



ARVIND MAFATLAL GROUP  
The ethics of excellence

ACCELERATING

# MOMENTUM

NOCIL LIMITED

Investor Presentation February 2022



NOCIL LIMITED

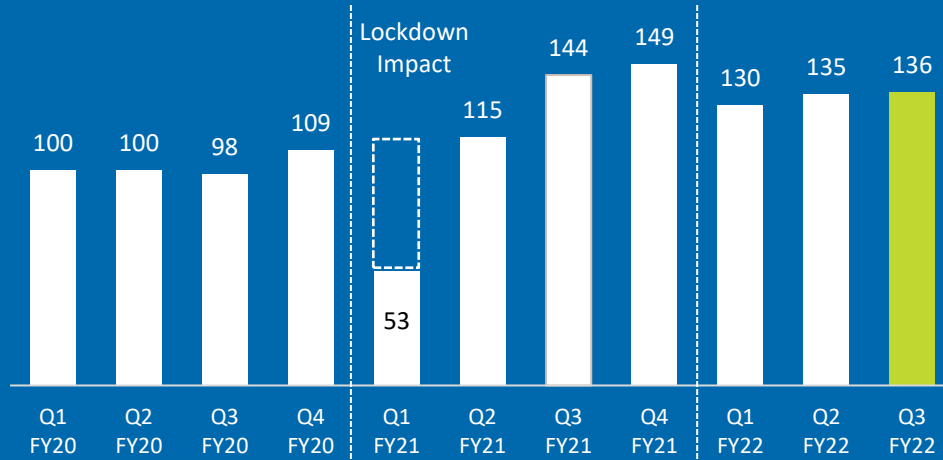
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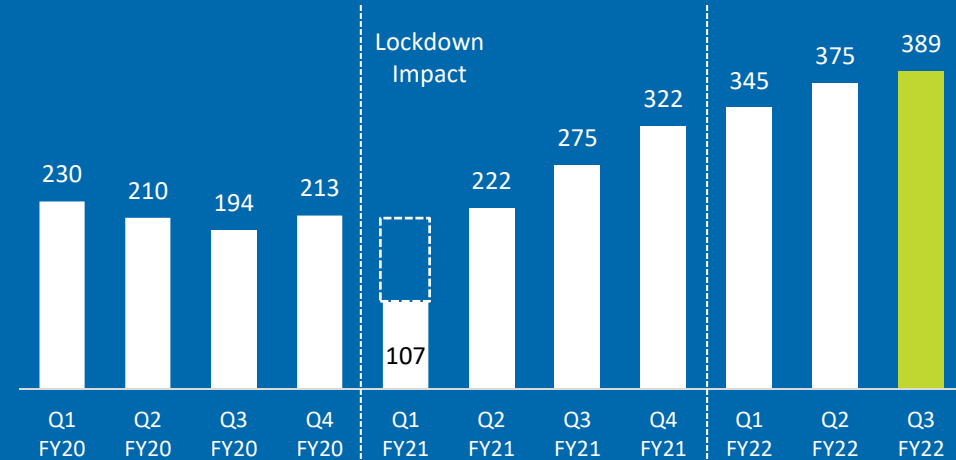
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## Sales Volume\* (MT)



## Revenue from Operation (Rs. In crores)

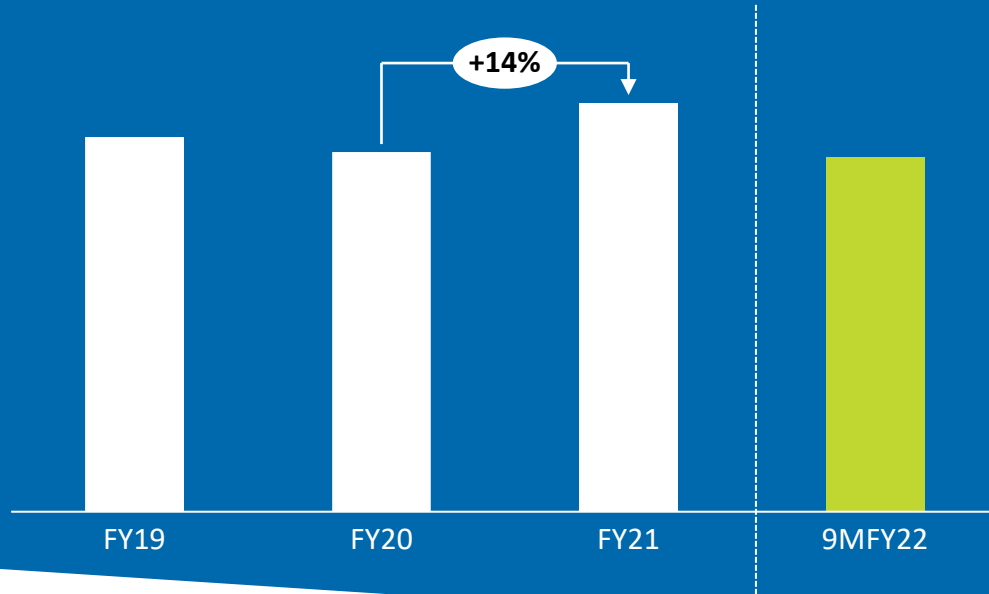


\*Base to 100; considering Q1FY20 base period

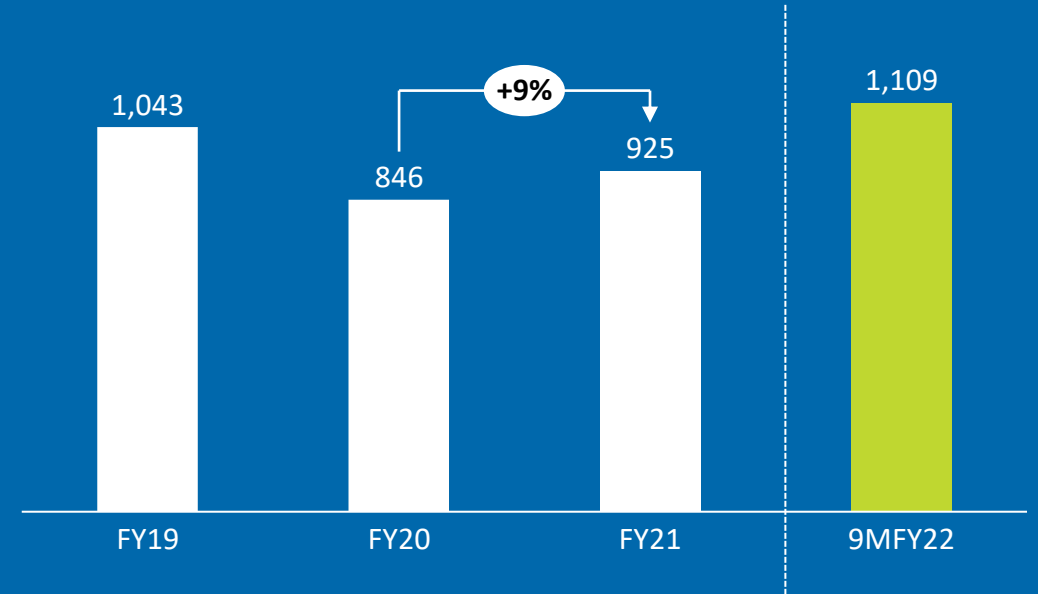
- Operating activities remained stable despite impact of Omicron Variant of COVID-19 at domestic customer's end
- Utilization levels have crossed pre-COVID levels on monthly run rate basis
- Sequential growth in volumes of ~1%

- Achieved Highest ever quarterly revenues of Rs. 389 crores
- Selling price corrections continues to offset input price rise with a time lag and to compensate for the higher freight cost impact
- Rising input costs and utilities impacted EBITDA in Q3FY22
- Price hikes implemented in Q4FY22

## Sales Volume (MT)



## Revenue from Operation (Rs. In crores)



**We expect a Volume growth of more than 10% and Revenue growth of more than 50% in FY22**

## 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.



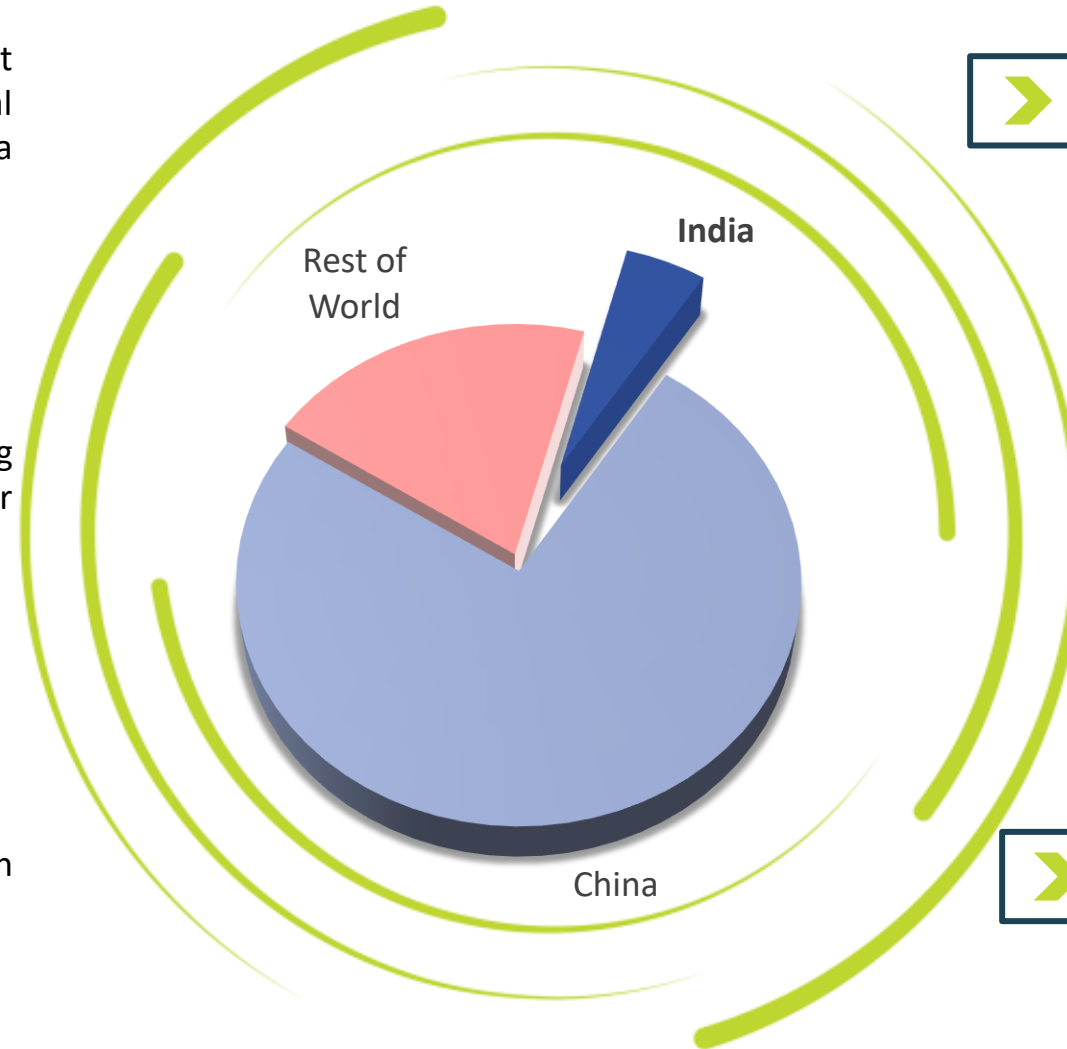
NOCIL is expected to benefit in view of available capacities



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



India will play an important role as a supplier



## Sequentially Stable Quarter

Rs. In Crores	Q3FY22	Q2FY22	Q-o-Q	9MFY22	9MFY21	Y-o-Y
<b>Net Revenue from Operations</b>	<b>389</b>	<b>375</b>	<b>4%</b>	<b>1109</b>	<b>603</b>	<b>84%</b>
Raw Material	231	223		628	325	
<b>Value Addition *</b>	<b>158</b>	<b>152</b>	<b>4%</b>	<b>481</b>	<b>278</b>	<b>73%</b>
<b>Value Addition %</b>	<b>40.7%</b>	<b>40.6%</b>		<b>43.4%</b>	<b>46.1%</b>	
Employee Expenses	19	19		58	51	
Other Operating Expenses	90	84		250	150	
<b>Operating EBITDA</b>	<b>50</b>	<b>49</b>	<b>1%</b>	<b>172</b>	<b>77</b>	<b>125%</b>
<b>Operating EBITDA Margin</b>	<b>12.8%</b>	<b>13.2%</b>		<b>15.5%</b>	<b>12.7%</b>	
Depreciation	11	10		31	26	
Interest	0	0		1	1	
Other Income	1	2		4	12	
<b>Profit Before Tax</b>	<b>40</b>	<b>41</b>	<b>-3%</b>	<b>144</b>	<b>62</b>	<b>134%</b>
Tax	10	11		37	11	
<b>Net Profit</b>	<b>30</b>	<b>31</b>	<b>-2%</b>	<b>107</b>	<b>50</b>	<b>113%</b>
<b>Net Profit Margin</b>	<b>7.7%</b>	<b>8.1%</b>		<b>9.7%</b>	<b>8.4%</b>	

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

^ less than 1 crore

## Sequentially Stable Quarter

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<b>Value Addition %</b>	<b>40.6%</b>	<b>40.5%</b>		<b>43.3%</b>	<b>46.1%</b>	
Employee Expenses	19	20		61	53	
Other Operating Expenses	88	82		245	146	
<b>Operating EBITDA</b>	<b>51</b>	<b>50</b>	<b>1%</b>	<b>175</b>	<b>78</b>	<b>123%</b>
<b>Operating EBITDA Margin</b>	<b>13.0%</b>	<b>13.4%</b>		<b>15.8%</b>	<b>13.0%</b>	
Depreciation	11	11		32	27	
Interest	0	0		1	1	
Other Income	0	1		3	12	
<b>Profit Before Tax</b>	<b>40</b>	<b>41</b>	<b>-2%</b>	<b>145</b>	<b>63</b>	<b>131%</b>
Tax	10	11		37	12	
<b>Net Profit</b>	<b>30</b>	<b>30</b>	<b>-1%</b>	<b>107</b>	<b>51</b>	<b>110%</b>
<b>Net Profit Margin</b>	<b>7.7%</b>	<b>8.0%</b>		<b>9.7%</b>	<b>8.5%</b>	

\*Revenue (-) cost of raw materials consumed (-) cost of traded goods (-) change in inventories  
^ less than 1 crore

Assets (Rs. Crs.)	30-Sep-21	31-Mar-21
<b>Non-current assets</b>	<b>998</b>	<b>989</b>
Property, Plant and Equipment	879	890
Capital work-in-progress	23	14
Investment Property	0 <sup>^</sup>	0 <sup>^</sup>
Intangible Assets	1	1
Financial Assets		
(i) Investments in Wholly owned subsidiary	25	25
(ii) Other Investments	37	25
(iii) Other financial assets	7	7
Non-current tax assets	16	15
Other non-current assets	11	11
<b>Current assets</b>	<b>645</b>	<b>610</b>
Inventories	260	165
Financial Assets		
(i) Investments	19	32
(ii) Trade receivables	334	309
(iii) Cash and cash equivalents	8	44
(iv) Bank balances other than cash and cash equivalents	4	36
(v) Other Financial Assets	1	1
Other Current Assets	20	23
<b>TOTAL</b>	<b>1,644</b>	<b>1,599</b>

Equity and Liabilities (Rs. Crs.)	30-Sep-21	31-Mar-21
<b>EQUITY</b>	<b>1,336</b>	<b>1,274</b>
Equity Share Capital	166	166
Other Equity	1,169	1,107
<b>Non-Current Liabilities</b>	<b>121</b>	<b>115</b>
Financial Liabilities		
(i) Financial Lease Liability	4	4
Provisions	17	16
Deferred Tax Liabilities (Net)	101	96
<b>Current liabilities</b>	<b>187</b>	<b>210</b>
Financial Liabilities		
(i) Trade Payables	146	171
(ii) Financial Lease Liability	2	2
(iii) Other Financial Liabilities	27	25
Provisions	4	5
Current Income Tax Liabilities (Net)	0	1
Other Current Liabilities	8	7
<b>TOTAL</b>	<b>1,644</b>	<b>1,599</b>

<sup>^</sup> less than 1 crore



# Consolidated Balance Sheet

Assets (Rs. Crs.)	30-Sep-21	31-Mar-21
<b>Non-current assets</b>	<b>1,001</b>	<b>992</b>
Property, Plant and Equipment	904	916
Capital work-in-progress	23	14
Investment Property	0	0
Intangible Assets	1	1
Financial Assets		
(i) Other Investments	37	25
(ii) Other financial assets	7	7
Non-current tax assets	17	17
Other non-current assets	11	11
<b>Current assets</b>	<b>658</b>	<b>623</b>
Inventories	260	166
Financial Assets		
(i) Investments	29	43
(ii) Trade receivables	334	309
(iii) Cash and cash equivalents	10	45
(iv) Bank balances other than cash and cash equivalents	4	36
(v) Other Financial Assets	2	2
Other Current Assets	20	23
<b>TOTAL</b>	<b>1,659</b>	<b>1,615</b>

Equity and Liabilities (Rs. Crs.)	30-Sep-21	31-Mar-21
<b>EQUITY</b>	<b>1,347</b>	<b>1,285</b>
Equity Share Capital	166	166
Other Equity	1,180	1,119
<b>Non-Current Liabilities</b>	<b>126</b>	<b>120</b>
Financial Liabilities		
(i) Financial Lease Liability	4	4
Provisions	17	16
Deferred Tax Liabilities (Net)	105	100
<b>Current liabilities</b>	<b>186</b>	<b>210</b>
Financial Liabilities		
(i) Trade Payables	145	170
(ii) Financial Lease Liability	2	2
(iii) Other Financial Liabilities	27	25
Provisions	5	6
Current Income Tax Liabilities (Net)	0	1
Other Current Liabilities	8	7
<b>TOTAL</b>	<b>1,659</b>	<b>1,615</b>

Particulars (Rs. In Crores)	Standalone		Consolidated	
	Half Year Ended 30th Sep 21	Year Ended 31 <sup>st</sup> Mar 21	Half Year Ended 30th Sep 21	Year Ended 31 <sup>st</sup> Mar 21
<b>Cash flow from operating activities</b>				
<b>Profit before tax</b>	<b>104</b>	<b>104</b>	<b>105</b>	<b>107</b>
Adjustments for noncash items / non operating items	16	24	17	25
Operating profit before working capital changes	120	128	122	132
Working capital reductions/(increases)	(137)	(37)	(137)	(38)
<b>Cash flows generated from operating activities</b>	<b>(17)</b>	<b>91</b>	<b>(15)</b>	<b>94</b>
(Income taxes paid) / Refund (net)	(26)	0 <sup>^</sup>	(26)	0 <sup>^</sup>
<b>Net Cash flows generated from operating activities (A)</b>	<b>(42)</b>	<b>90</b>	<b>(41)</b>	<b>94</b>
<b>Net Cash flows generated from investing activities (B)</b>	<b>39</b>	<b>(59)</b>	<b>38</b>	<b>(62)</b>
<b>Net Cash flows generated from financing activities (C)</b>	<b>(33)</b>	<b>0<sup>^</sup></b>	<b>(33)</b>	<b>0<sup>^</sup></b>
<b>Net Cash (Decrease) / Increase</b>	<b>(36)</b>	<b>32</b>	<b>(36)</b>	<b>32</b>





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# Business Overview

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- 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 32 years of experience
- Associated with the Company for over 16 years

## Dr. Narendra Gangal – Vice President (QA, Analytical & Outsourced 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 42 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







## Research & Technology Development

- NOCIL's Research Centre at Navi Mumbai recognized by Ministry of Science and Technology, Govt. of India
- Key Areas Focussed upon
  - Process Development, scale up, commercial implementation
  - Environmental strategies for sustainable growth
  - Research initiatives as per customers' perceived needs



## Quality Assurance

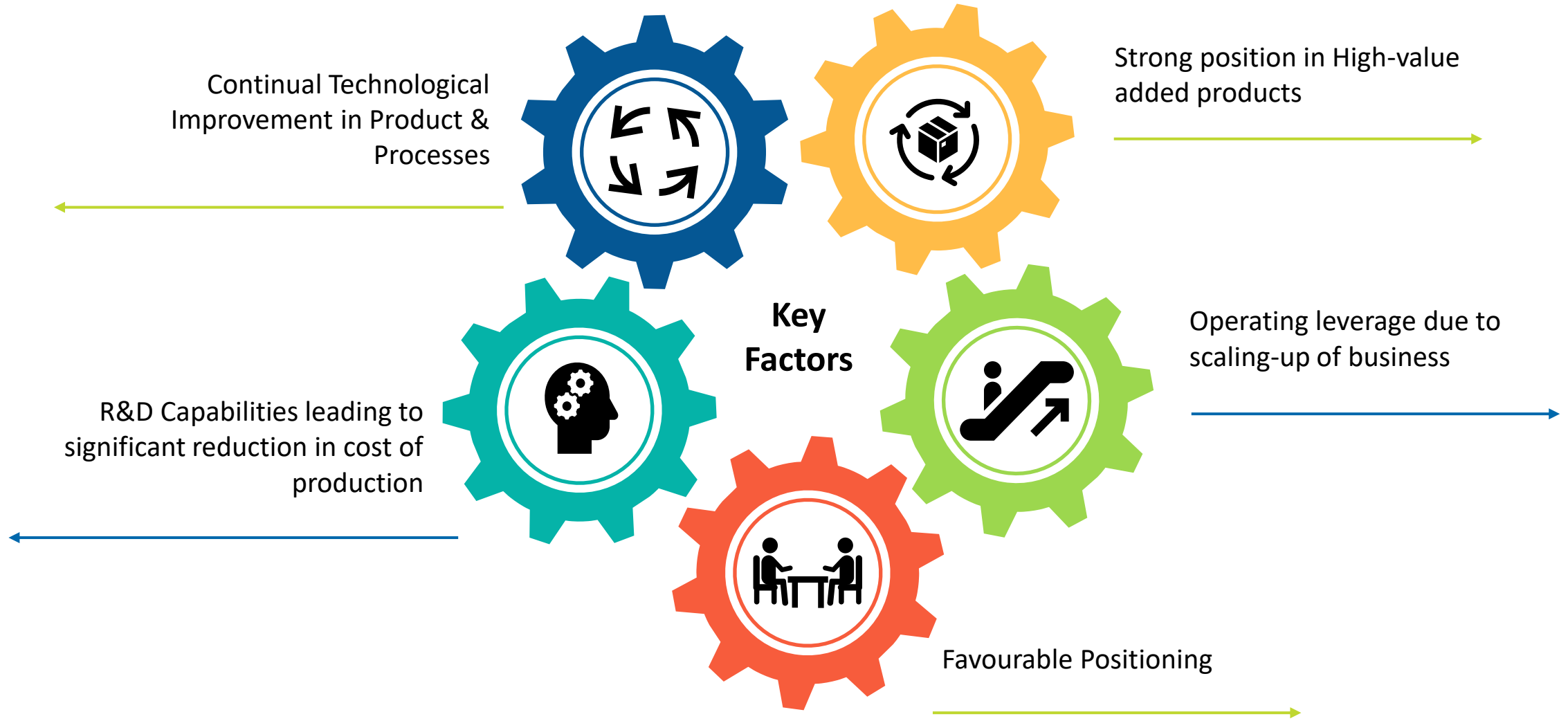
- Quality Management System with a focus on Quality of Raw materials, Finished Products as well as in Process Sample Analysis
- The Quality Control Laboratory operates round the clock and is equipped with the latest Analytical Instruments & Equipment's



## Certifications

- ISO 50001:2018
- ISO 9001:2015
- ISO 14001:2015
- ISO 45001:2018
- ISO/IEC 17025:2017
- Responsible Care Certification by Indian Chemical Council
- IATF 16949:2016







## High Performance Tyres

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



## Stringent Environmental compliance

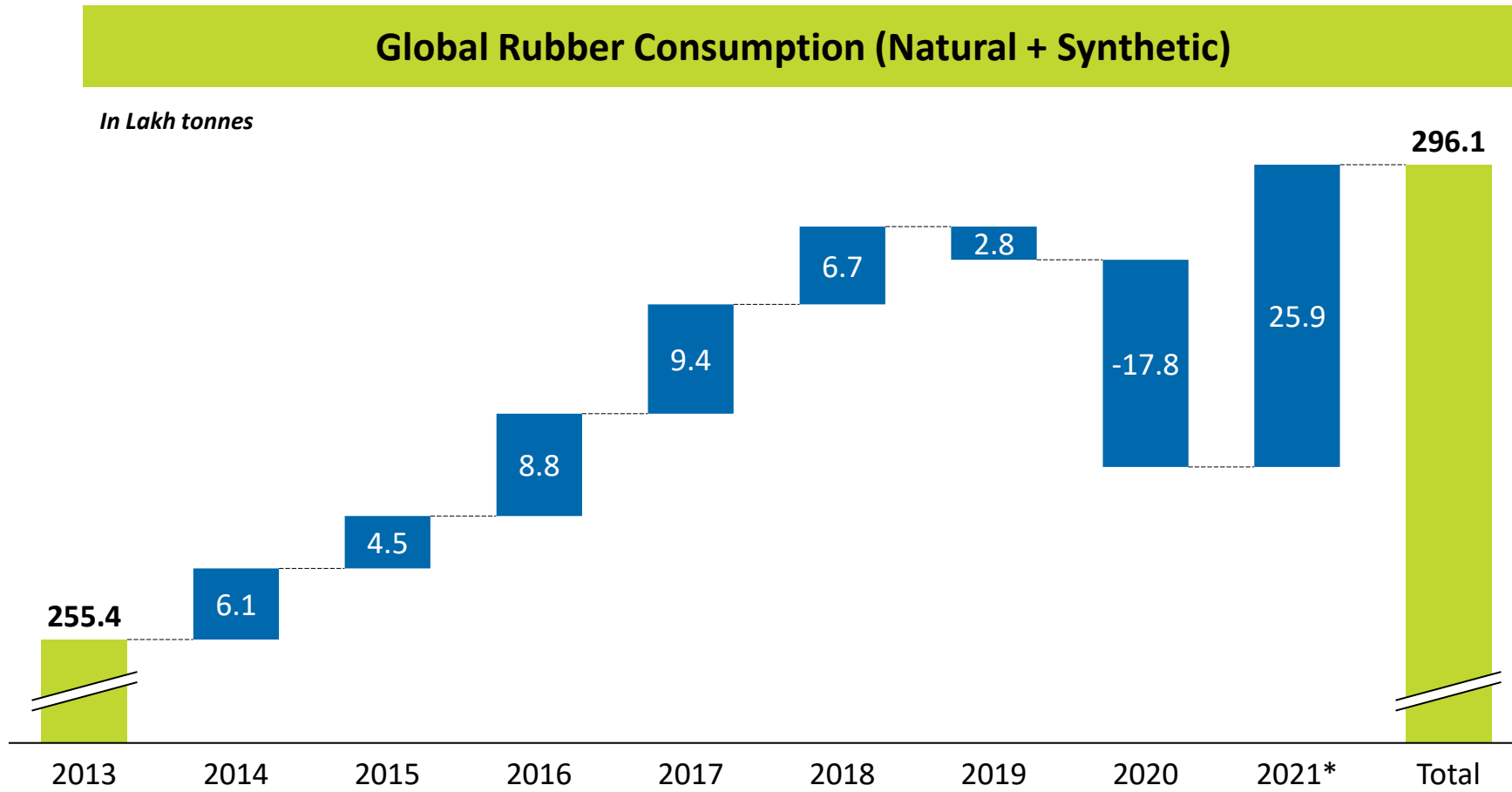
Cost increase in China leading to Better level playing field



## 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



- 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 **~6.0%** in CY20

**Our volume growth for CY21 is more than 3x industry volume growth**

Source : Rubber Statistical Bulletin, Oct – Dec 2021 edition  
\*Annualised based on Jan – Sept data



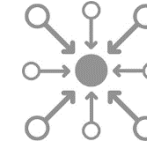
## Non-Chinese Dependable Player

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

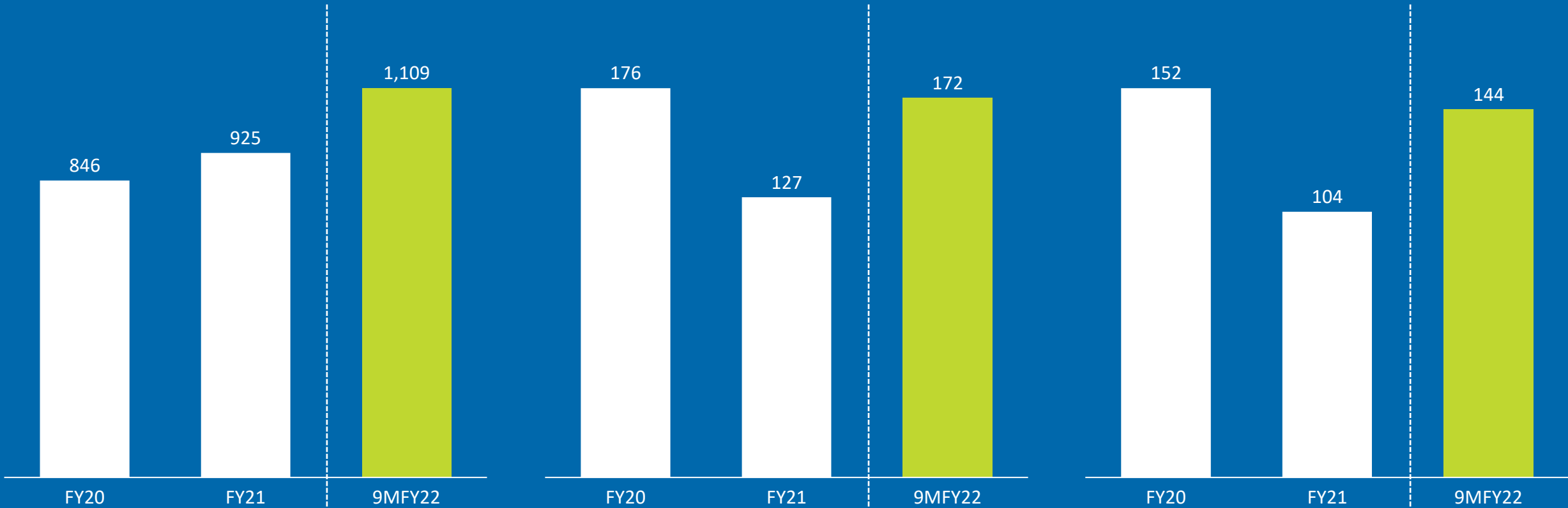


## Revenue from Operations

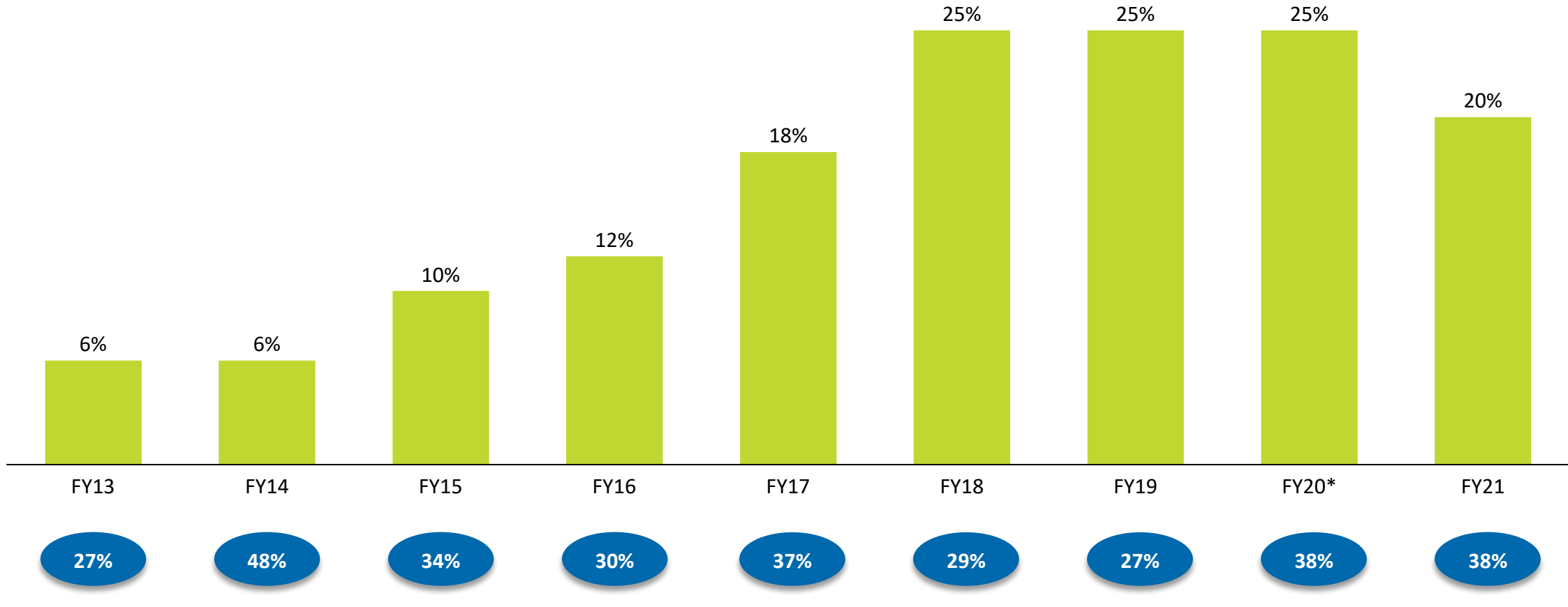
## Operating EBITDA

## PBT

Rs. In Crores



## Dividend as % of Face Value



● Pay out Ratio = (Dividend + DDT) / PAT

\* Interim Dividend

## For further information, please contact:

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