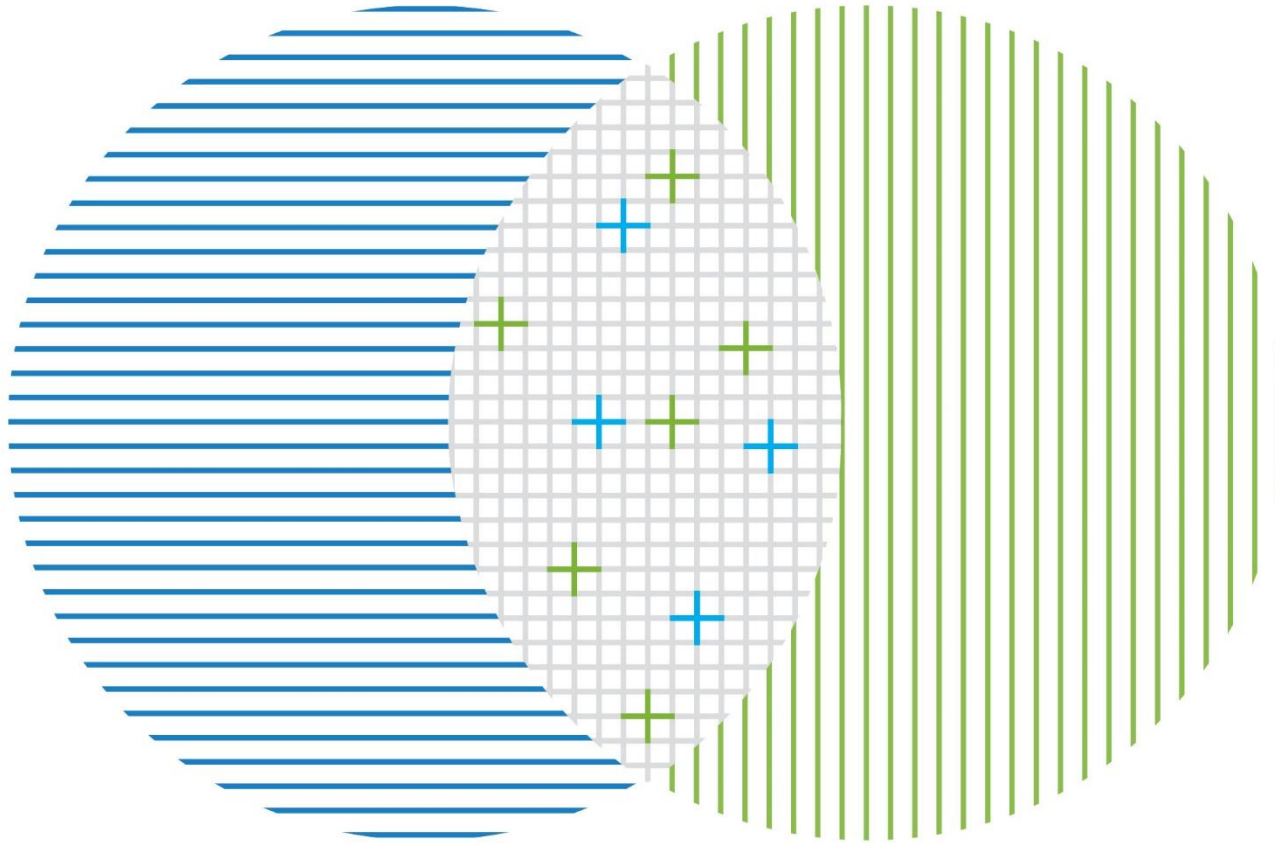




ARVIND MAFATLAL GROUP  
The ethics of excellence



NOCIL LIMITED



# A Journey of Growth, Stability and Sustainability

**NOCIL Limited**  
Investor Presentation July 2022

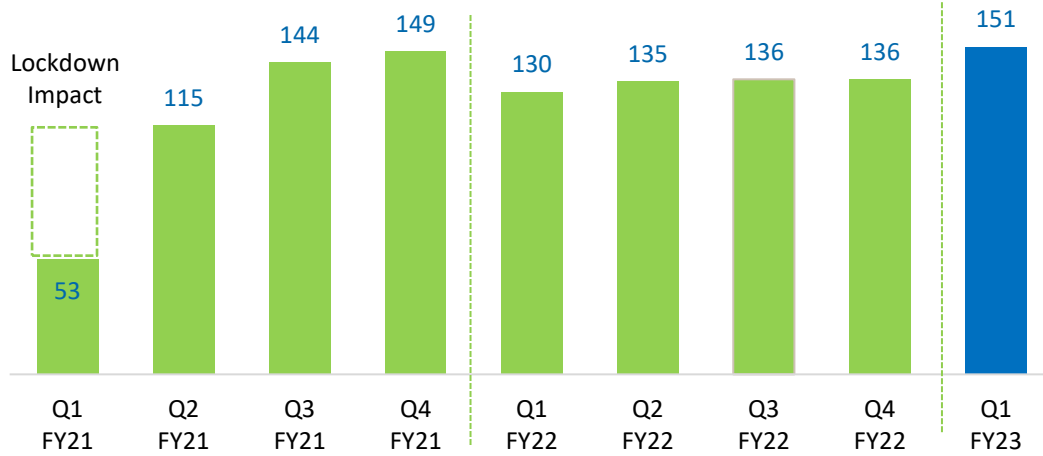
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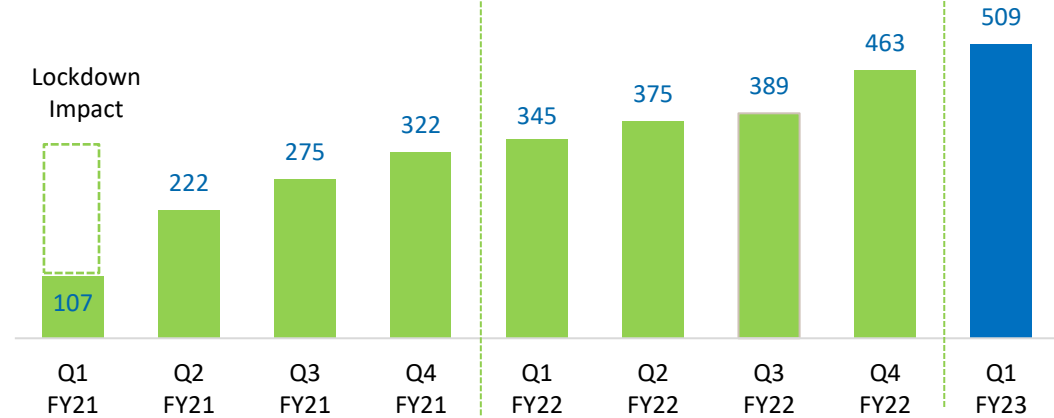
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## Sales Volume\* (Index)



## Revenue from Operations (Rs. In crores)



\*Base to 100; considering Q1FY20 base period

- Capacity expansion well timed to capitalize on increase in demand
- Utilization levels continues to grow on sequential basis

- Achieved Highest ever quarterly volumes and revenues
- Selling price largely remained flat for the quarter



## Rubber Chemicals Industry

Currently, China is a dominant player in the Rubber Chemical Industry contributing over 80%

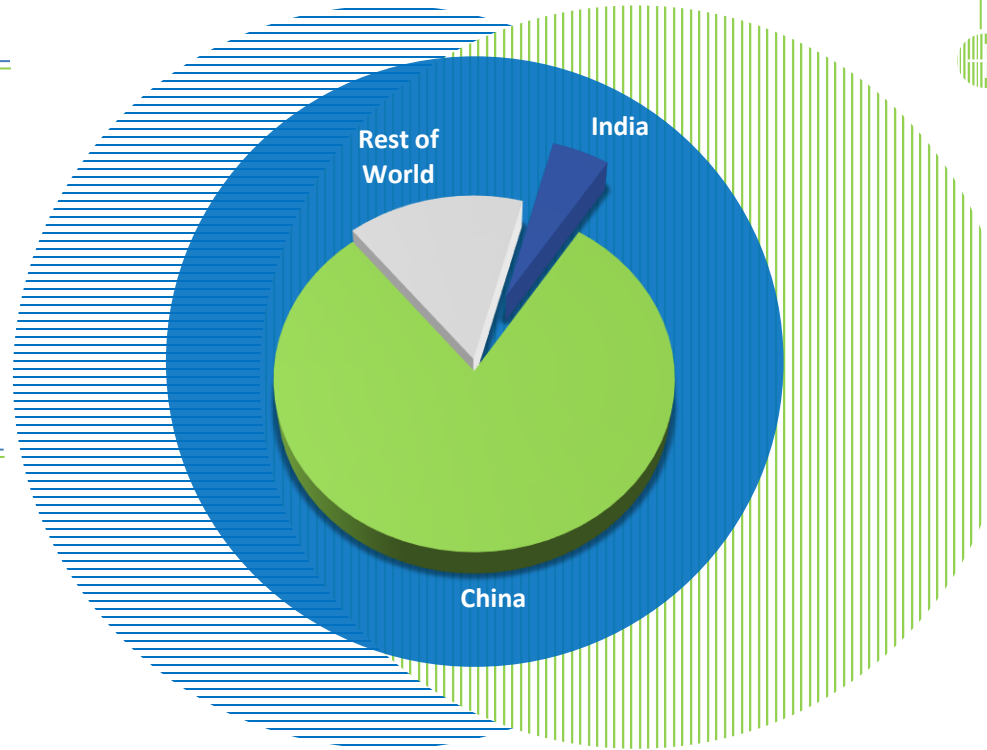
Tyre majors across world looking for alternative sourcing other than China after pandemic

NOCIL is expected to benefit in view of available capacities

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

NOCIL is Dependable, Non- Chinese Player enjoying a favourable positioning

India will play an important role as a supplier



Rs. In Crores	Q1FY23	Q4FY22	Q-o-Q	Q1FY22	Y-o-Y	FY22	FY21	Y-o-Y
<b>Net Revenue from Operations</b>	<b>509</b>	<b>463</b>	<b>10%</b>	<b>344</b>	<b>48%</b>	<b>1,571</b>	<b>925</b>	<b>70%</b>
Raw Material	270	285		211		948	480	
Changes in inventory	3	(54)		(36)		(89)	25	
<b>Value Addition *</b>	<b>236</b>	<b>232</b>	<b>2%</b>	<b>170</b>	<b>39%</b>	<b>712</b>	<b>420</b>	<b>70%</b>
Employee Expenses	23	19		21		78	67	
Other Operating Expenses	112	102		76		352	226	
<b>Operating EBITDA</b>	<b>101</b>	<b>111</b>	<b>-8%</b>	<b>73</b>	<b>39%</b>	<b>283</b>	<b>127</b>	<b>123%</b>
<b>Operating EBITDA Margin</b>	<b>19.9%</b>	<b>23.9%</b>		<b>21.2%</b>		<b>18.0%</b>	<b>13.7%</b>	
Depreciation	13	16		10		47	36	
Interest	0^	0^		0^		1	1	
Other Income	1	1		1		5	14	
<b>Profit Before Tax</b>	<b>88</b>	<b>95</b>	<b>-7%</b>	<b>63</b>	<b>40%</b>	<b>240</b>	<b>104</b>	<b>130%</b>
Tax	23	27		16		64	18	
<b>Net Profit</b>	<b>66</b>	<b>68</b>	<b>-4%</b>	<b>47</b>	<b>39%</b>	<b>176</b>	<b>86</b>	<b>103%</b>
<b>Net Profit Margin</b>	<b>12.9%</b>	<b>14.8%</b>		<b>13.7%</b>		<b>11.2%</b>	<b>9.4%</b>	



Rs. In Crores	Q1FY23	Q4FY22	Q-o-Q	Q1FY22	Y-o-Y	FY22	FY21	Y-o-Y
<b>Net Revenue from Operations</b>	<b>509</b>	<b>463</b>	<b>10%</b>	<b>345</b>	<b>48%</b>	<b>1,571</b>	<b>925</b>	<b>70%</b>
Raw Material	270	285		211		948	480	
Changes in inventory	3	(54)		(36)		(89)	24	
<b>Value Addition *</b>	<b>236</b>	<b>232</b>	<b>2%</b>	<b>170</b>	<b>39%</b>	<b>712</b>	<b>420</b>	<b>70%</b>
Employee Expenses	24	20		22		81	70	
Other Operating Expenses	110	100		75		345	219	
<b>Operating EBITDA</b>	<b>103</b>	<b>111</b>	<b>-8%</b>	<b>74</b>	<b>39%</b>	<b>286</b>	<b>131</b>	<b>119%</b>
<b>Operating EBITDA Margin</b>	<b>20.2%</b>	<b>24.1%</b>		<b>21.4%</b>		<b>18.2%</b>	<b>14.1%</b>	
Depreciation	14	16		11		48	37	
Interest	0^	0^		0^		1	1	
Other Income	1	1		1		4	15	
<b>Profit Before Tax</b>	<b>90</b>	<b>96</b>	<b>-7%</b>	<b>64</b>	<b>41%</b>	<b>241</b>	<b>107</b>	<b>125%</b>
Tax	23	27		16		65	19	
<b>Net Profit</b>	<b>66</b>	<b>69</b>	<b>-4%</b>	<b>47</b>	<b>40%</b>	<b>176</b>	<b>88</b>	<b>99%</b>
<b>Net Profit Margin</b>	<b>13.1%</b>	<b>14.9%</b>		<b>13.8%</b>		<b>11.2%</b>	<b>9.6%</b>	



Assets (Rs. In Crores )	31-Mar-22	31-Mar-21
<b>Non-current assets</b>	<b>985</b>	<b>989</b>
Property, Plant and Equipment	880	890
Capital work-in-progress	8	14
Investment Property	0^	0^
Intangible Assets	4	1
Financial Assets		
(i) Investments in Wholly owned subsidiary	25	25
(ii) Other Investments	36	25
(iii) Other financial assets	7	7
Non-current tax assets	15	15
Other non-current assets	9	11
<b>Current assets</b>	<b>831</b>	<b>610</b>
Inventories	333	165
Financial Assets		
(i) Investments	6	32
(ii) Trade receivables	450	309
(iii) Cash and cash equivalents	12	44
(iv) Bank balances other than cash and cash equivalents	4	36
(v) Other Financial Assets	1	1
Other Current Assets	26	23
<b>TOTAL</b>	<b>1,816</b>	<b>1,599</b>

Equity and Liabilities (Rs. In Crores )	31-Mar-22	31-Mar-21
<b>EQUITY</b>	<b>1,434</b>	<b>1,274</b>
Equity Share Capital	167	166
Other Equity	1,267	1,107
<b>Non-Current Liabilities</b>	<b>121</b>	<b>115</b>
Financial Liabilities		
(i) Financial Lease Liability	3	4
Provisions	16	16
Deferred Tax Liabilities (Net)	103	96
<b>Current liabilities</b>	<b>261</b>	<b>210</b>
Financial Liabilities		
(i) Trade Payables	217	171
(ii) Financial Lease Liability	3	2
(iii) Other Financial Liabilities	25	25
Provisions	5	5
Current Income Tax Liabilities (Net)	-	1
Other Current Liabilities	11	7
<b>TOTAL</b>	<b>1,816</b>	<b>1,599</b>



Particulars (Rs. In Crores)	Standalone	
	Year Ended 31 <sup>st</sup> Mar 22	Year Ended 31 <sup>st</sup> Mar 21
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>240</b>	<b>104</b>
Adjustments for noncash items / non operating items	43	24
Operating profit before working capital changes	282	128
Working capital reductions/(increases)	(255)	(37)
<b>Cash flows generated from operating activities</b>	<b>27</b>	<b>91</b>
(Income taxes paid) / Refund (net)	(59)	0 <sup>^</sup>
<b>Net Cash flows generated from operating activities (A)</b>	<b>(32)</b>	<b>90</b>
<b>Net Cash flows generated from investing activities (B)</b>	<b>33</b>	<b>(59)</b>
<b>Net Cash flows generated from financing activities (C)</b>	<b>(34)</b>	<b>0<sup>^</sup></b>
<b>Net Cash (Decrease) / Increase</b>	<b>(33)</b>	<b>32</b>



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



# Business Overview





**CAGR growth from  
2016 - 2022**

**+14%**

Revenue

**+13%**

EBITDA

**+13%**

Operating PBT

**~30%**

Dividend Payout  
more than 6 years



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



## 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. S. R. Deo – Managing Director

- M. Tech. in Chemical Engineering from IIT Kanpur
- Associated with the company for over 43 years in various capacities

## Mr. Anand V.S - Deputy Managing Director

- BE in Chemical Engineering from Bangalore University and PGDM in Marketing from MDI Gurgaon.
- Appointment with effect from 2<sup>nd</sup> March 2022

## Mr. P. Srinivasan – Chief Financial Officer

- Chartered Accountant with over 33 years of experience
- Associated with the Company for over 17 years

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

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

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

- Ph.D. in Chemistry with 30 years of experience
- Associated with the Company for nearly 15 years

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

- Chemical Engineer with Diploma in Management Studies
- Associated with the company for over 40 years

## Mr. Milind Shevte – Vice President (Marketing)

- B.E. Chemical Engineering
- Associated with the Company for over 17 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 over 20 years

## Mr. Amit Vyas- Assistant Vice President (Legal & Company Secretary)

- Company Secretary & Legal head with over 26 years of experience
- Associated with the Company for over 3 years



## Navi Mumbai Plant

- Set up in 1976 is as one of the leading manufacturers in rubber chemicals globally, our processes involve complex chemical synthesis.
- It is of prime importance to ensure that all our products adhere to International quality standards.
- It manufactures diverse range of rubber chemicals for tire and other rubber applications.



## Dahej Plant

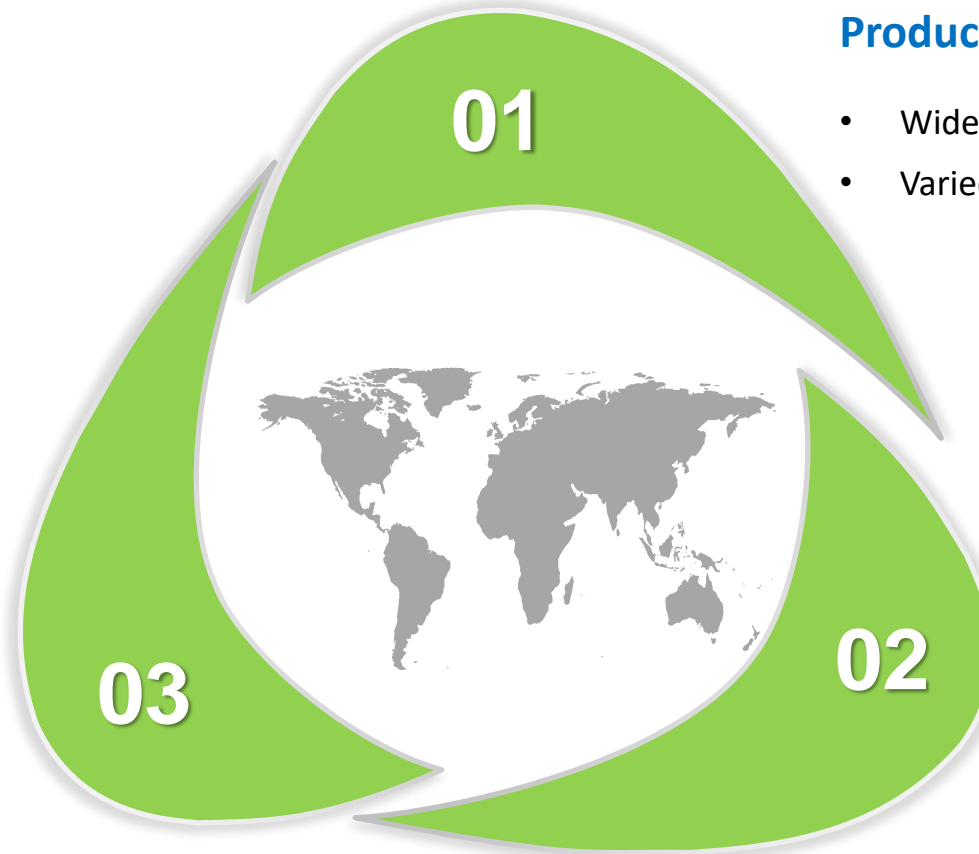
- Commenced operations in March 2013
- Located about 45 kms from Bharuch, Gujarat
- Location has synergistic proximity to petrochemicals industry and excellent connectivity with Dahej and Hazira Port
- Fully automated process plant developed completely with in-house technology



## Long Term Relationships with Customers over 40 Countries

### R & D and Quality Assurance

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



### Products & Product Forms

- Wide Range of Rubber Chemical Products
- Varied Product Forms

### Sales, Marketing & Technical Service

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

**ONE STOP SHOP with WIDE RANGE  
to suit MARKET REQUIREMENTS**

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

**ANTI-DEGRADANTS/  
ANTI-OXIDANTS**

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

**ACCELERATORS**

**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 Focused upon
  - Process Development, scale up, commercial implementation
  - Environmental strategies for sustainable growth
  - Research initiatives as per customers' perceived needs

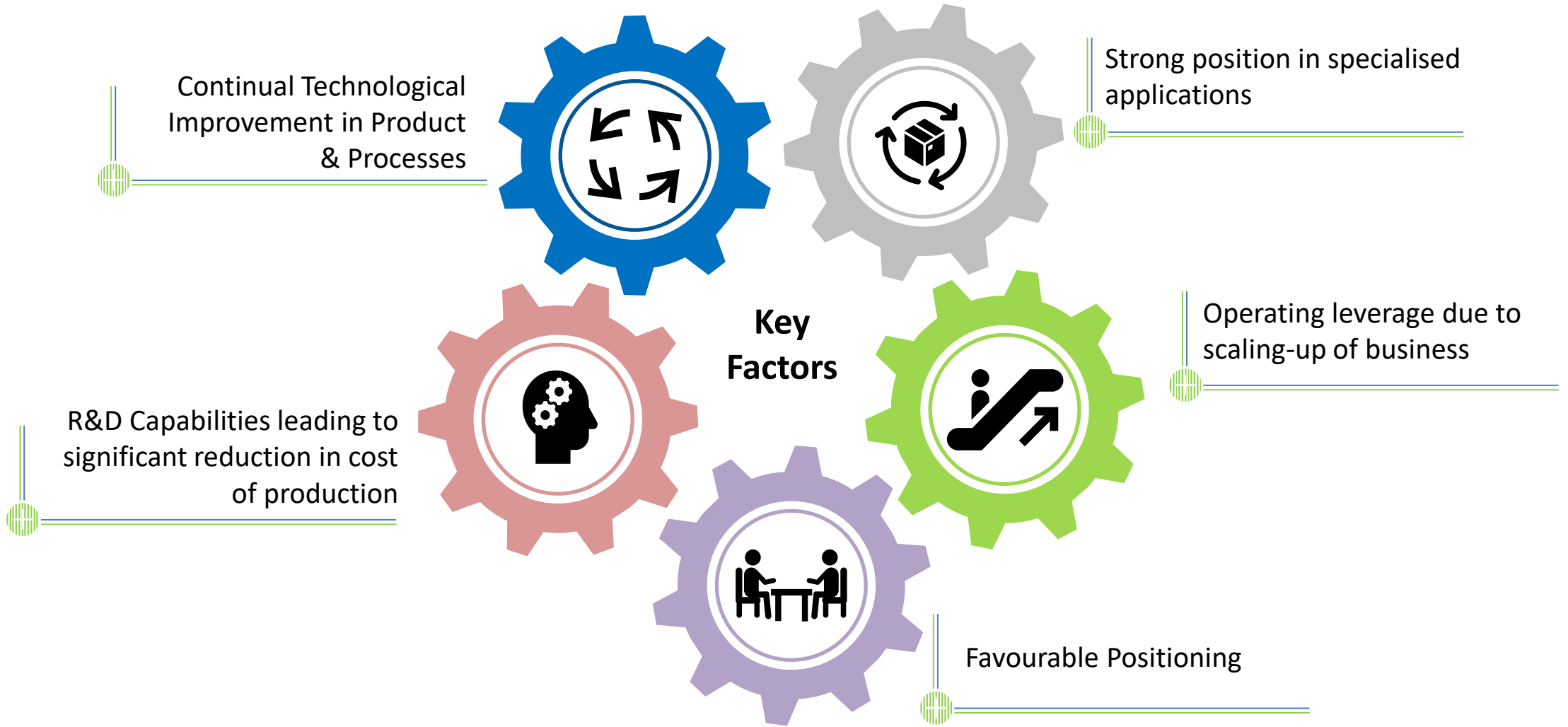
## Quality Assurance

- 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

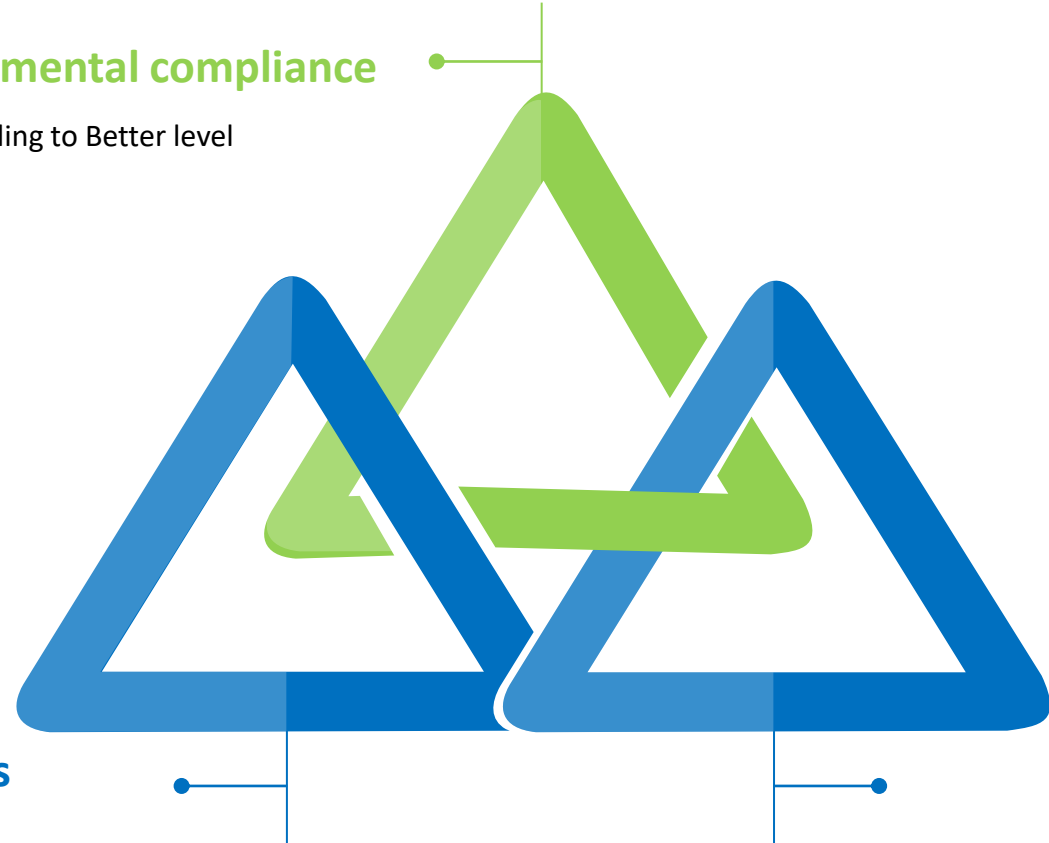




NOCIL has been awarded by ICC for  
“Excellence in Management of Environment” under the large chemical industry

## Stringent Environmental compliance

Cost increase in China leading to Better level playing field



## High Performance Tyres

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

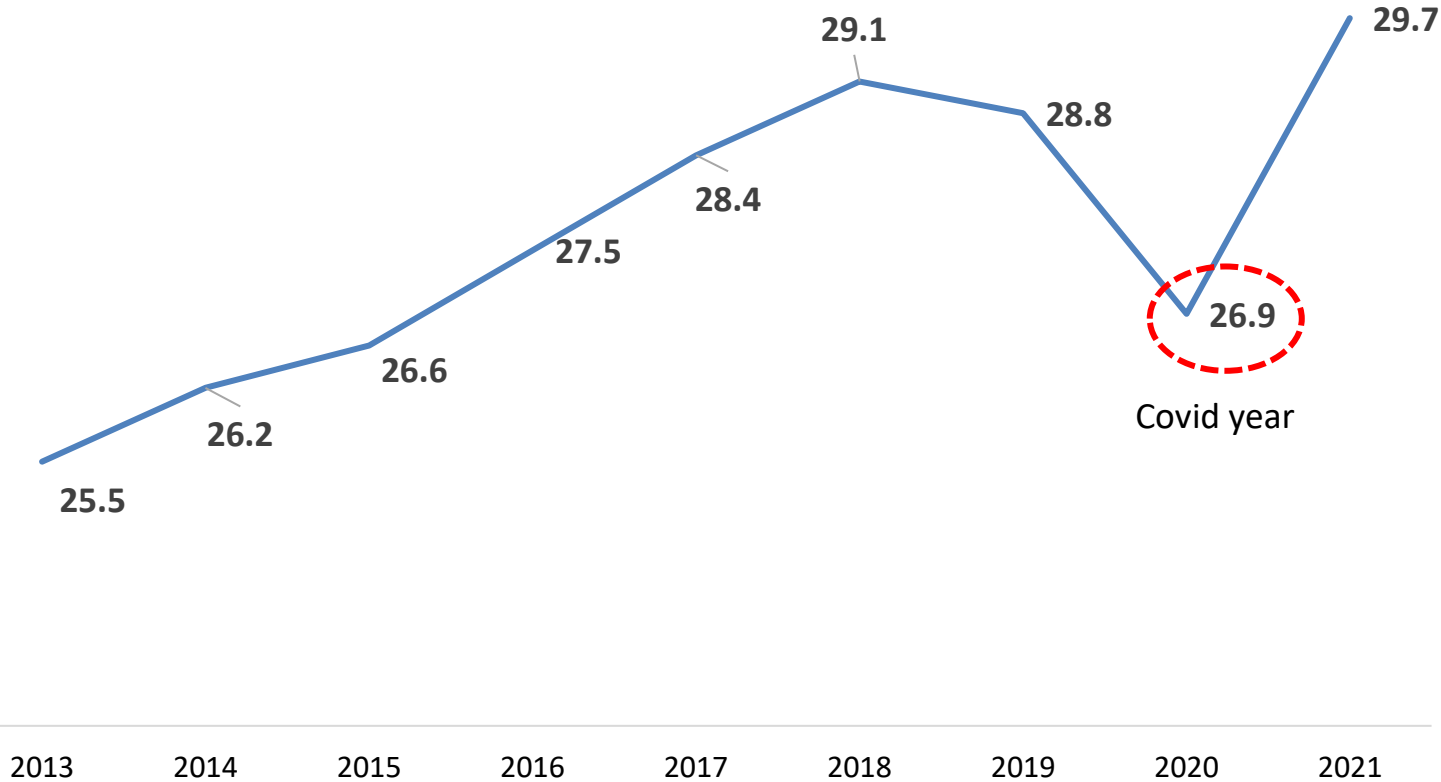
## Rising Income Levels

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



## Global Rubber Consumption (Natural + Synthetic)

In million tonnes



- Rubber Chemicals constitute **~3.5% of the Rubber Consumption**
- Global Rubber consumption shows growth of over 10% in CY21 basis v/s de-growth of ~6.7% in CY20





## Dependable Player

Dependable & Quality Player with self-sufficiency in key intermediates.



## Wide Range of Products

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



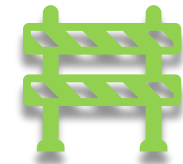
## Product Testing & Validation

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



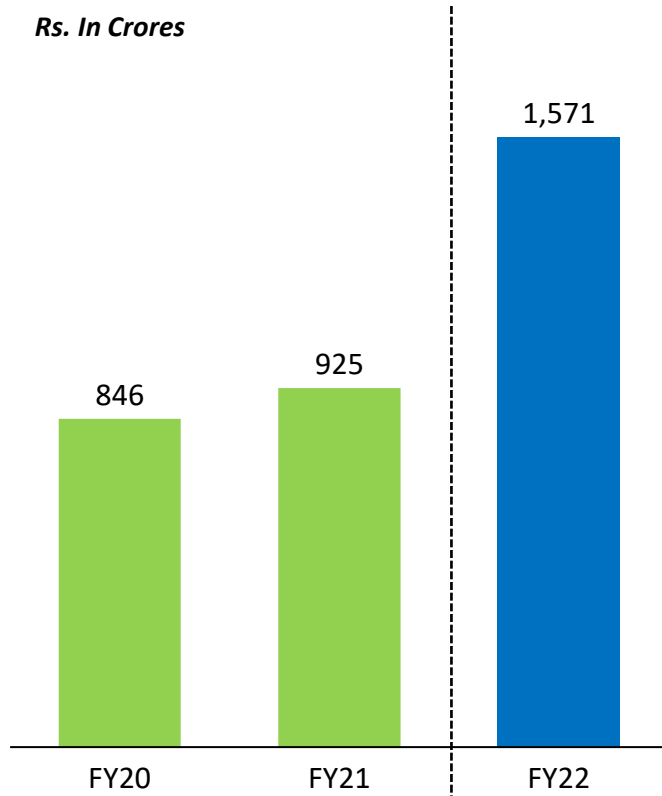
## Entry Barrier

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

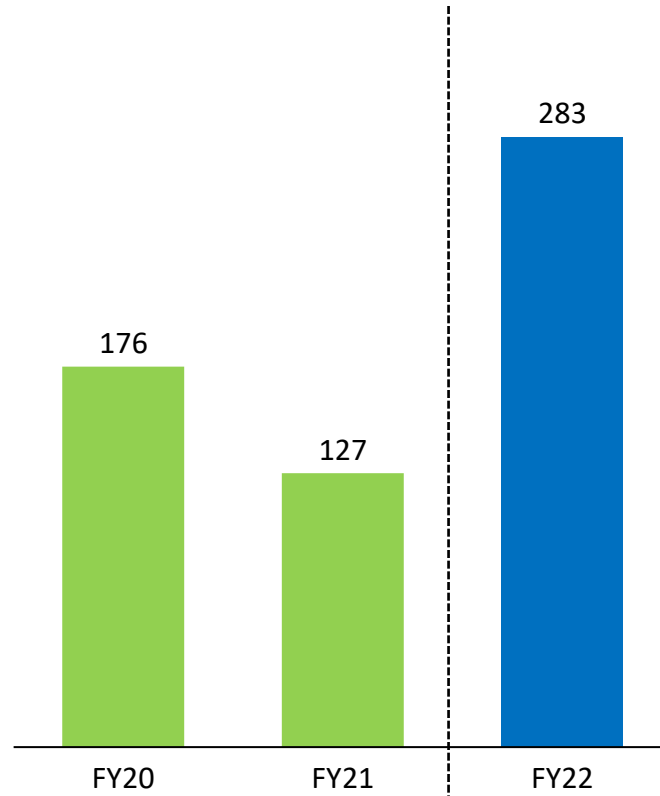


## Revenue from Operations

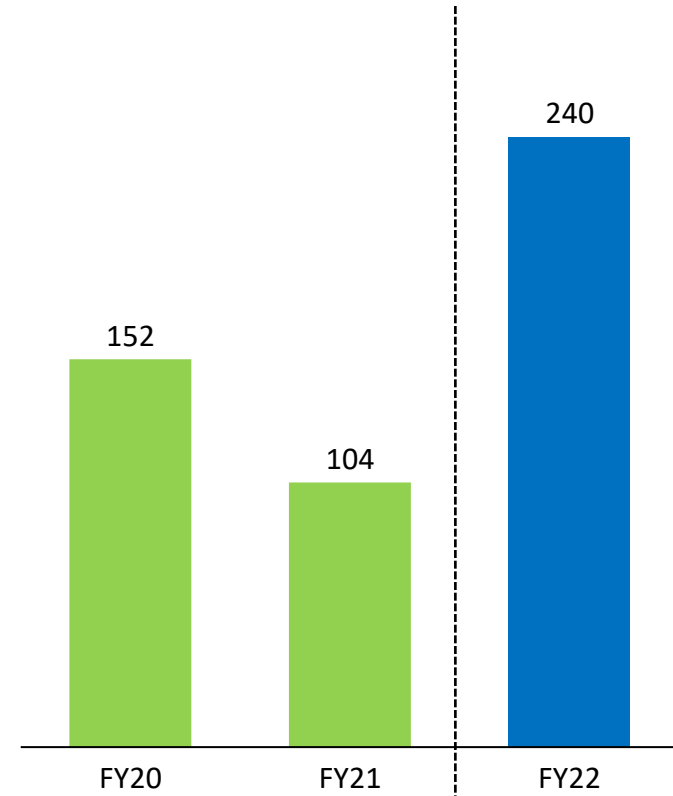
Rs. In Crores



## Operating EBITDA

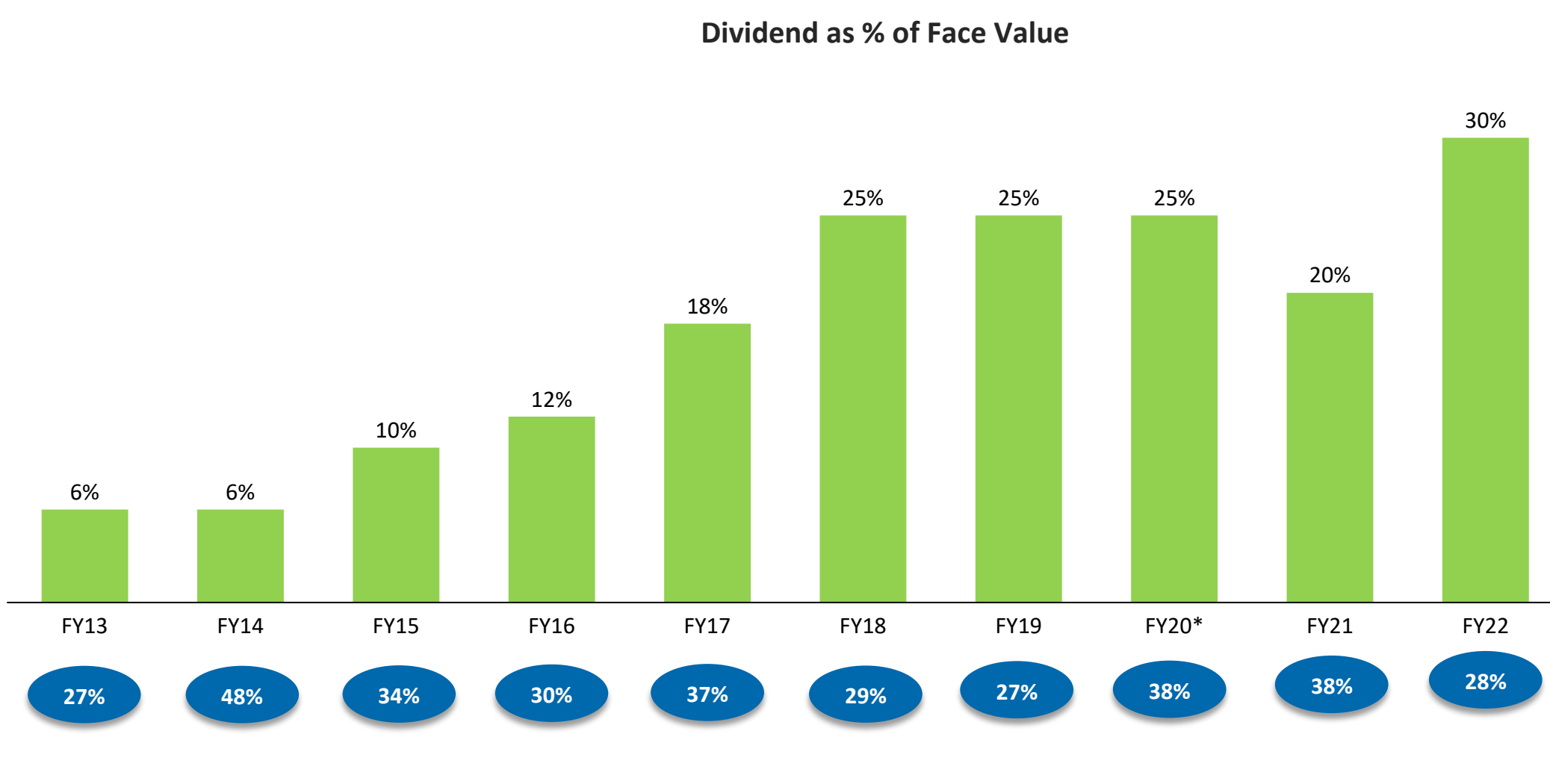


## PBT



On Standalone Basis

## Dividend as % of Face Value



# Thank You

## For further information, please contact:

### Company :

**NOCIL Ltd.**

CIN: L99999MH1961PLC012003

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**Strategic Growth Advisors Pvt. Ltd.**

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