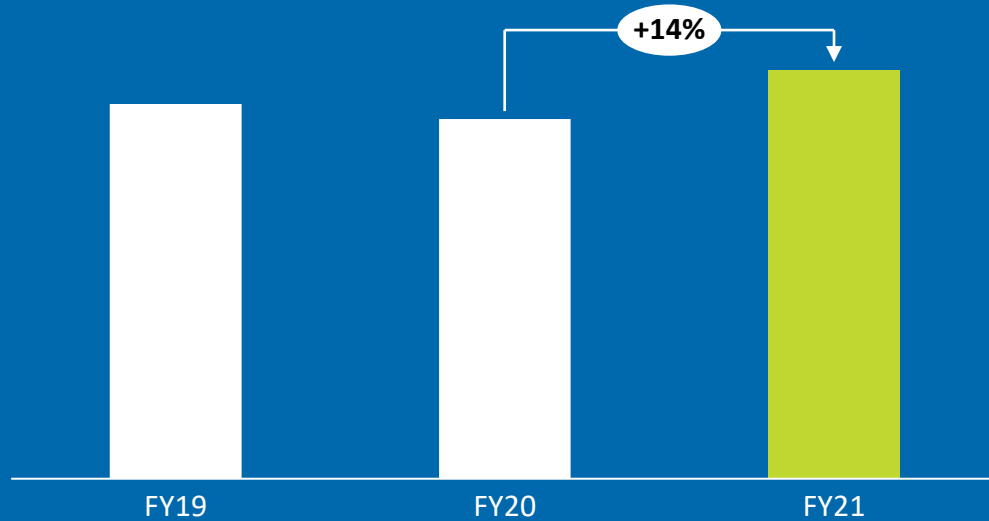


*Base to 100; considering Q1FY20 base period

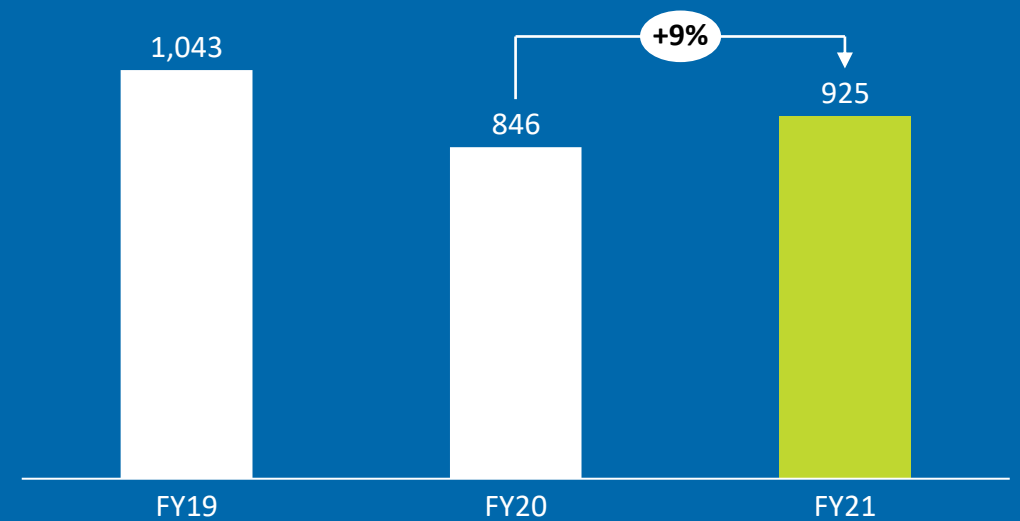
- Operating activity at customer's end experienced interruptions due to 2nd wave of COVID 19
- Production is ramping up month on month basis over last one year
- Utilization levels have increased in July 2020 and have crossed pre-COVID levels on monthly run rate basis

- Achieved Highest ever quarterly revenues with substantial growth in Q1FY22
- Sequential de-growth in volumes by 13% was off set by improved realisation by 20%
- Selling price increases effected proportionate to the cost increase with a lag of one quarter

Sales Volume (MT)



Revenue from Operation (Rs. In crores)



FY21 has register 14% growth in volumes and 9% growth in revenue, inspite of challenging H1FY21

Rubber Chemicals Industry



Currently, China is a dominant player in the Rubber Chemical Industry vis a vis India contributing 75%



Tyre majors across world looking for alternative sourcing other than China after pandemic.



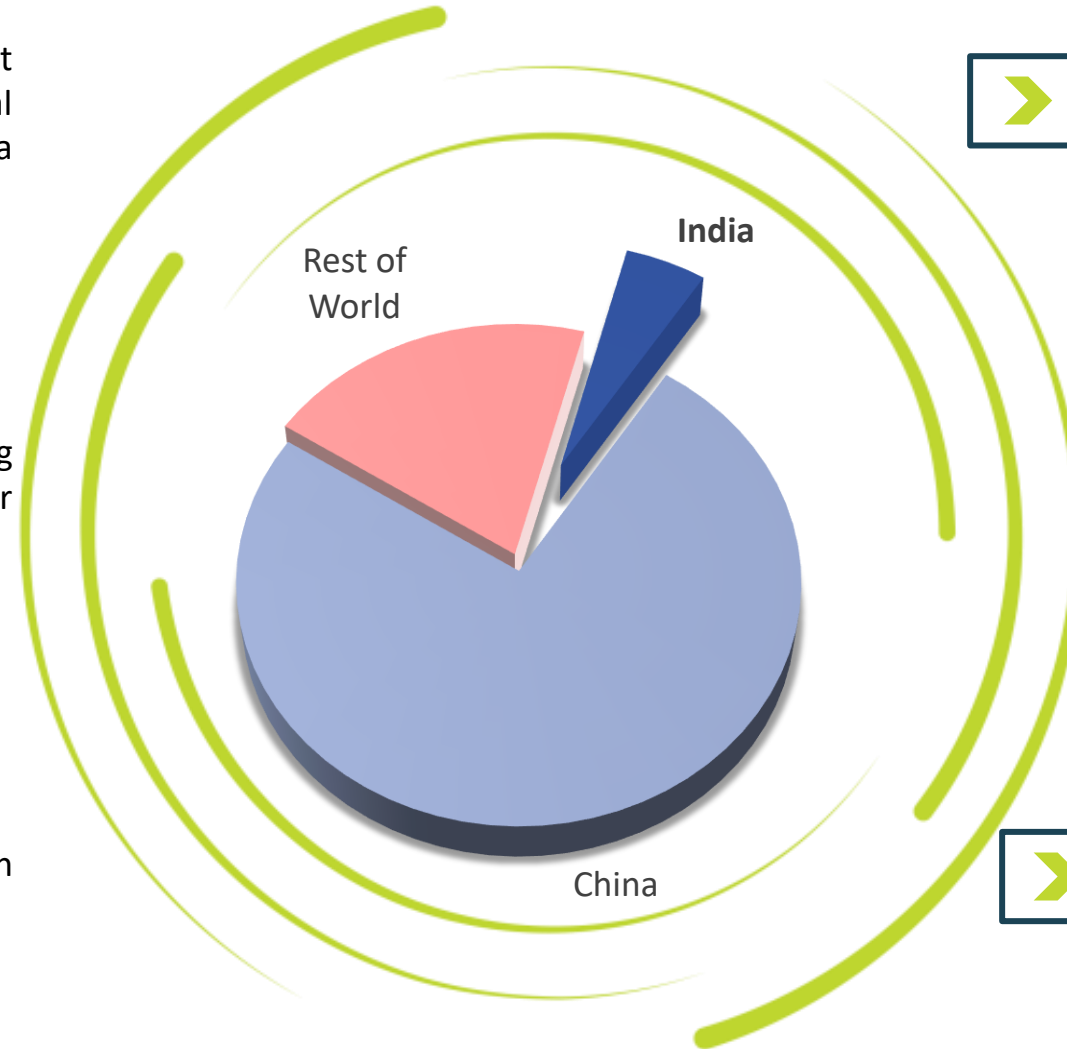
NOCIL is expected to benefit in view of available capacities



Global sourcing strategy expected to undergo a change to include China +1



India will play an important role as a supplier





Vaccination Drive

- Company undertook vaccination drive for 850 employees including contract employees



Sanitization & Social Distancing at workplaces

- Regular sanitization undertaken at offices & factory for safety of employees
- Workplace area sanitization before every shift and staff bus and car sanitization before every use



Employee Screening & adhering to safety protocols

- Regular thermal screening of employees at our factory and Mumbai office on daily basis to ensure safety of employees



Mask & Sanitization distribution & compulsion

- Compulsion for the use of mask and hand sanitization every 2 hours and following all the protocols and guidelines

Business Operations: Update for Q1FY22

- Production is ramping up month on month basis from July 2020 onwards and Utilization levels have crossed pre-COVID levels on monthly run rate basis
- Better realization during the quarter

Liquidity position:

- Company has comfortable liquidity position
- Company is debt free and are taking care of its working capital requirements through internal accruals



Standalone Profit & Loss Statement

Rs. In Crores	Q1FY22	Q1FY21	Y-o-Y	Q4FY21	Q-o-Q	FY21	FY20	Y-o-Y
Net Revenue from Operations	345	107	223%	322	7%	925	846	9%
Raw Material	174	55		180		505	388	
Value Addition *	170	52	229%	142	20%	420	458	-8%
Value Addition %	49.4%	48.6%	81 Bps	44.2%	524 Bps	45.4%	54.2%	-876 Bps
Employee Expenses	21	16		17		67	74	
Other Operating Expenses	77	28		75		226	208	
Operating EBITDA	73	8	816%	50	44%	127	176	-28%
Operating EBITDA Margin	21.1%	7.4%	1,365 Bps	15.6%	547 Bps	13.7%	20.8%	-712 Bps
Depreciation	10	9		10		36	32	
Interest	0^	0^		0^		1	1	
Other Income	1	10		2		14	10	
Profit Before Tax	63	9	597%	43	48%	104	152	-32%
Tax	16	-3		7		18	21	
Net Profit	47	12	300%	36	31%	86	131	-34%
Net Profit Margin	13.7%	11.0%	262 Bps	11.2%	248 Bps	9.4%	15.5%	-612 Bps

*Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories

^ less than 1 crore

Consolidated Profit & Loss Statement

Rs. In Crores	Q1FY22	Q1FY21	Y-o-Y	Q4FY21	Q-o-Q	FY21	FY20	Y-o-Y
Net Revenue from Operations	345	107	223%	322	7%	925	846	9%
Raw Material	174	55		180		505	388	
Value Addition *	170	52	228%	142	20%	420	458	-8%
Value Addition %	49.5%	48.8%	71 Bps	44.2%	532 Bps	45.4%	54.2%	-875 Bps
Employee Expenses	22	16		17		70	77	
Other Operating Expenses	75	27		73		219	203	
Operating EBITDA	74	8	773%	52	41%	131	178	-27%
Operating EBITDA Margin	21.4%	7.9%	1,345 Bps	16.3%	511 Bps	14.1%	21.1%	-691 Bps
Depreciation	11	9		10		37	34	
Interest	0 [^]	0 [^]		0 [^]		1	1	
Other Income	1	10		2		15	9	
Profit Before Tax	64	9	586%	44	44%	107	152	-30%
Tax	16	-3		7		19	22	
Net Profit	48	12	298%	37	27%	88	131	-32%
Net Profit Margin	13.8%	11.2%	259 Bps	11.6%	222 Bps	9.6%	15.4%	-588 Bps

*Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories

[^] less than 1 crore

Assets (Rs. Crs.)	31-Mar-21	31-Mar-20
Non-current assets	989	1,011
Property, Plant and Equipment	890	768
Capital work-in-progress	14	156
Investment Property	0 [^]	0 [^]
Intangible Assets	1	1
Financial Assets		
(i) Investments in Wholly owned subsidiary	25	25
(ii) Other Investments	25	24
(iii) Other financial assets	7	6
Non-current tax assets	15	16
Other non-current assets	12	14
Current assets	610	417
Inventories	165	136
Financial Assets		
(i) Investments	32	23
(ii) Trade receivables	309	203
(iii) Cash and cash equivalents	44	8
(iv) Bank balances other than cash and cash equivalents	36	4
(v) Other Financial Assets	1	1
Other Current Assets	23	40
TOTAL	1,599	1,428

Equity and Liabilities (Rs. Crs.)	31-Mar-21	31-Mar-20
EQUITY	1,274	1,176
Equity Share Capital	166	166
Other Equity	1,108	1,010
Non-Current Liabilities	115	112
Financial Liabilities		
(i) Financial Lease Liability	4	7
Provisions	16	16
Deferred Tax Liabilities (Net)	95	89
Other non-current liabilities	0	0 [^]
Current liabilities	210	140
Financial Liabilities		
(i) Trade Payables	171	89
(ii) Other Financial Liabilities	26	40
Provisions	5	7
Current Income Tax Liabilities (Net)	1	0 [^]
Other Current Liabilities	7	4
TOTAL	1,599	1,428

[^] less than 1 crore

Consolidated Balance Sheet

Assets (Rs. Crs.)	31-Mar-21	31-Mar-20
Non-current assets	992	1,017
Property, Plant and Equipment	916	796
Capital work-in-progress	14	156
Investment Property	0 [^]	0 [^]
Intangible Assets	1	1
Financial Assets		
(i) Other Investments	25	24
(ii) Other financial assets	7	7
Non-current tax assets	17	18
Other non-current assets	12	15
Current assets	623	425
Inventories	166	136
Financial Assets		
(i) Investments	43	30
(ii) Trade receivables	309	203
(iii) Cash and cash equivalents	45	9
(iv) Bank balances other than cash and cash equivalents	36	4
(v) Other Financial Assets	2	1
Other Current Assets	22	42
TOTAL	1,615	1,442

Equity and Liabilities (Rs. Crs.)	31-Mar-21	31-Mar-20
EQUITY	1,285	1,185
Equity Share Capital	166	166
Other Equity	1,119	1,019
Non-Current Liabilities	120	116
Financial Liabilities		
(i) Financial Lease Liability	4	7
Provisions	16	17
Deferred Tax Liabilities (Net)	100	92
Other non-current liabilities	0	0 [^]
Current liabilities	210	141
Financial Liabilities		
(i) Trade Payables	170	90
(ii) Other Financial Liabilities	26	40
Provisions	6	7
Current Income Tax Liabilities (Net)	1	0 [^]
Other Current Liabilities	7	4
TOTAL	1,615	1,442

[^] less than 1 crore

Particulars (Rs. In Crores)	Standalone		Consolidated	
	Year Ended 31 st Mar 21	Year Ended 31 st Mar 20	Year Ended 31 st Mar 21	Year Ended 31 st Mar 20
Cash flow from operating activities				
Profit before tax	104	152	107	152
Adjustments for noncash items / non operating items	24	24	25	26
Operating profit before working capital changes	128	177	132	178
Working capital reductions/(increases)	-37	52	-38	52
Cash flows generated from operating activities	91	228	94	231
(Income taxes paid) / Refund (net)	0	51	0	51
Net Cash flows generated from operating activities (A)	90	177	94	179
Net Cash flows generated from investing activities (B)	-59	-104	-62	-106
Net Cash flows generated from financing activities (C)	0	-101	0	-101
Net Cash Increase / (Decrease)	32	-28	32	-28





Business Overview



- *Part of Arvind Mafatlal Group*
- *Expertise in Rubber Chemical Business over 4 decades*
- *Largest Rubber Chemicals Manufacturer in India*
- *Long Term Business Relationships with Tyre Majors (Both Domestic & International)*
- *Awarded Responsible Care Logo by Indian Chemical Council*

+8%

Revenue *

+26%

EBITDA *

+35%

Operating PBT *

~30%

Dividend Payout
more than 5 years

* CAGR growth from (FY13-FY21)

Mr. Hrishikesh . A. Mafatlal – Promoter & Chairman

- Executive Chairman and Promoter Director of NOCIL Ltd
- B.Com. (Hons.) & has attended the Advanced Management Programme at the Harvard Business School, USA

Mr. P. Srinivasan – Chief Financial Officer

- Chartered Accountant with over 31 years of experience
- Associated with the Company for over 16 years

Dr. Narendra Gangal – Vice President (QA, TQM and Analytical Research)

- Ph.D. in Chemistry with 30 years of experience
- Associated with the Company for nearly 14 years

Mr. Milind Shevte – Vice President (Marketing)

- B.E. Chemical Engineering
- Associated with the Company for over 16 years

Mr. S. R. Deo – Managing Director

- M. Tech. in Chemical Engineering from IIT Kanpur
- Associated with the company for over 40 years in various capacities

Dr. Chinmoy Nandi - Vice President (Research & Development)

- Post Graduate & Ph.D. in Organic Chemistry from IIT Bombay
- Associated with the company for nearly 40 years in various R&D capacities

Mr. Rajendra Desai – Vice President (Operations, Corporate HR & Personnel)

- Chemical Engineer with Diploma in Management Studies
- Associated with the company for nearly 39 years

Mr. Ashwinkumar Bhende.- Vice President (Process Engineering, Technology & Projects)

- Chemical Technologist with Diploma in Management Studies with 30 years of experience
- Associated with the company for the last 20 years





Navi Mumbai Plant

- Set up in 1976
- Located in Trans-Thane Creek industrial area at Navi Mumbai, Thane - Belapur's industrial zone designated for the chemical Industry, about 40 kms away from Mumbai
- State-of-the-art technology for the manufacture of the entire range of Rubber Chemicals for Tyre & other Rubber Products



Dahej Plant

- Commenced operations in March 2013
- Located about 45 kms from Bharuch, Gujarat
- Location has synergistic proximity to petrochemicals industry and excellent connectivity with Dahej and Hazira Port
- Fully automated process plant developed completely with in-house technology



Long Term Relationships with Customers over 40 Countries



01

Products & Product Forms

- Wide Range of Rubber Chemical Products
- Varied Product Forms

02

Sales, Marketing & Technical Service

- Market Responsive Approach
- Strong MTS Team to offer Technical Services

03

R & D and Quality Assurance

- Experienced, capable & innovative team of R & D scientists.
- Ultra Modern Laboratories & Pilot Plant Facilities
- Latest Analytical Instruments



ONE STOP SHOP With WIDE RANGE to suit MARKET REQUIREMENTS

Products & their Usage

ANTI-DEGRADANTS/ ANTI-OXIDANTS

- These are ingredients in rubber compounds which deter the ageing and inhibit degradation due to oxygen attack of rubber products, thereby enhancing service life

ACCELERATORS

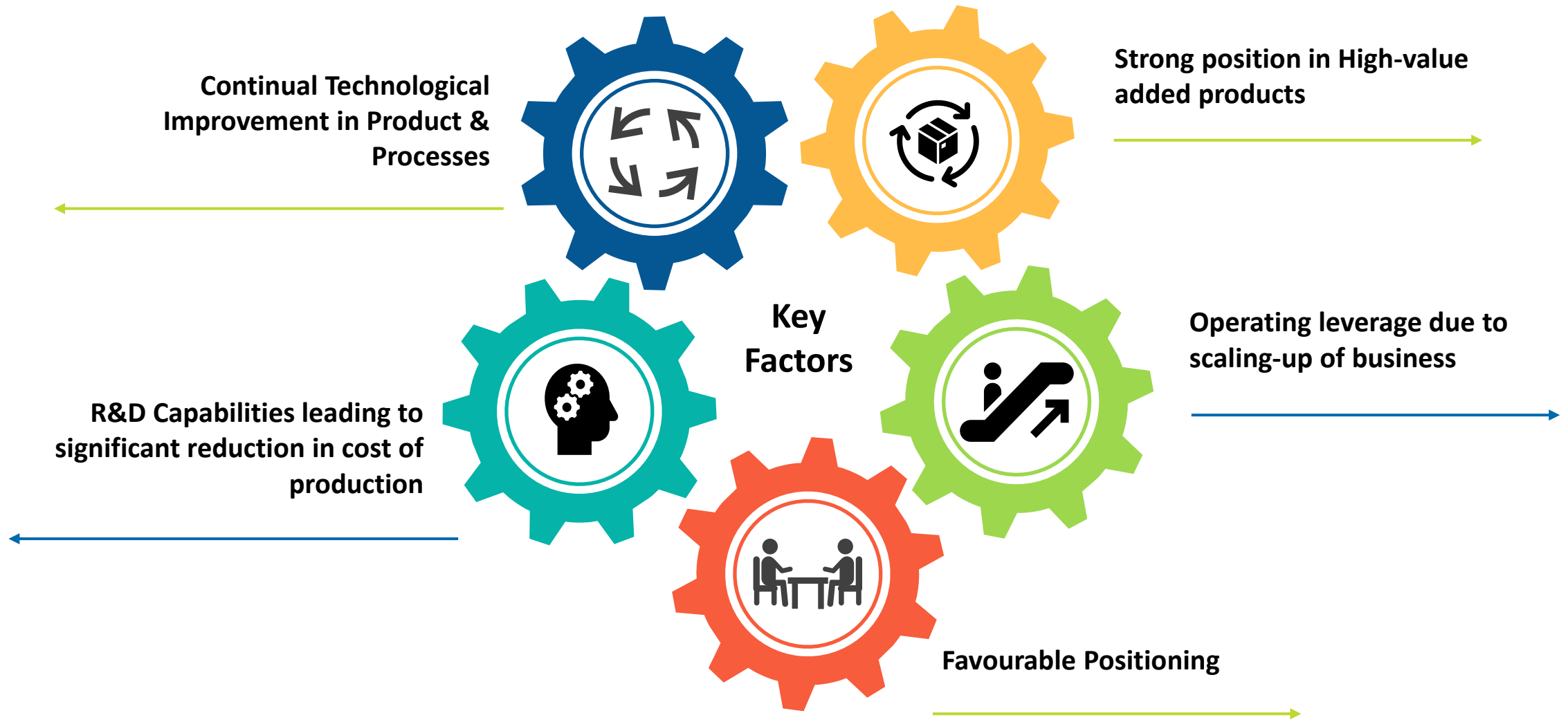
- Increase the speed of vulcanization
- Permit vulcanization to proceed at lower temperature & with greater efficiency

OTHER APPLICATIONS

- Pre vulcanization inhibition, Post vulcanization stabilization, Latex based applications etc.
- Improving Thermal Stability of cross links in rubber products









High Performance Tyres

Extended life, Automotive & Industrial products will increase rubber processing chemical loadings



Stringent Environmental compliance

Cost increase in China leading to Better level playing field



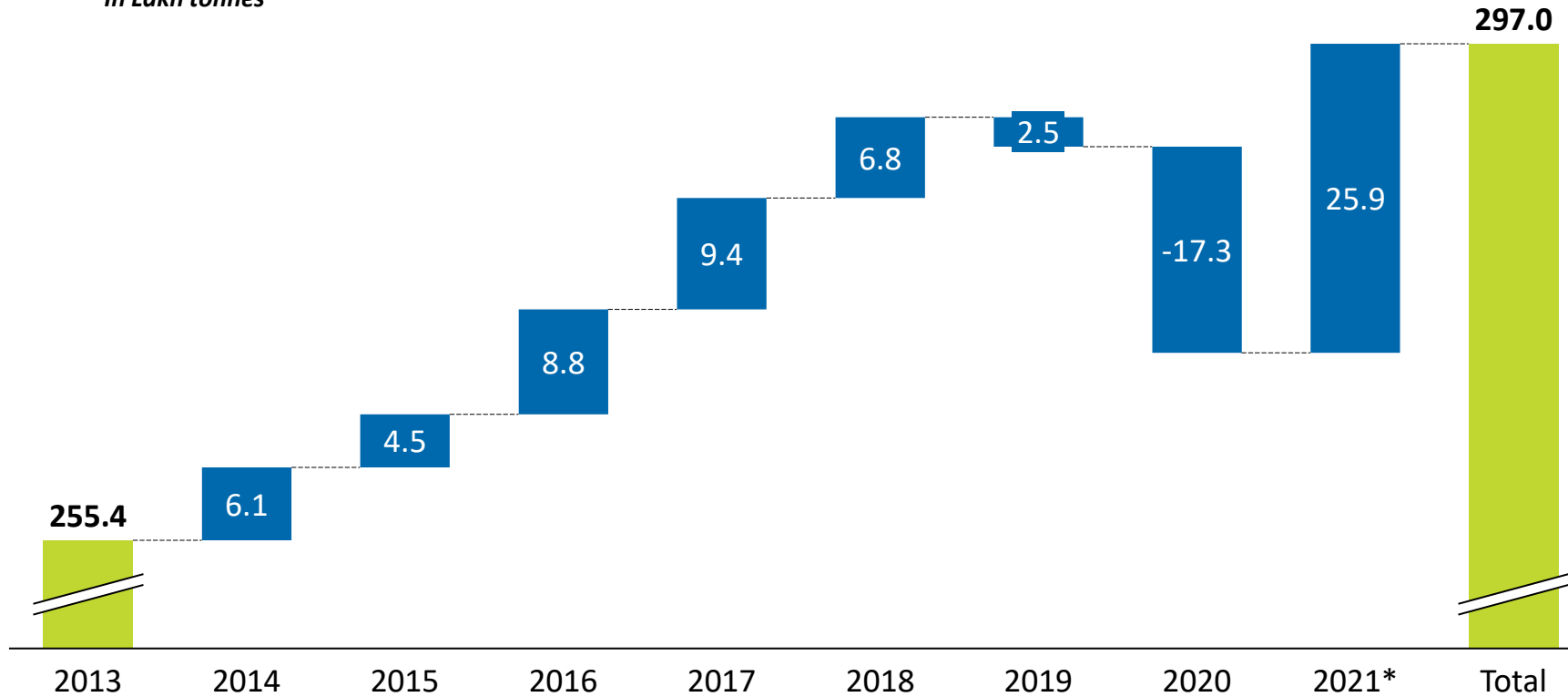
Rising Income Levels

Increase in Motor vehicle ownership rates, especially in developing nations would need additional consumption of rubber processing chemicals

NOCIL has been awarded by ICC for
“Excellence in Management of Environment” under
the large chemical industry

Global Rubber Consumption (Natural + Synthetic)

In Lakh tonnes



- Rubber Chemicals constitute **~4% of the Rubber Consumption**
- Global Rubber consumption shows growth of **~9.6%** in CY21 on Annualised basis v/s de-growth of **~6.5%** in CY20

Source : Rubber Statistical Bulletin, Apr - Jun 2021 edition
*Annualised based on Jan-March data

- **Phase I (a)** - Expansion at Navi Mumbai has been commissioned and the commercial production have started from Jun'18
- **Phase I (b)** – Expansion at Dahej is has been commissioned in Jan'19
- Mechanical Completion
- Trial Production
- Commercial Production

Phase I – Rs. 170 crores ^

COMPLETED

Phase II – Total Capex of Rs. 300 crores ^

- For expansion of its production facilities for Rubber Chemicals (including intermediates captively consumed towards manufacture of rubber chemicals) at Dahej/Navi Mumbai – (Announced in Dec'17)
- For expansion of its production facilities for Rubber Chemicals at Dahej/Navi Mumbai - (Announced in Jan'18)
- Mechanical Completion
- Trial Production
- Capitalised Rs. 300 crores by March 2021

100% Implementation by in-house team without any technical collaborations

[^] as per FY18 prices

Expansion Resonates
Growth Momentum



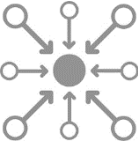
Non-Chinese Dependable Player

Non-Chinese Dependable & Quality Player with Committed Plans for future growth



Wide Range of Product

Presence across the entire range of Rubber chemicals i.e. 23 product basket



Environment Friendly Processes

Continuous investments done to adopt various innovative environmental technologies for long-term sustainability



Product Testing & Validation

Approved & registered vendor with Major Domestic & International Tyre Players offering Technical Support to customers for Rubber Products / Process Development



Pipeline of New Generation Rubber Chemicals

Development of Niche products using innovative technologies & Green chemistry concepts and new generation environmentally sustainable processes for growth



Entry Barrier

Customers take from 6-18 months to give approval on plant specific basis & same is carried out for various locations globally

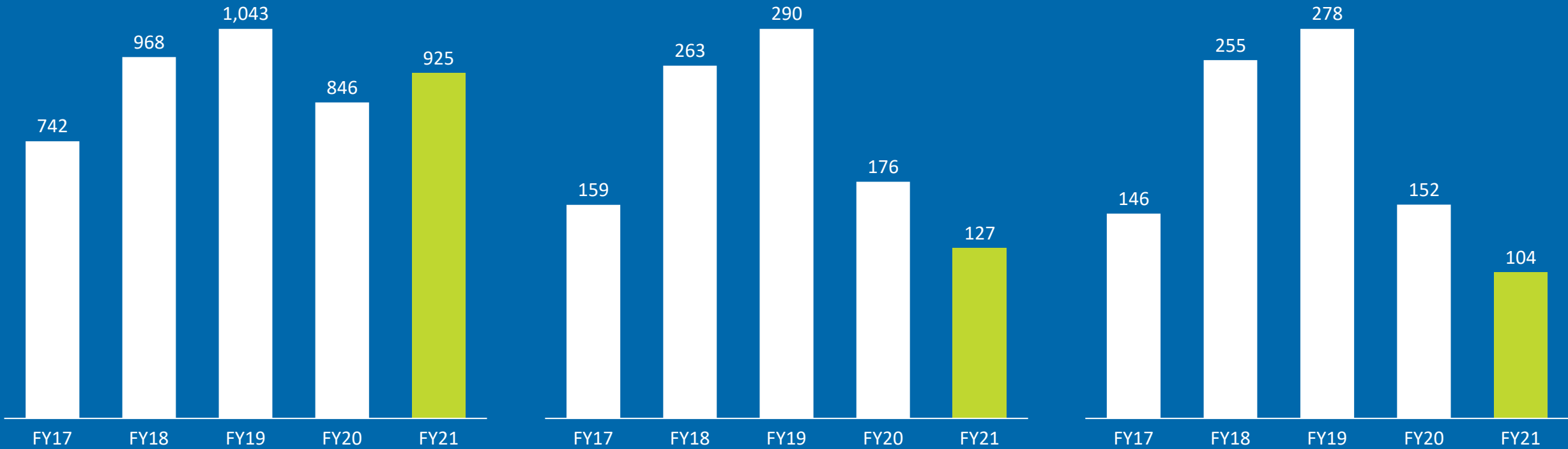


Revenue from Operations*

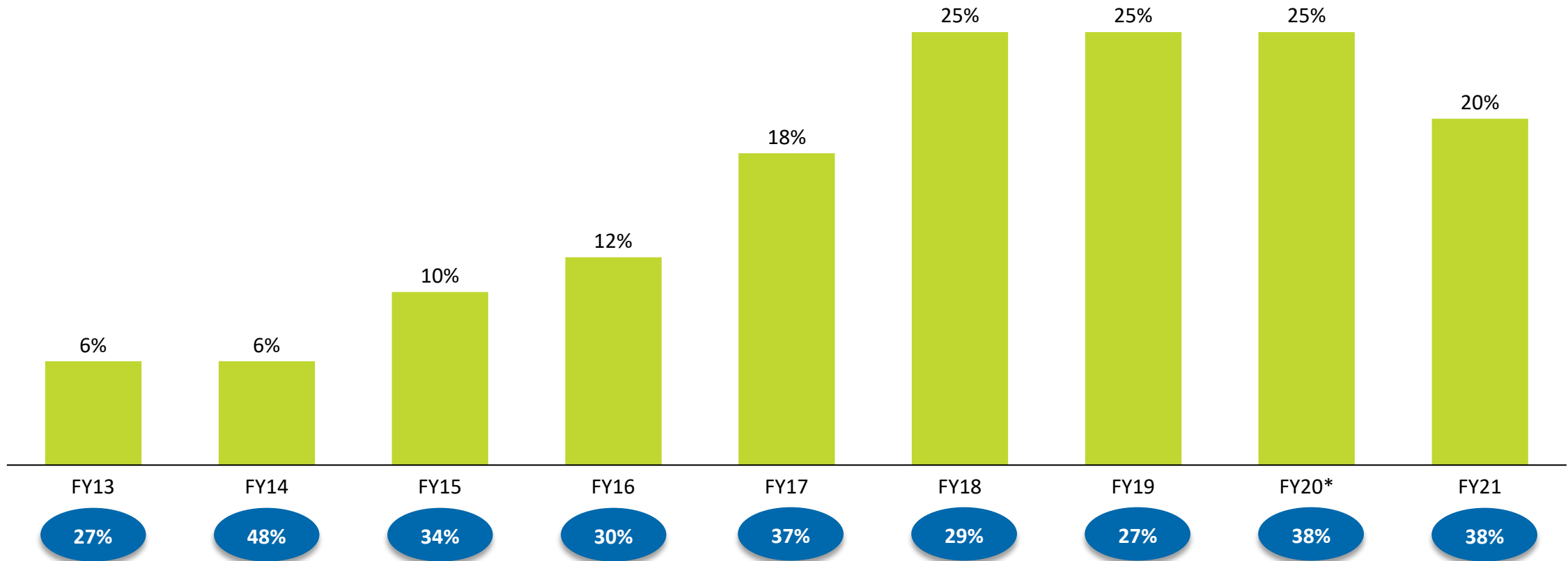
Operating EBITDA

PBT

Rs. In Crores



Dividend as % of Face Value



Final dividend of Rs. 2 per share for the year approved by the shareholders at the Annual General Meeting



For further information, please contact:

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