

19 September 2017

**CMP:** Rs. 1231.8

**Industry:** Chemicals

**BSE group:** S&P BSE SmallCap

### Promoters

Duncan JP Goenka Group

### Key Data

BSE	506579
ISIN	INE321D01016
Face Value (Rs.)	10.0
Mkt Cap (Rs. mn)	12,682.7
Current P/E	23.7
Current P/BV	3.6
52 week high-low	1442.8-674.65
30 days avg. daily trading volume (shares)	157
Equity capital (Rs mn)	103.0
Net worth (Rs mn)	3,502.5

### Company business

Oriental Carbon & Chemicals (OCCL) was incorporated in 1978 as Dharuhera Chemicals Limited (DCL) and in 1983 was merged with Oriental Carbon Limited (OCL), a group company engaged in the production of Carbon Black, to form OCCL. In 1994, OCCL set-up a manufacturing facility for the production of Insoluble Sulphur, which is now the flagship product of the company. The company has undertaken capacity expansion over the past few years in order to satisfy the increasing customer requirements. The company is currently engaged in the production of Insoluble Sulphur, Sulphuric Acid and Oleum.

### Financials

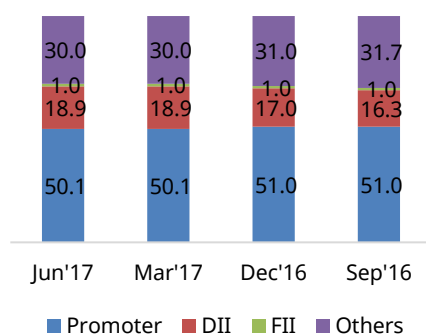
Particulars (Rs. mn)	Jun'17	Jun'16	% Change <sup>1</sup>	Mar'17	% Change <sup>2</sup>
Total income	812.3	787.8	3.1%	856.0	-5.1%
Total expenditure	546.4	554.6	-1.5%	596.0	-8.3%
EBITDA	265.9	233.2	14.0%	260.0	2.2%
EBITDA margin (%)	32.7%	29.6%		30.4%	
PBT	205.1	185.3	10.7%	195.4	5.0%
PAT (after extraordinary items)	145.6	145.3	0.2%	93.0	56.5%
PAT margin (%)	17.9%	18.4%		10.9%	
EPS (Rs.)	14.1	14.1	0.2%	9.0	56.5%

<sup>1</sup> compared to corresponding quarter in the previous year

Source: ACE Equity, Company

<sup>2</sup> sequential comparisons

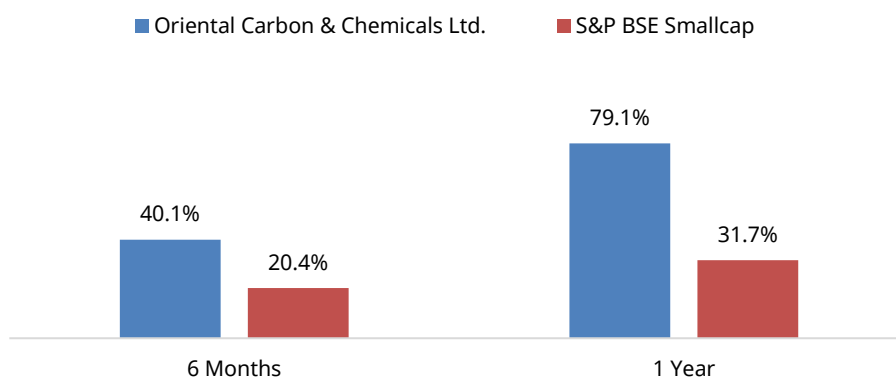
### Shareholding Pattern (%)



### Financial Performance

The company's revenues were up ~3% this quarter at Rs. 812.3 mn. The company's EBITDA margin was up from 29.6% in the June quarter last year to 32.7% this year, while the PAT margin went down from 18.4% to 17.9%.

### Share Price Performance



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## Financials

<b>P&amp;L (Rs. mn)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Total income	3,602.9	3,167.6	3,385.0
EBITDA	818.1	835.9	913.0
EBITDA margin (%)	22.7%	26.4%	27.0%
Depreciation	163.8	169.7	169.5
EBIT	654.3	666.2	743.5
Interest	103.5	79.3	66.6
PBT (before exceptional items)	550.8	586.9	676.9
Exceptional items	-	-	-
PAT	452.7	460.6	475.4
PAT margin (%)	12.6%	14.5%	14.0%
Earnings Per share (Rs.)	46.9	48.1	49.0
<b>Cash Flow (Rs.mn)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
PBT (after exceptional items)	550.8	586.9	676.9
CF from operations	703.4	695.9	755.9
CF from investing	-312.4	-402.8	-823.0
CF from financing	-337.6	-378.4	47.1
Inc/(dec) in cash	53.4	-85.3	-20.1
<b>Closing Balance</b>	<b>125.8</b>	<b>40.5</b>	<b>20.4</b>

<b>Balance Sheet (Rs. mn)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Equity Share Capital	103.0	103.0	103.0
Preference Share Capital	-	-	-
Share Warrants	-	-	-
Reserves & Surplus	2,339.1	2,729.0	3,196.7
<b>Shareholders' Funds</b>	<b>2,442.1</b>	<b>2,831.9</b>	<b>3,299.6</b>
Minority Interest	145.7	111.0	81.6
Borrowings	1,087.4	883.7	1,105.6
Current Liabilities & Provisions	506.7	475.6	538.9
<b>Total liabilities</b>	<b>4,181.8</b>	<b>4,302.3</b>	<b>5,025.8</b>
Net fixed assets	2,147.2	2,067.4	3,269.4
Capital WIP	43.9	395.7	26.9
Investments	698.9	641.8	541.4
Inventories	530.3	508.1	407.5
Sundry Debtors	675.8	609.1	801.3
Cash & Bank	182.5	109.7	136.4
Other Current Assets	54.1	70.1	77.9
Loans and Advances	60.2	111.7	55.6
Miscellaneous Expenses not w/off	-	-	-
Deferred Tax Assets/(Liabilities)	-211.2	-211.4	-290.5
<b>Total assets</b>	<b>4,181.8</b>	<b>4,302.3</b>	<b>5,025.8</b>

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