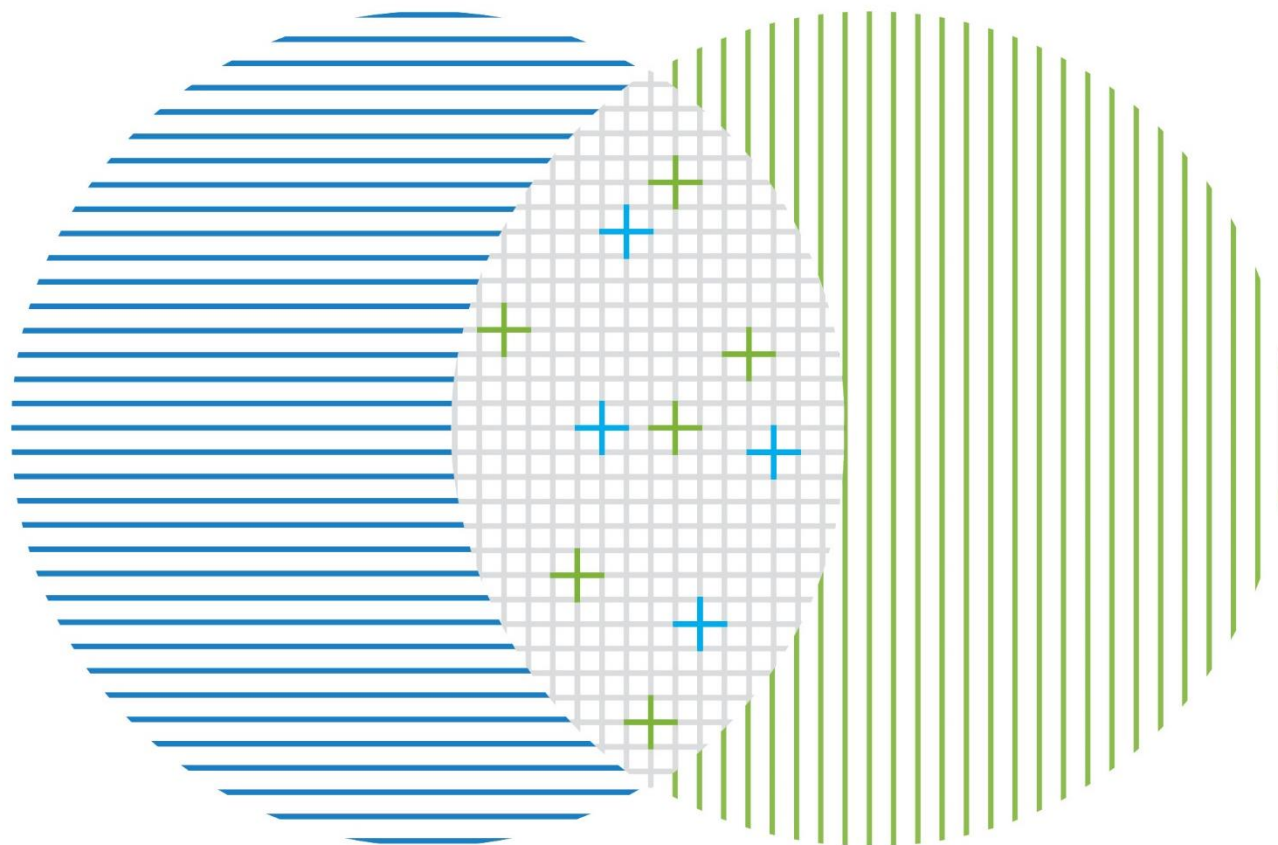




ARVIND MAFATLAL GROUP  
The ethics of excellence



NOCIL LIMITED



# A Journey of Growth, Stability and Sustainability

**NOCIL Limited**

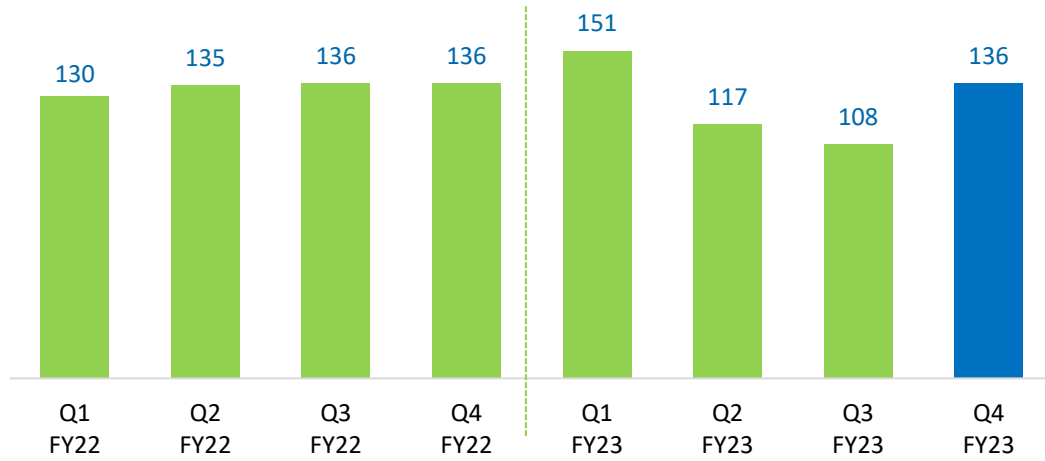
Investor Presentation May 2023

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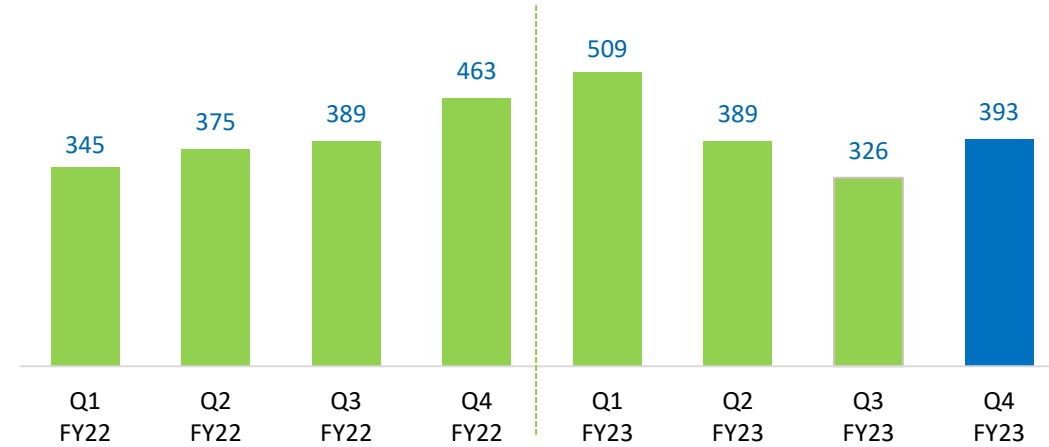
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## Sales Volume\* (Index)



\*Base to 100; considering Q1FY20 base period

## Revenue from Operations (Rs. In crores)



- On a full year basis, the realisations have shown improvement of about 7%.
- Volumes for FY23 has shown degrowth of 4%.
- Revenues for FY23 has grown by 3%

- On a sequential basis, volumes in exports are recovering.
- Sequentially, overall volumes in Q4FY23 has shown uptick.
- Sequentially, revenues has shown growth of 21% in Q4FY23.





## Rubber Chemicals Industry

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

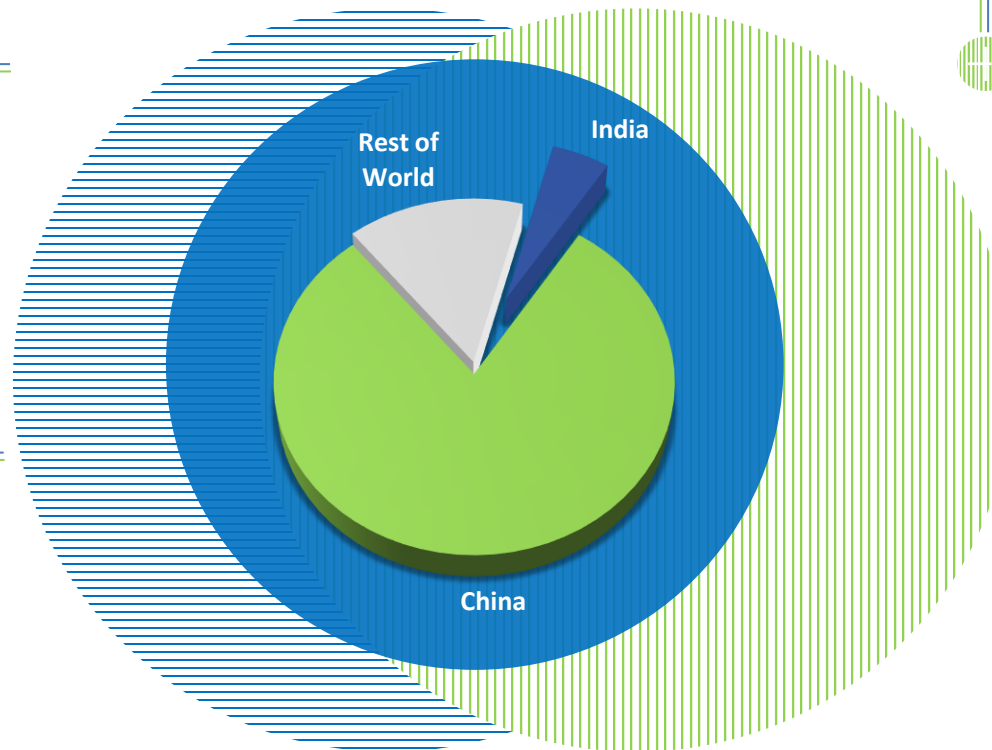
Tyre majors across world looking for alternative sourcing other than China

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	Q4FY23	Q3FY23	Q-o-Q	Q4FY23	Y-o-Y	FY23	FY22	Y-o-Y
<b>Net Revenue from Operations</b>	<b>393</b>	<b>326</b>	<b>21%</b>	<b>463</b>	<b>-15%</b>	<b>1,617</b>	<b>1571</b>	<b>3%</b>
Raw Material	199	214		285		912	948	
Changes in inventory	34	-38		-54		-24	-89	
<b>Value Addition *</b>	<b>159</b>	<b>150</b>	<b>6%</b>	<b>232</b>	<b>-31%</b>	<b>729</b>	<b>712</b>	<b>2%</b>
Employee Expenses	21	21		20		87	81	
Other Operating Expenses	89	91		100		389	345	
<b>Operating EBITDA</b>	<b>50</b>	<b>38</b>	<b>32%</b>	<b>111</b>	<b>-55%</b>	<b>253</b>	<b>286</b>	<b>-12%</b>
<b>Operating EBITDA Margin</b>	<b>12.7%</b>	<b>11.6%</b>		<b>24.1%</b>		<b>15.6%</b>	<b>18.2%</b>	
Depreciation	14	14		16		56	48	
Interest	0^	0^		0^		1	1	
Other Income	3	2		1		6	4	
<b>Profit Before Tax</b>	<b>39</b>	<b>25</b>	<b>52%</b>	<b>96</b>	<b>-60%</b>	<b>202</b>	<b>241</b>	<b>-16%</b>
Tax	10	7		27		53	65	
<b>Net Profit</b>	<b>28</b>	<b>19</b>	<b>52%</b>	<b>69</b>	<b>-59%</b>	<b>149</b>	<b>176</b>	<b>-15%</b>
<b>Net Profit Margin</b>	<b>7.2%</b>	<b>5.7%</b>		<b>14.9%</b>		<b>9.2%</b>	<b>11.2%</b>	



Assets (Rs. In Crores )	31-Mar-23	31-Mar-22
<b>Non-current assets</b>	<b>976</b>	<b>987</b>
Property, Plant and Equipment	653	674
Right of Use Assets	231	231
Capital work-in-progress	9	8
Investment Property	0^	0^
Intangible Assets	3	4
Financial Assets		
(i) Other Investments	42	36
(ii) Other financial assets	10	8
Non-current tax assets	17	16
Other non-current assets	11	9
<b>Current assets</b>	<b>881</b>	<b>844</b>
Inventories	285	333
Financial Assets		
(i) Investments	176	18
(ii) Trade receivables	346	450
(iii) Cash and cash equivalents	24	12
(iv) Bank balances other (iii)	34	4
(v) Other Financial Assets	5	1
Other Current Assets	12	26
<b>TOTAL</b>	<b>1,857</b>	<b>1,831</b>

Equity and Liabilities (Rs. In Crores )	31-Mar-23	31-Mar-22
<b>EQUITY</b>	<b>1,552</b>	<b>1,445</b>
Equity Share Capital	167	167
Other Equity	1,385	1,279
<b>Non-Current Liabilities</b>	<b>134</b>	<b>126</b>
Financial Liabilities		
(i) Financial Lease Liability	7	3
Provisions	16	16
Deferred Tax Liabilities (Net)	111	107
<b>Current liabilities</b>	<b>171</b>	<b>259</b>
Financial Liabilities		
(i) Trade Payables	127	215
(ii) Financial Lease Liability	3	3
(iii) Other Financial Liabilities	26	25
Provisions	5	5
Other Current Liabilities	10	11
<b>TOTAL</b>	<b>1,857</b>	<b>1,831</b>



Particulars (Rs. In Crores)	FY23	FY22
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>202</b>	<b>241</b>
Adjustments for noncash items / non operating items	50	45
Operating profit before working capital changes	252	286
Working capital reductions/(increases)	80	(256)
<b>Cash flows generated from operating activities</b>	<b>332</b>	<b>29</b>
(Income taxes paid) / Refund (net)	(51)	(60)
<b>Net Cash flows generated from operating activities (A)</b>	<b>282</b>	<b>(30)</b>
<b>Net Cash flows generated from investing activities (B)</b>	<b>(217)</b>	<b>31</b>
<b>Net Cash flows generated from financing activities (C)</b>	<b>(54)</b>	<b>(34)</b>
<b>Net Cash (Decrease) / Increase</b>	<b>11</b>	<b>(33)</b>



^ less than 1 crore



# Business Overview







**CAGR growth from  
2016 - 2023**

**+12%**

Revenue

**+9%**

EBITDA

**+8%**

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 (Chief Risk Officer, Operations & Admin)

- 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 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

## Mrs. Kashmeera Prabhu –Head HR

- MBA (HR)
- Over 17 years of experience



## 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

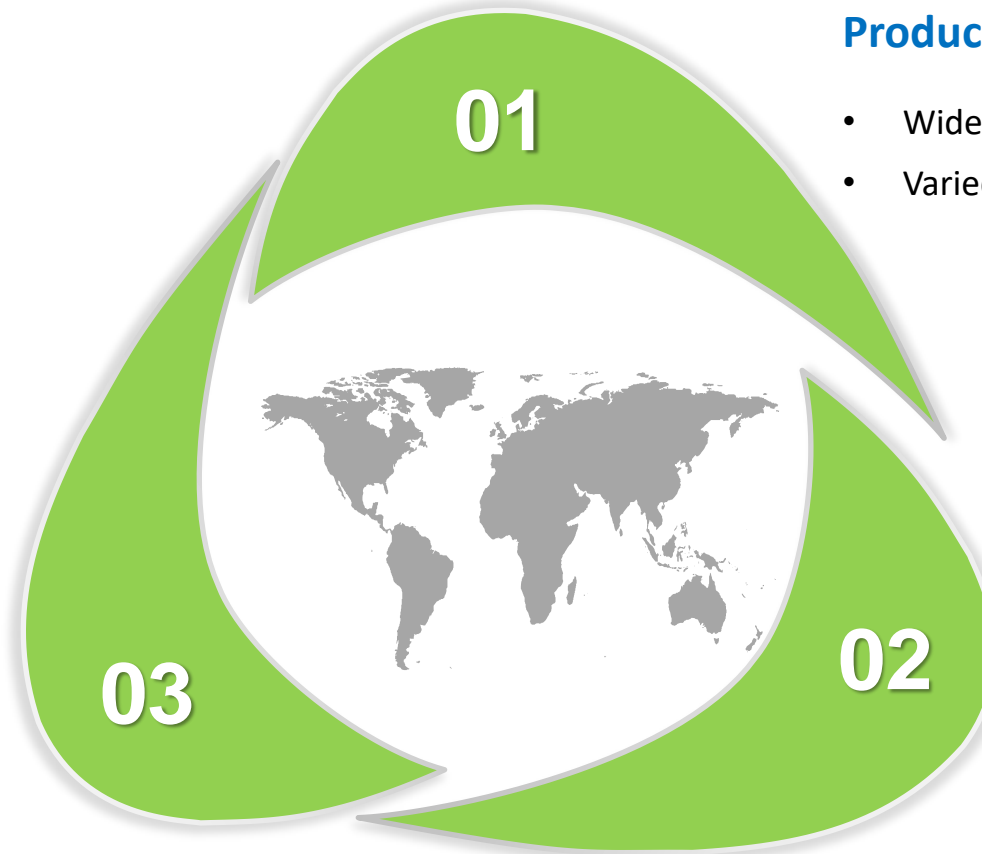
- Commenced operations in March 2013
- Located about 45 kms from Bharuch, Gujarat
- Location has synergistic proximity to petrochemicals industry and excellent connectivity with Dahej and Hazira Port
- Fully automated process plant developed completely with in-house technology



## 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

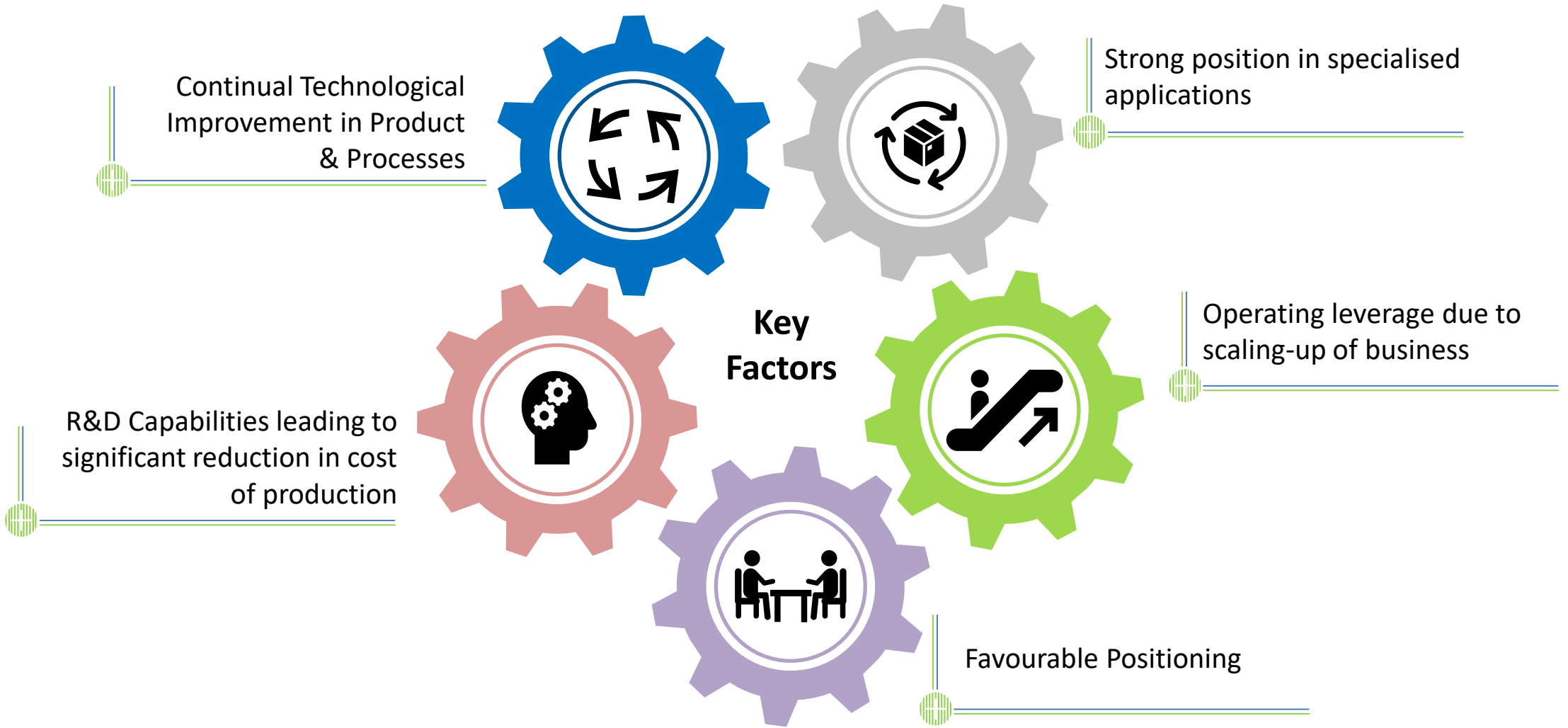
## Quality Assurance

- 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

- Independent assurance statement issued by Bureau Veritas (India) Pvt. Ltd. for Business Responsibility and Sustainability Report
- **SILVER** Rating accorded by Ecovadis Sustainability Rating Process
- 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

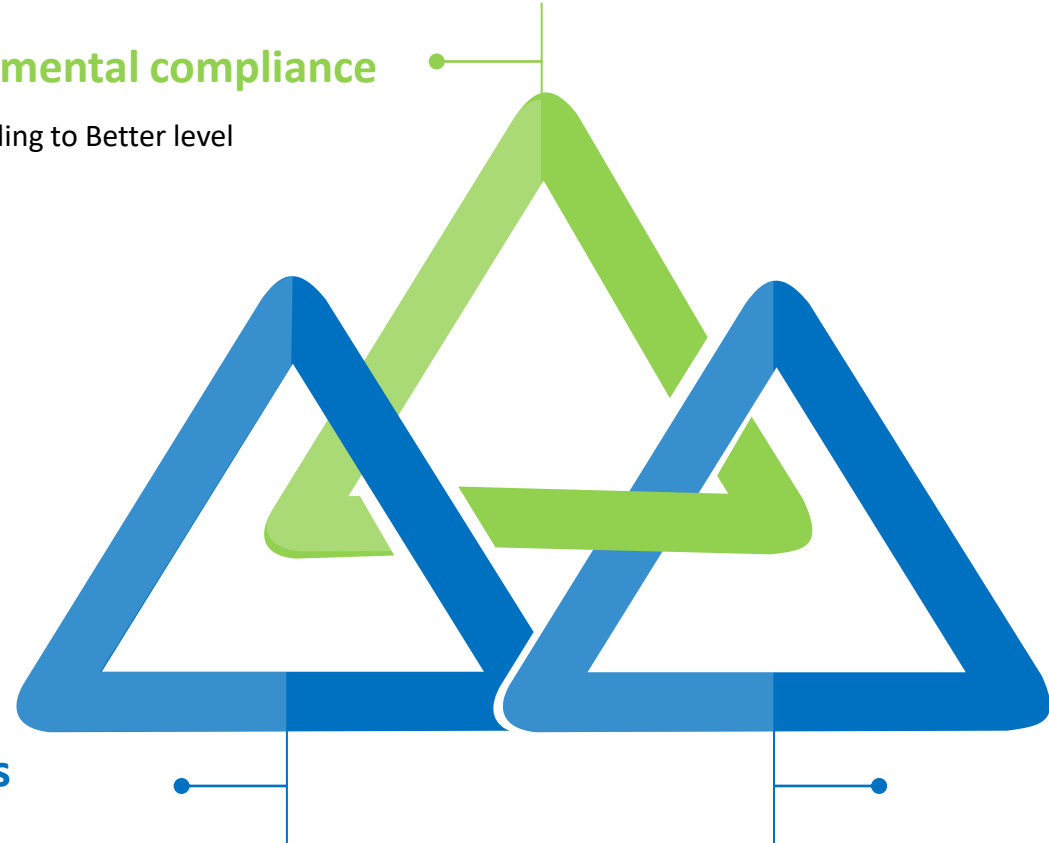




NOCIL has been awarded by ICC for  
“Excellence in Management of Environment” under the large chemical industry

## Stringent Environmental compliance

Cost increase in China leading to Better level playing field

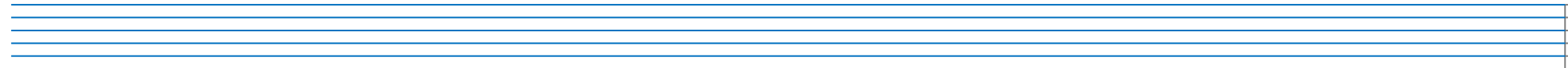


## High Performance Tyres

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

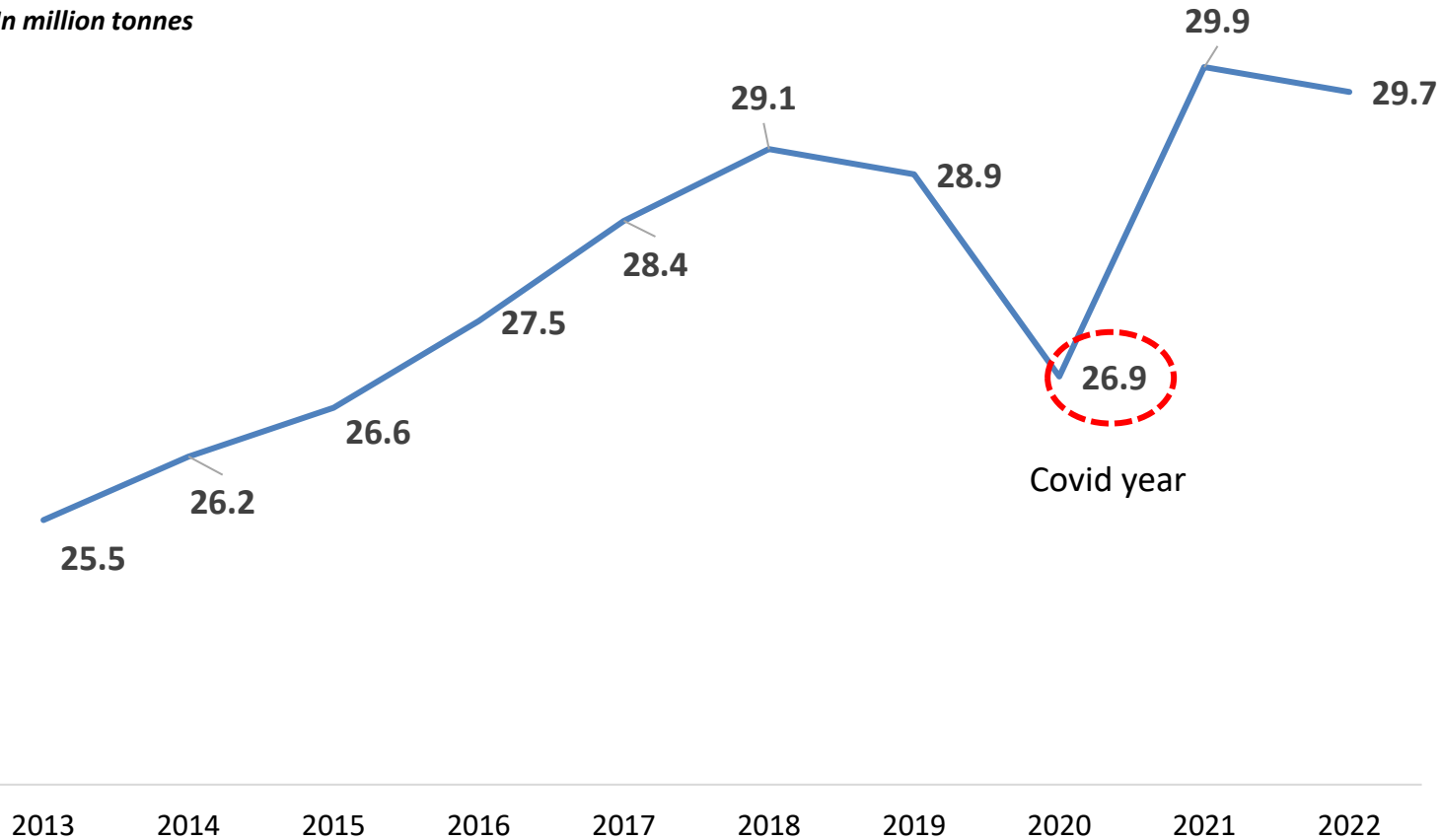


NOCIL has been awarded by ICC for  
Indian Chemical Council (ICC) Best “Industry - Academia Collaboration Award” for the year 2021



## Global Rubber Consumption (Natural + Synthetic)

In million tonnes



- Rubber Chemicals constitute ~3.5% of the Rubber Consumption
- Global Rubber consumption has decline marginally by 0.8% in CY22 on y-o-y basis due to the current global slowdown





## 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



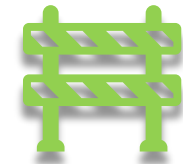
## Product Testing & Validation

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

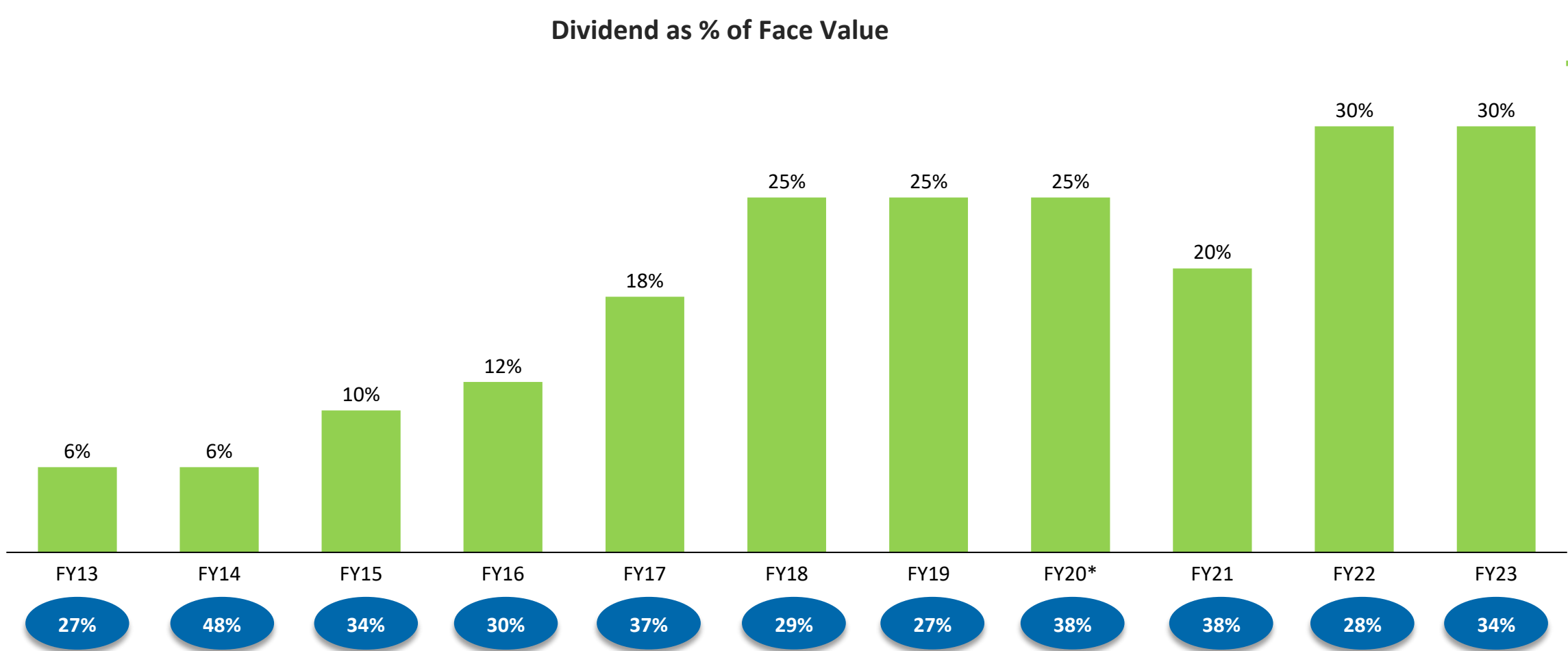


## Entry Barrier

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



## Dividend as % of Face Value



# Thank You

## For further information, please contact:

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